

LTG Ticket Prices and COVID recovery

Robert Gill, 28 January 2021



Introduction

This paper was considered by the LTG Committee at the February 2021 meeting. The committee are very grateful to Robert for the research he has undertaken, and his results raise some interesting issues. The views expressed in it, however, are his own and do not necessarily represent those of the National Committee.

The Report

I have been requested to look at LTG Ticket prices reported by the theatres as indicated in the Yearbook. The thought process is that there may be something to provide information to assist theatres in recovery from the Covid losses. I have the following comments/conclusions:

1. Average prices:

Average ticket prices for each year since 2016 using data from the Yearbooks.

YEAR	2016	2017	2018	2019	2020
AVERAGE (£)	10.11	10.43	11.18	11.08	11.27

- The data base for each year is incomplete so care must be taken with interpretation of numbers. Not all theatres provided ticket prices.
- The trend is increasing.
- A sensitivity check showed that by increasing one theatre ticket price by £10, the average went down by 0.01.
- The min/max range of standard prices across the theatres is consistent since 2016; £6.50 / £18.00.

2. Overall picture:

A summary of the overall picture for each Yearbook is as follows:

YEAR	2016	2017	2018	2019	2020
AVERAGE PRICE (£)	10.11	10.43	11.18	11.08	11.27
PRODUCTIONS	818	824	825	821	486
PERFORMANCES	6037	5735	6114	5831	3359
ATTENDANCE	596,000	607,000	605,000	604,000	394,000
INCOME (£m)	6.4	6.8	7.0	7.06	4.72

- A very consistent picture.
- 3.** A limiting factor to the data we have on ticket prices is that the theatres mainly provide a standard price together with comment that there are concessions and variations including pantos. Little information is provided about these concessions and variations. The overall figures I have created assume the standard ticket price is applied across all attendances in each theatre which is obviously not a true representation so the overall figures can only be taken as a guide. Much as it would be nice to have all the variations, the work required to process would

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be complex as each theatre tends to do 'its own thing' so consistency across the piece is difficult.

4. A major element missing are costs incurred by each theatre for putting on a production. This means it is not possible to gauge profitability of each theatre and productions. Each theatre will have different criteria for measuring profitability as well as different income and expenditure streams.
5. It seems to me that Covid is going to prove very difficult for some but not so for others. Take my own theatre for example (the Barn), our normal overheads are relatively low, no wages to pay, no loans; so by minimizing utility costs and taking advantage of government handouts, we will have survived the year reasonably sound. As I write, I fully expect that we will not put on any productions on stage this season (2020-2021). Other theatres will be in a different position which may well push some into extinction if these Covid restrictions continue for some time.
6. Another factor which worries some is loss of member and customer confidence. Luckily, in the amateur world, we do plays for fun so individual's costs are non-existent. So I suggest there will be the past enthusiasm for creating plays once we are allowed. However there will probably be ongoing problems associated with social distancing and hygiene front and back stage for some time even with everybody being vaccinated. Putting on a play does cost money though so an audience will be required for no other reason but to recover costs of creating and operating a theatre.

Will the customer want to enter into a theatre? This is going to be tricky which will take time I think to bring back the numbers, hygiene measures will be required for some time probably.

To encourage we firstly need to put on plays that attract customers helped by incentives such as reduced tickets. However, I would suggest that the reductions don't need to be much or last for long periods if the play is popular. The immediate need will be to have social distancing, masks and sanitation measures in place which will mean a reduction in seats available and hence income reductions. Therefore, plays initially will need to be 'low cost' to minimise costs incurred in line with audience income potentials. Audience reluctance will reduce once they feel comfortable in these environments and their safety has been demonstrated. There will be additional restrictions on bar and refreshment provision which will need to be resolved in ways that make the customer feel comfortable.

7. What to do?

I don't think ticket reduction is going to help much; in fact, it reduces the profitability of a theatre and production quality exacerbated by the reduced audience levels. Each theatre will need to work out its own strategy here. The main way forward will be to address customer comfort and safety which is where the attention should be focused I suggest.

Comments, questions and observations?

Please email webmaster@littletheatreguild.org who will pass them onto Robert Gill.