SPEKTRIX FACT SHEET

Dynamic Pricing

for small or stretched organizations

Implementing a dynamic pricing strategy may seem like a daunting task, especially for venues with limited financial and human resources. To get started, you can use the tools in Spektrix to trial dynamic pricing and understand the potential benefits before making a big commitment. Then, if dynamic pricing is a good fit for you, we can support you as you transition into a more sophisticated approach with one of our integrated partners.

Start with an experiment

Begin by selecting a pilot show or event to experiment with. This allows you to assess the potential benefits without committing to a full-scale implementation. **Using the data you already have in your Spektrix system**, analyze sales trends, audience demographics, and historical performances to make informed pricing decisions. Document the changes and outcomes to present solid results to stakeholders.

Setting up dynamic pricing

Gather Data

Reports in Spektrix can be used to identify room for flexibility in your pricing and indicate where and when a change should be made. These reports can be set to run automatically on a schedule. If you have any questions about these reports or how to use your system data to inform your pricing strategy, contact our Support team.

- An **average price tracker** shows how the average price per event compares to your average pricing across events.
- **Post-event analysis reports**, including the **standard report in Spektrix**, will give you a breakdown of the most popular price bands and the average price of events.
- **Customer and households reports**, another **standard report**, can give you an insight into your audience segments' willingness to spend.
- A **popularity-based pricing calculator** can benchmark average ticket prices, giving you a starting point for a flexible pricing model. **Download a template here**.

A **traffic light report** can be color coded based on the thresholds you determine (for example when occupancy hits 25%, 50% etc.) so you can see, at a glance, when a pricing change should be considered. **Download a template here,** and follow this **link** to request a Traffic Light Report report.

Read more about collecting data for your dynamic pricing strategy.

Pricing Rules

Create a clear dynamic pricing strategy for your testing phase. A solid dynamic pricing strategy consists of two main parts: pricing brackets and pricing rules.

- **Pricing brackets** are your predefined price ranges, or the upper and lower limits you set for different ticket types or seating sections. For instance, you could establish a pricing bracket of $50 to $100 for full price tickets in the stalls. These brackets provide a structure for adjusting prices based on various factors, including demand.

- Your **pricing rules** trigger changes to your pricing bracket. For example, if there's high demand, your pricing rules might suggest a 10% price increase within a bracket. On the flip side, if you notice a price band that isn't selling, your pricing rules could recommend lowering the prices.

Consider building multiple price lists in Spektrix to manage the different price points you want to set. These should be in line with the pricing brackets and rules you've set out for yourself. Having multiple price lists will allow you to fine-tune your pricing strategy based on demand and other factors. Experiment with different price brackets and pricing rules to find what works best for your venue and audience.

When it comes to making pricing changes, these can be made to a single performance or you can use our **Bulk Update Tool** to quickly swap between your pre-built price lists across multiple performances simultaneously, saving you time and helping you maximize revenue.

This flexibility allows you to fine-tune pricing strategies based on real-time demand and other factors.

Evaluate

It's essential to evaluate the impact of your dynamic pricing experiment. Some questions you can ask to the data you gathered are:

- **Revenue Growth**: Has the dynamic pricing strategy led to increased revenue compared to events where you haven't implemented dynamic pricing? Calculate the percentage of revenue growth to understand the financial benefit.
- **Audience Size**: Did dynamic pricing attract a larger audience compared to previous years or similar shows with fixed pricing? Were there any changes in the reattendance numbers? Observe whether dynamic pricing resulted in a fuller auditorium on nights that were traditionally quieter. Did it effectively increase the attendance for less popular performance times?
- **Sales and Donations**: Were there any noticeable changes in ticket sales - either in terms of sales velocity or the volume of tickets sold? Additionally, evaluate whether dynamic pricing had

a positive impact on donations or other ancillary revenue streams, such as merchandise or concessions.

- **Customer Feedback**: It is important to know how your audience is reacting to your new pricing strategy. Collect feedback from your audience about their experience. Are they happy with the pricing structure? Did they perceive added value, or did it influence their decision to attend?
- **Time Saved**: Compare the time and resources spent on manual pricing adjustments during the experiment with the potential time saved by using a dynamic pricing partner

Once you evaluate your findings make sure to share them internally. Present them to the decision-makers in your organization to highlight the financial benefits, audience growth, and operational efficiencies achieved through dynamic pricing.

Still not sure?

Reach out to us, our partners and the wider Spektrix Community!

Our consultants, relationship managers, integrations team and dynamic pricing partners are always happy to have a chat with you. Reach out to them directly for valuable insights and guidance tailored to your specific pricing needs.

Connect with the wider Spektrix community to learn from their experiences with different dynamic pricing partners. We can introduce you to fellow organizations that have successfully implemented dynamic pricing.

Implementing dynamic pricing in any organization can be a transformative step. It's not a one-size-fits-all solution. By testing the waters, gathering data, and engaging with experts and the community, you can make informed decisions about whether dynamic pricing is the right fit for you. If it proves successful, consider partnering with a dynamic pricing partner to unlock its full potential.

Your Dynamic Pricing journey starts here - Head to our Partner Directory to learn more.