

# How to Market Your Art?

## “The Art of Marketing”

2014

## The Arts Industry

### Is there an Arts Industry?

The arts and cultural industry is unusual for its **variety** of large and small segments

- People working together, as in radio, TV, newspapers, orchestras or theatre companies ...
- But also large numbers of self-employed working on their own

### Working for Love or Money?



- In Western Europe, professional artists earn about 2/3 of their income from their primary creative activity, i.e. painting, writing, composing, etc., ...
- ... but **still need to take on other work** to make ends meet



## Marketing, Planning and the Arts

### Talent is essential

- ... and so is commitment, ...
- ... **but** that's **not** enough



Arts Product

- Idea
- Implementation

### More so, Planning and Implementation

- **Current situation** (situation analysis)
  - Mission and vision
  - Description of your arts activity
  - Analysis of operating environment
  - Market analysis
  - SWOT
  - Product analysis
  - Competition analysis and competition strategy
  - Networking and people skills analysis
- **Marketing goals, objectives and strategies**
- **Action program**
  - Resource requirements
  - Budget
  - Timeframe
  - Staffing
  - Activities
- **Evaluation and contingency plans**

## ... Marketing, Planning and the Arts ...



## The Principles of Marketing

- *What are the key things you have to exchange in the marketing process?*
- *What makes them special or valuable?*
- *What are the things you want in return?*
- *Is money the most important exchange, or are there other things that also interest you?*
- *What are they?*

### You have something of Value

- Your skill as a writer, a musician, a dancer, ...
- ... your paintings, your craft work ...



### Exchange it for something of Equal Value

Not necessarily money

- **Items** (food, skills training, furniture, computer equipment)
- **Recognition** (a major award, a trophy, a scholarship)
- Someone else's **time**
- You may be prepared to perform free if an audience will come and give up their time to watch your performance
- You may contribute to an exhibition program if recognized professionals will be there to provide feedback on your work

## Identifying your Market

- *Who is your ideal customer?*
- *What would make you really pleased or happy?*

### Who are the People involved in the Exchange Process?

- If you have been around for a while a lot of people may be interested in what you do ...
- ... but when starting out, the potential market will be fairly small and specialised (niche market)



## What Marketing is all about ...

- Philip Kotler, *Marketing Theorist*: Marketing is the set of human activities directed at facilitating and consummating exchanges

- Marketing is a method used
  - to segment people into recognisable groups,
  - identifying their needs, desires and wants and
  - then creating and producing goods
  - that will fulfill these needs and wants



Many Artists are merely driven by the creation of the art or the product

- Marketing involves more than just advertising or selling
- It actually means thinking about the person who will buy, use or see your art as well as the product itself

### Marketing is understanding ...

- |  |   |   |
|--|---|---|
| • Your particular <b>skills</b> and products                               | → | • Analysing your activities, skills and goals                         |
| • What the public (mass market or niche level) <b>wants</b>                | → | • Finding out what people want and identify people who are interested |
| • Your need to <b>communicate</b> what you have to the appropriate markets | → | • Making sure people know about you and what you do                   |

## The 6 P's of Marketing


Marketing is often described in terms of 6 P's

- Product **What** you offer
- Price Cost or **price** of a piece
- Place **Where** the product is made available
- Positioning Public's image and **perception** of the product
- Promotion How the public is made **aware** of the product
- People **Providers** of the product





## Developing a Strategic Framework

- **Where** are you **now**?
  - **Where** do you **want to go**?
  - **How** will you **get there**?
- 
- Situation analysis
  - Development of goals / strategies / plans
  - Implementation and assessment of success

‘Life is just what happens while you’re busy making other plans’

*John Lennon*



## Understanding the World – Regulation / Economics

- *What are some of the external political issues which could have an impact on your area of the arts?*
- *Thinking about your area of the arts: who/what are the key funding sources? (Sponsors, arts funding groups, ticket purchasers or buyers of products?)*
- *Thinking about economic considerations: how might they impact on your work?*

### Political Impacts

- Taxes and costs of doing business
- Government incentive schemes
- Business licensing laws
- Regulations about working from home
- Tenancies regulations

### Sponsorship

- Practical justification for their contributions
- Formal proposals including funding, budgets, potential audience numbers and target audiences are required and...
- ... sponsors want **value for money** which may include naming rights, corporate logos being used, or access to mailing lists

