

thebooth

online ticketing project
evaluation study

key findings
december 2005



Introduction

thebooth pilot project was funded for two years from autumn 2004 by the *Scottish Arts Council*, *Highlands and Islands Enterprise* and the *European Regional Development Fund*, and with an in-kind contribution from *Highlands and Islands Arts Ltd (HI-Arts)*. The pilot period, which has been managed by HI-Arts.

This early evaluation of the project was conducted by HI-Arts.

December 2005

project supported by:



HI-ARTS



Executive Summary

The online ticketing service, thebooth, was delivered on time and to budget and launched in January 2005, selling 732 tickets on its first day in operation for *Royal Shakespeare Company* events in Morayshire.

- The service is now contracted with 60 online sellers representing some 145 venues across the Highlands and Islands and beyond. These levels of uptake far exceed the original projections for the project, and feedback from online sellers is predominantly positive.
- Over 13,000 tickets have been sold via thebooth in its first nine months of operation.
- Evidence shows that thebooth ticketing service is attracting significant numbers of new and tourist audiences to events using the system, with one in five tickets being sold to customers outwith the Highlands and Islands region.
- There is little resistance to booking online from customers when thebooth online sales channel is promoted effectively. However, take up of the service is highest in areas with good Broadband Internet availability.
- There is evidence that using thebooth is habit forming. That is, when customers book online using thebooth once, they are likely then to use thebooth for all future bookings.
- All of this has been achieved with very little generic promotion of thebooth service centrally.
- The costs of ticketing represented by thebooth service selling for multiple venues across the Highlands and Islands and beyond are comparable to the costs of running one mid-scale venue's box office operation.
- Whilst commercial income raised by the project is currently exceeding targets, the projected commercial sponsorship has not yet been achieved for the project.
- Thebooth has been reliant upon online sellers to promote thebooth service directly to their customers to stimulate uptake of the online service. There is evidence that some online sellers are failing to promote thebooth effectively themselves, and there is now demand from some promoters for tools to promote the service in their local area, and for more generic promotion of thebooth centrally.
- There is significant interest in the distributed management model of ticketing that thebooth service offers from regions and organisations across Scotland and beyond - especially from touring companies that would like to see a consistent approach to the promotion and ticketing of events when touring beyond venues with their own in-house box office systems.
- The exit strategy for the pilot project that currently seems the most viable and represents best value for money would be a wider roll-out of the service across Scotland, for which there is significant demand.
- It is believed that thebooth system is unique across the UK as a distributed, promoter-managed online ticketing system.
- There are still a number of unresolved compatibility and accessibility issues with thebooth website, which will need to be resolved prior to any substantial roll-out of the service.
- A feasibility study into the requirements and sustainability of a rolled-out booth service will be conducted from December 2005, and will be completed by March 2006.

Background

Thebooth online ticketing service was developed by *HI-Arts* for the Highlands and Islands, to provide affordable, entry-level ticketing to the region's cultural sector.

The key aims of the project were as follows:

- To provide a professional 24-hour automated online booking service on behalf of the region's cultural organisations.
- To develop marketing data and gather customer intelligence on behalf of cultural organisations and agencies in order to encourage best practice in direct marketing and audience development.
- To provide credit/ card authorisation facilities to cultural organisations, who are unable to afford such facilities independently.
- To develop an online event sales portal (www.thebooth.co.uk) to promote the region's events centrally, and to give an online presence to promoters with no website resource of their own.
- To allow cultural organisations across the region to reach new and international audiences.
- To add event ticket sales functionality to the existing HI-Arts Journal and Events Guide (www.hi-arts.co.uk) which now receives 10,000 unique visitors per day.

Initial feasibility studies for the project were conducted by HI-Arts and specialist consultants, *Catalyst Arts*, and consultation with the cultural sector of the Highlands and Islands was undertaken in 2002 and 2003. A report on the feasibility study was produced in July 2003.

At this stage, HI-Arts considered the option of also establishing a telephone booking service alongside an online ticketing operation. However, this option was discarded at an early stage for a number of key reasons. Firstly, the costs of staffing a phone room adequately were prohibitive. In addition, it was believed that a central phone room could never provide the level

of local information for venues across such a large and diverse region as the Highlands and Islands that customers would inevitably require (i.e. local transport and accommodation information).

Therefore, it was decided that the online ticketing project should instead allow the event promoters to run a 'distributed phone room' – that is, the service should enable promoters to sell tickets over the phone or over the counter to their own customers, and enable them to secure credit and debit card bookings in this way. This, coupled with the increasing levels of public Internet access through local libraries and other public organisations across the region, was considered to offer acceptable levels of public access to the new service.

Funding

As a result of the initial feasibility study and discussions with potential stakeholders, funding was secured from the *Scottish Arts Council*, *Highlands & Islands Enterprise* and the *European Regional Development Fund* in summer 2004 for a pilot project to establish and run an online ticketing service designed to meet the needs of promoters, venues, festivals and other cultural organisation across the Highlands and Islands.

Due to the time limitations of the funding available to such a project, initial plans to undertake a more comfortable pilot project period of three years had to be curtailed to two years, with the pilot phase of the ticket project running from autumn 2004 to autumn 2006.

The pilot project area, encompassing the Highlands and Islands region as defined by HIE and the European Regional Development Fund's priority area.



Implementation

In May 2004, HI-Arts recruited *Catalyst Arts* to manage the implementation phase of the pilot project. A Steering Group was also appointed to oversee the pilot project, its members chosen for their backgrounds in business consultancy, audience development and arts administration.

From a shortlist of around seven IT companies, four companies were asked to tender against technical specifications drawn up for the project. In July 2004, *Artifax Ltd* (later to become *Blackbaud Ltd*) was chosen to provide the base ticketing system, with *Sitekit Solutions Ltd* developing the bespoke functionality required for the specifics of the Highlands and Islands online ticketing project.

At the same time, *Redpath Design Ltd* was chosen from a shortlist of three design companies to develop a name and brand for the ticketing service, supported by the entire Steering Group – *thebooth*.

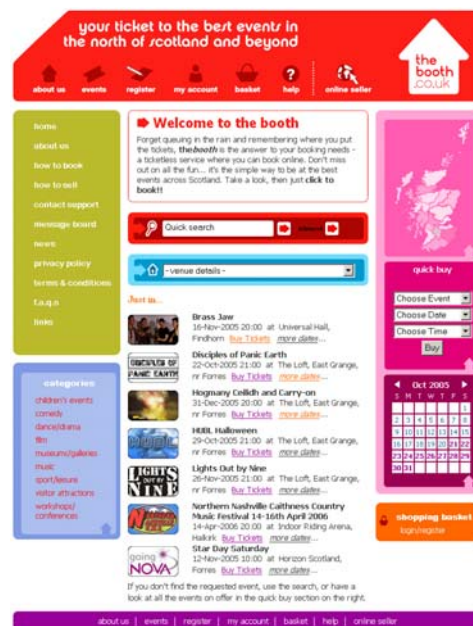
The System

The project opted for a system that took a tried and tested off-the-shelf ticketing system, and then embarked upon additional bespoke development work to build the extra required functionality onto the back of this product.

