

a-n business model case study

Mark Robinson, Thinking Practice



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ENGLAND**

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Case Study Author:

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a-n The Artists Information Company Business Model Canvas

<p>KEY PARTNERS</p> <ul style="list-style-type: none"> Members AIR Council Insurance providers Research partners Funders Press Contemporary Visual Arts Network (CVAN) Scottish Contemporary Art Network (SCAN) Artists Unions Development partners Campaign partners 	<p>KEY ACTIVITIES</p> <ul style="list-style-type: none"> Advocacy and campaigning Membership offer Developing content and community via social media, online resources and tools Professional development workshops and events Bursaries for professional development Research Advertising sales Marketing 	<p>VALUE PROPOSITION</p> <ul style="list-style-type: none"> Contributing membership of and insight into a community of artists based on shared knowledge, expertise and credibility Professional development and practical support Information and research to affirm value of artists in society and stimulate contemporary visual arts practice 	<p>CUSTOMER RELATIONSHIPS</p> <ul style="list-style-type: none"> Partnership Active Two-way exchange Informed Community Trust Understanding Empathy 	<p>CUSTOMER SEGMENTS</p> <ul style="list-style-type: none"> Artists Commissioners of artists Higher and further education Policy makers Arts Council England Other funders
	<p>KEY RESOURCES</p> <ul style="list-style-type: none"> Member community Board, artist advisory group Staff and freelancers Networks Digital infrastructure Content (resources, research and archive) Intellectual property 		<p>CHANNELS</p> <ul style="list-style-type: none"> Online (website and social media platforms) Events Universities and colleges Arts networks 	
<p>COST STRUCTURE</p> <ul style="list-style-type: none"> Staff Commissioned content Research and editorial Digital infrastructure Online services Bursaries 	<ul style="list-style-type: none"> Professional development workshops and events Campaigning Office Administration Marketing Research and development 	<p>REVENUE STREAMS</p> <ul style="list-style-type: none"> Membership fees Arts Council England Licensing of Intellectual Property Commission (Insurance and other business partnerships) Consultancy 	<ul style="list-style-type: none"> Advertising and partnerships Intellectual Property fees 	

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stimulate and support
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practice and affirm the
value of artists in society.

Introducing a-n

Founded in 1980, a-n The Artists Information Company is a limited non-profit company providing services and information to its artist membership based on a fee.

a-n is the UK's largest visual arts membership body. Its membership consists of over 19,000 practitioners and creative freelancers. They work within fine art, applied art, live art and moving image, sound and text-based practices, digital animation, curatorial, participatory, public and community arts.

Through advocacy and information and from the perspective of artists, a-n's mission is to stimulate and support contemporary visual arts practice and affirm the value of artists in society.

a-n delivers a range of services and activities open to members and others. These include an extensive website that includes news, artists' blogs, reviews, campaigns and information and guidance. It also advertises, publishes and lists opportunities for paid work for artists.

It has offices in Newcastle and London. It makes extensive use of digital technology to enable virtual and distributed working, allowing staff to work from home and regular freelancers to contribute from around the UK. It manages this through frequent Skype catch ups and weekly online team meetings, as well as regular 'real world' all company meetings.

a-n receives regular funding from Arts Council England as a National Portfolio Organisation.

The Business Model

The Value Proposition is the heart of a-n's business model, although innovation has come from multiple 'epicentres'.

a-n offers members, funders and other customers and partners a way to be a contributing member of the community of visual arts practitioners through events and online tools like the blog platform. It also offers members essential professional benefits like Public and Products Liability insurance.

The membership informs and helps shape the environment in which a-n operates. It also generates the bulk of the income for the organisation. Key activities and resources are therefore focused on supporting members' professional needs, listening, and responding to issues of importance to artists with appropriate advocacy materials and campaigns.

At the heart of a-n's Value Proposition is a community of artists and those who work with them. People share views, ideas and experiences and in doing so create value for each other.

