



MARKETING ISSUES IN ARTS



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Marketing Issues in Arts

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Abstract

This dissertation was written as part of the Ma in Arts, Law and Economy Master program at the International Hellenic University

This topic is the general expression of Marketing in Arts institutions management, containing specifically issues dealing with relationship marketing, market segmentation as a marketing tool, e-marketing, international aspects of marketing depending on the culture of the audience of an art institution, audience behavior towards arts and tools in practice that can help an artist or an exhibition to be known to the public. This sector is one of the most interesting through management of arts institutions due to the huge number of new artists and artworks which in our days cannot be recognizable easily from the public, mainly because of the inability of the public to reach them or the incapability of the artists to introduce their selves to the wide public. Marketing can provide those tools that can create a successful introduction between the wide public and the art world. It is a field of knowledge on how consumers are behaving towards goods and services, a continuous research about details of different segments of the market as a whole and as different segments with different characteristics and features and a scientific approach concerning ways of influencing public's behavioral instincts through basic rules of managing impressions, behaviors, thoughts and actions. **Main targets of marketing strategies in arts are the long term survival of art institutions and organizations, profits and recognition and the efficient management of every single step of an art transaction from pure creations and primal artists to commercial sales, promotion and all steps between the birth of a creation until finally rest up in a buyer's bedroom or living room in his private collection.** The importance of researching market for new ideas and approaches while gathering all kind of information to act efficiently in the market can be lifted to the top using marketing tools as primary help of evaluating people and even artists themselves or art institutions internally. Finally, we can add that connecting quality with aesthetic perfection is creating unique feelings to art lovers from the most delicate to the most conventional ones, forming a smooth path for arts to thrive under the complexity of the continuous industrialization of the modern economies worldwide.

Introduction

Following the continuing liberalization and relaxation of the world trading rules and provisions, the global transactions of goods and services have met a great welfare with the international artistic environment changing into an increasingly competitive one for both creators and intermediates of all kind including of course artists and art institution. Consumers now have finally the chance of choice. Any kind of artist and his productions along with art organizations, representatives, agents, intermediaries in the supply chain and all members participating in an art deal, must constantly give their best to improve the quality of their products and services, create fast and reliable production processes, give attention to their brand identity and promotional strategies, along with the effectiveness of their marketing strategies, if they wish to improve their business outcomes, productivity, competitiveness and win the coveted market share with the benefits of long term survival, profits, fame and recognition, worldwide . By researching and continuously evaluating the market, particularly the behavior of consumers and competitors (external environment), all these segments of the art market can lead the race for succession. Identifying a demand in the market creates significant opportunities to win big market shares only though if this procedure can lead to quality product and services design, which is considered necessary in the delicate modern art environment. This is where marketing makes its appearance.

Marketing's typical approach can be defined as, customer-focused approach. This is the typical attitude to almost all categories of goods and services, nowadays. Referring to arts sectors, the marketing challenges come from many directions, continuously requiring art managers to be ready to deal with many different and complex situations in the global market. At first sight, anyone can argue that handmade art produces high value artworks comparing with artistic productions of the modern industrialized world. Continuing someone can add that another challenge may appear from the fact that handmade products and intangible art productions belonging to pure human's inspiration are not generally basic needs for consumers, in a world full of poverty, social and financial crisis and political instability. This will easily mean that consumption of these products may be declined as the social and financial balance

of the modern world is changing rapidly and consumers will turn their attention to more conventional form of arts, easily approachable with great value of money but less qualitative artistic outcome, especially during the recent problems of the global economies. Nevertheless, modern marketing, gathering the necessary information of the average art follower, can create strategies to overcome problematic situations and highlight the benefits and the quality of the creativity and craftsmanship of real talented artists. This gives arts one more chance to survive in the high industrialized modern world, offering a cultural and inspired flavor to modern art world, which arouses from the interest of people to satisfy their emotional needs through crafts and improve the quality of their aesthetic tastes through cultural unique inspirations. Even so, **attracting and creating loyal consumers is a highly demanding task** in an overcrowded and strict marketplace, where consumers can find a variety of choices and alternatives anywhere they look and where competitors are always searching for opportunities to increase their market share on any other's art institution expense. Today's enormous development of technology can give a lot advantages to artists and art organizations to meet their audience with low costs and speed, but on the other hand it can create situations like imitations and fake artworks' sales using advantages and high quality of the high standards technology is offering nowadays. By copying art, the market can simply get overweighed with look-alike art productions or downright copies, which can damage a lot profits and confuse consumers over the reliability of the places they choose for their purchases. The real challenge for artisans and all members of art society artists is thus not just to produce and promote new products that aim to influence consumer tastes and behavior, but also to prevent effectively deal with unfair competition or theft and copy of their creative and innovative ideas. **If artisans and visual artists would like to get a fair return from their creativity in the marketplace, it is important to follow a planned and systematic marketing strategy which is based on important intellectual property provisions and continuous check in the market of imitating procedures, black market transactions and illegal or unauthorized sales of their productions.** The highly competitive nature of the art market is forcing each country, eventually, to protect culture-based goods as a crucial part of its national cultural heritage, helping primary art expression to thrive despite all difficulties mentioned above.

