



Art Fund_

101/

Marketing Society Awards for Excellence 2017
Category: Long Term Marketing Excellence

Art Fund

How marketing reframed
a charity as a retailer

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How marketing reframed a charity as a retailer

Executive Summary

The Art Fund charity was established in 1903 and has remained dedicated to its mission of securing works of art for the nation ever since. What has been less consistent over the organisation's history is the business model and marketing strategy that could turn this worthy purpose into a profitable one.

In an industry increasingly seduced by tactics rather than strategy, this paper reaffirms the power of long-term brand building. Not at the expense of short-term impact, but in addition to it.

The objective set in 2010 was to grow revenue by increasing the number of paying members. From 2011 to 2016, marketing has transformed the Art Fund from

being a charity with a worthy purpose to a business with a compelling product: The National Art Pass. A new creative and media approach has attracted a new type of fundraiser. People who don't see themselves as charity fundraisers at all, but members of a cultural membership scheme.

The approach has driven an **incremental profit of £16.25m** and **return on marketing investment of £3.84 for every £1 spent** over this period, with an average annual marketing budget of under £1m.

This growth has enabled the Art Fund to help museums and galleries secure hundreds of works of art for the nation to enjoy.

The Challenge

A stalling organisation with an ageing membership

The Art Fund receives no government financial support and relies primarily on income from its membership subscriptions and a small number of wealthy individuals. In the years preceding 2011, the Art Fund's marketing activity had focused on raising awareness of its cause of saving art, but it wasn't working. Memberships were in decline ^[1].

The organisation was struggling to recruit a new generation of members. 56% of Art Fund members were over the age of 65 and their average age was 69 ^[2].

A tough time for the arts

The arts received far fewer donations than other charities at the time (as they still do), including those relating to medical research, children and animals. The 1% of all donations dedicated to the arts had to be shared amongst approximately 10,000 arts charities in the UK ^[3].

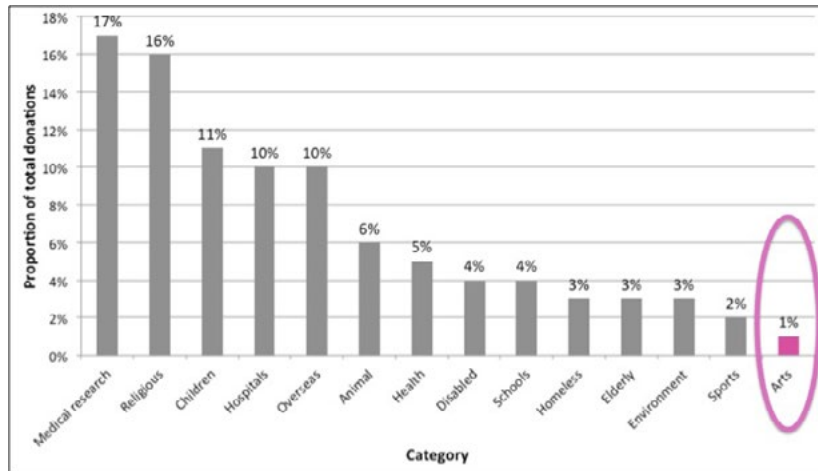


"Empty Frames" by Ogilvy & Mather London, 2007

¹ Total memberships fell by over 2,300 between 2006 and 2010 (Source: Art Fund data)

² Source: Art Fund data

³ Source: The Charity Commission



Proportion of total amount donated going to different causes, 2010/11^[4]

Furthermore, 58% of museums had experienced cuts to their overall budget over the past year. As a result, 51% had reduced their number of full time staff and 22% had reduced opening hours compared to 2010.^[5]

Despite this context, our targets were growing

In part to fill the void created by this funding gap, the Art Fund's Strategic Plan 2011-2014^[6] sought a 50% growth in their charitable programme, driven by a dramatic increase in membership and donations.

It would not be easy. Research with Art Fund members and prospects suggested that the Art Fund would struggle to grow its 'market share' versus charities with humanitarian missions such as Amnesty International or Oxfam; or those with whom people had a personal connection, such as Cancer Research or the NSPCC.^[7] Brands with much larger marketing budgets and greater media profiles.

⁴ Source: The National Council for Voluntary Organisations

⁵ Source: The Impact of the Cuts on Museums, The Museum Association, July 2011

⁶ Source: Art Fund Strategic Plan 2011-2014

⁷ Source: Muse Membership Qualitative Debrief, 2010



Cancer Research UK “Giving News” TV ad, 2010 ^[8]



NSPCC “Enough Is Enough” TV ad, 2010 ^[9]

⁸ <https://www.youtube.com/watch?v=jhYmGx9q7v4>

⁹ <https://www.youtube.com/watch?v=cMN8iQ7dLal>

*As it turned out, the best way
to compete with other charities
was not to compete with them at all.*

The Strategy

Challenging a long-held assumption

All charities rely on altruism. People handing over their money in return for the knowledge they are supporting a worthy cause. The Art Fund was seemingly no different; its mission to save works of art for the nation to enjoy was the primary given reason why members joined.

But qualitative research in 2010 identified there was another, less altruistic, reason why Art Fund members renewed their memberships: the free and discounted entry to museums, galleries and historic houses across the UK.

We saw an opportunity to focus on the more rational member benefits as a means of attracting a new audience, moving the charity's noble purpose to the background.

‘The members...hold their benefits in exceptionally high regard’. ^[10]

¹⁰ Source: Muse Membership Research Qualitative Debrief, 2010

The birth of the National Art Pass

The National Art Pass was created to reframe the organisation as a cultural membership scheme. We would no longer be asking for donations, but instead selling a product.

101 and the Art Fund designed the pass itself, the membership pack and the launch materials that included print and digital advertising.

The accompanying organising idea, 'Never Without Art', captured both the product's ultimate benefit to members and gave the Art Fund a simple articulation of its mission.

No change was made to the Art Fund's benefits or member privileges. The 'new' National Art Pass and the comms that followed simply re-presented the organisation's benefits in a more galvanising and desirable form.

The marketing task for 2011 and beyond was clear: drive sales of the National Art Pass amongst a new, younger audience, by promoting its money saving benefits.



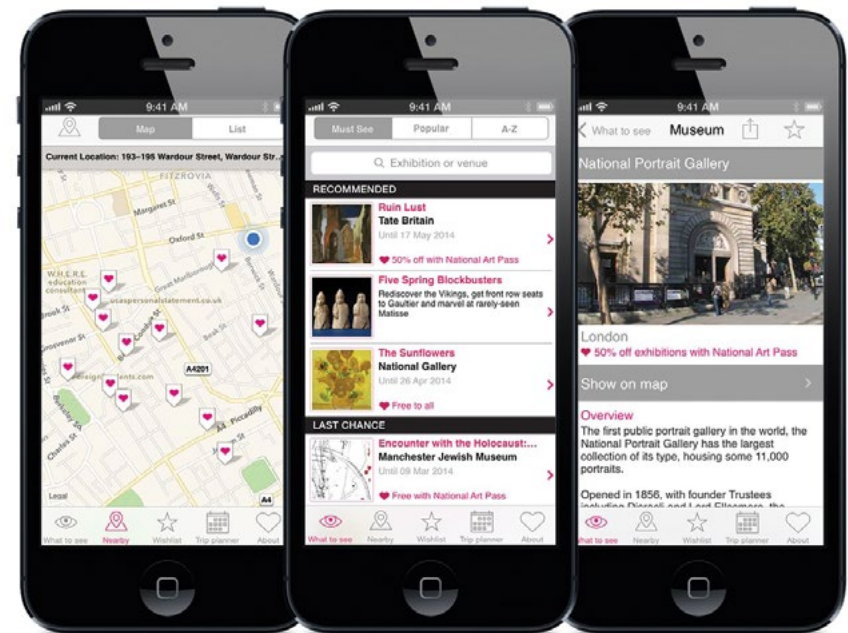
National Art Pass membership cards and pack, 2011

Marketing the National Art Pass, 2011-2016

There has been a clear strategic and creative consistency to the marketing approach that has transformed the Art Fund's fortunes.

A unifying Organising Idea

The Organising Idea 'Never Without Art' was developed to articulate the benefit of the National Art Pass. Internally, it helped the organisation focus on the right initiatives – such as the Art Guide app, which shows the user where art can be found nearest to their location. Externally, it has helped to position the National Art Pass as the art lover's indispensable tool. A passport to a rich world of art.



The Art Guide app

Creative principles

a) Making the card famous

This was ultimately about driving sales of the pass. The card should be prominent in all advertising, alongside a clear call to action to “search National Art Pass”.

b) Not acting like a charity

We were determined that the Art Fund shouldn't feel like a charity with a rattling tin. The National Art Pass would be presented as a modern product from a modern brand, communicated with wit and charm.

c) Showcasing breadth

There were other membership schemes in the sector. What distinguished the National Art Pass was the volume and variety of art covered: free and discounted entry to hundreds of museums, galleries and historic houses throughout the UK.