As a result, the backbone of thebooth ticketing service is provided by *Blackbaud's* core ticketing and online box office products – *The Patrons' Edge* and *The Patrons' Edge Online*.

HI-Arts contracted *Sitekit Solutions Ltd*, who had already worked extensively in the cultural sector to deliver HI-Arts' own award-winning web resources, to provide the required bespoke functionality.

To the core *Patrons' Edge Online* web ticketing product, Sitekit developed functionality to allow ticket buyers to search events by region and by venue. *Sitekit* also took *Redpath's* branding and implemented this across thebooth website to create an easy-to-use, attractive and multicoloured interface.



The home page of thebooth website, with graphics implemented by Sitekit Solutions Ltd

It was decided that thebooth would work on the basis of allocations of tickets made available by the online seller (a system familiar to the region's promoters, who frequently use local shops to sell allocations of their tickets). In addition, actual tickets would not be sent out by thebooth and, instead, a booking reference number would be made available to every customer to allow admission to the event itself.

Sitekit were tasked with developing the aspects of functionality that would allow online ticketing sellers to manage all the aspects of their online ticket allocations and report on all booking made from a secure and simple-to-use web interface.

This significant and unique development became known as the Online Sellers Interface or the 'OSI', and interfaces directly with *Blackbaud's Patrons' Edge* product to provide a range of required functionality.

The Online Sellers Interface (OSI)

The OSI is an online portal developed by *Sitekit* which allows any online seller to take ownership of their ticket allocations online, and undertake a range of management, reporting and marketing activities themselves.

It is accessible to anyone with a computer and Internet access, and does not require any specific hardware or software to run. All online sellers are issued with a username and a password which they can use to log in to the secure system, view and manage their own events and ticket sales.

The functionality available to the online seller via the OSI is as follows:

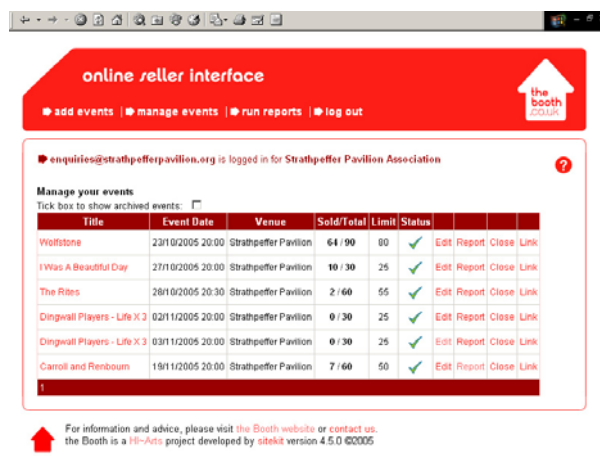
Add Events

A simple form allows online sellers to submit the details required to put an event on sale at thebooth. This form, once completed, is automatically emailed to thebooth staff to set up the event on the system. This process allows thebooth Online Box Office Manager or another staff member to check all information provided prior to events going live on the system, and helps to safeguard against errors.

Manage Events

The 'Manage Events' screen offers the most powerful functionality of the OSI. From here, sellers can view all events for which they are currently selling tickets online, alongside the total number of tickets available and the number of tickets sold to date. They can also view the status of each event – that is, whether events are available for sale, or closed from online booking.

By clicking on the event name, online sellers can take bookings for events using thebooth system, **even if the event has been taken off sale**, thus using thebooth to provide their own in-house booking system. This is ideal for processing credit cards on the door of the event.



The 'Manage Events' screen of the OSI

The 'Manage Events' screen can also be used to:

- Increase or decrease the ticket allocation available online for any of the online seller's events
- Change the sales limit at which thebooth system will automatically email the online seller regarding sales levels
- Produce a Doors Report (a list of all ticket bookings and bookers to date for any event)
- Close any event from sale
- Produce links to an event's online sales web page for inclusion in the online seller's own website.

The 'Manage Events' screen also offers the option to view and report on archived events on thebooth system.

Run Reports

The 'Run Reports' screen currently offers a select number of basic reports including:

- **Doors Report** – For any event, the Doors Report provides a full list of all tickets purchased online, complete with customer name, booking reference number and concession used. This report can be printed and used at the door of the event to admit online bookers. The report also includes other reference information, such as the customer's postcode, to allow the online seller to verify the customer's identity should they forget to bring their booking reference number to the event.

- **Sales Report** – The Sales Report allows the online seller to report on the value of tickets sold via thebooth. This report can be filtered by event(s), venue(s) and/or the date range of sales, and provides a full breakdown of number and value of tickets sold by event and concession type.

This report can be used by promoters to assess how much money thebooth is holding on their behalf at any time. It can also be used by the online seller to calculate their VAT liability on event income held on their behalf by thebooth.

- **Marketing Report** – The Marketing Report will provide the online seller with a full list of their online customers who have signed up to receive future marketing communication from them. The report can provide either customers' postal or email addresses, and can be filtered by event(s), venue(s), event type(s) and/or a date range of events. The report, as with all reports, can be exported to the online seller's own preferred database programme.
- **Customer Report** – This allows an online seller to search thebooth database for a particular surname or booking reference number. Therefore, should an online seller be unable to find on their Doors Report a customer who turns up at an event, they can cross-reference thebooth database to ensure that the customer has not turned up on the wrong night or at the wrong venue by mistake and advise the customer accordingly.
- **Audit Report** – This report allows sellers to see the full list of actions that they have performed within the OSI. This is especially useful for sellers who share their login details and the responsibility for using the OSI with a number of people and therefore may lose track of what actions their colleagues have performed on the system.

Other Features

The OSI provides context sensitive help for all areas of its functionality, and includes a form to allow online sellers to email thebooth staff with support queries.

