

## **The Future of the Arts in America**

A speech by Michael Kaiser delivered at ArtsFund's event on March 16, 2017, at K&L Gates in Seattle.

It is a great pleasure to be here today in Seattle and I appreciate the invitation from ArtsFund to speak today about the challenges facing arts institutions in a rapidly changing environment. While I have spent my life enjoying, supporting and working in the arts, I am deeply concerned for the continued health of our arts ecology.

There are seven key reasons for my anxiety about the future of the arts in this nation and I am referring to long term trends rather than our immediate political situation.

First, I am concerned about the quality of the art itself. I have observed that the creativity has been beaten out of so many artists and arts organizations. Everyone is so concerned about money and “what sells” that we have gotten too conservative with our art-making. Producing boring art is the surest way to create fiscal problems because our audiences and donors look elsewhere. Especially with so many online entertainment options available today, there are plenty of places to look.

And with many of the world's largest arts institutions – the Metropolitan Opera and the Bolshoi Ballet and the Royal Shakespeare Company and others – broadcasting their performances to movie theaters and to home computers with increasing frequency, it will be far harder for regional arts institutions in Detroit and Phoenix and St. Louis and Seattle to compete for audiences unless their art is astonishing.

Of course many arts organizations are creating dynamic arts projects—from the San Francisco Symphony to Eighth Blackbird, from the New World Symphony in Miami, to Glimmerglass Festival in Cooperstown, New York. But too many organizations think they can remain healthy by producing safe art and too many arts organizations spend more time talking about money than about creativity.

We don't just worry about money too much, we even talk about it too much. We must remember that our function is to inspire, entertain, and educate our communities.

We have spent so much time complaining about our plight and focusing on our financial challenges that many people do not want to interact with us anymore. They have come to us for respite but we have not been as accommodating as we need to be. There were more national headlines about arts organizations in financial distress in recent years – from the Philadelphia Orchestra to the Metropolitan Opera– than about arts innovation or excellence.

We talk about money in the press, to our audiences, to our donors, and especially to our board members. Our board meetings are almost entirely devoted to discussions of cash flow and income statements.

We forget to discuss what we do for our communities, how much fun it is to come to an exhibition or performance, or how we educate our children to be creative thinkers. Then we are surprised that board members stay away and, worse, do not introduce us to their friends and associates.

We must return our focus to our contributions to the community; few people really care about our problems. They have problems of their own.

My second concern is that arts organizations simply are not doing a good enough job of marketing. We have a lot to learn from the sports world. Sports leagues do a great job of engaging people through their marketing activities. They don't just sell tickets, they encourage a relationship between the individual fan and the team as a whole.

And these fans repay them by spending a great deal on tickets and souvenirs, food and parking.

Too many people believe arts marketing is only about selling tickets. So their marketing efforts focus on advertisements, direct mail, email blasts, etc. These activities, which do help create earned income, I call programmatic marketing. Arts organizations have done a good job of creating programmatic campaigns though I observe that too many do not differentiate enough between the marketing needs of different types of programs. Most arts organizations have a template for marketing every project: they do three advertisements, a direct mail post card, a radio spot, and two email blasts, for example.

But some programs require almost no marketing to sell out: Yo-Yo Ma in concert, for example. Others require a great deal more information, a new piece by an unknown composer, for example. These more challenging ventures need what I term missionary marketing—they require much more detailed explanations than can be accommodated by a poster or simple advertisement.

We must save money on marketing the first type of program to invest in the second.

And we must appreciate that online activities are our new best friends in creating visibility and educating audiences. We can reduce the amount we spend on programmatic marketing by using email, websites, social networking sites, etc., to their full potential.

People are getting their information in new ways—that is why newspapers are going bankrupt—and we must recognize it.

But we must also invest in a second type of marketing, institutional marketing, that creates excitement for our organizations as a whole.

Shortly after I arrived at the Alvin Ailey American Dance Theater, the world's largest modern dance company, the author Alex Haley died. We received hundreds of letters of condolence because people thought Alex Haley was Alvin Ailey. I realized we had a major image problem if people thought we wrote *Roots* in our dance studios.

So we embarked on a substantial institutional marketing campaign that included appearances on the Phil Donahue show and at President Clinton's first inaugural gala, an exhibition at the Smithsonian in Washington, a free concert in Central Park, the naming of our street in New York City as Alvin Ailey Place, the publication of two books about the organization and a huge gala celebrating our 35th anniversary with Jessye Norman, Al Jarreau, Dionne Warwick, Denzel Washington, Maya Angelou, and many others.

Over a 12-month period, everywhere you turned there was the Ailey Company doing something exciting. Not one of these events changed the history of the Ailey organization. But taken as a package, we created a new level of excitement and understanding about the organization.

Not surprisingly, ticket sales and tour invitations increased while programmatic marketing costs fell. But more important, our fundraising doubled in one year, and we were able to pay off the entire historic deficit of the organization in 1993.

Why did fundraising increase? Because as they learned about the vibrancy of Ailey, more people wanted to be attached to the organization, as donors, volunteers and board members. Our institutional family grew considerably in 1993.

