



The Canadian Opera Company's production of *The Nightingale and Other Short Fables*, 2009, directed by Robert Lepage and conducted by Jonathan Darlington. Photo: Michael Cooper

# The Canadian Opera Company's Journey into the Digital Age

Through the use of data and analytics, the Canadian Opera Company has adopted a customer-centric approach toward the creation of a digital experience that was designed to showcase the richness of the opera, to connect with its client base, and to drive online sales for performances.

**Adam Froman**



Digital technologies are constantly changing. So, too, are the ways in which consumers are communicating, researching, and transacting with products, brands and organizations. As researchers and marketers, we need to embrace rather than fear this reality.

Technology is ubiquitous in all of our lives, and we have a wonderful opportunity to evolve and adapt our approach to digital media. The ability to collect and access data is greater today than ever before, and the opportunities for using such data to inform insights that maximize the potential of new technologies, while creating meaningful connections with consumers, are unlimited.

Yet researchers, marketers, and particularly CEOs often struggle with the decision to invest in digital technologies, and question whether such an investment can positively impact their business. But, rather than rushing headfirst into the digital realm, organizations first need to pause and consider how they can apply their business, marketing and research knowledge to help them apply digital technologies. Acquiring an understanding of the digital habits and behaviours of consumers is the first step. It results in the creation of well-informed strategies and the development of relevant and more engaging digital experiences, which meet clients' needs and help achieve business goals.

Failing to embrace a data-informed, consumer-centric approach to designing a digital strategy is a missed opportunity. By overcoming the fear of change and embracing digital technologies from a consumer point of view, researchers and marketers will reap huge rewards.

This is something the Canadian Opera Company understands.

The COC is an arts organization. It is dedicated to being one of the greatest opera companies in the world. It is committed to creating and delivering a live experience of the highest quality, to reflect the passion and vitality of operatic theatre. But that's not all. Even though the company's *raison d'être* is to present world-class opera, the COC recognizes the strategic importance of creating experiences that are relevant to its audience. As an arts organization reliant on government funding and private donors to meet its budget needs, the COC cannot afford to waste scarce resources implementing solutions that don't achieve the company's organizational objectives.

When I was first introduced to the COC three years ago, what initially struck me about the organization were the immediate willingness to embrace a strategy involving digital technologies, the desire to place its customers at the centre of this strategy, and business acumen and discipline that most for-profit organizations would aspire to having.

At Delvinia, a digital strategy and customer experience design firm, we believe that digital platforms can create deeper connections between companies and consumers by

focusing on relevancy, utility and ongoing engagement. We also believe that great experiences are built in collaboration with the people who use them, and we continually evolve to meet their changing needs. The COC embraced our philosophy of digital strategy and customer experience design, and allowed us to take the organization on a journey into the new digital age.

Whether you are an opera lover or not, the COC's journey illustrates the organization's open-mindedness, its passion for continuous development and growth, and its uncompromising drive for excellence. The COC is truly a model for any organization that wants to embrace digital technologies to achieve its business objectives. Sharing the COC's journey will hopefully provide you with a fresh, new perspective about the role that data, market research, and insight play in developing and implementing a customer-centric digital strategy.

### Act I: The Introduction

In 2006, the Canadian Opera Company embarked on a new chapter in its then 57-year history. The COC was experiencing a period of incredible transformation and growth. In June, the company moved into a new home, the Four Seasons Centre for the Performing Arts; and in September, the new opera house was inaugurated with the premiere of Richard Wagner's complete *Ring* cycle. Subscriptions were at an all-time high, and performances were 99 per cent sold out. It was an overwhelming success story for the COC and the arts community in Canada.

Delvinia's relationship with the COC began that fall, when we were asked to provide e-marketing support for the company's upcoming Operanation fundraiser. The COC had a huge appetite to do more online, but with funding primarily allocated toward performances and the new theatre, resources for digital were scarce. The COC's website, the organization's main digital touchpoint, was dated and not being used to its full potential. It was time for the COC to design a new and fresh digital experience – one that matched the company's standards of excellence and the level of excitement surrounding the new venue.

