

Perceived Success in the Arts

Dagmar Abfalter

University Assistant / Researcher

University of Innsbruck (A), Department of General and Tourism Management /
Center for Strategic Management and Leadership

Peter J. Mirski

Director of Studies

Management Center Innsbruck (A), School of Management and Applied
Informatics

Dagmar Abfalter is university assistant at the Department of Strategic Management and Leadership. Her focus in research and education are the strategic management, leadership and success in public arts organizations and non-profit-organizations. Current research projects include actual problems of arts demand, especially in cultural tourism.

Peter Mirski is director of studies at the Management Center Innsbruck and head of the IT-services department. His research focuses on digital universities, mobile learning and IT solutions for Non-profit Organizations.

Abstract

The “measurement” of success has proven to be a difficult task to perform in the arts sector and cannot only be relied on performance indicators. Although different concepts have been developed in order to motivate and evaluate success and performance in a non-profit context, the question what is perceived as success, what factors influence the perception of success is unanswered and might prove different for diverse cultural settings. This contribution takes the view of the reputational approach, suggesting that the reputation of institutions or their key agents has a major influence in the perception of this institution’s success. Using the example of a high culture music festival, the importance and relationships of different success factors and satisfaction drivers are investigated. Results indicate that perceived success is a multiattributive construct that varies among different visitor segments.

Keywords

Success measurement, arts festival, high culture, arts attendance, Austria.

Introduction

Austrian cultural policy historically used to be mainly prestige-oriented and non-political has undergone a series of dramatic changes in the last decades. After a cultural boom in the 1980 that showed an increase in events and a sevenfold multiplication of annual cultural spending, a discussion on the restructuring of cultural policy was initiated in 1998. The first years of this millennium have been marked by the outsourcing of public cultural institutions such as the national museums and the national theatres, and a severe reduction of the cultural budget. The emphasis of cultural policy has been placed on prestige culture, the creative industries and the promotion of economically oriented projects such as tourism enhancing festivals. A nation’s cultural policy seems to be

closely tied to the global “political culture” of a country, which can be identified e.g. by a high level of state intervention in France compared to a low level in Great Britain or the United States. Central to most countries’ cultural policies is the notion of the positive effects of culture enhancing persons’ lives and capabilities. Declared goals are the mobilization of a broad population towards culture and, at the same time, the attempt to foster an elitist concept of culture. By definition, these goals are difficult to identify, ambiguous in their interpretation and even more difficult to measure. In order to meet the elitist claim, the concept of artistic quality is introduced, a mostly subjective concept. There are many possible and impossible ways to measure quality, in the performing arts this endeavor is even more complicated as every performance is unique and impossible to duplicate.

Although in many countries, notably in continental Europe, the performing arts are heavily subsidized (Heilbrun and Gray, 1993; Throsby, 1994), in the same countries arts organizations are competing for scarce donor, foundation or government funding. Therefore, managers of cultural institutions are increasingly concerned about measuring and managing their organizational performance. The “measurement” of success has proven to be a difficult task to perform in the non-profit and more specifically the arts sector and cannot only be relied on performance indicators. In several respects, non-profit organizations have to be attended differently when concerned with questions of effectiveness and success. According to Forbes, non-profit organizations have to be distinguished from for-profit organizations for several reasons: their distinctive legal and financial status, because their goals are often amorphous and their services intangible, and finally, because their work is often based on societal values that do not dispose of general (if at all) consensus (Forbes, 1998:184).

There are efforts to take these organizational differences into account when measuring organizational success. For example, the Balanced Scorecard for nonprofit institutions has been adapted by strengthening the role of the organization’s mission and customers, as for these organizations financial measures, even supplemented with some non-financial measures, are not sufficient to motivate and evaluate success (Kaplan, 2001). Still, the questions what is perceived as success and what factors influence the perception of success remain unanswered and might prove different for diverse cultural settings. The main focus of research has been in the US, Canada, the UK or Australia and some Scandinavian countries. The results of several studies in this sector showing that nonprofit organizations in the arts sector are held accountable to budget based and financially based criteria (Radbourne, 2003; Schuster, 1997; Turbide and Laurin, 2003). These results are only partly transferable to other systems, such as Austria or Germany, where mission statements are rare and boards of directors unusual. Many traditional arts organizations in both countries are public institutions or have recently been transferred into private organizations, still heavily depending on public subsidies. Especially offers that can be labeled “high culture” rarely exist without public funding.

In Austria and Germany, as in probably the majority, the governments of Europe are currently making, or at least proposing, major reforms in the financing, governance and internal management of public cultural institutions (Boylan, 2004). The “global” phenomenon of increasing budgetary deficits and the withdrawal of governments from cultural functions has changed the rules of the game. Some years ago still, cultural organizations were able to count on their public subsidies. Arts organizations are or have been until recently part of the public administration and budget. Due to this financial

security an explicit formulation of mission statements has not been necessary although they have probably existed implicitly. Of course there are examples where mission statements have been formulated, such as Schloss Schönbrunn in Vienna, the museum Rupertinum in Salzburg, or the Viennese and Bavarian State Opera Houses, but not in the majority of cases.

Still, the prevailing lack of mission statements in German and Austrian arts organizations also suggests that a focus on performance indicators might not prove to be operational, as no single goals are identified towards which performance could be measured and these different goals might show to be incompatible. The strong proportion of public funding adds to this problem. In this respect, the focus on reputation and perceived success might be more useful.

