

The Role of Cultural Institutions and Events in the Marketing of Cities and Regions

Edited by
Tomasz Domański



Prof. Tomasz Domański PhD

University of Lodz

Faculty of International and Political Studies

Department of International Marketing and Retailing

Lodz, Poland

Marketing challenges for marketing of cultural institutions and events

1. The need to continuously enhance marketing orientation in cultural institutions

When examining the operations of cultural institutions in Poland and globally we can observe that marketing is gradually gaining in importance in their strategies, which is a very positive tendency. At the same time, one might have an impression that these institutions are still not enough marketing-oriented. It seems they still have huge reserves to create new strategies even more strongly focused on selected target groups domestically and abroad.

The future of the institutions of culture and their position in local and international markets will thus largely depend on how much their marketing activities are intensified and, by the same token, how much they are able to generate value added for various audiences. Marketing orientation must consist, on the one hand, in noticing new groups of audiences and, on the other hand, in reinforcing relationships with the already existing audience. Thus we are dealing here with a deeper penetration of local markets and building the loyalty of selected groups of clients. The building of loyalty *vis-à-vis* cultural institutions provides also foundations for their positioning in local and regional markets. Various societies and clubs of friends of cultural institutions and non-governmental organisations may play vital role in the strategy. Such societies have a specific role in marketing because of their strong identification with a given institution and the loyalty *vis-à-vis* its values and offer (Passebois-Ducros J., Guintcheva G., 2010).

Studies conducted in cultural institutions in other countries provide inspiring material for marketing activities. For example, the analysis of museums in Spain demonstrates a strong link between their marketing orientation and effects of their presence in selected markets. The survey conducted on a sample of 182 Spanish museums revealed

an unambiguous need to improve their marketing orientation (Camarero Izquierdo C., Garrido Samaniego M.J., 2007, p. 811 and pp. 814–816).

The need to enhance marketing orientation in non-profit institutions, including the cultural institutions, was already pointed to by Philip Kotler back in the 1990s (Kotler P., Andreasen A.R., 1996; Kotler N., Kotler P., 1998). Marketing orientation and client-oriented approach are and should be the guiding principles practised by profit-oriented and non-profit organisations. Marketing orientation requires a continuous improvement of knowledge about the needs and preferences of recipients of cultural services and creating new attractive offers.

Huge potential for further development of cultural institutions lies in building strategic partnership relationships and alliances with different actors in their immediate neighbourhood. As demonstrated by the above quoted Spanish studies, marketing orientation of museums very clearly impacts their situation and performance measured with the number of visitors and total revenue. Marketing orientation favours the building of a positive image of a museum in a given market (Camarero Izquierdo C., Garrido Samaniego M.J., 2007, p. 825).

At the same time, Spanish researchers rightly suggest that managers of museums should make a wider use of relationship marketing in connection with other cultural organisations and organisers of cultural and tourist events in a given market. The outcome of marketing synergy will then be much stronger and favourable to all partners in the network.

2. New generation managers of cultural institutions

Enhanced marketing orientation of cultural institutions can be achieved primarily as a result of the inflow of well educated managerial staff to these organisations. They are increasingly often managers with interdisciplinary background that is a combination of specialist knowledge in the history of art or other humanities with managerial and marketing skills.

New generation managers more and more frequently join cultural institutions after having spent some time in business sector where they have gained experience in managing interdisciplinary, complex business projects. Their knowledge and expertise in managing big projects produce good results in managing cultural institutions.

In Poland and abroad managing new cultural organisations is very often linked with the use of European funds and developing new institutions from the idea through implementation and up to the management stage. The process needs interdisciplinary project teams able to harmoniously collaborate.

The new generation managers are also more aware of the need to build up good relationships with the city and region, in which their respective institutions are based.

Thus, the future challenge will mainly consist in attracting very good managers to cultural institutions, who are creative and aware of the roles these institutions may and should play in branding cities and regions.