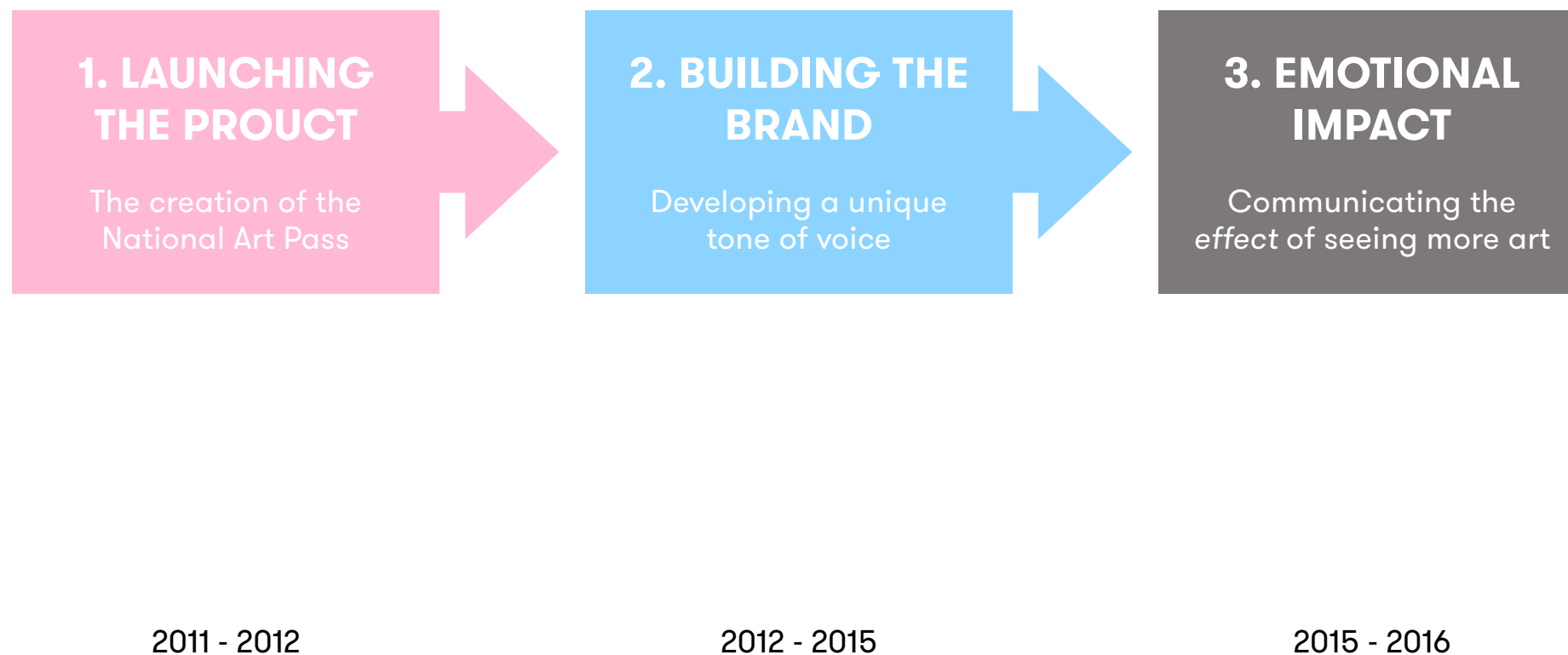
d) A focused media plan

With an average spend of under £1m per year, the most effective media strategy was to use one key channel – print – to deliver reach, supported by more direct and tactical activity to turn interest into action ^[11]. We also focused on London and the South East, where the number of museums and galleries could deliver the best value for money.

¹¹ Total spend on press and outdoor advertising was approximately 70% of the total marketing budget between 2011 and 2016

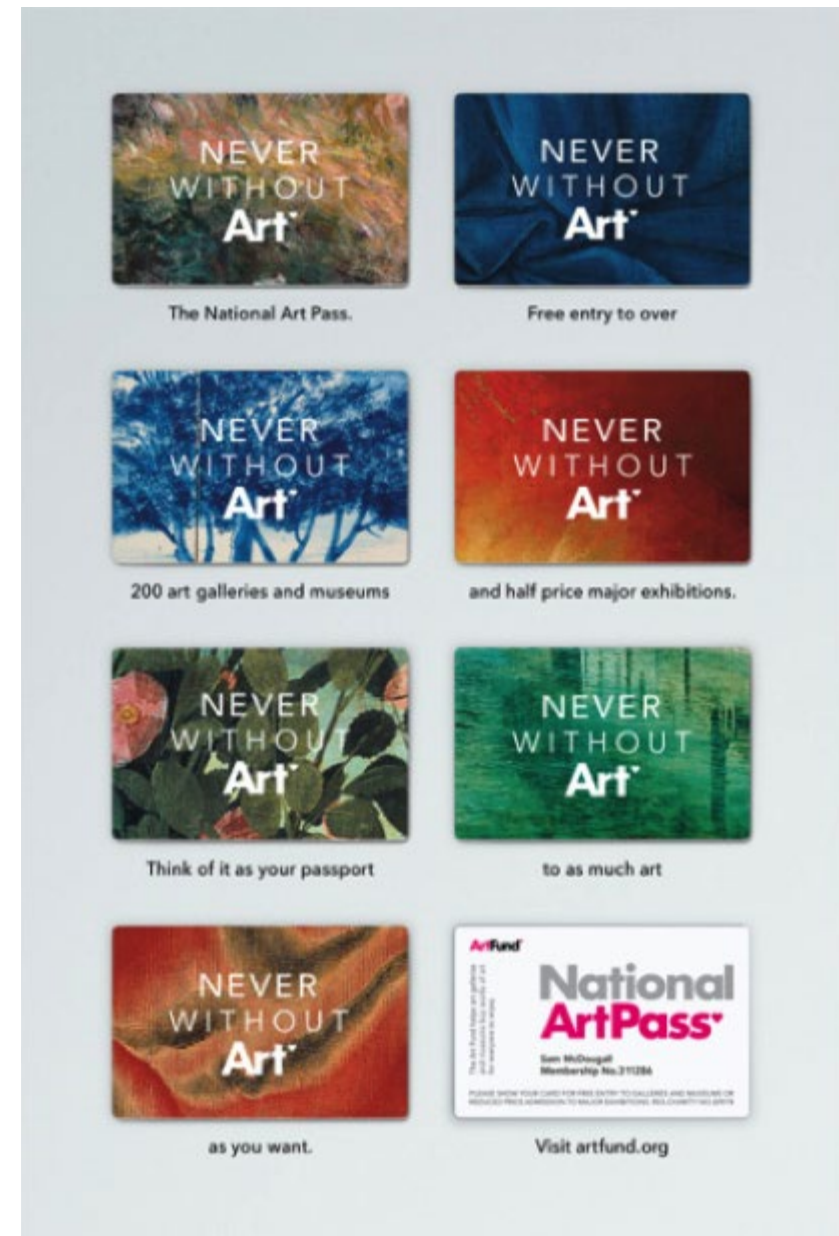
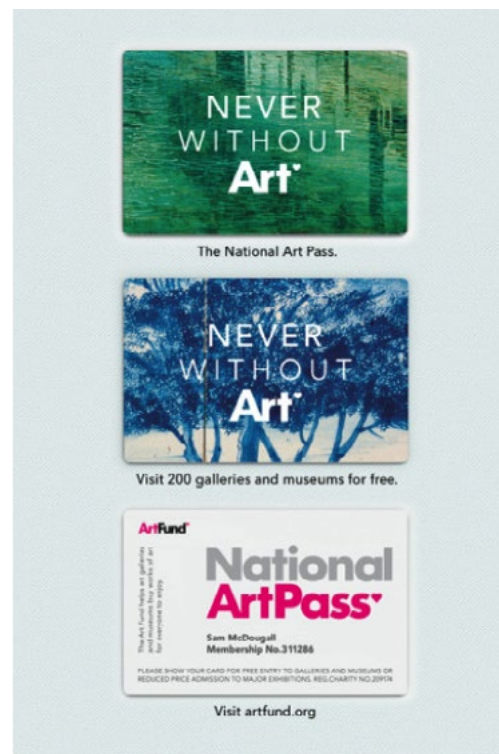
Advertising

The three key phases of advertising over this period show the evolution of the creative strategy:



1. Launching the Product (2011 - 2012)

Launch ads in outdoor, print and digital channels drove awareness of the National Art Pass, under the umbrella of the “Never Without Art” organising idea.



Campaign posters, 2011

1. Launching the Product (2011 - 2012)

We also ran the Organising Idea across all third party materials, such as t-shirts, badges and bags for gallery staff. Finally, we devised a weekend-long promotion with The Guardian and Observer. This centred on a weekend promotion offering a free 3-month 'trial version' of the pass.



2. Building the Brand (2012 - 2015)

The launch phase had an immediate impact on awareness and sales of the National Art Pass. The next challenge was to build on this success, turning this compelling product into a powerful and distinctive brand.

We injected more personality through a new, smarter tone of voice, and introduced more art into the executions.

The benefits of the National Art Pass were highlighted alongside a variety of works, all of which the Art Fund had saved for UK venues. The ads appeared in national print titles, as well as prominent formats on the London Underground.

Frills

Thrills

The National Art Pass. Free entry to over 200 galleries and museums across the UK and half-price entry to the major exhibitions. Buy yours today at artfund.org

ArtFund

ArtFund is a registered charity. All proceeds from the sale of National Art Passes go to ArtFund. © 2011 ArtFund. All rights reserved. ArtFund is a registered charity. All proceeds from the sale of National Art Passes go to ArtFund. © 2011 ArtFund. All rights reserved.

