

# **A Budget is a Creative Concept**

*About the economic and artistic decision-making process of Dutch theatre producers*

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### **Abstract**

This research focuses on the decision-making process of theatre producers and their sensitivity to various economic and artistic factors. In a comparative case study with eight different Dutch theatre producers of musicals and music theatre, different motivations, goals, and considerations are studied through twelve semi-structured interviews. Three different distinctions are made based on the commercial theatre producers, large-scale subsidised theatre producers and small-scale subsidised theatre producers. Qualitative analysis is performed to discover a pattern within financial, artistic and complementary factors, embedded in theoretical concepts. The company's artistic vision and financial benefits are deciding factors when it comes to creating a new theatre repertoire. Some theatre producers will create new shows from intrinsic motivation and personal interests, whereas others will be primarily artistically focused within a profitable framework. For subsidised producers, receiving a subsidy is crucial to be able to finance theatre shows. Surprisingly enough, the role of funds is considerable, because producers have to record their artistic vision in an application, which also has to meet certain requirements. For commercial producers, who produce newly developed and licensed shows, the budget, availability of rights and success abroad tend to be persuasive in the decision process. It turns out that there are more factors involved in decision-making than just financial or artistic. In general, a changing landscape also seems to indirectly influence the decision-making process. Social, technological and economic developments affect the decision-making process as external factors. Also, remarkably enough, reputation seems to influence the choice process more than expected, as well as the power of the audience. Marketing and public relations and ticket sales count fairly heavily, as they have an effect on the theatre producer's generated income. Additionally, unexpected intangible factors emerge, such as luck and timing. Because these intangibles are almost unpredictable, it is difficult to respond to them, while they can determine the success of a performance. The findings have been linked to previously discussed theoretical concepts to discuss the data considering academic statements. This study outlines the decision-making process of theatre producers, which has frequently been overlooked in academic research, and formulates a general model for balancing all these factors within the theatre landscape.

**Keywords:** music theatre, artistic choices, decision-making, cultural economics and entrepreneurship.

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## 1. Introduction

The performing arts occupy a position at the heart of the creative industries. With only being live performed at a specific moment at a specific place with replicated resources, theatre offers drama, and spoken word, sometimes in combination with music (Towse, 2010). The Dutch theatre landscape consists primarily of touring theatre productions, as only a few producers own theatre of their own (Langeveld & Van Stiphout, 2013). From subsidised theatre companies to independent theatre makers, the range of theatre productions in the Netherlands seems varied (Council for Culture, 2020). At the top of the production process of a performance is an artistic director or (executive) producer who is responsible for staging a new show (Ibell, 2009). Although the name of the producer is often displayed on posters around the city, there is little understanding of which aspects of the decision-making process contribute to artistic development and the profitability of a theatre show. How are these choices made in a theatre company? And what role does a company's organisational structure play with regard to goals and values? Researching Dutch theatre producers and the theatre offerings seemed to me more than a suitable subject for this thesis.

Gapinski (1986) stated that for any cultural organisation, the attendance of audiences and the resulting box office revenue are crucial. Increasing prices and reducing costs can offer possibilities to increase revenue, assuming that there is a price inelasticity of demand, a high percentage of audience participation and an income elasticity (Blaug, 2001; Gapinski, 1986; Mandel, 2019). Other than this profit-based perspective, Lévy-Garboua & Montmarquete (1996) approached the behaviour of theatregoers based on their subjective view of the performance's quality. Based on their research, theatregoers' opinion was influenced mainly by two factors, called intrinsic taste and the level of familiarity with going to the theatre of theatregoers (Lévy-Garboua & Montmarquete, 1996; Van Egmond et al., 2017). The preferences of an audience are important to the cultural sector, as they are determining the demand and buy tickets.

Numerous factors that are seen as influential factors for the behaviour of cultural organizations have been categorised as source material, benefits to audiences, benefits to society and benefits to the art firm. The first two are usually seen as being significant for the private consumer demand and revenue, whereas the last two carry more weight for funded cultural organizations and arts companies related to societal issues (Throsby, 1990). An analysis of three Sydney theatres concluded as well that demand is far more influenced by quality attributes than by price. No matter what dedication to quality the theatre company may have, attention to quality must be of the utmost significance if it hopes to grow its audience (Throsby, 1990). Werck & Heyndels (2007) researched the programmatic choices for Flemish theatres between 1980 and 2000 and noticed that the nature of the artistic output appears to be influential for the demand, leading to a higher attendance rate and higher revenues for theatres and theatre producers.

There are numerous intriguing difficulties in the theatre business. Therefore, in view of the above, it is striking that while the theatre landscape has undergone some development with the rapid progress of technology and the interruption of the corona pandemic, there is little research done about the subject of theatre producers (Abels, 2014; NOS, 2022). In addition, academic research mainly focuses on demand from the audience's perspective. In contrast, theatre producers are usually the ones who determine which performances are produced and have the most interest in them. Yet, the theatres and theatre producers themselves remain underexposed in previous research, let alone information about the decision-making process (Boerner & Jobst, 2011). What are the key factors theatre producers are considering when deciding which shows to bring on stage next? How is it decided whether a show is created from scratch or when a license is bought? And what artistic components are associated with it? Even after these decisions, innumerable artistic choices remain, making it an interesting field of research. It is useful to pay attention to this party within the theatre landscape so that a more complete picture emerges of the decisive reasons for producing theatre performances. Theatre companies determine their cultural contribution to the overall cultural offer in the Netherlands. As of now, scholarly studies have focused on theatregoers and theatres themselves, whereas the influence of theatre producers is often underexposed. Investigating this may lead to new insights into the theatre landscape and the development of cultural values within it.

That is why the following research question is examined: To what extent and for which reasons do Dutch theatre producers balance artistic and economic choices to remain a profitable business? This research aims to establish and examine economic and artistic factors influential to the decisions of artistic components of producing theatre shows. Furthermore, there has been investigated how and why theatre producers make certain decisions and to what extent they contain creativity. After this introduction to the research topic, chapter 2 provides an overview of previously researched theoretic concepts resulting in a theoretical framework to be used with the empirical part of this research. Chapter 3 elaborates on the methods used to conduct this qualitative research, followed by the presentation of the case studies in chapter 4. Subsequently, chapter 5 presents and analyses the findings of the collected data. The findings are discussed and interpreted in light of the theoretical framework in chapter 6 before the final conclusions are drawn in chapter 7.

## **2. Theoretical framework**

In this chapter, an overview of the literature on several concepts and themes is provided to create a theoretical framework for this research. First, the situation will be outlined as to what the theatre world looks like in the Netherlands. Secondly, the most important economic concepts of the performing arts are highlighted, concerning general costs of production, pricing and financing, including private financing and the use of subsidies. Thirdly, the meaning of artistic vision is explored to establish previously written perceptions of this subject. After this, some other potential influences of decision-making are explained, with topics such as the media and marketing. The chapter closes with some concluding remarks about the theoretical concepts that determine the framework for the empirical research.

### **2.1 Theatre and theatre producers**

Before diving into the economic and artistic aspects of the theoretical framework, a better understanding of the Dutch theatre field is needed to contextualise further literature review. Therefore, the theatre producers, the production process and the Dutch theatre landscape will be briefly elucidated.

#### **2.1.1 Theatre and its Producers**

First of all, the word theatre may have a broad meaning. In order to clarify the scale of this study, this term will refer to theatre as a product, focusing in particular on contemporary music theatre and musicals. The musical can be defined as a type of music theatre in which play, dance, song, and design are used to convey or depict a (thematic) plot. In this research, contemporary music theatre refers to the form of music theatre where the performance and dialogue are enhanced by music, without the use of dance (Thierens, 2018). The theatre as a theatre house will therefore not be discussed. Genres that will be investigated in this research are entertainment theatre, experimental theatre and educational theatre since these genres appear most often in music theatre and in the case studies. The scope of the research limited the number of genres investigated as well.

Theatrical entertainment focuses on primarily entertaining people during a performance (“Entertainment”, 2023). The term “experimental theatre” has had various interpretations over the years. Nowadays, experimental theatre is attempting to engage the audience as active participants in a number of ways. The performers strive to alter the community by changing attitudes, values, and beliefs by inviting the audience to feel a certain way. Experimental theatre transforms classic theatrical conventions into new forms and ways of production (Zaklina, 2014). Educational theatre refers to the different educational and pedagogical applications of theatre, which could range from

youth theatre to provoking thoughts (*Educational Theatre*, 2022). A theatre show does not necessarily require only one of these genres but can combine one genre with others.

Which performance is made, with which cast and creatives, and what the overall picture will look like, are part of the tasks of a theatre producer. Depending on his or her job description, the producer is involved in the creation, production and rights of performance, as well as making sure the production can be financed and everything stays within budget. The artistic and financial choices of whether or not to produce a performance, therefore, lie with the theatre producers (Ibell, 2009; Thierens, 2018). The choice of whether a theatre house books a performance or not, in turn, lies with the theatre's programmer (Weiss & Gaffney, 2015). However, this research is only concerned with the role and decision-making process of theatre producers. In the theatre landscape, producers play an important role in arts management, ensuring a show is produced and shown to the world (DeVereaux, 2019). In this study, artistic directors and executive producers of theatre companies will be regarded as the aforementioned producers, with their behaviour as one of the guidelines in this still limitedly researched world. To study the artistic component in commercial theatre, the emphasis will be placed on professional for-profit companies. The same will be done for the subsidized theatre with professional non-profit organisations.

### **2.1.2 The production process**

The most fundamental requirement for creating theatre is the need to say something, ask questions or find a starting point to explore further (Oddey, 1994). When it concerns a licensed show, also called an import show, it is essential to acquire the rights before moving forward with the production process (Ibell, 2009; Thierens, 2018). In addition, it is important to identify the potential design tools that the producer can use in developing the show and to form the creative team that will operate during the production process (Oddey, 1994). After the script and music are written, the players are cast and the rehearsal process can begin. The duration of the rehearsal process varies between two to eight weeks (Ibell, 2009; Thierens, 2018).

After final rehearsals in the actual theatre, with a focus on technical and artistic fine-tuning, there will be a dress rehearsal before the performance is shown to an audience. During previews, the public performances before opening night, alterations to the show can still be made (Ibell, 2009). Money is spent but no money is earned during the preparations and rehearsals. The entire capitalization is either spent or due by opening night. Officially, the bank accounts are empty, with the exception of some contingency funds set aside for employees of the front office who are involved in the preparations, an early ad campaign and to offset box office losses during losing weeks (Weiss & Gaffney, 2015). After the official opening night, the show will be ready for its run (Ibell, 2009).

### 2.1.3 The Dutch musical theatre landscape

In the Netherlands reside over 574 theatres (CBS Statline, 2023). Poetry might arguably soar as high as the highest note, but music can elicit stronger feelings such as joy or grief much more quickly than the spoken word (Ibell, 2009). The theatre programming consists of bigger and smaller shows, either newly developed or licensed from abroad.

The CBS (2022) has collected data from the theatre sector over the past 20 years, resulting in the following. In 2019, 54.052 theatre performances were produced in the whole field, of which 6.440 performances were in musical theatre, including musical. Representing almost 12% of the total supply of theatre, this category is the third largest after cabaret and music events. During covid '19, the amount of produced performances decreased by more than 50% to 24.421 performances, whereof 2.474 musical theatre. The number of musical theatre performances includes operas and revues as well, so the share of musical and music theatre is lower than the stated numbers. Out of 54.052 shows in 2019, 19.738 shows took place in the four largest cities of the Netherlands, hosting 37% of all theatre performances. This leads to the obvious assumption that the Randstad attracts the largest part of the theatre supply (CBS Statline, 2022). The statistical evidence for entertainment, educational and experimental theatre is insufficient.

Within the Dutch theatre landscape, a few trends have emerged in the supply of theatres. First of all, the representation of society as a whole has become more important, resulting in different codes, such as The Governance Code Culture, Fair Practice Code and the Code Diversity and Inclusion (Van Haeren, 2019).

Unfortunately, with the fast developments of the internet, AI and streaming services, competition in the entertainment sector is growing fast. As the theatre sector is still reeling from the coronavirus pandemic, streaming services seem to be more popular than ever. This in combination with a dire financial situation after years of uncertainty, a strategy of risk aversion is visible in the cultural sector (Producer-sided, 2023).

Next to the diversity trend, the importance of the social relevance of theatre has grown. Theatre collectives often want to use theatre to link up with current affairs, so that they can involve the audience in it. However, collaboration is frequently made more challenging when it comes to interdisciplinary co-creations due to the compartmentalization of the current financing system of the national cultural funds and governments (Van Haeren, 2019).

## **2.2 Economics in the performing arts**

In the cultural sector, the intrinsic motivation to create art is seen as the main incentive to work in this field (Kreps, 1997). However, bills need to be paid at the end of the month, thus, there regularly are economic certainties that need to be achieved. Theatre shows often require high costs which need to be spread over the number of performances, making the economic considerations vital for the theatre company's growth and sustainability. Creating theatre for the sake of art will not be economically sufficient for them, resulting in a gap between the artistic and economic components of the cultural sector (Towse, 2010). Academic research shows that multiple economic factors generally apply to the performing arts, which are coherent with the ephemeral element of a live performance. In this thesis, the term 'economic' refers to the financial interpretation of the term rather than associating it with cultural or social values. Anyway, the latter will be researched in paragraphs 2.3 and 2.4 of the theoretical framework. In the discussion and conclusion, the economic factors will be discussed in light of the other values to indicate how all values relate to each other.

