

## **Management and Marketing – A Director’s Perspective**

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### **Introduction**

This talk grew out of research project conducted in 2001 by INTERCOM President, Nancy Hushion, with whom I had an extensive conversation on the topic. It is an update of a talk I gave at the INTERCOM meeting in Barcelona in 2001.

In presenting the talk I draw on my extensive experience with the Canada Aviation Museum (CavM) and my related experience with the Canada Science and Technology Museum (CSTM) and the Canada Agriculture Museum (CagM) during the last 13 years.

I propose to give you a sense of our experience and my views on lessons learned as we have grappled with the challenge of managing the marketing of our museums.

### **The context**

Fourteen years ago, roughly at a time when our national museums were moving towards being made autonomous crown (wholly owned) state corporations, the managements of our national museums were made aware by the government of the day (from which source come most of their funds) that charging admission fees would no longer be resisted. Changes were implemented in 1989. In three of the cases (National Gallery of Canada, Canadian Museum of Civilization, National Aviation Museum), the museums inhabited new facilities, the novelty of which masked issues in the marketplace. When the novelty began to wear off and realities of the market asserted themselves, the need to understand the dynamics become clear. In cases where there was little change in circumstance, as was the case at the National Museum of Science and Technology, the imposition of fees generated sharp reductions in attendance (partially because of more precise counts), thus creating urgent needs to understand consumer behaviour.

This was the case in our environment in the late 1980's and early 1990's.

An attempt to deal with this in our organization by a market-oriented outsider brought in for the purpose was put into place. This person hired a large consulting firm to develop a strategic marketing plan for us. We went through a process of defining user segments, prioritising and quantifying target groups and devising strategic and tactical promotional and marketing approaches in some detail and at considerable cost.

And it was a total failure. Having spent the time and trouble to do it, the results were shelved and the outsider was terminated. There was an official reason based on organizational structures but with the benefit of hindsight I would now attribute what happened to a poor fit between an organization rooted in a bureaucratic civil service culture and a marketing approach in which the impact of action on the marketplace is based on known factors of audiences and their predispositions.

The great irony was that with the exigencies of the recession of the early 1990s, the steady erosion of funding from the Government of Canada our prime shareholder, and some alarming characteristics in our attendance data, we relearned much of it by trial and error out of sheer necessity.

This was a salutary lesson because it brought home the need to take the issue of marketing seriously to many of the people on staff who previously had viewed the introduction of notions of marketing as being totally at odds with their conception of the attributes of museums. These notions recede somewhat when one's audiences are shrinking, staff people are being made redundant and all of one's collegial institutions are undertaking market research and adopting market driven approaches. And this really counts where the only "metric" used for comparison among institutions on a broad scale is reported attendance, as is - for better or worse - the case with our museums.

### **What we did**

Our response to these circumstances is a work in progress although there are some specific highlights. I'd like to use three of them as illustrations: market research we did on gaps between management perceptions of service delivery and perception of our clients; research on how people actually reach our facilities; and market research leading to the adoption of branding strategy.

All were useful in and of themselves and each one taught us something. The first project was an attempt to determine to what extent our management had an accurate perception of client expectations and the degree to which those expectations were met by the experience visitors had during their visit. Not to go into detail unduly, we looked at visitors experience before, during and after their visit to each of our museums. We had some surprises - both good and not so good. For example, we found that visitors did actually come to see things, not just to have a generic family outing; we found that they didn't think as highly of the convenience they experienced on arrival as we did or that the welcome they received was as friendly and warm as we thought it was. We did find that our views on our pricing were accurate and that our views on the reported quality of the visit were low compared to what visitors thought. Where we fared worst was with our amenities. Our gift shops, food and the ease of locating toilets did not do so well. It led to changes.

The second example is that of investigating how visitors reached our sites. In our case, although it is possible to use public transport to all three sites, it is more awkward than it should be. Consequently, most visitors arrive by car. We considered it very important to understand the routes taken so that we could identify critical points for highway signage and our investigation demonstrated that because all three of our sites are outside the core of the city, we suffer competitive disadvantages.

We found that our locations are not on the mental maps of most people from the west, southwest and northern parts of our metropolitan region, that people believe us to be further away than we are and that in order for them to reach us it is necessary to drive through the centre of the urban area rather than use the perimeter arterial routes. In fact we found that the use of the most counterintuitive routes was the norm rather than the exception and that routes chosen were often directly at odds with the parkway system designed to bring people past our location to the core of the city.

The last example I'll speak about is the most important because it at last provided us with a rational framework for decision making. It began as a renewed effort to develop a marketing

framework over five years ago and ended with our adoption of a branding approach to our institutions.

By this time, we truly needed to deal with attendance issues, optimize resources, set ROI priorities and develop a useable strategy to position our museums uniquely.

We found that we were chasing audiences we couldn't capture without huge effort.

We designed a disciplined approach which dealt with segments, competition, unique benefits, positioning statements and branding. Segmentation is critical because it focuses efforts, is measurable, accessible, and substantial.

We identified brand attributes as a web of associations and developed a brand character for each of our museums.

The brand implementation process provided a framework for strategic decisions which affects all employees. It means doing new things, not doing others and leads to a marketing mix strategy.

Marketing mix considers product, price, place and promotion all acting in concert in a consistent way.

"Product" considers physical, programming and human attributes.

Price affects perception of value; it differentiates us and is based on a "probability of purchase" approach as opposed to "parity by default" (what is the opposition charging?).

Branding encompasses all channels of distribution whether they be the physical ones of the museum, travelling exhibitions, outreach programmes or the institution's website.

