

**Motivations, Attitudes and Loyalty:
Towards a Pricing Strategy Model for
Taiwanese Museums**

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by

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Motivations, Attitudes and Loyalty: Towards a Pricing Strategy Model for Taiwanese Museums

Yupin Chung

Abstract

A convergence of diminishing funding resources, heightened public expectations, and marketing practices was leading Taiwanese museums in a 'new direction' only a few years ago. The pressure of requiring public museums to produce self-generated income through a combination of admission charges, corporate sponsorship and other commercial services such as venue hire, shop sales and proceeds from catering is a complex issue.

Within this rapidly changing context, this thesis explores the people who 'consume' a museum visit and tackles the following questions: How should museums and their roles be interpreted in the age of the leisure society? What are the museum's objectives in selecting its pricing objectives? What factors influence a visitor's perceptions of the value-for-money offered by a visit to a museum? How does a museum decide upon a general strategic approach to its pricing decision?

To address these questions, a new theoretical base and methodology is developed with two main stages. The first stage was to survey the area of the historical development of admission charges for Taiwanese museums. The second stage explored primary evidence using both the case study and a series of focus group interviews to support the premises of pricing strategies. Through systematic analysis of this *primary data* a model is developed to understand why people visit museums (in terms of visitor motivations) and how those visits are integrated into their value system (in terms of visitor attitudes and loyalty). In this way the thesis describes how the trend towards a self-generated income policy has influenced the behaviour of Taiwanese museums and their visitors, and suggests how a pricing strategy model of museums can be developed in a way that more fully reflects their fundamental and evolving purposes.

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Chapter 1

Introduction

1.1 Background and Research Rationale

The museum today is important as an institution serving a diverse and increasing array of roles in cultural life. The development from the traditional repository of a country's material culture to the multi-service institution is well-documented (Hooper-Greenhill, 1992; McLean, 1997; Schubert, 2000). The past two decades in particular have seen a shift in emphasis within many museums that have become outward-facing and driven by public demand, rather than inward-looking and conservation focused. It is significant that the public become part of a museum's work and that museums consider the role that they can play in supporting communities to express their cultural life, and personal and collective identities (Halpin, 1997; Weil, 1997; Hooper-Greenhill, 2000; Appleton, 2001; Hall, 2005). As the *Code of Ethics for Museums*¹ states:

Museums enable people to explore collections for inspiration, learning and enjoyment. They are institutions that collect, safeguard and make accessible artefacts and specimens, which they hold in trust for society (Museum Association, 2002:8).

In many contexts, visitors have increased, and the increasing interests of diverse publics and other stakeholders have created new demands to which museums must respond. However government funds to meet these needs have barely kept pace with the rising demands for service; thus as demands have increased, problems have

¹ Production of the Code of Ethics for Museums was overseen by the Museums Association Ethics Committee, convened by Tristram Besterman.

emerged. Growing uncertainty over the future of public support could be interpreted as a reason for developing market-related revenues and results in organisational self-sustainability (Stevens, 1996). The main concerns are that increasing reliance on fees and other commercial income may lead to goal or mission displacement, where museums begin to focus more on what is marketable and economically feasible rather than desirable vis-à-vis the mission (DiMaggio, 1986; Weisbrod, 1998; Toepler, 2001; Weil, 2003).

The pressure of requiring public museums to produce self-generated income through a combination of admission fees, corporate sponsorship and other commercial services such as venue hire, shop sales and proceeds from catering is a complex issue. The discourse around 'admission charges' has generally focused on political ideology and social policy perspective. As Anderson (1991) notes, with increased resistance to taxation, growing attention is being given to 'user charges' as a way that governments can raise revenues without violating pledges not to boost taxes. The fact that there have been many mega exhibitions, so-called blockbusters, organised over the past decades—dealing with the work of famous artists such as Monet or Picasso, or presenting a fascinating collection of ancient treasure—should be seen in the light of this growth in 'charge' practice. In terms of user charges, recognized by Kotler and Kotler (2000:273), the relationship of a museum to its audience becomes an exchange relationship: visitors derive benefits from museums and at the same time incur certain costs (in time, convenience and expenses) in participating in museums; and museums derive benefits from the public such as revenues, donations and political support.

In view of the exchange relationship, recent academic work suggests that social trends will force museums to treat visitors as clients (or consumers) and its primary responsibility is to be accountable to the visitor (Merriman, 1991; Wood, 1993; Tobelem, 1997; Kotler and Kotler, 1998; Doering, 1999). Kotler and Kotler (1998) plead for more serious attention to pricing practice and stress that pricing has also influenced museums to think more clearly about the benefits they offer the public and what the public perceives as the value of a visit.

Challenges have been raised to the museum marketing literature. Researchers have encountered difficulties in coming to terms with the notion of 'price' (McLean, 1994; Kotler and Kotler, 1998; Colbert, 2001). McLean (1997:157) points out that the key problem in services pricing, which distinguishes it from the pricing of goods, is the difficulty in assessing the cost of providing the service. As for museum 'services', McLean (1994) argues that the concept of the public 'experience' is not adequately explored. How can the complex and unpredictable 'experience' be evaluated? How does it relate to the purpose of museums, to operate 'for the public benefit'?

1.1.1 Museums and 'Value for Money' Climate in Taiwan

In the 1980s, Taiwan's flourishing economy contributed significantly to a museum explosion. The museum boom is a product of increased political liberty and cultural awareness, and Government regards the museum as an important cultural index within economic prosperity (Central Region Office, 1998). In 1980, there were only fifty museums in Taiwan, but by 1997 this number had increased threefold.

However, the political and economic climate has changed, bringing demands that

museums become accountable, show ‘value for money’ to their stakeholders, and use market mechanisms to seek multiple-source funding. McLean (1997:156) accounts for a significant change that has altered this ‘dependency culture’ in the UK—the growth of the independent museums. Many of them could be called ‘mixed-economy museums’, because a substantial part of their income comes from public grants. In the area of ‘income’, museums begin to examine what is being exchanged, and to determine the appropriate value to be exacted for the services they offer in the marketplace.

In Taiwan, there is also a tendency to leave the museums more and more to the forces of the market; and flowing on from this a direct result of economic rationalisation is a change in funding from a reliance on government subsidy to a need to develop a diversity of funding sources to support the museum operation (Council of Cultural Affairs, 2001). In practice, there is a general impression that it is easier to collect ‘admission charges’ than to establish an entirely new means of income generation (e.g. sales revenues from catering and merchandising).

There are, of course, fears that the pendulum may swing too far, and museums may be forced to ‘commercialise’² in order to generate income. Charging for admission to national museums has been controversial in Taiwan. There has been increasing debate about the commercial approach of the National Museum of Marine Biology and Aquarium since the Museum opened its door with a high admission charge.

² Besides the core activities of museums, which are directly related to the works exhibited, and for which some of them charge an entrance fee, nonprofit museums are opening retail shops, restaurants and cafés. The revenues from these activities can make a contribution to cover the operation expenses. For a discussion on the commercialisation of museums, see Weisbrod (1998); Frey and Meier (2003).

Admission (adult) rates within Taiwanese museums vary from the equivalent of 20 pence to £6. Each museum is fairly free to make its decision on admission objectives and schedules, but its clients who were confronted with price increases asked for price regulation (Chung, 2003). The reason, they argue, is that since museums serve public and educational purposes and have a distinctive “fiduciary role” identified by Anderson (1998) of protecting national and local treasures for future generations, one may wonder whether the commercialisation of museums might jeopardise their not-for-profit status.

1.1.2 Museums in the Age of the Leisure Society

In terms of the marketplace, museums have been forced to acknowledge the importance of competition (Moore 1994; McLean, 1997; Kotler and Kotler, 1998) and museums now compete for visitors with other cultural activities and leisure attractions, even if they offer free admission.

With the emergence of cultural and demographic changes towards the post-industrial leisure society, Schubert (2000:67) claims that the public’s perception of the museum has shifted from educational to recreational, from research and display to a more audience-driven and service-oriented approach. As Lumley (1998) remarks, museums are an international growth industry. Not only are they increasing in numbers, but also they are acquiring new functions in the organisation of cultural activities. Stephen’s paper entitled *The Contemporary Museum and Leisure: Recreation as a Museum Function* (2001) concludes with a poetic look at the value of leisure in modern society and suggests that the functions of the museum can all be integrated.

Although in Taiwan government departments and other bodies such as tourist or leisure authorities have conducted participation studies among sample populations, looking at what percentage of a population visits cultural organisations and how often, both of these forms of research tend to produce quantitative data in the form of statistics. According to *Social Trend* (2000), it simply implies that with a growing amount of leisure time and disposable income there might be the potential market for cultural organisations. In order to explore the implications—museum visiting as part of a group of leisure activities expressive of a cultivated lifestyle³—as Merriman (2000:75) has suggested, ‘we have to move beyond inadequate surface explanations of leisure, and examine wider theories which allow museum visiting to be placed in its historical and contemporary context’.

1.2 Perspectives on Pricing Policy in Museums

In this section, a brief review of theories of pricing policy is given to establish a theoretical framework in relation to the research questions and objectives.

1.2.1 Economic Approach

From an economic point of view, two different approaches can be distinguished: firstly, museums may be looked at as a ‘productive unit’, or a ‘firm’⁴ where inputs and outputs can be analysed; secondly, the economic way of thinking can be applied

³ Museum visiting, like art and cultural practices in general, is emblematic of ‘distinction’, in that it is recognised as a cultured activity although only certain sections of the population participate in it, while others exclude themselves through their lack of familiarity with museum culture. See Bourdieu and Darbel’s *L’amour de l’art* (1969; translated in 1991 as *The Love of Art*) for more details.

⁴ Museums use substantial amounts of labour and capital in performing their tasks. For a discussion of museums as productive organisations, see Johnson and Thomas (1998).

to the case of museums: individuals (directors, curators, politicians, etc.) are assumed to pursue their utility within the constraints imposed by institutions and the environment, especially scarce resources (Frey and Meier, 2003). The behaviour of the museum staff is guided by the institutional setting; accordingly, the main source of funds can have a huge impact on the behaviour of the museum.⁵ The museum staff's decision to raise income through ancillary services, to manage their collection on the market, or to set admission charges depends crucially on the ownership of the museum. A distinction is made here between private and public museums dependent on donations.

Studies in the economics of museums have been growing rapidly over the past twenty or so years⁶. A comprehensive range of issues connected with admission charges is covered, including the effects on visitor numbers, on visiting patterns, on the nature of museum audiences, and the nature, duration and frequency of museum visits.

A worthwhile goal for further research is to understand more fully how the changing conditions, (e.g. with respect to government support and changing leisure activities) influence the behaviour of museums in the production of museum services, and even in selecting their pricing objectives. The rise of superstar museums and the reliance

⁵ According to Frey and Meier (2003:14), 'the behaviour of a museum can be modeled in two different ways: (1) the neoclassical approach, which assumes rational actors maximising utility of a museum in a benevolent way; and (2) an institutional approach, which goes beyond the market and emphasises the importance of institutional settings (e.g. the dependence on public support) for the behaviour of the museum management'.

⁶ The literature is very substantial. The references include Hendon (1979); Johnson and Thomas (1991); Park et al (1991); Heilbrun and Gray (1993); Dickenson (1994); O'Hagan (1998); Selwood (ed) (2001), and Frey and Meier (2003).

on more special exhibitions are two such developments⁷. How will museums adapt to the new situation?

1.2.2 Marketing Approach

Traditionally, marketing theories have seen the three elements of competition, demand and costs as the key influences on pricing (Kotler, 1980). Recent studies of marketing strategies in terms of pricing policy involve customers exchanging value for benefit (Hill et al, 1995; Dickman, 1995; McLean, 1997; Kotler and Kotler, 1998, and Kolb, 2000).

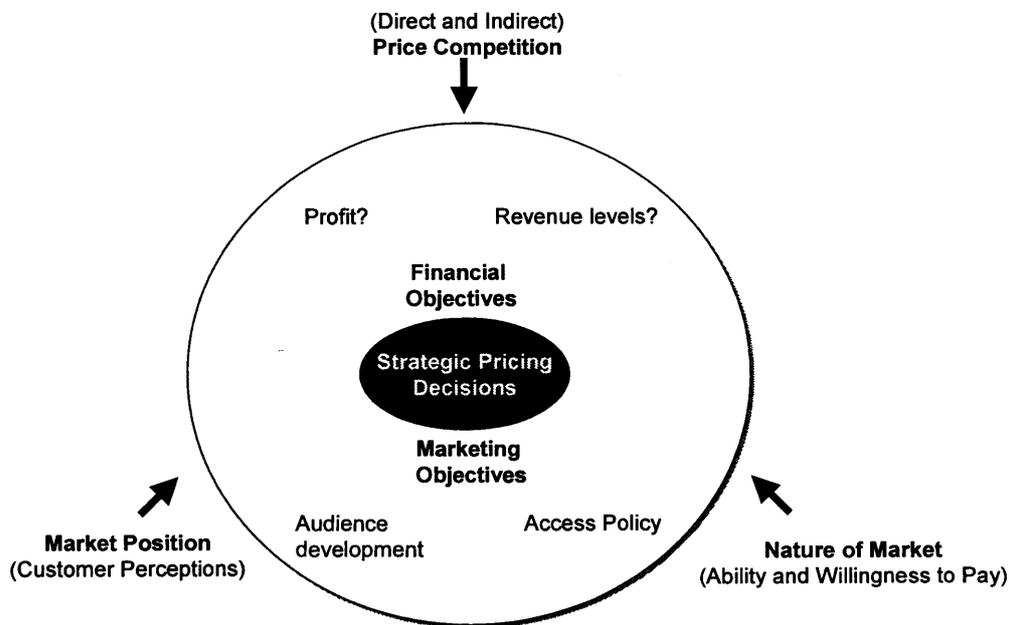
Using numerous case studies, including examples from museums, the model developed by Hill, O'Sullivan and O'Sullivan (1995) enables us to consider the different elements as key influences on pricing from a more strategic standpoint. As can be seen in Figure 1.1, museums are characterised by diverse objectives. A balance needs to be well thought-out between financial (cost-based) and marketing (demand-based) objectives in formulating pricing strategies. The subsidized sector such as a public museum by its very nature does not expect earned income to cover all the costs; therefore, the profit motive may not be an influential factor in pricing decisions.⁸ Whilst commerce and industry are driven by their requirement to provide financial returns to stockholders, the mission of museums is much more complex.

⁷ As Frey (1998:113) notes, 'superstar museums are forced to offer "total experience" to the visitors; they have to relate to events in history, technology, politics, films and TV, and they have to provide for everything from education, food, gifts, shopping to entertainment. The development of superstar status strongly affects museum policy.'

⁸ The term surplus is more commonly used in museums as they are non-profit organisations. Kotler & Kotler (1998:270) uses 'surplus building'.

Market position relates to the perceptions of the museum held by its visitors and potential visitors. Price can be a determining factor in creating these perceptions, and conversely, the perceptions held about an organisation can limit its pricing flexibility. The nature of the target market will determine not only ability but also willingness to pay certain price levels. For example, the market for amateur events may consist largely of friends and family. Their main reason for attending may be quite unrelated to the nature of the museum experience. If price levels are set too high, they may restrict visitors to a loyal core. In formulating a pricing strategy it is also important to be aware of competitive prices. Museums usually take into consideration the prices charged by other museums in their region.

Figure 1.1 Influences on Pricing Strategy



Source: Hill, O'Sullivan and O'Sullivan (1995)

1.2.3 Consumer Behaviour Approach

Rather than dwelling on specific economic questions, ticket sales and the cost of services, recent attention to the marketing of museums has led to new ways of conceptualising audiences (in terms of target groups) and to more essential questions of a museum's relationship to its public. With these results in mind, as Hooper-Greenhill (1993) suggests, careful research into the physical, emotional, intellectual and educational needs of various types of visitors, and high quality provision for their needs combined with appropriate marketing, are a more sustainable and more worthwhile way forward.

In the consumer society, the link between pricing and consumption is becoming clear: people are more likely to consume a product when aware of its cost. Doering (1999) highlights this, that explaining visitors, like clients, have need expectations that the museum is obligated to understand and meet. Furthermore, Hooper-Greenhill (1993) notes that the conception of the visitor as a tourist obscures other approaches to audiences, such as trying to develop the museum to appeal to local residents, or concentrating on methods to broaden the audience base, or reviewing the type of experience that visitors may have. It becomes important to know what the experience means to people. How do they interpret the visit and what perceptions do they have of museums in general? Qualitative data, often presented as quotes from individuals, becomes necessary.

The importance of understanding value from the visitor's perspective can be seen in a recent service (e.g. special exhibition, workshop and educational outreach) introduced by many museums. Knowledge gained about a market and its visitor

behaviour facilitates responsive museum marketing. Thus, beginning with a better understanding of why people visit museums (in terms of visitor motivations) and how those visits are integrated into their value system (in terms of visitor attitudes and loyalty) is essential to develop an effective marketing strategy or to regulate a pricing practice. Kotler and Kotler (1998:105) note that choosing to visit a museum is a selection of one particular set of expectations and values over other forms of available leisure activity. A sensible aim for further research is to investigate the process whereby museum visitors make decisions on how to spend their free time.

Based on the individual decision-making process, McCarthy and Jinnett (2001) provide a model which helps to understand the factors that influence an individual's likelihood of participating and the process by which he/she progresses to the point of becoming a participant. The model recognizes that individuals' attitudes towards the arts are shaped both by their own beliefs and by the attitudes of the social groups with which they identify. Wiggins's model (2004) incorporates multiple barriers to participation at the different stages and addresses the potential for a marketing strategy to impact on multiple audience segments.

The analysis of consumer behaviour given by Hawkins, Best and Coney (1995), Peter and Olson (1999), and Colbert (2001), is based on the assumption that a consumer always bases his/her decision-making process on a certain amount of information. Peter and Olson's model (1999) suggests a consumer's response is determined not only by evaluation of the product and its price, but also by perception of the entire purchase situation. The model illustrates an approach to describing price

effects for a high-involvement⁹ product or purchase situation relating to the process of learning, understanding, and representing knowledge. Motivational factors such as those implicated in a variety of consumption behaviours also need to be explored, including consumer decisions on brands and products, consumption of products, services, and time. The involvement of visitors while strolling through exhibitions or participating in events and their use of facilities, museum shops and café show characteristics of service delivery.

Moreover, this emphasis on audience development has created a need for better models of audience participation and better strategies for reaching new audiences or deepening and enriching the experience for existing audiences. Hayes and Slater (2002) describe two styles of audience development; these as ‘missionary’ focusing on traditional non-attenders and ‘mainstream’ focusing on existing attenders. Their paper suggests that a more lateral approach to audience development be taken, recognising that the achievement of self-generated income is an equally significant priority for the sustainability of arts organisations. To this end, the authors propose that development initiatives focus on strengthening the franchise with existing audiences who may deliver higher levels of loyalty and have the dual benefits of being lower risk and less resource intensive. Inherent within this concept is the notion of relationship marketing that has developed during the 1990s (Grönroos, 1996; Hayes and Slater, 2002; Rentschler and Radbourne et al, 2002). Fundamental to this paradigm is the retention of clients and the recognition that during the lifetime

⁹ Involvement is a state of motivation, arousal, or interest. For a discussion of consumer involvement, see Rothschild (1984).

of the relationship, the needs of individuals will change. Hayes and Slater (2002:9) suggest that further research is required to understand the phenomenon and specific dynamics influencing the relationship between attitudinal/behavioural loyalty and spending patterns in the arts. The challenge, therefore, leads museums to rethink their own pricing strategies, so as to maximize audience lifetime values.

A brief review of the *economic, marketing* and *consumer approaches* shows that all three can provide useful insights into the phenomenon of museum pricing. Each has its limitations, but combining elements from three approaches, a comprehensive account can be formulated. From an examination of the economic approach, it is clear that an important role has to be accorded to ‘value for money’ conditions; from the marketing approach it is evident that pricing has to be well thought-out in its strategic and competitive context; and from the consumer approach it is obvious that consumption behaviours have to be taken into consideration and the ‘exchange relationship’ will be fully explored. It is for these reasons that I have tried to provide the broader perspective.

1.3 The Scope of the Research

In this section, research questions and objectives will be outlined. The methodology that this research intends to employ to answer these research questions will also be briefly introduced.

1.3.1 Research Questions

As museums are increasingly advised to become more audience-oriented, the development of a sounder empirical understanding of the effects of pricing on visitor

perceptions seems to be of paramount importance. Therefore, this research tackles the key question: How should Taiwanese museums respond to this rapidly changing context in determining their pricing strategy? This key question is explored in the following four ways:

- How should museums and their roles be interpreted in the age of the leisure society?
- What are the museum's objectives in selecting its pricing objectives?
- What factors influence a visitor's perceptions of the value-for-money offered by a visit to a museum?
- How does a museum decide upon a general strategic approach to its pricing decision?

The aim of this research is to identify and analyse key influences on pricing and explore the possibilities for developing the pricing policy of museums in a way that more fully reflects their fundamental and evolving purposes. Using Taiwan as a case study, research objectives are:

- To examine the purposes of museums in Taiwan, and how these have changed
- To survey the historical and current background to pricing strategies in Taiwanese museums
- To evaluate the effects of pricing on visitor perceptions
- To explore the possibilities for developing a pricing strategy model for museums in a way that more fully reflects their fundamental purposes

1.3.2 Methodology

To address these aims and objectives, a research design is developed with two main stages and utilising three qualitative research methods: document sources, case studies and focus group interviews.

Content analysis of the marketing literature and of cultural statistics revealed changes in policy emphasis as the dependency culture has developed. The preliminary work also provided an insight into the agenda and helped with further defining the aims of the study. A case study methodology was chosen because of the exploratory nature of the research interest and because it provides an appropriate way of investigating an empirical topic for theory development (Yin, 1994). This approach was used to survey privatisation initiatives and to evaluate these experiences. Cases were selected on the basic condition that the institutions needed to have undertaken visitor research after being privatised, which limited the number of possible cases as not every museum had the intention of undertaking visitor studies.

The choice to work with groups rather than individuals was made on the grounds that museum visiting tends to be a social activity “combines looking at something interesting while enjoying the company of people whom we enjoy being with” (Davies, 1994:65). An interaction between participants is a key feature of the focus group method. It was felt that in depth interviews, generating data from individuals divorced from their social context, was less appropriate than focus groups which would facilitate discussion and dialogue in ways that are more consistent with the social nature of museum visiting.

The author designed a case study protocol and conducted seven focus groups made up of forty-two visitors from two selected museums. Immediately after each focus group, a moderator and assistant moderator debriefing was conducted. This process helped to identify the most noteworthy comments, the most significant themes, and “big ideas”; they also formulated the preliminary findings of the research.

1.4 Organisation of the Thesis

The research attempts to describe how the trend towards a self-generated income policy has influenced the behaviour of Taiwanese museums, and additionally explores how visitors feel about a variety of pricing options in a museum world where consumption itself has become the defining phenomenon of human life.

After the introductory chapter, Chapter 2 provides an overview of the methodological approaches applied in this research and presents the rationale behind the use of this type of methodology starting with the description of research objectives, defines marketing research, clarifies the scope of marketing research and examines the nature of the qualitative approach. Chapter 3 gives a brief history of the development of entry fees and introduces some key issues. These issues are examined in more depth within a perspective of combining elements from the economic, marketing and consumer perspectives and it also helps to develop a conceptual framework for establishing the importance of the study. Chapter 4 presents the existing data on museums and describes and compares data sources, cultural sectors, number of museums, expenditure and income, and visitor trends. Chapter 5 is a revised and enlarged version of my paper first published in *International Journal of Arts Management*, 2005, Vol. 7, No. 2, 27~38. This chapter examines two Taiwanese

museums which present particularly informative cases and explores the extent of ‘a public/private collaboration’ in the ‘value for money’ climate. They are: the Museum of Contemporary Art, Taipei, and the National Museum of Marine Biology and Aquarium. Case study research shares a deep understanding of how the museum is paying increased attention to pricing and revenue-raising strategies.

The findings of a study of how these charges have impacted on visitor motivations, attitudes and loyalty are presented in Chapter 6, Chapter 7 and Chapter 8. Some guidelines will be discussed for understanding how visitors use price in their visit decisions. This understanding enables museums to anticipate and influence visitor reactions to pricing decisions and to segment visitors by differences in their probable reactions. Chapter 9 brings together the intellectual framework and empirical data in order to propose a pricing strategic model for museums. This chapter is essential to designing a strategic planning and marketing system so as to integrate the principles of cost management, competition, and consumer behaviour into a more proactive, strategic approach to pricing. Finally, recommendations are posited for future study into pricing policy, an area which to date has seen a relative dearth of research.

Chapter 2

Methodological Approach

Chapter 2 provides an overview of the methodological approaches applied in this research. Section 2.1 presents the rationale behind the use of this type of methodology starting with the description of research objectives. Section 2.2 defines marketing research, clarifies the scope of marketing research and examines the nature of qualitative and audience-oriented approach. Section 2.3 outlines how the fieldwork is conducted and details which methods are carried out. Section 2.4 discusses approaches to analysing the information and the use of microcomputers for assisting in the task. The methodology of the study is qualitative in nature and three methods have been employed such as document sources, case studies, and focus group interviews as appropriate to the research objectives.

2.1 Research Objectives

Taiwanese museums had always relied on government support. During the late 1990s the growth of the so-called 'enterprise culture' and related social attitudes in Taiwan is something that I experienced at first hand. The changing of internal relationship as well as external ones: museums, which have increased admission charges, experienced a transfer of resources from curatorial functions to a variety of products such as exhibitions, public lectures, catalogues, gallery guides, and specialised tours. Given that public access for the public once was such an important function of museums, the question arises as to whether or not that access must be provided at a zero admission charge? Growing uncertainty over the future of public funding, begs the question how should Taiwanese museums respond to this rapidly changing context in determining their pricing strategy? As a museum marketing practitioner, I also faced difficulties in making decisions on admission objectives while preparing to set up the *Taipei County Yingko Ceramics Museum*, Taiwan, in 2000. Thus, I looked into what considerations should go into the nonprofit pricing decisions.

First, a *grand tour question*¹ “How can pricing strategies be developed to reflect a museum’s main purpose?” comes into mind. Regarding pricing strategies, many Taiwanese museums have probably been in this dilemma, but pricing within museums is not well understood, and very few studies have been conducted to try to determine the price responsiveness of current or potential members to the public being charged admission to museums. There has been limited theoretical model development on pricing to ensure museum sustainability. The policy debate on museum charges is wide-ranging and has tended to be somewhat repetitive over time. Again, this debate, heated as it is, has persisted on the basis of very little reliable information. For that reason, in 2001, I began research into museum marketing, especially one of the major elements—price.

It later led me into discussing a number of other vague and imprecise concepts like museum ‘services’, ‘charges’, ‘experience’, or ‘for the public benefit’. The literature suggests that museums offer a range of benefits and values, each of which can command a price in the marketplace (Kotler and Kotler, 1998). Viewed in this context, for a ‘customer’, buying a ticket to visit the museum is a risk purchase while there is relatively little evidence upon which to judge its expected value (Hill, O’Sullivan and O’Sullivan, 1995). The whole thing needs to be given further consideration. Therefore, in constructing the study, I decided that two stages were necessary. The first stage was intended to survey the area of the historical development of admission charges for Taiwanese museums. In order to examine the purposes of charging in Taiwanese museums, and how these have changed, I looked at a series of existing government reports, visitor surveys and cultural statistics which

¹ The *grand tour question* is a statement of the question being examined in the study in its most general form, see Creswell (1998:70).

seem to touch on this area. It helped to uncover pertinent issues which need to be taken into consideration for further investigation.

The second stage explored whether there was *primary evidence* to support the premise of pricing strategies. I had arranged access to some primary data through both the case study and a series of focus group interviews made up of forty-two visitors from two selected museums. This primary data became the basis for a significant part of the factual component of the thesis.

The case study enabled me to see if or how museums put contemporary ideas into practice and connected with current issues. A covering letter was first sent to get permission for carrying out the research (see Appendix 1). The methodology of qualitative research is also applied to evaluate the effects of pricing on visitor motivations, attitudes and loyalty—using a focus group method that seeks to reach understanding through dialogue and evocation (rather than measurement). Following Debus's (1987) Handbook, the "topic guide" (See Appendix 2) is prepared jointly by the researcher and by staff from the museums and it lists the issues and questions to be covered in the focus group. This list of topics enabled me to arrange the focus group questioning route (See Appendix 3) and gather data accordingly. The topic guide and questioning route were frequently modified slightly after each group was conducted to make questions clear and to introduce other questions suggested by the groups.

The following section presents the emergence of sophisticated marketing research and techniques which have revolutionised information gathering and analysis, making it accessible to museum research.

2.2 Applications of Marketing Research

Historically, museums have devoted their attention to managing their collections, facilities, funds, and staff and paid less attention to other market information. There is growing interest in working with the general public; as Kotler and Kotler (1998:148) note, “‘museums’ need for market information is stronger than at any time in the past”. However, the most fundamental and obvious information needed remains “accurate visitor numbers” as Kawashima (1998) remarks. Visitors are seen as an undefined mass rather than in terms of specific segments of the population, such as locals or tourists, first-time or repeat visitors, families or school groups. The growing audience orientation has made market/audience research a part of strategic long-term institutional planning (Loomis, 1993). The major aspect of greater audience orientation is segmentation (Kotler & Andreason, 1991). More and more work has been commissioned on surveys and defining visitor profiles—made of both demographic and psychographic data—giving a much greater sense of the varying levels of visitor commitment.² The emphasis on building comprehensive models of ‘buying’ behaviour has increased, and qualitative assessments are also increasingly acknowledged to be vital components of the research designs.

2.2.1 What is Marketing Research?

There have been several attempts to define marketing research, and some confusion has been caused by the term ‘market research’ being rather freely used to describe the full range of activities properly covered by marketing research. Although the term ‘market research’ is now largely used as a synonym for ‘marketing research’, market

² Visitor commitment levels influence how visitors make decisions about budgeting time and whether to make repeat visits, see Loomis, 1993.

research is in fact concerned with the measurement and analysis of markets rather than the marketing process in these markets (Hannagan, 1992:49); as Lewis (1994:225) notes, “market research involves an enquiry into the size, status, and composition of potential markets, and marketing research into the response of the users of a museum.” In the museum context, therefore, marketing research is concerned with attitudes and opinions that need to be interpreted in order to apply an analytical approach to decision making. Accordingly, marketing research can play a critical role in understanding visitor attitudes and behaviour and in planning marketing strategy.

Kotler and Kotler (1998:148) define marketing research as the systematic design, collection, analysis, and reporting of data findings relevant to better understanding of market forces and improving consumer satisfaction and organisational performance. It is about getting and using information to solve problems (Holbert and Speece, 1993) by discovering facts which may be well established but which are nevertheless new to the organisation. Sir Douglas Wass³ argued that marketing research can help policy makers in both central and local government to design their programmes “in a way that takes into account the views of the ‘consumers’” (1990 cited Chisnall, 1997:14). In short, the objective of marketing research is to anticipate customer needs and assess whether customers are satisfied with the product/service offered. Museums have adopted marketing research to assess the quality and effects of exhibitions and examine *who the visitors are and how they feel about their museum*

³ Sir Douglas Wass, Presidential Address to the Annual Conference of the Market Research Society, the British professional body, in 1990.

experiences known as *visitor studies* or *audience research* ⁴.

In general, the area of marketing decisions is broad; it mainly covers product design, pricing, distribution, and promotion. There are many variables affecting marketing activities which cannot be controlled by suppliers to a market. These environment variables, such as the demographic structure of the population, economic conditions, legal restrictions, competitors' strategies, and the shifting tastes dictated by fashion, cause marketing decisions to be complex and difficult to make.

Pricing is one of the variables in the 'marketing mix'—those fundamental inputs into a business deal that have been termed the four Ps (Product, Price, Place and Promotion). The key in services pricing which distinguishes from the pricing of goods is the difficulty in assessing the cost of providing the service (McLean, 1994). Thus, in setting an admission fee, a great concern is that it fits the market in which it "sells", and three eventualities might be considered—the pricing of a new service setting out to create a market; the pricing of a new service launch onto an existing market; and, finally, price changes for a service already on "sale" in a market.

