



The Case for Shared Values

October 2020

Welcome to the ABA Summit *Coming Back Stronger* pre-work materials for week 1. We're providing these materials in a few formats to help you learn the necessary information with flexibility to do it on your own time. This web-embedded version will auto-play the videos and provide the notes in easy reading format. Any technical issues or concerns? Email memberservices@advisoryarts.com.

How We Will Help You Build and Implement Shared Values

Week 1 (Now!): How Shared Values Drive Loyalty

Week 2: Shared Values in the Arts

Week 3: Implementing a Shared Values Strategy During Shutdown

These are the pre-work materials for week 1. We'll dive a bit deeper into the concept of shared values in the arts and talk about our audience loyalty data.

Key Question

“How should I engage with audiences right now to shorten recovery time post-reopening?”

As many of you heard in our kickoff session, the key question we address with the research is this.

This Pre-Work Has Four Parts



The Value of Emotional Connection with Not-Yet-Loyals



The Most Potent Emotional Connections

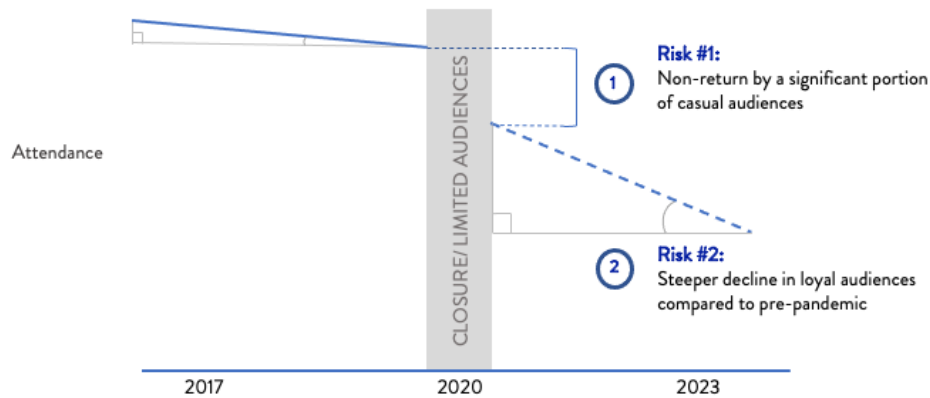


The Role of Shared Values in the Arts

We will go through four sections in this pre-work. The first is looking more deeply into the question of audience defection risk in the pandemic. In the second, we look into the relative value of emotional connection, versus other strategies we can take during the shutdown. In the third, we look closely at what potent emotional connections look like. In the last, we spend more time on the concept of shared values and how the strategy applies in the arts.

The Risks to Audience Return Post-Pandemic Are Real

Post-Pandemic Risks to Audience Loyalty at Arts and Culture Organizations



Source: ABA research.

This page shows attendance on the Y axis and time on the X axis. We've estimated the length of the closure/social distancing period in the middle but of course we can only estimate.

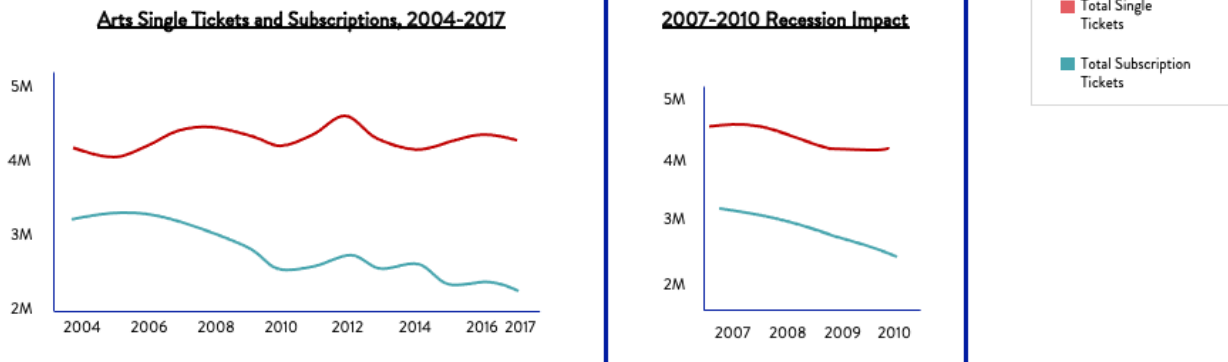
More important are the blue lines. First, you'll see the line slightly sloping down from the left from before 2017. This represents the long-term decline in audiences, particularly subscribers. There are exceptions to this - most notably in theater and particularly musical theater - but the trend is generally pretty consistent. So we were starting with a kind of long, slow decline that meant on average we were chasing single ticket buyers to fill our halls.

Even if that's not the situation you were facing, the risks on the right likely apply. First, we have the risk of a lot of people developing new habits and not returning at all. We assume these are from our more casual audiences or occasional attenders - people more easily pulled away with changing financial circumstances or new forms of entertainment. The question is not whether there will be a drop, but how large it will be.

The second risk is related to more loyal audiences. How much have we been able to help them maintain their passion during the shutdown? Will the decline in subscriptions start a steeper downward slide? The last downturn in 2009 in particular was not kind to subscriptions.

These two risks are why we are talking about return of audiences -now-.

Prior Downturns Accelerated Existing Decline of Arts Attendance



A 2016-2018 study measuring memberships and subscriptions across genres saw decreases at almost all types of organizations, with the greatest being an **11.4% drop in symphony orchestra subscriptions.**

Source: [SMU DataArts](#)

This data from SMU DataArts shows the overall decline in subscriptions – the teal line on the bottom – and how the 2008-2009 recession impacted subscriptions and single tickets. This gives us enough reason for concern.

We Can Expect This One To Be Worse

While the 2009 financial crisis was a difficult hurdle for arts & culture, there was not the same type of full disruption as there is now. Past and predicted full disruptions in other industries show a long road to recovery.

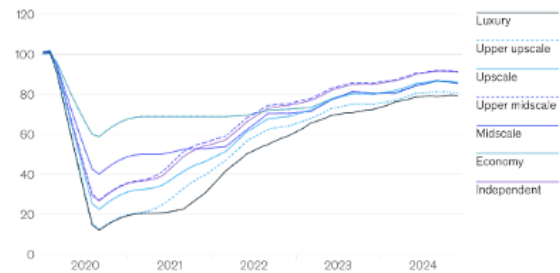
The US Airline Industry Took 3 Years to Reach Pre-9/11 Passenger Numbers



Source: [US Department of Transportation](#)

The Hotel Industry Is Predicted to Have a Similarly Lengthy Recovery

Scenario A1 US hotel revenue per available room, by chain scale, index, Jan 2019 = 100

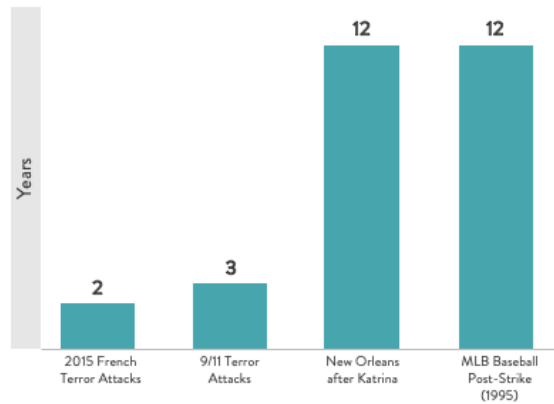


Source: [McKinsey](#)

However, we can expect this one to be worse. When there is a full disruption – people break habits, the impact is larger than just slowing of consumption. Here we see what happened to the airline industry after 9/11. And McKinsey's estimates of the impact on the hotel industry (on the right) shows a similarly dire situation – especially for those considered on the highest end, or luxury goods.

Disruptions Have a History of Changing Behaviors

Time To Visitor Recovery Post Incident



What Determines Likelihood of Returning to Old Habits After Disruption?

