

Saimaa University of Applied Sciences  
Business and Culture, Imatra  
Degree Programme in Tourism

Valeria Kuznetsova

**Environmental Analysis**  
**Case: Black and White Theatre Festival**

Thesis 2014

## **Abstract**

Valeria Kuznetsova

Environmental Analysis, Case: Black and White Theatre Festival, 42 pages, 1 appendix

Saimaa University of Applied Sciences

Business and Culture, Imatra

Degree Programme in Tourism

Bachelor's Thesis 2014

Instructor: Ms Merja Heino, Dean of Faculty, Saimaa University of Applied Sciences

The purpose of the study was to create a complete environmental analysis as a part of strategic management process. The case was Black and White Theatre Festival, annual cultural event, taking place in Imatra, Finland.

The theoretical part of the thesis covered festivals as events and cultural experience and strategic management process issues. The main focus was on non-profit organisations and cultural events. The information for the theoretical part was gathered from literature, articles, brochures and the Internet sources. The empirical part presents practical implementation of the environmental analysis step of strategic planning process. The outcomes of the interview with the Black and White Theatre Festival organiser are shaping the findings of the study.

The results are demonstrating the present stage of the festival in a form of SWOT-analysis, including external factors affecting the organisation and internal resources and capabilities. Besides, future vision, goals and objectives of the organisation are identified based on the interview's findings. The results can be applied for the further strategic management steps.

Keywords: strategic process, non-profit organisation, festival

## Table of contents

1	Introduction .....	4
1.1	Aims and delimitations .....	4
1.2	Research methods and report structure.....	5
2	Festivals as events and cultural experience .....	6
3	Strategy .....	8
3.1	Strategic management.....	9
3.2	Strategic analysis.....	10
3.2.1	Strategic environment .....	15
3.2.2	Resources and capabilities .....	19
3.3	Strategic development and implementation .....	21
4	Research design and findings.....	23
4.1	Case organisation .....	23
4.2	Research methods.....	24
4.3	Strategic planning .....	25
4.4	Environment analysis.....	25
4.4.1	Legal aspect.....	25
4.4.2	Socio-cultural aspect.....	26
4.5	Internal analysis.....	27
4.5.1	Financial resources .....	27
4.5.2	Intangible resources .....	29
4.5.3	Organisational resources .....	31
4.6	Future vision, mission and objectives .....	33
4.7	Summary .....	35
5	Conclusions .....	37
	Figures and Tables .....	39
	References.....	40

Appendix 1

Interview topics

# **1 Introduction**

The road to the top achievements is always hard: circumstances are unpredictable, resources are limited and competition is vicious. Strategic thinking is of great use for gaining excellence. There are certain factors distinguishing outstanding performances from poor ones. Success requires passion, vision, action, as well as focus. (Santalainen 2006, p. 23.) From organisation's operational point of view strategic management is a tool to blend these ingredients.

Strategic management is meant to lead the organisation to meeting its ambition. Strategic planning is more associated with profit oriented companies. However, today's non-profit organisations also have to fulfil a lot of requirements, respond to the changing values, and meet the competition. Strategic planning is important for the organisation to understand the development path and be sustainable and competitive.

International events are everyday elements of modern society's life. They are the means of tourism, local economy and community development. They bring people together, unite different cultures and stimulate communication. Festivals vary greatly in their types, but all they are supposed to inspire and educate. Festival making is a big challenge. Effective management is a necessary requirement for event to exist. (Department of Cultural Affairs 2013.)

Black and White Theatre Festival is an annual event with more than ten years history, happening in the town of Imatra, Finland. Festival presents theatre art from around the world in all its diversity. The author of the thesis has been acting as a volunteer during 10<sup>th</sup> Black and White Theatre Festival therefore the interest to the topic was realised.

## **1.1 Aims and delimitations**

The idea behind the thesis work is to research the international cultural event, with a particular case of Black and White Theatre Festival. The aim of this work is to make a complete environmental analysis for the Black and White Theatre Festival and to summarise it with use of SWOT-analysis tool.

Strategic management process is studied in theoretical part but empirical part of the thesis focuses on environmental analysis only. Strategic management process is important to be understood as a whole, with its every step from the beginning till the end. The results present the environmental analysis for the case organisation. Close cooperation with festival's organisers is done in order to match the result with their point of view and produce reliable outcomes. The research questions are what is the present stage of the festival and what is its future vision including goals and objectives.

## **1.2 Research methods and report structure**

Methodology describes the way to produce reliable knowledge. Objectives of research identify the method used. Qualitative research is suitable when understanding the reasons or meanings of issues. The process of the qualitative research includes such steps as: identifying the problem, data collection, data analysis, formulating the results of the research. Qualitative research uses ready-made materials (articles, publications and documents), observation, interviewing or documentation. (Tonder 2011.)

In this thesis work qualitative research was chosen to study the phenomenon. The type of the research is a case study with a particular case of theatre festival event. For the thesis the literature on the topic and in-depth interview with the festival's organiser were used as the tools.

Interview technique presents one person talking to one or more persons. Face-to-face, individual interview is the most common type of interview. Research interviews vary according to the structure from fully structured to totally unstructured. The fully structured interview includes the prepared structured questionnaire, mostly with closed questions and minimum of open questions. Semi-structured interviews have several topics in focus i.e. some areas to cover, but they do not restrict the actual questions, reproducing more natural-type conversation. Unstructured interviews are usually depth interviews with only overall focus on particular topic. (Robson 2007, pp 73-76.)

Current research uses semi-structured interview (Appendix 1): there are the main areas needed to be covered during the actual interview, but no fully struc-

tured questionnaire. There are fewer preparatory tasks before conducting semi-structured interviews. However, the topics should be identified. The questions should help in studying the research problem, thus they should be relevant. The important part is after-interview analysis of the data. (Robson 2007, pp 74-75.)

There are three basic themes to cover in the interview of current research: external environment, internal environment and future. In-depth interviewing helps to get a more complete response with a personal view on the issues. Organisers have the core idea about the event, its concept and future vision.

In addition, personal participation of thesis' author as a volunteer brings some insights on the event and related issues. Actual experience provides more realistic view and better understanding of the organisation's operations during the event. These experiences are highly reflected during whole research process.

Report is divided into theory and research parts. Theoretical background for this study consists of theory on event management and tourism, strategic management with the greater emphasis on strategic planning process. Event tourism and cultural tourism phenomena are studied in order to understand the essence of the case. Strategic planning process is important to understand as a whole, although the study aims to produce a certain part of it, which is environmental analysis.

The interview findings are shaping the second part of report. The interview is an important part of the research, comprising the structure of the whole research findings. The interview contained three basic topic discussed: strategic planning, external factors including opportunities and threats, and internal factors, which are company's strengths and weaknesses. All the three topics are basically interconnected and some issues relate to all three of them.

## **2 Festivals as events and cultural experience**

A special event is a way to remark the special occasion with particular social, cultural or corporate goals or objectives. The range of events is very wide: from family celebrations to national ceremonies. There are various types of events, all they have connection to leisure, business and tourism. Festival is an event

with specific theme and content. Festivals are an important part of society's cultural life. They are also closely related to the tourism field as they attract people from different places both participants and audience. Art festival is one of the most common among festival types. (Allen et al. 2011, pp 11-12, p.15.)

Festival always has a deep meaning. The basic questions to be answered at the beginning of planning and organising processes are about the purpose (why?), audience (to whom?), content (what?), location (where?). There are certain factors making festival a festival. It is a special event occurring once at a period of time and it stays remarkable. Each festival has a particular audience in some way defining the event. Festival offers a variety of activities. Festivals are often focusing on new and independent works of arts, artists and collaborations. Festivals are taking place at unique locations or using traditional locations in an unusual way. They make the place special in the memory of people. Festivals are simply art. (Department of Cultural Affairs 2013.)

Festivals contribute to the local communities and visitors in a ways of building strong sense of community, cultural identity and pride. Festivals have their effects on tourism development by attracting visitors, creating leisure activities, supporting existing tourism products and services. Festivals provide social development by bringing people together. (Colac Otway Shire Council.)

Festivals represent the heritage of intangible nature: they are an example of cultural consumption, they have economic effects on the area, and these can be evaluated individually in terms of efficiency and performance. Festivals offer cultural experience with a programme reflecting special purposes. Festivals offer live performances reflecting current cultural processes in society. (Barrio et al. 2012.)

