

The Influence of Theaters' Programming Strategy on Their Relations with Artistic Production Companies: An Analysis Based on the French Experience

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Abstract

This paper aims to shed light on how producers (artistic production companies) on the one hand, and distributors (theaters) on the other, can regulate their exchanges in the performing arts distribution channel. Indeed, the principal contribution of this paper is to bring to light the various determinants of a theater's programming and their possible repercussions on its relationships with artistic production companies. The first part is therefore devoted to the presentation of a theoretical framework for analyzing a distributor's programming strategy and its impact on relations upstream in the channel. The second part of the paper presents the empirical research that was conducted at three major theaters in the south of France. The third and final part of the paper presents the findings. They show that, contrary to a widely-held opinion among performing arts professionals, theater managers do not build their programming solely on the basis of their own artistic preferences and affinities. Other factors come into play, and affect the theater's choice of artistic production company and particular show just as much.

Keywords

Theaters' programming, artistic companies, relationships, distribution channel.

Introduction

Following the strikes and protests by performing artists and technicians in France in the summer of 2003 and the cancellation of many festivals that ensued, a report on the future of the performing arts in France was submitted to the Minister of Culture in April 2004. This report contains the following passage on the analysis of the conflict and, more broadly, on the question of the regulation of exchanges within the performing arts distribution channel:

The question of overproduction must be considered, even if its market connotation disturbs. Indeed, it has to be said: the crisis, as much in its employment dimension as in that of the balance between artistic production and distribution, is also an economic crisis, in that it reveals the inability of the various participants to regulate their exchanges—including their non-market exchanges¹.

In the face of managerial concerns, this paper, based on empirical research, aims to shed light on how producers (artistic production companies) on the one hand, and distributors (theaters) on the other, can regulate their exchanges in the performing arts distribution channel. More particularly, it sets out to investigate the influence that distributors' programming strategies may have on their relationships with those upstream in the channel, namely the artistic production companies (theater troupes, dance companies, circuses, etc.).

Indeed, the chief intention of this paper is to show that, contrary to a widely-held opinion among performing arts professionals (and especially among distributors themselves), theater managers do not build their programming solely on the basis of their own artistic preferences and affinities, to which they then try to convert the public. Aesthetic affinities, even if they are important, do not constitute the only determinant of theaters' programming. Other factors come into play (economic, political, and relational imperatives, for example) and they affect the theater's choice of artistic production company and particular show just as much.

The principal contribution of this paper, then, is to bring to light the various determinants of a theater's programming and their possible repercussions on its relationships with artistic production companies. The first part is therefore devoted to the presentation of a theoretical framework for analyzing a distributor's programming strategy and its impact on relations upstream in the channel. An analytical framework of the relationship between artistic producers (the artistic production companies) on one the hand, and the distributors (theaters) on the other, is thereby developed. It is based on both a review of the literature and an exploratory survey. The second part of the paper presents the empirical research that was conducted (using the theoretical framework presented in the first part) at three major theaters in the south of France, describing the composition of their programming and giving an account of their relationships with the artistic production companies. The third and final part of the paper presents the findings, and puts them in perspective within the framework of our enquiry into the regulation of exchanges in the channel. The conclusion takes the form of a reflection on the theoretical and managerial implications of such research.

The Organization of Exchanges in the Performing Arts Distribution Channel: Proposed Theoretical Framework

Whatever the sector, the analysis of the organization of exchanges in the distribution channel entails the examination, on the one hand, of processes—i.e. the decision-making mechanisms used by the contracting parties—and on the other hand, of structure, i.e. the way in which transactions are organized between the two institutions (Stern and Reve, 1980).

Among all the decisions that could orient the forms of exchange between suppliers and distributors, the retailer's assortment policy constitutes a major strategic activity (Filser *et al.*, 2001). Assorting, indeed, is the constitution of sets of finished products that can meet the expectations of clients and correspond to the positioning chosen by the distributor. It is thus to select, upstream in the channel, suppliers who are apt to achieve these objectives, and to negotiate the terms of sale and the conditions of collaboration.

This is why the analytical framework that has been developed of the relationship between artistic production companies and distributors uses two types of theoretical contribution from the field of marketing: one is drawn from the literature on inter-organizational exchanges, and more particularly from theories of "governance in marketing channels", the other from retailer assortment policy, where the main contributions concern the consumer goods sector.