### Funding Source Policies

- Overall budget allocations
- **Policies**, objectives, goals and directions
  - New artist ?
  - Ethnic groups?
  - Particular art forms?
- **Selection process**
- Past funding patterns
- Cultural diversity policies

### Economic Factors

- Amount of disposable **income**
- **Audience** size and composition
- **Competition** for funding from other sources
- Types and level of **support** (eg. capital grants, overseas travel and experimental work; when times are bad)



## Understanding the World – Social Aspects / Competition

- *What social or cultural changes are taking place in your community? How might such changes impact on either your target audiences or your work?*
- *How could technology impact on what you do? (In terms of your actual work in the arts and how you manage your work, your time, etc.) What impact might it have over the next two or three years?*
- *Are there any environmental or ecological issues which could be relevant to the work you do?*

### Social and Cultural Issues

- Age, income, lifestyle in your community and your target audience?
- Is the number of people interested in your art form growing or decreasing?
- Other interests? (Opportunities to work cooperatively with others?)
- How do they spend their leisure time?
- What is the level of awareness of arts and your particular art form?

### Technological Changes

- How has technology changed the way you work? The way others work?
- How has technology changed the way your target audiences view your work?
- How has technology changed the way you manage your work?
- What expectations do audiences have about the quality, speed, sophistication of your work?

### Environmental / Ecological Issues

- Availability and cost of materials
- Regulations about the import, use and display of materials
- Occupational health and safety issues for performers and audiences
- Community attitudes towards use of materials and resources
- Environmental protection of sensitive areas

### Competition

- ...



## Competition

- *Who are my competitors?*
- *Are we competing for the same market?*
- *How are they marketing their art or organisation?*
- *How is our art different from theirs?*
- *What is our unique selling proposition?*
- *What sets ours apart from theirs?*

- Who is my **direct competition**?
  - Other people or groups doing very similar things or working in similar art forms?
- What things have my **audiences tried**?
- What things have my **audiences enjoyed**?
- Who are my **other arts** competitors?
  - What art forms are potential substitutes — not directly the same, but likely to appeal to similar audiences?

- Who are my **indirect competitors**?
  - What are the other options available to audiences other ways they could spend their time and money that may not necessarily be arts-related?
- What **advantages** do my competitors have?
  - People's levels of interest and awareness? Cost? Convenience? Familiarity and 'comfort'?
- What are the particular **strengths and weaknesses** of my competitors?

- What **competitive strategies** can I develop to stand out?
  - What things you should be promoting or developing to give yourself a strong 'edge' in the marketplace?



## Understanding the Buyers

### What Do People do for Leisure?

The most popular form of leisure activity (by far!) is **passive leisure**

- Watching television or videos, or talking (including on the phone), reading or 'just relaxing'

**Social life and entertainment** comes next:

- Going out for entertainment (sporting events, the cinema, clubs) and ...
- ... going to cultural venues (the library, galleries, performing arts, festivals and markets)

**Active leisure** pursuits comes last

- Playing sport, exercising, cycling, jogging, outdoor activities, hobbies, arts and crafts



## What Drives Your Audience?

- Who are they?
- What do they buy?
- How do they decide?
- What price do they pay?
- How do they pay?
- How frequently do they buy?
- Why do they buy?
- What do they ask about?
- What else do they do?
- Where do they come from?
- How did they hear about you?



- Art form **devotees**
  - People interested in ...
- **Collectors**
  - Collections as investments, representative of periods, styles or particular artists
  - Tastes or financial circumstances change ...
- **Hobbyists**
  - Appreciate professionals, sometimes having some experience ...
- Untrained but **interested**
- People with a **purpose**
  - Someone redecorating or someone wants to be seen ...
- People arriving '**by accident**'
  - What brings them to art in the first place is not as important as what happens during that initial encounter ...

## Excursion: Who is your Arts Audience?

- **Who are they?**
  - Are they mainly males or females, or do you get an even mix of the two?
  - What is their general age?
  - Level of education?
  - Are they students? Professional people?
  - Do they come alone? As part of a group?
- **What do they buy?**
  - What are the best selling items, the best selling programs in your series?
  - Which are the most specialised in terms of their appeal?
  - Who do they appeal to?
- **How do they make a purchase decision?**
  - Does considerable discussion take place amongst several people?
  - Do they buy for themselves or as gifts for others?
  - Is it an impulse purchase?
  - Do they choose between several items, asking for specific colours, styles, prices, etc.
  - Do they ask for a program or a calendar of events?
  - Do they pay for one performance at a time, or purchase a season subscription?