Organising a festival is a project. It needs to be planned and to have a list of things to be done in order to make it happen. Depending on the event there could be various things to take care of. In general, every festival maker would face issues related to the areas of financing, logistics, marketing, programming and staffing. (Department of Cultural Affairs 2013.)

Theatre is a form of fine art. According to the encyclopaedia Britannica, theatre is: “in dramatic arts, an art concerned almost exclusively with live performances in which the action is precisely planned to create a coherent and significant sense of drama” (Britannica).

The concepts of “culture” and “tourism” are highly complex by their own, whereas “cultural tourism” also may be defined in different ways. In general approach “cultural tourism” is a consumption of culture by tourists. Culture becomes more a product than a process from the tourism point of view. Cultural tourism is identified by cultural motivation of the tourist, visiting the cultural attractions, satisfying the cultural needs outside the usual environment. Drama, including theatre is considered to be the cultural attraction. (Richards 1996, pp 19-24.)

Throughout the historical development of tourism and culture, the processes of mass tourism and mass cultural consumption have become equal in the late twentieth century. Today they are closely related, and even cannot survive by their own. Cultural products are an integral part of particular tourism products: cultural heritage is a stimulus for tourism development. From another side, the cultural establishments cannot be evaluated only from aesthetic criteria, they as well need to be sustainable in terms of quantitative indicators. (Richards 1996, pp 19-24.)

### **3 Strategy**

A company operates in constantly developing and highly competitive environment. This is true for non-profit, public and government organisations. All of those have their own purposes, goals and objectives to achieve and challenges on their ways. Strategy is a way to cope with circumstances and act successfully. Strategy is a highly complex concept, which is not determined in a single way. Instead there are a number of definitions, each representing its own idea but complementing each other all in one.

Strategy is a plan. It is a guide presenting direction and actions into the future. Strategy can also be a behavioural pattern i.e. chosen specific behaviour stable



over the period of time. Strategy can be determined as position, a combination of product and market, following the theories of Porter. Strategy is also a business concept, a perspective. (Mintzberg 1994, p. 23.)

Strategic management is vital for non-profit organisations. They are constantly experiencing the pressure from their environments: economic crises, demographic changes, digitalization and threat of losing financing are examples of those. Strategy represents a base for decision making and a way to respond to changing circumstances.

Non-profit organisations usually have some specific purpose, and commercial performance is not the objective of their operations. It is vital to identify and reflect the values in strategic management of such organisations. It needs to take into account the voluntary nature of the operations in non-profit organisations. Other significant factors are more complicated decision making and its greater degree of uncertainty. (Lynch 2009, pp 22-23.)

### **3.1 Strategic management**

Strategic management aims to identify the purpose of the organisation and the methods to achieve that purpose. Strategic management occurs mainly on corporate and business levels. At the general corporate level a company determines its business, organisation and general direction. At the individual business level the company concerns about its customers, value and competitive advantage. (Lynch 2009, pp 5-6.)

Three main areas of strategic management are strategic analysis, strategy development and strategy implementation. The important parts of strategic analysis are analysis of the environment, analysis of resources and identification of vision, mission and objectives. Environmental analysis inspects the situation outside the organisation. Analysis of resources studies the assets inside the organisation. In order to identify strategic direction company develops its vision, mission and objectives. Strategy development is about considering the options, choosing the rational selection criteria and creation of the strategic route. Strategy implementation is the process of further realisation of the options. The ac-

tivities in all three areas might operate consequentially but might as well be simultaneous. (Lynch 2009, p. 13. pp 17-18.)

The two main approaches to strategic management development are prescriptive (also called deliberate or planned) and emergent. The prescriptive approach implies rather a consequent process with the objectives and the main elements of the strategy developed in advance. While application of the emergent approach assumes the final objective to remain unclear and the main elements of the strategy to be developed throughout the whole process. Both approaches are beneficial and are not mutually exclusive. (Lynch 2009 pp 16-17.)

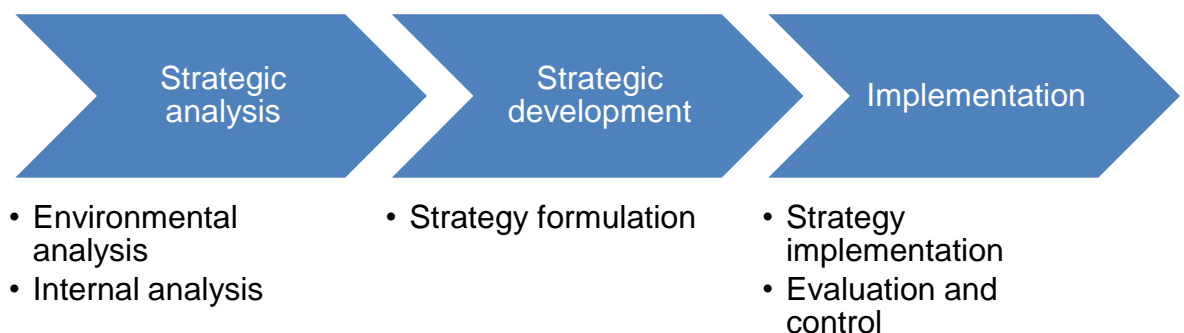


Figure 1. Strategic management process (Lynch 2009, p. 18, p. 397).

Figure 1 illustrates the prescriptive model of the strategic management process. Three major areas include minor steps: environmental analysis, internal analysis, strategy formulation, implementation and control. Environmental analysis stands for the external threats and opportunities and internal analysis for strengths and weaknesses. Strategy formulation includes mission, objectives, strategies and policies. Strategy implementation contains programmes. Evaluation and control aim to secure the process and its results. (Lynch 2009, pp 397-398.)

### 3.2 Strategic analysis

Strategic analysis may be divided into two major parts: environment-based analysis of external factors and resource-based analysis of internal factors. Development of vision, mission and objectives goes along with these stages. Fur-

thermore there are particular issues regarding analysis in non-profit organisations.

The role and purpose of non-profit organisation are defining further building the strategy. Next such organisations are often competing with each other for the funding from other parties. This brings the necessity of careful analysis of sources of funding and attitudes of public towards the organisation. (Lynch 2009, pp 657-658.)

Vision is a picture of an organisation's future with the role and objectives being considerably beyond its current state. Vision describes organisation's ambitions and directs further mission and objectives. Vision represents a challenge an organisation sets itself as it may define a major change in current purpose of organisation. (Lynch 2009, pp 227-229.)

Mission is the definition of the company's purpose, it should explain the reasons why the company exists. Mission can be formulated either very narrowly or broadly. But it should clarify such issues as: customers, major products or services, competition field, technology and economy concerns, organisational philosophies, major competences and attitudes. (Katsioloudes 2006, pp 8-12.)

Goals are the open-ended statements of planned accomplishment. The special characteristic of goals is that they present a broader approach of company's development. They provide a focus to the mission statement, but do not specify it in term of figures and precise achievements. Profit-oriented organisations often have their goals connected to the profit creation, but there are secondary goals such as market share, innovation, productivity, resources, performance and social responsibility. (Katsioloudes 2006, pp 12-13.)

Objectives are the returns of the company's operations. They describe the desired end results of performance. Their feature is to provide specificity by presenting concrete figures e.g. objectives describe how much should be accomplished and by what time it should be done. (Katsioloudes 2006, pp 12-13.)

It is important for the festival to create value, especially in case organisation's operations are not for profit. Festival should integrate the purpose, understand-

ing of the audience, uniqueness of the presented artists, and sense of place. For the event questions of values and visions are not just a part of strategic management, they are the issues affecting the whole organisational and planning processes, as well as actual event. (Department of Cultural Affairs 2013.)

Theatre festival is an event connecting culture and people. It is a place where artistic products are presented, therefore it is important to have a view on the present and future of creative industries. Due to the structural changes in society the importance of traditional industries is decreasing moving a focus on creative ones. Creative industries include art production in such areas as animation, cinema, visual arts, television and radio, music, dance and theatre, design, architecture, handicraft. Different services associated with these fields are also a part of creative industry. In 2008 creative industries generated about 3.2 % of Finnish national GDP and employed about 4.3 % of all employed labour force in country. Creative economy sector is the key to the country's competitiveness, but it is highly dependent on official institutions. (Creative Industries Finland 2011.)

