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RELATIONSHIP BUILDING AND SOCIAL NETWORKING: GATEKEEPER OR CREATOR OF THE CULTURAL EXPERIENCE?

SUSAN TRAPNELL, SENIOR CONSULTANT

It is stating the obvious to say that cultural organizations are facing enormous internal and external pressures due to the recession, changes in buying patterns of arts consumers, demographic shifts, and other factors. Equally certain is that one thing remains unchanged in this challenging new climate: the need to adhere to mission and maintain substantive relationships in service to the community is at the core of success. New technologies, specifically social networking sites, may provide effective means for forging and enhancing such relationships, but cultural organizations will have to pay particular attention to, and in some cases change, their marketing strategies, ancillary programs, and even operations in order to effectively harness the potential of such networks and technological tools.

The core business or mission of most non-profit cultural organizations is not the sale of art or even providing access to an event - it is the *creation* of a meaningful cultural experience. Yet these organizations often present themselves as gatekeepers, rather than creators, of cultural endeavors. This is the unintentional result of placing emphasis upon the transactional relationship (selling a ticket) instead of the substantive one (creating an experience). This idea may not be a revelation, but it is important and particularly illuminating when exploring how best to employ social networking in building relationships with audiences. In this context, the consequences of this emphasis can be profound.

PRODUCT VS PROCESS

Cultural organizations strive to create an environment that allows art to be made, inspires artists to grow, and invites artists and audiences to come together in a mutually meaningful interaction. Selling access to the product, rather than engaging in the process, is masking the real value of arts and cultural organizations. When organizations sell tickets rather than mission, the fallout permeates the organization's message and operations. This causes them to gain a reputation or brand as a gatekeeper rather than creator of cultural experiences, which can lead to the following:

- Mission drift,
- Unproductive tension between Boards and artistic leadership,
- Miscommunication between marketing and development efforts, and
- Misperception of the subscriber or member as a "frequent buyer" instead of "long-term partner" or "embedded stakeholder"

Over time, the reputations of many organizations have become tied to the price-point at which they offer access to art (i.e. high priced and elitist vs. subsidized and budget-friendly) rather than being based on how effectively they create opportunities for artists and communities to come together. When marketing efforts are focused on single tickets, consumers learn to judge the value of their experience based on price and immediate satisfaction rather than the on-going value of supporting an organization that has a real and positive impact on the community.

Mission Drift

When organizations place too much value on selling a finished product instead of promoting the infrastructure that allows the creative process to take place, consumers do the same. Ironically, productions which draw the largest crowds sometimes undermine the mission by stressing the financial value of the product, not the intrinsic value of the organization that provides the environment which makes creation of the product possible. This can lead to a situation where chasing ticket sales becomes the de facto mission. The value proposition should indeed focus on the core mission with reverberating effects beyond the transaction.

Boards and Artistic Leadership Tensions

The one constant communication between Board and staff revolves around the monthly financial statements. The products of the organization can be observed through financial results, but the core intrinsic impacts of the mission seldom are. Organizations need to develop their own means of measuring mission success and reviewing it with the same regularity as financial statements. Performance measures must include impacts beyond the bottom line. Educational, social, and artistic effects that reverberate over long periods of time should be tracked and communicated broadly as institutional branding grows.

Marketing and Development Miscommunication

Departments responsible for revenue generation are typically measured by their financial results and the numbers of people who participate. When a six-show subscriber or multi-event member is replaced by six single ticket buyers, the financial results in the marketing department may be improved due to a higher per-transaction return. For the development department, however, one substantive institutional relationship has now been replaced by six transactional relationships that lack synergy. Effective fundraising depends upon deeper relationships and a feeling of being part of the family. In this situation, the marketing department sells the finished product while the development department sells the mission. Successful organizations use the finished product to build relationships throughout the community, not to replace them.

Subscriber and Membership Misperceptions

Season subscriptions no longer provide the same value to cultural consumers as they once did for a multitude of reasons. As long as organizations respond to this changed behavior by replacing subscribers financially (with single tickets) rather than

substantively (with people equally invested in the organization), non-profit missions will be compromised. The subscriber or member's value to the organization is not only, or even primarily, a financial relationship. The traditional subscriber is well-versed in the work of the organization and often becomes a partner with the organization, building something of value for the community and themselves. Subscribers and members provide stability to the organization and experience a great amount of the organization's mission personally and deeply. They are privy to joys of attending performances that are hidden from single ticket buyers. They discover the potential and witness the growth and creative genius of artists and others associated with the institution.

