Bachelor Thesis

A Marketing Concept for the Photographic Centre Peri

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Content

1.

Introduction and Course of Action

"Marketing in the arts was once such a sensitive topic that administrators were reluctant to even use the word, believing that it suggested 'selling out' artistic principles […]."[1] Back in 1997 this fact has been finally spoken out by Dr. Sharron Dickman, a renowned author and researcher in the field of Arts Marketing.

Now 20 years have gone by, which could let us assume that this, once so sensitive topic has finally established itself as something to which everyone, especially those operating in the cultural sphere can relate to. But is marketing in the arts by now, and by everyone, considered as something natural and truly self-evident?

The answer should ultimately be "yes", but this would not take into account the few sceptics who still fear that artistic aspects will be overshadowed by commerce, as soon as the principles of marketing come into play.[2]

The present paper inter alia seeks to clarify this negative and outdated apprehension, by outlining how Arts Marketing differs itself from the generally known, profit-oriented Business Marketing. This differentiation undermines that organisations operating in the sector of arts should characterise themselves by being enthusiastic and highly committed to their art, but at the same time operate with a practical business sense, in order to compete with the increasingly competitive art environment.[3]

Consequently, this paper initially deals with a theoretical insight into the field of marketing in the arts. Based on this theoretical background on Arts Marketing, it is then possible to build the necessary, connecting interface to the major purpose of this paper: developing an individual marketing concept for the Photographic Centre Peri.

The Photographic Centre Peri is a non-profit art organisation based in Turku, that seeks to strengthen the engagement of its membership through creating a diversified cultural program on photographic art. How this can be achieved by developing an individual marketing concept, which in the end provides a selection of correlating marketing programs, represents the problem statement of this dissertation.

Beside the theoretical background on Arts Marketing, it is therefore essential to provide the reader with a detailed, theoretical approach into the development process of a marketing concept.

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1 Dickman. 1997. Page 4
2 Hirschman. 1983. Page 49
3 Dickman. 1997. Page 3

Based upon this theoretical approach, it is subsequently and finally possible to illustrate the process of a marketing concept from a practical approach, by outlining an individual marketing concept for the Photographic Centre Peri.

The final conclusion of this paper is formed by a future outlook, on how likely the Photographic Centre Peri might be able to successfully implement marketing programs as suggested by the author.

The method used to conduct a comprehensive research - required in order to meet the scope of this bachelor thesis - will mainly consist of secondary data that derives from related literature and online sources. Part of the research will further comprise primary data that will be obtained through interviews with Peri staff and visitors held by the author, which can be found in the appendices at the very and of this paper.

I declare that the work in this dissertation was carried out in accordance with the requirements of the Novia University of Applied Sciences Turku, and that it has not been submitted for any other academic award. Except where indicated by specific reference in the text, this work is my own work. Content that does not arouse from my own work, is indicated as such through appropriate referencing and acknowledgement. Sources of quotes and context from the work of others, are included in the list of references at the end of this paper. Any views expressed in the dissertation are those of the author.[4]

Author's signature

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[4] Author's declarartion. www.bris.ac.uk

2.

Theoretical Background on Marketing in the Arts

After the brief introduction and the general course of action of this paper has now been outlined, there will hereafter be given a theoretical insight into marketing in the sector of arts. The following chapter will support the reader in acquiring a basic understanding of Arts Marketing, while afterwards being able to answer the following questions:

‣ How can Arts Marketing be defined?

‣ How does it differ from the generally known, profit-oriented business Marketing?

‣ How has Marketing and its relevance developed in the sector of arts?

2.1 Definition of Arts Marketing

"Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large."[5]

It can be seen as the process that connects an organisation with relevant publics, whether it be for profit, to satisfy public needs or demands or to pursue non commercial goals of public interest and social value.[6]

Arts in a narrower sense comprehends art organisations (museums, libraries, galleries etc.) and individuals (artists and other creative professionals) which perform, convey and exploit their creative and artistic work within the sector of arts.[7] The main goal pursued by organisations working in the arts sector is to create a link between the programs they offer and the public's demand for arts. Creating this link is exactly where the principles of marketing come into play.[8]

Even though Marketing and its applicability in the arts sector is by now beyond any dispute, a few skeptics – especially in the public sector - are still outraged by bringing Marketing and the cultural sphere together. They fear the open mediation of cultural goods and artistic expression to be undermined by the marketing mindset which they consider as inevitable capitalistic and profit-oriented. But skeptics neglect, or simply misunderstand that this is not what marketing in the arts, i.e. Arts Marketing, stands for:

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5 American Marketing Association Board of Directors. 2013. www.marketingpower.com
6 Mclean. 1996. Page i-1
7 Hausmann. 2011. Page 10 (frei übersetzt)
8 Hausmann. 2011. Page 37

"[Arts] Marketing is: the analysis, planning, implementation, and control of programs designed to increase visitor awareness and use of collections, facilities, and services in a way that will mutually benefit both, the organisation and the visitor."[9]

Being beneficial to both means that visitors can obtain aesthetic, social and emotional benefits from visiting the art organisation at the cost of their time and money; at the same time, the organisation gains income, appreciation and emotional support from visitors at the expense of its artistic and organisational efforts and spendings (see Figure 1).[10]
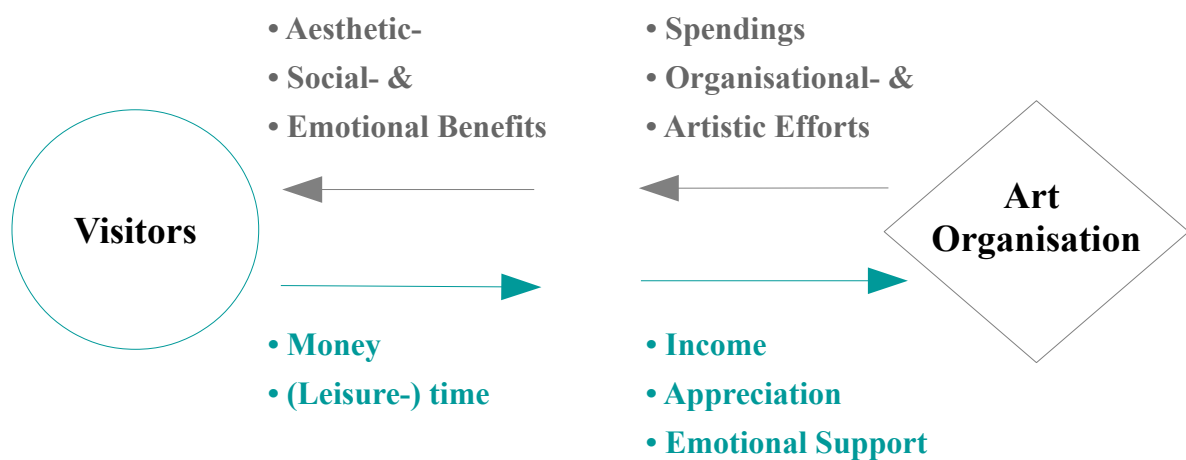

Figure 1: mutual effort and benefit of an art organisation and its visitors

Arts Marketing implies organisations such as theatres, museums or galleries of being actors on the arts and leisure market, where they are willing to offer services and gain market acceptance. The arts and leisure market, in turn, comprehends demanding customers, audiences and visitors - in other words - simply those who Marketing intends to reach.[11]

The arts program offered by arts organisations, represents the connecting interface to relevant customers, audiences and visitors and can be seen as the organisation's individual product- or service range. From a corporate perspective, these customers, audiences and visitors can be considered as the existing and potential market demand. At this point, purely profit-oriented Marketing would imply the identification of current market demand and the best possible implementation in subsequent product- and service adjustments to fully meet the market's changing wants and needs. But that's exactly where Arts Marketing differs from profit-oriented business marketing:

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9 Dickman. 1997. Page 3
10 Lee. 2005. Page 10
11 Günter; Hausmann. 2012. Page 10

The fundamental difference lies in the fact that Arts Marketing does not intend the absolute fulfilment of any and all possible market demands. Instead, it focuses on meeting those which relate to the accessibility, understanding and the recognition of art and culture.

The apprehension that artistic aspects will be overshadowed by commerce, as soon as an organisation engages in active marketing is simply out of place. Arts Marketing still understands to not design art for its audience, but to find the audience for its art. This acknowledges the fact that art may become a commodity as it enters the market, but at the process of its creation is not intended as such.[12]

In this sense, Arts Marketing is not an end in itself, nor does it intend to redesign its product policy depending on the taste of the masses[13]. It rather supports the achievement of artistic, cultural and socio-political objectives pursued by organisations and individuals that operate in the sector of arts.[14]

2.2 The growing Relevance of Arts Marketing

In recent years, Marketing in the arts has evolved into an integral part for many art organisations, and the number of those recognizing marketing-related advantages is further increasing. This development can primarily be attributed to significant changes in research and the art organisation's environment.

One of these significant changes lies in the fact that numerous, renowned authors and researchers have largely cleared up the misunderstanding of marketing as being functional only in a purely, profit-oriented manner. Instead, today's research considers the applicability of marketing in the arts as vital and indisputable.[15]

However, the most relevant change which has pushed Marketing and its relevance in the arts is the transformation of its surrounding environment:

 "[In recent years the] changing environment in which arts organisations operate has meant that more and more organisations are recognising the advantage of using marketing principles to assist them in making sound, practical decisions which ultimately give them even more scope for creativity and innovation."[16]

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12 Hirschman. 1983. Page 49
13 Meyer. 1998. Page 31
14 Hausmann. 2011. Page 40
15 Hausmann. 2011. Page 37
16 Dickman. 1997. Page 4

These changing environments which refer to government, sponsors, competitors and consumers, will be illustrated and described briefly in the following:
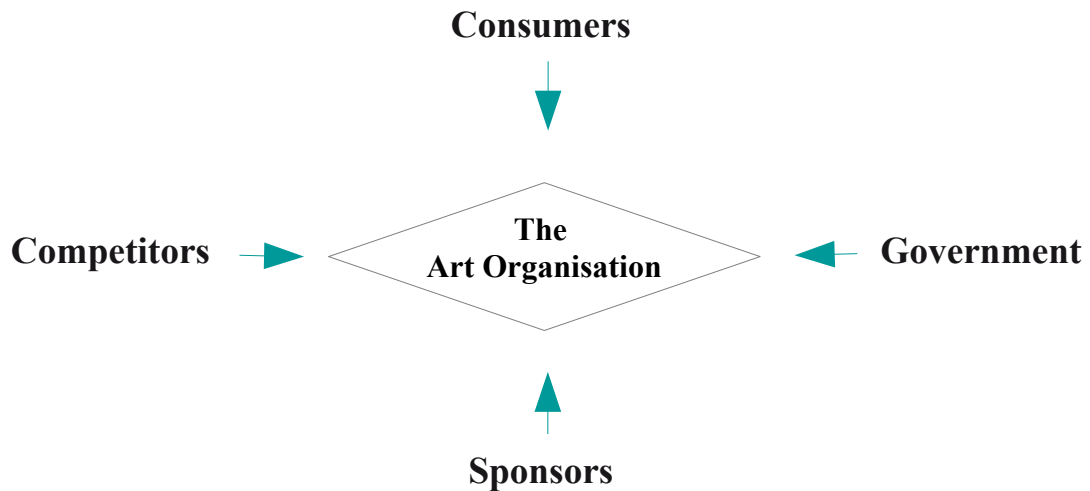
Consumers

Competitors   **The Art Organisation**   **Government**

Sponsors

Figure 2: the art organisation and its environment

• **Government:** For both state-owned cultural institutions and independent non-profit art organisations, government has remained one of the major sources of funding.[17] However, the tendency of organisations working in the arts is to become "[...]financially more resourceful and more able to develop and maintain their own funding base, either through increased attendances or increased commercial sponsorships."[18] Some governments even decided to implement programs that are specifically designed for art curators to increase their business skills in Arts Marketing.

• **Sponsors:** mainly due to the past economic-downturn, commercial sponsorship has become more and more challenging. Art organisations that apply for sponsorship do not only need to present their request in terms of what they need. Moreover, they need to clarify exactly what benefits potential sponsors can gain from making a certain amount of financial or in-kind contribution. What makes it even more difficult is the increasing variety of sponsorship opportunities. This has created a highly competitive environment with a growing number of art organisations aiming at ever smaller sponsorship contributions.[19]

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17 Sorjonen. www.cupore.fi
18 Dickman. 1997. Page 5
19 Dickman. 1997. Page 5

• **Competitors:** art curators are confronted with a market that has become widely competitive and with consumers that are able to chose from an endless and growing range of leisure activities. Even within the arts sector consumers can chose between various forms of art, such as photography, sculpture, poetry or performing art. Keeping up with such a high-variant and competitive environment represents another, ever growing challenge for art organisations.

• **Consumers:** nowadays the general society has an ever growing amount of spare time available to consume, which in turn enables consumers to focus on various activities of their choice.[20] At the same time they are faced with a myriad of options on how to spend their free time and discretionary income for leisure activities. As a consequence, consumers have become very picky when making decisions on how to spend their spare time. The arts, being just one of many leisure time choices is therefore confronted with consumers being more demanding and less loyal than ever before.[21]

Summing up, these environmental changes, with respect to government, sponsors, competitors and consumers, have become major challenges for any art organisation. In order to keep up with these changes, art organisations can develop a marketing orientation, i.e. marketing concept. This is one clearly structured approach that can enable an organisation to not only survive in a tough environment, but to be able to exploit its potential of growth and development, and build a long-lasting base of loyal supporters.[22]

In a narrower sense, an individual marketing concept allows to systematically plan, implement and control marketing-related tasks and actions. Being as detailed and comprehensive as possible, a certain marketing concept can not only be developed for the art organisation as a whole, but just as well for single projects, products or services within the organisation.