- How frequent and rigid is the new behavior compared to the old behavior?
- How strong and disciplined was the original habit?
- How much does the habit depend on context? (social context, technology changes)

For most, arts consumption habits were not strong pre-pandemic and there are now many culture and entertainment replacements

Sources: [EDN Hub](#), [US Dept of Transportation](#), [Baseball Reference](#), [New Orleans CVR](#)

Sources: <https://wwwonline.com/perspective/consumer-psychology-and-coronavirus-turning-new-habits-into-opportunities/>
<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7269931/>

At the highest level, one big difference between the economic downturn of 2009 and this pandemic is that, in the past, we rarely needed to completely shut down. I know our friends at Houston Grand Opera on the line have hard-earned experience with recovering from a shut down - -but one of their biggest priorities at the time was finding a way to continue performances, and they even rented space in the convention center to make sure the show could go on. Now we're going anywhere from 9 months to 18 months without large scale audiences. What might that do?

Here we show a few examples of how habit disruptions impacted visitor recovery in other industries. You can see a wide range - from 2 years for the French terror attacks of 2015 to 12 for major league baseball strikes and New Orleans after the Katrina Hurricane and flooding - but either way we are measuring it in years.

We have a few questions that psychologists ask when looking at habit forming, and habit disruption, on the right.

If a habit was strong and triggered by a particular context - like your morning coffee before you sit at your desk - then you are likely to return to it even after disruptions. On the other hand, if a new behavior is more frequent or rigid, then it is more likely to replace the old one. So we can imagine those who used to go to the theater a few times a month, now have outdoor dinners with a small group of friends and that turns into a stronger ritual or habit.

With the explosion of digital entertainment, we know there are many substitutes for the casual consumer of the arts.

The Risk Is Not the Same for All Audiences



Here we show a representation of our audience levels of loyalty - the closer to the center, the more attached the individual is to your organization. On the outside we have occasional ticket buyers and lapsed subscribers, in the middle our super-loyals and big donors.

The people in the center love us and we love them. If you look at the digital work that most arts and culture organizations are doing today, it’s reasonable to ask who within our audience base it’s for. Evidence suggests that there are a subset of people who love it. They are regular consumers, and they rate it highly.

But the outer rings - they are less likely to consumer our digital offer and more susceptible to distraction.

As an analogy, you can think about where money is spent in politics — not that it’s on my mind right now or anything.

Not that much is spent in places where the outcome is pretty well known. It’s spent in places where the election is close and on people who are on the fence.

We would suggest that super-loyals are like die-hard political partisans. The people who most love our digital are the ones most likely to come back to our venues on their own when the world opens. Our digital work is absolutely serving an important role keeping them engaged, reminding of the emotional connection that the feel to us.

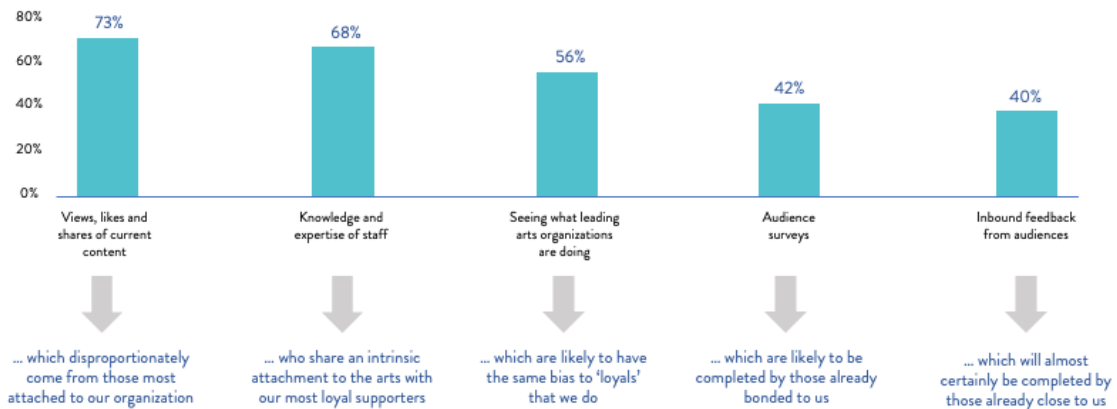
There is a dependable core of people who are going to return with high intensity—high loyalty—after the pandemic. Our audience data suggest that this numbers is something like 35 or 40%. They are inclined to

come back, and they are inclined to consume our digital content.

But it's the next ring out of audiences, the people who aren't subscribing or consistently donating that are most at risk of changing habits based on the pandemic. It would be absolutely devastating if a good chunk of those people never came back after the pandemic or decided to attend less and less frequently over time.

It's Very Possible You Are in An Echo Chamber

Top Five Ways Arts Organizations Are Determining What Digital Content to Produce

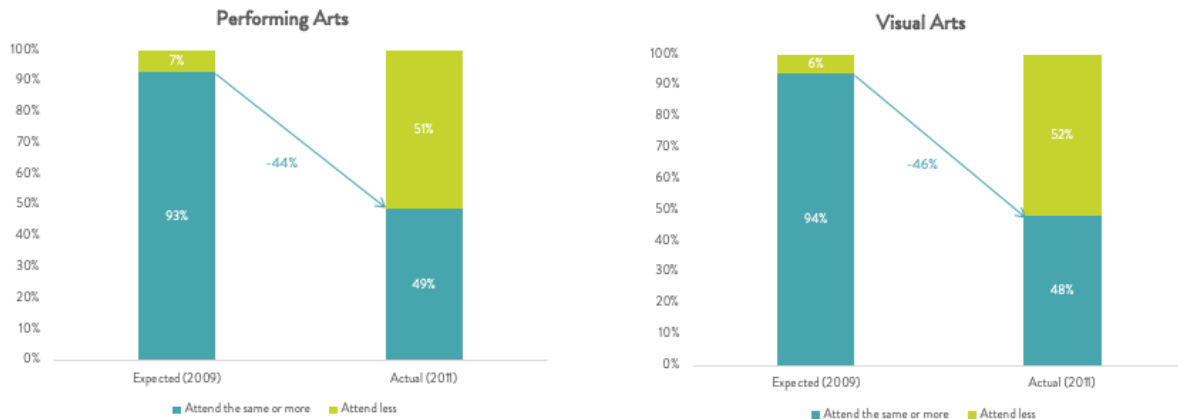


In one of our Spotlight surveys, we asked arts organizations how they are determining what digital content to produce. And the results show us that we may be in a bit of an echo chamber.

Most of the signals about what to create come from our most loyal audiences or our own intuition – and most of us are similar in character to the ‘loyals’ we serve.

We Can't Count on Audiences To Predict Their Own Behavior

When performing and visual arts audiences were asked in 2009 about the likelihood of the economy affecting their ability to return after the financial crisis, their expectations were far more optimistic than the reality two years later.



Source: [CultureTrack 2011](#)

Sadly, we can't trust our audiences to know their own future behavior.

This data comes from the Culture Track surveys done by LaPlaca Cohen, here in the US. They've been running the same survey every few years - and in 2009 they asked audiences about whether the economy would affect their ability to return after the financial crisis.

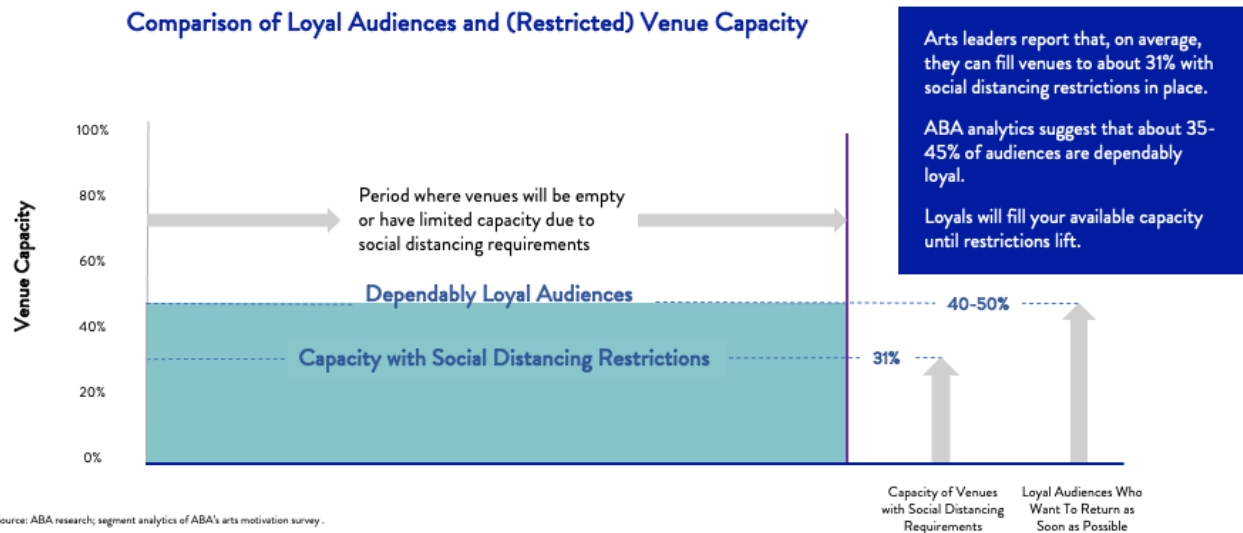
You see those percentages on the left side of the charts - the left hand one is for performing arts and the right hand one is for visual arts but they are remarkably consistent.