### Act II: Seeking Insight

In August 2007, I was elected to the Canadian Opera Company's board of directors, and Delvinia began working with the COC as the company's digital marketing sponsor. From the outset, the COC – under the leadership of newly hired general director Alexander Neef, executive director Rob Lamb, and director of marketing Jeremy Elbourne – recognized the opportunity to create an interactive digital experience that was seamlessly integrated with the COC brand and would inspire people to engage with opera. We embarked on the journey with the COC with three goals in





The Canadian Opera Company's production of *The Flying Dutchman*, 2010, conducted by Johannes Debus and directed by Christopher Alden. Photo: Michael Cooper

mind: to optimize the digital customer experience, to empower opera-goers to share their passion for opera, and to build relationships and brand advocacy among the most committed subscribers and donors.

But, rather than rushing headfirst into the creation of a new website, the COC had the foresight, open-mindedness and patience to step back while we applied our insight process and examined the company's customer base. To meet its business objectives, the COC first needed to gain a better understanding of the digital habits and behaviours of its audience. Our approach was twofold: first, to understand the digital habits and behaviours of the COC's best customers and, from there, to create a digital experience that not only engages those customers but fits into the opera company's overall business objectives.

Like many transactionally oriented organizations, the COC had extensive data about its customers, but very little information about their digital behaviours. What it did have was a file that included 41,000 transactional records for customers who had purchased tickets through the website, at the box office, or by phone. Working with that file – and the fact that only 7,600 of those transactions had been conducted online – we assumed that the majority of opera-goers were well over 65 and not particularly digitally savvy. But that wasn't the case at all.

To begin the analysis, our team overlaid the postal codes from the COC's data onto our insight engine – a database of Canadian digital behaviours that was built from a 2006 survey of more than 25,000 members of Delvinia's AskingCanadians™ online research panel. Utilizing the prediction methodology developed by Generation 5 Mathematical Technologies, we can project data across all Canadian postal codes. We then use SAS Business Analytics data mining software to analyse the findings, enabling us to identify the digital behaviours of a customer file – faster, more efficiently, and more cost-effectively than ever before. (Not only do these data allow our insight team to gain an understanding of digital habits and behaviours – in days as opposed to weeks or months – but we are able to do it at a fraction of the cost of traditional methods.)

When we performed our analysis of the COC's customer postal codes, we discovered that, relative to the average Canadian, the COC's customers had faster Internet connectivity and were online more frequently. More than 42 per cent of Canadian Opera Company customers had a cable high-speed Internet connection – 7 per cent more than the Canadian average. The COC's customers were connected! And when we compared the 20 per cent of its customers who were transacting online with the 80 per cent who weren't, there was virtually no difference between their digital behaviours. Another key insight.

Armed with this analysis, we proposed an initial strategy that was focused on migrating more communications and transactions online, thereby providing the company with more control over its customer interactions. This initiative would also enable the COC to significantly reduce the future costs to communications and sales.

The next step in the process was conducted through the use of Delvinia's Digital MOSAIC – a segmentation model created in partnership with Generation 5 by combining and modelling our proprietary digital behaviours with data from the Super Census, Canadian Media Habits, and a variety of other data sets. Delvinia's Digital MOSAIC identifies twenty segments or persona groups that exist within the Canadian population. The segments are differentiated based upon individuals' social usage of technology versus their ownership of technology.

This segmentation model helps us understand the composition of a customer base – whether customers are highly social users of technology, digitally inclined but time-starved, conservative, or technological laggards. The data can be used to create highly detailed profiles, or personas, describing demographics, attitudes toward technology, product ownership and buying behaviours, lifestyle choices and preferences, and other variables of interest. These descriptions, or personas, inform our “experience design” specialists with much of what they need to begin the experience design process. Once again, this analysis occurs in days rather than weeks or months, allowing us to meet our clients' timelines.

When we combined the Digital MOSAIC with the COC's customer postal codes, we determined which digital segments were most prevalent within the customer base and how best to communicate with them. We discovered that the company's customers were distributed differently than the Canadian average for reasons that make sense (access, affluence). And, not surprisingly, Canadian Opera Company customers over-indexed in affluent urban Ontario segments with higher disposable incomes. We also discovered that more than 30 per cent of COC customers fell into the younger, tech-savvy segments known as “City Clickers” and “Single Metrotechs.”

