DEDJTR - Creative Victoria

Victoria's Creative Industry Festivals Review

CREATIVE VICTORIA

L.E.K.

March 2018

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Agenda

- **Executive summary**
- Victorian creative industry festivals landscape
- Issues and opportunities identified
- Recommendations
- Appendix

Background to the Festivals Review

- Victoria is Australia's leader in creative and cultural excellence, with Melbourne a recognised international centre for culture and the arts
- Festivals are a key element of Victoria's creative landscape and positioning, but their role in the creative economy, the creative pressures they face, and the requirements for their success have each changed considerably in the period since the last substantive review of the festivals sector in 2005
  - The traditional role once played by festivals, of introducing or commissioning work (local and overseas) has changed. Victorians can now access quality content in year round programmed events
  - Festivals in Victoria also face increased competition for interstate and overseas visitors, with major festivals in South Australia, Tasmania and NSW growing in stature
- To respond to these changes, Creative Victoria are reviewing (within the mandate of the Creative State Strategy – Action 28) the role, delivery and operation of the festival portfolio; to **provide an improved common understanding of the festival landscape**, and **to identify opportunities to improve the effectiveness, sustainability and contribution of creative industries festivals to Victoria.**
- The review of festivals has been established with the following objectives:
  - Describe and map the current Victorian festivals environment
  - Estimate the value and significance (economic, cultural and social) of festivals to the state
  - Examine the current role of festivals, how it may have changed, and the contribution festivals currently make to Victoria
  - Assess the strengths, weaknesses, opportunities and threats within the festivals sector including comparisons with interstate and international benchmarks
  - Recommend to Government actions that will improve the operations and sustainability of Victorian festivals and their contribution to the state
- To support the delivery of the overall review, Creative Victoria appointed L.E.K. Consulting to assess the size and shape of the festival landscape and identify opportunities to improve its overall functioning and impact
  - This document is the product of that review

Important definitions (1)

- For the purposes of this report we use the definition of festivals as defined by Festivals Australia

  "… A regularly-presented program of events open to the public providing an opportunity to gather and celebrate…"
  Festivals Australia

- The focus of this report is 'Creative Industry Festivals', defined as festivals estimated to have at least 20% of creative programmed content. Creative elements include
  - Circus / physical theatre, dance, design, digital media / games, fashion, multi-art form (3 or more art forms), music, publishing / literature, screen production / film, theatre and visual arts

- Creative industry festivals are further broken down by role (based on internal Creative Victoria* framework)
  - **Art form:** focusing primarily on a single art form such as visual arts, performing arts, literary arts or multi-art form (e.g. Emerging Writers' Festival)
  - **Identity:** focusing primarily on a community of interest such as ethnicity, sexuality or social group (e.g. Midsumma Festival)
  - **Location:** focusing primarily on a geographic area such as a park, a town, a suburb or natural feature (e.g. Mornington Street Festival)

- Although not a focus of this report there are a number of festivals that do not contain a creative industry component, such as the Melbourne Food and Wine Festival, Melbourne International Garden Show or the Spring Racing Carnival that also play an important role in the Victorian Events calendar

Note: *Organisations Investment Program C. Output: Cultural Festivals Framework
Source: Festivals Australia; Creative Victoria

Important definitions (2)

- This study identified and documented a total of 437 active Creative Industry Festivals within Victoria (57% Metro and 43% Regional)
  - As a reference point, an earlier list, compiled from a variety of sources including Creative Victoria, Multicultural Arts Victoria, Regional Development Victoria included 1,800 festivals of all types. Many were outside the scope of this report (i.e. non-Creative Industry Festivals like Food/Wine festivals, exhibitions etc), and some were inactive

- Festival 'size' can be reasonably measured using a number of different dimensions (including budget, audience, artists / practitioners). For this research, we have classified festivals into size bands using a combination of three different surveyed metrics, as follows:

- In order to be classified as small, medium or large, festivals must satisfy at least two of the following three criteria:
  - **Small:** Less than 1,000 attendees, less than 100 artists and less than $100,000 in budget
  - **Medium:** Between 1,000 to 100,000 attendees, between 100 and 1,000 artists and between $100,000 and $1m in budget
  - **Large:** Greater than 100,000 attendees, greater than 1,000 artists and greater than $1m in budget

Source: Festivals Australia; Creative Victoria

This review draws on a range of important sources

- The last major review of the Victorian festival landscape was completed in 2005 by PWC (Titled 'Whole of Government Arts and Cultural Festivals Review'). Within its findings, the review notes a range of cost and capability challenges, calls for increased government funding (particularly in regional areas), and notes a need for improved co-ordination and outcome measurement. Though it estimates a population of around 500 Arts and Cultural festivals, the study focuses on a set of ~ 60 festivals, roughly 40 metro and 20 regional
- Our work has also drawn on the study completed in 2015 by Andrew Bleby for the Australia Council (titled 'National Festivals Scan and Key Strategic Issues Report'). The report was based on a survey of some 163 festivals around Australia
- The findings of the current review were anchored in three core sources of data:
  - A comprehensive database of 437 Creative Sector festivals currently operating in Victoria – covering a range of attributes and assembled from a range of funding data, past contact lists, and secondary research
  - Detailed consultations with ~20 expert industry participants
  - A festival organisers survey – which was sent to 350 discrete Creative Sector festivals and completed by 133
- An important aspect of the current review is the depth of the engagement and consultation undertaken within Victoria – which means that the views of smaller and regional festivals form a very important part of this review
- Several of the recommendations within this review (profiled in detail later) – particularly in the areas of networking, co-ordination and overall portfolio strategy, echo certain findings within the prior reports

The festival landscape is best viewed as an ecology, in which government invests to stimulate and optimise the delivery of social, cultural and economic benefit

Festivals are a dynamic ecology

- The festival ecology is constantly evolving – festivals require relatively few assets in place, and run on creative ambition, goodwill and insecure funding. Their relevance and popularity rises and falls as their distinctiveness, public support, and competition evolves.
- Creative festivals generally target creative enrichment and development, rather than commercial outcomes. They typically leverage their funds for maximum possible impact rather than profit.
- Within the ecology, festivals play very different roles. Some are **marketing heroes** – driving strong brand, visitation and ticketing outcomes. Others provide a point of focus and creative celebration for their **communities**. Some operate mainly to develop and elevate the creative talent and endeavour within a particular art-form. In addition to having diverse objectives, festivals also differ widely in their scale and ambition.
- As an ecology, festivals are weakly coordinated, leading to specific areas of unrealized opportunity (e.g. congested calendar, specific knowledge and capability gaps) even as the sector grows steadily.

Creative Victoria's role is primarily to fund festivals as a source social, cultural and economic amenity

- **Creative Victoria** is mandated (in festivals and other areas) to provide funding and support programs which stimulate high quality, diverse creative activity across the state; strengthen Victoria's reputation as a centre for creative excellence; and ensure that all Victorians have opportunities to enjoy, participate in and benefit from a rich creative ecosystem.
  - Creative Victoria provides funding to c.10% of the hundreds of creative sector festivals in Victoria.
- Though it plays an important leadership role across the creative and festivals sectors, Creative Victoria's mandate / control over the space is limited by design. Most of what occurs within the festivals ecology does not rely on government support.
- Other areas of State Government (including Visit Victoria, and the Victorian Multicultural Commission) also invest in festivals to further their respective mandates. Local and federal governments also contribute funding, and the sector draws further support from the corporate and philanthropic sectors.

Though their direct commercial outcomes vary, festivals provide substantial amenity and support various policy objectives. Creative Victoria uses them to drive a range of outcomes

Cultural benefits

- Providing a vehicle for showcasing creative works from a fragmented base
- Furthering the development of creative / artistic talent
- Providing distinctive platforms for combining and curating old and new, small and large works, and different art-forms
- Helping Victorian creative talent to connect with opportunities in other markets

Social benefits

- Facilitating wider public access to creative art forms
- Supporting wider social goals (education, health, social cohesion)
- Engaging more Victorians in cultural and creative endeavour
- Providing distinctive, high profile public events

Economic benefits

- Providing creative employment
- Stimulating cultural tourism
- Enhancing Victoria's brand and reputation in other states and overseas
- Providing year to year leverage of creative sector infrastructure (e.g. venues)

Creative Victoria invests in festivals to drive a broad mix of the benefits described above.
This is delivered through funding frameworks such as the **Organisations Investment Program** which describe the outcomes desired through multi-year funding for successful applicants to drive long term outcomes

Festival landscape overview

There are over **430** festivals with a significant (>20% of programmed content) creative component in Victoria

c.43% of festivals are located in regional Victoria

c.60% of festivals identify as 'artform' led

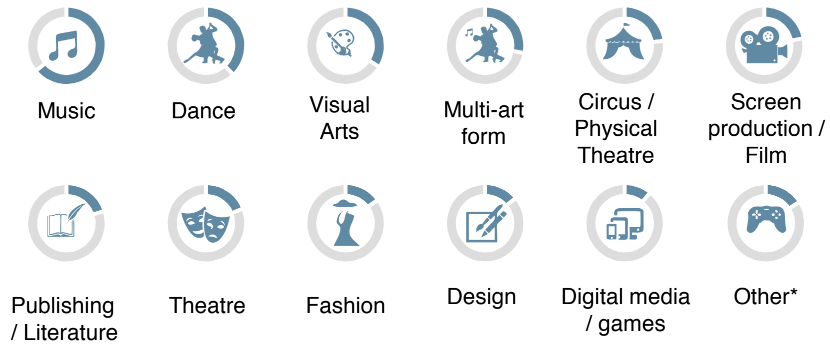
Festivals are concentrated in the summer months. **c.20%** of all festivals are held in March

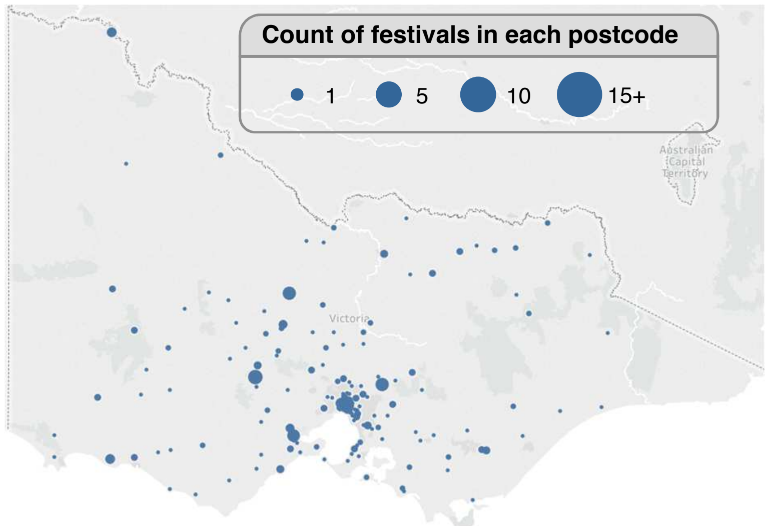
Festivals typically run for fewer than **seven days** across a weekend

The average ticket price is between **$10-$30**, although, c.61% of festivals have a free component

Total attendance to festivals was estimated to be **c.9m** over the past year, of this **c.7m** was estimated to be free, while **c.2m** was ticketed

c.43k volunteer and paid roles are created by festivals annually, of this, **c.12k** are estimated to be paid staff, while **c.31k** are volunteers





Note: Latest festival dates have been recorded; Month in which festival starts; Festivals without date information have been excluded; Primary role segment; When a festival has multiple art form types, the count has been distributed amongst those types; Other includes responses from festival organisers such as craft, puppetry, textile, poetry, zines and opera; * Q7. Which of the following festival art-forms / performance types programmed in your festival? (Select all that apply); Q38 What is the average individual ticket value (face)?; Q2. Which of the following categories best describes your festival?* Q14. What is the total approximate free / non ticketed attendance at your festival over the last 3 years it ran?; Q15. What was the total approximate ticketed / paid attendance at your festival over the last 3 years it ran? Q42. How many volunteers and how many paid staff work at your festival at peak times? ; Q46. How many volunteers and paid staff work for your festival between festivals?;

Source: Creative Victoria; L.E.K. Analysis; Festival database; L.E.K. Festival Survey; ABS

Festivals in Victoria deliver cultural, social and economic outcomes

Cultural outcomes

- The study identified over 430 active creative festivals throughout Victoria – with a broad array of art forms
- Victorian festivals drive around 9m attendances p.a. (both paid and unpaid)
- Around 80,000 performers and practitioners are estimated to take part in the Victorian Festivals ecology each year
- LPA data suggests strong growth in ticketed attendance (13% from 2011-15)
- Based on search data, Victorians are the most highly engaged with festivals

Social outcomes

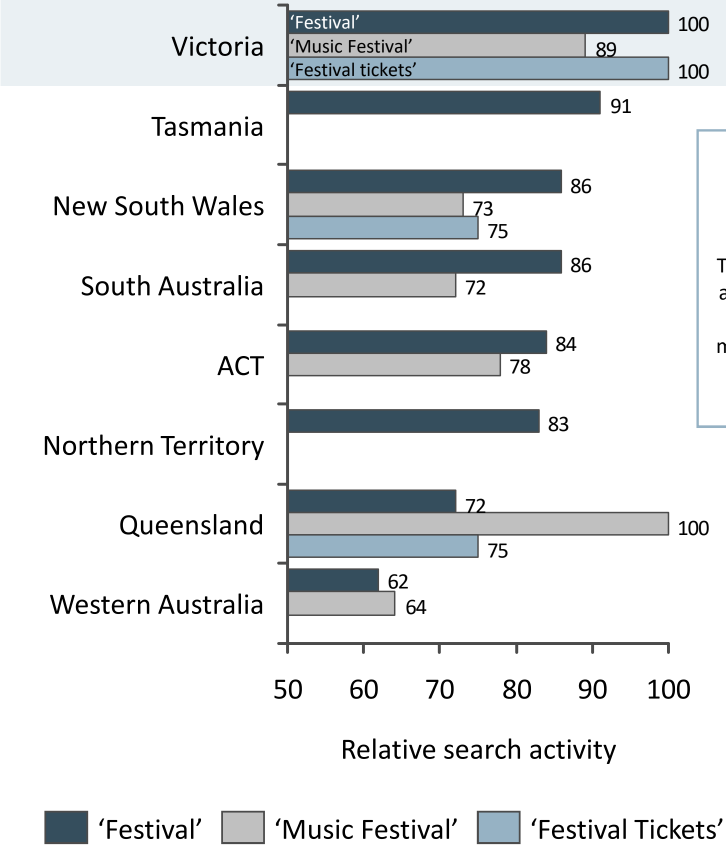
- Festivals provide amenity to city dwellers and regional Victorians alike - c.57% of festivals are held in metro areas, with the balance in inner and outer regional locations
- Within the ecology, 40% of festivals are led by a particular cultural identity (e.g. Greek) or place (e.g. Bendigo). 60% are art form led
- Victorian festivals provide an estimated 31,000 volunteer roles

Economic outcomes

- Victorian festivals provide an estimated 12,000 paid part time and full time roles
- Victorian festivals generate ~2m in paid tickets p.a.
- Victorian festivals have an estimated annual operating budget of $188m
- Organisers report significant visitation outcomes attached to festivals, estimating that 35% of their attendees travel from other parts of Victoria and beyond
- Domestic overnight trips to Melbourne for festivals / cultural events has grown by 18% p.a. from CY2010-15; while regional trips have increased by c.8% p.a.

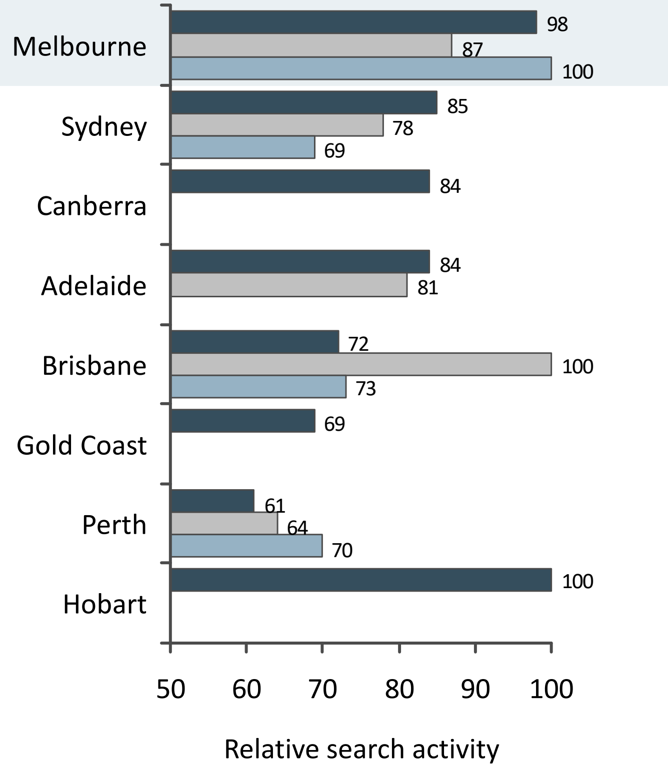
Victorians appear highly engaged in festivals and festival attendance

Relative search intensity by State^
(June 2012 – June 2017)



Victorians show relatively higher search activity on festival-linked terms than users in other markets. The market with the highest activity on each query has a score of 100, with other markets scored according to their relative intensity per user.

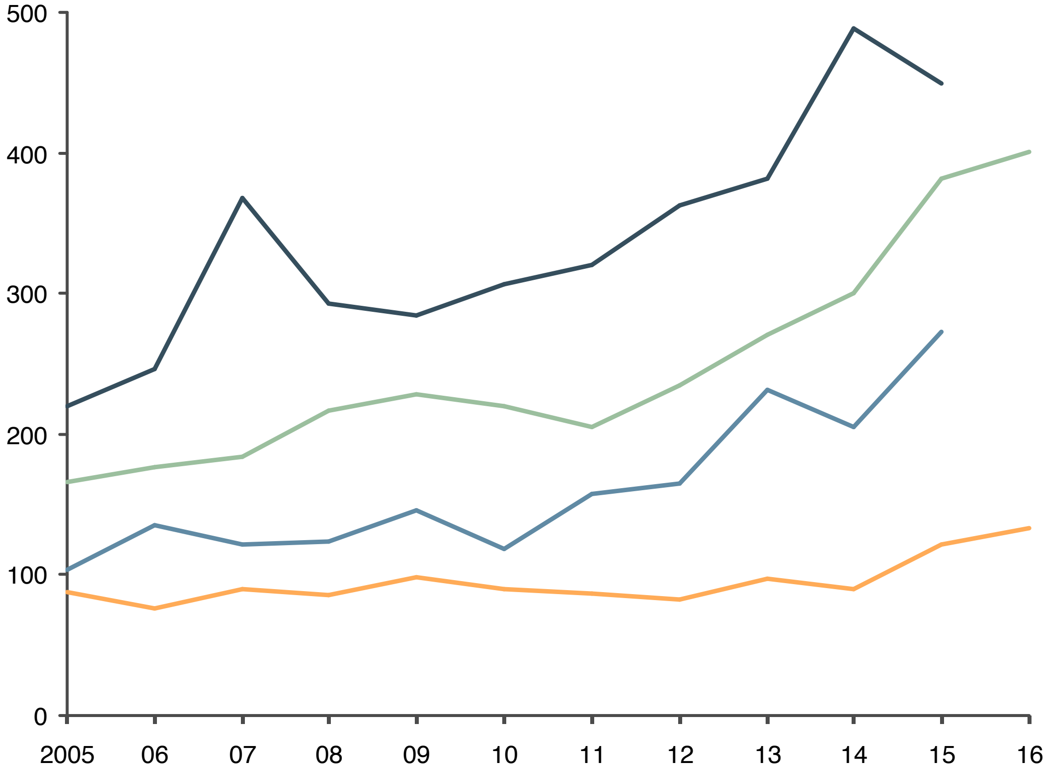
Relative search intensity by City^
(June 2012 – June 2017)



Note: ^ Indices reflect relative interest within each specific search term (max 100). Data for search activity within the Arts and Entertainment category (limited to this category to exclude irrelevant activity) and for the 5 year period to 15 June 2017. Where bar is not shown, data set is insufficient over the reference period.

Tourism Research Australia (TRA) data suggests that tourist visitation at both regional and Melbourne festivals has grown significantly over the past decade

Visitors to festivals / fairs or cultural events in Melbourne and Regional Victoria* (CY2005-15/16)**
Thousands of visitors



	CAGR% (2005-10)	CAGR% (10/11-15/16)**
Domestic visitors (overnight) to a Regional Victorian festival	6.8	8.0
Domestic visitors (overnight) to a Metro Victorian festival	2.6	18.2
International Visitors to regional Victoria who attended a festival in Australia	0.5	6.7
International Visitors metro Victoria who attended a festival in Australia	3.6	14.4

Note: * Overnight visitors on a stopover who elected that a leisure activity on their travels was visiting festivals / fairs or cultural events. Visitors travelled 40km or more to the destination; Visitors surveyed elected that they attended a festival / fair or cultural event somewhere on their trip and visited Victoria. This does not mean that all visitors have visited a festival in Victoria / Melbourne on their stay; **National Visitor Survey data is runs until 2015, while International Visitor survey data runs until 2016

Source: National Visitor Survey; International Visitor Survey

The festival ecology has grown and has undergone significant change over the last decade

Shift	Details and implications	Relevance	
		Metro	Regional
Healthy but un-coordinated growth	Growth in the experiential / out of home leisure activities, cultural awareness and creative sector capacity have driven healthy growth in the Victorian festival ecology in recent years. However, because the sector is dynamic but fragmented, there are a range of capability and co-ordination challenges that restrain its efficiency and impact	✓	✓
Dedicated arts centres	The emergence of dedicated arts centres has allowed creative content to be programmed year round in Victoria. Festivals compete with these year round programmed events for audience and share of wallet	✓	✓
Changing audience / diversity	The demographics and diversity of the Victorian audience have shifted significantly over the last ten years. While content choices have broadened, many festival organisers feel that the overall diversity of the festival portfolio remains lacking	✓	✓
Changing media and marketing channels	Festival marketing and audience communications have shifted with the emergence of social media, online marketing and audience segmentation. As ticket sales move largely online, many festival organisers are not fully leveraging the potential of better segmenting and targeting their audiences	✓	✓
Increasing competition interstate	Over the past decade, Australia's other states have developed their own festival ecologies considerably. NSW has invested to scale and develop its portfolio, while South Australia (in particular) and Tasmania have achieved success with distinctive, focused offerings	✓	✓
Festival maturity	As the Victorian cultural landscape and economy have matured the individual art form festivals have become stronger players within the portfolio (i.e. more distinctive) potentially challenging the role of traditional large festivals	✓	✓
Federal funding changes	Several organisers noted that the changes to Australia Council funding in recent years (including the Catalyst fund) have changed and unsettled the funding landscape for major festivals in particular	✓	✓

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This changing landscape has lead to a number of specific issues and opportunities to improve the sector (1/3)

Category	Specific issues / opportunities to improve	Relevance		Consultation feedback / possible responses
		Metro	Reg.	
Festival coordination	**Event calendar:** Festival landscape is uncoordinated and congested in Summer – with gaps at other times	✓	✓	A consolidated festival calendar would likely have value for destination marketing (even if entirely passive – i.e. just a record) There is also potential for government to play a role in smoothing the calendar through the year (for public amenity and destination marketing) – by incentivising desirable date shifts – particularly to provide product / festival attractions in winter months
Capability support and collaboration	**Marketing capability**: Festivals are typically stronger at programming, staging and networking than marketing, therefore limiting attendance and audience development (especially regional festivals)	✓	✓	Consider specialist marketing / audience development support to assist festivals on strategy, branding and promotion campaigns
	Collaboration and networking: At present festival networking and collaboration is ad hoc / based on personal relationships, therefore limiting IP sharing and skill development	✓	✓	Consider support for a body or web platform to (i) maintain a festival calendar; (ii) manage a contact directory; (iii) host job postings; (iv) share best practices and IP; (v) run networking and mentoring programs; (vi) provide general advice to members
	Back office sharing: Most festivals are fairly autonomous, with effort and activity concentrated around their staging periods, limiting the efficiency of back office functions and career development for workers	✓	✓	Explore opportunities for complementary (e.g. seasonally, creatively, geographically) festivals to share back office functions and staff, driving improved effectiveness and career development
	Umbrella festival brands: The festival landscape is fragmented with cluttered branding and messages	✓	✓	Consider the creation of broader marketing umbrellas / brands within the festivals calendar – to improve promotional effectiveness and create stronger thematic brands (e.g. winter series, kids events over summer holidays) – where appropriate

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This changing landscape has lead to a number of specific issues and opportunities to improve the sector (2/3)

Category	Specific issues / opportunities to improve	Relevance: Metro	Relevance: Reg.	Consultation feedback / possible responses
Major festival configuration issues	**International product and talent:** Larger festivals often use international talent and product to drive marketing impact or festival profile. As international mobility and globalisation continues to advance this becomes more and more possible. While this allows for the assembly of a quality programme, at short notice, it also challenges the authenticity and distinctiveness of local festivals and creative development outcomes / artist opportunities, and makes it more difficult to distinguish international festivals	✓	✓	There appears to be a need for Creative Victoria, in collaboration with Visit Victoria and other agencies, to examine the role and effectiveness of Melbourne's major festivals, and alternative configuration options. Many of the suggestions outlined under 'funding design' below are aligned with this opportunity
	Festival breadth: Several major festivals have greatly expanded programmes and venue footprints which allows each festival to have more touchpoints and reach, but risks diluting the experience, context, sense of place and overall distinctiveness	✓	✓	
	Over servicing core festival-goers: Festivals are most often programmed by strong creative networkers with strong connections to their core audiences. In some cases this appears to result in festivals over servicing their most loyal patrons in content choices, therefore limiting access and broader audience development	✓	✓	
	Risk aversion in major festivals As festivals mature and their budgets expand, it can become harder to experiment and take risks – which again, can compromise their distinctiveness, authenticity and clarity of purpose over time	✓	✓	

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This changing landscape has lead to a number of specific issues and opportunities to improve the sector (3/3)

Category	Specific issues / opportunities to improve	Relevance		Consultation feedback / possible responses
		Metro	Reg.	
Funding design	**Festival objectives:** There is a lack of sophistication and consistency in the metrics that are used to measure festival success and allocate funds (and a consequent lack of accountability and clarity of festival purpose)	✓	✓	Creative Victoria and Visit Victoria should develop a clear framework of Festival roles / purposes (e.g. tourism, artist development) and linked metrics (e.g. bed nights, participating local artists), which are embedded into its funding methodology, used to evaluate performance after events, and promoted as an industry standard to drive broader uses
	Funding roles: Several festivals suggested that there is room for greater clarity and co-ordination between the funding objectives / roles of Creative Victoria, Visit Victoria and other agencies	✓	✓	There may be a value in a whole of government (or at least whole of DEDJTR) funding guide for festivals (and advisory support)
	Audience vs. creative development: Most festivals are curator led rather than audience growth focused. While this is healthy for creative development it can lead to over-service of 'insiders' and a constrained audience base	✓	✓	(Linked to the above) As Creative Victoria and Visit Victoria become more sophisticated in the outcomes they fund, they may wish to consider whether to seek greater emphasis on audience growth / new audience acquisition
	Marquee talent: Regional festivals achieve strong leverage on funding through volunteer and community involvement, but often lack funding for drawcards, either in the form of local talent, or nationally recognized acts	✓	✓	Government could consider small grants expressly for the purpose of funding a suitable marquee talent to 'anchor' regional festivals
	Funding horizons: Festival organisers cite funding stability as a key concern. While Creative Victoria's OIP program provides 4 year funding terms, funding from most other sources is annual – limiting the ability of organisers to plan over multiple cycles and take creative risks	✓	✓	The capability and networking initiatives described above should help smaller and regional festivals to develop stronger multi-year funding cases (for local councils, business sponsors etc). If it elects to provide a 'funding guide' to the sector, Creative Victoria should emphasize the tradeoffs and benefits of multi-year funding (for proponents and funders)