2.2.2 From Quantity to Quality

It might be expected that the quantitative researcher would present findings in terms of patterns among such large numbers of respondents. Through the use of visitor surveys, quantitative research normally provides a rapid way of discovering the characteristics and beliefs of the population at large. Some museums, by simple observation or by intermittent visitor surveys, find out some facts; however, some

⁴ Visitor studies are usually referred to as "audience studies" which provides information on visitors, non-visitors, and other audience groups of cultural heritage facilities, including: who visits and why, attitudes, expectations, and sources of satisfaction and dissatisfaction.

museums do not accurately know how many people use their services, and even more know nothing of why they are used or how people value those services.

In order to obtain in depth responses about what people think and how they feel, the interviewing techniques of qualitative research which grew largely out of psychoanalytic theory have been applied to marketing research. These techniques were then applied to the marketing field in what was known as motivational research.⁵ Two primary qualitative research techniques are (1) individual depth interviews and (2) focus group interviews. These will be discussed in greater detail in a later section of this research method (Section 2.3). Emphasis will be placed on focus group research. The interviewing techniques are aimed at understanding the motivations and reasoning behind the verbal responses. Debus (1987: 2) remarks that qualitative research continues to play a very important role in the field of marketing.

Such non-numeric findings can be the appropriate way to research issues that are 'soft', 'fuzzy', 'feely' and charged with emotion and overtones (Holbert & Speece, 1993; Chisnall, 1997). For example, nearly everyone in the questionnaire sample might well answer that quality is very important, but since 'quality' means different things to different people, this really says very little about the market. The interaction of the participants should ensure that all the issues relating to the chosen topic are covered, thereby providing the boundaries of the study. Thus, a key distinction between qualitative and quantitative research is helpful in terms of understanding what is necessary in order to be able to analyse the data meaningfully. Developed

⁵ Motivational research represents the first serious and systematic attempt to apply psychology to marketing at a time when marketing was dominated by economic thinking. In fact, motivational research had a very persuasive argument in the fact that consumers often did not behave logically as presumed by the economists but rather psychologically. For a further explanation, see Sheth (1973).

from Debus (1987), Figure 2.1 highlights eight distinctions between qualitative and quantitative research.

Figure 2.1 Distinctions Between Quantitative and Qualitative Research

Qualitative	Quantitative
Provides depth of understanding	Measures level of occurrence
Asks 'why'?	Asks 'How many'? 'How often'?
Studies motivations	Studies actions
Is subjective	Is objective
Enables discovery	Provides proof
Is exploratory	Is definitive
Allows insights into behaviour	Measures level of actions
Interprets	Describes

Source: Debus (1987)

For example, the qualitative approach provides *depth of understanding about 'visitor responses'* whereas the quantitative approach provides *a measurement of visitor responses*. By its very nature, according to Debus, qualitative research deals with the emotional and contextual aspect of human response rather than with objective, measurable behaviour and attitudes. Qualitative research is conducted to answer the question *why*, whereas quantitative research addresses questions of *how many or how often*. The qualitative research process is one of discovery; the quantitative research process pursues proof. A contrast can thus be drawn between the 'thick' or 'thorough' interpretation associated with qualitative data and the 'thin' description which results from quantitative data collection.

Are *marketing research* and *museum research* the same thing? Museums are typically involved in a broad range of relationships, more heterogeneous and demanding than the typical relationship in the business world. Figure 2.2 presents these two researches in several respects.

Figure 2.2 Comparison between Marketing Research and Museum Research

	Marketing Research	Museum Research
Definition	Marketing research is the systematic design, collection, analysis, and reporting of data findings relevant to understanding market forces better and improving consumer satisfaction and organisational performance.	Museums have adopted research methods to assess the quality and effects of exhibitions and examine who the visitors are and how they feel about their museum experiences, and employ marketing research to gauge visitor expectations, interests, needs, and satisfactions.
Scope	Marketing research tends to be regular and continuous over a period of time. There are six main divisions of marketing research: <ul style="list-style-type: none"> ● Product Research ● Sales and Distribution Research ● Pricing Research ● Promotion Research ● Customer Research ● Services Research 	Museum research tends to be limited to single cases. There are four main divisions of museum research: <ul style="list-style-type: none"> ● Evaluation Research ● Visitor Studies ● Development Research ● Organisational Research
Different problems and questions	Marketing research seeks to anticipate issues, events, changes and emerging factors. <ul style="list-style-type: none"> ● What motivates the customer? ● What pricing strategy is needed for a new product? ● Should warehouse facilities be expanded? ● Should the print advertising budget be increased? 	Museum research tends to involve “result data,” facts of what already exists or has existed. <ul style="list-style-type: none"> ● Will a new costly exhibit attract the public? ● What will the impact be of a proposed 20 % increase in the admission fee? ● Do families perceive the museum as having adequate services and being responsive to their needs? ● Does more advertising really cause more visits?

Source: Developed from Kotler and Kotler (1998)

Although marketing research can benefit museums, its use is not widespread in the ‘marketing mix’, especially the pricing strategy.⁶ There are several reasons suggested by Kotler and Kotler (1998:148)—costs, technical knowledge and

⁶ In order to get a clearer idea of who museums are serving, market research is increasingly being used by museums in the UK to justify and develop funding bids, particularly those related to major grant allocations such as Heritage Lottery Funding. These bodies will often fund pre-bid research to allow museum applicants to identify key target audiences and their needs.

professional resistance. Museums often see marketing research as an expensive undertaking. Yet it need not be. Kotler and Kotler suggest that much can be learnt from just observing visitors move through a museum or listening to visitor comments. For example, focus group discussions can yield a rich picture of visitor attitudes—often just for the cost of a complimentary admission or free purchase in the gift shop for the eight to ten participants. Another low-cost method is the analysis of currently available information, such as museum attendance figures by time of year, day of week, time of day, or visitor segment.

2.3 Research Design and Methods

In the most elementary sense, the research design is the logical sequence that connects the empirical data to a study's initial research questions and, ultimately, to its conclusions (Yin, 1994:19). Accordingly, my key task at the research design stage is to develop some understanding of the methodological implications of choices, and in particular to think carefully about the links between research questions and research methods. In Section 2.3, I will begin by establishing a set of approaches followed by a discussion of which methods are used and how each method is used that should reflect an “overall research strategy” (Mason, 1996:19).

2.3.1 Design Considerations

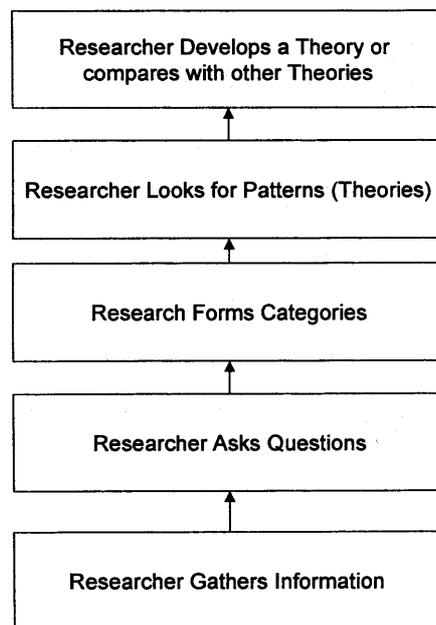
Exploratory Approach

One of the chief reasons for conducting qualitative research is that the study is exploratory (explaining how or why things are as they are); not much has been written about the topic or population being studied, and I seek to listen to informants and build a picture based on their ideas. What differentiates the research design of

this study from those of previous studies on ‘public attitudes towards charging’ is its emphasis on developing the pricing strategy of museums in a way that more fully reflects their fundamental and evolving purposes.

In a qualitative study, I do not begin with a theory to test or verify. Instead, I view the theory as emerging in the design and the intention is not be constrained by a theory. This is consistent with the inductive model of thinking guided by Creswell (1994:96), as shown in Figure 2.3; he suggests that a theory may emerge during the data collection and analysis phase of the research or be used relatively late in the research process as a basis for comparison with other theories.

Figure 2.3 The Inductive Mode of Research in a Qualitative Study



Source: Creswell (1994: 96)

Consequently, I began by gathering detailed information and forming categories or themes until a pattern emerged. According to Creswell, this pattern becomes the culminating aspect of the entire study. The development of a theory is the

culminating aspect of a study, a theory grounded in the data (Strauss and Corbin, 1990).

As discussed earlier, the nature of the research objective would provide guidance in making many of the decisions about the design of exploratory research. The focus group method for effect applications should differ from those used in theory applications. I will discuss some of these differences in Section 2.3.4, beginning with the types of information that come from exploratory groups.

The Multi-technique Approach

It is not so much a question of which method is best as which set of methods is likely to result in an objective research programme. To get at different aspects of pricing decisions in the museum context it can be constructive to employ multiple methods—document sources, case study research and focus group interviews, which together make up a sound research strategy. The multi-technique approach also stresses the desirability of combining techniques in order to reduce the bias inherent in one particular method. Since initiation of admission charges was often accompanied by other changes in circumstances, it has made it difficult to assess the effect of charges alone. Thus, the information used for the study is drawn from documents, personal interviews (see Appendix 4)⁷ and the exploration of public opinion with focus group interviews.

Based on research questions and employing the multi-technique approach, a chart

⁷ It was important to ask a research-based set of questions for museum staff to confirm what is stated (or is not stated) in documents, to establish a certain comparability between case studies. Besides, the potential usefulness of different documents was guided by museum staff in advance and time allocated so that it was judiciously spent.

(see Appendix 5) was constructed first, which provided a fairly straightforward check on the consistency of my thinking at an early stage in the research process.

2.3.2 Document Sources

An extensive survey was first undertaken of the reports on visitor studies carried out by the museums used as case studies, and the policy documents (such as communication policy and mission statement documents). This preliminary work provided an insight into the agenda of the institutions studied and helped with further defining the aims of the study. Document sources can be divided into two parts—internal and external.

Internal

The answers to questions often lie within the files of an organisation or in published material. Desk research provided a review of existing research with museum users to highlight useful approaches to broadening audiences.⁸ This includes summaries of recent and relevant surveys into users as well as a number of models for understanding approaches to audience development. Press releases and minutes of meetings from two selected cases studies were also collected and used as secondary information.

External

The external sources include statistics and reports issued by governments, allied associations and other reputable organisations.

⁸ The National Museum of Marine and Biology Aquarium commissioned the National Sun Yat-sen University to undertake a policy analysis and audience survey in 2000. The Museum of Contemporary Art, Taipei undertook its first audience survey in December 2002.

From the Taiwanese central government the Council of Cultural Affairs (CCA) has published *Cultural Statistics* annually since 1994. The publication is concerned with the different cultural sectors in Taiwan and policies affecting them. The CCA's *Cultural Activity Database* is a further source museum researchers can use in order to understand and analyse current exhibitions or education programmes held in museums. The book *Taiwan's Museums: The Doors are Open* is accepted by most scholars as the most accurate, with regard to the number of museums. In 2000, the CCA sponsored a survey of the effect of admission fees on the number of visitors entitled *Charging for Arts: A Study of Charges and the Public Reaction*.

From the local authority, the Cultural Affairs Bureau of Taipei (CABT) published two reports *Charging for Public Spaces and the Public Reaction* in 2001 and *Research on Performing Arts Consuming Behaviour of Taipei Children and Adolescence* in 2002. Additionally, published in 2002, *One Thousand Days: A Report of the Taipei's Cultural Policy from 1999 to 2002* indicates that the museums sector has been subject to increased pressure from government to demonstrate levels of efficiency.

2.3.3 Case Studies

A case study method was chosen because of the exploratory nature of the research interest and 'allows an investigation to retain the holistic and meaningful characteristics of real-life events, such as organisational and managerial processes', as Yin (1994:3) suggests. This approach was also expected to provide deeper insight into the organisational context in which audience/marketing research occurs. Case study strengths are well documented as going beyond the limitation of surveys,

providing great searching ability and enabling the research to better understand the subtle institutional process (DiMaggio et al, 1978).

Two cases were selected on the basic condition that the institutions needed to have undertaken visitor studies after being privatised, which limited the number of possible cases as not every museum had the intention of undertaking visitor studies. The National Museum of Marine Biology & Aquarium (NMMBA) and the Museum of Contemporary Art, Taipei (MOCA, Taipei) were the first two museums which set up the self-generated income objective. Self-generated income refers to the museum's capacity to earn revenue from its operations, in contrast with government funding. On the subject of income generation, I would like to consider the NMMBA as a precursor. As the director of the NMMBA declared, 'we have to go out and make money for ourselves. We either go up or we go down.'⁹ There is increasing debate about the commercial approach of the NMMBA. A private foundation operates the MOCA and receives revenue funding from Taipei City Government. Income generated through admission charges to touring exhibitions would be taken into consideration to help fund exhibition costs. These two case studies provided a greater understanding of how museums were paying increased attention to pricing and income-generation strategies.

I also established a matrix of museum type and governing authority as in Figure 2.4. Adapting from Silverman (2000:105), I set up the typology and made choices based on the theoretical apparatus.

⁹ Director Fang, the National Museum of Marine Biology and Aquarium, is increasingly sensitive to the balancing act between costs and benefits that revenue raising entails, see Fang (2002a).

Figure 2.4 A Matrix of Museum Type and Governing Authority

Governing Authority	Type of Museum	
	Art	Science
Central		National Museum of Marine Biology & Aquarium (Open: 2000) Prices are used to raise revenue that can be invested in expansion
Local	Museum of Contemporary Art, Taipei (Open: 2001) Prices are kept as low as possible to encourage use of the service	

2.3.4 Focus Group Interviews

The growing popularity of focus group research has prompted a proliferation of books and articles on the uses of the technique. These include works specific to use in family planning and international health (Debus, 1987; Kumar 1987) as well as more general handbooks (Morgan, 1988; Krueger, 1994; Kumar 1996). All of these handbooks focus primarily on the uses of focus groups and how to conduct them. The current research attempts to contribute to the methodology of focus group research in two ways: by re-examining the alternative means of recording the response of the participants and by suggesting practical approaches for analysing the results (Bertrand et al, 1992; Silverman, 1993; Krueger, 1998; Bloor et al, 2001; Fern 2001). The value of the focus group approach promises to be even greater if certain steps are followed to assure systematic recording and analysis of the data.

Types of Information from Focus Groups

Focus Group interviews (focus groups) are an information-gathering method

developed for marketing research¹⁰—they have been used, variously, to discover consumer attitudes and motivations and to reveal public discourses and interpretive communities (Lunt and Livingstone, 1996). The intent of the focus groups applied is to explore the social and interactive context of participants who may stimulate a richer response or new and valuable thoughts. The focus group participants' creative efforts or the unique experiences and creativity of the researcher are usually requisites for exploratory tasks (Fern, 2001:149).

Essentially, four types of information identified by Fern (2001) from focus groups were considered. First, I differentiate between information disclosed about the self and information only peripherally related to the self. *Self-disclosure* is the information that people reveal about themselves to others; it includes one's thoughts, feelings, and experience (Derlega et al, 1993). Lee (1993) also suggests that focus groups can be particularly useful in researching sensitive topics where the participants support each other in self-disclosure in a way that would not be possible in an interview. This information is personal or intimate in nature. Other disclosures involve information only indirectly related to the self and considered impersonal in nature (Fern, 2001:150). Second, I distinguish between information that is shared by others and information that is not. The latter is considered unique information. Combining the intimacy of self-disclosure (personal or impersonal) with how commonly the information is distributed across group members (shared or unshared) provides four types of information (see Figure 2.5).

¹⁰ According to Fern (2001:3), in the late 1970s, the only discipline reporting the use of the focus group method with any frequency was marketing...since 1981, the use of focus groups has increased tremendously, not only in the number of studies but also in the number of disciplines using them.

Figure 2.5 Types of Information Disclosed in Focus Groups

	Shared Information	Unshared Information
Personal Information	<p>1. Shared Personal Information This is self-relevant information that other group members may have in common. Reciprocity cause the verbal disclosure of this information, but it can be inferred from verbal and nonverbal cues.</p>	<p>2. Unshared personal Information This is unique self-relevant information; others do not share it. Reciprocity is not likely if disclosing this information is considered deviant behaviour, but it can be inferred from verbal cues.</p>
Impersonal Information	<p>3. Shared Impersonal Information This information is not self-relevant, and other group members may share it. Reciprocity is not likely to elicit this type of information because it is common. It can be inferred from verbal and nonverbal cues.</p>	<p>4. Unshared Impersonal Information This is unique information that is not self-relevant and is not shared by other group members. Reciprocity is not likely to elicit this type of information because it is not self-relevant. It can be inferred from verbal and nonverbal cues.</p>

Source: Fern (2001)

The first, *shared personal information* is information an individual may have in common with other group members. The second type, *unshared personal information*, is self-relevant and not shared by other individuals in the group because of the unique factors in members' backgrounds and experiences. Accordingly, reciprocity is not likely if the disclosed information is considered too personal. The third type of information, *shared impersonal information*, is impersonal in nature but is shared by group members. The discussion may be centred on factual information about what others have said. The fourth type of information is *impersonal unshared information* and is not shared by other group members. Because members of the group do not share this information, there is little common ground on which to build a conversation.

Focus groups generate knowledge that is either shared or unshared by other members

in the group and either personal or impersonal. In this research, Fern's *types of information* are used for creating new ideas; collecting unique and shared thoughts; identifying needs, expectations and, or issues; discovering reasons for museum visits, and explaining survey results. Therefore, groups have been used to uncover issues of importance to museum pricing, and it is desirable for me to study first-hand consumer information in the museum setting. As an ancillary method, focus groups may be used to interpret survey results, to provide meaning to reports of attitudes or behaviour and focus group data may be used in an adversarial way, to contest or qualify earlier survey data (Bloor *et al.*, 2001:11).

Here it is necessary to explain the reasons for working with a group rather than interviewing one individual in depth. The choice to work with groups rather than individual visitors was made on the grounds that much individually interviewed research is flawed by a focus on the opinions of individuals divorced from their social context. The aim was also to discover how interpretations were collectively constructed through talk and the interchange between respondents in the group situation (Morley & Brunson, 1999). Moreover, focus groups provide an attractive medium for public participation in the research process: they are sociable events; they are time-limited; and they require no technical skills of the group members (Bloor *et al.*, 2001:13).

Group Composition, Size and the number of Groups

Group composition is important because it affects compatibility, cohesiveness, and the group process. In relation to the types of information, I began with shared perspectives for both personal and impersonal information. Thus, I needed focus groups composed of people who have something to share. Homogeneous groups

increase the likelihood of uncovering shared information. Users and non-users of product, service, or programme do not share the same perspectives. Therefore, they do not necessarily share the same needs, expectations, issues, and thoughts. Debus (1987) points out that it is difficult to interview both users and non-users in one group since conflicting opinions within the group may invite a 'rational' defense or a 'withdrawal' by those who perceive their opinions to be in the minority. In my case, homogeneity within user groups and heterogeneity between user groups is a possibility.

Heterogeneity among user groups is desirable when trying to uncover unique perspectives in exploratory research. This has been achieved by recruiting people from different neighbourhoods, age groups, life cycles, occupations, education levels and user status. Groups that are too heterogeneous may result in conflict and repression of views of certain individuals. On the other hand, focus groups are socially dynamic situations and thus to some extent will be unpredictable. In considering heterogeneity of the group, bringing together a very diverse range of people may mean that the range of views, meanings and experiences may be so disparate that no aspect of the topic can be explored in depth.

Focus groups consisting of 'strangers' may potentially have the additional advantage of allowing participants to speak more freely and openly than they would in a pre-existing social group without fear of repercussions after the group is over. On the other hand, pre-existing groups have the advantage of providing a more 'natural' setting for discussion. For example, when pairs of friends were recruited, compatibility between the pairs had facilitated group discussion and the sharing of information.

My research attempts to explore a range of users' shared and unique perspectives on the topic of museum pricing; therefore, focus groups consisted of: groups of individuals (Groups 1, 2 and 3) mixed with friendship groups; family groups and social groups (Groups 4, 5, 6 and 7). Seven focus groups were made up of forty-two members and profiles of participants are shown in Appendix 6.

Regarding size of group, smaller groups (5-8 members) are favoured as they may be a more 'normal' setting for discussion and allow sufficient time for considerable input from each group member.

The Focus Group Setting

Recruitment strategy for focus group participants took a variety of forms. Focus group members at the MOCA, Taipei were selected from pre-existing survey samples. At the NMMBA, where such a participant 'pool' did not exist it was necessary to utilize strategically placed posters or advertisements, at the information desk, to recruit participants.

Ensuring individuals attend the focus group is also a particular problem. Participants at the MOCA, Taipei, were given appointment cards and the MOCA's staff helped to make reminder phone calls and send reminder letters/emails. Information sheets and a contact number were provided so that advance notice could be given if their circumstances changed and they became unable to attend the group.

Non-monetary incentives were used such as running the focus group in a pleasing location [café for staff use only] and offering participants a selection of food and drinks. Museum catalogues and gifts were also used as incentives. The MOCA, Taipei and the NMMBA helped to offer participants a small amount of money to

cover any 'out-of-pocket' expense (such as bus fare) incurred as a result of attending the group.

In addition, two focus group teams were set up at the two selected museums. The focus group team included a moderator, an assistant moderator and a note-taking assistant. With my educational background, focus group training, experience, and deep understanding of the research objective, it was felt appropriate that I should act as a moderator. Museum staff also assisted the moderating and note taking.

Initially the pilot focus group interview was carried out at the MOCA, Taipei, using volunteers who were asked the same proposed questions about people in their household, the kinds of activities the family chose to do together, scheduling procedures and cost of activities, selection of new activities, preference for activities at different stages in the life cycle, frequency of participation, and value and benefits of certain activities. The pilot focus group interview was recorded by a digital camera. Later, viewing the videotape of the session alerted me to any problems that needed correction before the 'actual' interview began.

Moderating a Focus Group

Some basic demographic and geographic data are required for analysis purposes and this was most appropriately collected immediately before the group started. It was also a convenient time-filler in the awkward minutes before a group starts and where one is waiting for possible late arrivals.

Before the group actually began, the assistant moderator introduced me and provided

a brief introduction. The objectives of this introduction were to relax respondents, to establish the “group rules”¹¹ and to begin developing rapport with the participants. Following the introduction, the moderator proceeded with the three major sections of the focus group: (1) the warm-up; (2) the body of the in-depth discussion; and (3) closure of the group.

The purpose of the warm-up was to transform the group, in approximately ten minutes, from several individuals to a participating and interacting group. I attempted to give respondents the opportunity to speak very early in the group session; for example, what do you enjoy doing (hobby, activity, etc.) on weekends. This helped to overcome anxiety to speech.

The next stage involved a subtle transition from general topics to an increasingly specific discussion of issues to be covered. In this stage I considered that, because the pricing issue is a sensitive one, presenting it to participants may not be easy. As a matter of strategy, defining the boundaries of the research topic too tightly may inhibit respondents from defining it in their own way. Therefore, the purpose of this stage was to obtain an understanding of the true issues related to the topic area. As a facilitator, I should facilitate the group, not control. Group members should not be inhibited by uncertainties about their abilities to formulate ‘correct’ answers, stressing the wish to hear a range of different viewpoints. As interaction between participants is a key feature of the focus group method, there had to be sufficient diversity to encourage discussion. It also allowed me to explore fully the nature of the attitudinal dynamics associated with respondent behaviour and to observe, firsthand, the respondent language and emotions associated with the topic area.

¹¹ Respondents are asked to speak one at a time and to interact but to avoid interrupting one another.

There can be a special problem occurring in focus groups, which is a general lack of enthusiasm on the part of the group. Therefore, I would try to encourage unresponsive group members to speak.

The closure stage was basically to summarise or identify differences of opinions among respondents and to synthesize the findings from the group.

After the Group

Immediately after each group session, based on the notes and memory, a moderator and assistant moderator debriefing was conducted. The debriefing process is an opportunity to clarify and crystallize the meaning of what has transpired. This process also helped to identify the most noteworthy comments, the most significant themes, and “big ideas”; it also formulated the preliminary findings of the research.

2.4 Analysis of Data

The data that focus group discussions produce are distinct in a number of ways from data collected by other qualitative methods. As has been stated throughout this chapter, the aim of the focus group is to initiate discussion between group members, and it is this interaction that makes the data distinct. Accordingly, my concern is to examine the actual speech-forms, the working vocabulary, implicit conceptual frameworks, strategies of formulation and their underlying logics, through which interpretations, or decoding, are constructed—in short, the mechanism of ‘cultural competencies’. Since there is as yet no one adequate methodology for the analysis of complex, informal discourse I have employed a number of related strategies for the analysis of responses.

In doing so, I was initially attempting to establish the visible particularities in the lexical repertoires of the different groups where particular terms and patterns of phrase mark off the discourse of the different groups one from another. It has been of particular interest to establish where, because of differences in overall perspective, the same terms can function in distinct ways within the discourses of the different groups.

Secondly an attempt has been made to establish how central topic areas identified in the analysis (motivations, attitudes and loyalty) are formulated by the different groups. Particularly important here was the attempt to establish the differential definitions of common sense. The difficulty here has been that of producing explications of such taken-for-granted concepts.

The following section will provide an overview of the analysis and will discuss issues of particular relevance to focus group data. A helpful way of thinking about this, suggested by Krueger (1998:27), is to consider a continuum of analysis ranging from the mere accumulation of raw data to recommendations for action.

The Analysis Continuum

Raw data — Description — Interpretation — Recommendation

Expanding the field notes by using the video recording

There cannot be a *perfect* transcript of a tape-recording. Everything depends upon what you are trying to do in the analysis, as well as upon practical consideration involving time and resources. (Silverman, 1993:124)

The major advantage of the transcription method is its completeness. All details are recorded in the original language [Chinese] of the participants. The data remain fresh

for analysis, even at a much later time. The major disadvantage is the amount of time needed to produce complete transcription. One hour of discussion on tape requires 3 to 4 hours to transcribe. Translation into English may be necessary and requires another 3 to 4 hours. Then typing requires another 1 to 2 hours. Thus every hour of discussion will take 7 to 10 hours to record on paper. Here, consequently, is the process I have used:

As has already been stated, first, I participated in the groups as the moderator. For me, being present in the group made analysis much easier. I had a feel for the gist of the group, which was lost if I only listened to the video recording. Second, I typed an abbreviated transcript written by the note taker. Third, I watched and listened to the video CD, and for each question, I transcribed only the comments that might be useful in analysis. This was intended to clarify certain issues or to confirm that all the main points were included in the notes.

This approach is applied because it saves time and retains all the essential points of the discussion. Real-life discussion and complete transcripts tend to be full of false starts, irrelevant remarks, and repetition (Bertrand et al, 1992:202). In order to avoid loss of details and bias in what is written by the note taker, both the moderator and the recording are used to check the note taker's accuracy.

Inventory of Points Discussed /Indexing

After "complete notes" were used to record the responses of the participants in the focus group, there was a task of synthesizing diverse points of view into meaningful conclusions. The first step in this process was to index the data—making an inventory—in order to make them manageable for interpretation. To this end, I wrote

down each question from the topic guide at the top of a separate sheet of paper. Each time the conversation turned to this topic, I wrote down the main point made by the participant. If the same idea was repeated again in the same or a later session, it was marked accordingly on the inventory of points. The aim of indexing is to bring together all extracts of data that are pertinent to a particular theme.

The inventory was used only to orient the researcher to the diversity of viewpoints expressed and to the degree of consensus on these points. This system is particularly useful while there are clear-cut sociodemographic differences in the composition of different groups. The inventory of points also alerted the researcher to differences in the patterns of responses between two sets of participants. It was useful to separate the “positive” and “negative” responses onto different sheets in doing this inventory. In addition, the system helps to reduce vast quantities of information into a manageable form but it is not used to generate quantitative statistics.

The process of indexing then involved the analyst reading and re-reading the text and assigning index codes, which refer to the original questions in the discussion guide or to themes identified in a preliminary read-through of the transcripts. At the start, index codes were likely to be quite broad, and to then become more narrow and focused as the work continued. The process is later assimilated to chapter headings and sub-headings in Chapters 6, 7, and 8.

Data Storage and Retrieval

As has already been stated, indexing is a means of making data manageable for analysis purposes. The researcher requires a method of collecting together all extracts of text which have been allocated the same index, to be able to retrieve them

for comparison with other extracts given the same index. This can be done manually, using photocopies, and an organizing filing system, or a card index method. With the card index method, the analysis often tends to be a tedious and time-consuming process. Thus, I used a computer to cross index focus group material. Using a computer for analysis of focus group results, Morgan (1988) finds the computer as a power indexing and cross-reference tool and Bertrand et al (1992) also stresses it can greatly facilitate the search for a particular thought and to see how participants word their ideas in the transcripts. He shows three advantages of entering focus group data into the word processor. First, the analyst can use the search function to find specific words or phrases in the text. Second, the search function can be used to count the occurrences of specific words in a text. A third advantage is that the organized text used for analysis can be presented to programme planners.

Emergent communication technologies have also spawned new forms of group interaction which in turn now offer new ways of applying the principles of focus research. As Bloor (2001:86) remarks, “virtual focus groups can be seen as representing a response to the demand from developing computer-mediated communications to think about data collection in new and appropriate ways.”

Interpretation

People very rarely talk in crisp statements that result in insightful quotations (Krueger, 1998:73). In real life, people use incomplete sentences or ramble along with disconnected thoughts strung together with verbal pauses. Thus, interpretations of focus group data inevitably contain “messy” quotations. Guided by Krueger (1998), I determined the extent to which statements should be abridged or modified. It is essential in editing quotations that the researcher captures the intended meaning

of the speaker. Thus, my obligation is to present the views of the participants fairly and accurately. To fulfill this obligation, some minor editing to correct grammar is appropriate as long as the meaning is not changed. This I have done where appropriate and I have also added a word or phrase and placed it within parentheses when all participants in the focus group knew what the topic was.

Concerning ‘non-verbal communication’, for example postures, gestures, and facial expressions, it can easily be overlooked in the analysis, especially when the research only relies on transcripts. In order to present the energy level or enthusiasm within the group, as a moderator I have made notes of the nonverbal responses during the actual interview session; these were then considered when analyzing the results.

The results or findings are presented in Chapters 6, 7 and 8. The style is a summary description with illustrative quotes, followed by an interpretation—a section on what the data means. The interpretations presented are directly linked to raw data evidence in the focus group. Finally, at the recommendation level, the data stream goes beyond the focus group to include background information about the organization and larger environment.

Traditional museum research tends to involve ‘result data’ facts of what already exists or has existed. However, marketing research seeks to anticipate issues, changes, and emerging factors. Therefore, the market-based research and qualitative approach are best adopted to explore how visitors feel about the prices they have to pay for museums and whether these prices will inhibit attendance in the future.

Focus group data is distinct from other forms of qualitative data, and its interactive nature needs to be taken into account at all stages of analysis. The analysis needs to

be aware of the context of any extract of speech and to follow the arguments of individuals and the group through transcription. Indexed data can be stored and retrieved by using the word processor. The interpretation of focus group data needs to consider the readability of any data presented and the degree of context the reader will need in order to make sense of the data.

Summary

In recent years, the emergence of sophisticated research methods and information technologies has revolutionized information gathering and analysis. In this chapter, I adopt marketing research methods to seek how visitors feel about the prices they have to pay for museums and whether these prices have inhibited attendance. Primary data was mainly collected through two case studies and focus groups interviews. The case study provided a greater understanding of how the museum is paying increased attention to pricing and revenue-raising strategies. MOCA, Taipei is one of the first museums that set up the 'self-generated income' objective. A private foundation operates the MOCA and receives revenue funding from Taipei City Government. At present, most of the cultural developments in Taiwan face a budget deficit. The government cannot afford either to build or to renew the facilities. There is a trend to include the private sectors in public developments and operation in the future. Open in 2000, the NMMBA charges admission as high as £6 in order to raise revenue that can be invested in expansion. Charging highly for admission to national museums has been controversial. Chapter 5 will discuss the impact of charging on museums and their visitors. The results of focus group interviews are presented in Chapters 6, 7 and 8.