The different aspects of and within a marketing concept comprise the analysis, planning, implementation and coordination of all marketing activities. These aspects can be broken down into four stages which are termed as follows:

- the Analytical Perspective, being the first stage,
- the Strategic Perspective,

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20 Moisander. 2011. www.wiki.aalto.fi
21 Dickman. 1997. Page 4
22 Dickman. 1997. Page 5

- the Operative Perspective and

- the Operational Perspective as the final stage.[23]

In the following chapter the development of a marketing concept will be explained in further detail by going through its four stages - step by step - from a theoretical as well as practical point of view.

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23   Hausmann. 2011. Page 41-42

3.

Theoretical Approach: The Marketing Concept

The marketing concept can be seen as a business philosophy that guides an organisation through marketing related decisions and efforts. According to Hausmann A. et al, it is based upon four simple principles which represent and form the consecutive steps of the creation process of a Marketing Concept (see Figure 3).

Carrying out this steps creates a strategic planning process which is suitable for either developing, revising or reformulating a certain marketing concept. This planning process applies to art organisations, but also to individual artists and other creative professionals, whereby the respective occasion, purpose and type of organisation must be clearly specified.

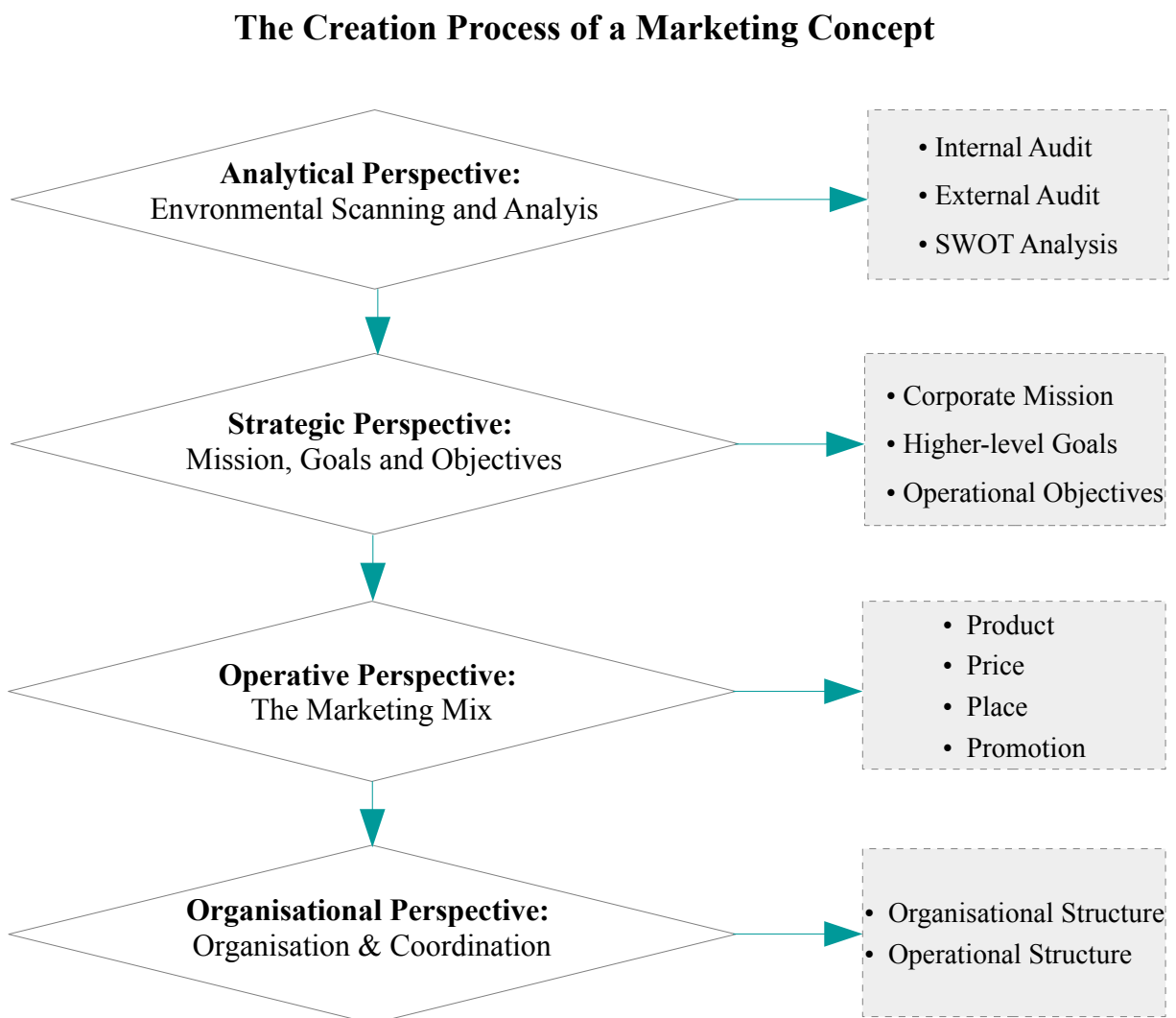The consecutive steps and components of the creation-process of a marketing concept can briefly be described as follows:[24]

The Creation Process of a Marketing Concept

Figure 3: the creation process of a marketing concept

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24 Günter; Hausmann. 2012. Page 17

• Analytical Perspective: Situation Analysis

The Analytical Approach being the first stage of the creation process means the early detection and analysis of the internal and external environment being relevant to the art organisation, such as internal resources and offerings or social-cultural factors indirectly affecting the organisation.

(• *Internal Audit,* • *External Audit,* • *SWOT Analysis*)

• Strategic Perspective: Mission, Goals & Objectives

The second stage involves the corporate mission to be defined and the determination of goals and operational objectives which form the foundation for the organisation's strategy creation. In other words, the Strategic Approach implies the draft of a longer term action plan with an orientation towards relevant market actors and environments.

(• *Corporate Mission,* • *Higher-level Goals,* • *Operational Objectives*)

• Operative Perspective: The Marketing Mix

In the third phase, the instruments responsible for achieving the goals and objectives which have been set in the strategic approach will be determined. On this occasion, the different instruments and its constituent parts must be well aligned to one another.

(The 4 P's: • *Product,* • *Price,* • *Place,* • *Promotion)*

• Organisational Perspective: Organisation & Coordination

At the last and final step of the creation process of a marketing concept, all marketing related actions will be coordinated inside the art organisation. This can involve diverse organisational processes such as the anchoring of Marketing as such or the allocation of marketing-related responsibilities.[25]

(• *Organisational Structure,* • *Operational Structure*)

After the brief introduction to the step by step process of a marketing concept given above, each of its four steps will now be further defined in theory by applying related literature (Chapter 3), and carried out in practice by developing an individual Marketing Concept for the Photographic Centre Peri (Chapter 4). The overall aim is to guide the reader through the process of a Marketing Concept and in the end, develop a personalised marketing solution for the Photographic Centre Peri.

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25 Hausmann. 2011. Page 43.

3.1 Analytical Perspective: Environmental Scanning and Analysis

The success of any marketing concept highly depends on the information base on which all upcoming marketing decisions are made. Not undertaking a comprehensive information analysis may result in taking poor, non-reliable decisions and wasting valuable resources. Therefore it is necessary to carry out an in-depth analysis of an organisation's relevant environment, to gather, analyse and interpret decisive information on which art organisations can base their decisions.[26]

An in-depth situation analysis can be carried out through *environmental scanning and analysis,* a specific type of information analysis that enables an organisation to collect comprehensive data of both, its internal and external environment. The internal environment covers an organisation's resources and capabilities, current offerings and key issues, and can be analysed by performing a so-called *internal audit*. Unlike the internal environment, the external comprises political-, economic-, social-, and competitive factors, and can be analysed by a an *external audit*. (see Figure 4)[27]

Internal Audit

(analysing the internal environment)

| Strengths | Weaknesses |
| Opportunities | Threats |

External Audit

(analysing the external environment)
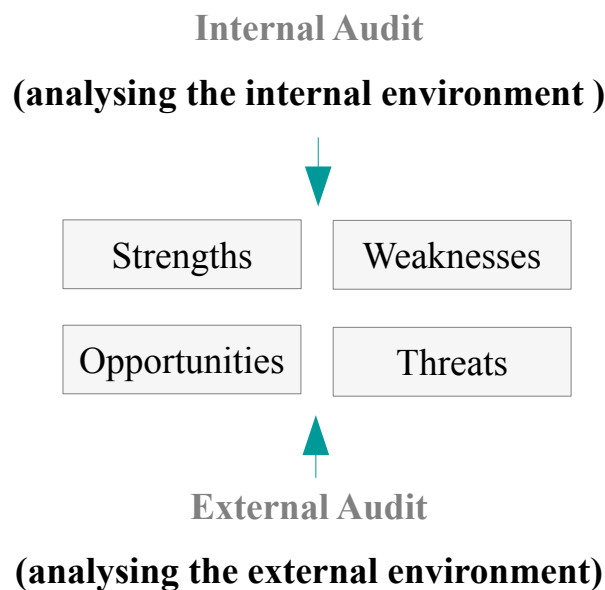
Figure 4: analysing the organisation's internal and external environment

Once the internal and external environment has been analysed, the particular data which has been gathered can be evaluated by carrying out a so-called *SWOT analysis* (see chapter 3.1.3)*,* defining which of the collected information is representing a strength, weakness, opportunity or threat and therefore affects the organisation's program and activities.

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26 Hausmann. 2011. Page 43
27 Burk Wood. 2010. Page 27-29

The idea is to identify strengths that need to be leveraged, opportunities that should be seized, weaknesses that must be overcome and threats that require special awareness. Being the first stage of the process of a marketing concept, this analysis is essential in order to plan and prioritize the right actions that do not hinder, but enhance the organisation's overall performance.[28]

In the following the analysis of an organisation's internal and external environment, i.e. the principle of an internal and external audit, as well as the concept of a SWOT analysis will be described in closer detail.

3.1.1 Internal Audit

An internal audit can help to understand an organisation's current situation and certain factors, which later, when carrying out the SWOT analysis, may present strengths or pose weaknesses. The internal audit covering the organisation's internal environment, focuses on the following four factors, which will hereafter be examined:

- Resources and Capabilities,
- Current Offerings, and
- Key Issues.

• Resources and Capabilities

Capability means an organisation's ability to perform and undertake certain actions by using the human-, financial-, informational and physical resources it possesses. Since no organisation has unlimited resources[29], it is necessary to determine and analyse the resources available, the resources which can be obtained and those to which the organisation is currently committed. Only then an organisation can identify gaps and strengths, and find out how to balance and allocate its resources in the most efficient way.[30]

When examining its internal resources, there are various questions which an organisation should address, including:

‣ What are the knowledge, skills and experiences and how is the individual commitment of management and staff?

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28 Burk Wood. 2010. Page 27-29
29 Burk Wood. 2003. Page 23
30 Burk Wood. 2010. Page 31-33

‣ What is the organisation's financial situation in terms of funding and self-generated income?

‣ What locations, organisational facilities and equipments are currently available?

• Current Offerings

In this part of the internal audit it is reasonable to examine what services, goods and programs the organisation is currently offering, and what benefits customers can draw from that.

When examining its current offerings, an organisation should consider i.a. the following questions:

‣ What product lines and service ranges are offered at the moment?

‣ How can consumers currently benefit from the organisation's offerings?[31]

• Key Issues

In the last part of the internal audit the organisation needs to define:

‣ What specific issues may indicate potential problems and therefore could interfere with the organisation's ability to enhance its overall performance – now and in the future?[32]

Answering all the questions stated above can help an organisation to conduct a comprehensive internal audit which later, in chapter 3.1.3, forms the basis for defining the organisation's strengths and weaknesses within the SWOT analysis.

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31 Burk Wood. 2010. Page 33
32 Burk Wood. 2010. Page 35

3.1.2 External Audit

Having analysed the organisation's internal environment, it is now time to carry out an external audit by analysing the external environment. Unlike the internal audit, the external offers an insight to opportunities and threats coming from outside the organisation. Such opportunities and threats may represent trends or circumstances that the organisation can exploit, but also issues and conditions that require special attention.

The external audit will hereafter be examined, covering the organisation's external environment on:

- Political-,
- Economic-,
- Social -, and
- Competitive factors.

• Political Factors

Government regulations often have an underrated impact on organisational activities, including taxation, legislation or, especially in the arts sector, changing regulations and rules on possible, tax-deductible donations.[33] Such regulations can have a significant affect as they may open potential opportunities or signal upcoming threats. Therefore an organisation needs to examine the legal and regulatory guidelines that relate to its operational practices.[34]

Analysing political legal factors as part of the external scanning process raises the following question:

‣ What political developments and legal issues could significantly affect the organisation's area of operation?[35]

• Economic Factors

Economic factors influence consumer income and -lifestyle, which in turn has an impact on the resources and leisure time they are willing to spend on products, services and programs offered by the organisation. For that reason an organisation should pay particular attention to economic trends and ask itself:

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33 Dickman. 1997. Page 15
34 Burk Wood. 2003. Page 32
35 Burk Wood. 2010. Page 42

‣ How may the local economy develop in the long and in the short run?