The role of creative leaders who manage cultural organisations was stressed by, e.g., Rentschler (Rentschler R., 2001). In modern management of cultural institutions a *manager-entrepreneur* is especially valuable as he/she can her/himself attract spon-

sors, external partners, and donors. *A manager-entrepreneur* usually also very actively establishes new relationships and uses them to create the strategy of a given cultural institution, especially a museum.

3. New generation of city managers who appreciate the importance of culture in promoting cities and regions

Another future challenge is to have new generation city officials as interlocutors to managers of cultural institutions. It would also be advisable for the new category of officials to have some business background and be able to grasp the importance of cultural organisations for the growth of the city and building its strong brand. Surely, such a professional profile and carrier path are still rather rare.

For the education of officials it is important to promote an interdisciplinary model that would combine knowledge about administrative procedures with managerial competencies and in-depth knowledge on culture. Such an educational model for civil servants is particularly valuable but still rare. We mean here the managerial component as management knowledge among graduates of humanistic courses is often insufficient and the deficit of knowledge about culture among graduates of traditional economic or managerial studies.

The gap should be filled with interdisciplinary managerial master courses and specialist post-graduate management studies for graduates of humanistic studies that would cover management of culture, projects, marketing management and marketing communication.

New generation officials responsible for urban management should better understand the role of cultural institutions and events in the promotion of cities and in building their local, national and international image. It is not enough to be familiar with the rules of promoting but we need to combine city management skills with managing cultural events (Florek M., Augustyn A., 2011).

The intensification of international studies on the role of cultural institutions in promoting cities and in building their brands helps to improve officials' awareness and earmark funds that could finance such organisations and activities.

4. Seeking better synergy between marketing of culture and marketing of cities

As we have already stressed, we can observe an increasing professionalization of management in cultural institutions and events. That is also the effect of the development of specialist fields of management connected with managing tourist and cultural events (van der Wagen L., White L., 2010), as well as an increasing professionalism of brand building strategies for cities and cultural institutions (Ollins W., 2004; Anholt S., 2007; Ollins W., 2009; Domanski T. and others, 2008).

The key challenge for the future is to improve the synergy between actions designed to build strong brands of the leading cultural institutions and cities hosting these institutions or events. Clearly we do not mean temporary actions but a strategic plan to create a brand for the city based on its flagship cultural institution(s).

For smaller urban centres the strategy may consist in an alliance with a selected cultural institution or event that receive a lot of recognition and coverage, also at international level. In big cities we may sometimes focus on a single flagship institution if it is very distinct and can be used in the positioning or, more importantly, repositioning of a city. Good examples of such activities are offered by strategies of two Spanish cities: Bilbao and Saragossa (Sepe M., Di Trapani G., 2010).

Big cities can also be associated with a specific group of cultural institutions and events. The important element here is such a combination of these institutions and events that would create a coherent unit that could produce an attractive and coherent brand that can communicate to the external world a specific set of values decisive for its unique image. Unique image should be created based on authentic values connected with the identity of a given place as that may guarantee a lasting competitive advantage over other cities.

In the case of Lodz, its architecture, so meticulously renovated, is surely a lasting element that differentiates the city from its European and world counterparts while the embeddedness of cultural institutions in city identity opens up an opportunity of distinct branding.

From the point of view of synergy between the brand of a city and its cultural institutions it is vital to work out a coherent marketing communication strategy and to apply it consistently to reinforce certain relationships and values. The key threat is the lack of cohesion in activities and absence of good cooperation between the city and its main cultural institutions and events. That is especially pertinent when it comes to the discontinuity of funding for cultural events that are key for city branding.

Lack of coherence usually comes from decisions made by city or regional authorities that do not guarantee the continuity of funding for specific cultural institutions or events or suddenly reverse the hierarchy and priorities of funding for various areas of culture.

In city marketing increasingly more attention is paid to the idea of *creative cities* and the creativity of innovative activities that assist in urban development. Urban innovations are nowadays usually linked with the regeneration of cities and the development of cultural tourism. Such activities necessitate deep engagement of local communities around values connected with the identity of the place.