Theory / Issues

Forbes, in his study of 20 years of research in nonprofit organization effectiveness has distinguished three major approaches to effectiveness (Forbes, 1998): The *goal-attainment approach* is based on the assumption that organizations' goals are identifiable and unambiguous and defines effectiveness as the extent to which these goals are met. The *system resource approach* emphasizes organizational resource procurement and defines effectiveness as viability or survival. Both approaches typically made use of quantitative archival data such as financial reports or operational statements. Multidimensional approaches tried to encompass measures on both approaches. Finally, the *reputational approach* associates effectiveness with the reported opinion of key persons. Effectiveness is measured on the basis of the self-reported opinions of stakeholders such as clients or outside professionals (Forbes, 1998:186).

This contribution takes the view of the reputational approach, suggesting that the reputation of institutions or their key agents exerts a major influence on the perception of this institution's success. The influence of reputation or perceived quality on the demand for performing arts offers has been suggested and confirmed by several authors. Abbé-Decarroux distinguishes the degree of excellence of a theatre production as assessed from press reviews from its repertoire classification and from the reputation of the author, the producer and the actors. Excellence demonstrated in reviews and the reputation of producers and artists as well as the popularity of the author show a significant and positive impact on theatre demand, whereas a play's ranking in the repertoire or its popularity have shown little effect. Apparently, a reduction of risk for the attendance of a performance through expert opinion leads to increased attendance (Abbé-Decarroux, 1994:106). In his more recent study on French public theatres, Urrutiaguer confirmed the relevance of a theatre's reputation on demand. Individuals with little experience in the arts will rely on expert judgments, whereas expert theatergoers referred more to the artistic reputation of the theatres directors (Urrutiaguer, 2002:199).

Organizational effectiveness is a problematic concept "in the sense that it can mean different things to different people ... and that there exist many alternative ways of measuring organizational effectiveness." (Forbes, 1998:183). Using the terms "performance" and "effectiveness" interchangeably, this contribution takes the view of Herman and Renz in that organizational effectiveness is a social construction that

cannot exist independent of the beliefs and actions of people (Herman and Renz, 1999:118).

Most research on this topic takes the view of the strategic management of arts organizations (Gilhespy, 1999:, Kushner and Poole, 1996:, Voss and Voss, 2000). For a performance management system in nonprofits, however, it is particularly important to clearly define not only what each stakeholder has to give to the organization in order to fulfill the mission but also what each stakeholder expects from the organization in return (Atkinson, Waterhouse and Wells, 1997) The focus of this contribution is on the customers' perception of success factors. The arts audience is a central stakeholder to any arts organization, as the provision of and access to culture is one of the main political objectives legitimating public funding. The need to generate income from ticket sales and other services adds to this point. Also, an arts institution's reputation is heavily dependent on the audience's satisfaction and reaction. By shedding light on the success perception of this stakeholder, this paper aims at contributing to the development of a universal model and multidimensional approach of performance measurement for arts or nonprofit organizations as stipulated by Forbes or Hermann and Renz (Forbes, 1998:, Herman and Renz, 1999).

Data from a survey conducted in 2004 at the Tyrolean Festival Erl were used to investigate these issues. "The greatest obstacle to making sense of the objective truth and normativity of critical evaluations of artworks is the idea that the artistic judgment is fundamentally a judgment of taste" (Kaufman, 2002:153). Considering the inherent subjectivity of artistic quality and success perceptions, it is suggested that different customer segments will focus on different factors constituting success. For this purpose, ten success factors that should influence the perception of success are proposed. Demographic characteristics of the respondents will be related to the hypothesized success factors. Furthermore a strong influence of customer satisfaction on these issues is expected, 9 satisfaction drivers will be used to test this relationship. One issue that will be explored further, is the implementation of web presence and ecommerce (further referred to as digital services) in order to help a nonprofit organization achieve its strategic objectives in order to develop new interactive and innovative services (Abuhamdieh, Kendall and Kendall, 2002). The attitude towards the usage of new services might show to be another moderating variable.

The Tyrolean Festival Erl

Artistic director. The Tyrolean Festival Erl has been founded in 1997 by Gustav Kuhn, who is also the artistic director of the festival. Gustav Kuhn is a renowned conductor – all famous European orchestras have already played under his leadership – and opera director and has received numerous prizes and honors. The festival is inseparably connected to its artistic director, also known for his charismatic and energetic personality.

Location. The festival takes place every year in July / August in the small Tyrolean village of Erl, near the German border. The festival house is situated at the border of the village, next to cow paddocks, and resembles the white wing of a swan on a green hill. The building and also the festival have been and are actively supported by the inhabitants of Erl. Apart from its appearance, special features of the building include an excellent acoustics, an ascending amphitheatre with 1.500 seats and a "barn roof" as

well as the lack of an orchestra pit. The resulting placement of the orchestra behind the singers, separated through a transparent curtain, is one of Wagner's original ideas.

Program. Performances include mostly Austro-German "classics" such as Mozart, Mahler, Wagner and Beethoven meeting contemporary representatives of the European - and in particular- the Austrian musical scene. Over the past few years the Festival has been attracting an increasingly international audience. Almost 50 % of the Festival's audience comes from Austria, followed by 41 % from Germany, and the remaining 9 % from Italy, Switzerland, Great Britain, America, Japan, Australia and South America. Due to the representations of Wagner operas (recently the Ring of the Nibelung), the festival is increasingly handled as an alternative to Bayreuth, adding a special flair to the events:

"Richard Wagner's best-known work, Der Ring des Nibelungen, is famous for many reasons: its music, its Germanic mythic allegory, its sheer length. Called a stage-festival play for three days and a preliminary evening, the Ring 'cycle' (as it is known) runs at least fifteen hours. In other words, it is a major investment of time and energy for audiences. But it is also an engrossing story of the struggle for a golden ring – and therefore for power – among giants, humans, Nibelung dwarfs, and the Teutonic gods." (Hutcheon and Hutcheon, 1998).