1. Marketing and arts

It is well known nowadays that marketing strategies can apply to all organizations with products, services and customers, and not of course only to those strictly business oriented (Kotler & Levy, 1969; Andreasen, 2012).¹ However, looking arts as a special business sector, it is easily recognizable that marketing of arts is much different in its application than the conventional commercial marketing (Fraser, 2004). Often, it tends not to have the natural characteristics of selling a product, concentrating on selling the performance, rather than making the product based on consumers' needs (Fraser, 2004; Pallin, 2003)². This is clearly different from the traditional marketing concept that is based on the individuation of consumer needs and their potential satisfaction with the right marketing strategy (e.g. Kotler & Armstrong, 2007³). This situation led many academics and art researchers to argue that in art business the ones who make products are the artists and their freedom of making their inspirations reality doesn't suit with marketing concepts of satisfying each segment of the market individually, for the reason that they are making art not for the needs will satisfy but because of their talent and particular inspiration. This view is based on the reasoning that there is a sensitive diversity between high and low cultural production, where high culture is seen as pure art beyond restrictions and public acceptance, while low culture art is defined as the kind of productions that target consumers at first and then profits and fame. (Holbrook, 1995)⁴. So marketing, would be indeed something useful in the part of the low classed artistic creations, but not in the area of high cultural productions, as any type of performing arts like theaters, ballets and music compositions. Practically, it's obvious that different marketing techniques are appropriate in cases of pure artistic creations (high classed art), while conventional marketing tools can be used to satisfy consumers' needs in the cases of low classed artistic events and creations.

¹ Kotler & Levy, 1969, Andreasen, 2012

² Fraser, 2004; Pallin, 2003

³ Kotler & Armstrong, 2007

⁴ Holbrook, 1995

This particular way of dealing with arts, however, has become completely problematic through years, not only because the distinction between high and low quality of artistic productions have been starting to disappear with pure artistic creations nowadays, considered as simple products (**Featherstone, 1991, Venkatesh & Meamber, 2006**⁵) but also because of the extremely huge expansion of the art market in every place of the world along with the huge growth of the black market and the consequences of the recent financial crisis. In the new high-consuming culture, in fact, marketplace is becoming the place of every cultural production (**Arnould & Thompson, 2005**)⁶, while marketing is playing the central role in artistic transactions, considering that using the right promotion and advertising everything can be sold easily. Therefore, it becomes senseless even in the area of high cultural production to try to avoid classic marketing strategies as the key of promoting arts to the wide public (**Botti, 2000**)⁷. As a consequence, there is no doubt now that every art organization and individual artists can benefit from sensible strategic marketing tools that can allow them meet consumers' expectations creating a proper interaction with the public. As a result, what is seen as the key aspect of arts marketing is segmentation and targeting (e.g. **Kotler & Scheff, 1997; Bernstein, 2007**)⁸. Using these marketing tools, art creations can be applied in groups of people that can recognize the significance of every specific art creation and depending their cultural background choose the most appropriate artistic expression to them.

2. Arts, tastes, modern art market and consumers' behavior

Art is consisting a special part in human lives from thousands years ago till our days. It strongly connected with the ideas of beauty, harmony, taste, style and enjoyment, with the admiration of any artwork depending clearly on the taste of everyone individually. The perception of people towards arts differs in countless things, depending his experiences, his way of living and the enigmatic feelings an artwork can create to anybody's mind.⁹ People with high sense of aesthetics can understand art quality a lot better than others, creating the normal differences in taste through

⁵ Featherstone, 1991, Venkatesh & Meamber, 2006

⁶ Arnould & Thompson, 2005

⁷ Botti, 2000

⁸ Kotler & Scheff, 1997, Bernstein, 2007

⁹ The concepts of taste and aesthetics have been extensively researched within the fields of sociology, psychology and philosophy, (see Adorno 1997; Bourdieu 1984; Danto 1964; Kant 1790).

art world.¹⁰ It seems logical though, according to aesthetic and taste criteria to conclude that art have different value for different consumers, depending on how the art product influences the mind of an ordinary human (**Johnson 1974**)¹¹. This statement can clearly give a motive to find out eventually who buys art and why. In modern commercial world, the great mass of art lovers is influencing from what they can see in famous museums, galleries and art institutions. This means that, in marketing terms, the perception of art followers is limited in what big art market players can show outside. In terms of profits and recognition this trend can be a life savior for art institutions as they have the power to “command” market to their own paths and influence their attitude to art so much, that the great mass can consist their life followers, keeping art companies in life and welfare. **Of course there are art lovers in the market with exquisite taste and sense of quality towards art, that can consist perhaps the most difficult segment for art institutions to win.** Considering the financial difficulties of our days though, art is almost identical with any other commercial product that brings joy and pleasure, justifying the commerciality of the modern art movement. It is true that there are art classic works, admired for centuries, but the big profits are not hiding there. An art institution, having decide that its priority it’s a long term survival with profits and fame globally, must pick the road of the mass audience satisfaction. The same is considered for individual artists that exposing their selves alone, trying to earn their living through their passion. Anyone of course can argue that art is something special and unique without the need of companies and commercial activities to survive, but the road humanity has chosen through capitalism had open a wide road for exploitation in anything can bring profits. This is something like a principle of how business is working today, without interest in pure creation but just in the outcome of the all effort.

¹⁰ Bloch 1995

¹¹ (Johnson 1974).

Market Segmentation and Group Targeting

To paraphrase Abe Lincoln . . . *“You may please all of the people some of the time, you may even please some of the people all of the time, but you can’t please all of the people all of the time.”*¹²

3.1) Market segmentation in art market

“Segmentation is saying something to somebody instead of saying nothing to everybody.”

