

Brand Management in the Arts Sector

An overview of brand development and management issues in the non-profit arts sector

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Introduction

Recently brand management, or branding, has become somewhat of a hype word in the arts sector. Many medium to large arts organizations have started to pay attention to issues relating to brand management, and how it could be used as a managerial tool in the future. Some arts organizations, for example Arts Council England, are even going through major re-branding processes. In commercial sector branding is often associated with large, global brands, such as Coca Cola and Nike, which can potentially give branding a negative undertone, although the individual brands of these companies have actually very little relevance with the managerial process of branding. Recently commercial sector branding has also received criticism for the multinationalism aspect, for example Naomi Klein has criticised this in her book No Logo (2001). Some are even asking if “brand is dead” in the commercial sector.

The fact that arts sector is now discovering branding while commercial sector is already moving on is a typical example of the reaction time between these sectors. However, the arts sector is now in a position where it can adopt the positive aspects of brand management and abandon the mistakes made by the commercial sector. Brand management is a natural course for the arts sector, which has already for long recognized the importance of image, differentiation and added value aspects.

Current brand management efforts in the field of arts management have included some organizations trying to “re-brand” just by changing name and address, some going through a major managerial re-structuring process involving all staff and organization as a whole. Often brand management in the arts sector includes at least a new logo and new unified visual identity. It is interesting to see how arts organizations adopt brand management tools from the commercial sector. However,

there are many differences between the sectors and these issues should be addressed before applying commercial brand management in the non-profit arts sector. One of the main differences is the relationship between arts product and organizational brand within the arts sector. Another important issue deals with the process of brand management and its position within the organizations' structures.

1. Background to branding in the arts sector

The point of departure for this paper is that there exist a number of similarities between the commercial sector and the non-profit arts sector. This view is also expressed by Lapierre when he notes the specific similarities the sectors share are that "both offer products or services, target specific markets, seek to convince potential customers to buy the product or service offered, and set up controls to ensure the jurisdictions use of material and financial resources and the sufficient renewal thereof to support its members and ensure its own survival well into the future (Lapierre, 2001). It is worthwhile to explore these similarities in order to recognize the problem areas commercial management practices present for the arts sector. In the field of arts management the tasks of managers have expanded also to include, not only physical context, but also the psychological context experienced by the consumer; this is noted by Radbourne and Fraser: "providing a context for art has become a subtle and sophisticated tool of post-war arts managers and marketers, and goes on beyond the rudimentary concerns of place and space" (Radbourne and Fraser, 1996). These new tasks require arts managers to recreate their organizations and find their unique identity. This identity should offer the starting point for a brand management and development process.

Brand management in the arts sector is currently often mostly concerned with the *look* of the organization. Re-branding often concentrates on logo, or visual image of

the organization. It should be noted, though, that brand management is not visuality management. Just a change of name or logo is not re-branding. Branding process is much wider than that, and should at least include management, staff, organizational culture and organizational identity. Without these aspect brand management just becomes visuality management and will not be effective in the long term. Instead, arts organizations should concentrate on inner change that will, once completed, be manifested in a new visual image, such as a new logo. The holistic branding process should include all aspects of distribution, presentation, organizational structure – and culture, and management. In addition, branding is not solely about marketing, nor is it about image building; brand is the whole of the arts organization and its product, and what it represents to its audience, to its creators, and to its maintainers and presenters.

Brand management in the arts sector is mostly not done to create multinational Nike-like arts brands, but to develop the unique, differentiated identity of arts organizations, and help these organizations explore the possibilities this identity offers, both for the consumer and the arts organization itself. This should be done by forming organizations' individual identities, and by claiming their position within the market structures as differentiated brands. These brands should be constructed based on their *core product* or *service*, and its *augmented benefits*. These augmented benefits can include both tangible, and intangible assets of the organization. The relationship between the product or service, and the brand is essential and should get close attention from the arts organizations.

