

Keynotes

Heather Maitland, independent consultant, lecturer and author ***Exploring relevance: current and emerging trends***

Heather explained that she was going to talk about some of the ways that the world is changing, how this will affect museums and galleries and what marketers can do to exploit current trends.

Heather started with the obvious – the continuing impact of the recession:



- Office of National Statistics data shows the economy was still shrinking at the end of 2009
- UK retail sales fell by 1.8% in January
- Sales of household goods fell by 13.4% in January, the biggest drop since January 1988

Things are not looking great. There is one positive impact – the death of conspicuous consumption. But apart from that it's not great news.

However, the figures indicate something interesting going on. For example, sales of wines retailing at over £20 per bottle at Majestic Wine Warehouse have gone up by 14%... because there is a 6 bottle minimum purchase rather than 12.

Asda reported sales of balsamic vinegar rose by 70% last year, because people are trading up as a result of trading down – staying in for posh home cooking rather than going out to restaurants. Sales for shopping at Aldi, Netto and Lidl increased by 8% in 2009, but autumn 2008 showed a significant rise of 25% up on autumn 2007.

This suggests people are now cherry picking – they are buying the continental deli items here but the bulk of their shopping back in their favourite supermarket. Heather pointed out that people are looking for the same lifestyle for less, evidence being increased sales for Waitrose and Sainsbury's.

How can we make sense of all of this?

- It's about value for money rather than being cheaper
- Attract attention with offers
- Maintain top prices as reference prices
- Add value in other ways

Value for money includes the whole of the visit – transport, food and drink etc. Marketers can respond by emphasising value for money, not cheapness. They can attract attention with offers, as long as they maintain the top prices so there is a gap. A bargain has to feel like a bargain, after all. The recession means that people are taking a second look at what matters to them, they're not cutting down on luxuries, and they just look to get them for less.

Alongside engagement with online communities, people have a stronger sense of place and pride in their physical neighbourhood. In spite of people joining online communities they also have got a much stronger sense of physical space. The sense of place is becoming really important.

For example, augmented reality is an online phenomenon designed to help people get the most from the real world, i.e. their immediate surroundings. ‘

The economic and social heart of these physical neighbourhoods is the High Street. Increasingly, unique experiences are unique because of a strong sense of place. Many of our museums and galleries are part of this physical neighbourhood. But this urban landscape is changing dramatically.



The economic and social heart of most of our communities is under threat: in Wolverhampton, Bradford and Sheffield, more than 20% of shops are empty.

New Economics Foundation research indicates that most regenerated town centres have lost their sense of place because chains have driven out independent retailers in many high streets, so they all look the same. Worse, in the current recession these chains are more likely to pull out sooner than independent shops where the owner lives in the community. Independent owners try to hold on to the business, as they can see the impact of their actions.

Price Waterhouse has identified that up to 20% of these empty shops will stay that way, and will never be repopulated. 11% of independent florists closed last year, the ones that failed to offer anything different to supermarkets. Those that survive have a unique offer and online presence.

Heather has an empty Woolworth's on the high street of her home town, and can see the long-term blight this causes. If the town centre becomes less of a focus, what will happen to the people who make a visit to our museums and galleries as part of a shopping trip? What are we going to do if our town centres are places that people no longer want to visit? The cultural and creative industries are already taking over those empty outlets, but marketers can start lobbying for mixed occupancy, more residential sites, and there is proof that it works.

However, it's not all bad news – The Lanes in Brighton (bastion of creative industries and small independents) only has 5% empty shops. They are successful because they offer something personal and independent. This contrasts with high-street chains accounting for 14% of Brighton's empty shops.

People are looking for the unique and individual

Having something no-one else has enhances self esteem. But it's not about luxury in the sense of the biggest or most expensive. It's now about objects of desire that meet practical needs. Take Brompton bicycles: sales are up by 25%. They start at £600 and people are



buying them to save on train and bus fares. They are clearly not the cheapest bikes around. It's really a cult object of desire – with 4 million permutations of colours, parts and accessories, as well as being useful.