Campaign posters, 2011

2. Building the Brand (2012 - 2015)



Jack



Queen



King



Ace

The National Art Pass. Half-price entry to the major exhibitions and free entry to over 200 galleries and museums across the UK. Buy yours today at artfund.org

ArtFund

Robert Burrell Jack (London, 1930) National Portrait Gallery © Robert Burrell Jack/Michael. Reprising Queen's Coronation Medal © The Royal Collection, 1953 © 2015 The Royal Collection/Her Majesty Queen Elizabeth II. King Henry VIII (London, 1930) National Portrait Gallery © Robert Burrell Jack/Michael. Reprising Queen's Coronation Medal © The Royal Collection, 1953 © 2015 The Royal Collection/Her Majesty Queen Elizabeth II. The Art Fund is the operating name of the National Art Collections Fund, a charity registered in England and Wales (207176) and Scotland (SC038000). The National Art Fund is issued to Art Fund members, subscription cost £10.

A group of adult albatrosses and their chicks on a grassy field. The adults have white heads and necks with dark markings around the eyes, and dark wings and backs. The chicks are covered in grey and white down. They are standing on a field of dry, yellowish-brown grass.

[illegible]

ArtFund[®]

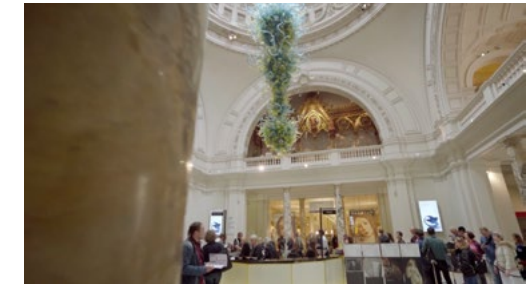
Dr Peter Lely, Two Gallies Farm, Lake Park, (date) c.1480, Tate, Art Funded 1985. Charles Frederick Townsend, Green, St Mary and Anne (date) late 17th c, National Art Funded 2000 © Estate of C. R. Townsend. The Art Fund is the operating name of the National Art Collections Fund, a charity registered in England and Wales (239179) and Scotland (SC28337). The National Art Fund is used to Art Fund members' subscriptions start from £65.

3. Emotional Impact (2015 - 2016)

With awareness of the National Art Pass amongst our core audience reaching over 50% by 2015, we saw an opportunity to shift focus from the “what” to the “why”.

Research with members and prospects told us that art can provoke an enormous range of emotions, from wonder to joy to anger. Furthermore, it was exactly these strong reactions that were most motivating to people. They wanted art to change their mood, to make them see things differently and to make them smile.

This gave us a clear creative direction, but also prompted a rethink of the media strategy ^[12]. Film (cinema and online) gave us the opportunity to tell a more emotional story about the impact the National Art Pass could have. Working with US filmmaker Alex Gorosh, we created a film about the (foolhardy) attempt to try and see all the art in London in just one day.



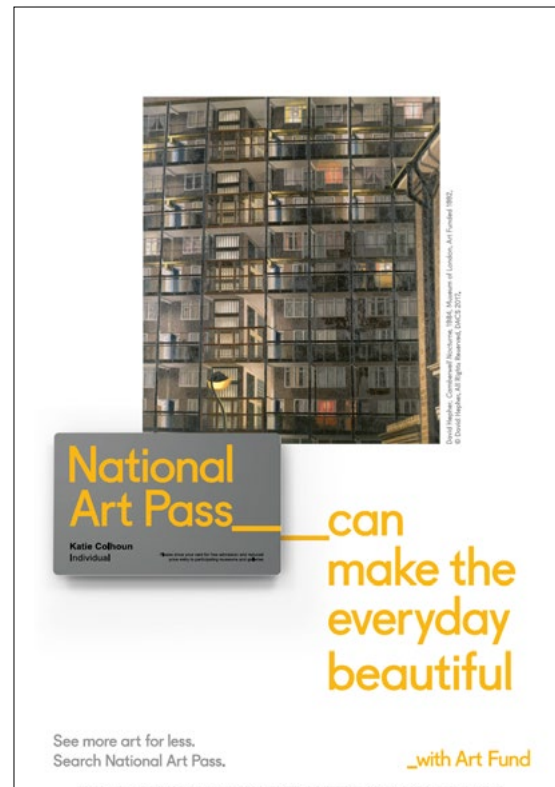
All the art in London
in one day



¹² Working closely with the Art Fund's media agency, the7stars

3. Emotional Impact (2015 - 2016)

Print advertising supported this new message, showcasing different ways in which the National Art Pass can stimulate emotions.



National Art Pass — can make the everyday beautiful

Katie Colbourn
Individual

See more art for less.
Search National Art Pass. **_with Art Fund**

Art Fund is the operating name of National Art Collections Fund, a charity registered in England and Wales 209174 and Scotland 50030331. National Art Pass is issued to Art Fund members. Subscriptions start from £95.



National Art Pass — can make you see red


Sandie Dilger
Individual

See more art for less.
Search National Art Pass. **_with Art Fund**

Art Fund is the operating name of National Art Collections Fund, a charity registered in England and Wales 209174 and Scotland 50030331. National Art Pass is issued to Art Fund members. Subscriptions start from £95.

3. Emotional Impact (2015 - 2016)

Print advertising supported this new message, showcasing different ways in which the National Art Pass can stimulate emotions.



National Art Pass — can give you lust for life

Sandie Däger
Individual

See more art for less.
Search National Art Pass. **_with Art Fund**

Art Fund is the operating name of National Art Collections Fund, a charity registered in England and Wales 201194 and Scotland 00455551. National Art Pass is issued to Art Fund members. Subscriptions start from £35.



National Art Pass — can make the impossible possible

Misha Newby
Individual

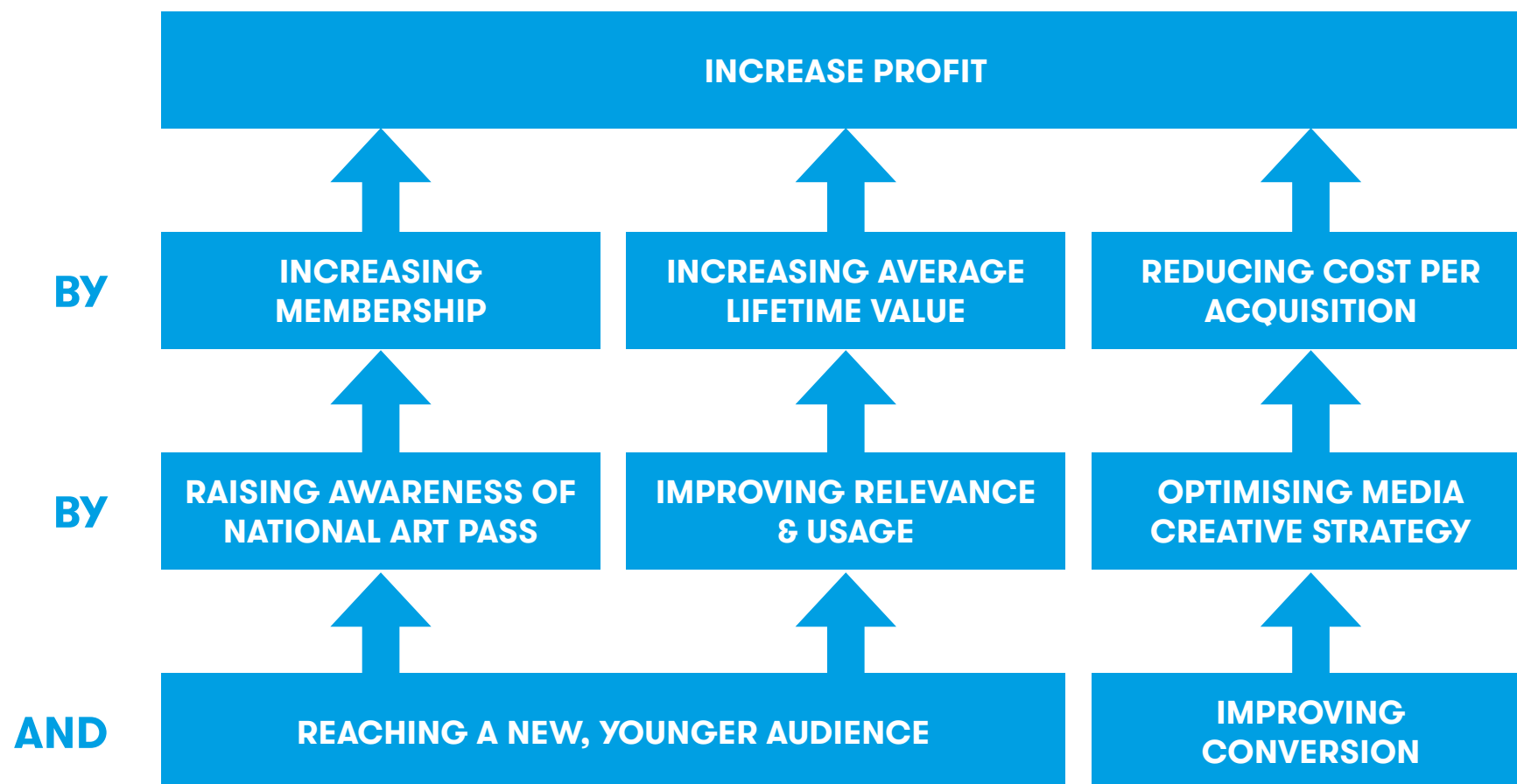
See more art for less.
Search National Art Pass. **_with Art Fund**

Art Fund is the operating name of National Art Collections Fund, a charity registered in England and Wales 201194 and Scotland 00455551. National Art Pass is issued to Art Fund members. Subscriptions start from £35.

