

MARKETING FOR CULTURAL ORGANISATIONS

Ing. Vojtěch Müllner

OUTLINE OF LECTURE

- ✘ Work with article
 - + Understand the core and role of marketing
- ✘ Yes minister-The Middle Class Rip
 - + Understand the role of “interests groups”
- ✘ Presentation
 - + Definition of term Marketing
 - + Challenges for cultural organizations
 - + Instruments of marketing
 - + Customers

WORK WITH ARTICLE

WORK WITH ARTICLE

Answer following questions

- ✘ What is the situation today in cultural organizations?
- ✘ What is the core of the changes?
- ✘ What are the main differences in funding of cultural organizations in time?
- ✘ What is marketing?
 - + What does the term mean?
 - + What for do we need it?
 - + What does the term include?
 - + What is the difference between marketing in cultural organizations and in business organizations?

YES MINISTER-THE MIDDLE CLASS RIP

YES MINISTER-THE MIDDLE CLASS RIP

- ✘ **Jim Hacker-** is the Minister for Administrative Affairs
- ✘ **Sir Humphrey-** serves as Permanent Secretary under his Minister, Jim Hacker at the Department of Administrative Affairs
- ✘ **Bernard Woolley-** is Jim Hacker's Principal Private Secretary. His loyalties are often split between his Minister and his Civil Service boss, Sir Humphrey

YES MINISTER-THE MIDDLE CLASS RIP

When the Minister (Jim Hacker) is approached by a group of local constituents seeking government funding for their nearly bankrupt local football club, he suggests that they sell the local museum to private interests and use the proceeds for their sports team. Sir Humphrey - a patron of the arts and an avid opera-goer - is aghast at the prospect of taking funds from the arts and transferring it to sports. He and his fellow permanent secretaries come up with an ideal solution - make Jim Hacker the Minister responsible for the arts.

YES MINISTER-THE MIDDLE CLASS RIP

Answer following questions:

- ✘ For which group of people culture and art primary is?
- ✘ Why want Sir Humphrey support culture?
- ✘ Define the main interests group in the movie

Focus on:

- ✘ Interests groups
- ✘ Reasons why we should support culture

YES MINISTER-THE MIDDLE CLASS RIP

TERM MARKETING

TERM MARKETING

- ✘ **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 organiuzational goals**)

CHALLENGES FOR CULTURAL ORGANIZATIONS

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

CHALLENGES NO.1

- ✘ Answer to societal changes
 - + More stressful life than a generation ago
 - ✘ Less energy for leisure activities
 - + World has become smaller
 - ✘ Cheaper traveling
 - ✘ Development of communication technology
 - + New technology has enabled people to experience music and visual arts from around the world
 - ✘ Tv broadcasting
 - ✘ Internet and streaming services

HOW TO DEAL WITH CHALLENGES

- ✘ Let the challenges be and follow your own way
 - + Conservative point of view
- ✘ Accept the challenges
 - + Actual point of view
 - + Use instrument of marketing (creat a Marketing Plan)

INSTRUMENTS OF MARKETING

EXAMPLES OF INSTRUMENTS

- × Marketing plan
- × Marketing mix
 - + The 4Ps of Marketing Mix
 - + The 7Ps of Marketing Mix

MARKETING PLAN

1. Statement of Organisational 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?

MARKETING PLAN (CONT.)

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

MARKETING MIX

4 PS OF MARKETING MIX



7 PS OF MARKETING MIX



CUSTOMERS OF CULTURAL ORGANIZATIONS

CUSTOMERS IN BUSINESS BRANCH

× **Ready-to-Buy Customers**

- + Often have a sense of urgency (actual need)

× **Repeat Customer**

- + Most loyal customer
- + They are our customers as long as we continue to satisfy their needs
- + They represent no more than 20 percent of our customer base, but make up more than 50 percent of our sales

CUSTOMERS IN BUSINESS BRANCH (CONT.)

× **Impulse Buying Customers**

- + Customers who make purchasing decisions based upon a whim or a great sales presentation usually are not in a position of needing anything in particular

× **Sale or Discount Customers**

- + Sale or discount customers always shop for the best deals available on the items they want to purchase

× **Potential Customers**

- + Usually in no hurry to make a purchase
- + They need attention of seller

CUSTOMERS

- ✘ What type of customers do we have in culture branch?

