



## 2015 National Audience Study & Theater Operations Survey

## Overview

# ARTHOUSE CONVERGENCE



In October, 2015 the Art House Convergence partnered with Avenue ISR to conduct the third National Audience Study to develop a deep understanding of art house patron profiles, attitudes and beliefs.

More than 20,000 art house attendees from across the United States and Canada participated in this landmark study.

Special thanks to the Bryn Mawr Film Institute for providing the initial vision and leadership for this work.

Also included here are some findings from a Theater Operations Survey conducted among theater owners and

# National Audience Study: Participating Theaters

- Thank you to the 33 North American art houses and film societies who participated in the 2015 National Audience Study!

Rank	Site	Rank	
1	Amherst Cinema, Amherst, MA	18	Jacob Burns Film Center, Pleasantville, NY
2	a/perture cinema, Winston-Salem, NC	19	The Loft Cinema, Tucson, AZ
3	Avalon Theatre, Washington, DC	20	Martha's Vineyard Film Center, Martha's Vineyard, MA
4	Belcourt Theatre, Nashville, TN	21	The Michigan Theater, Ann Arbor, MI
5	Bloor Hot Docs Cinema, Toronto, ON	22	Midtown Cinema, Harrisburg, PA
6	Cinemapolis, Ithaca, NY	23	Moxie Cinema, Springfield, MO
7	The Colonial Theatre, Phoenixville, PA	24	The Nickelodeon Theatre, Columbia, SC
8	The Coolidge Corner Theatre, Brookline, MA	25	Park City Film Series, Park City, UT
9	Denver Film Society, Denver, CO	26	Pickford Film Center, Bellingham, WA
10	The Enzian, Maitland, FL	27	Princeton Garden Theatre, Princeton, NJ
11	Film Society of Lincoln Center, New York, NY	28	The Salt Lake Film Society, Salt Lake City, UT
12	FilmScene, Iowa City, IA	29	SIFF Cinema, Seattle, WA
13	Gateway Film Center, Columbus, OH	30	The State Theatre, Modesto, CA
14	The Grand Cinema, Tacoma, WA	31	Tampa Theatre, Tampa, FL
15	IFC Center, New York, NY	32	Texas Theatre, Dallas, TX
16	Images Cinema, Williamstown, MA	33	TIFF Bell Lightbox, Toronto, ON
17	Indiana University Cinema, Bloomington, IN		



## Two Sources of Data

- Thank you also to the 62 North American art houses and film societies who participated in the Theater Operations Survey!



### **2015 National Audience Study**

- Consumer Study of 20,000 art house patrons
- Represented throughout with these colors:



### **2015 Theater Operations Survey**

- Industry Study of 62 art house leaders (owners, managers, etc.)
- Represented throughout with these colors:

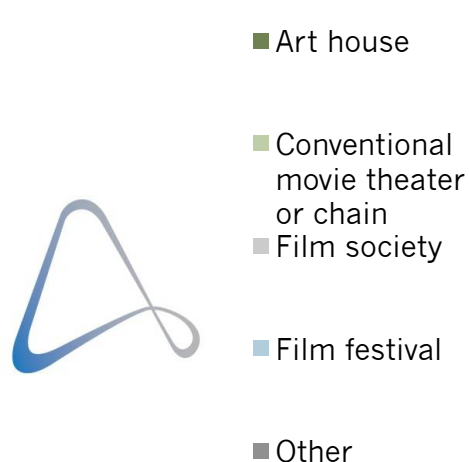




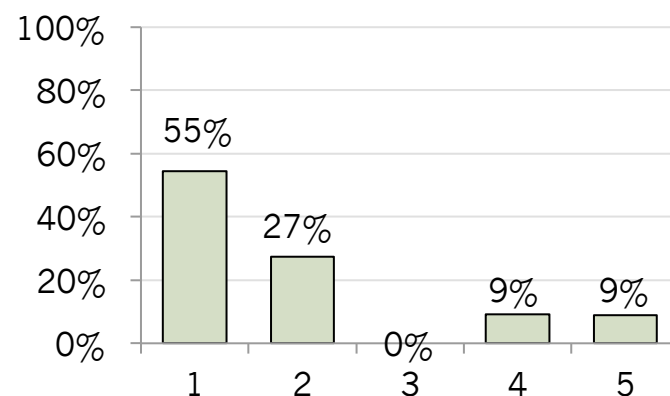
# Theater Operations Survey: Summary of Respondents

- The majority of respondents were art house movie theaters (for these purposes, included some venues with a mix of film and live performance)
- The mean respondent operates 2 screens with a seating capacity of 440

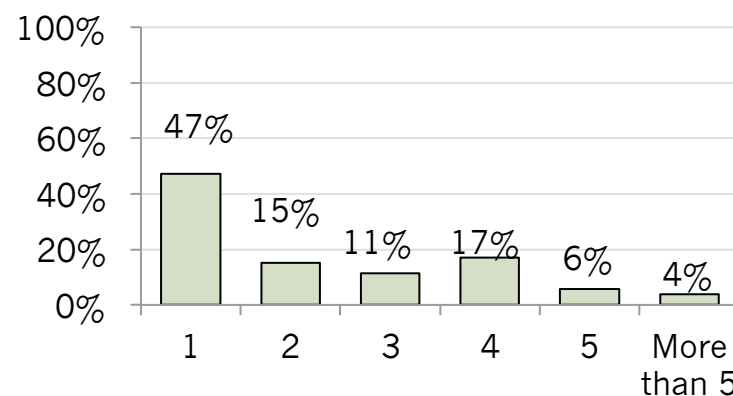
*Which of the following best describes the organization you represent?*



*How many theaters does your organization operate?*



*How many screens do you have across all theaters?*

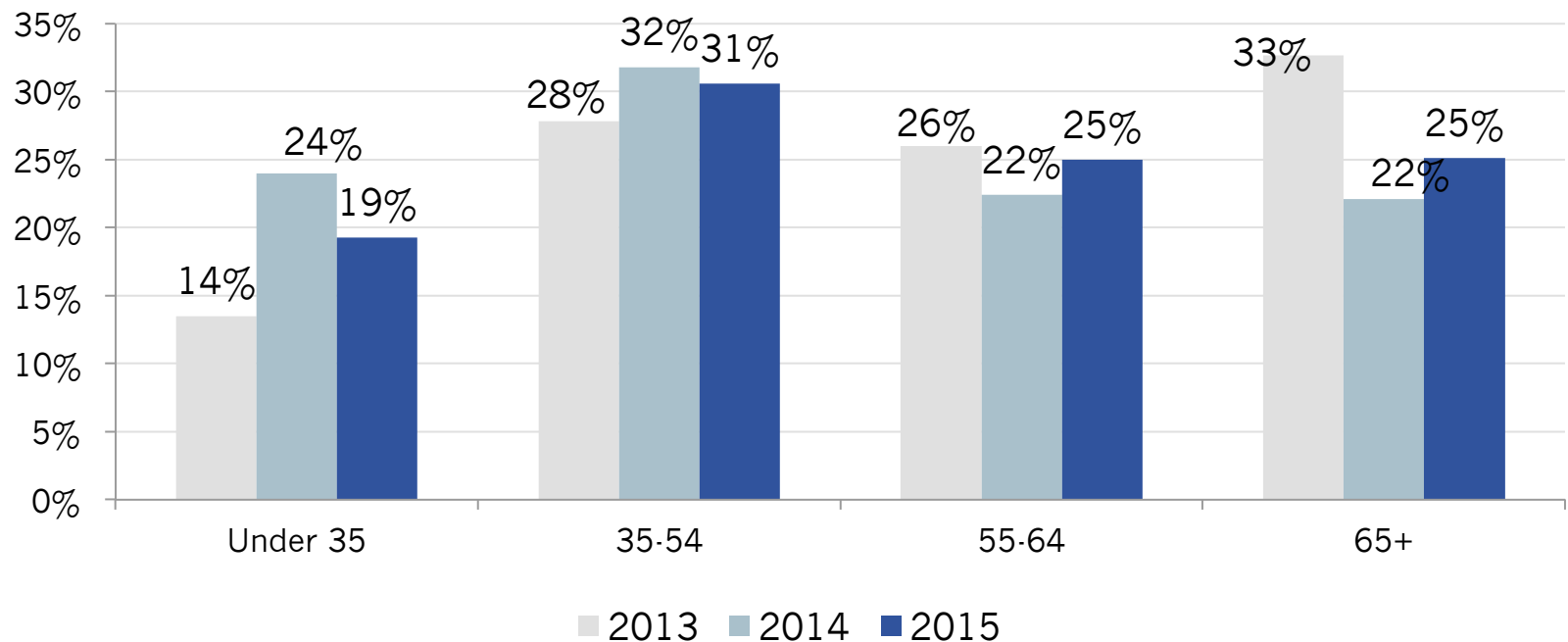


**Mean number of screens = 2.3**  
**Mean seats per screen = 188**  
**Mean total seats per theater = 440**

## Age of Respondents (National Audience Study)

- The mix of theaters (and therefore respondents) changes in each year of the National Audience Study
- This year's audience is somewhat older than the 2014 respondent mix and younger than the 2013 respondent group – to bear in mind when viewing trending slides

### Age of Respondent



# Executive Summary of Findings

1. Even within the art house movie assortment, the movies that entertain are not necessarily the same ones that build lasting impressions and appreciation for individual theaters.
2. A wide range of genres and films are necessary to connect with all segments and groups of the art house audience.
3. Art house movie theaters play a critical role in patron's lives and their communities, across the spectrum of generations.
4. Although there may be room to grow, art houses appear to be doing a capable job of cultivating younger patrons, at least in part by engaging in a wider range of communications and events.
5. Continuing to reach new audiences (including younger ones) may depend on continuing to offer alternative genres and working with affiliate and community groups.
6. Pinterest and direct mail may be contrarian diamonds in the rough.
7. New patrons are legitimate prospects for membership and fundraising as soon as they walk in the entrance.



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# *1. Movies That Entertain and Elevate*



# Key Movies of 2015

*“Following are a list of movies released in 2015. Please select the movie that best fits the description.*

- *Was most entertaining/enjoyable*
- *Left the greatest lasting impression on you*
- *Made you appreciate [SPONSORING ORGANIZATION] the most”*



This list of 60 films was compiled in late October based on national sales figures, film review sites and input from the Art House Convergence – it does not perfectly replicate the offerings of any one art house theater.

# TOP 5 MOST ENTERTAINING/ ENJOYABLE FILMS

5...



# GRANDMA



4...

# INSIDE OUT



3...



# FAR FROM THE MADDING CROWD



2...

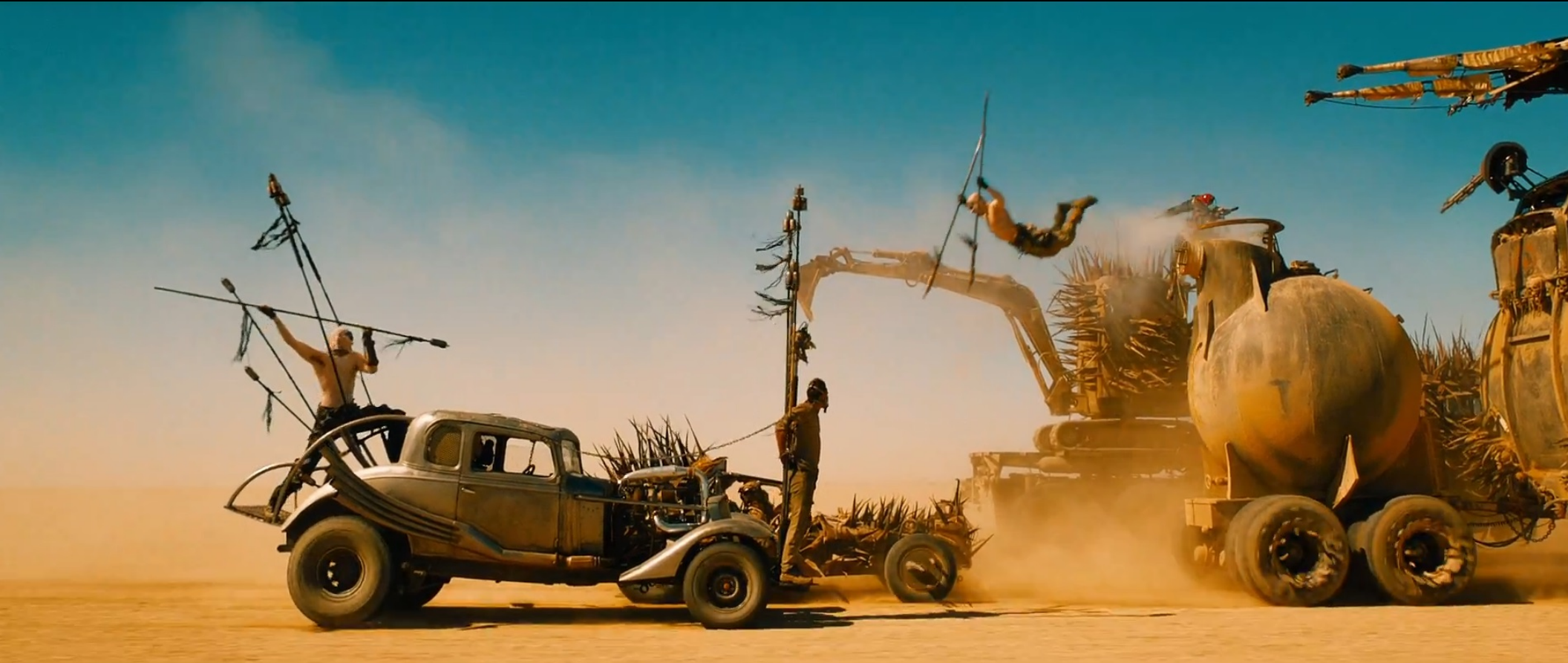
# THE MARTIAN



# 1



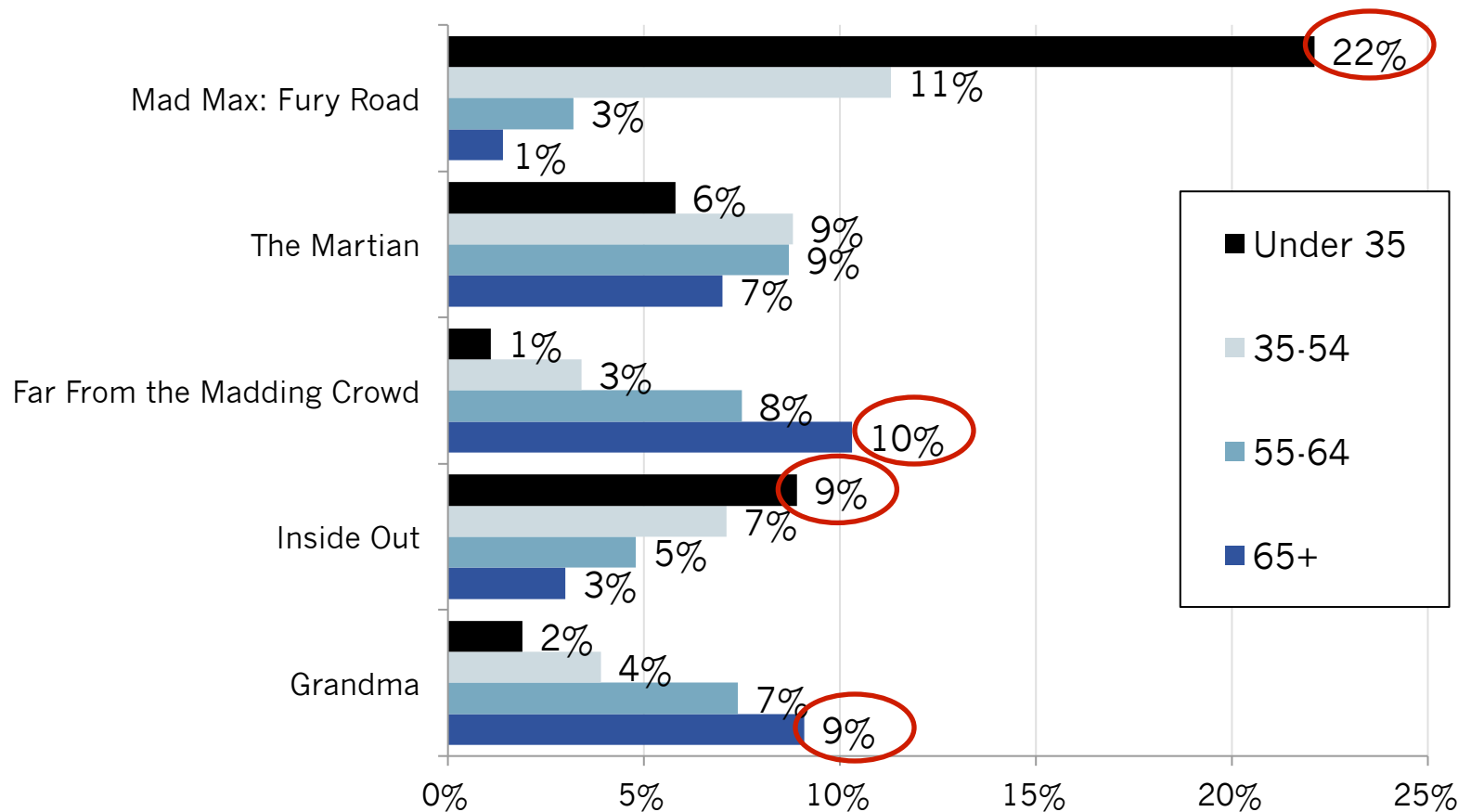
# MAD MAX: FURY ROAD



## Most Entertaining/Enjoyable Movie By Age

- Different age groups found different films to be *more* or *less* enjoyable
- Mad Max: Fury Road and Inside Out were more popular among younger art house patrons
- Far From the Madding Crowd and Grandma were more popular among older patrons

*Which film was most entertaining/enjoyable?*



# TOP 5 FILMS THAT LEFT THE GREATEST LASTING IMPRESSION ON VIEWERS

5...

# LOVE & MERCY



4...



# ME AND EARL AND THE DYING GIRL



3...

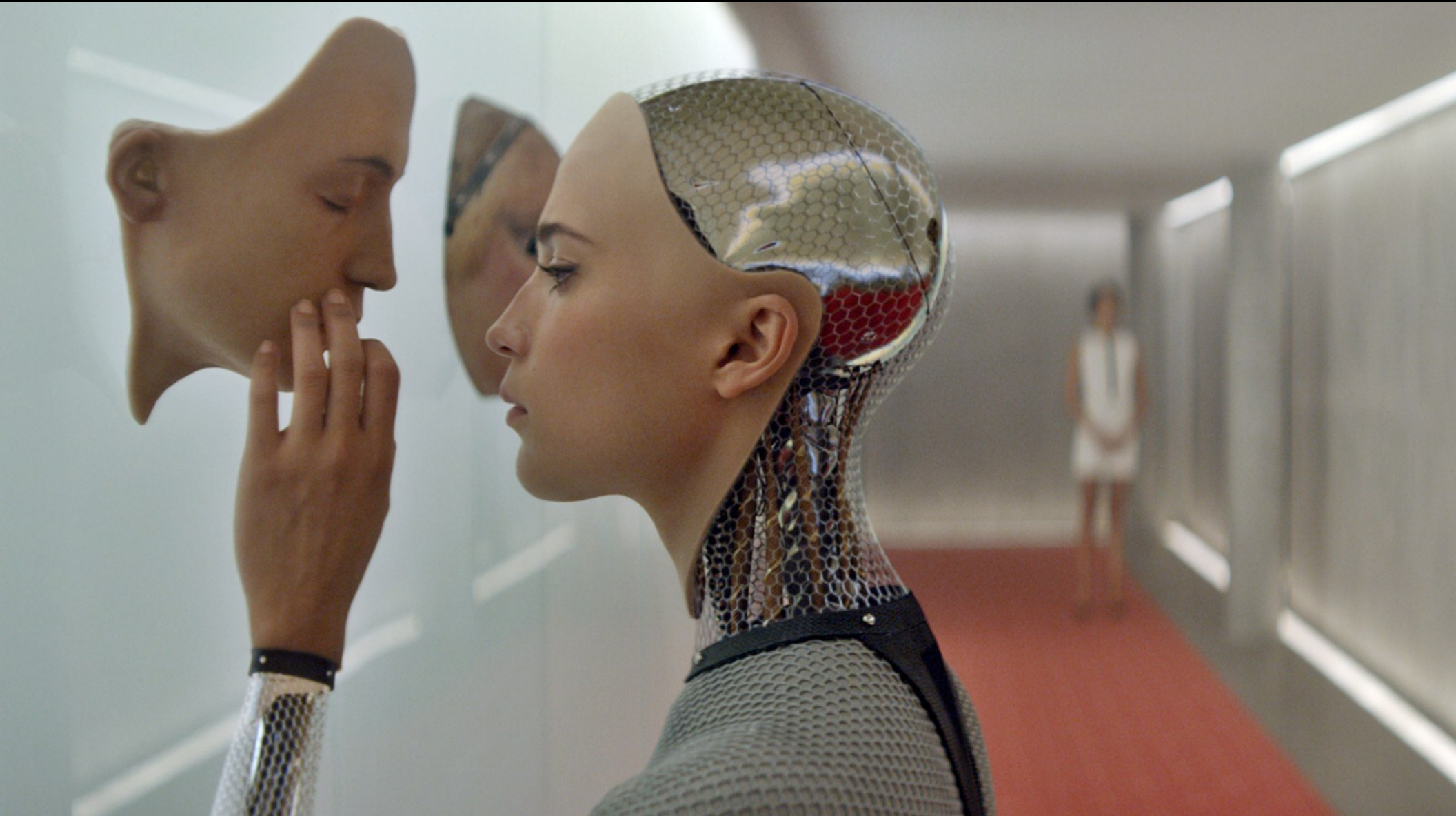


# AMY



2...

