FLIP THIS MUSEUM!

REAL WORLD TECHNIQUES THAT TURN STRUGGLES INTO SUCCESS

InterActivity 2018
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Flip this Museum!

The Story of the expERIEnce Children’s Museum

Ainslie Brosig
Executive Director
Caution! Sinking Ship ahead!

- The Children’s Museum *had* a proud past in our community.
- Through the years, few updates were made, not much growth.
- Reputation of dirty, old exhibits, no change in exhibits, long history with other organizations that were not “well” in the Arts & Culture District.
- Completely new staff
- Very little record keeping
- Donors were frustrated and uninterested
A story of transformation...

September 2013:
**28,000 annual attendance
**315 family memberships sold
**couldn’t pay the bills: **Budget was -$55,000

Today:
**60,000 annual attendance
**1300 family memberships sold
**2015, 2016: profit of about $110,000 each year

*How did we get here?*
Fresh Start!

You have time to lean, you have time to clean!

- Rotation schedule for surfaces and toys
- Carpets cleaned
- Fresh paint
- Hire a maintenance staff person
- Add hand sanitizer and yuk bins
- Front Entrance Facade

We are an educational facility... time to start acting like one.

- Hired an Education Director
- Began creating programming that followed state standards.
- Re-created classes for kids from 6 mo. To 5 years. Camps for kids ages 5-10.
- Partnerships with Erie’s Public Schools
- Outreach “Mobile Museum”
Power of PR, New Exhibits, Strategic Thinking

Leveraged relationships with people in the community
- News articles
- TV appearances
- Social Media
- Speaking Engagements
- Director on “tour”
- Hooray for Play! Celebrating 20 years of the Children’s Museum 2015
- Strong Community Messaging
- Changing the way the community views its museum; We are not the babysitter/facepainters.
- MAP- IMLS Grant; Peer Reviewer & Report
- Strategic Plan

Keystone Exhibit:
Wegman’s Kids Market
FLIP THIS MUSEUM
The Making of Marbles Kids Museum
Why Flip?

Exploris Situation
- Low attendance
- Unpopular exhibits
- Negative press
- Public and funder distrust
- No cash, high debt ($6.2M)
- Political pressure: use it or lose it!

Potential Merger Partner
Exploris empty (60k guests in 83k sf) / Playspace crowded (80k guests in 5k sf)
Exploris middle school-age students / Playspace early childhood

Community Need/Opportunity ★★★★★★
- Growing community needs more space to learn through play
- Opportunity for family-centric anchor in downtown revitalization
New Vision

Practical

• Merge two legal entities into one
• Operate out of existing Exploris space

Ideas + Assumptions

• Target family audience and school groups
• Launch 2-year Capital Campaign to create all-new exhibits
  - Gear exhibits to children ages 0–12 (combined ages)
  - International content (Exploris)
  - Playspace approach: open-ended sensory exploration
  - One separate area for very young children
Action Steps

• Develop Concepts + Renderings for New Exhibits
• Forecast Capital Campaign needs (~$12M)
• Conduct Feasibility Study
  – Understand perceptions and attitudes of key stakeholders
  – Judge their reactions to the proposed merger and new exhibits
  – Assess potential funding/support to implement the new plan
Feasibility Results

• Yes, PLEASE MERGE!

• **STRENGTHS:** Location, building, Playspace reputation, population boom, changing demographics, downtown revitalization

• **CHALLENGES:** Debt and pervasive attitudes of negativity and skepticism toward Exploris

• **NO NEW FUNDING,** until...
NO NEW FUNDING, until...

Hire new leader
Erase debt
Complete merger
Build Board strength
Raise visibility
Create plans for exhibits

Develop infrastructure
Build family following
Grow membership
Build volunteer organization
Establish major donor base
What Now?

• Nothing to Lose...

• InterActivity 2007. JUST DO IT.

▶ NOW Not in 2 years.
Just Did It.

- **Shared Purpose** ➤ Why it Matters ➤ **WE** Can Do It
- **Fast Pace** ➤ Create a Crisis ➤ Spark a Rally
- **Fresh Brand** ➤ New Identity ➤ New Culture
- **Resourceful** ➤ Low-Cost/High-Impact ➤ In-Kind Help
- **Transparency** ➤ Share Challenges ➤ Build Trust
- **Community-Driven** ➤ Listen, Learn, Involve

Advocates + Investors
10k on Opening Day
Merger Vision REALIZED?

