



ticketscript
sell more

The State of the UK Ticketing Industry 2013:

Analysing the trend towards direct, online ticket buying

#sellmore

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Introduction

Similar to the radical transformation that the music industry has undergone in the last decade, the combination of technological advances, social media and the demands of both customer and promoter are driving rapid and fundamental change in the ticketing industry.

This report is borne from our experience and our mission to help promoters #sellmore. Nowadays traditional media and traditional ticketing agents are non-essential for selling tickets. Every person who has a mobile phone, access to the internet, and uses social media has the easiest and most effective way to market and sell tickets in the palm of their hands. The ticketing landscape is fundamentally changing, and this report outlines the drivers for ticket buyers and sets the future direction for the industry.

Of the many insights revealed by the data, we've drawn out six key areas which carry the most impact for ticket sellers:

- 1. Digital ticketing is here**
- 2. People want to purchase through social media**
- 3. The older generation's habits are changing too**
- 4. Trust is paramount**
- 5. No more third parties - direct is preferred**
- 6. Drill-down: What exactly do buyers think is wrong with the current ticketing process?**

Methodology

How did we come up with the questions?

We formulated the questions that would provide us with insight into the key components of ticket purchasing including social, mobile, trust, awareness and other fundamental issues.

In order to do this, we focused on the ticket purchasing process - looking specifically at third party ticket sellers, issues of trust, and the mediums used to buy tickets.

Who did we ask?

Consumers that have purchased tickets in the last 6 months – this was to ensure we would have specific, targeted data that was relevant to what we were trying to find out.

How was the survey conducted?

We commissioned the research through research agency Red Shift. The survey polled 1,000 consumers nationwide and was conducted online.

Digital ticketing is here

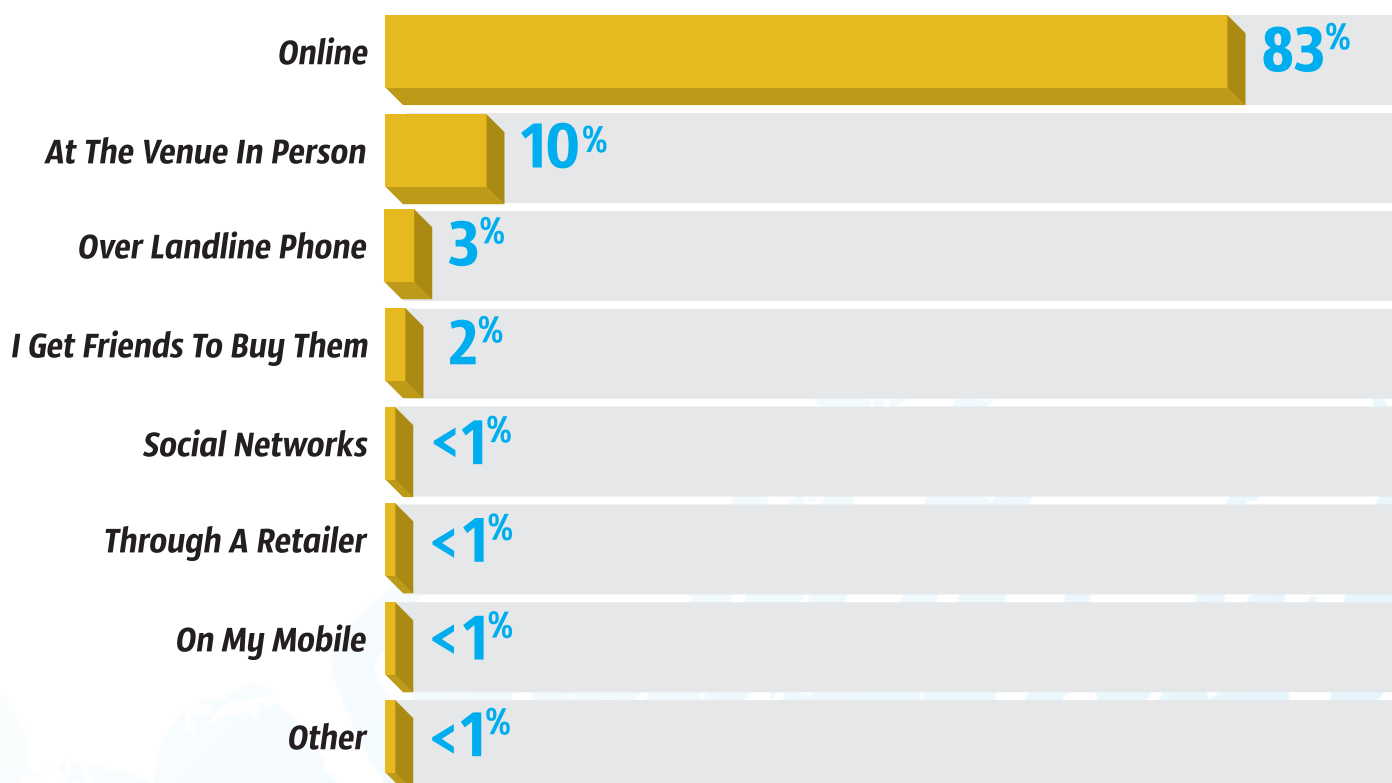
Reports abound that demonstrate the fundamental and ongoing shift of commerce from physical outlets to their digital counterparts. Behavioural trends from both buyers and sellers in the events industry suggest ticketing is also undergoing such a transformation. The research we've conducted adds further confirmation to this.