More precisely, the year 2003 was marked by two presentations of the entire "Ring of the Nibelung" on four separate evenings each, which has been repeated in 2004. The years before, only one to three evenings have been dedicated to Wagner. In 2004, the concerts and opera performances played to 96% of capacity and exceeded the management's expectations. The year 2005 will be marked by two compressed representations of the Ring of the Nibelung, the "24- hour Ring".

Methodology

The adopted questionnaire pursued four objectives: (1) to identify the visitor structure of the festival, (2) to track visitor satisfaction with several components of the offer, (3) to identify the most important factors that add to the visitors' perception of an institution's success and (4) to identify the attitude towards digital offers in order to create enhanced visitor satisfaction.

Internal consistency of scales was measured through Cronbach's alpha, an index of reliability. Ordinal evaluations were measured using 5-point Likert scales, with the value 1 being the best evaluation. Statistically relevant relationships between variables were identified using Pearson's correlation analysis. Multivariate analyses were used to examine any statistically significant differences between clusters or correlations. A cluster analysis was performed using the K-means clustering method in order to identify the best number of clusters based on the success factors and, secondly, the satisfaction drivers. Two-way ANOVA tests were used to investigate any potential importance of clusters on overall satisfaction. Finally, factor analysis was employed in order to determine the factor structure of a proposed model of the influence of satisfaction drivers and success factors on overall satisfaction.

Sample

A self-administered mail-back questionnaire has been sent out in July 2004 to 5.300 current or past visitors of the festival documented in the visitors' database. Due to a lack in actuality of the database about 12 % of the questionnaires had been sent back, resulting in a population of 4.650 questionnaires. The survey yielded a return rate of 467 questionnaires corresponding to 10 %. Most of the respondents had visited the festival before returning the questionnaire. A recent study on non-response in audience research suggests that response tends to be negatively related to age and positively linked to educational attainment, social class and topic salience with no relationship noted for gender (Roose, Waeye and Agneessens, 2003). Some of the specific characteristics of the sample described below do not fit into that model, although the bias for topic salience and social class might be encountered. Therefore, a higher return of respondents visiting the festival in 2004 can be expected. Finally, a lack of response can be explained by the fact that the festival changed its offer in 2003 to a stronger focus on Wagner. As the questionnaire has only been sent out in German, the number of non-German speaking respondents is lower than their share in the database.

Success Factors

Personal reputation. "Reputation is important in all business sectors, but especially in the non-profit sector where an organisation's reputation is "the currency" by which it trades in the marketplace. An organisation's reputation precedes it and impacts on its ability to generate the funds required for its continued existence." (Wood and Rentschler, 2003) Leaving aside the effort to go the event, a live performance always bears a kind of risk and unpredictability for the visitor. The consumer cannot be sure of the quality of the services (Abbé-Decarroux, 1994:100). As most other services, live performances are subject to the problems of heterogeneity and perishability. Still there are many – mostly emotional - aspects and benefits that make the live performance attractive to their audience. The thrill of proximity to a celebrated performer is one of the benefits a festival or live event can offer that makes a difference to e.g. listening to recorded music (Oakes, 2003). In alignment with Abbé-Decarroux and Urrutiager we consider the reputation of the artistic director and his cast essential. Therefore the variables *reputation of the artistic director* (*AD_REP*) and *reputation of the artists* (*A_REP*) have been included in the survey. As in the field of live opera and classical music the artistic director (who usually also conducts the performances) is a key person that personally stands for the performance that should be expected, the variable *charisma of the artistic director* (*AD_CHAR*) was added. It has suggested that artistic directors of German Opera Houses can even afford to ignore the audience's taste in order to develop productions that enhance their professional reputation among peers (Krebs and Pommerehne, 1995).

Institutional reputation. Another benefit is the possibility of subsequent encounters with other "fans" of this artist or the kind of music. Since this phenomenon is known for "Wagnerites" from the Bayreuth festival, the most renowned festival of Wagner founded by Richard Wagner himself in 1876, it might be expected for Erl as well. As these other fans might be attracted either by the *reputation of the institution/festival* (*I_REP*) or the specific *content / program* (*CONT*) of the festival, these two variables are also included. Urrutiager showed that the reputation of a theatre is commonly perceived the most reliable sign of quality (Urrutiager, 2002:199). The positive (or negative) *resonance in*

media (MR) adds to this point (Abbé-Decarroux, 1994:106). Financial measures of success are masked out in this examination, as they might be more indicative for political success in donor markets (Gainer and Padanyi, 2005). The variable *organization / management of the institution (ORG)* is introduced in order to account for the technical aspects of success.

Quality and satisfaction. Although artistic quality is difficult to measure and its evaluation to a certain extent subjective, there are some aspects considered objectively measurable or at least comparable in e.g. the voice of a singer or technical aspects of the playing of an instrument. Whereas there are considerations that consumers of popular music might not distinguish between the musical quality of their “idols” (Hamlen, 1991), classical music audiences are considered educated and putting an emphasis on quality. This may probably be even more true for the elitist “Wagnerites”. Therefore the variables *quality of the artistic director (AD_QUAL)* and *quality of the artists (A_QUAL)* are introduced. Finally, in order to account for a more subjective rating *satisfaction of the audience (AUD)* is the last success variable (Herman and Renz, 1999).

Respondents have been asked on their extent of agreement concerning the influence of the above factors on the success of an arts institution. Respondents answered on a 5-point-likert scale ranging from 1 (I totally agree) to 5 (I totally disagree).

