

Arts and entertainment

Key concepts

The main concepts covered in the chapter are:

- The scope and nature of the arts
- The different marketing objectives of arts organisations in the public, private and voluntary sectors
- The arts product and the arts as a component of other leisure products
- Competition within the arts, and between the arts and other leisure activities.

Introduction

The arts are a very important subset of the leisure market and arts marketing has developed dramatically across the world in recent years.

However, before we begin to look at the practice of marketing in the arts, we must first define *the scope of the arts*. Figure 21.1 represents the view of the Arts Council in the UK as to the scope and nature of the arts.

Within these overall definitions, there are a number of other ways of classifying the arts. As these tend to affect either products or market segments, they clearly have a major influence on arts marketing. We will therefore briefly discuss them. They include:

- (i) The distinction between whether the consumer is a *spectator or a participant*. For example, a person may go to a theatre to see a professional drama performance, or they may be a member of an amateur theatre company which puts on its own performance, as a hobby.

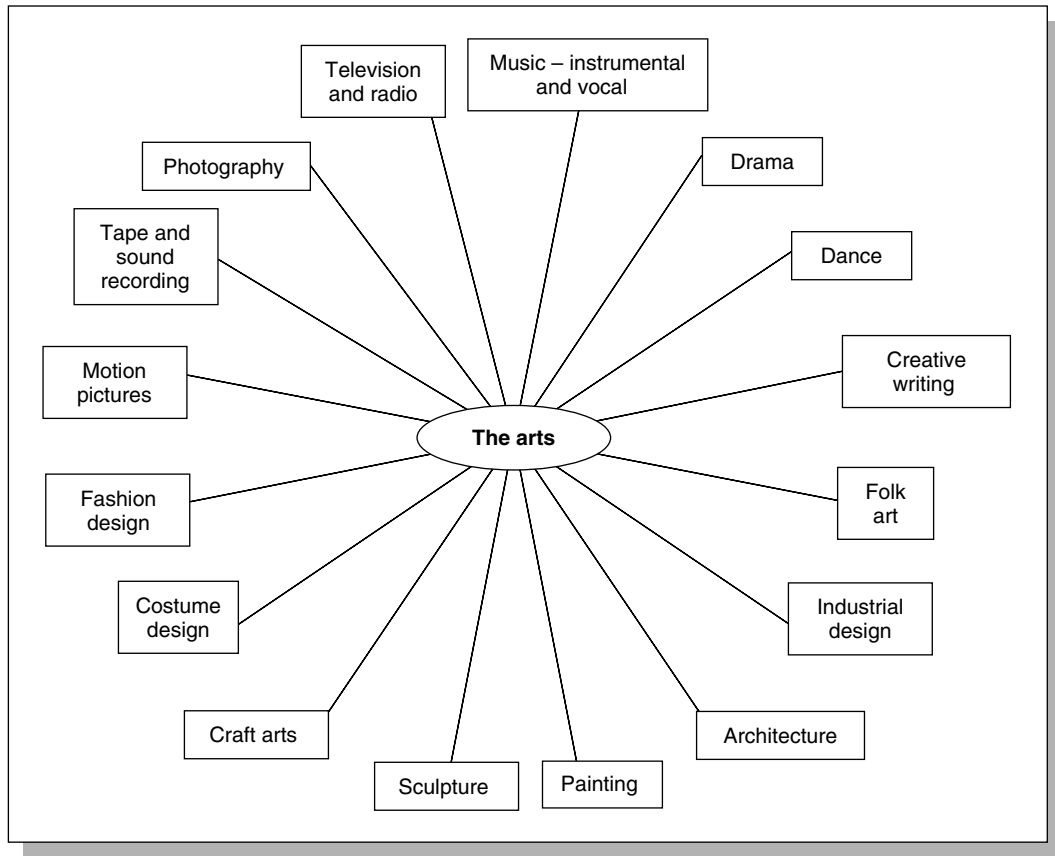


Figure 21.1 The scope and nature of the arts

- (ii) The differences between *facilities and activities*, which can also be related to the difference between spectators and participants. Arts facilities include art galleries, art centres, theatres and cinemas, while arts activities include painting, making craft products, dancing and going to rock concerts or arts festivals.
- (iii) Some types of arts activity are usually *organised in advance*, such as a theatre visit, while others can be *spontaneous*, such as visiting a local art gallery. This difference is partly accounted for by the fact that prebooking is normal for the former activity but not for the latter.
- (iv) Arts activities can be consumed by either *groups or individuals*; for instance, attending a concert is an example of the former while painting is often a solo activity.

