**INVESTIGATION OF
THE CURRENT MARKETING PRACTICES
AND CONSUMER ORIENTATION
IN ONTARIO MUSEUMS**

by

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ABSTRACT

This thesis investigates the marketing practices of Ontario Museums. It particularly highlights museums' endeavours in terms of segmentation strategies, relationship marketing and planning. This thesis reveals that museums have different behaviours in terms of segmentation and planning depending on the size of their staff. It also underlines that, depending on their level of frequentation, museums implement significantly different segmentation practices.

Its shows that, while most museums do some sort of marketing, those that have a planned marketing strategy are in the minority. Sciences and military museums, however, appeared to heavily do so.

The use of a revised MARKOR measure also allows ascertaining museums' consumer orientation: museums consider publics' needs to support their services development and are willing to offer a "total experience".

Finally, this thesis emphasizes that the development of a marketing plan, the direct interaction of staff with consumers and in-house market research are significantly related to museums' success.

To my family

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1. INTRODUCTION

Cultural and heritage industries play an increasing economic and social role in Canada and similar developed countries. According to Canadian Heritage, culture-related activities include such things as visiting museums, art galleries and other heritage sites, as well as attending fairs and festivals, going to movies, reading books, magazines or newspapers, listening to radio and watching television (http://www.pch.gc.ca/progs/ac-ca/progs/padie-bpidp/pubs/2000_2001/ann3_e.htm, 26/09/2001). For instance, the direct impact of cultural industries and activities was estimated to amount to \$21.9 billion in Canada in 1994, which represented 3% of the country's GDP. Furthermore, a 45% growth was forecasted for the sector of arts, culture, sports and recreation between 1991 and 2005, which contributes to making it the "second-fastest growing sector of employment" (Statistics Canada, in <http://www.pch.gc.ca/pc-ch/mindep/misc/millennium/english.htm>).

In spite of the significance of the cultural and heritage industries (both in terms of revenue and social role), academicians and researchers have not studied them in very much depth. A huge body of literature concerns the "economics" of these industries, particularly museums, but studies aimed at providing practical management insights are lacking.

“There are few empirical studies of cultural industries to date, and even fewer that directly address the managerial and organizational issues confronting firms in these industries” (Lampel, Lant and Shamsie, 2000: 263).

This research contributes to the understanding of this industry’s management by providing *an in-depth analysis of the marketing practices within one specific type of cultural organization, namely, museums.*

Social and demographic trends call for such an investigation: Canada’s population is aging, with more retirees with leisure time available. Students too have flexible time and are inclined to make use of it for cultural activities. On the other hand, members of the workforce that do have the financial ability to be involved in culture-related activities, put in increasingly longer hours. Surveys run in 1998 revealed that Canadians had, on average, six hours and twenty minutes of leisure time per day at their disposal. It has also been shown in the same studies that Canadians spent just over half (55%) of this leisure time on culture-related activities (http://www.pch.gc.ca/progs/ac-ca/progs/padie-bpidp/pubs/2000_2001/ann3_e.htm, 26/09/2001). Visiting museums is precisely one of the options that people can choose when allocating their free time. The 1998 survey of household expenditures shows that 2.5% of Canadian households’ cultural budgets were spent on museum visits (http://www.pch.gc.ca/progs/ac-ca/progs/padie-bpidp/pubs/2000_2001/ann3_e.htm, 26/09/2001).

Besides their importance as recreational facilities for Canadians, museums constitute a huge industry. The Canadian Museums Association reported 2,300 museums in Canada that were visited by 54 million people in 1997/1998. It is also confirmed that museums contribute more than CAD 1.3 billion to the GDP each year. This includes, among other factors, 40,000 direct and indirect jobs, and CAD 650 million in salaries (<http://www.museums.ca/cma/BriefFinCttee2003.htm>, 2002-11-07). In countries other than Canada, museums are similarly important in the economy and cultural life. In France, for example, there are 34 national museums that accounted for 14 million visits in 2000, 71% of which required an admission charge. The most frequented museum, Le Louvre, received 6,095,000 visits that year. As well, in 1997, 77 of 100 French people reported that they had visited a museum at least once in their lives, and 33% reported having visited a museum in the last 12 months. This results in a total household expenditure for visiting museums, monuments and libraries of an estimated 383 million Euros (CAD 626 million) in 2000.

(http://www.culture.gouv.fr/dep/mini_chiff_00/index.html, 17/01/2003)

Because museum marketing is, to date, under-researched, there is little information available for museum practitioners (and researchers) to use in marketing their services successfully and competing in their changing environments. While papers providing advice on the management and marketing of the specific organizations of museums abound, the majority of these papers are not based on research, such as Cannon-Brookes, 1996; Frey, 1994; Hirschman, 1983; McLean, 1994. The literature only

contains a few well-documented case studies or papers that provide practical data (Ellis, 2001; Hendon, 1983; Scott, 2000; Zolberg, 1984).

The academic literature reveals a strong debate on the appropriateness of marketing concepts and consumer orientation for museums, especially when authors consider museums as arts and cultural organizations. Arts and cultural organizations are defined as the ones that

“(produce and market) non-material goods directed at a public of consumers for whom they generally serve as an aesthetic or expressive, rather than clearly utilitarian function” (Hirsch, in Lampel, Lant and Shamsie, 2000: 263).

On the one hand, authors who have a marketing background support the need to integrate marketing skills within museums to lead to success and higher performances (Frey, 1994 and 1998; Montias, 1995; Scheff and Kotler, 1996). On the other hand, many researchers stress the distinctive features of the artistic and cultural environments that make the marketing approach and the basic concept of consumer orientation not suitable for these organizations (Hirschman, 1983; Voss and Voss, 2000). This research is intended to help provide data about practice, and, therefore, determine the extent to which marketing has been adopted by, and is considered suitable and useful to, practitioners in the field.

Indeed, the aim of this research is to study marketing practices within museums. The approach chosen for that purpose is to conduct a survey in Ontario museums. The survey includes both quantitative and qualitative measurements. By doing so, the researcher looked at different sizes and types of museums (art galleries, historical, science, and technology museums for example) in order to gather more comprehensive data. This method is appropriate since museum marketing is still a new area that requires intensive investigative research, while the specific identification of museums' strategic orientation calls for extensive data gathering.

This thesis will continue with a literature review (Chapter 2) beginning with a definition of museums and supported by the contributions of academicians in the domains that can contribute to our understanding of museums' marketing. These domains include the literature on service, not-for-profit and cultural organizations in general, and the research into the overall management and marketing of museums in particular. This section will end by outlining the shortcomings of the literature and making suggestions for future research that justify that thesis. Chapters 3 and 4 clarify the research objectives and the subsequent research questions. These will be followed by a detailed presentation of the methodology used in this study, including a description of the procedures applied in terms of data gathering, coding, and analysis (Chapter 5). Chapter 6 presents the research findings. Chapter 7 presents a discussion on the research findings, and highlights the implications of these findings for museum managers, academics, and surrounding

organizations. Finally, Chapter 8 summarizes the limitations and benefits of this research, and provides conclusions and suggestions for future research.

2. LITERATURE REVIEW

The literature review will begin (section 2.1) with an attempt to define museums from both the practitioners' and the academicians' standpoints. This section will show that museums have certain features in common with service, not-for-profit, and arts and culture organizations. Therefore, reviewing the literature pertaining to the marketing of service, not-for-profit, and arts and culture organizations brings insights to the marketing issues faced by museums. Indeed, the inherent nature of museums' outputs first calls for a review of the literature on services marketing, in section 2.2. Then, since a majority of museums are hybrid organizations that do not belong to the business sector, an examination of the literature on not-for-profit organizations' marketing is presented in section 2.3. Section 2.4 reviews the specificities of arts products and organizations that justify particular managerial approaches, with a description of the literature on arts and cultural organizations' marketing. This leads to a particular emphasis on the recent literature on museum marketing in section 2.5. Finally, an assessment of the literature, including its implications and limitations, is presented in section 2.6.

2.1. Definitions of Museums

The literature reveals different definitions of museums. Indeed, there are different types of museums, each with differing products, goals and even organizational structures. The “Musée des pressesoirs” (in France), a private museum that belongs to the Mercier company and serves as an on-site advertising tool for the company’s products, is indeed managed differently from the “Canadian Museum of Civilization”; “Le Louvre” is marketed differently from the “Carleton University Art Gallery”, and so on. In the United States, the museum community is made up of private not-for-profit organizations (65%), public organizations (23.6%), university museums (10.4%) and private for-profit museums (0.7%) (www.icom.museums, 21-02-2003).

This heterogeneous collection results in a divergent understanding of the definition of a museum, and of what should be included in this category of organizations. In particular, the linking of museums and galleries within the broader field of “cultural recreation” is somewhat criticized by academics, since it leads to “distortions in the public perceptions of the role of museums and galleries within the community” (Cannon-Brookes, 1996: 256). “Cultural recreation” is used in the literature to refer to leisure experiences that emphasize visitors’ learning and education. Authors who include museums in the “cultural recreation” industry in order to show the increasing competition museums have to face, include museums in a whole that includes, among other things, historic sites, theatre and live interpretation. Peacock and Godfrey (1974: 8) also contribute an unusual but interesting view of museums by presenting a functional view of these organizations. Museums are described as production units providing “a range of

products in the form of exhibits” (or “alternative outputs”) for the enjoyment or instruction of the consumer who participates in the process of production.

Official associations generally have a broad understanding of the museum concept. For example, the International Council of Museums (ICOM) defines a museum as follows:

“A non-profit making, permanent institution in the service of society and of its development, and open to the public, which acquires, conserves, researches, communicates and exhibits, for purposes of study, education and enjoyment, material evidence of people and their environment” (www.aam-us.org).

The Museums Association in the United Kingdom uses the following definition:

“An institution where objects relating to the arts, sciences and human history are collected, adequately recorded, displayed, stored and conserved and are made available for research and the instruction and interest of the public” (in Yorke and Jones, 1987: 25).

Official associations thus generally define museums as objects-based institutions, offering experiences with educational to entertainment goals, for the benefits of their community.

Even though there is no “agreed definition” of museums, a general perspective is presented by the American Association of Museums, where museums are defined as

“the nation's premier cultural and educational institutions-community-centred places for remembering, discovering, and learning. They present the best of the world's culture, heritage, and achievement. From the display of artistic masterpieces and the interpretation of our history to the appreciation of our natural world and our scientific accomplishments, America's museums

help preserve the past, define the present, and educate for the future” (www.aam-us.org).

Finally, Yorke and Jones (1987: 25), while building on and improving the official associations’ definitions, provide the most comprehensive definition of museums, as

“areas where things of artistic, scientific, historic or cultural interest have been brought together for conservation, recording, storage, study and above all display and use for the enjoyment and education of people of all ages, either within a single building, a collection of related buildings or within the community which the museum serves”.

According to this definition, museums serve (most of the time) not-for-profit goals, which lead to the offering of cultural and artistic experiences as integrated services. Thus, Yorke and Jones’ definition of museums will be the one referred to throughout this research.

2.2. Services Marketing

The aim of this section is to define services as well as to identify the key differences between services and products. This literature review will thus focus on highlighting the issues faced by organizations that are specific to marketing services. This will contribute to an understanding of the marketing issues faced by museums, as these are organizations that deliver and market services.

A service consists of a “deed, act or performance” (Berry, in Lovelock, 1983: 10). As such, services can be described as tangible actions to people’s bodies or goods,

intangible actions directed at people's intangible assets, or intangible actions directed at people's minds, as is the case for experiences delivered by museums (Lovelock, 1983). Services are characterized by their intangibility, inseparability of production and consumption, heterogeneity in service output, as well as perishability and lack of ownership. These characteristics are often the source of problems faced by managers in marketing their services and managing customers' expectations (Davies, Preston and Wilson, 1992). These are described in the following paragraphs.

Recent literature in the field of services marketing shows the importance of identifying and then retaining appropriate customers. The literature argues that companies concentrate their efforts on those customers that remain faithful to the organization and have a "life time value" (Pine, Peppers and Rogers, 1995: 113), which leads to "fidelity management" or "loyalty based management" (Reichheld, 1993). This relationship marketing requires the organization to build trust as a marketing tool for intangible products: for example, organizations have to implement open communication lines, higher standards of conduct through customized relationships, or improve their core services with extra benefits (Berry, 1995). (The concept of relationship marketing will be defined in detail in the methodology.) Under these conditions, learning can occur. Companies become able to understand their customers' choice criteria, and as such, are able to find a competitive positioning, to deliver their customers services of superior value (Reichheld, 1993; Lovelock, 1983).

Another major point raised by the literature concerns the segmentation of targeted customers. In a situation of discrete transactions between an organization and its customers, i.e., where non-formal relationships predominate, opportunities may exist to develop membership for specific segments of consumers. It is stated that some organizations adopt dual strategies, seeking to build relationship marketing for the segments of "life time value" consumers, and transactional marketing with the casual consumers. Besides, "recognizing multiple levels of relationship marketing with different effects" may offer new opportunities in the future (Berry, 1995: 243). The strategies relative to the advantages offered to each group of customers, as well as pricing and communication decisions, can then be more targeted. However, a trade-off has to be determined between the advantages of membership and the effect it has on casual business. (Lovelock, 1983)

The issue of companies' images is also frequently reported in the literature. Facilities design and consumer contact personnel are the tools that an organization can use to project an adequate image. These strategies, when designed and implemented, have to be related to the organization's mission (Zeithaml, Parasuraman and Berry, 1985). These authors surveyed 323 companies and asked them to describe their marketing strategies using a 5-point scale in which the higher the value, the more the organization emphasizes the strategy. They found that organizations appeared to "emphasize designing facilities to achieve specific marketing or image objectives (the mean value of responses to the question asking about facilities' design is 3.57), dressing customer contact personnel in a certain way (the mean value is 3.24), and gearing much

of their marketing to projecting a specific company image (the mean value is 3.78)” (Zeithaml, Parasuraman and Berry, 1985: 41). It should be noted that all these practices emphasize the tangible features of the performances offered by services organizations, which in turn influence customer service evaluations. Brady and Cronin Jr. (2001: 39) show that the service environment quality, determined by the ambient conditions, the facility design and the social factors, “play an integral role in the formation of service quality perceptions”.

Moreover, authors draw attention to the problems faced by service providers relative to an unstable, fluctuating demand (Lovelock, 1983; Zeithaml, Parasuraman and Berry, 1985). Service organizations have to provide ongoing efforts to smooth the demand, which involve both stimulation and discouragement, in order to synchronize it with their constant capacities. Strategies reported as being used by managers to reach that goal include workforce flexibility, communication and pricing strategies (Zeithaml, Parasuraman and Berry, 1985).

Finally, museums are described and analysed as a specific type of service (McLean, 1994). McLean highlights the major difference between museums and other services: museums have to respond to the needs of current publics – through displays, for example – and to perform a function for their future publics – through objects’ collection and conservation. According to McLean, these “various interests (...) can cloud the issues involved in providing a service” (McLean, 1994: 202). McLean also underlines that if museums are concerned about each of the services’ characteristics, they also face

the dilemma of having two levels of communication; i.e., museums market to their public and “also perform the function of persuading or reiterating their value to their founders and influencers” (McLean, 1994: 195).

This section highlighted issues specific to services that are relevant when it comes to museum marketing. Namely, these concerns include: building and benefiting from customer loyalty, the segmentation of customers and the development of membership, the building of an image, and the harmonization of demand and capacities.

2.3. Not-for-profit Organizations

The aim of this section is to discuss the key differences between not-for-profit organizations and private sector organizations. As well, this section will highlight the issues faced by not-for-profit organizations that are applicable to museums. Indeed, in Canada, national museums are

“Crown Corporations under the exclusive jurisdiction of the Government of Canada. The great majority of museums, however, operate under provincial jurisdiction through policy and legislation varying from province to province. Some are owned and operated directly by provincial and municipal governments. Others are owned by nonprofit corporations or by private institutions” (<http://www.museums.ca/cma/BriefFinCttee2003.htm>, 2002-11-08).

This literature review will therefore remain quite general. Investigating in detail specific issues relating to not-for-profit organizations is not of interest here; rather, the

aim is to highlight these specific issues, as a majority of museums belong to the not-for-profit group. (It should be noted that the articles investigating the differences between the private and not-for-profit sectors are dated.)

Not-for-profit organizations tend to be socially responsive in the sense that they “specialize in the delivery of social services (or products) that are not adequately provided by either business or government” (Kotler, 1979: 37). In other words, these organizations “operate in the public interest” (Yorke, 1984: 19). Rothschild (1979: 11) highlights key issues faced by not-for-profit organizations, which differentiate them from the business-driven organizations. These are:

“the intangibility of non-business products, the non-monetary price of purchase, the extreme lack of frequency of purchase, the lack of behavioural reinforcers, the need to market to an entire but heterogeneous society/market, and the extreme levels of involvement varying from very low to very high”.

The major characteristic of not-for-profit organizations is that they rely on the support of private citizens as well as on grants from the public and business sectors. The result is that they have to deal with rising costs, associated with stable revenues at best (declining revenues nowadays). This explains why not-for-profit organizations have to increase their efforts aimed at attracting funds. Besides, the evolution of the marketplace and changing opportunities call for auditing and planning: institutional and market audits, as well as “market-oriented institutional planning”, are required to accurately define the organization’s market, resources and mission (Kotler, 1979: 39). It is also argued that a

better positioning and understanding of different publics' needs will lead to "more willing clients" (Shapiro, 1973: 130).

Another major point relates to the fact that not-for-profit organizations have to deal with heterogeneous publics. This situation requires a two-level strategy, as not-for-profit organizations need to define separate approaches for resource attraction – directed toward donors – and resource allocation – directed toward customers (Shapiro, 1973). On the other hand, segmentation is strongly recommended as it allows for a better understanding of different client types and more accurate decisions relative to new services or pricing, as well as higher levels of customer satisfaction (Kotler, 1979).

Authors also insist on the necessary specialization of not-for-profit organizations. Indeed, the literature strongly supports the execution of mission analysis by not-for-profit organizations, which will lead to the definition of targeted markets and competencies (Kotler, 1979; Shapiro, 1973). Better definition of the organization's market and competitive advantages in turn leads to a strong product offering, which is the essence of benefits brought to the customer (Rothschild, 1979). Not-for-profit organizations all the more need to define their specific advantages that they relate to heterogeneous publics; it is intended that the clear definition of a not-for-profit organization's mission and specific advantages will lead to better coherence in the organizational actions and messages. Yorke (1984: 19) stresses that the variety of publics a not-for-profit organization relates to leads to difficulties in the processes of "analysis, planning, implementation and control of its activities in attempting to achieve mutually beneficial exchange with its target

publics". Part of the literature shows, too, that public pressure leads these organizations to reach a broader market, which results in the lower use of segmentation strategies and the seeking out of a broader consumer base. As a result, their communication is often fragile because it cannot target the service's description nor "emphasize the personal benefits of the service in sufficient detail" (Yorke, 1984: 19).

Finally, another specific feature of not-for-profit organizations is the extremely low level of involvement of the publics that they serve. Levels of involvement are defined by the pre-existing relationship between an individual and an object and the level of concern generated by this object, as well as by "the complexity of cognitive, affective, and conative development at several points along a sequence of information gathering and decision making activities" (Rothschild, 1979: 13). Private sector products typically have medium involvement levels. On the contrary, supporting the arts is characterized by extreme (low) involvement. When people support the arts, behaviour has so little positive value that the price paid by individuals (such as information processing or changes in behaviour) is too high for the value received (Rothschild, 1979). In situations with low involvement, organizations can have an effect upon their customers or publics only with immediate impact, such as intensive advertising campaigns. (With very high involvement of its publics, an organization has also to be able to communicate benefits that pertain to a large part of the target market to effectively use marketing communications techniques.) This issue, which also relates to the conception of non-monetary prices, reinforces the need for managers to be careful in dealing with their publics, defining the organization's competitive advantages and delivering coherent services and messages.

The literature relative to not-for-profit organizations raises several issues that are significant when considering museum management. The main issues raised include: the necessity to analyze the market and new opportunities in order to define an accurate specialization and the organization's mission, the necessity to define strategies that take into account the requirements of heterogeneous publics, and the problem of stakeholders' low involvement.

2.4. Arts and Cultural Organizations

Arts and cultural organizations are concerned with tensions that arise from the conflicting imperatives specific to the industry they belong to. These issues will be described in the following section since they contribute to the understanding of the problems faced by museums.