Chapter 3

**Literature Review and
A Conceptual Framework**

Chapter 3 examines the scope and development of pricing policy in the context of wider international relevance and appeal, starting with the Imperial ordinance No.195 in 1908, which allowed national museums to introduce admission charges, as they deemed necessary. The first section of this chapter gives a brief overview of the development of entry fees and introduces some key issues. In the sections that follow, these issues are examined in more depth within a perspective of combining elements from the economic, marketing and consumer perspectives. Finally it provides a conceptual framework for establishing the importance of the study, as well as a benchmark for comparing the results of the study with other findings. Providing a review of the historical and current background to pricing strategies in Taiwanese museums and a conceptual framework, in this chapter, I have explored the first research question: How should museums and their roles be interpreted in the age of the leisure society?

3.1 Historical Development of Admission Regimes and Key Issues

In practice, there is a general impression that it is easier to collect entry fees rather than to establish an entirely new means of income generation based on any coherent rationale intended to market services. The lack of consensus about the role of charges for public sector services is often seen as the inevitable outcome of conflicting views regarding the equitable distribution of income, obviously affected by the provision of free or heavily subsidised government services. The general condition of entry issues can be examined in three 'patron-user' relationships: privilege, right and exchange.

3.1.1 Entry as a Privilege (1895-1945)

For much of Taiwan's history, parts of it have been controlled by foreign powers,¹ from the Portuguese in 1544 to the Dutch, and briefly the Spanish from the 1620s (Wu, 2000). By 1887 control had passed to mainland China.² Although Taiwan was opened to foreign traders in the middle of 19th century,³ contacts with the outside world were limited to the treaty ports. For all practical purposes, at the end of the 19th century Taiwan remained a closed, self-sufficient economy (Ho, 1978).

This came to an end in 1895 when Taiwan became a Japanese colony after China's defeat in the Sino-Japanese War. Under the guidance of the colonial government, the island was developed as an agricultural appendage to Japan.⁴ For fifty years (1895-1945) Japan controlled Taiwan against the wishes of many local residents. Initial armed resistance was dealt with ruthlessly, and vigorous policies of Japanese cultural assimilation followed, leaving a lasting cultural legacy. Nonetheless, during the colonial period, Taiwan's infrastructure was greatly improved and many economic and education reforms were instituted. In *'Through Formosa: An Account of Japan's Island Colony'* Owen Rutter (1923:15) gives a description of his journey

¹ Taiwan has long had contact with a number of Western countries. Already, a considerable body of research into the early history of Taiwan has emerged. An ongoing topic - Under western eyes: Westerner writings on Taiwan - is now recognised as a distinct field of Taiwan studies. Many of these writings are invaluable reading for those who wish to understand Taiwan's history and its place in the world which include, for example, Pickering (1898); Davidson (1903) and Rutter (1923).

² In 1661 the forces of Ming loyalist Cheng Cheng-kung, also known as Koxinga, retreated to Taiwan, expelling the Dutch. However, this last surviving Ming outpost was short-lived; in 1682 Manchu armies invaded, defeating Koxinga and annexing Taiwan for the Qing empire. See Davidson (1903) for a general description of Formosa the Kingdom of Koxinga.

³ It had been agreed that two ports, Taiwanfu (known as Anping) and Tamsui in the island of Formosa, were open to foreign commerce by the *Treaty of Tientsin* in 1858.

⁴ A triangular relationship connecting Taiwan's agriculture, its non-agricultural sector, and Japan developed. Taiwan's agriculture exported rice and sugar to Japan, and its non-agricultural sector imported Japanese manufactured goods to sell, along with commercial services. A further discussion this triangular relationship, see Ho (1978).

through a “beautiful and fascinating, but little-known, island to which foreigners are not usually encouraged to go”⁵; in the preface he says:

Thanks to the courtesy of the Government of Formosa I was privileged, during my visit to the island, to look through many windows which ordinarily would have been closed to the traveller, and by the light of my knowledge of other Eastern colonies I have tried to show how in thirty years the Japanese have succeeded, marvelously succeeded, in developing economically what was, when they first took possession of it, little more than a wilderness; and to show too how they have failed, for their good intentions, in their attempt to settle and administer the native tribes, made intractable by centuries of tyranny and oppression (Rutter, 1923:7).

At that time revealing their national prestige to Westerners became a very important contributory cause of Japan’s successful diplomacy. The above Plate 3.1 presents an image of Rutter’s journey and his push-car.

In a blaze of glory Rutter recalls his visit to the headquarters of the Government at Taipei:

The headquarters of the Government at Taihoku [Taipei] are situated in a magnificent building which is lavishly decorated with marble and cost £300,000... We visited the Museum, where there was an excellent collection of

⁵ Concerning the “accessibility” of Taiwan, Rutter (1923:15) states that it is a land far from the beaten tract of the tourist, nor has it yet been penetrated by the myrmidons of Thomas Cook. The passing traveller is not encouraged, and, unless a foreigner visits the island under the auspices of the Government or speaks Japanese himself, he may well find his path beset with difficulties. Owen Rutter was a British historian and travel writer. Departing from North Borneo, invited by the Japanese Government, Mr. Rutter and his wife came to visit Taiwan in 1923.

the weapons, utensils, and arts and crafts of the aborigines, on whom Mr. Mori, the curator, is an authority. There were also many exhibits from what the Japanese call the South Sea Islands and what we call the East Indies and Malaya (Rutter, 1923:147&151).

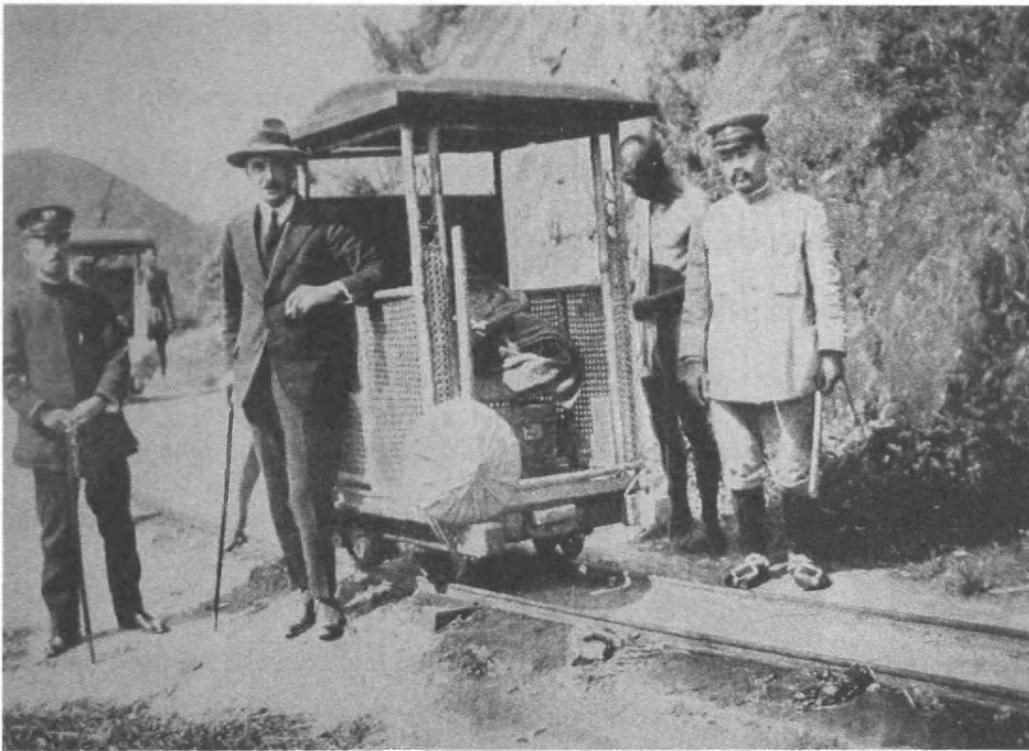


Plate 3.1 A privileged visitor - Owen Rutter and his push-car

The Japanese Government set up six museums in Taiwan with an aim to demonstrate, both to the colony as well as the world, the research achievement of Japanese scholars by collecting, researching, and displaying objects concerning ethnography and natural history in Taiwan (Geng 2004; Yang 2002). The system of knowledge of the Taiwan's aborigines formulated by the Japanese scholars and curators remains to this day the foundation for research in this field. The Japanese also acquired from Europeans the practice of collecting foreign artefacts. Setting up museums at the time was symbolic of westernization, which also meant modernization (Chen, 1995:16). Patronizing museums is also seen as an enlightening device of national

assimilation, known as *Japanization* (Yoshinosuke, 1988;Geng, 2004).

General admission charges for Taiwanese museums can be traced to the first museum, namely the former Taiwan Governors Mansion Museum which is today the National Taiwan Museum in Taipei's 228 Memorial Peace Park. The Museum was founded in 1908 by the Colonial Industry Bureau of the Civil Affairs Department in memory of Lieutenant-General Baron Kodama and Dr. Goto.⁶ The Museum opened to the public on 24 October 1908. In the beginning, visitors had free access to view and peruse the same. Yet the congestion and noise generated by a big crowd necessitated their entry to admittance by ticket as described by the Imperial ordinance No.195,⁷ which allowed the Museum to charge the fee of 5 pence⁸ and was implemented on 25 November 1908 (Li, 1999).⁹ Insofar as visitor congestion diminishes the value of individuals' visits it constitutes an additional reason for charging. Giving evidence, in a paper '*In Retrospect of the National Taiwan Museum*' Mori recalls the decision of introducing charges, and he says:

Charges are imposed to enable more "studious" visitors to attend the museum in peace, and most importantly we have declared that a small entry fee would

⁶ Between 1898 to 1906 Kodama, Gentaro was the Governor-General who was appointed directly by the Emperor, was invested with the government of the island under the control of the Prime Minister of Japan. Goto, Shinpei was the Head of Civic Administration. The Director of the Museum was Kawakani, Takiya. See Wu (2000).

⁷ Laws in force in Japan were applied, wholly or in part, to Formosa by Imperial ordinance, and the Governor-General may not issue edicts having the force of law save in exceptional circumstances, and then the validity of all such edicts is subject to Imperial sanction.

⁸ According to Nisawa (2000: 276), in 1910, ticket prices for films were listed at the equivalent of 40p, 30p and 20p by numbered seats. Besides, in Rutter's book (1923), it is said that he paid £2.10s (250p) a day for a double bedroom and food in the Taihoku Railway Hotel. According to the Appendix, it is calculated at *Yen* 10 = £1 *sterling*

⁹ Li's book is based on the Museum's internal documents and interview data. He has translated many Japanese documents, such as the Director and curator's memorandum, into Chinese. It is helpful for the researcher.

prevent the museum from being “encumbered by the idle”. Yet the Museum has consequently become deserted and quiet. The thorny problem we face is that the annual income from admission charges does not justify the expense and inconvenience of its ticket system (Mori, 1936:6).

Obviously a small entry fee was stifling demand.¹⁰ Mori’s concern is simply whether it is worthwhile to exclude the public for the sake of pecuniary return to be expected from fees. He is also concerned that fees should be avoided when costs of collecting the fees exceed any benefits to be generated by those fees. Nevertheless, the situation for Taiwanese museums becomes uniform through the 20th century as museums indeed charge a small entry fee, but, in fact, admission is free to school college and university groups that must book in advance prior to the day of visit. Moreover groups of military, police, and civil staff are eligible for free entry. Consequently advance booking is seen as a privilege officially given by the patron – the Japanese Government. The specific social relations of such privilege, as Williams (1981:44) remarks, are derived from the social order as a whole; it is there that the patron’s powers and resources are enrolled and protected; in the crudest term, he is doing what he wishes with his own. In other words, claims of privilege can be expressed and further enhanced through patronage of the museum. In the broad sense, patronage needs to be viewed in relation to the interests and activities of a ruling elite which itself changes over time (Chong, 2002:43).

The first epoch to consider in Taiwan was that in which a museum was officially recognized as part of central social authority itself. Its duty was to serve the ruling

¹⁰ The museum reported that 43,076 people (879/per day) visited in 1908 (open: 49 days), but there was a sharp drop after which only 21,919 people (73/per day) visited in 1909 (open: 294 days). See Li (1999).

success of the colonial government and therefore emphasized displays pertaining to industry. For instance, in 1923, a great deal was made of the Japanese Prince's visit to Taiwan's museums. As shown in Plate 3.2, celebrated in the former Taiwan Governors Mansion Museum, in 1935, a 'universal' exposition attracted approximately 30,000 visitors per day¹¹ with the intention of showing that during the forty years Japan had been in possession of the island she had succeeded in developing it in a manner which must be almost unparalleled in the history of civilization (Cheng, 2004).

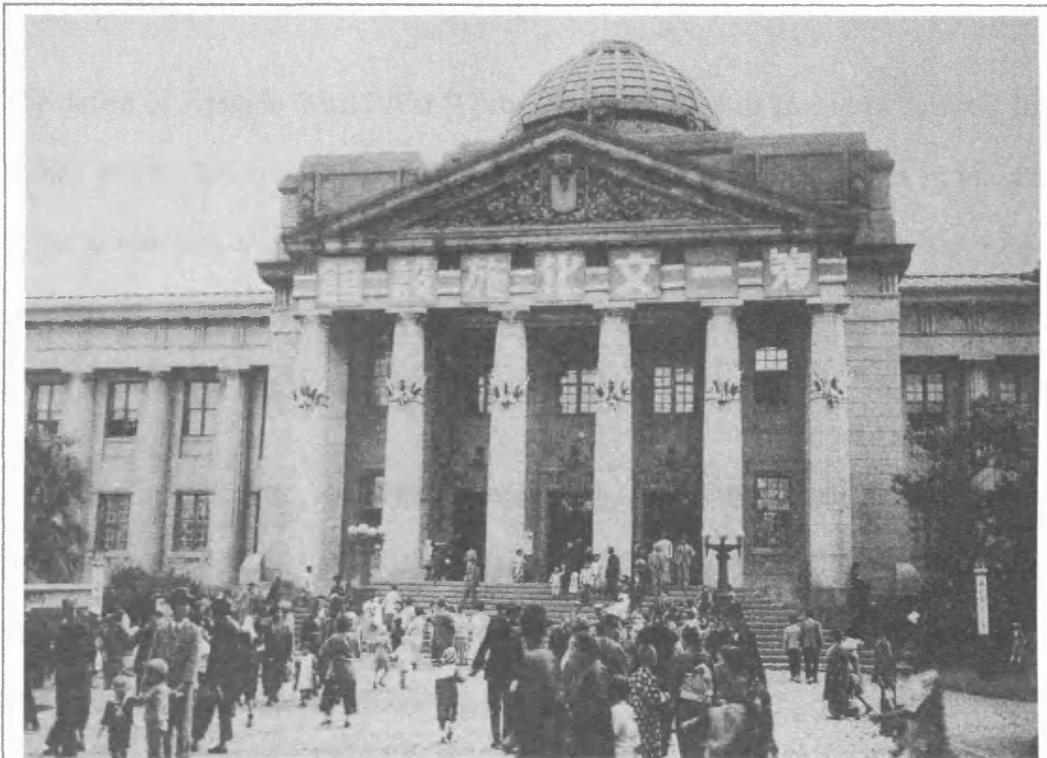


Plate 3.2 Held in the former Taiwan Governors Mansion Museum, the 1935 exposition attracted about 30,000 visitors per day

Taiwan's achievement was designed to prove that the Japanese had been mindful of

¹¹ According to Li (1999), generally, the annual number of Japanese visitors was slightly smaller than the number of Taiwanese visitors; however, some Japanese travelled to Taiwan to participate the 1935 exposition, so there was a marked rise of Japanese tourists.

their national prestige, by creating a capital worthy of the island. With reference to the prosperity of Taiwan on foundations laid by the Japanese Government, a privileged guest, Rutter says:

Before the Japanese came to the island Taihoku was little more than a dirty Chinese village. Now it is a thriving city.... Millions of yen have been spent up its reconstruction.... It is a model of what a colonial city should be (Rutter, 1923:153).

3.1.2 Entry as a Right (1946-1979)

The defeat of Japan in World War II brought colonialism to an end in Taiwan. Jiang Jie-Shi and his Kuomintang (KMT)¹² supporters fled from a civil war in mainland China to establish a government in Taipei, and then became the ruling party of the Republic of China. The KMT Government remained in power as a one-party state until 1979, when some democratic reforms began¹³.

For now Taiwan has become a “multi-racial” society consisting of assorted immigrants from China and its aborigines. The majority of Chinese ethnicity is further divided into *Taiwanese* (Benshengren) and *Mainlanders* (Waishengren). *Taiwanese* is used to refer to those who migrated to this island prior to World War II. *Mainlanders*, who were officials, soldiers, landlords or refugees, fled to Taiwan with Chiang’s troops from different provinces in mainland China.¹⁴ In the postwar period,

¹² Nationalist Party (‘KMT’ as the abbreviation of the Nationalist Party is used by the media)

¹³ Opposition parties were permitted and democratic elections for many offices began to be held. Today, there are four parties in Taiwan: the KMT, the Democratic Progressive Party (DPP), the People First Party (PNP) and the New Party (NP).

¹⁴ According to Statistics by the Home Office of Taiwan, the population of Taiwan is divided into three ethnic groups, i.e. aborigines (2%), Benshengren (85%) and Waishengren (13%).

increased population pressure, brought about in part by the flow of mainland refugees to Taiwan, increased the urgency to industrialize. Manufacturing has clearly emerged as the growth sector (Ho, 1978).

As soon as the KMT government based on the official system of *Mainlanders* was established in Taiwan, it made efforts to enhance its ruling of Taiwan. Again museums served the past and present glory of the ruling class. As Tseng (2001:17) remarks, the National Palace Museum in Taipei¹⁵, which houses choice treasures brought by Jiang's army from the National Palace Museum in Beijing in the course of evacuating to Taiwan, was established in Taipei and symbolized a Chinese legitimism. Works of art to glorify the idea of anti-communism and enhance the principle policy of 'Recover the Chinese Culture' prevailed in the 1950s. The Japanese-founded museums, with their collections, were taken over by the Republic of China upon the return of Taiwan to China in 1945 and were also open to the public, but did not receive much government attention nor scholarly inputs (Yang, 2002).

For the first time following the policy of 'Recover the Chinese Culture', the educational role of museums was claimed as their major justification. Museums were concerned with the transmission of Chinese culture and facts. According to the *Social Education Act*¹⁶, museums and galleries are defined as educational institutions. Museums, like other educational institutions, were then requested to perform valuable public-interest activities that deserved public support. The

¹⁵ Re-instituted in 1965 under the control of the Office of the President, the National Palace Museum is responsible for recovering the Chinese culture. For a further discussion of this see Tseng (2001).

¹⁶ The Social Education Act was first passed in 1953, and it was amended in 1959, 1980 and 2002.

Ministry of Education began to take responsibility for five national museums in Taiwan from the 1970s. They are the Provincial Taiwan Museum¹⁷, the National Museum of History, the National Science Educational Institute, the National Art Educational Institute and the National Dr. Sun Yatsen Memorial Hall (Central Region Office, 1998). The Taiwanese idea of a museum established for the benefit of the whole community had struck deep roots. Another growing demand facing museums in the late 1970s was the need to take part in a wide range of civil society activities such as basic education. Meanwhile as the new technology defined hours of work in rigid shift, so did it define free time with equal rigidity, and the concept of 'leisure' was born (Pick, 1980). In order to establish a wealthy and developed society the pleasure gardens were designed to accommodate thousands; halls for music in Taipei held up 6000 people; visitor numbers were big and unruly. However, the risks were greater and there were as many administrators who failed as made great profit.

Mention should also be made of the foreign power—the Americans—which replaced the Japanese as the main overseas influence on the modernization of the island. Thus the concept of modernization continued to spread through Taiwan after 1949. The structure of the educational system is modelled on the American system of elementary, junior high and high schools, junior colleges and four-year universities. The education is characterised by an emphasis on memorisation and recitation throughout the elementary and high school levels, and a reliance on national entrance examination for admission to higher education. Nine years of

¹⁷ This is the first Taiwan museum founded by the Japanese Government. In 1945 the Museum was renamed the Provincial Taiwan Museum.

education have been compulsory since 1968 and higher education is more widely available than ever before. Entrance to all is by examination and only about 10% of students do not continue their education beyond the compulsory nine years. With this widespread elementary education, a trend led schoolchildren to visit museums, and gradually, museums were thus from their origin seen as a public good,¹⁸ one whose use was the prerogative of all citizens. In addition evidence shows that American support to Taiwan played an essential role not only in the development in economy but also in culture (Tseng, 2001). The American government provided 100 million US\$ funding each year to support Taiwan from 1951-1965. Part of this funding was used to encourage Taiwanese to learn American modern culture (Huang, 1992). The modern western culture brought by America became the only window on outside world.

Meanwhile the Inter-University Program for Chinese Language Studies in Taipei (IUP) was set up and provided Chinese language learning for foreigners (especially, American university students) in the ‘Cold War’ era. Many eminent American scholars and politicians today have been part of this programme. Professor Laing-Johnston, an American art historian, is one of the figures¹⁹. Based on her daily notes, letters and slides, Laing-Johnston recalls the museum experience in ‘*Photographs of Taiwan During the 1960s*’, and she says:

¹⁸ Public goods are defined as goods or services which, once provided, can simultaneously be given to others at no incremental costs. Public goods are non-rival in consumption. The classic example of a public good is a lighthouse. Public goods tend to be provided by the state and paid for by compulsory taxation. For a further discussion, see Colebatch and Larmour (1993) and Oster (1995).

¹⁹ Laing -Johnston was an advanced graduate student in the Department of the History of Art at the University of Michigan where she majored in the history of ancient Chinese art. Knowledge of Chinese language was a vital research tool, and in 1960 she applied for several grants to study Chinese language in Taiwan. In 1962 she was awarded a Fulbright grant and she was the first woman to receive a Fulbright grant. She lived in Taiwan from September 1962 until June 1964.

Later in the summer of 1963, I moved to Taichung. One reason for moving to Taichung was so that I could be closer to the National Palace Museum. Before the construction of the magnificent National Palace Museum in Shilin outside Taipei, the National Palace Museum consisted of a few unpretentious buildings nested below the foothills outside Wu-feng and guarded by military police (Laing-Johnston, 2002:26).

Between 1962 to 1964 Laing-Johnston went to live in Taiwan in order to visit the National Palace Museum on a regular basis (see Plate 3.3). Foreigners, in fact, accounted for almost one-third of visitors to the National Palace Museum at that time. Another close relationship between the US and Taiwan is shown, in 1961, by a touring exhibition of ancient Chinese art being protected by an American warship.²⁰

This second epoch therefore was that in which a museum was officially recognized as part of central cultural and educational institutions. It symbolized Chinese authority and remained a response to cultural control by the government. Cultural specialization was present but with varying degrees of difficulty. The social relations between museums and their public were inadequately developed. Visiting a museum has been recognized as a 'civil duty,' but in fact only Chinese literati and officials, the transient guests and Sinologists have shown much devotion to the study of Chinese culture and artefacts through museum visits. The decision as to whether or not to set (or increase) a fee for a museum visit is an ideological one, because 'the treasure' benefits both people and society as a whole through the creation of an informed and productive citizenry.

²⁰ Guo discusses the influence of America on Chinese language studies and the National Palace Museum in the 1960s. See the preface of Laing-Johnston's book (2002).



Plate 3.3 The National Palace Museum

3.1.3 Entry as an Exchange: 1980-Present

In the 1980s, Taiwan's flourishing economy contributed significantly to a museum explosion. According to the *Central Region Office Survey (1998)* the number of museums established in Taiwan has increased rapidly since the 1980s, particularly the private and local authority museums. Before the 1980s, most museums in Taiwan were public; however, as Tseng (2001:190) notes, growing interest in collecting inspired more collectors, who not only supported the art market but also increased the demand for private museums. With a view to taking 'corporate social responsibility,' a businessman²¹—Mr. Safe C.F. Lin founded a museum focusing on aborigines and he says:

²¹ Name after his father, the N.W. Lin Foundation for Culture and Education was established by the Shung Ye Group in 1985. Mr. Lin is also keen to collect paintings by local Taiwanese artists from the end of the war to the present; see Shung Ye Museum of Formosan Aborigines (2004).

I deeply feel that an enterprise should give something back to the land on which it depends...(Shung Ye Museum of Formosan Aborigines, 2004:14)

Companies are now expected to take steps to involve themselves in the wider world in which they operate. Good neighbourliness, involvement in civic institutions and demonstrating an attention with the public's local concerns, are among the ways in which the private sector is measured (Travers and Glaister 2004:36). Williams (1981) terms this a type of "patron sponsorship" which is determined by the increasingly regular production of works of art as commodities for general sale. This form of patronage exists in conditions in which commodity and market relations have become dominant. This is the beginning of a transition from the social relations of a regular institution to the social relations of conscious exchange.

With industry growing rapidly, the museum boom in Taiwan has become a product of increased political liberty and cultural awareness, and the Government regards the museum as an important cultural index within economic prosperity (Central Region Office, 1998). Museums have tended to be developed within local authorities. During the 1990s, there were 29 new public museums in preparation and construction. Only one of these was a national museum, the others being local museums. The continued development of local museums is important because those museums provide a sense of identity for their area and act as a cultural focus contributing to the cultural infrastructure. As Casey (2001:236) remarks, "museums can encourage people to understand the limits of their own experience, to cross the imagination boundary and gain insight into the viewpoints of other people, or other times." The growth in pursuit of local culture has been significantly fuelled by a growth in cultural awareness since 1970. To meet the demand, in 1978 the

government established a plan for public cultural centres in every county and city in Taiwan.²² This has also had a knock-on effect in existing national museums, which have had to take these new standards into account in their own renewal and development programmes (Chung, 2003b). Plate 3.4 shows a brand-new local museum—the Taipei County Yingko Ceramic Museum.



Plate 3.4 The brand-new Taipei County Yingko Ceramic Museum

With the growth in influence of local culture, consequently Taiwanese museums have become more community-oriented, showing a growing interest in the lives of the “ordinary”, rather than the “extraordinary” (Culture and Environment Foundation of Formosa, 1999). For instance, the idea of a local museum in Taipei County was first formalized in 1990 when a proposal was put by the local

²² According to the resolution of the Executive Yuan in 1978, ‘The Plan of Establishment of Local Cultural Centre’ was issued by the Ministry of Education.

community to the County Council. The purpose of the museum is to illustrate the historical development of different industries, such as ceramics, tea, mineral products, and the way of life of the county. In this way, as a living museum, it is expected to raise the general quality of life in the region. The ‘democratization’ of the writing of history also had a profound impact on museums. It particularly reflects on the aboriginal research. This is best illustrated by Tu Cheng-Sheng,²³ a former Director of the National Palace Museum:

There is a long history in China of revering its own culture while disrespecting local culture. For over two thousand years government control has continually expanded. Whenever they enter non-Han regions the duty of the Chinese officials is to convert the “barbarians.” Such action came with high praise and was called “edification.” The officials able to carry out this edification were called “Xun-li” or “True and Benevolent” officials. Was there any value in the culture of a people who required conversion? The aboriginal culture which we now appreciate was, in the eyes of these people, barbarian and unworthy of any praise (Shung Ye Museum of Formosan Aborigines, 2004).

This ‘cultural boom’ in Taiwan from the 1980s to 1990s led to a new ‘look’ to museums and also a need for new ‘customers.’²⁴ A mass audience is, in a way, confirmation that the museum is the most democratic cultural institution of all, attracting by far the widest cross-section of the population (Schubert, 2000:75).

²³ Tu Cheng-Sheng wrote a preface for the publication commemorating the tenth anniversary of the Shung Ye Museum of Formosan Aborigines. He said, “After initially refusing, I was encouraged to proceed and unexpectedly wrote from the heart the reflection of a “southern barbarian who has spent half a century studying Chinese culture.” See Shung Ye Museum of Formosan Aborigines (2004).

²⁴ These historical shifts are clearly expressed in a major Taiwanese report produced by the Council of Cultural Affairs, 2000.

Additionally, according to DGBAS (2000), the concept of 'leisure' has been rooted into city life since 1990. The question of "who are the customers?" has been further explored.

In the first place most government subsidised museums begin to market in more than one direction because the people who pay for and/or receive the service may not be the only people who have an interest in it. There are people and bodies (normally a governing body or a local authority) who determine whether or not, and how much, a museum receives in income and investment. The people (tax payers) involved may or may not be visitors of the service, but they are concerned with the efficiency and effectiveness of the museum and the quality of its customer service, so that the performance of the museum will be one of the factors which determine the amount of money allocated to it. Davies (1994) identifies four sources of income which museums receive, including visitors, users, stakeholders, and society. 'Visitors' and 'users' are interchangeable, since there are various ways of using the services of a museum (McLean, 1997:68). Visitors and users both are seen as 'customers' who receive the museum service whether there is a direct payment or indirect one through taxation (Hannagan, 1992). Yet it is very difficult to distinguish between the various terms used, such as 'customer', 'consumer' or 'client', because it is often more a question of custom and practice in a particular organization, industry or public service. In a broader sense, as Davies (1994:11) states, museum stakeholders are "individuals, groups or organisations which have a legitimate interest ('stake') in the sector, at the national, regional or local level." Furthermore museums exist for the 'benefit' of society, or of whoever in society wishes to take up their services.

It should therefore be clear that visitors or users are firstly typical customers who are primarily concerned with the quality of the experience they receive and whether or not ‘value for money’ has been obtained. This experience may sometimes be affected as much by the quantity and quality of the facilities, as by the technical quality of the display.

Secondly, stakeholders (or sponsorship) as partnership—a new type of strategic partnership has emerged since the late 1980s, the role of the private sector in the museum industry is now central to Taiwan’s cultural policy (Chung, 2005). Building up a relationship with corporate sponsorship is also a fundamental aspect of a museum’s operations. With this approach there is a focus on corporate image and mission statements, vision and values (McNicholas, 2004:59).

Thirdly, society as *Gemeinschaft* (‘community’)²⁵—with the global shift from manufacturing to service industries, in Taiwan, the ‘loss of community’ theme has attracted many local politicians and consequently urban regeneration has becoming a topical political issue in most metropolitan areas all over the island. For politicians, as Schubert (2000:98) notes, museums today have an appeal that goes well beyond their educational function: they guarantee tourist revenue and play a central role in urban renewal for the community.

In the first section of this chapter I have developed a particular approach to

²⁵ The model of ‘community’ was used by Ferdinand Tönnies (1957) to draw attention to the changes that were happening to European societies as a consequence of industrialisation. He argued that in pre-industrial society, village life was characterised by physical proximity and frequent interaction with other people who were known to you, and this facilitated the development and persistence of shared norms and values. He referred to this sort of society as *Gemeinschaft* (‘community’) and contrasted it with the relatively anonymous, impersonal, contractual world of industrial society, which he called *Gesellschaft* (‘association’).

understanding the ‘patron-user’ relationship. The distinction that matters is from that of patronage, which itself, is highly varied. There are three attitudes towards ‘entry’ that ‘museum patrons’ have held—entry as a privilege, as a right, and as an exchange. *A privilege*: this attitude arises when the museum maintains that its primary responsibility is to the ‘glory’ of the collection and not to the public. *A right*: from this point of view, the museum provides a public good for users primarily through educational activities. *An exchange*: in this attitude the museum believes that its primary responsibility is to be accountable to the customers. According to DGBAS (2000), it is suggested that social trends have forced museums to treat visitors/users as customers and move towards a more marketing (customer) orientation. There have been consequences for the scope of marketing research in ‘customizing’ or the reframing of users of public services of all kinds as ‘customers.’ *Customization* echoes the *personalization* of the tailor-made, a trend in postmodern culture, with its emphasis on an authenticity, sincerity, and commitment (McNicholas, 2004:63).

