Live Entertainment Impulse Payments

AIME Power50 Conference – 1st October 2015

Premise

the potential future of selling

(live entertainment) tickets by mobile,

and the potential upside of the

frictionless charging method.

Contents

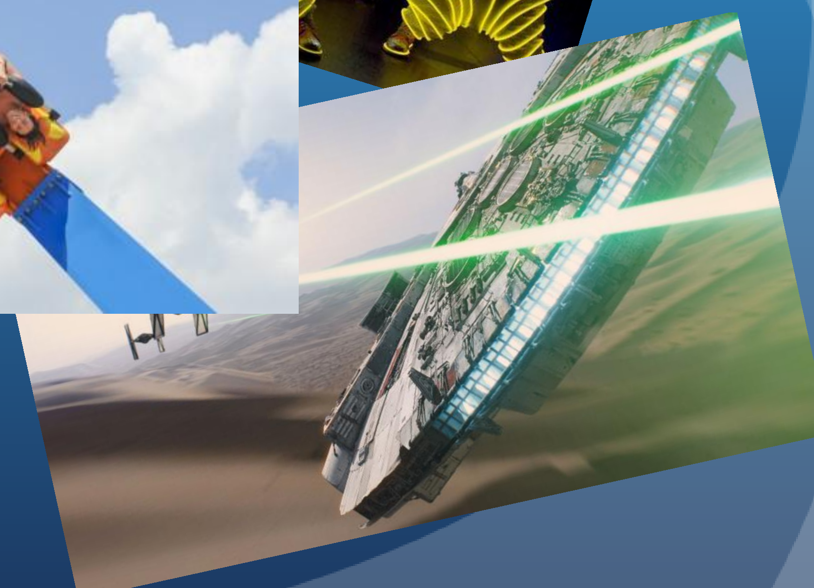
1. The size of the potential opportunity for mobile applications

1. Market characteristics / barriers to entry

1. The hidden solutions that mobile applications could bring

Live Entertainment?





Common Features

- Non home-based
- Non-essential luxury/impulse purchases
- High ‘perceived value’
- Require ancillary spend
- Inherently social
- Generate profiling data
- Perishable
- Personal

UK Market Sizing (paid attendances, in millions)

	Tickets	Revenue	Av.
1. Concerts	20.9	£ 1,000	£47
2. Theatre	33.9	£ 815	£24
3. Sport	67.0	£ 1,100	£16
4. Cinema	157.5	£ 1,058	£ 7
5. Attractions (England)	92.6	£ 992	£11
Total:	**371.9**	**£ 4,965**	
(c. 40% Unsold	*520.7*	*£ 6,951)*	

Market Composition

Customers

Regular Attenders, Members, Season Ticketholders, will always tend to transact directly via the Box Office.

On average, 40% unsold capacity, which could be promoted via improved Listings, Search and Distribution

Distributors

No National Distributors.

A few high end agencies, none with sufficient reach, funds, technology or neutrality.

Some sector-specific or regional Distributors.

Most sales are direct (primary channels).

Ticketing Systems

All disparate, all proprietary.

Most are venue-assigned

Most are sector-specific:

10 for Theatres,
5 for Sports,
4 for Cinemas,
4 for Attractions

No protocols.

Little mobile development.

Venues

Several thousand independently owned and/or managed venues.

Some owned by Rights-holders, some by local authorities, trusts. Most available for hire.

3 cinema chains, largest single UK theatre owner has 40 venues.

Rights-Holders

Thousands of independent promoters, teams and producers, from Manchester United FC to a solo musician.

All competing with each other for Customer spend.

Oligopolies control pricing and restrict market entry.