Results

Demographic Profile

Concerns on how many people attend what kind of arts events and who they are have been inspired both by the need to justify public spending on arts organizations as well as organizational needs to be informed about the organization’s customers. Empirical efforts indicate that musical preference and adult attendance at arts events is influenced by educational attainment, gender, age and current income. Also spousal influence plays a major role (Kolb, 2001.; Upright, 2004).

Although there is a need for enhanced managerial awareness of the demographic profile of arts audiences, audience analysis research exploring live music festivals is extremely sparse (Oakes, 2003). Nevertheless, the results of the survey on the Tyrolean festival Erl are related to existing numbers on arts audiences from different countries, e.g. they are compared to values of surveys from the *National Endowment for the Arts (NEA, 2003)*. Although there may be national cultural differences, all western countries seem to experience the same phenomena on their (high culture) arts audiences.

Gender. Contrary to many other visitor surveys, there were more men (60.0 %) than women (40.0 %) answering the questionnaire. Interestingly, the NEA survey shows about the opposite numbers, with 57.3% female visitors to classical music performances and 57.8 % women for opera (NEA, 2004). Analyzing the same data, Upright finds a strong influence of spouses on the arts attendance decision for men, whereas this effect is weaker on women (Upright, 2004).

Age. Although there is a global trend towards an aging population, the age of classical music or opera attendees is usually still above average. For the US, the *2002 Survey of Public Participation in the Arts (NEA, 2003)* has investigated arts audiences for

museums, theatre, ballet, opera, musical, classical music and jazz and shows an disproportional aging of the audiences compared to the total population from 1982 to 1997. The survey states a median age of 49 years for classical music and of 48 years for opera attendance. For classical music, the survey shows 13.2 % of the attendants aged under 30 years and 30.3 % of the audience aged over 60 years.

The present sample is even more special on its age distribution. Age was assessed using categorical age brackets. The largest age group (45.8 %) is comprised of visitors aged between 61 and 70 years and also the median value lies in this interval. Two percent are younger than 30 years (!), a total of 39.7 % is younger than 60 years, 14.5 % of the sample are older than 70 years. Even compared to other high culture events this is a very old population. Although the sample might seem biased, this age structure fits into the organisers' picture of their audience.

Interestingly, German visitors show significant differences (ANOVA, $p=.001$) in their age structure compared to Austrian respondents. There is no respondent under 30 years from the German respondents, 18.3 % of the respondents being older than 70 years. This result is also reflected in the occupation distribution. 49.35 % of the respondents are retired, 44.6 % are economically active

Given the relatively high price of the festival tickets, price could be a possible explanation for young people not attending an arts event of this kind (Kolb, 1997).

Provenance. The village of Erl is situated at the far West of the Austrian region Tyrol, right at the border to Germany. The visitors to the festival are mostly Austrian (55.4 %) and German (44.3 %). This special geographic location explains the fact that 23.6 % of the respondents are from the Tyrol (Austria) and 27.0 from the bordering German region Bavaria.

Social Class. Several studies have shown that arts audiences are considerable homogenous in terms of demographic characteristics. In most cases they are composed of more highly educated, higher-income professional segments. The high share of educated persons is also reflected in the current sample. 60.4 % of the respondents dispose of a university degree, another 24.8 % of their A-levels. In accordance to the age distribution only 1.3 % of the sample stated to be pupils or students.

The average income is rather high, 69,3 % of the respondents disposing of a net annual household income of more than 30.000 EUR (Austria 60.7 %; Germany 78.4 %), 27.7 % of all respondents have even more than 50.000 EUR at their disposal (Austria 20.4 %; Germany 27.2 %). ANOVA testing shows significant differences ($p=.000$) between Austrian and German residents. In Austria, the average net household income for 2003 has been calculated with 28.710 EUR, with only 10 % of households disposing of an income higher than 51.170 EUR (Statistik Austria). The average net household income for Germany in 2002 has been declared 32.100 EUR (Deutsches Statistisches Bundesamt). For both countries, the income of our sample is disproportional high.

A recent unpublished study of a summer festival of old music showed similar results on the income structure and the educational level of the respondents. There are differences in the age distribution though, that can be ascribed to the fact that old music is quite fashionable at the moment and that this festival offers performances directed towards a younger public as well. Also the venue being a city might be influencing.

The special features of this sample seem to show a very “highbrow” audience for the Tyrolean Festival Erl. There is a general perception that consumers of high culture products such as opera, ballet, contemporary arts of galleries are more likely to be from social grades AB, and C – the upper to lower middle classes – than C2, DE. The same is true for people who have stayed longer in education and dispose of higher household incomes (Seaman, 2004). As O’Hagan stated: “(...) people with certain abilities/aptitudes stay longer in the education system, do better when there, earn higher incomes and tend to have a greater preference for the high art” (O’Hagan, 1996:278). Some areas of art are still regarded as elitist, a festival of Wagner music obviously adds to these examples.

Audience Behaviour

Repeat visitors. 65.2 % of the respondents are repeat visitors. An interesting detail was that 34.6 % of the respondents visited the festival for the first time in 2003 which is another indicator for the already mentioned shift of visitors when the program focused stronger on Wagner and offered the entire “Ring”. About half of the guests (47.6 %) visit four performances, which most probably correspond to the four performances of Wagner’s “Ring of the Nibelung”. The average number of visits is 2.96.