The literature shows that a key issue for arts and cultural organizations relates to their financial situation. The earnings generated by admission revenues do not increase as quickly as operational expenses. To exacerbate the problem, the traditional public and private donors are unable to contribute enough to resolve the financial problems faced by these organizations (DiMaggio and Useem, 1978; Montias, 1995; Scheff and Kotler, 1996). This situation is made worse by the fact that today's managers have to face an "over-investment in fixed expenses" (Scheff and Kotler, 1996: 31) that results from the previous period of tremendous growth in the artistic and cultural sector (Scheff and

Kotler, 1996; Yorke and Jones, 1984 and 1987). This challenge is particularly important for museums; in Canada, the public funding of museums has progressively declined by about 15% since 1991, while operating costs have risen by 20%. (<http://www.museums.ca/cma/BriefFinCttee2003.htm>, 2002-11-07).

An important issue discussed by several authors (Hirsch, 2000; Bendixen, 2000) is the diversity of audiences that arts and cultural organizations must address. The literature refers to two divergent consumer bases: the “popular” or mass culture and the “high” or elite culture where arts are seen as a “trained capacity”. In fact, cultural organizations are exhorted by governments and some marketing practitioners to broaden their consumer base. As early as in the 1970s, DiMaggio and Useem (1978: 141) wrote that arts and cultural organizations were beginning to undertake “hesitant efforts to broaden their traditionally high-status audiences (...) to serve a cross-section of the public”.

The consumer orientation that dominates managerial thinking in the business sector seems to be conflicting with the requirements imposed by creative activities (Botti, 2000; Hirschman, 1983; Scheff and Kotler, 1996; Voss and Voss, 2000). This conflict requires arts and cultural organizations to decide between consumer and product primacy (Hirschman, 1983). In other words, a consumer orientation involves conceptualizing the service design and marketing based on the consumers’ wants. However, it is advocated that the artistic and cultural environment is centred on creativity and innovation, which comes from the personality of the artist or manager that designs a product or service. One

of the consequences is that such products address the needs of specific, knowledgeable publics. Scheff and Kotler (1996) address this issue by underlining the two major challenges faced by arts managers. They claim that arts managers have to bring the arts to their publics, and gain understanding of the strategies available to market their products.

“(They) must reach outward with a goal of creating understanding and accessibility and making art an integral part of people’s everyday lives. Second, arts organizations must look inward to professionalize their management and marketing, to approach their tasks strategically in light of a continually changing environment, and to learn how best to be responsive to the needs and interests of their publics. It is crucial that arts managers and marketers fully understand and internalize the universal and enduring principles that underlie each and every successful marketing strategy.” (Scheff and Kotler, 1996: 42)

Their argument is that by dedicating more resources to the marketing function, art organizations can concentrate on their core competencies and build their audiences. They argue that greater long term stability and better customer service attained by broadening the customer base are non exclusive. Both can indeed be attained by arts organizations that commit to marketing research as well as to developing and executing intelligent marketing plans.

However, a review of other papers indicates that at least some authors conclude that a “consumer orientation may not be desirable” (Voss and Voss, 2000: 78) in an industry characterized by not-for-profit goals, high rates of intangible innovations, and an intricate articulation of customer preferences. Furthermore, arts and cultural organizations face difficulties when trying to scrutinize and understand their audiences (Hirschman, 1983; Voss and Voss, 2000). This is partly due to lack of consumers’

reliability and information, as well as to the intangible, complex and heterogeneous nature of the products marketed.

It should also be noted that demand for arts and cultural products is highly unpredictable (Lampel, Lant and Shamsie, 2000). This unpredictability is reinforced by the fact that consumers are even more spontaneous nowadays in their cultural consumption patterns. Indeed, Scheff and Kotler (1996: 29) note, “people have become more spontaneous in choosing their entertainment options”. At the same time, authors recognize changes in ticket-purchase behaviour: “now people (...) are less likely to plan a year in advance for specific dates or commit to an entire series of performances” (Scheff and Kotler, 1996: 29). As a consequence, marketers have to find innovative ways to maintain ticket sales at their former level, by conceiving diverse offerings of smaller packages/subscriptions, for example. That is why marketers not only have to analyze the market in order to understand customers’ preferences, but also can influence customers by encouraging their curiosity for products where the organization has an advantage.

Managers in the artistic and cultural industries have to balance several opposing imperatives. The need to find a balance between the idealistic and the realistic, for example, is demonstrated when it relates to the ease of image creation (Wilson, 1991). The imperatives inherent to the field often conflict with the constraints arising from more complex environments and intensified competition. Particularly, the industry settings oppose the artistic and cultural values, consistent with an elitist view which holds that a minimum amount of knowledge is required to appreciate the arts, to mass entertainment

that aims at gaining new and diverse segments. Strategies that aim to maintain the existing demand from knowledgeable publics are often in conflict with innovation that aims at extending the market (Lampel, Lant and Shamsie, 2000; Cowen, 1998). It appears, however, that managers can efficiently balance these imperatives. Research shows that, in the context of historic houses, the total number of amusements and services offered – such as picnic areas, playgrounds, souvenir shops, or tea shops – is positively related to visitor income, whereas education will not necessarily lead to higher profits (Hendon, 1983). In this example, a precise mix of artistic and cultural values, innovation and entertainment led managers to higher achievement in terms of publics' interest and higher attendance.

The literature on arts and cultural organizations highlights the dual context of the industry. Should these organizations broaden their customer base and address the needs of new publics, concentrate on their knowledgeable targets, or implement a mix of both strategies? Should they follow the strategy of product primacy, or adopt a consumer orientation which requires intensified marketing efforts to research the publics' needs and design exhibitions or services that more closely address the complex expectations of customers? Should they analyze the market to investigate their publics' needs, or influence the market by challenging and provoking it? This literature review shows that the advice given in the literature is often conflicting.

2.5. Museum Marketing

2.5.1. Academic literature on museum marketing

There is very little research by academicians on museums' marketing practices. Most of the existing research approaches the issues relating to museums from a perspective that is: political (such as Peacock and Godfrey, 1974; Schuster, 1998); historical (as Yorke and Jones, 1987); or micro-economic (such as Ashworth and Johnson, 1996; Cannon-Brookes, 1996; Frey, 1994; Frey and Busenhardt, 1996; Johnson and Thomas, 1998).

Managerial and marketing studies on museums are rare, and particularly focus on service design (Hutter, 1998), relationship marketing (Bhattacharya, Rao and Glynn, 1995), segmentation strategies (Blattberg and Broderick, 1991), branding/image (McLean, 1994; Scott, 2000), and pricing strategies (O'Hagan, 1995). Moreover, the literature on art galleries (for instance Phillips, 1988; Blattberg and Broderick, 1991) constitutes the major part of the literature on museum marketing: the other types of museums (historical, science and so on) have not received much attention from researchers.

Some general trends can be highlighted concerning the museum industry. The first trend is that the structure of museums is evolving, which leads to the phenomenon of "hybridization" (Schuster, 1998). Analysing American museums, Schuster highlights the growth of a new form of organization that is governed by public and private authorities.

He describes these emerging organizations as follows:

“(Hybrid organizations have) rights to property and contract and thus establish the preconditions for successful private management. At the same time, they remain bound to their public good purpose through a variety of safeguards and intervention rights.” (Schuster, 1998: 127)

The creation of these public/private hybrids leads to tensions in interests, especially in situations where the governing authority and the owners (of both buildings and collections) are different entities.

Further, the role of these organizations is currently evolving, since museums are not just considered as educational organizations anymore. It is argued in the literature that the output of museums has evolved to integrate an increasing number of features, such as museum shops, product lines and brands, and discovery/learning classes. This broadening of services can be related to the fact that a growing customer orientation may be observable (Hutter, 1998). As highlighted by McLean (1994: 191),

“the relationship between museums and the public has altered appreciably in recent years, from a situation where the public had little say in museum affairs, to one where the sense of the customer is an overriding factor.”

An important part of the literature also highlights that a majority of professionals still favours the preservation of objects over the design of displays aiming at educating and entertaining a large public. Andreassen and Kotler (2002) report a study of museum directors that showed that, as compared to marketing practitioners, museum directors

were less likely to gather information on their publics' needs and to consider the segmentation principles.

“(Museum directors are) less likely to have secured “information from (their) customers regarding what they would like (the museum) to offer. (They are also) more likely to see their product as desirable for everyone rather than as targeted at specific segments.” (in Andreasen and Kotler, 2002: 40)

Further, the study showed that museum directors were less likely to make strategic changes.

“(Museum directors are) less interested in changing prices to increase revenues, less willing to change their distribution strategy, and less willing in the future to change the nature of the products and services (they) offer (their) customers”. (in Andreasen and Kotler, 2002: 40)

Frey (1998: 120) argues that identifying and establishing “sustainable competitive advantage is one of the most important tasks of museum management”. Indeed, it is important that museums understand how they can provide benefits to their diverse publics (Hirschman, 1983), as well as clearly identify goals that embody and reinforce their chosen mission (Bhattacharya, Rao and Glynn, 1995). Some authors acknowledge the increase of visitor surveys undertaken by museums (Black and Phelps, 2002) that enabled them to define the audience as groups of young, well-educated, with well-paying jobs (Dickenson, 1992). A huge body of literature, however, emphasizes the need for museums to conduct market research (Scott, 2000; Yorke and Jones, 1984 and 1987; Lees, 1999; Fisher, 2002). When looking at the particular case of the United Kingdom, Yorke and Jones (1984 and 1987) call attention to the need for coordinated market

research at a national level, in order to arrive at insights about social trends in the museum-going population and the use of museum services. They observed that market research is often inarticulate, run by individual organizations without any link to the museum's plans. Moreover, they detected that the processes of market research aimed to identify consumer needs do not involve samples designed to depict the views of both users and non-users.

The current literature also refers to the need for managers to appreciate the effects of strategic orientation on museums' performance (Voss and Voss, 2000). They found that managers of arts organizations should be cautious when applying a consumer orientation. They recommend that, in the artistic industry, marketing's role should be focused on varied "promotion, pricing, packaging" to target different consumer segments. As well, marketing has to focus on "customer service, with an emphasis placed on developing strong social relationships with loyal customers" (Voss and Voss, 2000: 79). Indeed, a significant amount of literature insists on the expansion of museums' consumer base (Scheff and Kotler, 1996). Attention is also directed to the segmentation strategies adopted by museums to deal with their targeted publics and to take into account the divergences existing within particular groups of stakeholders. (The concept of segmentation strategy will be defined in detail in the methodology.) Segmentation strategies enable museums to maintain the quality of displays, desired by their traditional knowledgeable customers, and to address the educational and entertainment needs of the larger publics. (Montias, 1995; Voss and Voss, 2000; Bhattacharya, Rao and Glynn, 1995; Ashworth and Johnson, 1996; Frey, 1998; Hirsch, 2000)

The discussion of advantages in the development of membership relationships is well developed in the literature (Voss and Voss, 2000; Bhattacharya, Rao and Glynn, 1995). It is argued that the intensity of consumers' identification with the museum – resulting from the organization's prestige and fit with the individual customers' goals – as well as the organization's dedication to its consumers through support groups or multiplied contacts, for example, will favour consumer retention. (Bhattacharya, Rao and Glynn, 1995)

As a result, the variables that influence attendance (or donation) to museums, which reflect publics' preferences, need to be assessed in order for managers to adequately design their strategies (DiMaggio and Useem, 1978; Blau, 1988; Voss and Voss, 2000; Mokre, 1997; Ashworth and Johnson, 1996). In particular, these preferences and differences in expectations can be evaluated by using the concept of "Value for Money" (Mokre, 1997; Ashworth and Johnson, 1996). The term "Value for Money" is used to assess the money value of the utility received from the visit in terms of the expenses (time and efforts costs) involved with it. "Value for Money" thus designates the monetary estimates of the value received from the visit. As far as "expenses" are concerned, it is clear that time and effort costs are perceived differently for leisure services since "more time and efforts can increase the value of a hedonic service" (in Berry, Seiders and Grewal, 2002: 5). In other words, greater involvement for leisure activities are perceived positively, and sought by visitors: they are positively related with visitors' appreciation of the concerned services. The literature stresses the museum's reputation, the level of attendance and involvement, the contextual influences such as

congestion during visits or use of facilities (tea shop, gift shop, information desk and so on), and the individual influences (such as education, income, age, or work hours), as having a strong impact on visitors' expectations and choices (Ashworth and Johnson, 1996; Blau, 1988). It directly implies that museums can better address visitors' expectations with careful design of their branding and positioning strategies, implementation of new services that offer a complete leisure experience and education of the public, or accurate decisions on their operating hours.

The concept of "total experience" has also recently received much attention (Scheff and Kotler, 1996; Frey, 1998; Johnson and Thomas, 1998; Hutter, 1998). In accordance with this model, museums' outputs (the exhibitions) are perceived as "add-on-goods" (Hutter, 1998: 99), with an emphasis placed on offering an experience – the visit – as comprehensive as possible. Indeed, education, entertainment, and social appearance occur by attending usual displays, special exhibitions, and surrounding facilities. It is in turn argued that an organization centred on providing total experience can lead to better segmentation and customer satisfaction.

It should be remembered, however, that distinctions have to be made between different types of museums, particularly when it relates to their management and marketing. For example, the literature highlights the difference between art galleries and other museums:

"differentiating themselves from commercial entertainment, they (art museums) claimed a disinterested, high cultural project as their *raison d'être*. While other types of museums followed the related scholarly disciplines of history,

natural science, and technology, gaining legitimacy from developments in the interlinked growth of university scholarship and professional specialization, art museums based their rationale on connoisseurship and art history” (Zolberg, 1984: 187).

Finally, the literature contains investigations focused on practical issues related to the services marketing mix. Cowell’s classification of the seven elements in the marketing mix (in McLean, 1994) will be used to cover these particular points:

Product. It is advocated that the experience as a product is subjective and dependent upon each visitor’s perception. However, the collection creates the museum’s uniqueness: it is “the museum’s most important asset in terms of marketing” (McLean, 1994: 200). This supports the idea of Frey (1998) that a museum’s collection presents specific features that offer strategic advantages, upon which an image can be built. Also, the issue of museums’ strategic positioning arises when one considers that leisure options are multiplying. Museums thus have to build “value brands” that have “enduring core purposes” and create “long-term bonds with those sectors of the market sharing the same values” (Scott, 2000: 36). According to this author, branding museums will be a matter of survival, since building – and communicating – the attributes the public is expecting for its free/leisure time will be necessary to maintain a position in the future.

Price. The findings of O’Hagan’s research (1995) synthesize the insights offered by the literature to date. He found that if introducing admission fees to national museums affects the image of the institution, it would not have a negative impact on the level of attendance. It should be remembered that a significant number of visitors at national museums are tourists: entrance fees, in that case, constitute a small portion of their

overall expenses. Further, it has been found that introduction of charges does not decrease the lower-income groups' attendance. Indeed, the introduction of new services and the creation of diversified "pricing packages" (through the sales of frequent-user tickets or the introduction of charge-free days for example) would "overcome almost all of the substantive arguments against the levying of such charges" (O'Hagan, 1995: 45).

Place/Distribution. The importance of place is raised by several studies. First, it should be remembered that this choice has a direct effect on attendance figures since the context is found to influence cultural interests, and thus cultural and leisure activities (Blau, 1988). Second, it is argued that attention has to be paid to the place visited and its architecture, since the atmosphere created largely contributes to the experience, and thus, to visitor satisfaction. (Frey and Busenhardt, 1996; Frey, 1998)

Promotion. Word-of-mouth is described as being more efficient than advertising for service industries. As such, much attention needs to be dedicated to the museum visit, ensuring satisfactory experiences for visitors to attract and influence other publics (McLean, 1994).

People. What should be highlighted is that, though curators and educators "create the image of the museum", the only public interface within museums is the attendants and facilities' staff (McLean, 1994: 198). This has strong implications for the museums' hiring and training policies.

Process. The structure of museums is of importance here, since it brings a political context to decision making within museums. This may lead to a situation where customers' interests are supplanted by those of producers. It is indeed argued that the mix of public and private interests resulting from museums' hybridization makes the decision-

making process more complex, and subject to the constraint of institutional politics. (McLean, 1994; Schuster, 1998)

Physical support. Stressing the tangible aspects of the service offered by museums (such as the souvenirs sold in the gift shop or the museum café's food) can help build the image of the organization, as well as ease and improve the memorization of the experience. (McLean, 1994)

2.5.2. Summary of the insights brought by the academic literature on museums

The financial situation of arts and cultural organizations is key to understanding the need for marketing and its role in the management of museums today. Indeed, the scarcity of resources leads managers to reconsider the strategic dilemma "consumer versus product primacy". Organizations that adopt a consumer orientation can conform to the current tendency of mass-customization by satisfying the needs of diverse audiences. However, it is sometimes asserted that the consumer orientation approach is made difficult by the unpredictability of demand in the cultural context.

As far as museums are concerned, contradictory opinions exist on whether or not museums implement a consumer orientation. Hutter (1998) and McLean (1994) support the idea of increased consideration for consumers when museums design their strategies, whereas Andreasen and Kotler (2002) highlight the reluctance of museum directors to implement a consumer orientation to support their argument that "along the continuum of

art-centred and market-centred choices, the ultimate product is the one in which the two concepts merge and become indivisible”.

Also, authors draw attention to the need for museums to define their objectives, missions and strategic advantages before proceeding with strategy design. The importance of museums identifying the needs and behaviours of both consumers and non-consumers through market research follows these considerations.

In addition, the literature supports the idea of museums developing relationship-marketing strategies in order to retain consumers. This requires museums to pay particular attention to the quality of the services they offer and their reputation, as well as anything that can affect the context of the visit. These variables, indeed, have been found to influence attendance and consumers' perception of the visit.

A related emergent concept, the “total experience”, is highlighted to enhance consumer satisfaction. It is advocated that visits conceived around diverse activities may lead to better consumer satisfaction.

Finally, the literature provides general insights relative to the seven areas of services marketing activities. The collection is described as an asset for the product's design. Indeed, the collection defines the museum's competitive advantage; as a consequence an image can be built upon it. Authors support the idea of diversified pricing packages to segment their markets and respond better to their consumers' needs.

Also, word-of-mouth is seen as a high impact promotion tool, and as such, museums have to ensure good experiences for visitors to speak about. Finally, particular care has to be taken with the surrounding facilities, as physical supports that emphasize the tangible aspects of the service.

2.5.3. Practitioners' view on museum marketing

The major insight brought by practitioners' journals relates to the ever-expanding leisure market, and to the increase in competition that museum managers have to face in response to this trend. Indeed, the development of local leisure and sports facilities and above all "local friendly supermarkets" or shopping centres, visits to the cinema or eating out with friends, offer new alternatives to traditional museum-going audiences, i.e. the part of population whose leisure time is shrinking (Lees, 1999; Black, 2002; Nightingale, 1999). The question is thus raised whether museums should emphasize their difference and advantages, or become another version of the "integrated leisure experience". An interesting response to this issue of competition is that museums can learn from other organizations. For example, analysis of the retail sector may bring insights relative to the creation of a "sense of welcome", the design of displays, and particularly to the "quality and training of front-of-house staff and the service they provide" (Black, 2002: 37).

This issue of increased competition naturally leads to consideration of the financial situation of museums. Practitioners raise an interesting point while proposing a strategy to create revenues beyond the traditional admissions income. Licensing, "the

selling of license for an image or design from your (the museum) archive” (Ellis, 2001: 36) offers opportunities that reinforce the museum’s brand. It is argued that the design which is licensed may evolve to suit fashions and seasons, which leads to long-term market presence (Ellis, 2001) and contributes to the museum image.

Due to this emerging competition, the increased need for museum managers to multiply their efforts to at least maintain their audiences calls for a development of marketing skills within museums. It is argued, indeed, that museums are “wasting” their marketing resources, as “marketing staff should be developing audiences, not just sending out press releases” (Andersen, 2001: 30). Museums and galleries, until now, did not feel pressure to attain high visitor figures. This trend is reversing, however, and museums will more and more require arts marketing where “creativity and ingenuity play just as critical a role as statistics in identifying and maintaining audiences” (Doyle, 2001: 23). To increase attendance, the literature also highlights that museums need to analyse non-customers in addition to their surveys studying visitors: museums “also need to find out who doesn’t visit and what might make them come here” (in Davies, 2000: 33).

As far as the development of museum marketing skills is concerned, it is argued that museums have “a lack of knowledge about how to go about playing in this extended area (the market of leisure activities)” (Lees, 1999: 21). Andersen (2001: 30) describes a good exhibition as the creation of an experience that fully responds to visitors’ needs:

“(A good exhibition is) a carefully designed product with as many aspects as possible predicted rather than left to chance – primarily, of course, the response of visitors.”

Museum marketers thus have an important role to play to enrich the experience of visitors “by helping them to learn more and deepening their enjoyment of what (the museum) has to offer”, and thus develop audience numbers. “In essence, it is marketing taken to its logical conclusion” (Andersen, 2001: 30).