### **2.2.1 An overview of general costs**

The costs of production, costs of the venue and labour costs provide an overview of the general costs necessary to produce a performance (Towse, 2014, 2010). Most costs are in labour costs since labour is expensive and personnel and creators are needed to keep a theatre show running (Van den Elsen & Elshof, 2012). The incomes generated by the show need to cover the running costs and the costs of the production process at the end of the run (Ibell, 2009). A rising problem of the last two decades is the increasing pricing of the running shows, energy, and labour costs, while the audience keeps expecting the same prices for, in their eyes, already expensive tickets (Towse, 2010; Van Oort, 2001). At the same time, government subsidies have not risen in tandem with the cost of living, leaving subsidised cultural institutions with a part of the costs they need to cover by partially providing their own income (Van Oort, 2001).

Van den Elsen & Elshof (2012) noted the expenditures of putting on youth theatre are generally many times lower than for other genres of theatre. The same is true for theatrical performances that are fundamentally sponsored by the national government: their budgets are substantially bigger than those for theatre performances that are not structurally subsidized or are subsidized locally by the municipality and/or province (Van den Elsen & Elshof, 2012).

Furthermore, revenues, elasticity, competition and substitutes, taste and the audience are determining factors for the demand of a theatre show that should be taken into account. As mentioned before, increasing prices and reducing costs could increase profit, when there is a price inelasticity of demand and income elasticity and a high percentage of audience participation (Throsby, 1990).

### 2.2.2 Subsidy and private financing

Numerous cultural organizations regularly have insufficient equity capital to cope with setbacks and therefore cannot bear the risk of failure. Bank loans tend to be unavailable to cultural enterprises in need of assistance since their goals are more artistic than commercial, thus another form of financing needs to be found (Balk, 2019). Be it as it may, English literature sometimes describes other trends than those that are happening in the Netherlands. Where the English and American fundraising models are primarily aimed at private investors and shareholders, in the Netherlands subsidies play a significant role in the financing model as well (Ibell, 2009; Thierens, 2018). Still, a distinction needs to be made between governmental subsidy and private financing.

The government may provide subsidies for various purposes, including fostering national identity, local or national pride, community development, and economy for tourism. The impact of subsidies has also been covered, which can provide the government with additional knowledge when deciding how much money to give out (Towse, 2010). The subsidy granted has an impact on the financial and artistic freedom of a theatre producer (Langeveld & Van Stiphout, 2013; Towse, 2014).

In the first instance, subsidy applications are evaluated on their quality, with greater emphasis placed on the significance of an application for the region in question (Fonds Podiumkunsten 2019). The application of the diversity codes described earlier plays a role in this as well (Raad voor Cultuur, 2018). To accommodate initiatives that fall outside this boat, there are also several private funds that provide subsidies for often smaller-scale, artistically challenging and innovative theatre projects (Prins Bernhard Cultuurfonds, n.d.).

Since governmental subsidies do not always cover all the costs and are not allocated to every grant applicant, additional financial resources can be provided through private financing and private investing. Private investing, however, might be a risky venture for investors, as not every theatre show does result in beneficial profit (Ibell, 2009). Private investing is a phenomenon commonly used on Broadway; in the Dutch theatre field, subsidies are used more frequently. When a show turns out to be financially unsuccessful and fails, private investors will have lost their invested money whereas funds do only provide money without expecting revenue. Funds, unlike private investors, do not feel it in their wallets when a performance fails to make a profit. Private investing, on the other hand, may result in a higher budget for the producer and high revenues when the show is a financial success, but risks losing the investment when the show flops (Weiss & Garney, 2015). This obviously does not apply to forms of private financing such as donations and sponsorships, for which lenders often receive non-financial rewards. Private financing can also be done through private funds, which, for example, provide important artistic expressions and educational programs with budgets (Van Haeren, 2019). However, the applications to these funds

for specific art forms or small-scale projects are increasing to such an extent that this form of subsidy will not be sustainable in the long term. When the money runs out, this could have drastic consequences for the cultural offer in the Netherlands (Van Haeren, 2019; Zantinge et al. 2019). The model of private financing might be used by subsidised theatre companies, but will not often apply to free producers, who depend on their own financial resources. Yet, some authors state that every producer uses private financing since a starting budget for each production is needed and a company's own financial structure is not solid enough for that (Ibell, 2009; Weiss & Garney, 2015).

### **2.2.3 Pricing**

Pricing is a key factor in directly impacting revenues and successfully attracting and obtaining demand. Even though cultural organisations obtain artistic and social goals, a pricing strategy is needed to stimulate demand for a show and to generate revenue to cover expenditures (Labaronne & Slembeck, 2015; Langeveld, 2014). Langeveld (2014) mentions three objectives of pricing strategies: allowing customers with a lower willingness to pay to attend a performance, pricing in accordance with changes in customer demand, and minimizing the loss due to overcapacity in theatres. Costs, the value of the production, competitors and demand play significant roles in determining the pricing strategy for a show. Musicals and music theatre tend to make use of the cost-plus model, which assumes the total costs are calculated and allocated to the units produced (seats or visitors). Based on this, a price is set that enables the company to make a predetermined profit (Langeveld, 2014).

Pricing is also part of the marketing strategies, as it is critical to offer the right price to the right target groups at the right time. Pricing differentiation, discounts and yield management are examples of pricing tactics used by theatre producers and theatres to maximize profits and convince people to buy a ticket (Labaronne & Slembeck, 2015; Langeveld, 2014).

## **2.3 Artistic vision**

Decision-making about artistic elements of a theatre show is also in the job description of a theatre producer. However, academic research on this topic is scarce (Boerner & Jobst, 2011). Adler (1971) is one of the first to highlight artistic elements in the production process of a theatre show. The artistic choices a theatre producer makes are based on a cultural aim or vision a production company has for its future. This concerns all choices related to themes, projects, the overview of the production processes, etc. The emergence of artistic coordinators or artistic directors in theatres, who make these choices, has become more and more significant over the years. In addition, creative management should be focusing on implementing these artistic visions into the theatre show, and to be artistically acknowledged within the theatre community (Boerner & Jobst, 2011). The artistic

coordination within theatres ensures the cultural vision of the theatres to prevent theatres from becoming too profit-oriented. Yet, a commercial artistic perspective may contribute to financial benefits if this freedom of creativity is allowed (Adler, 1971).

The information that is known about the selection process generally focuses on the next steps. When producing a show, the main focus is to acquire an option of the theatre show, in other words, to be granted the rights to produce a show. The next step is finding enough parties, if needed, to get the minimum budget required to complete the production (Vogel, 2004). However, these steps all occur when the decision to produce a certain show had already been made. Insights into the process before acquiring rights seem difficult to find.

## **2.4 Further remarks**

Artistic excellence and economic efficiency seem two different approaches and are two sides which can seem difficult to integrate together. A dilemma between these two sides arises more quickly than with other aspects of theatre, such as attractiveness, exclusiveness and marketing, which are more easily reconcilable with artistic and financial elements.

### **2.4.1 Attractiveness and exclusivity**

The attractiveness and the exclusiveness of a theatre show may be related to both the creative aspect and the economic aspect. From a financial point of view, this will affect the pricing, travel costs, etc., as well as the competition, substitution and demand. Being more creative in the creation of the show might enhance these two factors in an effective way (Langeveld & Van Stiphout, 2013).

Attractiveness can be enhanced by marketing campaigns and by reducing the willingness to travel. The latter is nowadays solved with the touring of theatre productions (Langeveld & Van Stiphout, 2013). Additionally, the use of stars in theatre shows can be considered stimulating for the demand of a show. Although this phenomenon was initially explained by talent, as Rosen (1981) argued, Adler (2006) nuanced it by including other characteristics that influence the stardom phenomenon, such as popularity, publicity and consumer money. The exclusiveness of a show can be improved by obtaining the rights of an import show or by proclaiming the peculiarity of a newly developed show (Ibell, 2009; Weiss & Garney, 2015).

### **2.4.2 Licensing and copyrights**

Authors are given great control over how others execute their works under the provisions of copyright law. Authors are given great control over how others execute their works under the provisions of copyright law. The exclusive right to choose how and by whom their works will be

performed belongs to the copyright owner (Caroll, 2012). When theatre producers would like to produce a licensed show, the first thing to take care of is receiving the right to produce that show (Ibell, 2009). This is mainly decided on the availability of the rights and the type of licensing. First Class Rights allow producers to take over the entire production, Subsidiary Rights provide only the script and musical score but leave the rest open to interpretation and budget of the executive team (Caroll, 2012).

### **2.4.3 Media, marketing and the audience**

As society seems to have entered an era of technological progress, an increasing substitute for live theatre is the emergence of streaming services (Abels, 2014). Yet, a TV screen does not seem to be able to replace the live aspect of theatre, because people still seem to have a need for experiences they can share with others. Only the public nowadays has to divide its attention between the multiplicity of easy entertainment and the live viewing of art, according to Epstein (2017). This is where marketing comes into play.

In promoting a show, the primary goal is to convince the audience to buy tickets through media, public relations and marketing (Ibell, 2009). Examples of how media attention could be gained are performances on TV, interviews in talk shows, magazines or papers, and a competition for performers to land a main role on live television (Ibell, 2009). In 2023, every show has its own website and social media account to be closer to its audience (Hausmann, 2012). It is therefore obvious that social media advertising has become crucial for modern marketing campaigns (Dwivedi et al., 2015). Furthermore, it is noteworthy that many strategies for media attention of commercial parties tend to be more personality-driven than content-driven, focusing on well-known actors (Ibell, 2009). Yet, the marketing campaign of subsidised theatre producers is often smaller and content-driven, due to a limited budget for marketing. Pricing is part of the marketing strategy as well. Using price differentiation and discounts to increase demand, promote the show and stimulate multiple income groups within society to buy a ticket (Langeveld, 2014).

In addition, socio-economic and demographic aspects can be seen as other variables influencing demand for theatre, such as relevant themes of the show and willingness to travel to a theatre. In the end, it comes down to the audience buying tickets to generate income from ticket sales. What they want to see and how comfortable they want to be when they go to a performance certainly also play a role (Langeveld & Van Stiphout, 2013).

All in all, the research done on performing arts seems to be sporadic (Towse, 2014). In this research, the previously described factors will be further investigated and applied to different theatre producers to see how the balance between artistic and economic factors is struck in the decision-making processes of theatrical producers (Boerner & Jobst, 2011).

## 2.5 Concluding theoretical remarks

To start, the previously conducted research on the theatrical sector within the Netherlands appears to be scarce. Working in theatre seems to be a labour-intensive and time-consuming process, which influences the production process as well as the general costs. The artistic vision provides the company with guidelines for creativity. Besides these two categories, marketing, the audience, management and exclusivity play important roles in the decision-making process. However, little of this research has been applied to the Dutch theatre sector. Virtually no distinction is made in the English

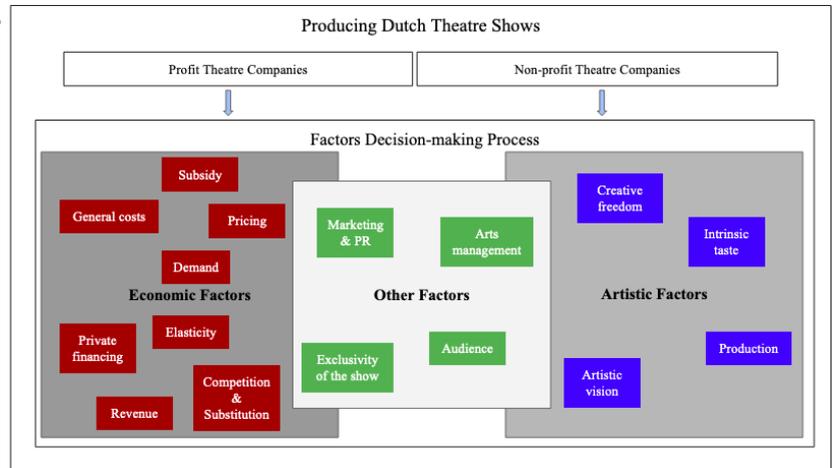


Table I: Overview of the theoretical framework

literature between commercial and subsidized

theatre. This can be explained by the fact that the Dutch financing and income model is different from the British and American ones.

The visualisation of the theoretical framework, as presented in Table I, summarises the core concepts of the literature review. Each recognized theoretical concept that was found in the above literature has been included in the overview. Next to summarising the theoretical framework, the concepts mentioned in this overview prove to be leading for the empirical part of this research.

All in all, the research done on performing arts seems to be sporadic (Towse, 2014). In this research, the previously described factors will be further investigated and applied to different theatre producers to see how the balance between artistic and economic factors is struck in the decision-making processes of theatrical producers (Boerner & Jobst, 2011).

Some final remarks need to be made to explain the structure of this research. First of all, as has been established in this chapter, there are significant differences between commercial and subsidized theatre producers which need to be taken into account in the decision-making process, which will be carefully considered in the data analysis. Secondly, the literature established more factors than solely economic and artistic ones. There seems to be a gap in academic research on these topics, this study therefore has the scope to identify these other factors. How this research process will be executed, will be clarified in the next chapter.