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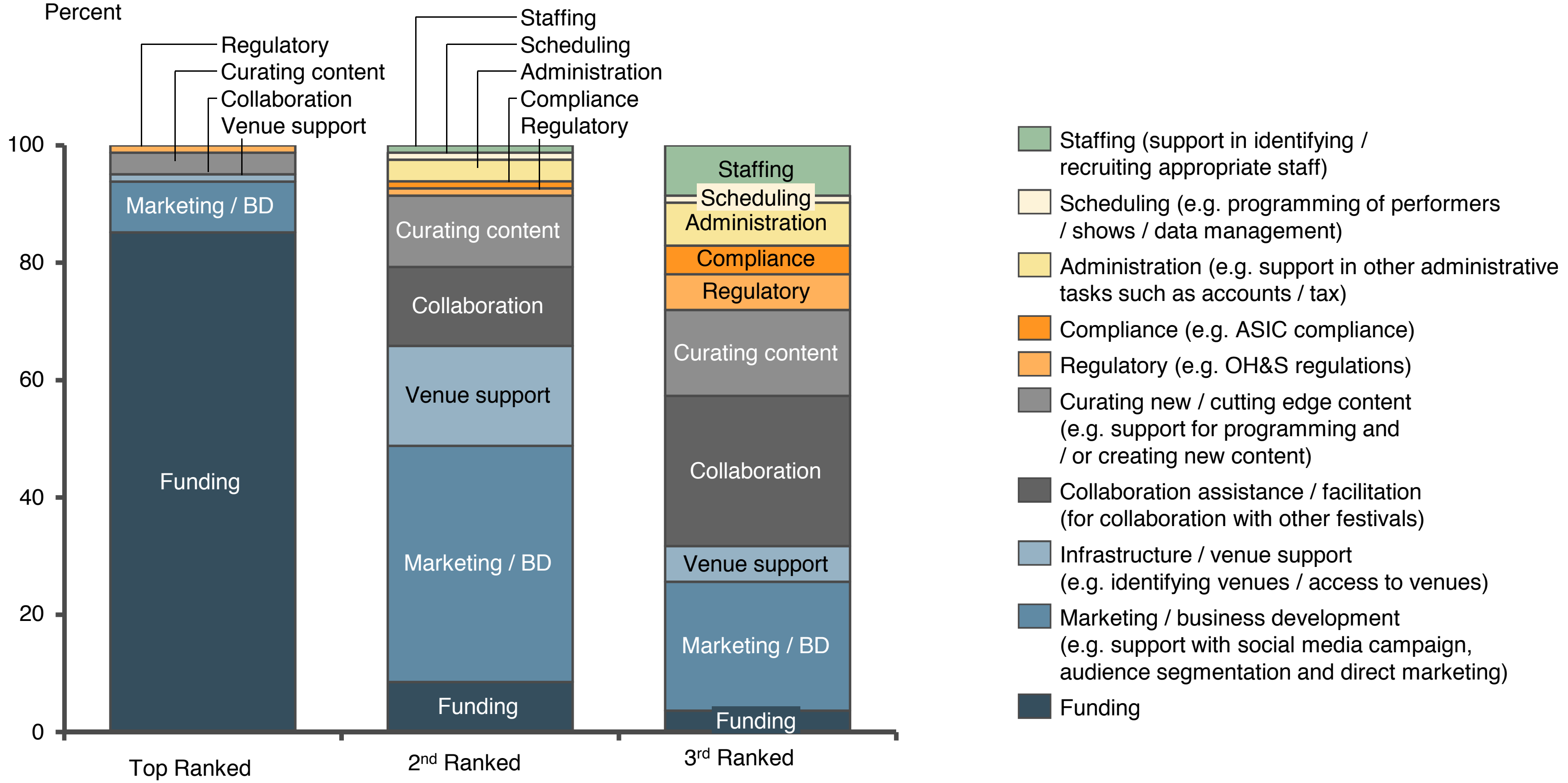
Funding is consistently the highest priority area for industry development among festival organisers, after which proponents rated marketing as the highest priority area for government to add high value support to festivals

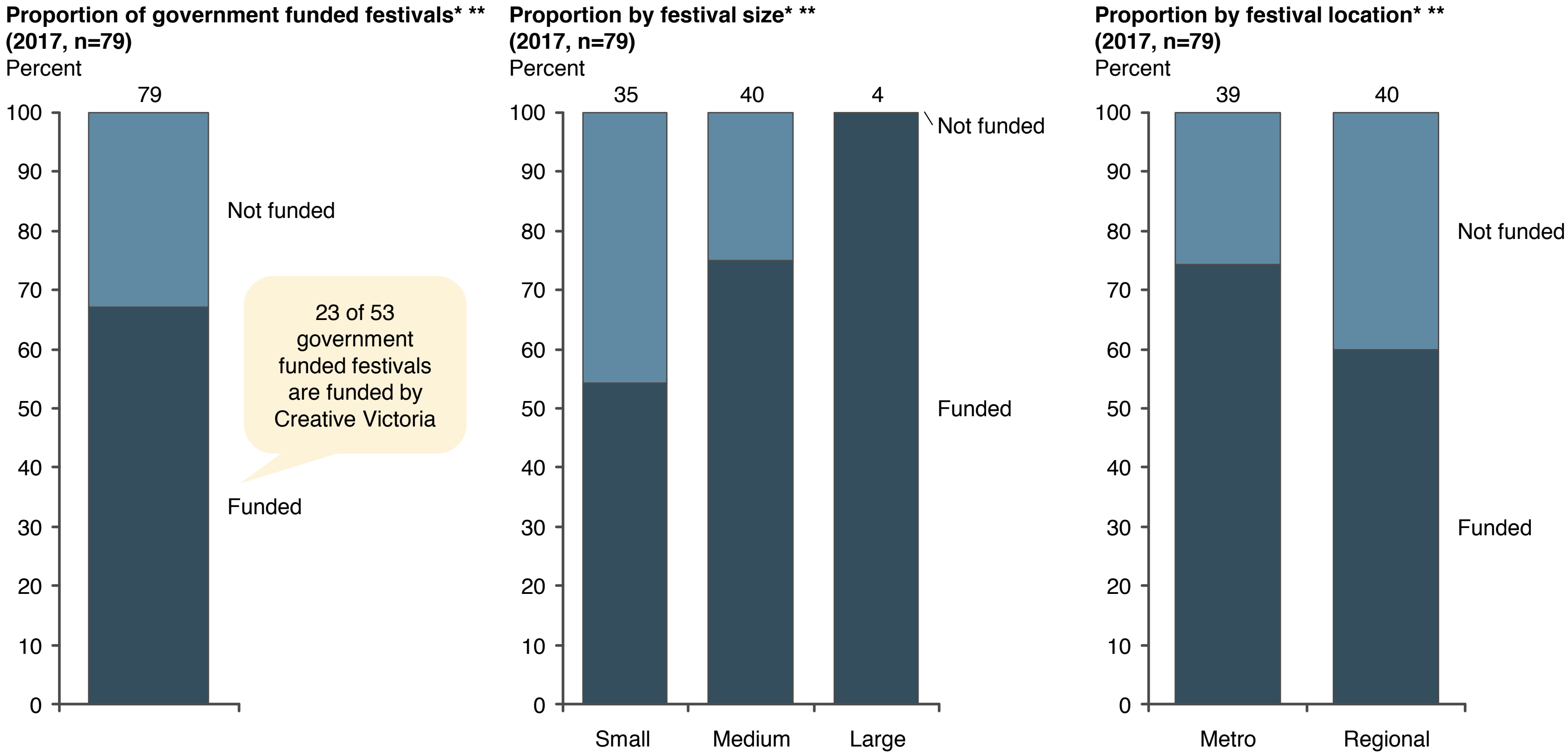
Top three opportunity rankings*
(2017, n=83)
Percent



Note: * Q53 What are the areas where you feel Creative Victoria and / or another government agency have greatest opportunity to add high value support efficiently and effectively? (Please rank the following in order of importance, '1' being the most important area); Excludes 'other' and ticketing support is not shown as no respondents have selected this option as 1st, 2nd or 3rd priority

Source: Festival Organiser Survey

Approximately 68% of responding creative industry festivals receive a significant proportion of funding (>20%) from a variety of Government sources

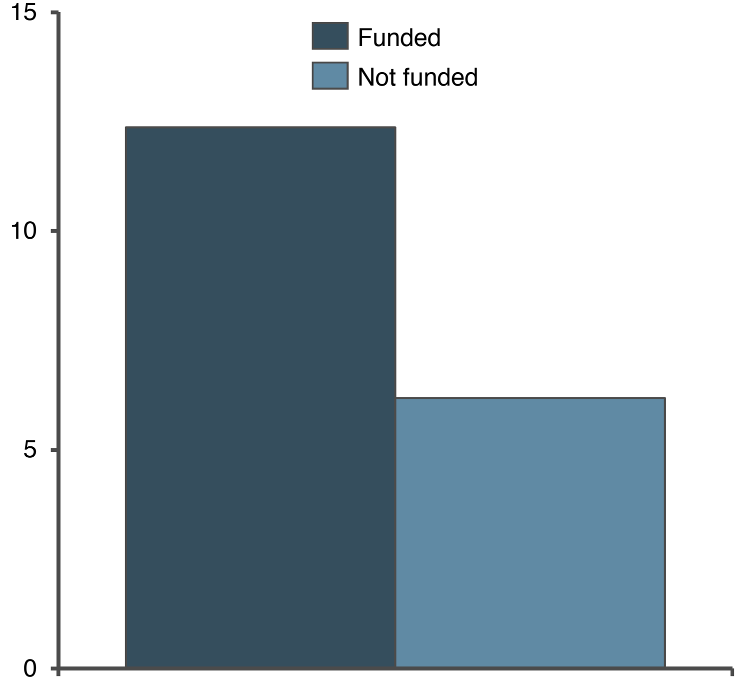


Note: * Q29 Which agencies does your festival receive financial or contra (in kind support) from? Q30 For those you selected, what was the total quantum of support for the last festival only?; **Funded festivals are defined as those whose total government support is more than 20% of their total turnover

Source: Festival Organiser Survey

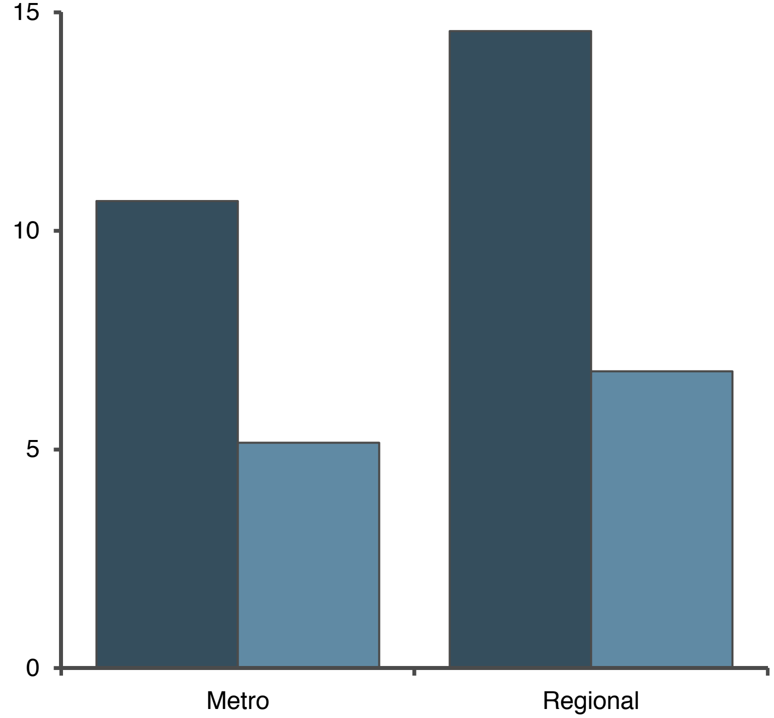
Festivals that receive government funding are generally more successful at growing audience numbers …

Festival attendance growth over three years* **
(2017, n=65)
CAGR %



Funded	46
Unfunded	19

Festival attendance growth by festival location*
(2017, n=65)
CAGR %

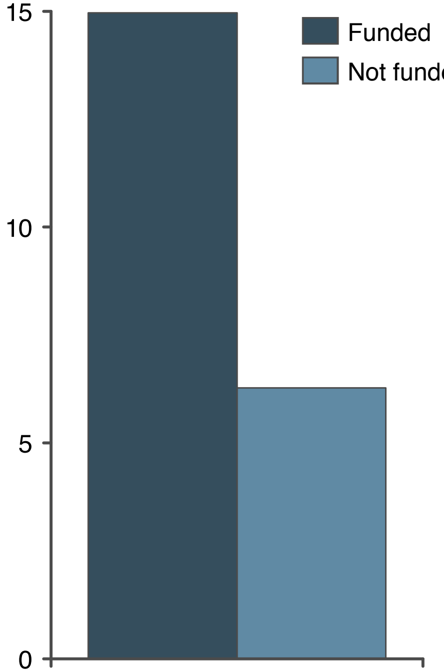


	Metro	Regional
Funded	26	20
Unfunded	7	12

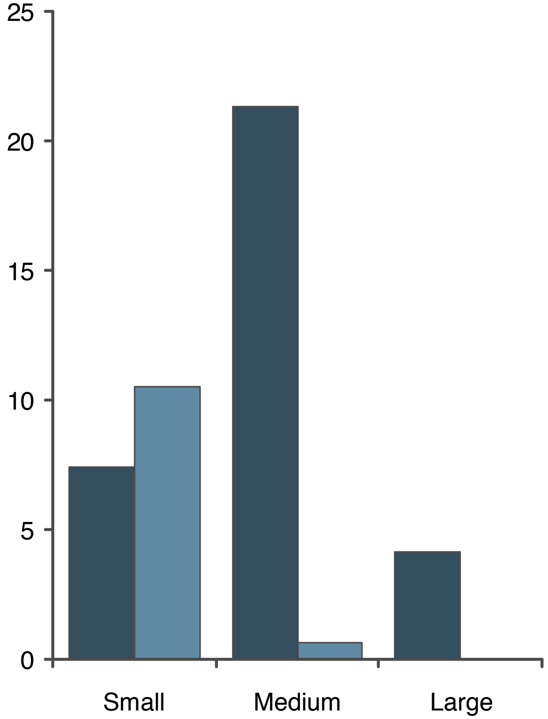
Note: * Q14 What was the total approximate free/non-ticketed attendance at your festival over the last 3 years it ran? Q15 What was the total approximate ticketed/paid attendance at your festival over the last 3 years it ran?; ** Some surveyed festivals are biennial, in which case the data for the last three active years has been recorded
Source: Festival Organiser Survey

… and have increased budgets over a three year period

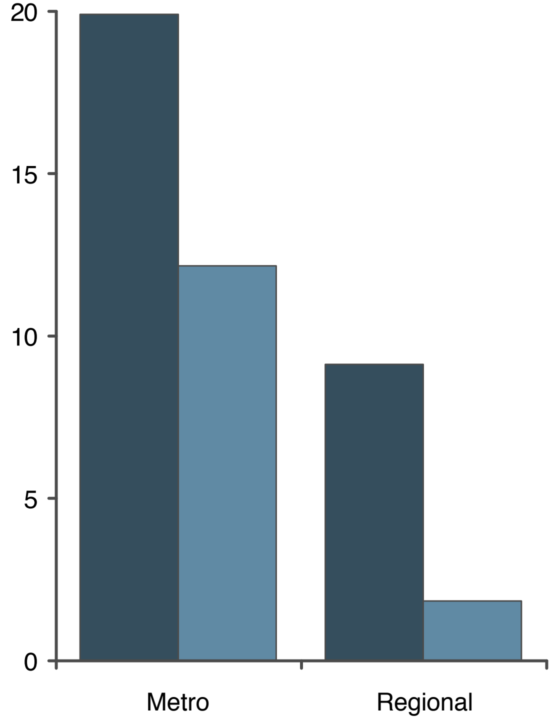
Festival budget growth over three years* **
(2017, n=65)
CAGR %



Festival budget growth by festival size*
(2017, n=65)
CAGR %



Festival budget growth by festival location*
(2017, n=65)
CAGR %



	Total	Small	Medium	Large	Metro	Regional
Funded	48	17	27	4	26	22
Unfunded	21	9	12	0	9	12

Note: * Q35 Overall what is the festival's total budget in the most recent active year? Q36 What about the budget of the previous two festivals?; ** Some surveyed festivals are biennial, in which case the data for the last three active years has been recorded
Source: Festival Organiser Survey

Recommendations 1 – industry platforms: State Government should consider platform assets to improve co-ordination and performance within the sector

Industry platforms: Government should support **platform responses to the capability and co-ordination gaps** observed within the sector

Support delivered through a body or program to provide knowledge sharing, skill development, and co-ordination across the Victorian festival industry

Strengthen relationships and build capability including:

- Maintaining a festival calendar
- Sharing best practices and IP
- Network/mentoring programs
- Training and skill development
- A contact directory
- Hosting job postings
- Advocacy for the sector
- Impact assessment guidelines

Festivals Melbourne – a platform for major festival collaboration
Encourage increased collaboration between Melbourne's major festivals to drive greater co-ordination and effectiveness across the major festival portfolio (drawing on the Festivals Edinburgh model). Agenda may include^:

- A forum for experience / issue sharing
- Coordinating marketing activities to create a more powerful overall consumer proposition (with clearer roles, identity, and interplay between festivals)
- Capability and skill development across the group
- Stronger shared audience insights and impact assessment to guide improvement across the portfolio
- Consolidating back office services across festival organisations
- Engagement with Visit Victoria on destination marketing opportunities

^ These functions may be delivered through new or extant program or peak body, and/or with the support of established festivals

Recommendations 2 – ongoing roles: State Government should play a leading role in measurement, and must continuously evaluate its funding and prioritise highest value opportunities

Ongoing roles for government

Clarify agency roles
Prepare and publish advice to industry about the respective roles and objectives of different agencies in supporting festivals. In the case of CV, these should align closely to the five *Creative State* objectives

Best practice measurement and review

Continue to develop (with industry input) a **common framework*** of festival roles and purposes mapping to outcomes / KPIs (e.g. Audience development maps to new audience acquired #)

Create and publish a best practice **Post Implementation Review (PIR) process** that reviews outcome delivery / performance against goals after each event

Monitor the health of the festival ecology and identify improvements

Track the overall shape and health of the Victorian Festival Portfolio to understand and communicate its performance and contribution, **identify opportunities, spot emerging challenges** (e.g. March congestion) and **highlight areas requiring support**

Review funding mix over time to match with strategic priorities in the space and target highest possible impact

Development platforms: Leading Arts venues have an important role to play in bringing to market distinctive new festivals. Government should continue to engage / support these efforts

Note: * Government may chose to leverage the existing Organisations Investment Program framework, developed by Creative Victoria

Recommendations 3 – major festivals: Within the portfolio, there is a particular opportunity to improve the configuration of Melbourne's major festivals

Optimising the packaging of Melbourne's major festivals

Melbourne's largest festivals are scheduled between October to March. Some are heavily anchored to their current calendar positions by global industry / event calendars, but several are less 'locked' in their current positions. At present, there is little co-ordination or sense of 'flow' through the major festival season

Given the challenges of distinguishing Melbourne's festival offering from other states, and space in the calendar for major event activity in Winter, it may be timely for Creative Victoria to explore with Melbourne's major festivals the possibility of creating a more purposeful Melbourne festivals program, which would (i) continue the service of the creative base but also (ii) support new audience acquisition and (iii) support visitation outcomes and economic activity by providing a marketing focus for the city's festival ecology

This could allow government to achieve better overall social, creative, and economic outcomes for the funding it invests in major festivals, and would be complimentary with the suggested Festivals Melbourne initiative above

Agenda

- Executive summary
- **Victorian creative industry festivals landscape**
  - **Key shifts**
  - Festival portfolio
  - Festival attendance
  - Festival funding and resourcing
- Issues and opportunities identified
- Recommendations
- Appendix

L.E.K. compiled a detailed fact base to understand the current Victorian festival landscape

A Festival database

- The festivals database is a comprehensive list of festivals in Victoria which have a creative component (i.e. at least 20% of the content at the festival is creative content). There are 437 festivals in the database.
- For each of these festivals, the database contains classifications of:
  - **Location:** suburb, postcode and ABS geographical classifications
  - **Timing:** start and end dates
  - **Funding:** non-exhaustive funding data from Creative Victoria, Australia Council, Visit Victoria Festivals Australia and MFE
  - **Role and Artform:** OIP role definitions and artform classification (e.g. music and dance)
  - **Contact details:** email, websites

B Expert interviews

- Key stakeholders and thought leaders were interviewed, focusing on key trends and issues in the festivals landscape in Victoria
- A further seven interviews were conducted with other key stakeholders (i.e. artists and government representatives) to ensure their viewpoints around the landscape were also taken into account

C Festival organiser survey

- The festival organiser survey was sent to c.350 festivals contacts (c.310 unique email addresses)
  - Responses were received from 136 festival stakeholders, representing 133 different festivals
  - The survey provides key information around the size and shape of the landscape, and highlights issues, concerns and needs of festival organisers
- The survey contained 64 questions, covering festival size and shape, funding, artform, audience, metrics and priorities

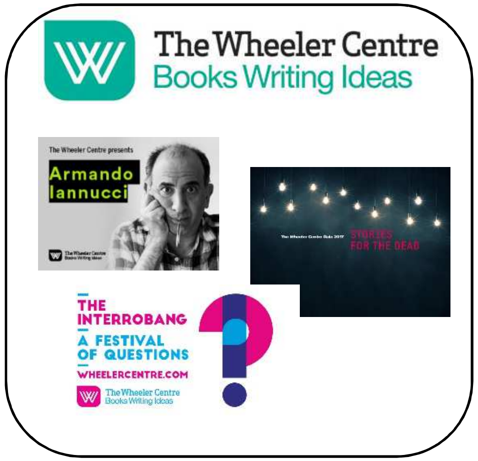
The festival ecology has grown and has undergone significant change over the last decade

Shift	Details and implications	Relevance	
		Metro	Regional
Healthy but un-coordinated growth	Growth in the experiential / out of home leisure activities, cultural awareness and creative sector capacity have driven healthy growth in the Victorian festival ecology in recent years. However, because the sector is dynamic but fragmented, there are a range of capability and co-ordination challenges that restrain its efficiency and impact	✓	✓
Dedicated arts centres	The emergence of dedicated arts centres has allowed creative content to be programmed year round in Victoria. Festivals compete with these year round programmed events for audience and share of wallet	✓	✓
Changing audience / diversity	The demographics and diversity of the Victorian audience have shifted significantly over the last ten years. While content choices have broadened, many festival organisers feel that the overall diversity of the festival portfolio remains lacking	✓	✓
Changing media and marketing channels	Festival marketing and audience communications have shifted with the emergence of social media, online marketing and audience segmentation. As ticket sales move largely online, many festival organisers are not fully leveraging the potential of better segmenting and targeting their audiences	✓	✓
Increasing competition interstate	Over the past decade, Australia's other states have developed their own festival ecologies considerably. NSW has invested to scale and develop its portfolio, while South Australia (in particular) and Tasmania have achieved success with distinctive, focused offerings	✓	✓
Festival maturity	As the Victorian cultural landscape and economy have matured the individual art form festivals have become stronger players within the portfolio (i.e. more distinctive) potentially challenging the role of traditional large festivals	✓	✓
Federal funding changes	Several organisers noted that the changes to Australia Council funding in recent years (including the Catalyst fund) have changed and unsettled the funding landscape for major festivals in particular	✓	✓

L.E.K.