CUSTOMERS

- × In business branch and in cultural branch are the same types of customers
 - + **Group of Ready-to-Buy Customers**
 - × must be impressed by our product
 - + **Loyal group of customers/Repeat Customer**
 - × They visit theatre/cinema/museum periodically
 - + **Group of Impulse Buying Customers**
 - × Follow the trends and feelings
 - + **Group of Sale or Discount Customers**
 - × Follow the best offer
 - + **Potential Customers**
 - × All of the people

COSTUMERS MOTIVATIONS

COSTUMERS MOTIVATIONS

× Social Ritual

- + For the traditional high art audience, attendance may be an affirmation of their social values

× Self-improvement

- + „Culture is mirror of our behavior“

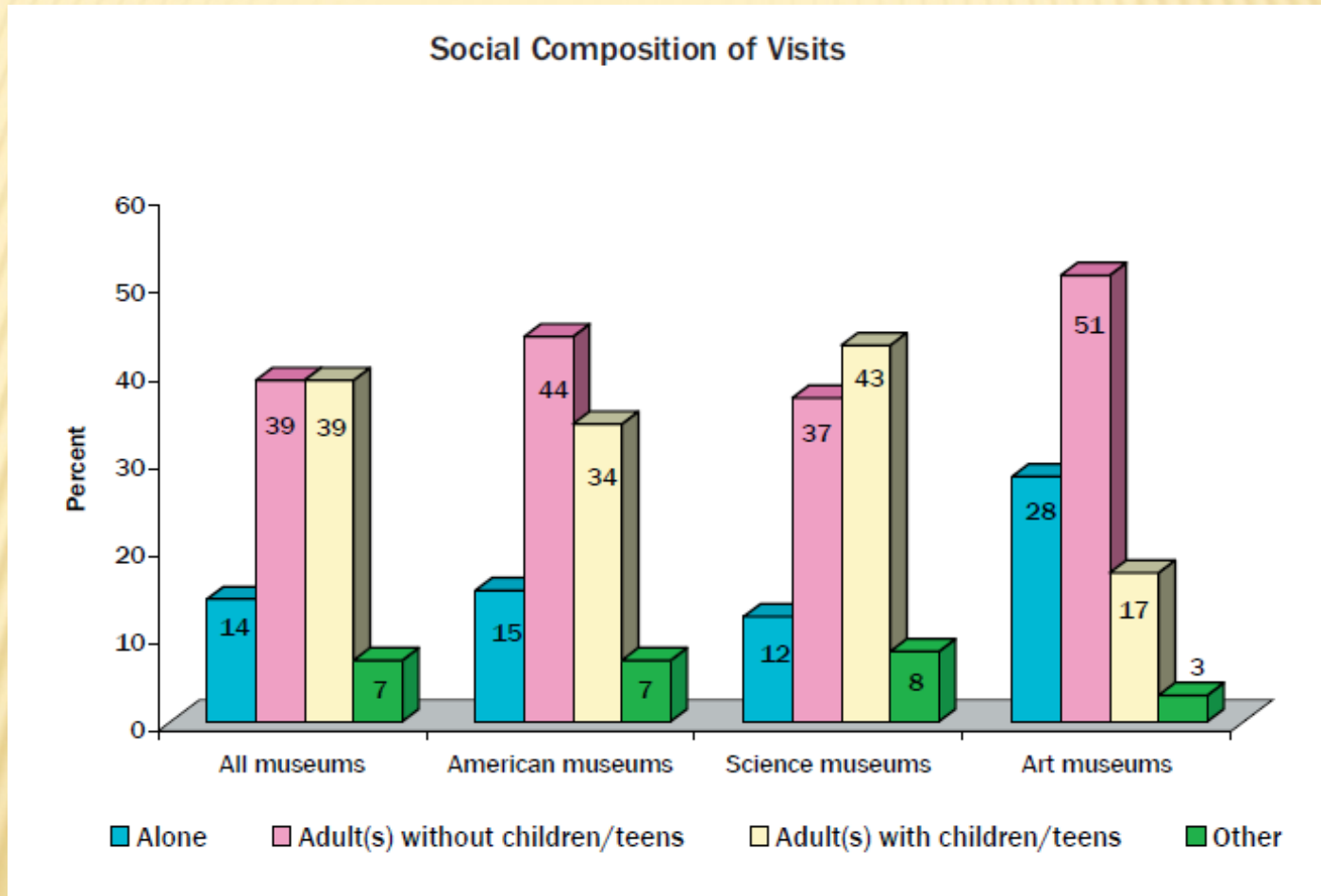
× Symbol of social status

- + Higher class are more interested of culture

× Need of catharsis

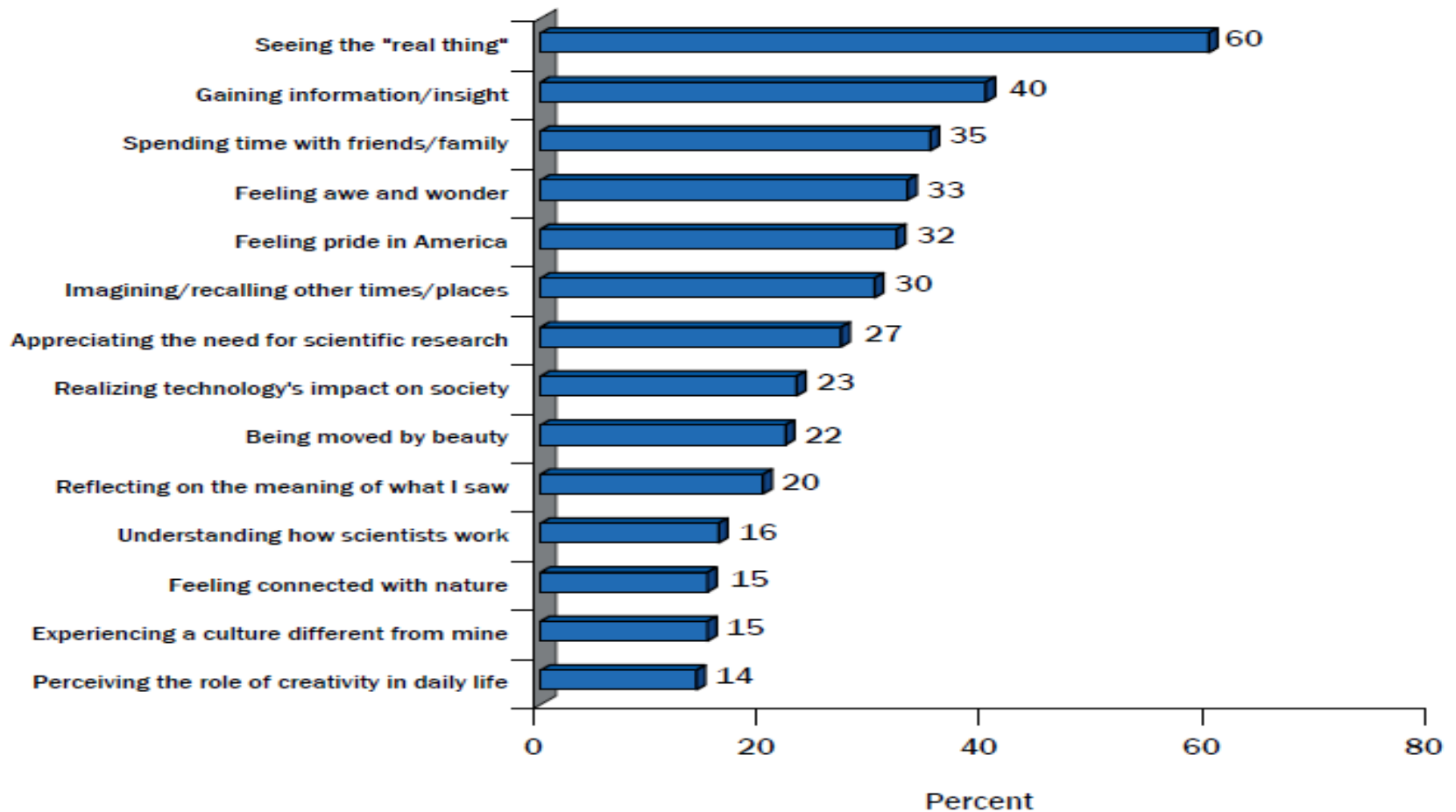
- + Satiation through culture

VISITORS OF CULTURAL ORGANIZATIONS - RESEARCH



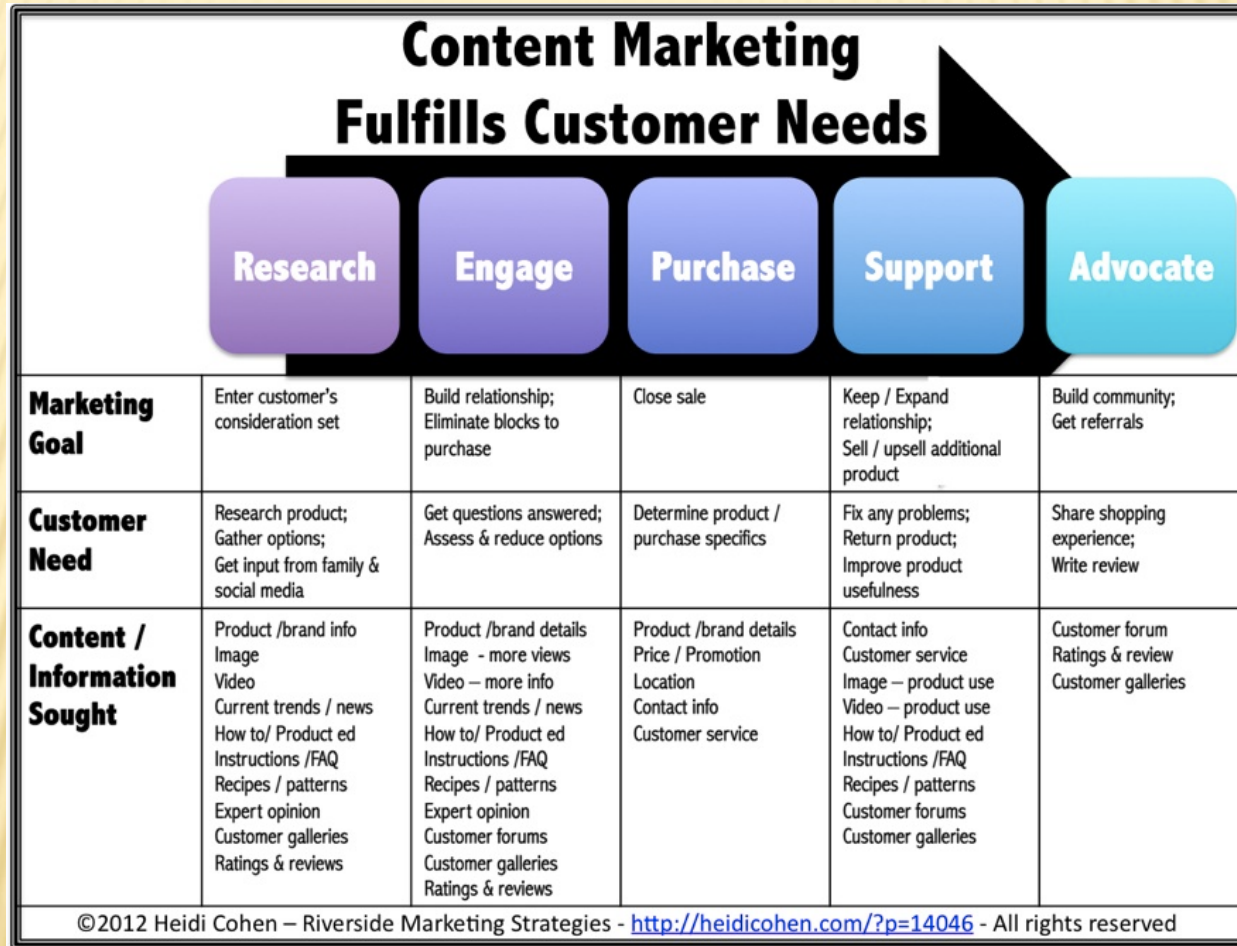
VISITORS OF CULTURAL ORGANIZATIONS - RESEARCH

Most Satisfying Experiences



RELATIONSHIP BETWEEN CUSTOMERS NEEDS AND MARKETING

RELATIONSHIP BETWEEN CUSTOMERS NEEDS AND MARKETING



SOURCE

- ✘ Marketing for Cultural Organisations. 2nd edition. Bonita M Kolb, 2005
- ✘ A handbook of cultural economics. Edited by Ruth Towse. Cheltenham: Edward Elgar, 2003.
- ✘ SVOBODA F., Kultura 2013
- ✘ Yes Minister:
http://www.imdb.com/title/tt0751820/plotsummary?ref=tt_ov_pl
- ✘ Website
 - + www.marketingmix.co.uk/
 - + www.smartdraw.com/marketing-mix/examples/marketing-mix-4ps/
 - + www.smallbusiness.chron.com/five-types-customer-segmentation-10566.html

THANK YOU FOR ATTENTION