But more important, our board members were so proud of the organization that they wanted to involve their friends and associates. When I arrived at Ailey, and we were virtually bankrupt, I met with each of our 36 board members and asked who they knew who could help us.

Surprisingly, not one board member had ever met another human being.

After we mounted our institutional marketing campaign our board members seemed to have met thousands of friends they wanted to bring into the Ailey family.

This is one of the most important by-products of institutional marketing. It helps to erase the embarrassment that many board members feel about us.

This embarrassment school of board membership is rife. So many board members love their organizations but are embarrassed to involve friends because of tremendous financial problems, board bullies who dominate meetings, typos in thank you letters, etc.

What I learned from my Ailey experience is that to get a board to participate fully we must make them unembarrassed. Great programming supported by great institutional marketing is the key to doing so.

Many people believe that only large, famous organizations can do institutional marketing. Many people do not believe they can do institutional marketing for their organizations. Yet I implemented an institutional marketing program at the Kansas City Ballet, a mid-sized ballet company in Kansas City, Missouri, in the mid-1980s. When I arrived at the organization, we had a tag line: the company that can't meet payroll. I knew I had to change this reputation.

So we put a television news anchor from the local NBC affiliate on our board. His board contribution was to put us on his show four times a year. We also negotiated a debut tour to NYC, mounted a ballet by George Balanchine that had not been danced in over 20 years, built a relationship with the Alvin Ailey organization, appeared three times a year on an early morning television talk show, created a gala featuring our dancers and major ballet stars from the largest companies in the world, and on and on. We paid off our entire historic deficit with the extra revenue earned in just ten months.

Importantly, most of these activities for the Kansas City Ballet and Ailey did not cost us a penny. Rather, it took time and creativity and using the relationships we had formed in an entrepreneurial fashion.

My third concern relates to the ages of our audience members and donors. It is almost trite to say that our audiences are too old. In fact, that has been true for over a century.

But we now face a different situation.

While one can read accounts from the 1890s that arts patrons are too old, for a century we enjoyed a constant replenishment of our supporters. American children were introduced to the arts by their parents but also in schools. I can remember a time when every child had a chance to sing in a chorus, perform a school play, play an instrument, and learn to paint. Most children, although not all, stopped their arts participation when they hit high school and began thinking about dating, college, marriage, careers, and families.

Most people did not resume arts participation until middle age, when careers were underway, children were grown and they had more discretionary time and money.

So while our audiences were older than the population in general, we had a constant replenishment of audience, donors, board members, and volunteers. But today we have so little organized arts education in our schools that I am not so certain that as the current generation of school children ages, they will find their way to the arts if they didn't have them as a child. If not, who will be our audience members and donors of the future? In fact, I am far more concerned for the arts 20 years from now than I am about the current economic challenges we face.

That is why I wrote a book, *Curtains? The Future of the Arts in America* that describes the way the arts in this country will evolve if we do not change prevailing patterns of behavior by our arts institutions.

And while there is far too little arts education in our schools, even the education programs we do have are not substantial enough. They are disjointed, episodic, and not very potent. That is because we leave the purchase decision for arts events to the individual teacher. If a third grade teacher loves the arts, the children in the class will get many arts experiences: they will visit a museum, produce a class play, learn from a teaching artist, etc. But when these same children get to fourth grade, they may have no arts if their teacher does not care about them. We do not teach any other subject that way.

Imagine if your children or grandchildren came home and said they were not learning math this year because their teacher didn't like it. But that is the way we teach the arts. So when I headed the Kennedy Center, we developed a new program, Any Given Child, that created a systematic arts education in every grade from Kindergarten through 8th grade in a given city by organizing the activities of the schools and the arts organizations in that community into a coherent, curriculum-based program. This program is installed now in fifteen American cities with over one million students—from Sacramento, California, to Baltimore, Maryland. The program is tailored to the needs of each location. For example, every 4th grader in Sacramento studies Latino culture so every child in the fourth grade in the school system there now works with the local Latino Cultural Center.

Every child in these cities will receive a coordinated, consistent arts education.

But we need other arts organizations and school systems to follow suit.

And we need to recognize that many of our most loyal and generous arts patrons are aging and beginning to leave their families' philanthropic decisions to their children who, in many instances, do not have the same commitment to the arts as their

parents. This means we are at risk of losing a chunk of our philanthropic base in years ahead.

My fourth concern relates to changes in technology and how they are affecting arts groups and our audiences.

We have seen over the last decade, the development of a series of entertainment options, delivered electronically, that cost little or no money. From Angry Birds to Facebook to Netflix, people now have a range of options to entertain and educate themselves that makes attendance at performances and exhibitions less attractive. People are now trained to expect their entertainment wherever and whenever they want.

People are playing games and watching videos and reading blogs in their homes, at airports and wherever they find themselves at whatever hour works for them. Getting them to agree to pay a large sum to attend a performance at a specific time is far more difficult than before.

And, more recently, the arts have been distributed electronically - to movie theaters and to home computers. The Metropolitan Opera movie theater broadcasts are wonderful - but they are also very inexpensive compared to attending a performance in person. Why should I spend \$300 for one ticket to a performance at the Met when I can spend \$25 for a performance of the same opera by the same artists in a movie theater.