It is the 19,000 members who create what might be called the 'raw material' for the business model. a-n manages the platform for this sharing community and alongside produces programmed editorial content. It presents news and debate from across the sector as well as resources and guides to support professional practice.

The editorial approach is not about dictating a position for artists but enabling the diversity of views within the sector to be shared. Neither is it about a-n being seen as 'the experts'. a-n seeks to collaborate with its artist members and other sector stakeholders with the purpose of empowering rather than talking down to artists. This can be seen in the approach to developing material through which artists negotiate their exhibition fees, rather than seeking simply to work with employers to establish agreed minimum rates.

Membership enabled by digital online communication tools is now the core of a-n's business model. It is not, however, a membership offer based wholly on access to services and a list of 'benefits', although these are used for marketing purposes with the Insurance offer being especially valued by members. It is an offer centred on membership of a community or constituency.

This membership then becomes a research group as well as a large group of 'customers'. Although membership

counts for 75% of total revenue income, membership fees are kept relatively low in recognition of the low income among artists.

Events are also part of the model, bringing the digital and real world community together. Events are generally promoted with relevant sector partners and are demand-led. a-n is currently piloting new events with partners, tackling more specific contexts and issues, and determines that it can grow or contract 'face-to-face' opportunities as the need among the membership increases or declines. Partnerships also form around campaigns such as Paying Artists, bringing together alliances around particular themes. This approach allows a-n to be flexible and to bring new elements to its community.

25% of revenue comes from public funding from Arts Council England (ACE). The intelligence gathered from artists and the support given to that community form an attractive Value Proposition for ACE.

The vast majority of revenue, however, is self-generated through membership fees, licensing, commission, advertising and consultancy. The average a-n membership renewal rate is 70% with an average growth of 2% of new members acquired per year. The membership has grown consistently year on year with a 32% increase in the number of memberships held since 2010. Fees are paid on anniversary of membership for a recurring revenue stream throughout the year. This allows a-n to anticipate budget and cash flow. Fees from licensed access to resources via 76 higher and further education institutions across the UK are paid annually via a single JISC Collections partnership agreement. Commission fees are earned from additional insurance packages sold to members by a-n's insurance partner.

Advertising is a reducing element of the business model, reflecting global trends. Advertising targets are modest and often now connected to partnership agreements. Developmental partnerships with organisations such as local authorities and county arts development projects are created where opportunities arise rather than in a pre-planned manner. This better reflects the nature of a-n's work as arising from a community rather than a top-down 'strategic' approach. It is no less strategic than many more 'prioritised' approaches, as it forms part of the company's ongoing strategy.

Change and Innovation

a-n is an interesting example of an organisation that has evolved continually over a long history. It has responded to changes in context and the possibilities of digital technology with two major innovations in recent years.

The company was once heavily associated with print, especially through the monthly a-n magazine - previously known as Artists Newsletter - and a series of guides to areas of visual arts practice. It ceased print publication of the magazine in 2012 and has broken new ground in digital publishing and community.

During the same period there was also a shift from artists contributing by subscriptions to the magazine, to the membership model.

The creation of AIR in 2007 - essentially an advisory committee of artists - led a-n to view membership as having a vested interest in the company. This happened at the same time that new digital tools were opening up the publishing process, especially online. Artists could publish directly and a-n was able to combine print and web publications around things like the Degree Shows Guide, making reviews live via a microsite.

The pace with which information could be shared changed the model. Blogs enabled artists to publish, unedited by others, and share information. In keeping with its desired partner and customer relationships, a-n set its 'artists blogs' area up to be self-regulating.

At the same time print was becoming more expensive, advertising was moving online and more subscribers were choosing the 'online only' subscription option. A tipping point came where the move away from print became a positive one. Although it was feared there might be a drop in members at this point, this was not the case. The speed of delivery made possible by digital and online is attractive to members and partners.

Significant investment has been required and will continue to be required into the digital infrastructure.