LaPlaca Cohen then went back and looked at actual levels of return in 2011 and the results were striking. Even though 90% or more of respondents said they would be able to attend the same or more, in practice less than 50% actually followed through on that intent.

We just can't trust them to come back - even if they have the best of intentions, and particularly if they're not that attached to us to begin with.

If you put all the things we just talked about together — we see that we have a real concern with more casual audiences - what we like to call our not-yet-loyals

“Loyals” Will Fill Your Capacity Until Restrictions Lift



This chart looks again at **time** on the bottom axis, but this time our **capacity** is on the vertical axis. The colors are the same as the ‘bullseye’ page. Dark teal for the loyals. Light blue for the not-yet loyals.

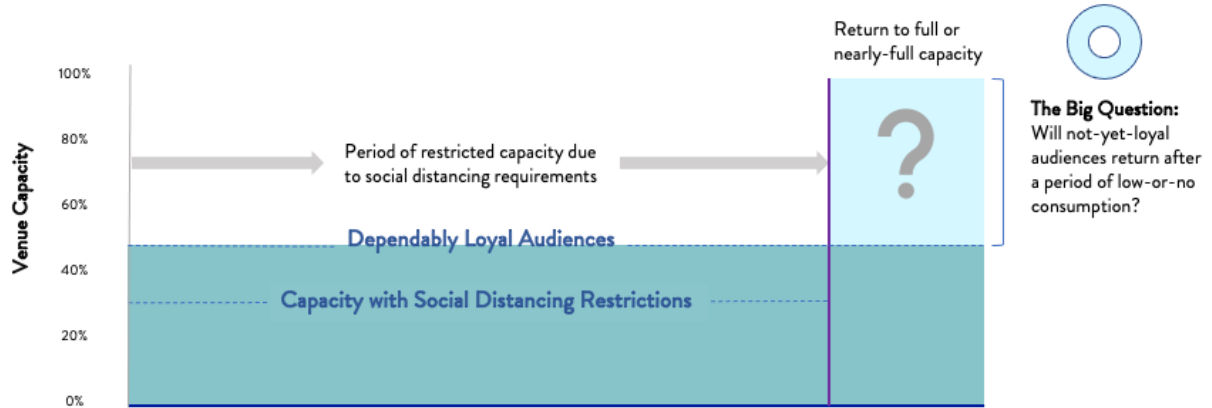
The dotted line running across the graph shows what you told us is your average capacity for socially distanced venues—31%. The teal represents our loyal audiences.

The punchline of this page is that, until we can come back in a non-socially-distanced way, our loyals are going to take up more than all of the in-person capacity we have to offer.

So, how long is that likely to be before we have a vaccine delivered across most of the population? Six more months? Nine? A year? More? In addition to the 7 plus months so far.

We Particularly Need to Secure Casual Audiences

Comparison of Loyal Audiences and (Restricted) Venue Capacity



Source: ABA research; segment analytics of ABA's arts motivation survey.

That answer will determine the point at which the audience curve you see on the page will start to ramp up dramatically.

It is only at that point that we will BEGIN to start engaging our not-yet-loyals meaningfully.

We put a big question mark on that light blue box because that is the big question on our plates. After **another** 6-9 months away from us, might that group find other things to do with its time?

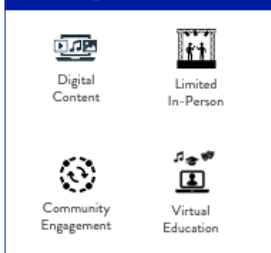
How Do We Increase Our Bond to Not-Yet-Loyals?

Current Loyals

- ✓ Value our “pandemic” offerings
- ✓ Attached to our genre at an emotional level
- ✓ Feel a connection to us as purveyor of the genre



Arts and Culture Offer During the Pandemic



Not-Yet-Loyal Audiences

- ✓ Barely consume “pandemic” offerings
- ✓ Are less emotionally engaged to the genre itself
- ✓ Not especially attached to our organization separate from our programming



In the middle of the page you see the tools we are using right now to engage audiences: digital content, limited in-person... likely outdoor concerts, community engagement and virtual education initiatives.

On the left, we have our loyal audiences. Generally, they feel attached our genre, and they feel attached to us as a steward of the genre.

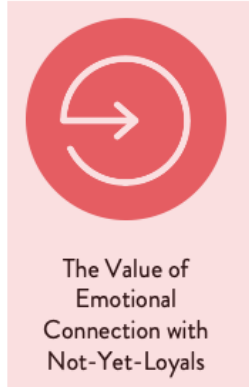
Quick story... Many of you will know that in England, the Arts Council of England is the major funding body for the arts. It requires arts organizations to query arts audiences about their experience using a standard survey. One of the questions for OPERA attendees is - “opera is an important part of who I am.” For repeat bookers, that number is over 30%. A third of their repeat audiences think of opera as a part of their identity. To a great extent, that’s who we’re talking about here on the left, but now, let’s look on the right. These are the ‘not-yet-loyals’. That’s not a bad thing, they’re just not living and breathing for us. And they are not as turned on by our pandemic offerings.

You’re not going to be able to hand-sanitize your way to brining these people back. We need something more to pull these not-yet-loyal audiences to us.

This Pre-Work Has Four Parts



The Nature of
Audience-Defection
Risk in the Pandemic



The Value of
Emotional
Connection with
Not-Yet-Loyals



The Most Potent
Emotional
Connections



The Role of
Shared Values in
the Arts

We Have Plenty of Data to Talk About During Our Sessions



125 interviews with 23 consumer brands, survey of 10,000 consumers from 16 categories and 73 brands in the US and UK.



The New Loyals Data Collection

“Jobs to be done” interviews, market research and in-depth survey with 5,000 responses from broad range of arts attendees.

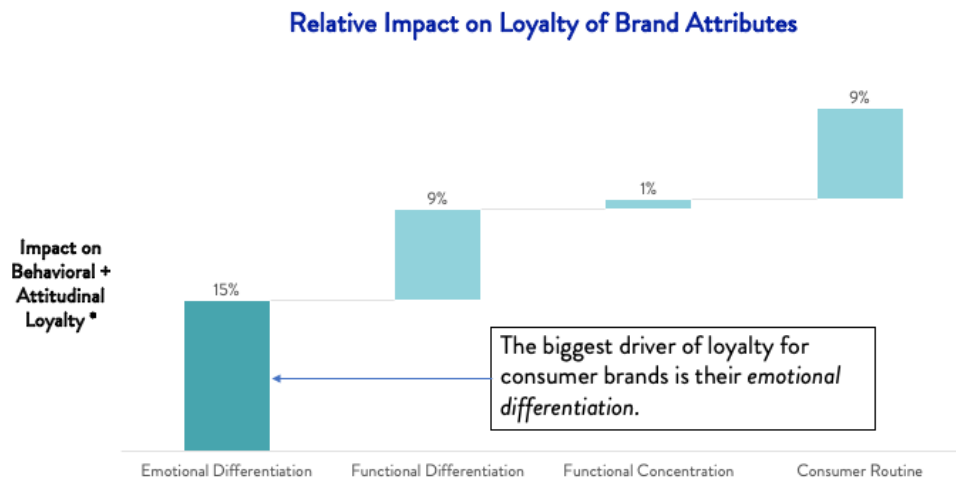
The data source on the left many of you are familiar with. Several of you participated in this survey, and we have already mined it for insights in our summer series on digital.

For those who are new to ABA, this data source comes from over 100,000 people - ABA members generously gave their audience lists to us and 5,000 people filled out our lengthy survey.