Jay Conrad Levinson

*Guerrilla Marketing, 1994*¹³

Market segmentation is a specific strategic procedure created by the marketing science to help business firms and every type of organization to **obtain competitive advantages over clients and audience, trying to achieve the best marketing approach to every potential segment depending its characteristics and specific needs and preferences (Bowen, 1998)**¹⁴. Market segmentation main target is to **separate a market into mutually important subgroups of people (Reid & Bojanic, 2005)**¹⁵ highlighting their differences. By adjusting marketing tools depending the segment of choice, a significant effort is taking place in order **to attract different people from different segments to be interested in the same product**. Any division of the market is always happening because of the **chaotic number of customers and clients that can be attracted by**

¹² Abraham Lincoln. Quotes

¹³ Jay Conrad Levinson, Guerrilla Marketing, 1994

¹⁴ Bowen, 1998

¹⁵ Reid & Bojanic, 2005

the same product, resulting to a better operation of potential target group and finally achieving better sales and financial performance (Hunt, 2002)¹⁶.

Market segmentation is a powerful and very helpful tool that can be used by every company and organization worldwide who trying to succeed, build and maintain profitable relationships with audience. **Art market is relatively complex type of market** which can consist of numerous segments mainly because of the **variety of people and cultures, the characteristics and tastes of each one of them and scopes of following art**, meaning that except from the real art lovers, there are a lot of people handling art as a profitable business and an investment for the future.

Historically, arts organizations have focused their strategies on exposing art to wide audiences rather than producing artists and art for the largest audience. This effort was based to the principal that art is everything with many expressions regardless of the preferences of the biggest parts of the audience. However, recent changes in the funding priorities of governments and philanthropic organizations among with the financial problems facing every organization targeting profits or not, are causing arts organizations to become more customer-focused, softening their attitude to peoples' demands.

This means automatically that art institutions now have to face and attract a bigger audience, making art market segmentation a necessary tool for their strategic management actions. **It is very important to realize that either facing art as art or business, marketing consisting of the same principles facing everyone involved.** Actual targets will be for artists to search for recognition and fame among art society with a further aim of profit from their work and for art institutions to expose their product to the wide public trying to attract as many potential clients as they can to succeed financial survival at first and then the proper recognition as a high classed representative of the art world. Each part of the 'selling art procedure' and especially institutions facing art as business need to include art market segmentation to their marketing strategies in order to handle properly and efficiently the growing interest for their product.

¹⁶ Hunt, 2002

The **effectiveness of market segmentation efforts** can be measured by **four criteria**, whether the segments are:¹⁷

- Large enough for further attention (**substantiality**),
- Can be measured (**measurability**),
- Accessible through marketing communication vehicles (**accessibility**),
- Sharing certain characteristics and responding similarly to the marketing mix (**ability for further actions**). (Bojanic, 2007, Kotler, 1972¹⁸)

3.2) Importance of market segmentation

“There is no such thing as a Mass Mind. The Mass Audience is made up of individuals, and good advertising is written always from one person to another. When it is aimed at millions, it rarely moves anyone.”¹⁹

Fairfax M. Cone, 1952

Founder, Foote, Cone & Belding Advertising

The actual reasoning behind market segmentation and target marketing in art business is based in one simple but very important pillar. **Markets segments are not equal, consisting from audience members that in many cases are more important than others.** This means that cutting the audience pie into pieces can be proved the most sensitive work of a potential art marketer. No one can be excluded from being a potential client but supposing art audience is coming from all the world, there are not much segments proportionally that can offer a satisfactory profit to the artist or the art organization. Excluding anyone is more than risky, but **giving more attention to specific segments with real interest in arts is the proper strategy to gain efficiency, profits**

¹⁷ Bojanic, 2007, Kotler, 1972

¹⁸ Bojanic, 2007, Kotler, 1972

¹⁹ Fairfax M. Cone, 1952 Founder, Foote, Cone & Belding Advertising

and fame in the art world. When target marketing is successful a strong, faithful and satisfied audience can easily be built with mutual respect between artists and followers in a long term relationship that will keep artist and his representatives in profits and their funs more than happy keeping coming for more and more art pleasure in the future. It's the procedure that not just selling tickets or having big attendance in art events but gains audience for a life waiting new products from the specific artist to come up in the future to continue proving their preference to his name and style.

The truth of course is, that marketing tools are not capable enough by itself to create this kind of audience for an individual artist. Marketing is interacting with the quality of the offered product to create the desirable outcome. Consequently, **artists and art management of institutions have to give their best to create the right path for marketing to act properly.** Profits and fame are becoming reality only when quality is sold to the right people while, of course, the access to this quality is free for everyone to enjoy.

Practically, when marketing strategies are looking for a potential audience in terms of segmentation, means that a group of people with behavioral similarities towards arts is tried to be found in order to consist a strong and meaningful segment that can be related with a specific artist or art organization. The goal of every art marketer is to **appeal to every potential segment individually, to find its particular needs and interests and satisfy them thinking that every potential segment is a different person.** Facing parts of the audience as a person can give to art marketing strategies the right boost for an innovative treatment towards their clients. It is very important for the **clients or buyers to feel that have been treated differently from the average audience,** that more **attention to their interests have been shown from the art world and that they consist the elite segment of their favorite artist or art institution.** They feel alive and ready to invest in arts when **their voice and preferences seems to be heard and treated carefully,** so in marketing strategies this is meaning a potential long term faithful audience ready to offer a lot, which is the final goal of a successful market segmentation.

When the procedure of finding the right segment is done, advertising and ways of attraction should be found in order to make this audience be familiar with the selling product. Nowadays, **mass communication using television or internet is the most usual way of showing what you have to offer to the public.** Unfortunately, as art market is defined as a complex market with

many aspects and sides, is considered very difficult to get the right connection with the right audience through these tools of marketing. This is happening because **people today are swamped with information from everywhere**, from flyers in their doorsteps, magazines, newspapers and mobile advertising to emails, radio and television channels, trying to sell everything to everybody. **Art market as a more specific market with many particularities and aspects** have to be treated differently of course to succeed the in need interaction with the previously successful recognition of segments of the audience. This means that an ability of **forgetting conventional advertising tools must be developed properly to reach sensitive to arts segments of the audience**. Art lovers tend to be more eccentrics than usual consuming public and ways of interacting with them should be found to reach a quality level of advertising art products. **Innovation and creativity** are the characteristics that have to be developed by art marketers to identify public needs and promote their ideas with success in an effort of a more effective communication with mutual benefits for both artists and clients.