# EX MACHINA



# 1



# SELMA



# FINALLY, THE TOP 5 FILMS THAT MADE PATRONS APPRECIATE THEIR ART HOUSE THEATER

5...

# LOVE & MERCY





4...

# WHAT WE DO IN THE SHADOWS



3...

# SELMA



2...



# CITIZEN KANE



# 1

# ME AND EARL AND THE DYING GIRL





# Additional Findings and Implications

1. The movies that were most entertaining (and may have even drawn the largest audiences) are different from the movies that left the greatest lasting impact and those that create audience appreciation of art houses
2. There were an additional 20 movies that were each chosen by at least 200 patrons (1% of total) either because they left the greatest lasting impression or created appreciation:
  - A Most Violent Year
  - Best of Enemies
  - Clouds of Sils Maria
  - GETT: The Trial of Viviane Amsalem
  - Going Clear: Scientology and the Prison of Belief
  - Grandma
  - Grey Gardens
  - I'll See You In My Dreams
  - Inside Out
  - Iris
  - It Follows
  - Kurt Cobain: Montage of Heck
  - Phoenix
  - Sicario
  - The Apu Trilogy
  - The End of the Tour
  - The Martian
  - The Salt of the Earth
  - The Tale of Princess Kaguya
  - The Third Man
3. And there were dozens upon dozens of other films selected or written-in that audiences found moving, compelling and memorable
4. Implication: art house audiences are diverse and a given theater needs to offer a wide range of programming approaches to connect with all segments in a community



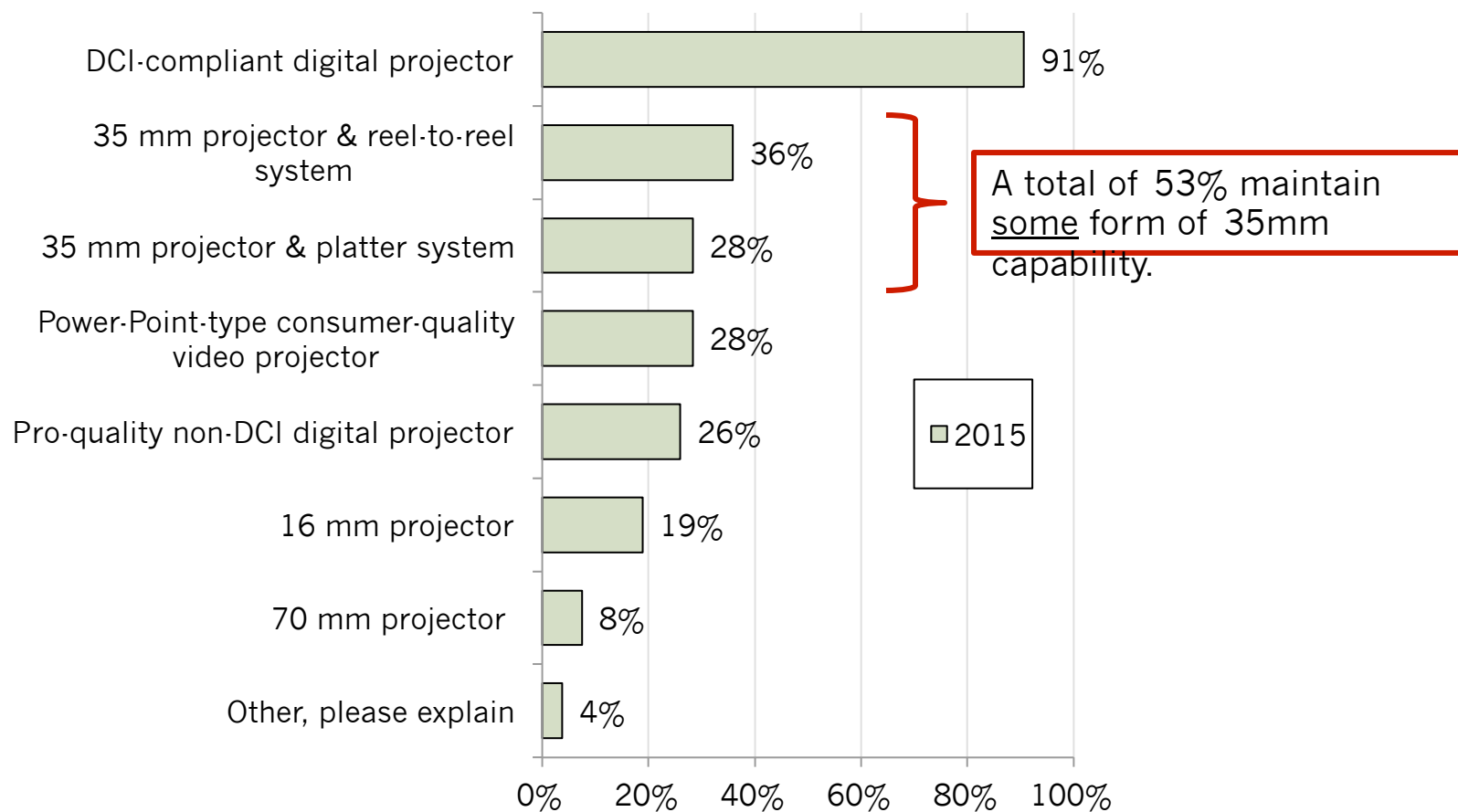
## *2. The State of the Art House*



# Theater Operations Survey: Projection Equipment/Capabilities

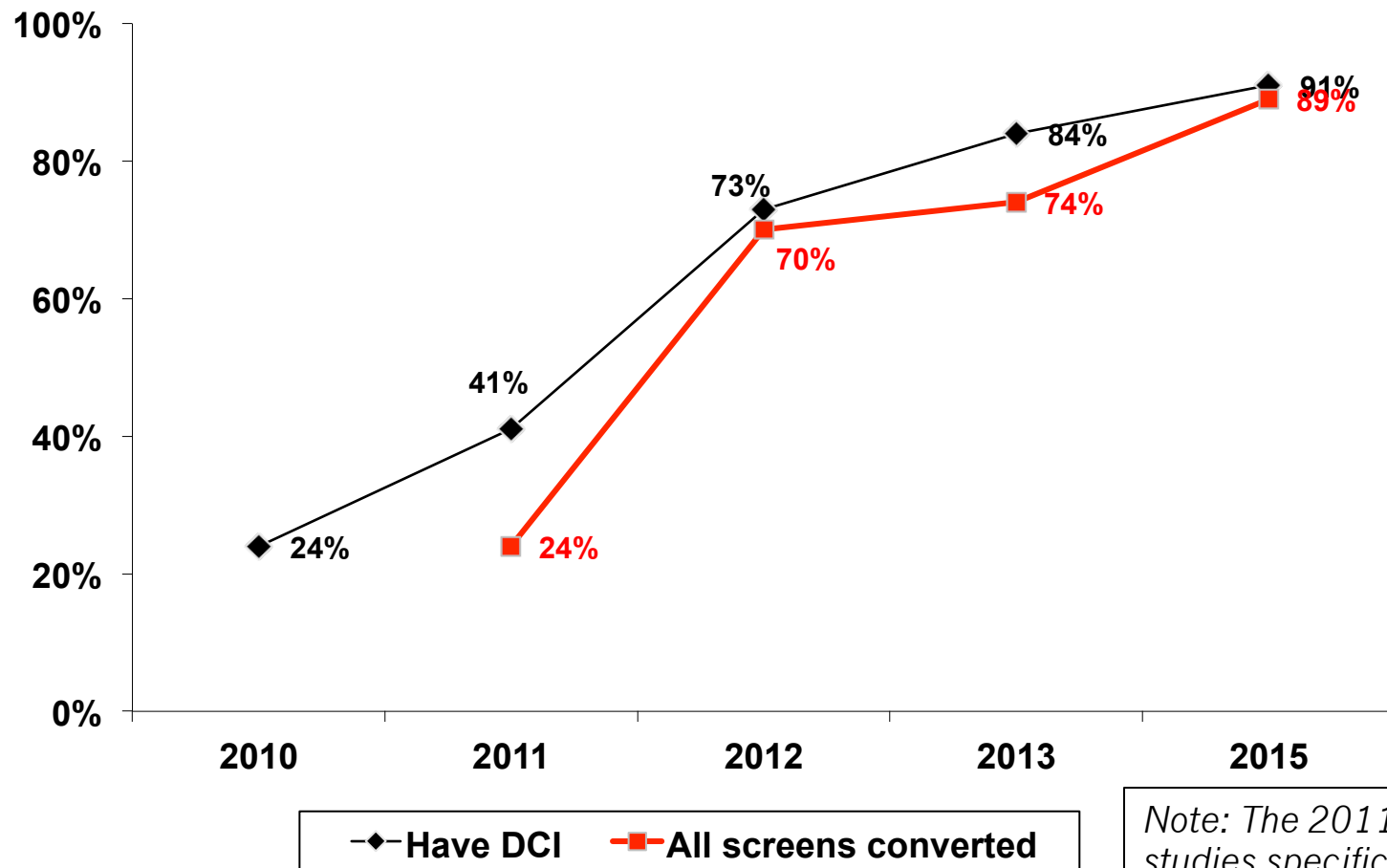
- 91 percent of participating theaters are using a DCI compliant digital projector
- More than 50 percent are using still some form of 35mm projection equipment
- Other types of projection equipment are less widely used

*Which of the following projection equipment/capabilities do you have in house? (select all that apply)*



# Theater Operations Survey: DCI Conversion, 2010-2014

- DCI Conversion appears to have grown even more widespread



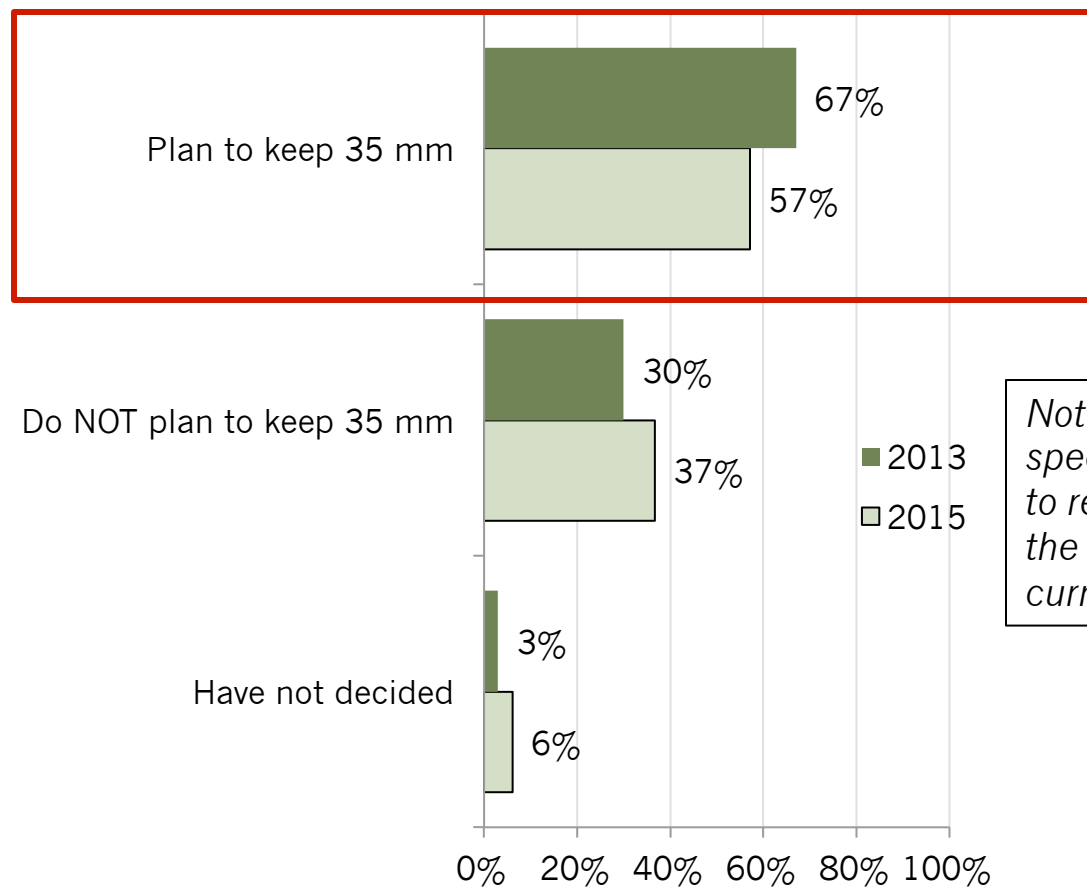
Note: Chart designed by the  
Bryn Mawr Film Institute

Note: The 2011 to 2014  
studies specifically asked  
respondents to respond re: the  
prior year; the 2015 study  
focused on the current year

# Theater Operations Survey: DCI Conversion

- Although the majority of respondents still plan to keep their 35 mm projection capabilities after DCI conversion, this number has fallen from 2013

*Do you plan to retain your 35mm projection capabilities after completion of DCI conversion?*



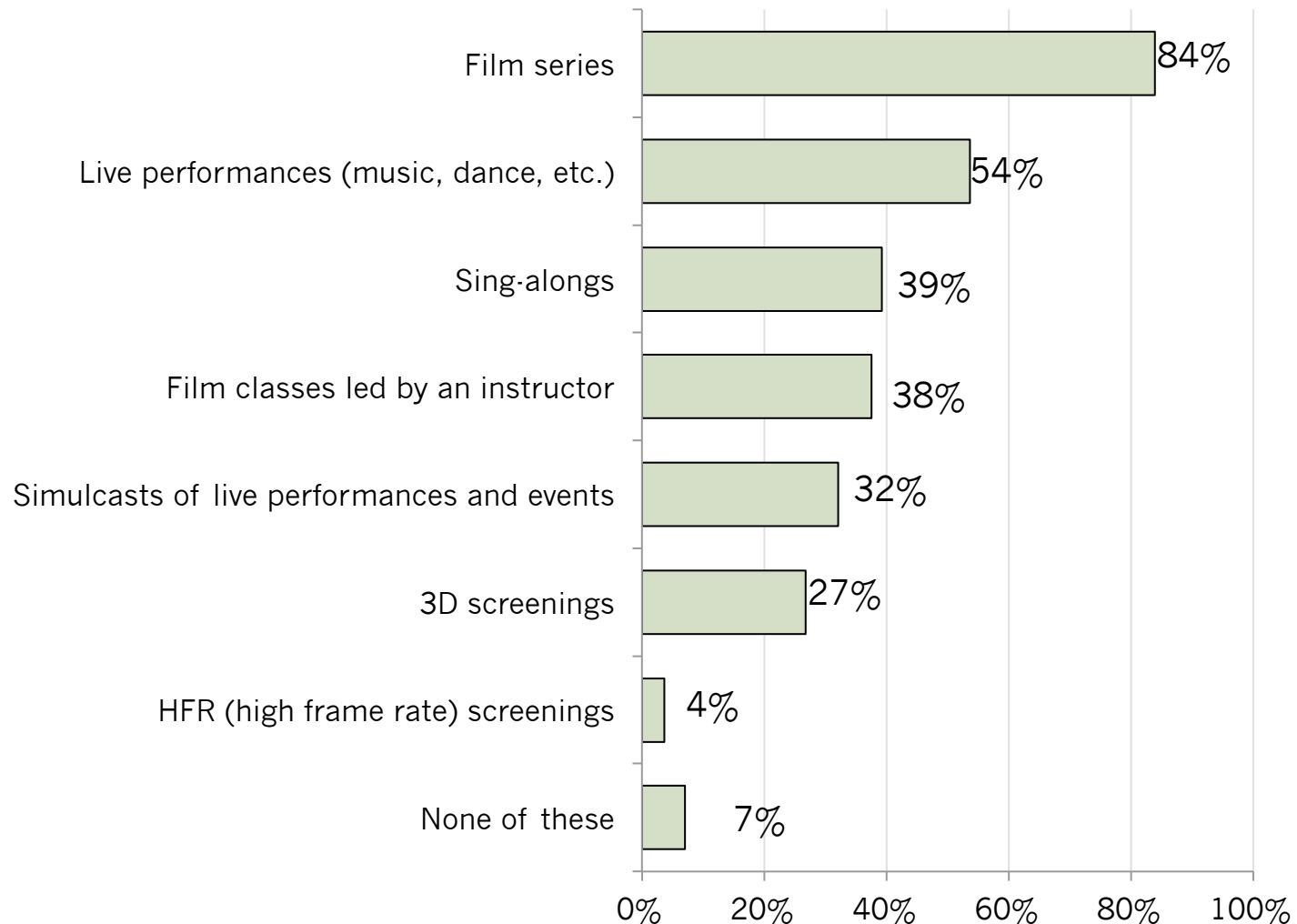
*Note: The 2013 study specifically asked respondents to respond re: the prior year; the 2015 study focused on the current year*



# Theater Operations Survey: Special Content

- Art houses offer a wide variety of special content including live performances, simulcasts, education and a variety of additional programming

*Which of the following special content does your organization currently offer?*



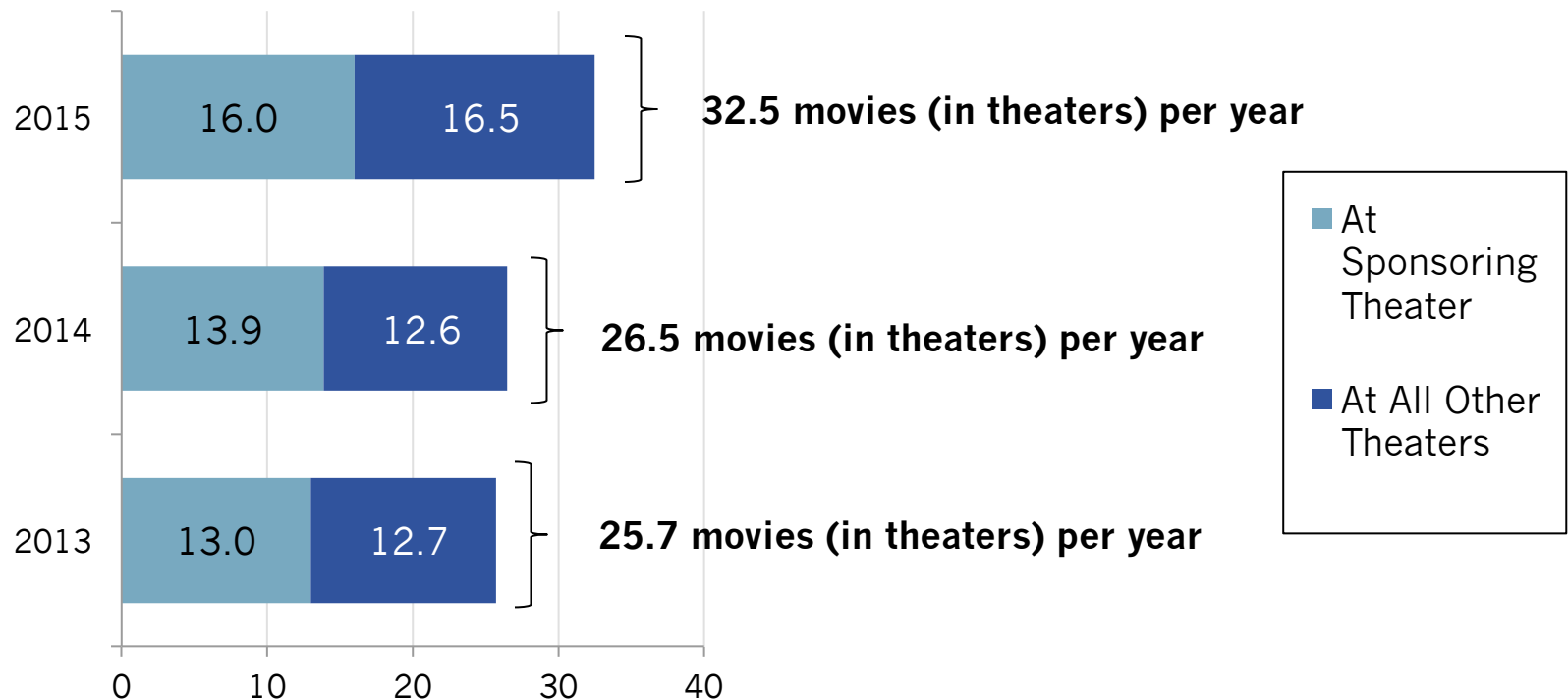


# National Audience Survey: Frequency of Attending

- The average art house attendee reports seeing 32.5 movies per year, up from 26.5 in 2014 and 25.7 in 2013
- Any given art house attendee is choosing to see just under half of his or her movies at a favored art house