We'll only be talking about a small portion of the data here — we'll get into it some more with next week's sessions. But even with that, we won't be done talking about it. Anyone who wants to get into the details of this data with me, I'd be happy to schedule time after the summit to talk in detail about what we've learned now that we've pored through it.

But as we were preparing for the summit and asking the question of what we can do to encourage audiences to return post-shutdown, we realized we had a source of data that would be incredibly helpful for these purposes, from our sister company Corporate Executive Board (now known as Gartner). CEB did a similarly monumental study of loyalty in consumer brands. What we are talking about, fundamentally, is increasing loyalty — and it turns out there are a lot of lessons to be learned from brands.

The Key to Boosting Brand Loyalty is 'Emotional Connection'



* Measured as Impact of Moving from 25th to 75th Percentile Performance on Each Driver. N = ~10,000 consumers. Loyalty defined by behavioral measures (share of requirements, price premium, intent to repurchase) and attitudinal measures (willingness to recommend, word-of-mouth quality, satisfaction and self-identified loyalty). Source: CEB

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At the highest level, the survey tested what drives loyalty. Loyalty was defined by a combination of factors like intent to repurchase, willingness to recommend, price premium willing to pay, satisfaction and self-identified loyalty. And we analyzed the data to see what actually had the power to drive higher loyalty.

The box in the middle of the page says it best - the biggest driver of loyalty for consumer brands is their emotional differentiation. That's in contrast to the smaller bars to the right - their functional differentiation or functional concentration. It's bigger even than being part of someone's routine.

None of this means that functional traits don't matter. You can see they are significant and meaningful here. Nike has to make shoes that fit and perform well. But emotional connection offers more horsepower to drive loyalty.

I mean, this passes the gut-check test, right? We know that people make purchases based on emotional factors and justify them based on rational considerations.

What is Functional vs. Emotional Differentiation for Brands?

Functional Attributes of iPhone

- X pixel screen
- X GB of space
- App store access to new apps
- iMessage means you can text friends

Emotional Attributes of iPhone

- Cutting edge
- Part of the 'in' crowd
- Easy decision
- Won't make me feel stupid



“The only problem with Microsoft is they just have no taste. They have absolutely no taste... And I don't mean that in a small way, I mean that in a big way, in the sense that they don't think of original ideas, and they don't bring much culture to their products... They are like McDonalds.”

Steve Jobs
From 1996 Documentary, *Triumph of the Nerds*

Let's talk about what we mean by functional and emotional differentiation. An iPhone's functional differentiation might be that it has a great camera, or better apps, or iMessage that lets you chat with people who don't have phones.

Functional concentration is the ability to focus your resources on perfecting one or two functional attributes that are especially important—and differentiating—for a particular segment of customers you care about. Compared to other phones, iPhones are really good at ease of use, for example. They just kind of naturally connect with other things you want them to connect with. My parents can figure it out.

So what's the emotional part for iPhones. Well, the biggest one is that it feels cool. When Steve Jobs was battling it out with Bill Gates over dominate operating systems in the mid-90s, and he said, “The problem with Microsoft is they have no TASTE.” That was a gig deal to him. iPhones have style, and that's a big part of their emotional appeal.

Consumer brands have quantitatively proved the importance of emotional connection, and they have spent years cranking it up. They spend a lot more time creating emotional connection with their customers than arts and culture organizations do. After all, when is the last time that you learned something about the features of a shoe from a Nike ad?

What is Functional vs. Emotional Differentiation in the Arts?

Functional Attributes of the Arts

- Composer/Piece
- Performers
- Space
- Ease of access

Emotional Attributes of the Arts

- Attending allows me to support the community
- I created a shared memory with my family
- I learned something about the world through the arts

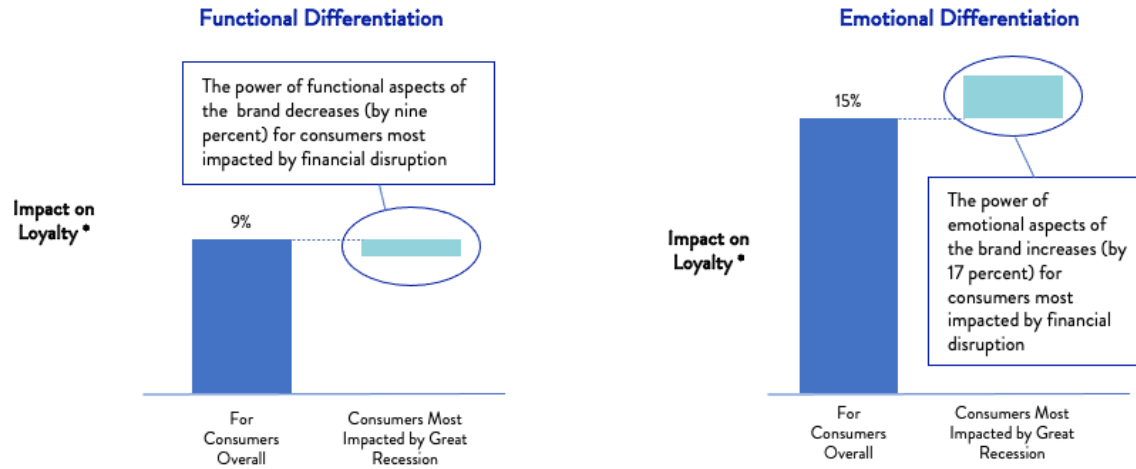
So what is a 'functional' or 'emotional' attribute of the arts?

Here the features of the hall and content are what we would call functional. The performers, the piece, the ease of access. Even the technical details of the accomplishment.

Don't get me wrong, excellent performance gives you emotion. But the product is a performance, and so when you talk about the performance features, those are functional.

On the other hand, emotional attributes are at a level above the performance, they are about the memories or emotional impact of the performance itself. Perhaps you learned something, or felt good because you supported the community, or created a memory that you'll reflect on with your family. All of these are the emotional attributes of the arts.

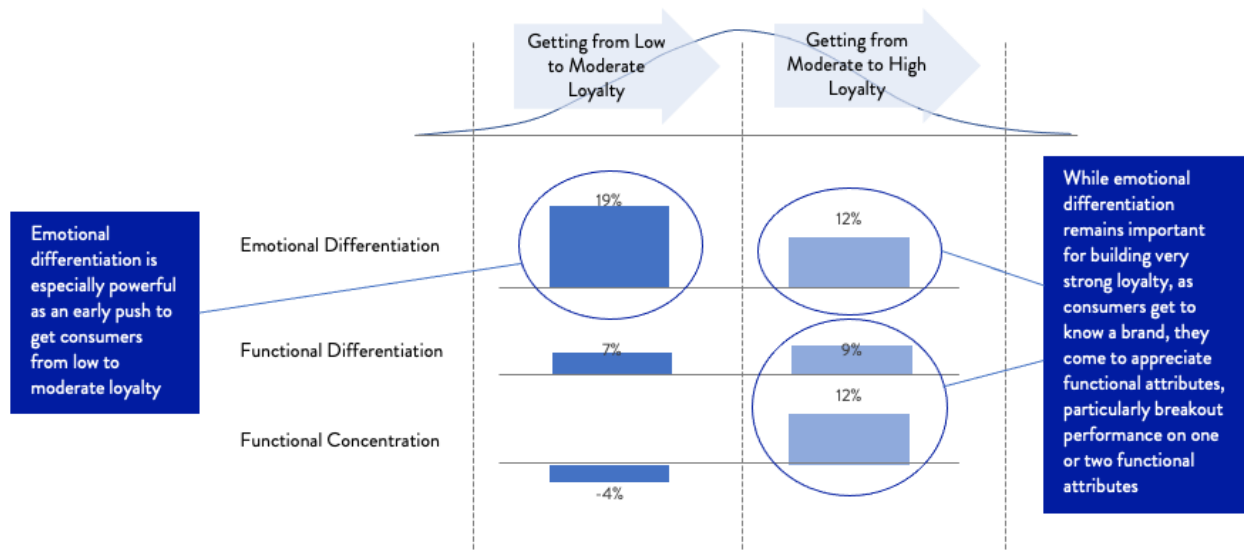
Emotional Connection Matters Even More During Economic Disruption



* Measured as Impact of Moving from 25th to 75th Percentile Performance on Each Driver. N = ~10,000 consumers

CEB research on loyalty happened to be conducted at the time of the last global economic downturn. And they found that during economic downturns, consumers are even more influenced by emotional connection and less influenced by functional differences. In other words, emotional connection matters even more during economic disruption.