The emergence of dedicated arts venues, programming international works year round, has led to further competition for festivals

Increasing 'eventism'

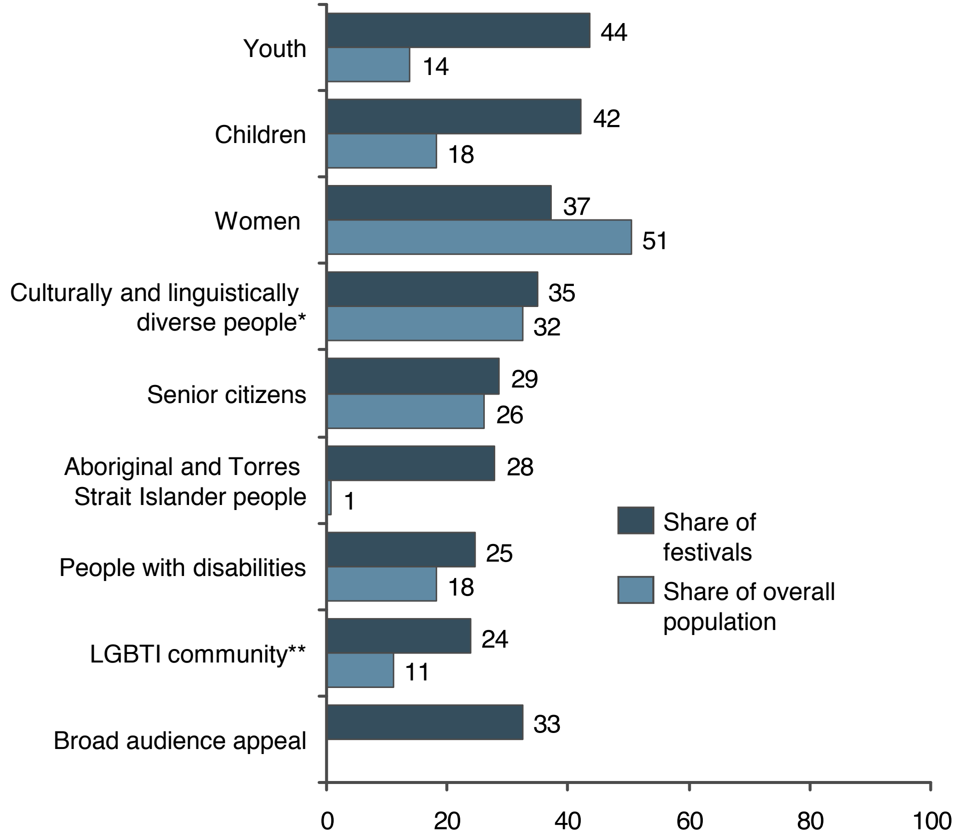


- Historically festivals were an access point for international work, and played an important role in bringing the world stage to Australia
- The emergence of dedicated arts venues has resulted in a greater diversity of work, programmed year round
  - The Arts Centre Melbourne staged more than 4,000 music, opera, theatre, dance and festival performances in 2016
  - The Wheeler Centre is a literary and publishing centre hosting 230+ events all year round. It hosts literary events, public talks, and writing festivals
- Although the emergence of regular programmed work, and the development of consortia bringing this work to Australia has benefited audiences, the result is further competition for festivals

Source: Arts Centre Melbourne; The Wheeler Centre

Festivals target a diverse range of audiences

Audience diversity metrics*
(2017, n=126)
Percent of festivals / population



- Audiences are recognised by many festival organisers as culturally diverse

  "… 40% of people who came [to our festival] identify as culturally and linguistically diverse – that's enormous for a Melbourne main stage event …"

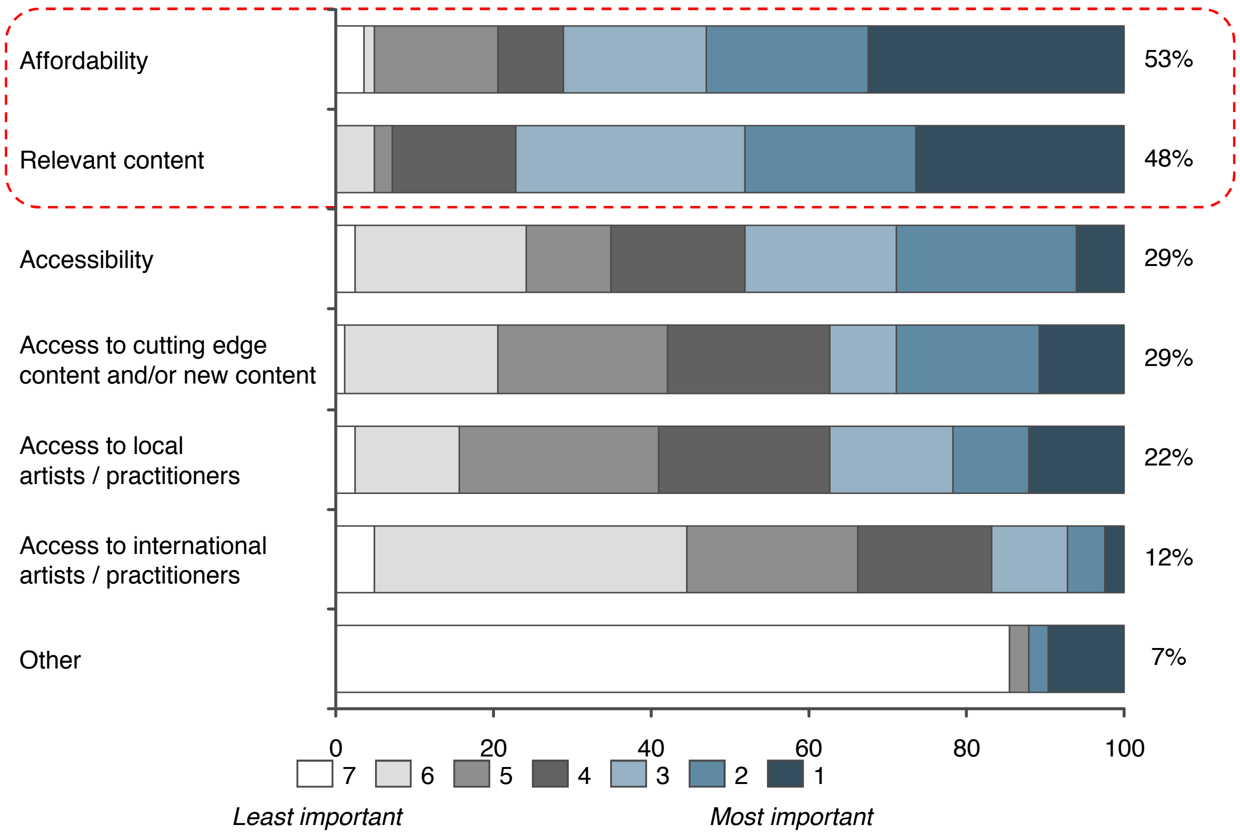
Note: * Q12. Does your festival *specifically* target audiences from any of the following groups? (Select all answers that apply); * Estimates from 2011 for Culturally and linguistically diverse people; ** LGBTI is an Australia wide proxy, 11% of Australians are of a diverse sexual orientation, sex or gender identity
Source: Festival Organisers Survey; ABS; Australian Human Rights Commission; L.E.K. Interviews

According to festival organisers, audiences desire affordable, relevant content from festivals

Audience diversity

Factors attracting audiences (2017, n=83)
Percentage

% of respondents who chose 1 or 2



- Audiences need to be connected with content that is relevant to their preferences through attending festivals. Attending also enables them to discover new content

  "… Festivals are about discovery, curiosity …"

- Festivals need to continue to evolve their content in order to provide cutting edge and / or innovative content

  "… Our festival has had proven success by encouraging risk-taking in programming …"

  "… Something about [Melbourne festivals] really celebrates experimental and innovative practice …"

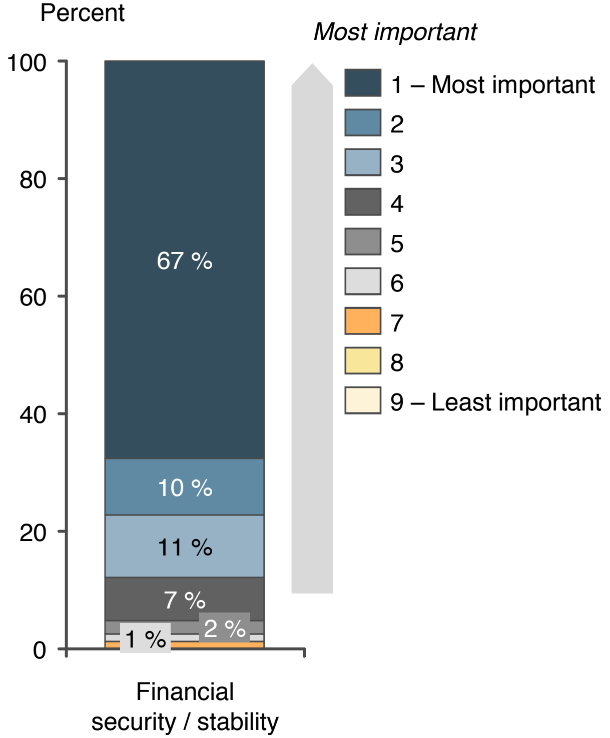
Note: * Q57. In your opinion, which of the following factors most strongly attract audiences of creative industry festivals? Please rank the following in order of importance. Enter a '1' being the most important area. Enter a '2' for the second most important, etc. until all have been ranked. If there are no "Other" areas you can think of, please rank "Other (please specify)" as 7.

Source: Festival Organisers Survey

Festival organisers rank financial security and stability as their greatest challenges. Changing funding systems add instability and uncertainty, making it difficult to produce and commission new work

Changing funding systems

Financial security / stability as an issue facing festival organisers, importance rank* (2017, n=83)
Percent



- Recent changes to Australia Council for the Arts' funding have led to instability and insecurity about future funding in the festival sector
  - The 2015 federal budget saw significant cuts to funding to the Australia Council, and the creation of a new 'Catalyst' fund, administered directly by the Department of Communications and the Arts. Over $100m of funding was directed from the Australia Council into this fund
  - The Catalyst fund was subsequently abolished in March 2017, based on feedback from the arts community and the funds were returned to the Australia Council
- Annual funding cycles further compound the issue, making it difficult for festivals to become sustainable and create new work

  "… [Our festival] needs to be fully funded for 2-3 years rather than yearly … The current funding model is not effective and does not provide the support the festival needs to grow and improve across all functional areas and be more commercially viable …"

  "… Although we have some ongoing from CV … for the next 3 editions, and have been successful with Catalyst funding, previously with Australian Council, after each edition we're back to zero in terms of trying to find those other funding partners …"

Note: * Q56. What do you think are the greatest challenges facing festival organisers? (Please rank the following in order of importance, '1' being the most important area), n=32
Source: Festival Organiser Survey; L.E.K. Interviews; Australian Government

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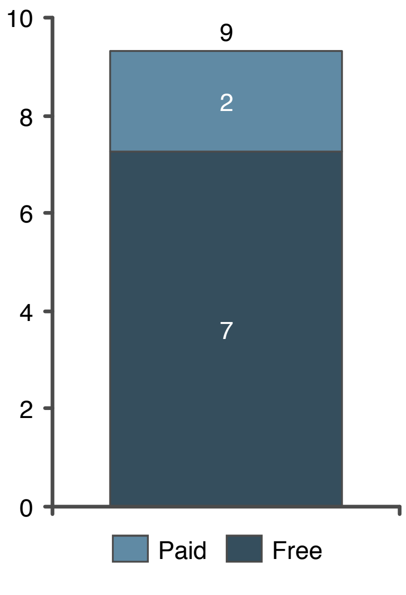
Victoria has a vibrant, dynamic and growing festival scene

- The study identified over 430 active creative festivals throughout Victoria
  - Of the 430 creative festivals, c.69% are creatively led. The remaining c.31% have creative component (e.g. musical performers), but also have significant location or identity roles
  - Over half the creative festivals in Victoria were started in the last ten years
- Given their out of home, and frequently outdoor nature, festivals are concentrated in summer and autumn, particularly in March (c.20% of Victorian creative festivals occur in March). Festivals are comparatively scarce in winter (c.18% by number, significantly less by share of attendance)
- Festivals in Victoria are distributed throughout the state. c.57% of festivals are held in metro areas, while the remaining c.43% are held in inner and outer regional locations
- Over 60% of creative festivals in Victoria have a musical components. The other prominent art forms featured in the landscape are dance (c.38%), visual arts (c.34%), circus / visual theatre (c.24%), screen / film (c.22%), literature / publishing (c.20%) and theatre (c.19%)
- Victorian festivals continue to attract an increasing number of visitors to their locations. According to organisers, c.35% of attendees travel from other parts of Victoria or from interstate / overseas
  - According to Tourism Research Australia, the number of national visitor overnight trips to Melbourne for festivals or cultural events has grown by c.18% p.a. from CY2010-15; while regional overnight trips have increased by c.8% over the same period
- Live Performance Australia data suggests that Victorian festival ticketed attendance and revenue are growing. Over the period of 2011-15, festival ticketed attendance grew c.13%, while festival revenue from ticketing grew by c.8%
- Despite the strong tourism attraction of festivals, c.73% of festivals have no partnership with a tourism body. Partnerships are most prevalent in regional Victoria where c.30% of festivals have partnerships with a local / regional tourism authority

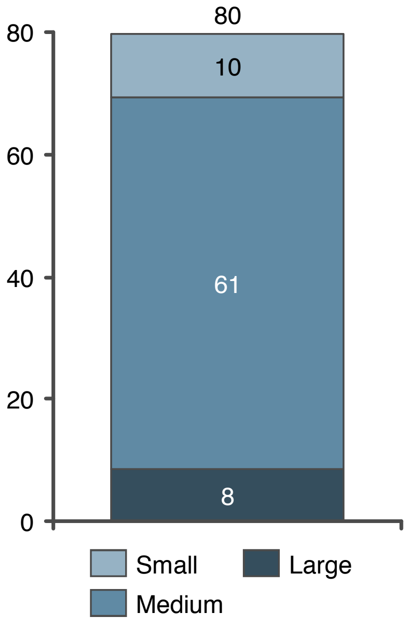
Overall, it is estimated that there were c.9m attendees at festivals over the last year and these festivals showcased c.80k artists. There were c.43k staff members involved dealing with $188m in total budget

INDICATIVE: EXTRAPOLATED DATA

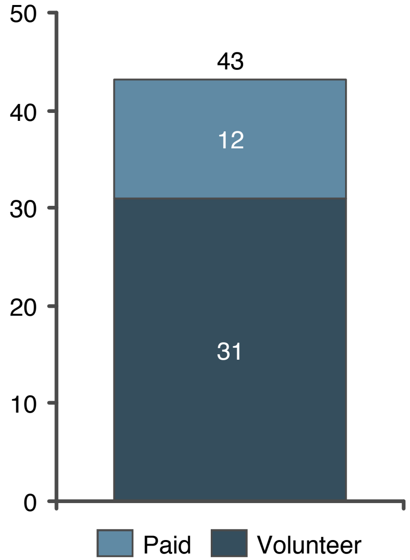
Victorian Festival landscape, total attendance*
(2017)
Millions of attendances



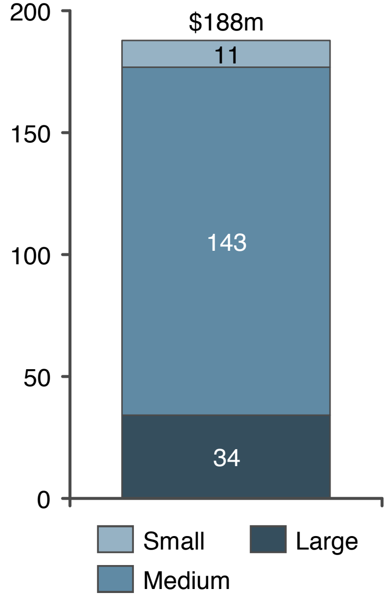
Victorian Festival landscape, total artists / practitioners showcased**
(2017)
Thousands of artists / practitioners



Victorian Festival landscape, total staffing***
(2017)
Thousands of staff members



Victorian Festival landscape, total budget^
(2017)
Millions of dollars



Note: * Q14. What is the total approximate free / non ticketed attendance at your festival over the last 3 years it ran?; Q15. What was the total approximate ticketed / paid attendance at your festival over the last 3 years it ran?; The large segment (i.e. 100k+ attendees) was not proportionally extrapolated and consists of 8 festivals only. The remaining festivals were extrapolated relative to the total festival database ; ** Q17. How many of the following artists / practitioners performed at the festival?; The large segment has not proportionally extrapolated. This segment consists of 7 festivals only based on L.E.K. estimates outlined in size classification criteria earlier. The remaining festival were extrapolated relative to the total festival database ; *** Q42. How many volunteers and how many paid staff work at your festival at peak times? ; Q46. How many volunteers and paid staff work for your festival between festivals?; c.8 large festivals have been excluded from the proportional extrapolation. The remaining festivals were extrapolated relative to the total festival database; ^ Q35. Overall what is the festivals total budget in the most recent active year?; $1m+ category has been estimated to be 20 and has not been extrapolated from survey data. The remaining festivals were extrapolated relative to the total festival database

Source: Festival Organiser Survey; Festival Database

The creative festival portfolio can be segmented by type and purpose

Type of festival	Purpose / Role of festival				
	Art form development Provide a platform for creation and / or showcasing of new works	**Artist development** Provide a platform for the growth of creative artists and production skills	**Cultural and Community development** Enrich how participants see themselves and their identity / culture / community	**Tourism / Economic Development** Drive visitation and expanded economic activity within the region	**Audience development** Provide a platform for new and/or cutting edge content for audience consumption
Identity led	MJCF Melbourne Jewish Comedy Festival	Melbourne Queer Film Festival; The Other Film Festival; MJCF Melbourne Jewish Comedy Festival	Melbourne Queer Film Festival; MJCF Melbourne Jewish Comedy Festival; Jewish International Film Festival; The Other Film Festival; Chillout Festival	Jewish International Film Festival; Chillout Festival	Melbourne Queer Film Festival; The Other Film Festival; Jewish International Film Festival
Artform led	Festival of Live Art; Mildura Writers Festival; Dance Massive	Festival of Live Art; Mildura Writers Festival; Dance Massive	Mildura Writers Festival; Melbourne Festival; Dance Massive	Melbourne Festival	Festival of Live Art
Place led	Birregurra Festival	St Kilda Festival; Macedon Ranges Music Festival 2017; Healesville Music Festival	Macedon Ranges Music Festival 2017; Healesville Music Festival; Birregurra Festival	St Kilda Festival; Healesville Music Festival; Birregurra Festival	St Kilda Festival

Non exhaustive examples shown

Note: Please rank the (up to 5) most important objectives your festival seeks to achieve. From surveyed responses, tourism / Economic Development also included creative infrastructure utilisation, turning a substantial profit for owner / organisers as well as generating industry business and product sales. Cultural and community development included providing a hero event that supports civic development / regeneration in country towns / regions as well as or focusing on celebrating a community of interest such as ethnicity, sexuality or social group

Source: Festival Organiser Survey; Festival database

March is the busiest area of the calendar in both Melbourne and Regional Victoria

Month / week

Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec

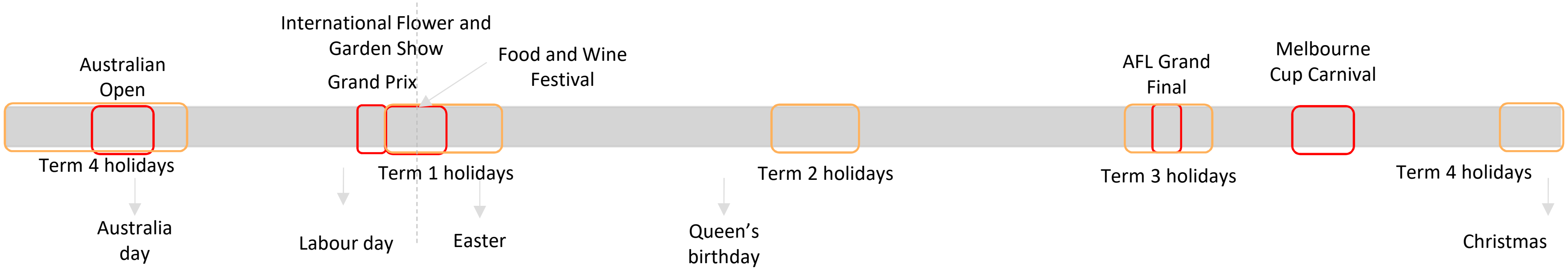
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52

In the 3rd week of March, there are 42 creative sector festivals occurring across Victoria

	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 15	Week 16	Week 17	Week 18	Week 19	Week 20	Week 21	Week 22	Week 23	Week 24	Week 25	Week 26	Week 27
Overall portfolio	11	15	15	15	19	16	14	14	17	25	26	42	37	20	18	13	16	12	19	12	12	9	9	15	19	14	14
Melbourne	6	9	10	12	12	11	10	8	11	14	11	21	20	14	14	6	11	6	10	8	8	3	6	9	14	11	9
Regional Victoria	5	6	5	3	7	5	4	6	6	11	15	21	17	6	4	7	5	6	9	4	4	6	3	6	5	3	5

	Week 28	Week 29	Week 30	Week 31	Week 32	Week 33	Week 34	Week 35	Week 36	Week 37	Week 38	Week 39	Week 40	Week 41	Week 42	Week 43	Week 44	Week 45	Week 46	Week 47	Week 48	Week 49	Week 50	Week 51	Week 52	Week 53
Overall portfolio	16	14	10	11	10	10	14	16	16	12	11	13	12	13	12	14	15	20	19	15	11	7	7	1	3	9
Melbourne	9	9	6	8	4	6	11	13	12	9	8	12	10	7	7	5	12	11	10	11	7	4	6	1	2	3
Regional Victoria	7	5	4	3	6	4	3	3	4	3	3	1	2	6	5	9	3	9	9	4	4	3	1	0	1	6

Other major events and public holidays

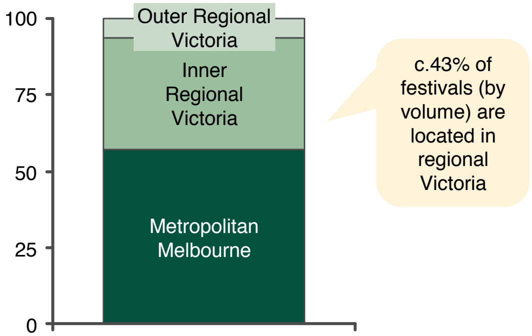


Summer	*Autumn*	*Winter*	*Spring*	*Summer*

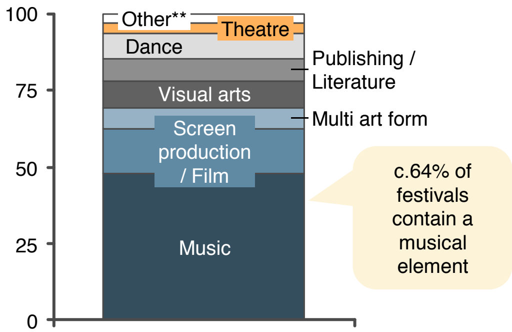
Note: * Creative Festival dates have been taken from both 2016 and 2017; ** Includes biennial festivals but excludes 7 festivals without current date information
Source: Creative Victoria; Festival database; Events Websites; Department of Education; Australian Government L.E.K. Analysis

The festival landscape has been analysed across a number of dimensions

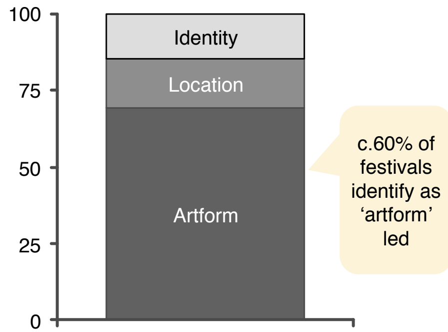
1 **Location (Database) (2016-2017)***
Percentage of festivals



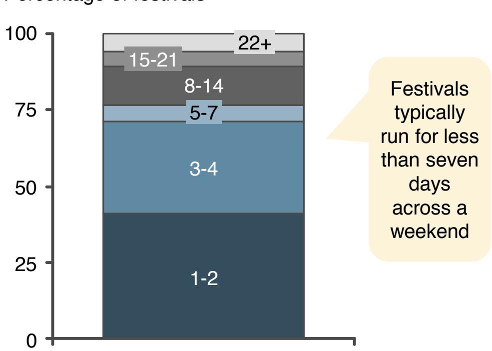
2 **Art form (Database)** (2016-2017)***
Percentage of festivals



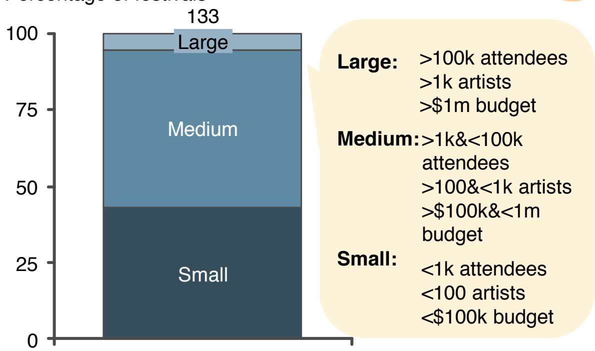
3 **Role (Database)*** (2016-2017)***
Percentage of festivals



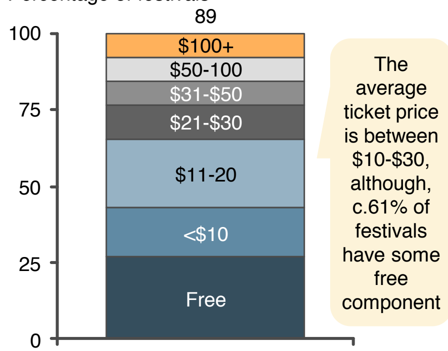
4 **Duration (Database)^ (2016-2017)***
Percentage of festivals



5 **Size (Survey)^^ (2017, n=133)**
Percentage of festivals



6 **Average individual ticket price (Survey)^^^ (2017, n=89)**
Percentage of festivals



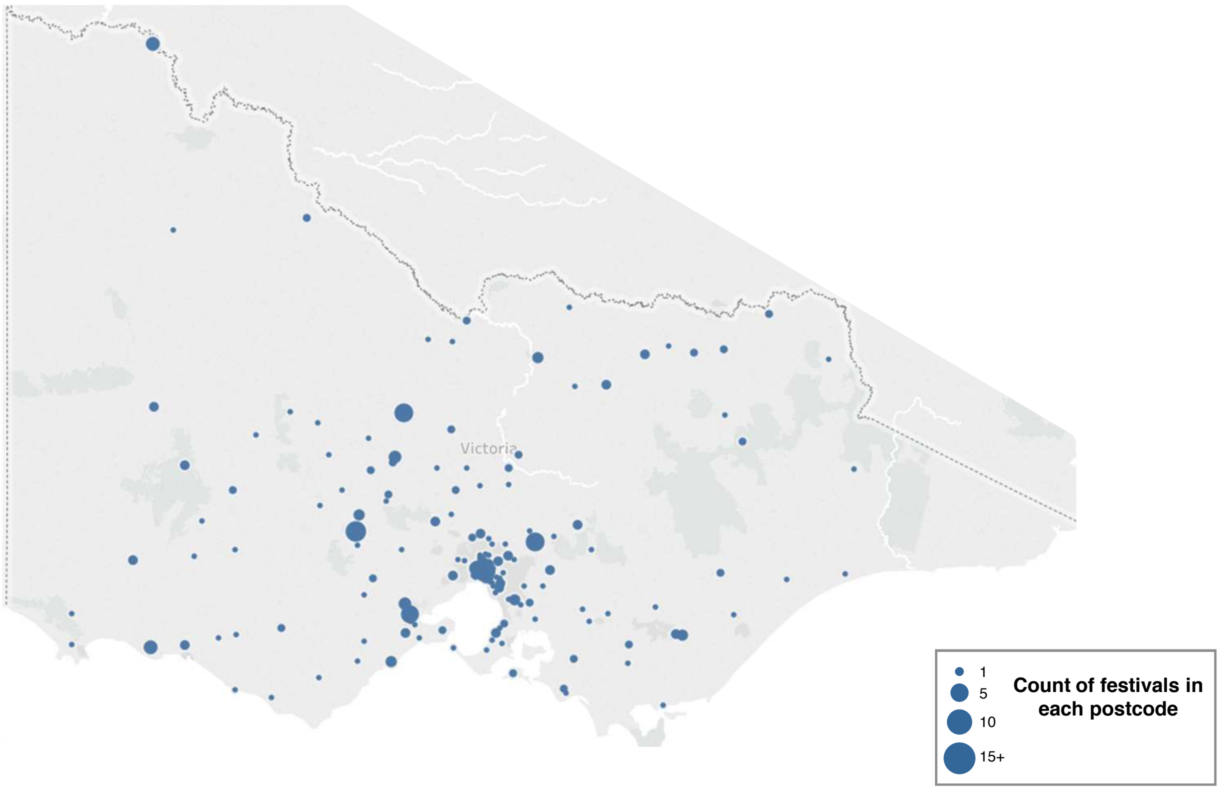
Note: * Latest festival dates have been recorded; **When a festival has multiple art form types, the count has been distributed amongst those types; Other includes Digital media / games, Fashion, Design, Circus / Physical theatre and other art forms *** Primary role segment; ^ Month in which festival starts. Festivals without date information have been excluded; ^^ Q35. Overall what is the festivals total budget in the most recent active year?; Q17. How many of the following artists / practitioners performed at the festival? Q14. What is the total approximate free / non ticketed attendance at your festival over the last 3 years it ran?; Q15. What was the total approximate ticketed / paid attendance at your festival over the last 3 years it ran?; In order to be classified as small, medium or large, the festival needs to meet two of the three criteria. When sizing information has not been available (ie attendance, budget and number of artists), size has been estimated; ^^^Q38. What is the average individual ticket value (face)?; When multiple respondents from the same festival responded, values have been averaged

Source: Creative Victoria; L.E.K. Analysis; Festival database; Festival Organiser Survey; ABS

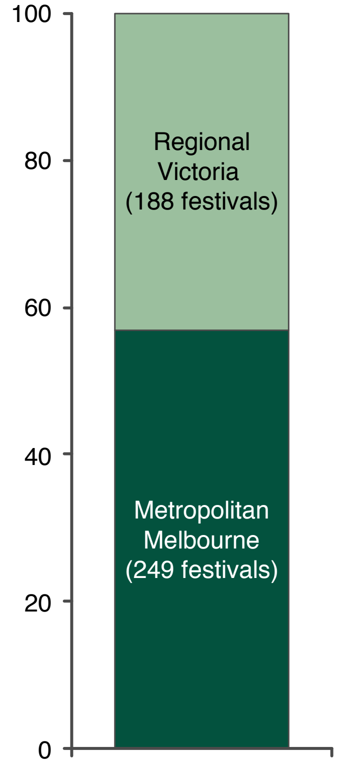
Creative festivals are distributed across the state, with c.57% of festivals located in metro areas

1 Location

Victorian Festival Database – Event Locations (437 in total)