There are also differences in terms of *ownership and marketing objectives*. The public sector tends to be a major provider of facilities such as art galleries and theatres, which are usually subsidised. The reason for the subsidy is that there is a belief that arts facilities like these are essential for the cultural life of an area and must therefore be provided even if they lose money. The marketing of such public-sector facilities is therefore largely about increasing usage as well as ensuring whether the budget targets are met. Voluntary-sector involvement in the arts is largely in the field of activities, where the aim is to give opportunities for amateurs to develop their interest in particular hobbies. Their marketing

objective is therefore often to generate enough income to allow them to carry on with their activities. Conversely, in the private sector which is strongly represented in areas like the cinema, television and music, the aim is to maximise profits and boost market share where appropriate. These differences in marketing objectives can lead to these organisations adopting different approaches to marketing. In the first two cases, there may be a tendency to concentrate on the product and hope a market can be found for it, while in the latter sector, the focus is on looking at what the market wants and developing an appropriate product to satisfy this demand.

In the public sector, arts are a crucial element in the cultural and leisure policies of central and local government. They are often, therefore, called upon to help achieve broader social objectives such as education and providing activities for young people.

There have always been some blurred lines between the arts and entertainment and sport. The arts have traditionally been seen as rather high level, 'high brow' activities that somehow uplift the soul and enrich people's lives. On the other hand, entertainment and sport are often somehow seen as activities that meet people's basic desires for amusement or exercise, but which do not merit the term 'arts'.

However, in an era when we are talking about the so-called 'postmodernism', it may well be that the demarcation lines are becoming less and less relevant. Indeed, many would now argue that entertainment and sport can equally be considered as arts, for example:

- developing and playing computer games;
- taking part in 'Karaoke' evenings in clubs and pubs;
- circuses;
- playing sports such as football and tennis, or taking part in sporting activities like skiing, for instance.

The arts *product* can take a number of forms, including the following, for example:

- a permanent facility which offers opportunities for people to look at the tangible products of the arts, such as an art gallery, or craft centre;
- a permanent facility which provides opportunities for people to participate in an arts activity, for instance, such as a dance studio or recording studio;
- a club, association or society, membership of which allows someone to indulge in a particular activity and/or have access to equipment they require to take part in an activity. This might be an amateur dramatic club, for example;
- a special, temporary event such as a concert, a theatre performance, or an arts festival.

If we take one type of product, for example, a theatre, the actual product consists of the following elements:

- its programme, in terms of what plays and other types of performances it offers;
- the building in terms of its location, seat comfort and facilities such as bars and restaurants;
- the days on which it is open and the times of its performances;
- its booking system, in terms of how customers can reserve tickets and what methods of payment are accepted;
- the theatre's image, reputation and brand name.

As well as being products in their own right, the arts can also be elements in the wider product of tourism and hospitality organisations. For example:

- Tourist destination-marketing organisations may utilise arts festivals to attract tourists to their town, city or region. France has many examples of such festivals including

the annual European Street Theatre Festival in Aurillac and a Festival of Bandes Dessinées, or illustrated comic books, at Angouleme to give but two examples.

- The inclusion of arts facilities and activities in the excursion programmes offered by tour operators to holidaymakers in and around the resort where they are spending their holidays. For instance, tourists in London might be taken to the museum of the Moving Image in the city, which illustrates the history of film and television. Likewise, tourists in countries such as Greece and Spain may be offered a national 'folklore evening'.
- Many hotels now offer weekend break products based on the arts. These can include painting, crafts, art appreciation and theatre weekends.

