

26/07/2021

Taquilla inversa in Catalan theatres: Pay What You Want strategy



In recent years, "pay what you want" experiences have become popular around the world: a system in which consumers freely decide how much they want to pay for a product or service offered in the market (including the possibility of not paying). Researchers from the Universitat Autònoma de Barcelona and the Universidade da Coruña have empirically analyzed one of these experiences: that of three plays performed in the Sala Beckett in Barcelona. The results show that it can be a profitable strategy, and that its potential success is associated with factors such as consumer satisfaction or the usual market price of a product.

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In recent years, Catalan theatres have been staging an increasing number of plays using the innovative taquilla inversa (reverse box office) pricing strategy. This strategy leaves the decision of what to pay to the audience attending the play. The public enter the theatre without paying the entrance fee, and only decide what to pay once the play is over. The spectators then go to the box office and pay whatever they feel appropriate or, if they so choose, pay nothing at all. The taquilla inversa strategy is known internationally as 'Pay What You Want' (PWYW). This pioneering pricing system allows consumers to decide how much to pay for goods and services, usually with the option of paying zero.

PWYW experiences are academically relevant because they violate the basic tenets of conventional consumer theory, which holds that no one would pay in a PWYW case and therefore businesses would not choose to organise a PWYW experience. However, such

events, although very much in the minority, are increasingly popular internationally (especially in the culture and leisure sector). The results are very wide ranging, from resounding successes where more money is raised than by conventional means to equally resounding failures. However, a common feature to all is that most consumers pay at least some, albeit symbolic, amount for the good or service enjoyed when they could have obtained it for free.

Researchers of the Department of Sociology at the Universitat Autònoma de Barcelona (UAB) and the Universidade da Coruña (UdC) we have analysed one such experience: three plays performed at the Sala Beckett theatre in Barcelona.

The results show that the experience was very profitable, audience attendance increased and the average amount paid was slightly higher than the usual price of a ticket. We argue that this result is due to the interaction of various factors, the most important being audience satisfaction with the quality of the plays and the fact that they had a clear idea of the usual price of a ticket in theatres such as the Sala Beckett. These findings are in line with the available evidence in the literature.

Overall, PWYW seems to be a very promising pricing system, which, if well implemented, could in many cases achieve an optimal balance between both business and consumer interests. In conclusion, increased collaboration between businesses and social scientists is needed in the future to obtain new evidence and hence a better understanding of the factors that influence consumer payment choices.

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