Organization of the visit. Attention has mostly been drawn by media reports (54.2 %), word-of-mouth only ranks second (36.4 %) before other kinds of promotion (36.4 %). Planning periods range from short-time planning up to one week before the performance (9.7 %) to half a year (54.4. %) or a year (36.0 %) beforehand. Reservation is usually done per telephone (56.1 %), also the purchase is done the traditional way (bank transfer 51.8 %).

Company. 17.5 % of the respondents come to the festival alone, the others together with their partner (52.8 %) and/or friends (40.3 %) and family (20.9 %) which implies that apart from persons traveling alone, there are larger groups visiting the festival. Business partners only account for 0.9 % of the visitors, which might also have to do with the date of the festival.

Online behavior & digital services. Regarding the questions on actual and possible Internet usage, non-response reduced the sample to 166 questionnaires for some questions. This is probably due to the fact that many respondents are of higher age. A comparison of means concerning the questions on satisfaction and success using ANOVA shows, that differences between those who haven’t responded to the Internet questions and those who did are not significant. Therefore the investigation of questions relating to the Internet can reasonably be based on the sample of $n = 166$ questionnaires.

A first block of questions asked for general Internet attitudes. Cronbach alpha for the 6 item scale is 0.762. A widely advocated level of adequacy for Cronbach alpha is ≥ 0.7 which indicates that factors are internally consistent (Nunnally, 1978:245). Respondents were asked whether the Internet was mainly used for information purposes (mean 2.41), mainly used for communication (2.58), part of their daily life (2.77), used to enhance knowledge (3.10), mainly used for official purposes (3.39), or whether the respondents bought regularly via the Internet (3.69). These facts do not indicate intensive usage of

the medium for this sample. This impression is enforced by the fact that only 50 % of all respondents know and use the homepage of the festival (<http://www.tirolerfestspiele.at>) at least sporadically.

Subsequently, the respondents were asked for their usage of and satisfaction with several services offered. The results of questions on digital offers indicate that the importance of such offers is also considered very low. For the reduced sample, actual usage of program information is highest (94.7 %), the online reservation of tickets (42.7 %) and the newsletter (34.4 %) being less important. Of the regular Internet users only 15 % actually uses the video-interviews provided on the homepage. Satisfaction with these offers ranges from 1.8 (information) to 2.7 (video interviews).

When asked about additional online services, 72.3 % of the respondents (reduced sample) stated that they would use specially prepared information material, 48.2 % would be prepared to use live-broadcasts of e.g. the final rehearsal, about 36 to 38 % would use the download of performance records, of the making-of the performances or of exclusive rehearsal recordings.

25 % would participate in moderated discussion forums and 23 % would download sheet music. The stated importance of these services is low, ranging from 2.7 for the additional information to 3.7 for the download of sheet music so that efforts into these services may not be worthwhile within this setting.

The expectation that the attitude towards the usage of new services might show to be a moderating variable will have to be explored in another context in further studies.

Satisfaction Drivers

In order to derive satisfaction drivers for the festival, the satisfaction with several performance components has been investigated: venue (*loc*), performances (*perf*), acoustics (*acou*), friendliness of the staff (*friend*), information on the festival (*info_fest*), information on the performances (*info_perf*), seating comfort (*comf*), gastronomy (*gastro*), infrastructure (*infra*). These nine items account for a scale reliability of 0.746 (Cronbach alpha).

Overall satisfaction with the festival is high, 95.4 % of the visitors are satisfied if not very satisfied (76.5 %). Concerning the individual performance components it is interesting to note that quality components such as the performances itself, the place which is rather special and the special acoustics of the Passionsspielhaus are rated very good (means of 1,3 – the scale was from 1 very satisfied to 5 not satisfied at all), also the friendliness of the staff is rather good (1.5), so is information on the festival (1.6) and the performances (1.8), although this could be intensified. Satisfaction is manifestly lower for seating comfort (2.2), the gastronomy (2.3) and the infrastructure (2.5). Considering that most of the sample belongs to an older age group, the high overall satisfaction seems astonishing, as those services are probably even more important for that age group. There is one notable cultural difference regarding this sample. Although Austria and Germany are neighboring countries, there are significant differences in the satisfaction with information both on the festival and the performances ($p=.000$).

Success Factors

In order to identify important factors adding to perceived success, the respondents had been asked whether the following factors were - in their opinion - responsible for a cultural institution's success. The highest values are placed on the variables quality of the artistic director (*AD_QUAL*; 1.13), quality of the artists (*A_QUAL*; 1.14), content / program (*CONT*; 1.22), satisfaction of the audience (*AUD*; 1.34) and charisma of the artistic director (*AD_CHAR*; 1.41). The success factors organization / management of the institution (*ORG*; 1.54), reputation of the institution/festival (*I_REP*; 1.77) and reputation of the artistic director (*AD_REP*; 1.89) ranked lower. Even lower significance was accorded to the variables media resonance (*MR*; 2.00) and reputation of the artists (*A_REP*; 2.05). Cronbach's α is 0.701 for the ten-item scale.

Also for the success factors there is one significant difference between German and Austrian visitors, i.e. the importance of organization and management on the success of an institution, being more emphasized by Austrian respondents. The value on different success factors is influenced by many other characteristics of the respondents. A very strong relationship could be identified between most success factors and the satisfaction with the performances as well as with information on the festival and the performances.

Clusters

A cluster analysis was performed using the K-means clustering method in order to identify the best number of clusters based on the success factors and, secondly, the satisfaction drivers. Cluster analysis suggests, that the 2 cluster solution for the success factors and the 3 cluster solution for the satisfaction drivers is most appropriate for the data. ANOVA tests indicate the existence of significant differences between the clusters.