Pricing is a complex issue in the arts, and it can also be controversial, particularly due to the role of public-sector *subsidies*. These subsidies can mean that some arts facilities and activities of high quality may be offered at no charge. This may include major art galleries, while subsidies may also mean that publicly owned facilities such as theatres may be able to offer their products at levels below the true market value. This is true of activities such as opera performances. As we will see later, this can be seen as unfair competition by commercial-sector arts organisations.

A particularly controversial aspect of such subsidies is that they are often not linked to activities which are enjoyed by people on limited incomes primarily, where subsidies could be justified by the fact that they allow less-affluent people to enjoy the art. In the case of opera, for example, where subsidies can be worth several pounds sterling per ticket sold, most customers are relatively affluent. There are, therefore, debates over the ethics of such subsidies and discussions about who should subsidise and which arts should be subsidised.

Other pricing issues in the arts revolve around concessions which are given to economically and socially disadvantaged groups such as students and the elderly, and on the other hand, discounts which are offered for purely marketing reasons. These may include the need to boost ticket sales at less busy times or the encouragement of group bookings.

Place or distribution is a relatively simple concept in the arts, with three major elements as follows:

1. the use of marketing intermediaries from which consumers can purchase tickets for performances, such as travel agents and tourist information offices;
2. direct booking with arts facilities or activity organisations by telephone or in writing;
3. where prebooking is not the norm, place can literally mean the location, where people are attracted to enter buildings or join in events, simply because they happen to be passing by at the appropriate time.

Most arts products are marketed using a limited range of *promotional techniques* because the budgets of arts organisations are often limited. The most popular methods of promotion in the arts include:

- leaflets covering individual facilities or individual special events or published programmes covering a season of plays at a theatre;
- advertising, largely in the printed media, in either local or regional newspapers or specialist periodicals;
- sales promotion offers, both added value (two tickets for the price of one for a theatre performance, for example) and discounts (£1 off a ticket for students at a cinema);
- press and public relations are also widely used, gaining favourable media coverage, that is largely free;
- sponsorship of arts organisations by organisations which raises the sponsoring organisation's profile and/or brings extra revenue.

The relatively few major transnational corporations in the arts also undertake more sophisticated advertising, such as television advertising, when a new film is released.

Some arts organisations have combined the promotion of their core business with forays into the visitor-attraction sector. This phenomenon has been clearly seen in the US film industry with studio-based attractions such as Universal Studios.

There are a number of issues relating to the arts *market* which are relevant to arts marketing. These include:

- The different-sized *catchment areas* of arts facilities and events. Some have only a local catchment area while others can be largely international, and many others lie somewhere between these two extremes. For example, many cinemas may serve a local clientele, while a major art gallery, such as the Louvre in Paris, has a truly international catchment area. The same is true of events where a small music festival may draw most of its visitors from the locality, and others such as the Salzburg Music Festival draw visitors from all over the world.
- The market can be divided into a number of different *market segments*, on the basis on a range of criteria including age, sex, income, nationality, language, place of residence, lifestyle and personality. However, the market can also be broken down into those who like to watch and those who like to participate. There is also a difference between groups and individuals in terms of consumer behaviour.
- The benefits sought by the users of arts products vary dramatically, and some of these differences are related to the existence of different market segments. Some of the most significant benefits sought include:
 - status
 - aesthetic pleasure
 - learning a new skill
 - an individual or a collective experience
 - sensual pleasure
 - hedonism
 - ego enhancement
 - increased confidence
 - health and fitness

to name but ten from a list that probably includes hundreds. It is important to note how these benefits sought vary between different customers even in relation to purchasing what is ostensibly the same product.

For example, the benefits sought by a young couple visiting a cinema to see a film might be one of the following:

- The cinema represents a place where they can enjoy a romantic experience in the dark!
- They may be keen to gain status by being able to say they have seen a particularly fashionable film.
- Escapism from the dullness of everyday life, or fear, or the chance to learn something new, depending on the nature of the film.
- The pleasure of enjoying the snacks and drinks on sale at the cinema.
- Taking advantage of a special discount offer, perhaps with a fast-food outlet which gives away cheap cinema tickets when people purchase particular meals.