• **Social Factors**

Social factors are among the most dynamic in the organisation's external environment since they affect consumers requirements, attitudes and characteristics.[36] On that score and when examining social factors within the external audit, the following question should be further addressed:

‣ How may social values and life styles evolve in the next years?

• **Competitive Factors**

When looking at competitors operating in the same field and area, it should not be enough for an organisation to just list them all. Instead an organisation should attempt to discover the competitions appeal to customers in order to recognise potential, uncovered customer needs that may need to be fulfilled within the organisation.

‣ What organisations are operating in the same field/ area?

‣ What meaningful and distinctive benefits do these organisations offer?[37]

After the brief review of the analysis of an organisation's internal and external environment, it is now reasonable to provide an insight into the subsequent, corresponding principle of a SWOT analysis.

3.1.3 SWOT Analysis

According to Kotler et al[38], a "SWOT analysis entails a distillation of the findings of an internal and external audit that draws attention, from a strategic perspective, to the critical organisational strengths and weaknesses and the opportunities and threats facing the organisation".

SWOT is an abbreviation for Strengths, Weaknesses, Opportunities and Threats which, in a business sense, can be defined as follows:

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36 Burk Wood. 2010. Page 38
37 Taming the Dreaded Situation Analysis. Page: 2.5 – 2.7. www.artsmarketing.org
38 Kotler; Armstrong; Saunders; Wong. 2005

- **Strengths** can be seen as the range of organisational abilities, supporting the accomplishment of operational goals.

- **Weaknesses** are characteristics that prevent an organisation from achieving its full potential and therefor need to be addressed.

- **Opportunities** are presented by the organisation's external environment and may arise from trends, forces, events and ideas out of which the organisation can derive a possible advantage.

- **Threats** are events or forces coming from external environments, which may endanger operational activities or even the overall organisation as such.[39]

As an essential part of the analytical approach of a marketing concept, a SWOT analysis provides a framework for defining an organisation's internal strengths and weaknesses as well as external opportunities and threats. It pursues the idea of minimising an organisation's weaknesses by focusing on its strengths, and taking the greatest possible benefit from external opportunities, while confronting upcoming threats.[40]

Environmental Scanning and Analysis

Internal audit   External audit

Internal Factors   **External Factors**

Strengths   **Weaknesses**   **Opportunities**   **Threats**
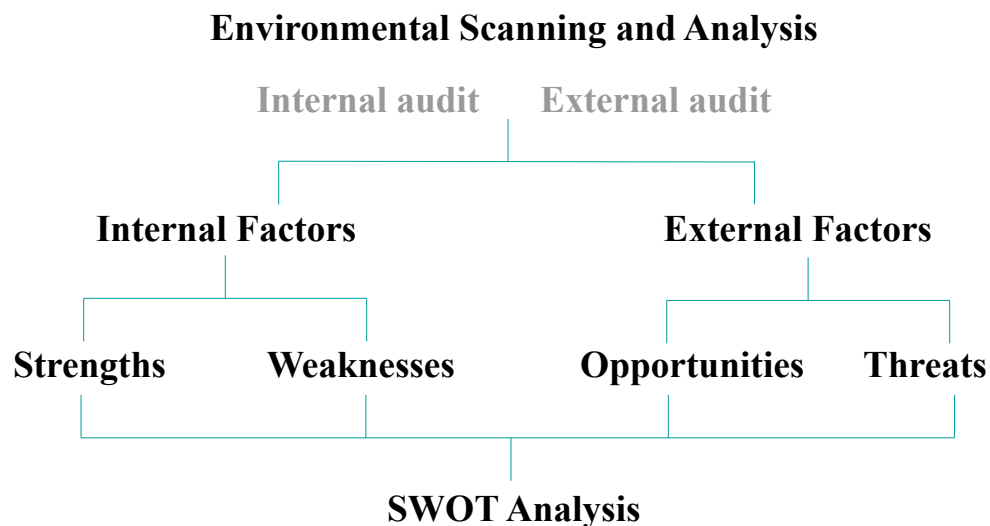
SWOT Analysis

Figure 5: environmental scanning and analysis

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39 MSG Experts. 2014. www.managementstudyguide.com
40 Pahl; Richter. 2007. Page 4

An organisation's strengths and weaknesses may arouse from its internal environment (internal audit; see chapter 3.1.1). They refer to *internal factors* over which an organisation is able to have a certain amount of control (see Figure 5). Those can either have a favourable impact and serve as a benefit, or have a harmful effect and serve as a disadvantage for the organisation's overall performance.

On the contrary, the analysis of an organisation's opportunities and threats lies its focus on *external factors* which are beyond the organisation's ability to control and influence (see Figure 5).[41] These external factors can be examined by analysing the organisation's external environment (external audit; see chapter 3.1.2).

The SWOT analysis can be presented as a grid, comprising four sections, while each of them refers to one of the SWOT headings: Strengths, Weaknesses, Opportunities, and Threats. After the analysis is carried out, it is essential to compare each of the four quadrants and understand how they interact with one another:

Certain opportunities, for example, can only be seized if the organisation leverages its strengths and minimizes one specific weakness. But just as well can upcoming threats serve as a warning function, determining what certain weaknesses must be conquered and which strengths require special attention.

Only then, by identifying and creating connections within the different SWOT counterparts, it is possible to draw a valuable conclusion and find out what further actions should be prioritized, planned and executed.[42]

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41 Goodrich. 2013. www.businessnewsdaily.com
42 Fox; Van der Waldt. 2007. Page 31-32.

3.2 Strategic Perspective: Mission, Goals and Objectives

Now that the environmental scanning and analysis is completed and independent, the foundation necessary for performing the strategic approach is laid. This forms the second step of the marketing concept process and intends an organisation to take decisions with regard to the operational targets it desires to achieve.

These targets represent central benchmarks for any actions being planned and executed by an organisation. Moreover, these targets support an organisation in making statements about the specific situations it wants to strive for. But reaching its desired situations by achieving related targets in turn demands an organisation to design and implement well aligned, correlating marketing programs.

This makes clear that the formulation of- and orientation on binding, operational targets is highly important and therefore should more likely be seen as self-evident. However, especially in the arts and non-profit sector this concept has not yet been established well enough.[43]

The reason for this may be attributed to the fact that art organisations primarily pursue goals of artistic and aesthetic nature which often evade binding definitions and verifiable measurements. Against this background there are just a few and though vague specifications made by the ones responsible for an organisation's corporate activities.

This being the case can clearly cause difficulties for both the art organisation and its (potential-) funding sources: while public funding sources are missing the measures needed to verify the efficiency of the cultural programs to which they provide part of their financial resources, the art organisation itself may as well have troubles in proving the legitimate use of the funding they receive. Apart from that, without a target-oriented alignment, the organisation may run the risk of responding too late to possible changes in its internal and external environment.

But what does it mean for an organisation to operate under a target-oriented alignment, and what does it take to set appropriate objectives? In that regard it makes sense to first take a look at the overall process that leads to the development of operational objectives. The target-pyramid shown in Figure 6 helps to illustrate this process, whereas the number and level of specification increases from the top to the basis.[44]

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43 Hausmann. 2011. Page 45-48
44 Hausmann. 2011. Page 45-48

THE TARGET PYRAMID

Figure 6: the target pyramid

The highest and first level of action constitutes the definition and the outlining of the *corporate mission* which forms the general purpose of an organisation. This first step is the prerequisite for the second level where *higher-level goals* need to be set. Achieving this goals requires an organisation to specify clear and concrete *operational objectives* which hereby constitute the third level of the pyramid.

All these consecutive levels are based and build upon each other. Understanding and following their connection enables an organisation to build well-aligned *marketing programs* which - in the end – seek to fulfil operational objectives, higher-level goals and the organisations corporate mission.

Whereas the design of well aligned marketing programs and actions will be explained at a later stage (see chapter 3.3), now its foundation - the connection between corporate mission, higher-level goals as well as operational objectives - will be described in further detail[45]

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45 Hausmann. 2011. Page 45-48

3.2.1 Corporate Mission

"It sets the standard to which the organisation aspires, now and in the future, and forces [both management and staff] [...] to align themselves around a specific agenda."[46]

The *corporate mission*, being the first and highest level of the target-pyramid (see Figure 6), creates a general route for the marketing concept and its programs, yet without stating any specifics. Forming the foundation for the entire marketing concept process, it rather acts as a guidance for decision-making and outlines the fundamental performances that should be rendered by the organisation.

The statement which phrases the corporate mission is called *mission statement* and generally answers three basic questions: what is the organisation's business, why does it exist and what is it trying to accomplish?[47] It usually gets defined by board or management but may as well be formulated by an external party in the case of a purely public funded operation.

According to Jeffrey Abrahams, every organisation regardless of its size and scale, needs a mission statement as a source of direction, a kind of compass, that lets management and staff but also customers know what it stands for and where it is headed.[48] At their core, mission statements serve the purpose to support board and staff members in maintaining a steady course that helps them to remain focused on the tasks at hand and stay encouraged, to find innovative ways of moving towards the achievement of an organisations overall goals.[49]

At this stage it needs to be emphasized that non-profit organisations operating under the purpose of serving humanity, above all, should not only define the range of services they provide, but clearly express the compassion that drives the people rendering these services. The reason for this simply results from the fact that non-profit organisations generally require highly passionate staff who experience self-fulfilment by bringing benefit to the general public, instead of achieving a rather financial advantage for themselves.[50]

Now that the corporate mission and its principle has been discussed briefly, the basic foundation for the whole marketing concept and in particular its second level - the determination of *higher-level goals* - has been set, and will hereafter be examined.

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46 Pro Active Mgt & Training Ltd. www.cultivate-em.com
47 Bart. 1998. Page 56-57.
48 Abrahams. 1995.
49 Mission Statement. www.investopedia.com
50 Non-Profit. www.missionstatements.com

3.2.2 Higher-level Goals

Higher-level goals follow as a subsequence to the corporate mission and at the same time build the anchor from which specific, operational objectives can later on be derived. In other words, they can be seen as the connecting interface between the organisation's overall purpose and the determination of operational short-term objectives that lead to the development of correlating marketing programs.

> "[Higher-level goals] normally flow from the mission statement and are subsequently used to develop suitable organisational objectives. [...][They] represent the link between mission and objectives and act as a statement of intention."[51]

In a narrower sense it can be assumed that any organisation has the desire to move toward things that support its growth, hold onto the things that promote further development, get rid of things that rather slow down and avoid conditions that may hinder the organisations actual ability to operate and perform.[52]

Against this background not all goals define positive outcomes that an organisation craves to achieve; goals may just as well pose sources of danger that are pursued to be avoided or weaknesses that an organisation seeks to eliminate. To develop goals that cover all these areas within which professional and business growth occurs, it is recommendable to use the acronym ACES (see Figure 7) that serves as a guidance for determining higher-level goals:[53]
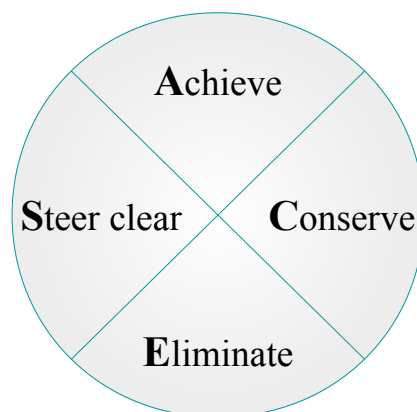
THE ACES GOAL SETTING METHOD

Figure 7: the ACES goals setting method

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51 Pro Active Mgt & Training Ltd. www.cultivate-em.com
52 Shelton. www.sheltonbusinessservices.com
53 Peterson, Jaret, Schenck. 2013.

• Achieve: what does the organisation seek to attain in the future?

The first step of the ACES goal setting process asks an organisation to determine the achievements that it intends to work towards in the future. When moving from an initial starting point to a certain future outcome, an organisation should be aware that it is often necessary to first reach lower-level targets, that later on, serve as a bridge to the desired future outcome.

"Realize that you may have to go through B to get from A to C but you stay focused on C as you plow through B."[54]

• Conserve: what does the organisation intend to sustain or hang on to?

As mentioned earlier, there are certain outcomes which are pursued to be achieved, but it is just as important to sustain core values and accomplishments that have already been made and yet, still have a positive impact on the organisation.

The inevitable need to preserve such current achievements gets often neglected. But an organisation should sustain and recognize them as something worth holding on to.

• Eliminate: what does the organisation aim to discard?

In contrast to conservation, there may as well be things that an organisation has fought hard to achieve earlier but now should seek to change. These may be achievements or core values that no longer represent the organisation in terms of where it sees itself or what it seeks to strive for.[55]

Figuring out what to eliminate requires an organisation to realize and admit that there may be values and accomplishments that have served their useful life, but can no longer drive its current and future way of operating and therefore, need to be cut loose.

• Steer clear: what does the organisation want to refrain or stay away from?

The last aspect of the ACES goal setting method asks to determine what possible distractions the organisation should steer clear from. These might be certain arrangements or potential collaborations that do not line up with the organisation's core purpose or resources available.

"Avoid business rabbit trails that wander aimlessly and [are likely to miss-lead the organisation's direction.] […] We know which ideas, people, thinking and procedures are bad for us and our business."[56]

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54 Shelton. www.sheltonbusinessservices.com
55 Shelton. www.sheltonbusinessservices.com
56 Shelton. www.sheltonbusinessservices.com

Having determined the organisation's corporate mission and its higher-level goals, the strategic perspective of the marketing concept is now completed and therefore the final foundation necessary to design individual marketing programs has been laid – **almost**.