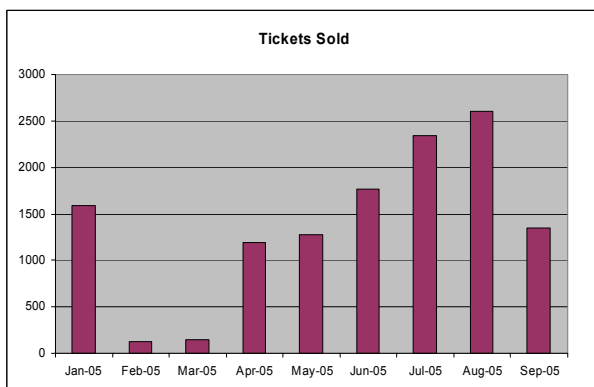
Sitekit has also developed a number of automated processes to complement the OSI and make life easier for the online seller. For instance, if an event falls within the next three hours, and the online seller has not manually closed the event from sale and printed off a Doors Report, the OSI automatically takes the event off sale and emails the online seller the Doors Report. Likewise, if the sales figure for any event reaches a Limit specified by the online seller, the OSI will automatically email the online seller and prompt them to either increase the ticket allocation or remove the event from sale.

Sales Evaluation

Ticket Sales

In the first nine months of the pilot ticketing project to 1st October 2005, **12,404 tickets** were sold via the booth. A proportion of these are group tickets, and so this figure represents a total of **13,183 admissions**.

This is equivalent to an average of around **1,400 tickets per month**, or nearly **50 tickets per day**.



However, there have been large daily and monthly fluctuations in ticket sales due to an underlying monthly increase in use of the booth, and due to the nature of the events on sale in any particular month.

The busiest day in the first nine months of operation was the very first day of trading – 14th January 2005. On this day, **732 tickets** were sold for the *Royal Shakespeare Company's* residency in Forres.

The feasibility study produced for the booth pilot project in July 2003 projected that around **13,500 tickets** would be sold in the project's first full year of operation. In actuality, the booth has come close to achieving this figure in the first nine months of the pilot period.

4,815 individual transactions were processed during the first nine months of the project, with an average of **2.65** tickets purchased in each transaction.

The seasonal nature of events in the Highlands and Islands region, with a large proportion of regional tours and festivals happening during the summer months, inevitably leads to the seasonal fluctuations in ticket sales, and such fluctuations were

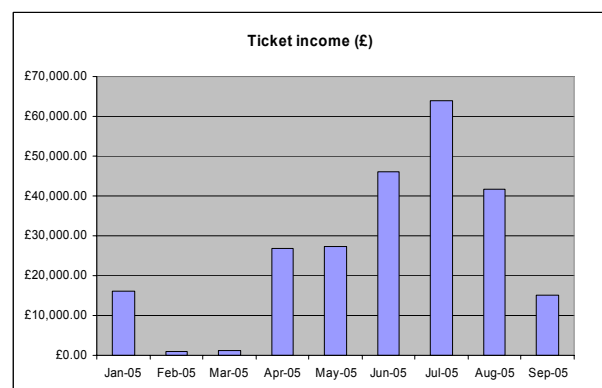
predicted in the project's initial feasibility study. With the rural nature of large parts of the Highlands and Islands, and the comparatively long distance that people travel to events, it is inevitable that the winter months will be quieter.

Although the booth has experienced a dip in sales figures for September 2005, it is also expected that events happening over the festive season such as pantomimes will keep sales figures buoyant. This will be important in order to achieve the ambitious sales and commercial income levels the booth has set itself for its second year of pilot operation.

Ticket Value

The tickets sold during the first nine months of the pilot project up to 1st October 2005 represent **£239,404** worth of sales.

Again, the value of ticket sales per month fluctuates to an even greater extent than ticket sales, given the prevalence of high-value festival ticket sales during the summer months.



During July, an average of **£2,059.50** worth of ticket sales income was taken each day.

The average spend per transaction is **£51.17** – a relatively high figure given the comparatively low cost of event tickets in the region. This figure is again due to high-value summer festival ticket sales.

Venues

During the first nine months of the pilot project, the 60 Online Sellers that contracted with thebooth sold tickets for a total of **145** separate venues.



Venues for which events have been sold online at thebooth during the pilot project to 1st October 2005

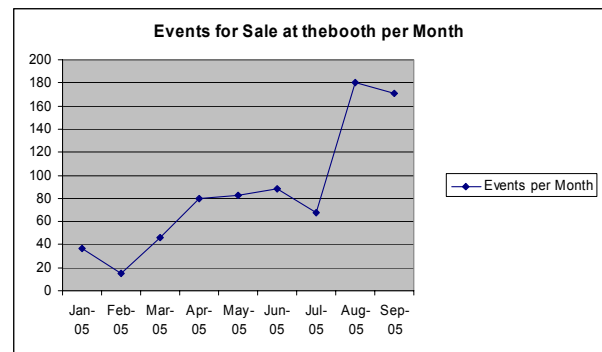
The number of venues exceeds the number of online sellers contracted with thebooth. This is, in part, due to the Screen Machine, the HI-Arts' mobile cinema, which travels around the Highlands and Islands taking films to remote and rural areas, and which processes all of its advance ticket sales through thebooth.

With thebooth logo posted on the side and rear of the vehicle, the *Screen Machine: Take Two* mobile cinema has been an integral part of publicising thebooth service throughout the Highlands and Islands, by highlighting its existence in areas where venues are not yet using the online ticketing system.

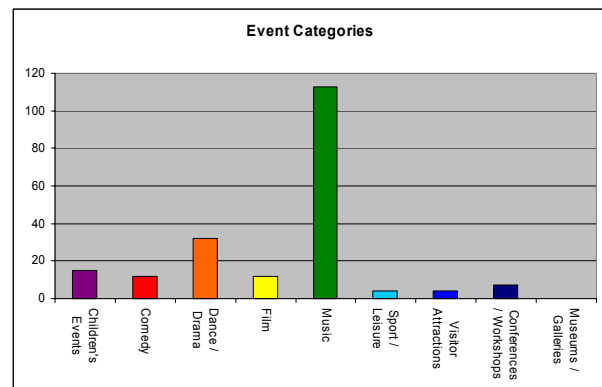
A number of festivals also use thebooth to sell tickets for multiple venues. In total, 19 festivals are contracted as online sellers and these, between them, account for the majority of thebooth's ticket sales.

Events

Between 1st January 2005 and 1st October 2005, thebooth has sold tickets for **768** distinct events.



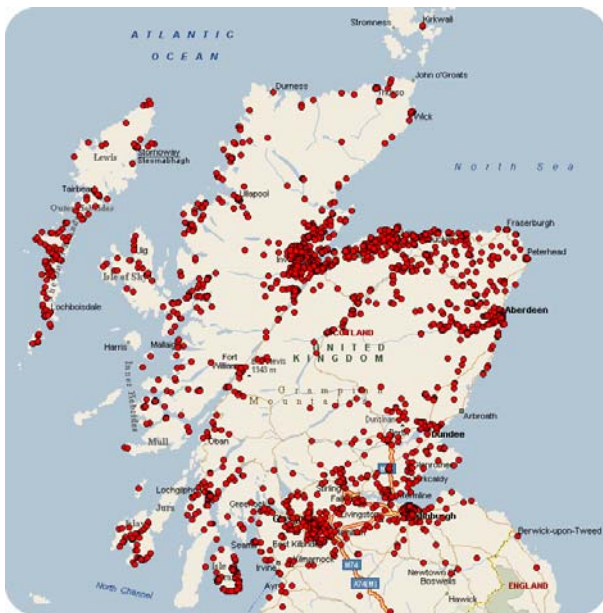
By August 2005, thebooth was managing ticket sales for nearly six events per day on average, and on 9th September, thebooth managed tickets sales for 16 separate events taking place on the same day.