*How often do you typically see movies at SPONSORING THEATER? AND How often do you typically see movies at all other types of movie theaters put together?*

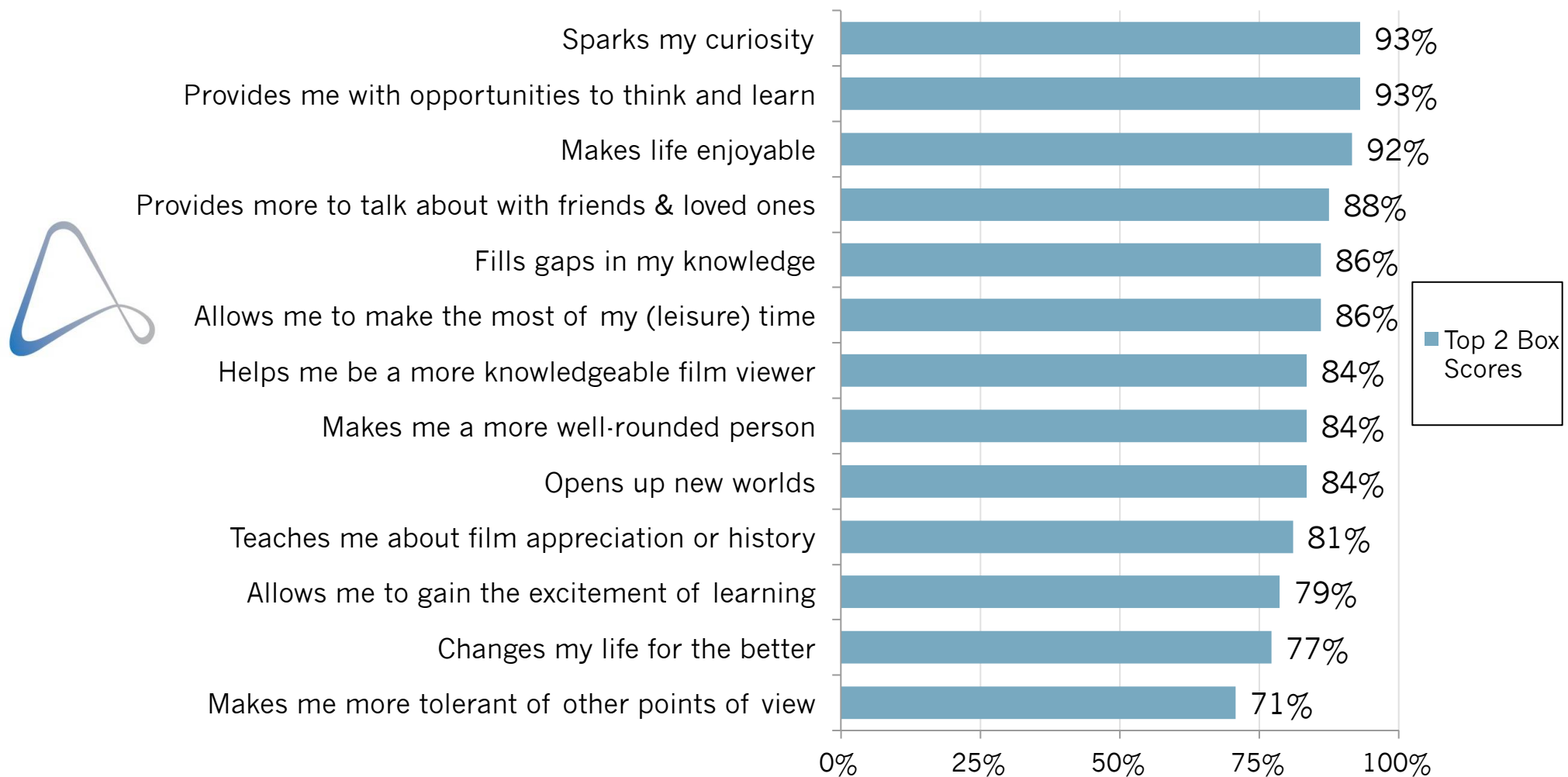
**Movies Per Year**



# National Audience Study: Passion and Engagement

- Art house audiences have enriching and transformative experiences because of their favored theaters

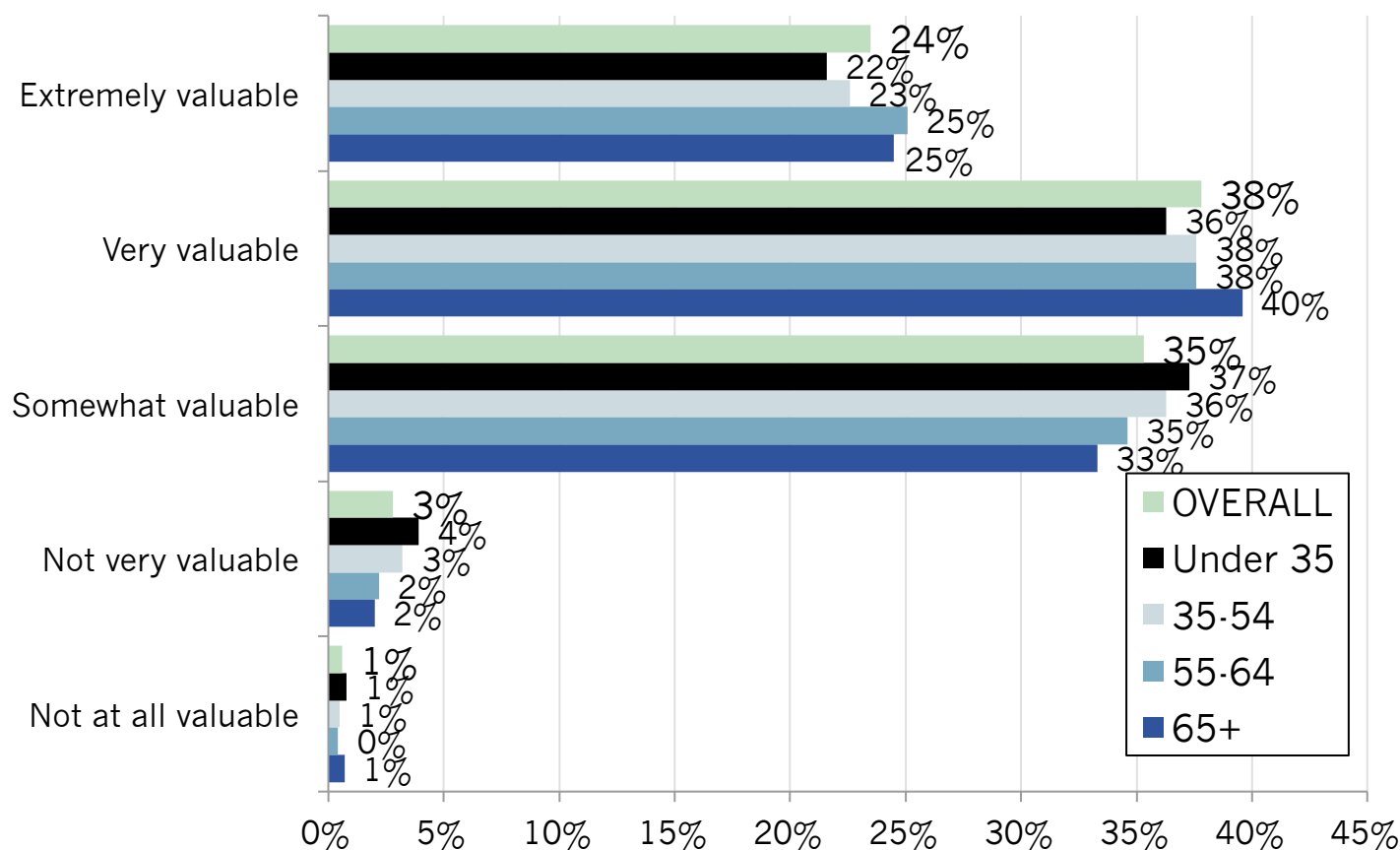
*To what extent do you agree with the following statements about SPONSORING THEATER?  
(Top 2 Box - Strongly Agree or Somewhat Agree)*



# National Audience Study: Art Houses and Quality of Life

- More than 62% overall would say that the art house they patronize is “Very” or “Extremely” valuable to their overall quality of life
- This is generally true across the full spectrum of generations

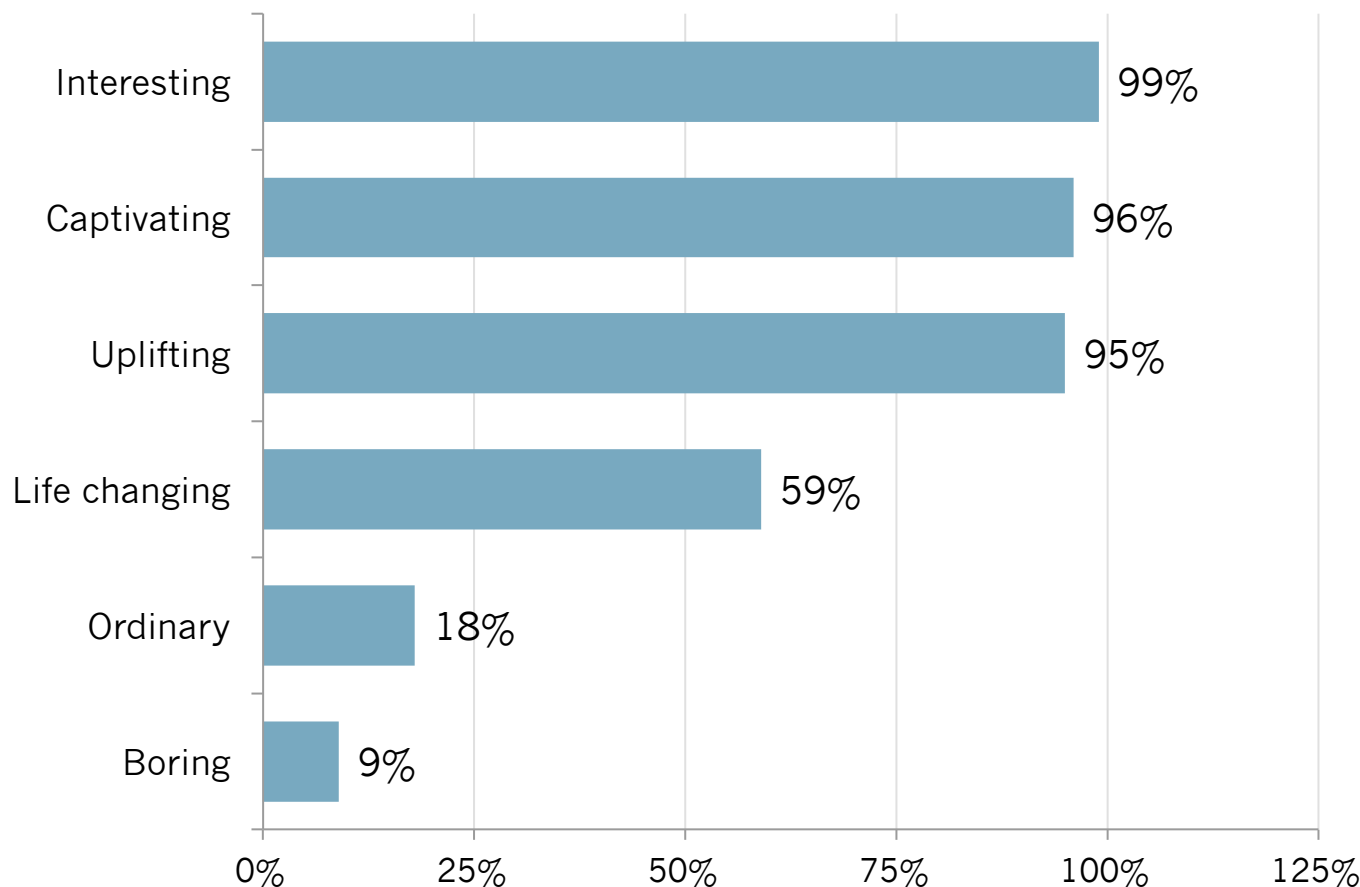
How valuable is [SPONSORING THEATER] to your overall quality of life?



## National Audience Study: Personal Impact

- In the past 12 months, art houses have been “Interesting,” “Captivating,” “Uplifting” and “Life Changing” in the lives of their patrons...and almost never “Ordinary” or “Boring”

*In the last 12 months, how often would you say your experience of watching movies at [SPONSORING THEATER] matches the following terms? (Always, Usually or Sometimes)*



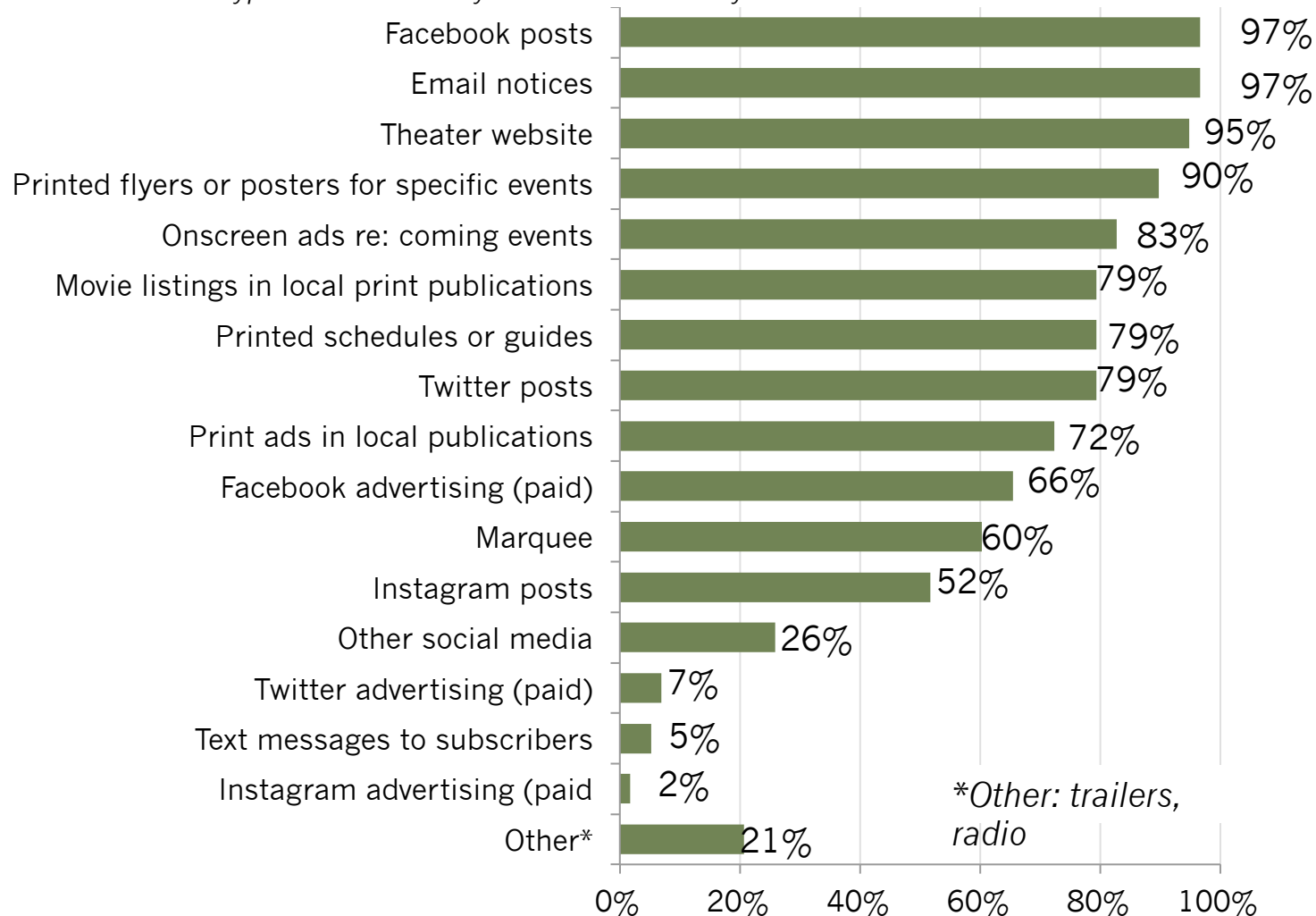
### 3. Media and Information



## Theater Operations Survey: Media Used

- Digital media (Facebook, email and websites) are among the most widely used media by art house theaters
- These results are VERY similar to 2014 results

*Please check ALL types of media that your theater currently uses.*

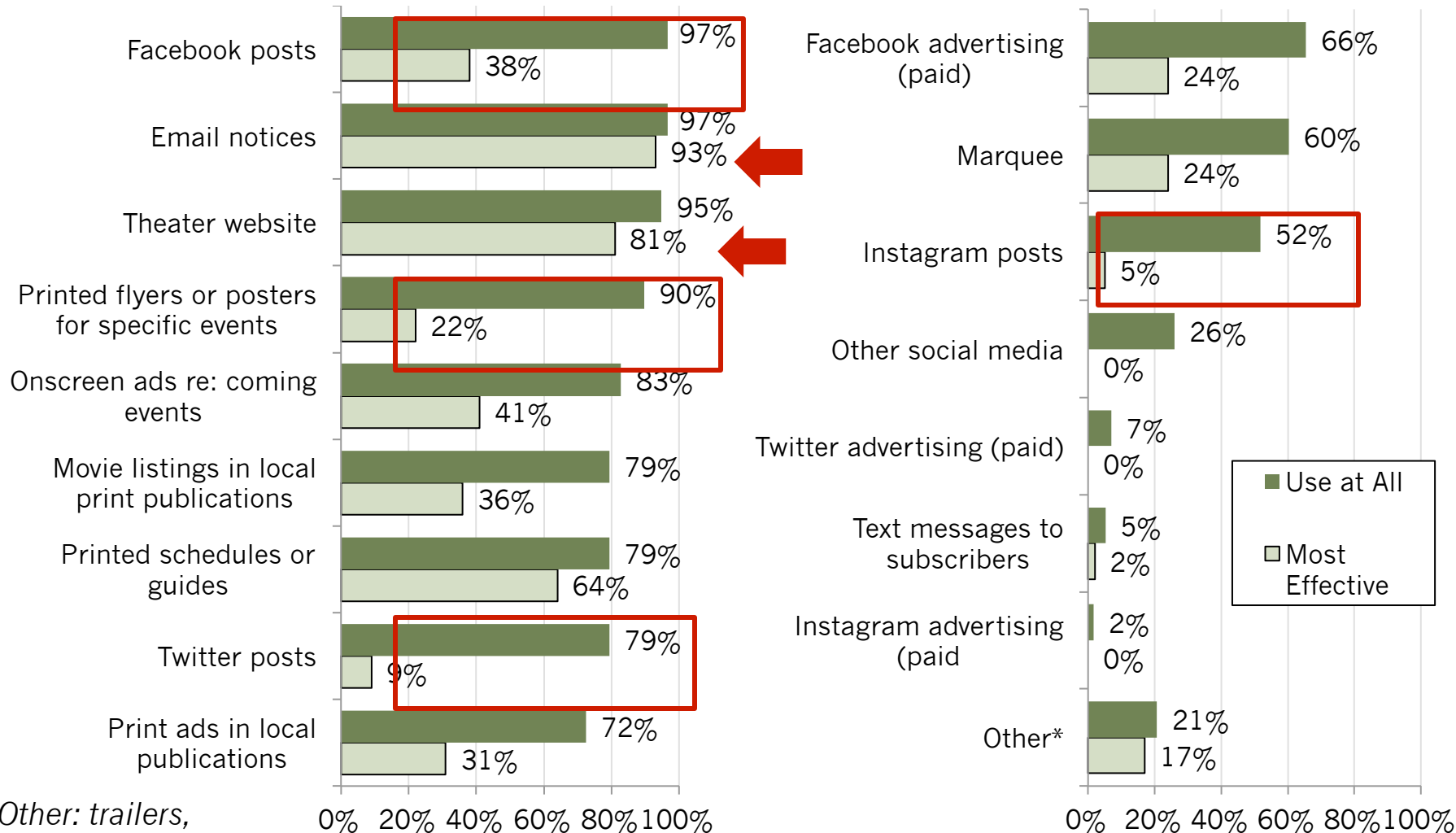




# Theater Operations Survey: The Most Effective Media

- The most effective media are thought to be email notices and websites
- Several widely used communications tend to be seen as less effective, including social media posts and printed flyers or posters

Please check ALL types of media that your theater currently uses. AND Please check the five media you have found the most effective.