Table 1
Cluster Analysis for success factors and satisfaction drivers; Mean values are computed on the basis of a 5-point Likert scale, 1= I strongly agree / very satisfied; 5 = strongly disagree / not at all satisfied; * p<.001, * p=.05**

| Cluster Success Factors | | | Cluster Satisfaction Drivers | | | |
|-------------------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------------|---------------------------|
| | Mean Cluster 1 (n=151) | Mean Cluster 2 (n=316) | | Mean Cluster 1 (n=101) | Mean Cluster 2 (n=243) | Mean Cluster 3 (n=123) |
| I_REP | 2,21** * | 1,60*** | perf | 1,43*** | 1,15*** | 1,42*** |
| ORG | 1,95** * | 1,39*** | loc | 1,22*** | 1,11*** | 1,60*** |
| CONT | 1,27 | 1,21 | acou | 1,18*** | 1,17*** | 1,54*** |
| MR | 2,70** * | 1,73*** | comf | 2,32*** | 1,85*** | 2,86*** |
| AUD | 1,70** * | 1,21*** | infra | 2,53*** | 2,01*** | 3,66*** |
| AD_CH AR | 1,84** * | 1,24*** | gastro | 2,44*** | 1,92*** | 3,08*** |
| AD_QU AL | 1,23** * | 1,09*** | friend | 1,89*** | 1,22*** | 1,72*** |
| AD_RE P | 2,83** * | 1,54*** | info_fe st | 2,43*** | 1,28*** | 1,89*** |
| A_QUA L | 1,21* | 1,11* | info_p erf | 2,81*** | 1,41*** | 1,91*** |
| A_REP | 2,79** * | 1,76*** | | | | |

The affiliations of the variables to the two clusters of success perception, “quality focus” and “holistic view” show a fable but significant correlation with overall satisfaction of the festival (p=.005).

Respondents with a “quality focus” subsumed in Cluster 1 for the success factors is characterized by a strong focus on quality issues, respectively *AD_QUAL*, *A_QUAL* and *CONT*. Cluster 2, on the other hand, places high values on all of the proposed factors, except for the reputational variables *AD_REP* and *A_REP* as well as media resonance *MR* and is therefore labelled “holistic view” (see table 1). In relation to the demographic characteristics of the sample the clusters only diverge on the variable sex (p=.015) insofar that the share of male respondents for Cluster 1 “Quality focus” is higher. This implicates that members of the cluster are demographically dispersed in the sample and mainly diverge according to their focus on different success factors.

According to their satisfaction drivers, respondents could be classified into three clusters (see table 1). Cluster 1 for the satisfaction variables is strongly related to the location of the event, especially *perf*, *loc* and *accu* and is therefore labelled “location satisfaction”. Cluster 2 has the same focus, but enhances it with a service component, i.e. *friend*, *info_fest* and *info_perf*. It is the most positive cluster and therefore entitled “general

satisfaction". The third Cluster is satisfied with the performances but not with the other service components and is rather "performance satisfaction".

Demographic characteristics show significant differences for the variables budget ($p=.008$), nation ($p=.000$), education ($p=.006$), age ($p=.041$) and gender ($p=.004$). The clusters differ through the following characteristics: Cluster 1 "location satisfaction" is characterized through a relatively high share of German respondents and a higher average age. Education levels are lower compared to the other clusters. Cluster 2 shows a high share of Austrian respondents and the lowest income shares. Respondents from Cluster 3 "performance satisfaction" dispose of the highest income, relatively higher education levels and the youngest age groups as well as a higher portion of male respondents. The results suggest that contrary to the success factors, the focus on different satisfaction drivers is influenced by demographic characteristics of the respondents.

Touristic Impact

In general, the relationship between arts and tourism is complementary, the arts create attractions for tourism and tourism supplies extra audiences for the arts (Myerscough, 1988:80). Cultural tourists are a desired audience, being generally considered as being "typically well educated, affluent and broadly traveled, they generally represent a highly desirable type of upscale visitor" (Holcomb, 1999:64). In this respect, festivals are closely and positively connected to tourism. Festivals usually take place in summer – during the holidays – and are often very popular, some are always sold out – as in the case of the Salzburg festival (Frey, 2000). From the current sample, 33.6 % stay overnight. Within these respondents, 30.6 % spend more than six nights in the region, i.e. the village Erl and its surroundings. The mean for respondents staying overnight is 6.2 nights for 2.2 persons. The festival is considered an important component of the travel decision for 80.7 % of nonresident visitors, i.e. visitors who are not inhabitants of the surrounding regions of the Tyrol and Bavaria. This suggests a possible classification of the respondents into the "primary culture-core" segment, i.e. tourists whose main purpose in traveling to a destination is the visit to a certain high cultural experience (Hughes, 2002:170).

Factor Analysis

In the last step of the analysis, the 19 indicators for success and satisfaction drivers were factor analyzed using the principal component method with varimax rotation in order to delineate their influence on overall satisfaction with the festival. Replacing missing values by "mean of neighboring points" where appropriate resulted in a final sample of 467 questionnaires. Factors with eigenvalues greater than 1 were retained, all items with a factor loading higher 0.4 were included. There were no items that crossloaded with factor loadings higher than 0.4 on two factors, the satisfaction driver *perf* and *infra* have been eliminated in the analysis. A reliability coefficient (Cronbach's α) was computed for each factor to test the reliability of the scales. The analysis resulted in five components explaining 53 % of variance. Concerning sampling adequacy and sphericity, the "Kaiser-Meyer-Olkin Measure of Sampling Adequacy"-measure is 0.756, fulfilling the minimum value of 0.6. The "Bartlett Test of Sphericity" also shows a significant value at the $p = .000$ level.