2. The notion of product in brand management

The definition of product in relation to arts management is a complex issue. Most arts organizations tend to treat their product as inherently beneficial and define it in broad

terms, often also including the mode and place of presentation and the presenting organization itself. Brand management in the arts sector should be based on core arts product and its inherent benefits, but this does not mean that the augmented qualities could not be modified. This also means that the product and its qualities should be treated objectively, concentrating on the benefits and values they represent to the audience. The brand should act between the organization and the product, and the consumer, drawing them into forming a relationship.

When discussing the notion of product it is helpful to divide it into different layers in order to see the relationships of these layers with their context and consumers. In general terms Colbert has noted that most products include the following aspects: the central product, the related services, and the value that the consumer associates with the product (Colbert, 1994). Kotro has noted that an artistic artefact can only be called product after it has been packaged, i.e. created into a product. She goes on saying that the cultural product does not actually imply to the artistic artefact, but to the way the whole package has been formed, communicated and thus received¹ (Kotro, 1999, 221). Hill, O'Sullivan and O'Sullivan offer an extended model of the levels of product. This model identifies the core benefits that include the aesthetic experience and relevance to emotional state on a very subjective level. The second layer includes the central experience, the "actual physical manifestation" of the product. This includes venue, staff, atmosphere, access and artistic elements. Interestingly branding has also been placed to this layer. The third layer, extended experience, includes the augmented services related to the core product, i.e. merchandise, catering and workshops. The final layer, potential experience, includes

¹ "Kulttuurin tuote ei viittaa itse taideteokseen, vaan sen pohjalta rakennettuun kokonaisuuteen tai tapaan pakata, markkinoida ja vastaanottaa se. Tuotteeksi tekeminen, tuotteistaminen tarkoittaa siis jatkokehitystyötä, jonka tuloksena idea kasvaa tuotteeksi ja kohtaa yleisön ja yleisö antaa palautetta tuotteesta tai palvelusta".

legator, practioner and volunteer aspects. It also reflects the idea of adding value to the product, also in changing circumstances (Hill, O'Sullivan and O'Sullivan, 1995).

In commercial sector Aaker and Joachimstahler present a somewhat different model of the product. This model is also a three-fold model with a core identity, extended identity, and a brand essence. The core identity is the most important part and should reflect "the strategy and values of the organization, and at least one association hold differentiation the brand and resonant with the customer" (Aaker and Joachimstahler, 2000). The extended identity includes all the elements of the brand identity that are not included in the core dimension. A brand essence summarizes the qualities of the core and can be summarized to one sentence, i.e. to a slogan: it can be viewed as "the glue that holds the core identity elements together..." (Aaker and Joachimstahler, 2000, 45).

The main difference between tangible products and service products is that service products (and also many arts products) are described by intangibility, inseparability and perishability (Kolb, 2000 & Randall, 2000). Because most arts products are experience based intangibility makes them a subject to their contextual surroundings. Arts brands can thus not be independent from their context. Arts products are always subjects of their context and thus the arts brand must be, above all, flexible and mobile. Even though one of the most important strengths of commercial brands is said to be sustainability (Aaker and Joachimstahler, 2000), arts brands should be able to maintain their mobility.

Since every consumer possesses a subjective account of brands' qualities (Laakso, 1999 & Aaker and Joachimstahler, 2000) it is important that the management process involves the subjective account of the product, and not just the tangible aspects. This subjectivity is in the arts sector reinforced by, for example, volunteer