The clear benefits of digital ticketing over traditional means are evidently having an impact on buyers' preferences: people want to make purchases that are more convenient, practical, environmentally friendly, simple and secure.

Digital tickets deliver on these advantages and consumers are taking note. Of eight options given, online purchasing was the overwhelming first choice, with 83% of people selecting it instead of methods such as in-person at the venue or over the phone. In the 18-34 age bracket this number ramps up to 9 out of 10 people.

As for those who would still choose to buy from a physical retailer, less than 1% selected this option above the others. People may still be forced to buy tickets this way, but you only need to look at the data to see the attitudes and the way habits are evolving.

Preferred method of buying tickets



83% prefer to buy tickets online

Less than 1% would choose to buy tickets at retailers

People want to purchase through social media

Social commerce is the next frontier for ticketing. The peer-to-peer style impact of social media on purchasing is well documented and businesses are fully aware of its importance. However, data from our survey suggests that ticket buyers are ready to go a step further and actually make purchases directly within social media spaces. To lead in the events industry, promoters would be wise to start heeding this feedback.

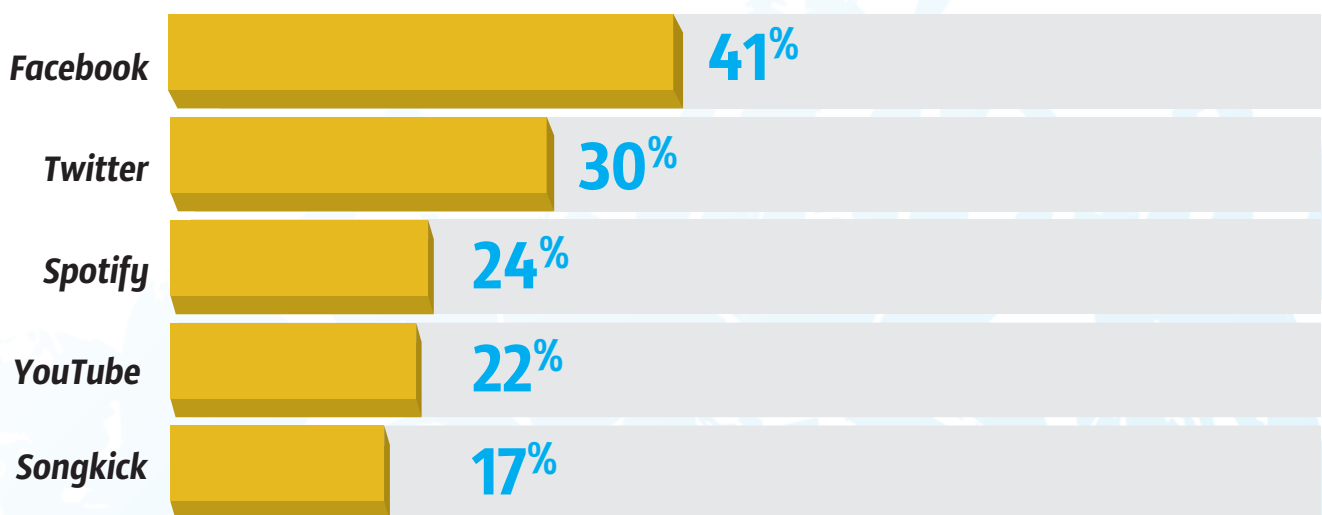
Nearly two-thirds, 62% to be exact, of the Millennial Generation (18-34s) say they would like to purchase tickets through social media and, of course, where 18-34 year olds lead, every other demographic follows.