Graph showing the number of instances of each category of event sold through thebooth in the first nine months of the pilot project

Overwhelmingly, it has been music events that have dominated thebooth. Although this is representative of the arts sector of the Highlands and Islands, it should be an aim of thebooth to encourage sales for other cultural events in order to maximise the potential cross-over of audiences by selling for a wider range of events.

Customer Analysis



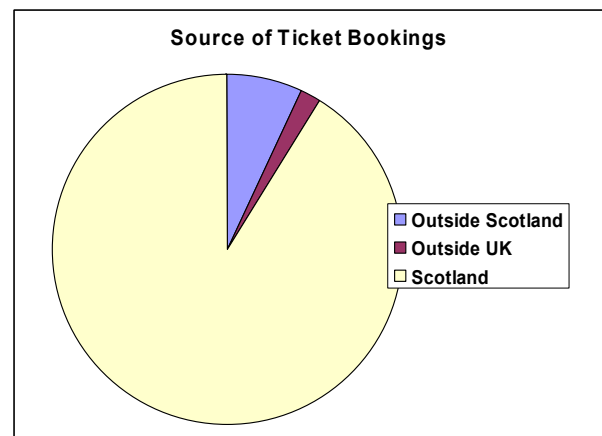
Source of Scottish ticket bookings at the booth during the first nine months of the pilot project

Whilst the vast majority of events on sale at the booth during the pilot project have taken place in the Highlands and Islands region, it can be seen that booking patterns stretch way beyond the venue locations.

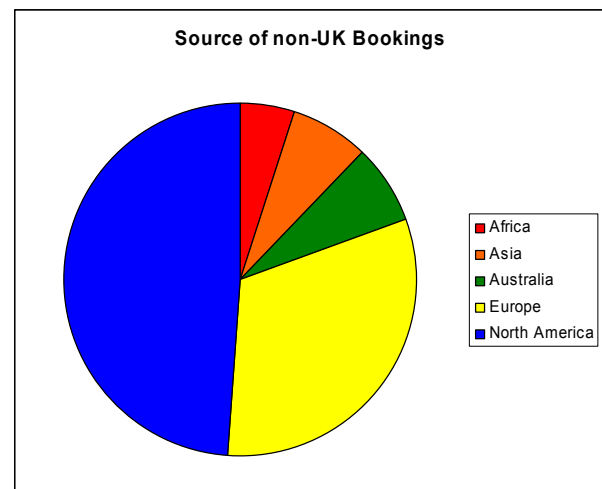


Source of UK ticket bookings at the booth during the first nine months of the pilot project

9% of all ticket bookings up to October 2005 came from outside of Scotland, and relate to external tourism.



However, these figures do not demonstrate the substantial internal tourism market within Scotland and, especially for festival events, a large proportion of online bookings come from ticket buyers from other parts of Scotland. Indeed, for events taking place in the Highlands and Islands region, 29% of tickets booked online (equivalent to over 3,500 tickets) were bought by customers living outside the Highlands and Islands of Scotland.



Most frequently, overseas bookings come from the USA and Canada. Within mainland Europe, bookings from Germany, Scandinavia, Italy, France and Belgium are most prevalent. This is reflective of tourism trends across the area in general.

More unexpectedly, perhaps, bookings have also come from Nigeria, Lithuania, Poland, Malaysia and Japan.

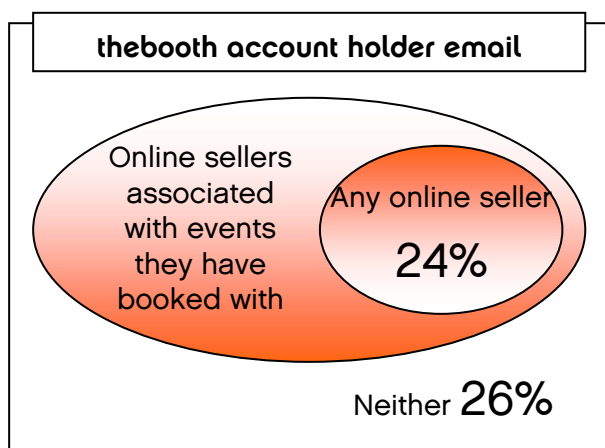
Customer Database

In the first nine months of the pilot project, **3,500** customers signed up for an account with thebooth.

Of these customers, **2,591** customers have opted to receive further promotional materials by email from Online Sellers at thebooth.

Once signed up to an account with thebooth, the customer must choose whether to opt in to two levels of Data Protection. The customer can choose to receive direct email promotions from:

- only online sellers associated with events that they have booked tickets for
- any online seller at thebooth promoting similar events in their area
- both
- neither



Of those customers who sign up to an account, an impressive **74%** opt to receive further information from their online sellers. In addition, **24%** opt to receive information from any online seller at thebooth.

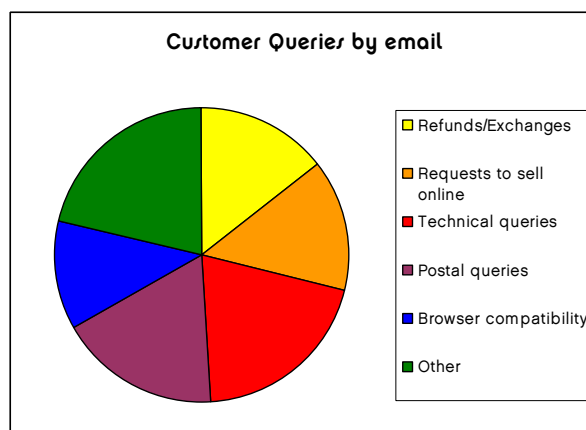
As a result, both the online sellers and thebooth are beginning to build up significant email marketing databases, which can be used to promote future events directly to interested customers. This is an exceptional asset for both the online seller and thebooth.

Customer Support

Thebooth's support provision for ticket buyers is run via email. With only a small team at thebooth, it was decided that in order to control and monitor the customer service of the project, email would be the most efficient way of dealing with customer requests for a 24 hour service.

To encourage requests by email, thebooth attempts to answer all customer queries received by email within one working day.