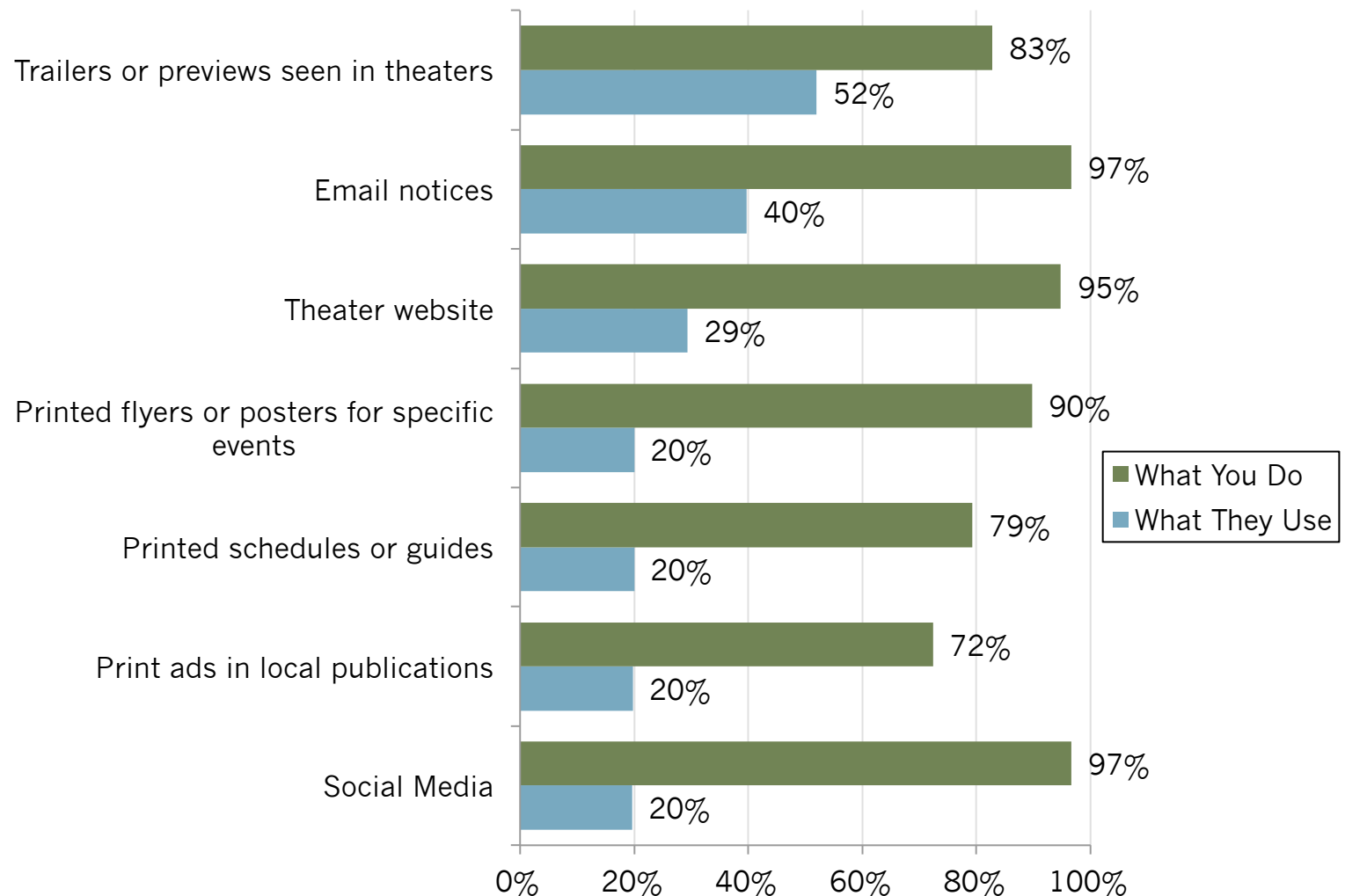


\*Other: trailers, radio

# What You're Doing vs. What They're Using: Deciding Which Movie to See

- In general, the most widely used media are influencing audience decisions of what movie to see

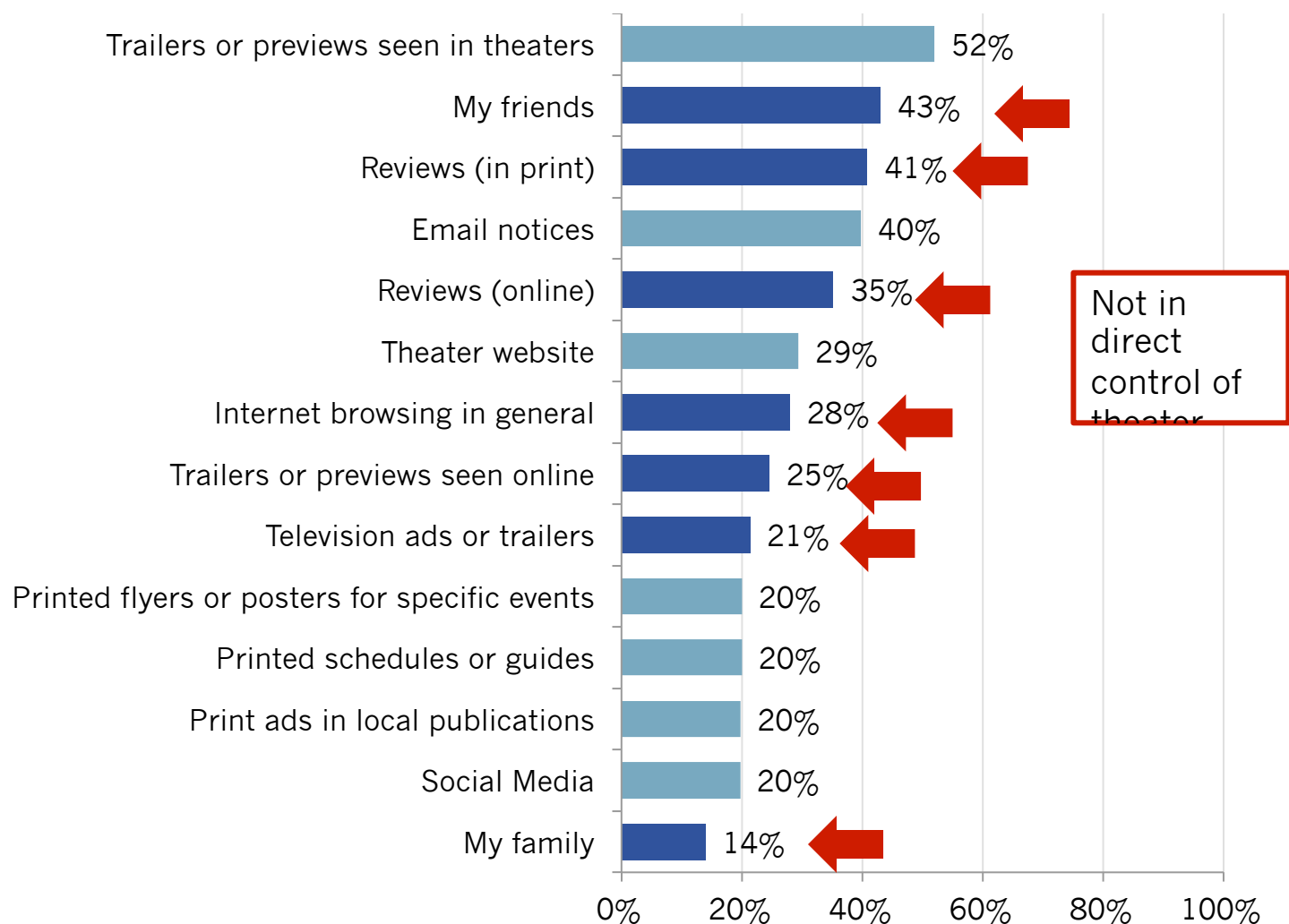
*Patrons: How do you typically learn about which movies you might be interested in seeing in movie theaters? (select all that apply) AND Leaders: Please check ALL types of media that your theater currently uses.*



# Alternate Influences and Sources of Information

- However, patrons make use of a wide variety of other media and information sources that are out of the control of art house theaters

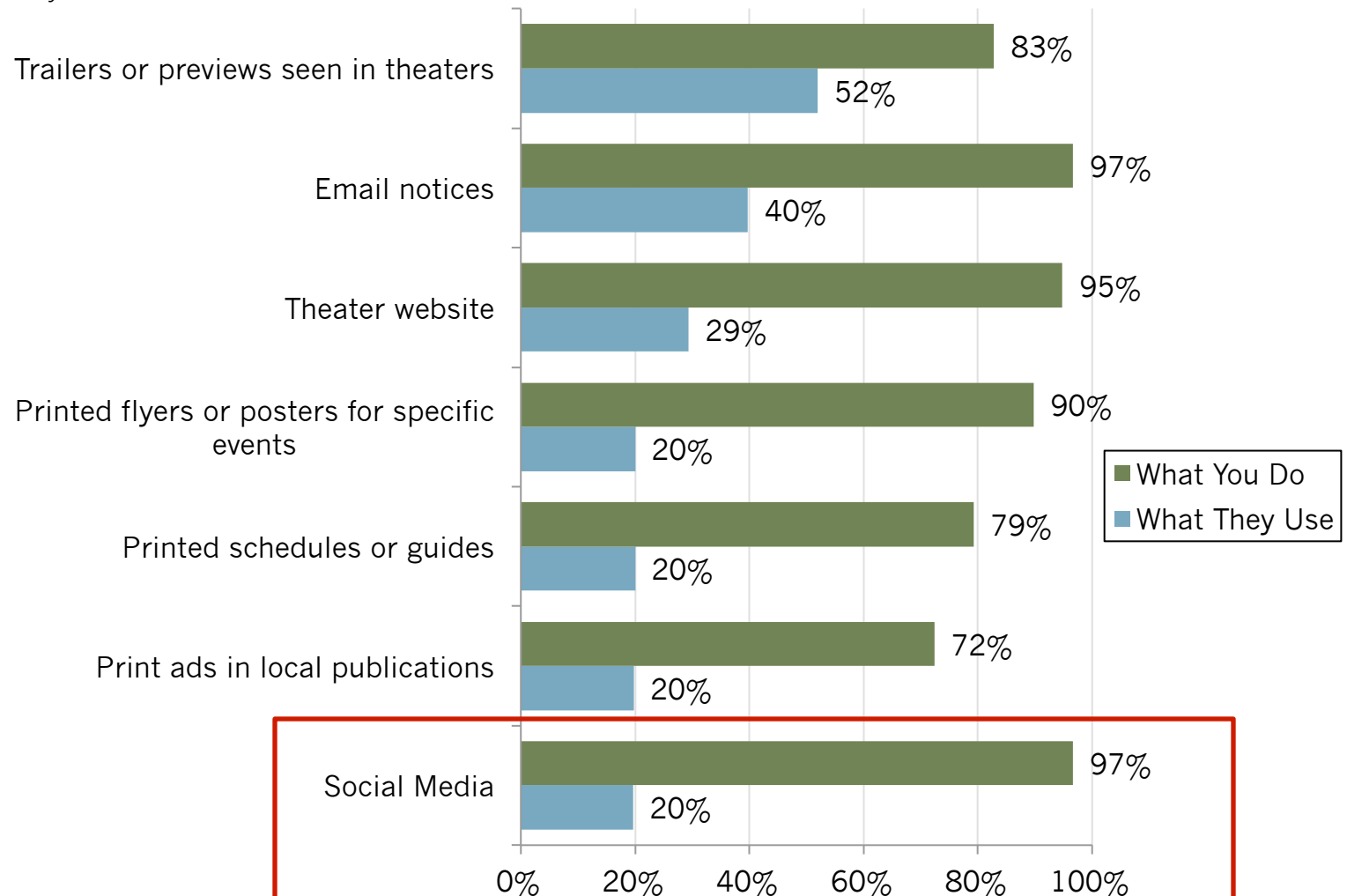
*Patrons: How do you typically learn about which movies you might be interested in seeing in movie theaters?  
(select all that apply)*



## Social Media and Art House Movie Theaters

- Although 97% of theaters are using social media to try to communicate with patrons, only 20% of respondents report using social media to decide which movies to attend

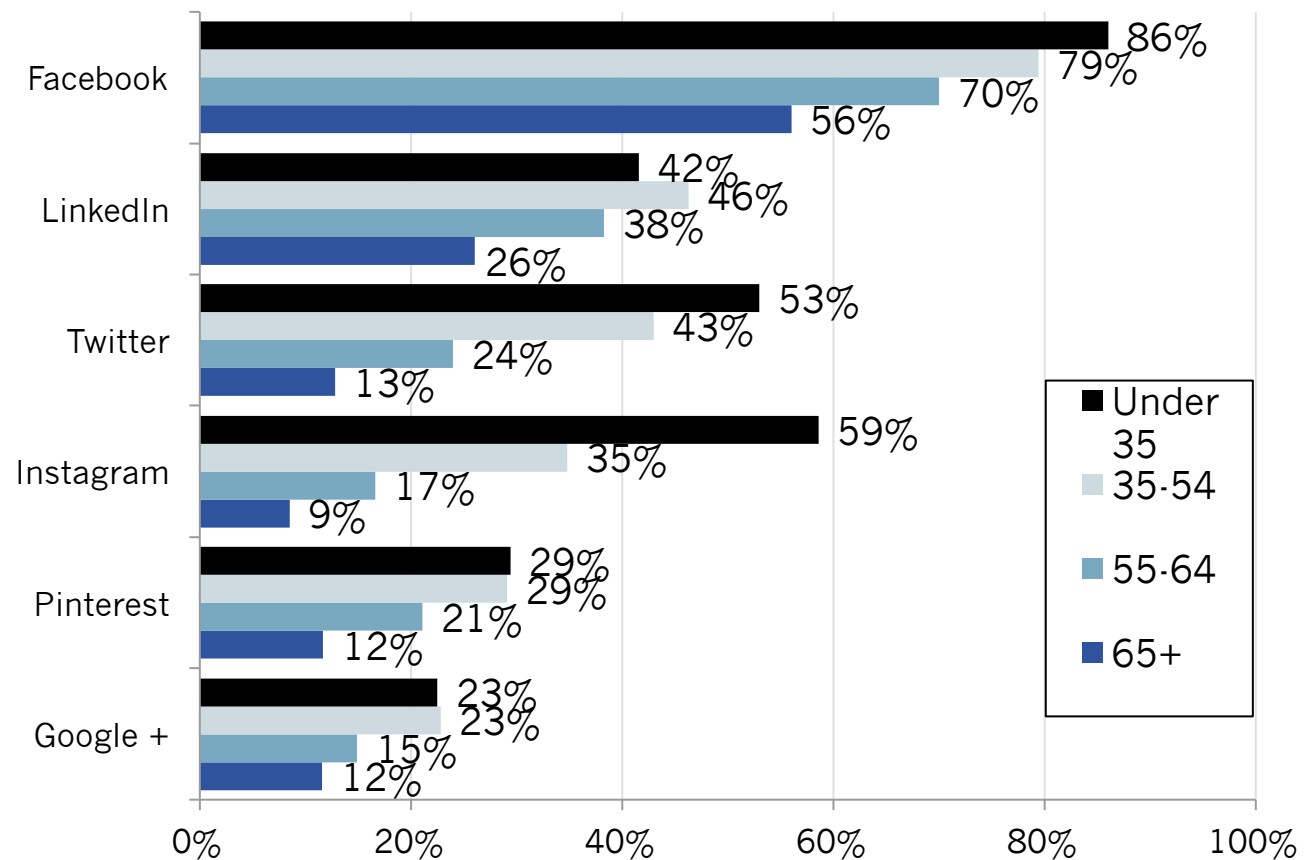
*Patrons: How do you typically learn about which movies you might be interested in seeing in movie theaters? (select all that apply) AND Theater Operations Survey: Please check ALL types of media that your theater currently uses.*



# Participation in Social Media

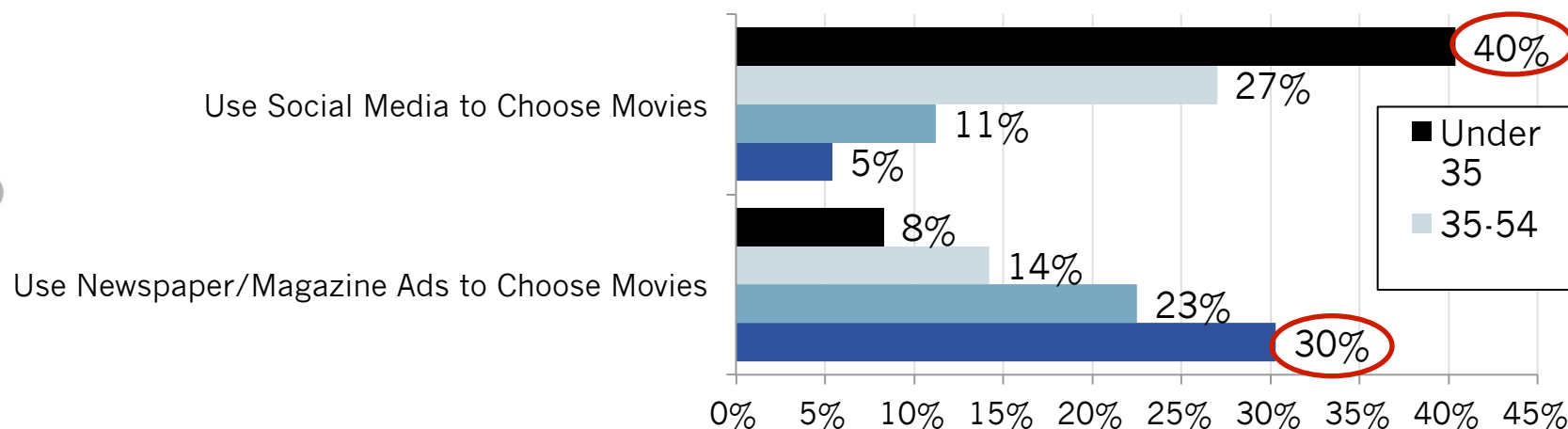
- The majority of respondents in all age groups are on Facebook
- Patrons also subscribe to LinkedIn, Twitter, Instagram, Pinterest (!) and Google+ in large numbers

*To which, if any, social media sites have you subscribed? (select all that apply)*



## Age Differences and Use of Social Media

- Although participation in social media is widespread, younger patrons are much more likely to use social media to make movie choices
- Older patrons are more likely to use print ads and listings
- For older patrons, social media may currently be more useful for building engagement in general