Market Characteristics

- Most sales via source (e.g. Primary channels of rights-holder's and/or venue's site)
- 65-99% Sold Online
- c. 50% visits via mobile devices (including tablets)
- Repeat Attendance vs. Transient Attendance
  (Only Concerts and West End depend on resellers)

Promotion/Sales Categories

- Standard (no resellers, no commission)
- Premium (being replaced by RM)
- Distressed (40% of all tickets go unsold)

Reseller Capacity + Commissions

	% ReSold	Commission
1. Concerts	90%	10%
2a. Theatre (West End)	40%	< 25%
2b. Theatre (Regional + Subsidised)	5%	4%
3. Sport	10%	< 400%
4. Cinema	0%	2%
5. V. Attractions (England)	10%	< 30%
Total:	**41.4**	**£1,360**
	(520.7)	*(£ 6,951)*

Impulse Purchases?

• Concerts	sold months in advance
• Theatre	average is > 1 week prior
• Sport	average is > 1 week prior
• Cinema	within 24 hours
• Visitor Attractions	combination

International Test

(attendance 24,500)

County Match

Saracens vs. Harlequins

(attendance 84,068)

London Welsh vs. Saracens

(attendance 3,633)

Market Characteristics

- Extremely fractured (no common standards or protocols)
- Patchwork of ‘cottage industries’ and oligopolies
- Retail Price Maintenance
- No inbuilt sales commission
- Limited aggregation
- Limited distribution
- Technically archaic (and technophobic)

