Toward a New Theater Model

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Photo: AnaSofía Villanueva

The Power Dynamics Series: *from a Mixed-Race Latina's perspective*

I sat in front of my laptop, participating in yet another Zoom meeting, wearing a professional blouse on top and Betty Boop PJ bottoms, when the same question I've heard in all recent meetings was posed: how can theater stay relevant? Some people thought technology was the answer and others shared inspirational stories of the arts on social media. Then someone blurted out, "COVID-19 will be the death of theater." We sat in awkward silence. I stared down at Ms. Boop, the sex symbol of the depression era, and thought, "If theater could survive The Great Depression, it can survive anything."

Theater is scrappy. It's resilient and defiant. There's a reason why as a hurt teenager looking down the school-to-prison pipeline that I instantly felt like theater was a part of me. It was a live revolt that fought against a system that told me that I should expect a life of cleaning other people's toilets, or raising their blond children, or dying of diabetes, or drowning in exotic spiced rum. Theater was a place where I could be a whole person. An individual with magic at my fingertips. Where vulnerability didn't put my safety at risk; it put me in connection with other people. It provided a community where we could be truly seen and heard. Irrelevant?! No. Theater is more than relevant. It's essential.

I told them, "We will always need to gather in order to share stories. But you're right, our industry is crashing." While theater will live on, many theater companies will permanently shutter their doors due to this pandemic. Arts nonprofits have already lost $4.5 billion and are projected to lose an additional $500 million by June.[i] Even the mega-theaters like the Oregon Shakespeare Festival and the Guthrie Theater are financially struggling, canceling productions,

and laying off their employees. If we don't start implementing new theater models, it's not going to be long before many of the theater companies that do survive will also close.

We could entertain some new models: perhaps a retail business that financially supports a theater company, or a humanist business model, or a cooperative model, or even a hybrid that combines profit with non-for-profit models. But before we can start posing solutions or pitching new models, we should explore theater's current dominant business model.

In defining a business model and its interconnected parts, I find it useful to visualize the human heart, mind, and body. The heart is the product or service of a company that is being provided to individuals and communities. The mind is the actual business model consisting of a conceptual structure that supports the viability of the product, the company's vision, and its mission. The business model is what determines how the company operates, implements processes and policies, and makes money. The body is the operational structure and culture of a company. The three parts that make up a company are separate yet symbiotic.

It is often presumed that the product of theater is a production, the business model is ticket sales for the production, and the culture is either non-existent or unique to each company. There are theater companies that operate on these premises. However, based on the following research and investigation of the current model, I believe such presumptions have contributed to the unbalanced and unsustainable theater industry even prior to the pandemic.

Theatre Communications Group (TCG) conducted a five-year survey from 2014 through 2018 of 119 not-for-profit theaters, with budgets ranging from $154,000 to $51 million. TCG reported that ticket sales--a company's main source of income--only increased 0.9% while total expenses went up by 11% over those five years. There was an accompanying trend of auxiliary or non-mainstage production income. Revenue from education and outreach programs, rentals, co-productions and enhancement deals, royalties, presenter fees and contracts, and concessions sources greatly increased during that time. In fact, the earned income from these non-production sources increased by 45.1%, adjusted for inflation, while only contributing 3.7% of total expenses.[ii] There was a greater incentive to rely on auxiliary sources since they are efficient at generating revenue at a low cost.

In our current theater model these numbers are scary. It means that theaters with a strong dependence on ticket sales can't afford to "take risks" or to modify programming in fear of a box office flop. It can also be unnerving for theaters that are more heavily reliant on grants and contributions. For example, if a major corporate funder suddenly drops out, which happened to a lot of theater companies in the Twin Cities over the past several years, it can have a drastic impact on budgets and even force some companies to close.

Along with highlighting the potential outcomes of a company being too dependent on ticket sales or contributions, these stats also provide insights into what the business of theater really is. The natural shift in the market, with an increase in outreach and educational programming and alternative sources of income, points to a demand for theater companies to supply their

product through multiple facets. Productions are just one vehicle for delivering a theater business's product. So then, what is the product?

