

**BUILDING BLOCK**

# Creating Customer-Friendly Policies

## **THIS SECTION WILL COVER**

- What it means to have customer-friendly policies
- Considerations for updating your refund and exchange policy
- Options for managing fees and other add-on charges
- Sample terms and conditions

## BUILDING BLOCK

# Creating Customer-Friendly Policies

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## WHAT ARE CUSTOMER-FRIENDLY POLICIES AND WHY ARE THEY IMPORTANT?

There's an ongoing debate about add-on fees including booking fees, credit card charges, delivery costs and levies. These price increase can complicate sales, refunds and amendments, and carry the risk of reducing audience trust in the industry. Consider the impact of add-on fees carefully, and explore ideas for managing income in a different way.



## How to build or review customer-friendly return and exchange policies

### Build in flexibility:

- Offer credit or exchanges, free of charge and available up to the start of the event, for anyone who is unable to attend for any reason.
- If you are constrained from doing this by agreements with presenters/producers, now may be the time to revisit these. If you're able to collaborate with presenters to find a new way of sharing the risk of cancelled tickets, everyone can benefit from increased consumer confidence. Membership organisations such as [Society of London Theatre](#) (SOLT)/[UK Theatre](#), [STAR](#) or other associations for your artform can provide guidance and examples of good practice.
- Process refunds and exchanges on the phone or by email. Human touchpoints allow you to support customers who reach out to you and reduce the chance of people taking advantage of your flexibility.
- Empower your sales team to use their discretion to support customers' enquiries on a case-by-case basis.
- If appropriate for your business model, invite full or partial donations in place of ticket refunds or credits. Let audiences know they can support you by converting their ticket purchase into a donation and that any amount helps.
- Place a time limit, e.g. 1-3 years, on account credits so you can eventually reclaim any unspent value. Set up Integrated Emails to remind audience members before their credit expires.
- Make commission-free e-tickets the default delivery method. E-tickets limit box office queues, enable contact-free scanning and allow you to reissue tickets easily if event details change. Unless a customer is unable to access e-tickets or print-at-home options, avoid offering COBO tickets.
- Choose clear and accessible language for your policy. Review your terms and find opportunities to rephrase any language that could cause confusion for your audience.

**Share it internally:**

- Make sure your whole customer-facing team understands the policy and how it will be implemented.
- Train your sales team to ask for donations, exchanges or account credits over refunds. Key to this is that they understand the specific financial challenges your organisation is facing and that they have the language to make the ask confidently. Reference the visual on the next page for some ideas on what language to use.

**Share it externally:**

- Put your policy front and centre as part of your communications plan. Make it easy to find on your website and when people are booking tickets by creating a booking FAQ page clearly linked from the booking pathway.
- Use different media or formats to highlight key messages and reassure customers at every point of the booking process.

After Covid-19 closures in 2020,

**60%**

of people using the Spektrix Ticket Converter Tool returned at least some of the value of cancelled tickets to the organisation as credit or donations.\*

Organisations that train front-line staff on asking for donations has led to up to a

**5x**

increase in phone or in-person donation rates.\*\*

\*Stats taken from Spektrix blog, ['Retaining arts income during Covid using the Ticket Converter Tool'](#)

\*\*Stats taken from the [2019 Spektrix Insights Report](#)



## FEES AND OTHER ADD-ON CHARGES

### Covid considerations

With increased customer uncertainty due to Covid-19 and more consumer scrutiny of ticketing practices in general, now is an opportune time to drop add-on fees. When there were mass cancellations in March 2020, many organisations chose to retain transaction fees from refunds to customers. This approach led to extensive debate and may have contributed to reduced audience trust in the industry.

### Manage fees differently

- **Include fees within the total ticket price.**  
Rather than including the customer in the deal, try using a simple internal fee structure to make sure the right money is split between the venue and promoter while keeping things simple. The [Belgrade Theatre](#) in Coventry took this approach.

“Our ticket prices incorporate two levies, one of which is a booking fee which the customer won’t pay if they book online. Both levies are part of our deal with promoters and are always incorporated within the published ticket price. Our contracts were changed over ten years ago to incorporate this small additional cost within the ticket price. Promoters are keen to work with us and have been happy to accept this change. Our terms and conditions simply state that ticket prices may include a non-voluntary contribution and booking fee. This additional income has been a vital resource for the theatre and helps support our work in the community and whilst we were among the first to quote tickets at face value, it’s now best practice and a legal requirement”.

-Nicola Young, Communications Director,  
**Belgrade Theatre**

- **Ask for a donation instead.** By removing fees entirely or quoting them in the upfront price, you may be able to attract more donations in the checkout process. When asked about how to fill potential Covid-related shortfalls, audiences were more than three times as receptive to the idea of donation asks as they were to mandatory fees.\*

**Example:** If your business model allows, set up automated prompts inviting people to donate in support of all or a particular aspect of your work. Adjust the level of donation you ask for based on basket value or the customer's Relationship-based segment. In your messaging, remind people that they haven't paid a fee and tell them how their donations will make a difference. Make sure you're automatically collecting Gift Aid declarations for eligible donors. Our [Fee or Donation? Calculator](#) can help you decide whether fees or donations are best for you.

\*Stats taken from [After the Interval Act I](#), a national audience survey conducted by [Indigo, Ltd.](#)

## Creating customer-friendly policies: additional resources



Use our [Customer-Friendly Policies Template](#) as a starting point to add more detail about your own organisation's guidance.



The [Society of Ticket Agents and Retailers \(STAR\)](#) also maintain model terms and conditions written for organisations in the UK, which you can view [here](#).

Spektrix Users: Click this icon to view a pop-up list of Support Centre articles to help you implement this advice in your system.