Due to the straightforward, ticketless nature of thebooth, the majority of communications from ticket buyers refer to clarification of thebooth service, or the loss of a customer's booking reference number.



Based on 252 support emails received by thebooth during the pilot project until 1st October 2005

There is a substantial amount of help with the booking process on thebooth website, which answers most general queries. However, more specialised events and events involving direct participation by the ticket buyer attract more queries – most of which need to be referred to the event organiser – and significantly increase the workload of thebooth staff.

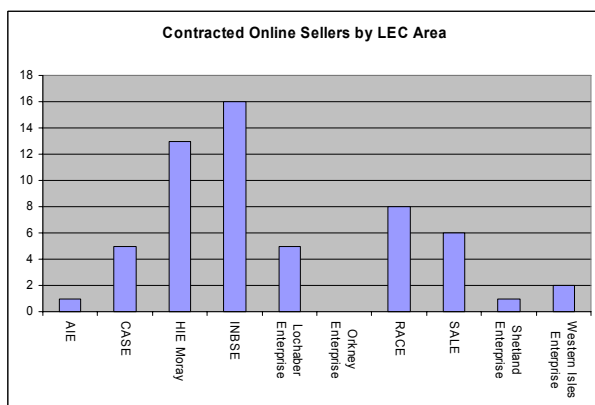
In addition, whilst it is not thebooth's policy to make refunds or exchanges for customers except where these are authorised by the online seller, certain events attract larger number of requests for refunds or exchanges which need to be referred to the seller.

Thebooth has also found that cancelled events which require the refunding of tickets by thebooth can also increase the volume of customer enquiries.

Online Sellers

Of the 60 organisations signed up as Online Sellers by October 2005, 55 were non-profit or charitable organisations and only 5 were commercial operators.

This reflects the core aims of the project to provide affordable ticketing for the predominantly non-profit cultural sector, and address the failure of the established online ticketing system market in serving this sector.



Staff of thebooth have made contact with organisations across all ten Local Enterprise Company areas. As a very minimum, each Local Enterprise Company and local Council Arts Officer has been made aware of the service. Most of these contacts have been made at face-to-face meetings.

In addition, potential online sellers from across the Highlands and Islands, mostly identified from HI-Arts' substantial contact databases, have been given demonstrations of thebooth, and sent promotional leaflets and CD-ROMs.

Organisations in some areas, such as *INBSE* and *HIE Moray*, were quicker to embrace the potential for online ticketing – potentially because of the comparatively early roll-out of Broadband Internet access in these parts of the Highlands and Islands.

Finally, thebooth staff have made presentations on the service at numerous events, such as regional roadshows, the *PAN Promoters Forum*, *NEAT (North East Arts Touring) events*, the *Scottish Arts Council's Audience Development Forum*, and at trade fairs and tourism conventions.

Training

In the first three months after the launch of service, thebooth staff offered face to face training on the system for small groups. These groups were made up of the organisations selling online, potential sellers, arts officers, library staff, etc. In addition, training was provided on a one-to-one basis for newly contracted organisations.

Since the development in-house of a training CD-Rom for thebooth, which provides comprehensive information to the online seller on searching for events, purchasing tickets and using the Online Sellers Interface, there has been little need for additional training. This development has afforded the Sales & Training Managed time to focus more on identifying and contacting new potential clients.

750 training CD-Rom's were produced and distributed to venues, promoters, touring companies, tourism organisations and conference organisers – primarily across the Highlands and Islands, but also in other parts of Scotland. The video tutorials contained on the CD-Rom are also available for download at thebooth website.

In addition to issuing this CD-Rom to new online sellers, thebooth staff will also take the online seller through the OSI. This can be done face to face or over the telephone, and support continues to be provided by thebooth team on all aspects of the website by phone, email and in person.

In order to reach the increased ticket sales targets for year two of the pilot project, it will be critical for thebooth to focus further on online seller training on marketing online sales effectively and using the emarketing functionality of the OSI.

Online Seller Evaluation

As part of the booth evaluation process, all Online Sellers who had used the booth system during the first nine months of the pilot project were asked to complete an online survey regarding their experience.

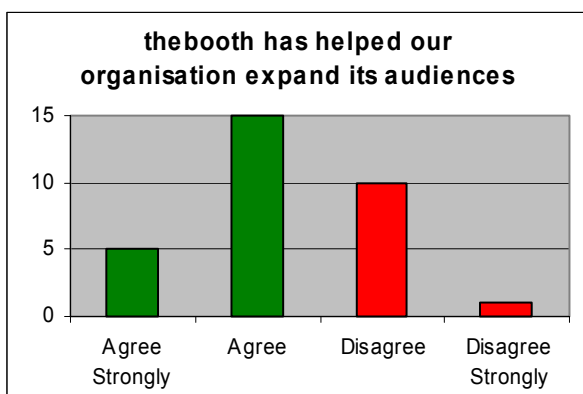
From 60 surveys sent, responses were received from 34 Online Sellers. The results of this survey are below.

52% of respondents agreed that they had seen an increase in the number of tourists attending their events as a result of selling tickets online at the booth. This figure confirms figures on tourism attendance earlier in the evaluation document.

"Very pleased with how the booth ran for us. It assists our overseas participants the most and it is much cheaper to pay online than to do bank transfers."

Ceolas Uibhist

Growing Audiences

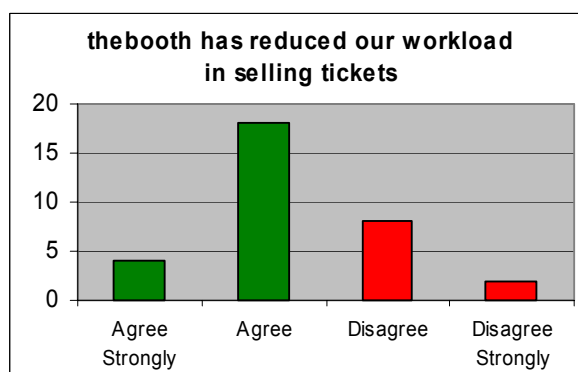


65% of respondents thought that selling tickets online through the booth was responsible for bringing new customers to their organisation.

"We have noticed that those who buy once from the booth seem to develop a buying pattern via the web. It is possible that over time the booth will help to develop audiences locally and amongst tourists."