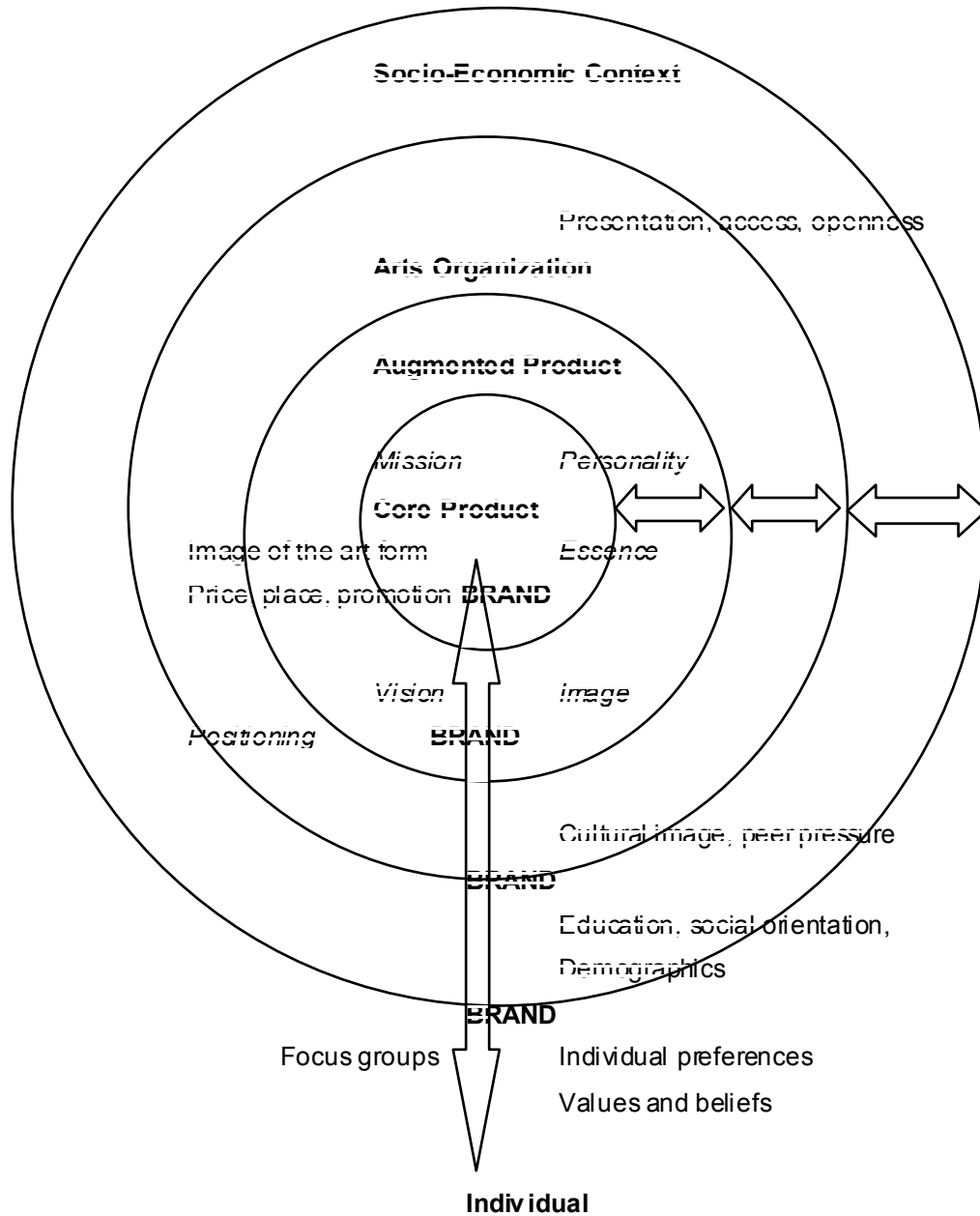
projects, participations workshops and artists in residence programmes. These help to bring the audience closer to the art, but also to explore the different layers at their own level and capacity of engagement. These programmes can also be used to reinforce already existing aspects of the arts brand, as well as introducing brand's new aspects to consumers through trials of product.