3.3) How to identify new audience segments?

Identification of new market segments presupposes the excellent knowledge of the already existing ones. Art marketers have to be sure they fully understood the characteristics of their current clients and the segments of the market they represent. Then they can look with safety beyond their present success targeting new people from different parts of the audience using different marketing tools. Understanding current faithful customers means an absolute knowledge about who is supporting specific artists and organizations, who are the donors and volunteers and what sort of people are coming to specific art events all over the world. Having this step fulfilled, art marketing can go further finding new challenges in the complicated art audience, targeting increased profits and bigger recognition throughout art world.

3.4) Positioning

The procedure of defining the relation of a single artistic production and the overall public perception of the art, artists or arts organization, with competitors' reactions and strategies,

is referred to as positioning. Artists and arts organizations develop their identities through branding, trying to enter in a specific way in the mind of a regular consumer. Of course, there are brands with which someone would like to connect himself to, and others that doesn't. There are certain images that come to mind and end up in choosing a brand. Marketers in every field of modern industry and in any market are trying hard to find out how their brand can create through promotional procedures a pleasure thought to peoples' minds. The way messages are send to audience especially if there is a lot of competitors trying to sell products with the same attributes, is the part of connecting with people that needs the most attention. Peoples' perception about a brand can deliver success in the race of dominating the art market and how the arts' organizations message is interpreted by consumers reflects the organizations' vision and mission towards their market followers. Positioning, is reflecting all institutions attributes in the eyes of the customers and the idea that is forming subconsciously in audience's mind can define what will be the future of an artistic institution. For example, knowing that the common perception of a business is better than another, immediately and even without knowing any detail for both, someone can create a sympathy for the most recognized one. Positioning the brand perfectly in peoples' perception can offer advantages later even without the use of marketing tools, just maintaining the high rated attributes existing by staying loyal to the initial mission and vision that created the whole system working in favor of the specific brand.

Key attributes that creating a successful brand recognition can be:

- **Brand Attributes:** What is your offering and what are the benefits to the customer?
- **Competitor attributes:** What features and benefits do other brands offer consumers? “
- **Price:** How do our prices compare to your competitors' prices?
- **Consumer perceptions:** How do the consumers perceive the quality and value of your brand?

Internet marketing

4.1) Creating a blog

Creating a blog is a way for an artist or its representatives to promote his work at low cost or even for free. A blog is basically a website that is updated every day and usually includes high levels of interaction between the owner and the audience, allowing readers to post comments and write observations and question (**Buffington, 2008, p.38**²⁰). Through a blog an artist can easily explain why he created a specific artwork, his inspiration sources and the effects his work is having on his life. A blog includes an automatic format, time and entry dates, the ability to archive old entries, and the necessary section for comments for each entry posted (**Martindale & Wiley, 2005**²¹). The artist can also show his work in progress, but the most important thing is to share finally his own experience with the admirers of his work and answer questions from potential buyers or followers in his public exhibitions (**Lewis, 2010c**²²). Artists need to explain in detail why they are creating the specific artwork, their motivation and inspiration, and how they inspired any specific published work. To make that personal connection with the audience, so vital to end in sales and the in need profits and recognition, potential clients need to feel as if they know the artist. Blogging allows anyone to make photos accessible to the wide audience, explanations of work, the way is made and took its final view, and some details of personal experiences to make work more personal, introducing his life with the potential clients and creating a friendlier atmosphere.

The Internet has opened up a whole new world for arts, artists and their followers” (Lewis, 2010b, p. 20²³). It is also very helpful to have skills like shooting and creating videos in an attempt to help people to reach a more personal interaction with the artist. Videos demonstrating a complete personality, helping the final brand creation. By uploading videos in personal blogs can be proved a useful tool to establish a brand or a name in the art market, using web for promotion. (**Lewis,**

²⁰ Buffington, 2008, p.38

²¹ Buffington, 2008, p.38

²² Lewis, 2010c

²³ Lewis, 2010c

2010b). For all that reasons, blogging and generally internet tools are some useful ways of creating marketing strategies, that artists need to use when they want to promote their artworks, to make personal connections with other artists and public and of course interested potential buyers. What an artist uploading in his individual blog is going to open the eyes of other people towards their work and why they have created their artworks in the particular manner they did.

4.2) Creating a website

Following the recent communication trends, a professional art creator should be involved as much as he can with his followers and admirers. Internet and web based procedures are the most flexible and cost effective ways, in our days, to reach the wide public without effort. Online interaction can form a daily relationship between artists and their potential clients, building the basis for a long term interplay which can lead artists to a worldwide recognition and potential profits from their efforts in arts. For that reason, creators have to expose their selves and their arts in ways that their potential customers will appreciate, providing them the spark to get involved more with specific artworks and exhibitions.

