

Case Study: Sitar Arts Center

Snapshot

Name of Organization: [Sitar Arts Center](#)
Type of Organization: Arts and Culture
Type of Engagement: Feasibility Assessment and Marketing Plan
Social Impact Area: Growth

Background

Founded in 1998, the Sitar Arts Center provides youth in Washington, DC the opportunity to discover their gifts in the visual and performing arts through arts education and performances. The Center is founded on the belief that arts education can positively change the direction of a young person's life, particularly those coming from low-income communities.

With the opening of new state-of-the-art facilities, the Sitar Arts Center's leadership team wanted to explore ways to maximize the use of the space. Specifically, staff members wanted to determine the feasibility and market opportunity of earned-income ventures that could be housed in this new space. Erin Bowers, the Director of Social Enterprise, asked CWV to perform an in-depth analysis of the Sitar Arts Center's existing assets and conduct a feasibility assessment for new opportunities. She saw the value of working with CWV consultants who will apply strategic thinking to help the organization grow and sustain itself in the future.

"We wanted to better utilize our own assets and came to CWV to help turn our new artistic space into a moneymaker for the organization." –Erin Bowers, Director of Social Enterprises

CWV's Solution

CWV worked with Erin Bowers to do a feasibility study of potential earned income ventures and articulate a marketing plan for the Sitar Arts Center rental space program. During the first part of the engagement, CWV consultants worked to select two potential earned income activities, sale of student artwork and space rentals. The feasibility of the opportunities was determined through research on local market demand and an analysis of competitors in the area.

At the conclusion of this phase, CWV found both theater and recording studio rentals to be a particularly promising opportunity for revenue generation and suggested the opening of a new space rental business.

The next phase of the engagement provided the Sitar Arts Center with a marketing plan so that the organization could identify its target market and promote its services effectively. For the target audience, CWV recommended that the Sitar Arts Center focus on marketing to musicians and students in need of audition tapes. Additionally, CWV suggested that the Sitar Arts Center create a customized pricing strategy for students, nonprofits and for-profit organizations and hire a part-time technical manager to maintain equipment and manage free-lance recording engineers. The CWV consultants then presented the results of their research, market analysis, marketing and general financial projections to the Sitar Arts Center.

Results

Erin Bowers and the Social Enterprise team decided to pursue space rental aggressively as a new social enterprise. The Sitar Arts Center leadership was inspired to consider new and different populations for their facilities rental services than they had originally anticipated and broadened their strategy to make space rentals a core component of their unrestricted revenue.

Sitar Arts Center implemented several of CWV's recommendations and considers the overall impact of its engagements with CWV to be the following:

- Implementation of a space rental program for theater, meeting rooms, reception hall, dance and recording studios with customized hourly prices for each space.
- Design of a pricing strategy for space rentals to include a minimal rental fee, down payments for reservations and appropriate discounts for nonprofit and multiple rentals.
- Reorganization of internal staffing and dedication of resources to management of space rentals.
- Generation of \$17,500 in unrestricted revenue from rental space since 2007.
- Provision of new opportunities for exposure, internships and stage management for their students through outside productions that use their rental space.

"CWV took the time to interview numerous performing arts organizations in the area about their rental needs. They brought back new information about the market that enabled us to condense our offerings to what was manageable, reach out to new groups and ultimately find our market niche." –Erin Bowers

Lessons Learned

The engagement with Sitar Arts Center emphasized the importance of market research before launching a social venture. Analyzing the market and the competitive landscape for a potential earned income opportunity can often prove initial assumptions wrong and provide a nonprofit with an effective and realistic roadmap for a successful social enterprise.

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