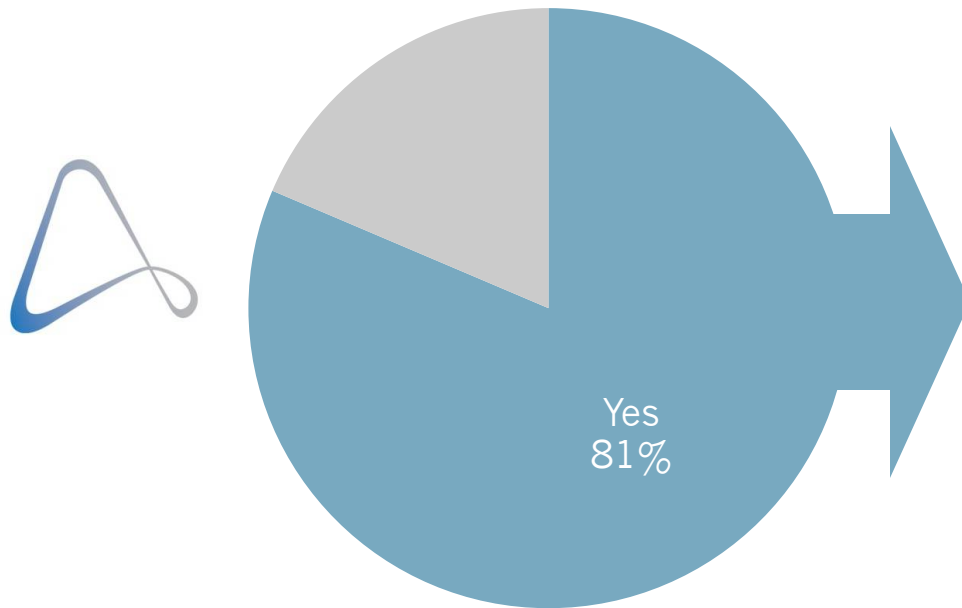




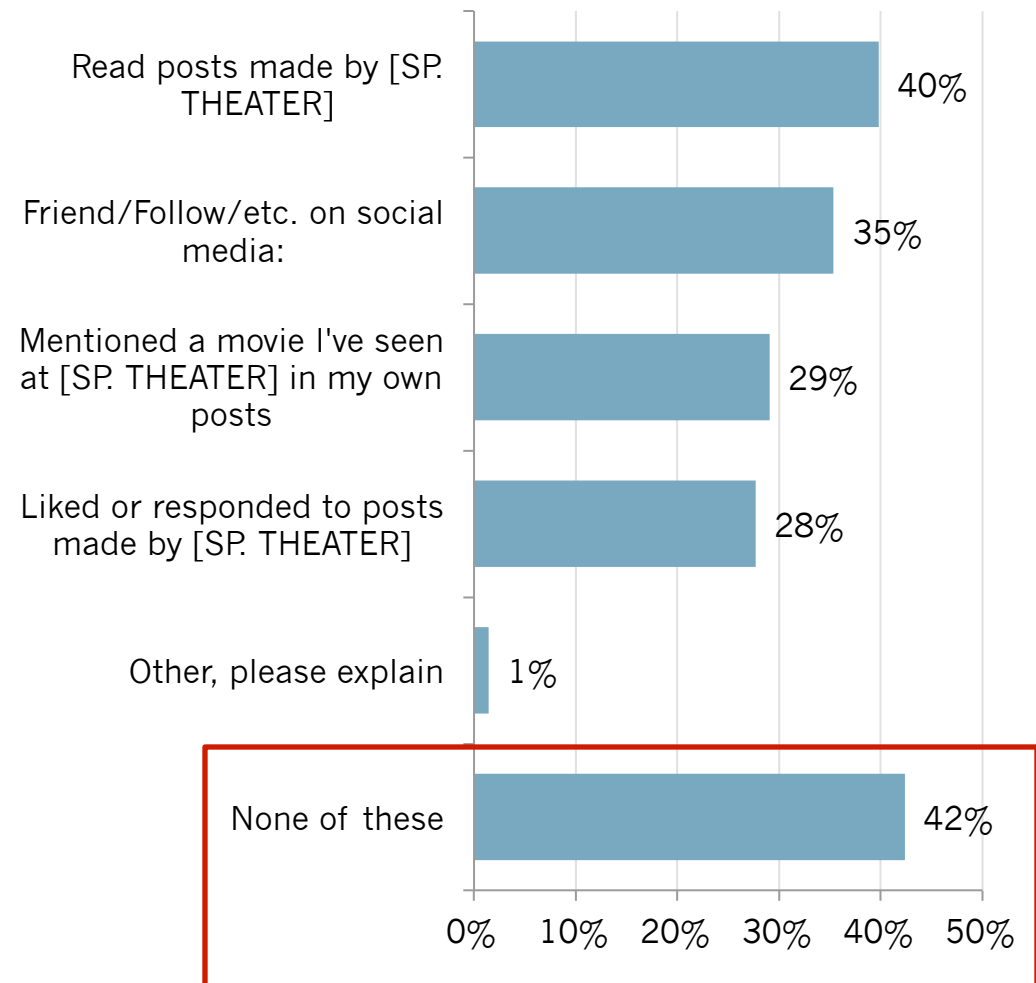
# Use of Social Media in General

- As indicated by previous slides, many respondents who participate in social media are not yet interacting with art house theaters through these media

## Participate in One or More Social Media



*Which, if any, interactions have you had with [SPONSORING THEATER] on social media?*



## Preferred Forms and Frequency of Communication

- The weekly email continues to be the favored communications medium for most theater news and information

### Preferred Medium

Rank	Email	Web site	Social	Handout	Reg. mail	Signs
News and information about the theater/ organization	84%	41%	20%	13%	11%	11%
New film announcements	87%	39%	21%	13%	10%	16%
Special events and programs	88%	38%	22%	14%	12%	15%

### Preferred Frequency

Rank	Daily	Twice a week	Weekly	Monthly	Quarterly	Yearly
News and information about the theater/ organization	1%	4%	37%	36%	18%	5%
Upcoming show times	2%	7%	73%	15%	1%	1%
New film announcements	2%	7%	68%	21%	1%	1%
Special events and programs	3%	6%	56%	32%	4%	1%

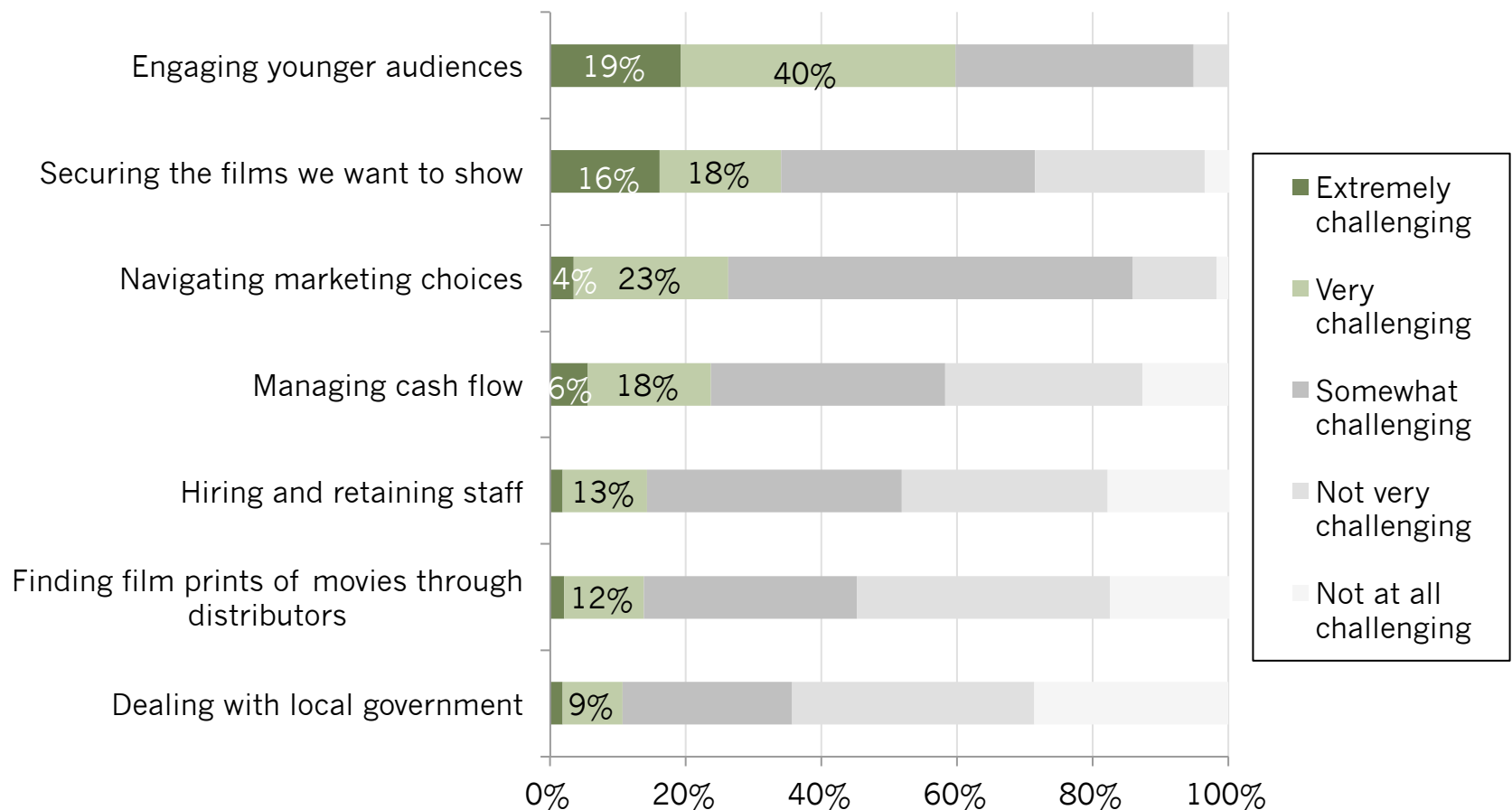


## 4. *Attracting New Audiences*



# Theater Operations Survey: Areas of Challenge for Art Houses

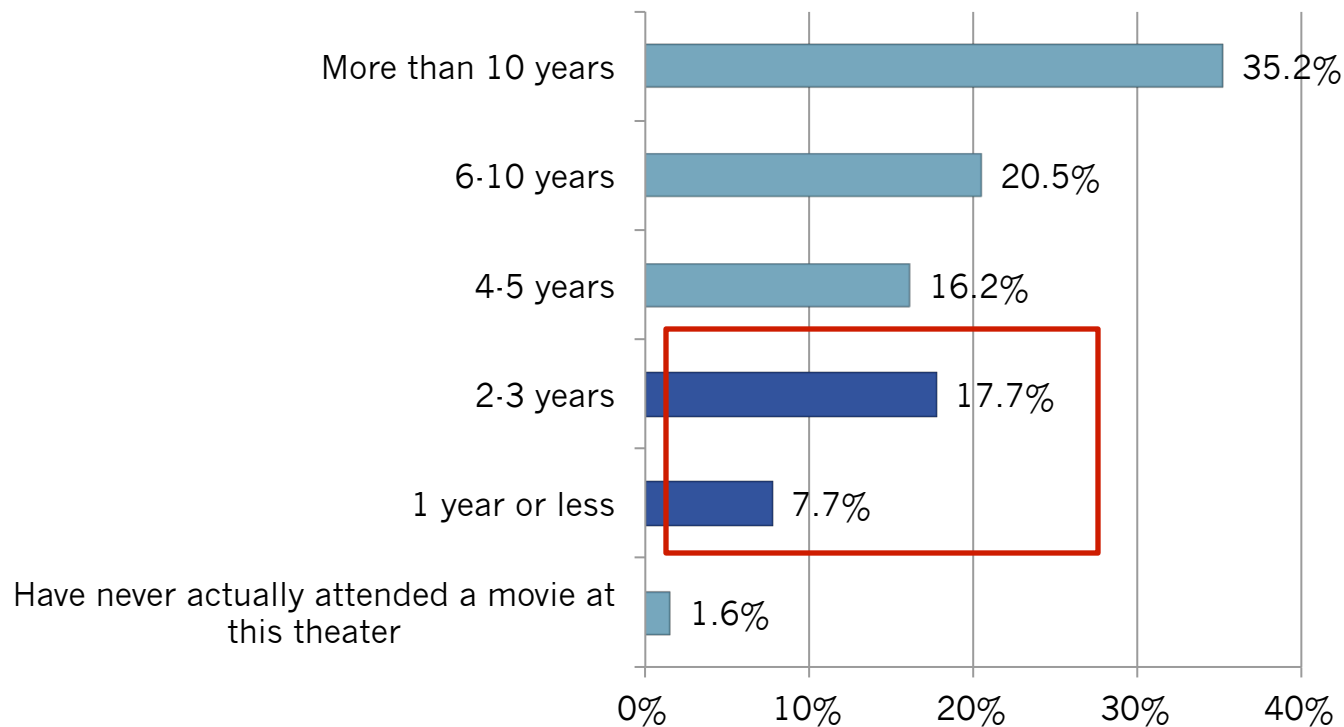
- Although there are several areas that are at least somewhat challenging for art house leaders, engaging younger audiences is seen as “Extremely challenging” or “Very challenging” by the majority



## The Proportion of Newer Audiences

- The next several slides will focus on the 25.4% of patrons who indicate they have been attending movies at a given art house theater for 3 years or less

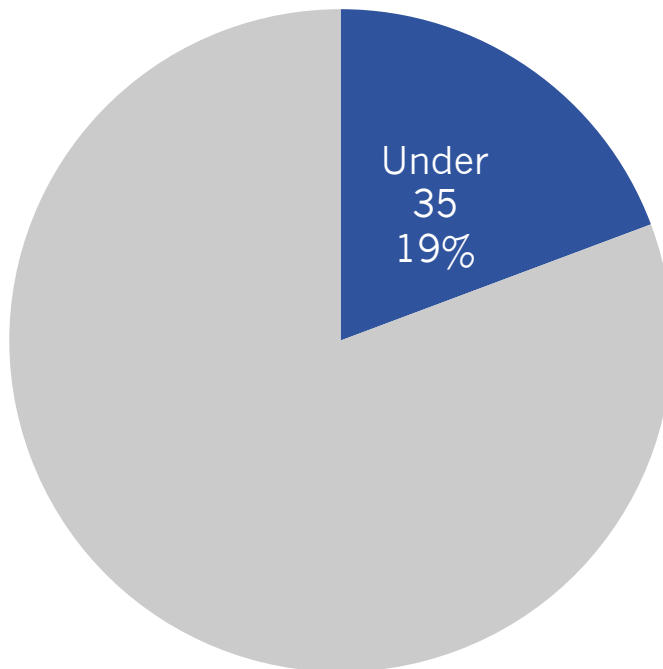
*How long have you been attending movies at [SPONSORING THEATER]?*



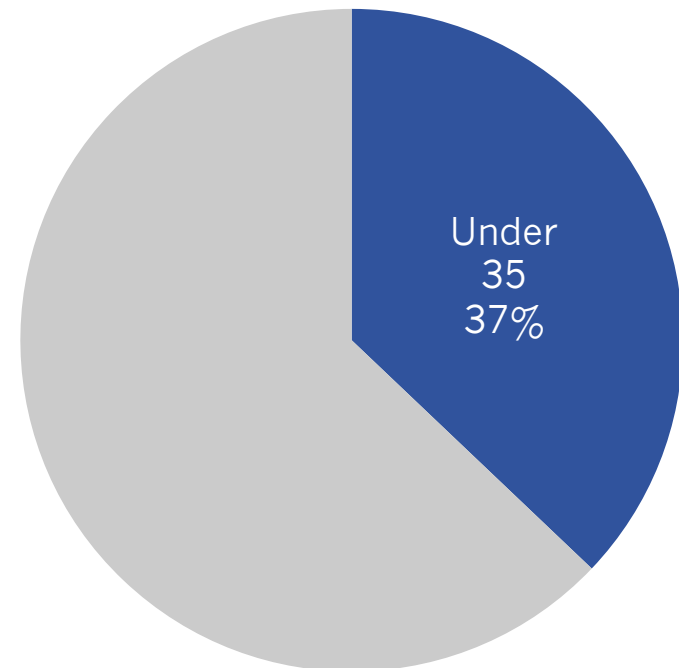
## Newer Audiences Are Younger

- Newer audiences are skewing younger
- This may indicate that efforts to reach out to younger viewers are working

**% of Overall Audience  
Under 35**



**% of Recent Attendees  
(3 yrs or less) Under 35**

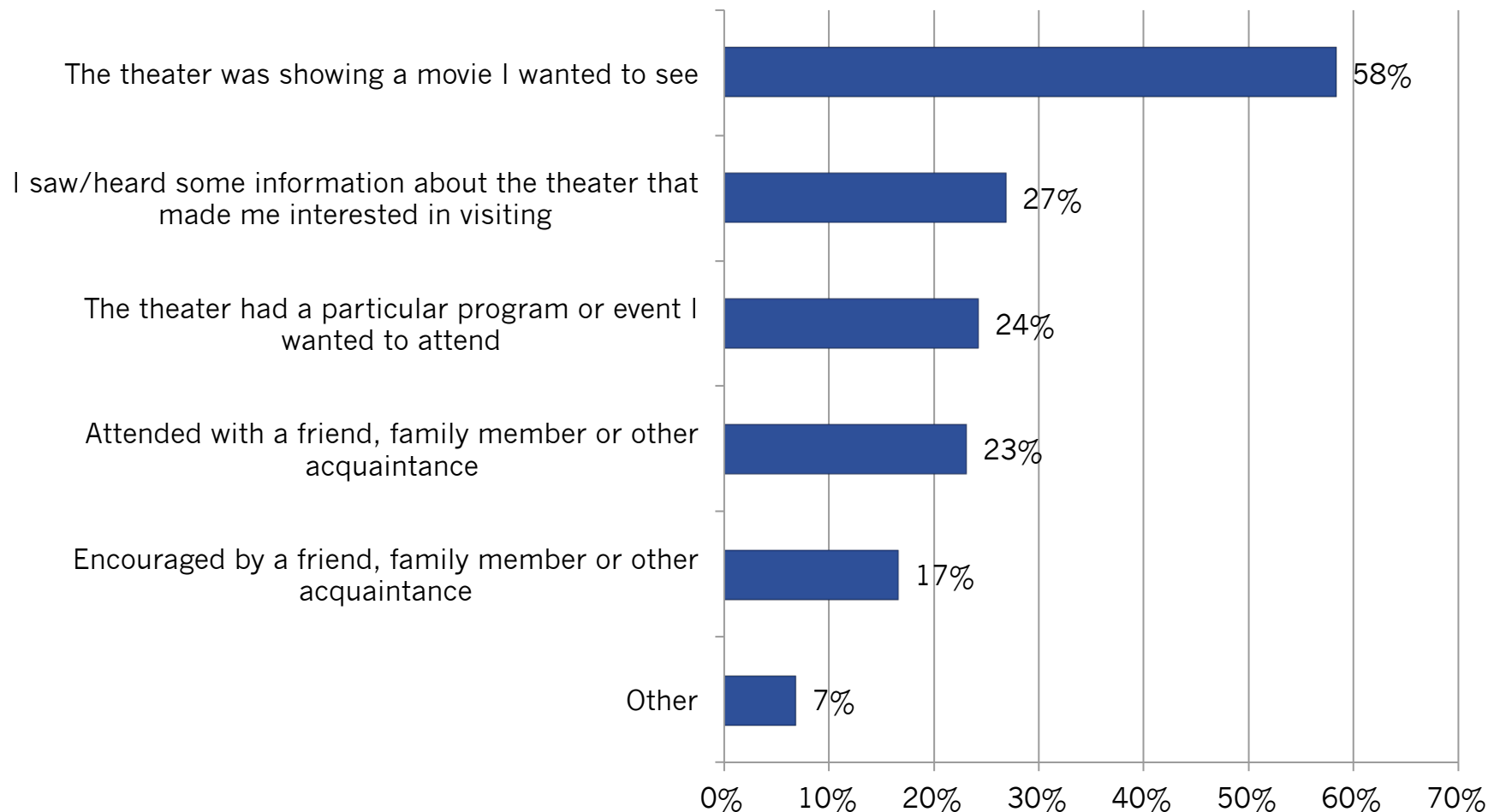




# Attracting New Audiences

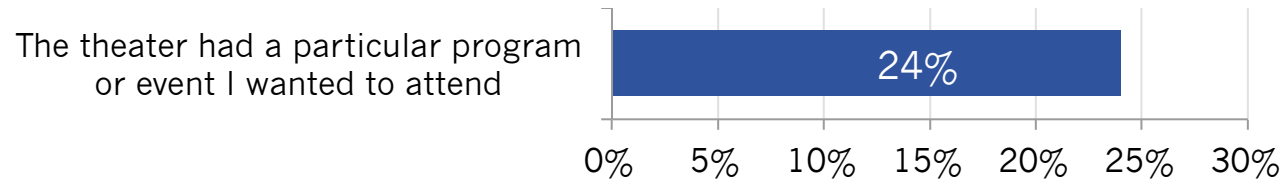
- Specific movies are primary in drawing in new audiences
- However, communications, special events and word of mouth referrals play an essential supporting role

*What caused you to first attend a movie at [SPONSORING THEATER] (select all that apply)*



# Building Audience: Programs/Events

*What caused you to first attend a movie at [SPONSORING THEATRE]?*



- **Niche/Specialty programming**

- *“Italian Splatter Fest” – The Colonial Theater, Phoenixville, PA – all night showing of rare Italian horror films*
- *“Curious Minds (Food for Thought series) – Bloor HotDocs, Toronto, ON – city food writers interview renowned chefs*

- **Community partnerships and co-promotions**

- *“Civil Rights Sundays” – The Nickelodeon Theatre, Columbia, SC – partnership with the City of Columbia, the Visitors Bureau, Historic Foundation and the University of SC*
- *“Science on Screen” – Coolidge Corner Theater, Brookline, MA - screenings of classic, cult, and documentary films with lively introductions by notable figures from the world of science, technology & medicine*

- **Special events for members and community**

- *“Denver Film Society’s Summer Scream.” Reel Social Club members get in FREE.*

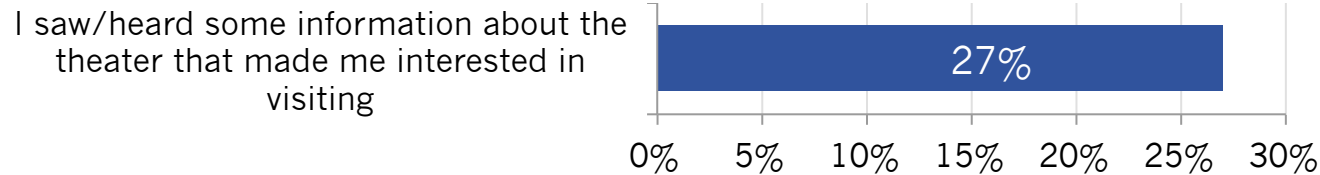


*Denver Film Society’s Summer Scream at Lakeside Amusement Park*



# Building Audience: Communications

*What caused you to first attend a movie at [SPONSORING THEATRE]?*



- **Community mavens/outlets who reach new residents**

- *"Learned about it from my realtor" - The Grand Cinema, Tacoma, WA*
- *"The building manager of Capitol Places mentioned The Nick to me" – The Nickelodeon Theatre, Columbia, SC*
- *"Local brochures" – Pickford Film Center, Bellingham, WA*