Emotional Connection Matters to Build Initial Loyalty



Here on the page you see the impact of those three categories we talked about earlier - Emotional Differentiation, Functional Differentiation and Functional Concentration - but we're looking at those who are relatively new to the brand - the Not-Yet-Loyals - on the left, contrasted with those who are more loyal on the right.

The first thing you'll see is circled on the left. Emotional differentiation is especially powerful as an early push to get consumers from low to moderate loyalty. It has almost three times the power of functional differentiation.

This makes sense too - early customers are often less able to discern the differences between brands. They haven't consumed enough to appreciate the differences.

Then on the right you see that, for loyal customers, functional concentration suddenly leaps in importance. As consumers get to know a brand, they appreciate functional attributes and particularly the standout performance on one or two functional attributes that may be too subtle for newer consumers to appreciate—especially when those attributes are chosen in order to appeal to a customer segment they're in.

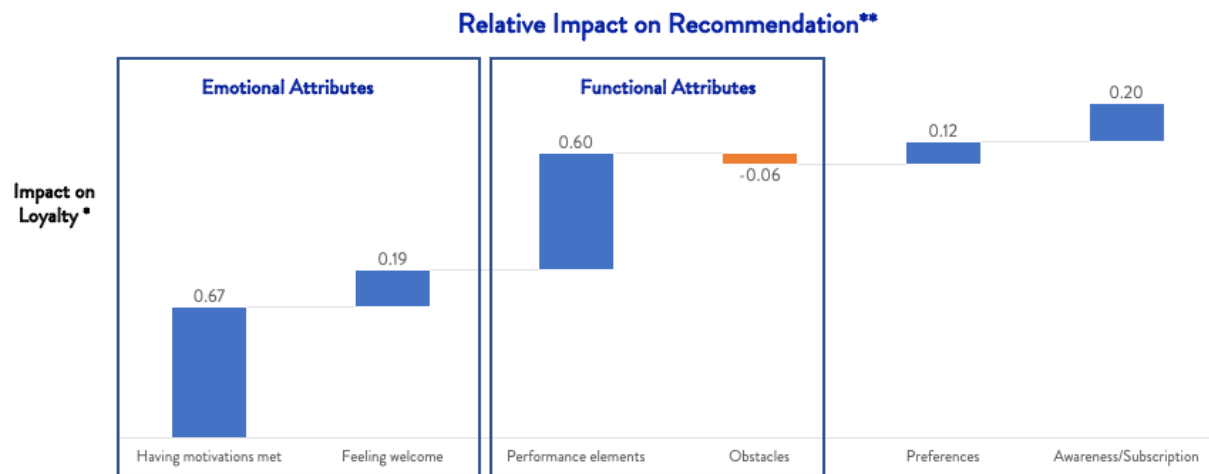
We all know someone like this, right? I have a friend, Sumner, who is a big winter camper—he likes to pitch a tent in the snow when it's five degrees out. A lot of the camping equipment I own sounds like the camping equipment he owns, but the attributes he cares about are on a different plane. I am looking for a camping stove can heat food... or perhaps a nearby Five Guys. He is worried about that shaving off that last half ounce of stove weight.

Anyway, back to the story. We now know the power of emotional connection in driving loyalty, especially for Not-Yet-Loyals.

On the one hand, that's good news for us in the arts, something we are really equipped to do. I mean, we are arts organizations. We are maybe the most skilled emotional story-tellers in all society.

On the other hand, we're at a really tough moment for connecting emotionally with our audiences. Our primary way to create emotional connection has always been the in-person experience, and no-one believes that our digital work has been able to conjure the same emotional response—with very rare exceptions.

Arts Audiences Reward Emotional Connection with Loyalty



* Measured as impact of moving from 25th to 75th percentile performance on each driver. N = ~5,000

**Performance elements = rating of things like performers, composition, staging, seats, staff service, value for money. Preferences refers to interest in challenging or familiar art, or desire to know behind-the-scenes details. Genre was also relevant to recommendation but similarly high for all and uncontrollable, so we did not include it above.

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Now unfortunately, we don't have the same perfect chart about arts audiences' functional vs emotional needs, because we didn't ask the same questions in the survey. But we have some pretty great indicators about the importance of emotional differentiation from our own results.

We looked into loyalty in a few different ways but the one that gave us the most reliable results about audience experience with the brand was your likelihood to recommend the experience to others. And the findings were really consistent with what we learned about brands.

You can see we made a similar waterfall chart here - talking about the relative impact on loyalty as measured by likelihood to recommend.

The punchline is in the title - arts audiences reward emotional connection with loyalty. But let's explain a few of these elements so you know exactly what we are talking about.

The first bar is the most important thing you can do to improve loyalty through the performance experience. As most of you know, we asked survey-takers to tell us their motivation for attending - they picked from a list of 26 different potential motivations, everything from 'see art performed at the highest level' to 'have an entertaining escape' or 'be a part of something culturally significant.'

And then we asked them, for their top motivation, the extent to which it had been met. And it turns out that is the -most important lever- to influence loyalty.

And you can see why this is fundamentally an emotional thing. The motivations are typically expressed at a

level above the specific performance the person came to see and had a lot of emotion connected to them - things like, 'be a supportive friend' or 'create a shared memory' or 'fulfill a sense of duty to the arts.'

Add to that first emotion the second bar here - feeling welcome. This wasn't as large as the first bar but still significant. And again, really about your emotional connection to the experience.

Let's contrast that with some of the later bars. The next two are functional attributes. The next one is really interesting - this is their objective rating of different performance elements - the functional aspects of the performance. They rated performers, the composition or play, the staging, the service of the staff, the value for money. We've combined them all here.

Admittedly we thought this bar would be a lot higher. And the real reason it isn't became clear when we looked into the distribution of the data. Almost everyone gives the performers and composition a 5 out of 5. I think this is where we were seeing the same thing we saw in the brand loyalty survey - most consumers are not able to distinguish functional quality - other than really big things - until they are already loyal.

This obstacles bar is really interesting. We asked people if they hit obstacles in the performance- things in control of the venue like parking, performer substitutions, high cost, poor amenities or inconvenient travel, or things more about the individual like finding companions or limited time. Turns out even adding all of these up, they really have a limited negative impact on likelihood to recommend. A lot of people said they had problems, but it just didn't seem to have a huge impact on their loyalty. That one's definitely worth unpacking in future sessions.

The Eight Motivational Segments in the Arts



If we know motivations matter in the arts, what are the most common or most important ones?

Here we show the 8 motivational segments we found. We took all 5,000 responses to our survey and looked at how the different motivations cluster together. We also looked attributes of people who had those motivations, including their values, so we could see the emotions behind their motivations. We mathematically put everyone into one of the segments and you can see the rough distribution here.

We will be spending quite a bit more time on these motivations across the Summit – and beyond – but it is interesting to just stop and look at the many reasons why audiences attend, and what we might do to help them achieve those motivations. Most importantly, to what extent are they there **for the art** versus something else they get **through the art**?

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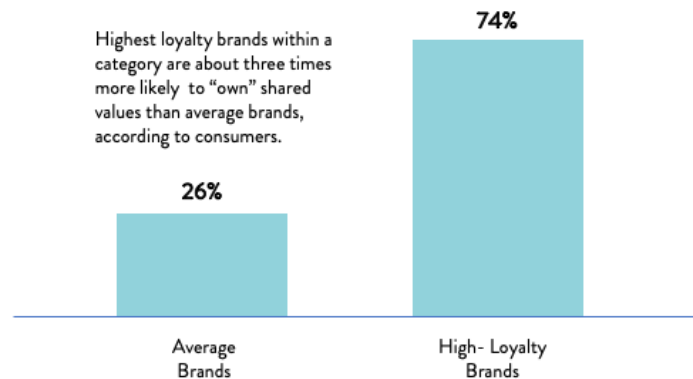


The Role of
Shared Values in
the Arts

Emotional Connection Power Grows with Higher Order Attributes

Perceived “Ownership” of Shared Values

Category Leadership on Higher-Order Emotional Attributes



This is the same data from CEB about loyalty. In addition to understanding that emotional connection is the most important thing to drive loyalty, the survey showed that the highest loyalty brands own something called “shared values” – a higher order emotional attributes than just the emotional features of the product. In other words, while emotions drive loyalty, shared values drive loyalty more than other emotions.