Society's values and vision are changing. Qualitative aspects of life are more valued. Important concepts of Finnish consumers nowadays are experience, sustainable development and digitalization. In addition, Finnish society today is a highly educated and fully digitalized society. (Creative Industries Finland 2011.)

There are particular trends viewed by cultural managers. Some of them are mentioned in "Megatrends Shake the Field of Cultural Management" study by Tuottaja 2020 –project. (Halonen 2011.) These signals of the future are related to the art festival as a place representing modern art production.

- Art and cultural products should provide a more full experience, for example by involving all the senses. Although it means a higher level of technological provision, it may bring original ideas to make event more distinctive.
- Culture should introduce some concepts and ideologies to help people slow down from the dynamics of everyday life.

- New ideas for unifying people should be introduced. As an example, flash mobs or guerrilla marketing are the ways of creating sense of belonging and new meaning of city space.
- New technology and broad possibilities of virtual world are affecting events more and more.
- Globalization is without a doubt a part of life, but at the same time local content becomes more valued.
- Project based work is a common way of work. Outsourcing for an expertise may become necessary in festival management.
- Customer is getting more engaged into production by the means of the Internet and virtual communities.
- It is more difficult to identify the customer profile as people are less possible to classify by their behavioural patterns and interests – i.e. they do not form solid groups.
- New ways of using urban space e.g. unusual sites as factories.  
(Halonen 2011.)

In connection to the case festival it is relevant to overview significant events of the similar type. They are Avignon Festival and Tampere Theatre Festival. Both events are theatre festivals and are recognisable: Avignon Festival on European level and Tampere Theatre Festival on Finnish national level.

Avignon Festival or Festival d'Avignon is a theatre art festival, taking place in town of Avignon, France. The festival was founded in 1947 by Jean Vilar. At that time there was a period of considerable rebirth of French theatre and from the beginning the festival became a meeting point for everyone who was interested in modern arts and theatre. (Festival D'Avignon.)

From 2004 the whole organisational team is based in Avignon. They have strengthened the local base by close cooperation with local companies. At the same time they keep close relation with European theatre organisations. Each year there are associate artists invited in order to create each festival which would reflect a specific vision and theme. (Festival D'Avignon.)

Each year Avignon becomes a forum, a place for discussions – dialogue and debates. Contemporary art is in the heart of the festival. Today Avignon Festival is one of the most important performing arts events in the world. Festival's programme is a result of work of about thirty artistic teams with one or several performances. Every evening there is at least one show première. (Festival D'Avignon.)

The choice of the artists and projects is made by the Festival's artistic director, there is no selection committee. The Festival's directors are appointed by the board, and have to be formally approved by the Mayor of Avignon and the French Culture Ministry. The artistic director has always been independent in creating the programme. (Festival D'Avignon.)

Each year Avignon Festival presents between 35 and 40 shows using about 20 venues. The viewers' structure is as follow: 35 % are from the region around Avignon, 20 % from the Ile-de-France, 35 % from other French regions and 10 % from abroad. The average attendance level is higher than 93 % since 2008. The team consists of 25 permanent staff members and about 750 employees in July. The association is funded by the French government (Ministry of Culture and Communication), the city of Avignon, the Grand Avignon communauté d'agglomération, the Vaucluse administrative department, the Provence-Alpes-Côte d'Azur region and the European Union cultural program. Avignon Festival generates notable income to the city of Avignon, with 23 million Euros in 2001, without taking into account other events e.g. "Off" part. (Festival D'Avignon.)

The example of recognizable theatre event on Finnish national level is Tampere Theatre Festival. It has a history since 1968. Today Tampere Theatre Festival is the biggest theatre festival in Finland, recognizable as well in Scandinavian and North European regions. It includes "on" and "off" parts, with "on" being official festival programme and "off" for those participating on their own extent. "On" programme consists of 25 participants, 15 of whom are Finnish and 10 international theatre organisations. Small-scale performances at the local restaurants are the integral part of the festival. Generally, the event has a focus on the Finnish national theatre art. Festival emphasizes the role of discussions, seminars and meetings. (Tampere Theatre Festival.)

### 3.2.1 Strategic environment

Environment means everything and everyone outside the organisation (Lynch 2009, p. 76). Understanding the environment facilitates development of sustainable competitive advantage and identification of opportunities and threats. However, uncertainty degree and variety of influences are necessary to consider. These factors create difficulties along with the possible discussion of which analysis method to choose. (Lynch 2009, p. 77.)

The dynamics of the environment can be measured by changeability and predictability. Changeability is a degree to which the environment is likely to change and predictability describes the degree to which the change can be predicted (Lynch 2009, p. 80).

PESTEL analysis is one of the tools for evaluation of strategic environment and it includes Political, Economic, Socio-cultural, Technological, Environmental and Legal aspects. Examples of the analysis issues are presented in Table 1. PESTEL checklist is a good starting point for the environmental analysis. However, it is considered better to have three or four well-analysed essential points instead of a long list which would present little value (Lynch 2009, pp 82-83).

Political	<ul style="list-style-type: none"><li>• Legislation</li><li>• Degree of ownership by the government</li><li>• Relationship between organisation and the government</li></ul>
Socio-cultural	<ul style="list-style-type: none"><li>• Values and culture</li><li>• Lifestyle</li><li>• Attitudes</li><li>• Demography</li><li>• Education</li></ul>
Economic	<ul style="list-style-type: none"><li>• Investment</li><li>• Costs</li></ul>

	<ul style="list-style-type: none"> <li>• Economic growth</li> <li>• Unemployment</li> </ul>
Technological	<ul style="list-style-type: none"> <li>• New technology</li> <li>• Development of unrelated industries</li> <li>• IT</li> <li>• Infrastructure technologies</li> </ul>
Environmental	<ul style="list-style-type: none"> <li>• Environmental issues</li> <li>• Energy consumed</li> <li>• Waste disposal</li> </ul>
Legal	<ul style="list-style-type: none"> <li>• Industry's laws and policy</li> <li>• Safety issues</li> <li>• Trade regulations</li> </ul>

Table 1. PESTEL analysis (Rosen 1995, p.144; Lynch 2009, p. 82).

Political and legal bodies have influence on legislation and economic policy. They can own some businesses or regulate some industries. All businesses are affected by government to different extent. Political stability identifies the risks carried out by organisations. Economic system has a great influence on organisation's operations. Socio-cultural influences define the preferences and attitudes dictated by national or regional culture. They are connected to the taste of the customers. Then demography describes the population's structure which has an impact on market demand. Technological factors influence organisation's operations, communication and other activities. Environmental influences refer to natural and built environment and practices connected to their sustainable development. (Evans et al. 2003, pp 157-166.)

In Finland a non-profit organisation can operate as registered or non-registered. Being officially registered gives legal capacity to the organisation. For example, it can own property in the name of association. It can enter different contracts, petitions and applications. Members of the registered organisation are not personally liable for the actions on behalf of the association. (National Board of Patents and Registration of Finland.)



An association should be founded by minimum three natural persons at least 15 years old or by legal organisations. Both of these can be founders, foreigners also can be founders. (National Board of Patents and Registration of Finland.)

Non-profit organisations are registered in the Register of Associations. A non-profit organisation is a permanent institution founded by several persons or organisations for a realization of common purpose. Non-profit organisations differ from economic organisations in that they do not aim at gaining profit or other economic benefits. Some examples of non-profit organisations are political parties, trade unions, athletic clubs, charitable organisations and clubs. (National Board of Patents and Registration of Finland.)

Socio-cultural factors are of considerable importance for festival making because its success depends on local community's reception and involvement. In this relation the fact that case organisation's founders are non natives should be noted. A study of immigrants' entrepreneurship by T. Joronen is addressed in order to understand special features of foreign enterprises. Immigrants represent a group diverse in their skills, educational backgrounds, life and professional experiences. They take over various fields of business. One of the greatest advantages associated with the foreign entrepreneurs is their ethnic networks, which can compensate lack of skills, capital, know-how and labour. At the same time ethnic background is not always a key factor for solidarity in the same group in connection to the business. (Joronen 2002.)

