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ARTS MARKETING CHALLENGES IN MULTICULTURAL SOCIETIES

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Abstract

With an increasingly diverse, multicultural society in many countries, it is timely to look more closely at the current literature on arts marketing, ethnic identity and segmentation issues. The growth of diverse, multicultural societies in many countries warrants a closer examination of arts marketing and the use of ethnicity as a basis for segmentation, as these issues have implications for attracting and retaining arts audiences and other consumers of arts related activities.

Researchers in the arts industry have stressed the importance of understanding the fundamentals of audience development and the ability to focus on satisfying the needs and wants of their audiences. The focus on marketing activities comes at a time when there is greater pressure on arts organisations to move beyond their traditional role as subsidized non-profit organisations in order to become more self-supporting. Internationally, audience development in the arts industry has focused on segmentation dimensions such as youth, mature aged individuals, geographic location (rural), individuals with disabilities, low income earners, and individuals with culturally diverse backgrounds. Most of these potential segments are under represented in the population of arts consumers in Australia, the United Kingdom, Singapore, and North America. Of those dimensions, segmentation of arts markets by cultural differences such as ethnic identity appears to be a somewhat under researched area.

Hofstede’s (1980) model of national cultural differences continues to be widely used as a basis for strategic and marketing decisions in international business. However, the cultural characteristics attributed to individuals in their country of birth are likely to change through immigration to another country. In this situation, the ability to predict the consumption behaviour of various ethnic groups is complicated by acculturation processes in which arrivals attempt to adapt to their new environment. Over time, this process has resulted in the emergence of bicultural individuals who are able to switch, at will, between their ethnic identity and an identity aligned with their host country, or a combination of both at any time. Ethnic identity and affiliation with ethnic groups can also change over time, suggesting challenges for arts marketing approaches, and the application of market segmentation theory in particular.

This paper examines current issues in relation to ethnic identity, segmentation and arts marketing.

Key Words:

- Arts marketing
- Ethnic identity and acculturation
- Ethnicity and market segmentation
Introduction

The growth of diverse, multicultural societies in many countries warrants a closer examination of arts marketing and the use of ethnicity as a basis for segmentation (Kolb, 2002). The purpose of this paper is to present a synopsis of current issues in relation to:

- Ethnic identity, acculturation processes on immigration, and the subsequent emergence of bicultural individuals;

- Segmentation issues, the measurement of values in cross-cultural settings, ethnic segmentation in multicultural societies; and

- Ethnic segmentation of Arts Markets

The ability to attract and retain arts consumers is important to arts organizations in order to become more financially viable and self-supporting. By understanding the fluid nature of ethnic identity, and the challenges in measuring and identifying ethnic values in multicultural societies, marketers may be better able to segment arts markets more effectively.

Culture

Any discussion concerning the arts should be conducted in the wider context of culture, as art can be considered as a sub-set of culture. Culture, as a concept, can be difficult to define (Kasapi, 2003; Schönpflug 2001). The United Nations Educational, Scientific and Cultural Organization (UNESCO), provides a comprehensive, definition of culture from five perspectives; World views, Daily life, Recreation culture, Art culture, and Values and norms. The two most important definitions for the purpose of this paper are:

- Art culture - refers to 'works of art embodied in music, opera, ballet, painting, literature, drama and other art forms. Culture includes all of these, but is a much broader concept. Such works of art can only be understood in the context of the wider culture in which the artists live and work' (UNESCO 2003, p.1); and

- Values and norms - used mostly by social scientists to compare cultures using the values held by a group and the norms that govern their behaviour as a basis (UNESCO 2003, p.1).

Definition of The Arts

Researchers tend to agree on a core set of activities that constitute the arts as outlined by UNESCO and by commercial researchers (National Arts Council Singapore, 2003; Saatchi and Saatchi Australia, 2002). However, the extent to which other activities can be regarded as part of the arts is open to debate. For example, a broader interpretation includes advertising (Saatchi and Saatchi Australia, 2002), contemporary music and cinema (Hirons, 2002), and video games (Australia Council for the Arts, 1999). The Music Council of Australia (2003) addresses the ongoing entertainment-culture debate, 'Proponents of the high arts might deride examples of popular arts like a popular musical, or a rock song, as mere entertainment. But the times have moved on. In a post-modern world it is accepted that there are different strokes for different folks' (Music Council of Australia 2003, p. 1).

