

# Marketing for Cultural Organizations





## 1.WHAT DOES THE TERM MARKETING MEAN?



## What does the term marketing mean?

- 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)
- The action or business of promoting and selling products or services, including market research and advertising. (Oxford dictionary)

## **Fundraising**

- "the act of collecting or producing money for a particular purpose, especially for a charity" (Cambridge dictionary)
- "Fundraising or fund-raising is the process of seeking and gathering voluntary financial contributions by engaging individuals, businesses, charitable foundations, or governmental agencies." (Wikipedia)

## Marketing x Fundraising

### **Fundraising**

- Increasing the total turnover of organization
  - Donors
  - Increasing sales
  - Improving product
- Marketing
  - Focused on market competition
  - Focused on product

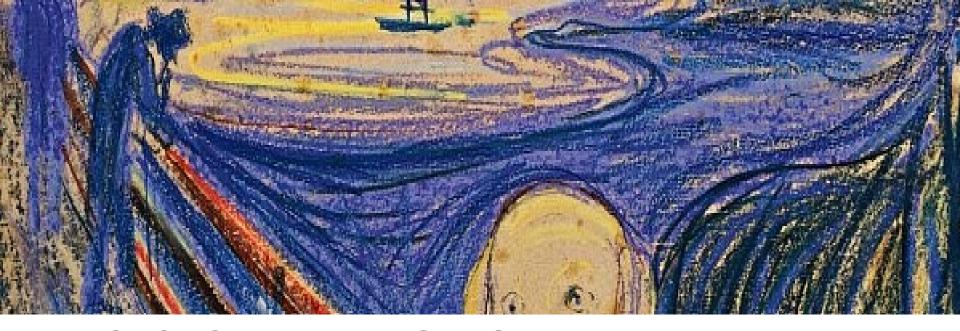


### 2. MARKETING IN CULTURE



## Marketing in culture

- Specifics of products in culture
  - Some product are made without connection to current demand
    - Artist statement
    - Culture goods made in the past
  - Some cultural sectors do not reflect current demand
- Some products are attractive only temporarily in particular time
  - Demand which changed in time
  - Political satire etc.
- Some culture organizations have character of non-profit organization
  - Importance of fundraising
  - Less space to focus on product



## 3. SEGMENTATION OF MARKET WITH CULTURE PRODUCTS



# Segmentation of market with culture products

#### Factors of market segmentation:

- Age
- Sex
- Education
- Socio-economic background
- Social status
- Ethnic origin
- Culture background
- Geographical factors
  - Characteristic of locality
  - Barriers to accessibility
- •

# Segmentation of market and pricing policy

#### Market segmentation can increase revenues

- Discount for selected groups
  - Students discount
  - Seniors discount
  - Group discount
  - Children free policy
- Discounts for specific time period
  - Less exposed times
  - Less exposed part of season
- Differentiation of products
  - Less quality product
  - Exclusive products
    - Extra services
    - Limited editions
    - VIP tickets



## 4. WAYS OF MARKETING COMMUNICATION



## Ways of marketing communication

#### Media of communication

- TV broadcasting
- Radio broadcasting
- Social media
  - Youtube
  - Facebook
  - Instagram
  - TikTok
- Printed media
- Direct communication with customer
  - Communication with selected groups
    - Schools
    - Interests group

## Ways of marketing communication

### Message of communication

- Promotion of product
- Create a relationship with customer
- Create the feeling of product need
- Share the part of organization life
- Inform about the news
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## 5. COMPETITION IN THE MARKET