Indeed, practitioners highlight the need for museums to increase the quantity and quality of their market research and exhibits’ evaluations, which in turn allows them to decide more carefully on their positioning. It is argued that a museum has to carefully decide on its mission and the image it wants to transmit to its audiences. This will naturally lead the organization to choose its niche and work on its competitive advantages (Kelly, 1993).

Equally important is the concept of qualitative research, as it enables museums to understand people through listening.

“Qualitative research should provide a safe arena to listen, ask questions, try out hypotheses, float ideas. It will come back not with hard facts, but with feelings, profiles, behaviour patterns, motives, priorities, reactions” (Fisher, 2002: 35).

Qualitative research and consultation are the only ways to put museums in peoples’ lives by engaging their audiences through dialogue. Consultation, indeed, enables museums to manage audience expectations and “act on the views of their users” (Falconer, 1999: 35). Market research also enables museums to evolve and offer new collections and body of learning, as well as to get an improved sense of what people ought to experience and learn.

Assessing the impact also makes sense for one particular exhibit. Indeed, “learning what visitors like, learn and feel about exhibits can guide decisions about what to keep and what to change, what works and what needs improvement” to lead to better customer satisfaction, favourable word-of-mouth publicity and higher attendance (Borun, 1989: 36).

Recent market research brought to light an emerging trend in the motivation of museum visitors. Practitioners seem to become aware that the motivation for visiting museums is increasingly of “general interest”, as opposed to motivations such as education or social appearance. As Black (2002: 36) points out,

“despite curators’ enthusiasm for promoting the excellence of their collections, three out of four visitors to museums and galleries are there out of general interest (whether this refers to visitors’ willingness to “see everything” or seeking “an interesting day out”).”

Great attention is also paid to the need for museums to better respond to their wider publics. Boodle (1999: 19), for example, cites the strategy of “late opening”, nowadays undertaken by museums in order to gain the new audience of young urban professionals. Offering this segment quality leisure experiences at convenient times constitutes an opportunity for museums, as these people represent an appealing source of income and sponsors are interested in them.

The idea of “engaging the audience” is raised as well. This relates to the need for museums to engage in two-way communications with their audiences and bring a

coherent image to them. This goal – engaging the audience – can be reached, for example, by asking the public to contribute to the exhibition’s building.

Morris (2001: 42) explains,

“There are a growing number of projects that seek to involve the public in creating and responding to exhibitions – some in the real world and some in the virtual world”.

Finally, practitioners’ journals communicate their vision of what museums will be in the future. The issues of museums’ multiplicity of roles, the quality of architecture and design to contribute to visitors’ total experience, and museums’ central role in people’s life are raised (Nairne, 2001). Ultimately, it is recognized that in the future, “the best museums will be entertaining, aesthetic, escapist and educational” (Houlihan, 2001: 35), and will thus reach and inform wider audiences (Spalding, 2001).

2.6. Limitations and Implications of the Literature

The academic literature on arts and cultural organizations provides the required background to illustrate the issues arising from the specificities of the industry. Researchers definitely recognize the problems resulting from the conflicting goals that museums and other organizations have to take into account.

However, there is a lack of research on how these issues are handled and if they are taken into account. Indeed, the academic literature on arts and cultural organizations, particularly the literature addressing museums' issues, appears to be more "theoretical" than based on observations or field research that involve data collection and testing of models to verify hypotheses.

The literature on museums contains some well-developed, comprehensive case studies that provide an investigation of museums' marketing activities based on one or two observations. However, the marketing practices of museums still need to be assessed through quantitative data gathering, in order to allow comparisons as well as more detailed and generalizable studies.

Also, a majority of papers are focused on "moral"/political issues, historical developments or micro-economic analysis. The practical aspects of museums marketing have not been developed enough, since a majority of papers are not "management centred".

In addition, the existing literature recognizes the specificities of different types of museums: huge well-known institutions versus small museums, historical or science museums versus art galleries and so on. However, many more papers investigate the management and marketing of art galleries than the management implemented by other types of museums. Further research is needed to offer insights that will be applicable to other types of museums.

The financial challenges facing arts and cultural organizations require innovative management and marketing solutions. According to researchers, this situation is mostly explained by the intense investments made by these organizations in the preceding decades that increased the scope of activities and operations costs. Now that audience trends are changing, arts and cultural organizations face difficulties reaching returns. Kotler (1980: foreword of *Marketing the arts*) highlights the consequence:

“In spite of the size and growth of culture in the United States, arts and cultural organizations are themselves not thriving: most are in desperate shape financially, and, in many cases, artistically”.

At the same time, a rapidly changing environment leads both to future opportunities for museums and to increased competition, since the part of the average person's life dedicated to leisure is changing, and trends are different for diverse segments of population. Indeed, if Johnson and Thomas (1998: 75) recognize that “estimates of income elasticities suggest that numbers of museum visitors are likely to grow at a faster rate than per capita incomes”, they also raise the issue of a strong increase of substitute and competitive products. As Hirsch pointed out, one needs to ask:

“Which of the many platforms offering competitive entertainment, and seeking the consumers' time and money, would succeed in gaining it?” (Hirsch, 2000: 358).

Finally, academicians draw attention to the lack of training in marketing for arts managers. As Kotler (1980: foreword of *Marketing the arts*) underlines,

“(museum managers) are artists, performers, art scholars, and others who became managers by happenstance. (...) One of

the central needs facing arts organizations is to develop and organize their marketing activities.”

This issue is reinforced by the problem of “marketing technology transfer”, that is, the need to expand marketing ideas into the specific context of museums. Kotler (1980: foreword of *Marketing the arts*) considers these objectives when he declares:

“marketing scholars, marketing consultants, and arts administrators must work together to find the most useful applications of marketing ideas”.

Practitioners’ journals raise the issue of museum competition in the expanding leisure market. This increased competition is related to visitors’ new motivations. Practitioners highlight the need for museums to take these motivations into account when designing their displays and services offering.

As a result, practitioners call for greater consideration of publics’ needs and market research that aims at designing strategies to “engage the audience” and find innovative ways to position museums at the centre of people’s lives. Practitioners also recognize the necessity for museums to better respond to their wider publics, i.e., for segmentation.

3. RESEARCH OBJECTIVES

This research is intended to contribute to the marketing of cultural organizations by studying marketing practices in museums (throughout this thesis, this term covers historical museums, art galleries, military, and science and technology museums). There are three major objectives guiding this thesis. They are stated and discussed below.

The first objective of this research is to identify, document and describe the marketing practices currently used by museums in Ontario.

Specifically, this research ascertains **if museums segment their markets** and describes how they do it. It also determines **whether museums implement relationship marketing** and investigates how they do so. Also, the practices currently used by museums requires investigation and analysis in the following areas:

- Museums' pricing practices and strategies,
- Museums' distribution decisions such as hours of operation, location, exhibitions and so on,
- Museums' promotion and branding practices.

The second objective is to assess how market oriented Ontario museums are.

The strategic orientation of Ontario museums is measured using a variant of the MARKOR measure (Kohli, Jaworski and Kumar, 1993).

The aim here is to **identify if museums take the needs and wants of both potential customers and current customers into account** when deciding on their practices and strategies, rather than focusing only on their product or competitors. As well, this research is intended to describe how, if they do so, museums take these customers and non-customers into account.

This research investigates museum practices in terms of internal communication with consumer contact personnel, as well as the use of in-house or subcontracted surveys and/or focus groups. This facilitates the understanding of how museums research the expectations and consumption patterns of their different targeted segments. This research also documents museums' use of their market knowledge to design marketing programs and new exhibitions or services.

The third major objective of the thesis is to investigate the relationship between museums' implementation of marketing practices and museums' success.

The study utilized three measures of success (questions 5-7) in the survey. These are used to examine whether the use of particular marketing practices is related to these measures of success.

4. RESEARCH QUESTIONS

The research questions were designed to allow the researcher to meet the objectives of the study outlined in Chapter 3. Therefore, they are closely aligned with these objectives. They are outlined below.

Research Question 1: What are the marketing practices currently used within museums?

• Q1A. Do museums carry out marketing?

(i) Do museums employ marketing staff?

(ii) Do museums carry out marketing activities and strategies?

(iii) How satisfied are museum managers with their marketing endeavours?

(iv) What are the marketing practices currently implemented by museums to attract visitors?

(v) What marketing practices do managers identify as relating to success?

• Q1B. Do museums segment their markets?

(i) Do museums recognize the distinct needs of their diverse publics?

(ii) Which museums segment their markets?

(iii) How do these museums segment their markets?

(iv) Which segments do museum managers refer to when talking about their practices?

▪ **Q1C. Do museums implement relationship marketing?**

- (i) Which museums implement relationship marketing?
- (ii) How do they do so?

▪ **Q1D. Do museum managers plan their marketing strategies or not?**

- (i) Do museums write business and marketing plans?
- (ii) Do museums carry out market research and visitor surveys to support their strategic decisions?
- (iii) Which museums plan their marketing strategies?

Research Question 2: What are the current strategic orientations of museums?

- (i) Are museums market and consumer oriented?
- (ii) What practices and/or strategies do museums implement to support their strategic orientation? (for example, market research, segmentation, and/or relationship marketing)

Research Question 3: Are museums' implementation of marketing practices and museums' success inter-related?

- (i) Is the implementation of marketing practices by museums related to success?
- (ii) Is the use of specific marketing practices more likely to be associated with success?

5. METHODOLOGY

Two steps were followed in order to get a clear view of the marketing practices implemented by museums and answer the research questions. First, a database was built using data collected from web sites, and second, a field survey was designed. The survey was administered in Ontario, targeting museum managers of the province. The research design is described in Section 5.1. Section 5.2 details the measures used and Section 5.3 describes the procedures used for data analysis.

5.1. Research Design

This section describes the population, sampling frame, sample size and response rate of the study. As well, the database used to prepare the survey process, pre-tests and the final survey instrument are presented.

5.1.1. Population, sample size and response rate

The population used to select the study sample is described as follows:

Elements:	Museum managers
Primary units:	Museums
Extent:	Ontario
Time Period:	June 16 th – September 30 th 2003

The population for the study is limited to museums from Ontario, an Anglophone province (primarily). Sending the survey to Ontario museums enabled the researchers to design the questionnaire in one unique language (English), which eases the survey procedure. The basic sampling frame is a listing of museums classified by province and cities, issued by the “Virtual Museum of Canada”. This sampling frame is available on the web page <http://www.virtualmuseum.ca> .

The “Virtualmuseum” sampling frame is composed of the 4 following categories:

- ✓ Arts and Leisure
- ✓ Science and Nature
- ✓ History and Society
- ✓ Transportation and Industry

At the end of the questionnaires’ sending process (July 28th, 2003), *the target population was made of 647 units*. Indeed, in total, 647 Ontario museums were listed on the “virtualmuseum” database available on the Internet.

Ultimately, the listing of Ontario Museums produced by the researcher to gather data was made of 497 units.

This sampling frame had to be refined in order to run the research based on the following definition of museums:

“(museums can be defined as) areas where things of artistic, scientific, historic or cultural interest have been brought together for conservation, recording, storage, study and above all display and use for the enjoyment and education of people of all

ages, either within a single building, a collection of related buildings or within the community which the museum serves” (Yorke and Jones, 1987: 25)

Indeed, museums that do not correspond to the definition, as well as archives that do not have displays, were removed when building the final sampling frame. For example, the “Old Hay Bay Church” in Adolphustown was excluded from the sampling frame used in this research. The “Old Hay Bay Church” offers a collection made of the “restored oldest existing Methodist Church in Canada; Baptismal font; writing desk c. 1805; hymn books c. 1800s; communion table”. However, these exhibits are not presented in a display format and therefore do not reflect the above definition.

As well, some organizations were listed more than once in the database (when one museum appears three times in the listing, registered at three different locations/cities).

So, once the virtualmuseum database was cleaned up, 497 museums made up the final sampling frame.

The majority of these museums (408 of the 497) were reached by the researcher. Survey packages were sent by fax to 401 museums, 5 museums were sent e-mail questionnaires and 2 museums were sent questionnaires by mail. The remaining 89 museums on the sampling frame could not be reached because the data available to contact managers (phone numbers, fax numbers, e-mails) was missing, obsolete or inaccurate.

Table 1 summarizes the response rate for this study. *A response rate of 34.56% yielded 141 returns.*

Table 1		
Response rates		
Number of units according to www.virtualmuseum.ca	647	
Population as used in the study	497	
Number of museums reached by the researcher	408	
Number of responses	141	34.56%

5.1.2. Survey preparation: the database

A database was built, in order to:

- ✓ Prepare for the survey process by identifying the museums targeted to receive a questionnaire
- ✓ Prepare for the survey process by identifying contacts (their names and positions) to which the survey instrument had to be addressed
- ✓ Contribute to the investigation by gathering data accessible on the Internet on museums.

All the units kept in the refined sampling frame were entered in the database that included the following data:

- ✓ Museum name
- ✓ Number of volunteers, and number of objects in the collection (as a primary measure of the museum size)
- ✓ Type of collections
- ✓ Number of collections (as a primary measure of the museum size)
- ✓ Operating periods and number of visits (as a primary measure of the museum activity level)
- ✓ Entrance fees (as a primary indication of the museum's pricing strategy)
- ✓ Supplementary services (as a primary measure of the museum efforts to offer additional programs for its publics)
- ✓ Position of the contact
- ✓ Name of the contact
- ✓ Fax number
- ✓ Link on the website <http://www.virtualmuseum.ca>

In constructing this database, the researcher collected relevant data from the Internet that allowed the survey to concentrate on gathering necessary data, relevant to the specific purpose of the study. As well, the database included the necessary contact information to send questionnaires to the targeted recipients. Finally, the database provides as well as organizes primary information used for statistical analysis.

(An extract of the database is presented in Appendix 1.)

5.1.3. Questionnaire construction and pre-tests

5.1.3.1. Survey instrument description

5.1.3.1.1. Survey instrument composition

The fax back survey package included a letter of introduction and the questionnaire itself. This introductory letter highlights the expected outcomes and interests of the study and the advantages for museum managers to respond to the survey. Instructions for sending the questionnaire back to a secure and private fax number (in Doctor Madill's office) were also included.

(The final "survey instrument package" is presented in Appendix 2.)

In the cases where respondents were reached by e-mail, a short on-line introductory message was added to the whole package then sent by e-mail.

(The on-line introduction message is presented in Appendix 3.)

The fax back package was sent to those responding by mail with a stamped self addressed envelope.

5.1.3.1.2. Questionnaire structure

As mentioned earlier, the questionnaire used in the final study is included in Appendix 2.

To investigate the museums' strategic orientation, the MARKOR measure refined by Raju, Lonial and Gupta (1995) – used to survey hospitals' market orientation, therefore applicable for the services and not-for-profit industries – was shortened and integrated in the questionnaire. The resulting museum-adjusted measure made of 17 items forms a major part of the questionnaire (Section 2, Questions 8-24). Responses to the items relative to the modified MARKOR scale were measured using a five-point scale ranging from “strongly disagree” to “strongly agree” with the enunciated sentence, and a sixth choice standing for “not applicable”.

Other introductory and concluding questions were also developed and added to the survey instrument. These aim at defining:

- ✓ The demographics: respondent position and museum size in terms of number of entries per year, number of paid employees and number of volunteers (Section 1 in the questionnaire). Responses to these questions are presented in the format of rating scales.
- ✓ A general level of marketing – indication if some practitioners have marketing responsibilities, and measure of Business Plan development (Section 2, Questions 1-2)
- ✓ Segmentation activities strategies – the recognition of different publics with diverse needs (Section 2, Question 3)

✓ Relationship marketing activities – estimation of the activities undertaken to attract and enhance customer relationships: newsletter, specific membership programs and pricing packages... (Section 2, Question 4 and sub-questions)

✓ Respondents' assessment of their success in marketing was measured using three variables. These three variables respectively measured the amount of marketing done by museums, museums' willingness to attract more visitors, and museums' success with current marketing endeavours (Section 2, Questions 5-7). Due to ethical considerations about proprietary information, the researcher was not able to use variables more appropriate to fully capture the concept of museums' success.

✓ The questionnaire concluded with an open-ended question asking respondents to describe marketing practices and strategies used by their museum (Section 2, Question 25 in the questionnaire).

5.1.3.2. Pre-testing process

Two pre-tests were conducted to build a survey instrument that was both detailed enough to gather precise and relevant information, and concise enough to entice museum managers to respond.

The initial questionnaire was submitted to the CUAG (Carleton University Art Gallery) for the first pre-test. After one week, the researcher met the respondent – the CUAG curator – in order to understand the issues the respondent faced when completing the questionnaire. This conversation led to a first refinement of the instrument: headings

were added and sections reorganized to better guide the respondent throughout the questionnaire. A “non-applicable” choice was added to the scale for respondents who believe a question may not be appropriate to their situation. This item was sometimes rephrased to “we do not charge for entry/programs” or “we do not have business plans”.

The second pre-test occurred during two phases. At first, questionnaires were sent to 8 museums. No responses were received after a few days. Follow-up calls revealed that, in 7 cases, museum managers did not feel the survey was intended for them. Of concern here was the size of museums in terms of staff and funds available, as well as the length of the questionnaire. The researcher thus refined the questionnaire. Some questions of the MARKOR scale were removed. Other questions were revised to be seen as appropriate both for large organizations having several departments, substantial resources and clear role definitions and for small museums staffed by only a couple of volunteers in some cases.

This refined instrument was then sent to 13 museums, which generated 5 responses. This refined instrument was found to work well, and the returns from this pre-test were integrated in the overall results.

5.1.4. Data gathering procedures

Once the database was developed and the pre-tests resulted in an appropriate survey instrument, data were gathered. The researchers implemented the following gathering procedure between June 16th and September 30th, 2003.

When researchers found more than one fax number for a museum, trials to send the survey package by fax were made for each number identified. Three trials (to send the survey instrument by fax) were made for each museum.

If unsuccessful, or in the cases where the researcher was unable to identify the museum fax number, phone calls determined the appropriate fax number or sending procedure.

As highlighted earlier, this approach yielded a response rate of 34.56% (141 responses).

5.1.5. Coding procedures

5.1.5.1. Coding of the quantitative measures

Questions of the section 1 aimed at defining the participating organizations' demographics. Standard coding procedures were used with the majority of these questions that utilize multiple-choice type response format.

Particularly, the first question aims at identifying the respondent position in his/her museum. While browsing responses, however, the researchers identified that two unplanned response patterns required additional coding:

✓ In cases where respondents checked two items, respectively director and curator, then the code “13” was assigned to the response. This code was assigned for nine questionnaires.

✓ In cases where respondents selected more than two options (often, all the items were selected), then the code “12” was assigned to the response. This “response pattern”, showing the importance of multi-tasking, occurred 11 times.

Question 3 is an open question, measuring the number of employees for each museum. The numerals given by respondents were simply entered. When the response detailed part-time from full-time employees, then part time employees, seasonal, on call and contract staff were counted as half a full-time employee in order to illustrate thoroughly the resources available in museums. (This means, for example, that one summer part-time employee accounts for 0.25 employees.)

5.1.5.2. Coding of the open-ended question

The open-ended question asked respondents to describe the marketing practices that are implemented in their museum. It yielded data that was treated as follows:

Responses were browsed and screened, and a table was constructed from the 29 “items” which described activities or strategies mentioned by respondents. These 29

items were categorized into six main themes or categories: communication, strategy, partnerships, consumer awareness, services, and cooperation.

These items were accounted as variables for statistical analysis. It means that for one response received to the open-ended question, 29 data were entered in the SPSS program. For each open-ended response received, the researcher considered the 29 items, and allocated “1” to the item if the respondent points out the activity or strategy the item refers to, or allocated “0” to it if the respondent does not refer to the activity or strategy concerned. At the end of this procedure, a new variable was created, that counts the number of referrals made by respondents to the 29 pre-identified marketing topics/activities. This variable will be referred to as “TOTQUALI” later on in the text. Thus, if a respondent refers to 7 items (activity or strategy) in his/her response, his/her museum receives the value 7 for the “TOTQUALI” variable.

Such coding allows for analysis through frequencies, computation of the total of activities quoted, and correlations with other variables. It should be remembered, however, that this analysis does not result in an exhaustive listing of activities performed by each museum. Rather, activities thought about by respondents are quoted here – perhaps because these activities are preponderant in terms of time allocated to perform them, because they generate significant results, or simply because respondents were dealing with them at the time they completed the questionnaire.

(The grid built to code the open-ended question is presented in Appendix 4.)

5.1.5.3. Coding of the data gathered through the Internet

Data gathered through the Internet were also coded to allow statistical analysis. These data are nominal measurements: numbers were assigned to categories to act as identifications for classification. Five measures require further details and are explained in the following paragraphs.