Real time experiences are the ultimate in individuality – they literally can't be copied. Toy sales usually suffer in recession, but interestingly not so much this time round. For example, sales of Scalextric sets were up by 30% at Christmas 2009. But the increase in sales is at the top end of their ranges and is driven by desirability – the endorsements by Jenson Button and Lewis Hamilton, for example, so that Dad's heroes drive and increase desirability.

Why is this happening? Remember the £20+ bottles of wine? But we also have the Lidl and Aldi thing going on. Top and bottom of the range are doing well but the middle ranges are being squeezed across most sectors. This certainly happened with theatre at the end of the mid 90s, the middle of the range repertory companies and venues suffered.

How are we going to respond?

This is about decisions: are you the cheap and cheerful day out or the self-indulgent treat? What we can't be is middle of the road. We have to give people a reason to leave the house, which ties into their sense of self and place. We have to make it unique and worthwhile going out for.

Decide where your brand fits. Be one thing or the other, don't be middle of the road

TNS is a major market research consultancy; a recent survey of 5,000 people asked 'how well off do you feel compared to this time last year?' The responses came back as:

- 15% feel better off
- 30% feel about the same
- 55% feel worse off

You're in trouble if you've been made unemployed, redundant, have had your hours cut or are on a fixed income... then actually life is not great at the moment. Some groups are doing particularly badly:

- Nightclubs saw a 14% fall in a 7-week period covering Fresher's Week.
- Price promotions have no impact – this was in spite of entry being reduced to £10 including 7 free drinks and a free hot dog. 'So discounts have absolutely no impact'.

Why? This group of under 24s are not feeling squeezed, they literally have no money because of a huge rise in unemployment among under 25s and the student loans fiasco.



There are some organisations that have bucked the trend; for example, Lincoln Drill Hall's Young Plugged event for under 24s sold out in advance all year round in spite of a 50% price increase...but that increase was from £2 to £3!

In addition, there are big societal changes going on, adding another impact of the recession for those that are struggling. One of these is shift parenting. Recent research by the charity 4Children shows that reduced hours mean partial unemployment, so people are taking second jobs in the evening and nights to maintain the household income and save on childcare costs by taking it in turns with their partner to look after the children. While this has always been a working class phenomenon, it's now spreading to the middle classes, who are struggling to maintain their lifestyle under greater pressures.

This might be great for the kids because they are getting more parenting time (albeit with one parent at a time), but it is not good for couples going out, and although more time is spent with the children, it is not as a family unit.

Heather then presented a mini-case study, based on the National Museums of Scotland, who operate across five sites across Scotland. Visitors need to drive to get to the National Museum of Flight, making it a family day out. Their data shows that 54% of their family groups include two adults plus children, and only 25% include one adult plus two children. However, the National Museum of Scotland is in the centre of Edinburgh, where a third of their family groups include two adults plus children, but 56% include one adult plus two or more children. A strategy for museums and galleries could be:

- Promote museums and galleries as a way of spending quality time with children
- Provide resources to help a parent relate to their child

Research by the Laing Gallery suggests that quite often parents need help in a gallery; it can be intimidating and difficult to be presented with lots of questions you can't answer from your child. We could help by providing resources and information to help this process and even help a child relate an experience to the children directly.



Businesses are seeing, and feeling, the 'lipstick effect'. People are giving themselves small treats instead of buying big items like holidays. Data shows that even these groups are getting fed up of the recession: sales of Tesco's top of the range lasagne have increased by 20% even though it's twice the price of a standard Tesco lasagne.

This could be an advantage for museums and galleries – instead of our visitors going for long, overseas holidays; they are choosing mini-breaks, staycations and days out.