In the same survey, TCG found that of the 109 theaters that reported income by way of subscriptions, there was a decrease of 6.8% of season ticket sales over the five years. Single-ticket sales, on the other hand, went up by 6.9%.[iii] Fewer people were buying into an entire season of productions.

With the rate of total expenses increasing and income from subscriptions decreasing, theaters across the country have been searching for ways to convert single-ticket customers into season ticket holders. With varying degrees of success, theaters have tried adjusting ticket prices, utilizing promotional partnerships, implementing direct marketing campaigns, and so on.[iv] Some theaters, however, have taken a more holistic approach.

[Steppenwolf Theatre Company](), a major nonprofit company known for ensemble work and pushing the artistic limits of American theater, is an example of a company that used more of a social approach to audience retention. Not only did Steppenwolf do post-show discussions, but talkbacks were implemented after every performance and always led by artistic and production staff. They also made efforts to have subscribers and non-subscribers treated equally, hosted social events with themes linked to their productions and created a social media platform for audiences to continue to engage.[v] Steppenwolf was successful. They were able to get people to not only buy into an entire season, but invest in a continued relationship with the company through community engagement.

"Community Engagement" is frequently regarded as its own sector of a theater company that falls under the "business wing," alongside marketing in the organizational structure. In that regard, personnel in community engagement can often inadvertently use [tokenizing]() practices of engaging with marginalized populations for the company's immediate interest. An example of this would be an employee from the community engagement department reaching out to [Latinx]()communities to talk about a production that they think showcases our [perceived singular identity](). Yet the employee's primary motive is to achieve a measurable outcome for a cultural grant. This type of selective engagement is not premised on building mutually beneficial and long-term partnerships. Rather, it is an exploitative practice that produces greater exclusivity and distrust of a theater company.

Authentic community engagement is not a subcategory of theater; it is at the heart of what we do as theater-makers. True community engagement is a genuine relationship and is premised on interactive communication with its community. Examples of this might include: a lively post-show discussion about a queer Asian-American pop-rock musician; an audience collectively mesmerized by a stunning production about an interracial relationship between two men navigating the bitter politics of their love; an interactive and oftentimes brilliant play written by kids on Chicago Avenue; or the call-and-response from an edgy and hilarious performance by an

all-Black improv group. No matter the form, the true product of a theater is authentic community engagement.

While Steppenwolf did a great job engaging with the community and getting them to commit to a whole season, it only retained the traditional patron base. According to an in-house survey of their audiences, Steppenwolf found that there were no major demographic differences between the subscribers and single-ticket purchasers.[vi] Their audiences were still predominantly white; they did not expand the demographics of the audience pool.[vii]

As reported by the National Endowment for the Arts (NEA), the average theater attendee is white. NEA also reported that in 2002 the average theatergoer was between the ages of 45 and 54. However, by 2012 the average ranged between 65 and 74 years old.[viii] Theater's main source of income and community with which we actively engage is white and becoming increasingly older without any new generations coming in. The current theater subscription model is not adjusting to the changing demographics of this country.

The millennial generation is more numerous than the baby boomer generation. Millennials already comprise 25% of the U.S. workforce and 50% of the global workforce.[ix] They are also driving the LGBTQ+ population growth.[x] In a study by Pew Research of Generation Zers, the population following millennials, 38% find gender binaries to be outdated and 55% know someone who uses "they" pronouns. Pew Research also found that the rate of young adults who self-identify as genderqueer, transgender, and/or gender non-binary is continuing to increase.[xi]

Immediately after the 1967 U.S. Supreme Court case of *Loving v. Virginia*, which overturned the anti-miscegenation laws prohibiting interracial marriage, 1% of the U.S. population had parents who were from different races. By 2013, that number rose to 10%. By 2015, 46% of all mixed-race Americans were Generation Zers.[xii] As of today, 48% of Generation Zers are non-white.[xiii] By 2045, the Census Bureau estimates Latinxs will comprise 29% of the U.S. population.[xiv] Also by 2045, it is projected that whites will no longer be the majority.[xv] By 2060, the mixed-race population is expected to triple.[xvi] The upcoming generations are more diverse and no longer identifying within traditionally recognized social constructs of race and gender.