What is a Shared Value?

What It Is

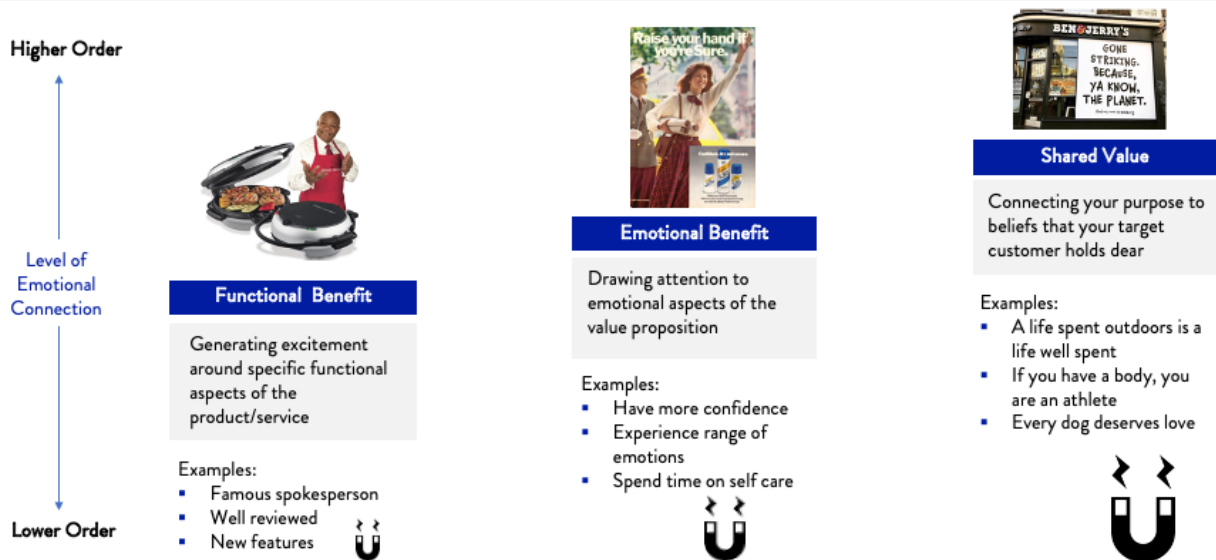
A shared value is a belief that both our organization and our customers have about a higher purpose, passion, or philosophy that has meaning in our lives beyond our specific genre or the arts in general.



What It Does

A shared value enduringly connects the core beliefs of the people inside an organization with the fundamental human values of the people the organization serves.

Shared Values Achieve a More-Intense Bond in Brands



There are levels of emotional connection you can achieve with customers. You can think of it as a pyramid of emotional intensity.

At the bottom of the pyramid is emotional expression of functional traits. Think of every infomercial you've ever seen. They are talking about functional aspects of the products they're pitching, but in an emotional way. Think how frustrating it is when your dry fryer leaves raw spots!! And here we have George Foreman, who sold us all a lot of indoor grills by enthusiastically reciting functional benefits. So that's level one - emotional expression of functional traits.

The next level is focusing on the emotional benefits rather than functional benefits. It's not that your anti-perspirant has effective ingredients. It's that using the right anti-perspirant gives you confidence. That's level 2 - connecting functional benefits to emotional benefits.

And at the top of the pyramid is connection with higher-order values above that are above the level of the brand. We all know of brands that manage to stand for something that's bigger than the category they're in. We've named this concept "shared values" — you may have heard it referred to as a 'brand purpose.' What does the brand stand for, above the level of the product category itself.

A shared value is a belief that both our organization and our customers have about a higher purpose, passion, or philosophy that has meaning in our lives beyond our specific genre or the arts in general.

Ben and Jerry's is about saving the planet, Volvo is about protecting your family. Their products become just one manifestation of that higher-order value that they share with their customers.

If you can connect with customers at that level, you are able to get higher loyalty. For those consumers, the brand feels like part of their identity. That's very powerful.

Key Characteristics of a Shared Value

EMOTIONAL	HIGHER ORDER	RELEVANT	CREDIBLE	DIFFERENTIATED
Based on feeling and emotions, rather than programmatic attributes	Must have meaning in the consumer's broader life, not just in his or her interaction with the category	Must be relevant to the consumer and the category	Reflects something the the brand genuinely embodies or supports	Stems from the qualities that make a brand truly unique

CEB research found these five characteristics of a shared value. We will go into these in much more detail in week 2, but this should give a greater sense of exactly what a shared value is.

It is emotional: in particular, it resolves an emotional tension the consumer is feeling – maybe they can't live their lives the way they want.

It is higher order: it is above the category. Nike's shared value isn't about the performance enhancement of shoes, it's about believing in something even if it means sacrificing everything.

It is relevant: something about the current social or political environment particularly raises the importance here – but at the most basic level, it is something the consumer cares about.

It is credible for you to be talking about it. Authenticity matters a lot here. It should point back to something you've genuinely embodied in the past.

Last, it is differentiated. This means ideally it makes people think about your brand because you are naturally associated with this shared value. It stems from what makes your brand unique.

Dove Real Beauty



You saw this video in the kickoff session – or a slightly shorter version. Here we use it to show what a shared values message should include. You can skip forward if you’ve already seen this video using the button on the bottom left.

Dove: Real Beauty

Dove Shared Value: We Believe that Every Body is Beautiful

EMOTIONAL	HIGHER ORDER	RELEVANT	CREDIBLE	DIFFERENTIATED
<i>Consumers feel unattractive and are their own worst critics. Dove wants consumers to recognize their self-worth.</i>	<i>Consumers believe in the importance of self-care and recognizing broad definitions of beauty</i>	<i>Many consumers feel they can't achieve the beauty standards in the media.</i>	<i>Consumers view Dove as a fixture brand for beauty</i>	<i>Quality ingredients, gentle on skin, price point available to all,</i>
✓ Resolves emotional tension	✓ Rises above the level of the category (soap & lotion)	✓ Relates to a brand-relevant cultural theme	✓ In line with longstanding branding	✓ Stems from the qualities that make Dove unique

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Here we show how Dove's message meets the criteria of a shared value.

The emotional tension it resolves is the fact that consumers feel unattractive and need to recognize their own self-worth.

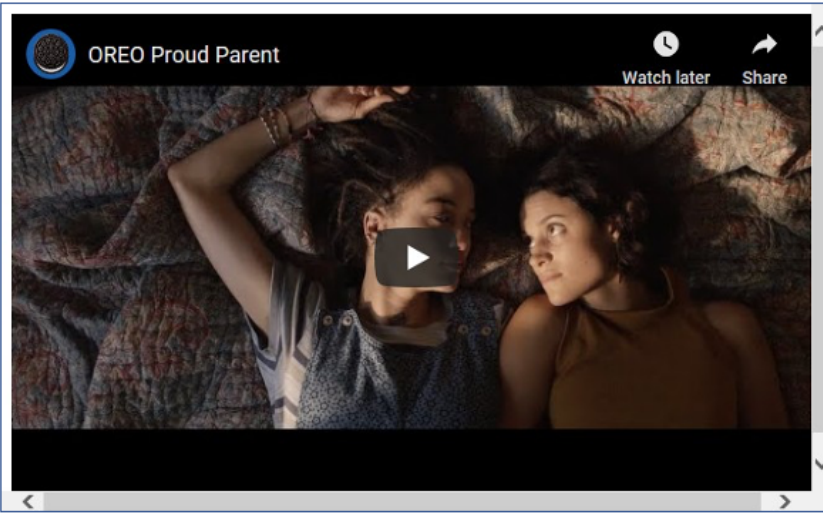
It is higher order – never was there a mention of soap.

It is relevant – media beauty standards are particularly high.

It is credible – because Dove came from a history of natural products and gentle cream to help your skin, people think of them as a brand that helps bring out inner beauty.

IT is differentiated because the message leads back to Dove's unique brand attributes – quality ingredients and at a reasonable price.

Worlds Apart



How does this video compare to the Dove video?

What do the two videos together tell us about what makes a strong shared value?

