Changing the System or the Relationship?

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WHY DO VENUES CHANGE SYSTEM?

Price?  Financials?
Product?  People?
Jealousy?
DO VENDORS WANT VENUES TO CHANGE?

WHICH IS BETTER:
RETAINING CURRENT CUSTOMERS OR ACQUIRING NEW CUSTOMERS?

68% of customers LEAVE
because they perceive that you are indifferent to them.

2% = 10%
A 2% increase in customer retention has the same effect as decreasing costs by 10%.

5% Reduction in customer defection rate
25-125% Increase in profitability
Depending on the industry, reducing your customer defection rate by 5% can increase your profitability by 25 to 125%.

5 TIMES the cost
Acquiring new customers can cost as much as five times more than satisfying and retaining current customers.
WHO LOSES OUT FROM BAD RELATIONS?

Venue
- Staff
- Customers
- Promoters

Vendor
- No Referral / Reference
- Increased Support Strain
- Lost a sale / Lost Revenue
THE 3 KEY PHASES OF THE RELATIONSHIP
1. THE DEAL IS DONE
2. SUCH A GREAT TEAM TOGETHER
5. YOU SCREWED MY SUBSCRIPTION SEASON!
WHAT IS THE RELATIONSHIP?
COMMON GOALS AND GROUNDS

Venue

Vendor
Vendor to supply a ticket system or service to venue
Venue to pay vendor for that service

Venue’s Needs
- Reliability
- Availability
- Usability

Vendor’s Needs
- Referral
- Reference
- Reporting
A ONE TO ONE RELATIONSHIP?

Venues have

- Staff (in departments)
- Customers & Other Stakeholders
- ..................other suppliers

Vendors have

- Sales
- Development/ QA
- Support / Account Management
- Shareholders / Owners
- ..................other customers
MORE COMPLICATIONS?

Payment Gateways *
Other Hardware Providers *
Funding Bodies *
Web Designers
IT / Comms / Infrastructure Company
E-marketing solution
Alternate Vendors to the above *

- AND THE TICKETING SYSTEM ITSELF
THE VISUAL RELATIONSHIP
multi objective
multi organisation
doomed to fail

THE RELATIONSHIP IS
WHY RELATIONSHIPS ARE DOOMED?

They’re Incredibly Complex
Unfair expectations from the Start
Changing landscapes / Different faces
A Little Disclaimer First: the following quote is taken from a vendor’s website, if you recognise the quote, recognise too that this quote is being used to talk about the emotion we experience in selecting new systems, hopes, dreams, goals and ambitions, NOT the company whose site it came from, the system itself, its staff, motives, functionality on anything else. It’s just used to set the scene in this discussion.
“As a fairly ‘young’ box office we were looking for a complete solution that not only met our current needs, but would grow and evolve with us. We felt that with ********** we were not just a customer, but we also were getting a partner that was committed to improvement and innovation just as much as we are.”
“As a fairly ‘young’ box office we were happy to get anything else apart from our last system, as it was crap, we wet ourselves that with ******** we were getting view from seat, after all that will make us millions, the sales guy said we were ‘special’ and would be a lighthouse client, but he left and to be honest I have seen a job at ***** that I might go for, so not sure who will be looking after all this come next month”
WHAT DOES THAT SHOW?

Emotional Language
Ignorance of Reality – blinded by ‘love’?
Subjective behaviour
Lack of Oversight
No Continuity
‘Sold’
Their first time selecting a system?
VENUES DON‘T HELP THEMSELVES
WOULD WE END OUR PERSONAL RELATIONSHIPS?

• Your partner failed to return a call
• He never took you to Ballet
• Your friend recommended his friend?
• Your new colleague told you how amazing her last partner was?
• You saw someone on the metro?
THE NIGHTMARE CUSTOMER?