Millennials and Generation Zers are also eager to donate their time and money when they genuinely believe in a mission. We saw this during the Bernie Sanders campaign. According to the Federal Exchange Commission, in the first half of 2019, Sanders raised more money from individuals aged 18-34 years than any other candidate.[xvii] Without holding any high-dollar fundraising or pack money, Sanders also raised significantly more money than any other candidate as of March 2020.[xviii] He was financially successful without operating under the established campaigning model. The Bernie Sanders movement was driven by powerful ideas that embraced change and inspired young people to actively engage.

We need to stop investing in the short-sighted subscription business model that exclusively privileges older white audiences and that treats community engagement as an auxiliary source

of income. We need to start investing in new theater models that center the needs of young people of diverse backgrounds in order to ensure that there will be a next generation of theatergoers.

I envision a new model in which the heart or product is authentic community engagement. In which the mind or business structure has a Sanders-like grassroots mission designed to support and promote the product of community engagement. A model in which artists and community members are the primary stakeholders. Artists and community members could invest their own resources of time, labor, and money. And in return, benefit from the services and income generated.

Taking a cue from Steppenwolf, there could be even more ways to get the community involved in this potential new theater model. Perhaps community members could vote on relevant topics to be performed or select local artists to be commissioned. Instead of planning an entire season of productions well in advance, the company could operate project-to-project and immediately respond to the needs of the community.

In addition to artists and community members investing their time, labor, and money, additional funds could be made by the company operating as a mechanism to fund community projects like a school or a food bank or a playground. Grants, donations, and philanthropy might be more abundant if these measurable outcomes were more evident in the community. The company could even form an alliance with other theaters--like the 500 or so Minnesotan theaters--to advocate for increased funding through arts legislation and government lobbying. It might be possible to generate a socially conscious business model where the funding is so abundant that ticket sales become obsolete and artists are highly compensated.

The body or the operational structure of this potential theater company could mirror this bottom-up business approach. Instead of a hierarchical artistic wing separated from the larger business wing of a company, all positions could be equally valued and non-segregated. Instead of denying that a company has a culture because it is one of white normativity, there could be many cultures embraced in the workplace. Instead of displaying EDI initiatives on the company website, the company culture could be truly equitable, diverse, and inclusive.

Consider the possibilities. We can collaborate as innovative-empathetic-hardworking artists to create a new theater model where a hurt teenager accustomed to being called "mutt," "spic," or "tomboy" can find her purpose. Where young black men aren't feared but elevated. Where Indigenous girls' experiences aren't erased but foregrounded. Where QTPOC youth aren't merely invited to the table, they're flippin' the damn thing over. In order to keep theater relevant, and survive long after the pandemic, let's start privileging the future majority of this country as we work toward a new theater model that is financially equitable and thereby socially equitable.

Definitions:

Definitions written in collaboration con mi hermana, Alma Villanueva.

Anti-Miscegenation Laws: Laws that prohibited interracial cohabitation and marriage. Anti-miscegenation laws were first implemented by several of the original Thirteen Colonies and subsequently by states. In 1967, the Supreme Court declared such laws unconstitutional in *Loving v. Virginia*. The last anti-miscegenation law wasn't actually removed until 2000.[xix]

Auxiliary Profits: Revenue generated from goods or services that are separate from mainstage productions.

Community Engagement: The product of theater that addresses the needs of its diverse communities with authentic communication and interaction.

Cooperative: The mission of a cooperative model is to serve its community with community members as the primary stakeholders. Community members invest their own resources of time, labor, money, products, and so forth while benefiting from the services and income generated.[xx]

Equity, Diversity, and Inclusion (EDI): In many ways, EDI serves as an important tool for practice and policy shifts toward social justice. In other ways, EDI is used as a rhetorical device where all three very different and complex ideas are viewed as a singular concept for surface level change.

Federal Exchange Commission (FEC): An independent regulatory agency that oversees the federal campaign finance law.

