

# Arts marketing

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Marketing the arts involves not only the day-to-day work of attracting audiences to events and activities, but also the need to understand and promote more widely the value of an organization's work. Arts marketers play an important role of arts advocates and advocates of marketing who not only need to understand the cultural and environmental aspects of arts as a field but also need to understand what marketing is in order to enthuse their colleagues towards achieving their shared objectives.

This paper seeks to sketch out in broad aspect some of the most important issues of arts marketing. It begins defining the concept of arts marketing and is followed by a more detailed discussion of major challenges and characteristics of marketing arts as oppose to marketing in commercial sector.

Arts marketing is defined as “ an integrated management process which sees mutually satisfying exchange relationships with customers as the route to achieving organizational and artistic objectives” (Hill and O’Sullivan, 2003). The definition identifies that arts marketing requires harmonization of all of the activities of the organization around the customer. It works through mutually satisfying exchange because it sees the essence of arts experience as an active and participative process. Therefore, marketing plays not only a key role in promoting organizational survival, but also in advancing the artistic mission of an arts organization.

Marketing practices in cultural and arts sector are becoming more and more important nowadays as the industry faces numerous challenges. Decreasing government funding and customers who no longer make long-term commitments to the arts create a need for cultural groups to work harder to

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make a lasting impression and to be sure, that if people enjoy one event they will come back for more. Additionally, the funding situation, and the increased competition for customer's time and attention, make leaders of nonprofits to realize that marketing and especially its branding component is crucial for the organizations. Such a challenging environment create a need for cultural and arts organizations to engage in marketing activities, which are necessary for their existence. Arts marketing, however, is different from consumer goods marketing and as a result can not solely rely on standard series of marketing activities such as environmental analysis or marketing mix (Butler, 2000), arts marketers must realize the distinctive characteristics of the arts that have implications for their marketing processes and decisions. Butler (2000) suggests numerous distinguishing characteristics of arts marketing that should warrant a particular attention by the arts marketer and require close consideration in marketing decisions in the field. According to Butler (2000), the objective is to understand the distinctive characteristics within the structural context, such as product, organization and market, and also comprehension of the set of three value-defining, value-developing and value-delivering processes. Although the concept of value is well established in marketing field it is highly significant in the arts and cultural contexts. Once the components are well understood in the particular organizational context, their interaction and integration during the implication process is fundamental.

### The Product

One of the most important aspects in marketing is product. Product marketing deals with the first of the “4p” s of marketing and is a central

element of marketing activity. In arts and cultural domain product is strongly related to human performance and tend to have a strong location identity as opposed to marketing commercial goods (Butler, 2000). One of the most critical elements of the product of art is that there are “strongly felt cultural attitudes associated with the product offering” (Butler, 2000). Excellent illustration of the artistic offering can be presented by Opera Australia. The product strongly identifiable with Australia can be defined as a form of art where the artists such as singers and musicians, give a performance of dramatic work. The integral human component of the product is crucial not only because of its inseparability with the offering *sensu stricto* but most importantly because of its infusion with artistic vision and commitment hardly found in most other fields. It reflects a high culture offering appealing to cultural elite who tends to have a more sophisticated cultural taste, based on education and high cultural needs rather than status.

### The Organization

The differential dimension of arts organizations that distinguish them from purely commercial entities is their focus on the artist and the art (Butler, 2000). According to Kotler and Scheff (1996) the role of the artist is to create art whereas the role of the artistic organization, such as Opera Australia, is to foster and develop that creativity. This aspect has been further supported by Butler (2000), who also calls for maintaining balance between the focus on the artist, as a component of the cultural product, and the adoption of market orientation by the artist, often perceived as “counter-productive” by the artist. For instance, Opera Australia seeks to balance commercial

objectives with artistic and societal goals by listing a number of corporate objectives on its website, with the first two being to:

1. Interpret with integrity the indivisible musical and dramatic qualities of operatic works from four centuries including our own time and place;
2. Satisfy and extend the experience of the committed opera audience while actively encouraging and developing new audiences.