Now I don't believe the experience is the same. I am completely convinced that seeing a performance live is far more special, but the price differential is so great that many people are willing to forego the special thrill of the live.

And movie theater broadcasts are not just available for the performing arts. The Museum of Modern Art recently offered a tour of its Matisse exhibition in movie theaters across the United States.

With all of this activity likely to move to laptop computers with great headsets in the coming years, more and more people will be getting their arts second hand. Three years ago, the National Endowment of the Arts did a survey and found that 51% of American adults had a live arts experience that year and 71% had an online arts experience.

I expect these percentages to change dramatically in the coming years.

If more and more people are getting their art online, it means that it will be more difficult to fund chamber music series, symphonies, ballet companies, theater

companies and opera companies in every city. The large number of regional institutions that have developed over the past 50 years will no longer be required to serve the arts needs of our population. In fact, I imagine there will be a dramatic decline in the number of performing arts institutions over the coming twenty years. People will get music on line from one of a number of major arts institutions with astonishing musicians, singers, conductors sets and costumes and at very low cost.

We must also appreciate that all of this online activity is affecting the brains of our audiences in important ways with respect to attention span, multi-tasking, brain plasticity and changing reward patterns.

In 2015, a Microsoft survey of 50,000 Canadian adults determined that humans now have an average attention span of eight seconds. (The goldfish attention span is nine). This has fallen from 12 seconds in 2000. Microsoft determined that this decline was driven in large part by digital technology and the brain's decreasing ability to filter out irrelevant stimuli. This is a stunning development.

Our brains are being re-wired, in part, by an addiction to multi-tasking encouraged by new media.

The Guardian reports that multi-tasking creates a dopamine-addiction feedback loop, which - in effect - rewards our brains for losing focus and seeking external stimulation, over and over again. Dopamine is the chemical released during sex and drug use, and is the basis of biological addiction.

Artists must acknowledge and account for these changes as they work to plan repertory and attract audiences and donors.

We must also acknowledge and account for changes in demographics. My fifth major concern is that we are not addressing the issue of diversity appropriately. Putting one African American on your board or playing one piece by a Latino composer is not diversity. We must have a serious, institution-wide commitment to diversity. And we must address the inequity in funding between Eurocentric organizations and organizations of color. We all must have an interest in ensuring that we maintain the remarkable and diverse quilt of arts institutions in this nation if we want to be relevant in the future.

My next concern for the health of the arts relates to boards of arts organizations. Too many board members simply do not know enough about what creates health in the arts. While they approach their board duties with tremendous generosity of time, spirit and resources, they make decisions that are not necessarily in the best interests of their organizations.

The most common mistakes include cutting art and marketing to balance the budget (when art and marketing are the very reasons people support us), believing that building an endowment will cure everything, suggesting that safe art is the easiest art to support and not forcing their executives to plan art early enough to help attract new donors.

We need board members who know how to perform the five key functions of boards: developing and approving plans, understanding and approving the annual budget, hiring, firing, compensating and motivating their direct reports, participating actively in gathering resources, and serving as ambassadors in the community.

We also need boards to be vigilant about evaluating their own membership to ensure that the current group of trustees is the right group for the next few years. When I arrived at Alvin Ailey in 1991, almost half my board had been trustees for 33 years. They had sewn the original costumes and driven the dancers to the first performances in 1958. They were remarkable, wonderful, passionate people but they were not the appropriate governors for the organization at that moment in our history. Our budget was \$6.5 million but the combined giving of half of our board of 36 members was \$5,000. No wonder we were going bankrupt.

Arts organizations have a life cycle, and board composition must change as the organization matures. When an arts organization is founded, the board acts like quasi-staff.

They may do the bookkeeping, do the marketing, even sew the costumes. But as the organization grows and matures, it hires staff to fill these functions and needs its board to be more active in raising funds. Arts boards that do the best job of evaluating and changing their own compositions are typically the healthiest ones in our nation.

While boards require training, arts managers need it too. My last major concern is that many arts managers simply do not have the training they need to deal with the range of challenges I have addressed today.

I believe that one of the greatest problems facing the arts today is a serious deficit in trained managers to employ and support artists.

Arts management is a very young field, and too many arts managers and board members simply do not know how to build the levels of support needed to make artists' dreams come true.

The field needs its arts managers to learn how to plan for important art, well in advance, to pursue sophisticated aggressive marketing campaigns, to create



meaningful arts education programs and to encourage board members to fulfill their responsibilities effectively.

Without strong leadership, the arts will not be able to create the artistic and educational programming that is so vital for our communities.

Without strong leadership, our arts organizations will not build the large, engaged families of audience members and donors we need to stay healthy.

Without strong leadership, we will not build the future generations of arts lovers and arts leaders.

And without strong leadership, our system of arts funding will not sustain the remarkable arts ecology this nation has created.

We are so fortunate to have the freedoms we have to create art and arts institutions in the United States of America.

But with this freedom comes the responsibility to do it well.

Thank you.