A summary of the web-data codes is presented in Appendix 5.

First, labels were assigned to the variable “PRICING” (which measures museums’ segmentation strategies in terms of pricing) only if the variable “FEE” (which records if museum visits are free or charged) received 1 as label. Indeed, museums are able to segment their pricing only if they charge their visitors.

Second, labels were assigned to the variable “EDUCSEGM” (which measures museums’ segmentation strategies in terms of programming) only if the variable “EDUC” received a number equal or superior to 1 as label. Indeed, museums cannot segment their programming if they do not offer educational services to their publics.

Third, “WEBPRES” – the variable measuring museums’ presence on the Internet – was measured regarding museums’ efforts to display information on the Internet. A museum’s presence on the Internet occurs either when the museum designed a web page, or when the museum developed a website. The difference between these two levels of presence is seen in the degree of elaboration and amount of diverse information these

choices allow. Actually, a web page provides a simple presentation of the museum's display and contact, and is "hosted" by a broader organization, often a city or network of museums. On the contrary, a website is more elaborate; it presents detailed information, often organized by interests. When the researcher was not able to identify a website or web page (which translates an organization's efforts to provide information to its publics), then 0 was assigned to the variable, labelling "no presence in the Internet". Thus, situations exist where a museum appears on listings made by the Ontario Museums Association and/or the virtualmuseum website, and receives the identification "0".

The "EDUC" variable accounts for the educational agendas offered by museums. Here, the coding does not represent the type of agendas, but the number of different agendas. The researcher identified 5 different agendas propositions that involve human resources, namely "programs", "workshops", "lectures", "guest speakers or gallery talks", and "demonstrations". The variable "EDUC" simply counts how many of these agendas are offered by a museum.

Finally, the variable "FOODFACI" relates to the availability of food facilities within museums. The four entries possible are "no food facility", "picnic area", "snack bar or vending machines" and "cafeteria or restaurant". The measurement, here again, takes into account the highest "level" of food facility. A museum having both a picnic area and a restaurant, for example, will receive the code "3".

5.2. Definitions of concepts and measures

5.2.1. The concepts of market segmentation and relationship marketing

To define segmentation, Colbert, Nantel, Bilodeau and Rich (2000) remind us that a market is composed of consumption units having similar – though not the same – needs. A market can thus be analyzed and served by being broken down in terms of segments that are characterized by homogeneous demand, but present a heterogeneous demand compared to segments. According to these authors, segmentation is a practice that leads to systematic analysis of markets' needs and design of positioning strategies derived from in-depth analysis of the market structure.

Given that an organization adopts a “multiple positioning marketing” strategy that consists in the focus on several segments by offering diverse products, transactional marketing may be complemented by relationship marketing strategies for specific segments of consumers (Colbert, Nantel, Bilodeau and Rich, 2000). Relationship marketing is defined as “*attracting, maintaining, and – in multi-service organizations – enhancing customer relationships*” in order to secure the loyalty of existing customers (Berry, 1995: 236), particularly the “profitable” ones as shown in recent developments of the literature. Actually, the goals of relationship marketing strategies lie in solidified relationships with customers and in the transformation of indifferent customers into loyal ones.

5.2.2. The concepts of market and consumer orientation versus product orientation

Andreasen and Kotler (2002: 41) provide the following definitions:

A product orientation is defined as one in which *“the major task of the organization is to put out products that it thinks would be good for the public”*. For example, a museum applying a product orientation will keep a collection made of specific works of art even if the public has little interest in the exhibit.

A consumer orientation, however, is implemented when the organization *“determines the perceptions, needs and wants of target markets and then goes about designing, communicating, pricing and delivering appropriate and viable products or services”*. Andreasen and Kotler (2002: 42) specify that *“marketing planning must start with customers’ perceptions, needs and wants”*; that is, a successful customer orientation begins with research on the organization’s publics.

Kohli, Jaworski and Kumar (1993) use a more precise and detailed definition of market orientation. This definition is built upon the one developed in 1990 by Kohli and Jaworski that highlighted *“the implementation of the marketing concept”* as a critical factor. Moreover they highlight the multiplicity of definitions existing in the literature regarding this concept. Using the common themes of the varying existing definitions, these three authors refer to market orientation as *“the organizationwide generation of market intelligence pertaining to current and future needs of customers, dissemination of*

intelligence horizontally and vertically within the organization, and organizationwide action or responsiveness to market intelligence” (Kohli, Jaworski and Kumar, 1993: 467)

5.2.3. The MARKOR measure

MARKOR is an activities-based measure of market orientation developed by Kohli, Jaworski and Kumar (1993). MARKOR is made of 20 items that assess the extent to which organizations engage in “multi-department market intelligence generation activities” (Kohli, Jaworski and Kumar, 1993: 473), disseminate knowledge through both formal and informal ways, and implement marketing plans based on that knowledge.

It must be underlined that this measure is made of activity-based items that focus on customers and the forces that drive their needs. This measure also distinguishes a general market orientation factor – “market orientation” – from the three associated component factors that Kohli, Jaworski and Kumar (1993) identified. These are:

- ✓ Intelligence generation
- ✓ Intelligence dissemination
- ✓ Responsiveness.

Raju, Lonial and Gupta (1995) adapted the MARKOR measure to use it in different settings, i.e., to survey hospitals. They found that the market orientation of hospitals is made up of four sub-factors, namely:

- ✓ Intelligence generation
- ✓ Customer satisfaction

- ✓ Responsiveness to customers
- ✓ Responsiveness to competition.

5.3. Data analysis

5.3.1. Treatment of outliers and analysis of museums' demographics

To prepare for data analysis, data were cleaned and screened to identify outliers and/or influential data points. Three outliers were identified. These are the three biggest museums in size, in terms of number of visits per year. These three museums have many more visitors per year than the remainder of the sample. The researcher began analysing by examining the effect of these three large museums on the analysis. Eleven bivariate correlations (between success and major marketing practices) were run, including and excluding these three museums. Removing the three outliers did not significantly modify the Pearson correlation values. All data analysis thus integrates these three museums, since integrating these museums did not influence the values indicating the strength of relationships between variables. This decision to integrate the outliers is furthermore supported by the overall aim of this research, i.e. to account for the museums' diversity and differences in terms of size, type, and settings.

(Appendix 6 presents a summary of the results obtained for the treatment of the eventual influential points, i.e. the Pearson correlation values obtained including and excluding the three concerned museums.)

5.3.2. Data analysis pertaining to the Research Questions

Frequencies were used to identify the marketing practices currently used by museums. Means, medians and percentages highlight key results in terms of marketing activities carried out by these organizations.

Bivariate correlations, Chi-square tests and tests of difference of means were also used to measure associations and examine group differences in terms of marketing practices. For these, groups of museums are defined regarding their type, as well as size in terms of number of entries, employees and artifacts displayed.

A factor analysis (principal component analysis) was also carried out as a data reduction method to specifically investigate the relationship marketing implemented by museums (Research Question 1C). The aim was to identify one factor that explains all the correlations between the 5 variables used to measure relationship marketing in the questionnaire (questions 4a. to 4e. in the survey instrument). Later on, the researcher also used the identified factor instead of the 5 original variables to run regression analysis and correlations.

A factor analysis (principal component analysis) was run on the MARKOR scale's 17 remaining items (corresponding to the questions 8 to 24 of the survey instrument). The aim here was to identify factors that measure diverse aspects of consumer orientation, and attempt to position museums on each of these factors. To do so, the results obtained for the principal factor analysis were checked against the results

obtained by previous research (Kohli, Jaworski and Kumar, 1993; Raju, Lonial and Gupta, 1995) and variables' loadings on each factor were screened in order to determine which factors were significant.

Finally, bivariate correlations were calculated between chosen variables measuring marketing activities and the variables measuring success, in order to assess the strength of relations between these variables and interpret strong associations. Three measures were considered to account for success. These correspond to the questions 5, 6 and 7 in the survey instrument: "Our museum is successful with the marketing activities that have been undertaken", as well as "Our museum really does not do much marketing" and "Our museum would like to attract more visitors".

This allowed the researcher to run a multiple regressions with success measures as dependent variables. After analysis of the correlations between the three measures of success, the two closest (significantly correlated) measures were retained. These are: "Our museum is successful with the marketing activities that have been undertaken" and "Our museum really does not do much marketing". The regressions integrated the independent variables chosen by the researcher after consideration of the arguments put forward in the literature. Stepwise procedures were used to conduct these multiple regressions.

The first regression integrates success as the dependent variable and the following selected measures as independent variables: “Mkplan”, “Segm”, the factor “membership programs”, “Interact”, “Coord”, “Inhouse”, “Timeimpl” and “TOTQUALI”.

The second regression comprehends the measure “extent to which our museum do marketing” as the dependent variable and the following selected measures as independent variables: “Detect”, “Mkresp”, “Influence”, “Timeimpl”, the factor “Membership program”, “Segm”, “Mkplan”, “Deaf” and “TOTQUALI”.

Finally, a multiple regression was run, integrating success as the dependent variable, and the five factors extracted for the revised MARKOR measure. A stepwise procedure was used for this multiple regression that aims at identifying the critical marketing activities that lead to museums’ success.

6. FINDINGS

As noted in the methodology, a 34.56% overall response rate led to the return of 141 questionnaires. Respondents mainly belong to small and middle size organizations. Section 6.1 describes the major features of the participating museums, while Sections 6.2 to 6.5 present the findings related to the research questions. Section 6.2 details the marketing practices currently implemented by museums. Section 6.3 investigates the specific segmentation strategies and relationship efforts implemented by museums, as well as endeavours in terms of planning. Section 6.4 highlights the customer orientation of the participating museums. Finally, Section 6.5 investigates the relationship existing between marketing endeavours and museums' success.

6.1. Demographics – features of the participating organizations

6.1.1. Respondents' positions

Respondents were asked to indicate their position in the museum in which they work. Chart 1 illustrates the distribution of respondents' positions. Results show that a majority of respondents – actually, 67.7% of them – have directorial and/or curatorial responsibilities (corresponding to the hatched area in Chart 1). The survey thus reached top-management in Ontario museums.

Chart 1

Distribution of respondents' positions (in %)

the hatched area corresponds to directorial and/or curatorial responsibilities
the grey area corresponds to business and/or marketing positions

12.5% of the respondents declared themselves to be “marketing and communication managers”, and the aggregated results show that 16.8% of the respondents occupy a business/marketing position in their museum (corresponding to the grey area in Chart 1).

Finally, it should be noted that 8.1% of the respondents selected more than two categories (often checked all the categories), thus highlighting the amount of multi-tasking that falls to their responsibilities.

This is perfectly illustrated by the note written by a small historical museum manager who checked off all the labels proposed for this question:

“I hope this presents forcefully how efforts in a one-full-time-person business get fragmented day to day.”

6.1.2. Type, operation and pricing policies of the participating museums

6.1.2.1. Type of the participating museums

Data gathered on the Internet allowed researchers to classify Ontario museums by type of display using four categories (“human history”, “arts”, “sciences” and “military”).

Chart 2 presents the distribution of museums by type.

A majority of the responding museums – 66% of them – fell in the “human history” category. 21.3% of the responding museums are art galleries, and the remaining 12.8% are either sciences or military museums.

6.1.2.2. Operation policies of the participating museums

Researchers also used web-data to identify the operation seasons of Ontario museums. A significant majority of the responding museums (80.9%) are open year round, while 19.1% of them receive visitors only seasonally. Chart 3 shows the distribution of responding museums according to their operation level.

Chart 3

Distribution of museums according to their operation level (in %)

6.1.2.3. Pricing policies of the participating museums

Finally, according to the data available on the Internet, 47% of the responding museums do not have an entrance fee, while 53% of the responding museums charge visitors. Among these that do charge, a large majority (84.3% of them) segmented their prices, whereas 15.7% apply a common price for their diverse visitors. Chart 4 displays the distribution of museums according to their pricing policy.

Chart 4

Distribution of museums according to their pricing policy (in %)

The white area corresponds to charged visits
 The hatched area corresponds to free visits

6.1.3. Size of the participating museums

Sizes of the responding museums were measured using four variables: the number of visits/entries per year, the number of paid employees, the number of volunteers involved in the museum, and the number of artifacts available for display.

Utilizing the number of visits as measure, one sees that a substantial majority of the organizations surveyed are small to medium size. Indeed, 97.8% of the museums

surveyed receive fewer than 600,000 visitors per year. The remaining 2.2% of the surveyed museums welcome between 600,000 and 5,000,000 visitors per year.

Respondents were asked about the number of paid employees in their museum.

Chart 5 presents the distribution of museums in terms of number of paid staff.

On average, museums employ 14.3 employees (mean = 14.28). The median is 4, which is explained by the fact that a few museums have an extensive number of employees (skewness = 5.90). Only 3% of the participating museums employ 160 employees or more (the maximum number of employees for the museums surveyed being 360).

The third indication of size used in this research is the number of volunteers. The number of volunteers involved in museums indicates that a majority of museums – 79.1% of responding museums – receive support from less than 100 volunteers. 38.1% of the museums surveyed see their human resources increased by between 20 and 60 volunteers, and 10.1% of the museums have more than 150 volunteers. This measure also shows that the majority of museums sampled are small to medium size.

Finally, the number of artifacts available for museums to display can be used as a measure of these organizations' sizes. The numbers of artifacts owned by responding museums range between 0 and 10,000,000. On average, museums own 203,856 artifacts (mean = 203,855.97). However, a majority of museums own less than 40,000 artifacts: 90% of the responding museums own 40,000 artifacts or less. The median is 5,000, indicating that a few museums own substantial collections (skewness = 7.81 and kurtosis = 63.10). These results, however, picture only one half of the responding museums: 71 values are missing for the variable accounting the number of artifacts owned by museums.

6.2. Marketing practices currently implemented by museums

6.2.1. Overall marketing endeavours

The data provided in this section relate to the Research Question 1a, specifically the sub-questions 1a (i) (ii) and (iii).

<p>Research Question 1: <u>What are the marketing practices currently used within museums?</u></p>

• Q1a. Do museums carry out marketing?

(i) Do museums employ marketing staff?

(ii) Do museums carry out marketing activities and strategies?

(iii) How satisfied are museum managers with their marketing endeavours?

A majority of museums employ member(s) of staff who is (are) assigned marketing responsibilities. Indeed, 78.4% of the respondents agreed or strongly agreed that they had someone in the museum whose job includes marketing responsibilities. However, for many museums, marketing would be only one of many responsibilities assigned to a staff member. This is exemplified by this quotation:

“(...) marketing is one of the eight hats I wear.” (Curator of a small historical museum)

A majority of museums do report that they engage in marketing activities (58.5%), while the remainder (41.5%) report that “our museum really does not do much

marketing”. Chart 6 illustrates the distribution of opinions regarding museums’ performing of marketing activities.

Respondents also report that they would like to attract more visitors: 97.9% of the responding museums have this common goal. This desire to attract more visitors is highlighted by museums’ efforts to enlarge their audience, as shown by these two quotations:

“We work with and create valuable partnerships with various community groups, cultural organizations, teachers, etc. to attract these groups in the museum.” (Assistant curator of a small historical museum)

“While we are not a museum in a classic sense, we have tried new ideas to attract new audiences. We have been successful with birthday parties, Sunday workshops and appraisal days.”
(Director of a medium-size art gallery)

Finally, when asked to estimate if their museum is successful with the marketing activities that have been undertaken, respondents are reasonably happy, even though they reveal there are still possibilities for improvement. Chart 7 shows respondents' estimations of success with the marketing activities undertaken by their museum. In fact, 82.2% of the responses to the question “our museum is successful with the marketing activities that have been undertaken” fell in the “neither agree nor disagree” and “agree” categories.

Chart 7

Respondents' estimations of museums' success with marketing endeavours (in %)

success*

* "Our museum is successful with the marketing activities that have been undertaken"

6.2.2. Museum managers' description of their marketing activities

Data in this section detail responses to the Research Question 1a, sub-questions (iv) and (v).

Research Question 1: What are the marketing practices currently used within museums?

• Q1a. Do museums carry out marketing?

(iv) What are the marketing practices currently implemented by museums to attract visitors?

(v) What marketing practices do managers identify as relating to success?

This section summarizes the findings generated by the open-ended question (Section 2, Question 25 in the survey) where respondents were asked to describe the marketing practices that have been implemented in their museum to attract visitors. These responses were coded and categorized into 29 types of activities and strategies. Some examples include “ads in local newspapers”, “media cultivation to announce programs”, “ideas sessions or focus groups”, “partnerships with other industries/organizations”, “segmentation in programming” and so on. Table 2 presents the frequencies of references to each of the 29 types of marketing activities of the open-ended question. Frequencies refer to the percentage of respondents who volunteered that their museum undertakes that activity.

Museum managers that participated in the survey almost all responded to the open-ended question. Actually, only 12 managers – i.e. 9.93% of the respondents – did not provide any answer to this question. Somewhat surprisingly to the researcher, respondents provided lengthy, comprehensive and detailed data. Museums managers dealt with this question either by writing long paragraphs that detailed marketing

activities undertaken, their rationales, obstacles and results, or by submitting extensive listings of endeavours.

One museum reported as many as 18 activities. On average, respondents quoted 6.8 activities (mean = 6.87, median = 7). Two responses provided by museum managers particularly underline the broad range of activities covered by marketing within museums:

“Our marketing program is directed to many functions that our museum performs – retail gift shop, membership, group tours, motor coach tours, educational programs, day camps, ride program etc.” (Marketing and Communications manager of a medium-size military museum)

“Small museums are marketing themselves in every thing we do, personally as well as at work. If you are referring to MARKETING, there are too many things beyond our control to make us devote energy solely to official marketing” (Manager of a small historical museum)

It appears that the most reported activities relate to partnerships, communication and services development. Indeed, 53.5% of the respondents asserted building “partnerships with other organizations and/or industries” as these two managers highlight:

“Last year we put together a “Biz Card” to promote Amherstburg and sent it to tour operators, hotels, visitor centres, schools, etc.” (Curator of a small historical museum)

“We recently cost-shared with other museums to produce a booklet-brochure which was funded in part by the Ministry of Culture. Dividing the cost was the only way we could have produced such a great publication.” (Director of a small historical museum)

Like the manager of a small historical museum who is quoted below, 48.1% of the respondents reported “ads in local newspapers” and 43.4% mentioned “strategic programs development”, i.e. the careful design of programs taking account of publics and/or segments’ needs.

“Letting the local media (TV + newspaper) know of your events. Now they come to us and ask what is happening. Keeping the visitors informed, not confused, local advertising has proven to be effective. Free advertising also helps. The community won’t support you if they don’t know anything about you.”

On the other hand, unlike this museum manager whose response follows, only 4.7% of the respondents reported “ideas sessions or focus groups”.

“As we are a military museum, we had the history teachers in the county for an idea session, i.e. what they would like to see.”
(Director of a medium-size military museum)

As well, only 5.4% of the respondents mentioned “gift shop or souvenirs”. Finally, only 3.9% of the respondents indicated that they “outsource” marketing to

external organizations, either students' teams or agencies. Some innovative, affordable initiatives can be undertaken, though, on the model of the ones described below by museum managers:

"A (quoted) school class project produced a plan this spring, and we are beginning to implement it in phases and as resources permit." (Director of a middle-size art gallery)

"New sponsorship campaign / acting on advice received from four students from (School quoted), who examined our Museum's sponsorship program as a case study for their course." (Director of a middle-size historical museum)

These responses reveal what practitioners understand by marketing. Actually, museum managers' responses concentrated mainly on communication efforts, in particular advertising through newspapers, radio and websites. Fewer references were made to the overall process of strategic thinking and planning, and to the careful conceptualization and design of services.

Table 2

Frequencies – References to the 29 items of the open-ended question

Theme	Variable name	Number of references	
COMMUNICATION	Ads in local newspapers	62	48.1%
	Ads in tourism handouts	40	31.2%
	Newspaper articles	40	31.2%
	Radio/TV advertisements	32	24.8%
	Posters	24	18.6%
	Website/Webpage	31	24%
	Media cultivation to announce programs	33	25.6%
	Public relations/strong community presence	32	24.8%
	Database marketing/direct mails	24	18.8%
STRATEGY	Business Plan written	13	10.1%
	Strategic plan written OR strategy thinking	37	28.7%
	Audience survey	16	12.4%
	Study of market potential for extension	2	1.6%
	“Ideas sessions” OR focus groups	6	4.7%
PARTNERSHIPS	Partnerships with other industries/organizations	69	53.5%
	Brochures in hotels and Tourism Centres	49	38%
	Network/joint efforts with other museums	46	35.7%
CONSUMER AWARENESS	Responding to the community needs	14	10.9%
	Segmentation in advertising (support, language)	30	23.3%
	Segmentation in programming	41	31.8%
	Target market(s) identified	49	38%
	Corporate membership programs OR membership privileges	29	22.5%
	Newsletter	20	15.5%
	Presence: Attendance to targeted events OR use of events	26	20.2%
	Signage in city and front doors	16	12.4%
SERVICES	Gift shop OR souvenirs	7	5.4%
	Mentioning of strategic exhibition schedule	38	29.5%
	Mentioning of strategic programs development	56	43.4%
COOPERATION	Cooperation with marketing agencies/outourcing	5	3.9%

While the section above described the marketing practices reported by respondents in their own words and without prompting, the next sections of this thesis (6.2.3, 6.2.4, 6.2.5 and 6.2.6) report on marketing practices specifically asked about in the survey in multiple-choice format questions.