Exploratory research was nevertheless undertaken in order to adapt certain concepts and variables to the empirical realities of the performing arts sector. It consisted in semi-structured interviews with 13 experts (6 theater managers, 4 company administrators or artistic directors, and 3 local/regional government advisors on the financing of the arts), and in the realization of a preliminary documentary study of sectoral monographs and trade reports on the organization of the performing arts in France (Assassi, 2005).

In the end, the theoretical framework capable of giving an account of the exchanges between artistic production companies and distributors is structured around two key concepts: the mode of governance of relations on the one hand, and the programming policy of the distributor on the other.

The Analytical Framework of the Organization of Relations between Companies and Distributors

The analysis of the vertical organization of the channel entails an examination of the different forms of coordination of the exchanges between suppliers and distributors. Among the numerous theoretical contributions on inter-organizational exchanges in the channel, the typology proposed by Heide (1994) has proven to be particularly relevant to our research.

It was in order to extend and enrich the reflections initiated by Williamson (1985) on the various forms of transaction governance, and those of McNeil (1980) and then Dwyer *et al.* (1987) on relational exchange, that Heide proposed his typology of forms of governance of relationships in marketing channels. He defines the governance of a relationship as "*the institutional framework in which contracts² are initiated, negotiated, monitored, adapted and terminated*" (Heide, 1994, 72). Governance thus designates both a structure (i.e. a type of coordination) and a process (i.e. a means of control and adjustment of contracts). In his typology, Heide contrasts market governance (which he assimilates to discreet exchange as identified by McNeil) and nonmarket governance, which he divides into "unilateral" governance (or "hierarchical" governance in Williamson's terminology) and "bilateral" governance. These three configurations constitute typical ideal types (in the Weberian sense of the term³) and they can be analyzed along the following five dimensions: firstly, the motives for finalizing the deal, and then the adjustment, incentive, control and regulation mechanisms. Thus, for each of the three forms of governance of relationships, the five dimensions are particularized in different ways.

Adapted to the empirical realities of the performing arts sector, this theoretical analytic framework takes the following form (see table 1).

This table calls for a number of explanatory remarks:

- Regarding the motives for finalizing the deal, the selection process based on skills, know-how and a high degree of shared values takes on a very particular resonance in the field of the performing arts, where the degree of agreement on common aesthetic values plays a crucial role. Moreover, relational norms and shared values are essential factors in the establishment of trust, and serve as general protective device against opportunistic behavior (Heide and John, 1992; Jap, 1999).
- The incentive mechanisms (aimed at encouraging the respect of commitments) are peculiar in the performing arts, since whatever reception the public accords the programmed show, there is no possibility of renegotiation: the show has to be paid for and performed. However, the incentive to keep open the possibilities for future collaboration is very strong (the notion of "loyalty" came up regularly in the interviews, raised as much by producers as by distributors) and because of this it constitutes a real incentive mechanism within the relationship.
- As in all types of relationship, the mechanisms for controlling results are based primarily on the measurement of outputs (percentage of available seats sold). Nevertheless, the qualitative aspects, often measured informally, are also taken into account.
- Finally, the modes of regulation are defined in the framework of contracts, even in the case of market governance. The difference between these three modes of regulation resides in the priority given, in the case of nonmarket governance, to an internal solution, and to an external one (recourse to the law) in the case of market governance. The quality of the communication, i.e. the degree of frequent, open sharing, formal and informal, of all relevant strategic information between the two partners (Mohr and Nevin, 1990), is also a variable to be taken into account in evaluating the regulation mechanisms used.

Overall, such a theoretical framework is well suited to analyzing the different forms of relationship between company and distributor. It remains, now, to identify the main variables capable of giving an account of the distributor's programming policy.

