

Stonybrook Fine Arts

City of Boston On-Site TA Project - Assessment

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INTRODUCTION

Even before walking into Stonybrook Fine Arts, you sense something very special. Down a fairly unassuming alley stands a statue in the likeness of Michelangelo's David, but forged completely out of scrap metal. Other unique creations dot the surrounding small city yard and parking lot. Enter through the side door into a working shop where you'll likely witness sparks flying as students weld scraps into sculpture. Walk through another set of doors and a room full of oil clay sculptures of body figures greets you.

Welcome to the enchanting, imaginative atmosphere of Stonybrook Fine Arts. It's everything you want in a local arts creation center.

At our first meeting, Anne Sasser, one of three partner owners and the one primarily responsible for business concerns, is excited to talk about the business and the space at the first meeting with the on-site technical small business coach sent over by the City of Boston.

She's eager to tell about the successes of engaging community members from teens to eccentric retirees in the arts.

She's also eager to get to work on figuring out how to make the business viable. In business for several years, the organization barely makes a profit, if any, and is often supported through additional income from Anne's real estate business.

Anne believes it's really time to figure out how to make this venture work, or,

and she doesn't really want to say it, figure out how to do something different. We get to work assessing where she's at.

INSIGHT

In our initial discovery phase, we went through the Business Plan at a Glance, which provides us with a baseline idea of WHO (customer) Stonybrook's main customers are, WHERE (customer relations) those customers are experiencing the 'pain' points in their lives that would bring them to Stonybrook to engage with WHAT (solution) Stonybrook has to offer, including its unique value propositions. We further assessed HOW (key activities, partners, resources) Stonybrook delivers what it offers, and finally looked at the revenue and expense numbers to determine the VALUE (value driver) of the business in its current form.

After filling in the canvas (redacted image included in this report), three main areas jumped out:

1 – WHO (customer): much of the idea of who the primary customer was was anecdotal. For instance, we couldn't determine whether the primary demographic was older or younger, professional, retired, teens, high earner or low. The customers seemed to span the gamut. On the plus side, it was discovered that Stonybrook had an active email list of over 3,000 subscribers.

2 – HOW (key activities, partners, resources): From a business perspective, we discovered that Anne and Stonybrook Fine Arts was woefully under-resourced.

3 – VALUE (value driver): The current legal structure of Stonybrook was as a for-profit company that derived income from

10 = Fully Confident



\$xK / month

Current Revenue

\$4xK / month (by 2018)

Desired Revenue

rent (and expenses in maintaining property that it owned) as well as from classes and renting and equipment. The for-profit structure raised the question of whether there may be a better legal structure.

OVERALL: We noted a few other important concerns. We discovered that

business income was not consistent. After a big boost from GroupOn sales in the past, the GroupOn discounts did not turn into long-term revenue streams. We noted that the lack of staffing resources in particular meant that things like getting out class announcements and e-newsletters was not consistent and likely contributing to erratic sales.

CONFIDENCE: At beginning of the engagement, Anne rated overall business confidence was rated at 3 out of 10.

We also captured current—denoted as a unit of 1 for comparison and confidentiality—and desired income of 4 times 1 by 2018 (image attached).