6.2.3. Internal communication and coordination

A majority of respondents – 55.1% – report that there is more than minimal communication between the staff having marketing responsibilities and other staff when it relates to market developments. This communication seems to be supported by intensive coordination: 74.5% of the respondents affirm that activities are well coordinated in their museum. Likewise, 64% of the respondents estimate that information on visitors circulates among staff, and 52.1% believe that information on consumers' satisfaction is gathered on a regular basis in their museum.

6.2.4. Knowledge generation

Results show that museums do not carry out in-house market research (48.2% of the respondents do not consider their museum to be executing a lot of in-house market research, and 16.5% do not have a precise opinion). However, 82% of the respondents acknowledged that staff in their museum interact directly with customers to learn how to serve them better.

A comparison of the responses to the questions investigating staff's direct interaction with customers and carrying out of in-house market surveys allows to identify that patterns of responses to these questions are inverted. Actually, museums are more likely to use direct interaction with customers than formal processes of market research. Table 3 presents a comparison of museums' direct interaction with customers versus in-house market research.

Table 3

Frequencies – Comparison Customer Interaction / In House Market Research (in %)

Responses:	"Strongly Disagree/No"	"Disagree"	"Neither Agree Nor Disagree"	"Agree"	"Strongly Agree/Yes"	"Not Applicable"	Total
<i>"Staff from our museum interact directly with customers/visitors to learn how to serve them better"</i>	2.2	3.6	11.5	43.2	38.8	.7	100
<i>"In our museum we do a lot of in-house market research"</i>	25.2	23	16.5	21.6	11.5	2.2	100

Small museums rely on informal feedback to determine the needs of their target markets. This approach is illustrated in the following quote by a Marketing and Communications manager in a middle-size historical museum:

"Many of our evaluation efforts are informal but do provide a substantial amount of valuable information."

6.2.5. Detection of and reaction to industry changes

A majority of respondents (39.6%) believe that their museums are fast in detecting fundamental shifts in their industry, while 22.3% of the respondents do think their museums are slow to detect fundamental shifts in their industry (36% of the respondent neither agree nor disagree with the sentence "We are slow to detect fundamental shifts in the museum industry"). As well, 83.4% of the respondents announce that corrective actions are immediately taken when customers' dissatisfaction is discovered. Table 4 clearly highlights museum managers' belief that their museums are able to detect and react quickly to changes in their environments.

Table 4

Frequencies – Opinions on Museums' Detection and Reaction to Changes in their Environments (in %)

Responses:	"Strongly Disagree/No"	"Disagree"	"Neither Agree Nor Disagree"	"Agree"	"Strongly Agree/Yes"	"Not Applicable"	Total
<i>"We are fast (slow in the original question) to detect fundamental shifts in the museum industry"</i>	7.9	14.4	36	30.2	9.4	2.2	100
<i>"When we find out that visitors are unhappy with the quality of our service, we take corrective action immediately"</i>	.7	2.9	12.3	49.3	34.1	.7	100

Sections 6.2.3 to 6.2.5 highlighted museums' marketing practices that relate to knowledge generation and transfer as well as detection and reaction to industry changes. Section 6.2.6 presents the relations between these marketing practices and museums' ability to implement strategies on time. It specifically looks at the measures of museums' ability to implement marketing plans on time, as well as to take corrective actions immediately. The variables analyzed were chosen by the researcher since they are measures of activities that facilitate, speed up and support decision processes.

6.2.6. Inter-relations of the marketing practices

It appears that museums' ability to detect industry changes is highly and significantly correlated with these organizations' ability to implement marketing plans on time ($r = .45$, $P_r = .01$). As well, regular staff meetings ($r = -.31$, $P_r = .01$) and coordination ($r = -.39$, $P_r = .01$) are strongly correlated with museums' ability to implement marketing plans on time. Table 5 presents the significant correlations for "even if we came up with a great marketing plan, we probably would not be able to implement it in a timely fashion".

Table 5

Significant correlations for museums' ability to implement marketing plans on time

		<i>"We are slow to detect fundamental shifts in the museum industry"</i>	<i>"We have staff meetings at least once a quarter to discuss market trends and development"</i>	<i>"Information on our customers/visitors circulates among our staff"</i>	<i>"We collect information on consumer satisfaction within our museum on a regular basis"</i>	<i>"The activities in this museum are well coordinated"</i>
<i>"Even if we came up with a great marketing plan, we probably would not be able to implement it in a timely fashion"</i>	<i>Pearson correlations</i> (All correlations are significant at the .01 level)	.45	-.31	-.25	-.26	-.39

Besides, museums' ability to take immediate corrective action is highly and significantly correlated with museums' meeting with customers ($r = .25$, $P_r = .01$). As well, museums' ability to take immediate corrective action is highly correlated with direct interactions between staff and visitors ($r = .48$, $P_r = .01$), with museums running in-house surveys ($r = .28$, $P_r = .01$) and with museums running yearly surveys ($r = .24$, $P_r = .01$). Table 6 presents the significant correlations for "when we find out that visitors are unhappy with the quality of our service, we take corrective action immediately".

Table 6

Significant correlations for museums' ability to take immediate corrective actions

<i>"When we find out that visitors are unhappy with the quality of our service, we take corrective action immediately"</i>	
<i>Pearson correlations</i>	
(All correlations are significant at the .01 level)	
<i>"We meet with customers at least once a year to find out what services they will need in the future"</i>	<i>.25</i>
<i>"Staff from our museum interact directly with customers/visitors to learn how to serve them better"</i>	<i>.48</i>
<i>"In our museum we do a lot of in-house market research"</i>	<i>.28</i>
<i>"We survey visitors at least once a year to assess the quality of our services"</i>	<i>.24</i>
<i>"Information on our customers/visitors circulates among our staff"</i>	<i>.18</i>
<i>"We collect information on consumer satisfaction within our museum on a regular basis"</i>	<i>.18</i>
<i>"In our museum, market research and publics' needs drive our business plans"</i>	<i>.20</i>
<i>"Visitor complaints fall on deaf ears in this museum"</i>	<i>-.17</i>

6.3. Segmentation strategies, relationship marketing and planning

6.3.1. Segmentation strategies

Section 3.1. attempts to answer Research Question 1b.

Research Question 1: What are the marketing practices currently used within museums?

• Q1b. Do museums segment their markets?

(i) Do museums recognize the distinct needs of their diverse publics?

(ii) Which museums segment their markets?

(iii) How do these museums segment their markets?

(iv) Which segments do museum managers refer to when talking about their practices?

About two thirds of the museums surveyed (66.9%) target specific segments and focus their efforts towards these segments. Many respondents provided quotes in response to question 25 which illustrate their segmentation practice and describe the segments they focus on – mainly local, school and family markets:

“We target the school market and are very successful in this area” (Curator in a small historical museum)

“Much of our programming is geared to families. Our promotions use school distributions as well as print and radio”
(Curator in a middle-size historical museum)

“We attract a lot of visitors whose roots are tied to this area consequently we lean towards these developments” (Curator in a small historical museum)

“(We) Understand and define target audiences and segments through market research and competitive analysis” (Marketing and Communications manager in a middle-size historical museum)

“We have a very specific audience (the author quotes the audience) and do not appeal well to the general public, therefore we target our audience by attending (the author quotes) specific events, and inviting (the author quotes) specific organizations to participate and join as members.” (Marketing and Communications manager in a middle-size historical museum)

“We target specific audiences in the arts by programming and special ad campaigns.” (Executive Director of a small art gallery)

“Changing temporary exhibits to attract local people” (Executive Director of a middle-size historical museum)

“For children’s programs, we deal directly with the local schools. They distribute fliers. We also advertise programs and events on place mats at the local McDonald’s Restaurant.” (Director-curator of a small history museum)

“We are a small private museum and we try to stick to three or four themes that we know will appeal to those we serve.” (Exhibitions and Events Coordinator of a small military museum)

Almost one eighth of the respondents (12.9%) affirm, however, that their museums do not engage in segmentation activities. (The remaining 18% neither agree nor disagree about segmenting their markets.)

As reported in Section 6.1.2.3, web-data show that the vast majority (84.3%) of museums that charge for visits segment their prices, whereas the remaining 15.7% apply a common price for their diverse visitors. Further, the data show that 91% of the museums offering educational agendas consider the different needs of their diverse publics – an additional illustration of segmentation practices.

6.3.2. Relationship marketing

The findings presented in this section relate to Research Question 1c.

Research Question 1: What are the marketing practices currently used within museums?

• Q1c. Do museums implement relationship marketing?

(i) Which museums implement relationship marketing?

(ii) How do they do so?

More than two thirds of the museums surveyed (69.1%) work at developing relationship marketing. On the other hand, 13.4% of the museums do not implement

relationship marketing. Again, quotes provided by the respondents best illustrate these practices:

“We coordinate theme years to appeal to repeat visitors.”
(Marketing and Communications manager in a middle-size historical museum)

“Members always receive advance notice of any special event etc.” (Curator of a middle-size historical museum)

About three quarters (73%) of the museums surveyed implement membership programs and 67.7% regularly issue newsletters for their members. 63.3% of the respondents affirm that their museum has specific pricing packages for members, and 64.4% assert that members are invited to the inauguration of new exhibits. Results show a variety of practices as far as additional programs for members are concerned: 44.5% of museums offer additional programs for their members, while 32.9% do not.

Museums' commitment to relationship marketing appears to be significantly – and highly – correlated with the five activities investigated in the survey, namely the offering of membership programs, newsletters, price packages and additional programs for members, as well as members' invitation to new exhibitions' openings. The strongest relationship exists between museums' implementation of relationship marketing and museums' providing of membership programs ($r = .65$, $P_r = .01$). (See the details of bivariate correlations between museums' relationship marketing and its contributing activities in Table 7.)

Table 7

Bivariate Correlations - Museums' Relationship Marketing and its Contributing Activities

<i>"Our museum works at developing relationship marketing"</i>	
<i>Pearson correlations</i>	
(All correlations are significant at the .01 level)	
<i>"We implemented membership programs"</i>	.65
<i>"We regularly issue a newsletter for our members"</i>	.59
<i>"We have a specific pricing package for our members"</i>	.58
<i>"Our members are invited to new exhibitions' inauguration"</i>	.49
<i>"My museum offers additional programs for its members"</i>	.53

The relationship existing between museums' implementation of relationship marketing and its 5 components was further investigated. A principal component analysis led to the identification of single factor that explains 73.62% of the total variance explained by the 5 variables. This factor clearly represents "museums' offering of membership programs". This factor will be used for further analysis, i.e., for multiple regressions using specific marketing practices as independent variables (see section 6.5.3.).

(Detailed results of the principal component analysis investigating museums' relationship marketing are presented in Appendix 7.)

6.3.3 Marketing planning

The findings provided in this section attempt to answer Research Question 1d.

Research Question 1: What are the marketing practices currently used within museums?

• Q1d. Do museum managers plan their marketing strategies or not?

(i) Do museums write business and marketing plans?

(ii) Do museums carry out market research and visitor surveys to support their strategic decisions?

(iii) Which museums plan their marketing strategies?

Planning is not a common practice in Ontario museums. Indeed, while almost half (46.7%) of the respondents agree that a marketing plan has been developed for their museum, 34.6% of these museum managers report that a marketing plan has not been developed for their museum. (Also, 16.5% of the respondents neither agree nor disagree having developed a marketing plan.) Chart 8 shows the distribution of opinions for the question, “We have developed a marketing plan for our museum”.

Chart 8

Frequencies – Marketing Planning Activities (in %)

"We have developed a marketing plan for our museum"

For those that do practice marketing planning, the following quotes illustrate their practices:

"Marketing and communications plan for each major exhibition, marketing and communications plan for the gallery, short and long term planning." (Marketing and Communications manager in a middle-size art gallery)

"Our museum has been in existence for almost 40 years. Prior to 2000 (new administration), there was no coherent development plan for the institution. In 2001, a strategic plan was

put in place, and a major renovation was undertaken to the main campus gallery. As well, a director/curator was hired full-time. Subsequently, the (gallery) has implemented a number of FUNDAMENTAL projects to develop the gallery's presence both on and off campus." (Director of a small art gallery)

Finally, almost one half (48.9%) of the respondents think they would be able to implement a marketing plan on time if they developed one. Chart 9 perfectly illustrates that museum managers disagree with the statement, "Even if we came up with a great marketing plan, we probably would not be able to implement it in a timely fashion".

Chart 9

Frequencies – On-Time Implementation of a Marketing Plan (in %)

"Even if we came up with a great marketing plan, we probably would not be able to implement it in a timely fashion"

6.3.4. Inter-relations between these variables

It was expected that museums that practice segmentation would also be more likely to practice relationship marketing and marketing planning. To test this proposition, correlation analysis was performed.

Segmentation activities are highly correlated with marketing planning ($r = .47$, $P_r = .01$). As well, relationship-marketing activities undertaken by museums are significantly correlated with marketing planning endeavours ($r = .37$, $P_r = .01$). Finally, museums' relationship marketing and segmentation activities are highly correlated ($r = .34$, $P_r = .01$). Table 8 synthesizes the correlations between relationship marketing, segmentation and planning.

Table 8

Bivariate Correlations – Relationship Marketing, Segmentation and Planning

		<i>Relationship marketing</i>	<i>Segmentation</i>	<i>Planning</i>	Significance level
Pearson correlations	<i>Relationship marketing</i>	1	.34	.37	.01
	<i>Segmentation</i>	.34	1	.47	.01
	<i>Planning</i>	.37	.47	1	.01

6.3.5. Differences in practices between museums

This section reports the results obtained from the Chi-Square analysis and T tests run to identify if frequencies differ between categories of museums defined by size, and between types of museums.

6.3.5.1. Differences between groups of museums defined by type

Differences between diverse types of museums were assessed using Chi-Square analysis. For the purpose of the Chi-Square analysis and the cross-tabulations presented, the researcher had to collapse the tables because the raw frequencies were lower than the minimum required for analysis. “Science” and “military” museums were thus combined. As well, categories were collapsed, leading to the three following items: “disagree”, “neutral” and “agree”. Results are summarized in Table 9.

On the one hand, for groups of museums defined by type, the Chi-Square results suggest high discrepancies between the observed cell counts and what can be expected if museums’ type and planning practices were unrelated. In other words, the Chi-Square tests show differences in the planning practices implemented by groups of museums defined by type (Chi-Square = 10.65, Sig = .10). Besides, the low asymptotic Sig. Value suggests that these differences in terms of planning are real and not due to chance.

On the other hand, the low Chi-Square results obtained for museums’ segmentation and relationship marketing practices suggest that museums’ type and these practices are not related. Indeed, for these activities (segmentation and relationship

marketing), the Chi-Square results are respectively 4.52 and 5.09, which are both inferior to the critical value.

The significance values of the Likelihood Ratio used to test the differences in segmentation, relationship marketing and planning practices implemented by diverse types of museums support the results just discussed (these values are, respectively, .53, .28 and .04).

Table 9

Chi-Square Results – Differences between groups of museums defined by type

		Variables tested:		
		SEGMENTATION	RELATIONSHIP MARKETING	PLANNING
Groups defined by Type	N (valid)	139	97	139
	Chi-Square	4.52	5.09	10.65
	Df	6	6	6
	Asymp.Sig.	.61	.53	.10
	<i>Likelihood Ratio</i>	5.13	7.46	13.16
	<i>Asymp. Sig.</i>	.53	.28	.04

Now that differences between types of museums in terms of marketing practices were tested and the strength of the relationships assessed, patterns of average planning practices implemented by groups of museums will be highlighted. The cross-tabulation displaying the combinations of planning practices by types of museums allows investigating patterns of practices. This cross tabulation is presented in Table 10.

Table 10

Crosstabulation – Planning practices implemented by type of museums

			MARKETING PLAN				Total
			Not Applicable	Disagree	Neutral	Agree	
TYPE	history	Count	2	35	12	42	91
		%	2.2%	38.5%	13.2%	46.2%	100.0%
	arts	Count		12	7	11	30
		%		40.0%	23.3%	36.7%	100.0%
	sciences and military	Count	1	1	4	12	18
		%	5.6%	5.6%	22.2%	66.7%	100.0%
Total	Count	3	48	23	65	139	
	%	2.2%	34.5%	16.5%	46.8%	100.0%	

If different types of museums have similar planning practices, then the pattern of responses should be similar across types of museums. It appears from the cross-tabulation that patterns of responses are very dissimilar across types of museums. Art galleries do not plan their strategies (only 36.7% of art galleries implement planning). History museums appear to plan their strategies (46.2%), but a high proportion of this type of museums does not implement planning (38.5%). Sciences and military museums are more

likely to implement planning. Indeed, 66.7% of the sciences and military museum managers agree having developed a marketing plan.

In summary, segmentation and relationship marketing practices appear to be similar across types of museums. However, results show that planning practices do differ between diverse types of museums: art galleries are less likely to plan their strategies, while sciences and military museums do implement planning. (Responses for history museums are spread, tending toward positive responses.)

6.3.5.2. Differences between groups of museums defined by number of admissions

Differences between groups of museums defined by their number of admissions were assessed using Chi-Square analysis. As for the analysis of groups of museums defined by type, the researcher collapsed the tables for the Chi-Square analysis and cross-tabulations of museums defined by their number of admissions. Results are summarized in Table 11.

On the one hand, the high Chi-Square value for groups of museums defined by number of admissions suggest differences in the segmentation practices implemented by groups of museums (Chi-Square = 11.01, superior to the critical value 4.60). Besides, the

corresponding asymptotic Sig. Value suggests that this difference in terms of segmentation is real and not due to chance (for the analysis, Asymp. Sig = .01).

On the other hand, the Chi-Square results for relationship marketing and planning practices suggest there are no differences between groups of museums of different sizes (defined by their number of admissions). For the relationship marketing and segmentation activities, the Chi-Square results are respectively 8.05 and 7.91, which are both inferior to the critical value 10.64.

Table 11

Chi-Square Results – Differences between groups of museums defined by number of admissions

		Variable tested:		
		SEGMENTATION	RELATIONSHIP MARKETING	PLANNING
Groups defined by Entries	N (valid)	137	96	137
	Chi-Square	11.01	8.05	7.91
	Df	2	6	6
	Asymp.Sig.	.01	.23	.24
	<i>Likelihood Ratio</i>	11.32	8.65	8.48
	<i>Asymp. Sig.</i>	.01	.19	.20

Here again, the significance values of the Likelihood Ratio testing the differences in segmentation, relationship marketing and planning practices implemented by museums of different sizes (defined by the number of admissions per year) support the findings just discussed (these values are, respectively, .01, .19 and .20).

Now that differences in terms of marketing practices between museums having different levels of admission were tested and the strength of the relationships assessed, the patterns of average segmentation practices implemented by groups of museums must be highlighted. The cross-tabulation displaying the combinations of segmentation practices by groups of museums defined by their number of entries per year allow investigating patterns of practices. This cross-tabulation is presented in Table 12.

Table 12

Crosstabulation – Segmentation practices implemented by groups of museums defined by their number of admission per year

			SEGMENTATION				Total
			Not Applicable	Disagree	Neutral	Agree	
ENTRIES	"fewer than 10,000"	Count	2	14	12	34	62
		%	3.2%	22.6%	19.4%	54.8%	100.0%
	"more than 10,000"	Count	1	4	12	58	75
		%	1.3%	5.3%	16.0%	77.3%	100.0%
Total		Count	3	18	24	92	137
		%	2.2%	13.1%	17.5%	67.2%	100.0%

It appears from the cross-tabulation that the patterns of responses for different groups of museums (defined by their number of entries per year) are quite different. It appears from the results that the bigger a museum (in terms of number of visits per year), the more likely it is to implement segmentation. Indeed, in each group, the majority of museums implement segmentation. Though, responses are well spread for small museums, while middle-size museums heavily implement segmentation (and large museums in the sample all segment their markets).

In summary, relationship marketing and planning practices appear to be similar between museums of different sizes. Results show, however, that segmentation practices do differ between museums of diverse sizes. Indeed, the bigger the museum, the more likely it is to implement segmentation.