Platforms like Facebook are now acceptable environments to make purchases, with 26% of the Millennials already purchasing tickets there and a further 41% saying they would if they were offered the choice. This illustrates the huge potential for event promoters to sell to an untapped and highly targeted audience.

Social media is currently being utilised for every aspect of people's lives, but so far the majority of events have neglected generating direct sales from within social media. Event organisers with first-mover advantage in this media will reap the rewards - "skate where the puck is going to be, not where it has been".

62% of the Millennial Generation would like to purchase tickets through social media

Millennials' preferred social media platform for purchasing tickets



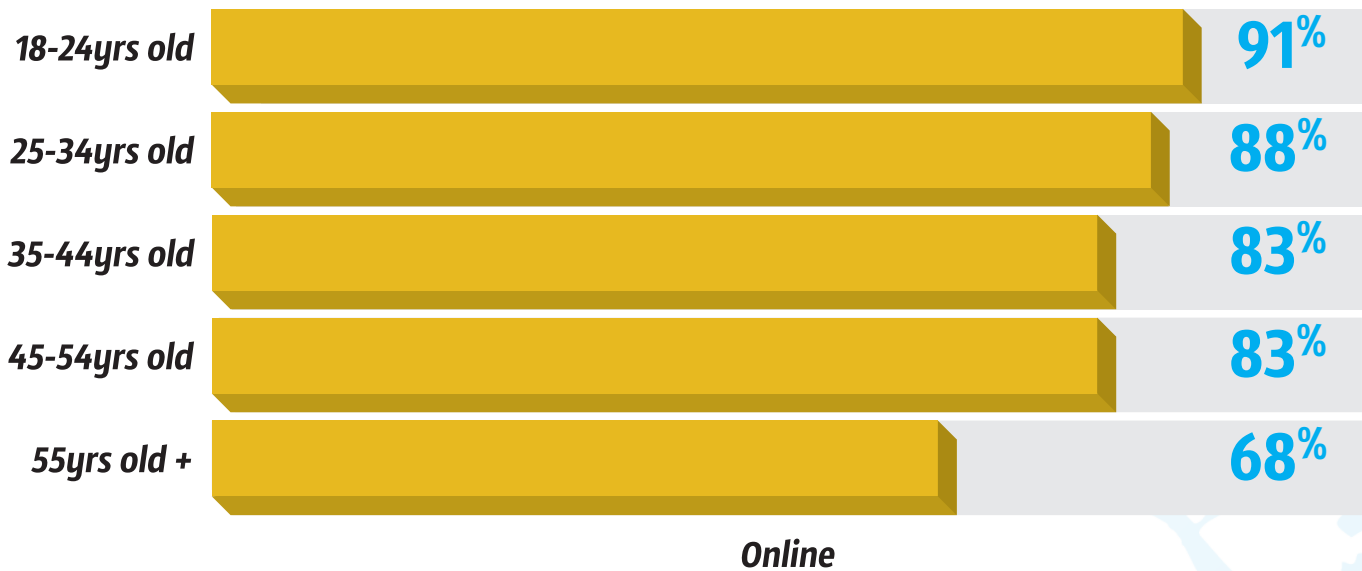
The older generation's habits are changing too

Certain businesses might feel their particular demographic is immune to changes in mentality caused by the internet and related technologies.