Mobile Penetration

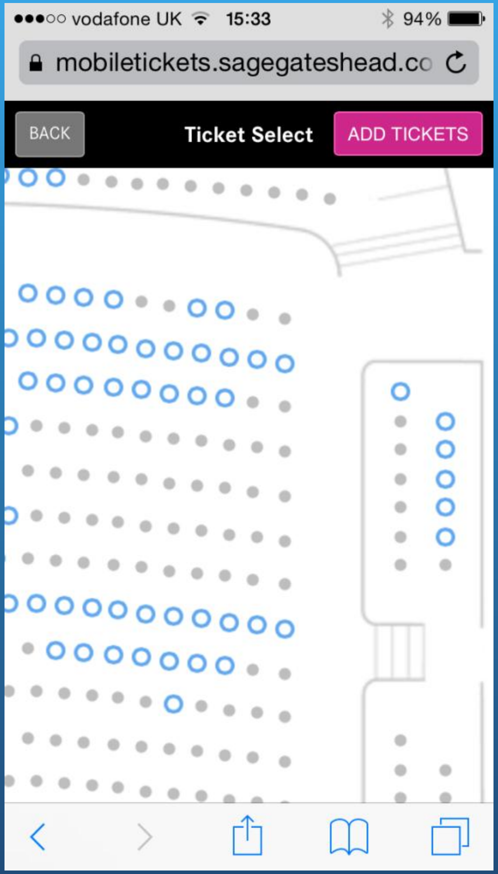
digital Rum

flyTXT

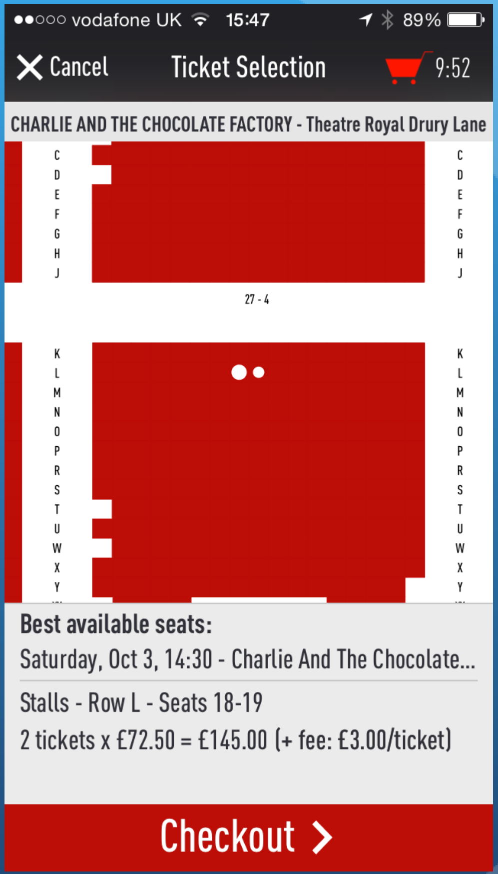
ticketscript

NOKIA Ticket RUSH.co.uk DON'T MISS ANOTHER GIG

Mobile Best Practice

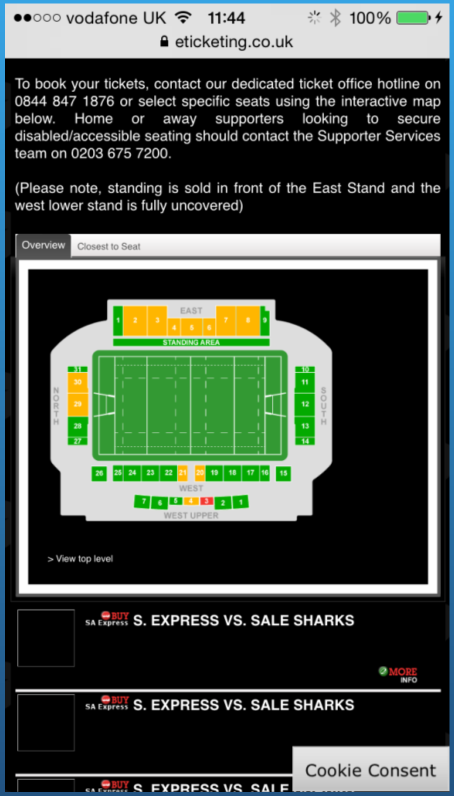


Sage Gateshead

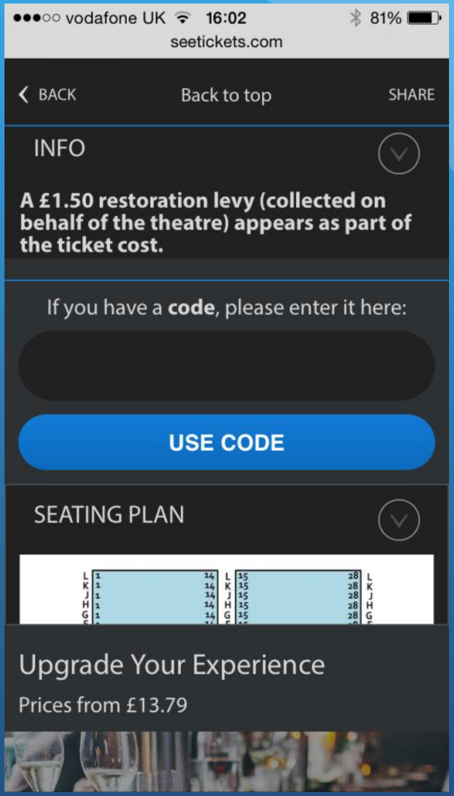


TodayTix

Mobile Worst Practice



Saracens

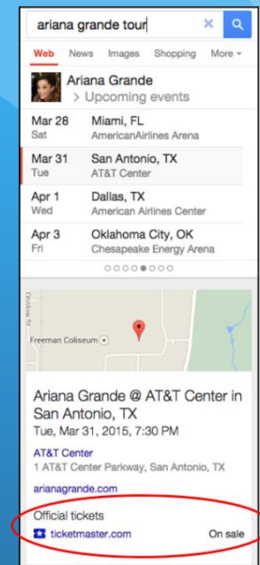


See Tickets

What's Next?