6.3.5.3. Differences between groups of museums defined by size (in terms of number of artifacts)

Two groups were established regarding museums' number of artifacts: 203,856 was chosen as the cut point since museums, in the sample, have on average 203,856 artifacts available for display.

Table 13

T-test results – Segmentation practices implemented by groups of museums defined by their number of artifacts

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
SEGM	Equal variances assumed	.94	.34	.60	66.00	.55	.36	.60	-.83	1.55
	Equal variances not assumed			.83	3.82	.46	.36	.43	-.87	1.59

The t-test for equality of means does not indicate a difference in segmentation practices between museums having different numbers of artifacts ($t = .83$, $\text{sig.} = .46$).

Table 14

T-test results – Relationship marketing practices implemented by groups of museums defined by their number of artifacts

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
RELMKT	Equal variances assumed	2.56	.12	.85	45.00	.40	.58	.68	-.79	1.95
	Equal variances not assumed			1.78	8.09	.11	.58	.32	-.17	1.32

The t-test for equality of means ($t = .85$, $\text{sig.} = .40$) indicates that there is no significant difference in the relationship marketing implemented by museums of diverse size defined by their number of artifacts.

Table 15

T-test results – Planning practices implemented by groups of museums defined by their number of artifacts

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
MKPLAN	Equal variances assumed	.22	.64	1.34	66.00	.19	.94	.70	-.46	2.34
	Equal variances not assumed			1.29	3.35	.28	.94	.73	-1.24	3.12

The t-test for equality of means does not indicate a difference between museums having different size of displays ($t = 1.29$, $\text{sig.} = .28$).

The number of artifacts thus appears not to be a suitable measure to investigate differences between groups of museums. This may be explained by the fact that artifacts are not a good measure of size, which would in turn imply differences in practices. Indeed, one military museum has only 60 artifacts for display, but since these artifacts are planes, the museum can still be of a reasonable size.

6.3.5.4. Differences between groups of museums defined by size (in terms of number of employees)

Two groups were established regarding museums' number of employees: 4 was chosen as the cut point since it is the median in this sample.

Groups of museums defined by their size in terms of number of employees appear to present significant differences when it comes to segmentation and planning practices. However, differences between groups of museums accounting the number of employees are marginal for their implementation of relationship marketing.

Table 16

T-test results – Segmentation practices implemented by groups of museums defined by their number of employees

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
SEGM	Equal variances assumed	24.03	.00	3.06	132.00	.00	.59	.19	.21	.98
	Equal variances not assumed			3.04	102.50	.00	.59	.20	.21	.98

The test of difference between means ($t = 3.06$, $\text{sig} = .00$) indicates that there is a significant difference in the segmentation practices implemented by museums having different sizes of staff.

Table 17

T-test results – Difference of means between groups of museums defined by their number of employees, for their segmentation practices

STAFF	N	Mean	Std. Deviation	Std. Error Mean
SEGM >= 4.00	68.00	3.87	.79	.10
< 4.00	66.00	3.27	1.39	.17

The difference of means shows that the bigger the museum in terms of human resources available, the more likely the organization is to implement segmentation.

Table 18

T-test results – Relationship marketing practices implemented by groups of museums defined by their number of employees

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
RELMKT	Equal variances assumed	9.21	.00	1.75	91.00	.08	.47	.27	-.07	1.01
	Equal variances not assumed			1.71	76.49	.09	.47	.28	-.08	1.03

The test of difference between means ($t = 1.75$, $\text{sig} = .08$, i.e. superior to .05) suggests a marginal difference in the relationship marketing practices implemented by museums having different size of staff.

Table 19

T-test results – Difference of means between groups of museums defined by their number of employees, for their relationship marketing

Group Statistics				
STAFF	N	Mean	Std. Deviation	Std. Error Mean
RELMKT >= 4.00	50.00	3.94	1.11	.16
< 4.00	43.00	3.47	1.50	.23

Here again, results show that, in the sample, bigger museums in terms of staff are more likely to implement relationship marketing. However, it needs to be remembered that the test of difference between means is not statistically significant.

Table 20

T-test results – Planning practices implemented by groups of museums defined by their number of employees

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
MKPLAN	Equal variances assumed	.57	.45	2.75	132.00	.01	.65	.24	.18	1.13
	Equal variances not assumed			2.75	131.02	.01	.65	.24	.18	1.13

The results for the test of difference between means ($t = 2.75$, $\text{sig} = .01$) indicate that there is a significant difference in the planning practices implemented by museums having different size of staff.

Table 21

T-test results – Difference of means between groups of museums defined by their number of employees, for their planning practices

STAFF		N	Mean	Std. Deviation	Std. Error Mean
MKPLAN	≥ 4.00	68.00	3.40	1.34	.16
	< 4.00	66.00	2.74	1.42	.17

A strong difference is also to be seen regarding the planning endeavours of museums. The larger the size of a museum, defined as the number of its employees, the more likely it is to engage in planning efforts.

6.4. Customer orientation of Ontario museums

The findings presented in section 4 refer to the Research Question 2.

Research Question 2: What are the current strategic orientations of museums?

- (i) Are museums market and consumer oriented?
- (ii) What practices and/or strategies do museums implement to support their strategic orientation? (for example, market research, segmentation, and/or relationship marketing)

6.4.1. Museums' "dialogue" with customers

Museums' dialogue with customers implies both the delivering of information to visitors, and museums' gathering of information from their publics in order to use it and respond to publics' needs. This Director/Curator of a middle-size historical museum acknowledges the need for two-way communication:

“We are a small community museum. Responding to the community's needs makes the events successful. Partnering with other groups in the community also helps spread the event further.”

First, the information available on the Internet allowed the researcher to estimate museums' efforts to communicate with their publics. An indicator of "web presence" was established, depicting the three broad categories or degrees of web presence: "no presence", "web page designed", and "website developed". Chart 10 presents the distribution of museums according to their presence on the Internet. Results show that a majority of museums – 86.5% - are present on the Internet. About one-quarter (25.5%) of responding museums have designed web pages, which are hosted by a partner organization, and 61% of responding museum have developed full websites.

"We depend to a large extent on our website, which is linked to other (on this subject) organizations/museums."
(Exhibitions and Events managers in a small military museum)

Chart 10

Frequencies – Museums' presence on the Internet (in %)

The white area corresponds to museums' presence on the Internet
The hatched area corresponds to "no presence"

Second, several variables gathered through the survey brought data that measure museums' efforts to "listen" to their customers. Responses ranged quite broadly when managers were asked if staff, in their museum, "meet with customers (visitors, members) at least once a year to find out what services they will need in the future". Indeed, 44.6% of the respondents disagree and 28.8% agree with this statement. Others (20.9%) were neutral.

Most museum managers estimate that their museums interact well with visitors. 82% of the respondents report that staff from their museum interacts directly with customers/visitors to learn how to serve them better. Managers also assess that their museums interact with opinion leaders (people who can influence their visitors). Indeed, 53.3% of the respondents state, "We often talk with or survey those who can influence our visitors' choices (journalists, tourism agencies...)".

In the same way, museum managers report that their museums take visitors' situation and attitude into account. Actually, 92% of the respondents disagree or strongly disagree with the fact that "visitor complaints fall on deaf ears in their museum". (52.9% of the respondents strongly disagree with this statement.) Table 22 presents the frequencies of the variable showing respondents' estimations of their museums' abilities to listen to customers.

Table 22

Frequencies – Variables measuring museums' listening abilities (in %)

Responses:	"Strongly Disagree/No"	"Disagree"	"Neither Agree Nor Disagree"	"Agree"	"Strongly Agree/Yes"	"Not Applicable"	Total
<i>"Visitor complaints do not fall on deaf ears in this museum"</i>	.7	-	6.5	39.1	52.9	.7	100
<i>"Staff from our museum interact directly with customers/visitors to learn how to serve them better"</i>	2.2	3.6	11.5	43.2	38.8	.7	100
<i>"we meet with customers (visitors, members) at least once a year to find out what services they will need in the future"</i>	23.7	20.9	20.9	18.7	10.1	5.8	100
<i>"We often talk with or survey those who can influence our visitors' choices"</i>	13.7	10.1	18.7	35.3	18	4.3	100

6.4.2. Offering of a "total experience"

Web-data was used to measure museums' offering of an integrative experience (referred to as a "total experience" in the literature). More precisely, five services were examined by the researcher as part of this "total experience". These are: the offering of diverse educational agendas, the providing of guided tours, the availability of a gift shop

and of a food facility, as well as facility or art rental. Chart 11 presents the distribution of museums according to their educational agenda.

A majority of museums – 58.1% of them – offer two or three distinct educational agendas (i.e. programs or workshops, lectures, guest speakers, or demonstrations). Only 5.7% of the museums do not offer any of these educational agendas. Moreover, among the museums that offer at least one educational endeavour, activities are designed to take the diversity of publics' needs into account in 91% of the cases.

A large majority (84.4%) of the museums offer guided tours. As well, 56% of the museums offer facility rental (meeting, reception or conference room) or art rental.

Finally, 70.9% of the museums have a gift shop to complete their museum experience, and 60.3% of the museums provide some kind of food facility. Among these that provide a food facility, only 17% of the museums have a restaurant within their facilities, and 14.9% have a snack bar or vending machines (the remaining 28.4% have a picnic area available). Chart 12 illustrates the availability of food facilities in museums.

The following note written by the manager of a middle-size science museum exemplifies this diversity of offerings:

“We focus our marketing strategies and tactics to promote four main areas: room rentals, dinner theatre/children’s theatre, year-round workshops, and interpretive tours.”

Chart 12

Frequencies – Food facilities in museums (in %)

The white area corresponds to museums offering some kind of food facilities
The hatched area corresponds to museums having no food facility

6.4.3. The revised MARKOR measure

A principal component analysis was run with the 17 variables included in the survey that were part of the revised MARKOR measure. Five principal components were extracted, since they have eigenvalues greater than 1. These five factors explain 61.61% of the total variance. Factor 1 explains 31.26% of the variance, Factor 2- 9.58%, Factor 3- 7.94%, Factor 4- 6.59% and Factor 5- 6.25%. Table 23 presents the results – total variance explained – of the principal component analysis.

Table 23

Results of the principal component analysis on the MARKOR measure – total variance explained

Component	Total Variance Explained		
	Total	Initial Eigenvalues % of Variance	Cumulative %
1	5.313	31.256	31.256
2	1.628	9.577	40.833
3	1.350	7.942	48.775
4	1.120	6.589	55.364
5	1.062	6.248	61.611
6	.907	5.337	66.948
7	.818	4.811	71.759
8	.755	4.442	76.201
9	.735	4.322	80.523
10	.568	3.338	83.862
11	.526	3.094	86.955
12	.496	2.917	89.872
13	.418	2.458	92.330
14	.390	2.296	94.626
15	.361	2.125	96.751
16	.325	1.911	98.662
17	.227	1.338	100.000

Extraction Method: Principal Component Analysis.

The details of the communalities and rotated component matrix are presented in

Appendix 8.

However, the scree plot suggests a different interpretation. (The scree plot for the principal component analysis on the MARKOR measure is presented in Chart 13.) The figure, indeed, highlights the major importance/weight of the first factor to explain the total variance, and shows the break point at the fourth factor.

These conflicting results allow diverse choices to be made regarding the factor structure explaining the customer orientation of museums. Namely:

- ✓ Retaining only one factor – Factor 1 – by following the argument that this factor explains, by itself, 31.26% of the total variance.
- ✓ Retaining the four factors identified by Raju, Lonial and Gupta (1995) and supported by the principal component analysis using the scree plot interpretation.

✓ Retaining the five factors extracted by the principal component analysis with eigenvalues greater than one.

To investigate further the factors explaining museums' customer orientation, the results obtained with this principal component analysis were checked against the results obtained in previous research by Raju, Lonial and Gupta (1995). Table 24 reports the variables' loadings on each factor obtained by Raju, Lonial and Gupta (1995).

Table 24

Variables' loadings in the research from Raju, Lonial and Gupta (1995)

ITEM	Factor 1	Factor 2	Factor 3	Factor 4
"We collect industry information through informal means."	.760			
"We often talk with or survey those who can influence our patients' choices."	.753			
"In our hospital we meet with customers at least once a year to find out what products and services they will need in the future."	.745			
"We survey customers at least once a year to assess the quality of our products and services."	.720			
"In our hospital we do a lot of in-house market research."	.669			
"Individuals from our operations interact directly with customers to learn how to serve them better."	.668			
"When we find out that customers are unhappy with the quality of our service, we take corrective action immediately."		.795		
"When we find out that customers would like us to modify a product or service, the departments involved make concerted efforts to do so."		.735		
"Data on customer satisfaction are disseminated at all levels in this hospital on a regular basis."		.647		
"Customer complaints fall on deaf ears in this hospital."		.639		
"We are slow to detect changes in our customers' product/service preferences."			.681	
"Our business plans are driven more by technological advances than by market research."			.657	
"There is minimal communications between marketing and operations concerning market developments."			.647	
"We are slow to detect fundamental shifts in our industry."			.543	
"If a major competitor were to launch an intensive campaign targeted at our customers, we would implement a response immediately."				.746
"We are quick to respond to significant changes in our competitors' pricing structure."				.752

The results of the principal component analysis for the revised MARKOR measure are then presented in Table 25 and discussed below.

Table 25

Results of the principal component analysis on the MARKOR measure – variables loadings

Results from the principal component analysis on museums' customer orientation					
Variables	Loadings for the 5 factors extracted for museums' customer orientation				
	1	2	3	4	5
CUSTMEET	.302	.535	-1.25E-02	.384	.210
INTERACT	8.731E-02	.186	-.165	.787	.135
INHOUSE	.664	.192	-.242	.119	.103
YEARSURV	.837	2.765E-02	-4.72E-02	.158	-2.21E-02
INFLUENC	.694	.266	.121	.208	7.752E-02
DETECT	-8.38E-02	-.205	.678	-.121	-7.38E-02
MEETINGS	.349	.717	-.188	2.590E-02	-2.62E-02
INFOCIRC	.153	.792	-.139	1.637E-02	2.685E-02
INFOGATH	.821	.139	-.187	3.986E-02	2.718E-02
MINCOMM	6.966E-03	.259	.386	-.441	.384
NEWSEGM	2.703E-02	-3.56E-02	-.145	.193	.837
SERVDEV	.574	.263	-.151	3.756E-02	.517
CUSTNEED	.464	.277	-.237	-9.71E-03	.403
COORD	2.731E-02	.490	-.444	.332	.123
DEAF	-.147	4.730E-02	.402	-.257	-.229
TIMEIMPL	-.152	-.186	.803	9.367E-02	-5.12E-02
CORREAC	.213	5.949E-02	1.565E-02	.730	6.389E-02

A detailed analysis of the variables' loadings on the factors, and comparison with previous research, highlights 2 points.

- ✓ First, the factor structures extracted by the principal component analysis for museums' customer orientation appears to be somewhat different from the factor structure yielded by Raju, Lonial and Gupta (1995).

- ✓ Second, the fourth factor identified by Raju, Lonial and Gupta (1995) – “responsiveness to competition” does not appear in the factor structure produced by this principal component analysis. Indeed, no variable was retained to measure this dimension.

After analysis of the factors extracted by the principal component analysis and comparison with previous research (Raju, Lonial and Gupta, 1995), the researcher made the decision to retain the five factors having eigenvalues larger than 1. This choice is supported by three arguments:

- ✓ None of the three options completely matches the results – factor structure – reached by previous research.

- ✓ This choice of keeping the five factors makes sense statistically. On the one hand, the five factors have eigenvalues larger than 1, and on the other hand, keeping 5 factors more fully reflects the overall measure (a larger amount of variance is explained with the five factors).

- ✓ Finally, this choice is supported theoretically: the five factors embrace the concepts highlighted by the literature as being of importance for museums.

The five factors are the following:

Factor 1 – “Intelligence generation on consumer needs”,

Factor 2 – “Information circulation”,

Factor 3 – “Rapidity of reaction”,

Factor 4 – “Responsiveness to consumer needs”, and

Factor 5 – “Segmentation”.

These five factors explain 61.61% of the total variance in the MARKOR measure.

Table 26 presents the final factor structure chosen for the market orientation of museums.

It appears clearly from Table 26 that Factor 1 comprises both informal talks and formal processes of market research that aim at identifying publics’ needs and opinions. Factor 2 embraces coordination and communication, mainly within museums. Factor 3 encompasses museums’ ability to take corrective actions, implement their strategies and develop their services on time. Factor 4 covers museums’ ability to respond both to visitors’ desires and dissatisfaction. Factor 5 reflects museums’ segmentation efforts.

Table 26

Results of the principal component analysis on the MARKOR measure – final factor structure

ITEM	FACTOR 1	FACTOR 2	FACTOR 3	FACTOR 4	FACTOR 5
YEARSURV – “We survey visitors at least once a year to assess the quality of our services”	.837				
INFOGATH – “We collect information on consumer satisfaction within our museum on a regular basis”	.821				
INFLUENC – “We often talk with or survey those who can influence our visitors’ choices”	.694				
INHOUSE – “In our museum we do a lot of in-house market research”	.664				
SERVDEV – “We periodically review our service development efforts to ensure that they are in line with what visitors want”	.574				
CUSTNEED – “In our museum, market research and publics’ needs drive our business plans”	.464				
INFOCIRC – “Information on our customers/visitors circulates among our staff”		.792			
MEETINGS – “We have staff meetings at least once a quarter to discuss market trends and development”		.717			
CUSTMEET – “In our museum we meet with customers (visitors, members) at least once a year to find out what services they will need in the future”		.535			
COORD – “The activities in this museum are well coordinated”		.490			
TIMEIMPL – “Even if we came up with a great marketing plan, we probably would not be able to implement it in a timely fashion”			.803		
DETECT – “We are slow to detect fundamental shifts in the museum industry”			.678		
DEAF - Visitor complaints fall on deaf ears in this museum”			.402		
MINCOMM – “There is minimal communication between the staff having marketing responsibilities and other staff concerning market developments”			.386		
INTERACT – “Staff from our museum interact directly with customers/visitors to learn how to serve them better”				.787	
CORREAC – “When we find out that visitors are unhappy with the quality of our service, we take corrective action immediately”				.730	
NEWSEGM – “When we develop new exhibits or services in our museum, we consider that we have different publics with different needs”					.837

6.5. Marketing endeavours and success

The findings presented in this section pertain to the Research Question 3.

Research Question 3: Are museums' implementation of marketing practices and museums' success inter-related?

- (i) Is the implementation of marketing practices by museums related to success?
- (ii) Is the use of specific marketing practices more likely to be associated with success?

6.5.1. Investigation of the interrelations existing between the three measures of success

As mentioned earlier, the researcher included in the questionnaire three variables that measure success. These are: "Our museum is successful with the marketing activities that have been undertaken", "Our museum really does not do much marketing", and "Our museum would like to attract more visitors". Explicitly, these variables measure museums' success with past marketing endeavours, museums' implementation of marketing, and museums' desire to attract more visitors. These three variables relate to museums' marketing activities and their effects.

Bivariate correlations were computed in order to define the strength of the interrelations between the three measures. See Table 27.

Table 27

Correlations' values for the three measures of success

Pearson correlation values	<i>SUCCESS</i>	<i>NO MARKETING</i>	<i>MORE VISITORS</i>
<i>SUCCESS</i>	1	-.33**	-.13
<i>NO MARKETING</i>	-.33**	1	-.12
<i>MORE VISITORS</i>	-.13	-.12	1

**. Correlation is significant at the 0.01 level

It appears that museums' success and museums' reporting that they do carry out marketing are significantly – and moderately – correlated ($r = -.33$, $P_r = .01$). Unexpectedly, museums' desire to attract more visitors was not significantly correlated with any of the two other measures. Therefore, results from the measure of museums' desire to attract more visitors will not be reported in depth.

Further findings (Section 5.2.) will thus present the interrelations existing between museums' marketing activities and the two measures of success that are significantly correlated. The specific marketing activities analysed and reported in Section 5.2 were chosen for the two following reasons:

- ✓ In the literature, these particular marketing activities are described as critical for museums' success.
- ✓ These marketing activities were voluntarily reported by respondents in the open-ended question.

6.5.2. Linkages between specific marketing practices and museums' success

Bivariate correlations between specific marketing activities and the two measures of success that were retained by the researcher are reported in Table 28:

✓ There are strong, significant relationships between museums' success and the following variables: marketing responsibilities assigned to staff members, the development of a marketing plan, the implementation of segmentation and relationship marketing, the amount of marketing activities run, staff's direct interaction with customers, planning supported by market research, the ability to implement marketing plans on time, in-house market research, the ability to detect industry changes, the consideration of publics' needs to develop new services, and the revision of services development according to visitors' needs.