Gender: A social and cultural identity, not fixed in biology, often associated with a wide spectrum of feminine and masculine behaviors and roles. Gender includes: how we experience our body; how others treat and interact with us based on our body's appearance; the language used to describe our self and perceived identities; how we present and express our gender; and how other individuals and society perceive and/or try to shape our gender. Gender is personal and informed by our own unique personalities, experiences, and other intersecting identities. Note: gender is not interchangeable with sexual orientation.

Gender Binary: The social construct of gender as "woman" and "man," considered two mutually exclusive and opposing categories with essentialized characteristics and roles.

Genderqueer: An umbrella term for people who reject or do not fully identify with the expression or expectations of the gender binary of "woman" or "man." As genderqueer means a variety of things, people who are cisgender, transgender, gender nonbinary, and so on, may or may not identify as genderqueer.

Latinx: An umbrella term for the racialized group of people from the United States with African, Indigenous, and European ancestries. It is a nonbinary term that replaces "Latinos/as" and

"Hispanics." While the "x" in Latinx has been criticized for not preserving Spanish language purity, the letter is a staple of Indigenous languages that predate Spanish colonization that imposed a foreign language on Indigenous and later African peoples. The "x" ending is also an inclusive term for us non-Spanish-speaking Latinx folks.[xxi]

LGBTQ+: An umbrella term for lesbian, gay, bisexual, transgender, queer, gender fluid, Two Spirit, and many more terms from the vast spectrum of gender and sexuality identities.

Mixed Race: Those of us belonging to more than one racialized group. Race is a social construct, not a biological fact. While all of us have mixed ancestries, "mixed race" specifies a particular social construct where a person's parents or recent forebearers are considered to come from different "races."

National Endowment for the Arts (NEA): An independent U.S. federal agency that offers funding and support for artistic projects.

Non-Binary: An umbrella term for gender identities that are not exclusively "woman" or "man."

Not-For-Profit Businesses: Organizations designed to distribute products or services with the intent of benefitting the company's mission and where all money earned or donated is directed toward that mission.

Perceived Identity: The identity that others perceive and assign to a person, regardless of how that person self-identifies.

Product: A thing that is being produced such as a physical object, an idea, methodology, or technology.

Pronouns: How we refer to each other in the third person. Knowing one another's pronouns can help us to refer to one another as we are, instead of making assumptions.[xxii]

QTPOC Youth: The future of our industry.

Race: To conceptually group together people of often vastly different cultures within a singular category based on debunked pseudoscience that considered that diverse peoples shared innate biological, character, and moral traits. While race is a social construct without biological merit, it remains as one of the dominant ways that people perceive others, shaping social relations and interactions.

Racialized: The ways in which people are consolidated into and treated as a racial category, even when they are not officially designated as a "race." For example, American Indians, who even as diverse sovereign nations and tribes, have been condensed into the singular category, "Native Americans." Similarly, Latinxs are considered an ethnicity by the U.S. Census, but we are treated as a monolithic group like other groups categorized as "races."

Revenue: All income generated from business before expenses.

School-to-Prison Pipeline: When young students are treated as criminals through informal practices and institutional policies in the public schools that funnel them into the juvenile criminal justice systems. Impoverished Black and Latino boys, as well as children with disabilities, are especially targeted.[xxiii]

Self Identity: How a person identifies, regardless of the identity imposed by others.

Steppenwolf Theatre Company: A major nonprofit theater organization in Chicago.

Theatre Communications Group (TCG): A non-profit service organization that supports and promotes professional theater.

Tokenism: Hiring or soliciting a person of a marginalized population to give the appearance of being diverse or socially progressive without actually making the changes necessary to be equitable. For example, marketing images featuring racially diverse individuals despite a predominantly white season.

Transgender: Anyone whose gender identity differs from the sex they were assigned at birth.

White Normativity: Cultural practices that give the appearance of whiteness as natural, right, and the universal norm. For example, a white person unconsciously feeling comfortable walking in a theater because the other people and their behaviors as well as the environment reflect their own.

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