3.2 Theoretical Approaches to Pricing Policy in Museums

The political and economic climate has changed, bringing demands that museums become accountable, show ‘value for money’ to their stakeholders, and use market mechanisms to seek multiple-source funding in the UK. This change came up in Taiwan in 1998 as part of central and local government agendas.²⁶ What we are really seeing is a radical shift in attitudes towards the expenditure of so-called public money and museums like everything else should be examined. How to set a price

²⁶ A further discussion on ‘value for money’ climate and approaches to Taiwan’s economic reform, see Chapter 5.

appropriately and collect revenues sufficient to cover costs becomes the issue within the museum. Much more considered analysis is required of the relationship of a museum to its users, looking in detail at what a museum should be providing, for whom and at what cost. This section, based on literary sources, engages with the area of pricing theory and practice and helps to develop a conceptual framework, as well as to uncover pertinent issues to be taken into consideration for this research.

3.2.1 Economic Approach: Cost- driven Pricing

With some notable exceptions, museums have received little attention in the economics literature. The pioneering paper by Peacock and Godfrey (1974) looked at the economics of museums and galleries. The work of Hendon (1979) was managerial in focus and was concerned with the issue of efficiency in the allocation of museum resources. The National Bureau for Economic Research in the United States through commissioned work on the economics of museums (see Feldstein, 1991) tended to focus on tax policy and its impact on museum funding. In the burgeoning literature on non-profit organisations, museums have received some attention (see DiMaggio, 1986). One of the most high-profile areas in which economic analysis has been applied is the calculation of the economic impact of the museums during the 1990s.²⁷

Museums are viewed as productive units —“firms”²⁸—which, in order to achieve certain objectives, engage in the transformation, via a production technology, of

²⁷ The literature is very substantial. The references include Hendon (1979); Johnson and Thomas (1991); Park, Krens, Luers and Rudenstine (1991); Feldstein (1991); Heilbrun and Gray (1993); Dickenson (1994); Casey, Dunlop and Selwood (1996) and, Selwood (ed) (2001). Other early studies focus on the arts: see Wait, Hendon and Horowitz (ed) (1984); Owen and Hendon (ed) (1984).

²⁸ Museums use substantial amounts of labour and capital in performing their tasks. For a discussion of museums as productive organisations, see Johnson and Thomas (1998).

inputs into a mix of outputs (e.g. conservation, documentation, display, education and so on) that are valued by others (Johnson and Thomas, 1998:75). A logical starting point for a discussion is the objective function of museums: what are they trying to do? The answer to this question depends on whom you ask.²⁹ For most museum professionals, education of the public and maximizing access may be key objectives. An obvious example of such a conflict concerns the relationship between an access objective and other objectives. A zero price maximizes access, but it may reduce the funding available for other objectives such as conservation, display, research and education. Darnell, Johnson and Thomas's contribution (1992) helps to clarify the precise nature of the potential conflict between access and the provision of funds. Such impact studies are often held to be of particular interest given the scale of public subsidies for the museums compared to other sectors of the economy. Subsequently there are economic issues relating to policy towards museums: what is the justification for such policy and how might its effects be measured? Recent years have seen a much greater interest in these areas, and a conference on the Economics of Museums was convened at Durham University in March 1998.³⁰

Another area that may need to be considered is the political and social impact of user charges within museums. Charging policy for local authority museums and galleries is part of a much wider national picture in the UK. The extensive debate on charging admission to museums is reviewed to set a wider context for discussing the effects of public subsidy and admission charges on resource allocation. This understanding has been growing rapidly over the past twenty or so years: see, for

²⁹ For a discussion of the different constituencies with interests in museums, see Hendon (1979) and Jackson (1991).

³⁰ The conference papers were published in *Journal of Cultural Economics* 22 (2-3).

example, Prest (1982); House of Commons (1989); Wagner (1991); and, Bailey, Falconer, and McChlery (1993). Since the early 1990s when the majority of the national museums and galleries started charging for entry, there had been a sea change of attitudes in the museum sector. In 1997, the Museums & Galleries Commission (MGC) sponsored a survey entitled *To Charge or not to charge?*³¹ of attitudes among museums and the general public towards admission charges. A comprehensive range of issues connected with admission charges is covered, including the effects on visitor numbers, on visiting patterns, on the nature of museum audiences, and the nature, duration and frequency of museum visits. By December 2001, admission charges had been scrapped in line with thinking on making culture and heritage more accessible. The recent national government policy of abolishing admission charges in the UK for National Museums has resulted in the MORI survey *The Impact of Free Entry to Museums* on the impact this has made on users.³²

The price charged to the beneficiaries may be kept to an absolute minimum, and may even be set at zero. However, such practices do not have parallels in the for-profit sector, unless they are an integral part of a coordinated attempt to gain market share at any cost. For example, a newly introduced product will charge relatively low prices³³ to rapidly build up market share and in this way will encourage purchases. In a for-profit context, pricing decisions as to what prices to charge for its products are a key determinant of the financial success and

³¹ The sample of 379 organisations was drawn from the 1,692 museums on the MGC's database of registered museums, see Bailey et al (1997).

³² The MORI research which was carried out between 8th-13th August 2002, asks a representative cross section of the British public about their museum-going habits, see Martin (2003).

³³ For a new product, the two main approaches adopted are known as 'market penetration' and 'skimming', see Hannagan (1992:135).

competitive standing of a business organisation. If the prices charged are perceived as too high, customers will switch to alternative suppliers and the business will lose out. If the prices charged are too low, the business will not be able to cover its costs and therefore will be unable to survive.

3.2.2 Marketing Approach: Competition- driven Pricing

McLean (1997:156) accounts for a significant change that has altered this 'dependency culture' in the UK—the growth of independent museums. Many of them could be called 'mixed-economy museums', because a substantial part of their income comes from public grants. In the area of 'income', museums begin to examine what is being exchanged, and to determine the appropriate value to be exacted for the services they offer in the marketplace.

Recent studies of marketing strategies in terms of pricing policy involve customers exchanging value for benefit (Hill et al, 1995; Dickman, 1995; McLean, 1997; Kotler and Kotler, 1998, and Kolb, 2000). Economic theory suggests a simple trade-off; as prices increase demand falls. In practice, the relationship between price and demand is much more complex. Kotler & Kotler (1998) highlight that the relationship between price and demand has not yet been sufficiently researched.

Museums are characterized by diverse objectives. A number of potentially conflicting financial and marketing objectives need to be considered in formulating pricing strategies. As discussed in Chapter 1, the model developed by Hill, O'Sullivan and O'Sullivan (1995) enables us to consider the different elements as key influences on pricing from a more strategic standpoint. A balance still needs to be well thought-out between internal (cost-based) and external (demand-based)

factors in operational pricing decisions.

One of the pioneering analyses of the types of museum visitors and the frequency of their visits in the context of leisure choices was done by Marilyn Hood (1981) at the Toledo Museum of Art. Hood divided Toledo's adult population into three groups - frequent visitors (who visit the museum at least three times a year), occasional visitors (who visit once or twice a year), and nonparticipants.

As part of the subsidized sector a public museum by its very nature does not expect earned income to cover all the costs; therefore, the profit motive may not be an influential factor in pricing decisions.³⁴ Whilst commerce and industry are driven by their requirement to provide financial returns to stockholders, the mission of museums is much more complex. Market position relates to the perceptions of the museum held by its visitors and potential visitors. Price can be a determining factor in creating these perceptions, and conversely, the perceptions held about an organisation can limit its pricing flexibility. The nature of the target market will determine not only ability but also willingness to pay certain price levels. For example, the market for amateur events may consist largely of friends and family. Their main reason for attending may be quite unrelated to the nature of the museum experience. Price levels which are set too high may restrict visitors to a loyal core. In formulating a pricing strategy it is also important to be aware of competitive prices. Museums may usually consider the prices charged by other museums in their region.

³⁴ However, although subsidized, many UK local authority museums are required to secure some of their revenue income from admissions. Thus there is an imperative on them to maximise paying visitor figures and to secure their revenue targets otherwise they have to make cuts in staff and/or opening hours.

In addition, in a study of 1298 regular performing arts attenders in Britain, Walshe (1991) developed the decision-making model. Walshe's analysis indicates that for the vast majority of people, rejection sets in before price becomes a consideration, because these people have a barrier: lack of interest. A conclusion can be drawn: there is little point in major price cuts in attempting to reach the mass market; price cutting will not generate greater attendance. And a second conclusion can be drawn: pricing strategies should be based only on segments, not on the public at large, and perhaps on the intenders—those who express an interest in attending an exhibition or event. The pressure to attract more revenue has led museums to exercise pricing decisions in a number of areas, such as admission charges, sales revenues from special events, catering and merchandising (Moore, 1994; McLean, 1997; Kotler and Kotler, 1998; Rentschler and Reussner 2002). The emphasis on 'audience development' has gained prominence in the discourse of the sector (Kawashima, 1998; Hayes, 2000).

3.2.3 Consumer Approach: Value- driven Pricing

A multi-disciplinary body of empirical research pertinent to consumption and decision making has evolved principally in psychology, sociology and anthropology, and marketing. Particular attention is given to constraints on visiting and how people try to 'consume' cultural products. However, the claim that this 'commodity' will improve the quality of people's lives can only be based upon arrogance or ignorance, while museum visitors as consumers have been completely disregarded during the production process. The assumption that visitors (consumers) need the cultural product on offer is based on nothing more than a curator's (producer's) view. Rees (1994) has argued that museums inspire a mixture of deference and hostility among

all but a privileged and cultivated class; a popular view of ‘culture’ as separate from daily-life-shaping preconceptions concerning what museums are about for many. This is a perception of museums as existing to elevate public taste, to inspire and to educate, and to create discerning consumers through facilitating contemplation, emulation and inspiration.

Such a view also sees museums emphasizing aesthetic appreciation, rather than functional or commercial interests. This can be expressed as a contrast between the ‘artistic’ and the ‘merely utilitarian’, or in other words, between the ‘merely cultural’ and the ‘useful’. As Williams (1981:49) states, “we can construct a plausible hierarchy of material and cultural needs in which the cooking-pot or the shoe will always be more useful, than the painting or the song and story.” In examining the ways in which these problems of need and use are organized in specific social orders, McLean begins by explaining what ‘value’ means in the museum context:

Often, though, value to funders is seen in terms of ‘value for money’. Museums were not originally established to make money, nor is their current *raison d’être* income generation....‘Value’ in museums is the value of the collection, manifested in its value to the public in terms of their experience. Value is not financially driven in museums but experience-driven (McLean, 1993:22).

In fact, what constitutes cultural value often depends on who asked the question, as different stakeholders have different views deriving from their individual utility requirements. Values are now, therefore, linked to the public’s requirements. There is the question of whether such access should be charged for as an entry fee or whether it is a right in a publicly funded institution. Different parties to the cultural debate

have different views on this issue but from an audience perspective it is the “audience value package.” If a free entry creates greater interest (basic needs) and use of special exhibitions, café, bookstores, souvenir or other components of a “value package” then this is an essential part of the structure (Geursen and Rentschler, 2002). Essentially the purpose of value-driven pricing is to price more ‘profitably’ by capturing more value, not necessarily by making more sales (Nagle and Holden, 1995:7).

Studies specific to museums have identified the general dimension of experience sought. It has been found that visitors seek social or recreational experiences from their visit to a museums; in particular, for satisfying their general interest and curiosity, for informal education and for social interaction (Hood, 1981; McManus, 1987; Falk and Dierking, 1992; Davies, 1994; Merriman, 2000). Learning is, however, still a prime dimension determining visits to museums (Hooper-Greenhill, 2004). More site-specific motivations have, for example, been identified at industrial museums (Chen, 1997; Cultural Affairs Bureau of Taipei County, 1999; DGBAS, 2000). Heritage studies have also identified generalist motivations for visiting, with interest in history as a secondary motive. These ‘generalist’ motives include for example, ‘to have a nice day out,’ ‘for general interest’ and ‘to bring children’ (Prentice, 1993). Such studies have therefore found that visitors are ‘purposeful’ in what they seek from a visit to a museum, even if in a rather general manner (Prentice *et al*, 1997). In this condition, the growing understanding of museums as service institutions (McLean, 1994; Schubert, 2000; Stephen, 2001; Rentschler and Gilmore, 2002) has also led to a study on changes in people’s leisure behaviour (Hood, 1981; MacCannell, 1989; Stephen, 2001).

Despite these studies, however, empirical research on museum visitors has not inspired a major research development of consumer modeling in museology. In conceptualization of consumer behaviour similar phenomena are often presented as needs or “mere wants” and subsumed under psychological motivation models, such as the motivational hierarchy of Maslow (1954). But such an approach tones down and hides the passion that we experience in connection with consumption activities in museums. The predominance of rational decision-making models within consumer research has been challenged within the last decade by alternative conceptualizations of the consumer’s relationship with products and services, such as those of the extended self (Belk, 1988 and 1995), symbolic consumption (Holbrook and Hirschman, 1981; Gainer, 1995), hedonic consumption (Hirschman and Holbrook, 1982), postmodernism (Featherstone and, 1991), and cultural perspective (McCracken, 1990). By investigating consumer desires, consumer research may make yet another step in the direction of connecting feelings and personal experiences of the most passionate kind with the realm of consumption.

Nevertheless, in the consumer society, the link between pricing and consumption is becoming clear: people are more likely to consume a ‘product’ when aware of its cost. Yet how do museum ‘consumers’ use price in their ‘purchase’ decisions? The emphasis on ‘audience development’ has gained prominence in the discourse of the sector (Kawashima, 1998; Hayes, 2000). This understanding will enable museums to anticipate and influence consumers’ reactions to pricing decision and to segment visitors by differences in their probable reactions.

3.3 Towards a Conceptual Framework

The conceptual framework defines the dimensions of analysis and provides criteria

for the classification of pricing strategy in the economic, marketing and consumer approaches. Its components have been developed from Williams (1981), Hannagan (1992), Hill et al (1995), Bailey et al (1997), McLean (1997), Kotler and Kotler (1998), Kawashima (1998), Peter and Olson (1999), and Rentschler and Reussner (2002). While reviewing, following questions are considered: How should museums and their roles be interpreted in the age of the leisure society? Secondly, what are the museum's objectives in selecting its pricing objectives? Thirdly, what factors influence a visitor's perceptions of the value-for-money offered by a visit to a museum? Finally, how does a museum decide upon a general strategic approach to its pricing decision?

3.3.1 Setting Pricing Objectives

To borrow concepts developed by sociologist Raymond Williams, we should no longer think only in terms of an instrumental rationality, but try to formulate questions in terms of a substantial rationality. The question is not so much whether admission charges should be continued or not but what exactly we have to share and why. What kind of values are at stake? Why would these values be relevant to all people? Based on Williams's theory three main forms of patronages are recognised in considering museum money and pricing objectives.

State Patronage (sp). Government support for museums has both a practical and a symbolic importance. It is a right rather than a privilege reliant upon state welfare.

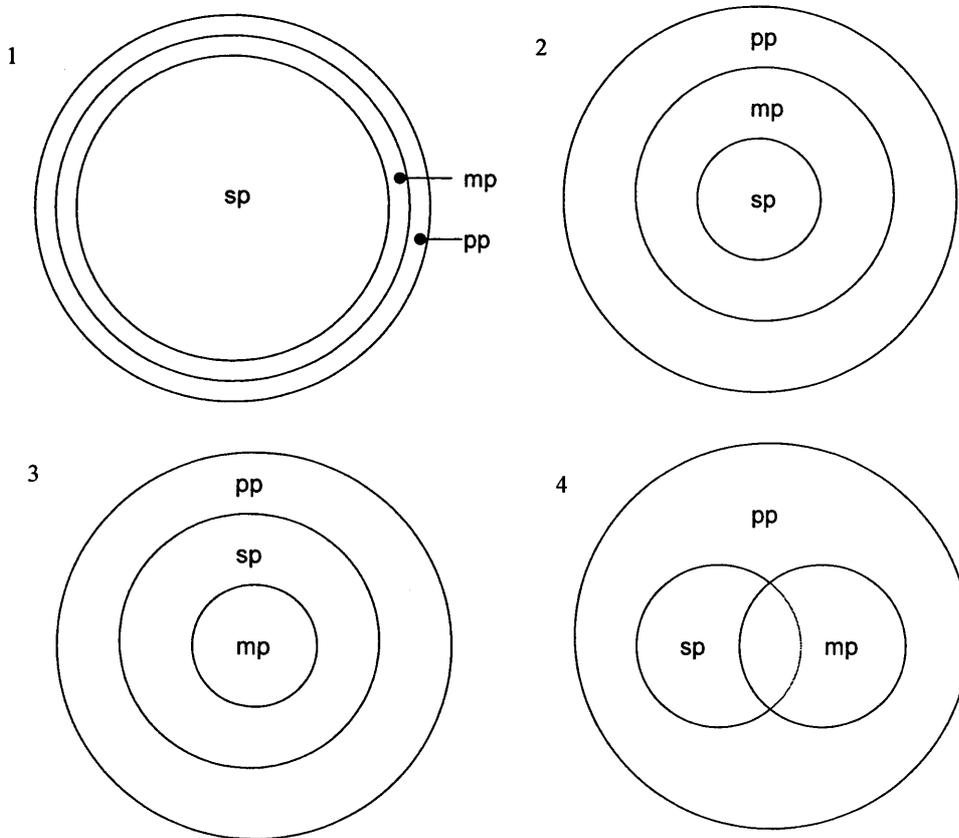
Market Patronage (mp). Industrial sponsorship of museums grows in a contemporary society. Their sponsorship is considered a form of advertising: 'Better public and community relations; increased sales; and an improved image.'

Public Patronage (pp). User charges (director payment) and taxpayers' cash (indirect payment) are paid to utilize museum service.

As museums become more important in the public understanding, Williams (1981:43) identifies that public patronage (the public as 'patron'), from revenues raised by taxation, is predominant in the forms of new public bodies. He has some quite new definitions of function, such as the deliberate maintenance and extension of the arts [museums] as a matter of general public policy. He also feels that an "extra" entry fee for the public patronizing museums had not been considered as a central issue of general public policy. Yet there was considerable tension between such models and the fact of raising public revenue. In the following section, the distinction will be explored in relation to the growing number of museums established with variable social relations and different levels of governance. Under ideal conditions these three patronages should form broadly overlapping, nested sets as in Figure 3.1.

In the first diagram, the amount of overlap will generally be more limited because of entire support from state patronage. The second diagram represents a more realistic goal for museums. The third diagram represents the condition in which a museum has defined a 'private investment' on the museum business. A more interesting condition is represented by the fourth diagram, which shows only partial overlap between state and market patronage. It has become a common condition in real life, and it merits further study.

Figure 3.1 Theoretical relationships between state patronage (sp), market patronage (mp) and public patronage (pp)



This relation, marked by two forms of co-operation, interaction and two-way movement between the state and market area, is emerging. Direct links and correlations are rising between museum and cultural economies and the growth of business economies. 'Market patronage' now can be extremely influential in museums, with Davies commenting that:

In some instances the strength of their views and influence, often expressed either through participation in the governance of a museum or art gallery or as a significant source of funding, will be greater in determining the museum or art gallery's future than that of the normal market demand forces of the consumer (Davies, 1994:11-12).

However, industrial sponsorship of the museum is still competing with other events for the leisure dollar of 'their' audiences and, while the leisure environment is expanding and developing, competition is also increasing (McLean, 1997).

Furthermore, with an increased mobility, it means that although the members of a particular local authority may well approve subsidy for their civil museum or gallery many users will not be local taxpayers. Thus the local authority's rationale for user charges is that they are able to reflect costs more accurately than are taxes. The trend towards integration and synthesis is evident in a need for the development of new cross-disciplinary fields of pricing strategy.

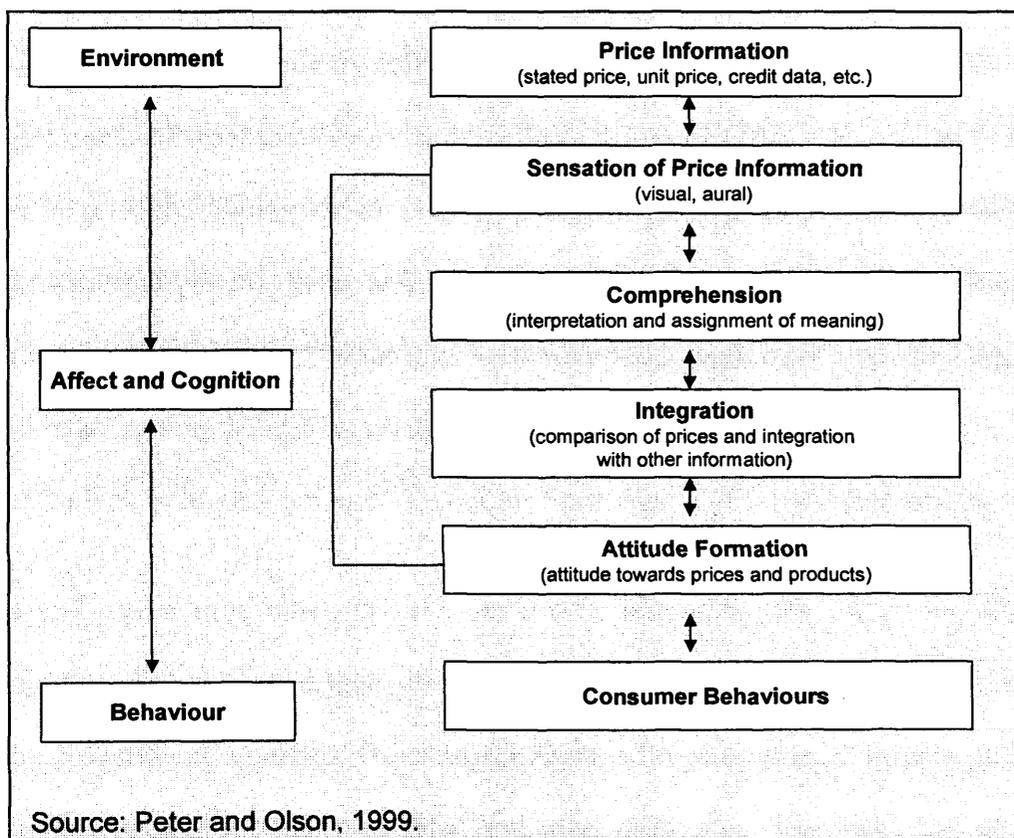
3.3.2 Developing Decision-Making Models

In the previous discussion, consumers' responses to prices are based on much more than rational calculation, particularly in the cultural context. Peter and Olson (1999) say that a consumer's response is determined not only by evaluation of the product and its price, but also by perception of the entire purchase situation. *Price perceptions* are concerned with how price information is comprehended by consumers and made meaningful to them. One approach to understanding price perceptions is information processing. An adaptation of this approach is outlined in Figure 3.2.

This model illustrates an approach to describing price effects for a high-involvement product or purchase situation relating to the process of learning, understanding, and representing knowledge. Peter and Olson (1999:437) suggest that *price information* is received through the senses of sight and hearing. Price information contains both positive and aversive stimuli. The information is then comprehended, which means

it is interpreted and made meaningful (i.e. consumers understand the meaning of price symbols through previous learning and experience). The price they have in their mind for making these comparisons is called the *internal reference price*. The internal reference price may be what consumers think is a fair price, what the price has been historically, or what consumers think is a low market price or a high market price. Basically, an internal reference price serves as a guide for evaluating whether the stated price is acceptable to the consumer. The stated price for a particular brand may be considered a product attribute. This knowledge may then be compared with other prices of other brands in a product class, other attributes of the brand and other brands, and other consumer costs. Finally, an attitude is formed towards the various brand alternatives that may lead to purchase behaviour.

Figure 3.2 Cognitive Processing of Price Information



In this research the definition of *pricing strategy* will be linked to a model of cognitive processing of price information, which has been undertaken in seven focus groups made up of forty-two visitors from two selected Taiwanese museums (see Chapter 5).

Summary

This chapter has covered considerable ground. It begins with a description of the historical development of Taiwanese museums and outlines the general condition of entry issues to explore three “patron-user” relationships, including *entry as a privilege*, *entry as a right*, and *entry as an exchange*. Accordingly, the evolution of central museum concepts—from collections to education and leisure and from learning to experiences—has reflected a gradual shift from control by authority to direct control by audience. Then, the question of pricing in the museum is examined within a cross-disciplinary field, including the economic, marketing and consumer approaches. Based on literary sources from Williams (1981), Hannagan (1992), Hill et al (1995), Bailey et al (1997), McLean (1997), Kotler and Kotler (1998), Kawashima (1998), Peter and Olson (1999), and Rentschler and Reussner (2002), finally, the chapter proposes a conceptual framework which leads to a re-examination theoretical relationships between state, market, and public patronage, as well as to linking a model of cognitive processing of price information.

There was a time when pricing was not an important tool for museums, because most museums opened their doors to the public without a charge; they were funded by government agencies. Government support for museums in Taiwan provides the major funding for many national and local museums. Why does the government subsidize museums? However, given that access for the public is such an important

function of museums, the question arises as to whether or not that access must be provided at a zero admission charge. Why does the government now increase reliance on user charges? We turn in the next chapter for a discussion of the scope for government intervention in Taiwan.

Chapter 4

Profile of Taiwanese Museums: Supply, Cost and Demand

Chapter 4 collates the existing data on museums¹ in Taiwan and provides a brief history of government involvement up to now. It describes and compares data sources, cultural sectors, number of museums, expenditure and income, and visitor trends. It discusses the weaknesses of current policy for museums in Taiwan and suggests some issues which need to be taken into consideration for future policy-making. Exploring the first research question: this chapter looks at the profile of museums in Taiwan, and how these have changed.

4.1 Overview

The Republic of China (ROC) government currently controls the Taiwan, Kin-men and Ma-tsu areas. Taiwan lies in the western Pacific Ocean just 160 kilometres off the south east coast of China between Japan and the Philippines. Its area of about 36,000 square kilometres is slightly larger than the Netherlands, including more than 70 small islands such as the Pescadores, Lanyu (Orchid Island) and the Quemoy and Matsu chains. Its population is about 23 million with a density second highest in the world.

The ROC, a constitutional democracy, was founded in 1912. The government has been configured with a system of checks and balances in which the five highest branches of the central government which are under the leadership of the ROC president as well as the National Assembly, jointly administer the country. These five branches of the national government are the Executive, Legislative, Judicial, Examination and Control Yuan. The President of the ROC is the highest representative of the nation. In the past the President was elected by the National

¹ The Museum is used as a generic term to encompass the Art Gallery.

Assembly. However, since March 1996, the President has been elected by popular vote. The National Assembly's chief functions are to amend the Constitution, and to impeach the president. The Executive Yuan, headed by the premier constitutes the ROC cabinet. The Legislative Yuan formulates the nation's laws. The Judicial Yuan runs the national court system and is responsible for civil, criminal and administrative cases as well as cases concerning the discipline of public functionaries. The Examination Yuan is responsible for the examination, employment and management of civil service personnel. The Control Yuan is the highest control body of the state, exercising the powers of impeachment, censure and audit.

The Council of Cultural Affairs (CCA), which falls under the Executive Yuan was founded on 11 November 1981 to coordinate and guide the various ministries and councils to promote national culture. The CCA has published *Cultural Statistics* annually since 1994. The publication is concerned with the different cultural sectors in Taiwan and policies affecting them. The CCA's '*Cultural Activity Database*' is a further source museum researchers can use in order to understand and analyse current museum exhibitions or education programmes held in museums. The book *Taiwan's Museums: The Doors are Open* is accepted by most scholars as the most accurate, with regards to the number of museums. In 2000, the CCA sponsored a survey of effects of admission fees on the number of visitors entitled '*Charging for Arts: A Study of Charges and the Public Reaction*'. In accordance with the financial operations of the cultural sector, the Directorate-General of Budget, Accounting and Statistics (DGBAS) of the Executive Yuan (EY) is the agency responsible for budget, accounting and statistics (BAS) affairs within the central government as well as local governments, and has been established for 67 years.

4.2 Framework

Government support for museums in Taiwan provides the major financial support for the many national and local museums despite limited funding. Support predominantly takes the form of direct subsidies, in contrast with the United States, as tax concessions in Taiwan are still under development² so that museums receive little income from private donations. The initial section is devoted to a discussion of the scope for government intervention in Taiwan. Why does government fund the museum sector? Which governing authorities have taken responsibility for museums?

Public Governing Authorities

With the establishment of the new government on 20 May 2000, under the leadership of the President of Taiwan Chen Shuibian³, work was established towards a Ministry of Culture. The intent of this effort was to unify cultural administrative authority; to increase efficiency and effectiveness; and to integrate education and culture. This agenda has continued into the government's second term of office after 2004. The overall aim of the CCA is to 'To enliven culture and to integrate arts into life⁴.' The Council will:

- review and provide cultural rules and regulations, cultural development policies,

² According to Article 30 of the Statute to Encourage and Subsidise Culture and the Arts, the Council of Cultural Affairs and the Ministry of Finance jointly ratified and announced the Guidelines for Exempting Cultural and Artistic Enterprises from Operating and Entertainment Taxes. This provided preferential tax exemptions to cultural and artistic enterprises engaged in such activities as exhibitions, performances, screenings and auctions. See http://www.cca.gov.tw/intro/index_e.html (accessed 3 February 2002)

³ See web site of the Council of Cultural Affairs. http://www.cca.gov.tw/intro/index_e.html

⁴ Chen Yuxiu, former Chairperson of CCA, emphasised that objectives behind the construction of culture are to enliven culture and to integrate arts into life, as she first expounded in a speech to the Legislation Yuan (parliament) on 29 May 2000.

basic guidelines and overall plans;

- preserve and promote cultural heritage;
- cultivate and encourage cultural development and administration personnel;
- plan international and cross-strait cultural exchanges (between mainland China and Taiwan);
- disseminate cultural, coordinating and promoting literature;
- promote living culture and community development;
- promote music, dance and drama;
- promote the fine arts and environmental art; and
- subsidise cultural and artistic activities.

The approach may be summarised as quality, promotion and enjoyment of the arts.

The CCA's nine major objectives were limited to the acceptance of its role as main sponsor for public museums.⁵ Up to the present time there has never been a central "Ministry of Culture" in Taiwan and current funding for the museums has been channelled through diverse bodies. These funding bodies and the form and extent of direct subsidies at central and regional levels will be described in Section 4.4.

Today, the educational role of museums is claimed as their major justification (Hooper-Greenhill, 1992). Museums, like other educational institutions, look upon themselves as performing valuable public-interest activities that deserve public support. According to the *Social Education Act*, museums are defined as educational institutions. Thus the Ministry of Education has taken responsibility for five public

⁵ The CCA is an *arm's length* body and can allocate its budget at its own discretion, as is the case with the Arts Council in England. The CCA provides grants for smaller museums in the regions. Originally it had an advisory role as well as responsibility for promoting culture between national and provincial museums.

museums in Taiwan since the 1970s; these are the National Museum of History, the National Science Educational Institute, the National Art Educational Institute, the National Dr. Sun Yatsen Memorial Hall and the Provincial Taiwan Museum.⁶

In response to the necessity of unifying museum administration, the Ministry of Education will transfer their affiliated museums to the CCA. The Council will manage all the main cultural sectors, including museums⁷ and heritage sites as well as the performing and visual arts. Chen Yuxiu⁸, former Chairperson of CCA, emphasised that objectives behind the construction of culture are to enliven culture and to integrate arts into life, as she said in her speech to the Legislation Yuan Parliament on 29 May 2000.

Culture and education are inseparable. The Council will complete the establishment of professional art education and school art education, and on this foundation will promote comprehensive social art education in order to realize the grand ideal of lifelong art education.

Local Council Cultural Bureau

Originally the *Local Council Cultural Bureau* (formerly known as cultural centres) had a strong educational role as well as the responsibility for liaising between community and local government. With its change in status, various executive duties

⁶ In line with governmental streamlining, this museum was renamed the National Taiwan Museum in 1997.