Oreo recently released this video. They partnered with PFLAG - Parents, Families, and Friends of Lesbians and Gays - to create the video you see here about accepting your children no matter who they love.

How does this video compare to the Dove video? Do the videos together help us understand a shared value?

This Pre-Work Has Four Parts



The Nature of
Audience-Defection
Risk in the Pandemic



The Value of
Emotional
Connection with
Not-Yet-Loyals



The Most Potent
Emotional
Connections



The Role of
Shared Values in
the Arts

Now we shift to thinking about implementing shared values in the arts.

Shared Values is a Fundamentally Different Proposition

Not This...

- Creating an experience where your audiences must do the work to appreciate the value
- Communicating your value only in the context of your programming

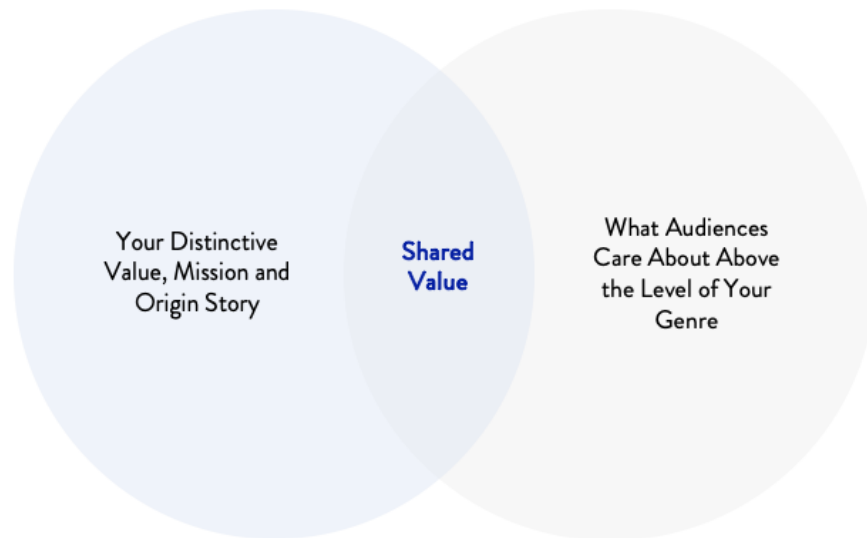
But This...

- Using your art form as a means to express your shared value, not just the end
- Creating experiences to help people live and support the shared value beyond what you put on stage
- Communicating about the higher order benefits your organization brings to the world

Shared values is fundamentally about helping your consumer – or audience – understand the deepest emotional attributes of your organization, what you stand for. Some portion of your audience understands the art as standing for something in itself. But for many audience members, the art is not a fundamentally emotional thing. It's not a value in and of itself. So we need to bring them in and secure them as loyal customers by talking about the values you all share at a higher level.

How To Find Your Shared Value

What is your unique gift to the world, that you happen to show through performances or exhibitions?



What values do your audiences hold, that may be difficult for them to achieve day-to-day?

There are two parts to **shared** values – you, and the audience.

Fundamentally, shared values start with you. You need to examine your unique gift to the world, that you happen to show through performances or exhibitions. This requires a look back at your origin story, your distinctive value. By the way, this is –not- the same as strategic planning. A shared value is a –single- statement about what you stand for, above the level of the arts.

On the other side, you need to have an understanding of your audience too. What values do they hold that may be difficult to achieve? What will speak to them in this moment?

For 33% Of Audiences, Functional = Emotional

Motivational Segments from ABA Audience Research

For 1/3 of your audiences, the functional attributes of the performance are easily translated into what they value because what they care most about is what's on stage. The art form is part of their identity.

33%: Arts Lovers

14%: Arts Passionates

19%: Quality Seekers

Further from the Stage

Closer to the Stage

Our research gives a hint about what audiences might value. If you remember back to our 8 motivational segments, if you squint and look a level higher, you realize that for 1/3 of your audiences, they love you for you. The functional is inherently emotional. They are people who say “[opera] is part of who I am.” They appreciate the finer functional differences in the art. But these aren’t typically the ones where we need to worry about their loyalty.

For the Remaining 66%, Values Further From the Stage



For the remaining 66%, they are looking for something further from the stage. That means it requires translation to really understand how it meets that motivation. And translation to an emotional pull. What might that look like?

Shared Values Achieve a More-Intense Bond in the Arts

Higher Order

Level of Emotional Connection

Lower Order

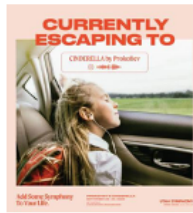


Performance Benefit

Generating excitement around functional/factual aspects of the performance

Examples:

- Famous artist
- Well reviewed
- Popular show



Emotional Benefit

Drawing attention to emotional aspects of the value proposition

Examples:

- Connect with others
- Experience range of emotions
- Spend time on self care



Shared Value

Connecting your purpose to beliefs that your target audience holds dear

Examples:

- Everyone deserves to feel a sense of belonging
- Experience range of emotions
- A healthy community starts with healthy minds and bodies

Here is how we might translate the same emotional pyramid we discussed earlier, to the arts.

At the level of functional benefit you have real excitement about the performance itself.

One level higher than that is to talk about the emotional benefit of the art itself. We have an example here from Utah Symphony and next week will be talking about exactly how they do that.

The highest level is connecting to beliefs. Here we have an example from Ballet Austin. They learned through their Wallace grant about the emotional connections their audiences have – at the social, kinesthetic levels. So they combined those into a single message: “be well” and provide content under that umbrella. They offer videos about health, exercise and mental wellness, all aligned under categories of wellness. Simply aligning your work under a single emotional umbrella will have impact on your audience loyalty.

Shared Values in the Arts: Ballet Austin

Ballet Austin Shared Value: We believe in the encouragement of lifelong health and well-being.

Emotional	Higher Order	Relevant	Credible	Differentiated
The encouragement of lifelong health and is based on a belief of the importance of well being for all.	Health and well-being for all have meaning in audience members lives outside their relationship with Ballet Austin.	Health and well-being are relevant to both the audience member and the ballet.	Ballet Austin's commitment to health and well-being is evident through marketing, comm. engagement, and programs.	Encouragement of health and well-being align with Ballet Austin's mission and are not typically a core focus of other arts organizations.

You can see here how Ballet Austin's "be well" message and accompanying activities meet the definition of shared values.

Ballet Austin's Shared Value in Practice

Ballet Austin Shared Value: We believe in the encouragement of lifelong health and well-being

Community Support

Ballet Austin offers *Healthy Living and Workplace Wellness talks* at no cost in the Austin community.

Healthy Living, Wellness, & Team Building Talks

FREE Workplace/Corporate Wellness

It is Ballet Austin's goal to be a part of the effort to bring wellness to the workplace, the home, and beyond. We offer *Healthy Living and Workplace Wellness* talks at NO COST in the Austin community.

Looking for a speaker for a Lunch & Learn or other workplace wellness event? Look no further! Talks are informative, interactive and motivational, and are available on a variety of topics in the areas of health and wellness, workplace culture, and other inspirational and motivational topics. Presentations are typically 45 to 60 minutes in length.

We come to you at no cost as a part of our "give back" to the Austin community.

Taught by Vicki Parsons, Director of Ballet Austin's Butler Center for Dance & Fitness, who has over three decades of teaching and speaking, and most importantly, real-life experience. She *knows* what she speaks!

Be Well Network

Complementary access to engaging and interactive **multi-media content** that will keep you moving, thinking, and smiling.



Resources to Support Living the Value

A range of free or low-cost resources to support health and well-being, from healthy recipes to programs for active and healthy aging.



And shared values are not just an advertising strategy. Ballet Austin uses the Be Well message to offer community support, digital content to help keep you healthy and free or low-cost resources to support the value.

Separating Your ‘Shared Value’ from Similar Concepts

Shared Value

A belief that both our organization and our customers have about a higher purpose, passion, or philosophy that has meaning in our lives beyond our specific genre or the arts in general.

We believe...

We exist in order to...

Every kid deserves access to safe, communal playspace to advance their physical, social, and emotional development.

Vision

A portrait of a future that could exist if the value you believe in were instantiated in the world and that we intend to work to help create.

Therefore, we want to create a future that looks like _____

The future we will work toward is...

We envision a world where every kid has a safe place to play within walking distance of their home.

