
*Traveling Exhibitions
Cash Cow or
Monkey on Our Backs?*

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ASTC

Philadelphia, Pennsylvania



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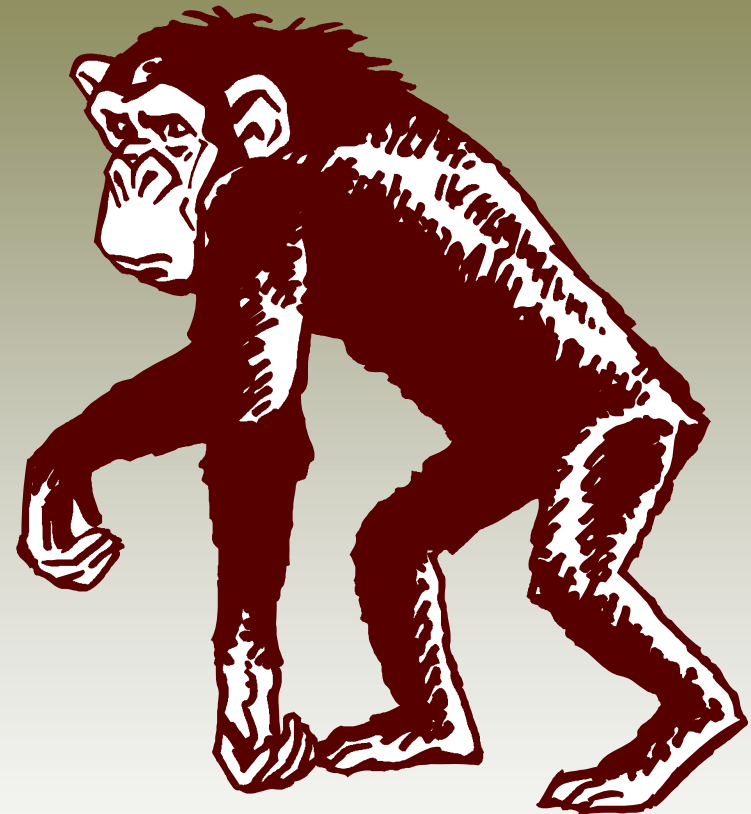
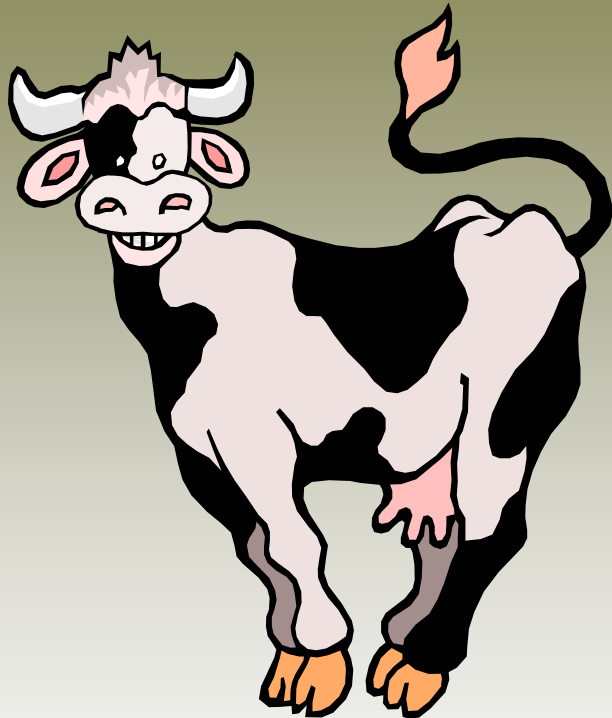
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Cash Cow

Monkey on our Back

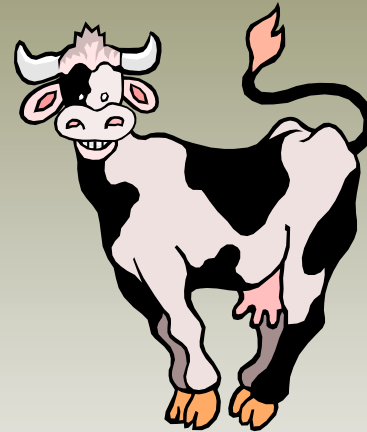


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RESEARCH-BASED MUSEUM INNOVATION