A professional art website can contribute a lot to every artists' efforts to reach a wide recognition. It is a tool based on internet marketing strategies that can provides the right guidance to the clients through the creations of the author of the website. As mentioned before, a strong relationship relied in trust, between these two parts can offer numerous benefits to the artists, as the closer interaction with the audience can automatically lead to free advertisement, using word of mouth and the attraction of a bigger fan club, targeting fame and profits in the future. Through a website, as long as it is well designed, all these procedures can be achieved in matter of minutes since web communication is the lower in cost and faster way to find people all over the world. Building a professional site for exposing artworks and promoting brand name and logo must be based in professionalism using the skills of experienced web designers along with the latest technology trends to upload quality images and pictures to satisfy the potential audience. A personal domain of exposing creations can also provide tools of communication and an upgrade of art available in any moment, targeting the satisfaction of the faithful followers of a specific artist and luring new clients to visit and admire individual art creations.

The website practically should allow potential clients to join artist's email list and to receive spam-free communication from the artist as long as they want to, in their effort to meet the author of the work they admire. The website should include also a mobile-friendly design for people to access with their Smartphones, making art even more accessible to everyday involvement. The URLs and navigation need to be structured so that the site has good search engine optimization (**Parks, 2012**²⁴). Making things even simpler for consumers to remember products or artworks, the artist must develop ways inside his own website that will distinguish his work from other artworks of different authors (**Abbott 2005, Knight, 2011**²⁵).

4.3) Social Networking

Social networking consists the top communication way nowadays, referring to an online community of people with common interests who use websites or other technologies as **Facebook, Twitter, Instagram etc.**, to communicate with each other, share knowledge and information and exchange opinions for the subjects' matter to them. As mentioned before, web is the perfect way for an artist, gallery or museum to attract new audience and communicate with the existing one. A page for example, **on Facebook**, can allow artists to communicate with their audience personally at any time, with other artists and of course potential buyers and art professionals. This is a marketing tool that can provide strong bonds between art lovers and creators towards their ability using web tools to communicate in everyday basis sharing opinions, reviews, impressions and news about art and artworks. In modern art market most galleries and art institutions tend to use **Facebook** to have their audience informed about the latest news of their official exhibitions, by sharing news about future events, expected future artworks, artistic trends and critics and by providing the opportunity of having the latest and most accurate information about every field of arts and culture directly in their personal account (**Russeth, 2010**²⁶). **Twitter** is another way of direct communication through web where things are even more direct for those who wish to follow a particular artist, event, exhibition or gallery. "**Tweets**" or **short messages** can be sent out to a an individual for example an artist or a gallery to show support or to comment negatively or

²⁴ Parks, 2012

²⁵ Abbott 2005, Knight, 2011

²⁶ Russeth, 2010

positively for a past or a an upcoming event. Art creators can also publish their opinion about anything they want, making their way of thinking known to their followers. Commenting in topics concerning art and not only is giving a personal view on the artist's personality, exposed to the public in an effort to promote his art and thoughts worldwide. (Russeth, 2010). **Twitter** can be useful for the art community for creative advice, business strategies, to inspire other artists, and see what's new in the arts world (Pahle, 2012²⁷). If an artist's business is on more than five social networking sites it will probably be necessary, a web tool to help him manage the content.

4.4) Marketing through the Internet

The internet is becoming day by day a powerful player in the marketing and sales market of so many different products. Online sales also tend to attract younger people that are more familiar with the use of technology and its advantages to see and buy products of any kind. Art sites and art blogs started to make its appearance some years ago following this trend in an effort to attract potential buyers of any age from everywhere in the world using web as main tool of promotion. Many museums and galleries are trying to adjust their marketing strategies with the marketing trends of our days to maximize the limited advertising budget they got, due to the worldwide financial crisis that hurt arts so much from 2010 till today. Marketing through internet can offer many advantages to that direction as it consists the cheapest way to expose artworks and exhibitions to the wide public anywhere in the world. Art lovers also that cannot afford expensive travels or simply have not the time to search for fields of art they like, using web can minimize their effort and expenses to enjoy their favorite artworks. **It is a win-win situation for every part of the triangle artists-art institutions and audience** because all of them can enjoy the benefits of web either they called enjoyment of art from anywhere with any cost or low-priced direct marketing strategies or fame and recognition in places artists never exhibited their art collections. **Leaving behind the traditional methods of collecting or buying art, web can offer variable tools to satisfy any kind of appetite, with safety and speed.** Younger people nowadays always rely their quest concerning arts in famous websites or personal artists' pages on internet, before

²⁷ Pahle, 2012

they start actions like buying artworks or attending an exhibition. **“There’s a strong group of young collectors coming into the market right now, and it’s without question one of the most educated and passionate I have ever seen”, says Marc Glimcher of the New York’s Pace Wildenstein gallery, (Falkenstein, 2004, p. 108²⁸).** The internet also can help a lot of gallery owners in their effort to inform their potential clients about new products and product availability worldwide, having to manage a larger targeted market but in an easier way. “As consumers become more comfortable with online marketing, so do artists, vendors, and galleries. And they must, if they want to weather a stormy economy and a changing virtual landscape” (Knight, 2011, p.44²⁹). **There is a big variety of sites on the internet where artists alone can display and sell their work like:**

- Etsy.com
- Ebay.co
- ArtCrawl.com
- Artquest.com
- Absoluteart.com
- Artfromthesourse.com
- Portrait.com

Different sites with a big variety of options for every artist or seller, so it’s important to for everyone to make his research to find which ones will best suit in what they are trying to sell. Sites like these can charge some money annually for exposing individual art or charge artists and sellers by images of the artworks they are trying to sell. **The websites mentioned allow all art to be shown, anywhere, making every web user a potential buyer avoiding high priced marketing procedures that will be used the previous years to reach this amount of potential customers.** Some sites report sales but many just tell you how many “hits” there are to the site, meaning that every hit can represent a potential buyer of the specific artwork. Before an artist begins the process of uploading his artworks on a web site he will need to make a careful research on how each site