Results

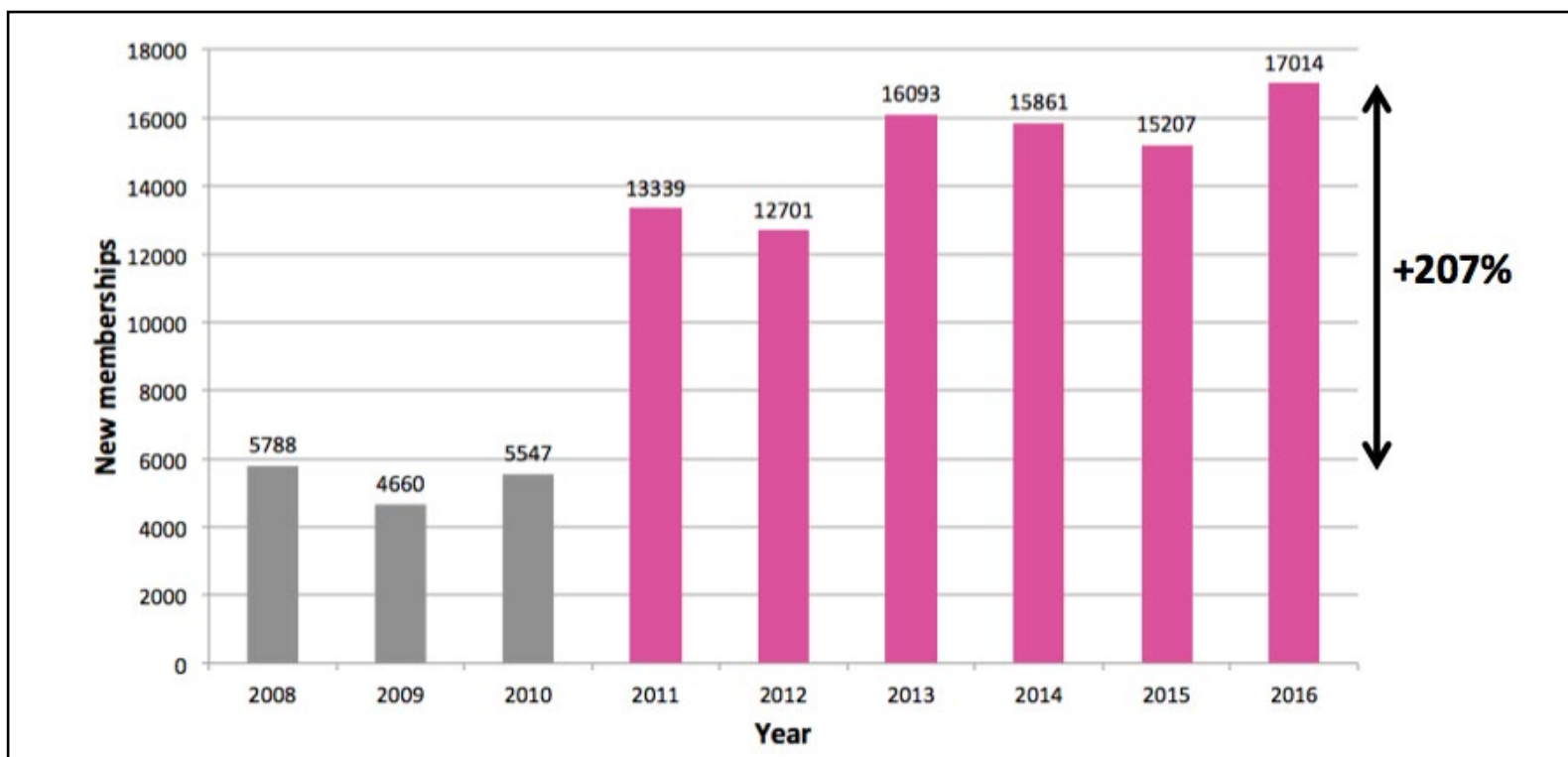
The launch of the National Art Pass has surpassed all expectations, far beyond the initial membership target and the ambition to lower the average member age.

The way in which the campaign worked to increase profit can be summarised by the following model:



The impact on memberships

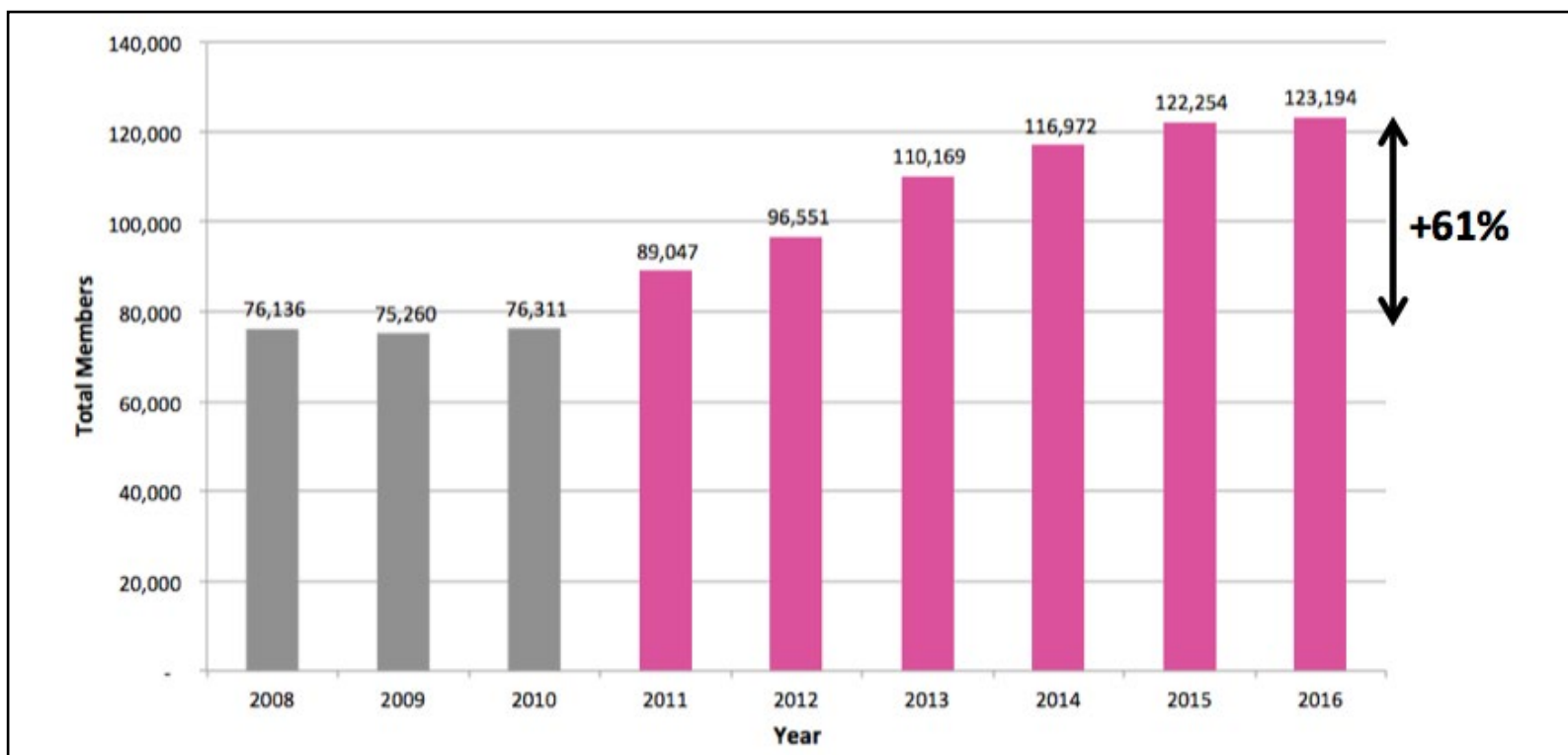
New memberships more than doubled in the first year and by 2016 were 207% higher than in 2010.