Mission

A statement of the path we intend to take to bring that future vision into existence.

We will bring that vision into reality by...

We will end playspace inequity by helping communities to build inspiring playspaces for kids everywhere.

Values

A set of behavioral principles that we expect our staff, our stakeholders and our outside partners to adhere to.

We behave according to ...

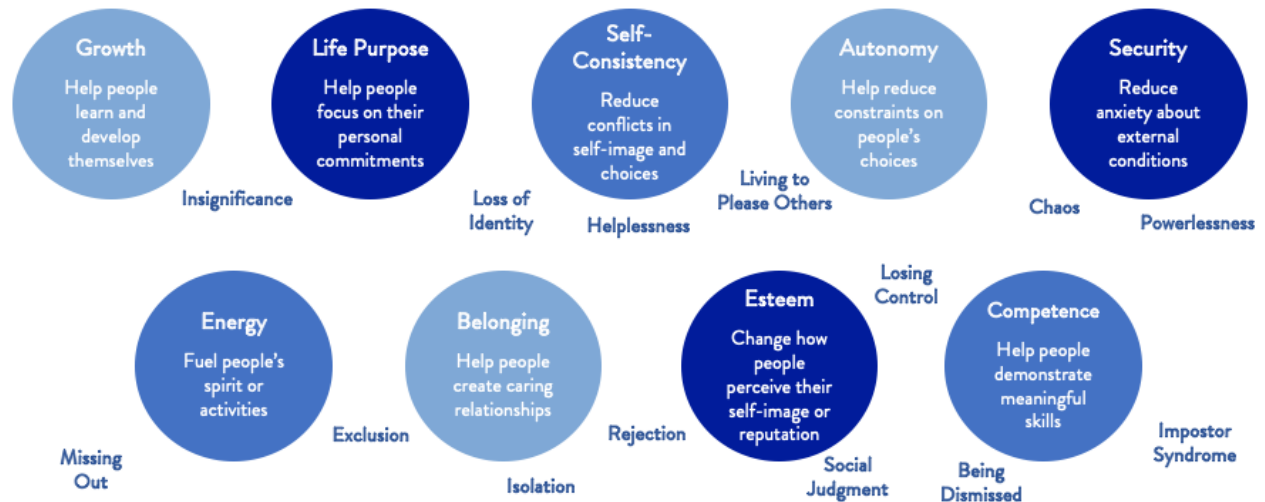
We will seek partners who...

- Equity
- Community
- PLAYce (welcome, safe, fun)



Shared values are not the same thing as your vision, mission and values, although they are related. Here we show through example how they work together. Your shared value is a belief statement about what you stand for. A vision is a direction you want to head in as an organization. The mission is the way you'll bring that vision to reality, and values are the behavioral principles your people will adhere to.

Starting Points for Shared Values and the Anxieties they Counteract



Source: Abraham H. Maslow, *Motivation and Personality*, (New York: Harper & Row); Edward L. Deci and Richard M. Ryan, "The 'What' and 'Why' of Goal Pursuit, *Psychological Inquiry*. Carol D. Ryff and Corey Lee M. Keyes, "The Structure of Psychological Well-Being Revisited."

We researched the many potential emotional levers you could pull for your shared values strategy, and found they fell into 9 categories of identity. They are surrounded by some of the fears or anxieties cause emotional tension that you would resolve with your shared value.

Why Now is the Moment to Embrace Shared Values

What (Many of) You Can't Do

Sell: No large, live performances, little subscription selling

Market Traditionally: No performance marketing, low budgets for branding campaigns or audience development

Stand Out in Digital: Any given content unlikely to garner views commensurate with live performances

What You Can Do

Prioritize: Make informed choices about what to cut or change

Converse: Communicate with audiences, align communications under consistent themes

Engage: Create and curate digital content, build community relationships, explore partnerships



The Core Elements of Shared Values

A shared values strategy is always a powerful tool. But it's particularly important during these times when we don't have the large, live performances to act as our emotional bond with audiences.

There are a few really simple things you can do to take advantage of this insight. Arts organizations are non-profits, after all - we have a purpose, and we do tons of community engagement. We need to take that purpose, raise it up above the level of the performance itself, and align the various communications and marketing activities we are already doing underneath that umbrella. Then tell audiences more about the community work you already do and how it supports that umbrella.

Shared Values is a Strategy, Not a Tactic

Focusing on one shared value gives you benefits...

...doesn't stop you from caring about other things...

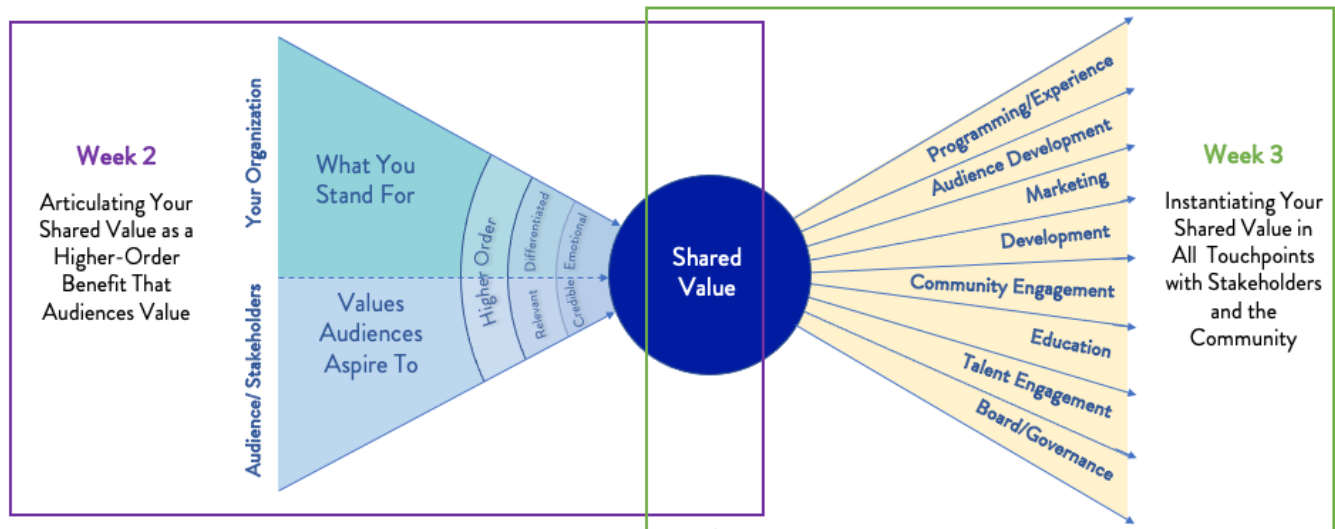
...but must be consistent across your organization

Shared values can be as big as you are willing to commit to. If you just focus on a single shared value in your communications, you will get benefits (and by the way, you can still talk about other things – just try whenever possible to look at things through the lens of your shared value).

However, the real opportunity is to make it bigger and become a purpose-driven organization. That's not about revisiting your strategic plan or mission and values statement — it's about making choices about what you stand for - above the level of the performance but more specific than 'excellence' or 'joy' - and starting a movement to help your audience members and all stakeholders achieve some outcome they want but cannot achieve.

To do this requires consistency across your organization. Nothing kills a shared value like hypocrisy.

Building the Purpose-Driven Arts Organization



This page will be sort of a roadmap for the summit - it will show up a few times.

It looks a little confusing now, but it will become more and more clear as we go through - and it's the visual overview of what we'll accomplish together.

We'll spend this week talking about the concept of shared values and digging into our data a little further. Think of that as the blue circle in the center—what would it mean to have that?

Then in week two, we talk about how to build your shared values statement. That's the blue funnel leading to the shared value. What do you need to know about yourself, and what do you need to know about your audiences in order to find yours? We have a fun case from Utah Symphony as part of that that.

Week 3 we'll work on bringing your shared values to life in everything you're doing right now - in engaging audience, staff and community, and in your partnerships. That's the yellow funnel. It turns out there are some simple things we can do right away to ramp up the emotional current on activities we're already doing.

We're so excited to be partnering with you at a time when it really matters. You can use this time — and your skills as master storytellers — to explain how your gift of the arts serves a higher purpose. Not just in the way we justify our education programs or community engagement — but as a way to attract people to our brand and help them feel truly connected to us. That's the core concept of shared values.