- **Promotion of special events and affiliate group communications**

- *"Facebook event" - Texas Theatre, Dallas, TX*
- *"Comic-Con 2015 Flyer" – TIFF Bell Lightbox, Toronto, ON*
- *"Tour and movie announcement on a group I belong to on meetup.com." - Tampa Theatre, Tampa, FL*

- **Fundraising and crowdfunding campaigns**

- *"Crowdfunding on Indiegogo" – FilmScene, Iowa City, IA*



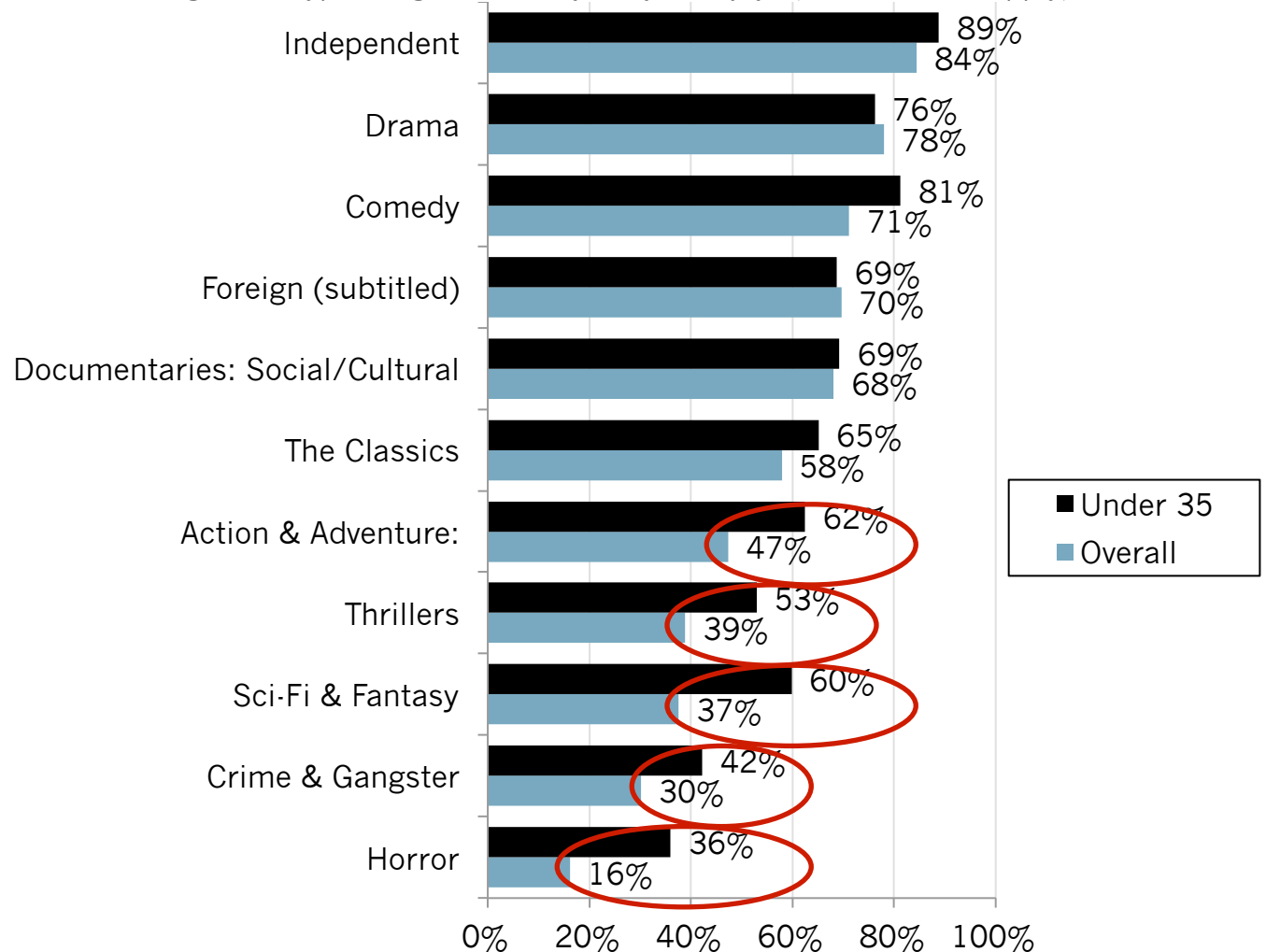
*FilmScene, Iowa City, IA*



## Film Genres for Younger Audiences

- Many of the genres (though not necessarily the titles) that appeal to older art house audiences also appeal to younger viewers
- However, Action, Thrillers, Sci-Fi & Fantasy, Crime & Gangster and Horror films are of much greater interest to younger audiences

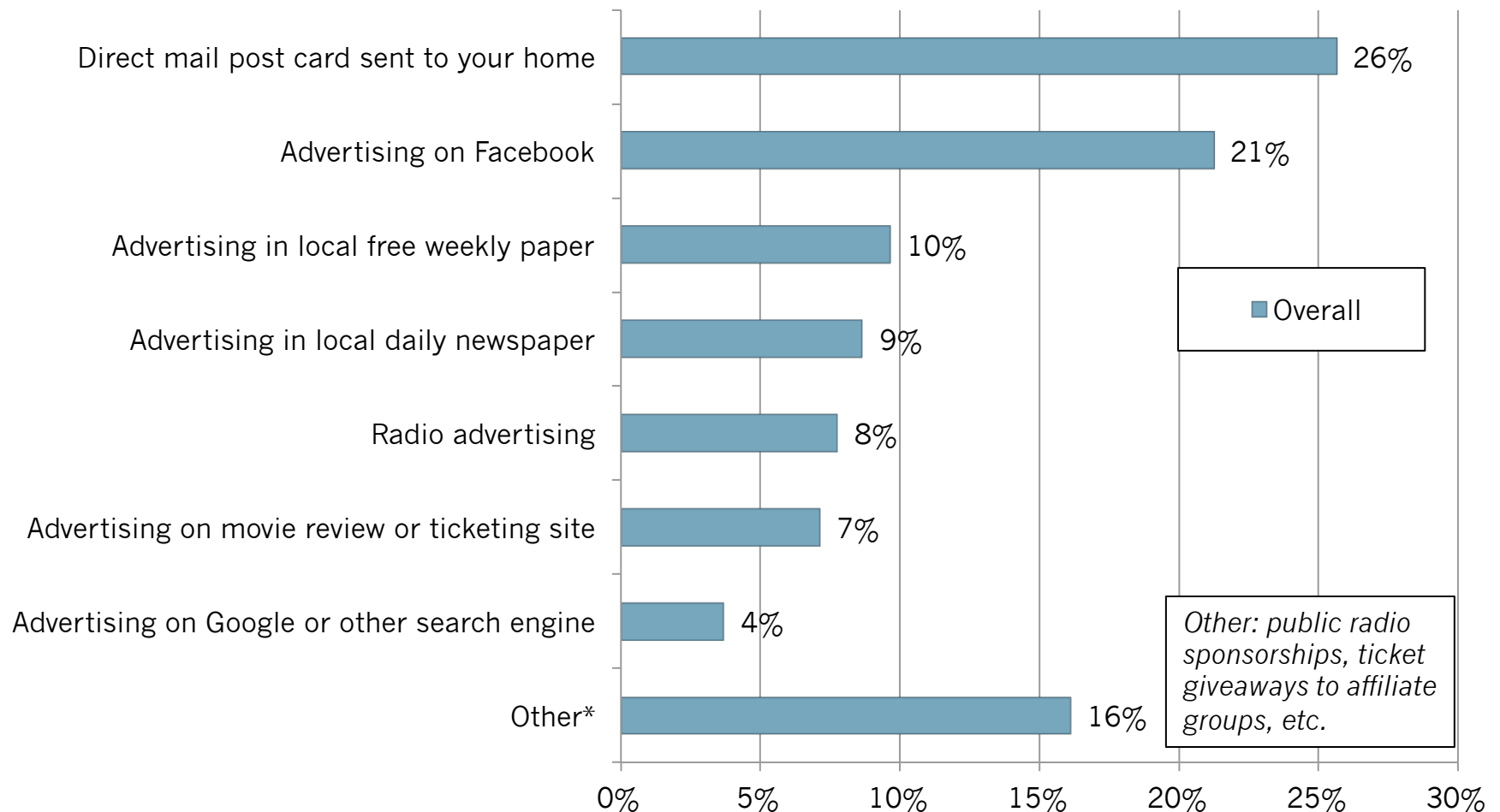
*Which of the following movie types or genres, if any, do you enjoy? (select all that apply)*



## Attracting New Audiences in General: Advertising

- In suggesting ways for art houses to reach more people who are similar to their existing audience, respondents suggest direct mail
- Social media advertising is a close second

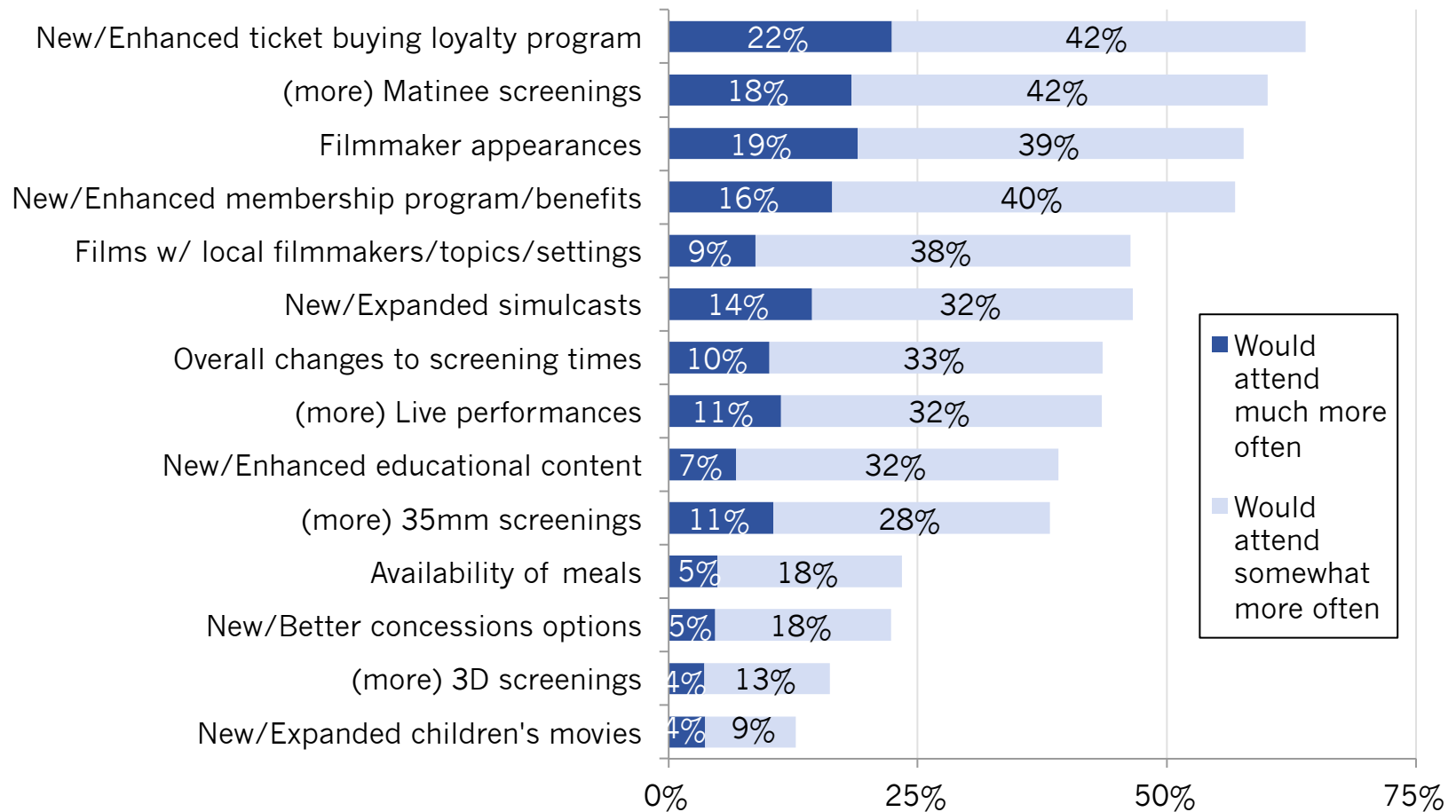
*If [SPONSORING THEATER] did one thing to reach out to someone like you to get them interested in attending a movie, which of these do you think might be most effective? (select one only)*



# Accelerating Attendance

- Respondents indicated that a number of changes to programming would cause them to attend more often
- A new or enhanced ticket loyalty program (for example, buy 10 get one free) tops the list of approaches that would increase attendance

*Would any of the following changes cause you to attend [SPONSORING THEATER] more often?*



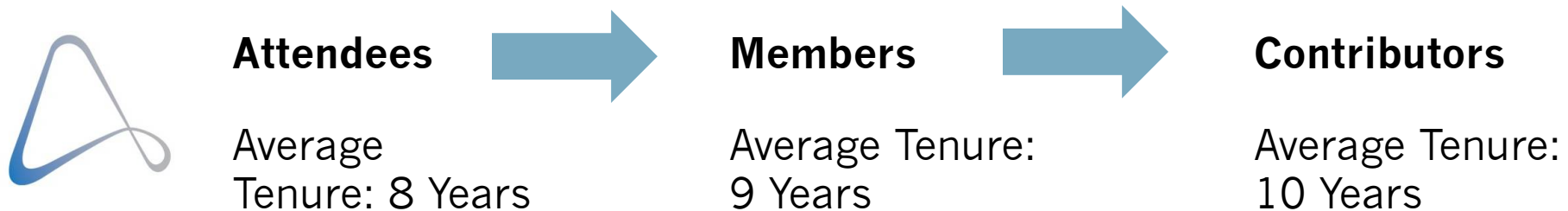


## 5. *The Path to Engagement*



# The Path to Engagement

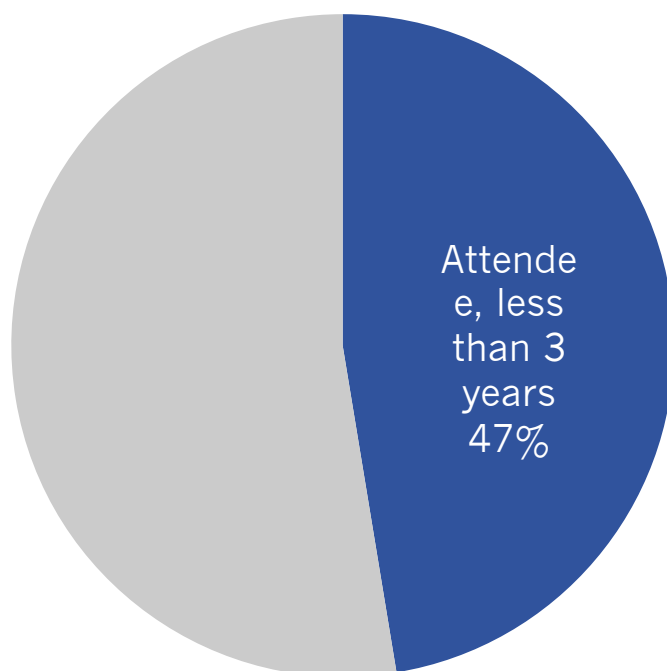
- A traditional view of this journey implies that an organization must first engage a patron as an attendee; then over time convert them to a member and ultimately a contributor
- Average tenure suggests that there is not much difference between these categories



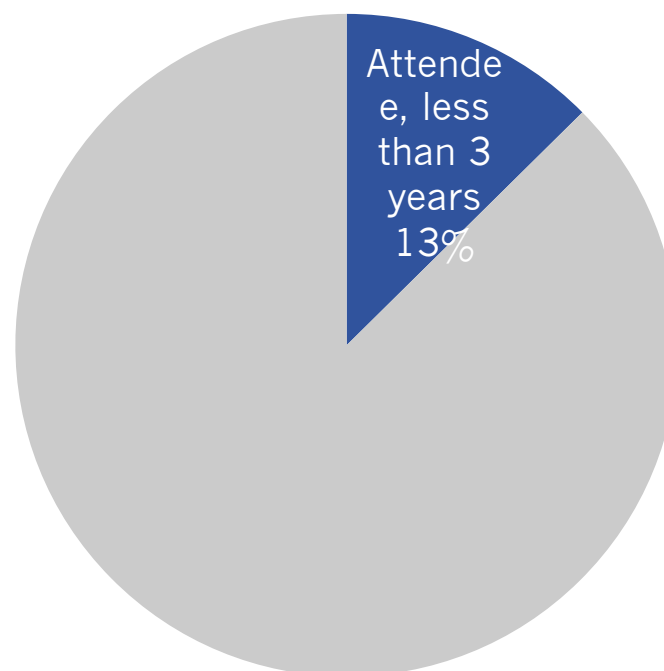
## Newer Patrons: Membership and Financial Contributions

- New patrons appear about as willing as long-standing patrons to become members, when membership is available
- Although a smaller a percentage, a significant number of new patrons become financial contributors within the first 3 years

**Membership (for Theaters with Membership programs)**



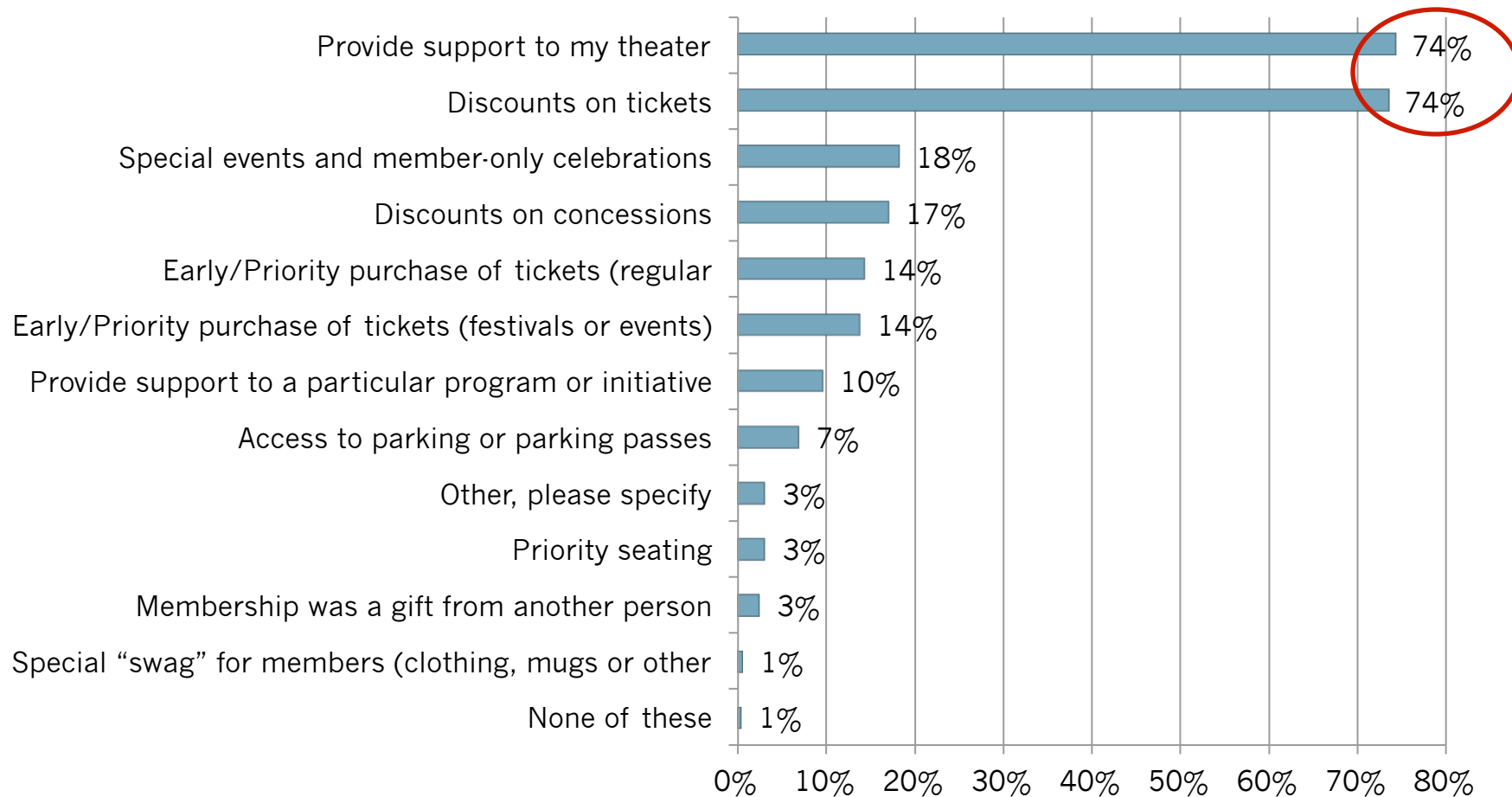
**Contributors**



# Top Reasons to be a Member...for the 50% of Respondents Who Are

- Patrons are just as motivated to purchase a membership because it offers a chance to support their art house theater as they are because they gain a tangible benefit (in the form of ticket discounts)