According to the study of immigrant entrepreneurs conducted by Swedish government in 1999, the success factors of the immigrants' businesses are innovative ideas, entrepreneurial spirit, acquiring the information, knowing the competition, ability to stand the setback of the initial phase of the business, contacts and networks, sufficient language skills and cultural competence in the area, familiarity with services and marketing. Successful acquiring the information and knowledge of local service system are the factors helping in setting the business in the market place and adapting to the local regulations. Creating a network of contacts is important. It requires ability to cooperate, communication skills, knowledge of stakeholders and customers. Above all language skills contribute to the overall success. (Joronen 2002.)

In Finland immigrant entrepreneurs are operating primarily in the sectors of foreign trade, restaurant and retail services. There is a trend of immigrants' business sectors moving from low-technology into high-technology fields. The majority of entrepreneurs in Finland are originating from neighbouring countries and Central Europe. These businesses are concentrating mainly in Helsinki region. (Joronen 2002.)

Talking about the immigrant entrepreneurs' view on Finland as a place to have a business, there are both positive insights and criticism, often it has connection to the business sector and the length of staying in country by entrepreneur. In general, immigrant entrepreneurs find the business atmosphere fairly good with all the necessary conditions for operating. Low corruption levels, reliability and security are considered as advantages of Finland as a place to start an enterprise. Biggest problems usually occurred when finding a starting capital and understanding the legislation. Criticism includes distrust of foreigners and difficulties in communication and networking. (Joronen 2002.)

According to the Japanese strategist K. Ohmae there are key factors for success which help identify only essential resources for the company's strategy. They are customers, competition and corporation. The customers stand for the organisation's customer segment. The competition identifies the best position to win the competition. Corporation explores company's special resources. (Lynch 2009, pp 93- 94.)

Analysis of competitors can be a part of environmental analysis. The outlook at organisations-competitors produces comparison and evaluation of one's own recourses. Competitor profiling includes such aspects as objectives, resources, past performance, current products and services and present services. Competitor analysis is essential to stand the competition, but it should consider that the organisations are constantly changing. (Lynch 2009, pp 106-107.)

In the case of theatre festival it is complicated to present applicable competitor analysis due to the fact that there are no events of the similar type, at the same time and in the same area.

Customer analysis's aim is to determine the customer and the market. Further specification of the market segmentation allows classifying them to those who are more profitable and attractive, faster-growing or having more competition. (Lynch 2009, p. 108.)

### **3.2.2 Resources and capabilities**

Resource analysis is a part of strategic analysis and it provides a better understanding of how resources can deliver best products and services and how they benefit the company in the competition i.e. identify the value added and competitive advantages. The fundamental questions in analysing the resources are what are the resources and capabilities of the company; why does it own them; why are they important; how can they be improved (Lynch 2009, p. 122). One of the difficulties in the analysis of resources and capabilities is the uncertainty of the environment which makes it difficult to estimate the market conditions and competitor's actions. The complexity of the analysis might make it hard to understand and apply the results. In addition a disagreement regarding resources might occur inside the organisation. (Lynch 2009, p. 125.)

There are different types of resources, each representing different function and value to the organisation. Tangible resources are the physical resources of the organisation e.g. equipment or facilities. Intangible resources have no physical presence but benefit the organisation e.g. brand or technological know-how. Organisational resources are the skills, management and leadership of the organisation. (Lynch 2009, p. 123.)

Human resources take special place both in non-profit and event fields. These resources are often connected to the networks of contacts, branding and reputation, supporters such as volunteers. They are classified as voluntary help providing the funds and/or the service; specialists providing high-level expertise; leadership and governance bodies managing the organisation. Human resources are characterized by number of employees, their costs for the company, structure, skills and motivation, interrelationship, networks. (Evans et al. 2003, pp 75-76; Lynch 2009, pp 663-664.)

In case of festival producers play significant role. Main responsibilities of festival producer include planning, promotion and coordination of events. Other responsibilities may go across various fields, for example logistics, catering or technical support. Festival producer is involved in every stage of event management from programme making and contracting to staff communication and supervision. This is quite a demanding position due to complexity of event management. For this reason it is impossible to do this job as a part-time position, it requires full-time effort and total dedication. (Melbourne Fringe Festival.)

Festivals are highly dependent on volunteers' work. Volunteers' most important role is in creating the spirit inside organisation and communicating event to the locals. In order to attract volunteers organisation should understand their expectations and motivations. Usually volunteering is based on personal interest. What motivate people to join the event are opportunities on getting new experiences and joining people with the same interests. Traditional rewards are free entry, meals and staff parties. There could be some more challenging tasks requiring more professional skills. In that case organisation cannot rely solely on volunteering staff. (Iso-Aho 2011.)

Organisational culture is closely related to the human resources issue and describes beliefs and norms of an organisation. Culture is determined by various things like: founders' philosophy, industry in which company operates, interpersonal relationships, management style, national culture of the area, organisational structure and technology. (Evans et al. 2003, pp 79-80.)

Important organisational activity is event marketing which may as well be regarded as resource. "Marketing mix" or "4Ps" were introduced by E. J. McCarthy in 1960 and widely used ever since to evaluate company's situation in marketing field. The 4Ps are product, place, price and promotion. Product or service defines the essence of the company's production and its features. Place describes the access point of the product and the distribution channels. Price is simply the value of the product for the customer. Promotion comprises all related activities or ways of reaching the customer. (Mind Tools.)

### **3.3 Strategic development and implementation**

Strategic development is concerned about development and selection of strategic options. Decision-making is a difficult task therefore strategic analysis is done- to acquire the necessary information about the current situation of organisation. Identification of strategic options is reasonable to begin from summarizing strategic analysis results which is often done by using SWOT analysis technique. SWOT is an acronym for Strengths, Weaknesses, Opportunities and Threats and it is the technique used for summarizing the results of various types of analyses. The strengths and weaknesses are based on the internal analysis i.e. resources and capabilities, and the opportunities and threats on external analysis of the organisation i.e. strategic environment. The main difference between internal and external factors is the degree of managerial control over them. Resources and capabilities are under control of management while external environment cannot be controlled. The SWOT represents position statement i.e. the company's place in relation to the environment. The analysis is not a strategy itself but a platform for further steps in strategic planning i.e. developing of options. (Evans et al. 2003, pp 196-197.)

The SWOT is often produced in a form of table where each factor is a separate point. The analysis should display only those factors which have a major impact on past or future performances, and/or present competitive advantage. In order to keep the table clear, too much detail should be avoided, each aspect should be kept short and to the point. The factors are sometimes relative and present some level of judgement. The analysis includes not only "hard" data but other non-measurable factors e.g. leadership. The points should be arranged in order of the preference to the most important ones. The short SWOT list with rather specific and realistic factors is more effective than a long list of points with little logic. (Evans et al. 2003, pp 198-199; Lynch 2009, pp 302-303.)

There are a number of approaches to the planning process. Direct approach identifies strategic options straight from previous analyses and statements made. This approach suits in case organisation does not have any precisely defined goals, mission and vision or when it exists in more changeable environment, where a strategy needs to respond to the immediate changes. Next,

goals approach emphasises goals and objectives the most: they are defining the strategy. This approach works in case of specific goals and objectives were identified in details. Then scenario approach takes into account the developed vision of the company and constructs the strategy accordingly. (Bryson 1988.)

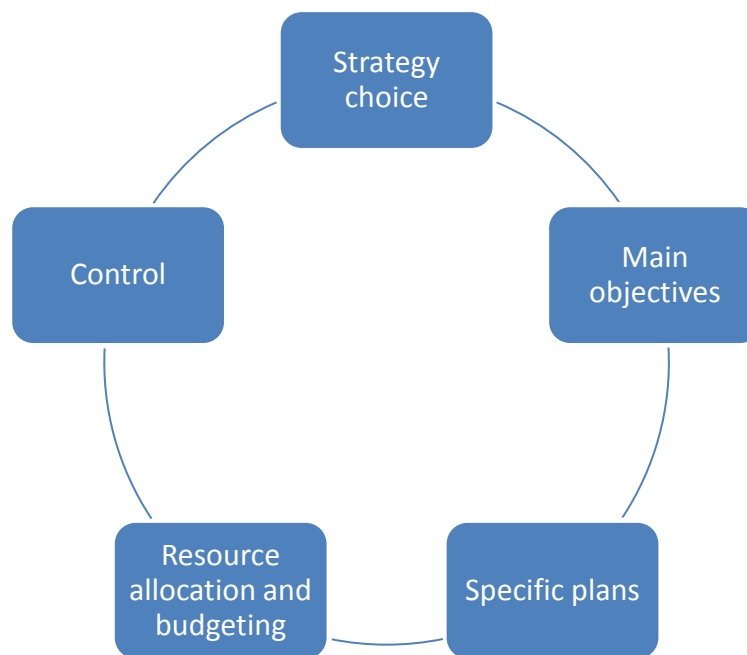


Figure 2. The basic implementation process (Lynch 2009, p. 491).