In innovative activities in cities purely material and infrastructural elements feature side by side with intangible factors connected with the history of the place, its identity, collective memory of this identity, social relationships, and purely emotional experiences associated with the place in question. New generation cultural institutions, especially different types of dialogue centres, have a prominent role to play in this area. By organising a variety of cultural events, cultural institutions may change the image of a city. The abovementioned examples of Spanish cities (Bilbao and Saragossa) confirm the thesis. How successful these activities are depends predominantly on the ability of city authorities and cultural institutions to involve local communities into cultural actions addressed to them. (Sepe M., Di Trapani G., 2010).

5. Modern forms of marketing communication in strategies of cities and cultural institutions

Cities and cultural institutions organise their marketing activities around their websites and social media. The substance of each and every cultural institution and event consists in the ability to generate a community of enthusiasts of a specific project or action. This ability to disseminate positive information and emotions connected with the perception of a given place in aesthetic, intellectual, symbolic or social terms provides the starting point for building new relations with the environment and to reinforce the already existing ones.

Each institution is judged against its ability to radiate in the environment and to create positive relations with it. In the case of cultural institutions and events huge role is played by sensory branding, resulting from the climate of specific places and emotions that they generate (Hulten B., Broweus N., van Dijk M., 2011). Something similar emerges in relation to cities and their unique climate. Harmonious intertwining of these impressions is decisive for the coherence in the perception of cultural institutions and cities, in which they are embedded. Sensory impressions, i.e., experiencing a city with senses, create many opportunities to develop various forms of communicating with the world about the city, in particular in visual terms.

The future of marketing of culture and cities will largely depend on the coherence of messages in the social media or, more broadly, on the Internet, especially in diverse forms of visual transmission that generate the image of places and cultural events inherently connected with them. Huge role may be played by light festivals that we have discussed, which combine aesthetic impressions with new perception of urban space at night.

In city marketing strategies more and more attention is paid to examine how the image of cultural institutions and events impacts the image of cities, in which they are based.

Amongst many studies it is worth mentioning the one of 2009 in Istanbul. It was performed before 2010, the year when Istanbul was the European Capital of Culture. The Turkish metropolis was perceived as a city rich in cultural attractions. The city appealed more to visitors on their second visits. It was also observed that the positive image of Istanbul museums strongly impacts good image of the city (Altinabasak I., Yalcin E., 2010, p. 241). The survey was conducted on a group of 250 foreign tourists who spoke English and visited the major museums of Istanbul (Altinabasak I., Yalcin E., 2010, p. 244). The results confirmed strong impact of museums upon the city image and highlighted the need to improve the management strategy in museums and to boost synergy between attractive city branding with the help of its main museums.

6. Increased role of European funds in funding cultural institutions and events

When observing the latest tendencies in the development of cultural institutions and generating cultural events we should stress that many of these tendencies would never emerge without European funds. We have in mind especially the biggest infrastructure projects as well as big festivals and artistic projects organised in Poland and in other EU

countries. That is due to the increasingly prominent role of European funds in financing new cultural institutions and to the growth of already existing institutions that are modernised and expand their operations.

The phenomenon runs in parallel to architectural and city planning regeneration projects, which highlight the identity of cities and favour cultural projects well embedded in regenerated historical space. The phenomenon should also be linked with increased relevance of urban aspects in European projects. In city marketing more and more space is, and will be, devoted to the idea of *creative cities* and innovative activities connected with the creativity that will help them grow.

In Lodz, in the period 2016–2020 well spent European funds may be one of the key pillars of urban development in the field of culture and regeneration of its cultural heritage. These activities may help to newly position the city as a centre of creative industries and a city with unique layout and architecture. Lodz also intends to bid to host the World Expo (the so called “Small Expo”) in 2022 in its slot devoted to the regeneration of cities, which is where it has already got some remarkable achievements and projects that are ongoing or planned for the nearest future.

7. The need to continuously improve marketing communication of cultural institutions with their environment

One of the key challenges to cities and cultural institutions will consist in improving marketing communication with their environment with a wider, interactive deployment of social media (Wiktor J.W., 2013).