²⁸ Falkenstein, 2004, p. 108

²⁹ Knight, 2011, p.44

managing sales, what type of artwork the site is able to sell easier, how the artwork is marketed and what potential fees will the artist be charged by participating in these online sale procedures. **Generally, the idea of exposing art on internet consists the most efficient way, especially for unheard or amateur artists, to make their first steps in one of the biggest markets worldwide.**

Brand and loyalty

5.1) Creating a brand

The key to success with any online site is marketing³⁰, Jim Griffith is saying, the author of *The Official eBay Bible* and instructor for eBay tutorials, the eBay University (Bannon, 2007). This is why having your own brand or a name recognizable as your signature is so important. Building a brand is one of the best ways to distinguish an art work from the million others throughout the world. Buyers need to know artists' identities and personal information about artworks and their origin, so it's really important for an artist to include a biography of his own together with artworks history and information by establishing a website or a blog where the interested audience can learn more about him and his methods while creating art. **(Knight 2011³¹).** According to CEO of **Artful Home**, Lisa Bayne, "the most important in art transactions is the trust between the artist and his potential buyers. Consumers need to know details about their investments in arts and of course to feel the safety of a personal interaction with the artist of interest. And as in any strong based commercial and professional relationship, trust is something you build over time with effort and patience" **(Knight, 2011, p. 47³²).**

Building a successful brand can offer artists the way to promote their selves on the big audience, while is offering the necessity of individuality through artworks and exhibitions. This means that automatically an artist can obtain a personal character, an artistic personality that along with his

³⁰ Bannon, 2007

³¹ Knight 2011

³² Knight, 2011, p. 47

name or brand can help him reach the top levels of recognition in the art market. Making a brand recognizable to the wide audience though, needs a consistent approach, by using skillfully marketing tools and adjusting promotion to the communication trends of the time. The first step is creating a useful website, as mentioned above. “Personal websites have become an extremely useful tool for artists and nowadays is almost impossible to create a name in the market without using internet tools of this kind.” (Parks, 2012, p. 65³³). **To help artists create a personal website, a smart system is created known as Fine Art Studio Online (FASO)**, where an artist can simply upload necessary information to an already made template, which includes a blog, newsletter and a domain name appropriate for a website creation (Parks, 2012³⁴). This tool is more appropriate to part time artists or amateur art lovers who might use this template to create their website on a low-cost procedure, avoiding expensive web designers and non-cost effective strategies, justified from their low involvement in art productions and sales. On the other hand, referring to art professionals and accomplished art makers a web designer can contribute a lot in their brand building procedure. Using late invented technologies for building the site to achieving upload artworks with the maximum color and image quality can contribute a lot on creating a professional image in the market, keeping potential clients satisfied with the level of commitment is shown to them.

The term brand is used in art marketing to explain properly artists’ particularities towards their creations, their style or theme and even the way they are working, inspired or making their creations. A successful brand can offer benefits as a worldwide recognition even an artwork is not of the highest quality, too. Artworks can easily be distinguished by the way are made or by the recognition of the specific style of an artist. In the end, the most important result for an efficient brand strategy will be the situation, that even an amateur in arts will be able to recognize an author or a brand from his particular work and creations. According to art marketing experts, the best way to create a name in the market is to promoting brand more than the art product, so people who really admire the image of an artist will be faithful to his brand, irrespectively the quality of his art creations (Knight, 2011³⁵). For that reason, it is crucial to keep a permanent brand name for continuity and brand recognition. Artists can also introduce a logo to help their work being

³³ Knight, 2011, p. 47

³⁴ Parks, 2012

³⁵ Knight, 2011

identified and use this symbol on their website or blog, business cards or newsletters, exhibitions and publications to establish a strong pillar around their name in the art market. Whether artists targeting a closest relationship with some of the potential clients or addressing the wide public, advertising brand or logo should look like always the same, so that the customer will associate the work and the product with the original owner, helping the continuous strengthening of the brand, worldwide (**Raphel, 2003**³⁶).

5.2) **Brand and consumer loyalty**

The diversity of art creations means that art can show up in people's life in many forms and channels (**Acker 2008**)³⁷. Traditionally, consumers tend to choose the same brands and products, that bring them the proper satisfaction they expect from its use. All depending from the value of money-quality, that can eventually establish a consumer as a loyal one towards a specific product. Considering arts of course things are not following exactly the same way. Art audience is ready to spent more money and attention than usual to obtain the unique satisfaction of an artwork. Referring though to the great mass of art lovers this willingness can be translated in many ways. **Loyalty can be driven easily from opportunities for something better and cheaper and the seek for new products is a continuous consumers' movement that defines in the end who will win the biggest market share.**³⁸ Therefore, consumers loyalty can often be based on the convenience their potential buy can offer and the overall value of their choice, sacrificing pure art thoughts for a more commercial purchase.

³⁶ Raphel, 2003

³⁷ Acker, 2008

³⁸ Sharp 2010, p.98

5.3) How can art organizations use marketing effectively

The first step using marketing effectively in arts is referring to those who lead the organization, managers and owners, to clarify what sort of organization they want to build. This direction, often is always revealing the vision of the particular art organization and is determining how marketing can contribute effectively in its development.