The strategic perspective concludes by forming specific operational objectives that work towards the achievement of higher-level goals, while being aligned to the organisation's corporate mission. This step of determining specific, operational objectives represents the final step before any marketing programs can be developed, and will hereafter be further examined.

3.2.3 Operational Objectives

Objectives are statements which form specific outcomes that are to be achieved, while being developed and extended from an organisation's mission statement and higher-level goals.[57] In a narrower sense, objectives can be seen as concrete descriptions of measurable tasks that will be accomplished as steps towards reaching the organisation's overall goals.[58]

One possible approach to categorize operational objectives is the distinction between economic and psychological objectives: economic objectives can be measured on the basis of market transactions (within the art sector this may concern gallery use, -visit and purchase), whereas psychological objectives refer to customers mental processes such as individual attitude and perceived satisfaction.

Within the scope of implemented marketing programs, operational objectives need to be monitored and reviewed on an ongoing basis, according to available resources and capacities. In this way it can be determined wether the organisation and its marketing is still on the right track and if limited resources are allocated in the right areas.[59]

For these objectives to fulfill their function of orientation and control, they need to be realistic and attainable with the resources available as well as determinable, to allow their measurement of (non-) achievement.

When formulating and specifying such objectives that work effectively within the marketing concept, it is helpful to consider the following indicators as criteria that are necessary to be met (see Figure 8):

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57 Pro Active Mgt & Training Ltd. www.cultivate-em.com
58 Willamette University. 2009.
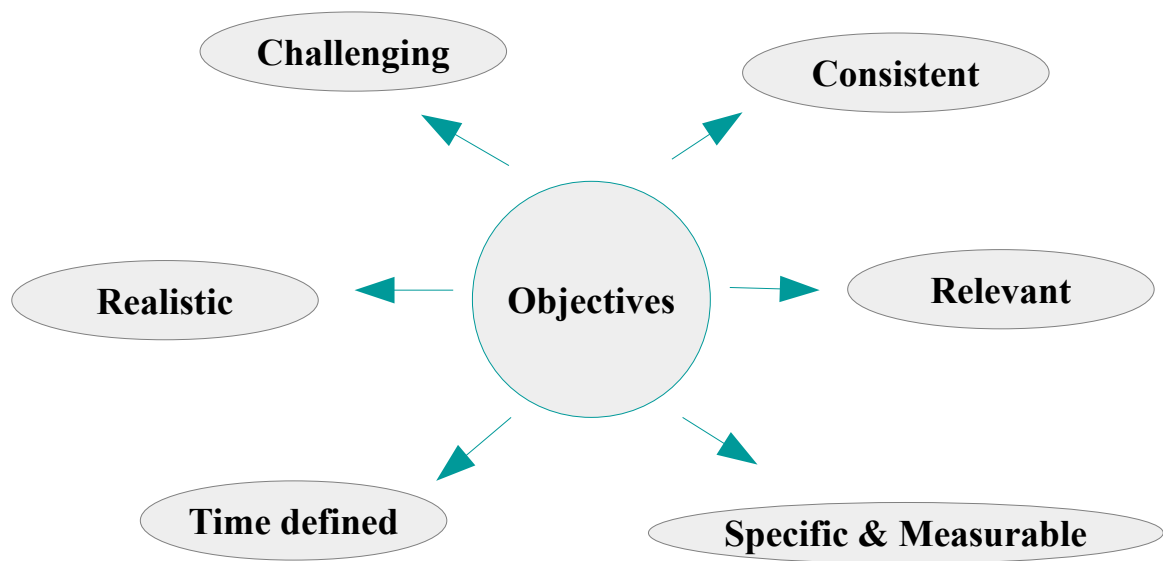59 Hausmann. 2011. Page 46-48

Figure 8: criteria for qualitative objectives

• **Relevant:** objectives set for the marketing concept should support the organisation in fulfilling its ultimate purpose (as stated in the corporate mission) and in making progress towards higher-level goals. If objectives are set regardless to the mission statement and long-range goals, the programs that will be implemented in order to achieve the objectives set within the marketing concept will not support operational needs.[60]

• **Specific and measurable:** targets that are rather vague than concrete are very unlikely to support an organisation in determining what exactly it needs to achieve. An organisation must understand that just calling for growth is simply not enough when setting effective objectives. Instead, it is necessary to indicate, in quantitative terms, what the objective within the marketing concept is being developed to accomplish. Later on, this will enable the organisation to evaluate results more quickly and precisely when checking up on the progress being made.[61]

• **Time defined:** an objective should be grounded within a time frame that creates a practical sense of urgency, or results in tension between the current reality and the final achievement of higher-level goals. Not setting a specified and reasonable time frame to be encompassed will make it difficult to determine whether or not the objective has been achieved and moreover, may lead to a non-relevant outcome.[62]

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60 Burk Wood. 2003. Page 70
61 Burk Wood. 2010. Page 97
62 UHR. www.hr.virginia.edu

• **Realistic:** the marketing concept objectives should be as realistic as the organisation's actual ability to attain them. Set objectives should reflect outcomes that are within the capability of the organisation, according to its available resources in time, staff and money.[63] However, setting objectives that are realistic and attainable do not only pose a purpose for marketing, but work as a central part of keeping staff members motivated.[64]

• **Challenging:** setting realistic objectives does not mean they need be easy to attain. In point of fact, those who are challenging in a certain way are much more likely to enhance staff engagement and inspire high performance, than objectives being too modest while hardly encouraging. However, an organisation must bear in mind to not set objectives in a too aggressive manner, as it may cause frustration amongst staff members and bind resources without any chance to obtain the desired outcome.[65]

• **Consistent:** the objective should be aligned to the organisation's mission, goals, strengths and to current or possible opportunities and threats coming from outside the organisation. Moreover it is essential that all different objectives are consistent with one another. Otherwise, employees as well as customers might get confused by contradicting objectives that detract from the marketing effort and lead to a rather disappointing performance.[66]

Considering these criteria when formulating operational objectives will help an organisation to not only work towards their achievement, but to measure their performance more precisely and figure out where further action is needed.

Eventually it should be kept in mind that operational objectives need to be clearly specified and carefully aligned with higher-level goals and the corporate mission in order to:

- build the best possible bridge towards the development of well-aligned marketing programs and, in a broader sense,

- reach the overall and desired performance of the marketing concept.[67]

Knowing this interdependence between the elements of the strategic approach by heart, will support an organisation to reach the ultimate purpose of the marketing concept:

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63 Richards. www.smallbusiness.chron.com
64 Burk Wood. 2010. Page 98
65 Burk Wood. 2010. Page 98
66 Burk Wood. 2010. Page 98
67 Burk Wood. 2010. Page 94

Achieve operational objectives – shorter-term performance targets – that will, in turn, bring the organisation closer to achieving its goals - longer-term performance targets - tied to its corporate mission.[68]

3.3 Operative Perspective: The Marketing Mix

According to W. J. Stanton, "Marketing mix is the term used to describe the combination of the four inputs which constitute the core of a company's marketing system: the product, the price structure, the promotional activities, and the distribution system."

It is probably the most fundamental part within the marketing concept since it serves as the elementary tool for achieving the higher-level goals and objectives an organisation has set and pursues to achieve (see Chapter 3.2). The blending of four inputs, also known as the 4 P's: product, price, place and promotion, forms the core of the marketing mix:[69]

- **Product** is primarily concerned with creating tangible and intangible offerings in both the organisation's core and peripheral areas. Since the amount of intangible goods form a predominate part in most art organisations, further discussions will not refer to "product" but will be understood as "services" instead.[70]

- **Price** is related to all decisions being made on the nature and level of any charges, fees and prices payable for provided services.

- **Place** lies its focus on making decisions on services with regard to their distribution channels as well as physical facilities where services can be used or obtained.

- **Promotion** comprises the collection, processing and transaction of information between organisations and their relevant exchange groups.[71]

These four so-called marketing instruments need to be carefully combined and mixed with one another, since otherwise - due their interrelated nature – their decisions and actions could concurrently affect each other.

In the following four marketing instruments will be introduced separately, while subsequently their mutual interdependence will be outlined in closer detail (see chapter 3.3.5).

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68 Burk Wood. 2003. Page 67
69 Akrani. 2010. www.blogspot.com
70 Bruhn, Meffert. 2009. Page 245
71 Hausmann. 2011. Page 52

3.3.1 Product

The range of services provided by an art organisation can in general be characterised as a number of combined attributes allowing the satisfaction of customers needs and thereby trying to create a relatively high customers- i.e. visitor value. These customer needs can take different forms, such as the intention to:

- Engage with art and culture,

- Make educational experiences,

- Encounter intellectual stimulation,

- Discover a new, interesting location to catch up with friends, and

- Spend available leisure time in a meaningful manner.[72]

Within an organisation's service range it is possible to distinguish between core- and additional services, yet it has to be acknowledged that they may overlap each other in some cases. In principle, core services constitute the organisation's major field of duty, such as a gallery's exhibitions or a theatre's performances. In contrast to core services, additional services which are also known as "value-added services" do not represent the organisations central tasks; they rather support an organisation to provide its core services in a way that makes the arts better accessible and more attractive to customers without changing existing, but adding new values.

Value-added services may include such things as homepage, café, shop, childcare, artist talks or the renting out of facilities for private use. These additional services can round off particular offerings and contribute to the creation of (added-) value, which could not be founded and rendered solely by core services. Moreover, they help an organisation to differentiate itself from institutions with similar core offerings.[73]

All in all it can be stated that additional services can have a significant impact on customer satisfaction, and as a consequence no organisation should underestimate their importance. When an organisation intends to make marketing efforts on its services and programs, it has to bear in mind that core- and additional services are closely linked and related to each other:

Together they create individual cultural experience and after all, make a decisive impact on the overall impression that is build upon an organisation.[74]

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72 Hausmann. 2011. Page 53
73 Günter; Hausmann. 2012. Page 53
74 Hausmann. 2011. Page 54

Even though art organisations may also provide products that are of material nature (flyers, catalogues, DVDs, printed guides etc.) they yet can be considered as service operations, since the core- and additional services they provide, do in most cases pose offers of intangible nature. This classification is of importance, because it raises substantial consequences for marketing, in particular, the need to draw attention towards the characteristics that most services in the arts sector fulfil:

● **Intangibility:** As mentioned earlier, an organisation's offering (f.e. gallery exhibition, library tour, opera performance) is usually immaterial and therefore not tangible to the customer.

● **Inability to be stored:** Services in the arts and cultural sectors generally take place live and therefore can not be produced in advance nor be kept in stock. They rather need to be consumed immediately at the time and place they are rendered.

● **Integration of an external factor:** Offerings that serve the public can not and should not - especially from a cultural and socio-political perspective - take place without integrating the audience. Thereby the customer can enhance the offering (through active participation in workshops or giving encouraging applause during a concert brake), but just as well exercise an interfering influence (through expressing loud disapproval during a theatre performance).[75]

In general, decision-making over an organisation's offerings can take on four different forms (see Figure 9) that relate to the following two basic areas: managing new services (innovation) and managing services who have already been established (variation, differentiation and elimination).[76]
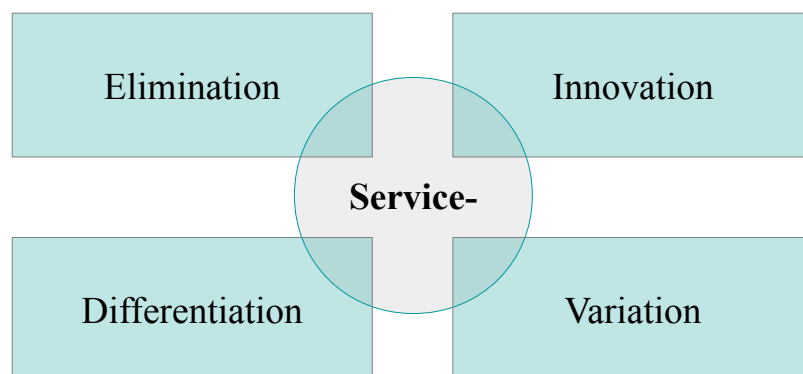

Figure 9: decision-making over an organisation's services

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75 Günter; Hausmann. 2012. Page 54
76 Günter; Hausmann. 2012. Page 55-56

• Innovation

Innovation means the development and launch of new products and services. Thereby it is possible to differ between genuine innovations which are new to customer and organisation, and non-genuine innovations that are new to the organisation, but already known by the customer. Service innovations, such as the offer of childcare during a theatre performance, can supplement existing services while keeping the organisation preferable and competitive.[77]

• Variation

As part of a so called variation, certain attributes of an already existing service get modified, such as the duration of a gallery exhibition, the number of people allowed to participate in workshops or the material of a particular merchandise article in a museum shop. The offering as such remains unchanged, meaning no new product or service is being created nor does the existing service range get extended. Through variation, it is possible to align and tailor services better to particular customer- and visitor segments.[78]

• Differentiation

The differentiation of certain services responds to the heterogeneity of customers: it intends to reach satisfaction amongst different customer segments and supports the acquisition and retention of respective audiences. For this purpose, differentiation means to take up further versions of already introduced and established services, such as adapting museum tours to different age groups. In short, differentiation leads to the extension of an organisations service portfolio.[79]

• Elimination

Eliminating an existing offer or program shortens and tightens an organisation's service range. The intention to exclude a certain offer can be traced back to various reasons: for example a decrease in demand and revenue, a shortage of staff or the negative impact that a certain offer has on the organisations existing- or desired image.

