



MARKETING FOR CULTURAL ORGANIZATIONS

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MARKETING IN CULTURAL ORGANIZATIONS

Challenges cultural organizations face

- Decreased consumer time for leisure
- Various entertainment options
- Consumer's exposure to the world's cultural products
- Blurring of the distinction between high and pop culture
- Changing patterns of public funding

Reality in culture sector

- Art can no longer be treated as having sacred right for public support
- Culture organizations can no longer assume that they know what consumer wants
- Consumers living in multimedia and cross-cultural environment want more combinations of art forms and delivery methods
- Cultural events must provide multiple benefits to meet consumer needs, while fitting in their time and budget constraints
- + Current generation doesn't view high art as inherently more valuable than pop culture that shapes their lives

Marketing in cultural organizations

- **Marketing** – “the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational goals” (Bennet, 1995)
 - Negative view in cultural organizations
 - But, both sides (**individual** and **organizational** goals)

Marketing focus

- **Product focus**
 - Quality product will attract customers by itself
 - Inward orientation
 - Organizations determine what to product based on its ideas and capacities
- **Sales focus**
 - Convince consumers to purchase
 - Aggressive sales techniques

Marketing focus

- **Consumer focus**
 - Product that meets needs and desires of customers
 - In cultural organizations, product
 - for organization –art itself (core product)
 - for consumer – total package of experience (entertainment, learning, social, etc.)
 - Right communication, presentation and packaging of the total experience



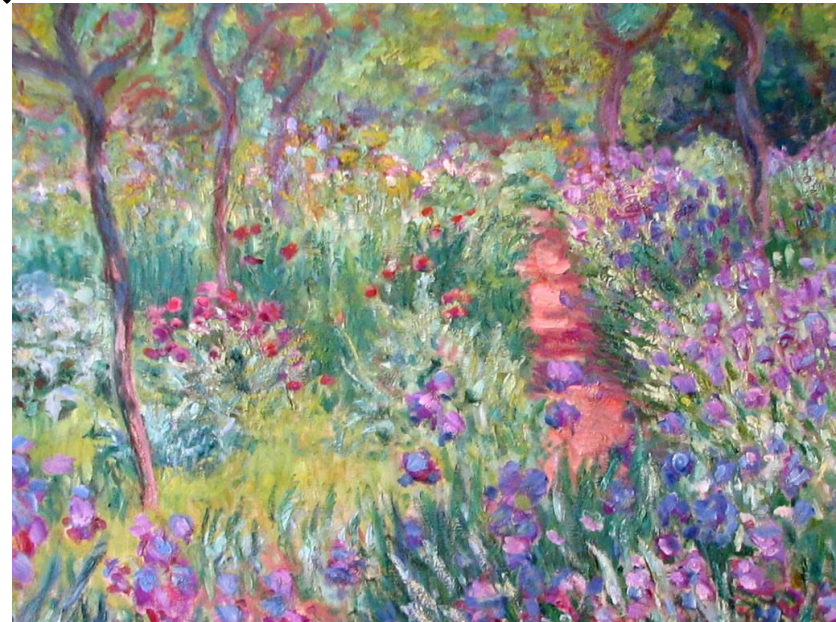
CULTURAL CONSUMERS AND PURCHASING PROCESS

Types of cultural consumers (involvement)

- **Consumer:** light and generalized use
- **Fan:** focused on specific authors, cultural goods
- **Cultist:** heavy, specialized use with associated social activities
- **Enthusiast:** serious interest entire cultural stream, participated in structured activities
- **Petty producer:** collector, amateur producer of art form

Types of cultural consumers (examples)

- **Consumer:** any museum on a free weekend
- **Fan:** attends Monet exhibitions
- **Cultist:** joins local museum association, attends education events on Monet
- **Enthusiast:** studies Impressionism art movement, travels to other museums, joins “friends” of a museum
- **Petty producer:** collects paintings



Types of cultural consumers (cont.)

- Cultural organizations employees – enthusiasts or petty producers
- Most people will remain on consumer level
(consumption of cultural goods – an occasional activity)

Types of cultural consumers (cont.)

- Cultural organizations:
 - Accept the culture of consumers as they are, rather than as people with the need for improvement,
 - Provide cultural events for different groups,
 - Serve two distinct groups: cultural enthusiasts (small, aging) and culture consumers (wants to be entertained)

Reasons for attendance

- Interest in particular artist,
- Leisure and entertainment,
- Social ritual,
- Self improvement.

Purchase process

1. Problem/need recognition
2. Information search
 - Information should be in a convenient form and place
3. Evaluation of alternatives
 - Need all necessary information
4. Purchase
5. Post-purchase evaluation
 - Important! Repeat the experience?

Factors influencing consumer choice

- **Internal**
 - Values and beliefs
 - Negative beliefs in attending cultural events?
- **External**
 - Education
 - Family
 - Social class
 - Ethnic culture
 - Reference groups



MARKET SEGMENTATION

Market segmentation

- **Goal** – expose as many people as possible to their art product
- Cultural organizations may **target**:
 - Entire public
 - Specific segment (small organizations)
 - Multiple segments
 - Different “packages”
 - Same product, different message to consumer

Market segmentation

- **Market depth**
 - Attract more members from the current segment
 - Limited growth – most people from the segment already decided
- **Market breadth**
 - Attract members from new segments
 - Important! Market to new segment and retaining current audience

Segmentation process

1. Define current segment
2. Define new/potential segments to target
 - Product => Consumer
 - Consumer => Product

Methods of segmentation

- **Demographic segmentation**
 - Gender, age, education level, occupation, marital status, income, and ethnicity
- **Geographic segmentation**
 - Local audience vs audience outside local area (+tourists)
- **Benefit segmentation**
 - Different benefits depend on lifestyle, usage rate and pattern, motivation, psychographic characteristics
 - Factors that actually motivate consumer to attend a cultural event
 - Information difficult to obtain and analyze

Targeting cultural tourists

- **Cultural tourists:**
 - Most tourists travel for enjoyment (not to understand foreign culture)
 - Limited time
 - Often visit out of feeling of obligation
- **Issues:**
 - Conflicting goals
 - Art form too culturally distinctive to be attractive to tourists
 - Responsibilities to local market segments



PROMOTION

Marketing to segmented market

- Define product **benefits** fro each segment
- Determine **message** – communicate benefits, necessary information +emotions!
- Determine communication **style** attractive to the segment

- **Find audience, motivate to attend**

Promotional tasks

- **Informative**
- **Persuasive** – attract consumers
- **Reminder** (when and where product is available) – for enthusiasts who already attend

Promotional methods

- Advertising
- Sales incentives (discounts, coupons, etc.)
- Personal selling (by members of organization)
- PR (maintaining favorable image)
- Direct marketing (phone, email)
- Websites
- Email clubs (“opt-in” emails)

- Integrated marketing communications (IMC) – using more than 1 promotional method

Sources

- *Marketing for Cultural Organisations. 2nd edition. Bonita M Kolb, 2005.*



**THANK YOU FOR
ATTENTION!**