The overall stability, including financial, of cultural organizations ultimately derives from the substance and strength of the relationships they have with their community. In order to strengthen this relationship, a number of organizations have become or are becoming membership-based, instead of sales-based. Performances then become a benefit of membership, not part of a fair market exchange. Other benefits of membership include opportunities to attend rehearsals and workshops that include resident artists, allowing members to become more involved with the process. This in turn enables the mission to become more important than any single ticket or individual event.

USING NEW TECHNOLOGIES TO BUILD RELATIONSHIPS

Two recently published studies offer interesting insights on the use of social networking sites by non-profit organizations. *Non-Profit Social Network Survey Report* published in April 2009 includes this finding: "Looking at how survey respondents use their commercial social networks, we find the most popular role is for traditional marketing – to promote the non-profit's brand, programs, events or services with 80.5% of survey respondents indicating this role as the purpose of their presence on commercial social networks. The second most popular role is for word-of-mouth marketing, at 72.7% of respondents."

The second study, *Social Networking and Mid-Size Non-Profits: What's the Use?*, addresses assumptions and misperceptions of the value and role of social media in mid-sized non-profit organizations. It makes the following important observation: "The first thing that stands out from our results is the shift in motivation that took place between when an organization initiated use of social networking and when it answered the survey (on average ... twelve months). Essentially, respondents seemed to find social networking less useful than expected for all of the initial motivations – such as attracting donors and attracting volunteers, *with the exception of improving existing relationships.*"

The article goes on to find that "...the only people that matter to the success of your organization are those that are willing to do something ... In short, make sure your use of social technologies is built upon regular invitations or opportunities for your social connections to make a sacrifice and take meaningful action."

Both reports highlight the potential pitfalls of placing unrealistic expectations on new information technologies, emphasizing the importance of understanding where the value of social networks lies and where it does not. Marketing strategies that focus on building relationships and engaging communities should include a component of social networking but not as a substitute for other components that are already in place. There is, indeed a revolution in information technology taking place. Cultural organizations must think creatively about how this technology is changing the tools for reaching consumers and the community, as well as how it changes the consumers and community members themselves.

CONCLUSIONS

There are interesting parallels to the above for consideration. Think about the advances in transportation in the early 20th century. The introduction of the automobile not only increased the speed and convenience with which individuals moved between two familiar destinations, but it also expanded the number of possible destinations that were possible. The way people imagined their lives, built their homes, pursued their ambitions, earned their livings, satisfied their curiosities, spent their money, engaged with their friends, and invested their time has evolved. Similarly, information technology is changing the way that people live, create, inform themselves, support their families, allocate resources, spend time, form and feed relationships. New technologies are changing the way that people design their lives. Cultural organizations must now create value in these changing relationships.

Today's cultural consumers expect to curate their own choices. Artistic directors were once the curators for the entire community. Today, artistic leaders cannot presume to make the choices for their stakeholders. But they *can* remain a trusted source of information, stimulation, and creativity while providing an opportunity for engagement with the artists that undertake creative pursuits.

Society is changing and the role of cultural organizations is also changing. What hasn't changed – for thousands of years – is the joy of art and culture in human lives. Art is not at risk even if our familiar delivery systems may be. But these systems can be adapted to become strong and successful if organizations apply creativity and discipline to the way they do business, not just to the way they create art.

RESOURCES

Social Networking and Mid-Size Non-Profits: What's the Use?, conducted by Timothy N. Ogden and Laura Starita for Philanthropy Action, A Project of Sona Partners, LLC is available online at: http://www.philanthropyaction.com/articles/social_networking_and_mid-size_nonprofits_whats_the_use

Non-Profit Social Network Survey Report, funded by Nonprofit Technology Network, Common Knowledge, and The Port can be downloaded at: <http://nonprofitsocialnetworksurvey.com/>

Ideas on "tickets as a by-product" are found in Chris Ashworth's article *Toward A New Funding Model for Theater*: <http://chrisashworth.org/blog/2009/10/14/toward-a-new-funding-model-for-theater/>

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