✓ Merge + Consolidate NOW
✓ Target family audience and school groups
❌ Launch 2-year Capital Campaign to create all-new exhibits
   ❌ Gear exhibits to children ages 0–12 (combine museums)
   ❌ International content (Exploris)
✓ Playspace approach: open-ended sensory PLAY
❌ One separate area for very young children

★ Be OPEN. Be NEW. Be YOU. ★
May 2018

Flip this Museum!
ACM Interactivity 2018

Ray Giang, Vice President
Management Resources

Linda Cheu, Vice President
AECOM Economics
Diagnostic Metrics:
How is your attendance?

Market Penetration Rates for Children's Museums

- Average = 11%
- Median = 8%

Frequency

- <2.5%
- 2.5%-5%
- 5%-10%
- 10-15%
- 15%-20%
- 20%-25%
- >25%
Diagnostic Metrics:
Is your exhibition area the right size for your attendance?

Visitors per Exhibit Sq. Ft. for Children's Museums

- Average = 8.5
- Median = 6.8

Frequency

- <3
- 2-5
- 5-10
- 10-15
- >15
Diagnostic Metrics:
Are you operating efficiently?

Operating Expenses per Visitor for Children's Museums

- Average = $14
- Median = $12
Diagnostic Metrics:
Is your earned income in line with your operating expenses?

Earned Income Ratio for Children's Museums

Average = 57%
Median = 55%
Diagnostic Metrics:
Who is coming and what does that mean for membership?

CHILDREN’S MUSEUM A

- General Public: 60%
- Members: 27%
- Schools & Groups: 7%
- Comp & Free: 6%

CHILDREN’S MUSEUM B

- General Public: 34%
- Members: 16%
- Schools & Groups: 6%
- Comp & Free: 44%

<table>
<thead>
<tr>
<th>Membership Metrics</th>
<th>Calculation</th>
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<tbody>
<tr>
<td>Membership Multiplier</td>
<td>Membership Price / GA Price</td>
</tr>
<tr>
<td>Membership Usage</td>
<td>Membership Visits Per Year</td>
</tr>
<tr>
<td>Capacity</td>
<td>How many days are you over capacity? Do you know what capacity is (not fire code)?</td>
</tr>
</tbody>
</table>
Diagnostic Metrics:
Marketing spend, what should it be?
Diagnostic Metrics: Labor budget?

Labor Expense as a Percent of Total Budget

- < 40%
- 41%-45%
- 46%-50%
- 51%-55%
- 56%-60%
- 61%-65%
- 66%-70%
- 71%-75%
- >76%

Labor Budget (what's included?)
- Salaries
- Burden (payroll taxes, pensions costs, health insurance, dental, other benefits, etc.)
- Hourly wages and burden

How to Evaluate?
- Functions
- Market characteristics
- Design
- Operating characteristics
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MUSEUM OF DISCOVERY

- Opened in 2003 in Museumville, Indiana
- Home to a prestigious university known for its engineering and theater programs
- City’s largest employer is an airplane manufacturing plant
MUSEUM OF DISCOVERY

- The museum was a gift from the city
- Part of downtown revitalization initiative
- Target audience 0 - 12
- Key exhibit galleries include a role-play farm area, a grocery store, a water play area and a locally-made climbing structure
MUSEUM OF DISCOVERY

- Attendance began to decline in 2008 due to financial crisis and a climbing structure accident
- Operating budget provided by city barely covers expenses
- Sponsorships declining
- No updates since 2007, except relocated exhibits from other museums
“What kind of museum is this? I thought it was a children’s museum, but they’ve got a whole bunch of tired exhibits from other museums from around the city.”

“There’s really nothing for younger children to do.”

“The place always seems dirty, many of the exhibits don’t work, and the staff seem like they want to be somewhere else.”

“I’ll never take my kids on that climber. It just seems unsafe.”
MUSEUM OF DISCOVERY

- City has decided to stop providing funding to the museum after 2020.

- The City has offered to gift the museum and its building to a local group if they can demonstrate their ability to effectively operate the museum in the next two years.

- A local philanthropist has donated $500,000 to the group to aid them in their renovation effort, with no restrictions.
What measures can this local group take to help turn this museum around?
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