STRATEGY

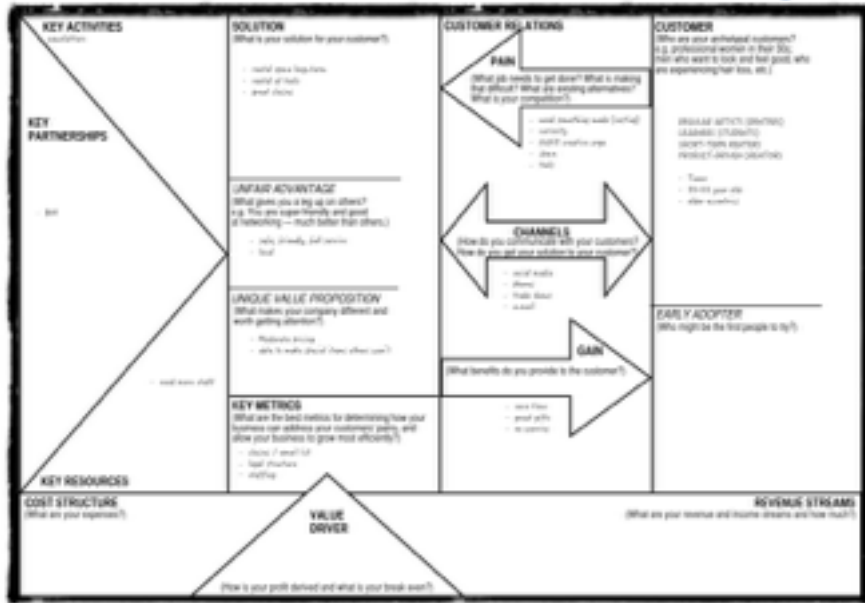
In our strategy phase, we created ideas for how to move the needle forward in each of those three areas:

1 - WHO (customer): The 3,000 email list subscribers proved a valuable survey field. We spent considerable

time crafting an email survey (see appendix) that helped ask and answer key questions, but was short enough and easy enough for most people to answer. Out of 3,000 on the list about 150 filled out the survey — a very good response and, most importantly, enough to be valuable in making decisions.

We discovered that demographics are primarily \$50-100K income professionals in their 30s and 40s. We also discovered other interesting and helping things like that most respondents talked about making “rings” versus “jewelry.” This was important because Stonybrook was more likely to advertise jewelry-making courses. Using the words that customers use is a powerful way to cue into their needs and entice them into acting into taking classes or taking other desired actions. Going forward (as per below) we experimented with promoting using the term “ring” over “jewelry.” Survey responders also reported being also strapped more for time more than money. This validated Anne’s speculation that Stonybrook may benefit from offering shorter classes. We created an action plan for implementing possible ideas.

Business Plan at a Glance



James H. Lovelace, Inc. | Inspired from Business Model by Ash Maurya (http://ashmaurya.com), inspired customer names. Original Designed by Business Model Generator Kit (http://www.businessmodelgenerator.com), inspired customer name by Customer Community Generator (http://www.customercommunitygenerator.com). This work is licensed under the Creative Commons Attribution-ShareAlike 3.0 license. To view a copy of this license, visit http://creativecommons.org/licenses/by-sa/3.0/. For more information, please contact us at info@innerOvation.com. 1775 Broadway Street, Suite 300, San Francisco, California, 94103, USA. www.innerOvation.com

2 - HOW (key activities ...): We created brainstorming and action for finding interns and other assistance.

3 - VALUE: We created next steps for engaging with volunteer lawyers for the arts about creating a non-profit, including creating a budget that the organization requested.

ACTION

We next created action plans and set regular meeting times — weekly — to check in on progress.

1 - WHO (customer): We created an action plan that included creating shorter – less time intensive classes – and tweaked messaging to cater to how the demographic talks (one survey respondent said that the ring-making class was “the best date ever with [her] boyfriend”). Using this targeted info to create a better and regular email outreach and to use GroupOn more effectively.

2 - HOW: We set up a plan reached out to organizations and others to find interns and additional support staff.

3 - VALUE: – We set up accountability for reaching out to Volunteer Lawyers for the Arts, created a simple budget that they sought, submitting it and continuing to engage in the process.

RESULTS

1 - WHO: Shorter classes seemed to be an attraction. More engagement seen with customers as more targeted newsletters are going out regularly.

2 - HOW: acquired three new (great and productive!) interns and a fourth and fifth are imminent. Also took on a marketing consultant to create a plan for the fall.

3 - VALUE: Budget sent to Volunteer Lawyers for the Arts on possible legal structures and waiting next steps from them.