## Excursion: Who is your Arts Audience? (cont'd)

- **What price do they pay?**
  - Top of the range, bottom of the range, dress circle or weekday matinee?
  - Do they ask about price, discounts, etc? Do they try to haggle?
- **How do they pay?**
  - Cash, credit card, lay-by, cheque?
- **How frequently do they buy?**
  - Your work and — if you can find out — work done by other people?
  - Are they subscribers to more than one music program?
  - Do they also regularly attend other types of arts activities?
- **Why do they buy?**
  - What do they say about their purchase?
  - Do they like it because it is unusual?
  - Because they feel comfortable with it? ('I always enjoy Mozart.')
- **What do they ask about?**
  - Are they knowledgeable, sophisticated buyers, or would they appreciate some subtle guidance? (A pre-concert talk may be welcome if the music is unusual. An explanation of the story behind an item might be welcome for a piece of Aboriginal art.)



## Excursion: Who is your Arts Audience? (cont'd)

- **What else do they do?**
  - Are they visiting other shops or galleries in the area?
  - Are you the main reason they came (for a show or performance)?
  - Do they combine it with other activities?
  - Are they attending the show and also having dinner?
- **Where do they come from?**
  - Are they local (which is good, in that they may come again or become regulars)?
  - Are they from interstate or overseas?
  - Will they need to have the basics of a performance explained to them because it is something new or unfamiliar?
- **How did they hear about you? .... - A most important point**
  - Was it through someone's personal recommendation?
  - Through your own publicity?
  - Through advertising?
  - If they saw an advertisement, which one? (What? Where? When?)

## Excursion: Who is your Arts Audience? (cont'd)

- **Art form devotees**

- Interested in classical music, jazz, modern dance, ballet, classical guitar, percussion or in art styles: eg Aboriginal art, water-colour, photography, expressionism ...

- **Collectors**

- Especially for visual arts, individuals who see their collections as investments, representative of periods, styles or particular artists
- They may not always 'love' every piece in their collection, and as their tastes or financial circumstances change they may sell individual pieces to either realise their value or to improve the quality of the overall collection ...

- **Hobbyists appreciating professionals**

- People who have had some experience in playing an instrument, in having taken dancing lessons at school, or who enjoy painting or craft, appreciate seeing the work and skills of others; ...

- **Untrained but interested**

- People who have not taken lessons, and without a great deal of experience, but who are interested in, and enjoy, concerts, theatre, film festivals, art shows and craft exhibits ...

- **People with a purpose**

- Individuals who have a specific reason for taking an interest in the arts at this time
- For example, they are renovating a house and are interested in antiques, or they are redecorating and interested in art pieces which will fill specific needs, or they are attending a concert because they want to impress someone else, or be seen at the opening night ...

- **People who arrived 'by accident'**

- Museums have long recognised that visitor numbers increase on certain weekends, not because people have suddenly taken interest, but because of heavy rain s ...
- Important is what happens during that initial encounter ...

## Market Segmentation

### Geographic

- Market is divided into **locations** (the local community, city, region and country, or continent ...)

### Demographic

- Market divided into **groups** according to age, gender, occupation, income levels, cultural or ethnic background and education

### Psychographic

- Market segmented according to attributes that relate to **interests**, activities and opinions
  - Adults who enjoy café society and hanging out with friends in trendy environments may be an ideal target market for a newly created gallery that incorporates a coffee shop and reading room

### Behavioural

- Market segmented based on consumers' **knowledge** of, attitude towards, uses for, and responses to the product

## Identify Your Target Market

- Who are your **existing customers**?
  - What do you **know** about them?
- Define your **primary market**
  - Those who **definitely** use / buy your product
- Define your **secondary market**
  - Those who may **possibly** use / buy your product
- Choose the **location** of the market
- Select your market's **demographics**
  - Age, gender, occupation, income levels, cultural background, language, education, family status
- Select the **psychographics** of your target market
  - Their **interests**, activities and hobbies, values and attitudes and lifestyles they lead
- Select the **behaviour** of the market
  - Who would seek that particular **benefit** that your art provides
  - Who is most likely to **need** the product, as well as who would most likely **want** the art product