Heather used National Trust properties nearest her home for an example of this phenomenon:

- Woolsthorpe, Isaac Newton's home – visitor numbers up by a third
- Belton House – visitor numbers up by 2% but shop sales up by 35%

Heather asked delegates if their venue's shop takings had gone up last year – the show of hands showed that yes, most have. Therefore we can conclude that these trends are about rationalised indulgence, and it looks like it will continue for the next couple of years. For example, staycations are maintaining their position: in January 2010, Hoseasons' advance bookings were up by 28%. The other side of the weak pound is

that overseas visitors now see the UK as a value for money destination, with Visit Britain projecting a 0.4% increase in overseas visitors for 2010.

The thought and decision-making processes are similar to what's happening with Brompton bicycles.

How can we respond?

- Focus on the treat: 'treat your family, treat yourselves'. The messages are about time for discovery, exploration and even 'me' time.
- Make it easy for visitors – after all, treats should not be hard work
- People want to be sure of the experience, and do not want to 'risk' their time and money, so they need enough information to be confident in their choice. After all, it's not a treat if the children or your partner are bored.



Cocooning

When people want to feel safe and secure, they 'cocoon', taking fewer risks with the unfamiliar. This can also link to nostalgia, where people return to fantasies or stories from childhood. Hollywood has already responded to this with recent films, such as: *Where the Wild Things Are* and *Alice in Wonderland*.

As the following research reveals, one of the most powerful reasons to attend is to put the real world on hold and revive yourself mentally, spiritually and emotionally:

- 'It's relaxing ... it's a time to yourself ... you get away from all the hassles'
- 'You come out and you feel completely different. It's very liberating. Your mind is on a different plane ... yes I think 'spiritual elevation' is a good term'
- 'I've no idea what I get out of it ... something warm inside ... I can't explain ... it's a sense of recognition, of accord ... for example, I find Francis Bacon disturbing, but that's what's great about him ... the reaction inside you It's something that affects my emotions'

Research Practice, *Results of research into the contemporary visual arts* (Arts Council of Great Britain)

How do we respond to cocooning?

- Coax people out of the house by reducing the risk
- Be the space that people can escape to – a safe place to think, 'to wander, to use their imaginations'
- Talk about the real reasons why people go to museums and galleries rather than giving them an art history lesson

Emerging trends

There are two other attitudes or groupings coming out of the recession and developments like the end of conspicuous consumerism, authenticity, and so on:

- **GENERATION G** – the G is for Generosity
- Customers, visitors, audiences – people – don't take our word for it any more. Data firm Jupiter found that 77% of online shoppers are using reviews and ratings when making their purchasing decisions.

Challenging times see people craving care, empathy, sympathy and generosity. Many are getting that from helping each other make the right decision. There are a number of motivations for making recommendations:

- A sense of accomplishment from helping others
- To feel part of a group
- Added social status
- To have their opinions listened to
- To have fun
- 'Enhances self esteem'

[Read all reviews »](#)

Wallace Collection

TripAdvisor Traveller Rating:



TripAdvisor Popularity Index:



EXPANDED LISTING

Both a national museum and a prestigious private collection of art bequeathed by Lady Wallace in 1897, this attraction features one of the world's best collections of French 18th-century pictures, porcelain and furniture, plus a fantastic array of 17th-century paintings.

Attraction type: Art gallery; Art gallery; Historic home

Traveller Reviews:

- ▶ 11 Dec 2009 "One of the world's great small museums"
- ▶ 26 Nov 2009 "Great collection, shame about the lunch"
- ▶ 11 Nov 2009 "Not to be missed by either the arty or the frugal!"

[Read all reviews »](#)

Heather then used the Trip Advisor page for the Wallace Collection to show delegates how this can work for or against museums and galleries. She asked delegates to particularly notice how much customer care matters, with the comments about lunch, as well as the value: 'not to be missed by either the arty or the frugal!'

We need to focus on providing great experiences and great value because that will drive new customers through social networking.