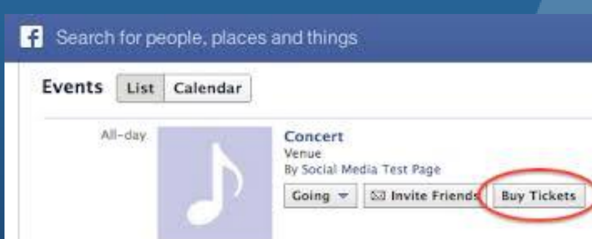
Amazon

Oligopolies



Google

Apple



facebook

Market Composition

Customers

Distributors

ticketmaster

See

encore Tickets

LAST SECOND TICKETS Get out more. Pay less!

the ticket factory

superbreak

lastminute.com

TODAY TIX

Ticketing Systems

AUDIENCEVIEW TICKETING

SPEKTRIX

enta

iris TICKETING SOLUTIONS

Gateway TICKETING SYSTEMS

Tessitura network

vista

ticketmaster

tickets.com

Venues

Rights-Holders

Arsenal

ATG AMBASSADOR THEATRE GROUP

ODEON FANATICAL ABOUT FILM

THE CHAMPIONSHIPS WIMBLEDON

MERLIN ENTERTAINMENTS GROUP

MANCHESTER UNITED

LIVE NATION

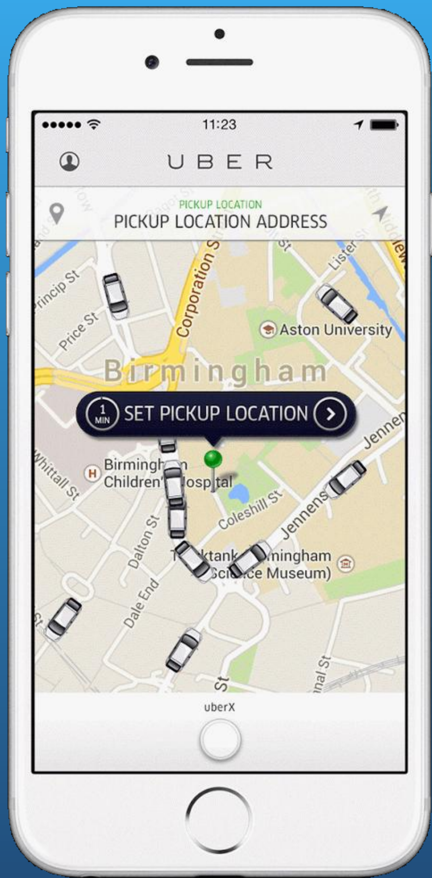
Historic Royal Palaces

vue cinemas

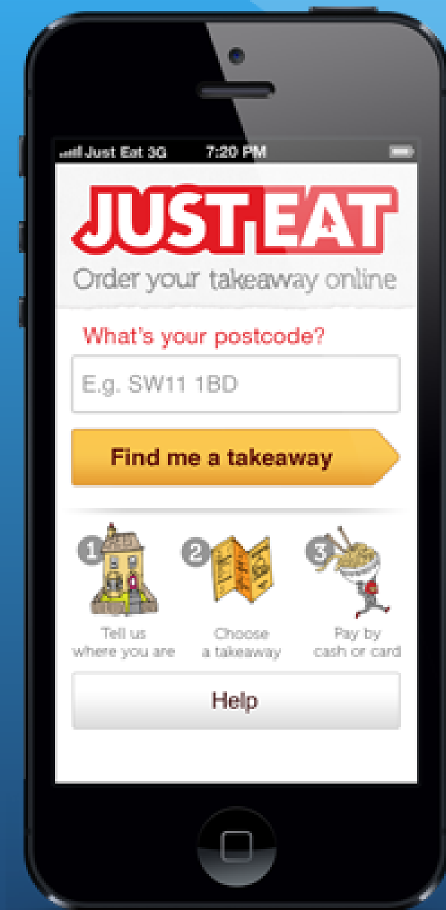
AEG

cineworld

Ripe for Uberisation?



Uber



Just Eat

Market Opportunity?

Customers

Distributors

Ticketing Systems

Venues

Rights-Holders

Requirements

- Multi-sector ticketing system
- Integrated with 23 disparate venue systems
- Universal white-label booking process
- Win, Win, Win partnership deal with Rights-holders

  (Control, data, non-exclusivity)
- Small, variable margins
- Affiliate deals for ancillary spend
- Develop personalisation
- Sustaining, rather than disruptive

Thank you

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