Location (Database) (2016-2017)*
Percentage of festivals



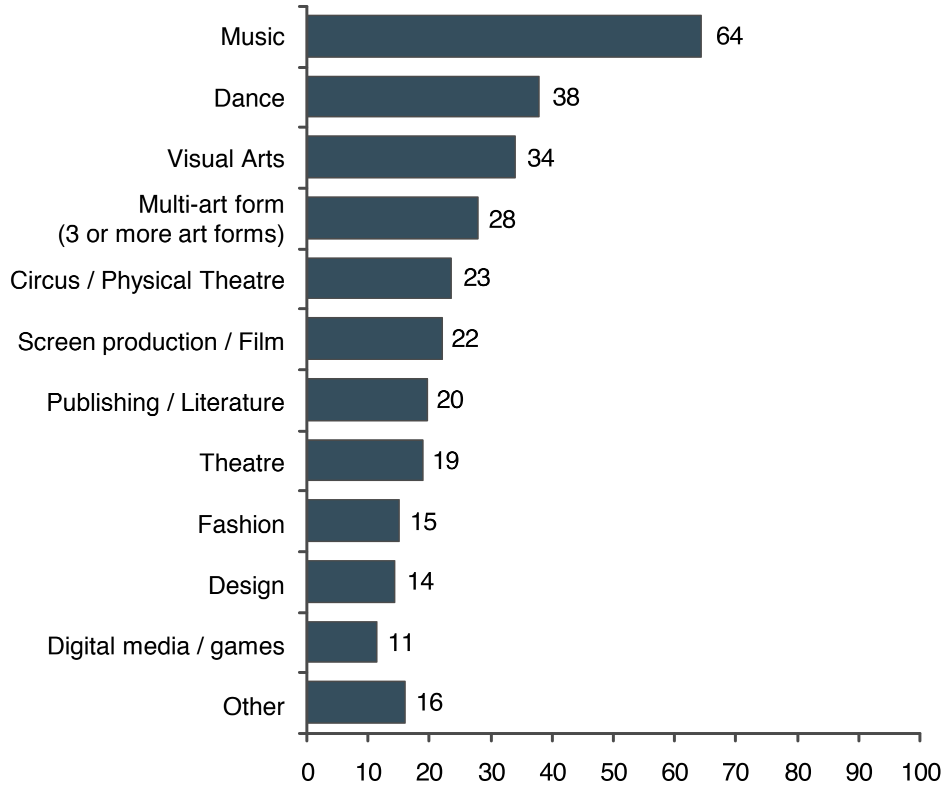
Note: * Latest festival dates have been recorded
Source: Creative Victoria; L.E.K. Analysis; Festival database; ABS

2

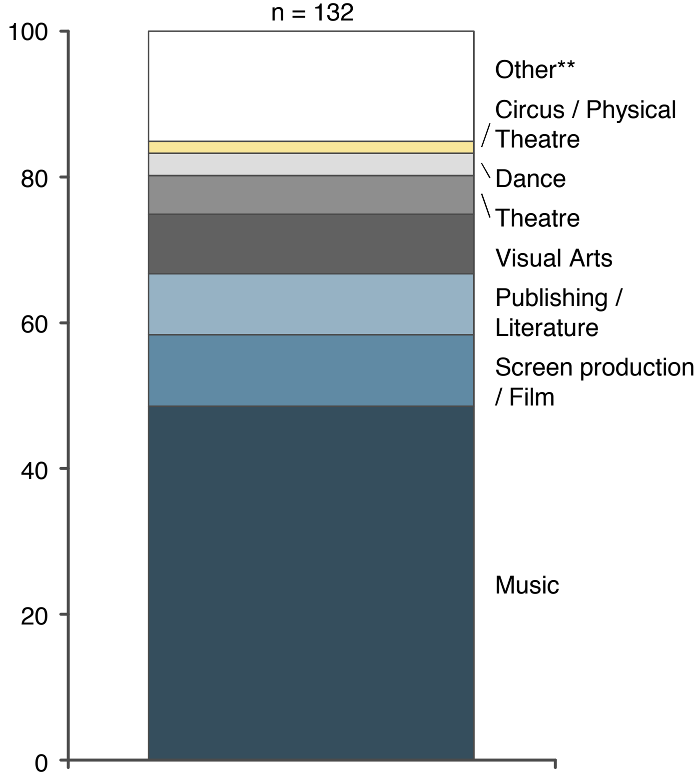
Art form

Music is the most common primary art form at festivals. 64% of festivals have some musical component

Art form / performance types (Survey)*
(2017, n=132)
Percentage of festivals



Primary festival art form (Survey)**
(2017)
Percentage of festivals



Note: * Q7. Which of the following festival art-forms / performance types programmed in your festival? (Select all that apply); ** Q8. Which of these would you describe as 'primary' art-form of your festival?; Excludes Design; Digital media / games, Fashion and Multi art form as no respondents selected these as the 'primary art form'; ^ Other includes respondents who selected "other" and "N/A"

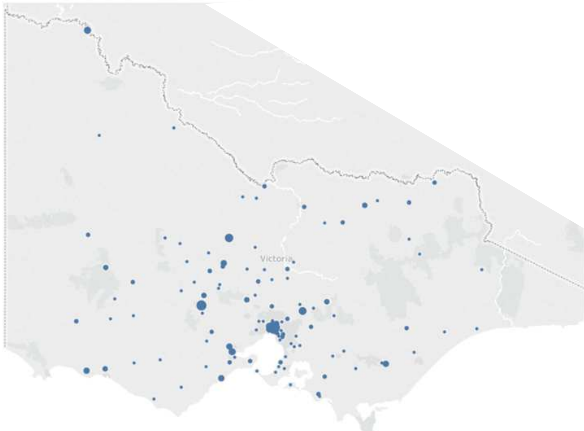
Source: Festival Organiser Survey

Art form and location based festivals are well distributed throughout the state. Identity festivals are most frequently held in Melbourne

3 Role

Art form led (365 festivals)

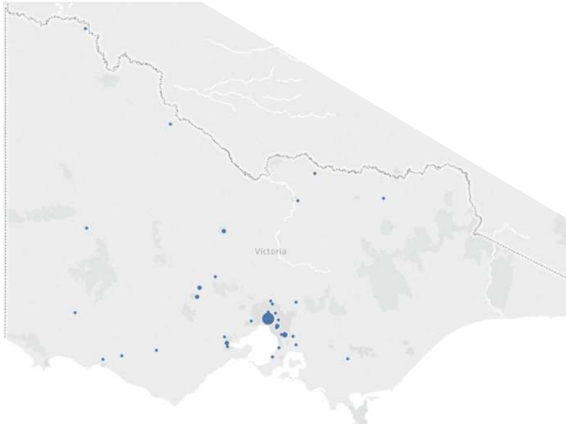
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
29	27	53	30	27	26	27	22	32	31	38	15



Focusing primarily on a single art form, such as visual arts, performing arts, or multi-art form

Identity led (110 festivals)

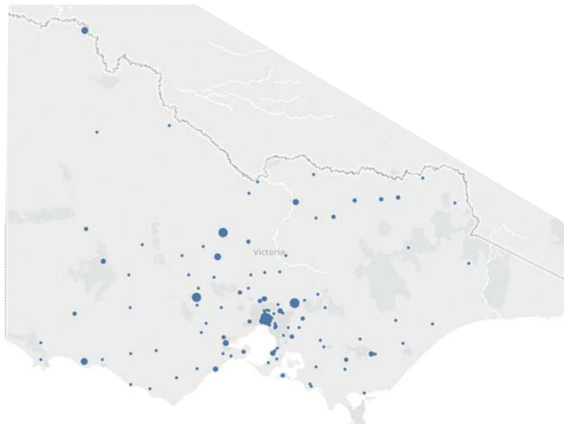
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
10	9	18	7	5	5	4	1	4	6	5	2

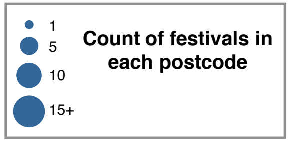


Focusing primarily on a community of interest such as ethnicity, sexuality or social group identity

Location led (208 festivals)

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
6	9	20	13	2	2	3	4	2	6	7	1



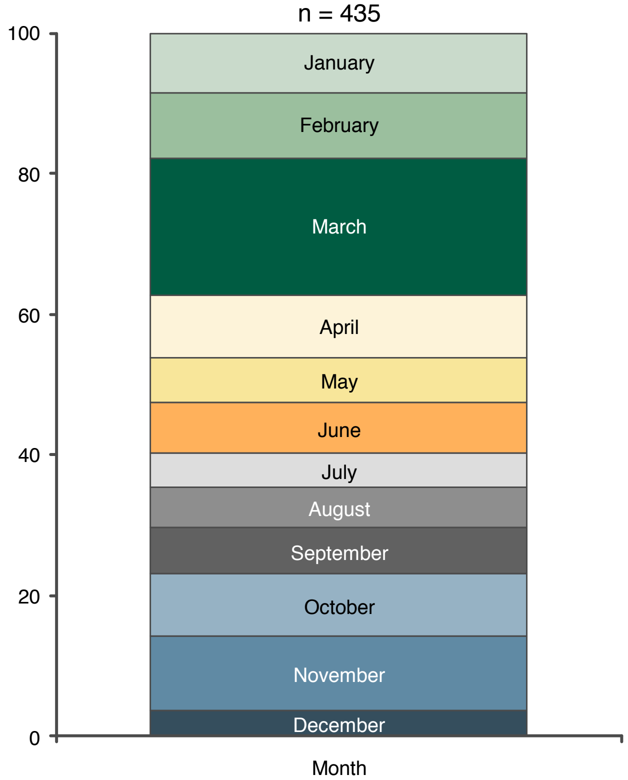


Focusing primarily on a geographic area such as a park, a street, a suburb, or a natural feature. Could not be relocated without significant change of focus

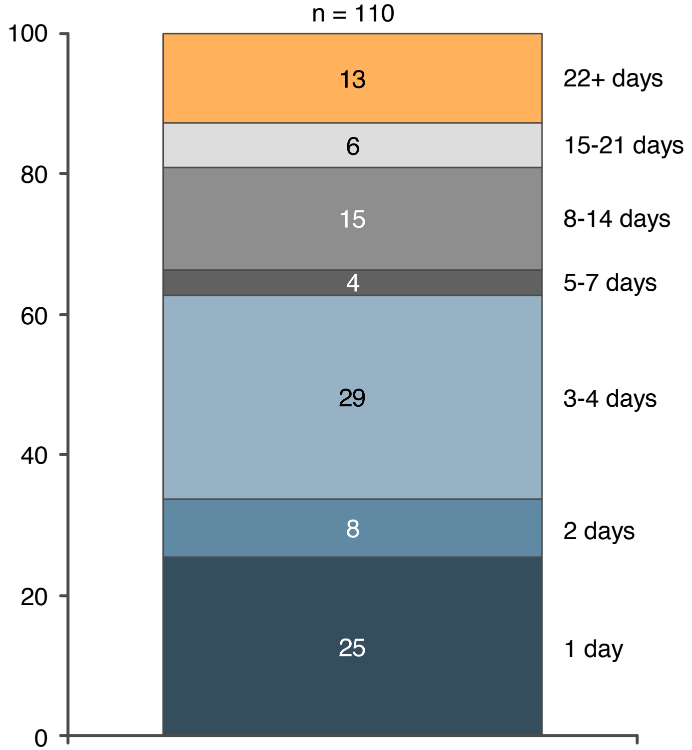
Note: * Festivals can me categorised under multiple categories
Source: Creative Victoria; L.E.K. Analysis; ABS

Festivals are concentrated in March and over the summer months. Over half run for less than a week

Month of festival (2016-2017)*
Percent



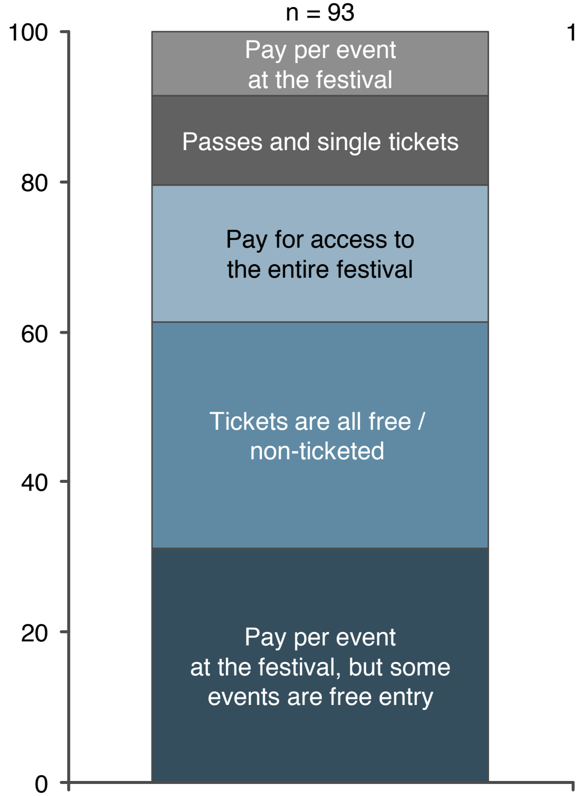
Length of festival (Survey)** **(2017)**
Percent



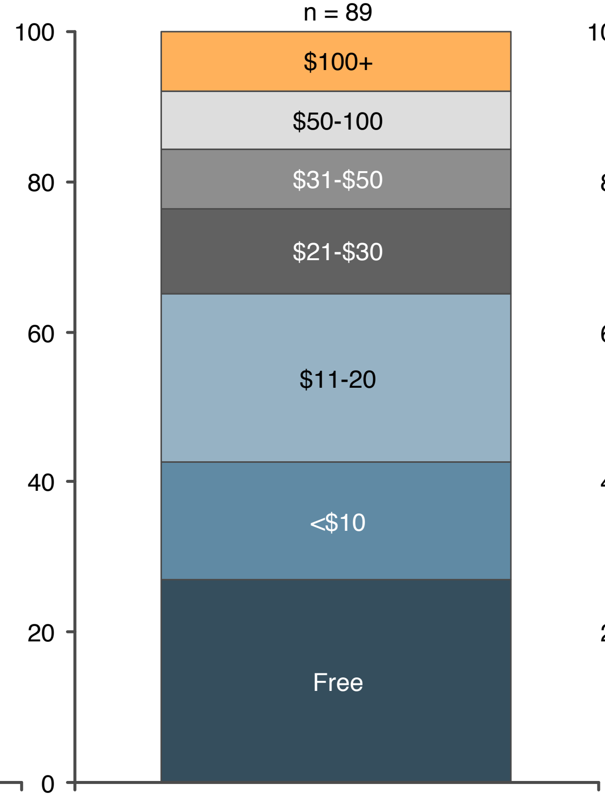
Note: * Latest festival dates have been taken. If not dates are available, festivals have been excluded. Month of festival is counted as the month in which the festival starts; ** Q18. What was the start and finish date for the most recent festival?; Festival assumed to run through all days between start and end date; Start date of the month utilised for festival month
Source: Festival Organisers Survey; Festival Database

Pricing and ticketing models differ considerably between festivals

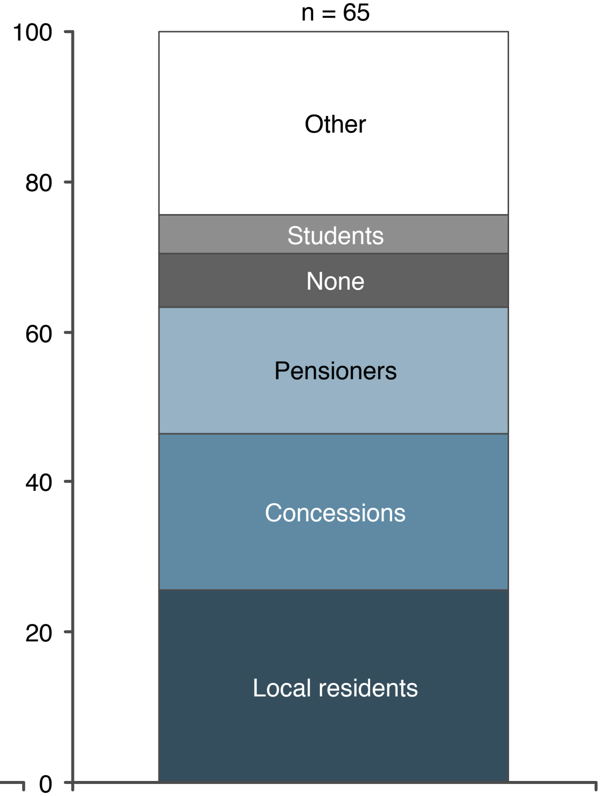
Festival ticketing structure* (2017)
Percentage of festivals



Average individual ticket price *** (2017)**
Percentage of festivals



Ticket discounts^ (2017)
Percentage of festivals



Note: * Q37. Which of the following best describes the ticketing structure for the festival?; ** Q38. What is the average individual ticket value (face)?; *** When multiple respondents answered from the same festival, values were averaged; ^ Q39. Does your festival or event provide discounted tickets to any of the following groups?; Excludes null entries

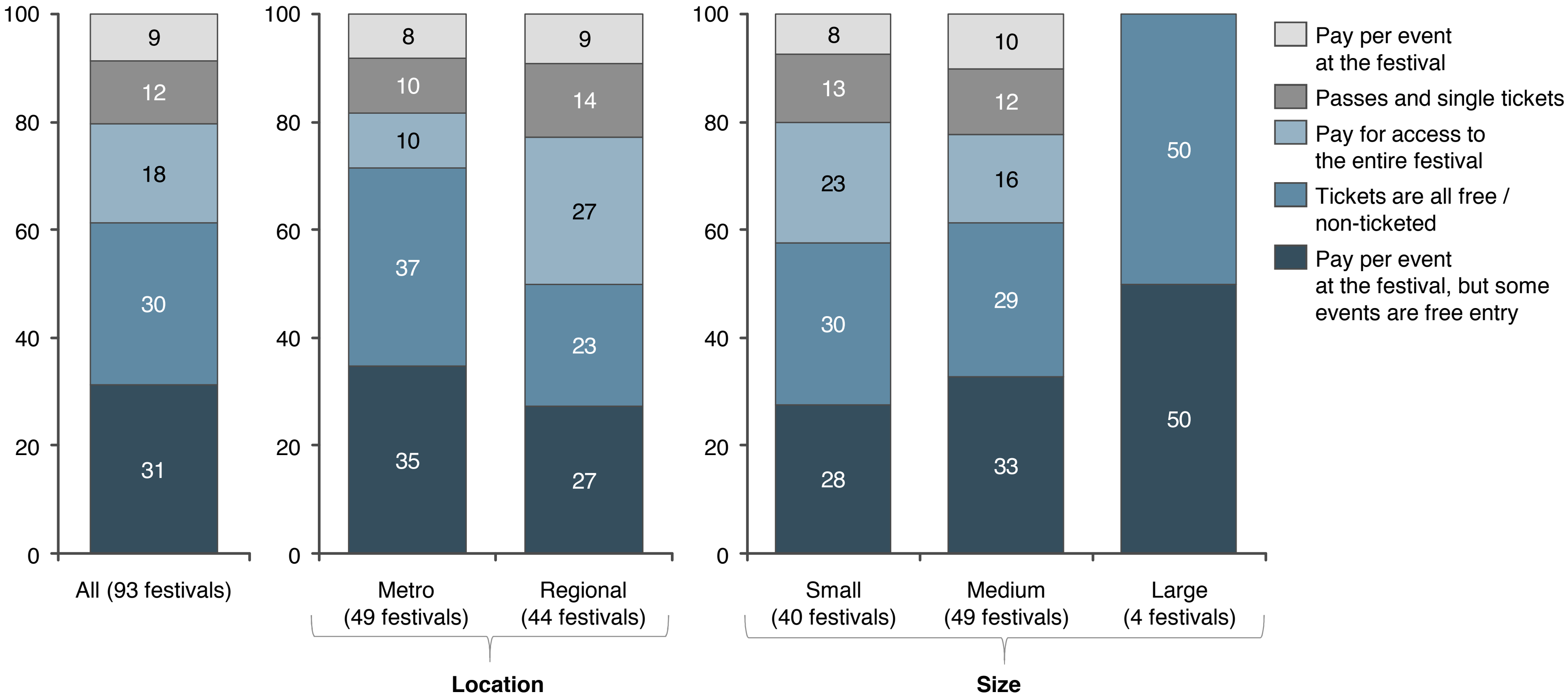
Source: Festival Organisers Survey

The ticketing models utilised by festivals vary considerably

Ticketing structure* (2017)
Percentage of festivals

Ticketing structure by location* (2017)
Percentage of festivals

Ticketing structure by structure* (2017)
Percentage of festivals



Note: * Q37. Which of the following best describes the ticketing structure for the festival?; Q14. What was the total approximate **free / non ticketed** attendance at your festival over the last 3 years it ran?; Q15.What was the total approximate ticketed / paid attendance at your festival over the last 3 years it ran?; Q35. Overall what is the festivals total budget in the most recent active year?; Q17. How many of the following artists / practitioners performed at the festival? Size of festival has been estimated when attendance, number of artists / practitioners and / or budget have not been provided by the respondent

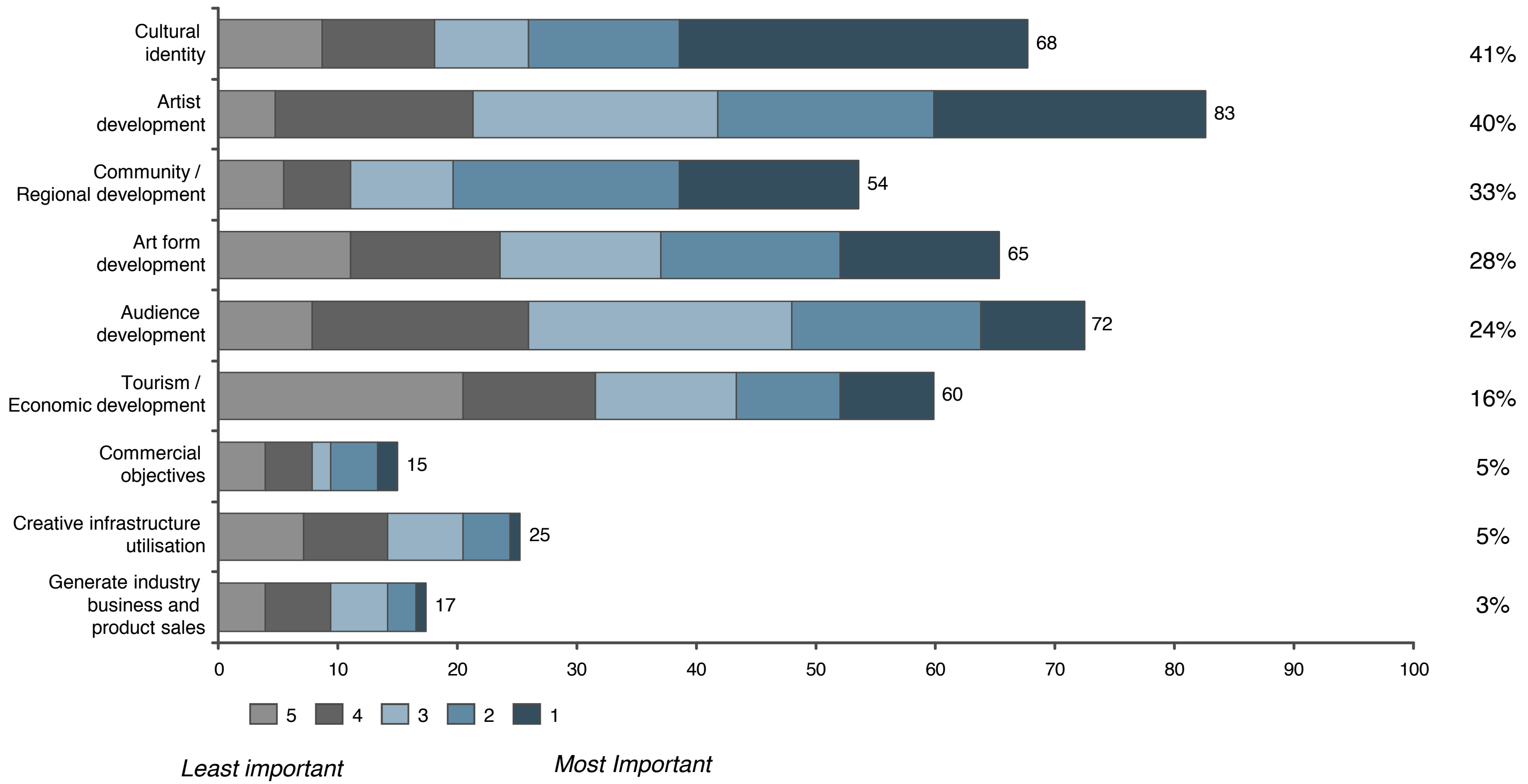
Source: Festival Organisers Survey; ABS

Cultural identity, artist development and community / regional development are most commonly cited as the most important objectives of a festival

7 Festival purpose

Festival purpose and objectives*
(2017, n=127)
Percentage of responses

% who rated this first or second



Note: * Q9. Please rank the (up to 5) most important objectives your festival seeks to achieve. Rank the most important single objective by entering a '1', rank the second most important by entering a '2', etc. up to a maximum of five entries
Source: Festival Organiser Survey

Festivals are an important part of community building, driving economic benefit and building social connections

7 Festival purpose

- c.79% of survey respondents use community engagement as a measure of success
- Local areas are engaged with creative art forms through festivals, that help to build a sense of community. Festivals help to build social connections as well as a sense of wellbeing for participants

  "… [A research report] showed that where there was a creative festival, it has a positive impact on social wellbeing and health, but no connections have been made between these arms [of government] and their support. More research should be done into [the role of festivals in] those issues – community development, social cohesion …"

  "… We could inspire so many kids in regional areas with productions, getting kids involved and motivated. Regional festivals are very important…"

- Festivals are a means of attracting a greater number of tourists to local communities. This is a greater priority for regional areas of Victoria

  "… [Festivals] are good drivers of all sorts of things – capacity building, drivers of tourism, instruments of social regeneration, cultural identity, community and regional development …"

- Local business financially benefits from increased activity as a result of festivals. This is particularly important in regional areas

Note: * Q61. Which of the following do you see as success indicators for festival performance?; Excludes "other"
Source: L.E.K. Interviews and Analysis; Festival Organiser Survey

