

HOW DIGITAL ADVANCEMENTS ARE TRANSFORMING THE CULTURAL SECTOR



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HOW ADVANCES CAN POSITIVELY IMPACT THE CULTURAL SECTOR

In view of changing audience expectations, up-to-date technology is becoming increasingly important to enable contemporary ticket purchasing. It can also help to better understand the audiences of cultural institutions in times of demographic change and develop lasting relationships. What ticketing developments have emerged in recent years, and how can cultural institutions leverage them to their advantage?

The better a cultural institution understands its existing and aspired audience groups, the more targeted and effective marketing campaigns are possible in order to meet the needs and interests of these groups. Intelligent ticketing technologies enable a 360-degree view of visitors, allowing for a better understanding of their preferences and behaviours, and they also allow insights into which groups do not visit an institution yet. By integrating ticketing platforms, customer relationship management (CRM) software, website analytics tools, email marketing software and marketing channels, cultural institutions can create detailed profiles of each visitor. These technologies allow to capture data throughout the customer lifecycle - from the initial interaction with the website or app to ticket purchase and attendance at the event or exhibition. With this data, museums, orchestras, or theatres can understand how visitors respond to their marketing activities, which events or exhibitions are interesting to them, and how they behave during their visit. This leads to more effective communication, the establishment of long-term relationships, and ultimately to higher customer satisfaction and long-term success.

SPACES FOR CULTURE ENTHUSIASTS

Many cultural institutions already use one or more of these tools, along with additional digital formats such as social media channels or online collections, to open channels for conversations. However, the tools in use are not always meaningfully interconnected, especially with ticketing. Such connections are currently tested with initial pilot projects in the fields of sports and festivals. Bridging digital formats and ticketing extends the relationship with the visitor beyond physical presence. This ensures a seamless, straightforward customer journey and plays a crucial role in the ticket sales strategy for an event or exhibition.

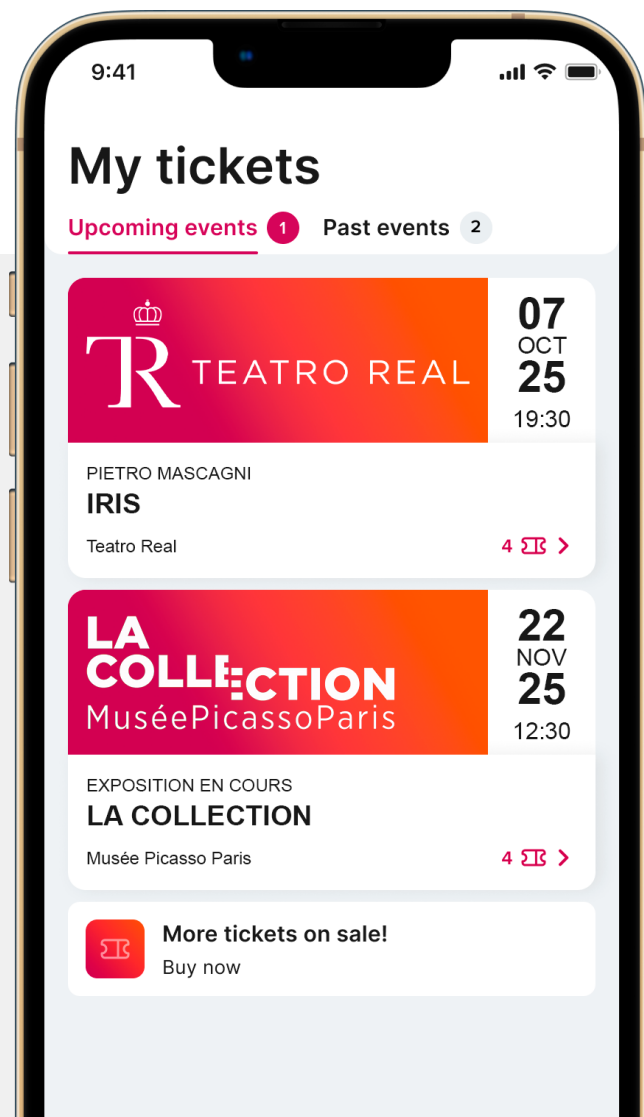
Additionally, an integrated solution can enable seamless coordination and automation of various tasks and processes, resulting in increased efficiency. This ranges from sales activities to reporting functions, including evaluation, analytics, and statistics. A comprehensive database allows for a more customer-oriented approach in ticketing and a personalised interaction with visitors as well as tailored individual offers based on purchase history and preferences, enhancing customer loyalty. By collecting real-time data, arts and cultural managers can promptly respond to changes and adapt their strategies quickly to meet the needs of the audience. Based on these insights, informed data-driven decisions can be made, leading to continuous improvement in strategic alignment.