✓ There are strong, significant relationships between museums' carrying out of marketing and the following variables: marketing responsibilities assigned to staff members, the development of a marketing plan, the implementation of segmentation and relationship marketing, the amount of marketing activities run, staff's direct interaction with customers, planning supported by market research, the ability to implement marketing plans on time, in-house market research, the ability to detect industry changes, the consideration of publics' needs to develop new services, the revision of services development according to visitors' needs, the implementation of membership programs, and the regular bringing out of a newsletter.

It clearly appears that, for success, the strongest correlations are with museums' development of a marketing plan, followed respectively by segmentation, relationship

marketing, marketing responsibilities assigned to staff, and the revision of services development according to visitors' needs. As shown in Table 28, strong and significant correlations were found between museum managers' reporting that their museums do carry out marketing activities and museums' ability to detect industry changes, segment markets, assign marketing responsibilities to staff, as well as the ability to implement marketing plans on time, develop marketing plans, engage in a diverse and considerable number of marketing activities, and revise service development according to visitors' needs.

Table 28

Bivariate correlations – Success measures and marketing activities

Pearson correlation values	SUCCESS	NO MARKETING	MORE VISITORS
<i>"We have personnel whose job includes marketing responsibilities"</i>	.40**	-.47**	.17*
<i>"We have developed a marketing plan for our museum"</i>	.50**	-.45**	.01
<i>"Our museum targets specific segments and efforts are focused to meet the needs of these public segments"</i>	.41**	-.47**	.09
<i>"Our museum works at developing relationship marketing"</i>	.41**	-.32**	-.03
TOTQUALI	.23**	-.41**	.01
<i>"Staff from our museum interact directly with customers/visitors to learn how to serve them better"</i>	.28**	-.33**	.12
<i>"Market research and publics' needs drive our business plans"</i>	.30**	-.36**	-.19*
<i>"Even if we came up with a great marketing plan, we probably would not be able to implement it in a timely fashion"</i>	-.28**	.46**	.13
<i>"We do a lot of in-house market research"</i>	.33**	-.31**	-.02
<i>"We are slow to detect fundamental shifts in the museum industry"</i>	-.22**	.57**	.11
<i>"When we develop new exhibits or services in our museum, we consider that we have different publics with different needs"</i>	.30**	-.26**	-.19*
<i>"We periodically review our service development efforts to ensure that they are in line with what visitors want"</i>	.39**	-.37**	-.04
<i>"When we find out that visitors are unhappy with the quality of our service, we take corrective action immediately"</i>	.14	-.11	.10
<i>"We implemented membership programs"</i>	-.07	-.25**	.13
<i>"We regularly issue a newsletter for our members"</i>	-.05	-.28**	.11

**. Correlation is significant at the 0.01 level

*. Correlation is significant at the 0.05 level

6.5.3. How can marketing practices affect changes in museums' success?

Regressions analyses were run in order to investigate in greater detail which marketing practices are related to museums' success. The two variables of success discussed above were used as dependent variables, thus leading to two regressions. Also, the independent variables used in the two models differ, since the two variables of success tested in the regressions do not measure exactly the same concept:

✓ Regression A incorporated "Success" as the dependent variable and the following selected measures as independent variables: "Mkplan", "Interact", "Coord", "Inhouse", "Segm", "Factmemb", "Timeimpl" and TOTQUALI.

These independent variables were chosen because they reflect the marketing activities and strategies highlighted in the literature for museums to reach their goals. Precisely, these are: museums' efforts to plan, segment and implement relationship marketing; museums' creation and circulation of the knowledge on their publics' needs; and museums overall engagement in marketing endeavours.

✓ Regression B combined "No marketing" as the dependent variable and the following selected measures as independent variables: "Detect", "Mkresp", "Influence", "Timeimpl", "Factmemb", "Segm", "Mkplan", "Deaf" and TOTQUALI.

These variables were chosen because they measure basic marketing endeavours. Precisely, these are: the allocation of marketing responsibilities to staff member(s) and

the overall level of marketing endeavours; the ability to detect and respond to publics' needs or environmental changes; as well as museums' efforts to plan, segment and implement relationship marketing.

Table 29 summarizes the regression models A and B.

Table 29

Summary of the regression models A and B

	R	R ²	Adjusted R ²	Standard Error of Estimate	Regression Equation
Model A	.66	<u>.44</u>	.44	.38	SUCCESS = 3.018 + .116 Mkplan + .334 Interact + .105 Segm - .260 Coord - .162 Timeimpl + .017 Totquali - .012 Factmemb
Model B	.78	<u>.61</u>	.61	.51	NOMKT = 3.842 - .126 Mkplan + .182 Detect - .047 Factmemb - .264 Mkresp + .125 Timeimpl - .088 Influence + .013 Totquali - .083 Deaf

Model A accounts for 44% of the variance of "success" in the sample of 141 Ontario museums.

Indeed:

for every unit change of "Mkplan", there is a .116 unit change in "Success",

for every unit change of "Interact", there is a .334 unit change in "Success",

for every unit change of "Segm", there is a .105 unit change in "Success",

for every unit change of "Coord", there is a -.260 unit change in "Success",

for every unit change of “Timeimpl”, there is a -.162 unit change in “Success”,
 for every unit change of “Totquali”, there is a .017 unit change in “Success”,
 and for every unit change of “Factmemb”, there is a -.012 unit change in “Success”.

Model B accounts for 60.8% of the variance of the variable measuring “museums’ carrying out of marketing” in this sample.

Indeed:

for every unit change of “Mkplan”, there is a -.126 unit change in “No Marketing”,
 for every unit change of “Detect”, there is a .182 unit change in “No Marketing”,
 for every unit change in “Factmemb” there is a -.047 unit change in “No Marketing”,
 for every unit change in “Mkresp” there is a -.264 unit change in “No Marketing”,
 for every unit change in “Timeimpl” there is a .125 unit change in “No Marketing”,
 for every unit change in “Influenc”, there is -.088 unit change in “No Marketing”,
 for every unit change in TOTQUALI there is a .013 unit change in “No Marketing”,
 and for every unit change in “Deaf” there is a -.083 unit change in “No Marketing”.

Last of all, models highlight that:

- ✓ Museums that estimate they are successful are the ones that have on-going interaction with visitors, develop and implement marketing plans on time, as well as apply segmentation strategies. (Model A)

- ✓ Moreover, the assignment of marketing responsibilities to museums’ staff, the development and timely implementation of marketing plans, as well as the rapid

detection of industry changes are all closely related to museum managers' reporting that their museums do carry out marketing. (Model B)

Finally, a regression (using the stepwise method) was run, entering success as a dependent variable and the 5 factors extracted with the principal component analysis run on the MARKOR measure.

Two factors were retained in the final model. These are Factor 1 ("Intelligence generation on consumer needs") and Factor 3 ("Responsiveness to consumer needs"). These two factors, by themselves, account for one-fifth (20.9%) of the total variance in museums' success.

According to this last model, the creation of knowledge on consumer needs and the responsiveness to these needs are closely related to managers' estimation of their museums' success.

7. DISCUSSION AND IMPLICATIONS OF FINDINGS

This chapter provides a discussion of the findings organized as follows: Section 7.1 summarizes the findings for each research question. Section 7.2 presents the details of the findings that are of major importance for practitioners and future research in the field.

7.1. Summary of the findings

To the question “Do museums carry out marketing?” (Q1A), findings show that museums have staff whose job includes marketing responsibilities – although seldom *only* marketing responsibilities. Managers of Ontario museums believe that their organizations execute marketing and that their museums are successful with their marketing endeavours, even though they still aim to attract more visitors.

On the one hand, it appears from the findings that marketing practices referred to by practitioners relate mainly to advertising, partnership building and services development. Practitioners refer less to practices of strategic thinking and planning.

On the other hand, results show that museums do focus their efforts toward the identification of their publics’ needs. Information gathering does occur between museums’ staff and visitors. More precisely, results show that this process of information gathering is more likely to occur through a direct interaction between staff and visitors than through formal, structured processes of market research or survey. This knowledge

generation is in turn supported by strong communication within museums, which generally allows them to be responsive to their environment.

To the question “Do museums segment their market?” (Q1B), findings support the following response: A majority of Ontario museums do segment their markets and focus their efforts towards these segments, both in terms of pricing and services development (and particularly when it comes to their educational agenda). It appears that segmentation practices are similar across different types of museums. However, results show that there are significant differences in the segmentation practices implemented by museums having different sizes, both in terms of number of visits per year and number of employees. Indeed, findings show that the bigger the museum in terms of visits per year and human resources available, the more likely it is to implement segmentation strategies.

Question Q1C asked, “Do museums implement relationship marketing?” Museums do implement relationship marketing. Particularly, they develop membership programs, regularly issue newsletters and invite members to new exhibits’ inaugurations. Data are less conclusive, though, regarding differences of practices between groups of museums having diverse features. More precisely, results show that the museum’s type does not influence its implementation of relationship marketing. As well, the size of museums, both in terms of number of entries per year and number of employees, does not seem to impact upon their relationship marketing practices (the difference is only marginal when size refers to the number of employees. In that case, the bigger the museum, the more likely it is to implement relationship marketing).

To the question “Do museum managers plan their strategies or not?” the data shows that, in the sample of the study, as many museums plan their strategies as the ones that do not. Indeed, results show that if sciences and military museums tend to plan heavily their strategies, other types of museums do not have specific patterns: results are well spread. Art galleries in particular tend not to plan their strategies. The results vary particularly for history museums, which may be explained by the fact that this category covers community museums, historic sites and specialized museums. The size of museums in terms of number of admissions per year appears not to make a difference in museums’ planning practices. However, results show that the bigger the museum, in terms of amount of staff, the more it plans its marketing strategies and practices.

Research Question 2 (What are the current strategic orientations of museums?) led to an investigation of the market and consumer orientation of Ontario museums. The findings highlight museums’ significant efforts to disseminate information to their publics (particularly through the Internet and ads in local newspapers). It also appears that museums interact with visitors on an on-going basis (through informal processes) in order to learn their needs. Managers report that this knowledge is further used to develop museum services.

Museums appear to be willing to create a “total experience” for visitors: museums offer educational agendas (more than half of the museums in the sample do so), develop demonstrations to involve the public, as well as include gift shops and food facilities.

This research tested a revised MARKOR measure that leads to a factor structure made of five components: “Intelligence generation on consumer needs”, “Information circulation”, “Rapidity of reaction”, “Responsiveness to consumer needs”, and “Segmentation”. It specifically shows that the creation of knowledge on publics’ needs and the use of knowledge to respond to these needs are critical for museums’ success.

Research question 3 asked, “Are museums’ implementation of marketing practices and museums’ success inter-related?” Findings show that the development of a marketing plan, the direct interaction of staff with customers (in order to learn how to serve them better), and in-house market research are highly related to a museum’s success. Besides, this thesis ascertains that intelligence generation on visitors’ needs and use of this intelligence account for one-fifth of the variance in museums’ success.

7.2. Discussion of the major findings

7.2.1. Response rate

The relatively high response rate for the study lends strength to the conclusions from the study. The response rate is also suggestive of the willingness of the respondents to talk about their marketing practices. The managers’ extensive responses to the last open-ended question in the questionnaire also illustrate the willingness of this group to talk about their practices.

Actually, this high response rate highlights practitioners' keen interest in the subject. This occurs, furthermore, at a time where studies report rising refusal rates. A recent study from the PMRS Response Rate Committee shows that response rate decreased from 16% to 12% between 1995 and 2002 (Allen, M., Ambrose, D., Halpenny, G. and Simmie T., 2003).

7.2.2. Marketing activities and strategy

Data highlighted the fact that museum managers engage in diverse and numerous marketing activities. Doing so, they also consider consumer needs, even though the process of knowledge creation about consumers and their needs is informal. These findings counter much of the literature suggesting that marketing has had only a moderate impact on cultural organizations (such as Hirschman, 1983; Voss and Voss, 2000). This previous academic literature, however, provides advice and develops arguments that are not supported by empirical findings.

Actually, practitioners do consider their publics when making decisions. Museums do implement processes of knowledge generation, even though these processes are not formal. The findings of this research show that museums communicate with their publics on an on-going basis. They also use the information gathered when designing their exhibits and educational agendas. These endeavours appear, from the findings of this research, to be significantly related to museums' success.

The research also ascertains that museums are market and consumer oriented. The study sample, however, includes a large majority of small historical museums. These museums often are community museums, i.e., their *raison d'être truly is* the close community around them. This majority of small community museums in the sample studied may influence the results of the research regarding the consumer orientation of museums.

These marketing endeavours, however, are not accompanied by a preponderance of strategic thinking and planning. Museums do not extensively plan their marketing, nor support their decisions by systematic market research. Actually, it appears from this research that museums are more likely to “feel” their publics, due to their experience and daily interactions with them. It is possible that such knowledge allows museums to take informed and wise decisions, but such habits do not integrate the formal procedures that imply testing, comparison between results expected and obtained, and corrective actions. The just-described pattern strongly supports academics’ call for museums to initiate market research and definition of their competitive advantage.

7.2.3. Points raised by the investigation of specific marketing activities

First, results of the Principal Component Analysis investigating museums’ relationship marketing shows that this activity mainly refers to museums’ implementation of membership programs. Indeed, one factor was identified that explains 73.6% of the variance in the variable measuring museums’ implementation of relationship marketing

for museums. The variables used in the study (questions 4a to 4e in the survey) all measure relationship efforts aimed toward members. They are all heavily loaded on this factor. Such findings raise the question of museums' willingness to implement relationship marketing with other publics. Indeed, what about returning visitors or museums' association with businesses? These possibilities could serve as a useful point for future research.

Second, the study participants made numerous comments that "word-of-mouth" referrals will bring results. This refers to the importance of word-of-mouth in the service industry, and supports suggestions made in much of the literature investigating the marketing of services (McLean, 1994).

Moreover, results from the open-ended question reveal many more comments about strategic program development than about strategic exhibition schedules. This can be interpreted as a willingness, from museum managers, to actively involve their publics and place museums at the centre of people's lives (as suggested by Nairne, 2001).

7.2.4. Museums' consumer orientation and the MARKOR measure

Results from the Principal Component Analysis run on the revised MARKOR measure lead to a factor structure that is different from previous research. Five factors were extracted (Factor 1 – "Intelligence generation on consumer needs", Factor 2 – "Information circulation", Factor 3 – "Rapidity of reaction", Factor 4 – "Responsiveness

to consumer needs” and Factor 5 – “Segmentation”) that explain 61.61% of the total variance in the MARKOR measure. This change in the factor structure, however, may be the consequence of the variables’ revisions to adapt the measure to the specificities of the museum field. Indeed, the factor “responsiveness to competition”, highlighted by Raju, Lonial and Gupta (1995), cannot appear in the new factor structure since the researcher did not keep any measure related to it (only the variable, “We are slow to detect fundamental shifts in the museum industry”, remains).

7.2.5. Marketing endeavours and success

The results of this thesis show that segmentation, relationship marketing and planning practices are closely related to success. These findings support the arguments brought, among others, by Montias (1995), Hirsch (2000), Voss and Voss (2000), Bhattacharaya, Rao and Glynn (1995). As well, intelligence generation on consumer needs and responsiveness to consumer needs were found to be highly related to museums’ success. These results support researchers’ call for museums to increase their market research efforts, and to better understand how they can provide benefits to their publics (Hirschman, 1983).

8. LIMITATIONS AND BENEFITS OF THE RESEARCH, SUGGESTIONS FOR FURTHER RESEARCH AND CONCLUSIONS

Sections 8.1 and 8.2 highlight the limitations of this research, as well as the benefits of the research for museum managers and academics. Sections 8.3 and 8.4 then close the Chapter by providing suggested directions for future research and a conclusion to this thesis.

8.1. Limitations of the research

The MARKOR measure developed by Kohli, Jaworski and Kumar (1993) was revised in order to accurately take into account the specific features of the organizations under investigation. While this scale has been adapted for use in research in various different industries previously (Raju, Lonial and Gupta, 1995), further changes had to be made in the current research. Precisely, the instrument had to be shortened in order to obtain participation by the respondents.

The researcher attempted to investigate the relationships existing between museums' implementation of marketing practices and success. As highlighted earlier (in the methodology), the measures of success were restricted in order to avoid the concerns of proprietary information.

As well, during the course of data gathering, the researcher ascertained that the sample frame included not only “organizational units” (one museum), but also “embracing organizations”. For example, the “Benares Historic House “ and the “Bradley Museum” are both operated by the City of Mississauga (embracing organization). The researcher made the decision to utilize the museum as the unit of analysis, not the embracing organization which might operate several museums. This decision is justified by the fact that responses illustrate the vision and opinions of the executive director (or manager) involved in museum management, and reflect practices in that museum.

Also, the sampling frame was manipulated and refined for consistency with the definition of museums chosen for the research. Archives were removed, while historic sites and visitor centres that provide display and educational agendas were maintained in the sample.

The aim of the research is to represent museums in their diversity (of settings and practices). The data collected may not be representative of the whole population, since responses mainly originated (97.8%) from small and middle-size museums. The study of Canadian museums and information gathered through correspondence with practitioners suggested that the majority of the museum population consists of these small- and middle- size museums. The generalizability of the results therefore, may not be limited. However, the researcher was not able to find any data describing the population of Canadian museums in terms of type and size, so comparisons between the sample and the whole population were not possible.

Finally, the database developed in order to ease the data collection and provide primary information to be used for statistical analysis was built on data found on the Internet. A major concern remains, however, that relates to the accuracy of the data found on the Internet. It appears that all Ontario museums do not update the information they make available on the Internet. One major concern is that the information available may not always reflect the real marketing practices implemented by museums. The gathering of data from the Internet occurred between June 16th and September 30th, 2003. Such a large time span allows for information to evolve when managers update information or develop museums' activities. To remedy this potential problem, the researcher reviewed all the entries in the database between September 25th and September 30th, 2003. Minor changes were found and reported in the database for enhanced precision and accuracy. These few changes mainly concerned museums' operation policies and food facilities (for instance, several museums that had only picnic areas had installed new vending machines/snack bars in the interim), as well as the development of new educational agendas such as day camps for children.

8.2. Benefits of the research

This research shows and details the current marketing practices of museums. Until now, the academic research did not provide quantitative data or statistics on that issue. With this research and its findings, opinions and advice developed by academics based on

observations in similar industries (not-for-profit, services and cultural organizations) now begin to be illustrated and supported by data.

In that way, this thesis contributes to bridging the gap between the academic literature and practitioners' journals by demonstrating the current marketing practices implemented by museums.

Also, this research measures these marketing practices and how museums are market-oriented. Indeed, this research verifies to what extent museums' practices and activities relate to the knowledge of consumers and non-consumers, their needs, and the factors that influence these needs.

8.2.1. Benefits for researchers

The major benefit of this research lies in the fact that this thesis highlights practitioners' behaviour toward investigation in their field. Indeed, practitioners' acknowledgement that there is a need for practical research in their field appeared clearly in the final response rate to the survey, as well as in the managers' extensive responses to the open-ended question.

The proposed research contributes to bringing new insights on the marketing practices and strategies currently implemented by museum managers. Indeed, the diversity of museums studied highlights distinctive practices. It thus assesses the need for

researchers not to disregard specific types of museums, since practices may not be transferable in other settings (clarification of that point requires further research).

Furthermore, this research embraces a wide spectrum of cases investigated in terms of organizational type, size and structure. This contributes to enlarging the background of academic research since most of the existing research focuses on a specific type of museum, namely, art galleries. It also highlights the need, for researchers, to test their propositions to a diversity of museums instead of focusing on art galleries (that represent only 21.3% of the respondents in this study).

Finally, this research enables use of the MARKOR measure (albeit a revised version) to assess the “market-related” activities of a particular type of organization, namely, museums. This extension of the MARKOR concept was indeed requested by Kohli, Jaworski and Kumar (1993: 475):

“In the interest of pursuing the limits of the concept, the most exciting measurement extensions may lie in not-for-profit organizations, non-traditional organizational forms, or non-standard marketing applications.”

8.2.2. Benefits for museum practitioners

On the managerial side, the measure of museums’ market orientation identifies where organizational efforts need to be concentrated. The results show that two areas of market-orientation are particularly related to museums’ success. Managers’ decisions may then consist of rethinking their whole approach. For instance, the study assessed that marketing planning is significantly related to museums’ success, and that many museums

do not systematically plan their strategies. Results thus show that efforts have to be concentrated on these specific activities.

Finally, this research consists in a first attempt to use the MARKOR measure as a tool to evaluate museums' market orientation. Then, the MARKOR measure (as well as other results highlighted in this study) may be used later on by managers when assessing how much attention is paid to consumers by museums, an indicator used by museums to prove their concern for fulfilling their publics' needs.