OVERALL Sales Result: Sales for summer classes were double what they were for spring. Confidence levels have

yet to be ranked. (See image included here.)

OVERALL Confidence increased from 3 out of 10 to 7 out of 10. (See image included here.)

FUTHER: Additional partnerships are being explored with other arts and building arts firms, including with Dorchester’s T. Michael Thomas of the People’s Academy and Ed Norton. These are all organizations that work with trades and building. They see synergy and possibility for the whole being greater than the sum of the parts.

SUGGESTED NEXT STEPS

In order to solidify gains (especially in revenue) and to keep moving in the right direction, Stonybrook Fine Arts would like to continue engaging with the On-Site Technical Assistance program through the end of 2016 (December 31, 2016).

In that time, the fine arts center would like help in:

1 - Creating a **full business plan**, including a full working budget that includes revenue and expense projections (see appendix 2 for starting sample). These would be in order to intentionalize and make clear the path forward that it has been implementing so far, as well as to help validate if Stonybrook should move more of its for-profit operations into a non-profit it has set up., while still maintaining the for-profit arts company. (The possibility is to restructure the for-profit and non-profit such that one would continue as a for-profit organization that owns and manages property specializing in providing space for artists and arts organizations, and the second company would operate more as a non-profit arts educational organization (currently the non-profit operates mostly as a scholarship fund to send teens to art classes)). The hypothesis is that this new structure would best serve the needs of the business, the community, and the patrons that it serves. It is believed that a viable plan for creating the best legal structure can be created by the end of the year;

2 - Keeping the center focussed on continuing to release regular newsletters and other parts of the marketing plan created over the summer, including an Instagram strategy, use of testimonials, enhancing the e-newsletter, and more.

3 - Finding further assistance — interns and online marketers and others — to continue implementing the overall strategy;

4 - A plan for follow up with lawyers on creating better statements of work and contracts;

5 - Since regular accountability check-ins seem to be helpful, it would be helpful to create a plan for how Stonybrook can find resources to keep a regular accountability business consultant or advisor check-in beyond December 31, 2016 and into 2017 and beyond. We would want to come up with criteria for what would be helpful (e.g. weekly or every other week or, perhaps, monthly), and what type of measures would be helpful, and so on. Some ideas to explore: gathering other business leaders from arts organizations (perhaps by reaching out to resources available through the Mayor’s arts office) into regular monthly or weekly business accountability groups, structured perhaps in the way of BNI (Business Network International), except that the focus would be on business development rather than sales.

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KEY TAKEAWAYS:

- (1) Stonybrook found the **weekly accountability to be one of the most valuable aspects of the process.** Having an outside consultant to help the business get clear on the most important next steps and then following up with accountability each week proved to be an extraordinarily valuable part of the process.

(Question: how can something like this continue for the business after this engagement? What resources are or could be available? Could other similar arts businesses pool resources to hire a regular consultant for ongoing accountability assistance in group form after the initial one-on-one intensive work?)

- (2) Stonybrook found that a well-honed client survey created a clear and powerful image of the

organization’s primary client demographic and its needs, and how that demographic talks about its needs. This led to stronger marketing and promotion and attraction of clients.



Appendix 1 - Demographic Survey

Stonybrook Fine Arts Survey

QUESTIONS | 1/31 | RESPONSES

Thank you so much for answering the following questions. This is extremely helpful.

What brought you to Stonybrook Fine Arts? (please provide as much information as possible, to help us better understand)

What has stopped you from taking more classes or engaging further with Stonybrook? (please be specific, and if you're still involved, please tell us more)

With what gender do you identify?

What is your age?

What is your annual income?

What is your occupation?

Would you be open to a follow up interview?

If yes, please give us your contact info: Name:

Email:

Phone Number:

Options for gender: Female, Male, Other...