A MOBILE-FIRST STRATEGY IS A MUST

Today, more than 70% of global e-commerce purchases start on mobile devices, a trend that is not going to change. Visitors worldwide desire the flexibility and convenience of "one-click" access to event experiences anytime, anywhere. Therefore, a mobile-first approach is of utmost importance for any ticketing strategy today. Once the foundation for mobile ticketing is laid, event organisers can quickly transition to a mobile-first strategy. This approach also opens up a range of opportunities to diversify revenue, including digital souvenir tickets or NFT collectable products. Ticketing managers today cannot afford to delay a mobile-first strategy. It effectively engages Millennials and Generation Z, reaches a broader audience, and fosters a solid, meaningful fan connection for the future.

Non-fungible tokens (NFTs) have already generated hundreds of millions in the art market. As each NFT exists only once in the blockchain, it signifies specific ownership - for example, of an artwork. Mobile blockchain solutions thus enable a digital hub for customer interaction. This creates a simpler and more convenient purchasing experience. At the same, according to GDPR, event organisers have to allow ticket purchases via a guest account - customer accounts are not mandatory. Therefore, ticket system providers as well as organisers always aim at encouraging customers to create an account. This offers a lot of advantages for the organiser (data quality, additional sales, evaluations, promotions, but also operational, security-relevant aspects of events and short-term changes) and for the buyer (administration of purchases or changes to purchase and master data). Using digital hub, e. g. for NFTs, to make customer accounts more attractive thus allows for better relationship management and interaction with the audience, even if they have not yet made a purchase. Here, the ticket purchasing process is significantly streamlined and provides high-quality data that can be further analysed. Furthermore, such mobile blockchain solutions provide an effective means in the fight against fraud and ticket counterfeiting through unique, encrypted, and fully traceable tickets.



INCREASE BASKET VALUE

In addition to the pursuit of new audiences, which requires effort, time, and money, it is equally important to retain existing visitors. Therefore, for cultural institutions, it is not only of interest to sell tickets to former visitors, but also to engage in up/cross-selling and find ways to increase the basket value to generate more revenue. For example, by offering upgrades to guided tours, audio guides, or themed merchandise such as a book related to the exhibition. In addition, third-party offerings can be included, such as hotel bookings or travel insurance, providing visitors with a comprehensive package.

ANALYTICS, METRICS & DYNAMIC PRICING

To be able to draw the right conclusions from ticketing data, these tools must provide insights into the effectiveness of goals and measures through ongoing analysis. A systematic data collection process captures relevant data and establishes criteria and indicators. Based on these, both successes and failures can be analysed, with impact measurement and evaluation leading to further refinement, e. g. for dynamic pricing. By using advanced algorithms, dynamic pricing can optimize the sales process and help organizers achieve their financial goals more effectively. The aim is to maximize revenue, optimize occupancy, control peak visit times, and enhance customer loyalty by offering visitors flexible and attractive pricing options.

ARTIFICIAL INTELLIGENCE

With constantly evolving technological innovations in the field of Artificial Intelligence (AI) also in ticketing, there is even more potential for organisations to leverage as AI can identify patterns and trends not only in audience behaviour, but also in audio, images, and videos. This allows cultural organisations to gain valuable insights into the preferences, behaviour, and demographic characteristics of their customers and adjust prices, products, and marketing strategies.

Another significant change concerns the way of communicating with systems. Organisers now have the option to request reports in natural language, and visitors can directly search for the information they need. This opens up possibilities for the most effective form of marketing: "pull marketing". Organisers are not reliant on sending out general offers, and visitors no longer receive marketing messages that are not interesting to them.

CHALLENGES AND OPPORTUNITIES

Considering the numerous crises of recent years or work overload driven by an increasing number of tasks, sometimes coupled with staff shortages, not all arts and cultural institutions have been able to develop digital concepts and offerings. Often, this is also due to a lack of funding for digital infrastructures. This makes it even more necessary to highlight the value of intelligent ticketing solutions as a crucial instrument for improved accessibility and efficiency to all stakeholders. At the same time, hardly any cultural institution can keep up in the rapidly evolving world by using only its own IT resources. Financing digital infrastructures is not merely a funding but an investment that can help reduce expenses or increase revenue in the long term.

These problems lead to a digital divide between cultural institutions, also on a global level - a major problem that is becoming more and more prevalent. A promising way to deal with this could be several organisations sharing a common system in order to save costs. Such models already exist at a local level, e. g. in Paris, where exhibitions and tickets for 14 museums are offered via a single Secutix platform for Paris Musées. Cities and tourism organisations increasingly often create synergies in this way, for example Geneva and Les Sables d'Olonne. Such alliances could help to ensure that even smaller or less well-equipped cultural institutions are able to utilise the diverse potential of digital systems for visitor relations.