However, as time moves on and an ever-larger proportion of the population grow up in a digital environment, the diminishing number of people who didn't are also happily adopting the behaviours of their juniors.

The bottom line is that all ages not only prefer to buy online, but by a huge margin. The 45-54 age bracket adheres to the whole group average of 83% and, of those 55 and over, still more than two-thirds pick online as their number one purchase method.

Preferred method of buying tickets (by age)



76% of 45+ years old prefer to buy online

68% of people over 55 prefer to buy online

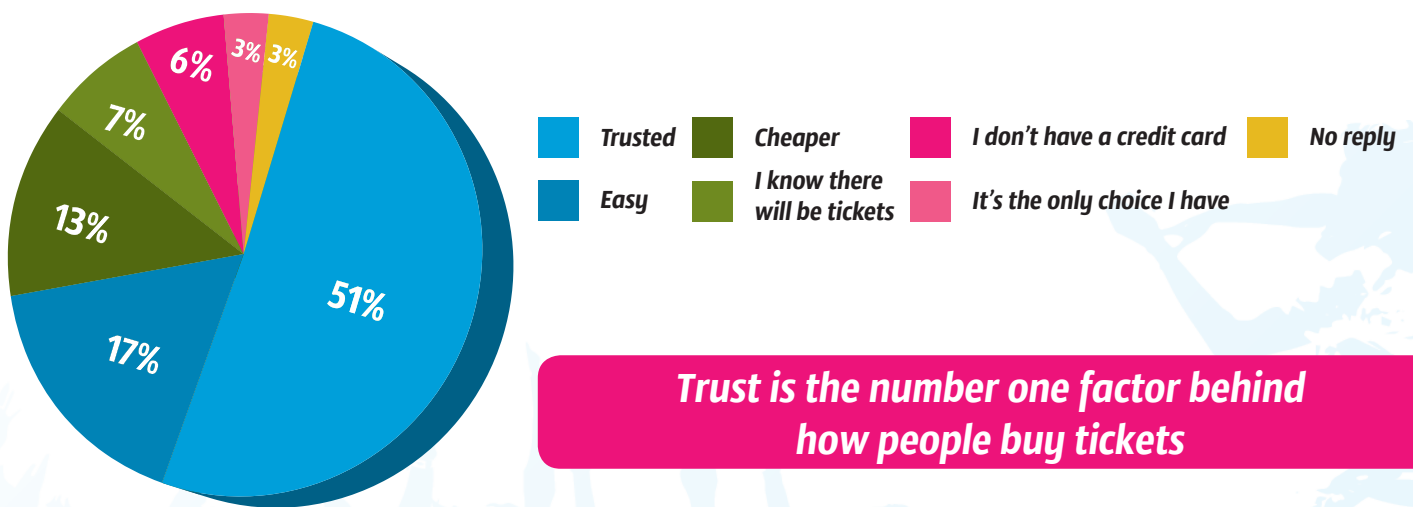
Trust is paramount

Price. The thing people care about above all is saving money, right? Nope, apparently not. OK, well it's the second most important thing then? Afraid not - our data says otherwise. Price actually ranked as the third thing on people's mind when it comes to where they buy their tickets.

The number one concern for people buying tickets is trust. Trust in the method of purchase is by far the most important factor for ticket buyers, with 51% of respondents choosing it as their number one priority and over two-thirds putting it in their top two. There's good reason to connect this, which we discuss below.