## Identifying Your Market Types

- *What is your general market type?*

- |                                 |   |   |
|---------------------------------|---|---|
| • <b>Mass</b> markets           | → | • Is about creating products on a mass scale, then mass distributing them and mass promoting them   |
| • <b>Differentiated</b> markets | → | • A modification of mass marketing which involves creating a number of products, each offering different features, styles, quality, sizes, etc. |
| • <b>Target</b> markets         | → | • Identification of potential audience segments, then selecting the most viable, and promoting specifically to those groups or individuals      |
| • <b>Niche</b> markets          | → | • Marketing targeting small groups with specialised and unique needs (ethnic audiences, for example)  |
| • <b>Customised</b> markets     | → | • Product modified to specifically meet the needs of a set group of people  |

## Accessing Funds and Sponsorships

Artists also need to consider their markets in how accessing funds and sponsorships.

- **Private sector sponsors**
  - Know, research and understand their **needs** and how they operate
  - Selling your art or performance to a market of corporate representatives
- **Private individual patrons of the arts**
  - People with **disposable income** to be able to sponsor art or part of art productions
- **International donors / development agencies**
- **Government agencies at different levels (national, regional and local)**
  - What necessary documentation?



## Economic Approaches to Decision Making

- *What are the ways your art form could be said to meet a need or be a want?*
- *Price: (Premium priced? Deliberately priced to appeal to young people, or those on limited budgets?) How does your work compare with other artists of similar reputation / background / profile?*
- *Quality: How would you define the quality of your work? (Your skills, the materials you use, the venues you perform in, the workmanship and presentation of your art?)*
- *Convenience: How is your product presented? How easy is it for potential customers or audiences to access your work?*
- *Location: Where do you meet your potential customers/audiences? What is the ambience, the ease of access, the suitability of the location to your actual product?*

### Making Decisions and Assessing Satisfaction



- Identify a need
- Decide to act
  - Translate the need into a 'want'
- Gather information
  - Find out about options, prices, etc.
- Assess options and alternatives
  - Consider various courses of action
- Decide and act
  - Make the purchase
- Review overall satisfaction
  - Assess whether or not it was a good purchase

### Price

- What is the price of other work by the same artist?
- How do the prices compare with others?

### Quality and Dependability

- Is the craft item well-made, made from materials that won't quickly fade, break, etc?
- Does the artist have a reputation for good work, for performing professionally and at a high standard?

### Convenience

- Previous buyers who already know and like the work, and who may already be predisposed and interested

### Location

- Where (and when) do artist and buyer 'meet'?

## Understanding Your Own Situation: SWOT

- A SWOT analysis should involve all the people with a direct input into the organisation: staff, board members, volunteers, and even some customers
- It is important to update SWOT analyses on a regular basis; at least once a year, or more often if circumstances change

A SWOT analysis is an important part of planning: SWOT stands for Strengths, Weaknesses, Opportunities and Threats

- While strengths and weaknesses focus on you and your team / business ...
- ... opportunities and threats look further afield, to include your operating environment and your competition

### SWOT ANALYSIS CHECKLIST — EXAMPLE

	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<b>Your perceived image</b>	We have a large subscriber base	Our regular customers are aged 50 +	Attract younger audiences	Long term loss of audience if we can't attract younger people
<b>Your financial base</b>	Money in savings account from previous jobs	Mortgage and loan repayment	Share house and save on repayment	Failure to meet repayments could mean loss of home



## SWOT Analysis: Checklist

### Perceived Image

- in terms of customers
- in terms of your professional peers
- in terms of competitors
- your organisation's image



### Your Financial Base

- your income
- your sources of income
- the stability/ reliability of your income
- is your income increasing, decreasing or static

### Your Products / Work

- artistic value
- type and variety of work
- breadth, depth and range of work
- ability and qualifications (awards, etc.)
- popular appeal
- critical appeal
- quality
- innovativeness
- variety/flexibility
- specialist skills
- uniqueness



### Your Support Base

- support by family and friends
- support from customers
- support from government/ funding groups
- sponsorships
- recognition and awareness by the media
- size of customer base
- level of customer satisfaction
- number of repeat customers
- level of customer loyalty

## SWOT Analysis: Checklist (cont'd)

### Perceived Promotions

- levels of awareness of your work
- effectiveness of your promotion activities
- awareness with specific target audiences
- types of promotional materials/ activities
- development of new markets
- activities to ensure you maintain current markets
- types of paid promotions
- types of publicity
- effectiveness of promotions and publicity

### Your Prices

- your profitability
- your competitive position
- market acceptance of your prices
- the types of discounts/special prices offered

### Your Service Standards

- your customer service skills
- ease of access for markets to your work
- professionalism of yourself/your staff, etc.

