

Relationship Marketing in the Subsidised Arts: An Important Role for Internal Marketing

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Abstract

This paper considers whether successful subsidised arts organisations are more likely to apply a relationship rather than transactional marketing approach. Preliminary research with senior managers from subsidised producing theatres in the North West of England, led to the development of a conceptual framework which identified the major partnerships and the specific stakeholder types that need to be considered by a subsidised performing arts organisation if an effective relationship marketing approach is to be developed. A 'relationship audit' between theatres and their various stakeholders was subsequently undertaken and this paper specifically deals with the findings from an analysis of the perceived relationship with theatre employees. Findings suggest that a link does exist between the building of relationships with internal stakeholders, a strategic focus and theatre success.

Keywords

Strategic Marketing, Performing Arts, Relationship Marketing, Internal Marketing, Theatre Success.

Introduction

Strategic Marketing in the Arts

The main task of arts marketing is to motivate people to attend activities or purchase works of art and to encourage them to share in any artistic experience (Hill et al, 1997). For most artists, therefore, the audience would seem to be a core element of an artistic experience and of course, the audience is also a key source of revenue. Although this implies that there is only one type of customer for the arts market – the 'consumer', an audience can also be thought of as comprising the primary audiences which consist of those who attend or could attend arts events, and a secondary audience of other stakeholders such as funding bodies, sponsors etc. Marketing, therefore, can be seen as performing the important role in enhancing the value of exchange.

Many, however, see the application of marketing in the arts as a waste of money or even worse, as manipulative with market research being seen as intrusive. There may also be the perception

of marketing leading to a 'dumbing down'. The 'Arms Length Principle' can lead to other difficulties (Diggle, 1994). Funding organisations remain independent of government in an attempt to ensure that creativity/ artistic impression remains separate from party politics. This causes a problem for marketers as ensuring quality of product through peer appraisal, may contradict customer wants. This can lead to possible conflicts between excellence and accessibility (Jones, 2000), and between professional and amateur art. The actual function of marketing in the arts is seen as both poor and different from that of the commercial context (Copley and Robson, 1997). There is a lack of actual marketing research with many having negative views such as it being too expensive or that providers know what their customers want. Many arts organisations also see the use of market research as communicating a populist objective which many feel they do not want to promote.

A number of authors note segmentation as having an important role to play in effective arts marketing. However, if segmentation is done at all, it is often driven by social rather than economic objectives such as social or even Government pressure to target specific minority groups. In contrast, resources can be spread too thinly in an attempt to create a wider appeal.

The literature on arts marketing tends to highlight an over-emphasis on tactical marketing (Hill et al, 1997) with marketing's promotional role being a major focus (McLean, 1994; Permut, 1980),

The Application of Relationship Marketing?

Some see the application of a relationship marketing perspective as being a way of overcoming these problems (McCort, 1994; Conway, 1997; Gummesson, 1999; Brennan and Brady, 1999). Relationship marketing involves the development of continuous relationships between parties that are usually long-term dynamic and entails acquiring information based on communication, which should be proactive and defined in the customer's terms (Copulski and Wolf, 1990; Holmlund and Tornroos, 1997). The choice with whom to develop a relationship depends on the actions and expectations of the other parties, the nature of what is offered and on the surrounding network (Moller and Wilson, 1995). Managers have to think strategically in making decisions about the sort of the relationships they would like to have and how to achieve them (Ford, 1998).

Relationship marketing involves more than just relationships between buyer and seller but with a number of other markets with which an organisation interacts needing to be considered (Christopher, Ballantyne and Payne, 1991; Gummesson, 1999). It can perform a role in driving not-for-profit organisations towards a more strategic direction (Conway, 1997). Tactical marketing tools can be used merely as a support for broader interactive marketing which deals with the relationship that occurs during the consumption of the service process. In order to ensure that not-for-profit organisations have a more strategic, planning perspective, the development of long-term relationships with a variety of 'customers' becomes important (Gwin, 1990) and this would also seem to be the case for the subsidised arts.

Research was undertaken to identify whether 'successful' subsidised 'producing' theatres had a more strategic rather than tactical focus, whether such theatres were applying a relationship marketing approach and whether such an approach influenced their 'success'.