Options for age: under 18, 18-29, 30-45, 46-60, 60+

Options for income: under \$50K, \$50K-\$100K, \$100K+

Appendix 2 - Sample - not filled in projected revenue

1	Operations Budget Projection								
2	STONYBROOK FINE ARTS								
3									
4									
5	OFFERINGS (CLASSES)								
6	Offering 1-welding 8 week							\$5000	
7	Offering 2-welding 8 week							\$640	
8	Offering 3-stone carving							\$335	
9	Offering 4-casting 5 weeks							\$300	
10	Offering 5-jewelry 4 weeks							\$250	
11	Offering 6-figure sculpture 8 weeks							\$275	
12	Offering 7-been jewelry							\$475	
13	Offering 8-been welding							\$475	
14	Offering 9-been casting							\$475	
15	Offering 10-foundry 8 weeks							\$480	
16	Offering 11-mold making 8 wks							\$280	
17	Offering 12-3-hour welding workshop							\$150	
18	Offering 13-Critical welding							\$200	
19	Offering 14-Welding interactive							\$350	
20	Offering 15-ring/pendant workshop							\$150	
21	Offering 16-ring/stone- 6 hrs							\$250	
22	Offering 17- foundry workshop - 6 hrs							\$300	
23	Offering 18-enameling							\$150	
24	Offering 19-etching							\$200	
25									
26	NUMBER OF REGISTRATIONS								summer est
27	Offering 1-welding 8 week							0	0
28	Offering 2-welding 8 week							0	0
29	Offering 3-stone carving							0	0
30	Offering 4-casting 5 weeks							0	0
31	Offering 5-jewelry 4 weeks							0	0
32	Offering 6-figure sculpture 8 weeks							0	0
33	Offering 7-been jewelry							0	0
34	Offering 8-been welding							0	0
35	Offering 9-been casting							0	0
36	Offering 10-foundry 8 weeks							0	0
37	Offering 11 mold making 8 wks							0	0
38	Offering 12-3-hour welding workshop							0	0
39	Offering 13-Critical welding							0	0
40	Offering 14-Welding interactive							0	0
41	Offering 15-ring/pendant workshop							0	0
42	Offering 16-ring/stone- 6 hrs							0	0
43	Offering 17- foundry workshop - 6 hrs							0	0
44	Offering 18-enameling							0	0
45	Offering 19-etching							0	0
46									

46	TOTAL REVENUE PER OFFERING (CLASS)								
47	Offering 1	\$	-	\$	-	\$	-	\$	-
48	Offering 2	\$	-	\$	-	\$	-	\$	-
49	Offering 3	\$	-	\$	-	\$	-	\$	-
50	Offering 4	\$	-	\$	-	\$	-	\$	-
51	Offering 5	\$	-	\$	-	\$	-	\$	-
52	Offering 6	\$	-	\$	-	\$	-	\$	-
53	Offering 7	\$	-	\$	-	\$	-	\$	-
54	Offering 8	\$	-	\$	-	\$	-	\$	-
55	Offering 9	\$	-	\$	-	\$	-	\$	-
56	Offering 10	\$	-	\$	-	\$	-	\$	-
57	Offering 11	\$	-	\$	-	\$	-	\$	-
58	Offering 12- 3-hour welding workshop	\$	-	\$	-	\$	-	\$	-
59	Offering 13-Critical welding	\$	-	\$	-	\$	-	\$	-
60	Offering 14-Welding interactive	\$	-	\$	-	\$	-	\$	-
61	Offering 15-ring/pendant workshop	\$	-	\$	-	\$	-	\$	-
62	Offering 16-ring/stone	\$	-	\$	-	\$	-	\$	-
63	Offering 17- foundry workshop	\$	-	\$	-	\$	-	\$	-
64	Offering 18-enameling	\$	-	\$	-	\$	-	\$	-
65	Offering 19-etching	\$	-	\$	-	\$	-	\$	-
66		\$	-	\$	-	\$	-	\$	-
67		\$	-	\$	-	\$	-	\$	-
68	TOTAL	\$	-	\$	-	\$	-	\$	-