Woodend Barn Arts Association

Reducing Workloads

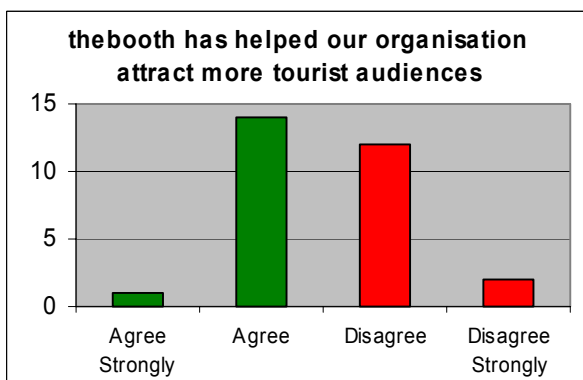


69% of respondents agreed that the booth had reduced their workload in selling tickets. Those that disagreed with this were mainly promoters who had experienced relatively low online sales:

"We have been unable to get sufficient bookings via the booth to justify the time and effort required to administer another procedure. We are supportive of the concept but we would need further promotion of the booth in our area to make it viable."

Aros Centre, Portree

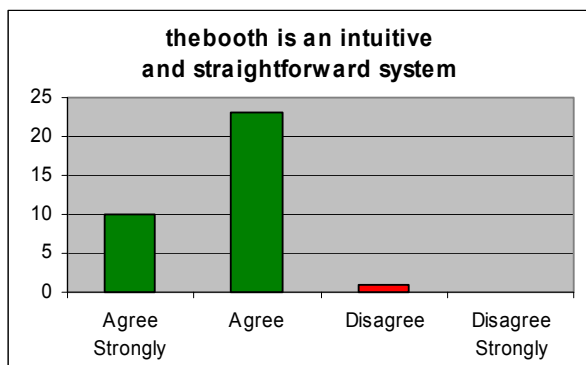
Stimulating Tourism



"I would say that the booth hasn't lightened the workload of selling tickets, it is just a different type of work! However, I am sure that it is easier and more convenient for customers to book online than have to call me during office hours to book. We hope to build on the number of bookers we have had this year, so we look forward to the expansion of the booth!"

Scottish Chamber Orchestra

A StraightForward Service



All but one respondent agreed that the system developed by thebooth to allow promoters to manage online sales was both intuitive and straightforward.

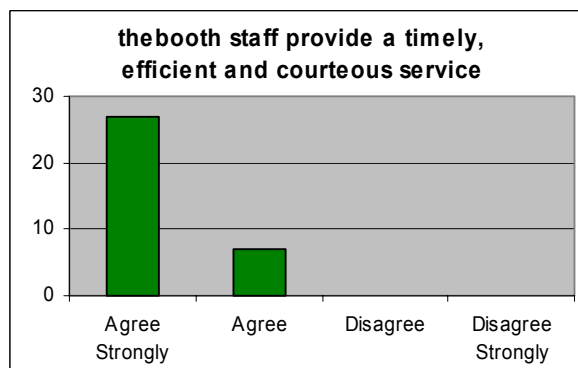
"Fabulous service and very easy to use. Many thanks!"

An Drochaid

"A very good service that works very well."

Adrian Clark, Highland Council

Staff Support

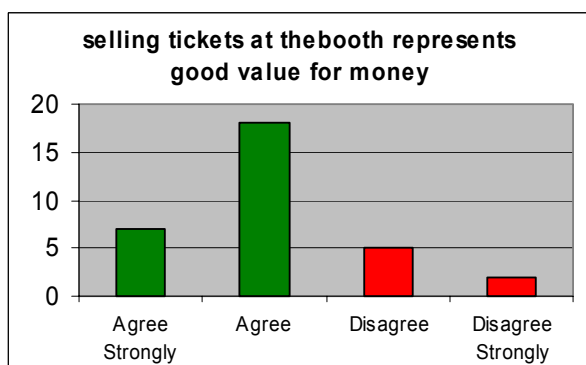


Responses on the support offered by thebooth's staff were complimentary across the board.

"Staff support was superb, especially in talking through the online selling system, etc."

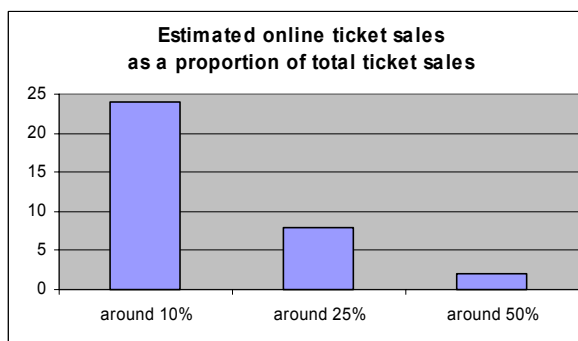
BenchTours

Value For Money



78% of respondents thought that thebooth represented good value for money in terms of the cost of ticket sales. Those disagreeing tended to be promoters who had experienced low volumes of online sales to date.

Proportion of Tickets Sold Online



From these estimations of the proportion of total ticket sales made through thebooth, we can conclude that the average online seller has sold **around 16.5%** of all their tickets online during the first nine months of the pilot project.

Whilst the number of tickets sold online by promoters using the system during this period often represents only a small proportion of total sales, the evidence that purchasing event tickets online is habit forming suggests that these percentages will increase significantly during the pilot ticketing project.

Benchmarking studies conducted by the *Arts Marketing Association* with 32 arts organisations across the UK in late 2003 concluded that, at that time, *'the typical arts*

organisation receives between 2% and 3% of their bookings online'. Whilst this information is now somewhat outdated, it does indicate that thebooth, as a new entrant to the online ticketing market, is attracting respectable booking figures.

Emarketing Functionality

Only a quarter of respondents stated that they were already using the email marketing functionality offered by the OSI, whereas another quarter of respondents stated that they were not using this functionality.

More worryingly, half of respondents stated that they were not aware of the emarketing functionality included in the OSI, even though it is covered on thebooth training CD-Rom, and in any one-to-one training session offered by thebooth. Audit reports on the OSI system confirm this, showing that even fewer online sellers are currently making use of the marketing report included in the OSI.

It should be a priority of thebooth in the second year of the pilot project to develop and highlight this functionality, and to encourage best practice in direct marketing from online sellers to maximise the potential of thebooth as an audience development tool, as well as a sales tool.

Websites

85% of respondents have a dedicated website for their organisation. For the other 15%, thebooth is providing an online presence for the event promoter, as well as online sales.

Telephone Sales

Quarter of respondents report that they are using thebooth system to authorise credit or debit card bookings made over the telephone, as well as for online sales.

Online Seller Testimonials

'So far we have used thebooth for two events, and we are delighted with the service. All the seats sold have been to people who have never attended anything at our rural venue before; 90% have been from urban Inverness.

Attracting an Inverness audience has been until now impossible for us as we can't afford press advertising, and posters and leaflets are not a viable option - it takes all my time to poster the immediate area.

The fact that we can take credit cards even after online sales have closed is an added bonus. We will definitely be using thebooth for all our future events.'