8.3. Suggestions for future research

Future research might investigate further the marketing practices uncovered in this thesis. In-depth case studies may be particularly useful in providing detailed data on the segmentation, relationship marketing and planning practices implemented in various museums. Further research may also investigate other museum characteristics, such as the following: (among others) private/public, university, community versus national museums.

Indeed, the demographics of responding museums highlight the diversity of settings that exist in the field. Particularly, this thesis supports the existence – already referred to in previous research – of differences between museums regarding their type as well as size (level of attendance). These differences in the marketing practices implemented by diverse groups of museums call for detailed analysis of each of these

groups, and for the acknowledgement that patterns, as well as “formulas for success”, may vary from one group to another. This thesis represents an exploratory attempt to investigate these issues in the Canadian context, but further research is required.

As well, this research tests a MARKOR measure that is adapted to museum settings. Future study might experiment further the factor structure found by this research in order to assess its consistency for museums. Precisely, this study assessed the consumer orientation of Ontario museums. However, as for segmentation practices or planning, the activities supporting museums’ market orientation may differ depending on the type and/or size of museums. Further research may thus investigate if there are differences in the consumer orientation of museums that are diverse in terms of type and size.

Finally, the present research had to collapse the categories “military” and “sciences” because the frequencies were too low to allow for significant statistical analysis. For this reason, future research will have to over-sample the number of museums that are not historical nor art galleries.

8.4. Conclusion

This thesis constitutes an important empirical exploration of the marketing practices implemented by Ontario museums. The findings show that marketing is being practiced with varying degrees of sophistication in Ontario museums.

In the beginning of this study, it was unclear to the researcher what the pattern of results would be. Indeed, no prior research was found that attempts to provide empirical data on the management practices of museums. Moreover, practitioners and academic literature provided conflicting arguments that did not allow the identification of any trend in museums' actual marketing practices. As well, it was unclear to the researcher whether her endeavours would receive attention from practitioners in the field.

Then, during the course of the data gathering process, the researcher received enthusiastic feedback from museum managers. Results from the survey also show that museum practitioners are very willing to talk about their marketing practices.

It is hoped that other researchers will carry on with future studies on this topic, to provide further insights that will support the decisions of museum managers.

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Appendix 1: Extract of the Database

MUSEUMS DATABASE (archives off)

Name	Type and # of collections	Operating periods and schedules	Entrance fees (CAD)	Supplementary services And up-to-date info (Y/N)	Contact position	Contact name	Tel (1) and Fax (2) number	Link on http://www.virtualmuseum.ca
South Simcoe Pioneer Museum, Alliston, New Tecumseth	History Arts Natural science	Operation: Year Round Open: Wed-fri 10:00am-3:30pm Sat-Sun 11:00am-4:30pm	Adults \$2.00 Seniors/students /children \$1.00 (group discounts)	School and children programs, Adult workshops and lecture series. Guided tours of area for buses and groups. Parking Facilities : Free : Bus • Gift shop Picnic Area Meeting Room Rental • Performing Arts • Membership Program			705-435-0167 705-434-3006	http://www.virtualmuseum.ca/PM.cgi?LM=Mus&lish&mark=Museum&prov=Ontario&AP=M.F
Mill of Kinail Conservation Area, Almonte	Arts Human history Natural science	Operation: Seasonal (mid May to mid October) Open: 10:30am to 4:30pm 7 days a week	Site fee \$2.00 per adult, \$1.00 per child (g. d.)	Museum within a conservation site Guided tours of the Museum Stream Study guide available by request Playground • Meeting Room Rental Parking Facilities • Gift shop Snack bar or Vending machines • Picnic Area www.milofkinail.com			613-256-3610 613-259-3468	http://www.virtualmuseum.ca/PM.cgi?LM=Mus&lish&mark=Museum&prov=Ontario&AP=M.F
Mississippi Valley Textile Museum, Almonte	Industry	Operation: May 15 - October 15 Open: 10:00 a.m. - 4:30 p.m.	Adults \$2.00; children free; students \$2.00; seniors \$2.00	Guided tours; special events with changing major exhibits; school programs; textile-related workshops; research library, guest speakers Gift shop. www.textilemuseum.mississippimills.com	friends, curator, many volunteers and Board		613-256-3754 613-256-3754	http://www.virtualmuseum.ca/PM.cgi?LM=Mus&lish&mark=Museum&prov=Ontario&AP=M.F
Ameliasburgh Historical Museum, Ameliasburgh	Human history, industry	Operation: May - October Open: 10:00 a.m. - 4:30 p.m.	Adults \$3.00; children \$1.00; students \$2.00; seniors \$2.00 Complimentary admission to CMA members	Special activity days; special events; fine art shows; sales; and workshops			613-962-2551 613-962-1514	http://www.virtualmuseum.ca/PM.cgi?LM=Mus&lish&mark=Museum&prov=Ontario&AP=M.F
Fort Malden National Historic Site, Amherstburg	Arts Human history	Operation: Year Round Open: May 1 - October 31: 10:00 - 5:00 daily. November 1 - April 30: contact site for details.	Daily admissions April 2000 to March 2001: Adult: \$2.75 Senior: \$2.25 Student: \$1.75 Family: \$7.25 Prebooked group rates available. Annual Passes	Guided Tours : English : French • Children's Activities or Services Parking Facilities : Free : Bus • Gift shop Seasonal food services, Picnic Area www2.parksand.gc.ca/parks/ontario/fort_malden/Fort_malden_e.htm			519-736-5416 519-736-6603	http://www.virtualmuseum.ca/PM.cgi?LM=Mus&lish&mark=Museum&prov=Ontario&AP=M.F
North American Black Historical Museum Inc.	Arts Human history	Starting the third Wednesday of	Adults \$4.50; children to 14	Touring; workshops; exhibits - travelling and in-house; speakers; education materials			519-736-5433	http://www.virtualmuseum.ca/PM.cgi?LM=Mus&lish&mark=Museum&prov=Ontario&AP=M.F

(+ 10,000 visitors/season)			April to October 31 Yearly Wednesday - Friday 10:00am to 5:00pm Saturday & Sunday 1:00pm to 5:00pm	years \$3.50; seniors \$3.50	http://www.blackhistoricalmuseum.com/index.htm			519-736-5433	http://www.virtualmuseum.ca/PM.cgi?LM=Mus_glish&mark=Museum&prov=Ontario&AP=M_E
Park House Museum, Amherstburg	History Arts, genealogy	3	Operation: All year Open: 11:00 a.m. - 5:00 p.m. daily, except Saturday and Monday	Adults \$2.00; children \$1.00; students \$1.00; seniors \$1.50	Specializes in school and senior tours early 19th century tin-smithing shop; instruction and sale of product, special events, workshops (spinning, waving,), demonstrations http://members.tripod.com/swo_heritage/park.htm			519) 736-2511 736-2511 (call ahead before faxing!)	http://www.virtualmuseum.ca/PM.cgi?LM=Mus_glish&mark=Museum&prov=Ontario&AP=M_E
Dundas Valley Conservation Station Ancaster (Trail centre only)	railway	1	?	No charge	Interpretive centre; nature walks; self- activated displays; human history of the Dundas Valley	Dundas Valley Conservation Area Supt.	Paul Pielt, Phone: 905- 627-1233 (Trail Centre)	905-627-1233 905-648-4622	http://www.virtualmuseum.ca/PM.cgi?LM=Mus_glish&mark=Museum&prov=Ontario&AP=M_E
Heritage Gatehouse Museum	Human history	1	Operation: Victoria Day - Thanksgiving Day	Adults \$2.00; students \$2.00; seniors \$2.00	static display; guided hikes by appointment special activities			905-648-4427 905-648-4622	http://www.virtualmuseum.ca/PM.cgi?LM=Mus_glish&mark=Museum&prov=Ontario&AP=M_E
Arkona Lion's Museum and Information Centre Arkona	Human history Natural science	2	?	Entrance fee to conservation area Adults \$2 Family \$4 Student \$1 Children under 5 free	?			(519) 828-3580 phone 613-623-4902	http://www.virtualmuseum.ca/PM.cgi?LM=Mus_glish&mark=Museum&prov=Ontario&AP=M_E
Amprior and District Museum Amprior	Arts, Human history	3	Operation: Seasonal Open: Tuesday to Friday 11-4 Saturday and Sunday 12-3		School Programs • Workshops • Lectures , demonstrations Guided Tours • Gift shop http://www.townandprior.on.ca/Museum.htm	1 curator	Janet Carille	613-623-4902 (call ahead before faxing!)	http://www.virtualmuseum.ca/PM.cgi?LM=Mus_glish&mark=Museum&prov=Ontario&AP=M_E
RCAF Memorial Museum/Musée commémoratif de l'Arc Astra	Aircraft/military	1	Operation: All year Open: 10:00 a.m. - 5:00 p.m. seven days a week, May 1 - September 30; five days a week October 1 - April 30 (closed Monday and Tuesday)	No charge	Access to restoration building Kit store, group tours Interactive display (simulator) Gift shop http://www.rcafmuseum.on.ca	Executive Director Chris Colton - (Administration etc.) Curator Ms. Jodi Eskritt - (Displays, Artefact Donations, Research etc.) Fund Raising Campaign Ken Kee, Volunteer & Retail Manager Ms. Anne-Marie Lau - (Gift Shop Items.)		613-965-2208 613-965-7352	http://www.virtualmuseum.ca/PM.cgi?LM=Mus_glish&mark=Museum&prov=Ontario&AP=M_E

Appendix 2: Final Survey Instrument

1. General information on the respondent and museum

1. Your position in the museum (please select the category that most closely describes your position):

☐ Marketing and communications manager	☐ Curator/programming
☐ Executive director	☐ Member of the marketing team
☐ Exhibitions and events coordinator	☐ Conservator
☐ Project manager	☐ Boutique/visitor services manager
☐ Development and fundraising manager	☐ Education manager
☐ Other (please specify): _____	

2. Size of the museum, in number of visits per year (please select the range that most closely matches your museum's figures):

☐ Fewer than 10,000	☐ Between 10,000 and 600,000
☐ Between 600,000 and 5,000,000	☐ More than 5,000,000

3. How many paid staff work for your museum? _____

4. How many volunteers are involved in your museum on a yearly basis? (please select the range that most closely matches your museum's figures)

☐ Fewer than 10	☐ Between 10 and 20
☐ Between 20 and 60	☐ Between 60 and 100
☐ Between 100 and 150	☐ More than 150

2. Marketing information on the museum

Please indicate your degree of agreement with the following statements by circling a number between 1 and 5 where 1 indicates strong disagreement and 5 indicates strong agreement.

	Strongly Disagree / "NO"	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree / "YES"	NA
1. In our museum, we have personnel whose job includes marketing responsibilities.	1	2	3	4	5	NA
2. We have developed a marketing plan for our museum.	1	2	3	4	5	NA
3. Our museum targets specific segments and efforts are focused to meet the needs of these public segments.	1	2	3	4	5	NA
4. Our museum works at developing relationship marketing*.	1	2	3	4	5	NA
4a. We implemented membership programs	1	2	3	4	5	NA
4b. We regularly issue a newsletter for our members	1	2	3	4	5	NA
4c. We have a specific pricing package for our members	1	2	3	4	5	We do not charge entry programs
4d. Our members are invited to new exhibitions' inauguration	1	2	3	4	5	NA
4e. My museum offers additional programs for its members	1	2	3	4	5	NA

	Strongly Disagree / "NO"	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree / "YES"	NA
5. Our museum really does not do much marketing.	1	2	3	4	5	NA
6. Our museum would like to attract more visitors.	1	2	3	4	5	NA
7. Our museum is successful with the marketing activities that have been undertaken.	1	2	3	4	5	NA

Please indicate your degree of agreement with the following statements by circling a number between 1 and 5 where 1 indicates strong disagreement and 5 indicates strong agreement.

	Strongly Disagree / "NO"	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree / "YES"	NA
8. In our museum we meet with customers (visitors, members) at least once a year to find out what services they will need in the future.	1	2	3	4	5	NA
9. Staff from our museum interact directly with customers/visitors to learn how to serve them better.	1	2	3	4	5	NA
10. In our museum we do a lot of in-house market research.	1	2	3	4	5	NA
11. We survey visitors at least once a year to assess the quality of our services.	1	2	3	4	5	NA
12. We often talk with or survey those who can influence our visitors' choices (journalists, tourism agencies...)	1	2	3	4	5	NA
13. We are slow to detect fundamental shifts in the museum industry (competition, cultural trends...)	1	2	3	4	5	NA
14. We have staff meetings at least once a quarter to discuss market trends and development.	1	2	3	4	5	NA
15. Information on our customers/visitors circulates among our staff (informal talks, reports...).	1	2	3	4	5	NA
16. We collect information on consumer satisfaction within our museum on a regular basis.	1	2	3	4	5	NA
17. There is minimal communication between the staff having marketing responsibilities and other staff concerning market developments.	1	2	3	4	5	NA
18. When we develop new exhibits or services in our museum, we consider that we have different publics with different needs.	1	2	3	4	5	NA
19. We periodically review our service development efforts to ensure that they are in line with what visitors want.	1	2	3	4	5	NA
20. In our museum, market research and publics' needs drive our business plans.	1	2	3	4	5	We do not have business plans

	Strongly Disagree / "NO"	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree / "YES"	NA
21. The activities in this museum are well coordinated.	1	2	3	4	5	NA
22. Visitor complaints fall on deaf ears in this museum.	1	2	3	4	5	NA
23. Even if we came up with a great marketing plan, we probably would not be able to implement it in a timely fashion.	1	2	3	4	5	NA
24. When we find out that visitors are unhappy with the quality of our service, we take corrective action immediately.	1	2	3	4	5	NA

25. We are particularly interested in the marketing practices and strategies museums use to attract visitors. Can you describe the marketing practices that have been implemented in your museum?

The Purpose of this questionnaire has been to gather important background information about your museum. To further enrich our understanding of your museum, we would like to interview you. Such interviews would take approximately one hour of your time and we would conduct it, if you agree, at a time and place that is convenient for you. If you would be willing to participate in a brief follow-up telephone or face-to-face interview please provide contact details:

Name: _____
Museum: _____
Address: _____
Telephone: _____
Fax: _____
E-mail: _____

Thank you very much for taking time and providing valuable information!

Appendix 4: Coding of the Open-Ended Question

Theme	Variable name
COMMUNICATION	QUALI 1 – Ads in local newspapers QUALI 2 – Ads in tourism handouts QUALI 3 – Newspaper articles QUALI 4 – Radio/TV advertisements QUALI 5 – Posters QUALI 6 – Website/Webpage QUALI 7 – Media cultivation to announce programs QUALI 8 – Public relations/strong community presence QUALI 9 – Database marketing/direct mails
STRATEGY	QUALI 10 – Business Plan written QUALI 11 – Strategic plan written OR strategy thinking QUALI 12 – Audience survey QUALI 13 – Study of market potential for extension QUALI 14 – “Ideas sessions” OR focus groups
PARTNERSHIPS	QUALI 15 – partnerships with other industries/organizations QUALI 16 – Brochures in hotels and Tourism Centres QUALI 17 – Network/joint efforts with other museums
CONSUMER AWARENESS	QUALI 18 – Responding to the community needs QUALI 19 – Segmentation in advertising (support, language) QUALI 20 – Segmentation in programming QUALI 21 – Target market(s) identified QUALI 22 – Corporate membership programs OR membership privileges QUALI 23 – Newsletter QUALI 24 – Presence: Attendance to targeted events OR use of events QUALI 25 – Signage in city and front doors
SERVICES	QUALI 26 – Gift shop OR souvenirs QUALI 27 – mentioning of strategic exhibition schedule QUALI 28 – mentioning of strategic programs development
COOPERATION	QUALI 29 – cooperation with marketing agencies/outsourcing

Appendix 5: Coding of the Web Data

Variable measured:	Scales:	Codes assigned:
<i>Type of museum</i>	Historical	1
	Art gallery	2
	Sciences	3
	Military	4
<i>Number of artifacts</i>	Open question	
<i>Operation policies</i>	Seasonal museum	0
	Open year round	1
<i>Entrance fees</i>	No	0
	Yes	1
<i>Segmented prices</i>	No	0
	Yes	1
<i>Web presence</i>	No presence	0
	Webpage designed	1
	Website developed	2
<i>Number of educational agendas offered</i>	0	0
	1	1
	2	2
	3	3
	4	4
	5	5
<i>Segmented educational agendas</i>	No	0
	Yes	1
<i>Guided tours</i>	No	0
	Yes	1
<i>Gift Shop</i>	No	0
	Yes	1
<i>Food Facility</i>	No	0
	Picnic area	1
	Snack Bar or vending machines	2
	Restaurant or Cafeteria	3
<i>Room and/or art rental</i>	No	0
	Yes	1

Appendix 6: Treatment of Eventual Influential Data

Pearson correlations values including all cases checked against the same values excluding the three museums having more than 600,000 entries per year.

	Pearson correlations values	
	<p align="center">“SUCCESS” “Our museum is successful with the marketing activities that have been undertaken”</p>	
	All museums included	3 museums having more than 600,000 entries per year being excluded
“In our museum, we have personnel whose job includes <i>marketing responsibilities</i> ”	.40**	.41**
“We have developed a <i>marketing plan</i> for our museum”	.50**	.51**
“Our museum targets <i>specific segments</i> and efforts are focused to meet the needs of these public segments”	.41**	.41**
“Our museum works at developing <i>relationship marketing</i> ”	.41**	.41**
TOTQUALI	.23**	.22*
“Staff from our museum <i>interact directly with customers/visitors</i> to learn how to serve them better”	.28**	.31**
“In our museum, market research and <i>publics’ needs</i> drive our business plans”	.30**	.30**
“We implemented <i>membership programs</i> ”	-.07	-.06
“We regularly issue a <i>newsletter</i> for our members”	-.05	-.05
“When we find out that visitors are unhappy with the quality of our service, we take <i>corrective action</i> immediately”	.14	.15
“Even if we came up with a great marketing plan, we probably would <i>not be able to implement it in a timely fashion</i> ”	-.28**	-.26**

Appendix 7: Principal Component Analysis for Museums' Relationship Marketing

Details of the total variance explained by the factor, that justifies the choice of one factor:

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.681	73.618	73.618	3.681	73.618	73.618
2	.545	10.898	84.516			
3	.387	7.744	92.259			
4	.247	4.949	97.208			
5	.140	2.792	100.000			

Extraction Method: Principal Component Analysis.

Scree plot supporting the choice of one factor:

Component matrix:

Component Matrix^a

	Component
	1
MEMBPG	.928
NEWSLETT	.883
PRICPACK	.866
INVIT	.845
ADDPORG	.760

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Appendix 8: Communalities and Rotated Component Matrix For the Principal

Component Analysis of the Revised MARKOR Measure

Communalities

	Initial	Extraction
CUSTMEET	1.000	.570
INTERACT	1.000	.706
INHOUSE	1.000	.561
YEARSURV	1.000	.730
INFLUENC	1.000	.616
DETECT	1.000	.529
MEETINGS	1.000	.672
INFOCIRC	1.000	.671
INFOGATH	1.000	.731
MINCOMM	1.000	.559
NEWSEGM	1.000	.761
SERVDEV	1.000	.691
CUSTNEED	1.000	.511
COORD	1.000	.563
DEAF	1.000	.304
TIMEIMPL	1.000	.713
CORREAC	1.000	.586

Extraction Method: Principal Component Analysis.

Rotated component matrix

	Component				
	1	2	3	4	5
CUSTMEET	.302	.535	-1.25E-02	.384	.210
INTERACT	8.731E-02	.186	-.165	.787	.135
INHOUSE	.664	.192	-.242	.119	.103
YEARSURV	.837	2.765E-02	-4.72E-02	.158	-2.21E-02
INFLUENC	.694	.266	.121	.208	7.752E-02
DETECT	-8.38E-02	-.205	.678	-.121	-7.38E-02
MEETINGS	.349	.717	-.188	2.590E-02	-2.62E-02
INFOCIRC	.153	.792	-.139	1.637E-02	2.685E-02
INFOGATH	.821	.139	-.187	3.986E-02	2.718E-02
MINCOMM	6.966E-03	.259	.386	-.441	.384
NEWSEGM	2.703E-02	-3.56E-02	-.145	.193	.837
SERVDEV	.574	.263	-.151	3.756E-02	.517
CUSTNEED	.464	.277	-.237	-9.71E-03	.403
COORD	2.731E-02	.490	-.444	.332	.123
DEAF	-.147	4.730E-02	.402	-.257	-.229
TIMEIMPL	-.152	-.186	.803	9.367E-02	-5.12E-02
CORREAC	.213	5.949E-02	1.565E-02	.730	6.389E-02

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.