In particular, there were two segments that captured both the highly social segment (“City Clickers”) and those that were time starved (“Loaded and Overloaded”). These two segments accounted for almost 40 per cent of the COC's customers. By designing for these two segments, we would capture the needs of the seven segments that made up 85 per cent of the company's customer base. This understanding allowed the COC to tailor its digital strategy and experience design, ensuring their relevance for the target audience.

In addition to using profiling data, we also conducted some additional qualitative and quantitative primary

research through a combination of in-person interviews and an online survey of COC customers. Doing so allowed us to validate our strategy and answer some of the more dynamic questions that our profiling data could not provide.

### Act III: The Migration Begins

In January 2009, the COC launched its newly redesigned website. The new home page provided an improved user experience, and the website architecture was designed to be easily navigated from anywhere within the site. To address the desires of the more socially inclined visitor, the site included a series of highly engaging elements that offered a rich user experience. Features included a timeline chronicling the Canadian Opera Company's history, a photo illustration highlighting the company's production of *Madame Butterfly*, a redesigned email newsletter, and e-cards featuring magnificent imagery from the COC's performances.

An inexpensive, yet critical component of the website redesign was the integration of Google Analytics into every page on the site, thereby providing a means to continually measure the website's performance. By the end of 2009, online transactions as a proportion of overall transactions grew to 29 per cent, from 20 per cent in 2008 – a 45 per cent increase. Single ticket sales grew from 38 per cent of overall transactions in 2008 to 47 per cent in 2009; and the revenues from online ticket sales reached 43 per cent of total dollar sales of single tickets.

In December 2009, the COC created its first-ever digital brochure, to coincide with the January 2010 launch of an email-only subscription renewal for the 2010–2011 season. The introduction of the online renewal process resulted in a 20 per cent increase in online subscription renewals over 2009 for both the percentage of online transactions and the dollar value.

When we ran the postal codes of the customers who renewed their subscriptions online in 2010 against our Delvinia Digital MOSAIC, not only did the results validate our strategy in designing for the Loaded and Overloaded as well as the City Clicker segments but, in fact, the City Clickers had now become the number one segment that was transacting with the Canadian Opera Company.

Armed with the promising results from the redesigned website and the fact that the migration strategy was well on its way, the COC was ready for the next stage: creating an optimized digital customer experience for its audience.

### Act IV: The Journey Continues

The COC kicked off 2011 by unveiling a new brand and logo design. Since the website had to be updated to accommodate the new logo, and because we had two years





The Canadian Opera Company's production of *The Magic Flute*, 2011, conducted by Johannes Debus and directed by Diane Paulus. Photo: Michael Cooper

of data on hand, the COC decided that it was a great opportunity to give its site a refresh.

While the architecture of the website remained intact from an experience perspective, we had a great deal of insight about how visitors were using the site, including what they liked and what they didn't like. The website refresh provided the Canadian Opera Company with the opportunity to refine and enhance the digital experience that had been created two years prior.

On March 30, the COC unveiled a website refresh that updated the user experience based upon the learnings of the past two years. While the entire website refresh occurred within a three-month time period (from planning to launch), the COC was still able to employ data-informed design enhancements, demonstrating that its website was not a static site, but an evolving digital experience that continues to change and evolve along with the changing habits and behaviours of its audience.

#### Act V: The Finale

The COC strives for excellence in all that it does, so it is no surprise that the company had high expectations in creating a digital experience. Under the leadership of management, a committed board of directors, and forward-thinking and open-minded staff, not only has it embraced the value of investing in digital experiences that put its customers' needs

first, but it has become a true innovator in applying digital technologies in the arts.

The Canadian Opera Company now has the data tools and insight capabilities to continue to understand and evolve with its audience. It has adopted a strategic perspective and recognized the value of data-informed insights, not only to migrate customer transactions online, but to further engage key customers as advocates.

Many of our clients, for obvious reasons, prefer that we don't publicize their digital strategies, so I would like to acknowledge and thank the COC for its willingness to let us tell its story. The Canadian Opera Company embraced our strategy and approach, and allowed us to take the company on this journey of insight, experience and inspiration. Digital is as important to the Canadian Opera Company as the quality of the productions and the operatic theatre it performs.

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