The key stages in the development of a marketing strategy are:

- **Identifying Critical Success Factors**, meaning those factors which will contribute the most in the success of the arts organization
- **Undertaking an analysis of organization's strengths and weaknesses and the opportunities and threats (SWOT analysis)** the organization is facing at the moment and probably will face in the future. It is considered one of the most effective ways of understanding advantages and weaknesses towards competitors while searching the art market for sale opportunities, trying to avoid threats from the whole art environment.
- **Considering a range of growth strategies**, using the results of the above mentioned SWOT analysis, identifying competitive advantages through art market and avoiding mistakes in potential strategic marketing procedures
- **Marketing goals and objectives** must be put in the middle of strategies to ensure art organization is heading to the right way in the market
- **An in-depth analysis of the competition and the segments** of the total potential audience targeted in the art market is appropriate to set up an efficient strategy, suitable for the organization's vision and mission
- **Observing products and procedures carefully**, can indicate at any time which one is offering profits and satisfied customers and which one must be abandoned and replaced by

other artistic product or marketing procedure to deliver effectiveness in fame, profits and recognition.

- **Marketing tools like marketing mix** (price, product, promotion, place) must be used wisely in an effort to determine the most efficient operation of the organization in the art market
- **Gathering information from the market** continuously and rebuilding when needed marketing and promotional procedures is a useful way to use feedback properly to avoid mistakes or learn by them.
- **Using market research** to support and create innovative techniques to complement a successful marketing strategy.

It is considered really important to have a clear view on what the art organization can achieve, the goals and objectives and of course what are the expectations for the future. Balancing all these parameters, the way is clearly open for setting up an art organization with strong bases to be a competitive player in the market and succeed in one of the strongest environments worldwide.

Marketing tools

6.1) SWOT analysis in art organizations and individual artist's promotion

One of the most important things, an art organization or an artist should understand is when internal weaknesses and strengths are related to external opportunities and threats in the real art market. **Effective marketing strategies can be created only if art professionals realize their current position in the market and start their realistic market approach from that point.** Marketing can offer a variety of tools in art organizations in their effort for a successful entrance

on the market scene. One of these tools is **SWOT analysis**, which aims, in general, to help any company manager to find out his internal features towards any competitive environment he targets to conquer. Thus, it is considered a valuable procedure any art organization should follow to reach to efficient marketing strategies. A self-evaluation concerning the strengths, weaknesses, threats and opportunities should be carried out in early stages of the strategic marketing planning of the art institution in order to export useful conclusions about the road company must follow in the art market. **Completing a research about the internal environment of an art company can deliver great advantages on how the company can enter the market, what kind of audience is the most appropriate for targeting, what tools should be used for promotion and advertising and the most important, what are the profit margins through this commercial effort in terms of money profits or recognition and long term survival.** Ideally a **SWOT analysis** represents all the major functions of the art institution in study and the results the realistic environment the institution should adjust its targets to succeed.

Key strengths of an art organization can be:

- Support by the audience, friends or many interested groups towards the offered art product
- Loyalty of visitors in exhibitions or online customers and subscribers
- Sponsorship and investments in the vision the art company is supporting
- Financial stability
- Innovations and fresh ideas, support new artists and new forms of art, innovative ideas on how art products can be exhibited through web
- Loyalty in social responsibility
- Environmental friendly procedures
- Respect to frail members of society, kids and unemployed people
- Effectiveness of promotional strategies and advertising
- Prices competitiveness
- Innovative ideas for exhibitions and how art can be shown in the wide audience
- Segmentation and customer relationship marketing strategies
- Professionalism on customer services and well trained staff
- Use of technology

- Diversification from competition and conventional ways of functioning

Major weaknesses in the complex modern art market:

- Lack of sufficient funding and investments
- Conventional methods of exposing institution's image to the audience, missing great parts potential clients like younger people
- Unorganized exhibitions and absence of continuous upgrade of the product in sell
- Unexperienced staff members and lack of information towards art market's trends
- Wrong targeted audience for the specific art product of the institution
- High priced exhibitions and artworks
- Unprofessional attitude concerning audience and potential buyers
- Lack of vision and mission
- Lack of self-evaluation and instant alteration on procedures that harming the institution

The opportunities appearing in the market are depending mostly on the art company's capability to grab the chance of conquering audience, immediately the time it will be appeared, to exploit perfectly potential gaps in the strong competitive art environment. Some of the possible chances to beat rival art companies may be:

- Great value of price – pleasure offered to the public
- Use of technology to maximize quality of services
- Alternative funding ways, volunteering and new innovative ideas
- Nonprofit services targeting younger segments of the audience and faithful followers
- Better adjustment in changes in values, consuming habits and lifestyle

Threats can be linked mostly with competitors and their actions in the art market. Of course, a global financial crisis, the existence of black market or political and legal threats can be appeared anytime hurting the market irremediably, but these kind of problems are affecting the sum of art institution, cutting up their profits cruelly with less chances of returning back in the previous

welfare. **Threats that can be forecasted through strategic procedures and environmental market analysis, should be avoided by methods of self-protection and continuous market research.** What matter most is to avoid expose institution's weak points to the external environment because what is considered weakness to an organization can be an opportunity for another, threatening its existence with the gun of its own weakness. Thus, the most dangerous threats are affiliated with the competitors and the notion that the mass audience is following the confidence of the strength rather than the uncertainty of the weaker market player.

6.2) The marketing mix

“The marketing mix is . . . The set of controllable tactical marketing tools – product, price, place, and promotion – that the firm blends to produce the response it wants in the target market.”³⁹

The marketing mix is one of the most famous marketing terms. It is considered basically one of the simplest and most efficient procedures of an operational plan, in marketing terms. The marketing mix is also called the 4Ps and the 7Ps. **The 4Ps are:**

- **price,**
- **place,**
- **product**
- **promotion**

Marketing concerning services can be based on the 7Ps, because it is considered an extension of the traditional marketing mix, using analysis of processes and consumer behaviors in planning strategic process for operational succession.