Table 1
The forms of governance of producer - distributor relationships in the performing arts: mechanisms and modalities

Forms of governance Mechanisms (variables)	Market governance	Unilateral governance	Bilateral governance
Motives for finalizing the deal	<p>Discrete transactions based upon commercial potential of the exchange</p> <ul style="list-style-type: none"> - High potential box office - Satisfaction of demand : what the public wants <p>Distinct role of each contracting party:</p> <ul style="list-style-type: none"> - Companies conceive the shows to be offered to the public. - Distributors select from the products on offer and make them available to the public. 	<p>Selective process based on skills and know-how</p> <ul style="list-style-type: none"> - Skills of each contracting party in their respective disciplines/businesses - Respective commercial weight of each partner in their relationship <p>Distinct role of each contracting party:</p> <ul style="list-style-type: none"> - Companies conceive the shows to be offered to the public. - Distributors select from the products on offer and make them available to the public. 	<p>Selective process based on skills and know-how and shared roles (joint activities / common projects)</p> <ul style="list-style-type: none"> - Distributor can take initiative in the construction of the offer (festivals, theme-based weeks) and can commission producers able to respond to distributor's brief. <p>Degree of agreement on common values:</p> <ul style="list-style-type: none"> - Sharing of common values around an aesthetic, a text, a stage design, etc. - Relationship value: loyalty to partner.
Incentive mechanisms	<p>Short-term / Tied to specific results</p> <p>High potential box office</p> <p>Low level of commitment: simple purchase of shows</p>	<p>Medium and long-term / Tied to output and behavior</p> <p>Desire to not compromise the chances for future collaboration</p>	<p>Long-term / Involvement in the relationship / Process of socialization</p> <p>Desire to set the relationship in a long-term perspective: regular contacts (on future projects)</p> <p>Strong level of commitment: co-production of shows</p>

<p>Control mechanisms (measurement of results) and modes of regulation</p>	<p>External / Measurement of output</p> <p>Percentage of seats sold</p>	<p>External / Measurement of output and behavior</p> <p>Percentage of seats sold</p>	<p>Self-control / Informal</p> <ul style="list-style-type: none"> - Artistic congruence (aesthetics) between the two contracting parties - Satisfaction of the public (informal feedback from consumers) - Quality of communication between the contracting parties - Full disclosure of relevant information - Commitments negotiated and respected
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Source: Adapted from Heide (1994, 75) and based on exploratory research (Assassi, 2005, ch. 3).

The Analytical Framework of Theaters' Programming Policies

The analytical models of retailers' purchasing policies in the consumer goods sector enable one to shed light on the link between the composition of the assortment, the process of referencing suppliers, and the relationships between the two contracting parties in the distribution channel. Over the last twenty years, these models have evolved, moving from a "transactional" vision, focused solely on the face-to-face episode, to a "relational" vision of the exchange, one which takes into account the relational context (Pellegrini and Zandherigi, 1991; Amine *et al*, 1997). Vertical relations can thus vary considerably according to the composition of the assortment and the purchasing scenarios that derive from it. A number of variables enable one to account for these differences:

- The structure of the assortment is, in theory, a function of three factors: the environment of the channel, the strategy and positioning of the retailer, and the financial objectives pursued by the retailer (McGoldrick, 2002).
- These determinants remain relevant, at least in part, in the performing arts sector. A distributor's programming can thus be considerably influenced by its sources of funding: in France, operating subsidies granted by local government are indeed formalized in a written document which, whatever its form, constitutes an "objectives-based contract" to which the distributor is bound, even if, in order to achieve the objectives, it remains free to programme as it sees fit. Moreover, the positioning of the theaters (production or distribution of contemporary works, for example) is closely tied to the mission assigned to them by the local authorities who finance them. Finally, even if subsidies are aimed at covering much of the theater's fixed costs, the purchasing budget for shows is necessarily limited and can, in part if not in totality, be financed through box office receipts.
- Regarding the process of referencing itself, three variables play a dominant role in the performing arts sector (Assassi, 2003):

- a. The origin of the offer, either from the artistic production company or the distributor. The latter, for example, can take the initiative on the occasion of a festival or theme-based week, and can go as far as to co-produce a show that it has itself commissioned from a company.
- b. The relational context, which can be determined from the existence of any previous relationships and the climate that then reigned within them.
- c. The degree of newness of the product, which can be measured using two indicators: new shows, and reprises (shows already performed in another theater or during a festival).

We now have a theoretical framework capable of giving an account, empirically, of the link between theaters' programming policies and the forms of governance of relationships with the artistic production companies.

Empirical Research: the Research Method and Protocol Adopted

The approach⁴ used for capturing the vertical relations in the performing arts distribution channel consisted, in accordance with our theoretical framework, in analyzing a distributor's method of constructing its programming, as much in terms of structure (origin and nature of the offer, type of purchase, etc.) as of process (selection of the company and/or show, and, more broadly, management of the relation). The case study approach constituted an entirely appropriate research method since—besides the richness of the information collected—it enabled a study of processes and the taking into account of a diversity of contexts and, consequently, of forms of coordination of exchange.