Heather then showed delegates how this works, using a real time example. Social networking sites, including Twitter and others, are based on building a strong sense of place and help people meet up in the real world too.

This means that organisations are under constant scrutiny in real time and we need to listen to what people are saying, fix problems in real time and tell them we've done it.



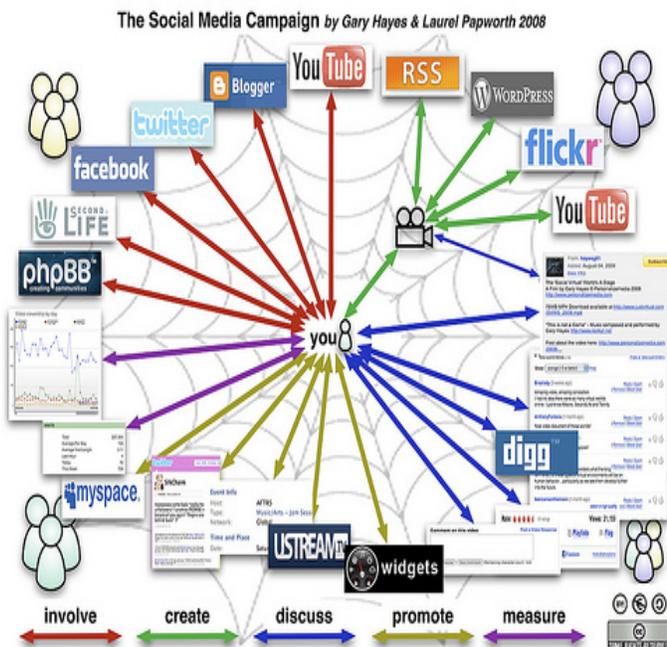
How will that affect us as marketers?

What's the future of advertising? Predictions are that there isn't one, as marketers move resources away from advertising. Instead the budget will be spent employing more staff, so companies can have two-way, real time communications with individuals. This is already happening now that technology makes it so easy. Museums and galleries can use free tools to do that, such as CrowdEye which searches Twitter for relevant comments.

Responding to Generation G

- Get their customer care right
- Fix problems quickly and visibly
- Have real conversations – don't just see them as people to sell to
- Facilitate audience-generated content – they won't just take 'our' word for it

What organisations mustn't do is try to shut down this communication. Heather recounted a conversation she had with a museum marketing person, about a blogger's entry, which was a really vivid piece. She was told that the organisation didn't want to use it because they didn't 'want to encourage them.' It's way too late for that attitude.



We must remember the growth of social networking: Twitter grew by an extraordinary 1,382% in 2009. However, this is not necessarily good news, as it leads to the issue of Clutter Control.

'In the West we maybe see, at a conservative estimate, 500 advertising messages every day. We see as many advertising messages in a year as our parents saw in their entire lives.'

Tim Phillips, Technology Journalist
<http://popacular.com/gigatweet>

People have developed new clutter control skills, being very selective and filtering out anything online that isn't useful to them.

This is relevance with a vengeance

Heather had mentioned Twitter's apparent explosion in growth, but looking more closely at those figures, one can see:

- 40% of Twitter accounts have never sent a single tweet
- 80% of all users have tweeted fewer than 10 times
- 20% means 15m active users
- 10% of users send 90% of tweets



Marketers will focus more resources on activating the hyper-connected to be brand advocates and less on general consumers. This proportion was reflected in the number of delegates tweeting during the keynote, on a show of hands. There will be a polarisation between the hyper-connected and the deliberately or otherwise 'disconnected'. Ultimately, this means that marketers will have two-way conversations, but with fewer people – those hyper-connected people. Marketers will also focus resources on the hyper-connected, persuading them to become advocates, and less on general consumers.