Table 2
Rotated component matrix for success factors and satisfaction drivers

| component | 1 ($\alpha = .703$) | 2 ($\alpha = .579$) | 3 ($\alpha = .546$) | 4 ($\alpha = .671$) | 5 ($\alpha = .566$) |
|-----------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| info_fest | ,816 | | | | |
| info_perf | ,799 | | | | |
| friend | ,632 | | | | |
| gastro | ,459 | | | | |
| AD_QUAL | | ,801 | | | |
| A_QUAL | | ,740 | | | |
| CONT | | ,583 | | | |
| AUD | | ,474 | | | |
| perf | | | | | |
| accu | | | ,756 | | |
| loc | | | ,675 | | |
| comf | | | ,632 | | |
| infra | | | | | |
| AD_REP | | | | ,806 | |
| A_REP | | | | ,752 | |
| AD_CHAR | | | | ,542 | |
| I_REP | | | | | ,663 |
| ORG | | | | | ,629 |
| MR | | | | | ,514 |

Discussion

This survey was meant to shed some light on the question whether certain visitor characteristics have an influence on the importance of different success factors. The diversity of possible relationships can be seen in the attached table of correlations. It is very important to note that the factors that influence the perception of an art event's or institution's success are diverse for different visitor characteristics. This leads to the assumption that perceived success in the arts is a multiattributive construct that is differently composed for different visitor segments. On the other hand, there are success factors that are important to the entire sample. This assumption should be tested in further studies. The importance of revealing how the visitors evaluation and value organizational effectiveness for different visitor segments is suggested. Further research in influencing factors on overall audience satisfaction, seen as the basis for cultural legitimization and success, are suggested.

Implications

A remarkable result is the strong focus of costumers on the quality of the artistic director, the artists and the performance which influences the perception of success of the festival's customers. This has very strong managerial implications for the festival. As this

year, 2005, a “24h Ring”, i.e. a very intensive performance of the four parts of the “Ring of the Nibelung” in one weekend, accounting for a performance time of more than 15 hours without breaks. This is a promising but also risky strategy, as this kind of performance is rather unusual and can both result in enthusiasm or disappointment, considering that it is difficult for an orchestra to maintain a certain standard of quality over such a long time.

There are other interesting relationships that should be explored further. The respondents, although a highly educated public, place a high value on the amount and quality of information provided for the festival and the performances. An enhancement of services via digital offers should focus on the provision of adequately prepared and presentation information material, both online and on site. An enhancement and adaptation of the offers on the homepage could ease marketing relations as the share of the sample using the internet services places a higher value on media resonance. Satisfaction with most service components is strongly related with the perception of quality and charisma of the artistic director. Also, different focuses on success factors influence the planning horizon of the respondents, i.e. according to their values they decide to plan the festival on the long hand or for the short term. The existence of some cultural differences between the Austrian and German respondents, even though these countries are neighboring and often treated as culturally very similar could have major impacts on the tourism strategy of the festival resp. its location. Apart from the importance of the festival to the travel decision, the satisfaction with the stay in Erl is also strongly related to overall satisfaction with the festival and the success factors.

One major problem faced by high culture arts events and especially the Tyrolean Festival Erl is the problem of a declining and/or aging population/audience. Although an increased accessibility is a requirement for income generation in terms of audience growth and external funding of arts festivals, this implies the need the ameliorate the ease of audience understanding of the music. This is said to be especially difficult for Wagner. Considering the fact that arts attendance is strongly influenced by early exposure to the arts (Gray, 1998; Kracman, 1996), this issue remains the task of cultural policy but should also be enhanced by a stronger focus on accompanying youth programs as well as adequate and well presented information material as suggested by the results of the survey.

Limitations and Further Research

Limitations of this study suggest that the results should be interpreted with some caution. This is an analysis of only one festival’s audience at one point in time. Given some very special features of this festival, the results might reflect the nature of this festival and not be transferable to all other arts events. Especially research on service enhancement through digital services has shown to be difficult with the current sample.

Also, a more comprising investigation of factors is needed. Further surveys should be able to throw a more precise and comprehensive picture on the topic. Finally the inclusion of audience goals on their perception on success and on overall satisfaction as suggested (Garbarino and Johnson, 2001) might be an interesting direction of research. Future research will aim at building a model for the explanation of overall satisfactions through a combination of perceived success and different satisfaction drivers.

Acknowledgements

The assistance of the managing director of the Tiroler Festspiele Erl, Maria-Theresia Müller, and her team in conducting the research was highly appreciated. Parts of this research have been financed by Telekom Austria AG.