⁷ These are the National Taiwan Museum, the National Museum of Taiwan History (preparatory Office), the National Taiwan Museum of Art, the National History Museum, and the National Taiwan Prehistoric Culture Museum (preparatory Office). However, the National Museum of Science, the National Museum of Maritime and the National Museum of Marine Science & Technology (preparatory Office) will still be financially supported by the Ministry of Education.

⁸ See web site of the Council of Cultural Affairs. http://www.cca.gov.tw/intro/index_e.html (accessed 3 February 2002).

have been added. These are currently the monitoring of affiliated museums and the allocation of grants to local cultural activities. Public museums have recently had a relatively high profile within Taiwan, and are a statutory responsibility of local government.

Since the 1980s, a government initiative to found more public museums began with the establishment of a municipal cultural centre in each city (Chen, 1997). These were to be multi-functional organisations, which included a local library, performance hall, art gallery and museum. After 1990, the CCA launched a 'Community Construction Plan', which aimed to build up local theme museums in local cultural centers. Three theme museums, the *Taipei County Yingko Ceramics Museum*, the *Hsinchu Glass Museum* and the *Hwalien Sculpture Museum*, were established in the 1990s. In addition to these local culture museums, 'metropolitan museums' have also been established. The Taipei Fine Arts Museum, the first modern art museum in Taiwan, was established in 1984. The Kaohsiung Museum of Fine Arts, located in the south of Taiwan, opened to the public in 1994.

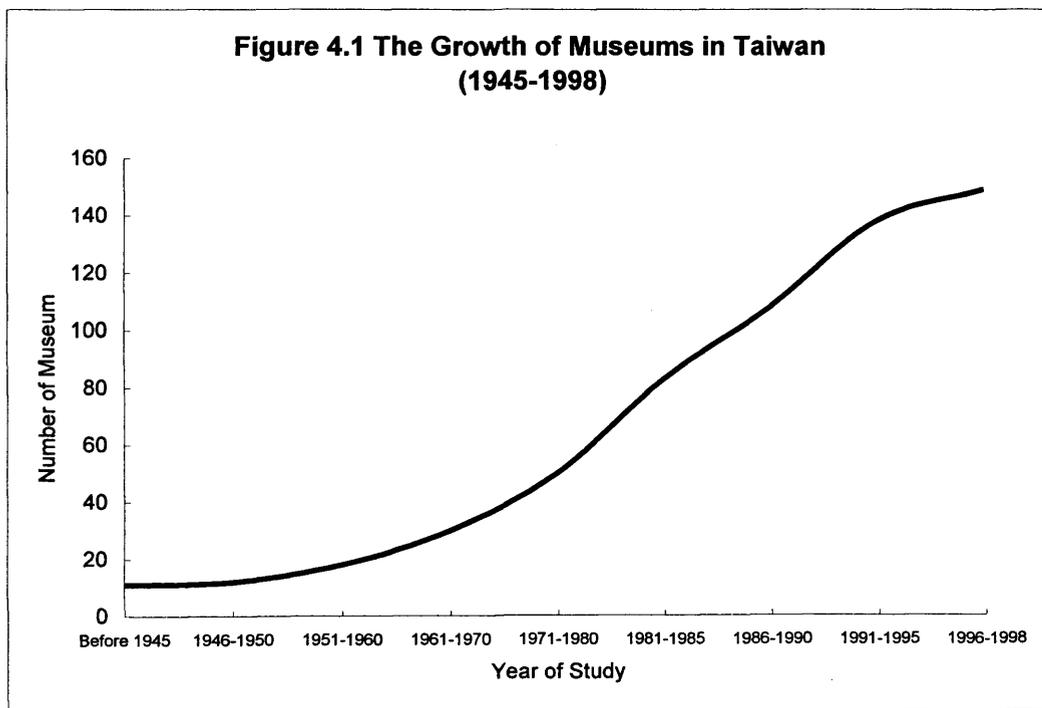
4.3 Supply

4.3.1 The Growth of Museums

In the 1980s, Taiwan's flourishing economy contributed significantly to a museum explosion. In 1980, there were only fifty museums in Taiwan, but by 1997 this number had increased threefold (Figure 4.1). Cultural Statistics (1997) listed 149 museums in Taiwan, 99 of which had been set up in the last fifteen to twenty years, both by public and private governing authorities. Before the 1980s many Taiwanese museums were public, while the trend of private museums was developing in the

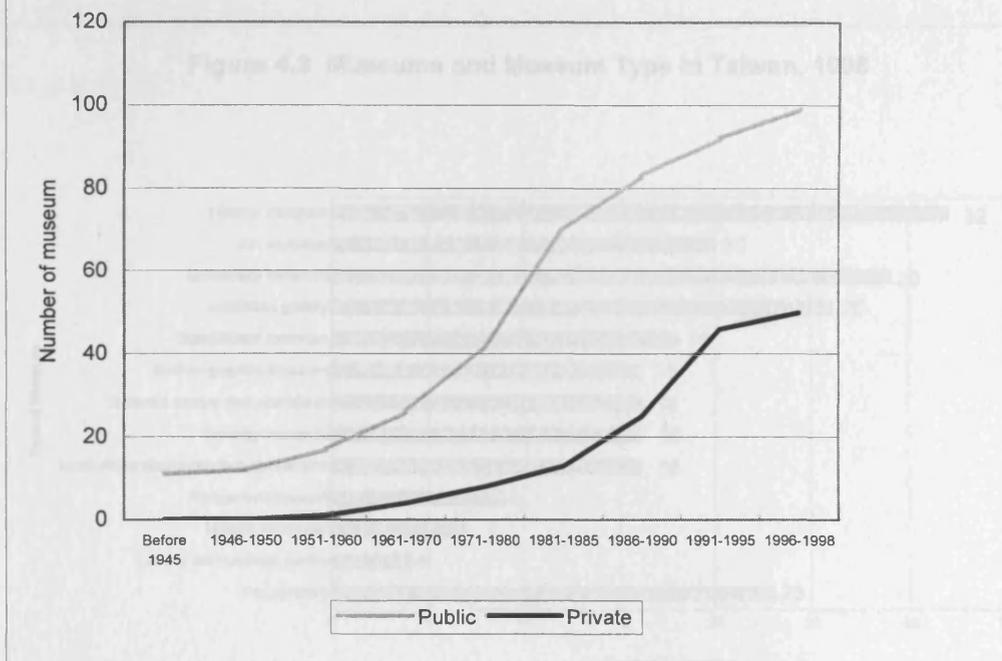
1990s (Figure 4.2).

The root causes of this groundswell of interest in museums are not difficult to understand. First, growing interest in collecting inspired more collectors, who not only supported the art market but also increased the demand for museums (Tseng, 2001). Compared to museums in other advanced countries, the history of museums in Taiwan does not go back very far. The concept of the 'museum', in a modern sense, was brought from Japan and the West, and spread through Taiwan after 1949. Secondly, the museum boom in Taiwan was a product of increased political liberty and cultural awareness, and Government regards the museum as an important cultural index of economic prosperity.



Source: Cultural Statistics (1997)

Figure 4.2 The Growth of Public and Private Museums (1945 -1998)



Source: Cultural Statistics (1997)

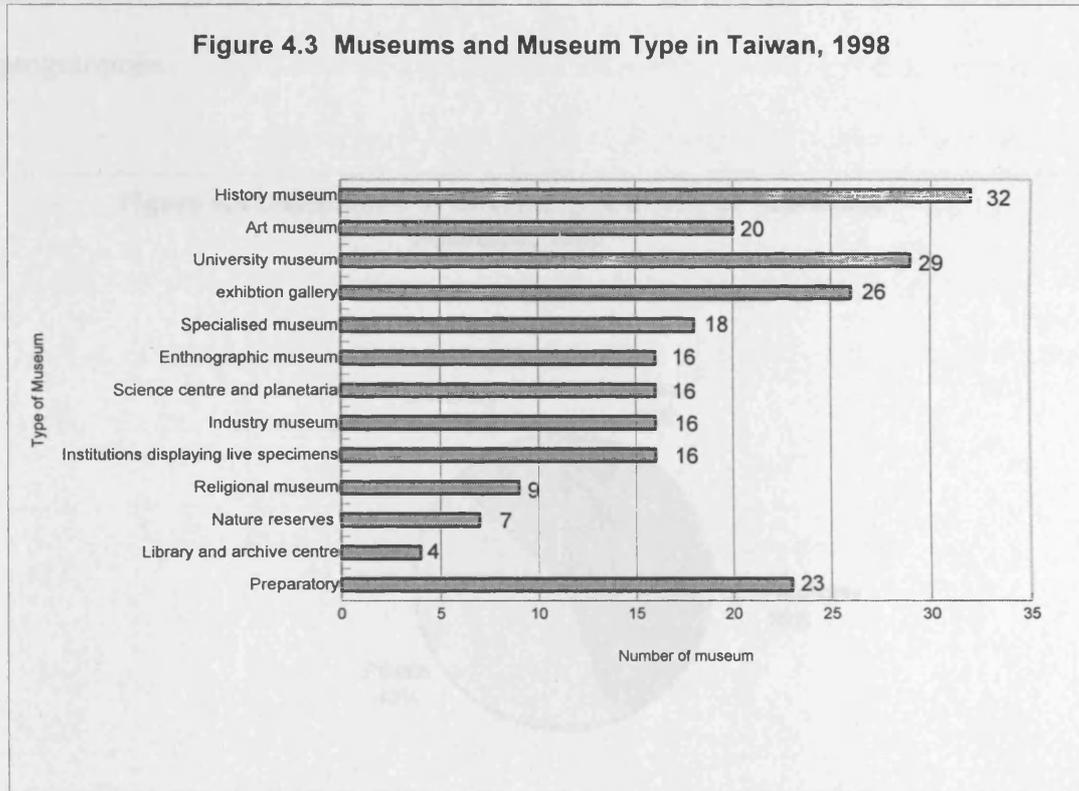
The Central Region Office Survey (1998)⁹ provides the most comprehensive listing of museums in Taiwan, and for 1998/1999 it listed 232 museums. While it is not a statistical database, the source may be able to provide more detailed information about the museums. The very wide range of sizes and types of institutions which are called museums in this Survey perhaps reflects the absence of a universally agreed definition used by the Council of Cultural Affairs or the Ministry of Education.

Within the last two decades museums have turned into a major growth area of the leisure and tourism industry. In recent years Taiwan has moved away from a traditional manufacturing economy¹⁰ towards a service economy. The number of museums catering for the new leisure markets has consequently grown. Particularly

⁹ Taiwan's Museums: The Doors are Open (1998)

¹⁰ The term of "Made in Taiwan" is used to mean mass-produced cheap goods.

noticeable growth has been in museums presenting aspects of Taiwan's industry as well as history museums in rural and urban areas (Figure 4.3)¹¹.



Source: Central Region Office (1998)

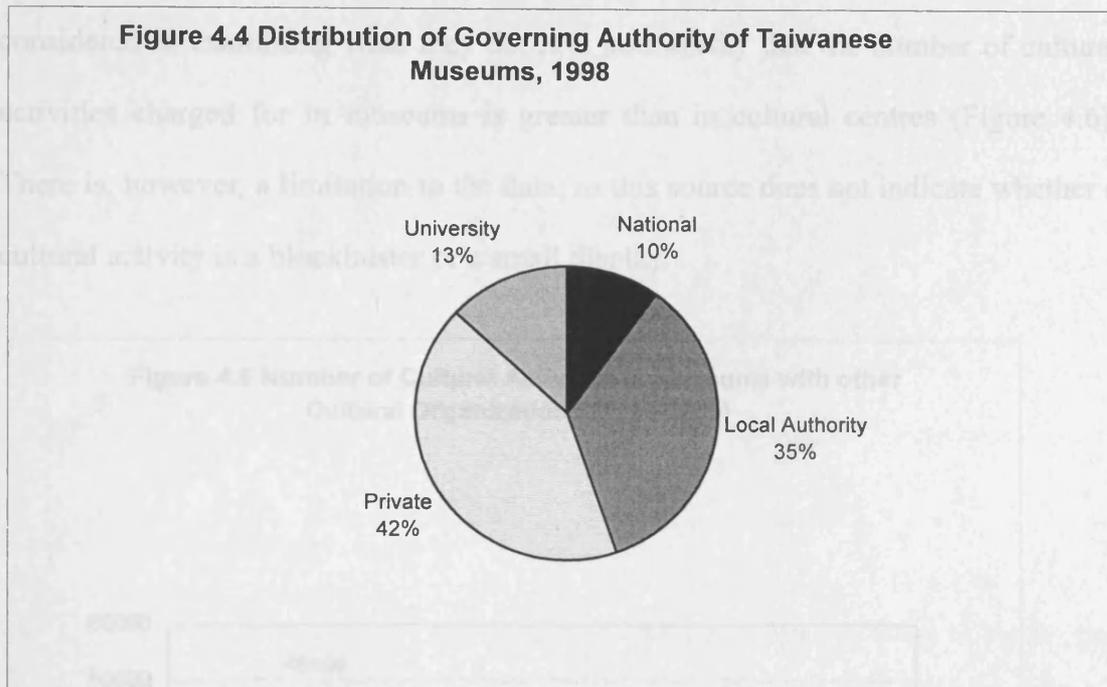
According to the Central Region Office¹² Survey (Figure 4.4), museums have tended to be developed within local authorities. During the 1990s, there were 29 new public museums in preparation and construction. Only one of these was a national museum, the others being local museums.¹³ Those local museums provide a sense of identity for their area and act as a cultural focus contributing to the cultural infrastructure. This raises the interesting questions of who are we exactly, and how did we get to be this way? These are the museums breaking new grounds in redefining their national history, becoming more inclusive and accessible, and establishing themselves quite

¹¹ Specialised museums and industry museums have developed in response to increased leisure time.

¹² In line with governmental streamlining implemented in July 1999, a Central Region Office was established with 7 previously established agencies under its supervision.

¹³ Taiwan's Museums: The Doors are Open (1998)

consciously as a forum for the debate of contemporary issues (Casey, 2001). This has also had a knock-on effect in existing national museums, which have had to take these new standards into account in their own renewal and development programmes.

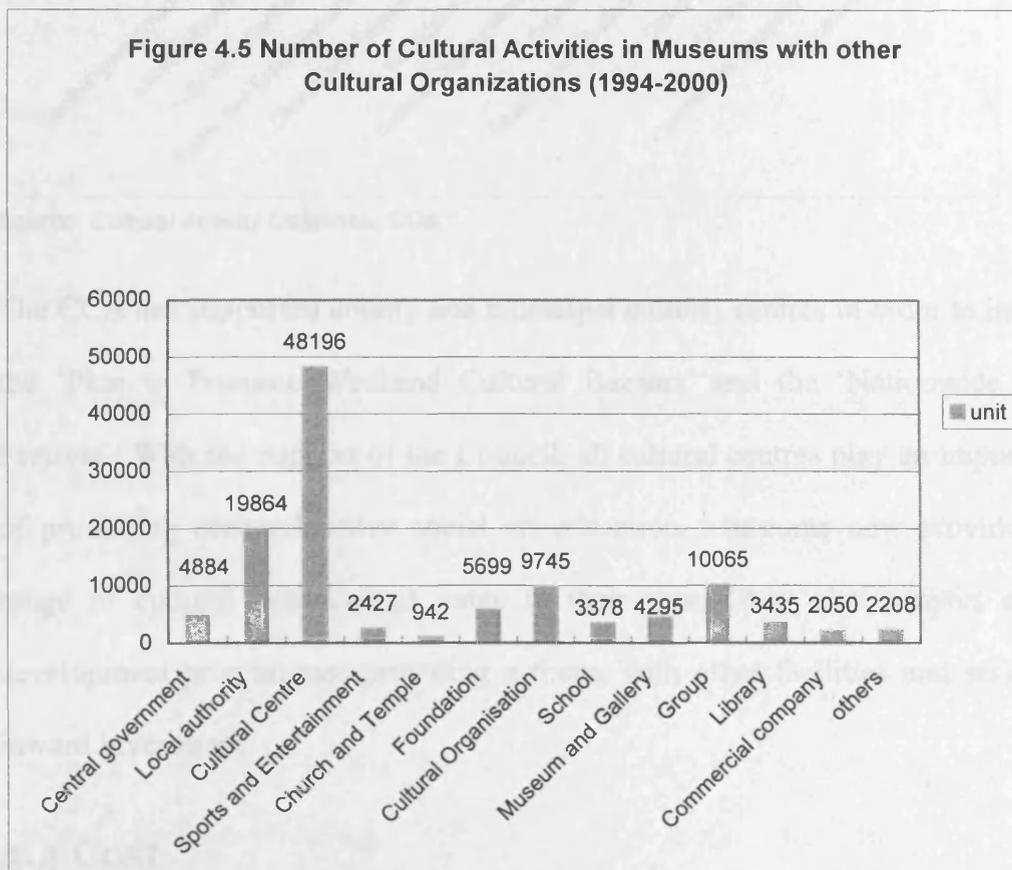


Source: Central Region Office (1998)

4.3.2 The Growth of Museum Activities

What do museums do? They include educational services, displays and exhibitions, publications, and lectures carried out within the museums and outside them, often in partnership with other organizations. To be successful, museums have to be active organizations, and should not be confused with static exhibitions. The Council of Cultural Affairs and the Ministry of Education intend to utilise museums and galleries as 'informal schools' to reduce the distance that often exists between people and their culture.

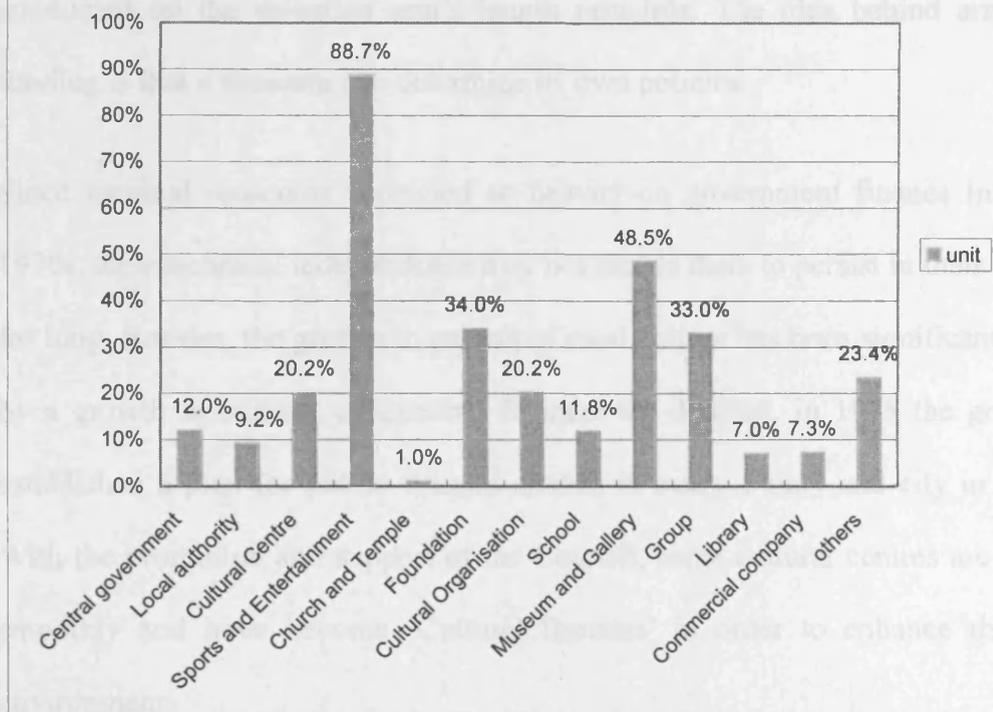
The Cultural Activity Database¹⁴ shows that 14 types of organizations provided 125,907 cultural activities from 1994 to 2000. As seen in Figure 4.5, cultural Centres supply 48,196 activities, more than ten times those which are held in museums and galleries. Exhibitions and educational workshops form but one part of museums' work, and it is the full range of their relationship with the public which has to be considered in examining what they do. It is noteworthy that the number of cultural activities charged for in museums is greater than in cultural centres (Figure 4.6). There is, however, a limitation to the data, as this source does not indicate whether a cultural activity is a blockbuster or a small display.



Source: Cultural Activity Database, CCA

¹⁴The Cultural Activity Database records up-to-date annual cultural activities. The database was set up by the CCA.

Figure 4.6 Percentage of Cultural Activities Charged for in Museums Compared with other Cultural Organizations (1994-2000)



Source: Cultural Activity Database, CCA

The CCA has supported county and municipal cultural centres in order to implement the ‘Plan to Promote Weekend Cultural Bazaars’ and the ‘Nationwide Cultural Festival’. With the support of the Council, all cultural centres play an important role of promoting comprehensive social art education. Museums now provide a wide range of cultural activities of value to their users; they also support economic development programmes providing a focus, with other facilities and services, for inward investment.

4.4 Cost

In this section, we need to assess the impact of changes in government policy and examine the problems that museums face in responding to them. What are the attitudes toward public support in relation to museum decisions? Should the

government leave management decisions to the museums? Clarke (1991:293) points out that relations between museums and the funding department are by tradition conducted on the so-called arm's length principle. The idea behind arm's length funding is that a museum can determine its own policies.

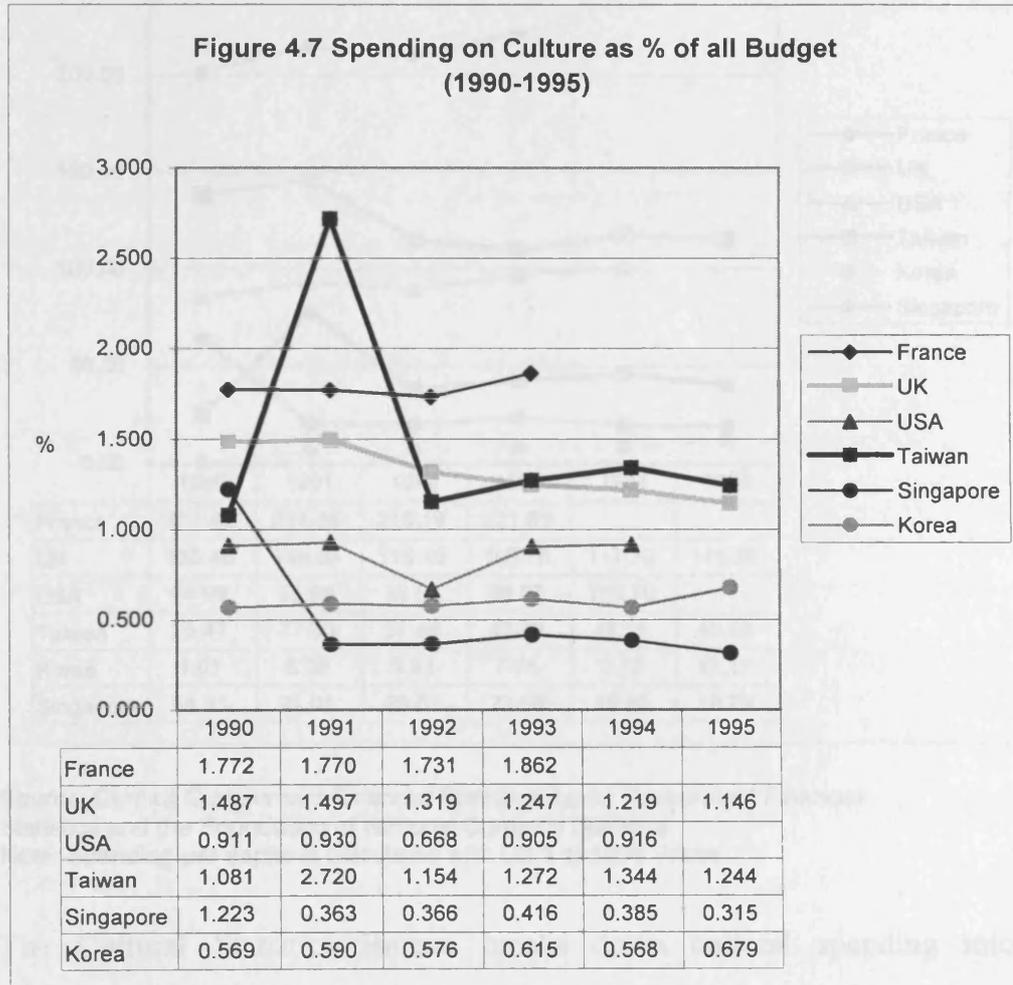
Since national museums depended so heavily on government finance in the early 1970s, their technical independence may not enable them to persist in their objectives for long. Besides, the growth in pursuit of local culture has been significantly fuelled by a growth in cultural awareness. To meet the demand, in 1978 the government established a plan for public cultural centres in every county and city in Taiwan.¹⁵ With the promotion and support of the Council, some cultural centres are operating smoothly and have become 'Cultural Bureaus' in order to enhance the cultural environment.

4.4.1 Cultural Budget & Earned Income

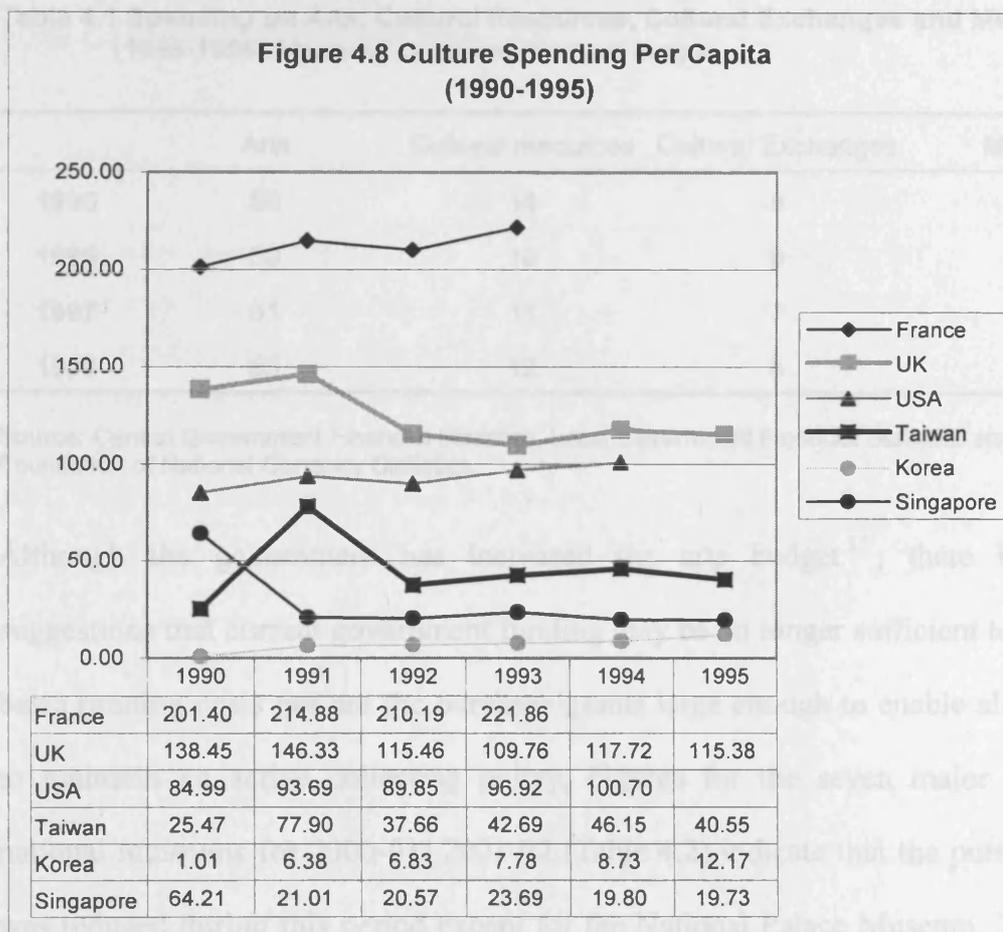
Compared with France and Britain, Taiwan spends relatively little on culture. As can be seen from Figure 4.7 and Figure 4.8, cultural spending can be expressed in terms of a percentage of all government expenditure and of spending per capita. From 1990 to 1995, the Taiwanese government regularly spent 1.43 % of its entire budget on culture. In 1991, however, this amounted to 2.72 % because the Taipei Sports Ground was built. The sports ground costs about £500 million. It is generally accepted that cultural organizations in the U.S.A. may receive much of their income from private donations, so support is not predominantly in the form of direct subsidies. As shown in Figure 4.7, the percentage of all budget spending on culture in Singapore and

¹⁵ According to the resolution of the Executive Yuan in 1978 and 'The Plan of Establishment of Local Cultural Centres' Issued by the Ministry of Education, Republic of China

Korea is less than in Taiwan. Again, Singapore and Korea spend less per capita than Taiwan.



Source: Central Government Financial Statistics, Local Government Financial Statistics and the Foundation of National Currency Statistics (1996).



Source: Central Government Financial Statistics, Local Government Financial Statistics and the Foundation of National Currency Statistics.

Note: Spending per capita is calculated with US \$ at 1996 Prices

The Cultural Statistics Bureau breaks down cultural spending into different categories: arts¹⁶, cultural resources, international and cross-strait cultural exchange, and media. The budget for museums is typically included in the category of 'arts'. There is little published information on the budget and earned income of national and local authority museums. As seen in Table 4.1, spending on arts is predominantly in the form of the total cultural budget. The arts budget is approximately £124 million per year (Council of Cultural Affairs, 1998).

¹⁶ It includes visual and performing arts and museums.

Table 4.1 Spending on Arts, Cultural Resources, Cultural Exchanges and Media (1995-1998) Measured as percent of cultural budget

	Arts	Cultural resources	Cultural Exchanges	Media
1995	50	14	9	27
1996	60	10	9	21
1997	61	11	7	21
1998	53	12	8	27

Source: Central Government Financial Statistics, Local Government Financial Statistics and the Foundation of National Currency Statistics.

Although the government has increased the arts budget¹⁷, there have been suggestions that current government funding may be no longer sufficient to cover the basic running costs nor are the purchase grants large enough to enable all museums to maintain an active collecting policy. Figures for the seven major Taiwanese national museums for 2000-01/ 2001-02 (Table 4.2) indicate that the public funding was reduced during this period except for the National Palace Museum. Thus, other sources of revenue need to be introduced such as admission fees, retailing income (from museum shops and publications) and facilities renting. 'Self-generated revenue' has been considered: self-generated revenue refers to "the museum's capacity to earn revenue from its operations, in contrast with government funding" (Lord and Lord, 1997: 162). Charging for admission to national museums has been controversial. It can be seen from Table 4.2 that admission (adult) rates vary from the equivalent of 20 pence to £6. The National Museum of Marine Biology and Aquarium opened its door to the public in 2000. During the first four months, its admission revenues were about £3 million with a high admission charge.

¹⁷ The government has spent a large proportion of the budget on buildings since the 1980s.

Table 4.2 Spending on National Museums

Year	Museum	Government Budget		Earned Income		Price £
		£M	£M	Admission	Exhibition	
1907	National Taiwan Museum	2.365	2.827			0.2
1965	National Palace Museum	12.756	15.622			1.6
1986	National Museums of Natural Science	4.609	2.544	2.447	0.6	2
1988	National Taiwan Museum of Art	5.915	4.541			0.2
1997	National Museums of Science and Technology	3.663	2.118	1.26	0.667	2
2000	National of Museum of Marine Biology and Aquarium	0.602	0.0045			6
2001	National Taiwan Prehistoric Culture Museum	0.103	0.238	0.207		2

Source: Central Government Financial Statistics (2002)

The situation for local authority museums is less clear: they have always been run on less generous funding, and currently, because of the forthcoming changes in local government finance, it seems that they too will be expected to augment their income by their own efforts.

