

Three-tier ticket pricing system: a case study

On 1 May 2019, Arts at the Old Fire Station changed the way we charge for tickets.

Previously, we had used the regular two-price system: full price, and concessions (for under-18s, over-60s, students, benefit claimants, disabled audience members etc). But earlier that year, we had started thinking about *why* we offered those ticket options.

The obvious answer was easy: it was the done thing. It was what theatres had been doing for years. We had never before stopped to think about the groups we offered those concession tickets to, and it made us question everything. Offering a cheaper ticket by default means that people will select it if they match the criteria, whether they actually *need* it or not.

Is it fair to say that someone in education, or person aged 60+ is necessarily poorer than someone who isn't? How could we make life easier for people who needed a cheaper ticket, but didn't happen to meet any of the concession criteria? How could we find a way to ask people to pay what they *could* pay, rather than selecting a "student" or "over-60s" concession without thinking?

Our answer to this was the three-tier ticket system. Three ticket prices: standard, pay more, and pay less.

On our website, we phrase it like this:

We ask our audiences to select the ticket price they pay based not on their age or education, but on what they can afford to spend.

– **Standard:** *This is the regular ticket price.*

– **Pay more:** *For those who can afford to help us offer cheaper tickets to people who need them.*

– **Pay less:** *For those who can't afford the standard price*

We were nervous. There was a very real risk that people, freed from the restrictions of concessions, would simply select the "pay less" ticket every time. We were putting a lot of trust in our audiences. The artists visiting us were, in turn, putting a lot of trust in us.

What are the results?

We are delighted to report that the audience response has been better than we could have hoped. Far from taking advantage, bookers are opting for the ticket price they best feel able to pay.

Here are the numbers, 1 May - 30 April in 2018-19 and 2019-20:

Ticket type	2018-19 (old system)	2019-20 (new system)
Standard / Standard + Pay More	56%	82%
Concessions / Pay Less	44%	18%

These figures do not include "flat fee" tickets, for which only one price is charged.

AOFS closed temporarily on 17 March 2020 due to the Coronavirus pandemic. All tickets used in this case study from 17 March - 1 May 2020 are therefore pre-sales.

As you can see, the difference is huge. Where 44% of the tickets we used to sell were concessions, over 12 months of the new system just 18% tickets sold were in the Pay Less price-band.

The public reaction

The public have been supportive of the new system. The ticket office has received several positive comments about it, and while some audience members initially find it difficult to understand until it is explained, once they have grasped it, they are supportive.

Amateur theatre companies, whose audiences often buy higher-than-average amounts of concession tickets, are particularly pleased with the higher average spend which has resulted from the new system.

Impact on donations

Due to the Coronavirus-related temporary closure, I have not used the full time period for these figures. We closed on 17 March 2020, so the donations are measured for both time periods, 1 May – 17 March:

	2018-19 (old system)	2019-20 (new system)
Number of tickets with donations	4004	3537
Donations value	£5848.40	£5263.50

To make full sense of these numbers, however, we must look at them as percentages.

In this period 18/19 we sold 14,418 tickets. **27.77%** of tickets had a donation attached.

In this period 19/20 we sold 13,121 tickets. **26.96%** of tickets had a donation attached.

The difference in ticket numbers is large, mostly accounted for by 2018's blockbuster *Snowflake*, but the percentage of donations to ticket sales remains virtually identical.

The average donation also remained constant - £1.46 in 18/19, £1.49 in 19/20.

What are the flaws?

As far as we can see, the switch to the new ticket pricing system has just one drawback: demographics reporting.

The different concessions used to be our most accurate way to know the number of students and disabled people in our audiences. We still have a "wheelchair user" ticket option, but this is for people who require a wheelchair space in the auditorium and doesn't catch the people who would previously have booked a disabled ticket. We now must rely on post-show surveys to find out our audience demographics.

However, it is a sacrifice which seems minor in comparison to the gain.

Any questions?

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