References

- Abbé-Decarroux, F. 1994. "The Perception of Quality and the Demand for Services: Empirical Application to the Performing Arts." *Journal of Economic Behavior and Organization*, Vol. 23, n° 1, p. 99–107.
- Abuhamdieh, A., J. E. Kendall and K. E. Kendall 2002. "An Evaluation of the Web Presence of a Nonprofit Organization," in *Information Technology for our Times: Ideas, Research, and Application in an Inclusive World*, eds., New York: Kluwer, p. 209–222.
- Atkinson, A. A., J. H. Waterhouse and R. B. Wells 1997. "A Stakeholder Approach to Strategic Performance Measurement." *Sloan Management Review*, Vol. 38, n° 3, p. 25–37.
- Forbes, D. P. 1998. "Measuring the Unmeasurable: Empirical Studies of Nonprofit Organization Effectiveness From 1977–1997." *Nonprofit and Voluntary Sector Quarterly*, Vol. 27, n° 2, p. 183–202.
- Gainer, B. and P. Padanyi 2005. "The relationship between market-oriented activities and market-oriented culture: implications for the development of market orientation in nonprofit service organizations." *Journal of Business Research*, Vol. 58, n° 6, p. 854–862.
- Garbarino, E. and M. S. Johnson 2001. "Effects of consumer goals on attribute weighting, overall satisfaction, and product usage." *Psychology and Marketing*, Vol. 18, n° 9, p. 929–949.
- Gilhespy, I. 1999. "Measuring the Performance of Cultural Organisations: A Model." *International Journal of Arts Management*, Vol. 2, n° 1, p. 38–52.
- Gray, C. M. 1998. "Hope for the Future? Early Exposure to the Arts and Adult Visits to Art Museums." *Journal of Cultural Economics*, Vol. 22, n° 2-3, p. 87–98.
- Hamlen, W. 1991. "Superstardom in Popular Music: Empirical Evidence." *Review of Economics and Statistics*, Vol. 73, n° p. 729–733.
- Heilbrun, J. and C. M. Gray 1993. *The Economics of Art and Culture - An American Perspective*. Cambridge: Cambridge University Press.
- Herman, R. D. and D. O. Renz 1999. "Theses on nonprofit organizational effectiveness." *Nonprofit and Voluntary Sector Quarterly*, Vol. 28, n° 2, p. 107–126.
- Holcomb, B. 1999. "Marketing cities for tourism," in *The Tourist City*, D. R. Judd and S. S. Fainstein, eds., New Haven: Yale University Press, p. 54–70.
- Hughes, H. L. 2002. "Culture and tourism: a framework for further analysis." *Managing Leisure*, Vol. 7, n° p. 164–175.
- Hutcheon, L. and M. Hutcheon 1998. "'Alles was ist, endet': Living with the Knowledge of Death in Richard Wagner's *Der Ring des Nibelungen*." *University of Toronto Quarterly*, Vol. 67, n° 4, p.
- Kaplan, R. S. 2001. "Strategic Performance Measurement and Management in Nonprofit Organizations." *Nonprofit Management & Leadership*, Vol. 11, n° 3, p. 353–370.
- Kaufman, D. A. 2002. "Normative Criticism and the Objective Value of Artworks." *The Journal of Aesthetics and Art Criticism*, Vol. 60, n° 2, p. 151–166.
- Kolb, B. M. 1997. "Pricing as the Key to Attracting Students to the Performing Arts." *Journal of Cultural Economics*, Vol. 21, n° 2, p. 139–146.
- Kolb, B. M. 2001. "The Effect of Generational Change on Classical Music Concert Attendance and Orchestras' Responses in the UK and US." *Cultural Trends*, Vol. 11, n° 41, p. 1–35.
- Kracman, K. 1996. "The effect of school-based arts instruction on attendance at museums and the performing arts" *Poetics*, Vol. 24, n° 2-4, p. 203–218.
- Krebs, S. and W. W. Pommerehne 1995. "Politico-Economic Interactions of German Public Performing Arts Institutions" *Journal of Cultural Economics*, Vol. 19, n° 1, p. 17–32.

- Kushner, R. J. and P. P. Poole 1996. "Exploring Structure-Effectiveness Relationships in Nonprofit Arts Organizations" *Nonprofit Management & Leadership*, Vol. 7, n° 2, p. 119–136.
- Myerscough, J. 1988. *The Economics of the Arts in Great Britain*. London: Policy Studies Institute.
- Nunnally, J. C. 1978. *Psychometric Theory*. New York: McGraw-Hill.
- Oakes, S. 2003. "Demographic and Sponsorship Considerations for Jazz and Classical Music Festivals" *The Service Industries Journal*, Vol. 23, n° 3, p. 165–178.
- O'Hagan, J. W. 1996. "Access to and participation in the arts: the case of those with low incomes/educational attainment" *Journal of Cultural Economics*, Vol. 20, n° 4, p. 269–282.
- Radbourne, J. 2003. "Performing on Boards: The Link Between Governance and Corporate Reputation in Nonprofit Arts Boards" *Corporate Reputation Review*, Vol. 6, n° 3, p. 212–222.
- Roose, H., H. Waage and F. Agneessens 2003. "Respondent Related Correlates of Response Behaviour in Audience Research" *Quality and Quantity*, Vol. 37, n° 4, p. 411–434.
- Schuster, J. M. 1997. "The Performance of Performance Indicators in the Arts" *Nonprofit Management & Leadership*, Vol. 7, n° 3, p. 253–269.
- Seaman, B. A. 2004. "Competition and the Non-Profit Arts: The Lost Industrial Organization Agenda" *Journal of Cultural Economics*, Vol. 28, n° 3, p. 167–193.
- Throsby, D. 1994. "The production and consumption of the arts: A view of cultural economics." *Journal of Economic Literature*, Vol. 32, n° 1, p. 1–29.
- Upright, C. B. 2004. "Social capital and cultural participation: spousal influences on attendance at arts events" *Poetics*, Vol. 32, n° 2, p. 129–143.
- Urrutiaguer, D. 2002. "Quality Judgements and Demand for French Public Theatre" *Journal of Cultural Economics*, Vol. 22 oder 26?, n° 3, p. 185–202.
- Voss, Z. G. and G. B. Voss 2000. "Exploring the Impact of Organizational Values and Strategic Orientation on Performance in Not-for-Profit Professional Theatre" *International Journal of Arts Management*, Vol. 3, n° 1, p. 62–76.
- Wood, G. and R. Rentschler 2003. "Ethical behaviour: the means for creating and maintaining better reputations in arts organisations" *Management Decision*, Vol. 41, n° 6, p. 528–537.