Figure 2 illustrates the elements of basic implementation process. Implementation involves identification of main objectives, which is a statement of expected results. Then follows plans formulation i.e. creation of specific tasks to achieve the objectives. Resource allocation and budgeting demonstrates how the plans are financed. Control and monitoring activities are about making secure that results correspond to the objectives. Strategy is a set of actions, policies, programmes and allocations. The result of strategic planning is a detailed work programme based on the previous analysis and proposals. It should have its limits and fit into a certain timeline. It should be ethical, legal and moral. (Bryson 1988; Lynch 2009, p. 491.)

There are several contributory factors of successful implementation process. Firstly, there should be a manager responsible for the implementation process.

Then organisation should create the culture which would support employee co-operation. It is crucial that the strategy is understood at every level of organisation. In addition, reward systems are helpful in motivating staff. Appropriate information and communication systems are supporting the process. (Rosen 1995, pp 111-112.)

Strategy evaluation and control is a continuous monitoring of strategic actions' results (Rosen 1995, p.223). Strategic evaluation is about analysing how successful the chosen strategy is and tracking the change caused by it. This is a continuous process. Strategy evaluation may be completed by using variety of techniques. Most of them are based on measuring organisational performance e.g. financial ratios. But for non-profit organisation some additional values should be found. (Rosen 1995, p. 226, p. 230.)

## **4 Research design and findings**

The following chapter introduces the case organisation along with the case event, including brief historical overview and the present state by describing the event in 2013. Afterwards it describes the research methods in detail.

### **4.1 Case organisation**

Black and White Theatre Association is a non-profit organisation founded in March 2003 in Imatra. At that moment the main aim of the association was to present and develop puppet theatre in Finland. Internationalization has been an important concept ever since the beginning.

The first festival was held during the period of 17-18 June 2004, with total of 10 performances (seven of them were with free entrance) by six theatres from Finland, Russia and Germany. Total number of audience counted to 2000 visitors. The event was considered to be successful due to the fact that it gained a lot of attention.

The festival was developing further with more participants from different countries taking part in it each year. The second and the third festivals were held during 10-12 June 2005 and 15-17 June 2006 respectively. Finnish, Russian,

Polish, Iranian, Austrian and Kenyan artistic groups were presenting their performances.

The fourth festival in 2007 had the name changed to its present. The concept had changed also. Before the festival comprised primarily puppet theatre, whereas after 2006 it became oriented on all theatre styles and genres. During the period from 14 June till 17 June 2007 18 groups had showed 20 plays to the audience of all together around 2000 people. Such countries as Finland, Russia, Poland, Azerbaijan, Ukraine, Estonia, Turkey, Portugal, Germany and Iran were presented.

The following festivals continued representing diverse forms of performing arts along with inviting artistic troupes from all over the world. The number of spectators is growing each year. Festival is attracting tourists and makes contribution to the town's economy.

The 10<sup>th</sup> Black and White Theatre Festival took place in Imatra and Lappeenranta during the period from 18 May till 25 May 2013. About 20 theatres from 9 countries presented 22 programmes with all together 40 performances. The programmes presented were diverse in genres: street theatre, puppet theatre, children's theatre, classic dramas, modern dance and street music performances.

## **4.2 Research methods**

The research is based on qualitative methodology. The interview is an important part of the research, comprising the structure of the whole research findings.

The interview took place on May 29, at Imatra Theatre, Imatra, Finland. The interviewee was Ms. Katri Läht, one of the founders and organisers working on festival since the foundation of the event. During the interview the questions were asked in oral form and the answers were recorded on a paper.

The interview contained three basic topics: strategic planning, external factors including opportunities and threats, and internal factors, which are company's strengths and weaknesses. All the three topics are basically interconnected and some issues relate to all three of them. The research findings are based on the



interview and supported by official documents of organisation. The results are presented in a form of SWOT-analysis. SWOT matrix was chosen as a tool for analysing the current situation of the festival.

### **4.3 Strategic planning**

The question was if the association is engaged into strategic planning and if they are, how systematically and precisely they work on strategy and future planning. The main aim of this part was to understand to which degree the company is acquainted with strategic management.

Black and White Theatre Festival organisers do have the general plan for future development. They share the common vision of the festival and values which they apply in working on it. They also have defined goals and objectives.

### **4.4 Environment analysis**

External analysis part describes the external factors having effect on organisation's activities. In this part the factors affecting the organisation from outside are studied. Legal and socio-cultural aspects are in focus as they were mentioned during the interview. First of all the formal organisational structure and regulations are described, then socio-cultural influence discussed.

#### **4.4.1 Legal aspect**

In order to understand how outside factors affect the organisation's activities it is necessary to take a look at official regulations concerning the association. Organisation should be officially registered to be supported by the government. The main duties are to present the future action plan and report the results. Generally, these regulations do not affect the image of the event itself.

Black and White Theatre Association is an officially registered non-profit association. It has an official code of Black and White Theatre Association from June 20, 2003, which is a set of rules defining the organisation, its purpose and activity, members and their activities.

The official name is Black and White Theatre Association (Mustan ja Valkoisen Teatteri –yhdistys), based in Imatra. The main aim of the association is to provide high quality theatre activities, including puppet, mime, shadow, drama, miniature and children's kinds of theatre. The association's responsibilities are:

- to maintain the association
- to organise events
- to present their own performances
- to organise exercises, workshops and facilities
- to organise educational sessions
- to represent themselves on national and international levels
- to carry out their own research, information and publishing services
- to cooperate with related domestic and foreign organisations
- to make proposals to the authorities
- to deliver attestation

The association is eligible for following procedures:

- to organise paid events
- to own immovable and movable property
- to organise relevant permitted fundraising lotteries, sales and entertainment events
- to receive contributions and legacies
- to establish funds
- to run a café in one place of business

The association does not intend to obtain profit through these activities. (Mustan ja Valkoisen Teatteri -Yhdistyksen Säännöt.)

#### **4.4.2 Socio-cultural aspect**

Organisers see the importance in society's acceptance. Perception of the organisation from society's side is an important factor directly affecting the success of operations. Black and White Theatre festival's main organisers are not Finnish and that has effect on how association works and the attitude towards festival from the side of officials for example. The question is if there is a threat

of being denied by society connected to the fact that organisation's activities are led by non-natives.

When applying earlier reviewed study about immigrant entrepreneurship to the case of Black and White Theatre Festival, the organisers do have an immigrant background, but they have settled in Finland long enough and do not have difficulties with language skills and cultural competence. They had a professional experience in the field prior to establishing festival. Their background brings them considerable advantages, such as broader contact networks outside Finland, which contribute to the multiculturalism and diversity of the festival's programme. Diverse language skills and cultural competence are advantages when working with international companies.

#### **4.5 Internal analysis**

Internal analysis describes organisational resources which are its strengths and weaknesses. Black and White Theatre Festival's strengths are the festival's programme and hosting the participants. Event's weaknesses are marketing and lack of professionals engaged in organisational processes of the festival.

##### **4.5.1 Financial resources**

The main opportunity is in getting additional financial resources. Being accepted into town's budget is the main priority for the organisers. The association has already become a part of the governmental budget, but being recognised on a town level would bring more advantages. Town's administration offers the best possible financial opportunities. Being recognised by this institution contributes to the recognisability of the event and brings it on a new level. The main difficulties are in competition with other local events and the attitude of officials. High-quality theatre troupes demand higher honorariums and better conditions. This is the reason why financing is critical for the festival- it has direct effect on the programme.

According to the "Toiminta- ja taloussuunnitelma vuodelle 2013" document which is operational and financial plan for the year 2013, the budget of the Black and White Theatre Festival in 2013 consisted of grants, sponsorship

money and ticket sales. Figure 3 "Budget 2013" demonstrates the proportion of resources in festival's budget. The biggest share belongs to the money received from grants, which are the money from official institutions i.e. government. Revenues from ticket sales comprise 10 % of overall budget, which makes it bigger than sources received from sponsors 6 %. (Toiminta- ja taloussuunnitelma vuodelle 2013.)