Agenda

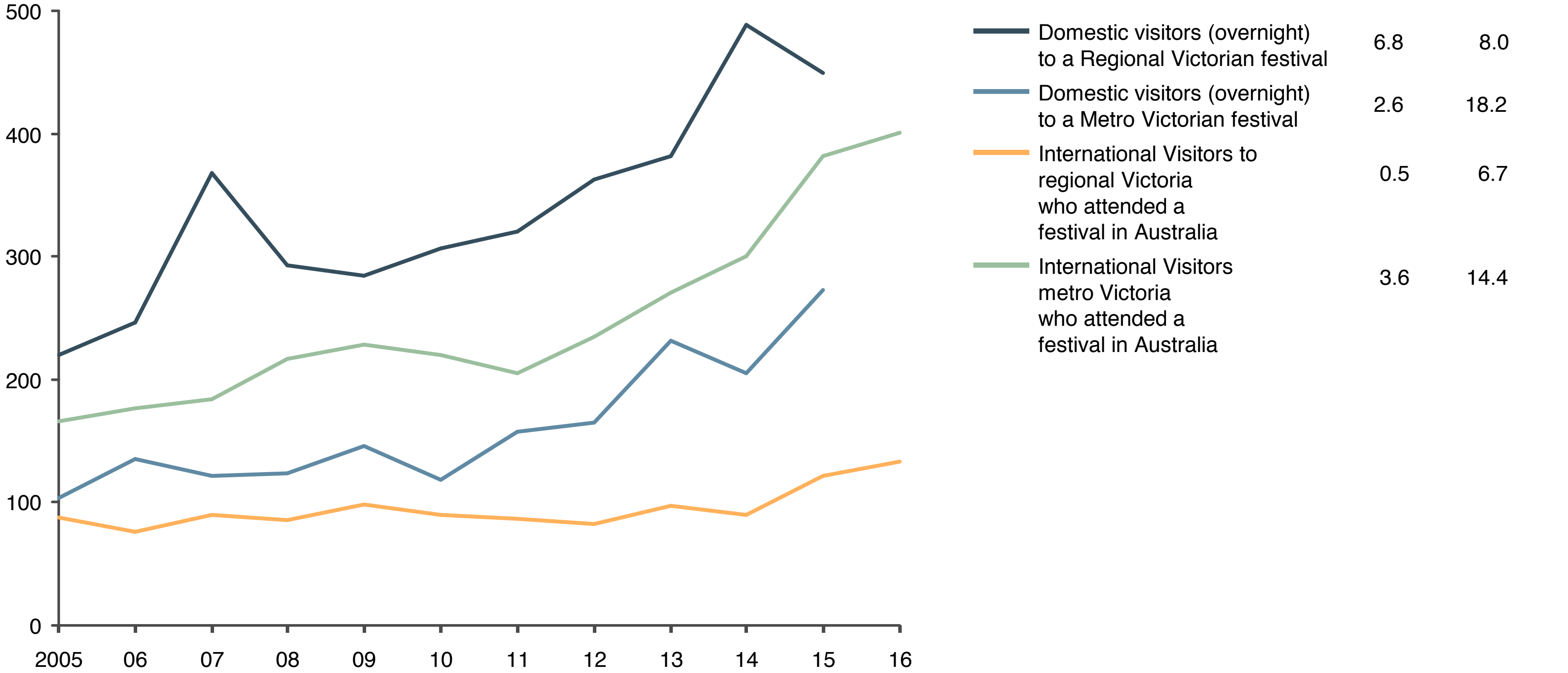
- Executive summary
- **Victorian creative industry festivals landscape**
  - Key shifts
  - Festival portfolio
  - **Festival attendance**
  - Festival funding and resourcing
- Issues and challenges identified
- Recommendations
- Appendix

Summary: Festival attendance

- Victorian festivals have continued to attract an increasing number of both international and interstate visitors
  - There were an estimated 449k national overnight trips to regional Victoria in 2016, growing at c.8% p.a. since 2010
  - There were an estimated 400k visitors to Melbourne for festivals, fairs or cultural events, with a further 100k visitors to regional Victoria
- It is estimated that there were c.9m attendees at creative festivals over the past year in Victoria, of these c.2m were free and c.7m were ticketed / paid
- In aggregate c.35% of festival attendees travel either from outside of the local festival area from within Victoria, interstate or overseas
- Regional festival attendees are more likely to stay overnight when attending a festival. However, they tend to stay fewer nights
- Almost a quarter of festivals have some form of tourism partnership, of these festivals, c.19% of festivals currently partner with a local / regional tourism authority. Regional festivals are most likely to partner with a local authority

TRA data suggests that tourist visitation at both regional and Melbourne based festivals has grown significantly over the past decade

Visitors to festivals / fairs or cultural events in Melbourne and Regional Victoria* (CY2005-15/16)**
Thousands of visitors

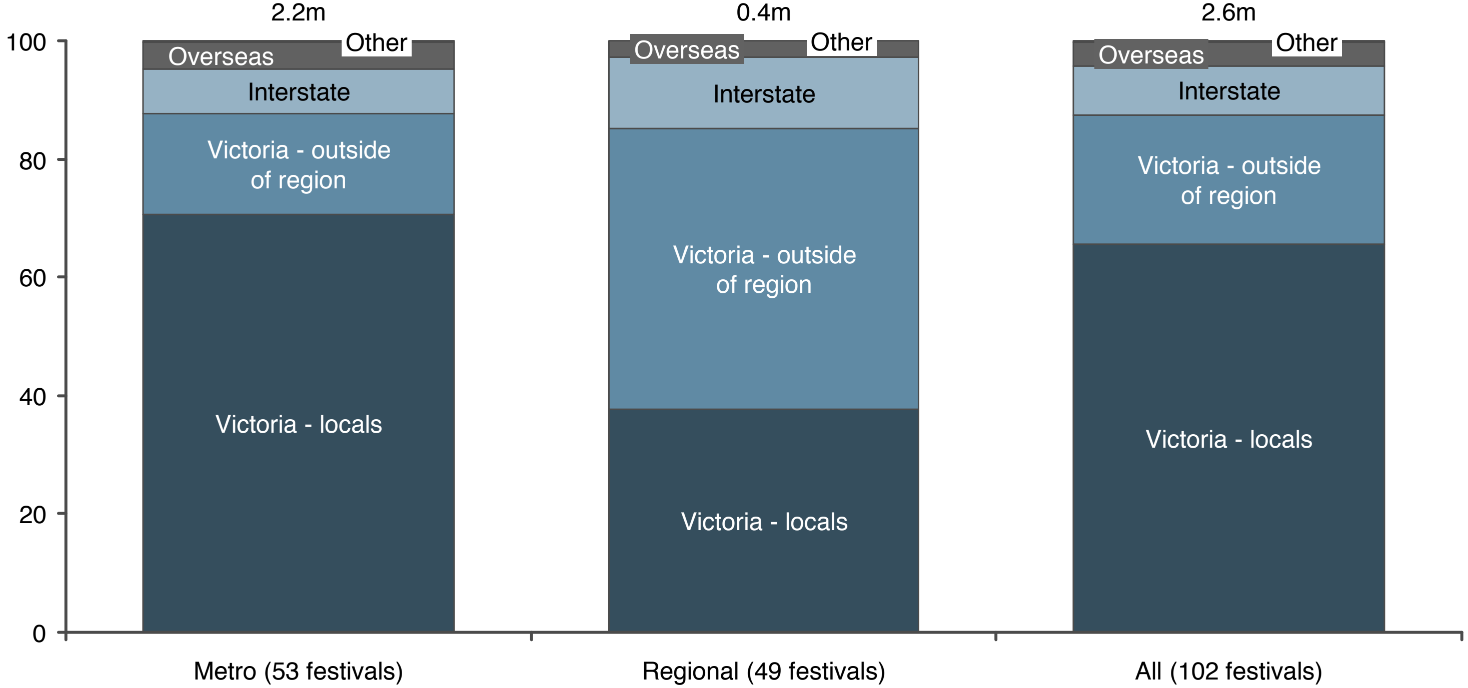


Note: * Overnight visitors on a stopover who elected that a leisure activity on their travels was visiting festivals / fairs or cultural events. Visitors travelled 40km or more to the destination; Visitors surveyed elected that they attended a festival / fair or cultural event somewhere on their trip and visited Victoria. This does not mean that all visitors have visited a festival in Victoria / Melbourne on their stay; **National Visitor Survey data runs until 2015, while International Visitor survey data runs until 2016

Source: National Visitor Survey; International Visitor Survey

Regional festivals report a larger proportion of attendees travelling from intrastate and interstate than metro respondents

All Festival visitor origin location (survey)* (2017)
Percentage of reported attendees



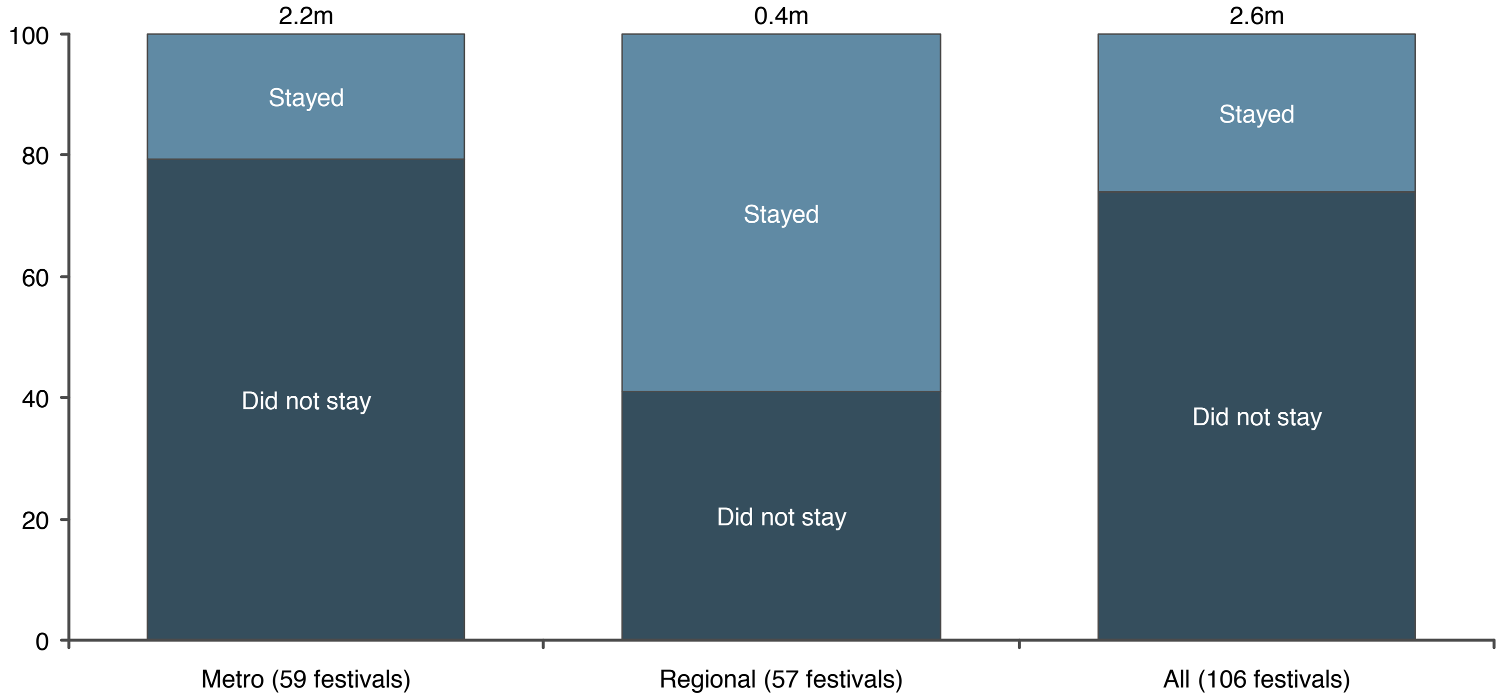
	Metro (53 festivals)	Regional (49 festivals)	All (102 festivals)
Median percent of non-locals reported	20%	54%	28%

Note: * Q26. What is the estimated proportion of attendees that travel from the following categories?; Q14. What was the total approximate **free / non ticketed** attendance at your festival over the last 3 years it ran?; Q15. What was the total approximate ticketed / paid attendance at your festival over the last 3 years it ran?; Q27. What is the estimated proportion of festival attendees that stay overnight while attending the festival?; Q28 What is the estimated nights on average stayed by non-local attendees; When multiple respondents answered from the same festival, values were averaged; Excludes null entries; Q20. Please specify the postcode of your festival base (i.e. the location of the most recent festival hub)

Source: Festival Organisers Survey; ABS

Attendees at regional festivals are more likely to stay overnight

All Festival overnight stays (survey)* (2017)
Percentage of attendees

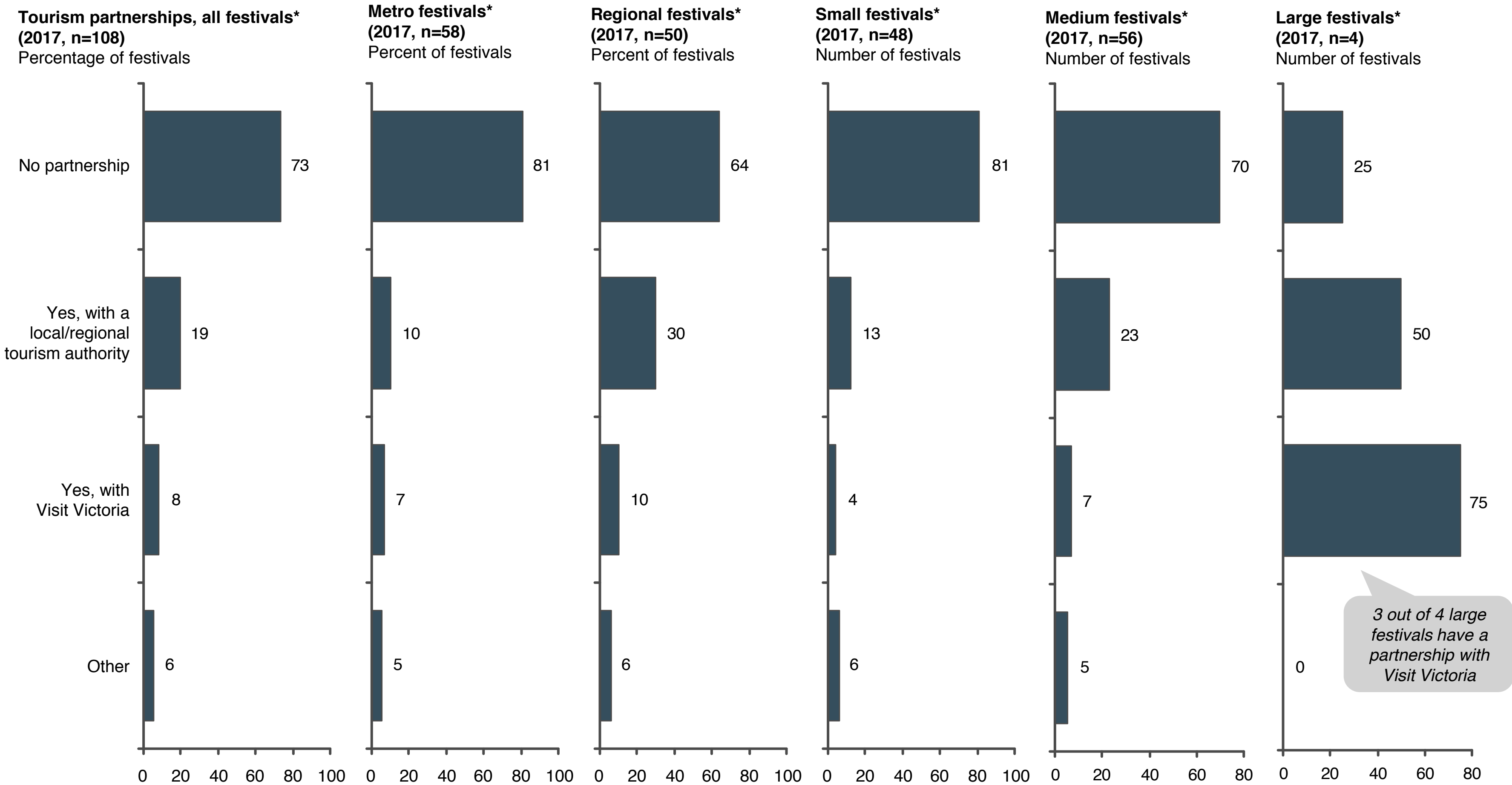


	Metro (59 festivals)	Regional (57 festivals)	All (106 festivals)
Average reported nights stayed**	5	2	4

Note: * Q26. What is the estimated proportion of attendees that travel from the following categories?; Q14. What was the total approximate **free / non ticketed** attendance at your festival over the last 3 years it ran?; Q15. What was the total approximate ticketed / paid attendance at your festival over the last 3 years it ran?; Q27. What is the estimated proportion of festival attendees that stay overnight while attending the festival?; Q28. What is the estimated nights on average stayed by non-local attendees; When multiple respondents answered from the same festival, values were averaged; Excludes null entries; Q20. Please specify the postcode of your festival base (i.e. the location of the most recent festival hub); ** By those who stay overnight

Source: Festival Organisers Survey; ABS

Around a quarter of festivals have some form of tourism partnership



Note: * Q25. Does your festival have a partnership with a tourism authority?; Q20. Please specify the postcode of your festival base (i.e. the location of the most recent festival hub)
Source: Festival Organisers Survey; ABS

Agenda

- Executive summary
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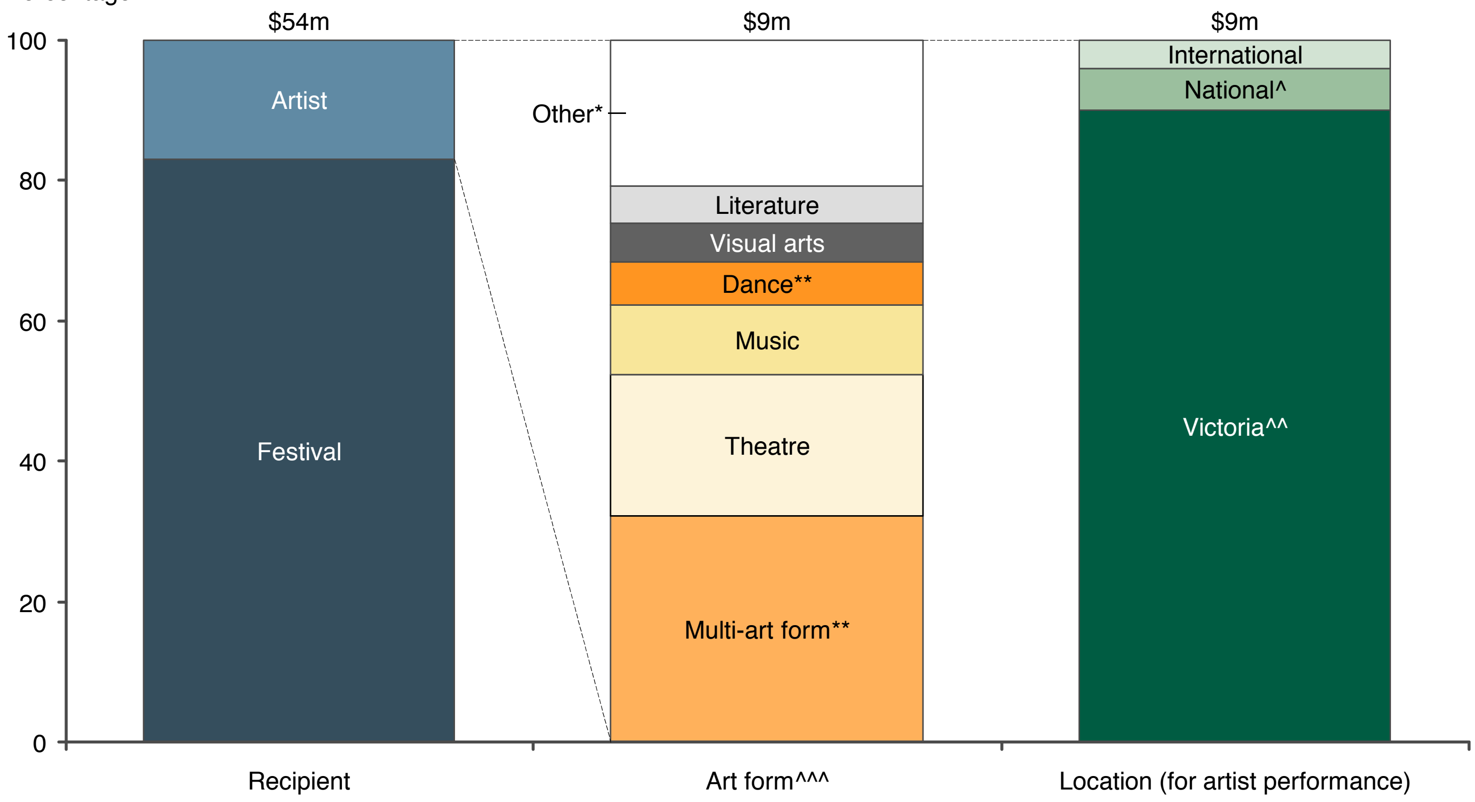
- Appendix

Summary: Festival funding and resourcing

- Creative Victoria delivered 160 grants to festivals and artists (for festival works) totaling $54m over the 2013-15 period
- The Organisations Investment Program (OIP) is the main source of state government festival funding. The latest OIP round in 2016 provided $45m in funding over a four year period from 2017-20
- Approximately 68% of festivals receive more that 20% of their total budget from Government funding sources. Festivals receive funding from other government agencies and funds including (in addition to high self-earned income for some festivals):
  - Department of Culture and the Arts (DCA) Catalyst Fund
  - Visit Victoria
  - Office of Multicultural Affairs and Citizenship (OMAC)
  - Regional Arts Fund through Regional Arts Victoria
  - Multicultural Arts Victoria
  - Australia Council for the Arts
  - Local councils
- Festivals that receive government funding (>20% of total turnover) have, on average, grown attendance by c.12% per year, compared to 6% for festivals that do not receive a significant proportion of funding
  - c.50% of all funding is spent on producing and purchasing work. Of this, c.23% is spent on producing new works
- Many festivals, particularly in regional or outer metro areas rely on significant numbers of volunteers to stage festivals. However, the reliance on volunteers may not be sustainable, particularly in regional areas were the volunteer pool may be limited

Creative Victoria grants provided to artists are broadly equitably distributed among different art forms. c.90% of artist grant funding for festivals is for performances within Victoria

Artist funding by recipient, art form* and location (2013-2015)
Percentage

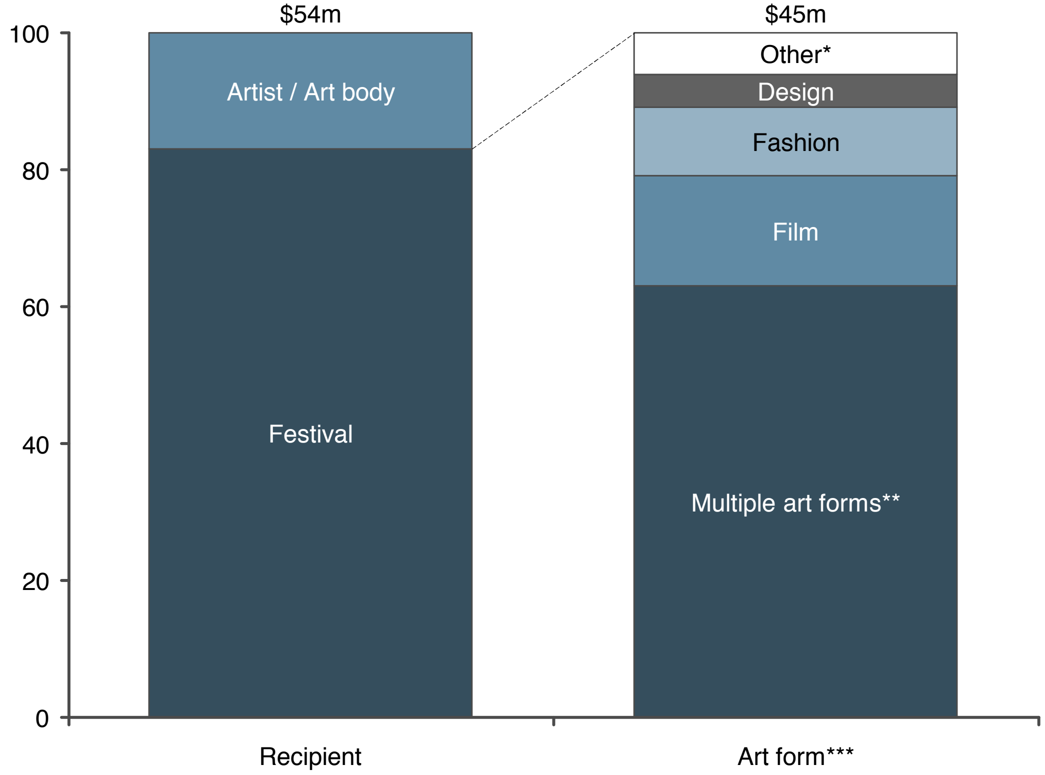


Note: * Other contains Other arts and Museums and Cultural Heritage classifications; ** Dance contains Dance and Dance Physical Theatre classifications; *** Multi-art form contains Multi-arts, Multi-arts and Festivals and Cross-art forms classifications; ^ National contains Interstate and National classifications; ^^ Victoria contains Victoria and Statewide classifications; ^^^ There is double counting under art form due to the fact that artists can be classified under multiple different art forms

Source: Creative Victoria

The majority of festival funding is for multi-art form festivals

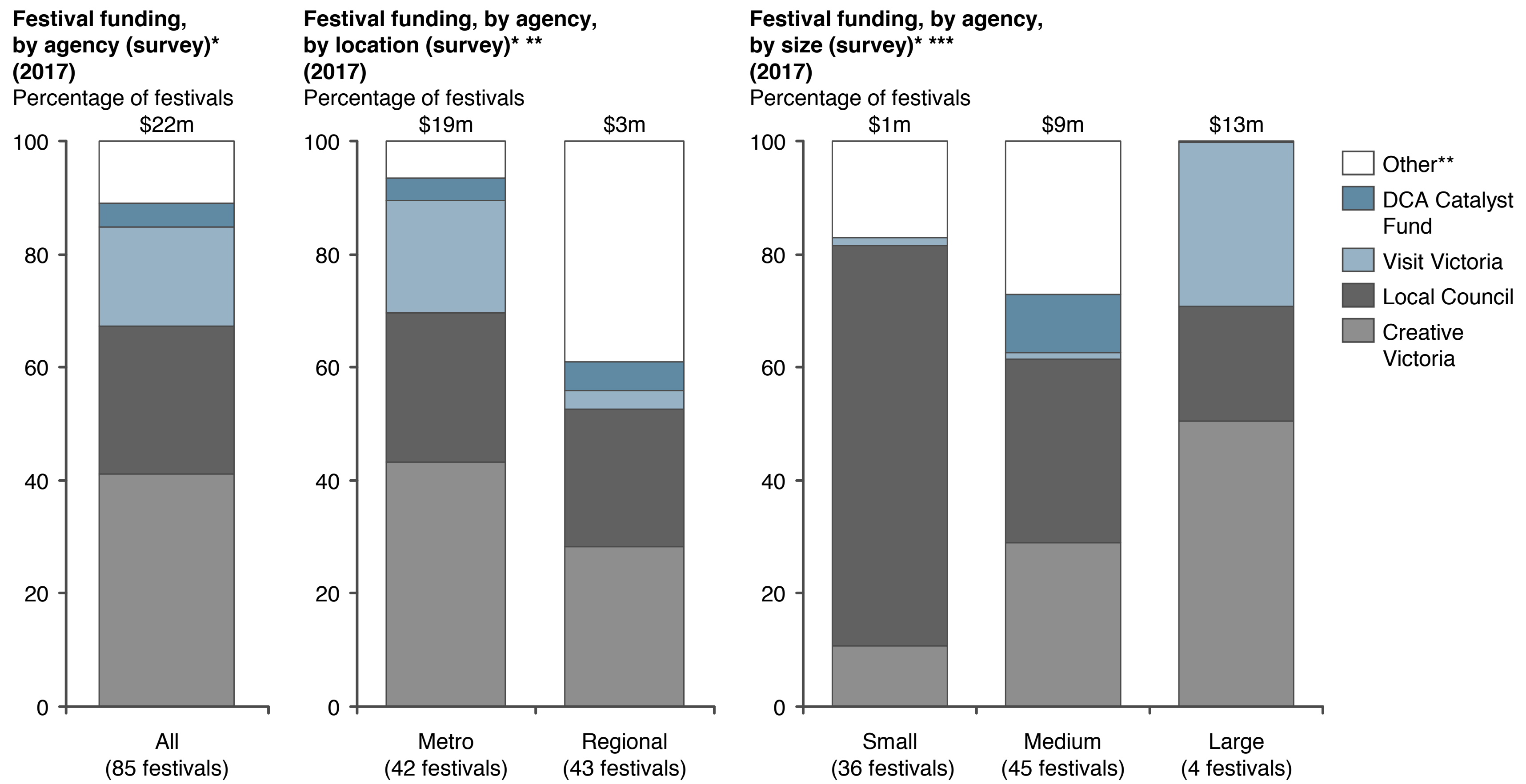
Festival funding by recipient and art form (Sept 2013-Dec15)
Percentage



