

A view from the frontline

Making the case for integrating development and marketing functions within an arts organisation

*Arts organisations have the option of integrating their development and marketing functions or maintaining a separation. This article reports a case of integration. In it **Dr Jane Donald**, Director of External Relations for the Royal Scottish National Orchestra, discusses her practical experience and explores the business reasons for combining the functions.*

Two years ago my role at the Royal Scottish National Orchestra changed. My responsibilities for marketing and communications were expanded to encompass our development functions. This experience has confirmed my belief that development and marketing have much in common and that combining them has had considerable strategic and tactical benefits.

We merged two former departments to create the RSNO Department of External Relations thus bringing together communications, marketing and development. This saved a senior salary, enabled additional modest expansion of the operational team and flattened our structure. But, more significantly, it facilitated the creation of an integrated and unifying planning framework. This is centred round a strategy with four main elements. In this short article I use these to assert the advantages of integration.

Our four main planning elements are Research, Revenue, Reach and Reputation – communicated internally as our ‘4Rs’. In practice these don’t come apart – they interact with each other. But this framework is very useful for shaping policy and action and evaluating performance. It is also useful for the analysis of integration. In particular it is helpful for understanding the similarities and dissimilarities of marketing and development. This approach demonstrates that the similarities are obvious and considerable but that there are tensions. However I argue that my experience suggests that such tensions are best managed when the relevant teams work closely with each other and come together in the same reporting structure.

Research and Information

The primacy of research is recognised in our department. We have developed and clarified the role of our Information Services (IS) Manager who identifies, collates and analyses data to support all functions in the department. This position is particularly valuable in relation to integration. The research function is fundamental to overviews and oversight by preparing both reports for Senior Management and our Board and providing information for action by our teams. IS undertakes, supports and communicates our research. An example is the analysis of externally generated box office data. Our Manager trains and advises our teams in how to make best use of data for their own specific purposes. Members of the

department can request particular investigations and help. Specific research assistance is also provided. This includes support with a range of activities including: discovering donors' purchasing patterns, enabling better understanding of customers' particular musical tastes, initiating telephone research to understand customers, subscribers, members and donors' behaviours, motivations and concerns and so on. This overview of all external contact data enables the team to understand the often interlinked relationships individuals have with the RSNO.

Of course our research is not confined to the analysis of data relating solely to external matters. Identifying and communicating ideas matter. Creative organising involves capturing and articulating the dreams and aspirations of colleagues inside the organisation. In the case of the RSNO these frequently come from our Artistic Planning and Learning and Engagement departments. And this is important in balancing the requirements of our other 3Rs. And ultimately this balance means relating internal ambitions to external realities. So our research is located in External Relations and intimately related to reach, reputation and revenue.

Revenue

Sales and fundraising are both aimed at raising income for the organisation. Marketing and development have wider functions - they must care about reach and reputation which are long term strategic concerns rather than short term tactical goals. Traditionally 'development', as the name implies, has had the ambition to be acknowledged as being strategic and 'marketing' in the performing arts has sought to rid itself of the image of mere 'bums on seats' sales. Our problem is to reconcile the pressures, which both functions share, of the demands from our finance department to meet short run revenue targets. Integration does not remove such challenges nor does it remove the real differences in the interests of the functions. Tensions remain. A simple example from the RSNO concerns the distribution of tickets. We have a general agreement on the allocation of seats. But on the evening of a sold out show we still vie for tickets. Fundraisers quite rightly want to ensure that top donors and sponsors, with last minute requests, are accommodated to ensure future support or to build new partnerships. Seat sellers wish to sell the tickets to reach their targets – premium seats in a sold-out hall are prime inventory. Such dilemmas will always remain. What changes? More rational and efficient reconciliation. Closer working between team members can ensure that these judgements are made together and systems are developed to ensure more efficient and effective processes. Although we still need to spend time and energy on deciding how to act, we limit the real costs of unnecessary internal transactions by closer proximity, mutual understanding and negotiated targets. Putting the participants in the same department helps to reinforce the message that we share the same, if sometimes competing, goals and values.

Reach

Our 'National' status determines the aspirations of our reach. We are required to cover Scotland geographically to seek a wide demographic and to deliver both traditional and innovative classical music to a range of audiences. Paradoxically a condition of this wide reach is the retention of our core, sustaining support. This paradox reveals the diversity of goals and activities that marketing and development must jointly manage. Many of our core supporters regard themselves as important custodians in Scotland of a, largely western, tradition of classical music. Our education (Learning and Engagement) and Artistic Planning departments must extend our reach to the young and to other new attenders. The core would not necessarily enthuse about 'popular', 'folk', 'jazz', 'film' etc. For example core audiences and supporters need to be persuaded that offers like 'Naked Classics' (our initiative to explain and present popular classics) should sometimes be substituted in place of a more traditional symphony. The task of harmonising the competing interests of reach falls to both development and marketing. A fifth R, retention, reveals the desirability of them working particularly closely. This is exemplified by the Naked Classics dilemma. These performances attracted a new audience and a media sponsor. But they appeared to threaten the core attenders. In practice this was not born out. Audience development concerns dictated low prices and the wide communication of the nature of the performances. These combined to attract significant numbers of the core - including those who wished to learn more about the music from an amateur with orchestral illustrations plus a full performance. All for a subsidised price. Integration of marketing and development is proving invaluable as we work with other departments to develop alternative approaches to reaching more people and retaining the core.

Reputation and Communication

Establishing and maintaining an appropriate reputation is of course central to all arts organisations. Changing times and cultural values mean a continuous effort to promote, project and indeed enhance our identity and status as Scotland's National Orchestra. And our income streams and targets depend on our reputation. The promotion and projection of the image of the Orchestra is a special responsibility of the External Relations department. Indeed I would argue this is the arena in which integration of marketing and development functions is most beneficial. A strong brand identity enables the RSNO to deliver appropriate messages that resonate with all external constituents from long-term donors to the media to first time attenders. Successful marketing and fundraising is founded on making a strong case for the organisation and telling the right people about it at the right time. And the background to all successful campaigns is the established reputation of the Orchestra. Managing and building the organisation's brand (traditionally thought of as the preserve of marketing) and developing a case for support (an activity generally undertaken by the development department) are inescapably linked. The recognition of synergies is desirable. Reputation matters to all our departments. But what integration has done has been to establish a unified team which is particularly aware of the sensitivity and importance of clear, consistent and compelling messaging to all our external constituents.

A team of specialists and generalists

Members of the integrated team are required to be both specialists and generalists. At the RSNO we recognise professional status, skills and knowledge. Membership, sponsorship, marketing and sales, new audience initiatives, graphic design, events management, communications, relationships with high net worth donors, digital development and research each require the specific expertise of particular individuals. It is important that the integration of the functions with which they particularly associate themselves does not undermine the recognition of their status and identity. At the RSNO we have sought to assure them of their worth. At the same time we oblige them to engage in more general marketing and development roles. This is useful for both the organisation and for their personal development. The integration of the departments has increased the opportunities for more general work. For example we all share concert duties and are expected to be aware the needs of all audiences, media, sponsors, members and donors. We now also share aspects of copywriting to a much greater extent. This sharing of roles has increased flexibility and efficiency of the organisation and at the same time has provided team members with insights into other functions. This enhanced understanding and close working affords more consistent communications.

Our experiences at the Royal Scottish National Orchestra may not be transferable to all other arts organisations. I hope that by reporting our approach, motivations and results to date will, at the very least, prove useful to others considering merging their marketing and development functions and strategies.