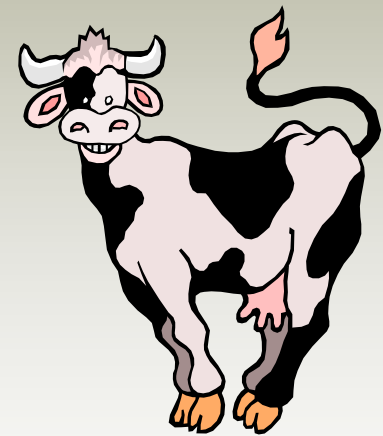
Cash Cow

- ◆ Increased earned revenue from admissions and ancillary products
- ◆ New audiences
- ◆ New members
- ◆ New partnerships
- ◆ PR/media opportunities
- ◆ Function rentals



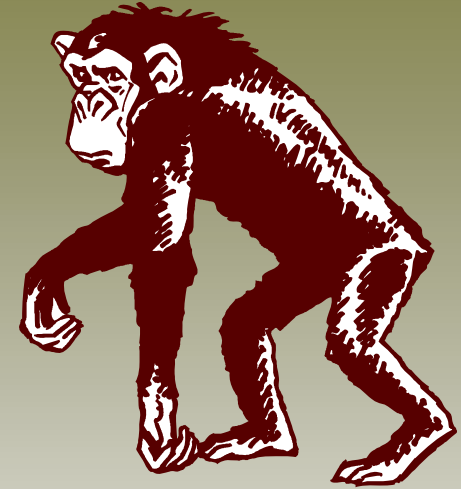
Cash Cow

- ◆ Positive perception of the Institution
- ◆ Volunteers enjoy new challenges
- ◆ A successful exhibit energizes staff and the institution



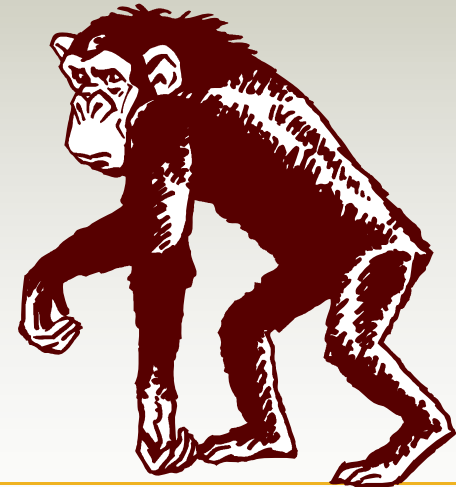
Monkey on Our Back

- ◆ Organizational stress
- ◆ Stress on staff
- ◆ Fit with mission
- ◆ Money loser
- ◆ Media/public criticism of controversial or entertainment topics
- ◆ Effect on other programs



Monkey on Our Back

- ◆ Public expectations to visit only when new exhibits happen
- ◆ Staff and volunteers invest in becoming “experts” in a new topic that doesn’t get used again



*Economic Model
for a Planned New
Traveling Exhibition Center*

Developed for the
Royal Alberta Museum
Edmonton, Canada

*Presenter - Jeanie Stahl
White Oak Institute
White Oak Associates*

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Museum Long-term Objectives

- ◆ Bring high-quality touring exhibitions to the Province of Alberta
- ◆ Achieve a balance between local/regional topics and “gateway to the world” exhibits
- ◆ Assist the community in developing exhibitions
- ◆ Generate increased earned revenue for the museum including
- ◆ Be known as a place where there is always something new happening



Study Objectives

- ◆ Develop a model for a new Traveling Exhibition Center for the Museum
- ◆ Determine facility requirements, size and layout
- ◆ Develop annual operating profile
attendance, revenue and expenses
- ◆ Determine the level of endowment and/or support funds needed annually to support the TE Center



Methodology

- ◆ Conduct survey of industry users/producers
 - Survey conducted by ILE
- ◆ Review current operations at the Museum
- ◆ Review existing TE info plus data from previous surveys
- ◆ Utilize internal library and project data (WOA and ILE)



Survey Respondents

- ◆ 2005 Survey
- ◆ 27 Museums in U.S. and Canada
 - All TE users and some also producers and distributors
- ◆ Traveling exhibit spaces ranging from 1,200 to 19,000
 - (1 museum complex 26,000 SF aggregate)
- ◆ Museum Types
 - 10 Sci. Ctrs, 6 NH, 4 General, 3 Children's, 3 Other, 1 Mix