Multicultural Societies

The effectiveness of arts marketing initiatives in meeting the needs of a variety of consumer tastes is complicated by the increasing cultural diversity within communities. For example, Table 1 shows the increase in the proportion of permanent ethnic residents in Canada, the United Kingdom, North America, and Australia over the 1990s and into the 2000 era:
Table 1: Increase in Proportion of Permanent Ethnic Residents by Country

<table>
<thead>
<tr>
<th>Country</th>
<th>% of ethnic residents - 1990’s era</th>
<th>% of ethnic residents - 2000 era</th>
</tr>
</thead>
</table>

* While the proportion of immigrants has barely changed in the Australian population, the composition of nationalities has become more diverse, and so too has their reasons for migrating (ABS and Hugo 2002).

The arts industry offers unique challenges to marketers as it has traditionally relied, in part, on subsidies or government funding (Radbourne, 1998; RAND 2001). Letts (2002) reflects that, due to the difficulties of ‘attracting large audiences and box office, there is great dependence upon subsidy and probably an almost limitless capacity to absorb it in expressing ideas’ (Llets, 2002, p. 6). Decreases in government funding since the late 1990’s (Radbourne, 1998) has required arts organizations to focus on activities that lead to greater commercial success in order to become self-supporting (RAND, 2001; Rentschler, 2002), and to ‘survive in a market economy’ (Radbourne, 1998, p. 67).

The main use of market segmentation is to understand and predict the buying behaviour of a group of consumers with homogenous characteristics (Bickert, 1997; Dibb 1999, in Lindridge and Dibb, 2002). This could include characteristics based on ethnicity. Being able to do so increases the effectiveness of marketing strategy and the ability to efficiently deliver product offerings to meet consumers’ needs (Allenby, 2002; Bickert, 1997).

Researchers in the arts industry have stressed the importance of audience development in arts marketing (Australia Council for the Arts, 2002; Radbourne, 1998), and the need to focus on ‘identifying and satisfying the needs and wants of their audiences’ (Rentschler et al., 2002, p. 122). Internationally, audience development has focused on the following segments, as they are under-represented in the population of arts consumers in Australia (Arts Victoria, 2003), the United Kingdom, (Arts Council of England, 2003), Singapore (National Arts Council of Singapore, 2003), and North America (IFACCA, 2005; Kopczynski, 2002):

- Attracting younger audiences and maintaining older audiences (Arts Victoria, 2003; Arts Council of England, 2003; National Arts Council Singapore, 2003; Staple, 2002);
- Outer metropolitan and country residents (Arts Victoria, 2003; IFACCA, 2005);
- Individuals with disabilities (Arts Council of England, 2003; IFACCA, 2005);
- Individuals from culturally diverse backgrounds (Arts Council of England, 2003; Arts Victoria, 2003; IFACCA, 2005); and
- Low income earners (IFACCA, 2005; Kopczynski, 2002).

The development of audiences based on these segments has been actively pursued. However, the segmentation of arts markets on the basis of ethnicity appears to be a somewhat under researched area.

Ethnic Identity

The term ethnicity is closely related to culture but ethnicity includes a genetic aspect, as Aaker (1999) explains, ‘ethnicity can be viewed as a characteristic of racial group membership on the basis of some commonly shared features. Ethnicity can also be described in terms of the biological makeup of individuals and the extent to which genetic factors play their role in conveying aspects of ethnicity, including consumption behaviour’ (Aaker, 1999, in Jamal, 2003, pp. 1601-1602). Jasinskaja-Lahtila and
Liebkind (1996) suggest that ethnic identity requires an individual to firstly, label themselves as being of a particular ethnicity and to subsequently identify with others of the same ethnic group (Jasinskaja-Lahti and Liebkind, 1999). The ethnic labels that an individual attributes to themselves are relatively enduring (Edwards 1992, in Jasinskaja-Lahti and Liebkind, 1999). However, the meaning attributed to that identity can change substantially over time (Phinney, 1990) and the degree to which individuals consider themselves to have an ethnic identity can vary dramatically within the same cultural group (Chung and Fischer, 2001).