Five sites within the same French region⁵ were selected for empirical investigation, namely a *Centre Dramatique National* (National Center for the Dramatic Arts, referred to henceforth by the French acronym CDN), a *Scène Nationale* (National Stage, referred to henceforth by the French acronym SN), and a major *Théâtre Municipal* (municipal theater, referred to henceforth by the French acronym TM). These sites were chosen insofar as they met both the objective of theoretical representativity of the sample (since we are indeed dealing with retailers in the arts sector) and that of variety, since each of them is characteristic of a typical situation in terms of size, mission, or "legal-economic" status (Assassi, 2005). Regarding the units of analysis, from the programming in the 2001-2002 season of each site studied, about ten shows, very different from each other, were selected, so as to be able to analyze situations that vary in terms of assortment (new shows/productions or shows already produced in other cities, co-productions, bought-in shows, etc.). Forty-three shows (14 for the CDN, 12 for the SN, and 17 for the TM), which represent as many transactions/relationships with different companies⁶, were studied. For 11 of these 43 transactions a real dyadic approach was adopted, thanks to interviews with and document collection from each member of the dyad.

To gather the data, two complementary techniques, the semi-structured interview and internal documentation, were used, and they enabled a real multiplicity of perspectives to be obtained from the sources, thanks to the diversity of the people interviewed and the dyadic approach. The interviews were conducted, as far as the artistic producers were concerned, with administrators or with those responsible for commercializing the show at the eleven companies. Regarding the distributors, the interviews were conducted with the theater managers, who are the main programming decision-makers,

as well as with other managers (production managers, communication managers, technical directors) apt to influence the programming and, more generally, the management of the relationship. Four sets of interview guidelines were developed (drawn up according to the function of the interviewee) covering the full spectrum of themes to do with the governance of the relationship (reasons for collaborating, level of commitment, values held and/or shared, distribution of roles, adjustment mechanisms, measurement of results, etc.) and with the transaction itself (negotiation episodes). In the end, 20 sets of interview data were collected, as well as 16 documents that could give an account of the supplier-distributor relationship (contracts, artistic prospecting letters, communication dossiers, etc.). The information on the funding of the theaters was collected during the constitution of the sample.

The process of analysis combined an approach focused on the interview data and the contexts with an approach centered on inter-site concepts and comparisons (Miles and Huberman, 1994). The data was interpreted from an analysis of the thematic content using different interpretation tactics (thematic and conceptual grouping, counting to estimate consistency, making comparisons and links between different variables). A descriptive phase thus enabled the description, thanks to matrices that summarized and organized the data, of the composition of the programming of the three theaters under study. An ensuing explanatory phase tried to link these different categories of assortment to behavioural mechanisms.

The findings presented below make this analytical approach clearer.

Findings and Discussion

Findings

The research produced two important findings: one concerning the composition of the distributor's programming, the other the link between the components of the programming and the different forms of governance in the channel. They are presented successively below.

The typical composition of a theater's programming was analyzed, in accordance with our analytical framework, entailing the examination of the origin of the offer (producer initiated versus distributor initiated), the degree of newness of the show (new show versus reprise), and finally, the relational context (prior relationship or not). In the end, it is structured around four components (see Table 2), some of which had already been identified in the literature, others which emerged during the empirical investigation.

Table 2
Characteristics of the different components
of a distributor's programming

Component Characteristics	Reactive	Relational	Proactive	Strategic
Characteristics of shows that become part of the assortment	Producer initiated		Distributor initiated	
	Reputation of the artistic teams	Prior relationship between the 2 contracting parties	Confirmed aesthetic choices	Coherence of the programming and respect of a "brief"
Distribution of the 43 shows studied	10	14	6	13
Degree of newness of the product	7 new shows 3 reprises	11 new shows 3 reprises	3 new shows 3 reprises	3 new shows 10 reprises

