

# WHAT MARKETING-DEVELOPMENT COLLABORATION REALLY NEEDS

Jill Robinson

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If so many arts leaders believe that marketing and development departments working together will generate better patronage results, why are so few organizations actually doing it?

To be sure, there are ample tactical examples of successful cross-departmental collaboration on campaigns. And, a few industry leaders are engaging in organization-wide patron development: Arts Club Theatre Company and 5th Avenue Theatre are two I admire.

But integrated patron management is far from being a mainstream practice. Perhaps it's because true marketing-development collaboration requires change and new ways of doing things that most organizations find impossibly difficult—especially on top of everything else that's necessary to keep the art on our stages and in our exhibit halls.

**Look beyond the challenges toward a starting point.**

Marketing and development need a bridge linking their often siloed departments. A couple of management initiatives and tools can build that bridge.

**1. Integrated patron reporting.** Most arts managers see their season as a string of single-ticket revenue targets, an exhibition with a visitor goal to hit, or an annual fund effort to bring in donations. It's easy to miss individual patrons' passion for your art when you are looking at them through the singular lens of individual campaigns.

Take this sample patron history. At first, you'll mostly likely see it as it's usually reported, along departmental campaign lines:

To marketing, this patron is a big-time subscriber:

	2009	2010	2011
<b>Subscription</b>	\$3,458	\$4,464	\$6,596

But does marketing know, as the box office likely sees on their screen, that this patron has also been buying extra tickets?

	2009	2010	2011
<b>Single Ticket</b>	\$659	\$1,344	\$1,241

And when development views this campaign history, is this same active subscriber considered only a lapsed donor?

	2009	2010	2011
<b>Donation</b>	\$1,000	\$1,000	\$-

*Individual department reports fog the lens.* That's why the best first step toward productive development-marketing collaboration is good information.

The *aggregated* view of our sample patron shows a **very engaged loyalist** whose investments overall have been growing and consistent for three straight years.

	2009	2010	2011
<b>Donation</b>	\$1,000	\$1,000	\$-
<b>Subscription</b>	\$3,458	\$4,464	\$6,596
<b>Single Ticket</b>	\$659	\$1,344	\$1,241
<b>TOTAL</b>	<b>\$5,117</b>	<b>\$6,808</b>	<b>\$7,837</b>

Integrated patron histories like this example add up to form behavior patterns that groups of patrons have in common. Those shared patterns are a source of information that can empower integrated campaigns, especially among patrons whose loyalty is on the rise and with whom an organization's greatest opportunity exists.

**2. Collaborative budgeting.** When push comes to shove at budget time, executives tend to abandon big picture goals and send marketing and development officers back to their respective desks to chase individual revenue objectives. That sets up internal conflict between departments for the investments of the organizations' patrons.

When marketing and development compete for patronage, nobody wins. It's an operational bias and approach that is limiting retention and growth of a loyal patron base.

Instead, contemplate how your organization could start budgeting for patrons like the one described above. Instead of budgeting separately for single ticket, subscription, and annual fund revenues, consider creating a small number of integrated goals.

For example, create a budget line for Subscriber-Donors. To start, track the current percentage of subscribers who are also donors, and budget to increase the proportion of them and their integrated revenue. As you work together to discover the possibilities within your own organization, you'll create a path to achieve and track greater results.

**Understanding and analyzing patron loyalty fuels results.**

When you get down to the individual patron level—what they buy, how they give, and how much they spend—it is easier to see individual patrons' love of the art form and how it translates into value for your organization.

Having information on all patrons at the individual household level can illuminate steps you might take to deepen loyalty for both individuals and groups of patrons.

Put loyalty analysis tools like integrated patron analysis in front of marketing and development collaborators and watch how quickly and effectively working together can be. The payoff is longer, stronger patron relationships and sustaining investments.

Join Jill, along with arts marketers from the Metropolitan Museum of Art and National Museum of Women in the Arts, for a session at the NAMP Conference on how to focus in on loyalty for improved revenue. "Stop Marketing to the Masses & Start Cultivating the Loyalists" is Sunday, November 11 at 10:30 a.m.

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