### Your Location

- quality and condition of premises/work areas
- control over venue
- accessibility (public transport, parking, etc.)
- amenities (for yourself and customers)
- distance from main markets
- ambience
- security
- age and condition of premises
- surroundings (landscaping, etc.)
- general location (tourist area, arts precinct, etc.)

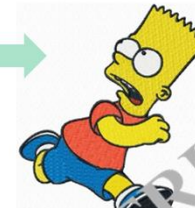


## SWOT Analysis: Checklist (cont'd)

### Your Organisational Skills

- your financial and business skills
- your technological skills (computers, etc.)
- your organisational skills
- your time management skills
- the quality and maintenance of equipment, etc.
- your public relations and publicity skills
- your customer service skills
- your willingness to work on marketing and promotions

### Other



## Setting Your Sights and Direction

### Vision



### Mission



The optimal desired future state

- The mental picture - of what you want to achieve over time
- Provides guidance and inspiration as to what you are focused on achieving in 5, 10, or more years

The present state or purpose of you as an artist

- Answers three questions about why you are here
- **What** you do?
- **Who** you do it **for**?
- **How** you do what you do?

### Goals


... as expected / desired outcomes

### Objectives ...

... as precise targets to achieve goals



## Marketing Audit

- 
- Marketing **resources**
    - What you have available to market the artwork
  - Marketing **activities**
    - Actions you have taken to market the artwork
  - Marketing **achievements**
    - What have you been able to achieve through these actions
- What **budgets** are available?
    - Source funding / sponsorships?
    - What income is expected?
  - Staff **skills** and responsibilities?
    - Is this adequate for your needs?
  - **Location** and affect on sales?
  - **Equipment** and creative resources?
  - **Vision** and mission statement **clear**?
  - Any **organisational** challenges?
  - What marketing **objectives** have been achieved?
    - How many paintings sold?
    - How many new people follow you on Twitter / Facebook, visited your website or joined your newsletter database?
  - Customers' or audience's **reaction** to the work presented or exhibited?
    - What feedback have you received?

## Setting Marketing Objectives – A Mind Map

### General Marketing Aims



### Specific Objectives

- “To create a work that speaks to important socio-political issues, especially gender issues ...”
- „To build visibility ...“
- “To develop young collectors audiences ...”
- “To increase audience base ...”
- To position you as a leading sculptor in Russia(?) ..”



- To produce two major cycles of new work
- To publicise these cycles using traditional media with a focus on digital media
- Develop a database of buyers
- To attend at least one arts festival in Russia
- To organise two public viewings in the atelier
- To develop an institutional marketing plan to create visibility for the artist, not only the work

## Setting Marketing Objectives – ... Benchmark Results

Some quantifiable objectives might include:

- **Sales**, commissions or bookings (both total numbers and by season, type, etc.)
- Income
- Number of repeat **bookings**, sales or commissions
- Amount of **publicity** received (types, amount)
- Number of **awards**
- Working with other artists
- Working in **specific venues**
- Developing a set number of new activities
- Number of auditions (and by type and quality)
- Number of invitations to participate in events, etc
- Number of **shows**, performances
- Number and quality of distribution outlets
- Specific **target audiences/markets** reached
- Level of **awareness** in general community
- Level of awareness and perception by peers

## Marketing Mix



### Product

- Decision upon your artwork, production, gallery, arthouse etc.
- How you want to present yourself to the market

### Place

- Location of your arts event, artwork and distribution
- How the market will connect with your product

### Promotion

- Communicate to your market via a website, brochures, posters, radio, word-of-mouth, billboards, newsletters or newspaper ...

### Price

- Cost of a fine art piece, also taken sales system into account
- Cash facilities or credit cards or barter system

### Positioning

- What perceptions do you want to encourage or discourage?
- How must people feel when they interact with the product?