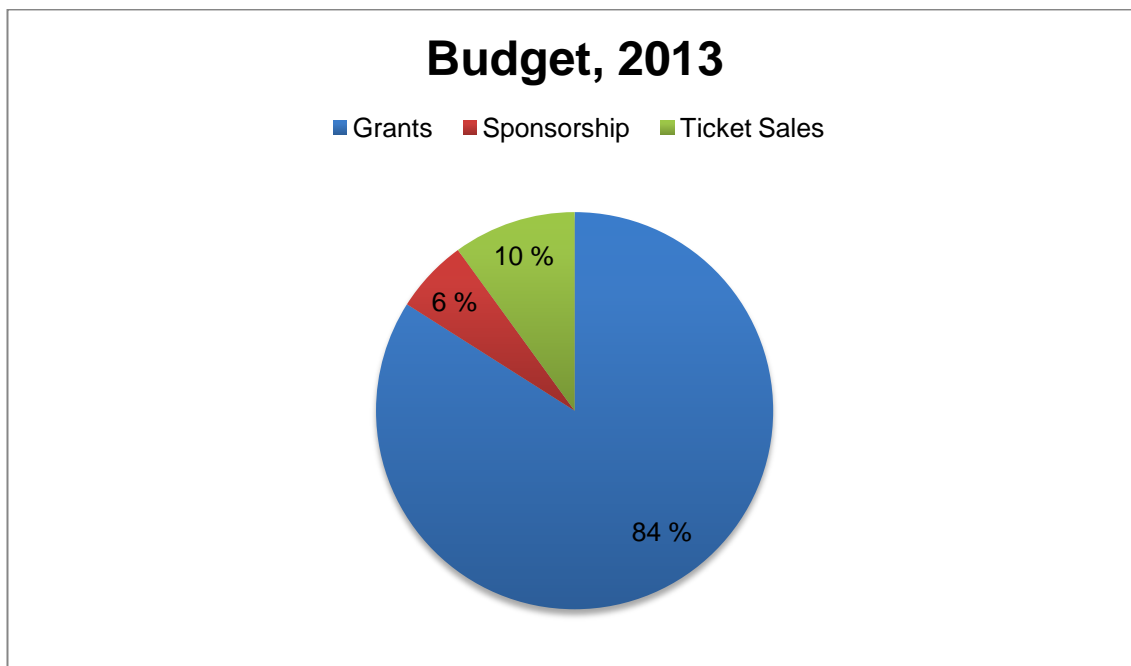


Figure 3. Budget of Black and White Theatre Festival 2013

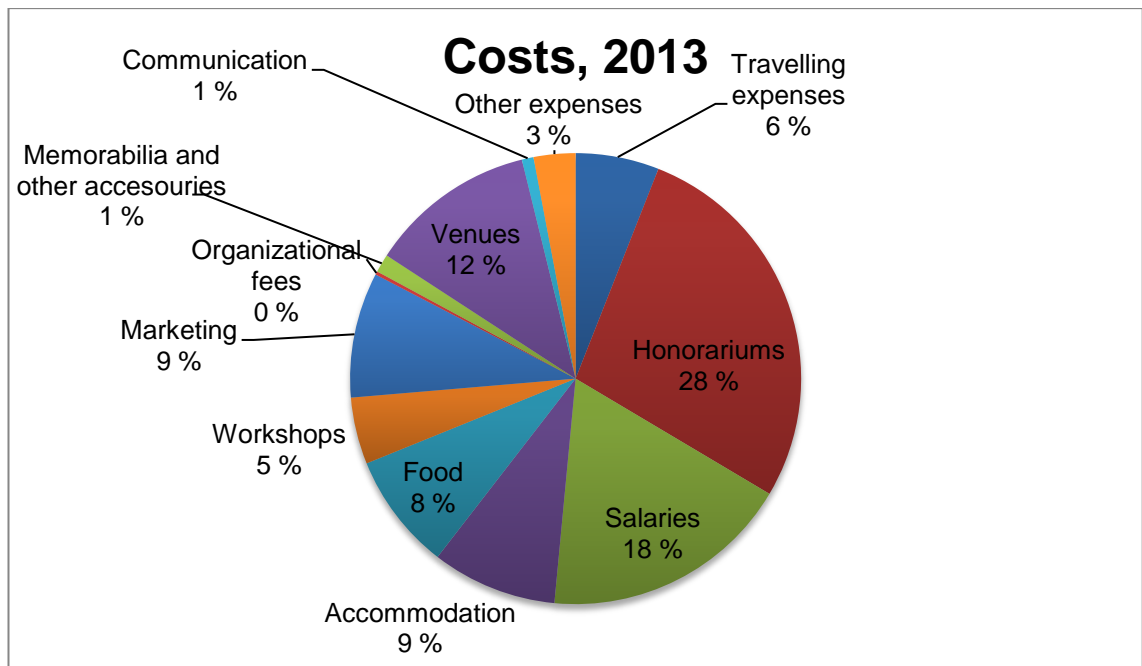


Figure 4. Costs of Black and White Theatre Festival 2013

Figure 4 introduces the association's expenditures in 2013. Honorariums make the biggest share with 28 % from overall costs. Festival staff salaries comprised 18 % in year 2013. Other categories connected to hosting the event and participants are accommodation (9 %) and food provision (8 %) costs. Marketing makes 9 % of overall costs. Rent of the venues including the venues' staff salary is altogether about 12 % of overall costs. Fees paid in order to organise events make less than 1 % from overall costs. (Toiminta- ja taloussuunnitelma vuodelle 2013.)

Comparison to Avignon Festival, the biggest European theatre festival, displays that 55 % of its financial resources come from official subsidies and 45 % from festival's own revenues. Costs breakdown structure is formed as following: one third of the budget is for show and co productions purchases, one third is for performance venues and a third is for operations and communication. (Festival D'Avignon.)

#### 4.5.2 Intangible resources

In this part festival's artistic programme and hospitality aspect are discussed as the most important intangible resources of the organisation and the festival.

## **Programme Making**

Programme is the basis of the festival, it defines the event. Programme making is one of the most important responsibilities of the festival organisers. They have to share the same values and apply the same principles while choosing the participating performances. Programme is considered to be the strong side of the Black and White Theatre Festival. Author's personal experience of working at the festival proves this fact: performers, guests and staff were evaluating the programme of 10<sup>th</sup> Black and White Theatre Festival as one of the strongest qualities of the event. The organisers are not new people in theatre field and have suitable education and experience in the field.

Personal connections are playing a crucial role in programme making. They allow organisers' to find out about the best in the theatre world and also to bring the festival to theatre community, to make it recognisable. Personal connections are one of the ways to be more independent from budget and bring highly professional theatres from abroad.

## **Guests' Hosting**

Hosting the participants has been defined as a strong point of Black and White Theatre Festival. Being hospitable is an important issue for the organisers because it affects the perception of the event from participants' point of view, which has an effect on festival's reputation in artistic field and willingness of the groups to participate. If the artist gets good impression of taking part in event, he or she most likely would participate the next time or act as a "word of mouth" in professional contacts. There are many things which make the guests' hosting good, generally it is important to create the right atmosphere contributing to the festive mood and networking.

Association always provides the participants with accommodation and catering during their stay. Everyday dinners which gather all the participants and staff are an important part of the event. They are the true focus of the off-stage part of the event and the centre of communication and collaboration. Artists need this supportive environment, and right reception is a way to make the festival attractive for the participants which is as important as attracting the viewers.

These gatherings are also the platforms for making new contacts which is valuable for festival organisation as it is one of the ways to find new artists and to share experience i.e. researching in the area of contemporary trends and happenings in the field of performing arts.

#### **4.5.3 Organisational resources**

Organisational capabilities include the skills and management of the organisation. The following part reviews marketing operations and human resources aspects.

##### **Event Marketing**

Organisers express the opinion that event marketing has always been the weak point of the festival. In order to analyse this issue it is necessary to address marketing mix tool. The 4Ps are product, place, price and promotion.