The first is clearly an artistic, societal objective while the second, dealing with audience satisfaction and development, fits more closely with traditional commercial marketing objectives. However, the practical implication of these often opposing goals creates a clash of commerce and culture, especially when profit considerations determine performance (Butler, 2000).

### The Market

In the arts sector, the market is strongly related to previously mentioned funding and resourcing arrangements, diversity of market participants as well as involvement of critics on whose opinions the art is highly dependant (Butler, 2000). Declining government funding forces arts organizations to seek support from other sources such as sponsorship and use of management and marketing skills. For instance, as presented in Fig. 1 only 30 per cent of the support of Opera Australia comes from government funding whereas the majority of revenue is derived from other sources such as sponsorship (Australia Post, Mazda, Qantas), individual donations (Patron Programs) and commercial profits (box office).

Fig. 1 INCOME COMPONENTS OF OPERA AUSTRALIA

Opera Australia <http://www.operaaustralia.org.au/scripts/nc.dll?OPRA:>  
HOMEPAGE

Opinions and critics in the arts world are also an established element of its development and there is a significant dependence on its reviews (Butler, 2000). The extraordinary power of critics can create immediate success or failure. Therefore, in order to overcome such critics' expressions Opera Australia recognizes the defensive power of public relations and marketing activities emphasize the role of positive word-of-mouth. This, gives it a significant voice in the market.

#### Value-Defining Processes

In the arts sector, the notion of value is not as clear as in business as there is no general agreement on its criteria. Therefore, in defining the value of the offering two factors are important: whether the value is defined by the market or the artist (Butler, 2000). Although the artist is often believed to force the review of value definition, in non-commercial context such as Opera Australia, public entities of recipients and previously mentioned critics' expressions strongly influence the definition of value and its interpretation.

#### Value-Developing Processes

The value-developing processes of art are highly related to education and development of the audience and the artists (Butler, 2000). As the social and societal consequences of an uncultured community are enormous, various awareness programmes and educational role of arts are strongly emphasized through the activity of arts and cultural institutions. For instance, audience

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development is especially important for Opera Australia, which wants to offer to its audience something more than just artistic performance. Various programmes have been developed, such as Opera for Teachers and Students and OzOpera who aim not only to satisfy cultural needs of the audience but also enrich the knowledge and interaction with the opera experience and bring about wider participation. OzOpera, for example, aims to present opera to audiences throughout metropolitan and regional Australia. It presents schools performances in primary schools across New South Wales and Victoria, adapting large-scale scores to suit young audiences. OzOpera expects, that in 2009 it will enable over 100, 000 people to experience opera firsthand.

#### Value-Delivering Processes

The process of delivering value (arts) to the public involves two important issues: access to the arts and related to it pricing strategies (Butler, 2000). Access to the arts translates into gaining maximum exposure for the artists and their work (Scheff and Kotler, 1996; Butler, 2000). Opera Australia is actively involved in many activities exposing people to the arts and encouraging participation in its events through previously mentioned programmes (Opera for Teachers and Students, OzOpera). There are however, various barriers to access that may involve high prices and transport problems. Relatively costly expenditure is required in order to be able to watch the opera, which also highly affects its audience selection. However, there is clear relationship between pricing and quality of the experience and therefore, it is not incidental that customers of the opera belong to the cultural elite of the society.

In conclusion, effective marketing activities can help arts groups and cultural organizations to communicate with audiences and generate sustainable sources of financial support. However, going too far with corporate-style marketing risks backlash. Many people are drawn to culture because it seems to be at least one degree removed from the marketplace. Those, who consider themselves outside a demographic box will be turned off by too-blunt tactics. Corporate partnerships will also be scrutinized closely by public and private funders as well as audiences. Therefore, especially in the current financial climate, arts groups should continue to look for that elusive balance between the commercial and the creative sides of art what can be effectively illustrated by Opera Australia.

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