New memberships, 2008-2016

The impact on memberships

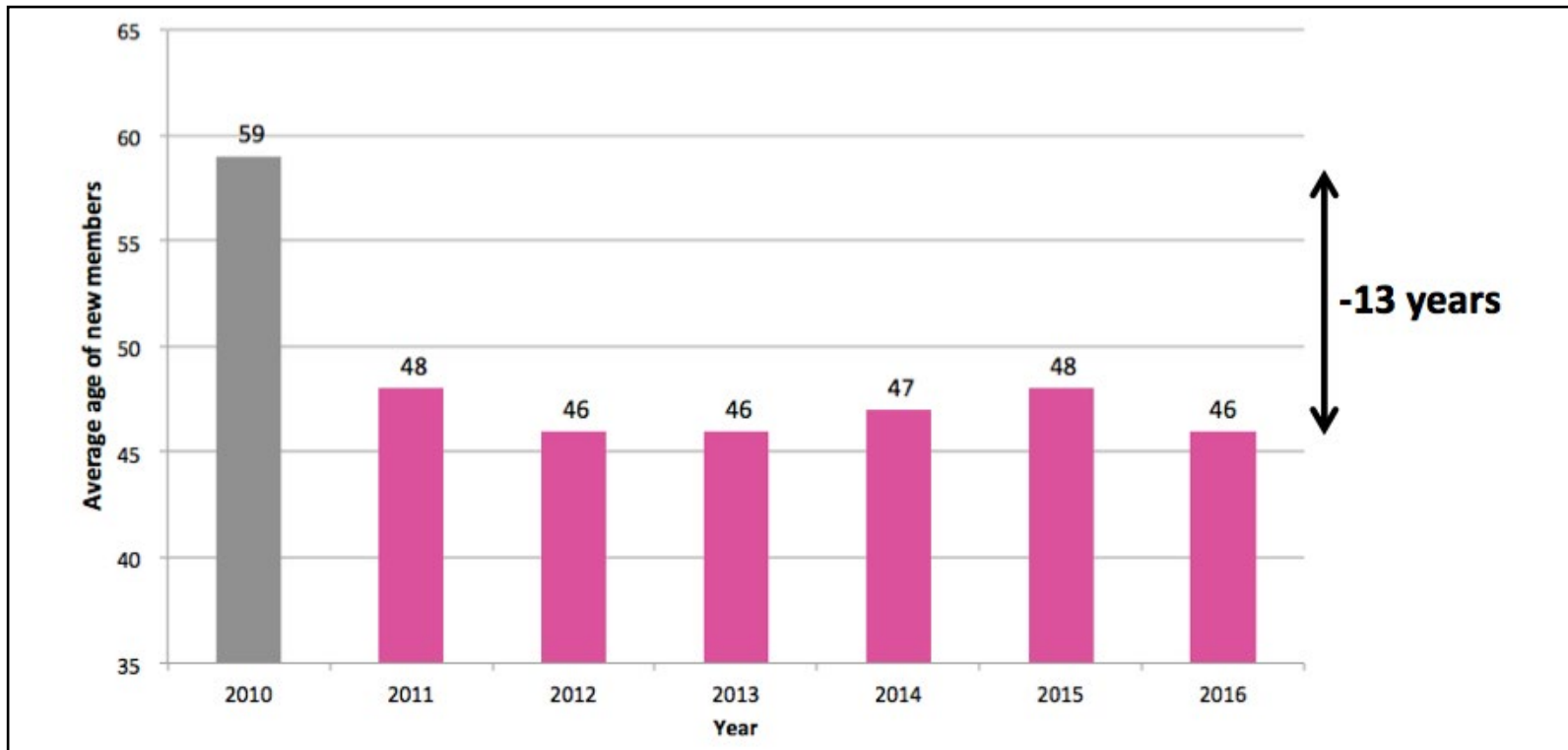
These new memberships drove a 61% increase in total memberships.



Total members, 2008-2016

The impact on memberships

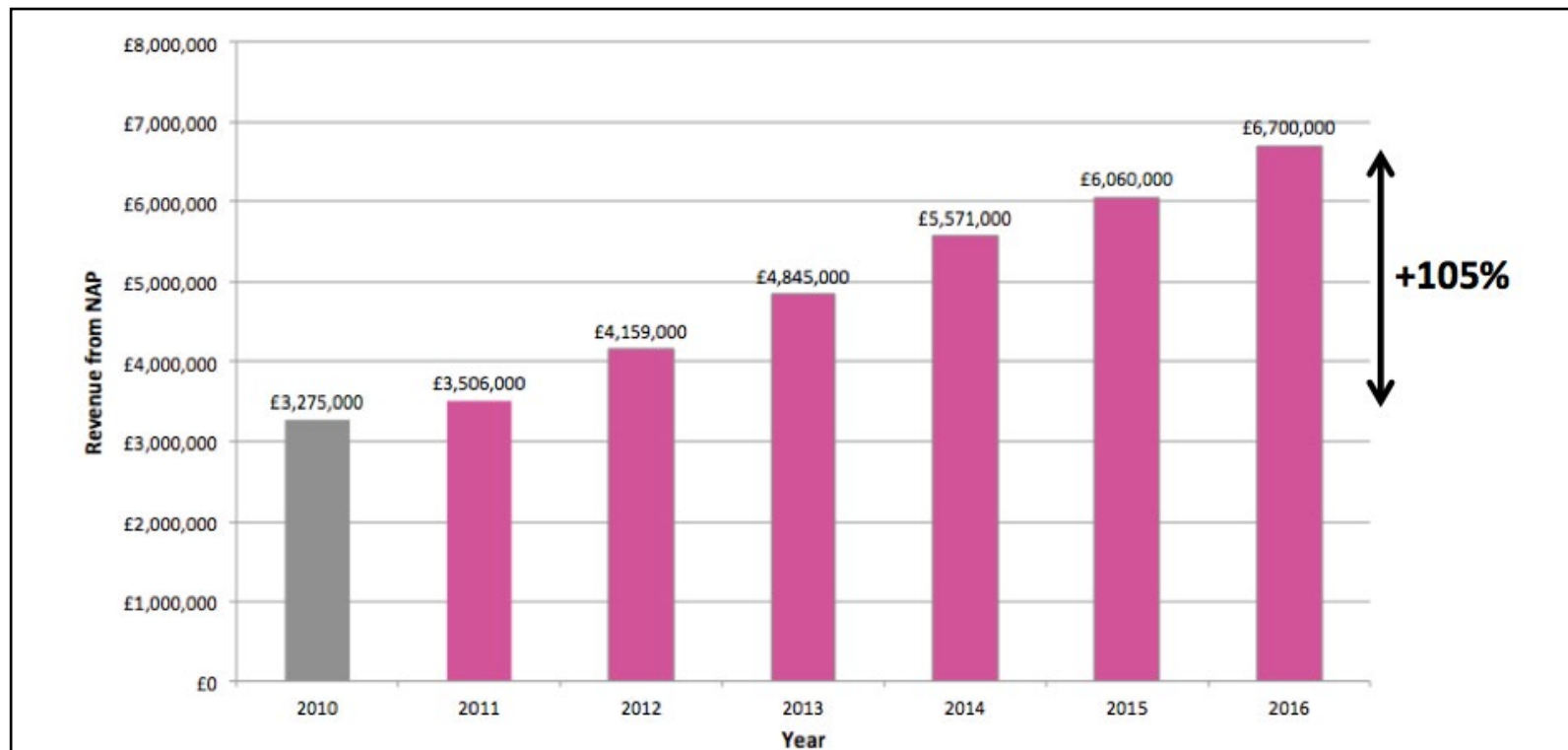
The campaign has successfully reached a new, younger audience, with the average age of new members dropping by over a decade.



Average age of new members, 2010-2016

The impact on revenue and costs

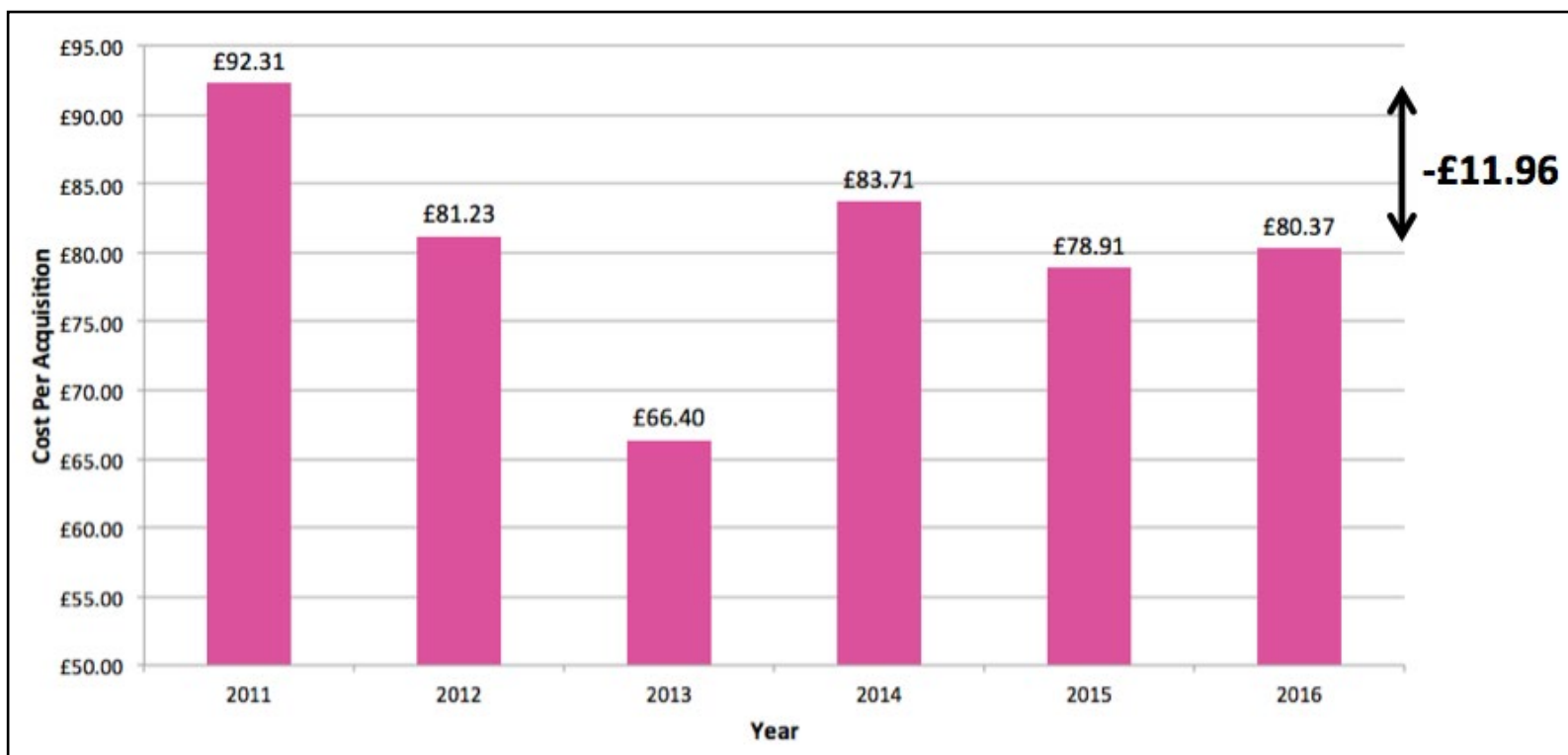
The revenue generated from memberships, rather than bequests and other sources of income, has increased by 105%.