**Acculturation**

The cultural characteristics attributed to individuals in their country of birth are likely to change through immigration and acculturation processes taking place in the host country. These forces can impede the ability to predict the consumption behaviour of individuals and various ethnic groups within a multicultural society. Stevens et al. (2004) provides an early definition of acculturation as 'a process that entails contact between two cultural groups, resulting in numerous cultural changes in both parties. In effect, however, the contact experiences have much greater consequences for the non dominant group members' (Redfield, Linton, and Herskovits, 1936, in Stevens et al., 2004:689). The terms assimilation and integration used in acculturation models also require definition. Assimilation refers to a displacement of an original ethnic identity and the adoption of characteristics of the host culture (Chung and Fischer, 2000; Kurman and Ronen-Eilon, 2004). Integration implies that immigrants possess knowledge and understanding of the host country but do not relinquish aspects of their own ethnic identity (Kunnan and Ronen-Eilon, 2004).

Berry’s (1992, 1997) seminal acculturation model is quoted frequently in the literature (Ben-Shalom and Horenczyk, 2003; Chung and Fischer, 2000; Laroche et al., 1996; Nauck, 2001; Nensdale et al., 1997; Snauwaert et al., 2003). Berry (1992, 1997) proposes that assimilation and integration are only two out of a possible four acculturation strategies that can result in an immigrant either Integrating, Assimilating, Segregating or Marginalizing. Immigrants influence their own acculturation process through their level of involvement with members of other [local] cultures and decisions made by immigrants in this regard are heavily influenced by the level of acceptance from the receiving society (Berry, 2001). A summary of acculturation studies by Berry (2001), helps to illustrate the complexities of factors influencing the acculturation process. Early uni-dimensional assimilation approaches to acculturation have fallen out of favour (Birman and Tricket, 2001), with researchers preferring a more flexible approach (Ben-Shalom and Horenczyk, 2003; Chung and Fischer, 2000; Davies and Fitchett, 2004; Knafo and Schwartz, 2001; Laroche et al., 1996, 1998; Quester and Chong, 2001). This multi-dimensional perspective purports that immigrants are likely to develop their own unique cultural styles through a blending of their old culture and the host culture (Wallendorf and Reilly, 1983, in Chung and Fischer, 2000). The blending of cultural styles suggests these consumers will respond differently to marketing approaches than other residents of the host country.

**Bi-Cultural Individuals**

Researchers have recently identified the emergence of individuals who possess dual cultural identities that enable them to engage in cultural frame switching in which they ‘move between different cultural meaning systems in response to situation cues’ (Benet-Martínez et al., 2002, p. 493). Cultural frame switching is activated by priming bicultural individuals with cues that remind them of their ethnic identity. In a study involving the exposure of Chinese American bicultural students to Chinese or American icons, Hong et al., (2003) found that these cues would activate cultural frame switching only if the situation was appropriate for them to do so; if they felt that a Chinese approach, rather than an American approach, was required to solve a particular problem presented to them (Hong et al., 2003). When increases in immigration are combined with acculturation processes and the emergence of bicultural individuals, ethnic identity could be considered as more fluid than ever and this has implications for market segmentation strategies. Jamal (2003) argues that consumers with bicultural identities are likely to ‘conform neither individually nor as a group to any one specific segment or a category’ (Jamal, 2003, p. 1614).
Segmentation Issues

Variables that have been successfully used as a basis for segmentation have been proven to be:

- Measurable - capable of being measured (Pires, 1999; Tonks, 2001);
- Stable – relatively unchanged over time (Pires, 1999; Tonks, 2001);
- Substantial – of a size that would render them profitable (Pires, 1999; Tonks, 2001);
- Accessible – the segment can be reached by marketing communications (Pires, 1999; Tonks, 2001); and
- Actionable – consumers want the product offering (Pires, 1999; Tonks, 2001).