Note: * Other contains Other arts and Museums and Cultural Heritage classifications, Digital Media / games. Theatre, Dance and Physical Theatre, Visual arts, Literature, and Music; ** Multiple art forms contains Multi-arts, Multi-arts and Festivals and Cross-art forms classifications; *** There is double counting under art form due to the fact that festivals can be classified under multiple different art forms

Source: Creative Victoria

Larger festivals rely more on Creative Victoria for support, while small and medium festivals make greater use of local council funds

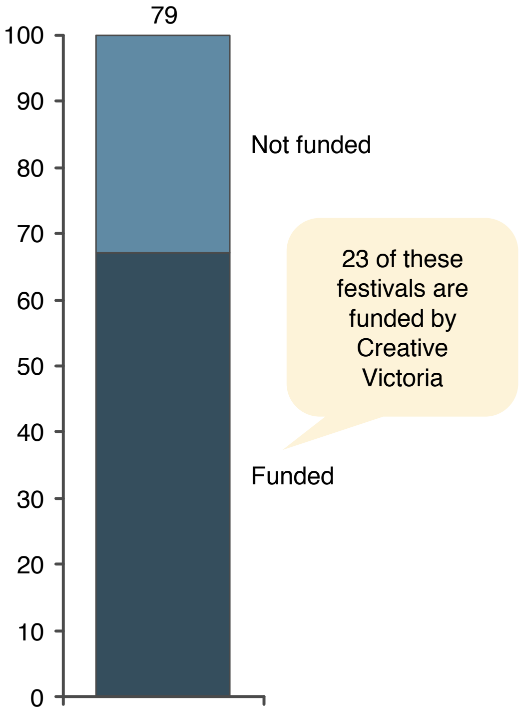


Note: * Q29. What agencies does your festival receive financial or contra (in kind support from)?; Q30. For those that you selected, what was the total quantum of support for the last festival only? (Please provide an answer in each row; ** Other includes OMAC, RAC, MAV and Australia Council funding; When multiple respondents answered from the same festival, values were averaged; ** Q20. Please specify the postcode of your festival base (i.e. the location of the most recent festival hub); ***Q14. What was the total approximate **free / non ticketed** attendance at your festival over the last 3 years it ran?; Q15. What was the total approximate ticketed / paid attendance at your festival over the last 3 years it ran?; Q35. Overall what is the festivals total budget in the most recent active year?; Q17. How many of the following artists / practitioners performed at the festival? Size of festival has been estimated when attendance, number of artists / practitioners and / or budget have not been provided by the respondent

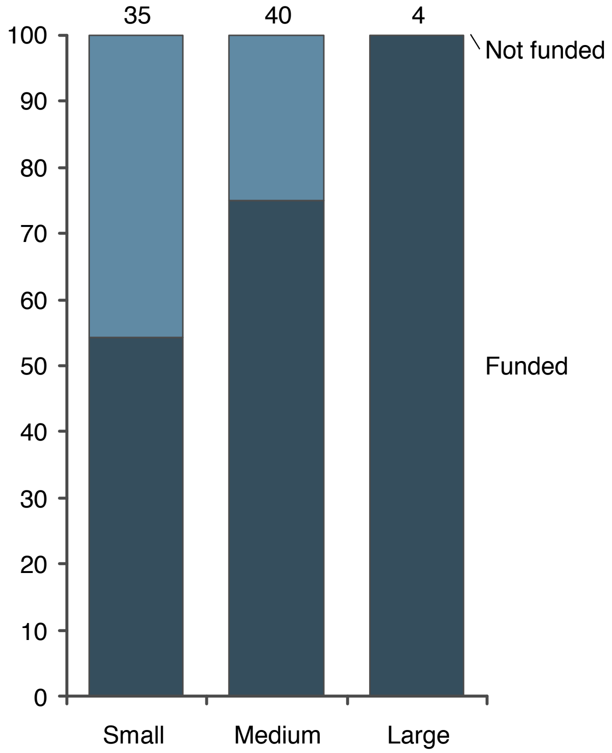
Source: Festival Organisers Survey; ABS

Approximately 68% of all creative industry festivals receive a significant proportion of funding (>20%) from different Government sources, medium and large metro festivals are more likely to receive Government funding

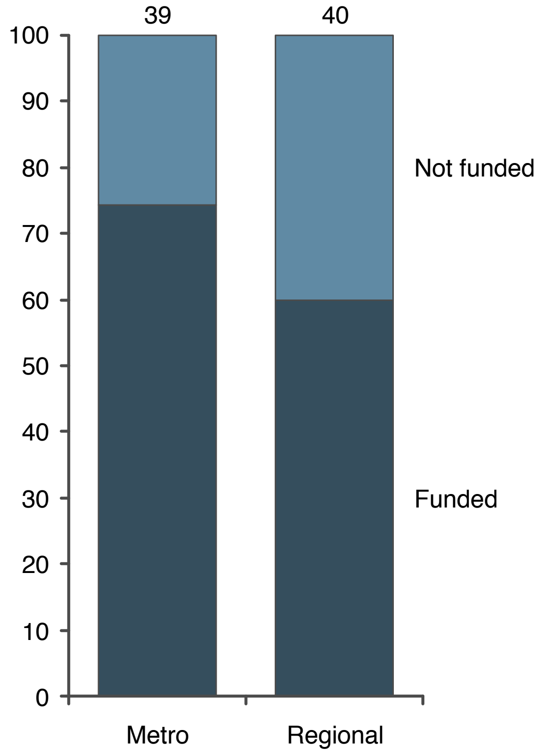
Proportion of government funded festivals* **
(2017, n=79)
Percent



Proportion by festival size* **
(2017, n=79)
Percent

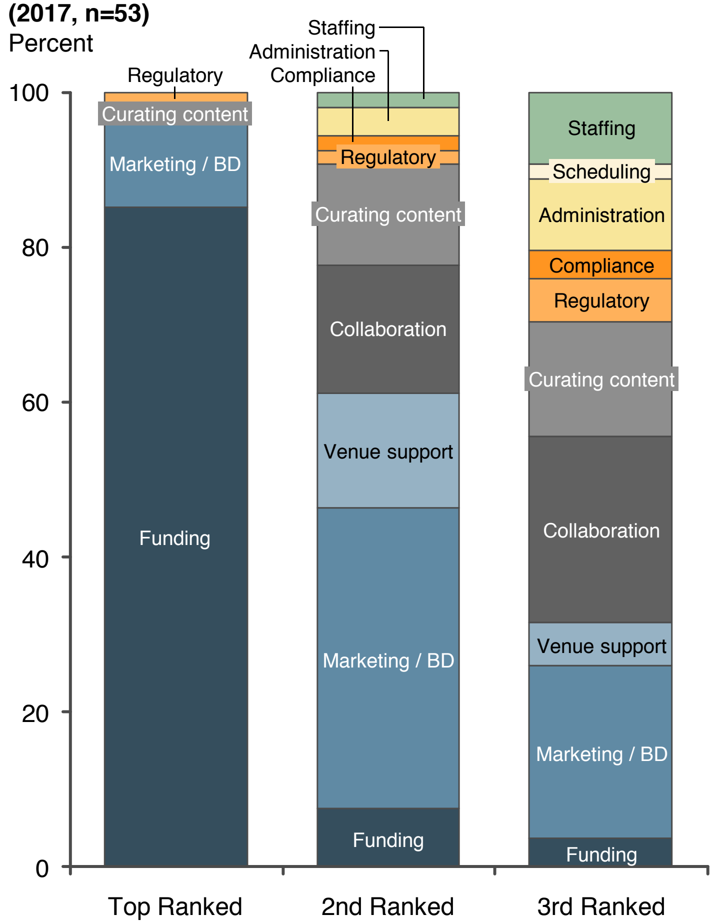


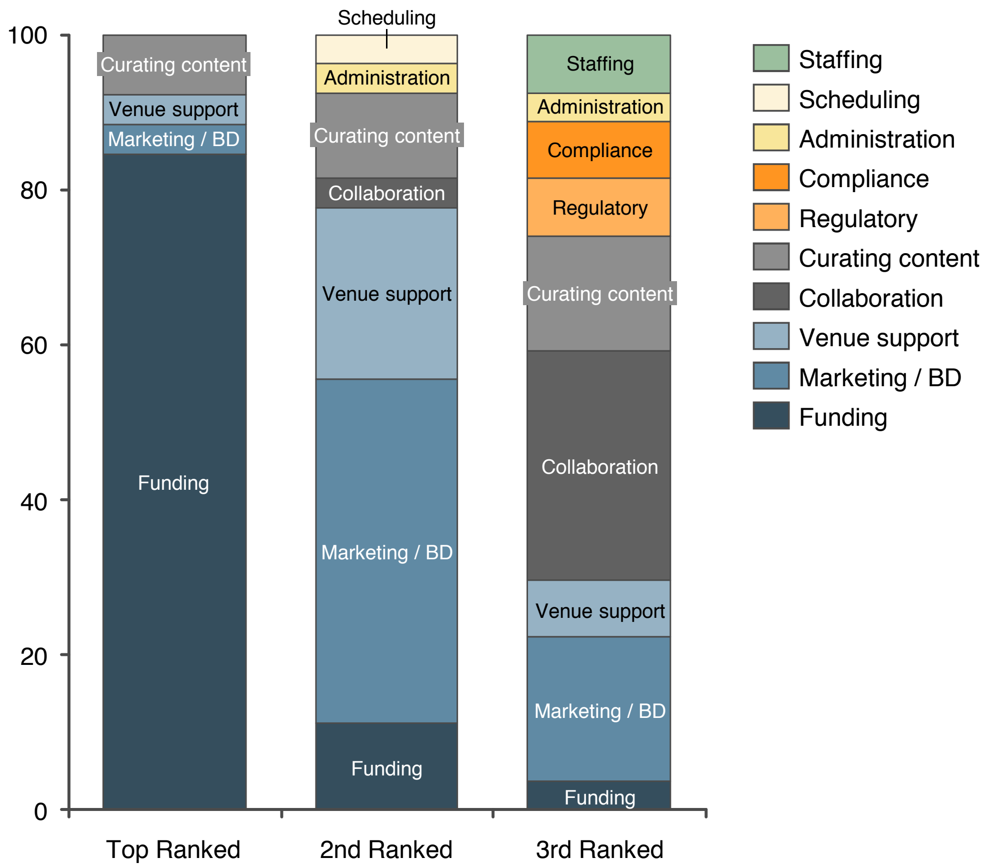
Proportion by festival location* **
(2017, n=79)
Percent



Note: * Q29 Which agencies does your festival receive financial or contra (in kind support) from? Q30 For those you selected, what was the total quantum of support for the last festival only?; **Funded festivals are defined as those whose total government support is more than 20% of their total turnover
Source: Festival Organiser Survey

Priorities for funded festivals are broadly in-line with those of non-funded festivals



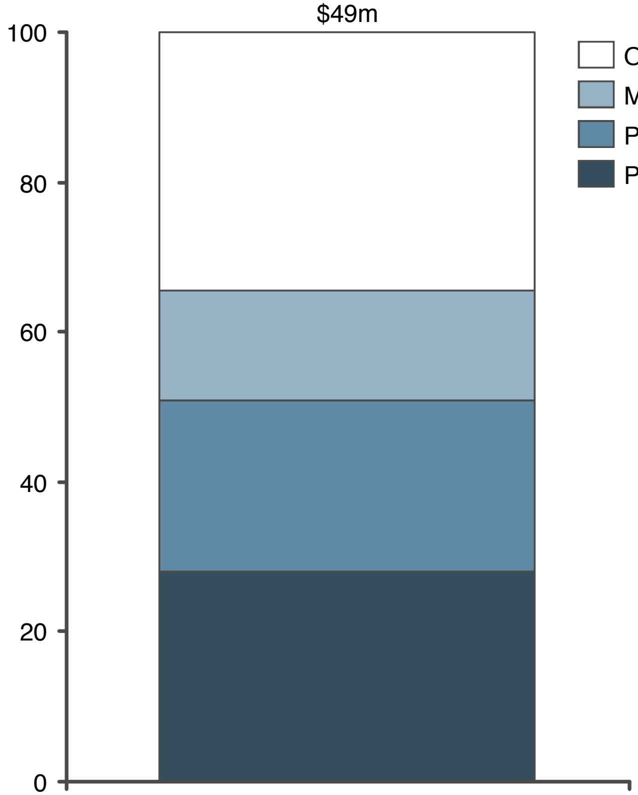


Note: * Q53 What are the areas where you feel Creative Victoria and/or another government agency have the greatest opportunity to add high value support efficiently and effectively? (Please rank the following in order of importance, '1' being the most important area); Excludes 'other' and ticketing support is not shown as no respondents have selected this option as 1st, 2nd, or 3rd priority

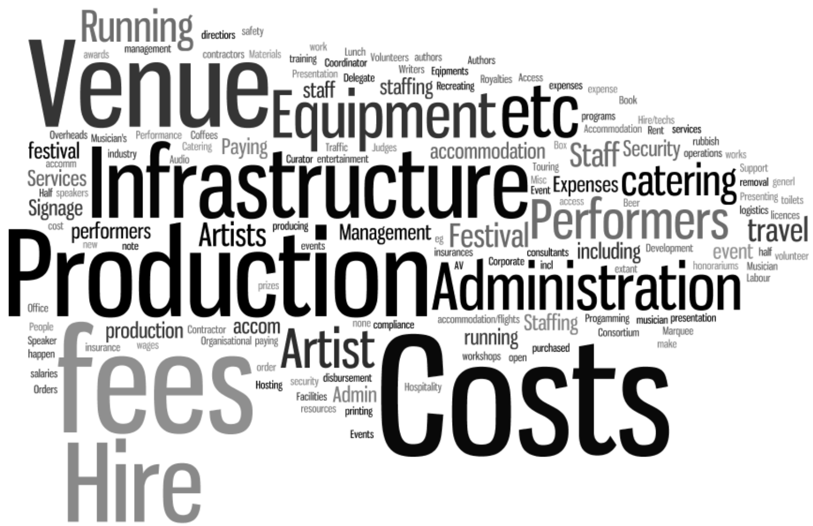
Source: Festival Organiser Survey

c.50% of festival expenditure is allocated to purchasing or producing work

Festival expenditure mix (survey)*
(2017, n=92)
Percent



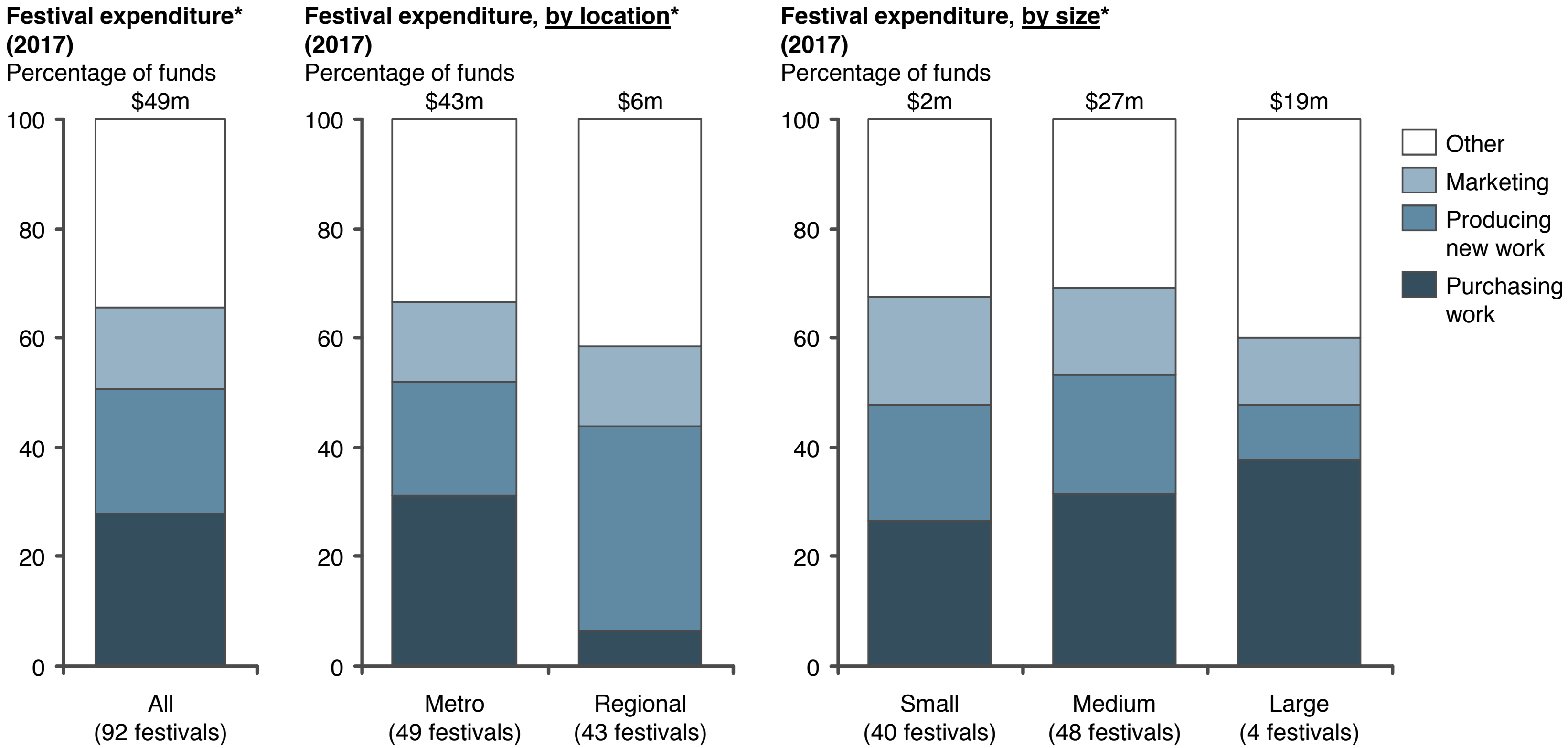
Survey responses to ‘other’ expenditure



Note: * Q34. Please indicate the approximate percentage of your most recent festival’s expenditure that was allocated to the following areas; Q35. Overall what is the festivals total budget in the most recent active year?; When multiple respondents answered from the same festival, values were averaged; Null entries have been excluded

Source: Festival Organisers Survey

Regional festivals tend to spend the greatest proportion of their budgets on producing new works

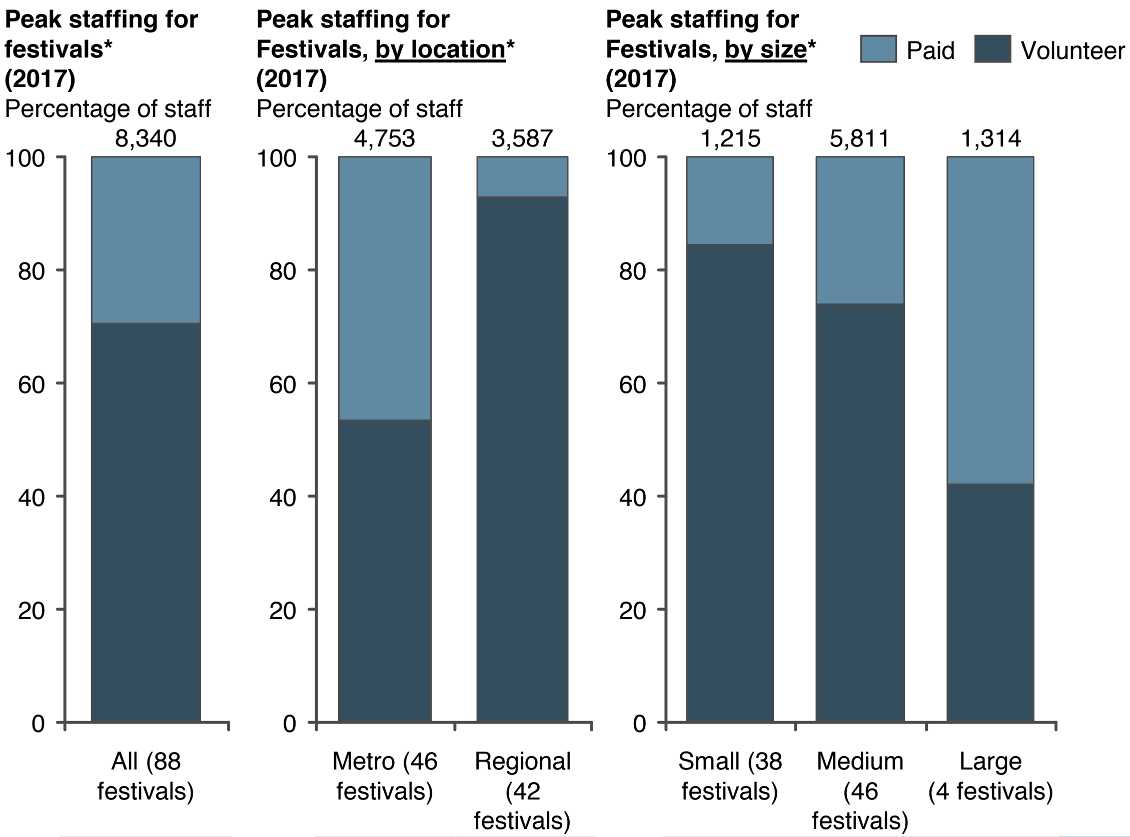


535	878	145	59	571	4,862	**Average expenditure ($000s)**

Note: * Q34. Please indicate the approximate percentage of your most recent festival's expenditure that was allocated to the following areas; Q35. Overall what is the festivals total budget in the most recent active year?; When multiple respondents answered from the same festival, values were averaged; Null entries have been excluded; Q20. Please specify the postcode of your festival base (i.e. the location of the most recent festival hub); Q14. What was the total approximate **free / non ticketed** attendance at your festival over the last 3 years it ran?; Q15.What was the total approximate ticketed / paid attendance at your festival over the last 3 years it ran?; Q35. Overall what is the festivals total budget in the most recent active year?; Q17. How many of the following artists / practitioners performed at the festival? Size of festival has been estimated when attendance, number of artists / practitioners and / or budget have not been provided by the respondent

Source: Festival Organisers Survey

c.70% of festival staff in peak times are volunteers. Regional and smaller festivals tend to have an even higher proportion of volunteer workers



All	Metro	Regional	Small	Medium	Large	
95	103	85	32	126	329	**Average # of staff**

- Many festivals, particularly in regional or outer metro areas rely on significant number of volunteers to stage festivals

"… We […] run on volunteers – last festival 184 surveyed volunteers contributed over 8,000 volunteer hours …"

- Festival organisers recognise the need to attract skilled volunteers

"… [There needs to be] more opportunities to attract skilled volunteers, and support for volunteers, training and recognition of volunteers …"

- However, the reliance on volunteers may not be sustainable, particularly in regional areas were the volunteer pool may be limited

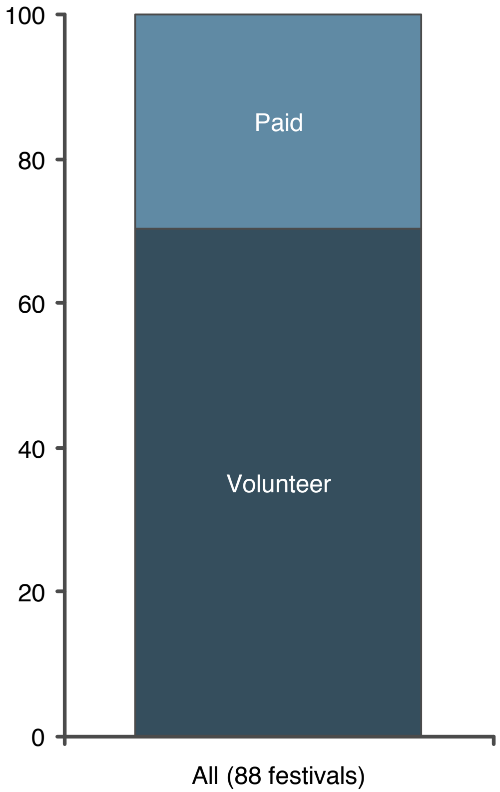
"… The sector needs to] understand how difficult it is to sustain professional presentation of festivals and events in small regional towns with limited skill and experience in running professional events. Understand the capacity of volunteers and give support to festivals to become sustainable by supporting the creation of events and festivals industry in regional towns ….."