However, such criteria can be opposed to arguments which – especially in the art sector – speak against an apparently needed service-elimination. Museums f.e. may offer high-value publications for sale which do not support revenue but, as a matter of fact, reflect the organisation's artistic point of view and are more likely to address the professional audience.

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77 Hausmann. 2011. Page 54
78 Günter; Hausmann. 2012. Page 57
79 Hausmann. 2011. Page 55

Arguments that play an important part in deciding whether or not a service should be eliminated may as well be of socio-political nature, such as the early introduction of children to the arts.[80]

4.3.2 Price

Price comprises all decisions relating to the fees a customer has to pay to use chargeable services offered by the organisation. Price-related decisions are to be taken if it comes to the fixing of prices for new or one-time offers, or changing prices for services that have already been established. The latter may derive from sudden changes in customer demand, competitor-activities, changing conditions imposed by artists or other amendments.

The price can have a significant effect on customers decision-making on what particular service they should prefer and take advantage of - especially because they are confronted with a comprehensive environment of cultural programs from which they can freely choose.

In addition, most cultural programs are characterized by a high service intensity which makes their verifiability before their actual use almost impossible. Therefore customers might even use the price as an alternative source for quality-assessment.

Decision making on prices in the art and cultural sector is special and different in a way that entrance-, participation- and usage fees charged by cultural organisations do usually not get determined under economic aspects. Moreover it is the cultural and socio-political aspects that are taken into account in order to ensure that as many people as possible is given access to art and culture. Yet socio-political driven price-determination should only be applied and restricted to an organisations core services:[81]

Reasoned pricing measures in the area of an organisation's additional services, such as renting out facilities for private use or organising art workshops, can optimise an organisations self-generated income and enhance the overall financial situation to a remarkable extent.[82]

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80 Günter; Hausmann. 2012. Page 58
81 Günter; Hausmann. 2012. Page 59
82 Hausmann. 2011. Page 55-56

3.3.3 Place

Place can – in a broader sense – be understood as the distribution-methods an organisation uses to convey and transfer their cultural offering to various audiences, customers and visitors. Like the other three elements of the marketing mix (product, price, promotion), distribution is another integral part that is affected by the distinctive characteristics of cultural services (see chapter 4.3.1) that limit the number and the configuration of applicable marketing instruments.[83]

Further it should be recalled and kept in mind that core services of most art organisations can only be performed and provided locally, and can not be traded due to their characteristic of intangibility. Therefore it gets clear that within the scope of core services, only the promise of performance, i.e. the organisations commitment to render a certain service at a determined point in time, is capable to be distributed.

The distribution of such performance promises can take place in a direct or rather indirect way. The *direct distribution* between organisation and customer provides that no external body is needed. This means that the promise of performance is taken over by the organisation itself (a museum for example may sell its tickets directly, right at the entrance or through its own homepage). This enables the organisation to continuously verify the quality of its distribution efforts and react flexibly and quickly to evolving needs, f.e. by training its visitor service staff. However, the scope of a direct distribution channel remains rather limited.

In contrast, the *indirect distribution* allows the engagement of external mediators to which the organisation can pass over its performance promise. The drawback to this approach is that it becomes more difficult for the organisation to influence and assure the quality of its distribution.

On the other hand, indirect distribution allows an organisation to benefit from the experience an external partner might offer. Since they are often specialised in the distribution of (cultural) performance promises, mediators are able to work with valuable know how and a number of useful contacts. External advance booking offices or local tourism associations can be seen as two possible examples for such partners and mediators that can distribute an organisation's cultural performance promise.[84]

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83 Hausmann. 2011. Page 57
84 Hausmann. 2011. Page 58

Place – in a narrower sense – means the venue at which the product (such as a book or painting) can be bought, or the physical site where the organisation's program, activity or performance takes place and can be consumed (such as a play or workshop).[85] According to Dickman, this includes "the location, the facilities available, the parking, the comfort, and the size of the venue."[86]

According to this understanding, the term "place" implies the answer to the question of how accessible a cultural service is made to potential customers. Castles or gardens that are poorly signposted within a particular region and therefore difficult to find, but also museums with opening hours that hinder professionals to pay a visit outside weekends – non of them can be considered as easy accessible. The same applies to theatres or galleries that are not connected to public transport or may not have sufficient parking options available. Finally, place also comprises the structural condition and the personal atmosphere of the building.[87]

Applied to an art gallery, typical elements of place could be its "location (central, suburban, regional), the building [itself], the size of the building, its architecture style, age, decor, level of maintenance, the amenities provided (air-conditioning, lifts, coffee shop, souvenir shop)"[88] as well as parking facilities available.

3.3.4 Promotion

In a broader sense, promotion can be understood as a special from of communication, covering all aspects with regard to the processing, transmission and exchange of information between an organisation (transmitter) and its stakeholders (receiver). The aim is to rouse attention, impart knowledge and influence customers' behaviour, attitude and expectation towards the organisation.

• **Communication can take place on either a single- or a multi level basis:**
A single-level communication occurs if the organisation, i.e. transmitter, conveys its message directly to the receiver (f.e. visitors and staff). Whereas the multi-level communication provides that an organisation first sends its message to so-called multipliers (such as radio, magazines, city guides) who then pass on the information perhaps in a slightly modified form.[89]

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85 Colbert. 2007. Page 200
86 Dickman. 1997. Page 6
87 Hausmann. 2011. Page 58
88 Dickman. 1997. Page 6
89 Günter; Hausmann. 2012. Page 71

• Furthermore, communication can occur on a personal- or rather impersonal level:

Personal communication indicates a direct and immediate contact between transmitter and receiver. Contrary, in the case of an impersonal communication there is no direct contact, but a spatial and temporal separation between the message that is send and the information being perceived by the receiver.[90]

When designing a communication there are several elements on which greater emphasis should be placed (see Figure 10):
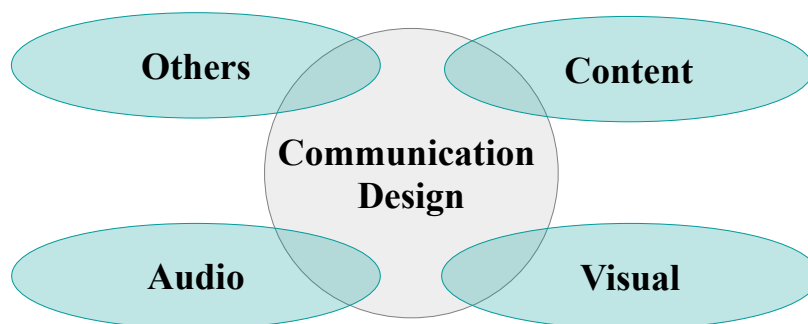

Figure 10: communication design and its elements

- **Content:** i.e. the elements of substance comprehend the choice of language used in the communication, covering a wide range of possible language styles that can differ from being striking to very distinguished.

- **Visual:** visual elements comprise the selection of the main image and, if necessary, additional display elements, as well as making decisions on which typography, font size and colour the communication should appear, and what kind of possible animation elements it should contain (in the case of a multimedia communication).

- **Audio:** auditory elements simple contain music, sound, volume as well as tonal pitches.

- **Others:** other elements may concern smell, taste or even haptic impressions such as the paper quality in the case of a direct mailing.[91]

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90 Günter; Hausmann. 2012. Page 72-73
91 Günter; Hausmann. 2012. Page 74

When looking at the instruments available to an organisation in terms of its communication design, there is a comprehensive number of alternatives that can be carved out individually or in combination with one another. In the following, several communication instruments will briefly be introduced.

• Advertising

Communication through advertising follows the idea of spreading promotional messages by allocating so-called *media vehicles* with particular *means of advertising*. Media vehicles are f.e. newspapers, magazines, poster, flyer, radio, TV, the internet or even means of transportation. They contain certain messages, i.e. means of advertising, such as the announcement of a festival or a long night of the museum, toward which the attention of customers should be drawn. This attention can be raised through physically-intensive stimuli (f.e. by using signal colours), emotional stimuli (f.e. by picturing a relaxing atmosphere) and stimuli of cognitive nature (f.e. using certain formulations and phrases).

Due to its wide range and scope, advertising aims at a large audience but as a consequence can scatter a high level of coverage loss and wastage.[92]

• Public Relations (PR)

PR means the systematic organisation of the relationships between an organisation, the general society (f.e local communities, media representatives, public authorities, experts), and in particular the organisation's stakeholders (staff, artists, visitors).

The aim is to create a climate of trust and understanding, and in general, promote a positive image towards the organisation amongst various audiences.

With respect to PR and its form of appearance, it is possible to differentiate between the following types:

- performance-driven PR (f.e. newspaper article about a gallery's pedagogical work),
- organisation-related PR (f.e. report on a museum's yearly number of visitors), and
- society-oriented PR (statement of a film festival director about the educational importance of showing historical movies in school).

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92 Hausmann. 2011. Page 59

Concrete and meaningful measures of PR can involve: info leaflets, image brochures, press conferences, editorial contributions in trade magazines, visitor- and staff newsletter, interviews, as well as ongoing performance reviews i.e. "press reviews" (through analysing the nature and extent of media coverage).[93]

• **Events**

This communication instrument comprehends certain happenings or special events, that are suitable to serve as a platform for a pleasant, casual and experience-oriented introduction to an organisations cultural program. Emotional stimuli that usually accompany these events shall trigger activation processes amongst the general audience. These activation processes can either relate to individual services and offered programs, or the institutions general image.

Events that frequently take place in the art sectors are long night of museums, poetry reading nights, launch parties and open house days.[94]

• **Promotional activities**

Promotional activities are, in other words, temporary marketing measures, designed to create additional incentives amongst audiences to promote the visit of the cultural institution or a particular event. Although promotional activities can provide useful information, their main focus is to influence particular audiences emotionally through stimuli, that have an incentive and activating characteristic.

Possible promotional activities of art organisations may include intro- and discovery workshops for children, the announcement of a poetry contest or price draw, the distribution of vouchers for reduced entry or a discount on the purchase of a certain offering.[95]

• **Trade Fairs**

Trade fairs can be defined as temporary and locally-determined events that give institutions the possibility to present themselves and provide information to public experts as well as the general, interested public. Furthermore, trade fairs allow a direct personal dialogue with both of these interest groups and offers an organisation the opportunity to directly compare itself with other, similar institutions or even the chance to identify potential collaboration partners.[96]

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93 Günter; Hausmann. 2012. Page 77-78
94 Günter; Hausmann. 2012. Page 79
95 Hausmann. 2011. Page 60
96 Günter; Hausmann. 2012. Page 80

Such theme- and field-driven fairs are, for instance, the Art Fair Suomi (sales exhibition of contemporary art[97]), ArtCologne (art fair for modern and contemporary art[98]) or the AIPAD Photography Show in New York (AIPAD i.e. The Association of International Photography Art Dealers[99]).

• **Online Communication**

This particular form of communication comprehends the mediation of certain messages and information via electronic media to relevant audiences. Besides homepage, email or newsletter other recent instruments, known and summarised under the key words 'Web 2.0' and 'Social Media', have gained in importance substantially during the last years.

With their technical opportunities and wide coverage range, online platforms such as Facebook and YouTube open up new possibilities and perspectives in view of transferring information, for all different kinds of organisations. The key feature of Social Media is that it integrates the user into the organisations communicative activities. These activities are not any longer fixed and arranged solely by the organisation, instead they are capable to be generated by its users and exchanged between friends, acquaintances and other like-minded people. Typical applications of Social Media include weblogs, web forums, content communities and the big variety of social networks.[100]

• **Guerilla Marketing**

It comprehends a "marketing tactic in which a company uses surprise and/or unconventional interactions in order to promote a product or service."[101]Distinguished by its creative, unusual and exceptional character, guerilla marketing and its success often relies on personal interaction rather than on large budgets. It pursues the aim of creating a "unique, engaging, and thought-provoking concept that will generate buzz – and consequently turn viral."[102] Guerrilla marketing lies its main focus on creating a multiple-spreading, viral effect which allows to widely circulate a certain message within (social) networks especially throughout the web. However, herein also lies a potential danger to the organisation: once public debates and discussions are initiated in a virtual environment, such as web forums, they can hardly be controlled.[103]

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97 Art Fair Suomi. artfairsuomi.fi
98 ArtCologne. www.artcologne.de
99 IAPAD. www.aipad.com
100 Günter; Hausmann. 2012. Page 82
101 Guerrilla Marketing. www.investopedia.com
102 McEneny. 2011. Page 51
103 Günter; Hausmann. 2012. Page 83-84

3.3.5 Interdependency within the Marketing-Mix

Finally it needs to be understood, that marketing success generally does not solely depend on individual marketing elements, but much more on the overall concept and how all different instruments are correlated, aligned and harmonised with one another.

To carefully coordinate marketing instruments is all the more important, since interdependences existing between these instruments can in turn highly influence an organisation's marketing success. These interdependences can either be indifferent (a single marketing instrument remains neutral towards the application of another instrument), complementary (the application of one instrument supports the effect of another) as well as concurrent (the effects of single instruments may counteract and work against each other). When planing the marketing mix, an organisation must therefore ask itself how to design which marketing instrument and at what level of intensity it should introduce them.