Measuring Values

The identification of values and norms inherent in residents of a particular nation has been researched and measured for many years. Values are considered to be important in guiding the behaviour of individuals (Brangule-Vlagsma et al., 2002; Chun-Tung Lowe, 1998; Thyne, 2000). Research on values, in a cross-cultural sense, has been heavily influenced by Hofstede's (1980) national dimensions of culture. Hofstede's seminal work proposed the following five indices of culture that reflect the values held by residents of a particular country: Power distance, Uncertainty avoidance, Individualism/Collectivism, Masculinity/Femininity and Long-term orientation/Short term orientation (Hofstede, 1980). The Collectivist-Individualist constructs have been the most widely used (Benet-Martinez et al., 2003; Johnson et al., 2005; Van Herk et al., 2004; Bond et al., 2004) in a variety of international business contexts (Merritt, 2000).

More recently, Schwartz (1994) identified ten culture-level value dimensions: Power, Achievement, Hedonism, Stimulation, Self-direction, Universalism, Benevolence, Tradition, Conformity, Security (Schwartz 1994). Schwartz and Bardi (2001) subsequently proposed that countries attribute different levels of importance to these value dimensions (Schwartz and Bardi, 2001).

Measuring Values in Cross-Cultural Settings

Many researches emphasize the complexities of equivalence issues in quantitative cross cultural research (Allik et al., 2004; Caprara et al., 2000; Cervellon and Dube, 2002; Myers et al., 2000). Byrne and Campbell (1999) highlight the importance of understanding the implications of data collected in cross-cultural settings, ‘we cannot overemphasize the importance of having a solid understanding of one’s data. Such knowledge derives not only from the rigorous preliminary screening and analysis of data but also from the recognition of possible cultural differences’ (Byrne and Campbell, 1999, p. 571). Difficulties arise when the instrument of measurement is translated into another language without considering cultural differences. There are likely to be problems in the way the questionnaire may be understood, or in interpreting the causes of behaviour being measured as they are unlikely to be the same for all countries (Byrne and Campbell, 1999; Chudry and Pallister, 2001; Chun-Tung Lowe, 1998). Moreover, tests developed in one country can fail to achieve their aims in other countries. This can be due to cultural differences in the way individuals respond to the measuring instrument (response bias), (Allik et al., 2004; Johnson et al., 2005; Smith, 2004; Van Herk et al., 2004). Response bias can result include respondents believing that a higher score is a better score, and agreeing or disagreeing with almost every statement on the instrument (Cheung and Rensvold, 2000). While some of these problems can be ameliorated in the questionnaire design stage (Chudry and Pallister, 2001; Van Hemert et al., 2001), they still represent the potential for inappropriate labelling of ethnic groups for marketing or other purposes. The measurement and comparison of values between countries is not a simple task and this can become more complex when identifying and measuring values for segmentation purposes in multicultural societies.

Ethnic Segmentation in Multicultural Societies

Multicultural marketing within a single country can be defined as ‘the application of domestic marketing to a local demand that is culturally diverse, that is, segmenting the local market based on cultural attributes’ (Pires, 1999, p. 33). Multicultural marketing is evident in the United Kingdom where, ‘during the last couple of decades a variety of ethnic retail enterprises have emerged within the SME business sector in the UK’ (Jamal, 2003, p. 1601). Wilkinson and Cheng note that in Australia, for example, it is
easy to find retail outlets and organisations that cater to a variety of ethnic groups. (Wilkinson and Cheng, 1999).

Recognition of ethnic identity is important to some individuals. For example, a study of direct mail attitudes amongst Pakistanis in the United Kingdom found that this group wanted to be targeted according to their ethnicity but that their attitudes towards direct mail varied considerably (Chudry and Pallister, 2001). This suggests that while ethnic identity is important to these consumers, their attitudes are not homogenous enough for a conventional market segment. Interestingly, consumers not normally associated with an ethnic background could also be potential candidates for ethnic affiliated market offerings. Cannon and Yaprapk (2002), contend that some consumers can be considered as *cosmopolitan* in that they 'hunger for a variety of diverse cultural experiences' (Cannon and Yaprapk, 2002, p. 46).