Finally, in terms of the market, the fact that while most arts involve the use of leisure time, there is also a business-related market. For example, some companies use arts activities such as opera performances as part of corporate hospitality packages for their customers. This

phenomena may be developed to the point where it can form part of formal sponsorship arrangements between businesses and arts organisations.

Competition is a complex issue in the arts field. As it is a leisure activity, the real competitors are all other forms of leisure activity or opportunities for spending disposable income. This can best be illustrated by taking an example such as a cinema which specialises in family films. Its competitors might typically include:

- other cinemas in the same geographical area, with similar programmes;
- theatres in the same area, offering family shows;
- special events targeted at families, such as craft fairs;
- eating out at restaurants;
- visitor attractions which are aimed at families, such as theme parks;
- recreational activities like taking a walk in the countryside, bicycle riding or swimming;
- visiting a leisure-shopping complex;
- visiting friends and relatives;
- home-based leisure activities such as barbecues;
- home entertainment where the family stay at home and indulge in activities such as watching videos, playing computer games or simply playing games in their garden.

There are accusations that there is *unfair competition* in some areas of the arts. For example, our cinema above is privately owned, receives no subsidies and has to make a profit to survive. On the other hand, the local theatre, with which it is competing, is publicly owned and receives a subsidy so that it does not have to charge a market price for its tickets, unlike the cinema.

However, in the public sector, in particular, there is also *internal competition* where arts facilities owned by the same body may indeed be competing with each other. This may be true in relation to theatres or art galleries, for example.

Marketing activity has to be carefully planned, therefore, to ensure that the organisation is not spending money to allow it merely to compete against itself.

Finally, in relation to arts marketing, we will briefly outline several *miscellaneous issues*, relating to the marketing of arts products.

1. *Consortia* play a significant role in arts marketing, with organisations, particularly in the public sectors which have limited budgets working together to increase their combined buying power in terms of advertising campaigns and brochure production and distribution. These consortia often relate to either a particular art, such as dance or crafts, or arts organisations within a specific geographical area. However, such consortia can also be found in the commercial sector, with perhaps the best example being the Society of West End Theatres in London.
2. Many arts organisations operate on a *transnational* basis so that they have to take into account national differences in terms of consumer behaviour, business practices, legal frameworks and so on. Examples of such transnational activities include:
 - foreign tours by dance companies and rock bands;
 - the sale of television programmes to networks in other countries;
 - international record sales;
 - art exhibitions mounted by galleries in one country that take place in a foreign country.
3. The *size of marketing budgets* for arts organisations can vary dramatically from a few hundred pound sterling for a small art gallery to major film companies which may spend millions of pound sterling promoting just one film.

4. In some of the arts, there is a *tension between the art and those who practice it, and the concept of marketing*. Many people in the arts believe that marketing is harmful to the arts because it can mean having to compromise artistic principles and values to meet the wishes of consumers. This is particularly true in those art forms where professionals with a strong sense of vocation undertake performances, such as drama, dance and music.

Conclusion

Overall arts marketing is a complex but growing area of activity. Particularly in the public and voluntary sectors, it can have a very strong set of social marketing objectives. At the same time, in the private sector, one can see some of the most overtly controversial and aggressive types of marketing found in any industry.

Discussion points and essay questions

1. Compare and contrast the approaches to marketing which are taken by public- and private-sector organisations in the arts.
2. Evaluate the nature of the product within the arts sector.
3. Identify all the main forms of competition which might be faced by an individual theatre *or* art gallery, both within and outside the arts.

Exercise

Choose *one* public-sector body and *one* private-sector company, within the arts sector.

Compare and contrast these two organisations in terms of their:

- (i) marketing objectives
- (ii) the nature of the product offered
- (iii) pricing policies
- (iv) promotional techniques
- (v) policy in relation to competitors
- (vi) performance indicators.

You should finally attempt to explain any differences which you may identify in relation to these six issues between the two organisations.