Other areas of the survey back up this insight too. When asked what they would change about the ticket-buying process, the second most popular request was that sellers be more transparent about add-on fees, with 58% of people selecting this answer. In the older demographics this is even more pronounced, with 61% ticking the box.

Reason for choosing preferred method of buying tickets



Trust is the number one factor behind how people buy tickets

58% of people said they would make the ticket-buying process more transparent about add-on fees

69% of respondents said trust was one of their top two reasons for their chosen method of ticket buying

No more third parties - direct is preferred

When purchasing online, the reliance on third parties to complete a purchase has significant effect on the consumer's level of trust, experience and satisfaction. In terms of where they make their ticket purchase, 70% of respondents want to buy directly from the event's site or venue rather than an agent or other third party. We can infer that this is linked to the fact that trust is the number one factor behind where people make their purchase.

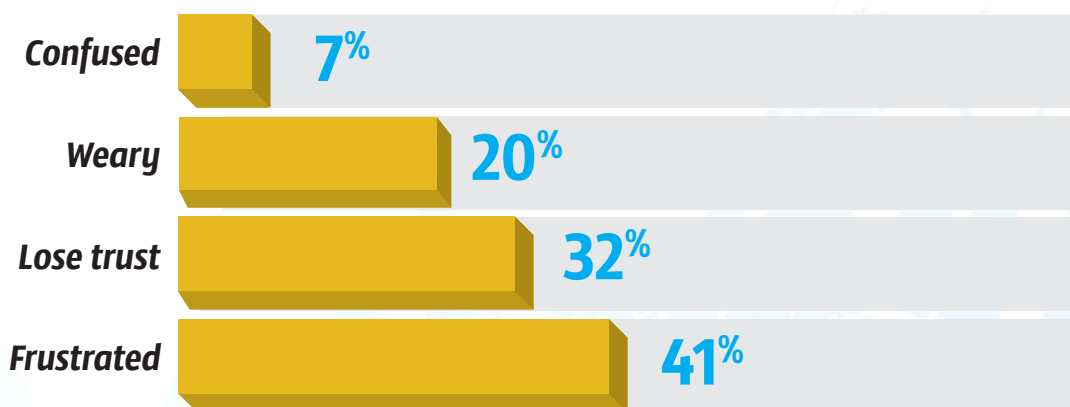
Diving further into the ticket purchase process itself, 41% of people feel frustrated and 32% lose trust when they get transferred to another website to make their ticket purchase - this portion increases to almost half in the over 45 demographic.

This is further reinforced by the consumer's reaction to additional charges and lack of transparency, as noted previously. Both of these factors are inevitable with an additional party involved in the transaction process.

The survey results have also shown that the two least preferred methods of ticket purchasing are third-party resellers and ticket agencies. It is evident that ticket buyers feel more at ease when purchasing tickets directly from the event rather than using a third party.

From these results, it can be seen that consumers perceive ticket agents and other intermediaries in the ticket-buying process to be purely a necessary evil - not offering any added value for the purchaser.

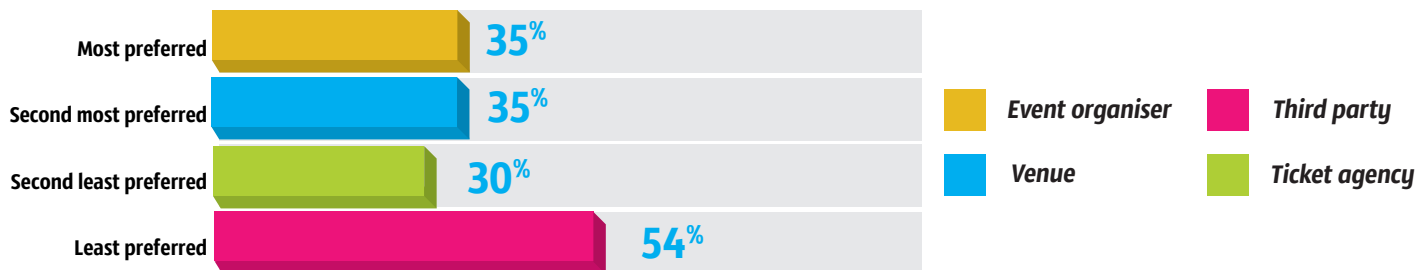
How consumers feel when getting transferred to another website when buying a ticket



