

The Role of Market Orientation in the Program Planning of Arts Organizations

This article examines the market orientation of arts organizations. Market orientation is defined as the generation of market information pertaining to customers, competitors and other stakeholders (artists, media, and financiers), organization-wide dissemination of and responsiveness to the information, and the coordination of these activities. Responsiveness to market information has two forms: a reactive form that aims to satisfy the expressed needs of customers and other stakeholders and a proactive form that focuses on discovering and satisfying the latent, unarticulated, future needs of customers and other stakeholders.

The manifestation of market orientation was studied in ten purposefully selected performing arts organizations: two theatres, three music festivals, four orchestras and one opera. Theme interview data was gathered from the artistic and/or administrative directors responsible for the program planning. Both reactive and proactive market orientation manifested itself in arts organizations. Customer orientation varied from clear to rather clear or unclear. Also a clear artist orientation and a clear or rather clear me-

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dia orientation were identified. The manifestation and form of market orientation seemed to vary by three program planning approaches, a creativity-based, a resource-based, and a mission-based approach. Market orientation behavior did not derive from formal, systematic information generation on customers, competitors, and other stakeholders, but mainly on beliefs and information generated from repetitive experience. Market orientation behavior appeared under specific cultural and socio-structural antecedents.

The responsiveness to customer needs and wants in program planning together with the needs and wants of artists is a challenge for arts organizations. Better knowledge about and understanding of customers, other stakeholders and competition are needed in them. The concept of market orientation provides the artistic directors a managerial philosophy or an analysis tool that enables them to increase their market knowledge and business competences. ■

Key words: market orientation, the antecedents of market orientation, arts organization, performing arts organization