4.4.2 Consumer Spending

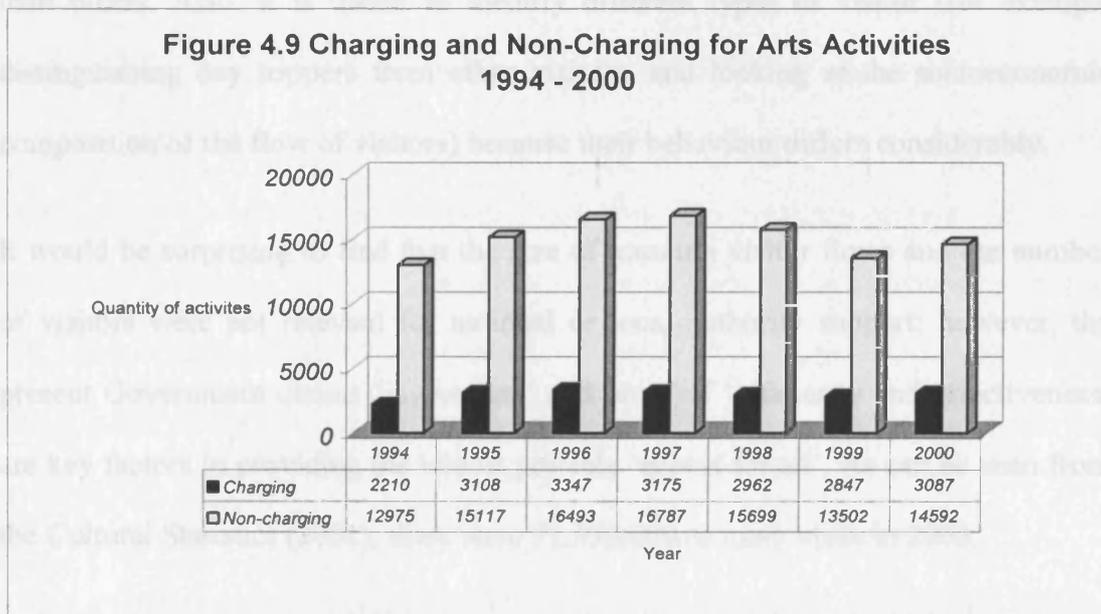
According to Cultural Statistics (1999 and 2003), the percentage of consumer spending on 'education and culture' has been steadily increasing from 1.2% in 1964 to around 13% in the 1990s. Reflecting growing real incomes and social changes, there has also been a quite remarkable growth in the provision of new leisure facilities targeted at the general public. However, theme parks, cinemas, catering, home-based activities, and entertainment all compete with museums.

Conducted by *Dai Ye University*, a survey entitled '*Charging for Arts: A study of Charges and the Public Reaction?*' shows that there appears to be less resistance to the idea of imposing charges for special exhibitions than for entry to permanent collections (Council of Cultural Affairs, 2000a). A reasonable price is around £2 to

Table 4.3 Economic Growth Rate and Charging Rate 1994 - 2000
 £3. Over 70% of visitors are primarily concerned with the quality of the content.

Year Economic Growth Rate (%) Increase in Charging Rate (%)

Because of the earthquake of September 21 1999, the rate of consumer spending showed a decrease. At that time the CCA initiated a ‘spiritual healing’ event, promoting reading therapy, the publication of books, audio and video materials, the ‘September 21 Earthquake Disaster Spiritual Healing Activity Series’, the ‘Reflecting on the Worst Earthquake of the Century and Heading Toward a New Millennium’ Art Festival, the ‘Peace of Mind Curriculum Art Therapy’ Learning Project, the September 21 Earthquake Disaster Concert, and the Spiritual Healing Concert to Help the Earthquake Victims. Figure 4.9 shows that arts activities have increased. Surprisingly, charges for arts activities are also increasing (see Table 4.3). The question remains as to whether charges actually levied reflect willingness to pay, or whether willingness to pay is conditioned by charges actually levied, or both.



Source: Cultural Activity Database, CCA

Table 4.3 Economic Growth Rate and Charging Rate 1994 – 2000

Year	Economic Growth Rate (%)	Increase in Charging Rate (%)
1994	7.1	14.6
1995	6.4	17.1
1996	6.1	16.9
1997	6.7	15.9
1998	4.6	15.9
1999	5.4	17.4
2000	5.9	17.4

Source: Key Economic and Social Indicators, DGBAS (2000), Cultural Statistics (1999)

4.5 Demand

4.5.1 Numbers and Visitors

A vital statistic in any analysis of museums is visitor numbers. These numbers are obtained by a variety of counting methods used by museums, some more reliable than others. Also, it is useful to identify different types of visitor (for example distinguishing day trippers from other visitors, and looking at the socioeconomic composition of the flow of visitors) because their behaviour differs considerably.

It would be surprising to find that the size of museum visitor flows and the number of visitors were not relevant for national or local authority support: however, the present Government claims ‘investment’ and proof of ‘efficiency and effectiveness’ are key factors in providing the widest possible ‘access for all’. As can be seen from the Cultural Statistics (2001), there were 71,550,000 or more visits in 2000.

Additional competition has emerged most recently in the form of very large one-stop leisure destinations that combine retailing, entertainment, catering and leisure activities. The typical visitor is primarily concerned with the quality of the experience he or she receives and whether or not value for money has been obtained.

That experience may sometimes be affected as much by the quantity and quality of the visitor facilities, as by the technical quality of the display.

All museums have to strike a balance in satisfying two types of customers: the general public seeking entertainment and instruction, and scholars. Underlying the pressure in government policy is the feeling that museums have not been sufficiently responsive to the demands of the general public, and they are being urged to make their collections more attractive and more accessible by presenting them in a more inviting way and by offering loans and blockbuster exhibitions. Such changes can only be achieved, given budget constraints, at a cost to other activities. Within a tight budget and faced with increasing commitments, trade-offs have to be decided in terms of the services to be provided.

Summary

In the period 1999/2000 the museums sector in Taiwan was subject to increased pressure from government to demonstrate levels of efficiency. As a result of this, local authority museum services are, for the first time, becoming nationally accountable. This may encourage the production of more and better statistics, but for the time being hard data on museums remains very partial. Data analysis is complicated by the fact that the primary data is collected according to different systems.

Using arts, heritage and culture as lead sectors to attract inward investment, while at the same time underpinning the quality of life for residents, has become an accepted part of economic strategy. A large number of organizations are competing for our leisure time and disposable income. Each organization must try to convince its

visitors that what it has to offer is the best use of time and money. Perhaps, too, consideration must be given to whether everything has to be justified in economic terms. For example, organizations might consider whether:

- Museums have been treated as places for cultural activities; is this approach truly related to their functions today?
- “Museum fans”: are a museum’s visitors loyal to it or simply “having a day out”?
- The Museum Experience: is it worth paying for or not?

As citizens we are naturally pleased to see government support of cultural activities, yet at the same time we must be aware that governments are as a rule motivated at least partly by the urge to look good by eliciting international recognition for their own country’s fine cultural taste (Chen, 1995; Zhang, 1999; Chung, 2003d).

There is a risk that, several years down the road, Taiwan will face a shortage of qualified professionals in the museum sector. It might be considered a failure of government spending towards integrating cultural organisations if there is an inadequate cultural administration personnel structure caused by the vacuum in cultural management and organisation over the years. Furthermore, today Taiwan’s cultural environment must confront the challenges of competition from other new recreational forms such as videos, films, and theme parks. In other words, government must be accountable for all that it does, planning thoroughly, listening openly to their visitors, and continuing to create without interruption--not waiting around for others to respond.

The overriding notion that the formulation of policy must place priority upon

government financial support is gaining ground in Taiwan. This is in fact the most inefficient, if not dangerous, kind of approach. Often such policies merely outline sums or guidelines for money allotted, while the public's needs, the substance and content of art presentations, and quality of facilities and equipment are overlooked or contested.

Most disheartening of all is the thematic disorder shared by formulaic objectives. These objectives avoid the interpretation of the real importance of museums. Limited government knowledge about museums in their individual communities contrasts with government expertise in the existing bureaucratic structure, so that development has been largely unplanned, and is motivated in the main by local considerations (Zhang, 1999). Some museums have been set up without due regard for their relationship with existing museums, or sufficient clarity about their long-term management or funding. This will drive museums to become like shops for promoting cultural activities.

Having explored government attitudes towards the management of the cultural sector, it is useful to inspect how that sector's finance is currently managed. Over the past few years, the cultural sector has seen a gradual transfer of responsibility from the public to the private sector; in Asia, this shift can be seen notably in the museum sector in Taiwan. In the following chapter, a case study of two Taiwanese museums demonstrates that museums are paying increased attention to admission-related income and other strategies for raising revenue. This approach, however, has to be treated with great caution and must take into account everything from a museum's internal management to its wider market.

Chapter 5

Case Studies

Chapter 5 draws a picture of the recent development of pricing strategy in two selected Taiwanese museums by discussing the founding process and management of the museums, examining the role private sectors play in the museums, exploring visitor profiles and perceptions of the museums, and finally comparatively analysing the themes of each museum. Section 5.1 addresses one aspect of economic reforms—the privatisation of public museums. It investigates the extent to which ‘privatisation’ has taken place in museum services in Taiwan. Two experimental cases in Section 5.2 and Section 5.3 present an understanding of how museums are paying increased attention to pricing and revenue-raising strategies and explore the visitor profiles and the factors which might influence a visitor’s perceptions of the value-for-money offered by a recent visit to the museum. Section 5.4, by comparing privatisation experiences in two public museums in Taiwan, suggests how the trend towards a public/private collaboration has impacted on admission charges. This chapter uses data from two case studies to answer the second research question: How do museums select their pricing objectives within a mix of public and private interests?

5.1 The Creation of Public/Private Hybrids

As Chapter 4 has shown, before 1980 most Taiwanese museums were public, while the 1980s and 1990s saw the development of private museums. Since the private sector became more extensively involved, there has been considerable discussion in the museum world concerning the ‘privatisation’ of public museums.

Privatisation seems to have made its initial entry into political discourse with the publication of Peter Drucker’s book *The Age of Discontinuity* in 1969. The objective of privatisation is to improve efficiency through transfer of asset ownership from the

public to the private sector. Since the late 1980s the concept of privatisation found its way into the field of culture, and it has been one of the main themes in the cultural political debate in Europe (Boorsma, van Hemel, and van der Wielen, 1998). However, the cultural political debate on this issue has been hampered by speculations and prejudices. This feature also emerged in Taiwan in the late 1990s as part of central and local government reforms. Once Taipei City Government decided to “privatise” the Museum of Contemporary Art, Taipei advertised for bids which stated ‘*To let for £500,000—please contact Cultural Affair Bureau*’, this action changed the relationship between public and private museum sectors in Taiwan.

But what does privatisation mean in the museum context? Many connect the term simply with selling public institutions to private firms, and with governments passing on their responsibilities for arts and culture to the market. This makes it important to clarify which definition of privatisation is being used in a discussion.

Under the circumstances the privatisation of museums is still a shocking idea, and it is almost unthinkable to consider changing the structure of our cultural repositories. Museum curators are now anxious about privatisation because they fear that after a while no-one will really want to run their ‘costly’ and ‘troublesome’ museums any more (Zhang, 1999). Yet the necessity to find alternative funding sources for museums makes privatisation an extremely contentious and pertinent issue. The opportunity to discuss the relation between private and public was offered by a conference on the ‘*Privatisation of Public Museums: Theory and Practice*’ convened at the National Taiwan Prehistoric Culture Museum in May 2002. In the wider context, some authors discuss only, for example, the “incorporation of museums into foundations” (Engelsman, 1996; Long, 2003; Paroissien, 2003), or the reduction of

state budgets and the enforced increase of private income from user fees (Anderson, 1991). A notable exception is Schuster (1998a). He points to the trend towards public/private hybrids, arguing that the simple identification of two broad categories—public and private—is quite misleading. It is increasingly necessary to view cultural institutions through the lens of hybridisation rather than privatisation, in order to enhance our ability to document and predict institutional behaviour.

Urice (1995:2) argues that privatisation of museums means the transfer of authority over collections, buildings, operations and/or responsibility for funding from one entity to another. Schuster (1998b: 61) comments that “one might further refine his list to add programming as an activity over which authority might be transferred... And funding might be separated into the responsibility for fund-raising and the actual provision of funds” (p. 61). According to Boorsma, van Hemel and van der Wielen (1998: 27), funding encompasses all costs. Funds may come from the market, via sales, fees or private donations, or from public budgets. The income raised allows the organization to cover its capital costs.

There has been a change in the funding structure in Taiwan, from a reliance on government subsidy to the development, by necessity, of a diversity of funding sources (Council of Cultural Affairs, 2001). Consequently, the directors of new local museums are being pressed to assume greater accountability in dealing with private donors and sponsors. Even though private corporations such as newspapers and television stations have been sponsoring exhibitions, the privatisation trend continues.

Little attention has been paid to how privatisation affects funding resources and how this in turn affects the museum’s approach to admission charges. This represents a

significant gap in the literature on museum management. The following section examines two Taiwanese museums that are particularly representative of the trend towards privatisation, the Museum of Contemporary Art, Taipei (MOCA, Taipei), and the National Museum of Marine Biology and Aquarium (NMMBA). The locations are marked on Figure 5.1.

Figure 5.1 Locations of Two Case Studies



The discussion of the two cases is mainly based on observation notes, documents (visitor research, annual reports and promotional material), and news clippings

collected during the fieldwork. Personal and focus-group interview data have also provided insight into the understanding of the nature and culture of each museum.

5.2 Case Study I: Corporate Involvement at the Museum of Contemporary Art, Taipei

The City of Taipei, as both capital city and municipality, has long since moved beyond “a dirty Chinese village”¹ to integrate cultural development as a core part of the mission of the city. The council has encouraged the view that the cultural life should be supported and developed to promote the city’s identity, expand its horizons and contribute to its social and economic development. This vision has been developed since 1999, when the Cultural Affairs Bureau of Taipei (CABOT) formally launched its operation. The CABOT has a vision: by creating an environment which respects arts and talents, Taipei will become a dynamic cultural centre in Asia-Pacific (Cultural Affairs Bureau of Taipei, 2002). *Cultural City of Asia-Pacific Programme* is run in cooperation with cities of the region. It is hoped that a beneficial synthesis of traditional and modern cultural elements can be achieved.

In a *Report of the Taipei's Cultural Policy from 1999 to 2002: One Thousand Days*, four main directions of the new-fledged CABOT are identified, as keys to the future development of the City: “Globalization must be defined by localization,” “Modernism must be refined by tradition,” “Arts create the City,” and “Culture must be rooted in life” (Cultural Affairs Bureau of Taipei, 2002). It was reinforced and developed with the launch of the landmark publication by Mayor of Taipei Ying-Jeou

¹ See Rutter (1923: 153)

Ma², which positioned “cultural improvement in Taipei’s quality of life” and “broad participation in cultural activities” as key elements in city renewal.

This case study offers an overview of the financial challenge facing local authority museums in Taiwan. One of the tasks is the increased dependence of the museums on the public. The relationship between museums and public is facing some adaptation problems. The Museum of Contemporary Art, Taipei is constantly concerned to discover the balance between the artistic definition and the consumer’s choice. Beside, this case study focuses on the changing stage in the legal status of the Museum and an increase in autonomy and flexibility of management. The Cultural Affairs Bureau of Taipei has been encouraged to consider separating their museums from the council and establishing them as charitable trusts, also known as foundations. Emphasis is placed on integrating the private sector’s offerings to form a corporate strategy to improve its position in the market.

5.2.1 Background

The Museum of Contemporary Art, Taipei, or MOCA, which opened in May 2001, was Taiwan’s first museum dedicated solely to contemporary art. The building was erected in the late 1910s as an elementary school and later served as Taipei City Hall for 40 years. The site was converted to exhibition space by the Taipei Fine Art Museum in 1995. After extensive renovation, today its hybrid blend of Euro-influenced architectural look and structure is imbued with aspects from the Japanese colonial period making the building a unique locus (Plate 5.1 and Plate 5.2).

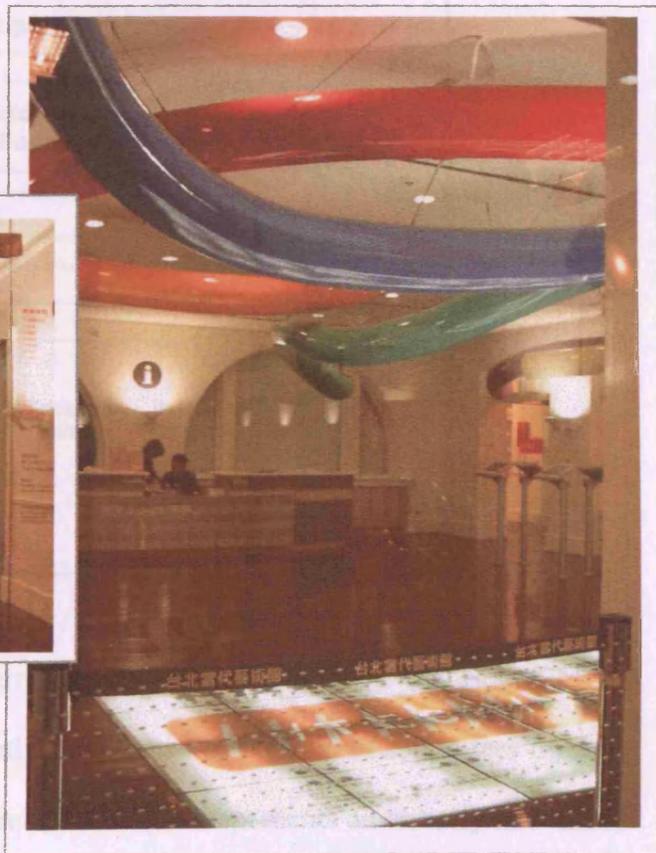
² See the preface ‘*Focal Point of a Contemporary City*’ by Ying-Jeon Ma (Museum of Contemporary of Art Taipei, 2003:2)

5.2.2 Organisational Restructuring



Figure 5.2 Organisational Structure

Plate 5.1 The MOCA, Taipei
Plate 5.2 The Entry of the MOCA, Taipei

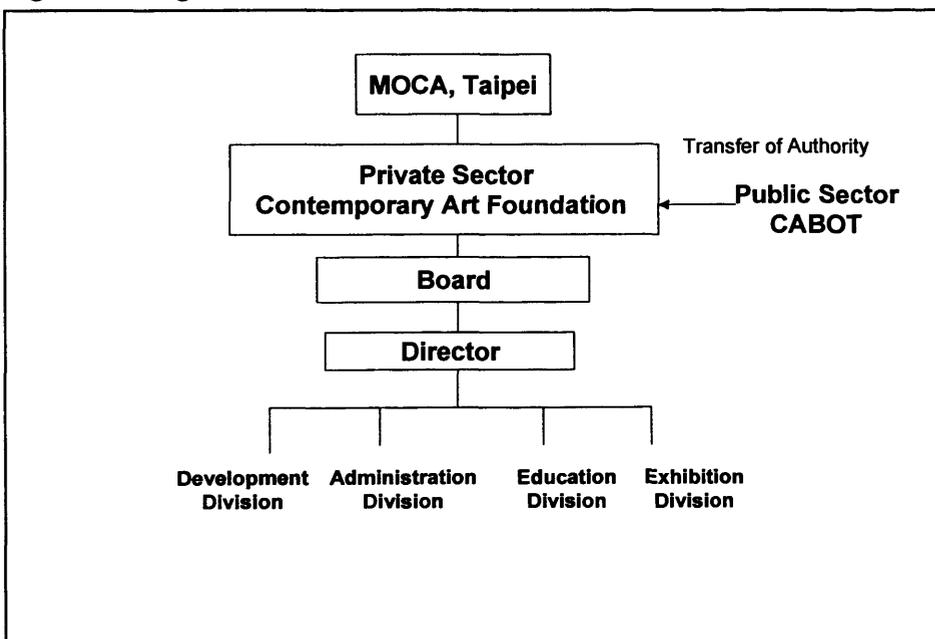


5.2.2 Organisational Restructuring

Currently the museum is run by the Contemporary Art Foundation under the supervision of the City of Taipei. “The Foundation brings together many distinguished entrepreneurs and cultural professionals to provide financial support,” states Mr. Lam (2003:6), chairman of the Contemporary Art Foundation. “Now a new relationship between entrepreneurs and cultural affairs is being established.”

Such corporate partnerships have been carefully researched, selected and monitored. Dr. Long (2003), former director of the Cultural Affairs Bureau of Taipei (CABOT), regards the MOCA as a unique and intriguing place: a cooperative institution run jointly by the Cultural Affairs Bureau and the business community.

Figure 5.2 Organizational Structure



As shown in Figure 5.2, the governance of MOCA Taipei by the Board of the Contemporary Art Foundation—jointly established by a group of supporters from the corporate sector and the City of Taipei (CABOT)—represents an entirely new model

for Taiwan. The museum's former director, Leon Paroissien³ has pointed out that the staff structure and administrative system were developed so that the museum's small, tight-knit staff could realise its ambitious international programmes more efficiently. While the fundamental governance of MOCA is not vastly different from models in other countries, and while museums throughout Taiwan have enjoyed extensive sponsorship and philanthropic support over the years, the more formalized contribution by the private sector to MOCA is an experimental model that is already of rising interest to museums throughout Taiwan (Paroissien, 2002: personal communication).

5.2.3 Pricing Strategy

There is a need to consider the rationale for corporate partnerships in the museum industry and how issues of social responsibility shape the Foundation's approach to pricing and how this relates to visitor perceptions.

The Foundation covers 51% of MOCA's budget and the City of Taipei 49%, while the Foundation itself is funded by Acer Inc., Minsheng Daily, Quanta Education Foundation, TSMC Education and Culture Foundation, and Yong Ling Educational Foundation. Consistent with the recent shift in corporate attitudes, from philanthropic giving to giving as a strategic investment,⁸ these five corporations are now paying closer attention to the return on their investment. In exchange for their support, they

³ Leon Paroissien is the first foreign director of a museum in Taiwan. Prior to being appointed as the Director of MOCA, Taipei in November 2001, Mr. Leon Paroissien had been Founding Director of Sydney's Museum of Contemporary Art from 1989 until 1997. He has already ended his contract in November 2003 and there is a new director, Ms. Su-Chen Hsieh, who continues this post, see Chung (2003c).

⁸ This shift has also taken place in the UK; for examples, Arts & Business has been working to develop relationships between commerce and culture since the early 1980s, see <http://www.aandb.org.uk/>

expect increased visibility. And since the larger the audience the greater the exposure of the corporate partners, the marketing task of the MOCA is not to maximize its revenue but to maximize its audience. Prices are kept as low as possible, school groups are admitted free of charge if they book in advance and there is free admission for everyone on Tuesdays.

“What do others charge?” is the preferred route for us,” says Ms. Lai, the museum’s former deputy director (2002: personal communication). MOCA takes its pricing cues from what comparable museums nearby are charging. As can be seen from Table 5.1, if most public museums charge from 20 pence to £1.60 for admission, the MOCA feels justified charging £1 - but believes that the museum-going public will balk at anything over that amount. The MOCA did not charge anything at all its first month in operation, and then, following an advertisement offering “50% off original price,” imposed a fee of £1. Admission is free for children under six, those 65 or older, welfare recipients, veterans, retired government employees, persons with disabilities and licensed tour guides. According to its annual report for 2001/02 (Museum of Contemporary Art, Taipei, 2003), the museum attracted 76,067 visitors during its first full year of operations. In December 2002 the accumulated attendance was 151,851, nearly half of which was brought in by two major exhibitions, *Design+* (9 March–26 May) and *Architecture for the New Millennium* (8 June–29 September). Monthly attendance varies according to the exhibitions being presented (See Appendix 7).

Table 5.1 Admission charges among public and private museums in Taipei
As of 31 December 2003

Type	Museum	Adult £	Concession £	Group £
Public Museum	Taipei Fine Art Museum	0.6	0.3	
	National Palace Museum	1.6	0.6	1.3, < 20
	National Taiwan Museum	0.2	0.1	
	National History Museum	0.4	0.2	
Private Museum	Taiwan Folk Art Museum	2	1.6	
	Tittot Glass Art Museum	2	1.5	1.6, < 10
	Su-Ho Memorial Paper Museum	2.4	1.6	2.4, < 20
	Chang Foundation, Taipei	2	1	1, < 15
	Ju-Ming Museum	5	4.4	4, < 25
	Miniatures Museum of Taiwan	3.6	3	10% off, < 25

5.2.4 Visitor Profiles and Perceptions

From the customer's viewpoint, buying a ticket to see contemporary art is a risky purchase as there is relatively little evidence upon which to judge its value (Hill, O'Sullivan and O'Sullivan, 1995). Therefore, the Contemporary Art Foundation believes that ticket prices have to be relatively low.

In December 2002 the MOCA undertook its first visitor survey. This primary research explored visitors' backgrounds, preferences and views of museum services. The picture that emerged showed that 92% of visitors were well educated and 53% were students between the ages of 21 and 30. Sixty-four percent of visitors came for a special event or exhibition. Only 20% of visitors sought a relaxing experience and interaction with others, but these people viewed the museum as an unfamiliar place. Of the 18 visitors who participated in focus-group interviews (4, 7 and 12 January 2003), 14 did not equate leisure with relaxation and had a strong interest in learning about contemporary art. Frequent visitors (those who visited at least three times a year) accounted for 44% of all adult visitors. Ninety-three percent of visitors were

satisfied with the low admission charge, but students who participated in focus-group interviews said that they lacked either the time or the money to visit the café.

5.3 Case Study II: Business Development at the National Museum of Marine Biology & Aquarium

In the past the national museum in Taiwan has always been an extremely prestigious institution. One of the main reasons undoubtedly is that from the beginning these museums played an important role in legitimizing power, especially governmental or political power; for instance, the early Japanese collecting and presenting of collections might have been only a matter of showing - and thereby reinforcing - their wealth and power. A museum as an institution also means that it is a social, manmade construction which came into being under certain socio-economic, political and cultural conditions to fulfill certain functions within society. In a modern democratic society, political power as embodied in the apparatus of the state, can only be legitimized by claiming this power operates for the benefit of all. The 'mass audience' is, in a way, confirmation that the museum is the most democratic cultural institution of all, attracting by far the widest cross-section of the population (Schubert, 2000:75).

It is worth noting at this point that the Taiwanese museum sector as a whole has been a provider of public services. After the post-World War II period of industrialization (1952~1972), Taiwan entered the post-industrial society. Bell (1974) identified one of the components that best characterise the post-industrial society as: the shift from a good-production to a service economy.¹⁰ There is a great development of the arts

¹⁰ The first use of the term 'post-industrial' is attributed to the English sociologist, Arthur J. Penty,

and the entertainment industry (also called the free time or leisure industry). With the emergence of cultural and demographic changes towards the post-industrial leisure society, the public's perception of the museum has also shifted from educational to recreational, from research and display and to a more audience driven and service-oriented approach (Schubert, 2000).

In this case study, two major trends in public service management are broadly applicable to museum provisions: (1) market mechanisms have started to gain prominence in museum services, taking such a form as contracting-out; and (2) the transplanting of management practices from the business sector into the museum landscape. The part of the work of the National Museum of Marine Biology & Aquarium is increasingly carried out by external service suppliers, and there has been a remarkable growth of the private sector in providing specialist services to museums.

5.3.1 Background

The National Museum of Marine Biology and Aquarium (NMMBA) was established in 1991 and, with the opening of its first exhibition, *Waters of Taiwan*, on 25 February 2000, took its first step into the unlimited frontier of international marine education and research. Located in Checheng Village between the mountains and the ocean, the NMMBA is mandated to demonstrate the spirit and characteristics of water (Plate 5.3). The structure was awarded the 2001 Engineering Excellence first prize by *The American Consulting Engineer*. The NMMBA is one of the top ten

who, in 1914, published an anthology called *Essays in Post-Industrialism*. Later, by the end of the 1960s and the beginning of the 1970s, Daniel Bell disseminated the term 'post-industrial society'. See Bell (1974).

leisure attractions for tourists in southern Taiwan (Council of Cultural Affairs, 2001, 2002, and 2003) and the Museum has rapidly gained huge public attention (Plate 5.4 and Plate 5.5).



Plate 5.3 A bird's eye view of the NMMBA, including the mountains and the ocean
(Aero photo: Chi-Po Lin)



Plate 5.4 The National Museum of Marine Biology & Aquarium

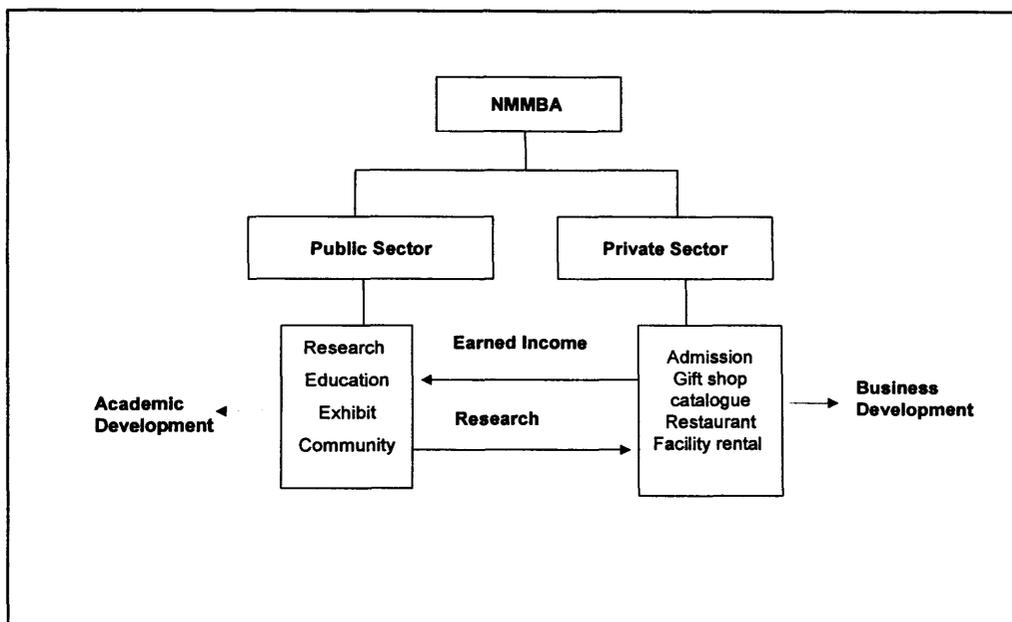


Plate 5.5 The Entry of the NMMBA

5.3.2 Organisational Restructuring

In July 2000, after a selection process, the NMMBA entrusted the Hi-Scene World Enterprise Company with the operation and management of its aquarium. This was the first example of Taiwan's new policy of involving the private sector in public projects. The policy - called BOT (Build – Operate – Transfer) - was adopted when the government decided it could not afford to build or maintain cultural facilities. Under this policy (see Figure 5.3), the facility comes under the control of the public sector but is run collaboratively by the public and private sectors.

Figure 5.3 The Relationship between Museum and Hi-Scene World



5.3.3 Pricing Strategy

For visitor attractions, most of which are already unique in their own intrinsic qualities, the route out of price substitutability lies in enhancing the quality of their sites or the enjoyment benefits conferred by a better presentation of the experience offered (Middleton, 1994:102). The NMMBA offered a novel way to present natural “Waters of Taiwan”; as a result, the visitor interest in what was offered made it

possible to charge relatively high prices for a relatively short but intense experience.

Since joining forces with Hi-Scene World, the NMMBA has become more aggressive in introducing earned-income programmes as a means of ongoing support. In the first year (2000/01), admission revenues were about £6.85 million with a top admission fee of £5 and approximately two million visitors. When its second exhibition, *Coral Kingdom*, opened in mid-2001 the museum raised its admission fee to £6 and admission revenues were £8.70 million (see Table 2). Attendance increased by 18% from 2001/02 (See Appendix 8). Taiwan will raise admission to £7 when the exhibition *Waters of the World* opens at the end of 2007. To reduce visitor price sensitivity, the NMMBA has adopted the policy of introducing several small price increases instead of one large one. It has been argued that small price increases are hardly noticed and seen as justified in the face of rising costs (Kotler and Kotler, 1998:267).