Respondents by TE Sq. Footage

<u># Respondents</u>	<u>Sq. Footage</u>
8	10,000 +
10	5 to < 10,000
9	0 - < 5,000



Survey Responses

- ◆ It is an idiosyncratic field. There is little standardization among museums or traveling exhibitions.
- ◆ In practically every category, from changeover time to marketing investments, survey respondents showed a wide variety of answers, even among those grouped by size of TE SF.
- ◆ Only possible trend is a bump up in costs for TE spaces in the 10,000 SF range
 - Some costs declining as Sq. Footage increases (mktg, all costs)
 - Some costs increasing w. SF (lease fees, shipping)



Survey Expense Categories

- ◆ Annual Lease Fee Budget
- ◆ Collateral Materials
- ◆ Shipping
- ◆ Space Prep
- ◆ Special Security
- ◆ Marketing
- ◆ Programs Materials
- ◆ Special Events
- ◆ Speakers/Performers
- ◆ Other
- ◆ *Excluded Staff costs*

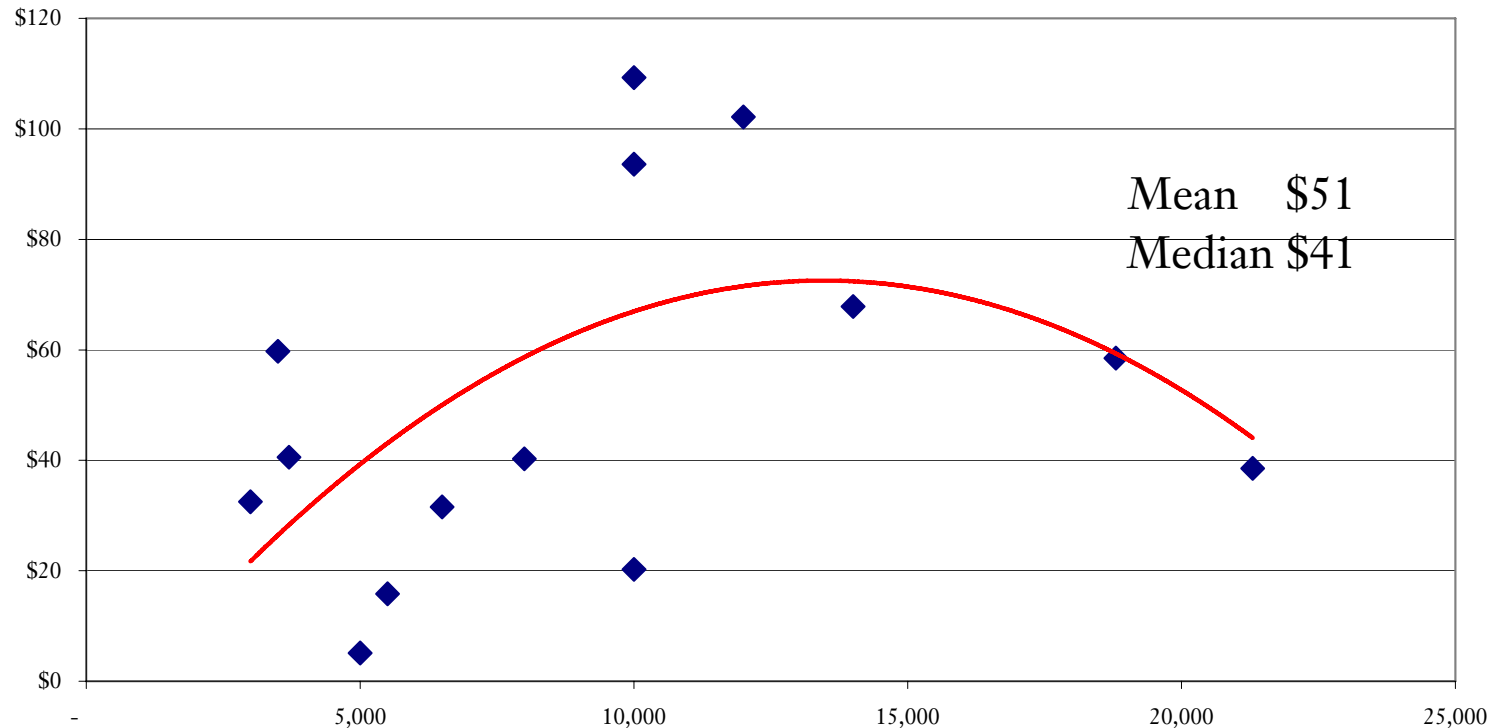


Traveling Exhibition Costs

2005 US \$

Traveling Exhibition Costs Based on Survey Categories
per Square Foot/Year
(2005 US \$) N = 14

Royal Alberta Museum



Mean \$51

Median \$41

When interpreting the data, keep in mind the small sample size, especially for respondents w. TE spaces larger than 15,000 SF.