MOSAIC (Pacific Micromarketing, 2000) has made some progress in the use of ethnicity in an Australian context. MOSAIC uses geodemographic variables such as occupation and postcode and combines them with variables that have previously been used to measure ethnic identity. These include the use of language of the original culture, and mass media usage (Laroche et al., 1996; Tsai et al., 2000). The geographic focus of MOSAIC provides a convenient and cost efficient tool for marketers. However, geodemographic segmentation is limited, as the ethnic composition of a geographic location can change over time (Tonks, 2001). For example, the suburb Footscray in Melbourne, Australia, has moved from a predominantly Italian population to a thriving community of Vietnamese and other Asian groups in recent years. MOSAIC’s ‘Emerging Ethnic Enclaves’ segment (Pacific Micromarketing 2000) consists of the following sub-groups, based partly on country of origin:

- Ethnic Enterprise - Asian and Southern European;
- Villas and Mansions – none specified;
- New Arrivals, New Hope – Asian;
- Close-Knit and Debt-Free – Greek and Italian born; and
- Time for a Change – Asian and Middle Eastern.

However, the overlap of country of origin between these sub-groups is not consistent with segmentation theory that requires ‘sufficient behavioural differences to constitute a distinguishable market segment’ (Lindridge and Dibb, 2002, p. 270). Research also suggests that segmentation on the basis of ethnicity is problematic for the following reasons:

- The behaviour of consumers cannot be attributed specifically to ethnicity as other factors, such as demographics, may be involved (Johnson and Garbarino, 2001; Pires, 1999);
- The experiences associated with acculturation are very individual and the effects of acculturation are difficult to apply to homogenous groupings (Davies and Fitchett, 2004);
- A conceptual framework relating to the behaviour of ethnic consumers needs to be developed first (Chudry and Pallister, 2001; IJRM Editorial, 2002).

**Ethnic Segmentation of Arts Markets**

Research by Kolb (2002) identified ethnic group differences in arts attendance in North America. The study found that ‘lower rates of attendance for ethnic groups may not be the result of differences in levels of education or income, but are the result of these groups having their own values and tastes that affect the benefits that they desire from attendance’ (Kolb, 2002, p. 172). Of interest also is the finding that ‘the social aspects of an arts event can be as important as a motivator for attendance as the art form itself, and yet European presentation style of arts often ignores these social aspects’ (Kolb, 2002, p. 179). The ethnic groups examined by Kolb (2002) consisted of African American, American Indian, Asian, Hispanic and White. However, these groups could be considered as being too broad for segmentation purposes (Pires 1999). For example, Asia consists of many countries, each with their own unique characteristics. Moreover, cohorts such as American Indians and Hispanics represent the cultural composition of North America and therefore, are not easily transferable to other countries.
The difficulty in transferring cohorts from one country to another is only part of the problem. The flexible nature of consumers and their behaviour in multicultural societies makes them difficult to pin down for segmentation purposes, as Jamal (2003) points out, ‘in a multicultural marketplace, marketers and consumers of different ethnic backgrounds co-exist, interact and adapt to each other. In doing so, consumers act as skilled navigators who frequently engage in culture swapping to sample the many tastes, themes and sounds of different cultures’ (Jamal, 2003, p. 1599). Perhaps what is required when dealing with ethnic identity and market segmentation in multicultural societies is a more flexible approach to marketing. Non traditional approaches such as *Tribal Marketing* (Cova and Cova, 2002) and focusing on the *Cosmopolitan* consumer (Cannon and Yaprak, 2002; Thompson and Tambyha, 1999) may be better equipped to deal with the consumer of the future described by Jamal (2003).

**Conclusion**

This paper has presented a synopsis of current issues in relation to ethnic identity, ethnic segmentation in multicultural societies, and more specifically, the use of ethnicity as a means to segment arts markets. Given the fluid nature of ethnic identity through the acculturation processes and the emergence of bicultural individuals there is clearly a need to re-examine conventional marketing approaches in relation to multicultural societies. The arts industry provides an interesting focus for the study of ethnicity and cultural differences as arts involvement could be considered as a perfect expression of culture and ethnicity in itself. The expression of ethnicity through dance, theatre, fine arts and movies, for example, is not only a celebration of particular ethnic identities but a means to understand the diversity inherent in a multicultural society. Challenges in relation to segmentation by ethnicity appear to be far from resolved. However, these issues present interesting questions for further research and potentially, opportunities for audience development and retention in arts markets. In this way, arts organisations will be able to move beyond their traditional role as subsidized non-profit organisations in order to become more self-supporting when necessary.
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