- The "reactive" component reflects the distribution function in the strict sense, since it corresponds to shows that are very well known, due to the fame of the artists appearing on the bill (authors, composers, actors, etc.). These shows are conceived and presented by the producer who has identified the expectations of the public and sets out to satisfy a significant portion of them. The distributor who "reacts" to this type of offer has every interest in adopting it in his programming, given the strong commercial potential it represents. Such a component corresponds, in the fast-moving consumer goods sector, to the national brands that manufacturers offer retailers.
- The "relational" component, highlighted in this research, also includes shows initiated and conceived by the producer, but where the producer does not have any prior reputation (artists unknown to the general public). The referencing of these shows by the theater depends largely on the degree of trust built up over time between the two parties. The *relational* context plays a critical role here.
- The "proactive" component designates the taking of initiative on the part of the distributor, who composes an original offer, one that allows it to affirm its artistic values and aesthetic intuitions. It tries thereby to differentiate itself from its competitors by anticipating the expectations of its clientele, adopting a very *proactive* approach that will lead it to introducing new talent to the public. This component may be compared, in the fast moving consumer goods sector, to the presence of private label products in the retailer's assortment.
- Finally, the "strategic" component refers to shows that, while initiated by the distributor, are more the expression of a will to reinforce the distributor's positioning and satisfying the known expectations of its public than of any aesthetic affinity. The distributor therefore makes *strategic* choices, aimed at balancing either avant garde shows and the classics or the different artistic disciplines (theater and other performance arts), or else aimed at respecting a given brief concerning, for example, a theme-based week or a festival that's part of the season's programming. This component emerged during the course of the empirical research.
- These various components of programming lead to different forms of relationship organization, as shown in Table 3. Indeed, to each component of a retailer's programming there corresponds specific mechanisms of governance of the relationship.

Table 3
Components of programming and forms of relationship governance

Components of programming	Mechanisms of relationship governance ⁷	Forms of relationship governance
Reactive component	(MFD) Box office potential, artistic and financial potential of the distributor (100%). Distinct roles. (IM) Low degree of commitment (2 co-productions). (CRM) Percentage of seats sold (100%). (NEGO) Formal communication: concerning pricing and technical conditions.	Market governance Management of the relationship by the producer (the company)
Relational component	(MFD) Mutual loyalty, the future of the relationship is of great importance. Congruent values (strong aesthetic affinity). Roles sometimes overlap (the distributor can get very involved in the creative dimension of the show). (IM) High degree of commitment: 5 co-productions + 11 new plays. (CRM) Performance measured quantitatively (% seats sold) and qualitatively (quality of the collaboration and of the show). High involvement of the distributor in the creative dimension of the show. (NEGO) Informal communication: many exchanges on the (new) shows in production. Budgetary disclosure (the budget of the producer is known to the distributor).	Bilateral governance Joint management of the relation, but the distributor remains leader.
Proactive component	(MFD) Artistic affinity. Congruent values (strong aesthetic affinity). "Activist" shows. The future of the relationship is important and is actively envisaged. (CRM) Performance measured quantitatively (% seats sold) and qualitatively (quality of the collaboration and of the show) High involvement of the distributor in the creative dimension of the show.	Bilateral governance Joint management.

Strategic component	(MFD) Skills of the artist / artistic and financial potential of the distributor. Distinct roles (except for the organization of festivals). (IM) Relatively high level of commitment of distributor: involvement in the development of tours and certain shows. (CRM) Performance measured quantitatively (% seats sold) and qualitatively (quality of the collaboration and of the show). (NEGO) Formal communication (pricing conditions) or informal (many exchanges on organizing the festival).	Unilateral governance Management of the relation by the distributor.
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Finally, it is also important to give an account of the distribution of these components in each theater. Indeed, the relative share of each component varies by distributor (see Table 4).

Table 4
Share of the different components in the distributors' programming

Component Characteristics	Reactive	Relational	Proactive	Strategic
Distribution of components (%) by theater⁸	CDN = 21% SN = 17% TM = 31%	CDN = 29% SN = 58% TM = 18%	CDN = 29% SN = 17% TM = 0%	CDN = 21% SN = 8% TM = 52%

The situations identified empirically lead us to put into perspective the typology of different forms of governance in the performing arts sector, and to raise questions about the determinants of a theater's programming. This is the subject of what follows.

Putting the Findings into Perspective

The highlighting of the programming components and of the different forms of governance of the relation that ensues allows us to emphasize that:

- a. Contrary to a widely-held view (due to the overproduction of shows in France) the leadership of the relationship and the management of the channel are not always carried out by the distributor. The performing arts distribution channel is characterized by a diversity of behavior on the part of the contracting parties, and a multiplicity of forms of coordination.
- b. Distributors' choice of programming is not only a question of preference or aesthetic affinity. Other factors, economic and institutional, come into play.

