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STANFORD SOCIAL INNOVATION *review*

Upfront

For Love or Money **Innovative plays are good for all theaters, but lucrative for only a few**

By Alana Conner Snibbe

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For Love or Money

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Chicagoans have a highly refined palate for theater, which venues like the Goodman and the Steppenwolf reward with several world-premier plays every year. Denizens of smaller middle-American cities such as Tulsa, Okla., often prefer a simpler season that includes, for example, a Shakespeare drama, a Broadway musical, and the annual production of *A Christmas Carol*.

"More sophisticated markets seek out more innovation," says Glenn B. Voss, a professor at the Kenan-Flagler Business School at the University of North Carolina, Chapel Hill. Voss and his co-authors Mitzi Montoya-Weiss and Zannie Giraud Voss provide evidence for this in their May 2006 *Journal of Marketing Research* article. Although their research focused solely on non-profit theaters, Voss believes that its findings extend to all performing arts firms, and perhaps visual arts venues as well.

The authors examined the financial performance of 124 nonprofit theaters, and discovered that those staging more world premieres attract more single-ticket buyers in theater-savvy locales, but not in more modest markets. "In Middle America, you often have one or two theaters in town and that's it," notes Voss. "Those one or two theaters need to create a balanced portfolio" that reflects the current tastes of their patrons, as Theatre Tulsa has done.

This doesn't mean that Theatre Tulsa needn't tinker. "If you're spending a lot of time and energy being innovative, and you're not in an innovative market, you as an artist and a theater will continue to evolve," says Voss. While the initial payoff in the box office may not be big, "innovative firms are going to become smarter, more dynamic, and therefore more successful over the long term," he says.

Even in sophisticated markets, not everyone loves innovative theater. Many people buy subscription packages because they trust that a particular theater isn't going to serve up any unpleasant surprises. While subscribers may appreciate the occasional incremental tweak – say, a modern-day rendition of Shakespeare – they tend to disdain radical change – say, a wordless, topless, tap-dancing Noh performance. As a result, theaters that are built on a hefty subscriber base often sacrifice daring performances for stable finances.

Voss sees a similar trend emerging on nonprofit theater boards, where members increasingly choose the bottom line over creative expression. "I think that that's a mistake. Innovation is key to keeping the theater alive," he says.

–Alana Conner Snibbe

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