Based on these theories I present, in short, my own example of the layers of product (Example no. 1). In this the artistic artefact is also called the *core product*. It holds the essence of artistic process at its pre-packaged stage. The *augmented product* includes packaging, communication, marketing and process of receiving. This packaging includes the augmentation of product, thus it does not include the institutional aspects. Augmentation is closely connected to brand management (Aaker, 1996) and can be done without modifications to the actual core product. The third layer, the *arts organization level*, includes the influence of the organization, and the mode of presentation. This has a direct and influential link with the customer and his or hers experience of the brand. At this layer is also present the relationship between the product and the organizational brand. Finally, the *socio-economic context* includes the greater picture of economical, political and social issues that effect the whole of the product. Here branding is concerned mostly with the public image and the relationship with funders, sponsors and partners. The interaction between these layers is constant and at a real situation it is difficult to tell which actions belong to which layer. However, from a strategic point of view this type of picture is still helpful.

The branding process should be concerned with the three outer layers of this circle. It should not be desirable to extend branding to the core product, at least in the more conventional arts forms. Since the brand can be experienced mostly through its augmented qualities (Laakso, 1999), the augmented benefits should be, in the arts

sector, presented in such a way that correlates with the desired brand image and the core product. This prevents the organizations from “selling out” their primary mission.

Example no 1.



2.1 The relationship between product and brand

The idea of an arts brand as a communicative mediator is based on the idea that in order to survive, arts organizations need to recognize the needs of their customers and have constant dialogue with them. This is based on de Chernatony and McDonald's argument that a commercial sector company which "fails to think of its business in terms of customer benefits rather than in terms of physical products is in danger of losing its competitive position in the market" (de Chernatony and McDonald, 1998). Thus brand management should not solely concentrate on the needs of the organization, but on the needs of the customer. The organization should get to know their customer on a personal level; relationship marketing is thus closely connected to brand management (Aaker and Joachimstahler, 2000). In the arts sector this is often effectively done by database collecting and quantitative and qualitative customer surveys.

In the arts sector many organizations tend to concentrate on their own immediate needs on short-term basis. Thus brand management can end up concentrating on the organization, instead of the product or the customers. As the arts sector usually treats arts product as inherently beneficial and place emphasise on the quality aspect of the product it is not desirable to confuse brand management and *product* management. The difference between commercial brand management and branding in the arts sector is that the relationship between the core product and organizational brand differs. Within the arts sector the promise of quality does not only relate to the core product, but also to the augmented level. Arts sector thus combines elements of product and service brand management. These augmented qualities include the return on the overall experience. Thus an arts brand can, but does not have to, centre on the core product's qualities. It can also centre on quality of service, quality of social factor, quality of personified deliver, etc.

3. Theoretical background of brand management

Branding has been developed and researched at the commercial sector for products and services. Due to the nature of large global brands such as Nike and Coca Cola brand management has also received some criticism. It must be recognized, though, that this criticism is directed towards the individual identities of these brands, not the branding process itself. The quality of multinationalism is not inherent in brand management; goals can be set at any level, and success will be measure against these set goals only. Brand management can be used as a tool by large arts organizations, but it is just as important for small organizations that might only employ a few people. Recently the commercial sector has also developed the idea of branding people, i.e. how a person can become a brand. At its best branding is a managerial tool that will help organizations to attain set goals in an effective and focused manner, create added value, differentiation, quality, partnerships and positive brand associations (Aaker, 1996).

The word “brand” actually means a “label”. Brand is a combination of images, expectations and benefits that a customer in his or her minds labels a product as having (Laakso, 1999 & Aaker and Joachimstahler, 2000). These aspects draw the consumer to form an emotion-based relationship with a brand. This relationship can be described with notions such as love, passion, self-concept connection and interdependence (de Chernatony and McDonald, 1998). The basic assumption of brand is that it only becomes reality when a consumer recognizes the product as having added qualities that a similar product in the same market does not possess; brands exist primarily in the minds of the consumers, and the people within an organizations (Laakso, 1999 & Aaker and Joachimstahler, 2000). An image of a brand is primarily created by communication from the organization, customer’s own experiences and presumptions, peer groups, the organization’s image of itself, and

finally, the organizations place within the market and its social context (Aaker and Joachimstahler, 2000).