Phone cloggers
Single knowledge holders
I was told it is your issue
SH..........I.T.
CAN WE SIMPLIFY THE RELATIONSHIP?
Managed Service Level Vendor Responsibilities

- IT / Comms
- Payment Gateway
- Web Dev
- EPOS
- Pricing Tools and Rules

Dev / QA
Sales
Support

Other Customers
Business Champion
Other Venues

Marketing
Box Office
Finance
Understand the relationship
People
Jealousy

HOW DO WE KEEP IT HEALTHY?
ARE WE REALLY AIMING FOR THIS?
OR THIS?
Commercial

Consumers

Customers

Care
PSYCHOLOGIST’S PERSPECTIVE
RON EVANS GROUP OF MINDS (USA)
6 Steps to better vendor and staff relationships

Ron Evans | @groupofminds
#1: Be Willing to Compromise

The “way” of doing things may be different, but focus on getting it done rather than getting it done “your way.”
Your current system does some things amazingly well. Find out what they are and get use them to full benefit.
Your vendor offers training. Conferences. Forums with other users. Use them. The cost is minuscule compared with a new system.
#5: Everyone Gets A Say

All people who use the system should feel included in the decisions.
#6: Base Decisions On Data

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Create experiments to test your theories. Be skeptical and ask for proof. Embrace trial and error and base decisions on measurable results.
PUBLIC VENUE PERSPECTIVE

CHRISTINA ØSTERBY - ROYAL DANISH THEATRE (DK)
THE ROYAL DANISH THEATRE
(FIGURES FROM 2013)

3 houses, 7 stages – and a scenic workshop

4 art forms

992 employees

98 different titles

819 performances – 534 other activities

92 tour performances

723,000 theatregoers

Theatre occupancy (average based on all art forms) 82%
Something is wrong

-let's buy a new system!!!
• Weak relationship

• Lack of understanding of our business

• Lack of understanding of how we can use the vendor
CURRENT PROCESS

- Customers first
- Change from ticketing system to customer experience
- Organisational change
- Manage good relationship with the vendor
- Keep good relationship with existing vendor
CUSTOMER EXPERIENCE – EASY ADMINISTRATION

MINDSET:

In 2015 the Royal Danish Theatre will meet its customers with consistency at all touch points.

We will launch an ambitious, united and visionary sales- and communication platform that will bring back business value and place The Royal Danish Theatre at an international level.
What the Customer Can’t See Affects the Journey

Customer touch points

Backstage affect the experience

Digital solutions move the line of visibility

http://outsidein.forrester.com/resources.html
Less Administration

Channel prices in Denmark

- Personal: 67
- Mail: 67
- E-mail: 64
- Phone: 50
- Selfservice level 0: 52
- Selfservice level 1: 21
- Selfservice level 2: 21
- Selfservice level 3: 9

Kilde: http://www.kl.dk/ImageVaultFiles/id_58212/cf_202/Reviderede_kanalpriser.PDF
THE BUSINESS PROGRAM AS A SERVICE

- Create and communicate a vision
- Delegate leadership
- Ensure coordination and progress
- Show commitment and authority
- Balance priorities
- Focus on benefits
- Make it easier to counter risks up front
CONTRACT AND RELATIONSHIP

- Clear rules for what to do when everything is good
- Clear rules for what to do when everything is bad
- Build relationship and remember to have fun
**LEARNINGS...**

**VENUE:**

Define your business rules and decide what is important to you. Be prepared to prioritise.

Make a clear contract and continue to use it.

Take responsibility for your business and for the good relationship.

**VENDEOR:**

Be transparent.

Take responsibility.

Say no, and let the venue know if you can’t keep deadlines.
COMMERCIAL VENUE

PERSPECTIVE

JAMIE SNELGROVE, NIMAX THEATRES (UK)
What are the differences between commercial and subsidised organisations:

- Motives
- Expectations
- Investment available
- Support available
- Who is ultimate decision maker?
How they are allowed to choose system:

- Requirements of funding bodies
- Legal issues
- Stakeholder input
- Shareholders
- Availability of investment (different to investment available!)
• Product and functionality
• Comprehension of market the venue operates in
• Reputation
• Relationships
• Who is ultimate decision maker?
Complications .....
PANEL DISCUSSION AND QUESTIONS
Thank You!

Questions?