The importance of communication between cultural institutions and their environment was earlier stressed by Guilmore and Rentschler (Gilmore A., Rentschler R., 2002, p. 749). Both internal and external communication should be mastered. Nowadays, modern media enable continuous expansion and improvement of this functionality. For instance, in museums, as shown by studies, improvement of internal and external communication has a huge impact upon attracting new visitors. All the staff at the museum must be aware of how important marketing is for their institution and they should strive to enhance it. Improving communication strongly depends on marketing orientation and management style of the leader (Gilmore A., Rentschler R., 2002, p. 758). These observations may be extended upon other cultural institutions.

The way how social media are used by museums has become the subject of detailed examination (Richardson J., 2009). Such survey was conducted, inter alia, in British (Kidd J., 2011) and Australian museums (Australian Museum, 2009). Social media provide the platform for effective marketing activities (*the marketing frame*), help build the community of interests (*the inclusivity frame*), and develop new forms of collaboration and partnership (*the collaborative frame*) (Kidd J., 2011, pp. 67–72).

Social media also allow us to pose the question to what extent new technologies allow to mobilise the enthusiasts of cultural institutions and their offer and help enhance the degree to which they identify with a given institution which automatically leads to building a group of loyal audience.

8. New generation cultural institutions

Developing attractive operating principles for hybrid cultural, educational and entertainment institutions will remain a big challenge in building the synergy between cultural institutions and marketing. These institutions, in combination with authentic identity of places, may play a vital role in the repositioning of cities and their strong branding. Nevertheless, their embeddedness in the identity of a given place and establishing strong partnership relations with various local actors actively involved in city branding strategies and new interdisciplinary cultural, science and business institutions will continue to be vital. These new institutions may and should generate positive alliances for the dialogue about the role of culture and science in local development. It is important, however, for cultural institutions to be able to cooperate with smaller local entities and do not compete with them.



Wide audience... Museum of Contemporary Art Lyon, France



Wide audience... Museum of Contemporary Art Lyon, France



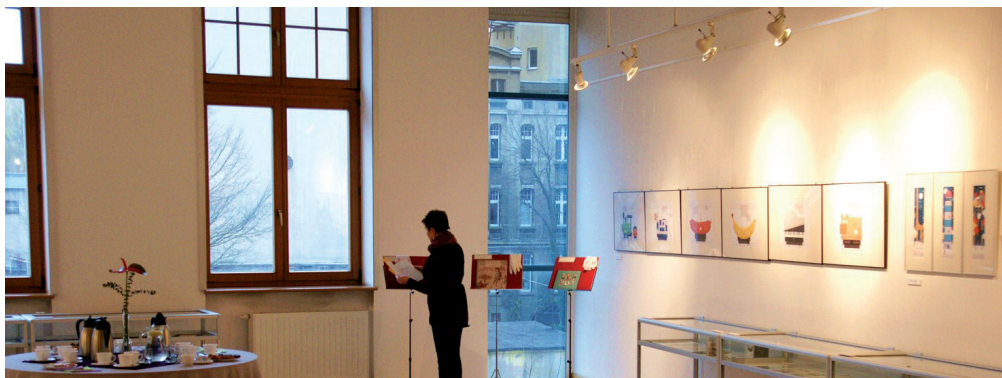
Wide audience of cultural institutions or how should we expand the attendance at cultural events. Museum of Contemporary Art Lyon, France



Wide audience of cultural institutions or how should we expand the attendance at cultural events. Museum of Contemporary Art Lyon, France



Art in university galleries — University of Lodz, Poland, Faculty of International and Political Studies



Art in university galleries. Gallery INTER — University of Lodz, Poland, Faculty of International and Political Studies



Art in university galleries. *Ilustra Mundos* exhibition — University of Santiago de Compostela



Art in university galleries. *Ilustra Mundos* exhibition — University of Santiago de Compostela



Art in university INTER Gallery — University of Lodz, Poland, Faculty of International and Political Studies. Exhibition "European fairy tale illustrated"



Art in university INTER Gallery — University of Lodz, Poland, Faculty of International and Political Studies. Exhibition "European fairy tale illustrated"



Art in university galleries. Fine art workshops at INTER Gallery — University of Lodz, Poland, Faculty of International and Political Studies



