

Economics of theatre assignment

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**ASSIGN
BUSTER**

Time The Present ACT 1 Scene 1 Setting : Currently, the scenario of theatre in Mumbai is such that there is a relatively large audience for regional plays in Marathi, Gujarati, and Hindi. However, serious English theatre still remains a niche market. Tickets are priced much higher than movie tickets thus making it unaffordable for many. In an industry such as this, huge investments in terms of money and time is required, plays generally work on preceding legacies or big names. Thus if you have neither, the production house maybe taking a huge risk venturing into the arena.

As a result of the above, there are a very few players in the market and as far as my knowledge and experience tells me, only Ace productions ventures into mega productions- making it a near monopoly. Curtain Rise: National Centre for Performing Arts (NCAA) has various theatres under its umbrella, out of which Data Theatre and Smashed Bah Theatre are the largest and thus most expensive auditoriums to rent. When plays don't make sufficient profits they can't afford the above, as is the case with most groups in Mumbai.

It is thus safe to assume that Ace Productions is the sole buyer for NCAA along with the rare International groups that perform in Mumbai. This creates a monopoly market with Ace productions having a choice between three other auditoriums to choose from that meet its requirements. Therefore while renting these auditoriums it has a bargaining power and often ends up paying less than international players for the same. They have also come up with a more flexible method of payment whereby the initial rent is relatively low but Ace has to pay a certain amount on every seat sold.

This ensures a reduced level of risk for Ace. While the situation for Ace can be related to a monopolist market, for NCAA, we can term it as a third degree Price-discrimination strategy where the heater charges based on the willingness to pay for the same product. Scene 2 How the Production House practices third degree Price Discrimination Theatre is a very niche market and in order to attract students and create love for theatre among the educated but not so art-appreciating middle class, we often issued 20% discount coupons to students, senior citizens and winners of radio contests.

This attracted a new segment of the market we hoped would continue to be our patrons. This is how the production house practiced third degree price discrimination. Another way to do the same was, We divided our audiences into two categories . High Willingness to pay + high interest 2. Low willingness to pay + high interest In the auditorium, seats at the front are priced higher than the ones at the back. Nobody with a high willingness to pay takes seats at the back of the auditorium and hence we discriminate on prices in terms of the position of the seats.

The ones right the front cost 2500, then ones after 1500, 1000 and then 500. This ensures a full house and we are able to target different segments of the market based on their willingness to pay. Scene 3 Ticket booking for shows takes place via 2 avenues- Bookroom's. Com and ickiest windows at the respective theatre. Most audiences seek information about the play they want to watch through Bookshop synopsis, and their interest is peeked through advertisements in Bombay Times, hoardings, and direct mailers/Seems.

Thus it is important that you travel along with the customer through 4 levels
1 . 2. 3. 4. Attention- Advertisements, announcements during other plays
and hoardings help capture attention Interest- The synopsis in newspapers,
PR articles, Youth videos help generate an interest Desire- Direct mailers/
Seems will help create desire for your play Action- presence at the Place of
Purchase so hat the consumer is reminded of your play while making the
purchase.

Because there is no prior knowledge about your play, and you are
responsible to take your audience through the 4 stages of AID it is essential
that you maintain monopoly in every channel of communication. Out of sight
is out of mind. Securing a prime position on Bookshop so that you're in the
eyes of the consumer, advertisements on a regular basis, presence of
banners, posters at ticket windows are ways in which this monopoly can be
achieved. Using monopoly to facilitate sales is an art that one must learn.