### **3. Methodology**

This thesis investigates different factors in the decision-making process of Dutch theatre producers. Before delving into the findings, a more detailed explanation of the research conducted is required. First, the research design will be clarified, followed by the expectations of the researcher. Next, a thorough overview of the research methods, which will demonstrate how the research was carried out. In the last paragraph, the limitations of the research will be discussed.

#### **3.1 Research design**

First of all, this research provides an overview of the literature, theory, case studies and observations. As the cultural sector in the Netherlands, in particular the theatre world, is underexposed in academic studies, this research aims to answer the following research question: To what extent and for which reasons do Dutch theatre producers balance artistic and economic choices to remain a profitable business? This exploratory comparative case study compares eight different case studies, using a qualitative research strategy to interview significant people within the Dutch field of theatre. Inductive reasoning focuses on creating a framework for the process of decision-making within the theatre landscape, with the main focus on artistic and economic determinants.

Considerable interviewees related to these case studies were approached to get a deeper insight into the theatre companies' organisational structure, values and goals. Since they are most knowledgeable about the actual decision-making process, 12 semi-structured interviews of an average duration of forty minutes to one hour were conducted. Two exceptions were made due to the interviewees' previous appointments running over time, resulting in less time available for the interview. The interviews were transcribed verbatim, from which three main themes emerged through thematic analysis (Bryman & Bell, 2019).

Some interviewees indicated that the information resulting from the interviews could only be processed in an anonymised form. For that reason, it has been decided to omit these names of companies and interviewees. The names and data of these case studies can be found in the archive of the researcher. One of the anonymised respondents will neither be quoted on request. Each interviewee has been assigned an alphabetical letter, based on the order of the interviews. Key features of the interviewees' companies are provided in chapter 4 to explain why each company was selected for this research. Furthermore, the choice of these producers is influenced by connections the researcher has already acquired. Besides the theatre companies, a cultural private fund was interviewed as well to get a deeper insight into the awarding of grants and the criteria of the

educational and societal aspects of theatre, which leads to a better understanding of the financial issues within the theatre industry (Prins Bernhard Cultuurfonds, n.d.).

Because of the scarcity of information on this topic, this methodology seems to be the most suitable way to gather in-depth knowledge about this underexposed research area. Furthermore, within the Netherlands, the number of significant theatre producers is limited. It would be more valuable to gather broader and more thorough information from people who know the business than finding a sufficient number of people for a survey with less specialised information. Lastly, each theatre company differs from one another, making it interesting to compare these and find similarities and differences. Following the qualitative research method provides more flexibility in gathering information and provides more opportunities to follow new leads, which is needed when exploring nearly untrodden land (Bryman & Bell, 2019).

With this comparative case study as a research design, it was considered helpful that the researcher would observe each involved theatre company. The researcher has therefore visited at least one performance of every company related to the research. The case studies are categorized in three different ways in order to establish how and why certain choices in terms of production are made and whether or not there are other motives as well. The main distinction is made between commercial (also called ‘free’) theatre producers and subsidised theatre producers. Within the subsidised category, a distinction has been made based on the size of the company. The research discusses the findings from these points of view. The three main categories in which the data is divided are economic rationales for decision-making, artistic rationales for decision-making and additional economic rationales for decision-making.

### **3.2 Expectations**

Since there are a lot of cultural initiatives in the cultural sector, making a profit seems challenging. I cannot help but wonder if a profit-oriented profile of theatre companies is fitting for the overall picture of theatre producers in the Netherlands, in which subsidies play a crucial role in the development of new theatre shows, offering a cultural platform to discuss relevant and societal topics and the continued existence of theatre companies.

As the theatre sector currently is in dire straits since the cultural cuts in 2012 and the Covid-19 pandemic, a greater focus on the profitability of theatre productions has emerged (Abels, 2014). It will therefore come as no surprise if commercial theatre companies will probably focus on shows which have a high reputation among the Dutch theatre audience. Whether there is room to make innovative theatre will depend on whether a company is subsidised and the budget that is allocated. A profit motive will not be the primary reason for the development of a particular show

for subsidised companies, as they mainly produce from intrinsic motivation (Adler, 1971; Van Egmond et al., 2017). The specific characteristics and motives of these different theatre producers have to be revealed from the interviews. Perhaps new reasons for economic or artistic elements of theatre-making will be mentioned and explained herein.

### 3.3 Research methods

The interview guide has been compiled on the basis of the topics covered in the previously discussed literature and concretised in the concepts of the theoretical framework. Prior to the interviews, the list was tested twice and adjusted so that the questions were as suitable as possible to yield results for the research question. Since the interviews were semi-structured, in some interviews more questions were asked or the order of the question slightly differed. The flexibility connected to semi-structured interviews allowed the researcher to sometimes deviate from the prepared questionnaire and to address topics that came up in the interviews. This also offered the interviewees more freedom for their own contributions, which resulted in useful insights. A structured interview would have been restrictive for the data collection process (Bryman & Bell, 2019). The interview guides (see Appendix B and C) provided a structure for the interviews. The general topics discussed were the same in each interview. The interview guide consisted of open questions and a ranking question. Some interviewees did not feel comfortable answering questions that contained too much company-sensitive information. All in all, the general data is sufficient for analysis, yet, for that reason the results may sometimes contain less specific information. Participating in this reason was on a voluntary basis for each interviewee. The overview of interviews is shown in Table II and Appendix A. The interviews have taken place individually either in real life or through a video call between April 1<sup>st</sup> and May 26<sup>th</sup> 2023.

*Table II: General information of the interviewees in chronological order of the execution of interviews*

Interviewee	Name	Function	Company	Commercial or subsidised	Type of productions	Place of residence	Gender interviewee
A	X	Casting director	Anonymised: Company X	Commercial	Musical	Amsterdam	Male
B	Maarten Voogel	Creative producer	OpusOne	Subsidised	Musical, music theatre	Amsterdam	Male
C	X	Technical producer	Orkater	Subsidised	Music theatre	Amsterdam	Male
D	Nora Duif	Business manager	MaxTak	Subsidised	Music theatre, youth theatre	Amsterdam	Female

E	Ulrike Bürger-Bruijs	Theatre producer of new musical repertoire	MusicalMakers, Cook-A-Dream	Subsidised, commercial	Musical, music theatre	Amsterdam	Female
F	Marije Gubbels	Artistic leader	MaxTak	Subsidised	Music theatre, youth theatre	Amsterdam	Female
G	Niels Dijkhoff	Executive producer	MediaLane	Commercial	Musical	Amsterdam	Male
H	Sarah Moeremans	Director, Artistic director 2025-2029	Het Zuidelijk Toneel	Subsidised	Music theatre, experimental theatre	Tilburg	Female
I	X	Board member	Anonymised: Company X	Commercial	Musical	Amsterdam	Female
J	Annemarijn Zanting	Production coordinator	MORE Theatre Productions	Commercial	Musical, music theatre, cabaret	Amsterdam	Female
K	Jan Vos	Grant officer	Prins Bernhard Cultuurfonds	-	Subsidy applications	Amsterdam	Male
L	Rick Mouwen	Business manager	Club Gewalt	Subsidised	Music theatre, experimental theatre	Rotterdam	Male

### 3.3.1 Sample

Since there is little research done in the Dutch cultural sector and for the reason of convenience, the musical landscape in the Netherlands has been chosen as the market of research. A theoretical sampling strategy was used since this research aimed to establish newfound patterns and concepts after the data was collected (Bryman & Bell, 2019). The interviewees were selected through samples of criteria and availability. The research focuses on Dutch theatre producers in musical and music theatre. For the variety and sufficient covering of the topic, the pallet of interviewees consists of both commercial producers and subsidised producers. To ensure a variety of perspectives, multiple functions which are involved in decision-making were approached, including producers, executive producers, artistic coordinators, directors, casting directors, and production coordinators. The selection process of potential interviewees was based on their function, working for a commercial or subsidised organisation, the type of shows they produce and their number of visitors per show. After they had been contacted, their willingness to cooperate and availability to do the interview were deciding factors (Bryman & Bell, 2019).

In total, 20 potential parties were approached by e-mail. The non-responding parties were invited again for the interviews through a different person within the organisation. Half of the

parties were contacted first-hand. Halfway through the process, the range of interviewees was evaluated and the other half of the parties, who would plausibly supplement the interviews already conducted, were invited to participate in the interview. The interviews were conducted until theoretical saturation was reached. The formal requirements of a Master Thesis were fulfilled by performing 12 interviews in total, resulting in over 10 hours of collected data. Every interview was recorded with permission from the respondent and transcribed verbatim by the author of this thesis (Bryman & Bell, 2019). The researcher conducted all the interviews. 83,3% of the respondents were working for theatre companies based in Amsterdam (N=10). Even though most theatre companies have touring productions, their headquarters are usually located in the capital city. The interviews either took place physically or online in a video call. The distribution of gender was fairly balanced, as 50% of the interviewees were male (N=6), and 50% of the interviewees were female (N=6). None of the respondents identified as otherwise.

### **3.3.2 Operationalisation**

The interview guide for the case studies has its origins in the previously imposed concepts of the theoretical framework (Table I; Appendix B). The first two questions aim to paint a picture of the cultural organisation so that the general information about the company is clear. Questions 3 to 10 are focused on framing the decision-making process as a whole. From questions 11 to 26, several questions related to the previously discussed theory are asked, including economic, artistic and marketing topics. The researcher noted that the open character of the questions gave the interviewee enough room to speak about other relevant topics within the question. Questions 27 and 28 round off the interview by giving the interviewer the opportunity to bring additional topics to light or to question the researcher, if preferred. Even though the introductory and closing questions for the private fund are of the same nature as those of the case studies, the interview guide slightly differs (Appendix C). In addition to the decision-making (questions 3 to 6) and financial aspects (questions 13 to 17), this interview guide also consists of questions about the landscape (questions 7 to 12) and additional factors (questions 18 to 21). Prior to each interview, the respondent filled out a form of consent or agreed verbally, including whether he or she agreed to the interview being recorded for transcribing purposes, and publishing the name of the company and the name of the respondent. These forms of consent can be found in the archives of the researcher. The record in Table I, the company description from chapter 4 and the quotes used for the analysis and discussion were submitted to each respondent for approval and to check sensitive business information. The interviews were conducted, transcribed and coded in Dutch. In the analysis and discussion, the quotes have been written in English according to the researcher's translation.

### **3.3.3 Data analysis**

Since the research focuses on discovering patterns and factors within the decision-making process of theatre producers, a thematic analysis is the best way to analyse the data. Thematic analysis is used to extract themes and concepts from data and categorize them (Bryman & Bell, 2019). The transcribed data was uploaded in Atlas.ti, with the data of each interview in a separate document. After the transcribed interviews were read and the theoretical underpinnings had become clear, the next step of the analysis was to start coding. An open coding method was applied, as this procedure remains very near to the data and produced concepts, which are then grouped together to form categories (Bryman & Bel, 2019). After each document was open-coded individually, related codes were connected through different groups. The groups in their turn are linked to relevant overarching themes. The groups and themes emerged from the previously discussed grounded theory and the codes. The themes in which the data is analysed provide a framework for the results. In total, 312 codes, 34 code groups and three themes were formulated (see Appendix E for general data visualisation).

Appendix D contains a more detailed breakdown of the codes, groups, themes, and categories. The themes are analysed through the groups. For specific subjects, the most relevant codes were selected as well to enable a more secure analysis. The results are discussed, analysed and compared in the light of the theoretical framework.

### **3.3.4 Validity and reliability**

The reliability and validity of the research are significant when it comes to the credibility and trustworthiness of this study (Bryman & Bell, 2019).

In terms of validity, respondent validation was used to confirm the initial results (Bryman & Bell, 2019). After the data collection and analysis, the respondents were requested to verify the data presented, which was done successfully. Furthermore, the questionnaire's validity was confirmed by the double testing of questions. These steps assisted in establishing the validity of the obtained results, demonstrating the accuracy of the qualitative research (Mohamad et al., 2015; Bryman & Bell, 2019).

To ensure the plausible reliability of the data, the research process is described in detail in this chapter. Moreover, the conducted research has been retested through triangulation. Method triangulation and data source triangulation were used to compile a varied profile of respondents for the case studies and interviews (Carter et al., 2014). In addition, the study included theoretical triangulation, resulting in the discussion of other research studies in the same field to provide a literature review to support the data collection process and analysis process's outcomes (Carter et al., 2014).

### 3.4 Limitations

Every research faces limitations of its own. Qualitative research is strongly related to the researcher's skills and perspective, which complicates the general acceptance of knowledge. Even though a diverse palette of interviewees and case studies attempts to keep the research from being overly reliant on researcher bias, it remains delicate to completely rule out the researcher's bias (Bryman & Bell, 2019).

Secondly, 10 hours of data were conducted from 12 respondents in the data-collection process. The length of the interviews sometimes differs considerably from each other, because two interviews lasted shorter than the previously stated amount of minutes. Still, this is no reason not to assume the correct analysis, because the core topics were discussed in these interviews and the interview guide was followed.

As explained earlier in this chapter, some names or companies' names have been anonymised at the request of the relevant respondent. As a result, the results will be less detailed on some points or more challenging to associate with a particular company. However, the quality of the data and the analysis will not be hindered, because anonymised parties will still be included in one of the case study's categories.