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TE Total and Marketing/Ad Costs

2005 US\$

	<u>SF Size</u>	<u>TE Total</u> <u>SF Costs/Yr+</u>	<u>Mktg /Ad</u> <u>SF Cost/Yr</u>	<u>Mktg/Ad %</u> <u>of Costs</u>
Average	11,728	\$753,472	\$228,889	28%
Median	10,000	\$936,000	\$175,000	24%
Low	3,000	\$97,500	\$15,000	15%
High	26,250	\$1,275,000	\$560,000	51%

N=9 +Total costs are for survey categories only.
Source: ILE Survey 2005 & White Oak Associates, Inc.



Annual Marketing \$ per SF

2005 US \$



When interpreting the data, keep in mind the small sample size, especially for respondents w. TE spaces larger than 15,000 SF.

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Annual Marketing \$ per SF

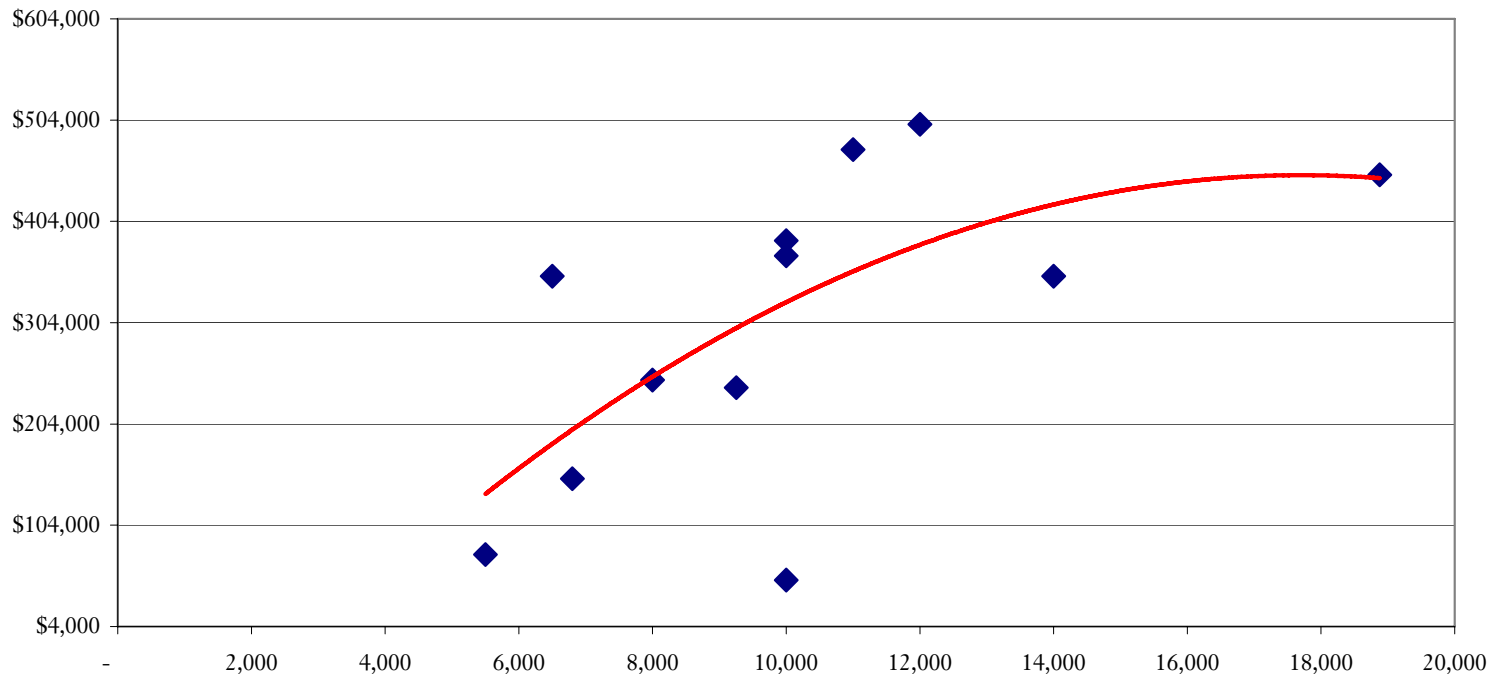
2005 US \$

Annual Lease Fee Budget for Museums w. TE 5500+ SF (Low - Mid Range)