The main customer segment of the festival is the people interested in art, performing arts and especially theatre. Black and White Theatre Festival represents diverse forms of theatre - it is not specifically oriented. This makes the more precise definition of the customer base possible only for each event separately, as festival includes performances of various types and genres. For example, significant part of the festival programme is the children-oriented performances such as puppet theatre, and in that case the customer segment consists of families with children, organisations such as schools and day care centres. Customer segments for more specific types of performances i.e. classic drama, modern dance or cabaret show would be the people interested in those genres. The most general public belongs to the street performances as it includes a lot of passers-by including citizens and tourists, people of different ages. From the customer segment point of view marketing activities may differentiate depending on each performance as well the marketing mix may be done in a more detailed way.

The product of the festival is simply an event. In case of Black and White Theatre Festival it is the cultural and art event in various forms, but all of them performing arts and especially theatre. The programme is broad and diverse, the

quality matters the most. This makes it possible to have a broad customer segment and at the same time difficult to identify this group precisely.

Black and White Theatre Festival takes its place in Imatra. Imatra is a Finnish town founded in 1948. Nowadays it has a population of around 28, 000 people. Imatra is situated close to the Russian border, the nearest big cities are Helsinki (230 km) and Saint Petersburg (210 km). The town has a strong paper industry. (Imatra.)

Imatra is a tourist destination. South Karelia region is the leader in overnight stays (Statistics Finland 2013). Imatra as a destination presents the necessary condition for holding such types of events as Black and White Theatre Festival. There are two professional stages at Imatra theatre and Karelia Cultural Centre; several less equipped but possible for using halls in clubs and similar organisations; pedestrian street which is a touristic centre of the town.

Awareness has been of the weak point of Finland as a tourist country. Finland is considered to be comparatively “unknown” destination. International events are one of the ways of enhancing Finland’s image as a tourist destination. They are contributing to the tourism industry and help increasing awareness of the destination. (Ministry of Employment and the Economy.)

The price range varies from performance to performance. There are usually some performances with free entrance. The prices are meant to be affordable in order to make event available for a large group of people. There are discounts for students, unemployed and retired. The organisers’ main concern is in willingness of person to participate, they are flexible with price issue and ready to compromise: there were cases when they allowed people to enter for free by the personal request.

Advertising, personal contacting and social media were used in promotional activities of Black and White Theatre Festival. Especial role is given to the street performances, during which the staff and volunteers are actively promoting the event and particularly not free performances. Festival has groups on social platforms as Facebook and recently VKontakte and Tweeter.



In concern of product, place and price, the marketing mix of the festival suits the event and reflects its demands. Promotion lacks some tools and creativity. Festival makers should be highly active in order to reach the customers. Above all, marketing activities are often determined by financial means.

### **Need for professionals**

The organisers would like to hire professional producer to work on event as a fulltime worker. First problem is finding financial resources to hire someone. Another is to find the right person, who would be skilled enough, would like to live in Imatra and what is more important believe in festival and its future.

Strong planning, organisational and interpersonal skills are necessary for a person on this position. But also most of all as was mentioned in the interview, the producer should be the one who is personally interested in the festival and more importantly passionate about it and its results.

Another obstacle is in financial side of the problem. Producers should be paid and the organisers should find financial resources for hiring staff. Ideally there should be sponsorship providing the salary for one or two years ahead so that a person would have a long-term employment perspective from the beginning.

Volunteers' work has already become a solution for carrying out some of the duties. Volunteering is an example of networking with local educational institutions and other enterprises. During 10<sup>th</sup> Black and White Theatre Festival volunteers were taking responsibilities in marketing (e.g. translation, personal contacting, advertising, managing social media platforms), catering, performers' assistance, ticket sales and even support in technical maintenance and construction.

### **4.6 Future vision, mission and objectives**

Vision describes a challenge an organisation sets for itself. According to interviewee, Black and White Theatre Festival should reach the same level as Avignon Festival in France. This concerns the scale and awareness of the event. It should become the "heart" of the town during the period it is happening.

Both of the strongest theatre festivals presented earlier in theoretical part, Avignon Festival and Tampere Theatre Festival, are operating based on cooperation with some big theatres existing in these locations. Both festivals represent national art by giving it high share of the programme. Both events transform the place into centres of modern art, collaboration, discussions and disputes. Both festivals includes “on” and “off” parts with “off” part being attractive for unknown artists wishing to make a name.

The mission of Black and White Theatre Festival is to educate the audience. Theatre is a very diverse form of art i.e. it represents very different types of art. Theatre in Finland has an entertaining role, it is not treated in all seriousness, although there are some notable groups mainly in the capital area. According to the Black and White Theatre Festival organisers, theatre should make a person think and reflect. They are sure in a necessity of bringing back professional high level theatre. They include into the festival’s programme different types of performances, both drama and comedy, but if it is comedy, it should be a comedy of the very high level. Then some kinds of theatre are quite new for Finland, for instance – street theatre. The public is not used to that kind of performances.

Their main objective is to get accepted into the town’s budget. They have already become a part of governmental national budget. Being in town’s budget would bring more advantages and better financing. From this point of view Black and White Theatre festival is competing with another event in the area- Imatra Big Band Festival. The governmental structures give their preferences to this event, probably because it is older and has stronger Finnish foundation.

One of the goals is in attracting the tourists. Imatra is a popular destination, situated close to the Russian border. Nowadays it has become a “big supermarket” for tourists. They do not see any other reasons to visit it than shopping. The purpose of Black and White Theatre Festival is to offer something more, a cultural product and create the different image of destination. Imatra’s geographical location contributes to the success of event: having high tourist traffic creates a potential for attracting public from abroad.

The organisers would like to make people who live in Imatra be proud of the festival. The festival should be like a unique feature of the place closely associated with the destination. Black and White Theatre Festival is truly the people's festival as it is not only providing cultural activities for both locals and tourists but it also tries to actually involve people with its interactive events e.g. the street performance. This has been one of the organisers' priorities to make viewers participate in activity and feel involved in the theatrical action.

#### **4.7 Summary**

Black and White Theatre Festival's vision is to reach the level of Avignon Theatre Festival, the great hub of European theatre. The mission of the case festival is to educate the spectator by theatrical means. Goals include strengthening festival's image on the local level and attracting tourists. Getting into the town's budget is a prime goal by which the financial opportunities would improve.

Environmental analysis step implicates analysis of external factors- organisation's environment; and internal factors- resources and capabilities. The results are summarized by using SWOT analysis tool. It allows combining both external and internal factors into one table, a convenient form to use it for further steps of strategic management.

#### **Strengths**

##### **Festival's artistic programme**

Festival's artistic programme represents the strength of the festival as one of the important internal assets. Programme is a way to attract both spectators and participants. It defines the artistic level and the "quality" of the event as a whole. It becomes the strength also for the reason that it helps maintain and create professional network for the organisers and image and reputation for the customers.

##### **Acting as a host**

Being a hosting side turns out as a strength of the organisation because they understand the needs of those participating and how to keep them satisfied with

the conditions offered. Excellent performances demand excellent reception. Festival's reputation in the professional world depends on the networks with other artistic enterprises around the world and well-organised reception is necessary.

## **Weaknesses**

### **Event marketing**

Marketing is recognised as a weak point of the festival mainly because of lack of professionals involved in festival making. Festival marketing requires high activity and time dedication. In order to draw attention to this type of event marketing activities are expected to be creative. Current trends in cultural happenings suggest more innovative approaches towards customers. Maximum involvement of city space, providing unusual experiences and usage of new communication channels are examples of those.

### **Lack of professionals**

The association is willing to expand but there are not enough financial resources to allow hiring a producer. Festival's organising is a big project and related responsibilities cannot be implemented on a part-time basis. Voluntary help can simply be not enough. The event itself may last around a week, but planning, promotion and coordination activities connected to its organisation are implemented in a long-term. Human resources are crucial for event organising: festival's condition depends directly on devotion of people working on it.

## **Opportunities**

### **Getting better financing**

Getting better financing is a concrete opportunity which means at first to be included into town's financing plan. Festival has to compete for financial means, the biggest source of which comes from official institutions.

In this regard it is important to prove event's sustainability for the local authorities. This would strengthen the relationship between the parties and show the potential and significance of event.