### People

- Who will be representing you? Training?
- Responsibilities assigned to relevant staff



## Marketing Mix - The 6 P's Applied

- Product**
- Installation for the multi-story main entry foyer of a modern capital city gallery
  - Handkerchief-sized pencil drawings
  - Considering the venue, audience and space, and then developing a suitable product
- Price**
- If too high people will not be able to access your work
  - If it too low you may not recoup your costs, or earn enough to make a living
- Place**
- Craft products for public markets, or to international visitors shopping at major city hotels
  - Performances requiring technology and equipment to be found in a modern sound stage, or to be performed in the open air at a park or garden
- Positioning**
- Want to be seen as popular, easy to access and understand artist?
  - Do you want to create craft items that are at home in cottage gardens?
  - Do you want to focus on the contemporary scene, highlighting materials, surfaces, finishes and lines?
  - Do you want appeal to international tourists?
  - Are you into high energy performances or intellectual challenges?
- Promotion**
- People**
- Willingness to get involved in marketing and promotional activities?
  - Prepared to read your work at writers' festivals or poetry workshops?
  - Prepared to enter competitions, or work as an artist-in residence?
  - Are you happy to perform at schools and share your experiences with students?
  - Will you make yourself available for interviews?
  - Are you prepared to put effort into developing a media kit, and quality photos of your work — and then develop a schedule for approaching booking agents, venues, talent agents or the media?



## Marketing Mix - Product

### Decisions about the Product

- Artistic value and **integrity**
- **Programming**
  - What are the short, medium and long term plans?
- The **season** in which the work is being done and shown
  - Holiday seasons ...
- **Themes**
  - Can the product be linked to any local themes
- Is there enough **variety** of products being offered to ensure repeat business?
- What other event can be organised to **complement** the product?
  - A walkabout by the curator or artist?
- A **peeking** session?
- Is a programme or **catalogue** needed?



## Marketing Mix - Place

### Decisions about the Place

- In what kind of **area** will you be presenting, selling your art product?
- Do the **aesthetics** of the area match the product you are presenting?
- Does your market use public transport and if so, is the venue **accessible** to them?
- Are the **facilities** suitable to present your **art**?
  - For example: Is the stage sizable / lighted enough for your art? Condition / color of walls?
- Are the **facilities** suitable for the **audience**?
  - For example: Are there suitable restrooms, refreshment stations, seats or stands for?
- Are **staff** adequately trained to support your work?
- Is the **gallerist** trustworthy and reliable?
- What are the **payment policies** of the venue for hire, if they receive your sales?
- Will you be able to **track sales** and have access to sales information such as databases from your exhibition



## Marketing Mix - Price

- *Items to consider:*
- *Tax obligations*
- *Your hourly rate*
- *Your unit price(s)*
- *Your workload*
- *Your capacity to meet your projected workload*
- *Opportunity for economies of scale?*
- *Your prices - what you will need to charge per unit/item?*
- *Is this price realistic - in terms of competition, additional distribution/handling charges?*
- *Flexible pricing?*
- *Value adding?*
- *Packaging?*
- *Cash flow through any potential problem periods?*

### Decisions about the Price

- **Cost-plus pricing**
  - Recovers most of the costs of creating the art (materials, labour, and time) plus overheads (or administration) costs and a percentage profit
- **Demand pricing**
  - Based on the level of demand and driven by the customers rather than the costs, of course
  - The product here is priced for its perceived value. In South Africa, for example, where
- **Competitive pricing**
  - Based on the pricing of competitors
  - Used when there is an established market price for the art product
  - If a piece is priced higher than competitors then something superior should be on offer



## Marketing Mix – Price: Pricing Options

### Flexible pricing

- Setting different prices for the same 'product', according to customers' willingness to pay

### Discounting

- Encourages purchases at particular times or in quantity

### Value adding

- Providing something extra for customers who pay the normal price, such as a lecture before a performance, or a complimentary program ...

### Product packages

- Offer a combination of products and services
- Usually the price should be slightly less than it would cost the person to buy each element separately
  - An art gallery could use packages to enhance a special exhibition; for example, packaging admission to the exhibition with a lecture by the curator, a catalogue and wine and cheese in the member's lounge (which would also be an ideal time to promote membership)

### Competitive pricing

- Requires that you know what your competition is charging
- ... but who knows that the competition knows what they are doing ...