More specifically, the research aimed to answer the following research questions:

What were the common features found in 'successful' producing theatres as compared to 'unsuccessful' ones?

Did 'successful' producing theatres have a more strategic marketing perspective than 'unsuccessful' ones and if so, to what extent was a strategic marketing perspective the result of a relationship marketing approach?

This paper reports on those findings of the research that relate to the relationships that exist between producing theatres and their employees.

The Research

Background

Through preliminary research, successful producing theatres were identified. Semi-structured interviews were conducted with the senior manager from each of six subsidised theatres in the North West of England. There was general agreement on what could be considered to be a 'successful' and an 'unsuccessful' theatre. Two theatres particularly (A and B) were considered successful by all respondents and all saw X and Y as unsuccessful (including the X and Y respondents). All respondents highlighted box office revenue and funding from external sources, such as funding bodies, as important but those that saw external funding as the major indicator of success (X and Y) tended to be the most unsuccessful organisations, confirming the over-emphasis on the 'tactical', short-term acquisition of funds. Although respondents held the most senior administrative positions, it was found that the Artistic Director performed the key strategic role within each organisation as well as being the creative driving force. Respondents from 'successful' theatres stressed the importance of collaboration with a variety of stakeholders whereas those from unsuccessful theatres only mentioned collaboration with audiences.

As a result of these findings, a conceptual model was developed (Fig. 1). Four key stakeholder types that exist in the not-for-profit context are identified: users, resource generators, regulators and staff members/managers (Gwin, 1990) and relational exchanges between these and the organisation take place within four relationship partnerships: buyer, supplier, lateral and internal partnerships (Morgan and Hunt, 1994). The model identifies the major partnerships and the specific stakeholder types that need to be considered by a subsidised performing arts organisation if an effective relationship marketing approach is to be developed. The artistic director who is in the centre of the model represents the key strategic driving force behind the theatre.

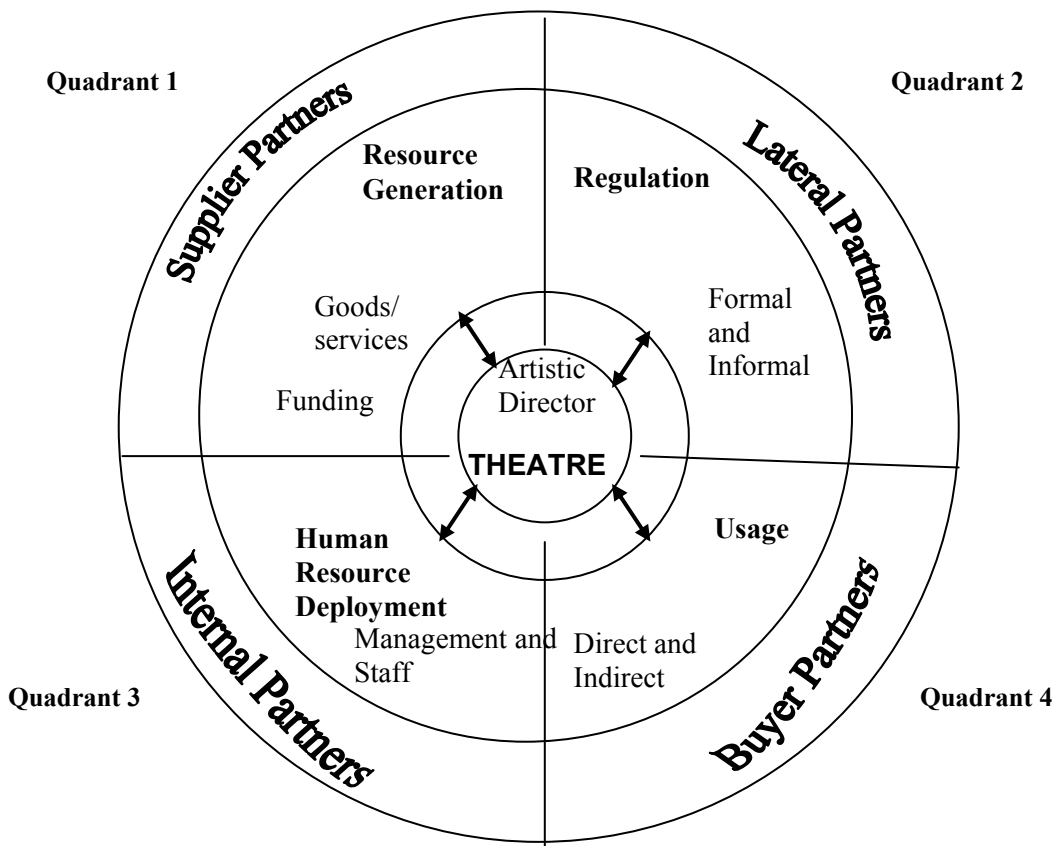
Quadrant 1 represents the relationship between the artistic director (who represents the theatre) and those who provide its goods and services/ financial resources. Parties that perform this role are: *Central and Local Government* (goods and services and funding), *Commercial Enterprises* (goods and services and funding through sponsorship and philanthropy), *Audiences* (direct funding through the box office), *Individuals* (direct funding through philanthropy).