Jennie MacFie, Glen Urquhart Public Hall

'As promoter for two venues in rural areas, thebooth has provided me with an excellent additional outlet for tickets. It has proved popular with locals who may not get a chance to visit regular ticket outlets, and with visitors to the area who book tickets in advance of their holiday.

Thebooth has helped develop a wider audience base and is also proving increasingly popular with regular visitors who now use the facility whenever they purchase tickets. It is proving to be a great asset for audiences and promoters, and one that I will continue to use for both venues on a regular basis.'

Eoghan Carmichael, Sunart Centre & Glenuig Hall

"Hough [Isle of Rum Festival Co-Director]... credits the online ticketing system at thebooth.co.uk with playing a key role in the event's success, not least in pulling a strikingly young crowd."

The Scotsman, Tuesday 17 May 2005

'Since we have started using thebooth we have been delighted at how the service has boosted the profile of the Woodend Barn as a venue which offers an efficient and reliable online booking service.

Up till now the box office process has been a time- consuming one for our small team of part-time staff but with the out-of-hours service offered by thebooth, it has saved long periods of time on the answer phone when we had to process ticket requests. For us, it has meant bringing us up-to-date and feeling that we are in a different league.

We are also seeing a big increase in the number of people booking from the Aberdeen city area on thebooth, which is a huge bonus for us. We are perhaps perceived as a rural venue by Aberdonians which is difficult to access personally.

Thebooth offers an easy and reliable ticket booking service for people at home and in the workplace and this in turn means that Woodend Barn benefits with satisfied customers coming back for more !"

**Karen Clark, Woodend Barn Arts Centre,
Banchory**

'With performance venues scattered all over the Highlands, it can be hard to find out what's on and easy to miss an event one would have liked to attend. Thebooth is therefore a most welcome innovation for the public, as well as for small venues with no box office staff and limited advertising and publicity budgets.

We expected that our purchasers on thebooth would be predominantly people from Inverness or further afield, who might find it difficult to use our local ticket outlets. More surprising is the number of near neighbours and past Pavilion patrons who apparently find on-line purchasing more convenient.

Thebooth staff are friendly, helpful, efficient and have cleared up any teething problems with admirable promptitude. It is a wonderful facility - may it go from strength to strength.'

Margaret MacDonald, Strathpeffer Pavilion

Potential Online Sellers

To date many organisations, based both within and outwith Scotland, have made enquiries to thebooth. All have shown an interest in the service, and have the potential to use thebooth to sell tickets online.

The initial focus of the project has been to provide an affordable service for organisations within the Highlands and Islands and, without the subsidised charges that are enjoyed by non-for-profit organisations in the Highlands and Islands, the cost is prohibitive to most organisations outwith the region.

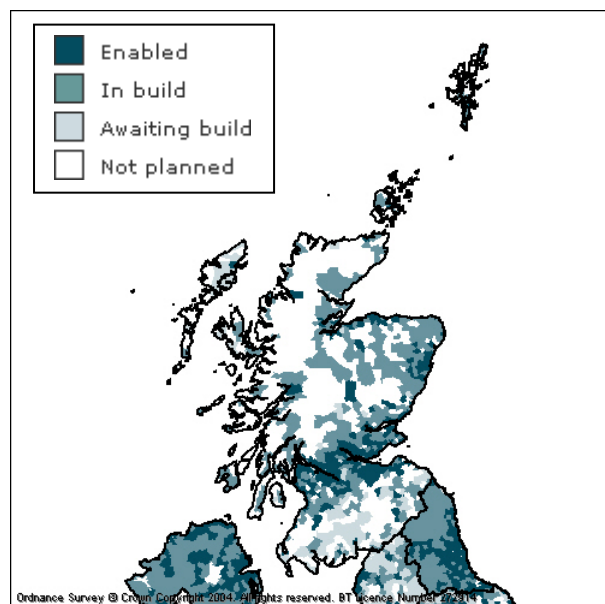
Some national touring organisations have commented that, when touring outside of the Central Belt, they would prefer to use a ticketing system/service where they are able to sell for all of their events, irrespective of area – thereby taking a consistent approach to ticketing for venues that do not already have their own in-house system. Indeed, it is known that some national touring companies would welcome a national roll-out of a service such as thebooth.

Touring companies can only benefit from the subsidised service when touring in the Highlands and Islands. They would prefer to be able to sell for all their venues.

There is therefore great potential for thebooth to roll-out a subsidised service across rural Scotland. Indeed, there has already been significant demand on thebooth to spread provision to rural Aberdeenshire and to Dumfries and Galloway.

Technical Evaluation

Broadband Coverage



British Telecom suggest that **91.5%** of Scotland's exchanges are now Broadband enabled. However, those that are not enabled tend to be in rural or island communities.

Anecdotal evidence suggests that there is more resistance to booking tickets online from households with slower, dial-up Internet connectivity.

Service Outage

In the majority of cases, instances where thebooth website has 'gone down' have been shown to be the result of connectivity issues between servers hosted in the secure London Data Centre and in Inverness.

Whilst thebooth average service uptime of thebooth in the first nine months of the project always remained above 97%, in October 2005 it was decided to relocate both servers to a secure Data Centre. As a result, website outages due to connectivity problems between the two servers have now disappeared entirely.

In addition to relocating the ticketing Server, the move also allowed thebooth to move its credit/debit card authorisation software

from a separate server, thus reducing the number of servers involved in the project, and speeding up processing times of customers' transactions through the website.

Compatibility & Accessibility

Whilst thebooth website is compatible and accessible by over 95% of web users (according to recent Internet statistics on browser and operating system use), there are still known compatibility issues with certain less-common browsers and operating systems. In particular, access is limited for Mac users.

System suppliers, *Blackbaud*, currently only offer formal support for their products on Internet Explorer browsers and Windows operating systems, although more recent versions of *The Patrons' Edge Online* have introduced compatibility for the *Mozilla Firefox* browser.

Any major roll-out will require that such issues of compatibility and accessibility are addressed in the shorter-term, and consultation is continuing with *Blackbaud* to address this issue.

It should be stressed, however, that the Online Sellers Interface (OSI) is accessible and compatible across platforms, enabling sellers with any computer to manage their ticket sales online.

Marketing

From the outset of the pilot project, it was envisaged that the promotion of online ticketing to the ticket buyer would be best achieved through online sellers themselves.

Although the pilot project itself has never had the marketing budgets required to market the generic brand of thebooth widely across the region, all potential online sellers on thebooth conduct their own marketing activity to current and potential markets and, as such, it was considered to be more useful to thebooth to be endorsed by such existing marketing campaigns.

As a result, the initial marketing activity of pilot project was restricted in the main to the promotion of thebooth system to potential online sellers. As a result, greeting cards, business stationary and promotional/training CDs were produced, which targeted the online seller directly.