## Marketing Mix - Promotion

- Advertising and direct marketing are paid promotions
- Publicity and public relations are unpaid
- Latter carry no guarantees  
• but publicity can get you more coverage than you could ever afford to pay ..
- or even worse risk that what appears will not actually be what you wanted (a very critical review, for example)

### Decisions about Promotion

A promotion campaign can include all or some of the following **Communications Mix**

- Advertising
- Public relations
- Publicity
- Direct marketing
- Digital marketing
- Sales promotion

- **Who** do you want to speak to?
- **What** do you want to say?
- **Where** is the best place to say it?
- **When** is the best time to send out your message?
- **How much** should you spend?
- **How** will you **know** if they've heard you?

Focus on specific market segments

- Customers, in general
  - People identified in your research
  - May be simply a descriptions, such as: Women with young children; Men and women between 20 and 30 years; or Elderly men over 70
- Special interest groups
  - If staging an event about gender issues, may want to identify women's groups as a potential market
  - If curating an exhibition of ceramics by people with varied physical challenges, may want to target organizations that have networks with similar people
- Ensure that media and stakeholders such as staff, board members, volunteers, funders or sponsors and civic bodies connected to your event receive the information

## Marketing Mix – Promotion: Tools

<b>Advertising</b>		<b>Direct Marketing</b>	
Print: Newspapers/Magazines		Newsletters	
Radio/TV		Telemarketing	
Online		Word-of-mouth	
Posters		<b>Digital Marketing</b>	
Pamphlets, Flyers or Brochures		Email	
<b>Publicity</b>		Website	
Press launch/conference		■ Social Networks	
Press releases		• Facebook	
Interviews		• Twitter	
Photography		■ Blogs	
Listing Services/Public Service Announcements		■ Wikis	
Publicity Stunts		■ RSS Feeds	
<b>Sales Promotions</b>		Podcasts	
Discounts		Mobile	
Sampling		■ Texting/MMS	
		■ Apps	
		■ .mobi	

## Marketing Mix – Promotion: Brochure

### Creating a Pamphlet, Flyer or Brochure

- Be clear on the message to be communicated
- Keep the design simple ...
  - ... and without too much information
- Use the “**What, Why, How, When and Where**” **Principle** to ensure relevant information has been included
- Provide enough facts and figures that can lend credibility to the information being communicated
- Ensure there is a **call to action**
  - You may want the reader to buy a ticket, visit the gallery, join your opening or become a volunteer. To do this explain exactly how these actions can be done, such as give contact details, telephone numbers and emails addresses



## Marketing Mix – Promotion: Press Release

### On Writing a Press Release



- Keep your press release to a maximum of 450 words ...
- ... and make it catchy, interesting and newsworthy
  - This will not only help you to focus on the most important points but also assist the editor or reporter to process the information
- Additional information about you or other points send in an **accompanying fact sheet**
  - Ensure that it is written in reportage style and do not use the first or second person (I/we, you/us) unless in a quote. Rather use third person narrative (he/she/they) or proper nouns (Mr/ Ms/Dr).
- Use the “**What, Why, How, When and Where**” Principle to write your release
  - What is the story about?
  - Why is this event/show/art exhibition being done?
  - Who is doing it?
  - How is it being done?
  - When will public be able to see this art?
  - Where will they see it?
- Another method to use is the **AIDA** method:
  - Attention in the first paragraph
  - Interest in the ensuing paragraphs that will make them read further
  - Encourage to make a decision about something ...
  - ... for an action to carry out (For example, provide a booking number to book tickets ...)

## Marketing Mix – Promotion: Biography

### On Writing a Biography

- Keep it to **one page** – about 350/400 words maximum
- Include some historical information
  - When you were born, grew up and studied, or learnt your craft
- Include some **philosophical information** about your art
  - Why you write, paint, act, dance, perform
- End the biography with a **reference** to what you are currently doing

## Marketing Mix - Positioning

### Decisions about Positioning

The **definition of the product** and the overall public **perception** of the art, artists or arts organization, in relation to **competitors**

- Eg: Sales channel
  - Are you an artist who sells your art via an agent to exclusive international galleries, ...
  - ... or from a studio at home?
- Eg: Packaging
  - Are your goods packaged in expensive boxes with labels and branding, ...
  - ... or wrapped in brown paper?