Quadrant 2 shows the relationship between the artistic director and those who regulate the theatre's activities (either formally or informally). Parties that perform this function are: *Funding Bodies*, *Commercial Enterprises*, *Audiences*, *Competitors*, *The Media*, *Internal Staff*.

Quadrant 3 indicates the relationship between the artistic director and those who are employed by the theatre. Parties that perform this role are: *Artists, Managers, Other Employees*.

Quadrant 4 displays the relationship between the artistic director and those who purchase/use its services. Parties that perform this role are: *Present Audience* (Direct Relationship), *Internal Staff* (Direct Relationship), *Potential Audience* (Indirect Relationship), *Commercial Enterprises* (Indirect through Corporate Hospitality), *Local Community* (Indirect) and *Intermediaries* (Indirect).

Figure 1: Relationship Marketing Approach to the Subsidised Performing Arts



Conway and Whitelock (2004)

Research Methodology

In depth case study analysis of two 'successful' theatres (A and B) and one 'unsuccessful' theatre (Y) was subsequently undertaken involving triangulation of data: semi-structured interviews (with artistic directors, theatre staff and external funders and regulators), content analysis of theatre publicity and analysis of audience surveys. Theatres A and Y catered to a broad-based audience whereas Theatre B catered for a young audience. This paper considers the perceived relationships between theatre management and its staff.

The study was conducted within a phenomenological paradigm focusing on meaning and attempting to understand what was happening. It was important to utilise findings from this research to construct explanations and theories about what was observed (Gill and Johnson, 1997). The research used a case study approach and aimed to ascertain whether a relationship marketing approach was more likely to lead to a strategic focus and thus ensure theatre 'success'. Such an approach was chosen because it is believed that understanding the cases would lead to better understanding and perhaps offer insights into behaviour within other organisations. Representatives of the various key stakeholder roles and their relationships with artistic directors within the three theatres were the units of analysis.

Each theatre was studied with particular reference to:

1. Whether there was a narrow or broad view of 'audience development'.
2. Whether there was a narrow or broad view of the theatre's product.
3. Whether any other relevant features were revealed which appeared to differentiate between successful and unsuccessful theatres.
4. The role of marketing and the degree to which there was a strategic or tactical emphasis.
5. Whether there was a narrow or broad view of the theatre's 'customers'.
6. The types of relationships the theatre had with its various 'customer' types.

Answers to 1-3 would indicate whether there were any common features amongst the 'successful' two theatres as compared to the 'unsuccessful' one and the findings relating to 4 would indicate the degree to which there was a difference between the two types of theatre in their application of marketing. The theatres' views about their 'customers' (question 5) would allow a comparison to be made on the perceived application of relationship marketing between the three theatres. All the above information was acquired directly from the theatres themselves. Findings on 6 would lead to comparisons of the effectiveness of each theatre's relationship marketing approach. Through an analysis of the perceived values placed on relationships by both theatres and the stakeholder types, an indication of the relative strengths of the relationships existing between the parties would be apparent.

Research Methods

The research involved in-depth semi-structured interviews with the artistic directors of the three theatres. Issues of organisation structure, management and strategic direction were addressed in these interviews as were issues relating to the role that marketing was perceived to have within each theatre. Of particular importance were the artistic director's perceptions and experiences of the relationships that existed with those involved in resource generation, regulation and usage and of the relationship with staff members. Relationships that are effective should be clearly of a two-way, mutually beneficial nature, and therefore interviews with artistic directors attempted to ascertain their views on the strength of relationships with these other parties. An analysis of the different parties represented within the conceptual model highlighted a number who performed different roles simultaneously:

Present and potential audiences:	Resource Generation, Usage and Regulation
Funding Bodies:	Resource Generation and Regulation
Commercial Enterprises:	Resource Generation, Regulation and Usage
Staff Members:	Human Resource Deployment, Regulation and Usage

In addition to the interviews with the artistic directors, therefore, in-depth semi-structured interviews were undertaken with representatives of these parties as well as empirical research on audience perceptions and content analysis of theatre publicity. This paper deals specifically with research that was undertaken with staff members.

Internal partnerships are important within a relationship marketing framework. Therefore, for each theatre, interviews took place with a number of managers. Marketing Managers were interviewed as their own and their organisation's views of the role of marketing would be a helpful indicator of the degree to which there was a customer focus and the extent to which, marketing was seen as a tactical or strategic issue. In addition, those that dealt directly with the audience such as Front of House Managers were also interviewed. As well as performing the human resource deployment role, these respondents also performed a regulatory role and in many cases, were also users. Respondents' particular perceived relationships with their employing organisations on the success or otherwise of these roles were therefore discussed.

It was important to assess the perceived strength of relationships that each artistic director had with staff. It was therefore necessary to discuss such issues within the interview. Analysis of the literature, produced a number of components which seem to be relatively more important in most relationships. These are experience, trust, commitment and customer orientation. Each individual interview with an artistic director, therefore, needed to address issues of the director's perceived experience, trust, commitment and customer orientation in relation to the partnership role with human resource deployment.

In terms of **experience**, each respondent was asked to identify the key staff with the reasons why they were considered as key. There needed to be an assessment of the degree to which each relationship was perceived as successful and how this was measured. The respondent's perceptions of which staff were considered to be the most important to the organisation and why, were likely to be useful in indicating the extent to which internal relationships were seen as important.

In terms of perceived **trust** within a relationship, there was a need to address the issue of the extent to which each relationship was believed to achieve the expected benefits for each of the partners and, just as importantly, the reasons for such a response. Similarly, in assessing perceptions of **commitment** to long-term partnerships with staff, the methods used by the theatre to gain partner commitment and the perceived effectiveness of these methods with the reasons for the response had to be acquired.

The degree of **customer orientation** within relationships was a key aspect of this research. An important consideration was the extent to which the respondent felt that the relationship with staff was an important influence on the strategic direction of the particular theatre and the reasons for the response.

This particular aspect of the research looked at the perceived relationships that the theatre had with its staff and therefore this was an important element within each semi-structured interview with theatre staff. In addition, the general issues of the theatre's organisation which were discussed with the artistic director were also considered within these interviews thus allowing for an evaluation of the degree of congruence that existed between different levels of staff within a given organisation. In terms of a respondent's **experience**, as with all the other roles, the perceived success of the relationship with a theatre, how this was measured and the duration of the relationship were all issues worthy of consideration. Similarly, the same issues of **trust**, **commitment** and **customer orientation** applied in this context. In addition, an individual

manager's view of 'audience development' was useful in offering a cross-check with the respective artistic director's view on this matter.

Findings

Tables 1 to 6 summarise the findings and the perceptions of those within the organization (please note: the Artistic Director and Senior Manager roles were performed by the same person in Theatre B).

Table 1: Issue: Organisation Structure/Culture

Respondent	<u>Theatre A</u>	<u>Theatre B</u>	<u>Theatre Y</u>
Artistic Director	Hierarchical Structure: Positive perception	Hierarchical in theory but open and collaborative in practice. Audience influence on structure and culture: Positive perception	Hierarchical structure with close knit partnership between Chief Executive and Artistic Director: Positive perception
Senior Manager	Hierarchical Structure: Positive perception		Hierarchical structure with close knit partnership between Chief Executive and Artistic Director: Positive perception
Theatre/ Customer Services / Box Office Manager	Hierarchical Structure 'Family Feel': Positive perception	Hierarchical in theory but open and collaborative in practice. Audience influence on structure and culture: Positive perception	Hierarchical structure with close knit partnership between Chief Executive and Artistic Director: Positive perception
Marketing Director/Manager	Hierarchical at the top: Positive perception but with some reservations about consultation	Hierarchical in theory but open and collaborative in practice. Audience influence on structure and culture: Positive perception	Hierarchical structure with close knit partnership between Chief Executive and Artistic Director: Positive perception
Consistency of perceptions amongst internal respondents?	No	Yes	Yes

Table 2: Issue: Organisation Mission/Direction

Respondent	<u>Theatre A</u>	<u>Theatre B</u>	<u>Theatre Y</u>
Artistic Director	The 'new'	Catering for a young audience collaborating with a variety of stakeholders. 'Participation'	Performing productions well. Balancing this with funder requirements
Senior Manager	The 'new'		Performing productions well. Balancing this with funder requirements
Theatre/ Customer Services / Box Office Manager	Accessibility	'Participation'	Producing popular productions. Funding constraints.
Marketing Director/Manager	The 'new'	Catering for a young audience collaborating with a variety of stakeholders. 'Participation'	Direction driven by funding
Consistency of perceptions amongst internal respondents?	No	Yes	Yes

Table 3: Issue: Perceptions of / Criteria for Success

Respondent	<u>Theatre A</u>	<u>Theatre B</u>	<u>Theatre Y</u>
Artistic Director	Quality of work and gaining committed staff. External funding should not be an indicator. Successful.	Quality of work and quality of experience. This will attract best artists and enhance political links with regulators.	Quality of work. Financial success. Successful on quality and improving re: financial criterion
Senior Manager	Quality of work (which leads to increased audiences)and gaining committed staff. External funding should not be an indicator. Successful.	Importance of audience satisfaction, evaluation and feedback. Box office but also general experience of the building as a whole.	Quality of work (which leads to increasing audience) Financial success Successful on quality and improving re: financial criterion
Theatre/ Customer Services / Box Office Manager	Quality of work and gaining committed staff. Social inclusion. Successful.	Quality of work and quality of experience. Importance of audience satisfaction, evaluation and feedback.	Audience satisfaction Popularity Gaining external funding. Moving in the right direction on all counts
Marketing Director/Manager	Quality of work. Box office. External funding should not be an indicator. Successful.	Importance of audience satisfaction, evaluation and feedback. Box office but also general experience of the building as a whole.	Audience satisfaction Popularity Gaining external funding Moving in the right direction on all counts
Consistency of perceptions amongst internal respondents?	No	Yes	No

Table 4: Issue: Perceptions of Audience Development

Respondent	<u>Theatre A</u>	<u>Theatre B</u>	<u>Theatre Y</u>
Artistic Director	Gaining new and younger audiences Maintaining present audiences	All activity. Relationships and collaboration with a variety of 'customer' groupings (audiences, staff, competitors, funders etc.) Involvement of the whole community Now starting to consider how to ensure maintenance of regular audience through CRM	Related to external funders' requirements. Importance of targeting specific audience types
Senior Manager	Gaining new and younger audiences. Important link with education. Maintaining present audiences through the building of relationships.	All activity. Relationships and collaboration with a variety of 'customer' groupings (audiences, staff, competitors, funders etc.) Involvement of the whole community Now starting to consider how to ensure maintenance of regular audience through CRM	Related to external funders' requirements Importance of targeting specific audience types
Theatre/ Customer Services / Box Office Manager	Gaining new and younger audiences. Maintaining present audiences through the building of relationships.	All activity. Relationships and collaboration with a variety of 'customer' groupings (audiences, staff, competitors, funders etc.) Involvement of the whole community Now starting to consider how to ensure maintenance of regular audience through CRM	Related to external funders' requirements Importance of targeting specific audience types
Marketing Director/Manager	Gaining new and younger audiences. Maintaining present audiences through the building of relationships.	All activity. Relationships and collaboration with a variety of 'customer' groupings (audiences, staff, competitors, funders etc.) Involvement of the whole community Now starting to consider how to ensure maintenance of regular audience through CRM	Related to external funders' requirements Bureaucratic concept not appropriate for the theatre.
Consistency of Perceptions?	Yes (although Artistic Director did not mention relationships)	Yes	No

Table 5: Issue: Perceptions of Marketing

Respondent	<u>Theatre A</u>	<u>Theatre B</u>	<u>Theatre Y</u>
Artistic Director	Consideration of external, competitive and internal environments.	Discussions with audience and staff through forums. Publicity.	Publicity
Senior Manager	Consideration of external, competitive and internal environments. Acquiring a London Theatre and developing a web site	Collaboration between departments.	Publicity
Theatre/ Customer Services / Box Office Manager	Consideration of external, competitive and internal environments.	Discussions with audience and staff through forums. Publicity. Collaboration between departments.	Publicity Acquisition of information through database
Marketing Director/Manager	Consideration of external, competitive and internal environments.	Discussions with audience and staff through forums. Publicity. Collaboration between departments.	Publicity Acquisition of information through database
Consistency of Perceptions?	Yes	Yes	Yes

Table 6: Issue: Theatre Beneficiaries

Respondent	<u>Theatre A</u>	<u>Theatre B</u>	<u>Theatre Y</u>
Artistic Director	Audience/ Key Staff <i>Not Funding Bodies</i>	Audience Others who dealt with the audience (teachers, youth workers etc.) Emerging artists Travelling companies Other theatres Funding bodies Theatre Board	Audience Local arts community
Senior Manager	Audience: Key Staff		Audience Artists and staff
Theatre/ Customer Services / Box Office Manager	Audience/ Key Staff	Audience Others who dealt with the audience (teachers, youth workers etc.) Emerging artists Travelling companies	Audience Artists and staff
Marketing Director/Manager	Audience/ Key Staff	Audience Others who dealt with the audience (teachers, youth workers etc.) Emerging artists Travelling companies Other theatres Funding bodies	Audience Local business community
Consistency of perceptions amongst internal respondents?	Yes	Yes	No

Table 8 summarises the consistency of perceptions for each of the three theatres:

Table 8: Issue: Consistency of Perceptions

Issue	<u>Theatre A</u>	<u>Theatre B</u>	<u>Theatre Y</u>
Organisation Structure/ Culture	No	Yes	Yes
Organisation Mission/ Direction	No	Yes	No
Perceptions of/ criteria for success	No	Yes	No
Theatre Product	No	Yes	Yes
Perceptions of Audience Development	Yes	Yes	No
Perceptions of Marketing	Yes	Yes	Yes
Theatre Beneficiaries	Yes	Yes	No

As can be seen from Table, there is a consistency of perceptions on all issues for Theatre B. Theatre A has a consistency of perceptions on the issues of audience development, marketing and beneficiaries. Theatre Y has a consistency of perceptions on the issues of product and marketing. This suggests that for Theatres A and Y there are a number of issues on which there are opportunities to bridge gaps in perceptions amongst internal parties.

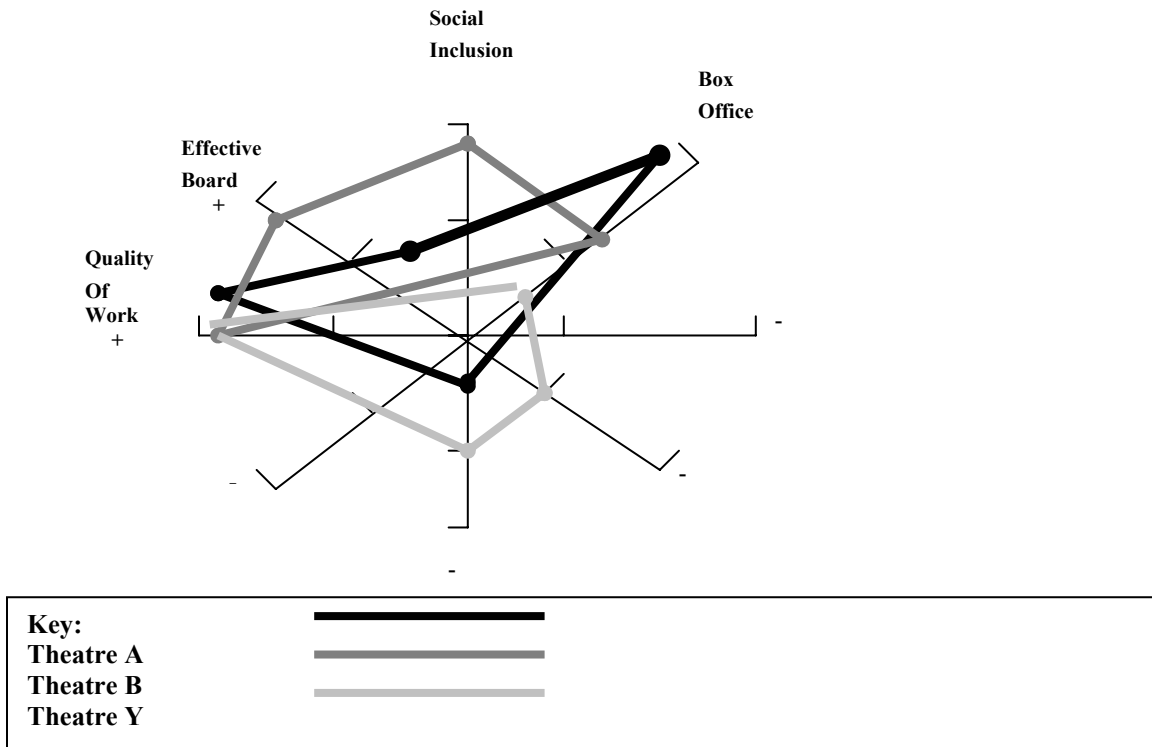
Analysis

Measurement of Success

Four indicators were agreed upon by all theatres and by formal regulators: quality of work, box office, social inclusion and effective board.

Findings from the research indicate that the *quality of work* produced by all three theatres is considered by all parties to be of a high standard. Any negative views tend to refer to choice of production offered (Theatres A and Y) rather than the quality of the productions themselves. In terms of *Box Office*, Theatre A has a very positive score on this dimension as the box office produces over half of the theatre's overall revenue. Theatre B would also seem to have a positive score based on the interviews and this would seem to be confirmed by the growth in attendance. Theatre Y also has a positive score on this dimension with interviews and audience responses indicating that attendance in itself is not a problem. However, the theatre building itself is seen as a constraint on audience growth. For Theatre A, *social inclusion* is considered to be a problem by external regulators. Some attempts have been made by the theatre, in recent years, but there is an indication that it has returned to a more traditional repertoire targeted at its core audience. Theatre B would seem to be the most successful of the three theatres in this regard. The whole *raison d'être* of the theatre is social inclusion and it would seem from external regulators that it is successful in this area. Social inclusion seems to be a real problem for Theatre Y. Its core audience is the older professional and the theatre's audience research suggests that choice of production is seen as a problem. Innovative productions targeted at other audience groups could clearly alienate this audience and the theatre may be unwilling to take such risks. The Education Department is independent of the theatre making it difficult to target a potentially younger audience and external regulators comment that a lack of social inclusion is a problem. In terms of *Effective Board*, Theatre A has little difficulty in recruiting quality board members due to its high profile. However, there does seem to be a suggestion from external respondents that there may be a degree of isolationism and arrogance on the part of some board members. The board could be said to be effective in that the theatre is financially viable but external respondents are unhappy about the theatre's lack of movement forward. Theatre B's board would seem to be the most effective of the three theatres. It seems to be a representative board and there is evidence that it regularly monitors and evaluates the theatre's activities. External regulators seem very positive on this issue. Theatre Y's board seems to be the weakest of the three. External regulators note problems with the board. They comment that the board is being driven by political motives, not being representative and being too conservative. Each theatre's performance on these can be mapped accordingly. Figure 2 displays the results of this exercise.

Figure 2: Each Theatre's Position on Four Common Success Criteria



Although such interpretations need to be treated with caution, it can be seen that in general terms, Theatre B could be considered to be the most successful, followed by A and Y.

Based on the conceptual model, Theatre B should be more strategically oriented and pursue a greater relationship marketing approach than the other two theatres. In order to assess whether this is indeed the case, the findings from the research on the relationships each theatre has with its various 'customers' including staff were further analysed to ascertain whether one-way or two-way relationships existed and the strength of the relationship elements (customer orientation/ empathy, experience/ satisfaction, trust and commitment) were interpreted.

All Theatre A's respondents saw the importance of good relationships with staff. The Marketing Director believed that the job itself was self-motivating whereas the Theatre Manager believed that it was Theatre A's organisation that made employees feel that they were part of a family. The Theatre manager also believed that satisfied staff should lead to satisfied audiences. There was also the view on the part of the Senior Management Team that quality of work attracted good performers. All in Theatre A saw the importance of having a motivated workforce. However, there was a lack of consistency of perceptions amongst staff on a number of issues and this could be interpreted as there still being room for improvement in this area.

Theatre B views on this issue dealt more specifically with actual relationships. The Chief Executive/ Artistic Director was concerned that there was added pressure on staff with young families. He was trying to overcome the feeling that attendance at work was so important.

Success bred motivation and commitment but this could also lead to pressure on the part of staff to continue this success. All respondents noted that staff had come from a variety of backgrounds (not necessarily the arts) and therefore there was not the usual 'baggage' and less demarcation compared to other theatres. All saw the importance of a common commitment to the organisation and all mentioned that there were regular staff meetings and all staff had the opportunity to input ideas.

Theatre Y respondents also noted the importance of the job itself being a motivator. The Artistic Director believed that permanent staff were generally happy and had an emotional commitment to the theatre. He also believed that quality actors performed at Theatre Y so that they could:

“act in a ‘proper play’”

The Box Office Manager felt that each department maintained the motivation of its staff through regular meetings within her Department. All felt that they could have a say if they wished to do so. However, there seemed to be little actual two-way dialogue with staff outside of this particular department with a less than supportive view of staff coming from Senior Management. There was no evidence of an attempt to build relationships with staff and little evidence of evaluation of staff perception.

Theatres' Relationships with Employees Overall

The relationship between Theatres A and B and their employees would seem to involve *a high level of customer empathy* on the part of the theatres overall, *positive experience and general satisfaction* on the part of the staff, *high levels of mutual trust /commitment and two-way communication*. In contrast, Theatre Y's relationship with its employees would seem to be characterised by *low customer empathy on the part of the theatre, poor experience and low levels of satisfaction on the part of staff, low mutual trust/commitment and one-way communication*.

Table 9 summarises the above findings for all three theatres.

Table 9: Theatres' Relationships with Employees Overall

	Customer Empathy	Experience/ Satisfaction	Trust/ Commitment	Communication
A's relationship with other employees	High	High	High	Two-way
B's relationship with other employees	High	High	High	Two-way
Y's relationship with other employees	Low	Low	Low	One-way

Discussion and Conclusion

Using a combination of indicators, Theatre B is the most successful of the three theatres, followed by Theatre A and Theatre Y. The conceptual model suggests that the application of a relationship marketing approach, rather than a transactional one, is more likely to lead to success. A relationship marketing approach attempts to build mutually beneficial relationships with a variety of 'customer' or 'stakeholder' types. The following table summarises the findings for all three theatres on the relationship elements of customer empathy, experience/satisfaction, trust/commitment and effective two-way communications with internal customers. A judgement as to the strength of each relationship is made. A relationship is designated as 'strong' if each element (customer empathy, experience/satisfaction, trust/commitment) is high and where there is two-way communication. A relationship is weak where each element is low and where communication is one-way.

Table 10: Strength of Relationship Each Theatre Has With Its Staff

	Customer Empathy	Experience/ Satisfaction	Trust/ Commitment	Communication	Relationship
Theatre A's relationship with other employees	High	High	High	Two-way	Strong
Theatre B's relationship with other employees	High	High	High	Two-way	Strong
Theatre Y's relationship with other employees	Low	Low	Low	One-way	Weak

The proposition for the research was that the more a relationship marketing approach is used, the greater the strategic perspective. This strategic perspective overcomes the over-emphasis on short-term tactical actions (with marketing merely being seen as publicity) and enhances theatre effectiveness. The research findings suggest that Theatre Y tends to display a short-term tactical perspective and Theatre Y has been assessed as the least successful of the three theatres on the criteria of quality of work, box office, effective board and social inclusion. Theatre Y would seem to have a weak short-term relationship with its staff. In contrast, the research findings suggests that Theatre B has a strategic long-term perspective in its dealings with staff as does Theatre A.

The analysis of findings, therefore, suggests that in the case of internal partnerships, the theatre that uses a relationship marketing approach the least, is less strategic and the least successful.

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