Note: * Q42. How many volunteers and how many paid staff work at your festival at peak times?; When multiple respondents answered from the same festival, values were averaged; Q14. What was the total approximate **free / non ticketed** attendance at your festival over the last 3 years it ran?; Q15. What was the total approximate ticketed / paid attendance at your festival over the last 3 years it ran?; Q35. Overall what is the festivals total budget in the most recent active year?; Q17. How many of the following artists / practitioners performed at the festival? Size of festival has been estimated when attendance, number of artists / practitioners and / or budget have not been provided by the respondent; Q20. Please specify the postcode of your festival base (i.e. the location of the most recent festival hub)

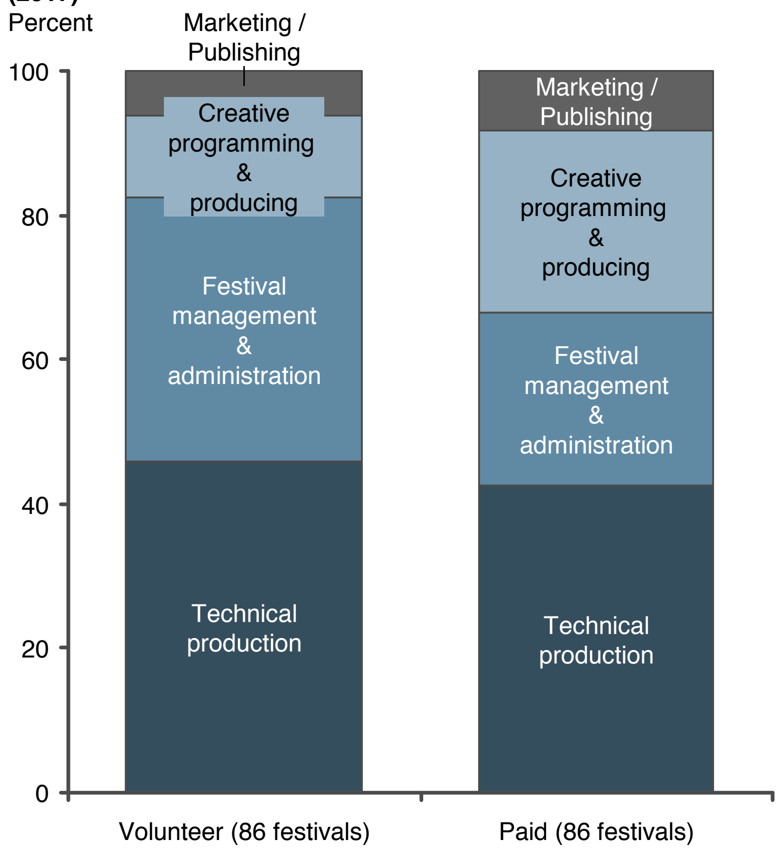
Source: Festival Organisers Survey; ABS

The majority of paid and volunteer staff are involved in technical production and management and administration activities

Paid vs volunteering staff during peak times* ^^ (2017)
Percent



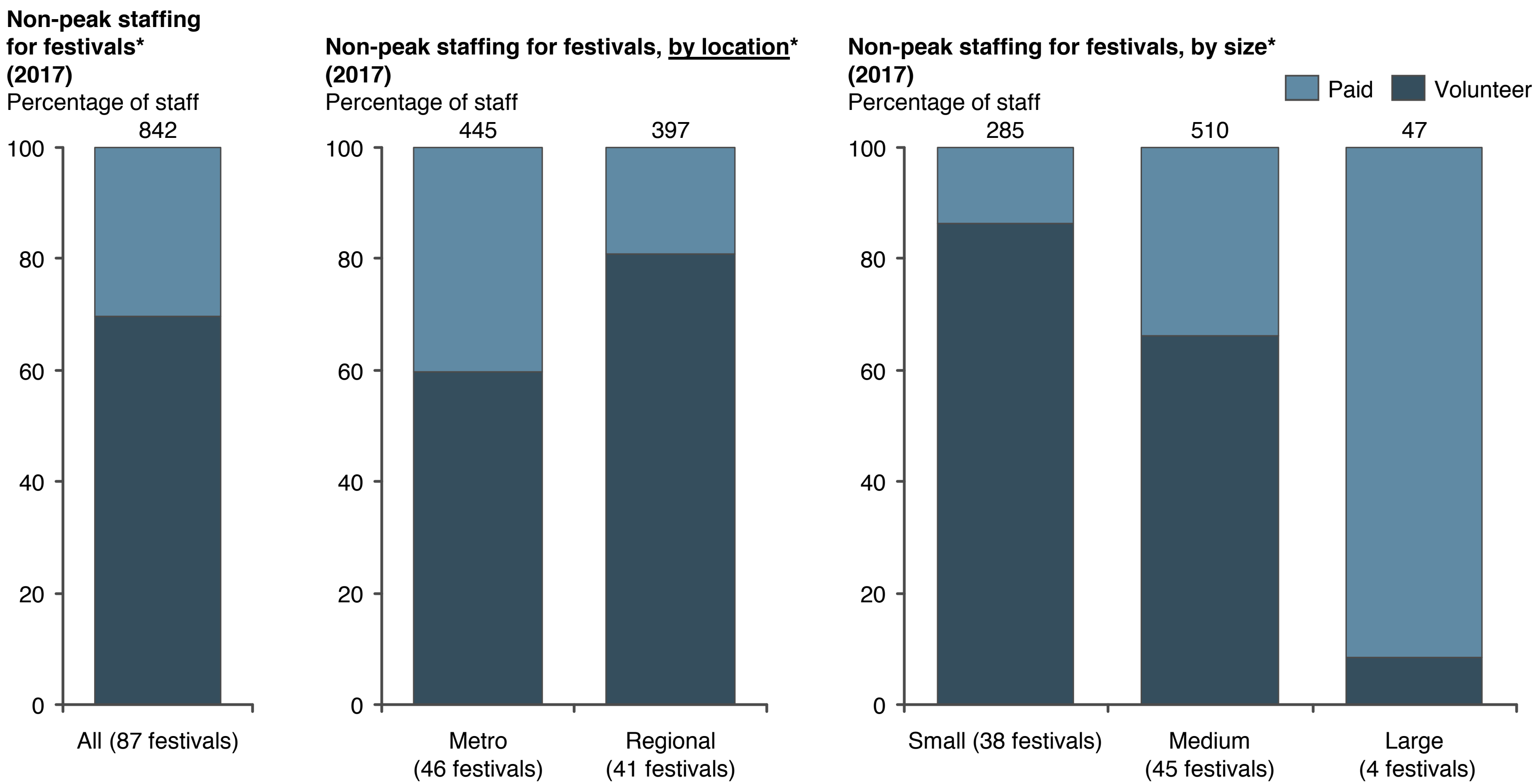
Paid vs volunteer staff area of work (2017)**
Percent



Note: * Q42. How many volunteers and how many paid staff work at your festival at peak times?; ** Q43. For the volunteer peak staff, how many were involved in the following areas?; *** Q44. For the paid peak staff, how many were involved in the following areas?; when multiple respondents answered from the same festival, values were averaged; Excludes blank entries

Source: Festival Organisers Survey

Regional and small festivals make greater use of volunteer staff between festivals



Note: * Q46. How many volunteers and paid staff work for your festival between festivals?; When multiple respondents answered from the same festival, values were averaged; Q14. What was the total approximate **free / non ticketed** attendance at your festival over the last 3 years it ran?; Q15. What was the total approximate ticketed / paid attendance at your festival over the last 3 years it ran?; Q35. Overall what is the festivals total budget in the most recent active year?; Q17. How many of the following artists / practitioners performed at the festival? Size of festival has been estimated when attendance, number of artists / practitioners and / or budget have not been provided by the respondent; Q20. Please specify the postcode of your festival base (i.e. the location of the most recent festival hub)

Source: Festival Organisers Survey; ABS

Agenda

- Executive summary
- Victorian creative industry festivals landscape
- **Issues and opportunities identified**
- Recommendations
- Appendix

The review identified issues and opportunities for improvement in a range of areas

1. Festival identity and clarity of purpose
2. Measuring success
3. Funding design
4. Barriers to attendance
5. Festival calendar issues
6. Marketing and audience development capability
7. Industry co-ordination and networking
8. Major festival configuration issues

Many participants noted that festival roles / purposes are not always clear

1 Festival identity and clarity of purpose

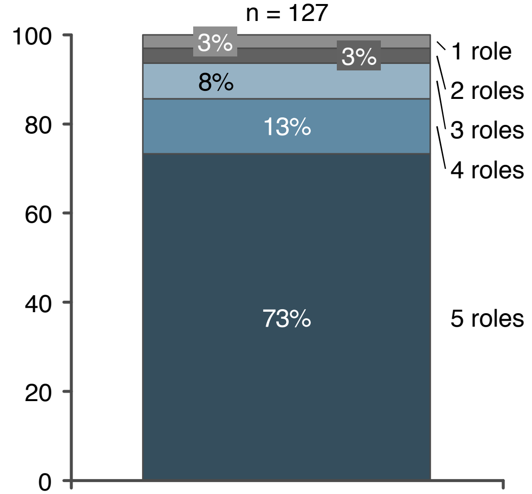
- Key stakeholders acknowledge the difficulty in articulating the role and purpose of festivals, particularly given the frequent and wide ranging use of the word 'festival'

  "… I don't know that the question 'what is the purpose of this festival' could be easily answered by anyone, or if they could, what it would mean socially and culturally…"

  "… It's almost like a festival has become a potential model that everyone is saying, 'Oh, we could have a festival.' I don't know if anyone could answer what the purpose of their festivals is easily, or if they could, what it would mean socially and culturally…"

- As the festival and venue landscapes have developed, individual event roles have become less distinctive / clear

Count of roles* selected (2017)
Percentage of festivals



Survey participants selected from the following roles
Cultural identity
Artist development
Community / Regional development
Art form development
Tourism / Economic development
Commercial objectives
Creative infrastructure utilisation
Generate industry business and product sales

Note: Q9. Please rank the (up to 5) most important objectives your festival seeks to achieve
Source: L.E.K. Interviews and Analysis; Festival Organiser Survey

There appears to be a lack of sophistication and consistency in the measurement frameworks which proponents and funders use to measure festival success

- Festival organisers acknowledge that the current means of measuring festival success are limited, and that change is required to ascertain the value that festivals provide

  "… The traditional way we measure success is limited in scope … I think there is a whole field of work to be done in this space. We felt the most effective way to do it would be to work with a credible university to pull the framework together …"

  "… As the role of festivals becomes more important and well-understood in terms of cultural impact, the measures need to change … We need to be much smarter in demonstrating value …"

  "… Recognise popular music can be measured differently. For example, classifying a live music gig as existing or new work can make it look like a music festival isn't creating any new art, but it is just valued differently …"

- Current measures of success are too focused on headline numbers such as ticket sales, rather than around more difficult to measure benefits such as community and wellbeing outcomes

  "… There's too much obsession with statistics like ticket sales, which is important but not the only metric of success …"

  "… My own personal bugbear is the assessment and evaluation of festivals, especially those in the creative industries. We're constantly put in the same sausage machine as the large sporting events. The economic impact of some festivals is never going to be fully realised when we are using a methodology [like this] …"

- Additionally, some festivals feel as though they need to 'tick boxes' and provide attractive headline numbers to prove success

  "… From [our] perspective, we build into our strategic planning how we measure and evaluate our success, but the challenge of that is the funding environment. Everyone will always try to make their evaluation look good in order to get money out of the government …"

Source: L.E.K. Interviews and Analysis; Festival Organiser Survey

Festival organisers frequently operate in an uncertain funding landscape, while OH&S and compliance requirements continue to increase

Funding design / financial security

- Festivals receive funding from a diverse range of sources including government, commercial, sponsorship and philanthropic funds. Festival organisers view a reliance on government funds as a potential risk factor

  "… Potentially a threat to festivals across the board is that on average, 43% of funding comes from one form of government or another. A high level of support is not necessarily bad, but as governments and policies change, it does represent a potential threat to the system …"

  "… We were able to take risks with our programming because we bypassed government and went straight to philanthropic sources of funds. […]The liberty that underwriting from a major philanthropic organisation gave us was enormous …"

Compliance and administration capability

- Festival organisers are required to deal with significant compliance and administration overheads, which are also changing considerably

  "… [There are] things that create issues for us while being fundamentally important – the compliance, the red tape, [it all] makes it so hard …"

  "… The requirements of OH&S guidelines in Melbourne are very high, so your expenditure in comparison with Sydney, is phenomenal…"

  "… The amount of money you have to spend on policy and procedure manuals is actually a lot …"

Infrastructure / venue access

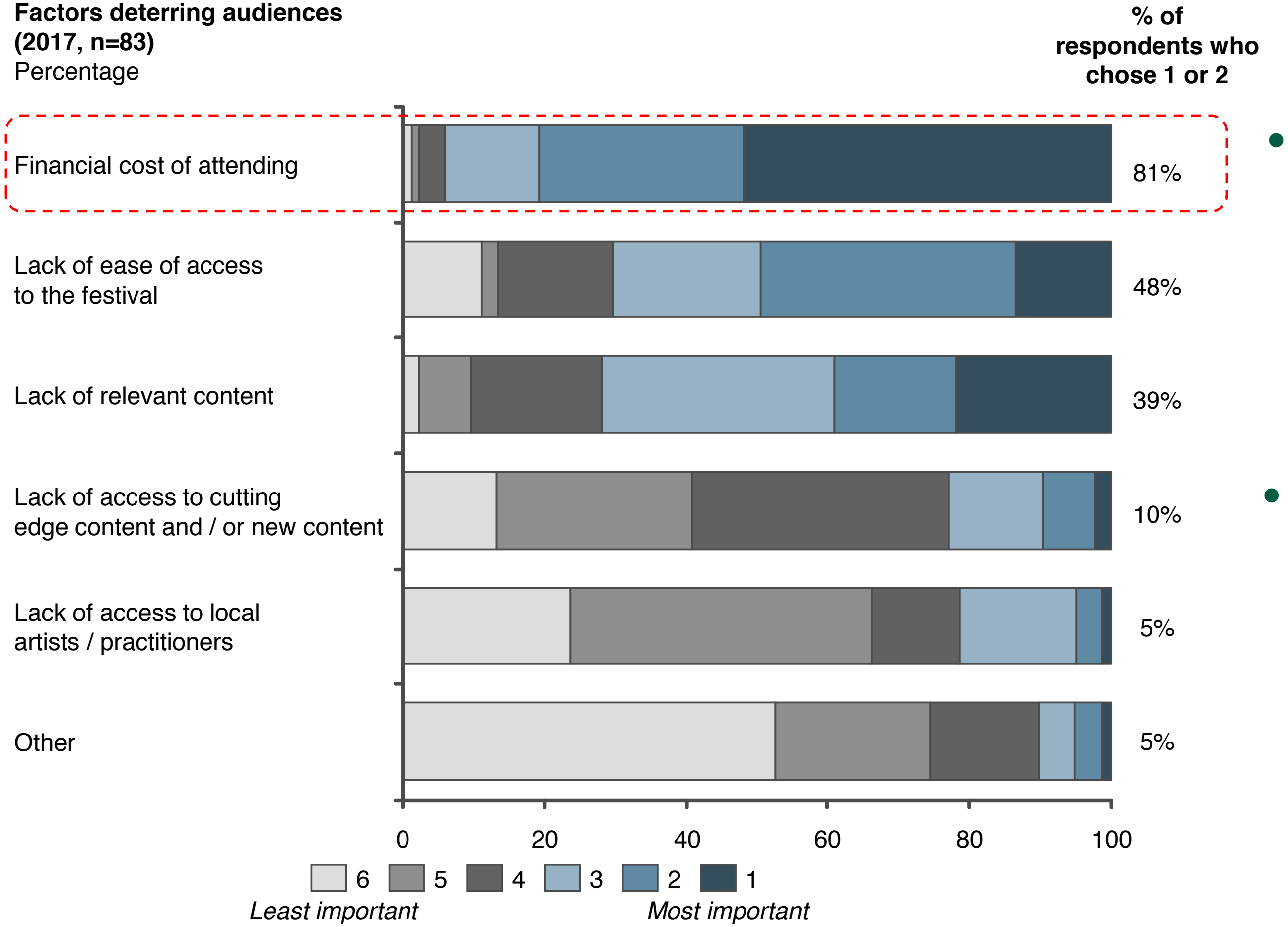
- Festivals require support across the entire programming process, from scheduling, to budgeting, producing as well as artist management. Festivals also require access to adequate infrastructure and venues to program their desired content

  "… The cost of venue hire is a major issue. Hiring venues is incredibly expensive, and a lot of them are booked up years in advance. The spaces available are hotly contested …"

Source: L.E.K. Interviews and Analysis

Festival organisers reported affordability as the greatest deterrent to festival attendance

Factors deterring audiences (2017, n=83)
Percentage



- Festivals need to be affordable for audiences to attend

  "… For us it's about making it an experience, making it cheap or affordable and playful …"

  "… What people really want is free and high quality festivals …"

  "… If things are free, festivals are an extraordinary way to engage people who wouldn't normally be involved …"

- Festivals need to change and evolve to appeal to the changing demographics and tastes of audiences

  "… It's commercially easier to offer the same type of programming, but if you're not developing a new audience, it's not sustainable. There's a large, multicultural audience that programming isn't catering to …"

Note: * Q58 In your opinion, which of the following factors most deter audiences from attending creative industry festivals? Please rank the following in order of importance. Enter a '1' being the most important area. Enter a '2' for the second most important, etc. until all have been ranked. If there are no "Other" areas you can think of, please rank "Other (please specify)" as 7.
Source: Festival Organisers Survey; L.E.K. Interviews

The festival calendar is congested during peak periods and lacks overall co-ordination

- Festivals in Victoria are concentrated in summer and early Autumn months and approximately 20% of festivals are currently scheduled in March

  "… A whole lot of festivals have been grasping at March (because of the weather) and we do need to fix it …"

  "… We are at capacity over the summer months, we need to prioritise festivals that occur in both Melbourne and regional Victoria over the winter period …"

  "… In August, we feel a dry spell in the festivals calendar, we have a little bit of an issue around the clustering of festivals in the calendar …"

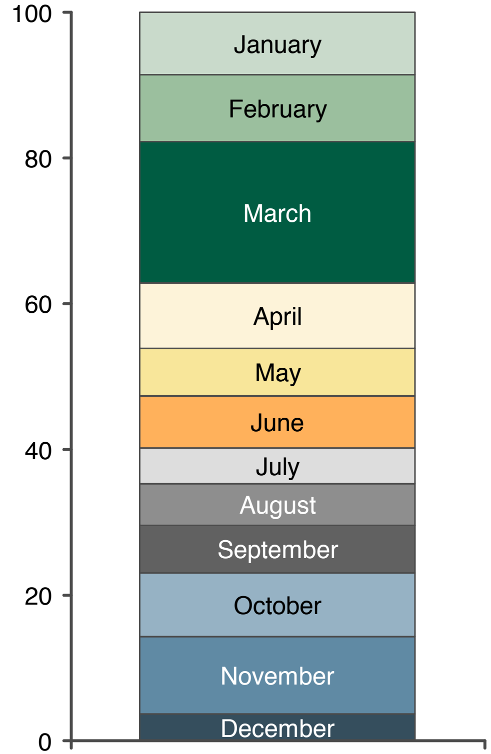
- There is currently no consolidated view of the festival calendar in Victoria

  "… There is no comprehensive calendar of festivals in Australia [and Victoria] and no extensive list …"

- Stakeholders see the need for a well constructed festivals calendar

  "… There needs to be a real commitment to engagement with a calendar of the major events and festivals in Melbourne …"

Festival timing (database) (2016-2017)*
Percent



Note: * Latest festival dates have been taken
Source: Festival database; L.E.K. Interviews

5

Festival calendar

Looking ahead: The creation and maintenance of a festival database and calendar would be useful to a range of stakeholders

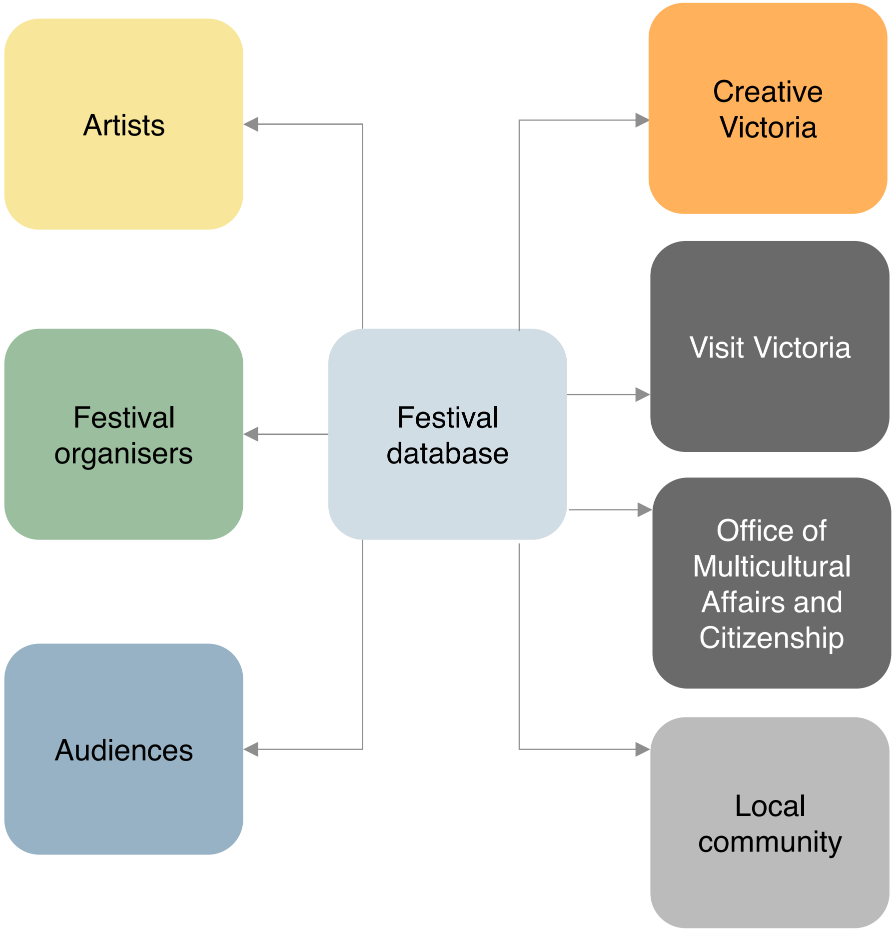
Use case

- Provide a comprehensive list of festivals by art-form
- Allow artists to better develop a 'touring' circuit

- Understand competing / complementary festivals

- Create awareness of where and when festivals occur

User



User

Use case

- Provides a view of the overall health of the festival ecology
- Identifying gaps / opportunities within the festival calendar (period, region, or thematic)

- Identify metro and regional festivals that may qualify for funding
- Identify potential that may help meet strategic priorities

- Identify opportunities to address a diverse audience
- Identify opportunities to showcase the work of diverse artists

- Identify potential opportunities for economic benefit to the community
- Work with festival organisers to facilitate access to venues and accommodation
- Identify opportunities for promotion / marketing of festivals

Many festivals have limited marketing and audience development capability

- The marketing landscape has changed significantly and festival organisers need to be aware of social media, publicity, advertising and development of brochures

  "… Marketing is a huge issue and the landscape has changed extraordinarily. […] c.90% of tickets are now sold online and everyone has big social media accounts which has made paid advertising much less effective …"

- There are opportunities across the calendar to achieve better marketing co-ordination and promotion between well suited groups of festivals

  "… There needs to be a coordinated Statewide marketing agenda (aimed both at locals and one aimed at interstate visitation) that promotes Victoria as a place with amazing arts festivals year round …"

  "… There's no cultural marketing push aimed at Melbourne or Victoria or Interstate visitors that's around the idea that in Melbourne there's always a festival on. There's a piece of marketing to be done around encouraging people to come …"

- Festival proponents expressed concern about the future of festivals, as major festivals, particularly in Melbourne continue to program for a select audience, and has led to risk aversion in the sector

  "… [Audience development] is just not happening. We're just not programming for it. We're programming for the baby boomers in performing arts. We'll be pretty good at that for ten years, and then we won't have an audience …"

  "… Create a context to make a really generous, interesting offer to audiences that might not otherwise be prepared to take that risk …"

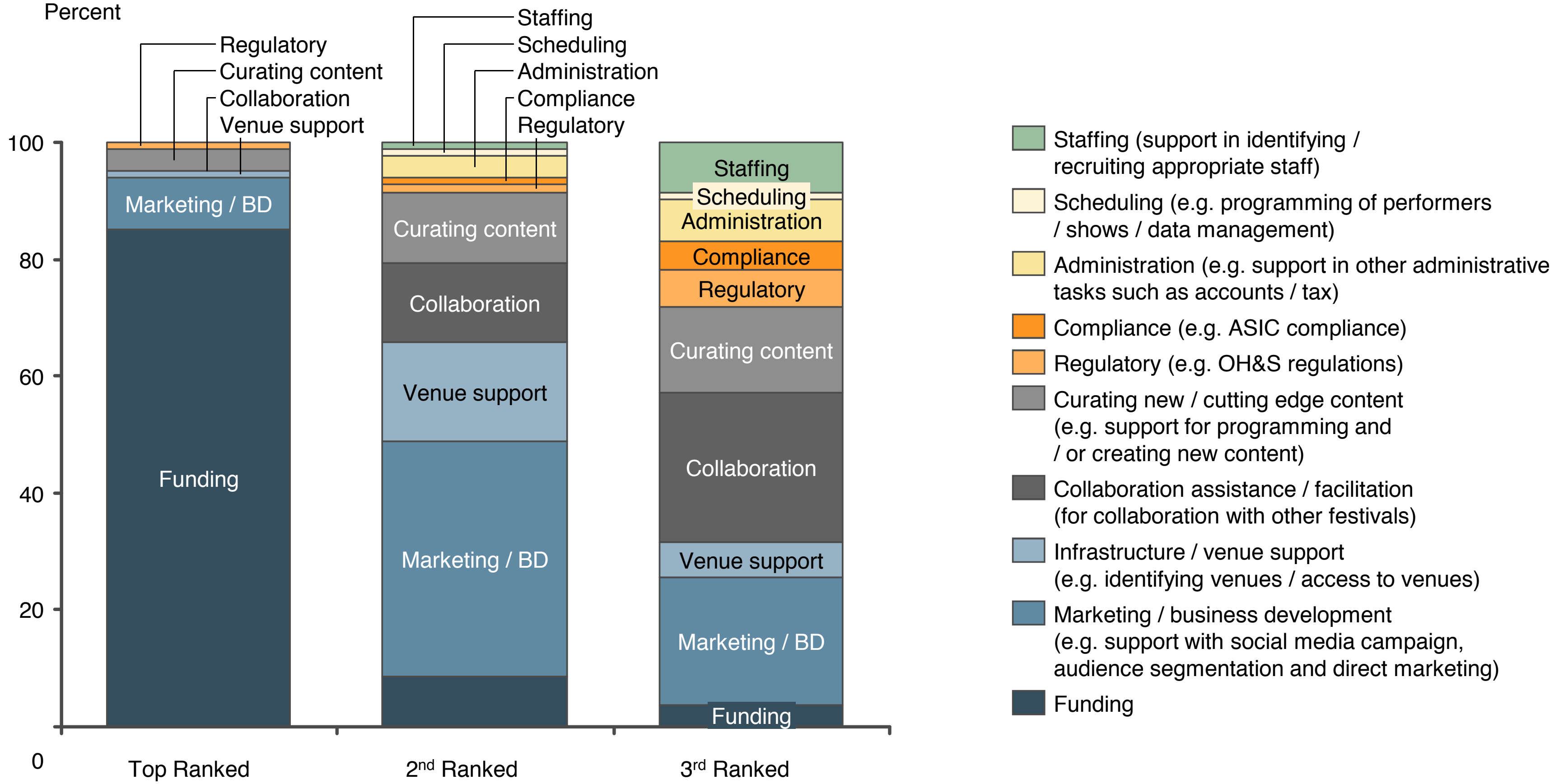
Source: L.E.K. Interviews and Analysis

Funding is consistently the highest priority for industry development among festival organisers, after which proponents rated marketing as the next priority area for government to add high value support

6

Marketing development capability

Top three opportunity rankings*
(2017, n=83)
Percent



Note: * Q53 What are the areas where you feel Creative Victoria and / or another government agency have greatest opportunity to add high value support efficiently and effectively? (Please rank the following in order of importance, '1' being the most important area); Excludes 'other' and ticketing support is not shown as no respondents have selected this option as 1st, 2nd or 3rd priority

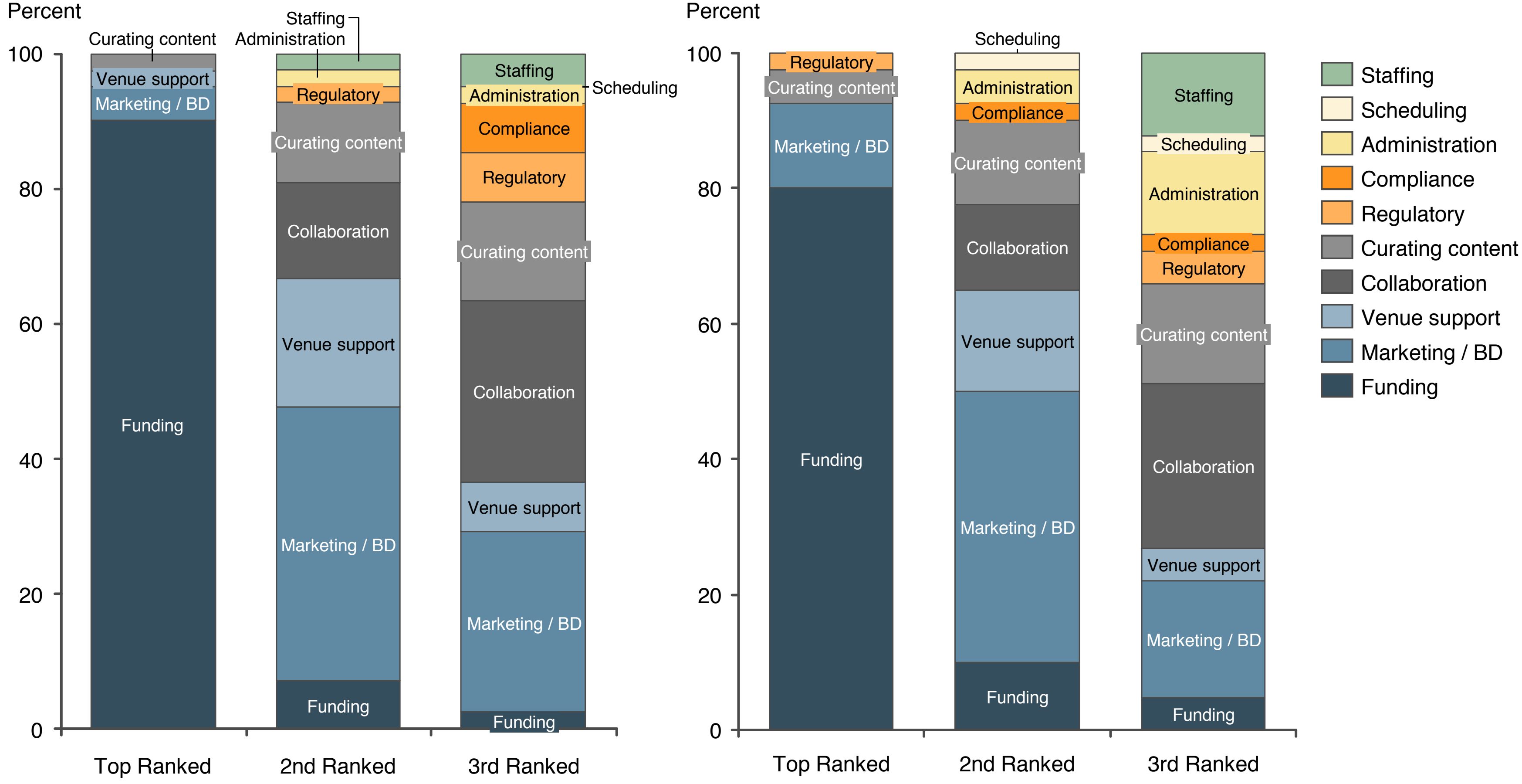
Source: Festival Organiser Survey

Regional festivals note marketing and business development as higher priorities than metro festivals