### Brand Attributes (and Perceptions)

- What is your offering and what are the benefits to the customer?
  - The arts, unlike a commercial product, is forever changing: An arts brand should continue to deliver on its promises
    - Product origin, quality, uniqueness

### Consumer Expectations

- What are customers' expectations?
  - Rarity of the product
  - Personal interaction possibility with the artist

### Competitor attributes

- What features and benefits do other brands offer?

### Price

- Prices vis-à-vis competitors' prices
  - "Prices are higher because ... "

## Budgeting

### Expenditure

Framework of implementing an action plan step by step and assessing the cost of every action or item needed

- Find out the costs
  - Investigate ...
  - ... get quotations ...
  - ... and be realistic
- Show how costs are calculated in a broken-down or detailed budget
- Check “nice-to-have” vs “have-to-have” items
- Include costs of accounting and auditing, if required
  - Mind costs to raising money
- Group items into categories that make sense to properly structure the budget
- Re-assess and re-calculate the figures and / or get a cross-check

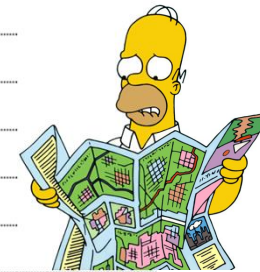
### Income

Different kinds of income from different sources



## Strategic Marketing Plan

Executive Summary	Provide a summary of the Strategic Marketing Plan
Description of the art product or service	I/We offer .....
Vision Statement	My/Our vision is...
Mission Statement	My/Our Mission is...
Overall Objectives	My/ Our Overall Objectives are...
Analysis of current situation Internal & External (SWOT/PESTLE)	Internal Strengths and Weakness are... External Opportunities and Threats are... Current Political, Economic, Social, Technological, Legal and Environmental climate is...
The Target Market	My/Our target market is...
Marketing Objectives	My/Our Marketing Objectives are...
Product Decisions	The Product is...
Place Decisions	The Place is...
Price Decisions	The Price is...
Promotion Decisions	I/We will Promote it by...
Positioning Decision	My/Our Brand Identity is...
People Decisions	The People who represent us will be...
Action Plan	The detailed of plan of how the above will be achieved. (See Section 4)
Budget	The detailed budget to achieve these objectives. (See page 63)
Monitoring and Evaluating	The plan of how the marketing activities will be monitored and evaluated. (See Section 4)



## Components of Your Action Plan – Get Going ...

### **Set success targets**

- How much do you want to earn?
- Performances, sales of items, awards
- Time devoted to performing

### **Build awareness of your products**

- Exhibitions, classes, shows, publicity, interviews, performances

### **Location distribution strategies**

- Where products made available

### **Markets development**

- Look around at the local scene
- Filling in information gaps on products and markets
- Increase the amount of sales to existing customers
- Develop new audiences and customers

### **Build contacts and networks**

- Review support networks
- Events, courses, activities

### **Gain credibility**

- What will build credibility in your arts sector? Prizes? Scholarships? Performances?
- Possible projects seemingly effective

### **Undertake skills development**

- SWOT
- Skills development, training, lectures

### **Fine tuning and practice**

### **Get feedback and advice**

### **Experiment with limited advertising and publicity**

## ... and Making It Happen

- **Quick decisions** made in the heat of the moment can be a disaster
  - Thinking about what could go wrong and developing contingency plans.
  - ... helps to avoid unpleasant surprises, and ensures you have a basis for decision making
- **Measuring success** can include a number of criteria
  - Sales                      Popularity                      Increased recognition
  - Financial viability      Development of new      Sense of achievement
  - Reputation with peers      target markets
- **Review progress** regularly - every three or four months - rather than wait until the end of the planning period to check progress
  - If it isn't done regularly it will be difficult to implement contingency plans to correct potential problems
- It is important to get **feedback from customers**, colleagues, booking agents, directors or distributors
  - It is also important to attend industry activities and see how others are doing and what new developments are affecting the marketplace



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Previously, Mr Schopper was member of Merrill Lynch's European Corporate Finance Group and co-ordinated for many years Morgan Stanley's Corporate Finance efforts in Central and Eastern Europe. Before he had worked with Creditanstalt Investment Bank (Unicredit) on numerous privatisation and capital markets transactions in Central Europe and Austria and with Raiffeisen KAG as a fund manager

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