Concerning the NMMBA's pricing objectives, as discussed in Chapter 4, many people, both within the museum world and without, are opposed to the new emphasis on income generation. They argue that the NMMBA's approach is inappropriate since museums serve public and educational purposes and play a distinct fiduciary role in protecting national and local treasures for future generations. Facing new museum construction, the NMMBA's president, Dr. Fang, is increasingly sensitive to the balancing act between costs and benefits that fundraising entails (Fang, 2002a). The museum is now structured on the corporate model, with the director being called president. Fang points out that increased visitor levels generally mean higher costs, especially for publicly supported museums, and that expansion, in turn, calls for larger operating budgets. "We also take into account existing charges in the tourism

attractions, because the museum depends on earned income to discover what our visitors value and what they regard as quality. This keeps us competitive and accountable.”(Fang, 2002b: personal communication).

5.3.4 Visitor Profiles and Perceptions

In the year 2000 the museum commissioned National Sun Yat-sen University to undertake a policy analysis and visitor survey. The main findings were as follows. Compared with the MOCA, Taipei, visitors to the NMMBA tended to be more representative of the community, wider-ranging in education and social class. Students were the most frequent visitors, at 28%, followed by managers and officials, at 20%. Seventy percent of visitors came with family and friends, and approximately 30% came in large groups by coach. Very few visitors came alone. Some participants in focus-group interviews indicated a strong interpersonal and social component and also exhibited a learning lifestyle with intellectual curiosity that led them to be heavy consumers of continuing education courses and to seek foreign travel experiences. Occasional visitors (once or twice a year) accounted for 91% of all adult visitors. Fifty percent of visitors were not satisfied with the high admission charge and suggested that £2 to £3 would be reasonable.

5.4 Comparative Analysis

I will now draw on the model developed by Hill, O’Sullivan and O’Sullivan (1995) to consider the implications and appropriateness of the two museums’ pricing decisions. These are summarized in Table 5.2.

Table 5.2 Pricing Decisions in Two Case Studies

	MOCA Taipei <i>Opened in May 2001</i>	NMMBA <i>Opened in February 2000</i>
Objectives	<ul style="list-style-type: none"> ● Prices are kept as low as possible to encourage use. ● Pricing Schedule: £1 (Free entrance on Tuesdays) No price discrimination (as of 31 December 2003) 	<ul style="list-style-type: none"> ● Prices are used to raise revenue that can be invested in expansion. ● Pricing Schedule: Adult £6 Group £5 Concessions £4 (Children, students, and elder person 65 years old) Children Group £1.80 (Kindergarten) Free (Children below 110cm & disabled people can be free) (as of 31 December 2003)
Market Position	<ul style="list-style-type: none"> ● Positions itself as a museum with serious artistic exhibitions, and as a museum designed primarily to engage young people who seek art literacy and learning experience. 	<ul style="list-style-type: none"> ● Positions itself as a museum with leisure activities, and as a museum designed primarily to engage tourists who seek entertainment.
Price Competition	<ul style="list-style-type: none"> ● Considering existing charges in the museum field, the MOCA takes its pricing cues from what comparable museums nearby are charging. 	<ul style="list-style-type: none"> ● Considering existing charges in other tourism attractions, the NMMBA still needs to reflect on its educational purposes, so its admission charge is lower than other private competitors.
Nature of Market	<ul style="list-style-type: none"> ● Forty-three percent of visitors came with friends; 32% alone; very few with family. 92% of visitors were well-educated; 53% of visitors were students (21-30 years). ● Frequent visitors (who visit the museum at least three times a year) accounted for 44 % of adult visitors. ● Ninety-three percent of visitors were satisfied with the low admission charge, but students did not have time or money for secondary spending (museum shop or café). 	<ul style="list-style-type: none"> ● Seventy percent of visitors came with family and friends; others came in large groups by coach (approximately 30%). Very few visitors came alone. Students were the most common visitors, at 28%. ● Occasional visitors (who visit once or twice a year) accounted for 91 % of adult visitors. ● Almost 50% of the visitors indicated that admission was too high. The reasonable price would be between £2 and £3.

Objectives

The Contemporary Art Foundation plays a key role in the management of the Museum of Contemporary Art, Taipei. Because its legal status is similar to that of a public authority, the MOCA is still seen by most Taiwanese as a public institution. The National Museum of Marine Biology and Aquarium was opened in February 2000 and the following July turned the management of its aquarium over to the Hi-Scene World Enterprise Company. The NMMBA falls under the control of the public sector but is run by a public/private partnership.

It can be concluded that the Taiwanese government's programme of reform allows for choice between partial privatisation and a totally free-market approach. Consequently, each museum in the country is free to make its own decisions regarding admission objectives and schedules, but consumers, when confronted with price increases, have requested regulation. In the NMMBA, the profit motive may be a factor in pricing decisions, but almost 50% of visitors indicated that admission fees were too high. Conversely, the Contemporary Art Foundation by its very nature does not expect earned income to cover all its costs. It continues to offer cultural opportunities as widely as possible in the community. For this reason, prices are set with a view to permitting audiences, regardless of their financial status, to participate in the arts.

Market Position

According to Hill, O'Sullivan and O'Sullivan (1995: 147), market position relates to how an organization is perceived by its customers and potential customers. Each organization has a position or image in the consumer's mind that influences the

decision whether to use the service (McLean, 1997:104). The MOCA sets its prices according to the “educational image” it wishes to project, while the NMMBA’s prices project a “leisure image.” Each exhibition mounted by the MOCA has attracted people who have seldom or never visited a museum before, and its audiences now are able to discuss a particular type of exhibition or to purchase products associated with a particular brand. In terms of leisure, Mr. Zheng, a tour guide, explains why he brings his customers to the NMMBA: “It is a ‘pleasure house’ with three attractions: superior architecture, a new vision for education and exhibition, and amenities such as shops and restaurants. The shopping-mall atmosphere of the foyer makes our lives into a form of entertainment.”

Price Competition

The tourism market comprises several tourist types: families, business people, members of tour groups, conventioners, adult couples and school groups. The NMMBA increasingly collaborates with travel and tourist agencies and the hospitality industry to develop promotions in order to attract tourism. The MOCA, on the other hand, bases its pricing on existing charges in the museum field and is relatively oblivious of price competition in a broader context.

Nature of Market

Visitors to the MOCA and the NMMBA exhibit distinct characteristics and, in fact, there is little if any crossover. The NMMBA’s market consists largely of friends and family. Some participants in the NMMBA focus-group interviews said that they had come with their family without paying an admission fee. Hill, O’Sullivan and O’Sullivan (1995:148) express concern over “amateur events,” noting that high

admission charges may restrict audiences to a loyal core and alienate more peripheral supporters. Therefore, it is interesting to observe that occasional visitors account for 91% of the NMMBA's adult visitors. Visitors to the MOCA, in contrast, tend to be individualist. Some participants in the MOCA focus-group interviews valued the "freedom" of visiting and said they did not like promotions such as "buy ten, get one free" or "group discounts." Museum visitors like to choose when to visit, how much time to spend, and what to view and what not to view. They are "cultural needs seekers" (Colbert, 2003), who seek direct functional or cultural benefits from the product.

Summary

In this chapter, I have attempted to describe the new museum landscape in Taiwan. How do 'hybrid' museums select their pricing objectives within a mix of public and private interests? At the MOCA, Taipei, the public sector ethos remains the most influential in terms of pricing; at the NMMBA, however, commercial principles are the most influential. Thus perhaps we need to consider the meaning of private sector. Does the sector consist of profit-making organizations? Not-for-profit organizations? Private individuals? Taiwan has never before privatised its cultural property. However, there are signs that its newly privatised museums have gained the respect of the public. The role of the private sector in the museum industry is now central to Taiwan's cultural policy.

Whilst Taiwanese museums are partly supported by the state, they are still seen by visitors as serving public and educational purposes. There is increasing debate about the commercial approach of the National Museum of Marine Biology and Aquarium. The approach of the Contemporary Art Foundation is to bring in private companies

for their financial support. The partnerships that have emerged between museums and private corporations are long-term ones, but the government of Taiwan has yet to learn how to identify good corporate prospects.

The last two decades have seen the rise of ‘new public management’ in Taiwan, in which emphasis has been placed on efficiency, economy, accountability and enterprise principles. This new emphasis has had a huge impact particularly on cultural sectors as one of the major providers of public services. In the area of services, museums are now beginning to examine what is being exchanged, and to determine the appropriate value of the services they offer in the marketplace.

The following three chapters (Chapter 6, 7 and 8) consider empirical data from focus groups—throwing light on visitor perceptions and providing detailed further discussion on how these charges have impacted on visitor motivations, attitudes and loyalty. The empirical conduct of speakers is treated as the central resource out of which analysis may develop (Plate 5.6, Plate 5.7 and Plate 5.8).



Plate 5.6 Motivation – *Smile!* says a student (21 Nov. 2002, NMMBA)



Plate 5.7 Attitude - It's very expensive. You can't afford to pay so we just stay here for 5 minutes, says a teacher (20 Nov. 2002, NMMBA)



Plate 5.8 Loyalty - I love to support exhibition preparation, says a volunteer (10 Feb. 2003, MOCA Taipei)

Chapter 6
Motivation and Visitor Needs
in the Museum

Motivation lies at the very heart of consumer behaviour (Colbert, 2003:35). Understanding why people make their choice of the museum experience is central to effective marketing. Knowledge gained about a market and its visitor behaviour facilitates responsive museum marketing. At least three questions must be posed concerning ‘visitor motivations’: Why do people participate in the museums rather than in other leisure activities? Why do people revisit? And why do people choose specific types of museum? Each of these questions addresses a different aspect of participation. The first relates to overall levels of demand and the other two refer to the ways that demand is distributed by form of participation and type of museum. This chapter attempts to answer the third research question: What factors influence a visitor’s perceptions of the value-for-money offered by a visit to a museum?

Maslow’s theory of motivation (1943) offers a way of approaching the issue of what kind of needs ‘museum experience’ satisfies? As seen in Chapter 3, the arguments for and against subsidising museums stand and fall by the extent to which these needs are recognised as serious ones. It is tempting to see them as predominantly at the ‘self-actualisation’ level. Following the initial findings from the data analysis, a discussion on how experience of exposure to the arts or science affects adult museum preferences is brought forward in Section 6.2. A further discussion on how the symbolic meaning of the visit fits one’s lifestyle is revealed in Section 6.3. The trend of spontaneous leisure time activity decision-making has recently benefited museums which are located in tourist places. Based on the data analysis, Section 6.4 shows that museum visits allow for flexibility in the amount of time spent, for socialization during the viewing and are accessible for entire families or friends. These needs are closely linked to the desire for an experience that is compelling and fun. The results of this analysis lead to suggestions for museums in the area of positioning and

pricing their experience. It concludes with a discussion of elements related to visitor motivations, and aims to situate pricing in the wider context.

6.1 A Review of Motivation Theory

Research on motivation in museum attendance, and on the reasons for specific choices among different forms and among different types within a museum-going experience, was late in starting, though psychologists have developed theories of human motivation. Some needs are *biogenic*; they arise from physiological states of tension such as hunger, thirst, and discomfort. Other needs are *psychogenic*; they arise from psychological states of tension such as the need for recognition, esteem, or belonging (Kotler, 1997:181). A need becomes a motive when it is aroused to a sufficient level of intensity.

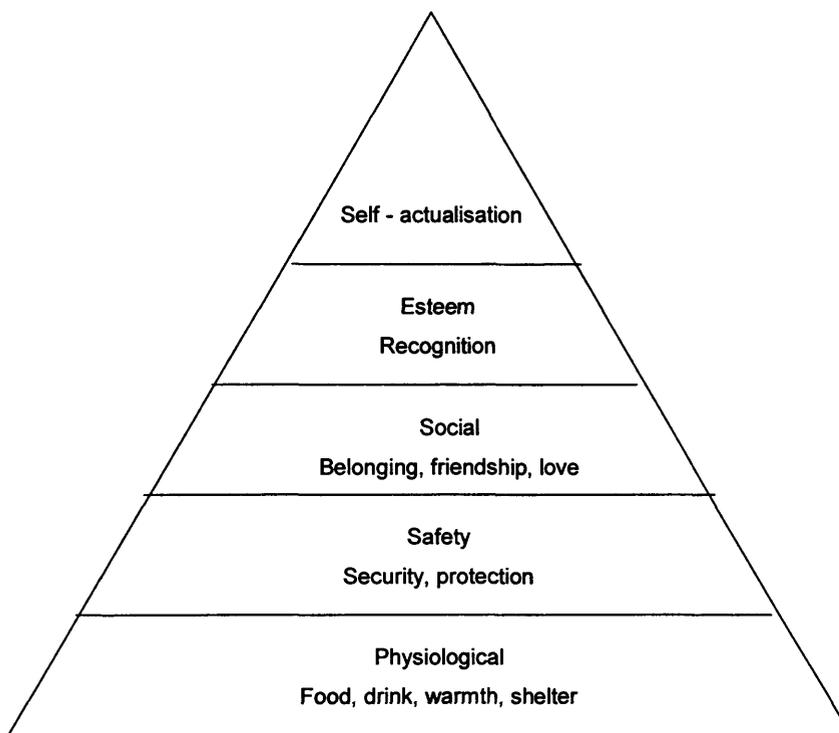
6.1.1 Maslow's Theory of Human Motivation

Maslow's Hierarchy of Human Needs (1943) suggests that human beings are not merely concerned with satisfying physiological needs but are also striving for creative personal achievement and development. The famous pyramid is illustrated in Figure 6.1. There are five sets of goals which are called needs. These are briefly physiological, safety, love, esteem, and self-actualization. These goals are related to each other, being arranged in a hierarchy of prepotency. Museum visits can be seen as being physiological (relaxation), social (improving personal relationships) or linked to self-actualisation (self-development) according to Maslow's theory of motivation.

With this model various needs are like empty tanks to be filled sequentially; only when a need is fairly well satisfied, the next high-order need emerges. Yet there are a

number of exceptions: for example, innately creative people in whom the drive to creativeness seems to be more important than any other counter-determinant. Their creativeness might appear not as self-actualisation released by basic satisfaction, but in spite of lack of basic satisfaction (Maslow, 1943).

Figure 6.1 Maslow's Hierarchy of Human Needs



Source: Maslow (1954) Motivation and Personality

A key principle of Maslow, confirmed in the three focus groups conducted for NMMBA, is that unless the basic needs of physiology, safety and socialisation are met, it is unlikely that any individual can achieve their full potential or will be able to engage at a higher level. Drawing on the data (Appendix 6: groups 4, 5, and 6), there is evidence to show that family members list specific recreational activities—going to a beach, visiting a museum, and so on—and confer or vote on what activity would most satisfy their needs. Participants 4-5, 5-5, 6-3 and 6-4 say themselves on this

theme. They say:

4-5: NMMBA provides many places for visitors to sit and chat about a particular exhibit. I have visited here several times with my own family, and it really enhances my experience and then results in repeat visits, and thus, today, I take my aunts and uncle (4-5, Male/Age:35-49/ Professional and technical).

5-5: I have been here five times with colleagues and friends, and I feel very comfortable with the environment. Today, I am together with my family members and two daughters' partners and we take part in shared activity. Sitting down in front of the ocean for a meal provides us with recreational experience (5-5, Male/Age:50-64/Civil servant).

6-3 and 6-4: NMMBA is providing an area for older people to rest while visiting a museum.

(6-3, Female/Age:50-64/Principal; 6-4, Male/Age:50-64/College Teacher).

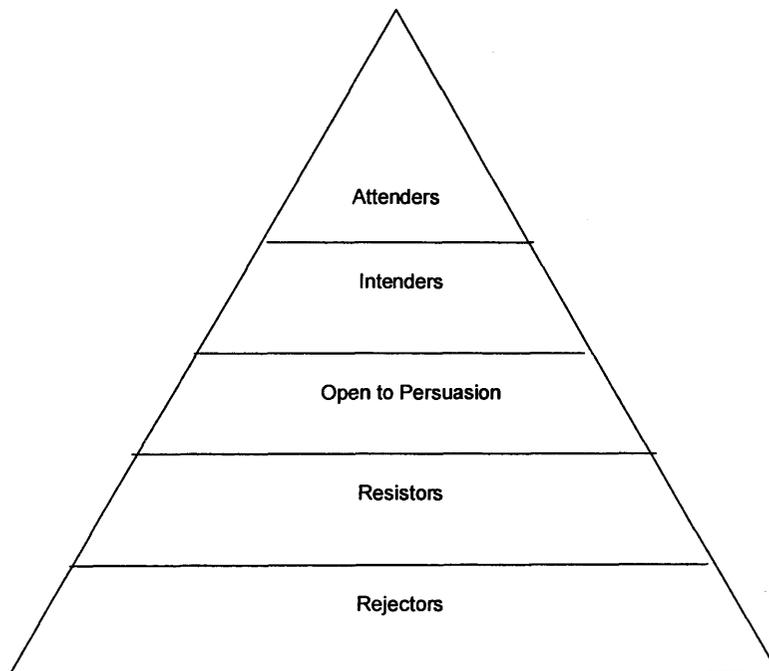
It is interesting to see that a person can first be motivated by social needs yet simultaneously enjoy the core product (cultural needs). Thus, visitors may choose a particular museum to attend with families because it fulfils their social needs more than any other museum in the community. Participants in those three groups may have no objection to self-esteem and self-actualization, but they may want a cultural event which they attend also to meet socialisation, and even physiological needs.

But such an approach [the motivational hierarchy of Maslow] tones down and hides the passion that we experience in connection with certain consumption activities. If individuals can meet more than one need at the same time, there is no reason that self-esteem cannot grow and self-actualisation cannot occur even when other lower

needs are being met. The data analysis shows that the few individuals who ignore their basic needs in the pursuit of art are often artists or art students themselves, or members of what was once termed the bohemian class and is now called by Kolb (2000:120) “the counter-culture.” These individuals put the need to appreciate culture first, with other needs such as security, a regular job, and adequate income following lower in the scale.

Based on Maslow’s theory, Morris Hargreaves McIntyre¹ (2002) provides the *Audience Pyramid Model* (see Figure 6.2) which segments the market into a hierarchy of intention or motivation to engage with any cultural activity, in this case, museums. Below, the individual segments in this model reflect different levels of belief in the ability of museums to meet their needs.

Figure 6.2 The Audience Pyramid Model



Source: Morris Hargreaves McIntyre (2002)

¹ Morris Hargreaves McIntyre is a strategic management consultancy operating within the cultural sector, specialising in undertaking attitudinal and motivational research.

Attenders represent those who are currently in the market—they already attend and as such know that museums can meet their needs. These are typically a smaller number of people who account for a large number of current visits.

Intenders are those who already want to attend. They might be described as already having the motive but waiting for the opportunity. These people believe that museums can and will meet their needs. For these people there may be some barriers but they are ones that can be relatively easily addressed.

Open to persuasion are people who might be described as not hostile to the proposition of attending. However they are not necessarily convinced that visiting a museum will meet their needs and as such will require active persuasion that a visit will do so.

Resistors are sceptical that a visit to a museum could meet their needs. This can be due to a lack of understanding of their own needs; to negative preconceptions which may or may not be accurate and can also be due to their recollections of previous, unsatisfactory visits often in organised schools groups. This segment is more likely to respond to outreach initiatives.

Rejectors are actively hostile to the notion of engaging with museums—they are convinced it is not for them.

By classifying occupations, it shows those participants of focus groups 1 and 2 conducted for MOCA Taipei reflecting a clear profile that art students and teachers described as frequent “attenders” are much more likely to be picked up in a survey (or attended the focus group interview) within a museum than those described as “intenders” who attend but infrequently.

Although “open to persuasion” are people who might be described as not hostile to the proposition of attending, there is a paradox in the fact that even those who siad a ‘desire’ for more attendance cite ‘art has little connection with everyday life’ as a barrier to attendance. As 3-1 (Male/Age:35-49/professional and technical) says:

Only for ‘boffins’! A contemporary art museum is designed for people with specific interests. I don’t understand what I am seeing and find the trip boring.

With a similar profile, 3-1’s friend 3-6 (Male/Age:35-49/professional and technical) also stresses ‘lack of confidence’ and believes that art galleries require specialised knowledge. He says:

I don’t have pre-existing negative beliefs about visiting museums but ‘contemporary art’ seems very hard to be pleased about. I am from an engineering background; perhaps, I should have a basic knowledge of art.

There are also those who might be described as already having the motive but, facing the choice of attending an art museum, are doubtful that a visit to a museum or gallery could meet their needs. This is particularly true of culturally excluded people who find it hard to look beyond their particular profession. After the first visit, they are more likely to fall into ‘resistors’ and may not visit the MOCA, Taipei in the future. Yet Monica Hsieh, Visitor Service Officer, working in the MOCA feels that supplying cultural events that meet lower level human needs somehow debases culture (Expressed her opinion after the focus group interview 12 Jan., 2003).

6.1.2 Workers vs. Consumers

At Work

In Maslow's opinion, people begin to form a more positive framework for human motivation and human potential. Maslow views human potential as vastly underestimated and an unexplained territory. Throughout much of his life, he has argued for a new philosophy of humanity to help recognise and develop the human capacity for compassion, creativity, ethics, love, spirituality, and other uniquely human traits. His most famous quote is as follows:

A musician must make music, and artists must paint, a poet must write, if he is to be ultimately at peace with himself. What a man can be, he must be. This need we may call self-actualisation....It refers to man's desire for self-fulfillment, namely to the tendency for him to become actually is what he is potentially: to become everything that one is capable of becoming (Maslow, 1998:3).

His work has powerfully affected managerial theory and the term 'self-actualisation' became a household word, integrated into the vernacular of the turbulent 1960s. Maslow's ideas about work—the relationship between 'the man and his work'—are some of the most profound thinking; however, it seems a dilemma because as soon as a person immerses himself in his work, work actually becomes part of the self, part of the individual's definition of himself. When an interviewee is questioned about his/her hobbies, this trend is clearly seen at work in the hobby ideology. 3-1 (Male/Age:35-49/professional and technical) makes a very precise statement on this theme. He says:

I am the kind of workaholic, who is incapable of doing anything with my time but applying myself productively to the required task. But, as far as my activities beyond the bounds of my recognised profession are concerned, I take them all very seriously.

If attending museum events cannot meet his utilitarian needs, 3-1 will not choose to go to a museum, and on only one occasion is the company's training programme held in a museum. As a result, what brings a person out to a museum on a particular event may have nothing to do with the art form itself.

At Leisure

This is about socialising with a mix of colleagues such as drinking after work, socialising with clients, and maintaining relationships with friends or family.

Apart from work, some visitors who participated in focus group interviews (groups 4, 5, 6 and 7) did show a strong interpersonal and social component, and they also exhibit a learning lifestyle with intellectual curiosity; this leads them to be heavy consumers of continuing education courses (Chung, 2003d). According to Cultural Statistics (1999), the percentage of consumer spending on 'education and culture' has been steadily increasing from 1.2% in 1964 to around 13% in the 1990s.

There was a general consensus amongst most of the focus group participants about the advent of museum store shopping. The museum shop has become a familiar feature of city shopping and the extended socialisation of needs. This is illustrated by 1-1 and 1-2 (Female/Age:20-34/lecturer) both reflect consumer's view and say:

1-1: You must spend time carefully seeking for fascinating books or gifts

hidden in the ‘small cabinet’. I often discover some things unexpectedly. I would like to buy catalogues, videos, postcards or souvenirs which are designed and made by the MOCA, Taipei, but there are few choices.

1-2: I’m also very fond of museum shops. I believe that aesthetic and cultural motifs are devised to add value to products.

In this way, as William (1982:67) remarks, the discourse of commerce had shifted from an insistence on the “immediate purchase of particular items” to an attempt to generate and provoke the “arousal of free-floating desire.” As can be seen, this emergence of new consumer lifestyles and their novel patterns of interaction between persons and things drive a perpetual transformation of the museum.

This trend has also emerged most recently in the form of very large one-stop leisure destinations that combine retailing, entertainment, catering and leisure activities (Chung, 2003d:43). The typical consumer is primarily concerned with the quality of the experience he or she receives and whether or not value for money has been obtained. That experience may sometimes be affected as much by the quantity and quality of the facilities, as by the technical quality of the display. Participant 7-5 (Male/Age:20-34/tour guide) explains the reasons to bring ‘his customers’ to the NMMBA and says :

It is “a pleasure-house” with three attractions: superior architecture, a new vision for education and exhibition, and amenities such as shops and restaurants. The shopping-mall atmosphere of the foyer makes our lives into a form of entertainment.

Concerning tourism as a source of visitors, Kotler and Kotler (1998:105) point out

that museums are increasingly working with travel and tourist agencies and the hospitality industry to develop plans, promotions, and programmes to attract tourism.

6.2 Motivation and Experience

Among those who do attend museums, the data analysis shows their motivations lie in their childhood. Kolb (2000) has identified four factors that affect adult cultural preferences: values transmitted by family, values transmitted at school, childhood exposure to the arts and practising an art form as an amateur. In addition, Kolb (2000:123) points out that personal motivation, personality and values and beliefs play an equally important role in determining attendance. If these factors are negative influences, they may cancel out the positive influences of education. Even if other influences are not negative, it may not be true that exposing young people to culture at school leads to a lifetime of cultural participation. Students are also exposed to mathematics, geography and literature at school, but only a small minority continue to enjoy the subjects as adults. Here, the interesting question for me is not only why he/she prefers one to the other but also in what way is this choice consistent with other choices he/she might make. The following section examines in detail how a person tries out a museum and learns to enjoy the experience; and how learning is to be retained and experience is to be repeated.

6.2.1 First Visit

Generally, participants says that their first visits are 'school trips' organized by the primary schools. Few can actually look back on preschooling and early childhood learning. Four major museums are frequently mentioned and there is a brief list as follows (Table 6.1):

Table 6.1 Popular Museums for a First Visit			
Name	Type	Area	Year of opening
National Taiwan Museum	History	Taipei	1907
National History Museum	History	Taipei	1955
National Palace Museum	Art	Taipei	1965
National Museum of Natural Science	Science	Taichung	1986

Participants 2-6 and 2-3 initially discuss negative influences which arise from physiological states of tension such as discomfort:

2-6: My first experience is the National Taiwan Museum. I find the light is not enough and it makes me feel sleepy (Female/Age:20-34/student:art teacher trainee).

2-3: I totally know your feeling. To me, the atmosphere of the National Palace Museum is VERY cold and it also gives a psychological feeling. (Male/Age:35-49/photographer).

According to the Social Education Act, museums and galleries are defined as educational institutions. Thus, museums, like other educational institutions, look upon themselves as performing valuable public-interest activities that deserve public support. Generally speaking, the idea is to bring children away from school's formal lessons. Participant 2-2 (Female/Age:20-34/unemployed) states:

At that time, a museum visit is more like a fun day out rather than a real opportunity of learning. I am not EVEN aware of a so-called 'museum visit'. The concept of the 'museum', in a modern sense, is brought from Japan and the West, and just spreads through Taiwan currently.

Participant 2-4 (Female/Age:20-34/student) also emphasises her social value of a museum visit and states:

I remember that most primary schools regularly hold whole school examinations two or three times a term. After 'hard work', surely, it is a fun day as a reward for us. In my recollection, I am looking forward to visiting the National Museum of Natural Science because it is (to children) far from Taipei and we are able to stay in Taichung for a night.

One-off visits to the museum for groups of schools children probably have little lasting effect because the children do not have the ability to repeat the experience on their own (Kolb, 2000:123). Yet it doesn't apply to participant 2-5. The social benefit of a museum visit seems to train her to become a more independent individual. Participant 2-5 (Female/Age:20-34/student:art teacher trainee) who is a friend of 2-4 points out the pressure of group rules and says:

A school visit is different from a visit with friends [like today]....Children cannot act as they wish with a school visit because a school is a corporate identity; a school visit has its own agenda so the children cannot go somewhere or do something which is against the plan of the school. I have been visiting the special exhibition of Egypt with friends at the National History Museum even as a child, and also go to the Taipei Fine Art Museum.

By comparing these comments, it becomes clear that the social benefits of museum visits is in the development of inclusive childhood experience and in shaping of children's social behaviour.

6.2.2 Learning

Apart from the social benefits, visiting museums is also seen as a good way of enriching childhood experience. According to the interview data, it shows that the teachers' and parents' expectations of a museum visit reflect their educational preconceptions and also shape children's visiting decisions.

Teachers' Expectations of A Museum Visit

It is also interesting to find that seven participants (1-1,1-2,2-1,2-5,2-6, 6-3, and 6-4) with a teaching profile show different expectations of a museum visit. Three female teachers 2-1, 2-5 and 2-6 are concerned with an exam culture and the safety of a visit. As museums are not recognised as a necessary provision for teaching lessons, as 2-1 further comments, teachers may even regard a museum visit as an extra burden on their already heavy workload. The great concern for teachers' museum agendas is confirmed by the findings of Tsai's (2002:34) study, which notes that Taiwanese teachers seem to understand and appreciate less the educational merits of museums, because the museum pedagogy is totally different to that which teachers uphold in schools, stressing modelling, hard working, and collective congruence.

Turning in comparison to the primary schools, 1-1 and 1-2, both university lecturers on the subject of design, easily accept the atmosphere in the museum is helpful to them and express that among various places available for visits, museums are definitely the first choice for teachers. 6-3 and 6-4 also request cooperation with museums and would be willing to pay for educational products. To 1-2, the lack of imagination which is cultivated and inculcated by a primary school makes her dull, as she remarks:

I did not enjoy museum visits in my early childhood until studying in England. Now, I am greatly concerned with motivating students to actively explore and interact with their surroundings, and use outside resources, such as museums, to facilitate their learning.

Parents' Expectations of A Museum Visit

For many childhood visits, the family also acts as a single decision making unit. A family holiday, for example, has to provide something for every member of the household. In analysing the ways in which such decisions are made, the roles usually seen in an industrial organisation can be distinguished (Kotler, 1994:209). All members of the family are *users* of the product. The children are *influencers*, in that the parents want to make sure they will be happy and cooperative, but the choice must be *approved* by the parents. The main wage earner, usually the father, will be the *decider*, but it could well be the mother who acts as *buyer*. It can be obviously seen in the 5th focus group interview conducted for the NMMBA. 5-5 (Male/Age:50-64/Civil Servant) and his wife 5-6 (Female/Age:50-64/Civil Servant) have learnt that the museum visit is desirable, and this leads to increased attendance by everyone in the family. As 5-5 explains:

I prefer a place where people of all ages can participate in an active way, so I feel that going to a museum is a suitable family activity. To me, the NMMBA offers a stimulating, exciting experience.... Although I have been here several times, today, I am happy to guide my daughters (5-1, 5-2, 5-3 and 5-4) and their partners (5-7 and 5-8).

With a similar background, 5-7 and 5-8 (Male/Age:20-34/professional and technical)

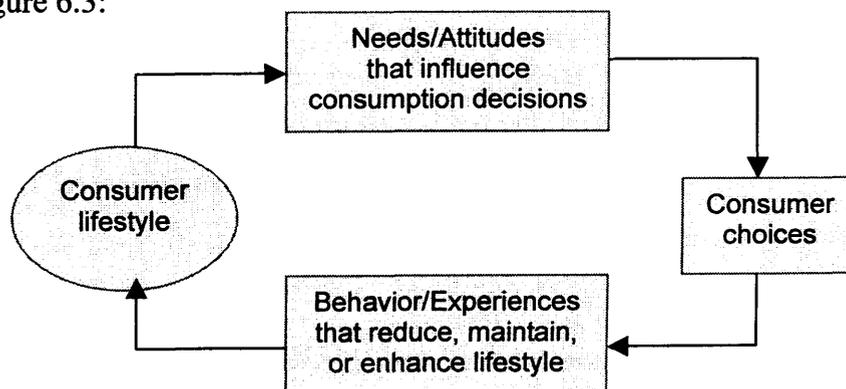
both identify the elements of a visit that contribute to a positive, satisfying experience, as 5-7 comments: The Museum inspires me to want to go back and learn more. It prompted me to ask questions about things I had not previously learnt more.