The development of slogans or "tag lines" must reinforce the brand. For our Canada Aviation Museum we adopted the slogan "Where dreams take flight" to fit in with a brand image based on the romance of flight.

We also learned that we had to become a branded house not house of brands and that we had to brand ourselves or be branded by others.

### **Summary of lessons learned from the first branding process**

To summarize, the lessons we learned include:

- Do not project your own predilection.
- Do market research - allocate the necessary resources.
- Do not make assumptions about market behaviours.
- Adopt a coherent strategic framework - branding worked for us.
- Do audits after 3 years. Brands take time to build.
- Staff must buy in and consistency is key.
- You have to do it or it will be done for you in ways you may not feel match your views.

We are now doing a brand audit. We have experienced partial success with our strategy but need to diagnose why our efforts over the last three years have not produced a total success in

terms of forecast attendance growth.

After a process lasting several months some five years ago, we felt that the branding approach could respond to the challenges of our marketplace. This having been accepted, management rested on its laurels to a large extent and began to give talks at professional gatherings about how innovative we had been about tackling our strategic marketing issues.

Despite the admonition to audit the brand every three years at the most, we let this slide for a variety of reasons not the least of which was the allocation of strategic importance to doing so. In the real world, external factors reasserted themselves just as they had almost a decade earlier in the form of market behaviour which did not mirror forecasted behaviour in all of our 3 operating entities. Our two single focus museums did not pose the problem as their market results did mirror forecast. Where we had a problem was (and is) our main institution, the Canada Science and Technology Museum where, with brief respites, attendance continued to remain static and then to trend downwards - in the context of reasonably vigorous local population growth - so we were experiencing a considerable reduction in penetration and, in some years, of market share.

This prompted a brand audit in the latter part of 2001 and into the spring of this year. It revealed a number of important issues. The brand audit was focussed on the Canada Science and Technology Museum as a priority and it was to examine the brand relative to concerns about declining attendance. We looked to the process to provide recommendations about the understanding and buy-in to overall brand concepts and management processes; the role that exhibits programs and the physical attributes of the Museum play in overall brand performance and the promotion and communication of the brand. In general we wanted to know if the brand as originally developed was still appropriate and how best to foster the brand approach.

Quite candidly, the results indicated that we had been overly naive and complacent and that a lack of appreciation about organizational behaviour had hobbled the process right from the start. We had not internalized market oriented values and I believe it reflects something of the difficulties inherent in the adoption of market driven approaches when the product development paradigm has usually been long and drawn out and market research and response undertaken in a leisurely fashion (we are not Wal-Mart).

Our research showed that the decline has to some extent mirrored a downturn in overall museum visitation between 1998-2001 and the events of last September have exacerbated this trend. But our brand process didn't counter the trend at the Canada Science and Technology Museum while attendance at our 2 smaller museums continued to trend upwards. Added to that, the decline in our key local family with children segment appeared to be linked to quality issues: a decline in top box scores for satisfaction which can be used as an indicator of future visit frequency.

The research shows that the brand image is aging even though the Museum enjoys considerable good will and longstanding brand associations such as "space", "diversity", "lots to do", "child friendly" and "hands on". Research respondents validated our original brand attributes of "family oriented", "fun", "mechanical" and "about discovery" but not "dynamic", "futuristic" or "enthusiastic". In particular the attribute that the Museum had the brand personality of a favourite relative who does "show and tell" was considered boring and negative - a view also considered true by the working level staff. The brand was not regarded favourably against our prime class competitor - the Canadian Museum of Civilization whose brand is strongly associated with the Museum's magnificent building and seen as bright, modern, clean

and interactive vs. ours for CSTM which was considered as old, dark and broken down. Even a competitor in an old building was favoured more because the building is a well known heritage facility. On the promotional front the news was mixed but awareness from media promotion was poorly recalled.

And most disconcertingly, the review confirmed that at this museum a branding philosophy and approach to operations and management was not widely adopted internally. This was a result of pre-existing organizational and process issues, which mandated a strict communication focus for the work. Key product parts of the organization were excluded from the process and efforts to fix this ex post facto did not succeed with the result that the relevance of the exercise was called into question. Implementation processes were not considered to be well developed either. Differences between organizational groups exacerbated the sense that branding was a communication exercise. Overall adoption of the approach was limited to communications affairs.

This all sounds grim - but we're a learning institution so we're learning from our experience and adjusting what we can in the context of a major new initiative to develop a vision and concrete proposal for a new science and technology museum facility. This has unleashed an unprecedented demand on staff psychic, intellectual and physical energy and staff responses to the audit findings include the allocation of clear responsibility for overcoming a perception of broken and outdated exhibitions in order to provide the best visitor experience possible. New exhibitions have opened and programs developed - using much shorter cycle times - to rejuvenate and invigorate. National image and presence goals will be addressed by new exhibits made to open in Ottawa and then travel for 5 years. Exhibits are to be proactive and engaging and examples have been successfully put in place; we will brighten up the dowdy lobby and put in new orientation devices. The brand personality will be redeveloped in keeping with the vision for a new institution. It has become clear we don't need to wait for the funds to build a new institution before we implement a vision - so long as we don't oversell the product. We cannot replicate the physical setting of the Jewish Museum of Berlin or the Getty in Los Angeles or the Guggenheim in Bilbao.

What we mainly did was help to glue the organization back together so it could act as a coherent whole after years of drifting apart. This recognized the entire museum - not just its public face - as the true marketing entity. And it has been made clear that brand management of the museum is museum management. And we are going to focus promotional spending so as not to fall into the trap again of becoming a house of brands which, despite intentions to the contrary, had reasserted themselves.

I will report back on our success in responding to these fascinating challenges at a subsequent INTERCOM session.