Brands include concrete aspects such as a logo, and a slogan, and a physical manifestation of product, place, or presentation. It also includes more abstract aspects such as organizational personality, clusters of quality and service, vision, identity and organizational culture (Aaker and Joachimstahler, 2000). A logo is a visual representation of a brand and thus needs to be consistent with the brand's essence (Laakso, 1999). However, a logo cannot create an arts brand; it can merely help the consumer identify the product. Logo is a visual representation, and, although it is important, many organizational aspects need to be taken into consideration before a logo can represent a brand effectively. Organizational culture is important because staff is at a central position when communicating a brand to the consumers. Only if the staff is committed to the brand can they communicate its benefits effectively (Aaker, 1996 and Laakso, 1999). The quality of the organization will be reflected at the perceived quality of the brand (Aaker, 1996). In recent years this has also extended into the corporate citizenship aspect. If an organization is seen to be a "good member" of the society this enhances the quality of the organizational brand and thus also affects the perceived quality of the product.

One way of dividing the process of brand building can be broken down to brand analysis, creation of reach-factor, adding the desired images to the actual core product image (positioning), creating the act of buying, and attaining brand loyalty (Laakso, 1999). Aaker and Joachimstahler suggest that the initial steps of brand development could be summed as being the customer analysis, the competition analysis and self analysis (Aaker and Joachimstahler, 2000). Colbert suggests that arts organizations should incorporate name awareness and customer's accurate mental picture of the product into their branding strategy (Colbert, 2003). All these

steps imply to *holistic process* that involves the whole organization as well as the recognition of the customer's position.

The implementation phase should usually concentrate on creating visibility, brand associations, and creating constant and personal customer relationships (Aaker and Joachimstahler, 2000). This creates added value for the experience as a whole. The ability to transfer the intangible qualities into tangible assets will result in recognizable differentiation (Aaker and Joachimstahler, 2000).

Brand management can be a complicated process for an organization any size. Randall has noted that there are four main areas in which the management might fail to deliver the branding process. These areas are short-termism, greed, neglect and weak marketing (Randall, 2000). In the arts sector I would also add to the list misjudging the customer's position. Through customer surveys it is possible to find out how a customer actually experiences a brand, and how he or she is positioned in relation to a brand. This is important, not only because we need to know our customer base, but also because the customer must have a feeling that he or she knows us. This relates back to the idea that the brand exists primarily in the mind of the consumer.

3.1 Brand quality

A central part of arts sector brand management is the idea of brand quality (or value). In the commercial sector quality is divided into *physical* and *service* quality. Physical quality includes performance, level of service, functionality, durability and the finish of the product. Service quality includes competence, reliability, and adjustability (Laakso, 1999). It is more difficult to define quality in the arts sector. Although the quality measures of the commercial sector can be applied, this still tells little of the

artistic quality of the product. Lapierre places emphasis, not only on the core product, but on the communicative relationship between the audience and arts work: “in the performing arts sector, the best guarantee of the value or success of a work resides in its inherent quality and its resonance with the public of a particular region or period (or with a universal and timeless audiences)” (Lapierre, 2001).

In context of museum management Caldwell has suggested that the general strength of an arts brand could be measured against the variables of name awareness, visitor satisfaction, perceived quality, brand associations, and other proprietary assets (Caldwell, 2000). These same types of measures have been suggested by many theories trying to define the value of a commercial brand. Here the value of a museum brand can be seen directly related to the common measures of a commercial sector brand, but lacking the variables of profit and finance related measures. A consumer is seeking a combination of specific benefits when making a consumption decision, thus “the product is considered not as an invisible whole but as an array of characteristics that are the objective properties of the product and that determine the consumer’s choice (Lancaster, 1971, in Bourgeon-Renault, 2000).