Revenue from memberships / National Art Pass sales, 2010-2016

The impact on revenue and costs

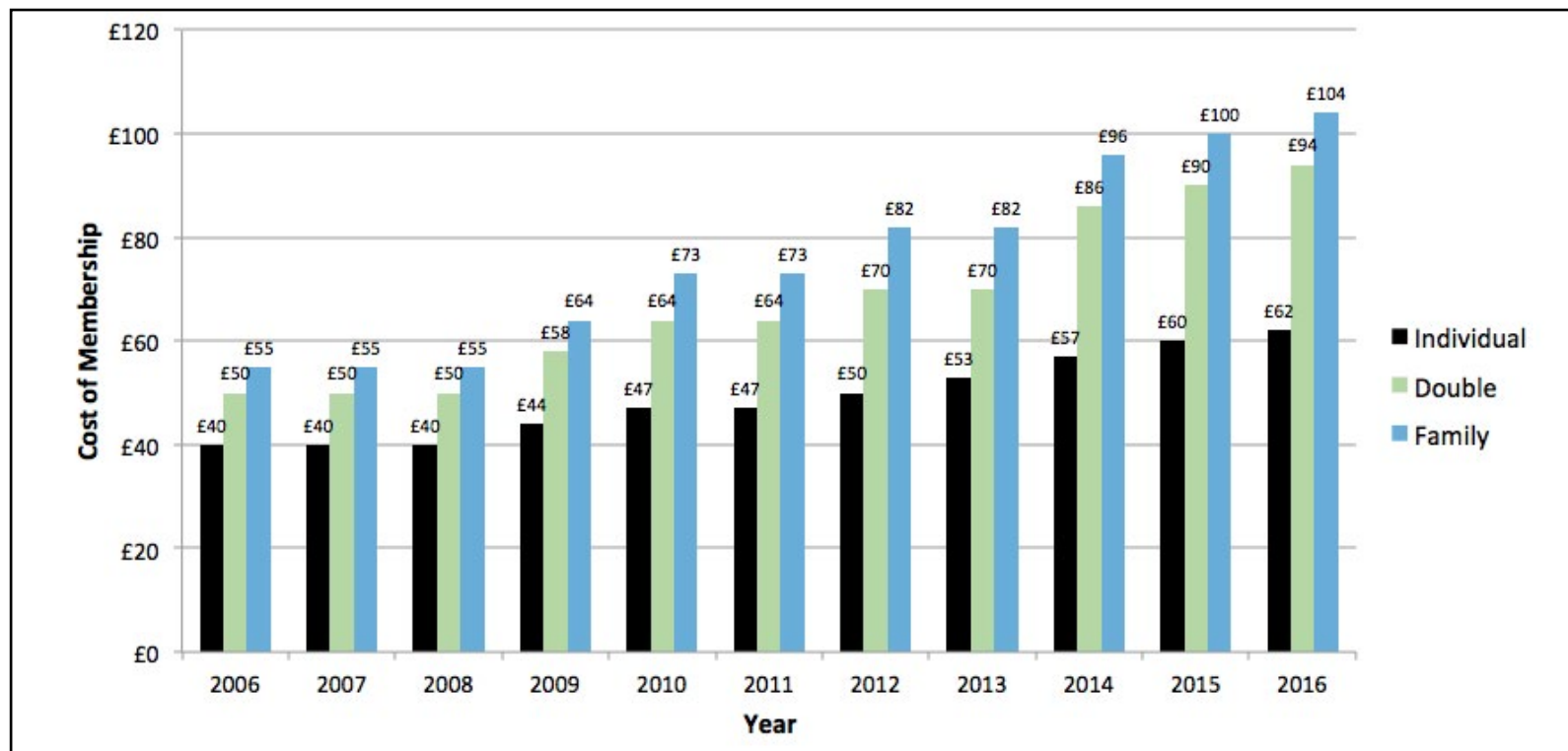
The media strategy and creative approach has seen the cost per acquisition improve by over 10%, from £92 to £80.



Average cost per acquisition, 2011-2016

The impact on revenue and costs

The reframing of Art Fund membership as the National Art Pass has also justified a higher membership price (achieved without a drop in retention, which has remained over 80%).



Membership rates, 2006-2015

The impact on revenue and costs

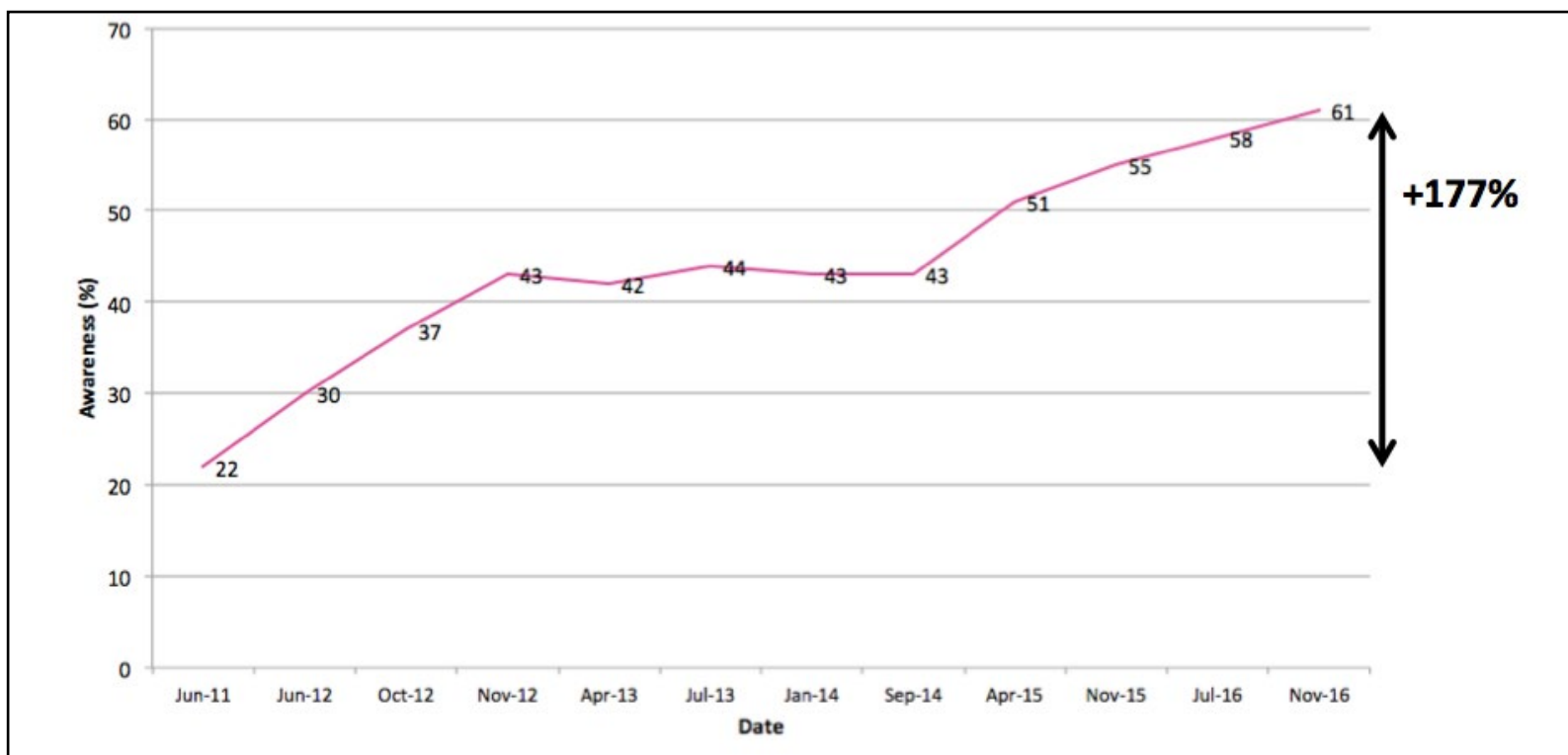
Crucially, this higher membership cost and stable retention rate have seen the average lifetime value increase significantly (+24%) since 2011.



Average net profit contribution per member, 2011-2016

Proving the impact of marketing

Awareness of the National Art Pass amongst our target audience has grown significantly.