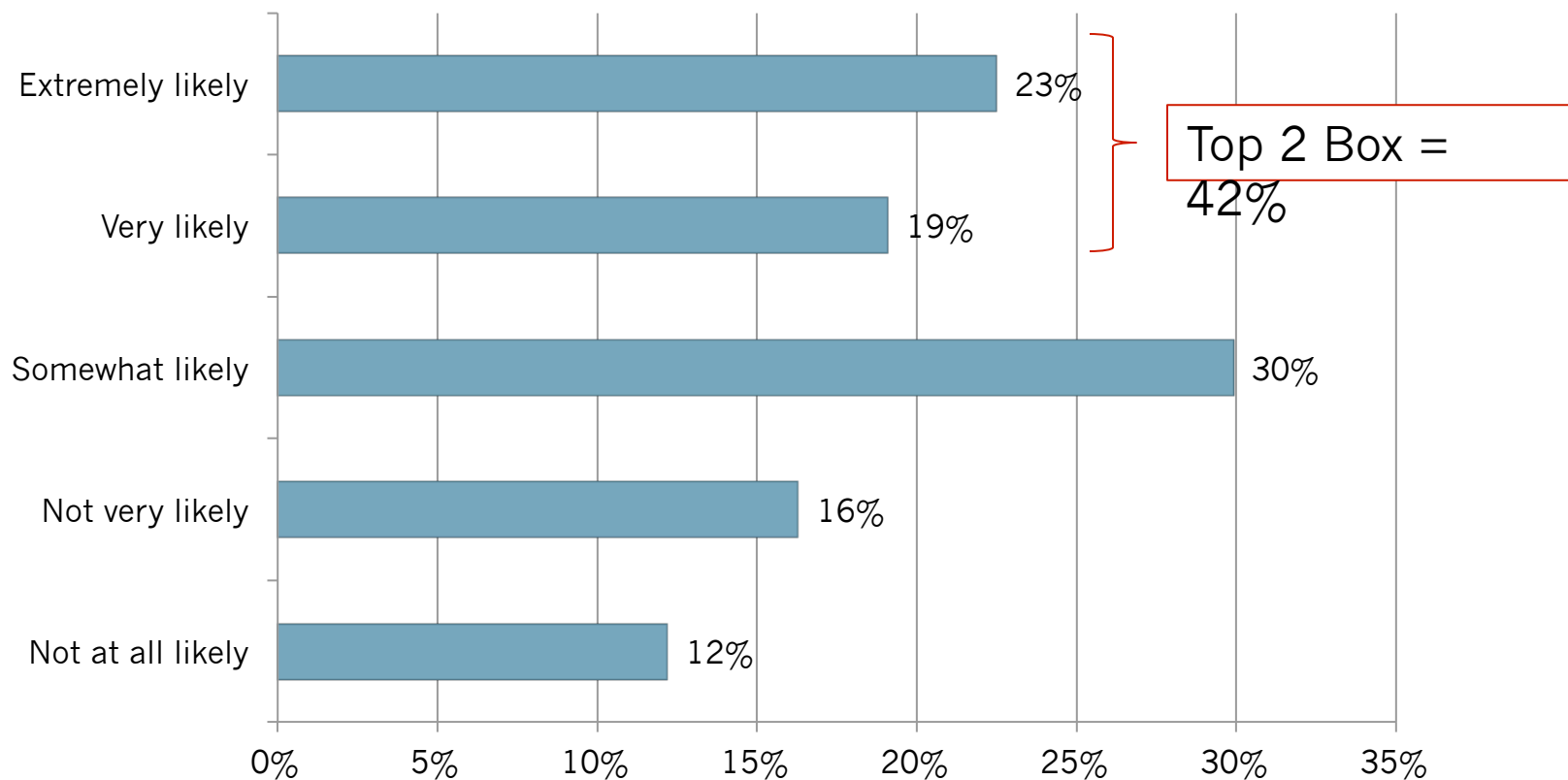
*What are the most important reasons you are a member of [SPONSORING THEATER]? (select no more than 3)*



# Interest in Membership

- The small number (1.0%) of those who claim their theaters do not offer a membership program are relatively interested in such a program

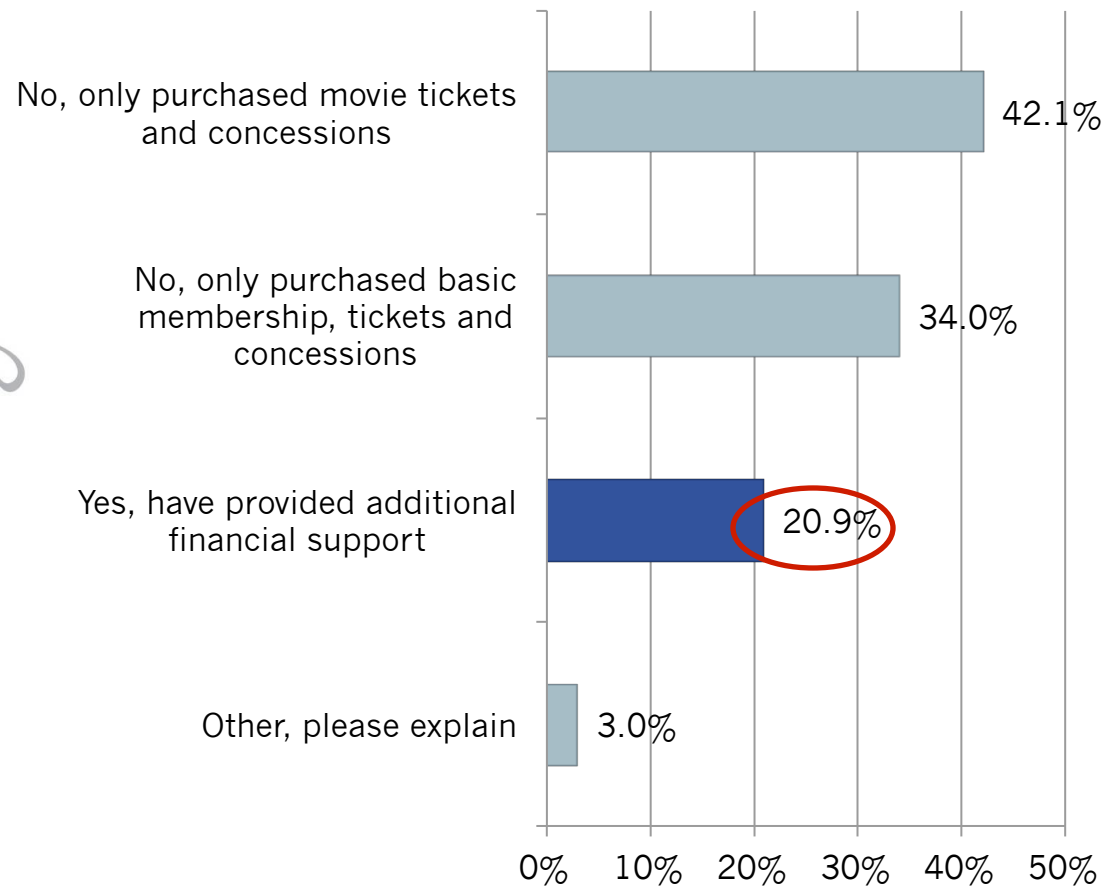
*If [PIPED: THE SPONSORING THEATER] offered a membership program by which members of the community could pay \$35 per year in exchange for discounts on tickets and invitations to special events and programs, how likely is it you would participate?*



# Philanthropic Support

- About one in five patrons provides additional financial support to their art house theater

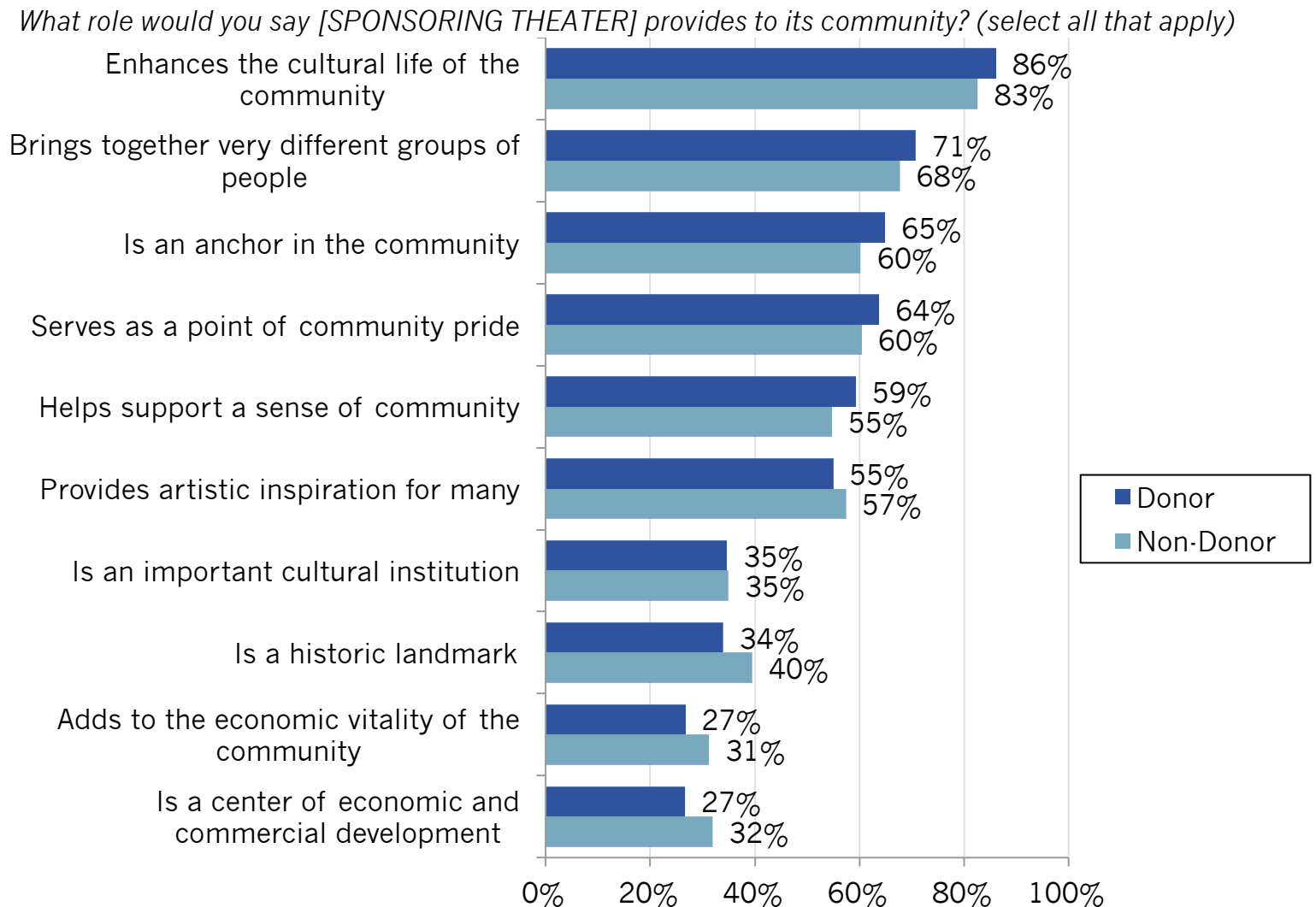
*In the past 2 years, have you provided financial support to [PIPED: THE SPONSORING THEATER], aside from purchasing tickets to see movies there or purchasing a basic level of membership?*





# Emotional Drivers for Donors

- Donors, even more than the norm, are likely to see their art houses as critical cultural anchors in their communities that draw in all types of people



## Audience Experience: Solid Performance

- Of course, keeping and evolving audiences depends on delivering great experiences
- Of 20 metrics related to the audience experience, these top 10 are areas where art houses most meet expectations – including picture and sound quality, cleanliness, staff knowledge and service

*Please rate SPONSORING THEATER on the following criteria (Top 2 Box – Excellent or Very Good; Overall Results plus High and Low)*

Rank	Site	Overall
1	Picture quality	90.2%
2	Quality of movies offered	89.6%
3	Customer service of staff/volunteers	87.5%
4	Knowledge of staff/volunteers	86.2%
5	Sound quality	84.8%
6	Appearance of staff/volunteers	83.5%
7	Cleanliness of lobby	83.2%
8	Cleanliness of the theater overall	82.3%
9	Variety of movies offered	81.7%
10	Welcoming atmosphere	81.5%



## Audience Experience: Areas of Opportunity

- These “bottom 11” are areas where art houses may have opportunities for improvement
- Individual theaters are able to react from specific results

*Please rate SPONSORING THEATER on the following criteria (Top 2 Box – Excellent or Very Good; Overall Results plus High and Low)*

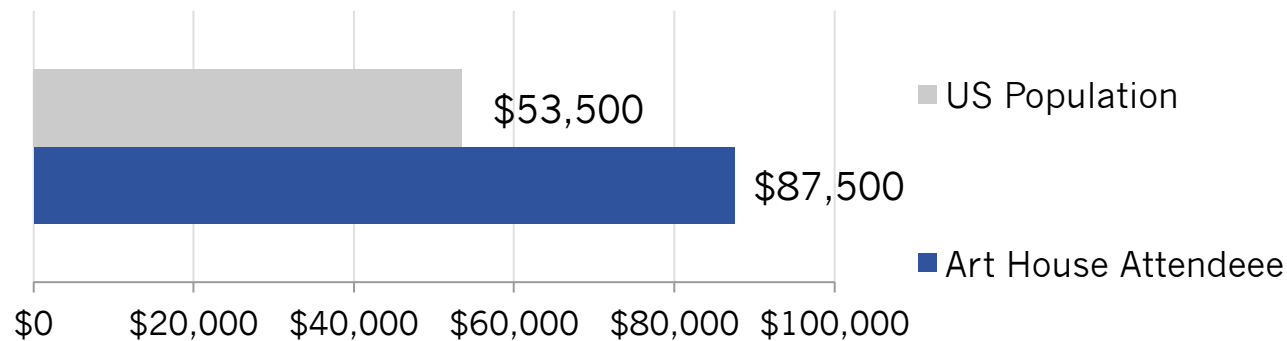
Rank	Site	Overall
11	Sound volume	81.4%
12	Cleanliness of bathrooms	79.3%
13	Fun atmosphere	75.0%
14	Affordability of tickets	73.6%
15	Temperature of the theater	71.4%
16	Nearby dining options	67.6%
17	Screening times	67.4%
18	Variety of concessions options	65.3%
19	Affordability of concessions	63.4%
20	Length of movie runs	61.7%
21	Availability of parking	46.3%



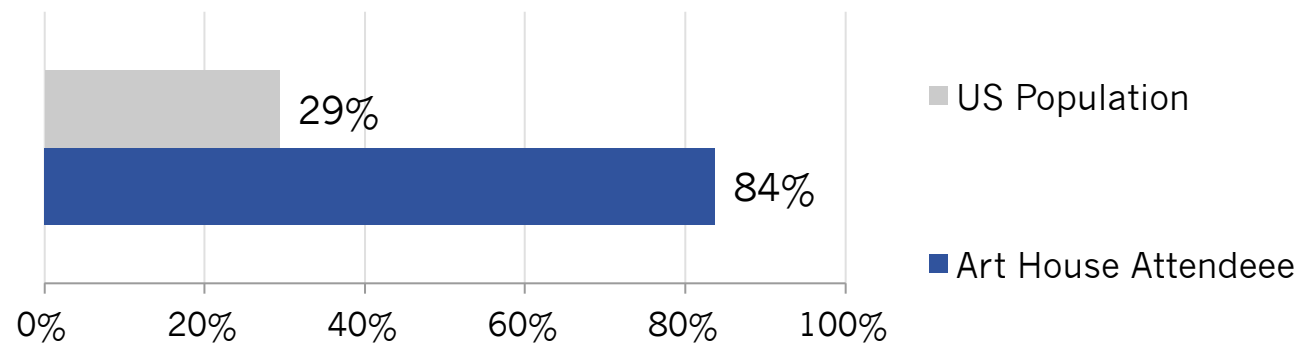
# Attracting Sponsors

- Compared to US averages, the art house audience is an attractive group for advertisers and sponsors to try to reach
- While different theaters have different attendee bases, generally all viewers and donors should attract the interest of sponsors

## Income



## Education (Bachelor's Degree or Higher)



Sources for Comparisons: 2013 American Community Survey, United States Census Bureau

# Executive Summary of Findings

1. Even within the art house movie assortment, the movies that entertain are not necessarily the same ones that build lasting impressions and appreciation for individual theaters.
2. A wide range of genres and films are necessary to connect with all segments and groups of the art house audience.
3. Art house movie theaters play a critical role in patron's lives and their communities, across the spectrum of generations.
4. Although there may be room to grow, art houses appear to be doing a capable job of cultivating younger patrons, at least in part by engaging in a wider range of communications and events.
5. Continuing to reach new audiences (including younger ones) may depend on continuing to offer alternative genres and working with affiliate and community groups.
6. Pinterest and direct mail may be contrarian diamonds in the rough.
7. New patrons are legitimate prospects for membership and fundraising as soon as they walk in the entrance.



# About Avenue ISR

Since 2006, Avenue ISR has conducted hundreds of marketing strategy engagements for companies and organizations wishing to increase their impact and success.



What does “ISR” stand for? We use customer and market insights to generate actionable strategy that produces measurable business results. Insights are developed using qualitative and quantitative research techniques.

Ultimately, we help our clients answer big questions and make smarter decisions.





