

The Huntington Theatre Company – Pricing Study

The Situation

Founded in 1982 by Boston University, The Huntington Theatre Company is Boston's largest theatre company. The Huntington creates seven world-class productions each season for an audience of over 130,000. The Huntington has two venues, the 890-seat Boston University Theatre and the 370-seat Virginia Wimberly Theatre. Over 80% of ticket income is derived from the Boston University Theatre.

Initial analysis by The Pricing Institute revealed that the Huntington's prices had not kept pace with inflation and were lower than the competition, and the current discount policy was limiting income for peak performances. Additional analysis found that subscribers were migrating to lower-value packages and that marketing messaging was focused on pricing vs. value.

Action

In order to rationalize pricing and discounts The Pricing Institute recommended the following:

- Make strategic price increases in the Boston University Theatre, but concentrate on the most popular nights and seat locations.
- Add an additional price break. Analysis showed that this particular break could be expected to increase both attendance and revenues in that seating section.
- Implement differential discounting (i.e., specific offers for specific needs), versus more across-the-board price reductions
- Revise the comp policy so that the most popular seats/performances were not being given away
- Create/communicate additional value for subscription packages with the greatest number of productions
- Implement some restrictions for subscription packages with fewer productions.

The Pricing Institute will be conducting a second evaluation later this season.

Client Quote

"The Pricing Institute was very helpful to us in determining our pricing strategy. Their experience, analytic rigor, and collaborative approach gave us some new perspectives on pricing, which we have successfully put into place at The Huntington." Michael Maso, Managing Director