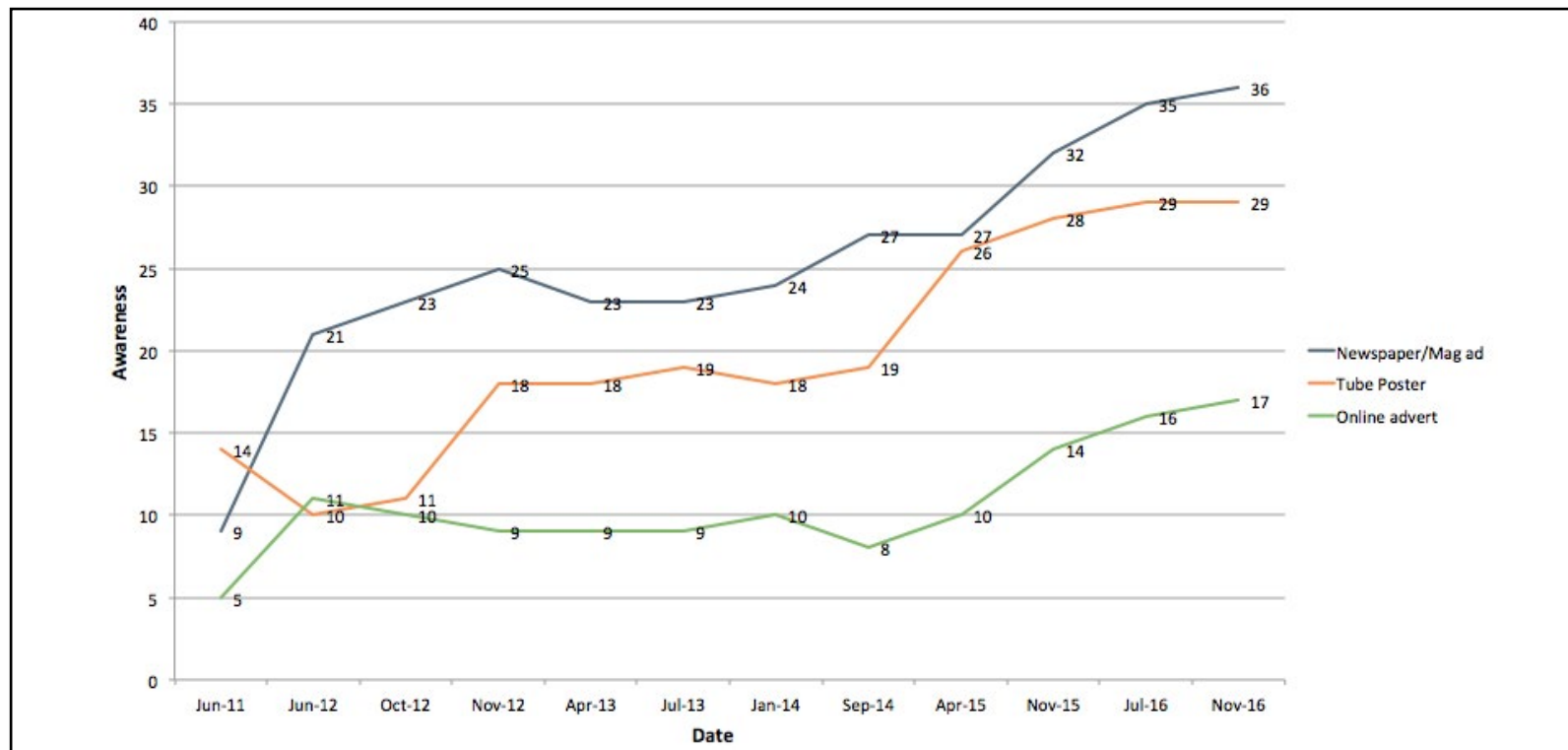


Awareness of the National Art Pass, 2011-2016 ^[13]

¹³ Source: Muse Brand Tracking. Q. Which of the following are you aware of...? (Tick all that apply)

Proving the impact of marketing

This increase in awareness has been driven by the three main channels used during the campaign (press, outdoor and online).

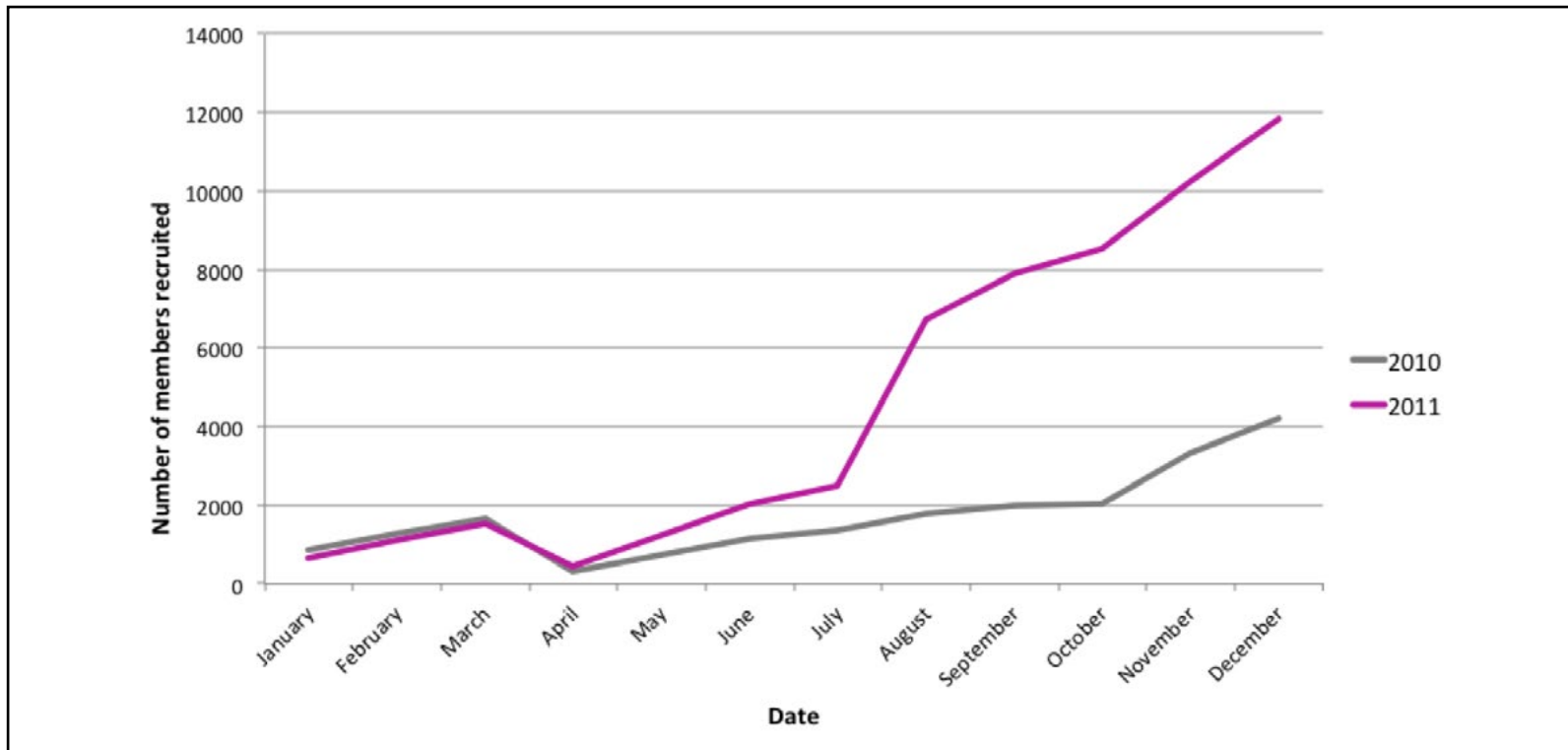


Media cut-through, 2011-2016 ^[14]

¹⁴ Source: Muse Brand Tracking. Q. Have you read, heard or noticed anything about the National Art Pass recently in any of the following ways....? (Tick all that apply)

Proving the impact of marketing

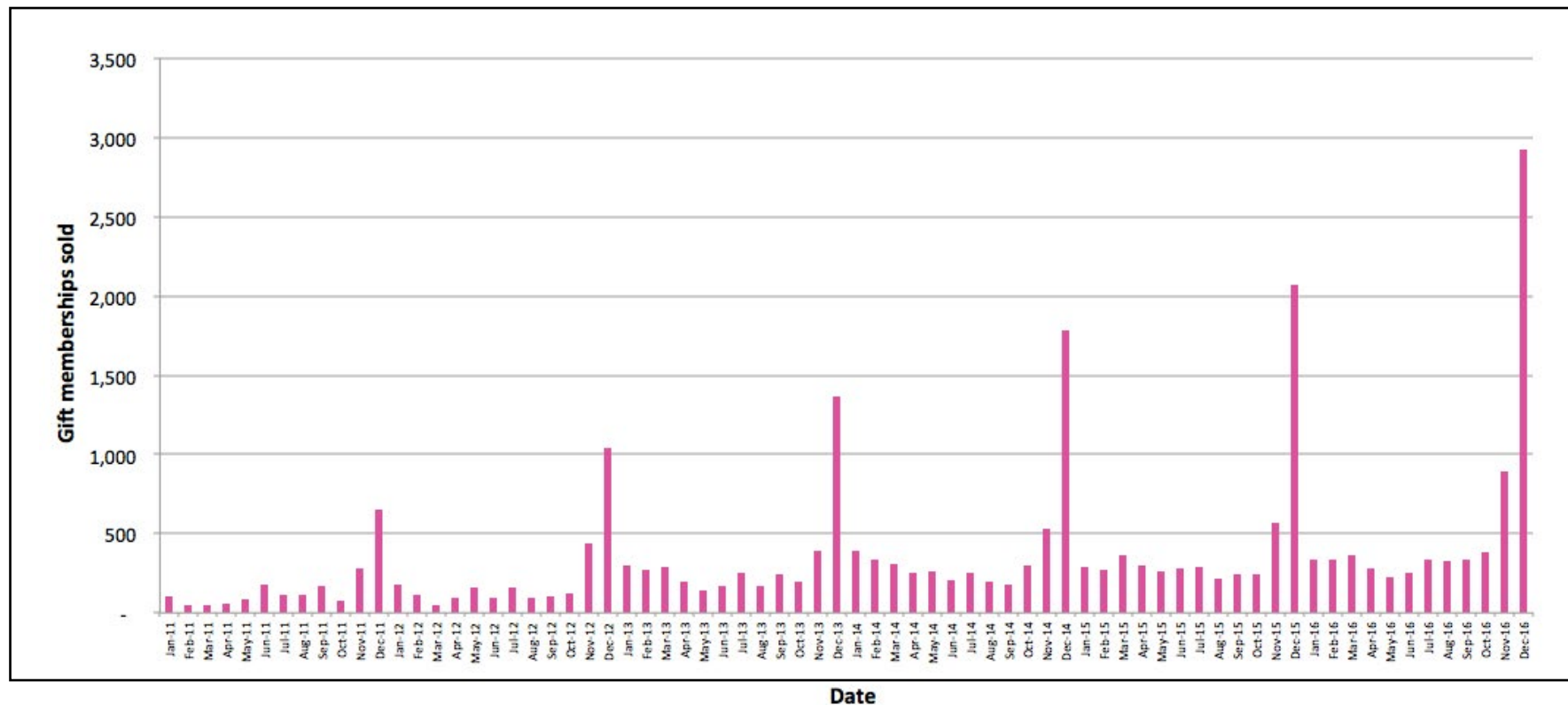
There has been a strong correlation between membership sales and the dates of marketing activity. Sales in the launch year, for example, spiked precisely in line with media bursts, in April, July and October.