41% of people feel frustrated and 32% lose trust when they get transferred to another website to make their ticket purchase

No more third parties - direct is preferred

Most preferred channel of buying a ticket from



70% of ticket buyers want to buy from you rather than an agent or other third party

The least preferred method of buying tickets is through third party resellers and second least preferred method is through ticketing agencies

Drill-down: What exactly do buyers think is wrong with the current ticketing process?

As the event industry is undergoing a transformation and users are becoming more tech savvy, there is a greater need for insight from customer feedback. Gaining a better understanding will enable event organisers to make more informed decisions regarding their events, improve the end-user experience and, of course, ultimately sell more tickets.

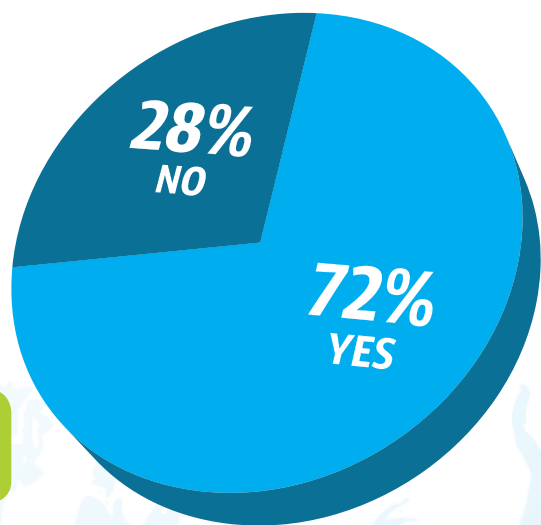
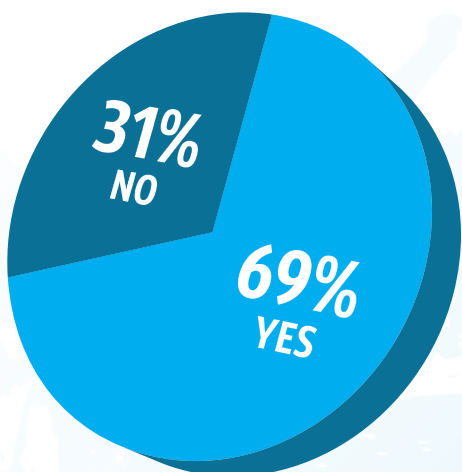
Given the fact that 90% of ticket buyers would stop using a ticket seller due to a bad experience, it is essential to appreciate that prompt and effective customer service delivers huge returns for promoters.

From the survey, it also becomes very clear that using online ticket agents and third parties causes a fundamental disconnect in supply and demand for consumers - which penalises event organisers in ticket sales. Consumers want to be able to buy tickets in similar ways that they purchase other goods online - instantly. The 'lag' that is traditionally experienced where tickets are

taken off sale and only available 'on the door' is anachronistic. Ticket purchasing needs to be as timely and relevant as any other product. This is evidenced by the below results.

Almost three-quarters of respondents said they'd be put off going to an event due to the possibility of it being sold-out on the door, so it is essential to maximise the period of online ticket sales. When asked whether they would go to more events if they could buy tickets online right up to the start (and during) an event, 69% of the respondents said yes, further illustrating the potential of additional ticket sales through the use of online platforms.

72% of customers would be put off going to an event if tickets were only available on the door



69% of people would go to more events if they could buy tickets online right up to the start

Summary

Despite the advances in technology and the fact that online purchasing is a universal behaviour, the events industry is lagging significantly behind in terms of adoption of new and advanced ways of connecting and selling to the customer.

The consumer is demanding fairer, more personal engagement and a greater ease of buying. Those who respond to this new way of selling will reap the rewards.