³⁹ Kotler and Armstrong (2010).

Price

Price is the amount the consumer must exchange to receive the offering.

Solomon et al (2009).⁴⁰

Every art company's goal in terms of price is of course to balance costs through improving quality and efficiency of the products are going to be presented in the audience. Most importantly the marketer should think ways of increasing the perceived value of the benefits of the offered products and services to the buyer or consumer, while the expenses of the art organization remaining the same or even better reducing. There are many ways to price a product. **The most known are:**

- 1) **Cost-plus pricing**, which main target is to earn back the costs of creating a specific artwork (materials, labor and time) or winning back expenses of setting up an exhibition or a marketing procedure to win the audience and the targeted market share. There are also intermediary fees that must be covered while pricing art like this and of course payments of administration, management and finally profit for the primal creator or the exhibition organizer.
- 2) **Demand pricing**, is based on the level of demand made by the art market, valuing the art on how much customers are interested in investing in specific art products and on how much they are prepared to pay to satisfy their art interests. **The product here is priced for its perceived value.**
- 3) **Competitive pricing**, is based on how competitors are valuing their art in the market. This is usually a procedure followed when there is fix prices in the market for specific artistic productions. Competition usually drop prices due to high supply of products in the market, so there must be a well prepared research in the market and a plan that can win audience without hurting artists and art companies.

⁴⁰ Solomon et al (2009).

Place

Place includes company activities that make the product available to target consumers.

Kotler and Armstrong (2010).

Place is also referring to distribution channels, intermediaries and generally all places that can host an artistic exhibition of all types. It is the mechanism from where the journey of artistic productions is beginning, ending up to consumer's eyes to buy or admire. Places that mostly used to promote or sell art are:

- 1) **The web sites**

- 2) **Natural venues**, like museums, art galleries, auction houses, art collections and cultural institutions of any kind

Product

Product means the goods-and-services combination the company offers to the target market.

Kotler and Armstrong (2010).

It is the tangible or intangible production of an artist. Based on pure talent and inspiration or in technological support, product consider the primal part of an exchange. There must be something to sell or buy in order to begin evaluating transactions. Products can be considered also services or exhibitions without the usual meaning of obtaining something permanently but paying for admiring.

In order to explore the nature of a product further, we can divide products in three kinds with different attributes:

- 1) **The core product**, the actual artistic expression that is being presented and is directly related to the mission and objectives of the art organization.

- 2) **The expected product**, which is the customers' expectations "regarding the purchase and consumption of the product."

- 3) **The augmented product**, which are features that move beyond the usual expectations. This can be some additional services when meeting art in a art exhibition like a coffee shop or digital presentations and use of technology to create pleasure combined with art admiration.

Promotion

Promotion includes all of the activities marketers undertake to inform consumers about their products and to encourage potential customers to buy these products.

Solomon et al (2009).

Promotion is communication of every type with potential clients and buyers. There are many promotional procedures that are often used to reach audience such as sales, advertising, sales promotion, public relations, direct marketing, online communications and personal selling.

- 1) Advertising
- 2) Public relations
- 3) Publicity
- 4) Direct marketing
- 5) Digital marketing
- 6) Sales promotion

6.3) Services through marketing scope

Physical evidence

The environment in which the service is delivered and where the artists and the institutions are interacting with potential customers interact, consisting the physical nature of a service

Zeithaml et al (2008)

Physical Evidence is the part of a service that can be considered materialized, the tangible part of a transaction, in services terms. Generally, there are, of course, no physical attributes to a service, but only implying ones as logos, signs and things that can indicate a place that the final service can be delivered to the interest parts of the art audience.

People

All human parts that participating to the final service offer, influencing with their behavior buyers' thoughts about a specific product and supporting actively the artistic brand they represent, playing a major part in the final product deliverance. People are the most important element of any service or experience. Services are initially planned by management of an art company and following specific rules and procedures are delivered to the consumers targeting the optimization of a single artistic experience

Conclusions

The purpose of this dissertation was to connect marketing and arts efficiently. It is really important for all artists and institutions to understand that today talent and professionalism are key attributes for conquering art world, but not enough. Quality art products and expressions can be stay aside due to the nature of modern commercial transactions and the ways of meeting public in practice. This means that a strong and targeted marketing strategy is more than needed even for the famous artist and organizations of our days, to make their art works reach every house easily enough to gain audience's appreciation and admiration. Working under a constantly self-evaluation project, using marketing tools as market segmentation, internal and external analysis, marketing mix and consumer behavior analysis, can be proven an essential procedure for succession, creating a strong name in the market and an efficient defense from the enormous competition of the other art players in the global art market. Marketing can offer advantages not only in multinational companies and famous museums and galleries dealing with art, but to amateurs or unknown artists who begin their career alone trying to find for themselves and their creations a place to stand decently in the current capitalistic art market. Generally, efforts to introduce art to the wide public is considered a very complex process nowadays, because of the huge quantity of products a consumer is meeting daily. The main aim of marketing is to balance cultural expression with commerciality to reach the average audience, to create a connection between quality and money valued purchases and introduce art to people with innovative ideas and the desire to retain the cultural nature of artistic creations unaffected from the global industrialization procedures. There is of course a big variety of tastes among common audience towards art productions. Nothing can be admired from everyone but nothing can be disliked from all, too. Arts is a complex field of the modern industry, a rich market full of talent with a lot of participants, huge competition and certain margins of growth in the future irrespectively from the road global economy will take. This means that always there will be a potential buyer out there waiting from art experts to attract his attention to art productions he will potentially like, investing his money to meet his passion and simultaneously putting his hand to the long and difficult way of survival of the art world.

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