The information and message an organisation decides to communicate must be aligned with the actual service-range and the cultural program it offers. Otherwise customers might build up unrealistic expectations towards the organisation, which later on can not be fulfilled. The service expected would then not correspond with the actual offering, which would inevitably lead to dissatisfaction amongst customers and in the long run, exercise a substantial and harmful impact on the organisations image.

Summing up, only the well-aligned combination of marketing-related instruments and actions allows an organisation to ensure an effective and efficient allocation of the limited resources it has available.

In this regard it must be stated, that fully drawing on the inherent potential of a comprehensive and diverse marketing-mix, in the first place, remains reserved to larger organisations that have a correspondingly high budget and an appropriate amount of resources available.

However, smaller organisations might rather be limited to a selection of potential measures which it is able to undertake. Nevertheless, and especially for smaller organisations, it is reasonable to priories possible marketing measures in accordance to the importance and urgency of their use.[104]

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104 Günter, Hausmann. 2012. Page 88-89.

3.4 Organisational Perspective: Organisation & Coordination

In order to put all marketing-related steps and measures described in chapter 3.1 to 3.3 successfully into practice, it is necessary to operate under well-developed organisation and coordination processes.

In principle, *organisation* involves all structure- and process related regulations needed, to realise the corporate mission under which an institution seeks to operate. These structure- and process related regulations are part of an institutions so-called *organisational-* as well as *operational structure*.

Whereas the *organisational structure* is dealing with the distribution of tasks and areas of responsibility, the *operational structure* follows subsequently and governs the coordination and the smooth running of sub-activities or single processes.[105]

In order to be practical, the *organisational structure* needs to fulfil various, essential criteria, such as:

- structuring the organisation to the effect that single units and departments can be specialised in order to make optimum use of employee expertise and skills;

- ensuring a smooth exchange of information and communication between different units and departments within an organisation. This is necessary to compensate for the possible disadvantages resulting from specialisation (the allocation of single tasks to different operating units);

- encouraging staff and team motivation within all departments, to find common solutions to existing and potential problems and help employees keep in mind the "big picture" i.e. the organisation's superior mission that drives them in their daily tasks.[106]

Two typical types of organisational structure are the *function-oriented organisation* and the *object-oriented organisation:*

In the case of a *function-oriented* variant, the organisational structure is oriented towards different functions such as sales, marketing, design and construction. One the one hand, this type of organisational structure allows a high level of specialisation and a clear allocation of respective responsibilities. One the other hand it is less able to take into account particular characteristics of individual operative areas.[107]

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105 Günter, Hausmann. 2012. Page 114
106 Bruhn. 2012. Page 279 ff.

107 Günter, Hausmann. 2012. Page 116

By contrast, the *object-oriented* variant classifies the organisational structure according to related objects, meaning operative areas such as single products, services and programs. This implies that different activities (promotion, maintenance, technical surveillance etc.) which concern the same operative area (f.e. an art gallery's exhibition program on contemporary photography or the area of professional dance in a multi-genre theatre) are bundled and pooled together. However, this type of organisational structure implies the danger of increasing internal competition for limited human- and financial resources, and may lead to unnecessary duplication of effort.[108]

In practice both of these organisation types generally occur in combination with each other, in order to take into account the characteristics of individual institutions, especially those operating in the cultural sphere.

Subsequently, the *operational structure* wants to minimize the problems of coordination that may result from a particular type of organisational structure, through an appropriate arrangement of cross-functional processes and workflows.

Common approaches that can be taken in order to ensure the effectiveness and efficiency of an operational structure are f.e.:

- the appointment of a process owner who is responsibly for the coordination of certain processes (f.e. PR Manager, Complaint Manager);

- the extension of decision-making competences of individual employees (f.e. when dealing with complaints) and reallocation of sub-tasks, in order to accelerate operational processes;

- the assurance of relevant, process-related information to be available, through the use of corresponding information technology such as databases and CRM software[109].[110]

Summing up it needs to be stated, that the approach of implementation and therefore the devision into organisational and operational structure is highly recommended for big and medium-sized organisations, since their large number of staff and operational processes need to be precisely coordinated with one another.

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108 Günter, Hausmann. 2012. Page 116-117
109 According to Webopedio.com, CRM software is a category of enterprise software that covers a broad set of applications and software to help businesses manage customer data and customer interaction, access business information, automate sales, marketing and customer support and also manage employee, vendor and partner relationships.
110 Günter, Hausmann. 2012. Page 118

However, for smaller sized institutions such as the Photographic Centre Peri, such distinct division is not necessarily prudent and hardly possible. Due to their very limited number of staff, their organisational and operational structure needs to stay extremely flexible, since the absence of just one employee can represent the breakdown of a whole department (or, in the case of Peri, one-third of total employment).

Therefore, it must be understood that too strictly organised and coordinated workflows may hinder the flexibility of action, to which especially smaller organisations strongly rely on.[111]

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111 Günter, Hausmann. 2012. Page 116-117

4.

Practical Approach:

A Marketing Concept for the Photographic Centre Peri

At his stage, a theoretical background on marketing in the arts has been given (see chapter 2), as well as the theoretical approach of the development process of a marketing concept has been examined (see chapter 3). In the following there will now be introduced a final, practical approach by creating a marketing concept for the Photographic Centre Peri.

The information provided will predominately be build upon interviews held with Peri staff and -visitors (see appendix), and a closer examination of Peri's local art environment. The concept includes the analysis of Peri's internal and external environment, the presentation of a SWOT analysis, the definition of Peri's corporate mission, higher-level goals & operational objectives, as well as the creation of individual, correlating marketing programs serving as a recommendation to Peri.

Yet before a deeper insight into the outlined concept proposal can be gained, a brief introduction to the case company, the Photographic Centre Peri, is required and therefore will hereafter be provided.

4.1 Introduction to the Case Company

The Photographic Centre Peri

The Photographic Centre Peri (fin.: Valokuvakeskus Peri Ry) is a non-profit art centre exhibiting high quality photo- and video art open to the public. It was founded 1987 in Turku, located on the southwest coast of Finland. By that time a small group of Turku based photographers had come together to establish a photographic centre, pursuing an open and flexible exhibition concept which allows renowned photographers as well as newcomers to exhibit their artwork.

The idea was to create a new and open environment for professional art photography within and around Turku, enabling the exchange of knowledge on high quality photographic art. In 1990 Peri moved from its founding location at Rauhankatu to the Turku Cultural Centre, situated at the Old Great Square which used to be the former centre of Turku. Relocating its gallery allowed Peri to rise its membership base and become more present amongst the regional art community.[112]

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112 Photographic Centre Peri. www.perienglish.fi

After 20 years of being located at Turku's Cultural Centre, Peri changed its location and moved into the Wäinö Aaltonen Museum of Art on the east bank of the Aura river, named after Wäinö Aaltonen, one of Finland's most renowned sculptors in the past century.[113] Being integrated to the museums surveillance system enabled Peri to create a clear organisational and spatial separation between office and gallery space. This allows gallery-visitors to look at the exhibition without being irritated by monitoring Peri-staff, who can now undertake office work instead.[114]

Today, Peri presents around eleven exhibitions on contemporary photographic and video art each year. Along with Finnish artists it has previously hosted international photographers from New Zealand, South Africa, the United States and France.[115] Apart from gallery exhibitions, the photographic centre organizes workshops, seminars and lectures on photographic art.

Together with Finnish and international partners, Peri coordinates an Artist in Residence Program that pursues the idea of letting professional photographers evolve in their artistic work and giving them the opportunity to collaborate with other artists. For a maximum of two months, the artists are provided with free equipment, working space and residence in Nauvo, located in the archipelago of Turku.[116]

The photographic centre's two main sources of funding are provided by the Arts Promotion Centre Finland (working under the Finnish Ministry of Education and Culture) and by the City of Turku. Besides smaller benefits from various business collaborations, Peri contributes one part of its financial resources through rental income, deriving from renting its gallery space to artists, and yearly membership fees.[117]
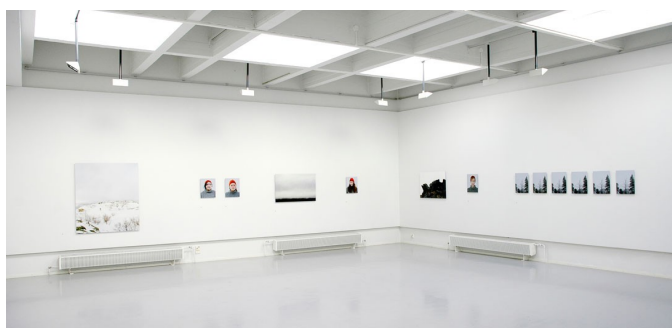
Peri's Gallery Space

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113 Wäinö Aaltonen. www.wam.fi
114 First Interview with Sade Kahra see appendix
115 Photographic Centre Peri. www.perienglish.fi
116 Guest Studios in Finland. www.ateljeesaatio.fi
117 First Interview with Sade Kahra see appendix

4.2 Internal Audit

Now that the Photographic Centre Peri has been introduced, the next step is to carry out an internal audit. This means to analyse Peri's internal environment in order gain an understanding of its current situation, and come across certain factors which later, when carrying out the SWOT analysis, may be reflected as internal strengths and weaknesses.

Within the following internal audit, the focus will be laid on Peri's resources and capabilities, current offerings and possible key issues.

Resources and Capabilities

- *Human resources:* Peri's human resources consist of the executive director i.e. general manager, Sade Kahra, the exhibition assistant, Niina Rauhala, and a temporary manned internship position.

Beside being in charge of planing artist talks and workshops on art photography, the executive director's major responsibility is to arrange Peri's yearly exhibition program. In her role as Peri's general manager, Sade Kahra is able to draw on her experience abroad (f.e. her artist in residence in Canada, USA, Iceland and Greece) when cooperating with international artists.

Her comprehensive understanding of photographic art derives from her master degree in photography and from being a professional photographer who has run a high number of solo- and group exhibitions herself. Furthermore she is fluent in English, Finnish and Swedish and she can fall back on her entrepreneurial mindset from working as a freelance photographer (named kahra tmi) and her high social skills from being a former vocational teacher at the Åbo Akademi in Vasa.

The exhibition assistant, Niina Rauhala, has a Master of Arts in Art History and is currently a doctorate student at the University of Turku. Not only through university eduction but also due to her previous gallery experience, she can draw on her knowledge in art history and contemporary art, and on her skills in academic writing.

In general, the exhibition assistant supports the executive director in her day to day work such as following up on artists via phone and email, whilst being in charge for editing and translating various on- and offline contents into English, such as Peri's website and other exhibition info.

The internship position is currently filled by Janita Reunanen, who studies cultural management at the Humak University Applied Sciences in Turku. Because of Janita's curiosity to apply theoretical knowledge into practice, her individual commitment can be seen as correspondingly high. However, the internship position is limited to a period of one month. By the end of April this year, the position will be overtaken by Laura Korpela, who is an art history student at the University of Turku, for a period of two months.

- *Financial resources:* the financial resources yearly available to Peri strongly depend on public funding. The biggest public funder is the Arts Promotion Centre Finland (Taiteen edistämiskeskus), an expert agency for promoting the arts under the Ministry of Education and Culture, which currently provides around 50.000 € a year. This funding partner in particular requires Peri to apply every year anew before to decide how much money they are willing to provide.

The second biggest source of income is provided by the City of Turku which is made up of 15.000 € a year (within a three year contribution-contract until 2015).

Peri's self generated income derives from renting its exhibition space to artists, this can vary between 8.000 and 10.000 € a year considering that the renting-price for a three weeks exhibition ranges between 800 € and 1000 €.

The additional income that Peri gains from membership fees roughly consists of 2500 € to 3000 € a year, considering that the general membership fee is 30 € a year, with student discounts it is 20 €.

- *Organisational facilities:* Peri is situated within the Wäinö Aaltonen Museum of Art by the Aurajoki river at Itäinen Rantakatu 38. Its gallery is open Tuesday through Sunday 10 am to 6 pm free of entrance, and is located on the first floor to the right of the museum entrance.

The gallery covers an area of 102 square meters and is divided into two separate spaces through a partial wall, with a ceiling height of 3,5 meters. According to contemporary gallery requirements, Peri's gallery is provided with optimal ventilation, temperature and humidity regulation. Furthermore, the gallery is equipped with dimmable skylight windows and spotlights, which makes it suitable for installations and the performance of multimedia art.

Peri's office is physically completely separated from the gallery space, since it is located on the ground floor to the left of the museum entrance. The Wäinö Aaltonen Museum provides Peri a permanent accessible meeting room (right next to Peri's office) and adequate workshop facilities which can be freely available to Peri if discussed with and agreed by the museum staff beforehand.

Current Offerings

• *Exhibitions:* Peri is hosting eleven exhibitions per year, showing each one over a period of approximately three weeks (installation and dismantling not included). A longer summer exhibition is held from the beginning of june to early august. This special summer exhibition allows any photographer to apply for exhibiting photographic art dealing around a Peri-given theme. Successful applicants are required to pay a participation fee of 30 euros, whereas Peri-members are completely free of charge. The fact that it is a completely open call may, on the down side, increase the curating effort by Peri, but it enables the executive director to chose a more specific theme since there is a bigger audience able to respond.