3.2 Positioning

Positioning deals with product’s augmented qualities, such as price and place, that are basically “cosmetic changes done for the purpose of securing a worthwhile position in the prospect’s mind” (Ries and Trout, 2001). When a product is positioned the action is not taken towards the product but the images of the product in the minds of the consumers. Positioning is an act of attaching unique qualities to a product in the minds of the consumers – an additional value that makes consumers choose this particular product over other similar options (De Chernatony, 2001). The purpose of positioning is not to make the consumer associate some new qualities (that might or

might not exist in the product) with the product, but to enforce the existing positive image of the product (Laakso, 1999). Thus positioning can act as a “frame of reference” for the brand (Chong, 2002). When positioning a values brand (arts brands can be seen as values brands) one must take into consideration that the positioning needs to “communicate both a core identity based on timeless and unchanging principles and elements of extended identity such as new products or ways of doing things” (Scott, 2000).

Positioning is also related to brand loyalty. When a customer has identified a brand it is important to create a personal relationship between the brand and the customer. A customer's loyalty is directed towards a particular brand from which it cannot be transferred to an alternative similar product (Laakso, 1999). Thus positioning is also concerned with the needs of the customers. The arts organization brand should be positioned in a way that enhances positive associations of the core product, but this should be done by combining the needs of the organization, and the needs of the customer. It is also important that positioning is honest (Laakso, 1999), one should not position qualities that *might* exist, but what *do* exist.

Conclusion and discussion

Aaker and Joachimstahler have noted that at the commercial sector “brand awareness, perceived quality, customer loyalty, and strong brand associations and personality” are vital in today's competitive marketplace (Aaker and Joachimstahler, 2000). All of these aspects have already been recognized by the arts sector. The labels for these qualities might be different, but the essence of unique personality, name awareness, customer relationships, and high perceived quality of the product are central elements of arts management. When brand management is related to these values one can see how there is nothing quite new in the brand management

effort; it is merely a new way of achieving results and goals that have always existed for the arts sector.

In the future's changing financial, political and social circumstances it becomes essential to differentiate and enhance the arts organizations' unique identity and benefits. Brand management effort in the arts sector should concentrate on organization's unique personality, its tangible and intangible assets, and demonstrate the benefits of their product in comparison to competition. These brand management efforts should be directed towards external partners, instead of concentrating just to the internal needs of the organization. Also the brand's mediator role should be directed towards other parties important for the arts organization. A successful arts organization brand will communicate these outside parties a message that is relevant and recognizable in a manner that will attract trust, attention and commitment.

Based on the experience of creating brand management method for the service sector by using and modifying the already existing methods for the product sector I would suggest that it is not feasible to create a completely new method of branding for the arts sector, but instead to develop the already existing commercial branding to suit the arts sector. Because of the similarities between these sectors it is practical to develop the already existing method by recognizing that some of the problem areas, especially relating to the relationship between brand and core product, are possible to resolve within the arts organizations.

As a conclusion, I shall present my definition of a successful arts brand: a successful arts sector brand is based on a core product, a mission and communication, it holds a promise of unique benefits that differentiate it from competition and create added value. It is efficiently communicated to a potential, pre-recognized customer to whom these positioned benefits are relevant and recognizable. The fulfilment of this

definition does not require a new brand management method, but an efficient and structured application of the existing methods within the arts sector.

In the future the central question relating to arts sector brand management is the relationship between the product and the organizational brand. The issues around this question involve organizational culture, staff orientations, artistic standards and the relationship between artistic management and administrative management. The future's brand management in the arts sector should not just be an attempt to prevent failing audience numbers, or negative cash flow. Successful brand management should be integrated to the everyday running of the organization and be a holistic process, not just about name or a logo, but also about the organization as a whole. Without neglecting the organization's own needs one should concentrate on the external context and the way a brand is positioned in relation to other organizations. One important lesson to learn from the commercial brand management is that it is possible to create hype from nothing, but only strong brands that have substance, sustainability and personal customer management can survive long into the future.

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