(2005 US \$) N = 12

Royal Alberta Museum

AVG \$304,000
Median \$350,000



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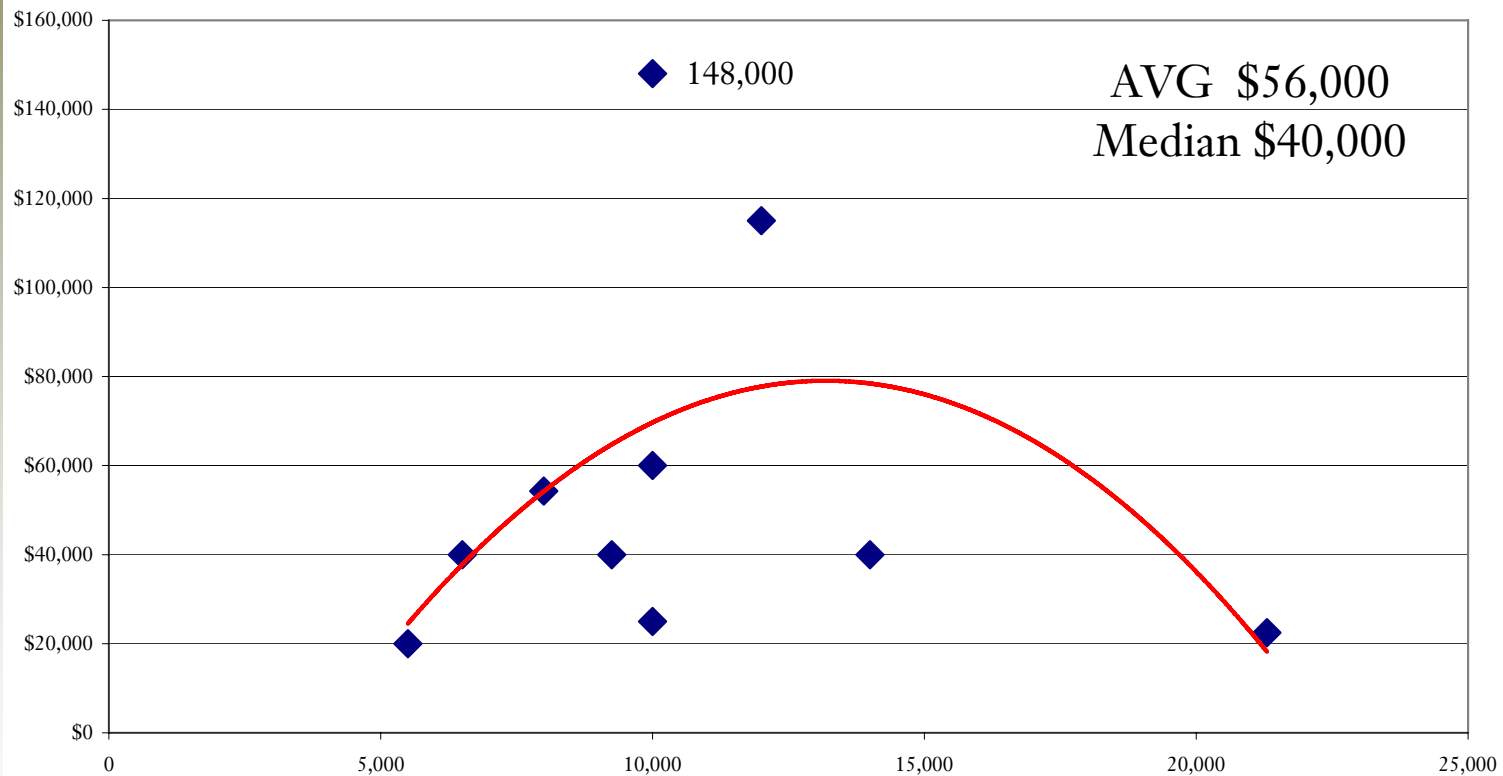
Annual Marketing \$ per SF

2005 US \$

AVG Shipping Costs w. TE SF 5500+

(2005 US \$) N = 10

Royal Alberta Museum



When interpreting the data, keep in mind the small sample size, especially for respondents w. TE spaces larger than 15,000 SF.

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Scalable Model for a Traveling Exhibition Center

Developed for the
Royal Alberta Museum
Edmonton, Canada



Assumptions

- ◆ 10,000 Net SF Sub-dividable Exhibition Center
+ 1600 SF Public Areas
 - 5400 SF Gallery A (+1000 SF intro lobby)
 - 3200 SF Gallery B
 - 1400 SF Gallery C (+600 SF exit lobby)
- ◆ Regular Years and Blockbuster Years
- ◆ Some, but not all exhibits, with add-on ticket charge



Programming

- ◆ Assumes 9 months of programming, 3 mos. for changeovers
- ◆ Leased exhibitions (Up to 10,000 SF)
- ◆ Canadian traveling exhibitions from network of participating museums (4600 SF)
- ◆ Temporary exhibits produced in-house (4600 SF)
- ◆ Special summer-themed exhibit (4600 SF)
- ◆ Exhibits produced by local groups (1400 to 5400 SF)



Changing Exhibition Schedule

REGULAR YEAR					Space Sq. Ft.	BLOCKBUSTER YEAR				
Lobby 1000	Gallery A 5400	Gallery B 3200	Gallery C 1400	Exit 600		Lobby 1000	Gallery A 5400	Gallery B 3200	Gallery C 1400	Exit 600
Travelling Exhibition R6 - A						Changeover			Canadian Exhibition (cont) B4 BC	
Changeover					February	Local Exhibition B1 A				
Travelling Exhibition R1 - A					March				Changeover	
Changeover					April	Travelling Blockbuster Exhibition B2 - ABC				
Travelling Exhibition R3 - A					May	Travelling Blockbuster Exhibition B2 - ABC				
Changeover					June					
City Summer Theme Exhibit R2 - BC					July					
Changeover					August	Changeover				
Changeover					September					
Travelling Exhibition R6 - A					October	Travelling Exhibition B3 - A			Canadian Exhibition B4 - BC	
Canadian Exhibition R4 - B					November					
Local Exhibit R5 - C					December	In-House Exhibition R7 - BC				



Revenue Categories

Based on attendance attributed to traveling exhibitions:

- ◆ Admissions (some w. up-charges)
- ◆ On-line reservation fees
- ◆ Audio guides
- ◆ Increase in memberships
- ◆ Increase revenues in store and café
- ◆ Satellite store
- ◆ Function rentals
- ◆ Opening events
- ◆ Lectures
- ◆ Additional programs



Expense Categories

Fixed Costs and Variable Costs

- ◆ Staff costs
- ◆ Non-staff costs
- ◆ Administrative overhead



Support Needs

Preliminary Findings:

- ◆ \$5 Million endowment generating \$250,000 / year
- ◆ Sponsorships
 - Regular year \$200,000
 - Blockbuster year \$250,000
- ◆ Two years of net income needed to show a surplus (includes staff, non-staff + OH costs)
 - Regular year – loss
 - Blockbuster year - \$600,000 +
 - Over two year period - \$35,000
- ◆ **Recommendations:**
 - Increase endowment
 - Trim programming and costs in “regular years”



Fixed Traveling Exhibition Costs

- ◆ Cost per SF
- ◆ Lease Fees
- ◆ Transport/Storage
- ◆ Insurance
- ◆ Area Preparation/
Exhibit Enhancements
- ◆ Marketing & Advertising
- ◆ Collateral Materials
- ◆ Program Materials
- ◆ Travel & Entertainment
- ◆ Professional Services
- ◆ Other Exhibit
Maintenance Costs



Potential Future Survey

- ◆ Grant funding dependent
- ◆ Multi-year study
- ◆ Larger sample size
- ◆ Survey
 - Museum users and producers
 - Museum finance officers
 - Museum facility managers
 - Commercial producers and distributors
- ◆ Deliverables
 - Standard exhibition report (similar to AAM's General Facility Report)
 - TE Economic model template
 - Gallery and facility standards / specifications