• The *Artist in Residence program* annually offers a Finnish photographer the chance to work for one month in France (Rouen in the upper Normandy), and equally a French artist gets the possibility to pursue his artistic work in Finland (Oulu, Turku or Helsinki). The collaboration program is formed by Photographic Centre Peri, Nordic Photography Centre, the Union of Artist Photographers and Embassy of France in Finland. It has been maintained since 2004 together with french project partners, including Pole Image Haute Normandie and Institut Francais de Finland.[118]

• *Workshops:* partly in collaboration with Turku Arts Academy and the University of Art and Design Helsinki, Peri is offering various workshops on photographic art. For this years program there have not been planned any specific workshops yet, which extends the scope of action when proposing different marketing programs at the very end of this marketing concept. Previous workshops held by Peri include f.e. a free, four-day long "drop in workshop" where only the entrance fee for the museum was charged. This workshop was open to all and directed towards bigger audiences, especially children and young people seeking to get in touch with photographic art. The workshop was leaded by a professional photographer who helped participants in building their own camera obscura, the origin and oldest method of image projection, by simply preparing a cardboard box.

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118 Finland-France AIR Program. www.peri.fi

A more specific and professional audience was addressed by hosting a four day "digital printmaking workshop" held by the Canadian photographer Gary Wornell and only accessible to Peri-members (for a one-time fee of 200 Euro per participant). The workshop was designed "for artist professionals and skilled amateurs as well as photographers and traditional print makers who wish to expand their craft printing repertoire."[119] Since the workshop allowed members to experiment with different colours and materials (which causes a predictable mess), Peri rented an external working place (at Logomo) which provided its participants the necessary freedom to create.

Peri recognises that an increasing number of people want to satisfy their creative drive and the urge to do "something with their hands", since they seek a balance from their daily office environment. This is something that Peri should hold on to and therefore needs to be considered when planing workshops in the future.

• Beside exhibitions and workshops, Peri also organises *seminars, discussions and artist talks*. The "Sunday Saloon" which has been held on three sunday's last autumn, included informal discussions about current artistic and cultural topics between invited artists and researchers from the visual field. These discussions were accessible to all and had been held within the gallery. Peri is also open to artist talks where professional photographers are invited to tell about their art work and artistic experience in front of the interested public. In that regard, Peri has implemented a new concept, having the intention to let exhibiting artists propose their own program (including seminars or artist talks) on a self-chosen theme. The idea is to give visitors a deeper insight behind the story of exhibited art work, and to partly relieve Peri staff from the organisation effort. In turn exhibiting artists have the possibility to get a 20 percent discount on the regular exhibition fee of 1000 euro, while they can further enhance visitor interest on their own art work.

• Peri also provides a small *photography themed library* on photographic art and photography in general, only accessible to Peri-members. It is located within the Peri office where members can use the photocopier in case they want a copy of a certain article, since the books are not for rent.

• Members can further benefit from the possibility to rent the Peri owned *calibration tool kit* (i.e. a display colour calibration tool for digital photographers who need to match prints to their computer and/ or camera display) for 20 euros a week.

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119 Workshops. www.garywornell.com

Key Issues

Particular issues that Peri might come across in the near future can be a decrease or partly cut of public funding. Since Peri's main income consists of public funding, this could interfere with its actual ability to operate while maintaining its exhibition standard in the future.

Another potential problem could be that accepted and confirmed internship positions get called off by the intern in the last minute. This has previously happened to Peri and made clear how much Peri relies on committed interns as a significant support to its daily business.

Regarding its human resources, Peri is currently seeking for a new exhibition assistant, since Niina Rauhala will leave her position by the end of may. The position in general is limited to a period of one year, which creates a renewed effort for Peri manager Sade Kahra to train a new exhibition assistant.

The reason why the position is limited for one year results from the fact that half of the exhibition assistant's salary is public funded. However, the public support will only be granted, if Sade Kahra employs and trains a new exhibition assistant each year anew.

4.3 External Audit

Now that Peri's internal environment including its current resources, offerings and key issues, has been analysed, it is time to focus on the external environment. Since the performance of a complete external audit (including political-, economic-, social- and competitive factors) would go beyond the scope of this paper, the focus will be laid on the analysis of Peri's competitive environment in the Turku area.

Therefore, and in order to provide an overview of locally operating galleries, a comprehensive list of Turku-based galleries showcasing contemporary art will hereafter be listed while briefly introduced:

▪ The Museum Centre of Turku manages four art galleries with monthly exhibitions and is situated by the Old Great Square, the former centre of Turku. The galleries are located within the Old Great Square and are all open to the general public - admission free.

Whereas the **Gallery Berner**, the **Brinkkala Gallery** and the **Old Town Hall Gallery** lie their focus on professional fine art, the **Attic Gallery** represents a youth gallery of cultural services, intending to display art made by young newcomers while offering educational art workshops especially designed for children and juveniles.

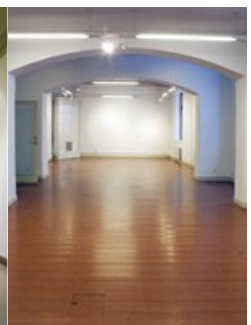The monthly exhibition rent for each gallery varies between 300 to 350 euros.[120]
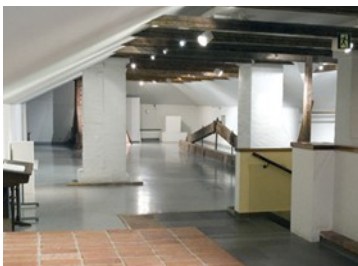
Attic Gallery   Gallery Berner   Brinkkala Gallery   Old Town Hall Gallery

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120 The Old Great Square. www.turku.fi

▪ The **Art Gallery Joella** is located centrally by the Aura river and represents different fields of visual art. It has been formed by the Turku Printmakers Association who runs the gallery in the same location since 1986. Besides sales collection of exhibiting artists, the gallery offers an additional collection representing art works of its members. For a three-week exhibition period, the renting price is 1000 €.[121]


▪ **Titanik** represents Turku's biggest art gallery on contemporary Finnish art. It is located by the shore of Aura river and was founded in 1988 by the Artist Association Arte. Beside the Titanik Gallery, Arte also runs a sound-art residency programme, which provides residency opportunities for international artists for a period of 1 to 3 months.[122]

▪ **Gallery Å** is located in Kaskenmäki in the centre of Turku, displaying a variety of contemporary art, ranging from paintings, to photography, and video installations. It is run by the Turku Artists' Association which is a club for professional visual artists in the Turku region. For a three-week exhibition period the renting fee is 1350 €.[123]
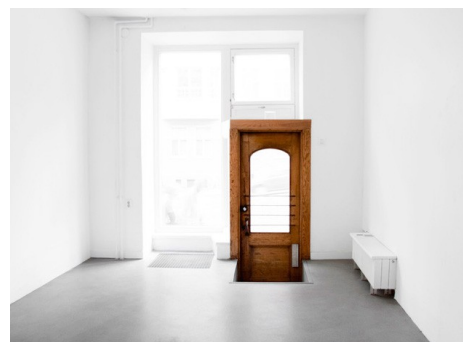
▪ **Köysiratagalleria** is a showroom for the fine arts program at the Arts Academy of Turku University of Applied Sciences. The gallery features artwork by the academy's photography and fine arts students and besides showcasing pedagogic art projects, the exhibition space is open to be rented by guest artists.[124]

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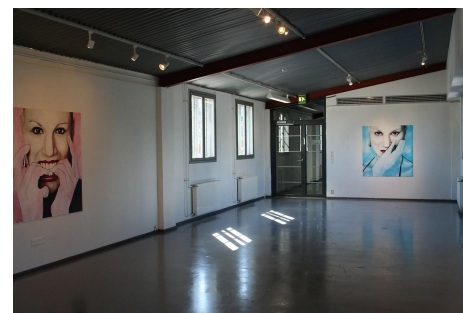
121 Turku Printmakers Association. www.turun-taidegraafikot.fi
122 Turun Taiteilijaseura Ry. www.turkuart.fi
123 Gallery Å. www.turuntaiteilijaseura.fi
124 Turun Taiteilijaseura Ry. www.turkuart.fi

▪ **B-Gallery** is an art gallery run by a group of local culture activists with the intention to provide an inexpensive exhibition space for newcomer artists. The gallery displays visual but also performing art such as musical performances and film screenings. It comes with its own "B-butik" inside the gallery, carrying a collection of vintage items and art publications. For a three-week exhibition period the renting fee is 550 €. At this stage it needs to be mentioned that out of the previously listed galleries, B-Gallery is the only one that does not take any commission on artworks being sold.[125]

Summing up, it can be stated that Turku comes with a comprehensive range of exhibition space, available for local artists to exhibit their contemporary art. Further, the analysis of Peri's external environment discloses that most Turku-based art galleries do not concentrate on one particular form of art but instead, feature a variety of visual art such as painting, print, drawing and photography.

Offering such a varied range of art within one and the same space can work as an advantage, but just as well pose a possible barrier: on the one hand, the gallery is able to address a much broader and diversified audience; on the other hand, it gets challenging to equally take into account the characteristics of each art form while maintaining a consistent and professional exhibition standard.

Out of the previously listed galleries, B-Gallery probably offers the most varied range on visual and performing art and clearly distinguishes itself from other Turku-based exhibition spaces. "[Our main purpose is] to provide an inexpensive and easy-approach gallery space for young upcoming artists [and combine different art forms by hosting] film screenings, lectures, workshops, [music] performances and other art activities."[126]

When visiting the B-Gallery it gets clear that its focus is not to offer the highest possible standard and most professional exhibition space, but to create an entertaining meeting place for young local artists and interest groups that seek to exchange their artistic thinking.

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125 B-Galleria. www.bgalleria.net
126 B-Galleria. www.bgalleria.net

It can be said that B-Gallery has established its own, individual position as an interactive gallery space directed towards a young audience. But the external analysis has shown that Peri as well represents a unique exhibition concept within Turku: its distinctive orientation towards professional photographic and video art. This focus is something which Peri must hold on to in order to stand out from the crowd of Turku-based art galleries. As a consequence, the marketing programs outlined in chapter 4.6 should further build up on Peri's distinctive position within Turku's art environment.

Consecutive to the analysis of Peri's internal and external environment, there will hereafter be presented a SWOT analysis covering Peri's strengths, weaknesses, opportunities and threats. This will help to highlight the information that has so far been gathered from the internal and external audit. Subsequently, in chapter 4.5, Peri's corporate mission, higher-level goals and operational objectives will be outlined in detail.

STRENGHTS

- high-standard security surveillance maintained by the museum
- clear and neutral appearance, no distracting forms or slants
- a partial wall allows a possible division into two areas
- high ceiling, dimmable skylight windows and spotlights
  → suitable for installations, performance and video art

▪ high-quality exhibition space

▪ clear focus on photographic and video art → unique profile within Turku's art environment

▪ oriented and open towards a local, national & international audience

▪ gallery and office are clearly separated → no interfering distractions with respect to staff & visitors

▪ homepage is clearly structured; content is provided in Finnish, Swedish and English

▪ artist in residence program → undermining the openness towards international artists

▪ highly experienced executive director, great knowledge on photographic art (M.A. in Photography; freelance photographer); fluent in English, Finnish and Swedish; international experience

▪ exhibition assistant with good knowledge in art history and contemporary art; sound skills in academic writing, in Finnish, Swedish and English

▪ willingness by Peri-members to attend formal artist talks or engaging workshops/ "artist-rounds"

▪ well-working cooperation with the museum; possibility to use part of museum-owned facilities

▪ weekend opening hours until 6pm

WEAKNESSES

▪ clearly defined corporate mission is missing → needs to be visible on the homepage

▪ clearly outlined higher-level goals and objectives are missing

▪ limited staff resources → demands a very high commitment by manager, assistant and intern

▪ being located within the museum can have an intimidating effect on visitors

▪ currently no regular art activities/events → at the moment members do not get sufficiently engaged

▪ lack in online presence → Facebook content is hardly stimulating (in terms of having lively, visual elements such as video interviews, pre- and reviews)

▪ lack in gallery visitors → amendable number of art works sold

▪ lack of sustainable funding sources → City of Turku is the only source with a funding contract for three years, expiring in 2015)

▪ executive director has to hire and train a new exhibition assistant each year

OPPORTUNITIES

▪ further differentiate itself as a national and internationally-open gallery → f.e. through Facebook posts showing what's going on in the area of photographic and video art

▪ generally create a more lively and visual Facebook content → f.e. through artist video-interviews

▪ developing partnerships that extend the gallery's network and profile nationally and internationally

▪ turn gallery openings to more lively events, f.e. by hosting musicians playing soft electronic music or jazz next to the gallery space (in order to take away the intimidating impact of the museum and attract a younger audience that is keen to be engaged)

▪ introducing a monthly held photo circle for Peri-members to create a sense of community

▪ create a less intimidating and more personal atmosphere by adding a "Peri-photo-wall" placed next to the gallery entrance; photos can include photographic work by Peri-members (to create a sense of belonging and community) or photos of openings and workshops that show a crowded happening

▪ create and provide a virtual look/ -view into the gallery that enables possible exhibiting artists and visitors to get a first visual impression → can be presented on Peri's homepage

▪ create a video named "Find Your Way to Peri", showing how to reach the gallery by foot or bike; (starting at cathedral, continuing along side Aura river, walking through museum entrance, and finally entering the gallery)

▪ compensate limited staff resources by offering another internship position → intern could be from the field of multimedia design, who then can be in charge of editing and filming artist interviews and other video material

▪ organising an outdoor photo-festival (taking place on a summer evening), where former exhibiting artists and Peri-members get invited to celebrate together; displaying outdoor screenings, musical acoustic performances; people are welcome to bring their own food and beverages

THREATS

▪ not being able to find an experienced exhibition assistant after the position is going to be vacant by the end of may → potential lack of human resources

▪ not being able to find reliable and committed interns for autumn 2014

▪ partly or fully cancellation of public funding as competition for funding in the arts increases

▪ new gallery is opening in Turku and establishes itself as 'the place' for professional photo art, while offering a comprehensive membership program → number of Peri-members may drop

4.5 Mission, Goals & Objectives

Corporate Mission

Founded in 1987, the Photographic Centre Peri is a non-profit art organisation dedicated to enhance and foster the understanding of contemporary photographic and video art at the highest possible gallery standards. By creating a meeting place for established photographers, newcomers and the interested public, Peri seeks to encourage dialogue on local, domestic and international photographic art.