We turn now to an examination of these two points.

a. Diversity of Behavior in the Performing Arts Distribution Channel: From Leadership to Joint Management

The confirmation of the existence, in the performing arts distribution channel, of relationships where one partner dominates the other, brings to light the importance of control of the "brand" (reactive component) or of the assortment (strategic component) as sources of power. "Reactive" shows, then, play the role of "quasi brands", that is to say of flagship shows that may even be "pre-sold" (thanks to the reputation of the artists), which gives the producer great power over the distributor. The latter, then, has every interest in adopting the show in his programming or else risking strong economic sanction (low box office). The economic success of a distributor's programming, necessary for all types of establishment⁹, is thus partly founded on its reactive component. The distributor then cedes the initiative in managing the exchange to the company, and lets the latter propose the offer most likely to meet its (the distributor's) economic objectives. The relationship is essentially based on the purchase of a service and the negotiation of prices. The risk assumed by the distributor (there are a majority of new shows and not reprises for this component) is here largely compensated for by the reputation of the artists.

The strategic component, which does not necessarily play on the reputation of the artists (in only 6 cases out of 13 did it do so) is also a component that brings in spectators, insofar as the distributor has identified, beforehand, the expectations of the public and endeavors to meet them. This is why the shows that fall under this component are, for the most part, reprises and not new shows (10 cases out of 13): the distributor has already seen the show elsewhere and has verified that it does indeed correspond to the expectations of the targeted public. Having the initiative and control of choice of show, it maintains the leadership in the relationship and fully assumes its role of leader by, for example, helping a foreign company organize a tour in France in a way that minimizes travel costs.

The relational component, in contrast, leads to a much more balanced relationship between the two partners, even though the distributor, because of its position of "arbitrator" in the face of the numerous offers from companies, still holds the upper hand and thus maintains leadership of the relationship. But inasmuch as this component concerns mainly new shows (11 of the 14), a trusting relationship between the two contracting parties is necessary, so as to minimize the risk entailed in the distribution of such products. The production of this type of show thus demands strong collaboration between the two parties. That is why, in this component, there is a "prior relationship": the partners know each other and have proven themselves to each other. Leadership by the distributor, who will have the last word on the programming of the show, is nevertheless accepted since the distributor is critical in enabling the show to find its public.

Finally, the proactive component leads to fully-shared management responsibilities, since it concerns shows that are rather risky, given that the artists are relatively unknown and/or the show is relatively new. These shows are really the only ones capable of revealing the distributor's artistic choices. Without being concerned about business performance, the distributor aims to share its tastes with the public and win them over. In

this type of relationship, distributors (as they themselves sometimes proclaim) in effect play the role of "ferryman", transporting the audience from its familiar shores to different horizons. The trust between the two contracting parties is strong, mainly because of a high degree of sharing of aesthetic vision and/or "activist" values. Each member of the channel then makes their skills available to their partner, in an effort to maximize the show's chances of success.

b. The Determinants of Programming Choice: the Role of Economic and Institutional Factors

Two determinants, already identified in our review of the literature, explain the differences observed in the distribution of different components within in each theater studied (see Table 5). Empirical research made it possible to clarify the role of two explanatory variables, (which, incidently, are interdependent): the economic and institutional factors. Indeed, it is the amount of the subsidies, the conditions for obtaining them, and the mission (or positioning) of the establishment that, together, explain the diverse profiles of the theaters.

Thus, the small share of "reactive" shows in the programming of the SN is mainly due to the relative smallness of its budget (€1.9 million) compared to that of the two other establishments (€7 million for the CDN and €3 million for the TM). Indeed, the latter two theaters have the means to purchase high-profile shows. The SN use their network of relations that nevertheless enable them to present new shows.

The generic mission assigned to the CDN, namely the support of contemporary productions and the maintenance of the classical repertory, together with a substantial budget and the reputation of the big names of the stage, explain the "balanced" profile of the composition of this theater which, indeed, uses all the levers of performance and generates a multitude of forms of exchange.