# APPENDIX

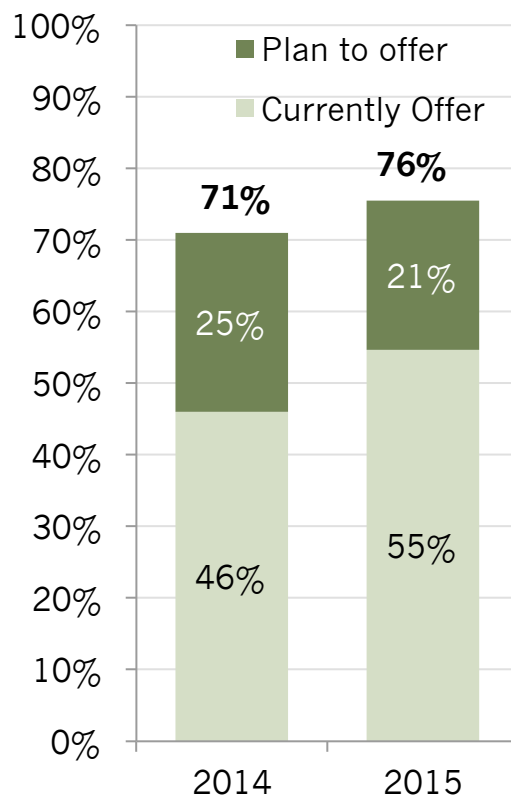


# Theater Operations Survey: Food and Alcoholic Beverages

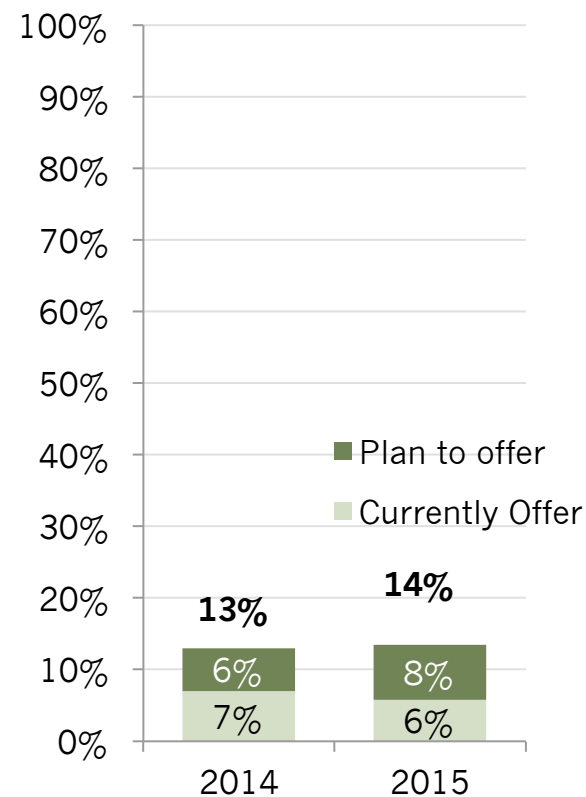
- 55% of theaters offer alcoholic beverages to their patrons
- Few offer full meals and relatively few (8%) plan on doing so in the future

*Which of the following projection equipment/capabilities do you have in house? (select all that apply)*

**Alcoholic beverages**



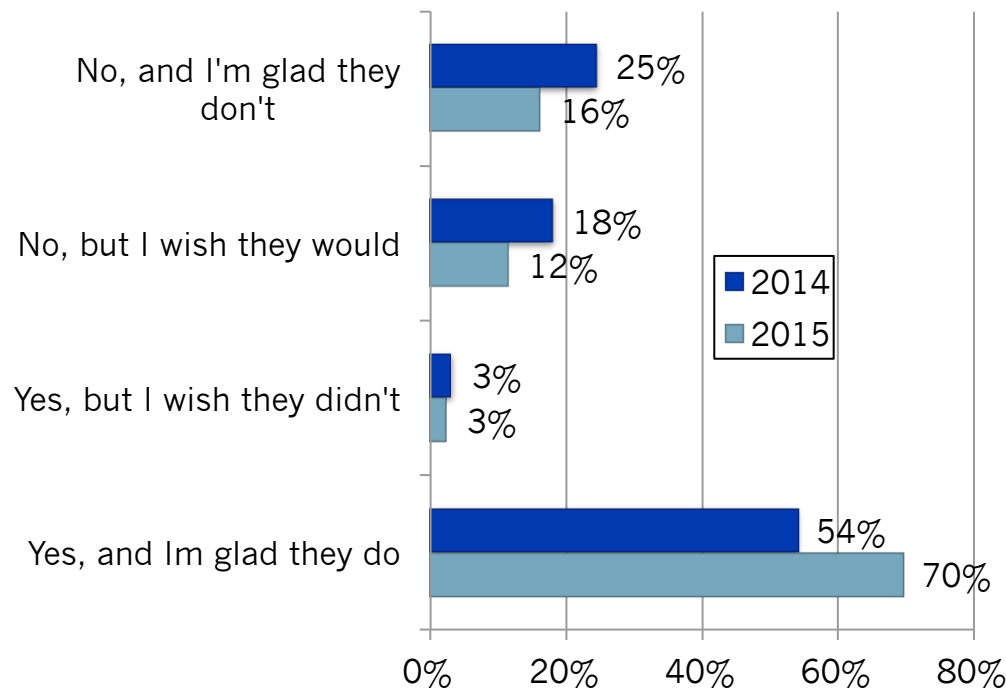
**Full Meals**



# National Audience Study: Alcoholic Beverages

- The 73% of respondents who attend theaters which serve alcoholic beverages are generally glad to have this option
- Most who attend movies at theaters which do not serve alcohol prefer it this way, though there are many others who do want to be able to purchase alcohol

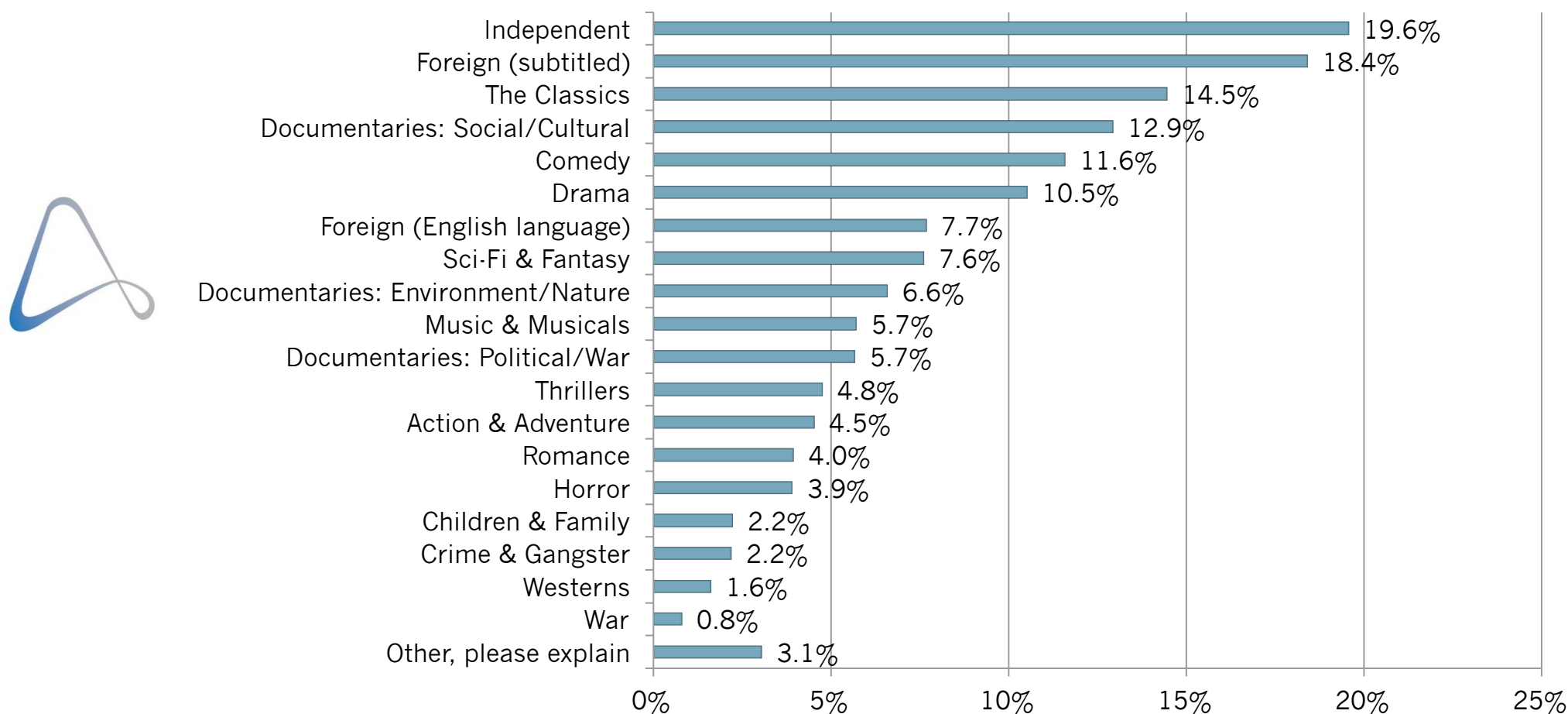
*Does [SPONSORING THEATER] serve alcoholic beverages?*



# Requests for Additional Programming

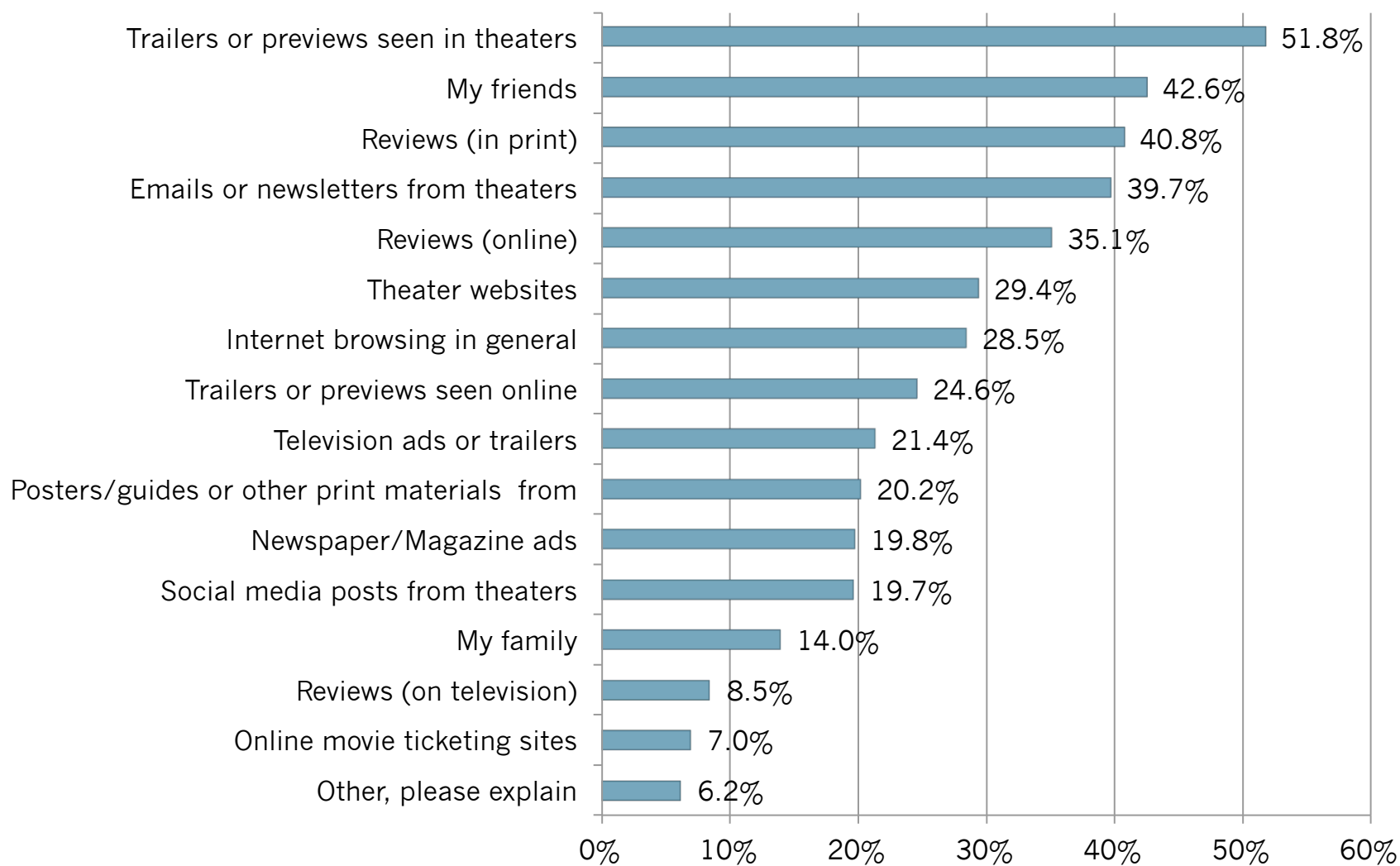
- Patrons would like to see more Independent and Foreign films
- Although Dramas and Comedies are popular genres, there is a relatively smaller clamor for more of these

*Of these types or genres, which would you like to see more often at [SPONSORING THEATER]?*



# Sources of Information: Which Movies to See

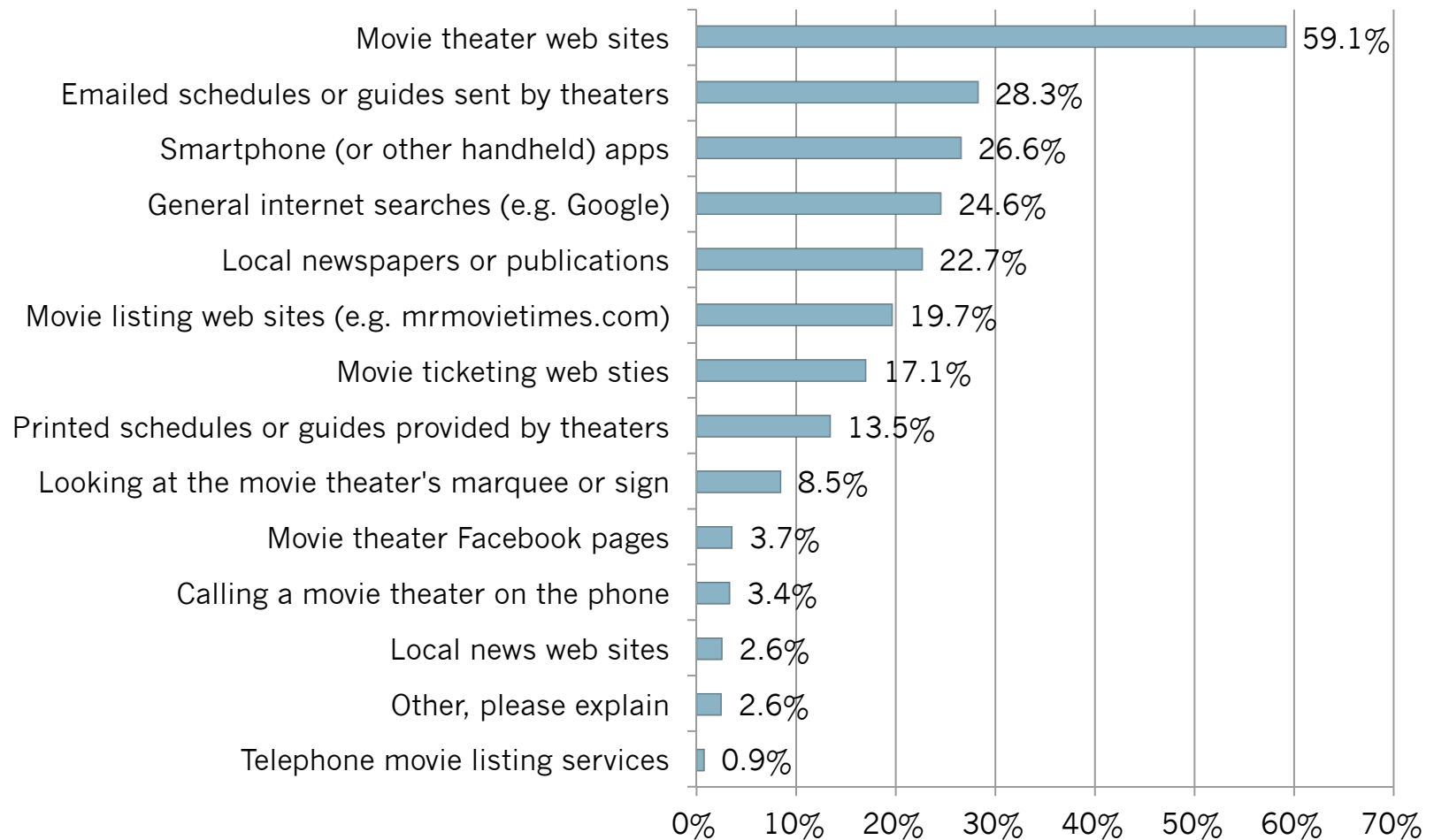
*How do you typically learn about which movies you might be interested in seeing in movie theaters? (select all that apply)*



# Sources of Information: Movie Screenings and Show Times

- Movie theater web sites are the top source of movie show times

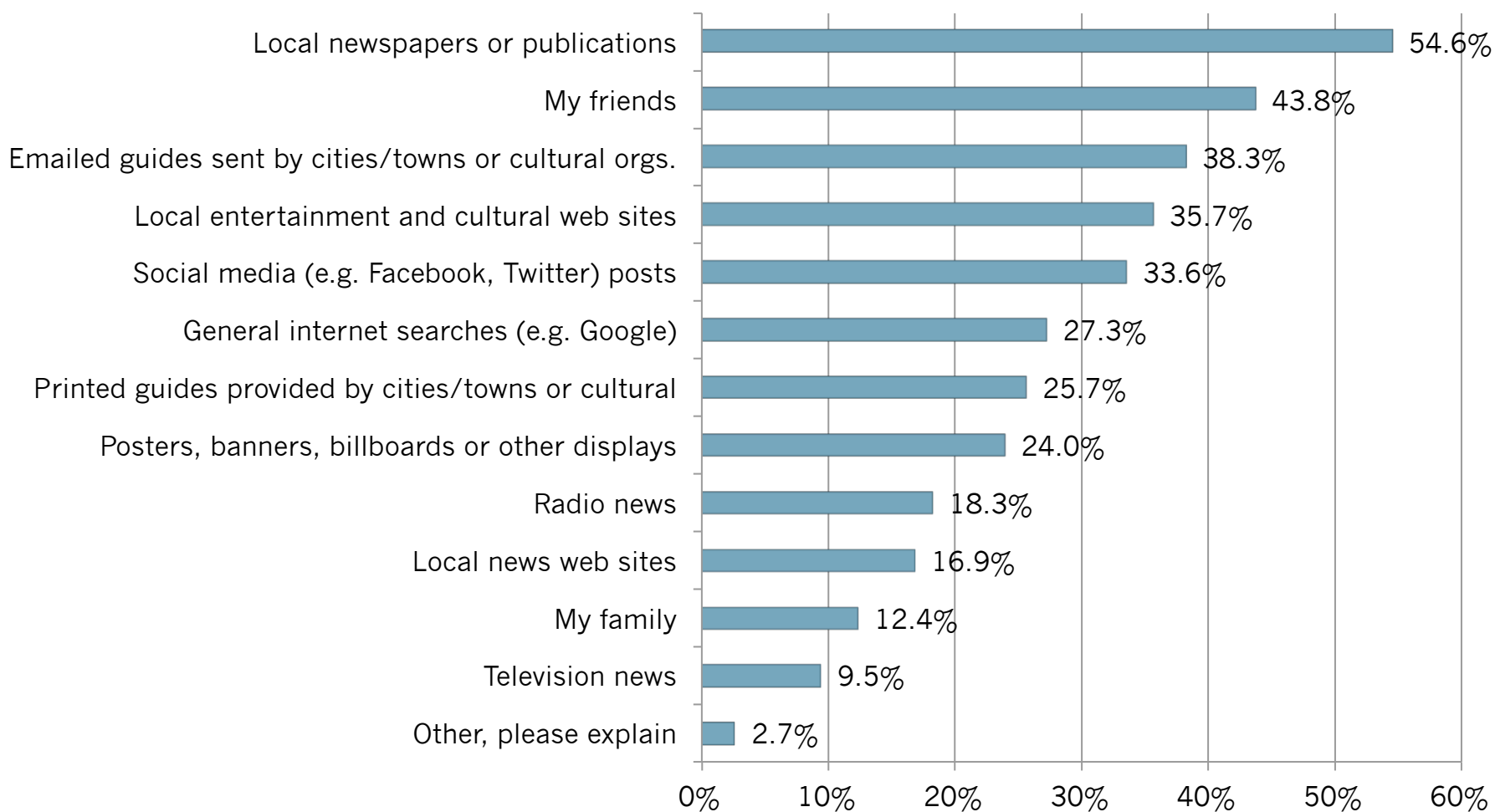
*How do you typically look for movie screenings and show times? (select all that apply)*



# Sources of Information: Entertainment and Cultural Events

- Local newspapers or publications top the list of resources for entertainment and cultural events

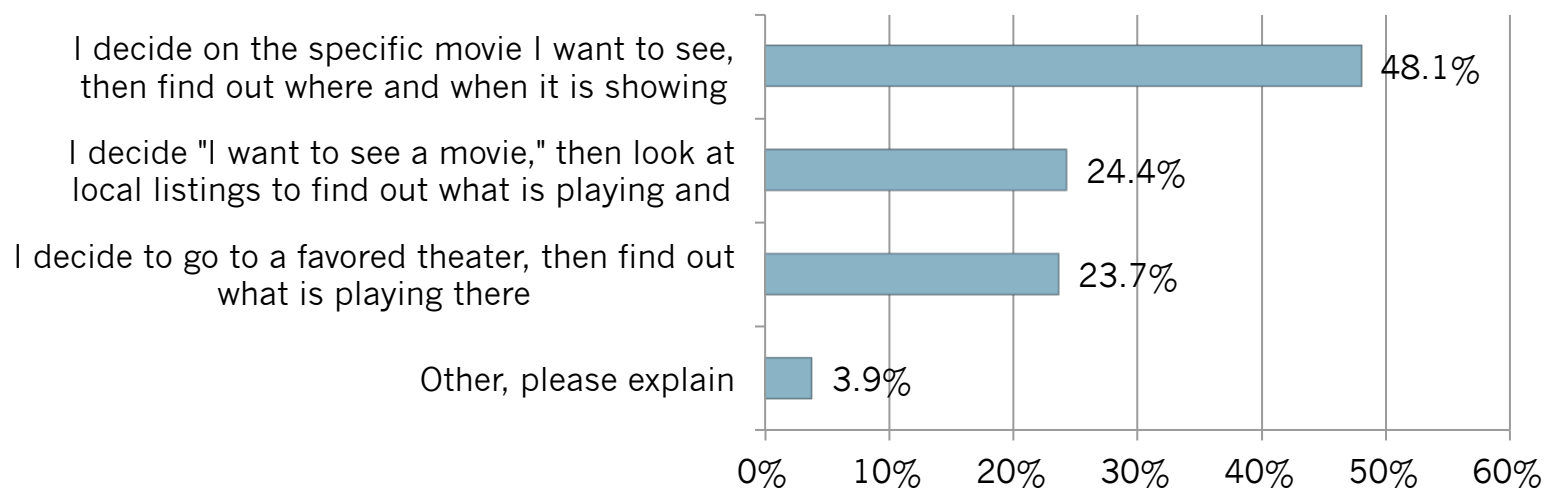
*How do you typically look for entertainment and cultural events in your community? (select all that apply)*





# Decision Process

*When you go to the movies in a movie theater, which is most often true about how you decide what to see?*



*How far in advance do you typically decide to see a particular movie in the theater?*