Beside the support of artistic excellence and diversity, Peri has taken on the task of providing meaningful encounters with contemporary art: through an open and varied program of photo exhibitions, video screenings, artist talks and practical workshops, Photographic Centre Peri invites everyone to discover the diversity and freedom of artistic expression.

Higher-level Goals

• Promote arts awareness and education in and around Turku and expand the frontiers of photographic and video art, by providing a manifold program of photo exhibitions, workshops, video screenings, artist talks and other arts activities.

• Encourage the establishment and visibility of Finnish art photographers as well as the openness towards international photographic art, by further developing sustainable, national and international collaborations.

• Ensure professional, safe, clean and free accessible gallery facilities, whilst offering the highest possible standard of surveillance and installation.

• Promote the display and sales of exhibited artwork by well-known professionals as well as newcomers with a great ambition and dedication towards photographic art.

Operational Objectives

- Develop a varied cultural program by the end of 2015, that considers the interests of both sides: members who seek to be stimulated and inspired by others, and members who want to become engaged and involved as an active participant.

- Raise the number of members regularly participating in Peri's cultural program by 20% until the end of 2015.

- Enhance gallery sales by 5 % until the end of 2014, by attracting a greater number of visitors at gallery openings.

- Increase the number of Facebook likes by 30 % until the end of 2014, by creating interactive and stimulative textual as well as audio-visual contents.

- Promote Peri's high-quality exhibition space, and enable possible exhibiting artists and visitors to get a first visual impression of Peri, by creating a 3D-view of the gallery space by the end of 2014.

The corporate mission and higher-level goals that have been drafted before are stating the organisations fundamental purpose, and form the foundation to which the Photographic Centre Peri aspires, now and in the future. It is reasonable to present the mission statement and higher-level goals open to the public (f.e. on Peri's homepage), to give potential visitors a compact and clear understanding of what the organisation stands for and where it is headed.

The operational objectives laid out above serve as a direct link to correlating marketing programs which will hereafter be outlined in further detail. These marketing programs solely serve as a recommendation and form the last and final part of the marketing concept proposed to the Photographic Centre Peri.

4.6 Individual Marketing Programs

• Develop a varied cultural program by the end of 2015, that considers the interests of both sides: members who seek to be stimulated and inspired by others, and members who want to become engaged and involved as an active participant.

• Raise the number of members regularly participating in Peri's cultural program by 20% until the end of 2015.

The second objective - raising the number of members regularly participating in Peri's cultural program - follows consecutive to the fulfilment of the first, and probably most challenging objective: developing a varied cultural program until the end of 2015. Only by offering a program which takes into account the disparity between member-interests while being formed by a consistent range of activities, it is possible to address, attract and engage a greater number of Peri members on a regular basis.

● **Photo circle**

For members seeking to be engaged as an active participant, Peri could implement a photo circle to which all Peri members and (former) exhibiting artists are invited. This photo circle could take place on a sunday afternoon once in a month, providing a platform for completely open discussions between professionals, newcomers and member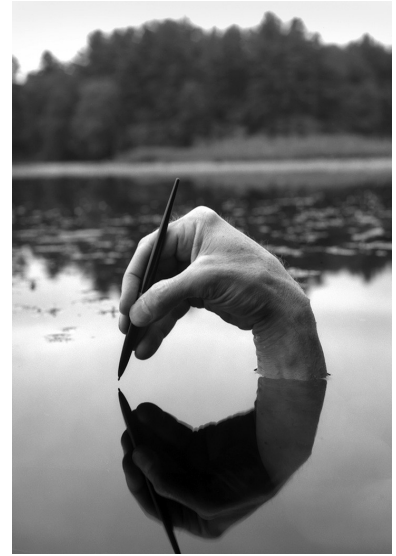s generally interested in photography. To give it a less formal character, participants sit in circular arranged chairs either in the smaller section of the gallery space or, if weather conditions allow, outside of the Wäino Aaltonen Museum next to the Aura river. If there are enough financial resources left by the end of this year, Peri could buy bean bags (starting at 50€ per piece incl. shipping[127]) which can easily be moved and used outside, and highly contribute to the comfortable and casual atmosphere of the photo-circle.

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127 Bean Bag. www.amazon.com

● **Hands-on workshops**

Peri has recognised that more and more people want to do something with their hands and be creative in order to escape from their daily office life. Taking this into consideration, it is important to further develop Peri's workshop program, open to the interested public but offered on a five to ten percent discount for Peri members. As a point of reference, one possible hands-on workshop could be held in cooperation with Arno Rafael Minkinen[128], a finnish photographer who uses his own body to create surreal landscapes, as seen on the photo to the right. His artwork is internationally recognised and has been featured in various galleries for example in Paris, New York, Torino and Bejing. His concept of finding oneself in natural surroundings encourages the thought of using the own body as a photographic element. This would perfectly fit into the idea of letting participants experience creativity – in a visual as well as physical sense.

● **Artist talks**

Further it is advisable to regularly organise artist talks held once in a month, which could be called "Catch a Glimpse of >*name of exhibiting artist*<". Artist talks are an attempt to let gallery visitors hear, through the words of the photographer, the story and reason behind the making of the photographs on display. Exhibiting artists will be asked to give a peek behind the story of their exhibited photographs in the first week of their exhibition period, open to the general public. This approach enables visitors to build a more personal association with the photographs on display, while the artist has the possibility to further promote his work and himself as an artist.

Artist talks distinguish themselves by having a rather formal character since they do not expect an active engagement of participants. Such form of activity is necessary when taking into account particular Peri members who do not seek to actively participate, but want to lay back while become inspired from a passive approach - such as an artist talk.

128 Arno Rafael Minkinen. URL: http://www.arno-rafael-minkkinen.com

● **Photo Festival**

Once a year, on a summer weekend, Peri could organise a small photo festival under the name "Peri 48: let us celebrate photography together", to which Peri members and former exhibiting artists, but also the interested public are invited. Artists could then showcase their exhibition highlights on an open-air screen, while Peri could present a slideshow of the photos, videos and interviews that have been shot and recorded through-out the year with comments given by Sade Kahra. The festival could be further accompanied by musical performance and video art by local and international artists. Possible guest artists could be f.e. Glitterbug & Ronni Shendar, a sound and visual artist duo from Germany who are renowned for performing a unique and touching audiovisual experience (as seen in the video[129]). The artist duo could be invited in cooperation with the Goethe-Institut Helsinki since the Germany-based cultural institution has previously hosted Glitterbug & Shendar in Mumbai and Vietnam. People could also be allowed to bring their own food and beverages to create a simple pick nick atmosphere, where they can enjoy the personal flair of the festival and come together on an equal and casual level. By organising such special, yearly happenings it is possible for Peri to bring the interested public, artists and Peri members all together, and create and strengthen their sense of community.

> • Enhance gallery sales by 5 % until the end of 2014, by attracting a greater number of visitors at gallery openings.

● **Artist Video-interviews**

In order to enhance gallery sales it is important to attract a higher number of visitors at gallery openings, and offer them a memorable experience that makes them recommend the exhibition to friends and relatives. First, in attracting a higher number of visitors, it could be a useful approach to promote gallery openings trough personal video-interviews where exhibiting photographers are asked to give a short five-minute statement that gets recorded

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129 Glitterbug – Calcutta. www.vimeo.com

with camera (preferable outdoors to give it a more lively character): first introducing him-/herself, then outlining the general idea behind his/her exhibition and at the very end, welcoming the interested public to drop by at Peri and experience his/her photographs. These video interviews should then be uploaded on Facebook and on Peri's homepage at least two days before the start of each exhibition. This will allow artists to directly address and welcome their potential audiences in a personal and straight-forward manner, while arousing interest amongst viewers to visit the exhibition. Another possible idea could be to turn gallery openings into more lively events by hosting local musicians who can accompany and lighten up the atmosphere, encourage social conversations between artists and visitors, and take away the intimidating impact of the museum.

● **Give-Aways**

Furthermore it is recommendable to provide free give-aways at gallery openings instead of laying a too strong focus on catering. Give-aways are an easy and simple way to stay positively in the minds of visitors, since they can represent a souvenir to which visitors can later on associate their visit at Peri. Such give-aways could consist of flowers, photographs by the exhibiting artist (simply printed on glossy photo paper) or curved glass plates (as seen on the right; 10€ for 100 pieces incl. shipping[130]) that get labelled with the Peri logo (f.e. through a waterproof stamp on the back). Glass is characteristic for being clear and pure which can be seen symbolically for Peri's clear focus on photographic art, while its round and curved shape can visually represent the lens of a photo camera.

> • Increase the number of Facebook likes by 30 % until the end of 2014, by creating interactive and stimulative textual as well as audio-visual contents.

● **Video-Interview of Sade Kahra & "Find Your Way to Peri"-campaign**

Beside artist interviews that have been proposed before, another audio-visual Facebook (and homepage-) content could be a promotional video in which Sade Kahra introduces herself in english and provides a stimulative insight into the concept and idea behind Peri.

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130 Round glass cabochons. www.aliexpress.com

This video could then directly be uploaded on Facebook and permanently be placed on Peri's homepage. Furthermore, Peri could make a video named "Find Your Way to Peri", showing how to reach the gallery by foot or bike. On a sunny day, the camera could be placed on the front of a bike or directly held by the cyclist, who then starts at the cathedral, rides alongside the Aura river, walks through the museum entrance and finally enters the gallery space. This video could then represent an interactive incentive, as Peri could ask its Facebook audience to shoot their own videos called "My Own Way to Peri", showing different tracks of people making their way to Peri. People could be encouraged to participate in the video-competition by giving them the prospect of freely participating at one of Peri's workshops for the most shared or liked video.

> • Promote Peri's high-quality exhibition space, and enable possible exhibiting artists and visitors to get a first visual impression of Peri, by creating a 360 degree view of the gallery space by the end of 2014.

● **360° View of the Gallery Space**

Creating an interactive 360 degree view would allow Facebook visitors to get a 3D panorama look into Peri's gallery space, from straight up to straight down. The viewer can control by mouse-click or by keyboard which part of the gallery space he is looking at, while being able to zoom in for closer inspection, or zoom out for a wider perspective. This 360 degree view could simply be created by using the Photosynth app for iPhone and Android (see YouTube video instruction[131]) which is available free of charge for download. Because of its simple user interface, Peri could use Photosynth to create a 3D panorama view not only once, but for each single exhibition. After the 360 degree view is created, it can be uploaded and shared on Facebook to encourage viewers to visit the exhibition in person.

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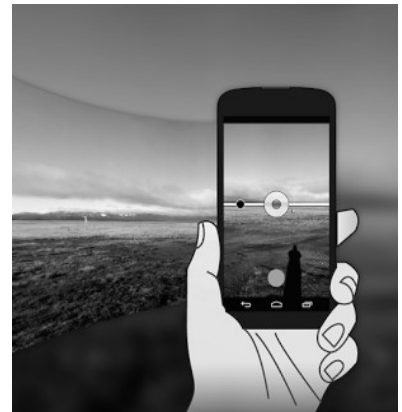
131 Photosynth iPhone App Demo. www.youtube.com

4.7 Recommendation & Conclusion

Finally it must be mentioned that part of the proposed marketing programs rely on sufficient financial resources which, in turn, Peri has not yet available, since the major part of the public funding Peri has applied for is still pending.

However, in the meanwhile Peri needs to work against its potential lack in human resources. In accordance to that it is highly recommendable to offer another internship position to be filled by a student from the field of multi media art.

This intern could then be in charge of creating multi-media related, promotional material, such as the regular recording of artist video-interviews and the "Find Your Way to Peri" video as suggested before.

With its highly experienced and committed executive director, the Photographic Centre Peri has a good chance to successfully implement maybe not all, but part of the marketing programs as suggested by the author, and strengthen the engagement of its membership by offering a diversified cultural program on photographic art.

Finally it must be stated that the present paper has a strong theory-based focus. This, on the one hand, is elementary in order to understand each step of the practical marketing concept that gets outlined at the very end of this thesis.

On the other hand, the theoretical approach might be too detailed for readers not being acquainted with the marketing field or the cultural sphere in general.

However, by limiting the theoretical part of this dissertation, it might have been possible to carry out a more comprehensive analysis of the case company's external environment. Then, the competitive environment within Finland could have been taken into consideration and would not be limited to the Turku area.

From the author's point of view, writing this bachelor thesis was a great way to apply the marketing knowledge and academic skills, she was able to develop during her business studies, in practice.

By studying related theory that was chosen by the author herself, she was further able to gain new insights into the field of marketing, from a theoretical- as well as practical perspective.

Therefore, and according to the author, this experience of autonomous and self-responsible

project work will not only support her professional but also personal development.

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List of Figures: