

## IMPORTANCE OF MANAGEMENT STRATEGIES IN MUSEUMS AND GALLERIES

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### ABSTRACT

Strategies in the management of museums and galleries show the need for strategic management and governance, which is a key factor for the quality management of galleries and museums.

This area of culture management is a specific area for itself, because culture is traditionally observed as a very vulnerable area, due to lack of financial resources that would normally characterize these activities. Planning, implementation strategies, the results of performance achieved by good strategy are essential elements of any management. Since museum and gallery activities in the Republic of Croatia are in an unenviable position, this paper will show some of the possibilities for better management, will an emphasis on the importance of management, strategic management and the potentials that can be achieved through quality marketing management, to increase the number of service users and thus generate revenues.

It will explain the fact that museums and galleries can increase the number of users through strategic management and marketing activities, in order to create revenue by attracting customers, by offering well-attended exhibitions, being thus a successful organization.

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## 1. INTRODUCTION

The area in which the work of museums and galleries is constantly changing, thus it is necessary that museums operate and adapt to the conditions and changes in the market. This includes monitoring of market trends and monitoring of culture of visitors to museums and galleries.

Museums can be general and specialized according to the type of museum holdings, as well as national, regional and local according to geographical area in which they are. In carrying out activities within the system of museums in the Republic of Croatia, museums can be the first level museums and second level, in line with the Ordinance on the method and criteria for integration into the system of the Croatian Museum.<sup>1</sup>

Museum and gallery activity itself is a set of a large number of business activities in the field of museum that permeates through the whole range of activities.

Museum activities include: collection, preservation and study of civilizing, cultural and natural resources and their professional and scientific processing and systematizing the collection, permanently protecting the museum collection, the museum documents, museum sites and sites, directly and indirectly, their presentation to the public through permanent and temporary exhibitions and dissemination of information and knowledge on the structure of the museum and museum documentation through the professional, scientific and other communications. Museums, as well as museums, galleries and collections within institutions and other legal entities, must be linked to the system of Croatian museums to adopt a unified approach to professional museum work. Methods and criteria for connecting to the system prescribed by the Museum of Croatian Culture Minister at the proposal of the Croatian Council of Museums.<sup>2</sup>

## 2. MUSEUM INDUSTRY AND ORGANIZATION

The museum industry is characterized by series of features that make it a challenging environment in which to operate and compete. One of these features is to cultural industries, product performance must be viewed as multidimensional, because cultural goods have a twofold nature: they are at the same time artistic products and economic products. Moreover, quality evaluation in the museum industry

<sup>1</sup> <http://www.propisi.hr/print.php?id=6109> (20.02.2013)

<sup>2</sup> Antolović, J.: Menadžment u kulturi, Hadrian d.o.o., Zagreb 2009., p. 69

is inherently difficult since products of the creative industries differ unpredictably in the quality levels that consumers, funding bodies and other relevant stakeholders see in them.<sup>3</sup>

Method of organizational development in culture and arts is being conducted as a response to the new management changes in the environment and the new demands of cultural policy. Organizational development is a complex process that includes educational strategies to enhance capacity building of organizations and institutions to operate successfully in the long period of time. It helps the organization adapt to change, creating it at the same time creating. Therefore, in this process some conditions should be created, so that the organization can, through learning process, enrich its capacities in all areas of operation and management, to implement the strategic plan which could be adapted for strategic thinking - and that is to become the center of excellence (both programmatic and artistic sense and control) and to become adaptable to the expected and unexpected changes in the environment.<sup>4</sup>

### **2.1. Organizational models**

The following alternative organizational models for museum staff highlight different ways in which museum management can overcome compartmentalization and facilitate teamwork among museum staff:

- Hierarchical pyramid;
- Matrix organization; and
- Task forces

These models are by no means mutually exclusive and may be used in combination as required in the life of the museum. Thus the organization chart may be drawn as hierarchical pyramid, with matrix organization and/or task forces being introduced as needed for specific functions on projects.<sup>5</sup>

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<sup>3</sup> [http://cordis.europa.eu/search/index.cfm?fuseaction=proj.document&PJ\\_LANG=EN&PJ\\_RCN=11478157](http://cordis.europa.eu/search/index.cfm?fuseaction=proj.document&PJ_LANG=EN&PJ_RCN=11478157) (1.3.2013)

<sup>4</sup> By: Dragojević, S., Dragičević – Šešić, M., Menadžment umjetnosti u turbulentnim vremenima, Jesenski i Turk, Zagreb, 2008. p. 67-68

<sup>5</sup> Lord, G.D., Lord, B., The manual of museum management, Second edition, Altamira Press, Lanham 2009, p. 30

There is a thesis that culture management is a result of experiences in culture of art organizations in the U.S. during the sixties. This thesis supports the fact that the U.S. cultural creativity and culture flows much more influenced by the market than it is in Europe, the European experiences mostly pointed to the development of culture and cultural creativity, supported by wealthy mecenases. This European experience has been illustrated by Frederick Dorian in his book "Commitment to Culture" (1964) trying to show the Americans the European way of thinking related to stimulating culture and art. Also, state subsidies as incentives for cultural creation in the U.S. have never gained much interest, as opposed to the European experience.<sup>6</sup>

## **2.2 Managers in culture**

What do managers in culture do? What are their duties and tasks?

Managers in culture:

- Develop plans for cultural programs and actions
- Develop a plan to raise funds and organize its implementation
- Investigate and win the sponsors, donors and financiers
- Collect funds from budgetary support and other sources
- Research market in the field of culture
- Developed marketing plans
- Promote public relations
- Provide human resources and equipment necessary for the execution of planned activities,
- Support and encourage cultural development
- Manage the human resources and persons employed or engaged
- Have the role of leadership, especially coordination and supervision
- Create and manage financial policy financial resources
- Prepare, monitor, and if necessary, revise the budget
- Establish the necessary level of office and administrative operations
- Negotiate procurement of necessary goods and services, etc..<sup>7</sup>

<sup>6</sup> Antolović, J.: Menadžment u kulturi, Hadrian d.o.o., Zagreb 2009., p. 15

<sup>7</sup> Antolović, J.: Menadžment u kulturi, Hadrian d.o.o., Zagreb 2009., p. 24

### 2.3. Strategic objectives

Museums and galleries, as well as any other company must operate in line with their objectives, strategies and strategic actions.

The strategic goals are long term and are the answer to the question of what the museum wants to be in the future. Operational objectives may be short-term or medium-term, and they are determined by the tasks that must be successfully completed to achieve the strategic tubes. They answer the question of how the museum wants to look and vision that it wants to accomplish in the future (program planning, organization, internal structure, financial policy). Based on the current situation and the current situation strategy defines what the state should be achieved, when in certain activities the change would occur; why change is necessary, what funds are needed for it. Strategy determines the direction of development, goals and the steps in order to make to achieve them.<sup>8</sup>

Figure 1 shows the relationship between vision and mission that lead to the goal where the museum wants to be, which is achieved through strategic action and strategic management.

Picture 1: the vision and mission, the distinction

Vision	Mission
Inspiring	Reinforces the values and defines the identity
Anticipated and promoted a new aesthetic and programmatic challenges - a trend setting	Defines the aesthetic - program criteria
Mobilization	Reinforces organizational cohesion
Different and innovative	Recognizable in public
Ambitious	Achieved adequate resources organization
Future oriented	Present oriented

Source: Dragojević, S., Dragičević – Šešić, M., Menadžment umjetnosti u turbulentnim vremenima, Jesenski i Turk, Zagreb, 2008. p. 13

The table shows a comparison of a vision with a mission through all segments covering each, presenting the acts.

<sup>8</sup> By: Mat, G., Flac, T., Lederer, J., Menadžment muzeja, Clio, Beograd, 2002. p. 34

Possible strategies for cultural development can be:

- The strategy of internationalization / Europeanization / regionalization
- The strategy of raising the quality of the audience,
- The strategy of decentralization programs and activities,
- Strategy alignment with professional standards ...

Cultural development plan must opt only for a few basic strategies that will contribute to the realization of the fastest goals.<sup>9</sup>

### 3. MARKETING OF MUSEUM AND GALLERIES

Marketing is the most crucial factor in linking the museum and gallery with audiences and customers that provide museums and galleries, and it is achieved through a high-quality promotion of museums and galleries.

Marketing is the art of finding, developing, and profit from a variety of conditions. If the marketing department does not see any opportunity, it is time to dissolve it. If managers can not imagine marketing new products, services, programs and systems, for which are they paid?<sup>10</sup>

Promotion of cultural products is an element of the marketing mix of cultural institutions that still has not been sufficiently represented by our cultural institutions. Although publicity and public relations serve as promotion activities, on the other hand, activities of advertising and sales promotion have not been used at all, although the main role of advertising in cultural institutions should be getting to know the market of cultural products, their quality and properties.<sup>11</sup>

The promotion of marketing services at the official website of particular Croatian museum is shown below.

For these museums the marketing departments are classified as one of the most significant aspects of museum activities, focusing on the most important focus, and this is attracting the visitors.

<sup>9</sup> By: Dragičević – Šešić, M., Stojković, B.: *Kultura, menadžment animacija marketing*, Clio, Beograd, 2011., p. 67

<sup>10</sup> Kotler, P.: *Kotler o marketingu, Kako stvoriti, osvojiti i gospodariti tržištima*, Masmedia d.o.o. Zagreb, 2006, p. 44

<sup>11</sup> Meler, M.: *Marketing u kulturi*, Ekonomski fakultet u Osijeku, Osijek, 2006. p. 222

### **3.1. Example of marketing in the Museum of contemporary arts in Zagreb**

Key activities of the marketing department are the following: publicity, sponsorships, sales, organizing of marketing actions; being intertwined, finally contribute to its ultimate goal to contribute to recognition of the Museum of Modern Arts and to the improvement of conditions for the implementation of the program. In collaboration with the Department of Public Relations. The marketing department coordinates the overall presentation of the exhibitions and other programs of MSU to the museum partners and to the public. Starting from the application of visual exploration of cultural identity to the market in the context of the presentation and implementation of specific programs, the goal of promotional activity is detectable, stable and attractive brand of the institution.<sup>12</sup>

### **3.2. Example of marketing in the Museum of arts and crafts**

The marketing and public relations office is based in the Museum of Arts and Crafts-1980s as one of the first of its kind in Croatian museums. The primary task was to systematically develop cooperation with the print and electronic media, and marketing of all forms of creative cooperation and relations with the wider public as a means of promoting museum programs and the reputation of the museum to the public.

By monitoring the changing needs of visitors for quality cultural offerings, based on a set of high professional and academic standards, and monitoring the overall artistic production, marketing department adjusts the placement of cultural products to potential customers by continuously adapting and improving the quality of communications and public relations.<sup>13</sup>

## **4. CONCLUSION**

Museums and nonprofit galleries in addition to basic services, procurement and presentations offer more and more services. Even the smallest museums today have a booth to sell books, supporting material within exhibitions, postcards and materials devoted to exhibits. In larger museums there is often a museum store, restaurant, or (rarely) a library. The goal is to complement the offer of basic services in museums and exhibition activities. The success of a museum and its appeal to the

<sup>12</sup> <http://msu.hr/#/hr/63/> (17.10.2012)

<sup>13</sup> <http://www.muio.hr/hr/muo/marketing/> (17.10.2012)

public not only depend of exhibitions and collections, but is a common result of art, the building of museums, shops, restaurants, staff and atmosphere.<sup>14</sup>

Some world-famous museums like El Prado and Reina Sofia in Madrid have introduced free admission to museums after 5 p.m., because at that time there were the least visitors, so before entering the visitor has to take a free ticket to have access to enter the museum for free. This activity has resulted in a huge queue at the entrance to the museum, which showed an additional effect through the crowds in gift shops located in the museums, before and after 5 p.m., while the visitors were waiting to enter the museum.

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<sup>14</sup> By: Mat, G., Flac, T., Lederer, J., Menadžment muzeja, Clio, Beograd, 2002. p. 101