Art in university galleries. Fine art workshops at INTER Gallery — University of Lodz, Poland, Faculty of International and Political Studies

References

- Anholt, S. (2007). The Anholt City Brands Index 2007 General Report. Available at: www.business.nsw.gov.au.
- Altınbasak, I., Yalcin, E. (2010). City image and museums: the case of Istanbul. *International Journal of Culture, Tourism and Hospitality Research*, Vol. 4 Iss 3, pp. 241–251. DOI: <http://dx.doi.org/10.1108/17506181011067628>.
- Australian Museum (2009). *The Museum's Social Media Strategy*. Available at: <http://australian-museum.net.au/blogpost/The-Museums-Social-Media-Strategy> (accessed January 2010).
- Camarero Izquierdo, C., Garrido Samaniego, M.J. (2007). How alternative marketing strategies impact the performance of Spanish museums. *Journal of Management Development*, Vol. 26 No. 9, pp. 809–831. DOI: <http://dx.doi.org/10.1108/02621710710819311>.
- Domański, T. (red.) (2008). *Marketing kultury. Nowe wyzwania oraz nowe kierunki działania*. Łódź: Wydawnictwo Katedry Marketingu Międzynarodowego i Dystrybucji Uniwersytetu Łódzkiego.
- Florek, M., Augustyn, A. (2011). *Strategia promocji jednostek samorządu terytorialnego — zasady i procedury*. Warszawa: Fundacja Best Place — Europejski Instytut Marketingu Miejsc.
- Gilmore, A., Rentschler, R. (2002). Changes in museum management. *Journal of Management Development*, Vol. 21 Iss 10, pp. 745–760. DOI: <http://dx.doi.org/10.1108/02621710210448020>.
- Hulten, B., Broweus, N., Dijk van, M. (2011). *Marketing sensoryczny*. Warszawa: PWE.
- Kidd, J. (2011). Enacting engagement online: framing social media use for the museum. *Information Technology & People*, Vol. 24 No. 1, pp. 64–77.
- Kotler, N., Kotler, P. (1998). *Museum Strategy and Marketing*, San Francisco, CA: Jossey-Bass.
- Kotler, P., Andreasen, A.R. (1996). *Strategic Marketing for Nonprofit Organizations* (4th ed.). Englewood Cliffs, NJ: Prentice-Hall.
- Olins, W. (2004). *Wally Olins o Marce*, Warszawa: Instytut Marki Polskiej.
- Olins, W. (2009). *Podręcznik brandingu*, Warszawa: Instytut Marki Polskiej.
- Passebois-Ducros, J., Guintcheva, G. (2010). Coommunautés d'amateurs et création de valeur pour les musées. Le cas des Sociétés d'Amis des Musées (SAM). *DM Decisions Marketing*, No 60, Octobre–Decembre 2010.
- Rentschler, R. (2001). Is creativity a matter for cultural leaders? *International Journal of Arts Management*, Vol. 3 No. 3, pp.13–24.
- Richardson, J. (2009). *Creating a social media plan for a museum*. Available at: www.museummarketing.co.uk/2009/06/26/creating-a-social-media-plan-for-a-museum/ (accessed February 2010).
- Sepe, M., Di Trapani, G. (2010). Cultural tourism and creative regeneration: two case studies. *International Journal of Culture, Tourism and Hospitality Research*, Vol. 4 Iss 3, pp. 214–227; Emerald Group Publishing Limited, ISSN 1750–6182.
- Van der Wagen, L., White, L. (2010). *Events management: For tourism, cultural, business, and sporting events* (4th ed.). New South Wales, Australia: Pearson Publishing.
- Wiktor, J.W. (2013). *Komunikacja marketingowa: modele, struktury, formy przekazu*. Wydawnictwo Naukowe PWN.



University of
LODZ



Culture



This project has been funded with support from the European Commission.
This publication reflects the views only of the author, and the Commission
cannot be held responsible for any use which may be made
of the information contained therein.



www.wydawnictwo.uni.lodz.pl
e-mail: ksiegarnia@uni.lodz.pl
tel. (42) 665 58 63