That will include databases, servers, communications tools and platforms, as well as the public website.

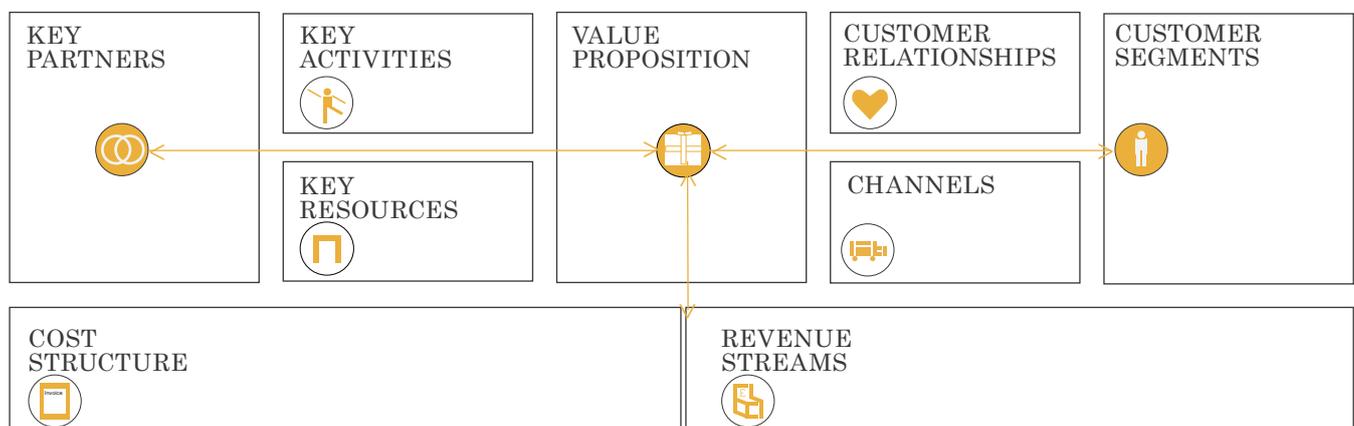
a-n's staffing model responds to its community and is designed to better contribute to it by employing a high proportion of artists or professionals with a background in arts practice. Although this helps the company be flexible in its cost base, expanding the contract as necessary, it also has a beneficial cultural effect. The working culture to some extent reflects that of the community it serves - artists mainly but also arts professionals of other sorts. This is an example of 'customers' seeing themselves reflected in an organisation and this helping establish trust.

Publishing a monthly magazine as well as a website created a particular rhythm of work that had to change radically when the move came to more agile digital information. This has involved working across a number of digital platforms as social media has developed.

In many ways it is wrong to describe a-n as delivered through a web portal as it 'exists' simultaneously often across website, Twitter stream and Facebook page. This innovation has been driven by technological change, customer trends and by the fragmentation of the publishing or information industries. As members want to access information via mobile devices, a-n had to reimagine itself as multi-locational. Although there was not a big shift in staffing numbers, editorial staff have had to adapt to creating content on a daily basis and being responsive to live events as they happen.

Managing this change and the continued evolution of the model under a new Executive Director, Jeanie Scott, has required a combination of careful consideration, strategic opportunism and risk-taking from the leadership and board. The move from print to online only publishing, for instance, followed an in-depth review but was also a leap of faith. The model has worked through that change because of the depth of the community a-n has been part of and the lack of reliance on other funders.

The Core of Business Model Innovation



Based on the Business Model Canvas by Strategyzer.com

The creation of AIR (a Key Partner) changed the way a-n viewed its membership, influencing its Value Proposition. New digital tools opened up the publishing process, allowing artists (Customer Segments) to publish directly, contributing to the value of a-n. The shift from subscriptions to memberships is influenced by and contributes to the Value Proposition by adding to the sense of a community of artists.

Have you been inspired by this case study?

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then tell us about it so your
experience can inspire people too.

Email sara@a-m-a.co.uk

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