Finally, the very high proportion of reactive and strategic components of the TM (93%) has to be seen in the light of the conditions under which its subsidies were obtained. Indeed, subsidies are granted by the municipality to cover fixed costs only (salaries of permanent staff and overhead costs of the theater); the theater is responsible for covering the cost of the shows it presents through box office receipts. This funding condition¹⁰ did in fact lead the manager of this establishment to "optimize" access to his subsidies. Out of 17 shows, 11 featured big name performers, able, in principle, to ensure optimal box office. These shows fall either into the reactive component or the strategic one. The other two establishments, not financially constrained in their purchases, offer more risky shows, i.e. ones not featuring well-known artists.

Conclusion

This paper has set out to shed light on distribution practices in the performing arts sector, a domain that has not received much attention so far from researchers studying the marketing of artistic products. It can contribute, in particular, to a greater understanding of the relations between producers (artistic companies) and distributors (theaters).

It seems to us essential to emphasize a theoretical contribution here. The research undertaken has brought to light the diversity of forms of organization of relations in the performing arts distribution channel¹¹: in contrast to the conventional wisdom that asserts the predominance of artistic loyalties and affinities in programming, distributors have recourse simultaneously to different forms of governance of relationships. Due to the multiplicity of objectives it may have vis-à-vis its public, the distributor will select shows of different natures for its annual programming and, consequently, will manage differently its relationships with the various "supplier" companies. This plurality of forms is also explained by the different conditions under which subsidies are obtained (amounts and structure): thus the imperatives for self-financing lead the distributor to exploit market mechanisms (the reactivity or strategic component).

On the managerial level, such research provides artistic production companies with an interpretive framework useful in understanding distributors' programming policies. Indeed, these arts companies are finding it increasingly difficult to get their work before the public, given the problem of oversupply. Indeed, in a context where the supply of potential productions is much larger than the possibilities of distribution, prospecting through indiscriminate, non-targeted direct mail is not a very likely way to lead a project to public performance. To better know and identify potential distributors is thus an essential preliminary step in any marketing endeavor. The analytical framework of the composition of a distributor's assortment, and the relationships to which it gives rise upstream, is a tool that can be very useful for the companies, helping them to at once better orient their offer (without renouncing, of course, their artistic independence) and target their potential partners.

Certain methodological weaknesses may, however, hinder the theoretical generalization of the conclusions. In particular, the sample consists of cases drawn only from major theaters that have a purchasing budget (and not from small independent theaters less well endowed financially). Furthermore, the sample focuses largely on the dramatic arts, dance and the circus, and pays less attention to live music.

Nevertheless, despite these limits, the work undertaken opens many perspectives for research, either through broadening out to other artistic products (especially tangible goods such as DVD's, books, etc.) or through developing certain findings in greater depth (for example, the emergence of quasi brands in the artistic products sector, or the construction of relational norms in the networks—formal and informal—of artistic affinity).

Such contributions could then enrich the range of knowledge and tools in the service of the marketing of artistic activities.

Notes

- ¹ "Latarjet" Report (2004), p 13.
- ² "The term contract is used in a very broad sense and does not necessarily describe a formalized, legally binding document".
- ³ This means, in particular, that bilateral governance constitutes, as an ideal type, a specific form of coordination, alternative to hierarchical governance.
- ⁴ For a more detailed presentation, see Assassi (2005).
- ⁵ It was indeed necessary to make sure that the environmental conditions were identical, especially as regards arts policy.
- ⁶ A distributor will in effect program, throughout the year, a certain number of different shows, produced by different producers (theater, dance and circus companies, or musical groups that conceive and produce "turnkey" shows). Each transaction, the final objective of which is the referencing of the show, constitutes a fully-fledged relationship, with a beginning, a middle sequence, and an end.
- ⁷ MFD = mechanisms for finalizing the deal / IM = incentive mechanisms / CRM = control and regulation mechanisms / NEGO = negotiation points and quality of the communication.
- ⁸ Given the small number of shows studied for each theater, the percentages given here only serve to indicate the profile of the theaters. In no way can they be generalized to the whole sample studied, i.e. to all the CDN, SN and TM.
- ⁹ Even if, as we will see below, the degree of financial constraint varies according to each establishment.
- ¹⁰ That one finds especially in the case of private theater in Paris.
- ¹¹ Moreover, these findings echo the conclusions already made by Bradach and Eccles (1989), Powell (1990) and Heide (1994) on the importance of hybrid forms of coordination of exchanges in Western economies.

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