New members recruited, 2011 vs 2010

Proving the impact of marketing

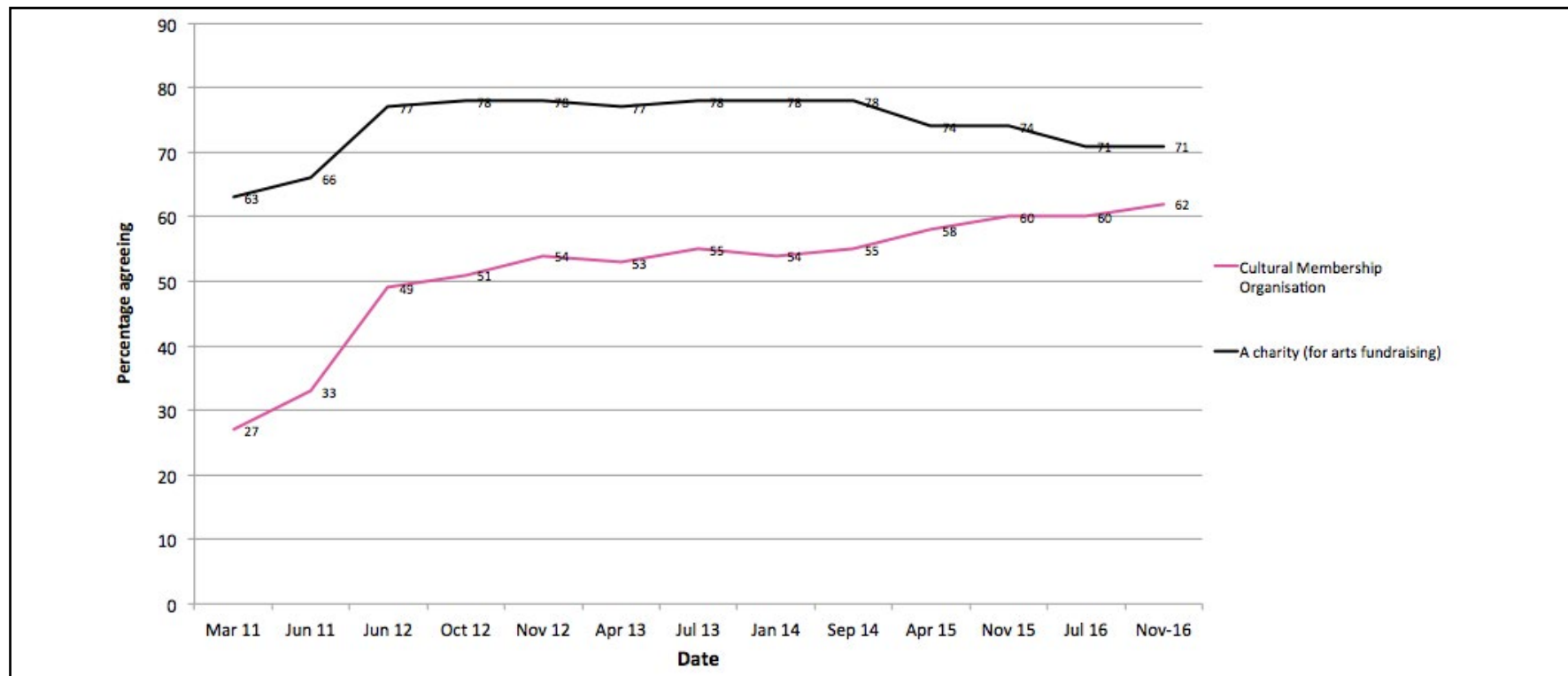
Since the reframing of membership benefits as a product, gift sales have increased dramatically every year.



Gift membership sales, 2011-2015

Changing perceptions of the Art Fund

Perceptions of the Art Fund have shifted significantly. It is now perceived by most people as a cultural membership organisation, as well as a charity.



Perceptions of the Art Fund (amongst those aware), 2011-2016 ^[15]

¹⁵ Source: Muse Brand Tracking. Q. Which of the following descriptions best fits your understanding of The Art Fund? (Tick all that apply)

Eliminating other factors

1. The price of membership did not decrease

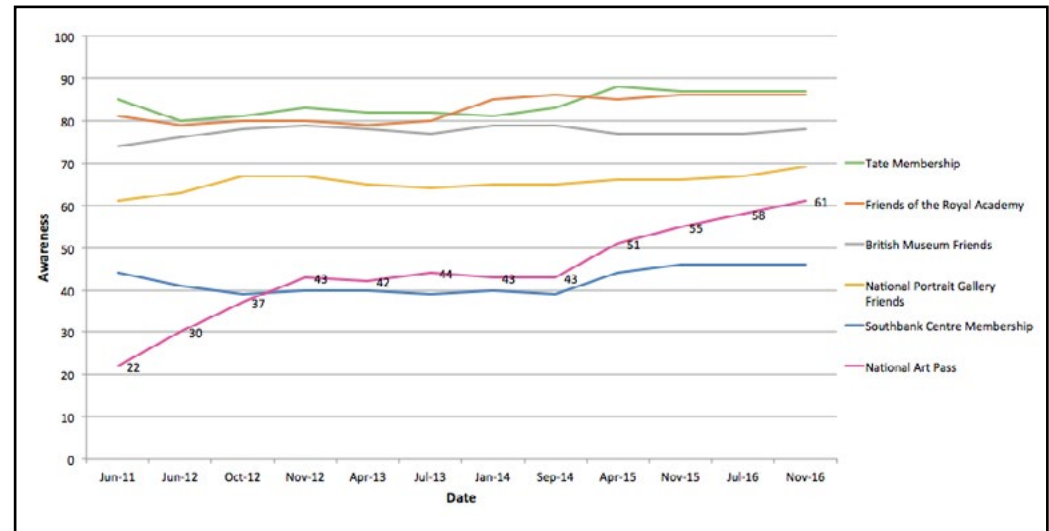
As we have shown, the price of membership has actually increased over the period.

2. The benefits did not change

The benefits of Art Fund membership have not changed; they have just been framed and presented in a new way.

3. Growth greatly outperformed the sector (the Art Fund's success wasn't simply a category effect)

Awareness of comparable membership schemes, which shows clearly that the National Art Pass was the only scheme in growth over the period in question.



Awareness of the National Art Pass and other membership schemes, 2011-2016 ^[16]

¹⁶ Source: Muse Brand Tracking. Q. Which of the following are you aware of...? (Tick all that apply)

Calculating ROI

Taking the (pre-campaign) 2010 figure of 5,547 new members per year as the benchmark, we can calculate the profit upswing attributable to the new campaign by multiplying the incremental members added each year by the average lifetime net contribution per member.

	New members	Benchmark	Incremental members	Av. lifetime net contribution per member	Incremental revenue
2011	13339	5547	7792	£236	£1,838,912
2012	12701	5547	7154	£266	£1,902,964
2013	16093	5547	10546	£291	£3,068,886
2014	15861	5547	10314	£288	£2,970,432
2015	15207	5547	9660	£322	£3,110,520
2016	17014	5547	11467	£293	£3,357,308
Total incremental Profit					£16,249,022

This gives us a total incremental
profit of £16.25m.

Note that this is **pure profit rather than revenue**, as the cost of all forms of marketing has already been removed from the member contribution figures.

The marketing budgets per year were as follows:

	Marketing Spent
2011	£745,000
2012	£451,533
2013	£515,155
2014	£732,898
2015	£721,699
2016	£1,065,123
Total	£4,231,408

With a total media cost
of £4,231,408, we can calculate
the ROI as incremental profit /
marketing spend =
 $£16,249,022 / £4,231,408 =$

£3.84 for every £1 spent.

Conclusion

This paper demonstrates the value of a long-term approach to brand building. A new customer insight led to the reframing of the entire organisation and a creative campaign that has driven both perception change and profit.

**“We now think of ourselves as an e-tailer,
not simply a charity.”**

*Carolyn Young,
Director of Marketing,
The Art Fund*

Conclusion

In the era of “always on” marketing, it serves as a reminder that less can still be more. £16.25m incremental profit has been achieved with a disarmingly simple media plan, dominated by print advertising in two key bursts per year.

Most importantly, the Art Fund’s purpose (saving art for the nation) has been well served by the creation and successful marketing of the National Art Pass. The extra profit has helped museums and galleries to acquire or retain an astonishing range of art since 2011, which might otherwise have been lost. ^[17]





¹⁷ The works of art are: Portrait of Mademoiselle Claus (Manet), Self Portrait (van Dyck), Still Life under the Lamp (Picasso), The Kongouro from New Holland (Stubbs), Salisbury Cathedral from the Meadows (Constable)