In order to make sure we are not part of the 'clutter', museums and galleries need to:

- Discover which social media our existing and potential users are actually using
- Find out how they are using them
- Find the advocates and talk to them
- Have real conversations – don't just see them as people to sell to

Conclusions

Heather's keynote has largely been about polarization:

- The affluent and the struggling, even within the middle classes
- The hyper-connected and disconnected

The challenge for museums and galleries, then, is to realize they cannot use 'catch-all' solutions. If organisations are going to stay relevant and healthy, then they must see individuals within the crowd, start talking to them as individuals, and start helping them to have a unique experience that makes them feel good about their world.

Q&A session

Is Generation G an age demographic or is it more of a disposition towards the types of trends you were talking about, how people are interacting with organisations?

Heather replied that there is a slight tendency to be under 35, but it seems to be relative right across the borders. Certainly research has found that making recommendations and networking in that way goes right across the age groups. The academic study found no tendency to be younger or older.

Do you differentiate between different motivations to participate: that is, people who might be promoting themselves or acting in their own interests, or people who are contributing in an altruistic way or in order to co-create and collaborate?

There are two answers:

- Crowd sourcing
- The approach taken by Sydney Opera House for their online dance project

What's interesting with the crowd sourcing... has anyone had a go with Google labelling? It's like online cataloguing, you go online, get a random partner, they flash pictures at you and you have to pick words, and if they match the words your partner selects you get points. Now points don't mean anything at all, no prizes, but you get a ranking for that day, and overall. Meets with criticism, as people say this is 'bland' out, this is about the most cohesive, least eccentric way of looking at things... but actually, isn't that the point of indexing?

On the other hand, the Opera House decided to keep control. The woman who presents *Strictly Come Dancing* in Australia gave a YouTube intro, and everyone had to film their own version and upload it. They got about 1,400 responses, 140,000 viewers overall, but the winner only got 400 views. The control lay with the Sydney Opera House, it was not about the online community voting, and there were strict parameters. And as soon as the presenter chose the winner, rather than the community, interest just dropped.

There are some fabulous trends there, but considering budgetary constraints, is there one thing that you would recommend people do, if they can only do one thing?

If there is nothing else, go away and have conversations with people, either in person, or online, and encourage everyone in your organisation to have conversations with people, with the purpose of giving them personal space in which to do it. Set up some parameters, but it can be free, fun and empowering. If you can do one more thing, then Google your organisation (not using your organisational name) and see what comes up. If you aren't on the first page, then you may as well not be there. Look up and use website optimisation tools because you're wasting a lot of money on a beautiful website which might as well not exist.

What's your view on concerns about the general election; do you have any insights into the long-term effects for our sector?

Heather doesn't really think it matters who wins. We're starting the campaign with a huge amount of election fatigue; people are sick of politicians. If you want to know what it'll be like in two years' time, go to Ireland, where they're feeling the effects of swingeing public service cuts, with empty shops, depressed people etc.

What criteria do you think will be used to fund us? At the moment, we understand the agenda and criteria, but do you have any views on whether the agenda will change? Do you have to justify yourself differently to a Tory government?

Heather does not want to be partisan, but suspects there will be no clear criteria, looking at Ireland, where there are no criteria and inclusion is certainly not on the agenda.

Comment: sustainability, tourism and post-2012 comments from the Conservatives suggest there could be hope there.

Heather: but it's not enough.

We are all observing a shift from advertising to social networking, which could play havoc with budgets as we all try to find the right balance. It is a paradigm shift – will organisations think that budgets can be cut if we all do social networking?

Heather thinks that the number of staff that will be required will outweigh any anxieties about losing budgets. Don't forget we also need to include the offline; we have the hyper-connected and disconnected at opposite ends of the spectrum. The National Theatre of Wales is concentrating as much on offline networking and building relationships as online communication. They are working with a wide variety of groups right across Wales, but not offering workshops or activities. They have also got over the hurdle of feeling that they have to be in control. They are simply meeting and listening to people. This requires huge staff levels, which could be good for us – there might be fewer redundancies.