The final limitation of this research is the deficient character of generalization in qualitative research in general (Bryman & Bell, 2019). The limited group of interviewees is sufficiently diverse to represent the theatre field, yet, more people from the field should be involved in order to generalize the research. This was not achievable in this situation due to the limited time and scope of the study. A greater scale might be an intriguing alternative for future research. Because the nature of the interviews is related to time, location, and people, repeating the same research will always lack a certain degree of reliability. This is a general fact of qualitative research and should be accounted for as much as feasible with thorough methodology and data analysis (Bryman & Bell, 2019).

Even though some limitations of this research occur, this methodology sufficiently explains the process of the research, its operationalisation and its data analysis, to guarantee that this academic research is carried out in accordance with the standards established therein.

#### **4. Presentation of the case studies**

The 12 interviewees represented 8 theatre companies and one fund, on which the analysis is based. First, a description of similar companies is provided. Together these theatre companies form a representative and diverse profile of the theatre supply within musical theatre and music theatre in the Netherlands. As the Prins Bernhard Cultuurfonds was approached for another perspective on these cases, the fund will not be considered as one of the eight case studies, but still be included in a separate paragraph to further explain the fund. The cases are divided into three categories: commercial musical producers, large-scale subsidized theatre producers and small-scale theatre producers.

##### **4.1 Commercial theatre companies of musical: MediaLane, MORE and Company X**

MediaLane is an entertainment company which consists of three departments: Television, Live and Theatre. The latter focuses on producing licensed and self-developed musicals. The aim is to bring touring back to the large theatre halls in the Netherlands at a qualitative level (MediaLane Theater, n.d.; G). Recent theatre productions of MediaLane are *Come From Away* and *Sweeney Todd*. As the biggest commercial musical producer of touring shows in the Netherlands, MediaLane is a representative party for demonstrating findings for commercial theatre.

MORE Theatre Productions (hereafter: MORE) produces contemporary performances, focused on musical theatre and cabaret. They want to portray theatre as young and hip with medium and large theatre hall shows. Their offer includes shows from Alex Klaasen and Rundfunk (MORE Theatre Productions, n.d.; J). MORE demonstrates the characteristics of a commercial producer who collaborates with well-known artists as creators for new repertoire.

Company X (anonymised) is seen as one of the biggest theatre producers in Europe, owning multiple theatres in the Netherlands and abroad. The company produces both licensed and self-developed musicals (website of company X, n.d.). This company also focuses on large theatre halls, often with a capacity of at least 750 visitors. As one of the first and the biggest musical producers in the Netherlands and Europe, this company has played a significant role in introducing the Dutch audience to musical and therefore is an influential case study for this research.

## 4.2 Large-scale subsidized theatre producers: HZT, OpusOne

Companies within this category are qualified as producers of shows for 300 or more viewers in the audience per performance.

Het Zuidelijk Toneel (hereafter: HZT) works with six-monthly themes and tries to present new theatre in an innovative way. It qualifies as one of the BIS companies, receiving a structural subsidy to create new repertoire. The form of the company depends on the artistic director. HZT is currently in a transition phase, as a new artistic course will be sailed from 2025 on, with a new artistic leader (Het Zuidelijk Toneel, n.d.; H). Recent shows are *Mission Molière* and *BOG.2*. HZT is a representative case study for all BIS companies and for unconventional and newly developed theatre shows.

OpusOne is a smaller multi-subsidised theatre company based in Amsterdam, focusing on short-term-based shows related to societal themes. Where the company used to produce family musicals as a commercial producer, it now focuses on small-scale off-Broadway musicals. By means of smaller-scale licensed and self-produced musical and music theatre, OpusOne aims to broaden the understanding of musicals within the Dutch market (B). Recent theatre productions are *Spring Awakening* and *De Mol en de Paradijsvogel* (OpusOne, n.d.). OpusOne is the only subsidised musical producer of this genre in the Netherlands. Considering the scope of this research, the particular combination of musical and subsidy makes an interesting case study to analyse.

## 4.3 Small-scale subsidized theatre producers: Orkater, MaxTak, Club Gewalt

This category focuses on companies which produce shows for under 300 people per performance.

Orkater is a music theatre company based in Amsterdam. The focus is on newly developed music theatre-oriented productions, always with some form of live music in the performance. For talent development, Orkater is funded by the BIS to explore various themes for theatre with young makers. The audience size varies between 40 and a few hundred people on tour, also depending on the type of show. The number of visitors may be higher for regionally developed performances. In general, their performances are played throughout the country in small halls and at festivals (C; Orkater, n.d.). Orkater makes a suitable case study to represent music theatre collectives within the subsidized landscape.

MaxTak is a medium-sized theatre company that focuses on various new and innovative theatre shows related to educational youth theatre. The foundation produces one new show every year and, at times, a second show as a reprise. With the integration of socially relevant themes, musical innovation and humour in their shows, MaxTak wants to be accessible to everyone. With an

average audience size of 92 people, MaxTak performs in small theatre halls and school performances (MaxTak, n.d.; D). Small-scale youth theatre initiatives have often not been included in academic research. This genre within music theatre and musical theatre ensures diversity within the case studies, making MaxTak interesting to involve in this research.

Club Gewalt is a music and performance collective of makers that uses music as a starting point for developing new repertoire. It creates experimental music theatre in the broadest sense of the word, ranging from music theatre to opera to rock concerts. Club Gewalt performs in small theatre halls and at festivals (Club Gewalt, n.d.). Club Gewalt forms a valuable addition to the palette of case studies as a subsidized experimental theatre company.

#### **4.4. Private fund: Prins Bernhard Cultuurfonds**

Prins Bernhard Cultuurfonds is the largest and oldest private fund in the Netherlands. The company consists of three main cultural departments: Theatre, Dance and Film. A subsidy can be applied for provincial or national projects that fall outside the norm for national subsidies or that have a particularly exceptional character. The fund does not grant structural subsidies and focuses on small companies and starting makers (K; Prins Bernhard Cultuurfonds, n.d.). The Prins Bernhard Cultuurfonds makes an interesting case study as it provides a different perspective on the theatre sector and subsidies than the theatre producers. Additionally, the fund has in the past contributed to some of the companies mentioned in the case studies, adding an interesting element to this research (K; Prins Bernhard Cultuurfonds, n.d.). This case study will mainly be included in the financial aspects and subsidy issues, but less in the actual choice process of producers.

## **5. Results and analysis**

In this chapter, the results of the data collection are discussed and analysed. First, the economic pattern of influential factors in the decision-making process and its underlying motivations is demonstrated. Subsequently, the artistic rationales are shown in a similar way. Thereafter additional factors, which have emerged from the data, shine a light on some remarkable findings. In the analysis, these results are interpreted from the perspectives of both free theatre producers and subsidised ones.

### **5.1 Theme 1: Economic rationales for decision-making**

The first theme investigates important economic concepts within the Dutch theatre landscape. The purpose of this theme is to connect economic developments to the related consequences for theatre producers and their impact on theatre producers' decision-making. This theme is divided into four categories: demand and supply, general costs, financing and generating incomes.

#### **5.1.1 Demand and supply**

Even though the Dutch theatrical scene seems to be flooded with supply, the music theatre and musical sector has a relatively small audience according to the majority of the interviewees (B; D; E; F; G; I; J). In the commercial theatre world, more commercial theatre parties emerged in the past 20 years according to the respondents. In the subsidized theatre field, more subsidies were awarded than originally planned. The pandemic from 2019 also did not help, resulting in many extra shows being programmed. According to some respondents (B; C; J), shows that were already planned still had to be produced. Theatre companies still wanted to produce shows they had already invested in, as well as shows they had planned for this year. This is particularly relevant to subsidised companies since they are required to produce the shows they received the grant for. As one respondent explained: "That has to do with the fact that 4 years ago all groups which ended up below the cutting line, meaning they were sufficiently assessed, but there was not enough money for those groups, were still honoured a few months later, because of which many groups received more money than originally. As a result, there are many more groups that produce. So, for the past 4 years, we have also had to deal with corona, but also with an abundance of performances. As a result, the small audience that there was, also has to be divided over a large range" (D). This is confirmed by several other interviewees, for example: "In any case, the offer has really increased in recent years. But that is also a practical fact because many performances could not occur during corona. They still had to be caught up and, in the meantime, production was resumed, so you actually had a kind of double offer... it's a lot more work for the theatres, but also for your ticket

sales, because visitors don't come more often, so ticket sales were generally a lot lower. But that was because the offer was actually quite large.” (J).

Nevertheless, the respondents argued why the demand is lower than it used to be. The number of tickets sold depends on the current economy, which in turn is highly sensitive to political changes. Examples mentioned by the interviewees are the war in Ukraine, rising gas prices and inflation, making everyday life more expensive and leaving less money for non-primary necessities such as a visit to the theatre. And then all those social changes should not be noticeable in the price tag: “Ukraine is not helping either, inflation is not helping either. Everything is getting more expensive, but a theatre ticket has to stay the same because people already think it's too expensive” (G).

In addition, all respondents unanimously agree that there is a major technological development that strongly influences the demand for theatre: the rise of streaming services. The on-demand services are easier and cheaper than dressing up and buying a ticket for the theatre. This also appeared in the theoretical framework (Abels, 2014). Yet, these technological developments do not necessarily need to be seen as a substitute for theatre but also offer new opportunities for innovation. “I think theatre makers, especially in the last few years, have been busy reaching the audience in a digital way, spurred on by Corona. That these are increasingly digital media innovations and the mixing of genres and disciplines” according to respondent K. This seems a valuable option to consider, as theatre is a form of art which has the ability to integrate other art forms as well (Thierens, 2018).

To reach as many people as possible with a performance, a tour seems to be the best option. Therein are differences in motives between free producers and subsidized producers. Subsidised producers are often expected to have a national distribution policy, meaning they must travel through several provinces to comply (C; D; H; L). Free theatre companies either own their own theatres or have to travel because they do not own one (A; G). Since the genres and sizes within musicals and music theatre differ quite a lot, it has become more difficult for audiences to estimate what kind of performance to expect. In combination with the deterioration of their financial situation, audiences seem more reluctant to buy tickets, according to the respondents. By touring with a show, producers can provide their visitors with greater convenience, while reaching more audiences themselves. The willingness to travel of residents to the theatre is greater if they have to travel less far, as was proved by Langeveld & Van Stiphout (2013). This was confirmed as well by the respondents, as “touring indeed helps to make people as comfortable as possible in that regard” (G).

In general, the respondents perceive an increasing supply, although they do not seem to be the most focused on that competition. Questions they ask themselves during the market surveys

before making final decisions: "What do we think the public wants to see?" "Will there be a broad enough audience for this?" "What's the investment?" (A; E). Some subsidized producers take less account of demand because their costs are already covered by subsidies. They often have another priority, meaning that they can focus on "things that may not necessarily be very interesting commercially, but that are very exciting artistically" (F).

This section has focused on establishing some economic and social external factors that are impacting the decision-making process. These trends have both positive and negative consequences for supply and demand. Touring is commonly used in the Dutch theatre sector, which at the same time offers some solace against these societal trends.

### **5.1.2 General costs**

As was mentioned by Ibell (2009) and Weiss & Gaffney (2015), the data confirms as well that the general costs of production consist of costs for the creative process, production costs and running costs. The latter one starts when the show has had its first performance. With the creation of a new show, the costs for the creative process may be higher. As one of the interviewees explained: "You don't write a script in a month, you don't write a script in a year. You have to write something like that, rewrite it, and read it once with a group of people. Then you will do it in a workshop, then you will do it in a small theatre somewhere. Well, and then you build your team on that" (A). And as most theatre shows are touring through the Netherlands, the costs of licensing instead of the costs of creating something new are considerations for theatre producers. Costs for licensing an already existing production can therefore be lower for commercial theatre producers than self-developing a big show from scratch. As respondent G explained: "If we take over an English tour completely, including the decor and costume, then we actually work with the English producer. We're taking over those deals completely, including light and sound deals. We do put in our own cast, our own crew and our own orchestra. So basically, that means there is also a more lucrative model. The costs per show go down, but you do have a very rich show that you can send all over the country. If you had wanted to have it made yourself, it would have been far too expensive to go on a tour. So that's how we try to look and how we can make that tour more interesting". Yet, the licensing fees for recent or popular shows can be quite high, and they evidently must fit within the producer's budget (C; G; I). However, for subsidised producers, the choice between licensed and newly developed shows is different. As one of the requirements for subsidy seems to be the importance of creating a new sort of repertoire, a licensed theatre show is either too costly compared to a small-scale self-developed show or does not fit into the requirements for receiving a subsidy, according to respondents B, C, D, F, H and L.

That being said, there is a clear difference in budget between commercial theatre producers and subsidised theatre producers. Based on the data collected from the interviews, the budget for Dutch commercial theatre shows can be estimated at several million euros per production, while the subsidized companies are heavily reliant on subsidy grants. But within the framework of subsidy, there are differences.

Cultural institutions can apply for a four year-subsidy or project subsidy if they align with the conditions set by the fund. These, for instance, are focused on diversity, inclusiveness, talent development and social themes. To illustrate, respondent B focuses “on young creative talent” while Respondent D focuses on “social problems”, yet they both receive the same subsidy. As one respondent of a private fund explained: “The bottom line for the application is that a project must be exceptional for the field. So it could be a project that doesn't yet exist in the field or something that contributes to the creator's development or is a whole new step for the creators” (K). Yet, an exception is made for nine theatre companies, which are part of the Cultural Basis of Infrastructure (hereafter: BIS), meaning they receive a structural contribution from the government for four years (H; Ministerie van Onderwijs, Cultuur en Wetenschap, 2023). Thus, various funds provide opportunities for different sorts of theatrical projects. All in all, the budget of subsidised companies results from two to six tons of euros per year.

In contrast to Towse’s point of view of venue costs (2010), the rental of equipment was mentioned a few times, but the venue costs were not. There was a mutual agreement between the interviewees about personnel costs being the biggest expense. As one respondent clearly explained, “Staff, you always need that. That is by far the most expensive.” (C). Since all costs are budgeted in advance, this should in principle prevent financial problems throughout the entire production process, illustrated by respondent D: “I will draw up a budget in advance for 2023, which of course will cover the costs.”.

However, the current state of the economy, as mentioned in the previous paragraph, has led to an increase in the costs of theatre productions, while the price of the ticket has to remain the same, as one respondent summarized (C). The findings confirm the phenomenon of this being a remaining problem, as was already discussed in the literature (Towse, 2010; Van Oort, 2001). The rising costs and constant prices are a challenge, because if a producer has fewer opportunities with the same budget, then less money can be spent on the production of a show. At the end of the day, the budget has to be realistic.

### 5.1.3 Financing

Before a theatre production is on the shelves, the necessary investments must be made during the creative process and the production process (Ibell, 2009). Funding is crucial for this, even if it comes from a fundamentally different source for commercial theatre than for subsidized theatre. Starting with the latter, the primary part of the budget is funded through grants. Four-year grants can be applied for from a national or municipal fund by submitting an extensive policy plan (Fonds Podiumkunsten, n.d.). “Before you apply, you must have that whole plan in place. And if you don't get everything, then you have to delete things... You must also justify what you request.” according to one of the respondents, who is at the same time denoting accountability (C). This applies to every subsidised respondent: “The subsidy provides the money to make what you have described in a previously indicated framework. What the performances are, how many times they will play, etc. So, with the subsidy, you must already know the performance you are making.” (B). Accountability, goals and framing the subsidy’s purpose in the application seem to be the requirements for a successful grant application, but it is not solely this that these companies can rely on. The money granted from the Performing Arts Fund also needs to be doubled in the four years of the culture plan. Grants awarded are therefore not solely regarded as sufficient, since the subsidized “have to double that with public revenues, private funds, and municipal money can also be added” (D). Respondent K chimed in on private funds: “We look more closely at who companies and subsidizers serve and why and how we can supplement that”. Private funds often do not cover a full budget, due to the dependence on different cash flows and limited financial resources (K; Van Haeren, 2019). Thus, whether production can take place is strongly dependent on the grant awarded and the resources to double it with. In order to be eligible for a subsidy when generating a new performance, the standards stated by the subsidiser must already be met in the initial phase. These findings substantiate Langeveld & Van Stiphout’s (2013) and Towse’s (2014) points of view on the impact of the subsidy’s framework on financial and artistic liberty.

For commercial parties, the method of financing varies per company. Based on the profiles of the case studies, several remunerative ways to save enough money for a new theatre production can be described. First of all, making enough profit from previously produced shows to cover costs and build a financial buffer is the most convenient way for any commercial party (G; I). The second financing option is investing as shareholders in new shows on Broadway or West End. “You actually want to be there before a performance transfers to Broadway or the West End. So during a workshop phase, you want to be there already, so that you can invest in it.”, one of the respondents disclosed (G). This has to do with the fact that the American revenue model is structured differently, as stated by Thierens (2018) and is shown by the following: "Development there takes a really long time, but it also has a different model with investors there... Make sure you bind investors to you to

bring in more money, to ensure that you can continue to develop..., because there are a lot of chess possibilities, and you can also make a lot of money if it is a hit” (G). If the investment is sufficiently large, a producer might immediately get the right to bring this production to its own country (I; Thierens, 2018). In some exceptional cases, a prosperous internal lender serves as a safety net (G). Since this is only applicable in one of the case studies, it is doubtful whether this can serve objectively as a representative result.

For both subsidised and commercial theatre producers, co-producing is an attractive financing model. In exchange for participation and advantageous conditions, theatres can co-invest in an upcoming production. With this, each party invests money, shares in the profit and is more involved. This model can also occur with a co-production with two or more producers. “When we co-produce, we occasionally do that with theatres, then we really do that in consultation” according to one respondent (C). Respondents D, G, H, J, and L confirm this; “If the theatres also invest, then that is of course even better and that also covers part of your risk. That would be fifty-fifty, as often happens, the producer contributes 50% of the costs and the theatre contributes 50% of the costs” (G). The financing and the budget influence the decision about what to choose for upcoming theatre shows, they outline the lines within which the theatre producer can colour.

All in all, it appears that another party is frequently involved in the decision processes of these particular case studies, especially when it comes to the question of whether a production is financially sustainable. Whether it is a fund, a lender from a private connection or a co-producing party, in these scenarios the choices to be made therefore do not always fully up to the producing company, contrary to the expectations embedded in the discussed academic literature. An artistic framework or participation should regularly be kept in mind when it comes to decisions.

#### **5.1.4 Generating income**

From the data collected, the weight of generating income proved to be important in all cases when it comes to deciding what is and what is not feasible in producing a performance. Here can a clear distinction be made between subsidised and commercial producers as well.

In subsidized performances, it often costs money to play. The subsidy will never have to be earned back in full as it is meant for covering operating deficits (Balk, 2019). Yet, it is crucial for a producer not to suffer too much loss. As shown in the previous section, subsidized parties often need more than just the subsidy granted. Not having a profit motive does not mean that the costs should not be covered. A financial reserve in equity often gives some extra leeway in the returns but is limited, especially for subsidised producers. Yet, not everyone is in this situation: “So the costs have to be taken out anyway. We can add some money so that you can accept some loss now and then. We started at zero, so we have no big reserve, no buffer.” (B). This is illustrated by another

respondent: “If we break even, it's great. We budget with a partial loss, but that is the subsidy.” (C). Even though these companies might not focus on making a profit, breaking even the costs is still an objective for these parties. They can generate income from brokerage firms and schools, buyout fees and ticket sales from the open public. The first two entail the following: “We only work with buy-out fees, which means that we are not dependent on the number of spectators... You also have a kind of intermediary agency, who then rent the theatres and we also put on some big shows there” (D). As a result, ticket sales to individual visitors do not often yield the highest revenue in most subsidized cases. This was affirmed by another respondent: “We budget...and there is a buy-out sum and then there are guarantee sums. So, in general, if I put it broadly, we're between 30 and 50% of what we have in our own revenue.” (C).

The commercial parties need to cover the costs as well and have a profit motive in addition. Since there is no subsidy to use as a safety net, their equity needs to be sufficient to mitigate risks. Yet, “the margins on the musicals are really minimal” (G). Profit has to be paid in order to be able to reinvest in new shows, but this does not necessarily mean that every show has to make a financial profit. The aggregate balance for two-thirds of the commercial case studies should not be negative, but this does not imply that each individual show must conclude profitably on the balance sheet (G, J).

For selling shows to theatres, almost every producer works with guarantees, whereby theatres pay a certain sum to provide producers with more certainty. This sounds enticing, and in most cases, it is, although there are some snags. With the pandemic severely impacting the cultural sector, producers notice that theatres have grown more cautious in taking risks, resulting in fewer guarantees or less advantageous guarantees compared to a few years ago. This also may have to do with the development described in paragraph 7.1.1; since there seems to be less demand, it seems more difficult to get people into a theatre hall. “For example, you notice that Tuesday and Wednesday are becoming even more difficult to sell than they already were... So the theatres no longer find Tuesday and Wednesday interesting, which I also understand.” according to one interviewee, summarising the general trend of theatres booking shows (G). As confirmed by another respondent: “Afterwards, you notice that the guarantee increasingly comes down to the producer's own risk” (B). This also means that the number of ticket sales will become increasingly important.

As for pricing, it is evident that the tickets for commercial theatre shows are higher than the subsidised ones (Van den Elsen & Van Elshof, 2012). Setting a price that will allow the company to make a predetermined profit while also generating sufficient demand can be a daunting task (Langeveld, 2014). It “differs a little how I budget that” (L), because the pricing and the percentage to be generated from ticket sales depends on the number of people involved, as labour costs are the

biggest expense, and the size of the production in terms of setting, lighting and sound (C; D; L; G; I).

In sum, it can be said that there are different measures to identify a producer's profitability. Not only are there differences between breaking even and making a profit, but also in the importance of an accumulated reserve and whether profit should be made per output or on an annual basis. Guarantees and pricing are crucial variables in generating income.

## **5.2 Theme 2: Artistic rationales for decision-making**

The second theme explores cultural trends and artistic considerations of Dutch theatre producers. Since all case studies are cultural enterprises, it appears logical to look into the role of artistry in decision-making. This theme consists of four categories: cultural trends, artistic vision, the inspiration for shows and the measurements of artistry.

### **5.2.1 Cultural trends**

Several trends within the field of theatre were revealed during the data collection process. Theatre producers need to be aware of the actual cultural trends in order to adjust the offer accordingly. This often becomes apparent during market research.

First of all, influences from abroad in various ways have been cited by the interviewees. Producers of musicals tend to pay close attention to the new shows transferring to Broadway and West End. As successful shows are being licensed from there, it is integrated into the business strategy to keep a close eye on these trends: “In the Netherlands, there are more hijackers on the coast, so if something looks a bit interesting, you make sure you have a small open thing somewhere” (G). Some respondents also noted that theatre culture is much less integrated into Dutch society than in neighbouring European countries and America. To illustrate, ticket prices and ticket sales are higher in London, and in Belgium visiting theatre performances is included in the school curriculum (B; H).

In addition to the foreign influences that determine the cultural offer, a number of general social developments also play a role in the theatre landscape. “I think we are greatly influenced by social media, by the fleeting television, by the easy form of entertainment” and “In the current time where there is a lot social media and everything has to be fast... we can also watch movies, everything is so digital” are two representative answers of how technological changes are perceived in the theatre landscape, complicating attracting young audiences as well (A; J). Indeed, these technological trends can also be found in Abels (2014) and Epstein (2017). On the other hand, these trends may also have benefits. As a result, there are more possibilities for theatrical creations: for

example, video can be implemented in the set, and social media can provide a great deal of information about the visitor profile.

Yet, the cultural sector has not only been influenced by technological developments but also due to the increasing impact of diversity and inclusivity as a manner of “really trying to represent a society on stage” (A; Van Haeren, 2019). Another respondent nuances: “The inclusiveness and diversity is a really important gauge, and that goes beyond ensuring there is enough colour and genders on stage, but also in the artistic processes and just at the front of the building” (B). Next to the inclusivity and diversity codes, working conditions in the field are also becoming increasingly prominent (Van Haeren, 2019). One respondent pointed out: “As a sector, we have started to think more and more about Fair Pay and Fair Practice, the fair payment of makers, you see that becoming increasingly important” (K). The respondents unanimously agree on the importance of these trends.

In the creation of new theatre shows, there is a shifting focus in terms of the theme and type of theatre shows. Newly created shows are often more concerned with personal stories, centred on true events. “The life of Tina Turner, Hamilton, based on a real history” are examples of newly developed shows in the past decade (A). The theme may, in turn, influence the type of theatre show. “In general, we notice that there is a trend that if you are indeed going to bring something regionally, preferably with a regional problem, that it does very well... So I do see that as a trend” (C). Most of the regional theatre shows with a focus on a historic event or regional challenge are also produced in the form of spectacle shows. As another respondent says “So there will be another kind of crazy side stream in terms of theatre, that with spectacle performances, which will be exciting to see what will happen there” (G).

The final trend that emerged from the data of commercial theatre producers is the phenomenon of stardom, the power of a successful and well-known person within the cultural sector (Adler, 2006). As established in the interviews, the use of famous Dutch people is a cultural trend. Casting them in a show will establish a certain level of quality and a solid fan base as part of the audience. “As soon as someone is successful and has a certain profile, it is of course very wise to continue with that. But that has to do with the fact that we are a very small country, that it is also easier to build up a profile” according to one of the respondents (A). Another respondent confirmed: “You don't buy a ticket for our company, but you do buy a ticket to see a specific person. If you get negative media about that, it costs a lot of money. The risk is setting up your company to produce beautiful things around them and if your star drops, then you have a problem. So, it is indeed more about the stars.” (G). Depending on the star, shows may be licensed or produced so that they can portray the main character (G, H).

These five trends summarize the most important developments in the cultural sector, each of which influences choices for repertoire in its own way.

### 5.2.2 Artistic vision

The artistic vision is a universal given, but open to interpretation for every company. This section highlights the most salient concepts from the data. An artistic vision may be related to the board of the company, but most importantly, it is often shaped by the vision of the creative team (Adler, 1971; Boerner & Jobst, 2011). The artistic vision of the creative team may consist of the view of several involved creatives: “There is a vision behind that of a writer, of a director, of a choreographer, of a lighting designer, of a set designer, of a costume designer, of the wig designer” (A). Labour in the cultural sector is mostly performed on a project-based contract, none of the respondents claimed otherwise (Boerner & Jobst, 2011). According to the interviewees, the artistic vision is mainly aimed at long-term objectives. They described that the shows produced must be in a certain extension of each other and reflect the artistic vision. “Together with my colleagues, I think about MaxTak's place in the field, where we can distinguish ourselves, and especially what kind of performances we want to make...how we can bind people to us”, referring to some examples of what a long-term goal can entail (F).

Furthermore, subsidized producers must adhere to the parameters of their subsidy plan; for commercial producers, these guidelines are partly dictated by their reputation, which they wish to maintain. A subsidised producer explained: “Ultimately, the projects you impose on yourself are also the framework you create for yourself, on the basis of which you can apply for those subsidies. And those subsidies determine what you can and cannot do. There are also performances that I would really like to do, but that doesn't fit the bill at the moment. After all, you want to continue that line.” (B). Although the subsidy frameworks form the boundaries, the most subsidized believe that they experience more freedom within them than if they were working in the commercial field. The majority of the subsidized respondents (B; C; F; H) experiences more freedom in their choice process, because “we can decide for ourselves what we want to make” (F).

An unexpected finding is the importance of reputation for theatre companies. For a quarter of the respondents, reputation seems to be the most significant to consider, even ranking it next to or above financial and artistic values (B; G; J). One of these respondents demonstrated this: “Reputation plays a role for us for sure because we do a lot of entertainment there. When people talk about MORE, I think they also think of the somewhat bigger names, which generally stand for entertainment anyway.” (J). The repertoire is chosen according to what fits their artistic vision and reputation (B; G; J). Even though another respondent does not necessarily prioritize the company's reputation in the field, he values his reputation as an employer (L). Multiple interpretations of the term ‘reputation’ are therefore possible, but ‘reputation within the field’ mainly emerged.

The artistic vision is important to the decision-making process, as it sets out the creative guidelines for the rest of all the choices that will have to be made. An artistic vision aimed at

exploring boundaries within social themes or creating trendy performances with well-known makers each leads to a completely different artistic framework (F; H). Artistic innovation in the selection process, creative process and production process is also considered a part of artistic vision. For example, classics are given a new look or the rehearsal process is approached in an unconventional way. “Why would you rehearse for 6 to 8 weeks? Does that have to be consecutive?” (H). Thus, the artistic vision is created by the creative and decision-making team, sometimes already laid down in a subsidy application.

### **5.2.3 Inspiration**

To come up with a new concept for a show, inspiration is needed. The inspirational source differs per producer, but remains important for the decision-making process, as inspiration forms the basis for further decision-making. Whether it concerns a licensed show or a self-developed one, it all starts with an idea. “Books, films, documentaries, a newspaper clipping or a picture book. I try to keep up as much as possible, the sources can come from anything.” (F). Other sources of inspiration, for example, are subjects for which there is a large audience, well-known persons or societal problems (D; I; J; L). For smaller subsidized theatre producers, personal interests can play an essential role in the creative process as well. As respondent L explained: “It is always about things that we encounter ourselves and which are socially critical and it always starts with music, so it is always composed and sung”. Considering the type of theatre, all respondents agree that the musical content of a performance is an essential element for their theatre productions. For licensed shows, trends on West End and Broadway are important, as well as market research for the Dutch audience. This will further be explained in 7.3.

Based on the data, three forms arise when it comes to teams that are entrusted with the power of choice regarding new titles and the creative process. In the majority of companies, the initial choice for a production lies with one person or a small team, who contributes ideas. That individual could be a creator or a board member. After pitching ideas, the plan needs to be in accordance with the board, before executing (B; D; E; F; H; I; G). In some companies, inspiration also (partly) lies with the creators themselves in the form of pitch evenings and knocking on the door of companies with ideas (C; H; J; L). In other companies, inspiration is gained based on market research and sparring sessions with a team, but could also integrate one of the previous two options (A; B; I). The plan is then developed by the theatre makers or by assembling a creative team.

#### 5.2.4 Standards of artistry

In the theatre landscape, the overall assumption seems to be accepted that subsidized theatre has a higher artistic level, but that the general public prefers commercial, often less artistic, performances more. After all, “communication about less commercial work is indeed not so obvious, it is less easy to sell”, as subsidies stimulate possible creations that are somewhat less commercially oriented (H).

Again, the respondents unanimously agree that it is difficult to measure artistry because it spreads widely. Defining a show as an artistic success could be difficult. As one respondent put it: “If what was envisioned at the beginning of what you intended to create, that it eventually comes to fruition and in a good way...But it is also so much more because it is also the coming together of everything into a whole.” (J). For example, the views on artistic success include “if it does justice to the story”, “if the image supports the story” and “If it surprises the audience” (G; A; E). Another respondent concludes: “I also have no yardstick for measuring artistic success, because sometimes it can be in the performance, sometimes it can be in the theme, sometimes it can be in something else”, summarising the general thoughts of all respondents (B). Further mentioned is that creativity and quality in that vision are measured objectively, when one looks at winning awards and receiving good reviews, resulting in a form that can be regarded as artistic success outwardly (B; D; L). Still, purely in the core of the artistic, each respondent believes that no fixed standards can be attached to artistry.

And in addition, there is the public who ultimately has to buy tickets. It remains an eternal dilemma: something can be considered an artistic success in the eyes of the connoisseur, but that is of no use if it does not attract an audience (G; F). “After all, artistic success does not mean that something is commercially successful” (A). Now this makes less difference to subsidised companies because they are not assessed on visitor numbers or turnover, according to almost all subsidised companies and the private fund. Still, some performances have to be adapted for subsidy or for sale to intermediary agencies. This often is not without challenge: “From an artistic point of view it is often a bit weaker and the press judges you for that. Then it's not artistic enough, because then it's too good again” (F).

Although artistry seems difficult to define, it emerges strongly in the interviews that this does not detract from the importance of theatre. At question 25, 75% of the respondents put artistic value within the company first or second place. 9 out of 12 respondents have aligning answers on the live aspect of theatre: “Live theatre is an art form that has to do with energy, has to do with where everything has to come together at the right time” (A). Another respondent specified this on musical and musical theatre: “I think that with music you are able to evoke emotions that you might not be able to evoke so easily with another art form and that you can also identify with a character

on stage” (J). In the end, the following reasons mainly emerged. Education in the sense of self-development and thought-provoking is seen as an important aspect of theatre. The interviewees each have their own thoughts on what education for their company entails. “When a performance is accessible, but in the end, you really challenge the audience artistically”, is another one of the main reasons why creating shows is important (E). And the final evident finding on this subject is the experience of theatre in general: “a filled room in which everyone experiences the same thing together”; “that they are looking at something very original that has been worked on with 100% attention and craftsmanship and love for the profession” (C; B). Yet, depending on the genre, there are other additional interests. In this way, experimental theatre has additional goals, such as “looking for boundaries”, “creating what you haven't thought of yet” and “we hope to set something in motion with our performances” (F; H; L).

### **5.3 Theme 3: Additional rationales for decision-making**

The third and final theme highlights additional factors, some of which have been discussed in the literature and some of which are unexpected and novel findings. The aim of this theme is to show which factors other than financial or artistic could be involved in the decision-making process. Attractiveness and exclusivity, audiences and intangible factors are being examined as additional rationales for decision-making.

#### **5.3.1 Attractiveness and exclusivity**

The aftermath of Corona is still noticeable for many producers. The cancellation of performances and reduced audiences have resulted in a major drain on the financial buffers (EenVandaag, 2022). Although the government supported all producers financially, it did not cover all costs. As one respondent elaborated: “Those buffers were there when we received a lot of Corona money within Corona, but we spent it on what it was intended for, namely being able to pay our employees” (B). Besides the theatre producers, theatre houses suffered damage as well. For instance, respondent E analysed: “The choice of show titles is influenced strongly by the theatres, what they program, what they dare to do and now especially after Corona, the risk appetite has become much smaller, which means that theatre producers are less certain whether theatres are interested in selecting their newly developed shows”. This, in combination with the previously described trend of diminishing audiences, assures that commercial theatre producers in particular choose to be on the safe side. This safety is visible in the choosing of a well-known licensed show. A commercial respondent demonstrated: “You do indeed hear some people shouting, 'Gosh, is Grease coming again or is Mamma Mia coming again?' If it were my own money, I would have done it too, I would have chosen one of those two, because at least you know that there is an

audience that wants to see that. It is anyway a time when people only spend money on some kind of security that they buy.” (G). This was confirmed by another commercial respondent: “Last year we relaunched all known titles, Mamma Mia! is back again, Les Misérables is back again. Everything that is already known to the public simply comes back, because it just sells better to the public. In that regard, the audience knows what to expect” (J). In the field of licensed theatre shows, choosing well-known titles and classic stories seems to be appealing, as it secures at least some income generated.

The power of the right title also plays an influential role in self-developed performances, especially in the subsidized landscape. “If you're talking about titles... it's endlessly discussed...If someone wants a very complicated title, you don't sell tickets with that.” (C). This is substantiated by a few others, for example: “We will soon be doing Gulliver Travels, which has already been sold 70 times on the name alone, so that is quite substantial. And we are now playing Donnie Druif, and that has been sold only 35 times, so that is quite a big difference. That has to do with the title” (D). The decision of a title, therefore, carries more weight than one might think, because on that basis a show is considered interesting by the wider public.

It seems evident that the title and attractiveness of a certain show are also crucial for marketing and public relations (PR) purposes. By means of market research and the development of a marketing strategy, efforts are made on all sides to attract the public to the theatre (Dwivedi et al., 2015). Yet, often the commercial shows are promoted on billboards and commercials. “There is a PR pot, but that is soon similar or larger than your decor pot”, as respondent C mentioned, suggesting the fact that subsidised producers often need most of the granted money to produce a show rather than to promote it (C; D). Remarkably, both commercial and subsidised producers are able to apply at the Blockbusterfund to receive money for marketing strategies (Blockbusterfonds, n.d.; K).

In addition to the attractiveness of a performance, the exclusivity of a performance is at least as important. Exclusivity of a show gives the producer exclusive right to a specific performance, which increases the willingness to travel (Langeveld & Van Stiphout, 2013). This is achieved through a fixed theatre or by obtaining rights. A permanent theatre ensures that larger performances can be produced, which have such an appeal that people are willing to travel further (A). The rights to a particular title or show frame legal exclusivity. Licensing a specific show from Broadway or West End can occur in two different ways. When acquiring a first-class license, a producer receives the rights to produce the production exactly like the original show (light design, sound design, setting, costumes, music), and will be the only right holder in the Netherlands, who is allowed to do so. A second-class licence-only provides the right to the script and score of a theatre show, and the creative interpretation of the performance is the responsibility of the Dutch producer (E; G; I).

Usually, the fees for a first-class license are more expensive than a second class, although it does provide more ease of production. Yet, a newer Broadway show will be more expensive than wanting to do an older less well-known theatre production. Depending on the budget of the theatre producer, this consideration should be made (A; G; I). There are fewer legal rules for self-developed shows, according to subsidized producers, but there have been some general agreements: “When much more repertoire was made, there was a national agreement of some kind of list that the first one who said they were going to do a Romeo and Juliet could do it and then the other companies couldn't do it” (H).

### **5.3.2 Audiences**

The audience is considered an influential stakeholder in theatre since there is no show without spectators. A performance can be an artistic success, but for most producers, ticket sales from individual visitors must also be enough to cover the costs. The previously observed societal changes and the pandemic have triggered a changing attitude of the public, which every producer must take into account in order to generate revenue from ticket sales and guarantees. That is why attracting audiences is a core activity of the sale process (Ibell, 2009). However, the target audience group has changed over the years.

The status of theatre is evolving from being elite to being accessible to everyone. Producers must choose whether to focus on young people for theatre shows or the older generation. All respondents could be assigned to one of the following categories: some producers choose a target group per show they produce, others try to reach an intergenerational audience, and others decide to invest in younger audiences as the future audience. A clear pattern for commercial or subsidized producers does not emerge from the data, because it rather depends on each company's artistic vision, organisational structure, and marketing strategy. Either way, focusing on shows “just a bit hipper and a bit younger and a bit more on entertainment” seems to be evident in attracting younger visitors (J). This is also supported by the initiative of talent development for several subsidies, which enables “that makers get the chance to make new productions here in a protected environment” (E).

Due to uncertain financial situations and more spontaneous outings after corona, the respondents see a clear trend for shorter-term decisions of visitors as well. This is more difficult for both theatres and producers, because “in any case, the entire public in its total breadth is no longer so inclined to order tickets very far in advance. These are all things that you have to take into account and that you really see shifting. So it is not only the youth group, but also the consumer behaviour that you always depended on in a different way that is changing” (B). A business leader of youth theatre observes the same trend for schools: “We are actually used to always working with

fixed budgets in connection with those from single premiums, then we actually know very well where we stand. But since the schools decide so late since the corona period, that is an uncertain factor that we have to work with, which sometimes makes it difficult.” (D).

Another trend the youth theatre sector is dealing with is the conservatism of their audience. “It is really extreme how negatively some themes are treated. Of course, we don't actually have control over our own target group at all, because there are always those stupid parents and teachers upstairs, and I have noticed that they are becoming increasingly fussy and conservative in recent years.” as one respondent mentions (F). The other genres do not experience this challenge, since most audience members are not reliant on parents or schools deciding for them.

Although Epstein (2017) claimed that, despite the convenience of online entertainment platforms, people still prefer to come to theatres for a live and shared experience, audiences appear to have become more restrained and impulsive in recent years due to a combination of technological developments and the pandemic. Notwithstanding the changing attitude of the audience, the importance of marketing is to keep attracting people to theatre and to focus on target groups, which differ per company.

### **5.3.3 Intangible factors**

In this chapter, the general findings have been shared about factors important for deciding which and what kind of representation to make. Yet success, whether financial or artistic, is not always easy to clarify. According to most respondents, there are intangible factors that should also be taken into account in these considerations.

The first one on that list is the permanent development of the theatre landscape. Not only in terms of supply and demand but also in the changes in global society. “You sometimes don't know what you can and can't say... It is different every time. After that, the market has changed again, society has changed again, the mores are different and then something used to be fun is no longer possible now” (F). Due to these dynamics, it might be arduous to predict when is the best time to produce a show. Thus, a performance must be produced at the right time in the right place. In the case of a licensed show, the rights for that particular theatre production must be available as well.

According to most respondents, the success of a show partly comes down to luck, because success is not predictable, even with market research. One respondent points out: “Then it also happens to be the location that plays a significant role in determining whether a performance is a success and whether it has the impact that you know it will have and of which you hope that it comes true” (B). Some individual interviewees have perceptions on their own when it comes to remaining successful: “For producing shows you need a certain experience and a routine and the

moment you have mastered that, you know how to deliver quality. That's where experience comes in.” (A).

Subsequently, 'flexibility' was mentioned as another element; “You must also always keep that space for yourself to move away from previous ideas the moment something else comes along or something better or an opportunity to respond to something” (B). These two findings were both mentioned by two other respondents as well (C; J).

The findings emerging from the data were not anticipated or found in previous academic research. Time, luck and flexibility were the elements that mainly came to the fore in the interviews, resulting in interesting additional factors for the decision-making process.

## **6. Discussion**

This research contributes to the accurate mapping of the decision-making process of theatre companies in the cultural sector of the Netherlands. It aims to shine a light on the challenges that theatre producers must overcome given the aforementioned trends in the cultural sector and contemporary issues. From the research, some fruitful and refreshing findings have emerged, which will be discussed in the concluding chapter. However, before the final remarks are made, the results should be interpreted in comparison to chapter 2. To start, the three themes are discussed next to the theoretical framework in order to establish and discuss new findings. The findings thereafter are weighed against one another to demonstrate their value and to create a new framework. At the end of the chapter, some final limitations are specified and suggestions for further research and implications are provided.

### **6.1 Theme 1 in the context of the theoretical framework**

The first theme aimed at establishing the most significant economic factors in the decision-making process. The theatrical landscape described focuses on the emergence of streaming services and technological innovations within theatre and the consequences thereof. Both data and literature seem to align on the increasing substitution of live theatre (Epstein, 2017; Producer-sided, 2023). The growing importance of Codes of Diversity and Inclusivity was confirmed by the respondents as well, especially by the subsidised companies. The finding that the field of theatre deals with an abundance of supply seems remarkable, as scholarly papers, to the researcher's knowledge, have not yet covered the saturation of the produced shows in the Netherlands. Especially with the cultural austerity from 2012 and Covid '19, which gave the cultural sector a major blow, the situation sketched rather focuses on the support for the cultural sector than its wealth of supply (Abels, 2014; NOS, 2022). In light of the abundant supply, it is notable that none of the respondents mentioned the role of competition with each other, with attracting the audience being a challenge in itself and the increasing popularity of online entertainment being the common enemy.

Concerning the financing, costs and income of theatre producers, most of the provided insights of the theoretical framework were in agreement. Langeveld's (2014) perspective on pricing strategies was neither rejected nor confirmed, except for the confirmation of his cost-plus model, as Dutch theatre producers generate income from ticket sales and the number of visitors, which is budgeted in advance. The large expense of venue costs, as mentioned by Towse (2014), was not reflected in the data. This could be explained by the fact that the cooperation model between Dutch producers and theatres differs from the American and English ones, where private theatres are more

common (Weiss & Gaffney, 2015). On the other hand, the model for investing in theatre shows on Broadway and West End, as described by Ibell (2009) and Weiss & Garney (2015), has been proven by the analysed data.

In the literature review, it is assumed that co-producing is more demanding because of interdisciplinary co-creation and the compartmentalization of the national funds' financing system (Van Haeren, 2019). The findings did not include any information about interdisciplinary co-creations, but coproducing with other theatre producers within the field. The two most important effects were an extra partner in the financing, resulting in more budget, and shared decision-making, as the levels of risk and success are shared.

Last but not least, the results provided more details about the subsidy process and its influences, derived from subsidised theatre producers and a private fund. The impact of subsidy on financial and artistic liberty is greater than anticipated, which provided new insights next to the previously presented academic literature.

## **6.2 Theme 2 in the context of the theoretical framework**

The theatrical framework elaborated on the role of the artistic vision within a theatre company and how it is leading in the first choices of licensing or creating a show (Adler, 1971; Boerner & Jobst, 2011). The data analysis provided various appropriate insights into the artistic vision of theatre producers. Stories based on truth and the stardom phenomenon are the most concrete findings when it comes to cultural trends. The choice to cast well-known artists occurs to stimulate demand for a show, illustrating Adler's (2006) statement that stardom does not emerge from talent necessarily, but from popularity, consumer judgement and consumption capital. The influences from Broadway and West End were briefly named in chapters 1 and 2, but the responses from the interviewees helped to clarify that there are differences in the creation process and why they keep an eye out for new shows.

The artistic vision determines the creative guidelines for the rest of all the choices that are made in the creative and production process according to the results. This raises the issue of whether the artistic vision is definable for the company's financials or the other way around. The majority of the respondent found the artistic value the most important aspect when creating a new show, whereas two respondents put the financial value in first place. Two interviewees emphasized that even though a budget has its limits, it should enable as much artistic freedom as possible, and not the other way around (D, G). Since scholars might have different opinions on the situation, it seems that artistic considerations are prioritized, within the financial borders, including private

financing and subsidies. If during the application the artistic vision and production plans already need to be complete, then the money indeed comes in after the creativity has flowed.

As discussed in the results, the value of reputation emerges as an essential element in the decision-making process as, as theatre producers compose their repertoire partly on that basis. It was striking because this importance has not been labelled by the discussed literature. Still, since a third of the respondents noticed its significance, it is considered an important factor in the decision-making process.

Now artistic considerations may have an important say in the decision-making and production process, yet, the standards of artistry seem impossible to measure. The inspiration differs per company, as well as the definition of success, which both are part of the artistic vision. Further research on this topic could be recommended to properly adopt it.

Continuing the discussion about the balance between finance and artistry, what is the power of the artistic when it cannot be determined and it is ultimately about generating income? Gapinski (1986) and Lévy-Garboua & Montmarquete (1996) viewed this from the economic point of view, namely that the box office results, income from ticket sales and the demand of the audience are what is most important. Yet, three-quarters of the respondents agreed on the artistic importance of a show, because theatre is a form of art and the intrinsic motivation to create art is the primary reason the sector exists. Repeating what some respondents said in the interviews, the profit margin in the theatre sector is minimal.

### **6.3 Theme 3 in the context of the theoretical framework**

After the ups and downs in the past decade, some theatre producers prefer playing safe. Well-known titles and reprises seem to have the upper hand in terms of repertoire. This seems to be a new development, but after the cultural cuts in 2012, the same trend occurred (Thierens et al., 2018). In addition, obtaining rights plays a crucial role, because, without permission and agreements, there is no exclusivity, no licensed show at all. Carroll (2012) and Ibell (2019) provided insight into acquiring rights procedure, which is supplemented with findings from the results. The information matches and can therefore be accepted as confirmed assumptions.

The challenge in attracting audiences is a well-known problem; people are scared to try new things, as money is limited and the financial situation since the inflation and increasing gas prices are not helpful (Chapter 7; Lustgraaf, 2022; NOS, 2022). The data also showed that in a society with changing social codes, the parents of young people seem to be becoming more conservative. And, not to forget, the technological developments, which have already been discussed earlier in this chapter, have facilitated online entertainment, making young people in particular less attracted

to the theatre. The previously described trends arise from scholarly studies and the collected data contribute to this difficulty. The external situation the public finds themselves in has changed, but an interesting angle for further research would be the perspective of the Dutch public. Their taste is influenced by marketing, by the supply, and yet, their behaviour is not always predictable (J; Lévy-Garboua & Montmarquete, 1996). Marketing, attractiveness and exclusivity play a crucial role in the ticket sale, demand and reputation of the company.

Surprisingly, the data collection process seemed fruitful in identifying additional aspects, playing a role in the decision-making process, that had not been covered in the discussed literature. Examples are the importance of the title of a show and intangible factors. Intangibles such as time, luck, and flexibility seem to be impacting the success of the show and the decision-making, but can never be considered trustworthy to take into account, since they are quite difficult to predict. In order to know the exact impact of these unassailable elements, further research should be conducted. In the meantime, it is merely possible to establish them as influential to the decision-making process.

#### **6.4 Balancing interests**

Creativity and culture are seen to have qualities that are beneficial to the general public and improve the quality of life (Towse, 2014). It is crucial to learn from notable theatre producers how much creative freedom prevails over corporate interest, given the sector's growing budget constraints, and to ensure that creativity within the theatre world is not compromised. As theatre producers are facing shifting trends and social development, they try to keep their heads above water both financially and artistically. As this research focuses on the balance between economic aspects, artistic considerations and other elements, it is time to see if a ranking can be made.

As discussed previously in this chapter, the artistic and financial factors seem to be the heaviest stones in the shell, with the first, based on data, slightly heavier. Since 'reputation' was also put remarkably high for one-third of the respondents, it should therefore be considered as important as financial factors. Next to artistic, financial and reputational considerations, the topic and title, audience and security assess the decisions that are made. Under the current developments within the sector, security seems to be important in terms of attracting demand and acquiring rights. The right topic and an attractive title influence the popularity of a show and are thus considered influential elements to take into account. The power of the audience is present as well since a show's success depends on the ticket sale. As became clear in the interviews, the marketing and PR campaign are influential as well, but they are regarded more as a means of reinforcing the foregoing factors than merely taking them into account while making choices. It, therefore, seems evident that

it is below the above values. Finally, the intangibles should be trusted as measurable yet unpredictable factors. A producer depends on them for the success of a performance but has no influence on the extent to which they are used. These factors, therefore, play a role, but are the least considered in the decision-making process.

## **6.5 Limitations and recommendations**

Before the research is concluded, precautionary remarks about the discussed topics are needed. The elasticity and other measures for the financial market described earlier in the literature have not been reflected in the findings. This has to do with the fact this is something that needs to be investigated sector-wide. Insufficient data emerged from the interviews and all providers within a certain type of theatre will have to be included if that is to be established. It could be a potential topic for further research.

Subsequently, the central question arose among respondents whether commercial and subsidized theatre can be compared with each other for this study. Although most believed that discussing the difference, in the same way, would be a good addition to theatre research in general, a few believed that the motives are so different that a comparison between the two is not desirable. This research's intention has been to establish general factors of the decision-making process of theatre producers, in which there is the opportunity for refinements with regard to the difference between commercial and subsidized producers. From these observations a follow-up study on commercial producers only and one aimed exclusively at subsidized companies would be useful to gain a deeper understanding of each of these two categories.

Finally, this information remains dependent on the openness of the interviewees. Although each interview has made a valuable contribution to the research, the qualitative form of this study remains linked to subjective observations. As thoroughly demonstrated in the methodology, according to the scientific protocols, an attempt has been made to counteract possible bias and to conduct research that is as objective as possible.

## 7. Conclusion

This study has attempted to map factors associated with theatre producers' creative decision-making process. Data was gathered through interviews, from which the results were derived and analysed. Now that these have been interpreted in the framework described by theory, this research will be concluded with an overview of the general findings and answers to the research question.

Based on the results and the discussion, a model has been developed to capture the core factors of the decision-making process and its impact on the decisions (See table III).

To begin with, it should be noted that the process of decision-making is more subtle than a stark divide between the artistic, the economic and other factors. A factor in the decision-making process is most of the time linked to a number of other elements.

First of all, there are three

main trends in the cultural sector and society which form external factors of the decision-making process. They are meaningful for the environment in which the decisions are made, and categorized into three topics; social, technological and economic. The war in Ukraine, the emergence of streaming services, and the overflow of supply are examples of these indirect factors in the decision-making process.

The internal factors are of importance for the decision-making in the company, which directly impacts the choices for the production of shows. An artistic choice can affect ticket sales or the budget and seemed to be the most important value to consider. In turn, there needs to be sufficient financing as the budget serves the creative possibilities. In addition, it has become apparent that the financial and artistic considerations are not solely representing the decision-making process. The influence of reputation also comes into play as a big player, serving to provide a framework for the choices, just like the financial factors do. Theatre producers need the security of an audience and the audiences would like to know what to expect, so the degree of certainty for a show's potential success and the power of the audience definitely play a role in the consideration of whether the producer wants to produce a licensed show or develop a new one. Furthermore, the theme and title of a performance factor into these choices. Marketing and public

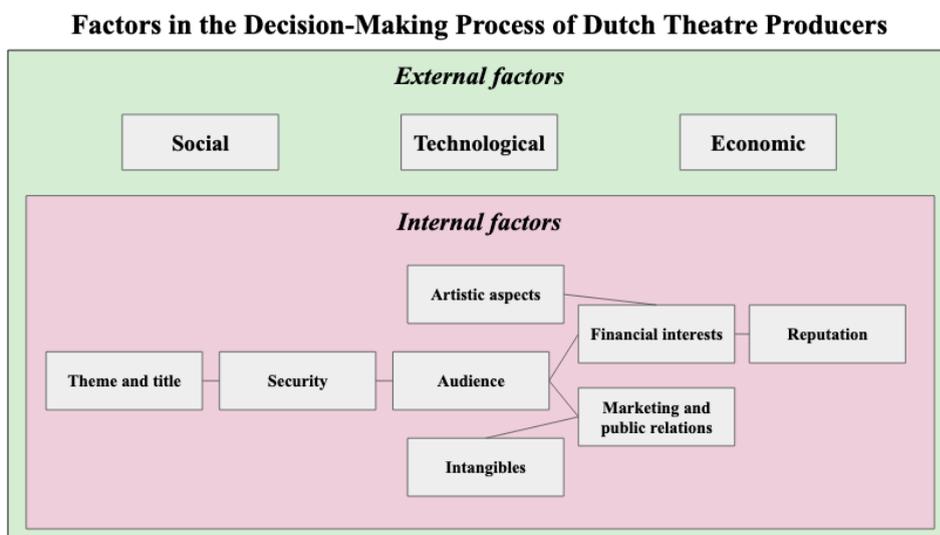


Table III Factors in the decision-making process of Dutch theatre producers

relations impact choices and are significant means of stimulating other factors. All theatre producers need to attract a sufficient audience to at least cover the costs and ideally build a reserve, which is connected to the financial factors as well. Commercial parties even need profit to keep producing other shows. Finally, untouchable factors such as timing and luck are also impacting decision-making, yet, their unpredictability often leaves the exact explanation of success a puzzling occurrence. Still, it remains difficult to generalize the findings by making one model for all cases, since each company has its own values and order of factors to keep in mind.

The research question of this study was: To what extent and for which reasons do Dutch theatre producers balance artistic and economic choices to remain a profitable business? Essentially, the answer boils down to the fact that artistic choices are free within the constraints of the budget. A more nuanced answer might be provided by distinguishing between commercial and subsidized musical and music theatre.

Subsidized theatre producers set themselves frameworks for subsidy applications, which determine the creative course for them for a certain period of time. Even though they are not for profit, the balance at the end of the project, including the grant, should be neutral. Artistic motives for creating a performance weigh heavily, and the budget serves the purpose of making the plans possible. Other variables such as the title, marketing and flexibility, and sometimes reputation are also valuable to take into account.

Commercial theatre producers often focus on a balance between licensed and self-developed performances. Well-known Dutch people, security, financial factors, the audience and the reputation of the company are decisive parties here. The artistic vision lies with the board and creative team, and less often comes from a theatremaker. Creativity may flow whenever the budget allows it. Yet, their overall artistry is still of paramount importance. And how creatively the budget can be used depends on each company.

For a more precise elaboration of each factor, further research should be done into smaller elements rather than putting everything into one general overview. This research has made new findings and has been able to confirm existing beliefs. The Dutch theatre landscape has plenty of theatrical initiatives which come in all shapes and sizes. Enough opportunities for Dutch researchers to get started with this. Hopefully, the theatre halls will fill up a bit after eventful years because, after all, the show must go on.

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## **Appendix A: Information interviews in alphabetical order**

Anonymised, J. April 6, 2023, Amsterdam.

Anonymised, May 4, 2023, Amsterdam.

Bürger-Bruijjs, U. *Cook-A-Dream/ MusicalMakers*. April 26, 2023, online.

Dijkhof, N. *MediaLane*, May 2, 2023, Amsterdam.

Duijf, N. *MaxTak*, April 25, 2023, online.

Gubbels, M. *MaxTak*. April 28, 2023, online.

Moeremans, S. *Het Zuidelijk Toneel*. May 3, 2023, online.

Mouwen, R. *Club Gewalt*. May 25, 2023, Rotterdam.

*Orkater*, April 11, 2023, Amsterdam.

Voogel, M. *OpusOne*. April 11, Amsterdam.

Vos, J. *Prins Bernhard Cultuurfonds*, May 16, 2023, online.

Zanting, A. *MORE Theatre Productions*. May 10, 2023, Amsterdam.

## Appendix B: Interview guide theatre producers

### *A: Algemeen*

1. Zou u om te beginnen wat kunnen vertellen over het bedrijf? Bijvoorbeeld over het genre, de grootte van het bedrijf, gemiddelde publieksgrootte, waarden/ missie/ visie.
2. Wat is uw positie binnen het bedrijf?

### *B: Het besluitvormings- en productieproces*

3. Produceert u nieuw ontwikkelde shows of gelicenseerde? Waarom?
4. Op welke gronden maken jullie de keuze voor een bepaalde productie?
5. Wie zijn daarbij betrokken en wie niet?
6. Wat is uw rol in het verdere creatief proces?
7. Welke rol in het eerder beschreven team is in de afgelopen 20 jaar belangrijker geworden?
8. Zijn er bepaalde factoren die deze besluitvorming sterker beïnvloeden dan 20 jaar geleden?
9. In hoeverre houdt u rekening met andere betrokken partijen, zoals investeerders of het publiek?
10. Wat is de voornaamste reden om een productie te laten toeren of juist in één theater te laten staan?

### *C: Financiële factoren*

11. In welke mate speelt de competitie een rol wanneer er besluiten rondom bepaalde producties moeten worden gekozen?
12. Hoe denkt u dat het theaterlandschap veranderd is over de laatste 20 jaar wat betreft vraag en aanbod?
13. Heeft u als doel om te produceren wat gevraagd wordt of om vraag te creëren aan de hand van wat u produceert?
14. Welke rol speelt marketing hierin?
15. Heeft het bedrijf een vaste marketingstrategie?
16. In welke mate hangt u af van subsidies? Indien van toepassing, bij welke fondsen doet u aanvragen?
17. Wat is uw gemiddelde budget voor het maken van een voorstelling?
18. Waar bestaan uw grootste vaste kosten uit?
19. Hoe kan het bedrijf zeker genoeg zijn dat deze kosten worden gedekt of worden terugverdiend?
20. Hoe wordt besloten dat een voorstelling een financieel succes is?

*D: Artistieke factoren*

21. Waarom vindt u theater als kunstvorm belangrijk?
22. Is creativiteit de grootste drijfveer achter het produceren van theatervoorstellingen? Of zijn er andere artistiek motiverende redenen?
23. In welke mate wordt dit beïnvloed door de toekenning van subsidies?
24. In welke mate vindt u het van belang dat de geproduceerde voorstellingen zich onderscheiden binnen het theaterlandschap?
25. In welke volgorde staan de volgende waardes wanneer uw bedrijf kiest voor het produceren van een show? Artistieke waarde, educatieve waarde, entertainment, financiële waarde, reputatie van het productiebedrijf, belangen van betrokken partijen, media, uitdaging.
26. Hoe wordt besloten dat de show artistiek gezien een succes is?

*E: Afrondend*

27. Zijn er factoren of thema's die voor het besluitvormingsproces van belang zijn, die nog niet besproken zijn?
28. Heeft u nog verdere opmerkingen of vragen?

## Appendix C: Interview guide fund

### *A: Algemeen*

1. Zou u om te beginnen wat kunnen vertellen over het bedrijf? Bijvoorbeeld over het genre, de grootte van het bedrijf, gemiddelde publieksgrootte, waarden/ missie/ visie.
2. Wat is uw positie binnen het bedrijf?

### *B: Het besluitvormingsproces*

3. Hoe gaat u te werk bij het verwerken van aanvragen?
4. Op welke gronden maken jullie de keuze voor een toekenning?
5. Wie zijn daarbij betrokken en wie niet?
6. Hoeveel aanvragen kennen jullie toe per jaar?

### *C: Het landschap*

7. Wat zijn de grootste veranderingen in de afgelopen jaren geweest met betrekking tot het toekennen van subsidies binnen de afgelopen 5 tot 10 jaar? Bijvoorbeeld in eisen of procedures.
8. Wat zijn de grootste ontwikkelingen geweest binnen het soort aanvragen dat wordt gedaan binnen de afgelopen 5 tot 10 jaar?
9. In welke mate is het theaterlandschap veranderd in de afgelopen 5 tot 10 jaar?
10. In hoeverre wordt er rekening gehouden of een aanvrager al subsidie ontvangt vanuit een ander fonds?
11. In hoeverre wordt er rekening gehouden of een aanvrager al eerder een subsidieaanvraag bij jullie heeft gedaan of heeft ontvangen?
12. In hoeverre zijn er afspraken tussen fondsen onderling over doelen en richtlijnen voor subsidies?

### *D: Financiële factoren*

13. In hoeverre geldt er een verantwoording van de uitgaven van de subsidie?
14. In welke mate wordt er gekeken naar het financiële succes van een voorstelling?
15. Wat is het gemiddelde budget voor het toekennen van subsidies?
16. Op welk moment en waarom wordt het geld van de toegekende subsidie aan de desbetreffende partij uitgekeerd?
17. Wordt de toegekende subsidie ook gegeven als de aanvraag veel verandert?

*E: Overige factoren*

18. Waarom vindt u theater als kunstvorm belangrijk?
19. In welke mate is het belang van landelijke spreiding beslissend voor de aanvraag?
20. In welke mate is het belang van talentontwikkeling beslissend voor de aanvraag?
21. In hoeverre wordt er gekeken naar de artistieke inhoud van een voorstelling?

*F: Afrondend*

22. Zijn er factoren of thema's die voor het besluitvormingsproces van belang zijn, die nog niet besproken zijn?
23. Heeft u nog verdere opmerkingen of vragen?

## Appendix D: Coding index\*

Theme	Category	Code groups	Code examples
<b>Economic rationales</b>	Demand and supply	Demand and Supply, Economy, Landscape	Supply, balance, well-known person, decision-making, labour circumstances, competition, cultural policy, demand, diversity, inflation, easy form of entertainment, market research, market forces, proceeds from ticket sales, problem landscape, etc.
	General costs	Budget, General Costs, Business Management, Taking Risks, Creating New Shows	Budget, decision making, business strategy, co-production, commerce, expensive, efficiency, equity, financial framework, financial management, guarantee, influence management, subsidy framework, personnel costs, cost setting decor light and sound, etc.
	Financing	Financing, Taking Risks, General Costs, Budget, Investing in New Shows, Profit	Financial management, fundraising, budget, commercial vs subsidized, own income, balance, subsidy, risk aversion, financial buffer, breaking even, small profit margin, sales representations, etc.
	Generating income	Generating Income, Success, Profit	Revenue model, ticket sales, sales of performances, subsidy, breaking even, profit, commerce, inflation, title, impulsive audience, realistic, collaboration, corona, financial success, cover costs, etc.
<b>Artistic rationales</b>	Cultural trends	Cultural Trends, Creating new shows, Influence from Abroad	Security, title, based on truth, influences abroad, easy form of entertainment, cultural

			preservation, reprise, difference abroad: development, difference abroad: pond, theater as medium, entertainment, audience, Dutch theater landscape, consumer behavior, problem landscape: too much supply, too little audience.
	Artistic vision	Artistic Vision, Creative Process, Theatre as Art, Inspiration New Titles	Live aspect, social event, speed of society, importance of theatre, self-development, creative process, theme of performance, title, innovation, quality, inspiration, artistic content, artistic success, market research, artistic vision, talent development, celebrity, passion, experience
	Theatre as a form of art	Theatre as Art	Creativity, innovation, entertainment, thought provoking, musical content, urgency, culture, personal development, emotions, artistic freedom, authenticity.
	Standards of artistry	Artistic Vision, Programming, Attractiveness and Exclusivity , Theatre as Art, Success,	Self-development, production process, collaboration, creative process, marketing, thematic presentation, selection process, artistic content, artistic success, market research, musical content, commerce, passion, no yardstick for artistry, pushing boundaries, audience loyalty
<b>Additional rationales</b>	Audiences	Audiences, Purpose of Producing, Generating Income	Collaboration, audience, creativity, marketing, theme presentation, title, tour, innovation, corona, entertainment, artistic content, financial success, decision-making, media,

			socially relevant, audience reach, focus younger audience, region, problem: too much supply, too little audience, sales performance, change in audience.
	Marketing	Marketing, Audiences, Generating Income, Attractiveness and Exclusivity	Collaboration, audience, marketing, presentation theme, quality, artistic content, market research, title, challenge, media, audience reach, region, sales presentation, commerce, investment, Proceeds from ticket sales, communication with the public.
	Attractiveness and exclusivity	Attractiveness and Exclusivity, Licensing, Creating New Shows	Licensing, Developing a show yourself, collaboration, creativity, marketing, tour, quality, inspiration, planning, casting, artistic content, decision-making, well-known person, obtaining rights, new repertoire, region, certainty, financial framework, audience loyalty, originality.
	Intangible factors	Additional Factors, Taking Risks, Success	collaboration, licence, thematic performance, budget, corona, market research, artistic success, financial success, right people in the right place, flexibility, duration, location, efficiency, originality, intuition, time pressure, risk aversion, wealthy family, risk management, difficult to explain success, time of production, luck

\* The entire coding book, present in the author's archive, is available on request

## Appendix E: General data visualisation

Self-formulated data model based on the codes and code groups. The Sankey diagram consists of the code groups on the left side, and the document names on the right side. Visualisation is made possible through Atlas.ti.