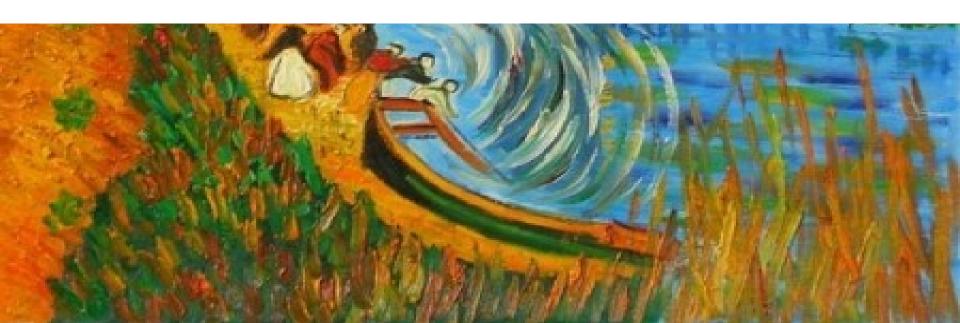
## Competition in the market

#### Effect of Competition and rivalry

- Pressure to marketing activity
  - It can increase the interest of audience
  - It can increase the total cost
    - Price of market product include 10 % -50 % cost of marketing
- Pressure to quality of product
  - According actual demand
  - It can affect the long term quality in negative way
- Some segments of culture are in the position of monopoly of oligopoly
  - UNESCO monuments
  - Well-known institutions
    - Colosseum
    - Eiffel tower
    - ...



## 7. WHAT DOES MARKETING PLAN MEAN?



### What does marketing plan mean?

- 1. Statement of Organizational Mission
  - Each organization is established for the purpose of achieve main goal
  - Without goal we cannot find the best way for our organization
- 2. Environmental Analysis
  - (e.g. purchasing power of population, location of action, demographic factors, etc.)
- 3. Competitor Analysis
  - "We need to know our enemies"
- 4. Understanding Buyer Motivation
  - Why are the customers interested in our product?
- 5. Segmentation
  - What are the group of our customers?
  - What are the main specification of these groups?

## What does marketing plan mean?

- 6. Research Plan
- 7. Product Analysis
  - What are the benefits of our product?
  - What are the weak part of our product?
  - SWOT analysis
- 8. Distribution Analysis
  - How deliver product to customers?
- 9. Pricing Options
  - Comes from our price policy
- 10. Promotional Plan



# 8. WHAT DOES MARKETING MIX MEAN?



## Marketing mix

 A planned mix of the controllable elements of a product's marketing plan

## Marketing mix



#### **PRODUCT**

- What does the customer want from the product?
- What features does it have to meet these needs?
- How and where will the customer use it?
- What does it look like?
- What size(s), color(s), should it be?
- What is it to be called?
- How is it branded?
- How is it differentiated versus your competitors?

#### PRICE

- What is the value of the product or service to the buyer?
- Are there established price points for products or services in this area?
- Is the customer price sensitive?
- What discounts should be offered to trade customers?
- How will your price compare with your competitors?

#### TARGET MARKET

#### PLACE

- Where do buyers look for your product or service?
- If they look in a store, what kind?
- How can you access the right distribution channels?
- Do you need to use a sales force?
- What do you competitors do, and how can you learn from that and/or differentiate?

#### PROMOTION

- Where and when can you get across your marketing messages to your target market?
- Will you reach your audience by advertising in the press, or on TV, or radio, or on billboards?
- When is the best time to promote?
- How do your competitors do their promotions? And how does that influence your choice of promotional activity?



## Marketing mix



# Relationship between customers needs and marketing

	Content Marketing Fulfills Customer Needs					
		Research	Engage	Purchase	Support	Advocate
	Marketing Goal	Enter customer's consideration set	Build relationship; Eliminate blocks to purchase	Close sale	Keep / Expand relationship; Sell / upsell additional product	Build community; Get referrals
	Customer Need	Research product; Gather options; Get input from family & social media	Get questions answered; Assess & reduce options	Determine product / purchase specifics	Fix any problems; Return product; Improve product usefulness	Share shopping experience; Write review
	Content / Information Sought	Product /brand info Image Video Current trends / news How to/ Product ed Instructions /FAQ Recipes / patterns Expert opinion Customer galleries Ratings & reviews	Product /brand details Image - more views Video — more info Current trends / news How to/ Product ed Instructions /FAQ Recipes / patterns Expert opinion Customer forums Customer galleries Ratings & reviews	Product /brand details Price / Promotion Location Contact info Customer service	Contact info Customer service Image — product use Video — product use How to/ Product ed Instructions /FAQ Recipes / patterns Customer forums Customer galleries	Customer forum Ratings & review Customer galleries

### **CONCLUSION**

- Marketing is process of planning and making strategies
- Challenge for cultural organizations is:
  - answer to societal changes
  - Attract more customers
- Cultural organizations can use the same marketing instruments as business companies
  - Specification is product and group of customers

### **SOURCES**

#### **Useful link:**

https://www.slideshare.net/assim\_t/marketing-

<u>instruments</u>

Sources:

KOLB, B. M. Marketing for Cultural Organizations

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### THANK YOU FOR YOUR ATTENTION