## **Threats**

### **Society's acceptance**

Society's acceptance is a direct threat to the festival because it is meant to be for the people and the way they perceive the event defines if they visit it or not. The association would like people to be proud of the festival and recognize it as attraction of the town of Imatra, closely associated with it and highly appreciated. In this sense the festival makers have already made quite a big work by including into programme different types of performances and with the most interactive ones – street actions, they aim to involve spectators at most, to make people feel themselves as a part of festival. Yet staying in tune with society never loses its importance and requires organisers' attention all the time. In this sense the festival should be very creative to attract positive attention and gain more recognition.

## **5 Conclusions**

This thesis studied Black and White Theatre Festival in strategic management context. The purpose of the study was to produce and summarise environmental analysis of the case event. The study aimed to overview the strategic management process and to implement one step of it – environmental analysis.

Theoretical part presented events and festival's definition, role and some insights on organising processes. Then the whole strategic management process was covered. The empirical part of the research implemented environmental analysis step for the case organisation. The research is based on qualitative methodology and interview results were framing the results of the research.

Applying strategic management methods benefits the company by helping it withstand environmental changes and utilise its resources in the best way. The research results present one step of the strategic management process – stra-

tegic analysis. These are applicable for the further strategic development and implementation, which are the processing and controlling steps. Interview revealed that festival's organisers are willing to expand their organisation by involving more people into organising processes but the biggest challenge is in financial means available. Accordingly getting better funding is one of the prime goals for Black and White Theatre Association. Better funding would accommodate operational improvement and maintain high quality artistic programme which is the most important as it serves organisation's purpose.

When talking about strategic management in non-profit organisations, it is important to keep in mind that it differs from that in profitable organisations. The purpose and values of non-profit organisation affect greatly, there is more uncertainty and more dependence on official institutions. There is a difficulty in setting measurable goals and evaluating performance by earnings since such organisations do not obtain profit through their activities. There is a competition for funding. Voluntary help is remarkable in non-profit organisations' activities. All these features are applicable for the case of Black and White Theatre Festival.

Black and White Theatre Festival is certainly a remarkable happening and significant contribution for the life of Imatra. This festival is meant for people and it really serves the people by bringing them art from around the globe. The author had a great interest in the topic due to the personal participation in case festival's activities and the fact that the topic is actual. The thesis process was demanding in a way of finding reliable information, applicable also to the case and focusing on crucial factors only as there are numerous aspects related to the festival. The suggested future research topics are connected to the further strategic management process steps, festival's marketing and fundraising.

## **Figures and Tables**

Figure 1. Strategic management process. p. 10

Figure 2. The basic implementation process. p. 22

Figure 3. Budget of Black and White Theatre Festival 2013. p. 28

Figure 4. Costs of Black and White Theatre Festival 2013. p. 29

Table 1. PESTEL Analysis. pp 15-16

## References

Allen, J.; O'Toole, W.; Harris, R.; McDonnell, I. 2011. Festival & Special Event Management. John Wiley & Sons Australia, Ltd.

Barrio, M.J.; Devesa, M.; Herrero, L. C. 2012. Evaluating intangible cultural heritage: The case of cultural festivals. In *City, Culture and Society* 3 (2012) 235–244.

Britannica <http://www.britannica.com/search?query=theatre> Accessed on 24 April 2013

Bryson, J. M. 1988. A Strategic Planning Process for Public and Non-profit Organizations. In *Long Range Planning*, 1988, Vol. 21, No. 1, 73-81.

Colac Otway Shire Council. "Festival & Events Strategic Plan 2007-2011". <http://www.colacotway.vic.gov.au/Files/FestivalEventsStrategicPlan2007-2011.pdf> Accessed on 14 May 2013

Creative Industries Finland. 2011. Creative Economy and Beyond - Insights from Finland [http://www.luovasuomi.fi/file\\_attachment/get/creative\\_economy\\_web\\_uusi3.pdf?attachment\\_id=33](http://www.luovasuomi.fi/file_attachment/get/creative_economy_web_uusi3.pdf?attachment_id=33) Accessed on 20 October 2013

Department of Cultural Affairs. City of Los Angeles. Festivals' Producers Handbook. [http://www.culturela.org/events/Festivals/festivalproducer/Festival\\_Handbook.pdf](http://www.culturela.org/events/Festivals/festivalproducer/Festival_Handbook.pdf) Accessed on 29 September 2013

Evans, N.; Campbell, D.; Stonehouse, G. 2003. Strategic Management for Travel and Tourism. Burlington (MA) : Elsevier Butterworth-Heinemann.

Festival D'Avignon. <http://www.festival-avignon.com/en/> Accessed on 15 July 2013

Halonen, K. 2011. Megatrends Shake the Field of Cultural Management. In *Cultural Manager 2020. Visions of Future*. Halonen, K. Hero, L. (Eds.) 20-24.

Imatra <http://www.imatra.fi/> Accessed on 20 October 2013

Iso-Aho, J. 2011. Volunteers as a Labor Resource and Creators of Community spirit in Cultural Events. In *Cultural Manager 2020. Visions of Future*. Halonen, K. Hero, L. (Eds.) 32-36.

Joronen, T. 2002. Immigrant entrepreneurship in Finland in the 1990s. In *Immigration and Economy in the Globalization Process. The case of Finland*. Forsander, A. (edit.) Sitra Reports series 2002. Vantaa: Tumma-vuoren Kirjapaino Oy. <http://www.sitra.fi/julkaisut/raportti20.pdf> Accessed on 25 September 2013



Katsioloudes, M. I. 2006.

Strategic management: global cultural perspectives for profit and non-profit organizations. Oxford : Elsevier Butterworth-Heinemann.

Lynch, R. 2009. Strategic Management. Harlow : Prentice Hall/ Financial Times.

Lätt, K. 2013. Interview 29 May 2013

Melbourne Fringe Festival. 2013.

<http://www.melbournefringe.com.au/assets/melbourne-fringe-associate-producer-events-pd.pdf>

Accessed on 24 September 2013

Mind Tools. [http://www.mindtools.com/pages/article/newSTR\\_94.htm](http://www.mindtools.com/pages/article/newSTR_94.htm)

Accessed on 16 October 2013

Ministry of Employment and the Economy. Finland's tourism strategy to 2020.

[http://www.tem.fi/files/28018/Finlands\\_Tourism\\_Strategy\\_to\\_2020.pdf](http://www.tem.fi/files/28018/Finlands_Tourism_Strategy_to_2020.pdf)

Accessed on 23 September 2013

Mintzberg, H. 1994. The Rise and Fall of Strategic Planning. Prentice Hall Europe.

Mustan ja Valkoisen Teatteri -Yhdistyksen Säännöt. 2003. Mustan ja Valkoisen Teatteri ry.

National Board of Patents and Registration of Finland.

<http://www.prh.fi/en/yhdistysrekisteri/perustaminen.html>

Accessed on 17 August 2013

Robson, C. 2007. How to do a research project: a guide for undergraduate students. Blackwell Publishing.

Rosen, R. 1995. Strategic Management: An Introduction. Financial Times Pitman Publishing.

Richards, G. 1996. Cultural Tourism in Europe. Cab International.

Santalainen, T. 2006. Strategic Thinking. Talentum.

Statistics Finland. 2013. Foreign demand for accommodation services grew by

Five per cent in 2012. [http://tilastokeskus.fi/til/matk/2012/matk\\_2012\\_2013-05-31\\_tie\\_001\\_en.html](http://tilastokeskus.fi/til/matk/2012/matk_2012_2013-05-31_tie_001_en.html) Accessed on 20 October 2013

Tampere Theatre Festival. [http://www.teatterikesa.fi/in\\_english/info/history/](http://www.teatterikesa.fi/in_english/info/history/)

Accessed on 24 September 2013

Toiminta- ja taloussuunnitelma vuodelle 2013. 2013. Mustan ja Valkoisen Teatteri-yhdistys ry.

Tonder, M. Research Methods. Lecture Notes. 2011. Saimaa University of Applied Sciences.

## Appendix 1 Open interview themes

Opinion about the strategy

Have you already made strategic planning?

Are you doing your environmental analysis on a regular basis?

Environment: external and internal

External analysis

- How is the organisation affected by the external factors? (Political, legal, social, economic, technological).
- Opportunities and threats

Internal Analysis

- Mission and concepts
- Current situation
- Customers, interest groups
- Strengths and weaknesses

Future Vision

- What is the desirable image of the festival?
- Where do you see the event in future (5 years)?
- How do you see the festival in a long-term perspective?
- What would you improve?
- What are the goals and objectives?