6 Marketing development capability

Top three opportunity rankings for metro festivals* (2017, n=42)
Percent

Top three opportunity rankings for regional festivals* (2017, n=41)
Percent



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Many proponents noted that mechanisms for co-ordination and networking across the portfolio are limited, which is particularly problematic in regional areas

7

Industry co-ordination and networking

- Festival proponents recognise that there is little co-ordination or networking in Victoria

  "… It's interesting that there's no collaboration between festivals in Melbourne or Victoria more broadly. In Adelaide there's Festivals Adelaide. […] Peak bodies for festivals that help to work through some of these issues, and they're government funded. There's probably a way we could work together to solve some of these issues…"

- Festival organisers see greater collaboration as a key opportunity area for improvement in the sector, particularly in regional Victoria

  "… Help festivals link up with each other, especially in regional Vic, to perhaps share marketing, promotion, programming ideas etc …"

  "… I think merging and collaboration is a way forward for all festivals to, 1) pool resources; 2) share expertise; 3) grow audiences and partners; 4) centralise administration processes, database and marketing; 5) develop a stronger vision for festival planning and delivery and; 6) increase communication between people who run festivals …"

- There are opportunities across the calendar to achieve better co-ordination and promotion between well suited groups of festivals

  "… Look at the activities going on around the city at any given time – [there is a] way to package them up, umbrella them under a common marketing flag …"

  "… There needs to be a coordinated Statewide marketing agenda (aimed both at locals, and one aimed at interstate visitation) that promotes Victoria as a place with amazing arts festivals year round …"

  "… There's no cultural marketing push aimed at Melbourne or Victoria or Interstate visitors that's around the idea that in Melbourne there's always a festival on. There's a piece of marketing to be done around encouraging people to come …"

- Festival proponents identified the opportunity for a centralised database or 'source of truth' to better enable information sharing

  "… A centralised database or recruitment centre, or just a job posting site. If it was done from a Creative Victoria stance, or with their assistance, it could be really valuable …"

Source: L.E.K. Interviews and Analysis

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Participants also highlighted a range of issues in major festival configuration

- **International product and talent:** Larger festivals often use international talent and product to drive marketing impact or festival profile. As international mobility and globalisation continues to advance this becomes more and more possible. While this allows for the assembly of a quality programme, at short notice, it also challenges the authenticity and distinctiveness of local festivals and creative development outcomes / artist opportunities

- **Festival breadth:** Several major festivals have greatly expanded programmes and venue footprint which allows the festival to have more touchpoints and reach but risks diluting the experience, context, sense of place and overall distinctiveness

- **Over servicing core festival-goers:** Festivals are most often programmed by strong creative networkers with intimate connections to their core audiences. In some cases this appears to result in festivals over servicing their most loyal patrons in their content choices, to the limitation of approachability and audience development

- **Risk aversion in major festivals:** As festivals mature and their budgets expand, it can become harder for them to experiment and take risks – which again, can compromise their distinctiveness, authenticity and clarity of purpose over time

Source: L.E.K. Interviews and Analysis

This changing landscape has lead to a number of specific issues and opportunities to improve the sector (1/3)

Category	Specific issues / opportunities to improve	Relevance		Consultation feedback / possible responses
		Metro	Reg.	
Festival coordination	**Event calendar:** Festival landscape is uncoordinated and congested in Summer – with gaps at other times	✓	✓	A consolidated festival calendar would likely have value for destination marketing (even if entirely passive – i.e. just a record) There is also potential for government to play a role in smoothing the calendar through the year (for public amenity and destination marketing) – by incentivising desirable date shifts – particularly to provide product / festival attractions in winter months
Capability support and collaboration	**Marketing capability**: Festivals are typically stronger at programming, staging and networking than marketing, therefore limiting attendance and audience development (especially regional festivals)	✓	✓	Consider specialist marketing / audience development support to assist festivals on strategy, branding and promotion campaigns
	Collaboration and networking: At present festival networking and collaboration is ad hoc / based on personal relationships, therefore limiting IP sharing and skill development	✓	✓	Consider support for a body or web platform to (i) maintain a festival calendar; (ii) manage a contact directory; (iii) host job postings; (iv) share best practices and IP; (v) run networking and mentoring programs; (vi) provide general advice to members
	Back office sharing: Most festivals are fairly autonomous, with effort and activity concentrated around their staging periods, limiting the efficiency of back office functions and career development for workers	✓	✓	Explore opportunities for complementary (e.g. seasonally, creatively, geographically) festivals to share back office functions and staff, driving improved effectiveness and career development
	Umbrella festival brands: The festival landscape is fragmented with cluttered branding and messages	✓	✓	Consider the creation of broader marketing umbrellas / brands within the festivals calendar – to improve promotional effectiveness and create stronger thematic brands (e.g. winter series, kids events over summer holidays) – where appropriate

This changing landscape has lead to a number of specific issues and opportunities to improve the sector (2/3)

Category	Specific issues / opportunities to improve	Relevance		Consultation feedback / possible responses
		Metro	Reg.	
Major festival configuration issues	**International product and talent:** Larger festivals often use international talent and product to drive marketing impact or festival profile. As international mobility and globalisation continues to advance this becomes more and more possible. While this allows for the assembly of a quality programme, at short notice, it also challenges the authenticity and distinctiveness of local festivals and creative development outcomes / artist opportunities, and makes it more difficult to distinguish international festivals	✓	✓	There appears to be a need for Creative Victoria, in collaboration with Visit Victoria and other agencies, to examine the role and effectiveness of Melbourne's major festivals, and examine alternative configuration options. Many of the suggestions outlined under 'funding design' below are aligned with this opportunity
	Festival breadth: Several major festivals have greatly expanded programmes and venue footprints which allows each festival to have more touchpoints and reach, but risks diluting the experience, context, sense of place and overall distinctiveness	✓	✓	
	Over servicing core festival-goers: Festivals are most often programmed by strong creative networkers with strong connections to their core audiences. In some cases this appears to result in festivals over servicing their most loyal patrons in content choices, therefore limiting access and broader audience development	✓	✓	
	Risk aversion in major festivals As festivals mature and their budgets expand, it can become harder to experiment and take risks – which again, can compromise their distinctiveness, authenticity and clarity of purpose over time	✓	✓	

This changing landscape has lead to a number of specific issues and opportunities to improve the sector (3/3)

Category	Specific issues / opportunities to improve	Relevance		Consultation feedback / possible responses
		Metro	Reg.	
Funding design	**Festival objectives:** There is a lack of sophistication and consistency in the metrics that are used to measure festival success and allocate funds (and a consequent lack of accountability and clarity of festival purpose)	✓	✓	Creative Victoria and Visit Victoria should develop a clear framework of Festival roles / purposes (e.g. tourism, artist development) and linked metrics (e.g. bed nights, participating local artists), which are embedded into its funding methodology, used to evaluate performance after events, and promoted as an industry standard to drive broader uses
	Funding roles: Several festivals suggested that there is room for greater clarity and co-ordination between the funding objectives / roles of Creative Victoria, Visit Victoria and other agencies	✓	✓	There may be a value in a whole of government (or at least whole of DEDJTR) funding guide for festivals (and advisory support)
	Audience vs. creative development: Most festivals are curator led rather than audience growth focused. While this is healthy for creative development it can lead to over-service of 'insiders' and a constrained audience base	✓	✓	(Linked to the above) As Creative Victoria and Visit Victoria become more sophisticated in the outcomes they fund, they may wish to consider whether to seek greater emphasis on audience growth / new audience acquisition
	Marquee talent: Regional festivals achieve strong leverage on funding through volunteer and community involvement, but often lack funding for drawcards, either in the form of local talent, or nationally recognized acts	✓	✓	Government could consider small grants expressly for the purpose of funding a suitable marquee talent to 'anchor' regional festivals
	Funding horizons: Festival organisers cite funding stability as a key concern. While Creative Victoria's OIP program provides 4 year funding terms, funding from most other sources is annual – limiting the ability of organisers to plan over multiple cycles and take creative risks	✓	✓	The capability and networking initiatives described above should help smaller and regional festivals to develop stronger multi-year funding cases (for local councils, business sponsors etc). If it elects to provide a 'funding guide' to the sector, Creative Victoria should emphasize the tradeoffs and benefits of multi-year funding (for proponents and funders)

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Agenda

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Recommendations 1 – industry platforms: State Government should consider platform assets to improve co-ordination and performance within the sector

Industry platforms: Government should support **platform responses to the capability and co-ordination gaps** observed within the sector

Support delivered through a body or program to provide knowledge sharing, skill development, and co-ordination across the Victorian festival industry

Strengthen relationships and build capability including:

- Maintaining a festival calendar
- Sharing best practices and IP
- Network/mentoring programs
- Training and skill development
- A contact directory
- Hosting job postings
- Advocacy for the sector
- Impact assessment guidelines

Festivals Melbourne – a platform for major festival collaboration
Encourage increased collaboration between Melbourne's major festivals to drive greater co-ordination and effectiveness across the major festival portfolio (drawing on the Festivals Edinburgh model). Agenda may include^:

- A forum for experience / issue sharing
- Coordinating marketing activities to create a more powerful overall consumer proposition (with clearer roles, identity, and interplay between festivals)
- Capability and skill development across the group
- Stronger shared audience insights and impact assessment to guide improvement across the portfolio
- Consolidating back office services across festival organisations
- Engagement with Visit Victoria on destination marketing opportunities

^ These functions may be delivered through new or extant program or peak body, and/or with the support of established festivals

Recommendations 2 – ongoing roles: State Government should play a leading role in measurement, and must continuously evaluate its funding and prioritise highest value opportunities

Ongoing roles for government

Clarify agency roles
Prepare and publish advice to industry about the respective roles and objectives of different agencies in supporting festivals. In the case of CV, these should align closely to the five *Creative State* objectives

Best practice measurement and review

Continue to develop (with industry input) a **common framework*** of festival roles and purposes mapping to outcomes / KPIs (e.g. Audience development maps to new audience acquired #)

Create and publish a best practice **Post Implementation Review (PIR) process** that reviews outcome delivery / performance against goals after each event

Monitor the health of the festival ecology and identify improvements

Track the overall shape and health of the Victorian Festival Portfolio to understand and communicate its performance and contribution, **identify opportunities, spot emerging challenges** (e.g. March congestion) and **highlight areas requiring support**

Review funding mix over time to match with strategic priorities in the space and target highest possible impact

Development platforms: Leading Arts venues have an important role to play in bringing to market distinctive new festivals. Government should continue to engage / support these efforts

Note: * Government may chose to leverage the existing Organisations Investment Program framework, developed by Creative Victoria

Recommendations 3 – major festivals: Within the portfolio, there is a particular opportunity to improve the configuration of Melbourne's major festivals

Optimising the packaging of Melbourne's major festivals

Melbourne's largest festivals are scheduled between October to March. Some are heavily anchored to their current calendar positions by global industry / event calendars, but several are less 'locked' in their current positions. At present, there is little co-ordination or sense of 'flow' through the major festival season

Given the challenges of distinguishing Melbourne's festival offering from other states, and space in the calendar for major event activity in Winter, it may be timely for Creative Victoria to explore with Melbourne's major festivals the possibility of creating a more purposeful Melbourne festivals program, which would (i) continue the service of the creative base but also (ii) support new audience acquisition and (iii) support visitation outcomes and economic activity by providing a marketing focus for the city's festival ecology

This could allow government to achieve better overall social, creative, and economic outcomes for the funding it invests in major festivals, and would be complimentary with the suggested Festivals Melbourne initiative above

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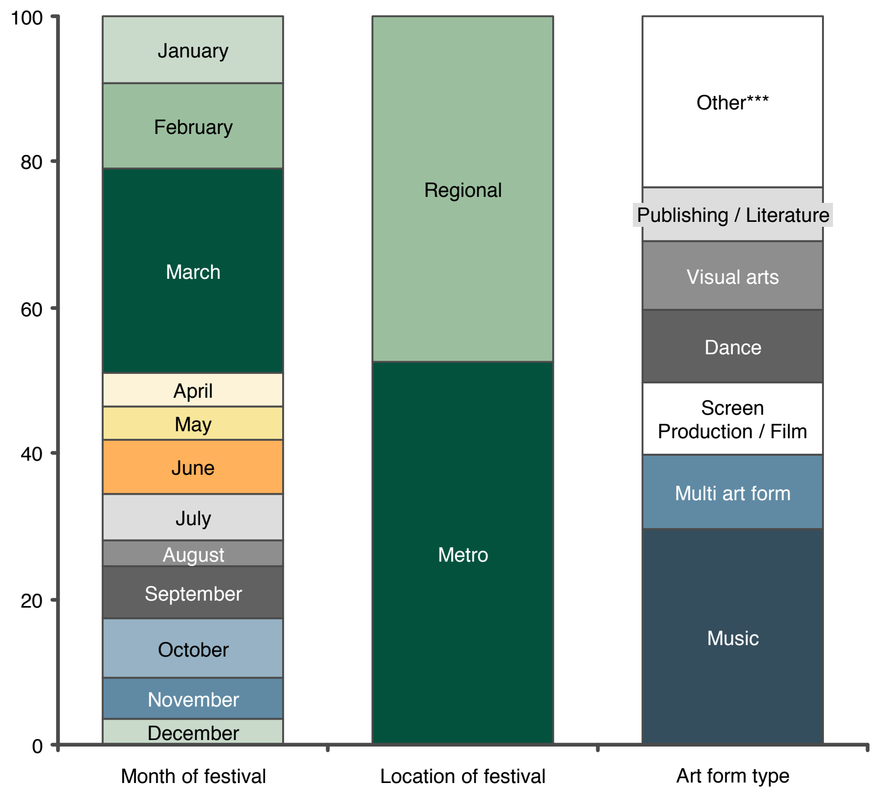
Agenda

Consultation program and survey response details

Stakeholder Interviews	
Jill Morgan, CEO, Multicultural Arts Victoria	Kath Mainland, General Manager, Melbourne Festival
Danny Rogers, Co-founder, Laneway Festival	Graeme Lewsey, CEO, Melbourne Fashion Festival
Martin Paten, Artistic Director, Castlemaine State Festival	Susan Provan, Artistic Director / CEO, Melbourne International Comedy Festival
Angharad Wynne-Jones, Artistic Director, Arts House	Jade Lilie, Director, Footscray Community Arts Centre
Stephen Armstrong, Creative Producer, Arts Centre and Asia TOPA	Robyn Archer, Artistic Director, The Light in Winter
Claire Spencer, CEO, Arts Centre Melbourne	David Ryding, Director, City of Literature
	Andrew Bleby, Director, Arts Consultancy
Simon Abrahams, Creative Director and CEO, Melbourne Fringe Festival	Michelle Carey, Director, Melbourne International Film Festival
Johnathan Holloway, Artistic Director, Melbourne Festival	Claire Dobbin, Chair, Melbourne International Film Festival
Gideon Obarzanek, Chair, Melbourne Fringe Festival	
Other key stakeholders / participants	
Stan Liacos, Regional Director, Loddon Mallee Region, RDV	Robert Jones, Executive Director Regional Programs and Recovery, RDV
Peter Bingeman, CEO, Visit Victoria	Damien de Bohun, General Manager, Major Events Victoria, Visit Victoria
Sue Broadway, Artist, Batton and Broadway	Lou Weis, Creative Director, Broached Commissions
Alice Nash, Co-CEO, Back To Back Theatre	Graeme Simsion, Writer

Festival Organiser Survey* (2017, n=133)**
Percent



Note: *Q18. What was the start and finish date for the most recent festival?; Q7. Which of the following festival art forms / performance types are programmed in your festival?, Q8. Which of these would you describe as 'the 'primary' artform?; **n for Q18. is 110, while the n for Q7/8. is 132. Total n at the start of the survey is 133; *** Other includes Digital media / games, Fashion, Design, Circus / Physical theatre and other art forms
Source: Festival Organiser Survey

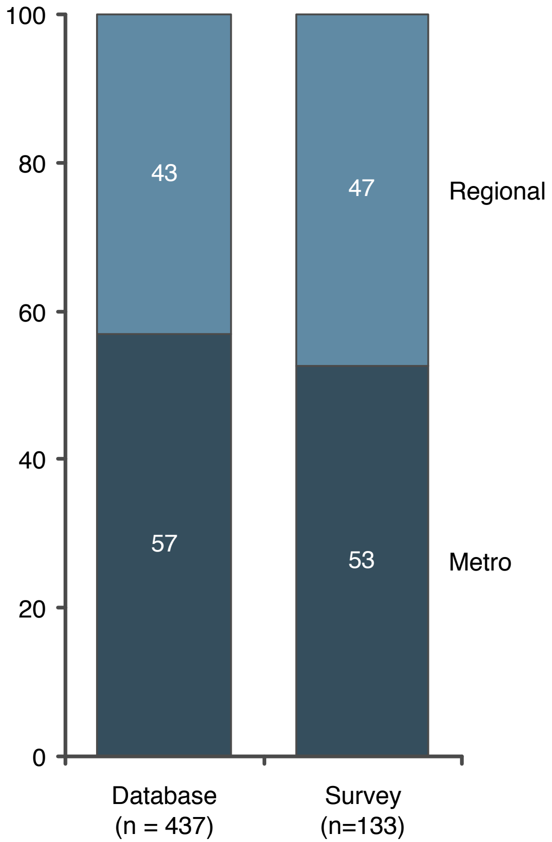
L.E.K.'s review was informed by the following sources

Secondary sources

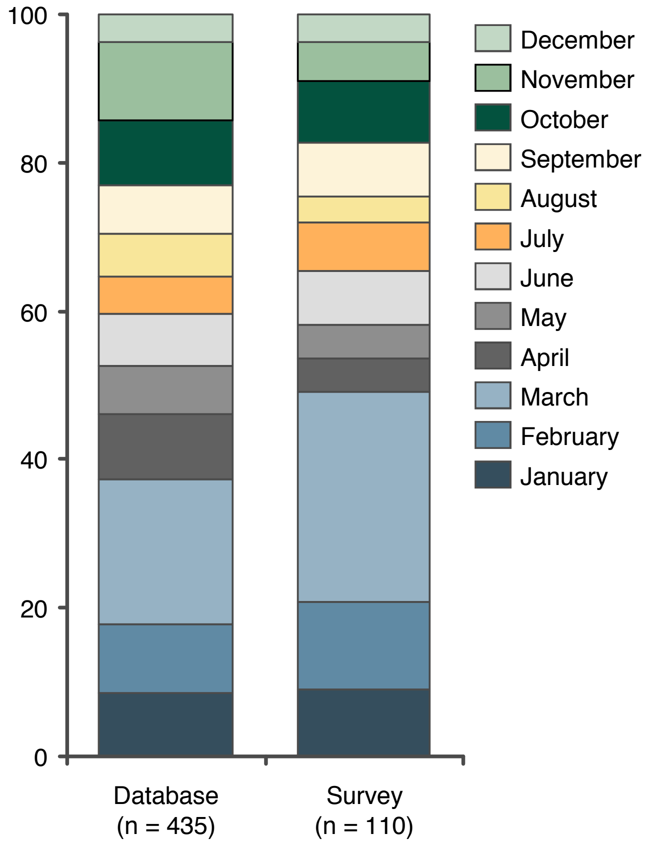
External data and reports	Creative Victoria documents
Australia Council National Festivals Scan and Key Strategic Issues Report; Andrew Bleby and Associates; November 2015; unpublished	Whole of Government Arts and Cultural Festivals Review; PricewaterhouseCoopers; November 2005
International Visitor Survey, National Visitor Survey; Tourism Research Australia	Creative Industries Consultation Summary Report; September 2015
Festival Statistics: Key concepts and current practices; UNESCO Institute for Statist; 2015	Creative Victoria list - Screen and Fashion Festivals
Festivals Australia program guidelines; Festivals Australia; September 2016	Film Victoria list of Film Festivals in Victoria
Guidelines: Major Festivals Initiative; Ministry for the Arts; 2015	Creative Victoria contact list
The Economic Contribution of Festivals in Adelaide in 2012; Barry Burgan; December 2012	OIP online tool – C-Cultural Festivals
Multicultural Festivals and Events – Funding calendar 2016-2017; Victorian Multicultural Commission; 2016	OIP – MPAs contact
Multicultural Festivals and Events – Funding list for 2014-2016; Victorian Multicultural Commission; 2016	List of municipal festivals
Australia Council List of Australian Festivals; Australia Council; supplied March 2016	CV-funded major festivals and events; 2016-17
Regional Creativity Map list; supplied by Creative Victoria; March 2016	
MAV festivals list; Multicultural Arts Victoria; supplied March 2016	
Festivals Edinburgh Case Studies; Festivals Edinburgh; 2011-2014	
Festival websites	
Press	
Australia Council website	
Live Performance Australia	

The festival organiser survey is slightly more weighted to regional festivals, festivals that occur in March and longer duration festivals

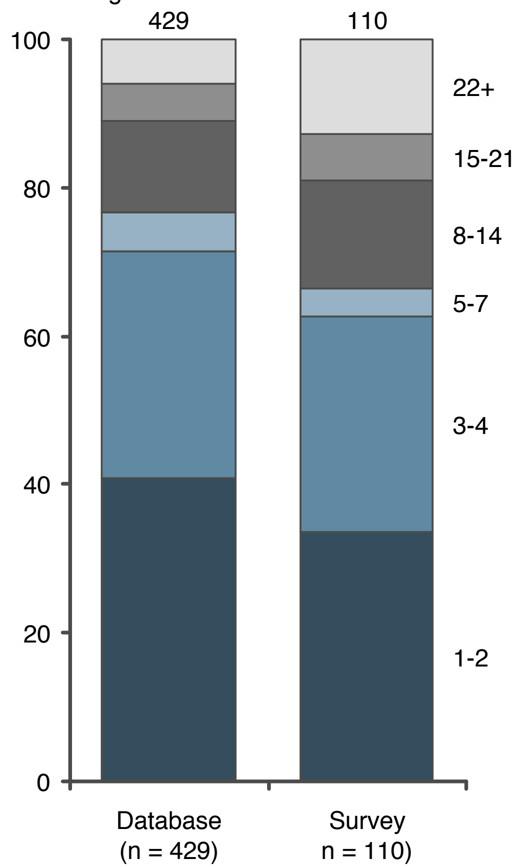
Location of creative festivals*
(2017)
Percentage of festivals



Timing of creative festivals (month)**
(2017)
Percentage of festivals



Timing of creative festivals (festival days)**
(2017)
Percentage of festivals

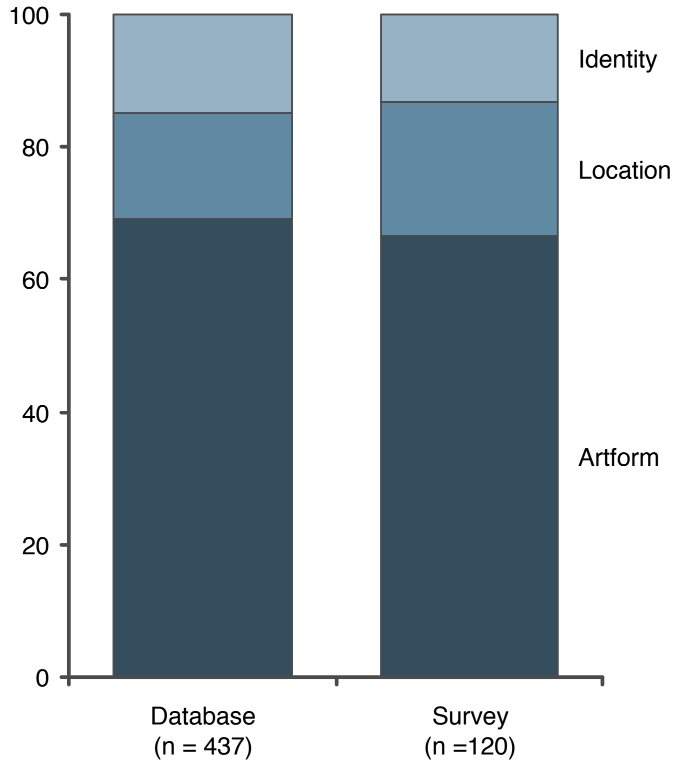


Note: * Q20. Please specify the postcode of your festival base (i.e. the location of the most recent festival hub); **Q18 What was the start and finish date for the most recent festival. Month in which festival starts; Latest festival dates have been recorded and festivals without date information have been excluded

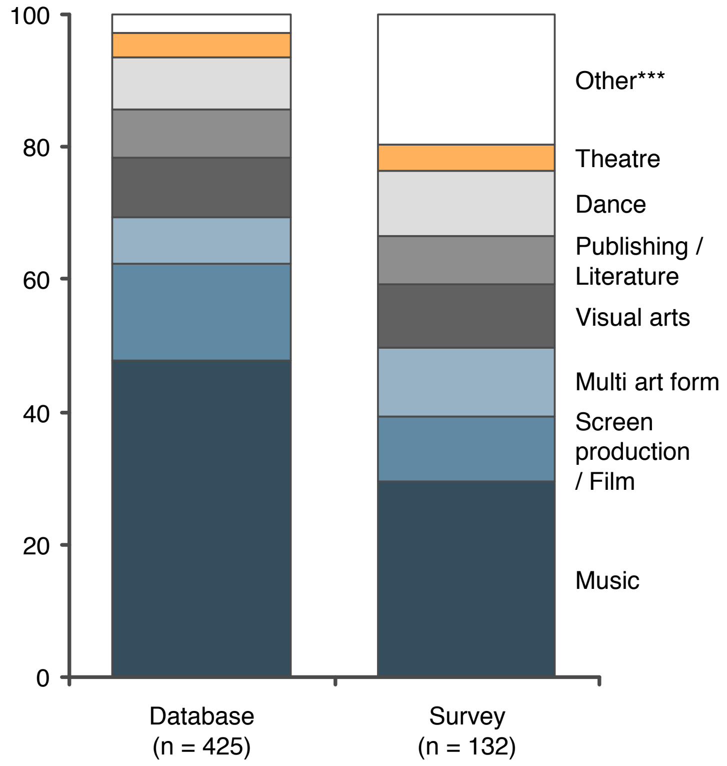
Source: Festival Organiser Survey; Festivals Database

The festival organiser survey is very marginally weighted towards location based festivals and under weight in festivals with a musical element

Role segment of creative festivals (2017)
Percentage of festivals



Art form type of creative festivals (2017)
Percentage of festivals



Note: * Q2 Which of the following categories best describes your festival?; ** Q7. Which of the following festival art-forms / performance types programmed in your festival? (Select all that apply); *** Other includes Digital media / games, Fashion, Design, Circus / Physical theatre and other art forms
Source: Festival Organiser Survey; Festivals Database

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