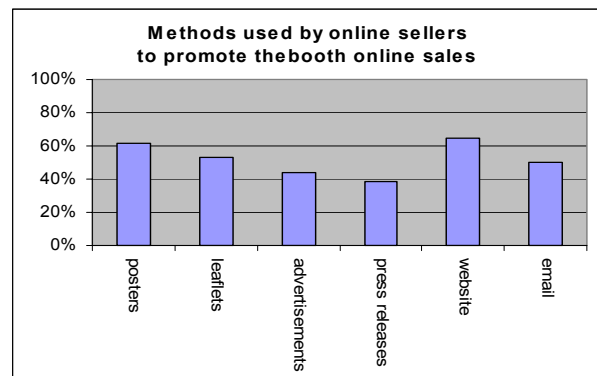


thebooth promotion pack and training CD-ROM (left) and Christmas greeting cards 2004 (right)

Such marketing activity has been extremely successful, with thebooth exceeding all targets for the uptake of the service by online sellers.

As part of their contract with online sellers, thebooth insist that sellers include thebooth logo across all promotional material associated with events that are selling online – just as they would promote their own telephone booking number – as well as providing links from their own websites to thebooth ticket purchasing pages.

However, not all online sellers are taking adequate steps to promote thebooth throughout their marketing message and as a result some event promoters have experienced disappointing online sales.



As can be seen from the graph above, only around a half of online sellers at thebooth are regularly using methods such as paid advertising, press releases, leaflets or emails to advertise that their events are available for sale at www.thebooth.co.uk.

As the pilot project has developed, there has been more demand from online sellers for additional marketing material to be made available to them centrally by thebooth. In addition, there have been requests for thebooth to develop generic marketing campaigns across the region.

In response to this, thebooth will be launching a generic postcard campaign, with promotional postcards being distributed to all online sellers to promote the service to their customers. In addition, thebooth is prioritising the promotion of and training in the emarketing functionality of the OSI to persuade online sellers to make better use of the customer data that they have already captured.

The priorities for thebooth in terms of marketing for the remainder of the pilot project are as follows:

- enhance thebooth's profile as a recognised and trusted brand
- promote and enhance the emarketing functionality of the OSI
- increase online sellers' ability to capitalise on growing customer databases
- encourage online sellers to develop best practice in direct marketing

Financial Evaluation

Credit/Debit Card Commissions

In order to cover the variable monthly costs of processing payments by card, thebooth charges the ticket buyer a small commission fee on top of their transaction.

This fee is currently charged as 75 pence per transaction for any event with full-price tickets valued up to £20, and £1.50 per transaction for any events with full-price tickets valued above £20. For transactions including tickets for multiple events, the transaction charge is applied for every event within the purchase.

These commission charges have been calculated as the average charge needed to cover thebooth's expense of processing customers' credit/debit cards, based on average ticket prices and transaction values calculated during the feasibility study.

The commission fee is not refunded to the customer when a transaction is cancelled, as stated in the online Terms and Conditions of booking. This is because thebooth is charged again by the bank to carry out any refund of tickets, when the money is debited back to their account.

These current commission charges, when averaged out, serve to just cover thebooth's costs in processing credit and debit card payments, and do not bring any commercial income to thebooth service.

Comparison of Costs

Early indications show that the costs of delivering thebooth online ticketing service, offering tickets to multiple venues across the country, are roughly comparable to the costs of running a modest box office operation in a single mid-scale arts venue.

However, whereas at an arts venue the costs of ticketing is a 'hidden cost' set against box office income, the costs of ticketing for thebooth on behalf of multiple third-party organisations is an explicit cost of the service.

Unlike a venue's box office, however, the costs of ticketing at thebooth do not increase directly in proportion to the volume of events sold for or ticket sales made on the system. As a result, thebooth becomes much more cost-effective the more events that it is selling for.

Exit Strategy

As the end of the pilot phase of the online ticketing project approaches in autumn 2006, it becomes increasingly important to find the most appropriate and cost-effective way of sustaining the booth service.

The results of this early evaluation study, combined with the support of the sector for the booth from within the Highlands and Islands and demands for the service from outwith the area, suggest that the booth is a much-needed model of ticketing that should be sustained and, if possible, expanded to embrace more of Scotland.

The booth will, of course, be important to the Scottish Year of Highland Culture in 2007 (*Highland2007*) in reaching audiences both within Scotland and across the globe for the increased volume of events forecast for, and in the run up to, the year 2007.

However, the provision of an online ticketing and audience development service to *Highland2007* is, of course, only a short-term goal of the booth.

A more realistic solution to the long-term sustainability of the booth is the broader roll-out of the service to other parts of Scotland. This would spread the benefits of the service that are currently being felt across the Highlands and Islands to regions throughout Scotland without increasing the revenue costs of the project significantly – thus making the service more cost-effective.

The booth model of ticket sales and audience development is particularly suited to rural regions with multiple small to mid-scale venues without recourse to their own Box Office systems. However, experience has shown that even promoters in urban areas have a need for online ticketing that cannot meet by existing products.

One of the recommendations of the report of the Cultural Commission for Scotland (2005) was the establishment of a national integrated online ticketing system for Scotland. However, whilst this report mentions the booth model, its focus seems to be the integration of existing ticketing systems in professional arts venues.

The booth does not offer a model of integrating existing box office systems across the country – it is instead intended to provide a cost-effective box office system, both online and in-house, for the many venues across Scotland that do not currently have the benefit of such systems.

Therefore, whilst the booth does not necessarily provide the model on which to base a national box office system, any truly national box office system will be required to integrate the booth model of ticketing if it is to offer a comprehensive online ticket service across Scotland that does not just showcase tickets from those venues that can already afford their own in-house ticketing systems.

Feasibility Study

As a result of the identification of broad potential exit strategies for the pilot project, HI-Arts is now committed to undertaking a Feasibility Study into the wider roll-out of the booth. This study has been funded by the *Scottish Arts Council*, and will be undertaken by the *Henderson Aplin Partnership* and *Catalyst Arts*, and will involve consultants who worked on the original Highlands and Islands ticketing project Feasibility Study of 2004.

The Feasibility Study will consider:

- Requirements from current and potential stakeholders and clients of the booth for a wider roll-out of the service.
- Technical requirements and refinements required for a roll-out.
- Potential funding/operational models for a roll-out.

This study will commence in December 2005, and will report to stakeholders by March 2006. This timetable is intended to allow HI-Arts and other stakeholders to consider the outcomes of the feasibility study and, if appropriate, put mechanisms in place to facilitate the continuation of the booth service beyond the end of the pilot project in autumn 2006.