Four daughters gladly mention ‘Mother gets the bill’ and they feel as if going back to their childhood. These findings suggest that it might better to target such learning experience by reaching out to families through museums rather than schools. Further recommendations will be proposed in chapter 9.

6.3 Motivation and Lifestyle

In Maslow’s view, the need to belong is more powerful than the need for esteem or self-actualisation. It is not surprising therefore that our attitudes to products or activities are influenced by those we live and work with, and by the society and culture in which we live. According to Hawkins et al. (1995:22), your lifestyle is how you live. He states that the total image you have of yourself is a result of the culture you live in and the individual situations and experiences that comprise your daily existence. Consumers purchase and consume products to maintain or enhance their lifestyles. The Process ‘*Consumer Lifestyle and Consumer Decisions*’ is shown in

Figure 6.3:



Source: Hawkins, Best and Coney (1995)

This does not mean to imply that consumers think in term of lifestyle. None of us consciously thinks: *I'll have a cup of tea in order to enhance my lifestyle*. Rather we make decisions consistent with our lifestyles without deliberately considering lifestyle. Most consumer decisions involve very little effort or thought on the part of the consumer. They are what Colbert (2001:83) calls “low involvement” decisions. One visitor may, for example, perceive museums as a product with a constantly high level of involvement, whereas another may feel that level of involvement only in a situation—for example, when choosing the only exhibition to attend this year.

How does a museum visit fit a visitor's lifestyle and express his/her identity?² Any particular museum has different meanings for different kinds of people in relation to the interests they are pursuing. A given preoccupation may be expressed differently by different individuals. The focus group data yields the following three major themes that pertain to the meaning of museum attendance in terms of building ‘small worlds.’ First, it appears that an individual is motivated to seek for more museum information related to that individual's benefit. The second is that social relationships are often created and maintained through shared experiences with symbolic meaning. Third, participants are actively in the process of becoming a new type of person, using the relational aspects of museum attendance in the social construction of their new identities.

6.3.1 Involvement of Museum Attendance

There has been considerable discussion of personal interest associated with the product (e.g., visiting specific types of museum) in a given situation. Through

² In social interaction the presentation of personal identities come together with the social identities perceived by others in a process of identity-building and revision, see Kelly (1983:21).

information seeking, consumer motivation to buy a product is largely related to previous experience and level of product involvement. Involvement may therefore be considered a reflection of the importance of a specific product for an individual in a given situation. In this context, the term 'Involvement' means a state of motivation, arousal, or interest. This state exists in a process. It is driven by current external variables (the situations; the product; the communications) and past internal variables (enduring; ego; control values). Its consequences are types of searching, information processing and decision making (Rothschild, 1984:216).

From the focus groups' data analysis, it also can be seen that the level of 'museum involvement' is likely to be linked to a participant's occupation. Particularly teachers and tour guides perceive museums as a product with a constantly high level of involvement. Both exhibit distinct lifestyles. 7-5 (Male/Age:20-34/tour guide) terms himself as a "career-oriented individual".

Colbert (2001:84) suggests that involvement is also a function of the risk that consumers associate with the purchase or use of a product. The riskier the purchase or use of the product, the greater the consumer's involvement. The risk is common in the service and museum sectors, which usually do not allow consumers to test the product before buying. 7-1 (Female/Age:20-34/student) tries to reduce functional risk by seeking as much information as possible on the magazine to be bought. She also considers economic risk and says:

I have done much 'homework' in advance before coming to the NMMBA, and as a guide of the group [7-2,7-3, and 7-4 are her colleagues], I must consider the value for money in terms of high admission charges.

6.3.2 Build Bridges to Socially Distant Acquaintances

According to a survey of the report on visitor studies carried out by the MOCA Taipei,³ information is gathered on the number of people who attend museums with others as opposed to going alone.

This study confirmed this pattern. Only one of the participants interviewed, 2-2 Female/Age:20-34/unemployed, attends the MOCA Taipei alone. She appears to be quite proud of this fact; she clearly feels that single attendance indicated that she really appreciates the core arts product in contrast to other attenders whom she feels attended primarily for social reasons. She states:

I feel that a lot of people are there not because they're real keen art fans but because it was part of their social circle and that's not really what brought me into a museum. *(She adds, almost immediately, however, that)* I wouldn't say social things aren't part of the event... If I can attend with someone I will... the opportunity to discuss what has been seen is part of the event really... in fact, [the arts] are important to your relationship with people...it gives you a common thing to talk about.

The desire to attend with others is also expressed by a middle age man (2-3), a photographer who contrasted his behaviour with regard to the performing arts with that towards the visual arts. He would often go to an art gallery alone to see an exhibit, but never attended the performing arts alone. At first he attributes this to the fact that he would go to galleries in a short time period, during the day, and that

³ As described in Chapter 5, the MOCA undertook its first visitor survey in December 2002

therefore it seems too much trouble to get someone else to go. Later he stresses another aspect of his attendance. Because he is a photographer and has many friends who are engaged in the visual arts, he states that he makes a point of seeing visual arts shows that they have seen because they enjoy talking about works together. But, he does not socialise with people who attend the performing arts regularly, so “it’s more important to find someone to go with me at the time.”

This theme of wanting to share the experiences surfaced in all the interviews: the conception of membership in the same “world” as a result of knowledge of shared consumption experiences. It seems that shared consumption can be used, not only to grow intimate relationships, within a family, but also to build bridges to different, more distant, groups of people, such as neighbours or business acquaintances.

6.3.3 Develop Individual and Community Identities

Although shared consumption seems to be used generally to symbolise connections between individuals in the same “small world,” some participants appear to engage in mutually recognised social rituals in order to make the transition from one small world of connected individuals to another. This is illustrated by 1-2 (Female/Age:20-34/lecturer) and she says:

I come from a family that’s not really cultured; I’m not really into the class system or anything, but I do believe there are subtle differences because I have a masters degree and nobody else in my family does. I have been known to look like a snob...when I go home, if I talk about those things [the arts], it’s roll the eyes, oh there she goes again....”

This young lecturer’s comments suggest that she values the establishment of a new

“small world” in and of itself. She feels clearly that her participation in the arts [museums] demonstrates to other people that she is a certain type of person. There is a connection between membership in “small worlds” and self-identity.

It is striking that participants in the MOCA, Taipei tend to talk about the different “worlds” of people with whom they used to associate and with whom they are associated now through [art] museum attendance. 1-3 (Female/Age:20-34/official) remarks “ that is why I love to attend the focus discussion today!”

6.4 Motivation and Leisure

According to the interview data, the word ‘leisure’ can be used to refer to leisure time, leisure activities or the state of mind of being at leisure. It is usually the activities that are being marketed, and these will be the main focus of the sector. However, as the activity takes place in ‘leisure time’ and provides the participant with a ‘leisure experience’, it is important to understand what distinguishes these from other kinds of time and experiences.

A museum visit tends to be a social activity “combining looking at something interesting while enjoying the company of people whom we enjoy being with” also confirmed by Davies (1994: 65). Therefore it is one of many possible alternatives that could be used as a means to fill leisure time. One of the pioneering analyses of the types of museum visitors and the frequency of their visits in the context of leisure choices was done by Marilyn Hood during the 1980s. Hood (1983:51) identifies the following six attributes that influence leisure choices as follows:

- Being with people, or having social interaction
- Doing something worthwhile

- Feeling comfortable and at ease in one's surroundings
- Having a challenge of new experiences
- Having an opportunity to learn
- Participating actively

Hood also asserts that as the traditional museum visitors—the upper education/occupation/income group—is increasingly pressed for leisure time, decision-making criteria regarding use of their valued hours are bound to become more stringent. As a result of pressure on time, time has become a currency. It has become a precious resource that is carefully spent, invested or saved. People now make choices based on what offers the best value for time.

6.4.1 Leisure and Freedom of Choice

The desire to be *free* not only from the necessities of work, but also from the obligation of family and social duties is expressed by 2-1 (Female/Age:20-34/art teacher). 2-3 (Male/Age:35-49/photographer) adds:

To me, leisure allows freedom of choice to 'do what one wants to do' and 'do something for its own sake.' I regularly walk my dog in the park. I wonder is this an essential domestic chore, an optional leisure activity or, since I use the time to think about this image, trying out the sentences in my head as I walk, is it part of my working time? Nevertheless, no leisure activity is really essential, and this absence of necessity means that 'salesman' has to work harder to persuade a consumer to choose a particular activity.

Accordingly, emotional needs seem to be closely linked to the desire for an experience that is compelling, stimulating and fun. These needs are not related to

consumption as a means of resolving a problem, filling a void, communicating a message or acquiring social status. They are about getting away from problems or daily routines. Some students in the focus discussion say that they have to 'get out' and escape from the house and from their family.

There is also a sense that the arts [museums] might be on most people's lists of things to do, but only if they fitted in with their lives. Most people already have too many things to do in their lives. It is also interesting to note that people seldom visit museums in their neighbourhood and it is not regarded as a leisure activity.

6.4.2 Leisure and Retirement

From the data analysis, it can be found that people's leisure needs change with age and their stage in the family life cycle. Although generally middle-class parents tend to take their younger children to museums, they also tend to take their own parents to museums; particularly choosing the package holiday which originally offers 'senior tourists'⁴ satisfaction of security and social needs. The need for self-development sayed itself in a growth in activity holidays, and it is no longer enough just to sunbathe on the beach. Taking a museum visit to leave the organized tour is needed. Therefore, apart from the basic elements of a holiday – accommodation, transport, beaches and tourist entertainment, there was widespread NMMBA recognition in the late 1990s that Taiwanese spend their holiday in the south of Taiwan.

After an enjoyable museum visit with the local community, a housekeeper 4-3 particularly recommends the NMMBA for her husband (4-2) and Mother (4-1). As

⁴ Based on MacCannell's definition (1989), "Tourist" is used to mean sightseers, mainly middle-class, who are at this moment deployed throughout the entire world in search of experience.

she states, “after my husband’s retirement, we have much leisure time.” A similar pattern emerges in Group 6.

Of course not all senior visitors attend with the family. Volunteers 6-5 and 6-6 who are retired from school both help in supporting museum [NMMBA] services such as interpretation. 6-5 (Male/Age:65+/retired) says “I love visiting museums while I am on holiday not only in Taiwan but also in Japan, Hong Kong...But now I enjoy offering my time for NMMBA.”

It is interesting to note that people pass through several life cycle stages from childhood through adulthood. Their motivations and leisure choices are influenced by their age and their outlook at various stages in life.

Summary

Following the results of data analysis—re-examining the hierarchy of needs in the context of the spread of benefits available to a visitor to an exhibition—suggests that the museum offers satisfactions at all levels rather than just the obvious one of self-actualization. In this chapter, I begin with a better understanding of why people visit museums and how those visits are integrated into their value system.

I am concerned with the influences of the family on the individual’s ‘life line’ development, and in the way different spheres of influence interact at different times in the cycle. Rapaport & Rapaport (1975:19) suggest that individuals develop their lives along three lines—family, work and leisure—which combine to form whole lifestyle patterns. Individuals integrate influences and experiences in all of these life spheres as they create and live out a life career. As can be seen in the analysis, each line involves relationships with people who influence consumer behaviour.

Chapter 7

Visitor Attitudes Towards Consumption within the Museum

Attitudes lead people to behave in a fairly consistent way towards similar objects. As Kotler (1997:188) notes, “people do not have to interpret and react to every object in a fresh way. Attitudes economise on energy and thought.” For this reason, Colbert (2000) also asserts that attitude represents a particularly effective mechanism, allowing the people to reach a decision simply quickly and effectively using positive past experience and ensuing personal judgment. They develop slowly as the result of our own experience and the influence of our peers, society and culture. As such they are difficult to change, particularly in important areas like lifestyle (Morgan, 1996:89).

The emergence of new “lifestyles” among visitors is noted in Chapter 6, and lifestyles have become a social language because people tend to seek a sense of community based on similarity in consumer habits. The novel patterns of interaction between persons and things created by environments of mass consumption appear in the museum. As Bryant (1988) remarks, “it is acknowledged that museums are in competition for a share of the public’s time, interests, energy and support.... Consumer goods now offer their purchasers not only function but added value ‘experience’ in terms of image and lifestyle.” There is also a noticeable transformation in the museum setting—visitors as customers (Lewis, 1994; Kawashima, 1998). However, the term ‘consumer’ is currently in vogue. The language of “market values”¹ is also relatively new to museums, only still reluctantly being adopted, several decades behind most other cultural institutions. Lewis (1994:220) points that we need to look ‘through a glass darkly’ at the terms we

¹ As Samuel (1994: 242) states, “in a consumer-led society, everything has its price, and market values are unchallenged, [heritage] ‘traffics’ in history and ‘commodities’ the past.... They [museums] are ‘part of the leisure and tourist business’, and thus intimately linked to the Disneyland and theme parks.”

distrust—business, profit, product, consumer, etc.—and see what is of value to us.

Following the attitude literature, the chapter aims to provide insights into the understanding of the nature and content of visitor attitudes towards consumption in the museum. Section 7.2 presents a discussion on how a museum fits its ‘product’ into existing attitudes rather than changes people’s attitudes. If individuals are likely to assess the benefits and costs of the museum product, what is the nature of consumer costs? Based on the data analysis, Section 7.3 identifies four types of the consumer costs; they are money, time, cognitive activity, and behaviour effort. A further discussion on how price information is comprehended by consumers and made meaningful to them is revealed in Section 7.4. Finally, efforts are made to broaden brand images and affect perception of quality. In order to answer the third research question, this chapter focuses on visitor attitudes towards consumption in the museum.

7.1 A Review of Attitude Theory

7.1.1 What is Attitude?

The prevailing view among social psychologists is that “attitude” has both belief² and affective³ components and that attitudes and behaviour should be consistent (Snyder 1982; Fazio 1986; Eagly and Chaiken 1993, Petty, Wegener and Fabrigar, 1997). Attitudes have been defined in a variety of ways, but at the core is the notion

² A belief is a descriptive thought that a person holds about something, which may be based on knowledge, but also on faith or opinion. Beliefs lead to the formation of attitudes, which are an emotionally charged reaction to a set of beliefs, and lead to behaviour patterns which are very slow to change, see Kotler (1997).

³ The affective category contains feelings or emotions that people have in relation to attitude object, see Eagly and Chaiken (1993).

of evaluation. Thus, attitudes are commonly regarded as summary evaluations of objects (e.g. oneself, other people, issues, etc) along a dimension ranging from positive to negative. Fazio (1986) defines attitude as a learned association between a concept and an evaluation, and also suggests that the more rapidly an attitude can be expressed, the greater its strength. The stronger the attitude the more accessible it is. Highly accessible attitudes are linked to selective processing of information and even selective attention. If a given attitude is accessible (or available), then it is more likely to drive behaviour. Moreover, if a given attitude is relevant (or useful), then it is more likely to drive behaviour. Following Fazio (1986), only accessible attitudes will influence behaviour. An attitude is, in this context, available when you can think of it, when you know that you have got an attitude on this topic, and when that attitude is “turned on.”

As noted in Chapter 6, Hood’s (1981) pioneering analysis of the types of museum visitors and the frequency of their visits in the context of leisure choices has suggested that any choice process begins with the consumer’s own evaluative criteria; from these each person develops his/her belief and attitudes about the product (in this case, a museum visit). If attitudes towards this visit are favourable, in comparison with alternatives, intentions to participate follow. These considerations will be influenced both by their attitudes towards the museum, including their perceptions of the benefits and costs of a museum visit and by their understanding of the social norms of their reference groups (relatives and friends) with respect to museum participation (McCarthy and Jinnett, 2001). As Colbert (2001:88) states, “a decision-making process based on attitude requires both experience and involvement in the particular cultural product or category of cultural products.” The museum is therefore relevant to him/her because it fits well into his/her pre-existing attitudes.

There is still a challenge: how does a museum fit its 'product' into existing attitudes rather than try to change people's attitudes? If people believe that 'only intellectuals go to art museums' then they may conclude that they would feel uncomfortable in such an environment and form negative attitudes which will deter them from attending. A museum can benefit greatly from researching the attitudes visitors hold towards the museum, the experience, and the brand. A level of confidence the visitor has in his/her beliefs about museums is important and needs to be measured.

7.1.2 Visitors as Consumers

Within academia there is increasing interest in consumption and consumers; Miller (1995) offers a comprehensive survey of consumption studies across a wide range of disciplines. Valentine (1995) argues strongly that qualitative researchers should be similarly concerned and should adopt a role as 'consumptionists'. As the literature on perceived risk (Cox, 1967) clearly demonstrates, consumer purchase decisions are frequently made under conditions of varying uncertainty regarding the product and its attributes. To reduce such uncertainty, consumers seek and process information regarding the product and generally attempt to form accurate impressions of it.

There have been consequences for the scope of market research in 'creeping consumerism' or the reframing of users of public services of all kinds as 'consumers'. This has brought some types of organization, such as museums, galleries and educational institutions, into the field of market research for the first time (Marks, 2000). Writers have also observed that 'constructions' of the consumer—the ways in which 'consumers' are talked, written and thought about—have changed and continue to change (Gabriel and Lang, 1995). They identify nine current and to some extent competing constructions of the consumer, including 'chooser',

‘communicator’, ‘explorer’ and ‘identity-seeker’ (which might sound familiar to a commercial qualitative researcher) and ‘victim’, ‘rebel’ and ‘activist’ (which are less comfortable and less familiar ways to think about what we generally just call ‘the consumer’). It is now questioned whether an ‘identity’ displayed in one context has any kind of bearing on other aspects of that person’s life, or indeed on the same aspect displayed in another context.

To begin discussion of this topic we may consider how research based on data from subjects’ day-to-day activities can seek to preserve the ‘phenomenon’ of interactions like ‘conversation’. Although such ‘naturally occurring’ data are never uncontaminated (for instance, interview data may need to be recorded and transcribed), they usually give us a very good clue about what museum participants usually do. Methods such as focus group interviews provide an opportunity for people who are already visiting the museum to talk about topics freely and in their own words. My intention here is to explore visitor perceptions, and find out in detail what they think about things they have never thought about before, for example, the meaning of “museum experience” to them. Using the focus group interview data I have started to categorise museum visitors according to their attitudes. Figure 7.1 and 7.2 show this initial categorization into what I have called “consumer typologies.” Figure 7.1 assumes that visitors have stable identities, in which case types of visitors respond to pricing levels (‘higher’ or ‘lower’) in the way suggested by the table - for example, these who visit for primarily social reasons would pay higher price if they are accompanying visitors, but if they are passing trade they would only be interested in if the prices were lower.

It is necessary to keep in mind the dynamics of the data and the form of speech

collected in a group situation when considering the whole process of analysis, from transcription requirements to interpretation of the data. Thus, the empirical conduct of speakers is treated as the central resource out of which analysis may develop.

Figure 7.1 Consumer Typologies - Stable Identities

Attitudes Price levels	Personal Beliefs	Social Norms
Higher Prices	Aficionado	Accompanying Visitor
Lower Prices	Volunteer	Passing Trade

Figure 7.2 Consumer Typologies - Shifting Identities

Attitudes Price levels	Personal Beliefs	Social Norms
Higher Prices	Aficionado? Client? Day-out tourist? Accompanying Visitor?	
Lower Prices	Volunteer? Student? Neighbour? Passing Trade?	

Figure 7.2 shows the impact of these shifting identities among participants of focus groups, in relation to this response to pricing. Ereaut (2002) argues concerning the idea of shifting identities that, in the ‘postmodern condition’, and given the speed and complexity of the contemporary world, we might better regard individuals as occupying myriad roles and as displaying multiple identities according to the specific situations in which they find themselves. Our only real identities, it is suggested, are the sum of these shifting identities, always provisional and always in flux. It is worth noting though that we tend to use a limited repertoire of ways of thinking about those we interview and the identities they display to us in research, and that it could be instructive to be aware of some others.

It should be noted that the dollar price of a ticket might be only a part of the total price of the exchange for visitors in a situation of shifting identities. I have further elaborated Figure 7.1 and 7.2 in Chapter 9 where I also include motivations and loyalty factors.

7.2 Attitudes towards Museum Products

A *product* is anything a consumer acquires or might acquire to meet a perceived need (Hawkins, Best and Coney, 1995:15). In the context of consumption, the section presents a classification system based on the amount of effort the consumer expends to acquire the product. There are summarised in Table 7.1.

Table 7.1 The Concept of Museum Product

“Traditional” Concepts	Images created by Advertising	“Commercialization” – supported products
Collection	Treasure	500-page catalog
Re-interpretation	Pleasure	Special Exhibition
Education	Knowledge	Certificate
Service	Cool	By-products

7.2.1 Collection & Re-presentation

To view a museum as a building to house collection of objects for inspection, study and enjoyment, 3-6 (Male/Age:35-49/professional and technical) claims “what is distinctive and different about museums... is that they collect and display objects.”

Regarding the collection of objects, the conversation of 3-4, 3-5 and 3-3 continues:

3-4: At well-stocked museums such as the Louvre, there is usually a group of masterpieces representing every “period” with a logical place in the totality, therefore, for each individual masterpiece.

3-5: I assume that the “national collections” can be regarded as “museums of books”, so it is possible to ‘re-display’ objects. Thus, a re-presentation is an arrangement of objects in a reconstruction of a total situation and it can provide me with a ‘meaning’ from the standpoint of things inside of the display (Male/Age:20-34/editor).

3-3: I like every exhibition created by the MOCA, Taipei; for example, Design+, shown soon after its openings, challenged received notions of design in spanning popular culture (Male/Age:35-49/manager).

As Colbert (2000:88) suggests, there are attitudes towards products perceived as a whole (museums, collections, exhibitions, workshops, etc.) and attitudes toward the components of a cultural product (a particular subject, artist, curator, or scholar). This nuance is vital to a full understanding of an attitude and how it formed. In cultural products, this type of association is at the core of many attitudes. Products associated with the star (the Louvre) or special events (Design+) are an excellent example of this use of attitude to earn prestige or fame.

1-5 (Male/Age:20-34/military service) is concerned with ‘permanent collection’ and asks ‘if an art museum without its collection is just an art centre. Why should I pay for seeing a small number of objects?’

Regarding the ‘permanent collection’, Director Leon Paroissien, points out that new art centres emerged during the course of the twentieth century. The rapid proliferation of international exhibitions such as biennials from the 1990s reflects the aspirations of cities to have a rich visual culture and attract something of the aura that surrounds the great historical cultural cities, such as Paris and New York. Newly

emerged art museums—in diverse regions and in cities that may be quite small—are to be found throughout the exhibition lists in artists' biographies.⁴

One impression usually of considerable importance to most participants is the product's (or brand's) quality. Cues relevant to forming impressions of quality include prices, product composition characteristics, brand images, advertising, word-of-mouth reports, and early experiences. Of these cues, as Shapiro (1968) notes, "price is a powerful piece of information for the consumer.... Since price is concrete and measurable, the consumer views it with much confidence." From the data, it shows that price is indeed a determiner of perceived quality. In this point of view, 2-3 (Male/Age:35-49/photographer) gives an example of the 'Picasso Exhibition' shown in the National Palace Museum, and tells "I do not mind the higher price if the 'product's quality' is good! The MOCA, Taipei offers the lower price but, I feel a 'cheap' display." Furthermore, he suggests that the MOCA, Taipei should offer a 'special exhibition' associated with 'star artists' and price it differently.

"I am not familiar with several names of contemporary artists," says 3-1 (Male/Age:35-49/professional and technical) and he defines himself as being the 'unavailable audience'. He adds, "at this time I am motivated by my friend [3-6] and hoping to change my attitudes towards contemporary art." With this large and varied group of people called the 'unavailable audience' the principle cause of non-attendance is attitude not money; whether it is indifference or hostility it is the attitude that must be changed first. This is the reason why museums always need to be financially supported and take great pains to encourage people to join. As 2-3

⁴ "Locating Art - the City: A Dialogue with Leon Paroissien (Discover Taipei: 37, pp18-22)" is based on the interview transcript dated 14 November 2002.

suggests, ‘Campaigns are needed!’

Vaughan’s paper (2001) on ‘images of a museum’ has demonstrated that residents of the town have perceptions of what the facility offers and are subject to different positive and negative influences during any consideration of whether or not to make a visit to the museum⁵. Perception is the process by which an individual selects, organizes and interprets information to produce meaning (Hill, O’Sullivan and O’Sullivan, 1995:33). We interpret that information based on the attitudes and beliefs we have stored in our memories and only if the information is deemed important will we remember it. This explains why museums find it difficult to attract groups who have traditionally shown little interest in museums. First of all, these groups ignore the messages about museums—they are unlikely to notice the adverts or reviews. If they do notice them, they may interpret them negatively if they hold negative attitudes towards museums.

7.2.2 Knowledge as Commodity

Hooper-Greenhill (1992:2) has claimed, “Knowledge is now understood as the *commodity*⁶ that museums offer.” It calls our attention to the fact that many museums today are responding to commercial pressures by actively re-organising their spaces and collections, in order to present themselves as environments for self-directed learning, often to new ‘consumers’. Drawing from data, visiting the

⁵ As Vaughan (2001) notes, ‘the image of a specific museum can be described as the impressions or perceptions of the facility held by individuals.... Therefore image is an overall mental picture, which may often be a stereotype, and is formed through the sifting of the mass of information available to the individual both about the specific museum and about museums in general.

⁶ As MacCannell (1989:21) notes, one of the most striking aspects of modern capitalist societies, not often remarked, is the degree to which the commodity has become integral with culture: language, music, dance, visual arts and literature. See his popular *The Tourist: A New Theory of the Leisure Class* (New York: Schocken Book Inc.)

museum becomes ‘a fashionable activity’ for college students, and this increased emphasis on the value of the leisure experience has been facilitated by the expansion of the cultural sphere, says 7-1 and her colleague 7-2 (Female/Age:20-34/student):

7-1: I view the museum as a grand palace of knowledge, and it is worth paying time and money. I don’t have such a good “taste”, but just search for pleasure... gaining a magnificent view of the ocean.

7-2: I also think that museums help us to meet the goal of improvement in the comprehension and creation of our world through their educational function.

Both depictions of consumer life create an image of the good life as involving an expanding and escalating set of consumer goods, in short, the style of life appropriate to new middle class status.

7.2.3 By-products

What do *by-products* mean for consumers in the museum? Kotler & Kotler (1998) use the term ‘purchasable products’ and point out that many visitors like to leave a museum with a souvenir of their visit. Museums also provide different types and levels of food service. It has been seen that museums have become more aware of the need to cater for consumer needs and have started to provide the café [catering] and the shop [merchandise].

Regarding the relationship between admissions & by-products, 6 participants: 4-2 (Male/Age:65+/retired), 4-5 (Male/Age:35-49/professional and technical), 5-8 (Male/Age:20-34/professional and technical), 6-3 (Female/Age:50-64/principal), 6-4 (Male/Age:50-64/teacher), 7-5 (Male/Age:20-34/tour guide) argue that any income

earned on the by-products should make it easier for the museum to charge a lower price on its main product if competition forces it to do so.

But, 7-5 continues, “the NMMBA does not realise how valuable their by-products are.” ‘Souvenirs, gifts, novelties, books, and educational games are typical’ says 1-1 (Female/Age:20-34/lectuer). She continues, ‘products related to a particular exhibition have a shorter life cycle than venue-related branded items. Long-running shows with high-predicted visitors are an excellent merchandising opportunity’ 1-2 (Female/Age:20-34/lecurer) adds, ‘venue-related merchandise (T-shirts, china, bags, etc) is a useful adjunct to the museum image. I would like to have a sweatshirt with the MOCA’s logo.’ But, 1-6 (Male/Age:20-34/homemaker) complains, ‘Once I bought a T-shirt but it faded and shrank. I have never visited that museum.’ Merchandise offers significant income potential, but it is a risky operation. Careful selection and testing of items is very important, as is finding out as much as possible about the supplier.

It is interesting to find that frequent visitors (who visit the museum at least three times a year) accounted for 44 %⁷ of adults in the MOCA, Taipei. Ninety-three percent of visitors were satisfied with the low admission charge, but 2-4, 2-5 and 2-6 (Female/Age:20-34/student) said that they did not have either the time or money for secondary spending in museum shop or café (Chung, 2003a). As 2-6 explains:

I look for artistic experience [holistic product]⁸ in the museum. Why should I buy ‘toys’ here? I even prefer to get exhibition catalogues or books online. It is

⁷ The MOCA, Taipei undertook its first audience survey in December 2002. The primary research explored visitors’ backgrounds, preferences, and views of museum services.

⁸ As McLean (1993:18) notes, this ‘product’ is holistic, in that the quality of a visit is affected not only by the exhibition but also by a host of other facilities it offers.

much quicker, just click!

1-4 (Female/Age:20-34/student) also gives another reason: “there is the shopping area nearby, and I prefer to go to the Idée Department Store [a trendy store for the young] after visiting the MOCA, because I can have lots of choices to buy there.”

While the MOCA, Taipei would claim they wish to enhance their customers’ experience during the visit, it is not very clear what ‘experience’ might mean or how in concrete terms it might be improved. It seems too naïve to assume that what the café or shop offers will keep customers in. Therefore, museums must acquire a better understanding of how people appreciate artistic and cultural presentations.

7.3 Attitudes towards Costs

Drawing on focus group interviews, four basic types of consumer costs can be identified; they are: money, time, cognitive activity, and behaviour effort. One of the ways that museums seek to provide consumer value is to reduce the non-price costs of operating a product (Hawkins, Best and Coney, 1995). What should become clear is that the dollar price of an item may often be only a part of the total price of the exchange for the consumer.

7.3.1 Money

As Peter and Olson (1999:432) notes, most pricing research has focused only on money—the dollar amount a consumer must spend to purchase a product or service. This research has recognized that the same dollar amount may be perceived differently by individuals and market segments, depending on income levels and other variables. Table 7.2 lists tactics museums might use to lower prices as

recommended by participants. Students with annual incomes under £2,400 (1-4, 2-4, 2-5, 2-6, 7-1, 7-2 and 7-3) were very ready to express their opinions.

Table 7.2 Some Short-Term Price Reduction Tactics

1. Special Offers: "Buy one, get one free" (called BOGO's).
 2. Coupons: Coupons in magazines
 3. Increase Value for Same Price: "free coffee!"
 4. Pence-off Deals: "Package price is 20 pence off."
 5. Winter Season Sales: "30 percent off all merchandise marked with a red tag."
 6. Reduce Charges For a Limited Time: "Last hour ticket."
-

Responding to the suggestion 'Increase Quantity for Same Price: free coffee,' 1-1 and 1-2 said that they are prepared to pay towards the cost of a museum offering a high quality service. As 1-1 says, 'Income from admission charges had allowed the museum to maintain a full complement of staff, mount major international exhibitions, develop and introduce new visitor service. If the museum lowered its ticket price, it might affect the quality of product.'

7.3.2 Time

The time necessary to learn about a product or service and to travel to purchase it, as well as time spent in a museum, can be important to the consumer. Sometimes, consumers make a trade-off of paying more money to save time. We should treat time only as a cost of purchasing. Participants 1-5 (Male/Age:20-34/military service) and 3-5 (Male/Age:20-34/editor) enjoy spending hours reading art books or catalogues. For convenience sake, 3-1 (Male/Age:35-49/professional and technical) said that he would like to buy books or use the Internet at home, because it is "fast".

It is interesting to find that it is mainly participants in the MOCA, Taipei that are concerned about time. As a result of pressure on time, time has become a currency. It

has become a precious resource that is carefully spent, invested or saved. Also, the NMMBA's participants as leisure-seekers show their decisions in terms of how to spend leisure time take on an emotional importance.

7.3.3 Cognitive Activity

One frequently overlooked cost of making a purchase is the *cognitive activity* involved (Peter and Olson, 1999). Thinking and deciding where to go can be very hard work. For example, when all of the subjects, types, and component options are considered, it would not only take a lot of time, but also be very taxing in terms of cognitive work to make a decision. Simple decision rules or heuristics can reduce this cost considerably. By repeatedly purchasing the same brand (visiting the same museum), consumers can practically eliminate any decision making within a product class, for example. On the other hand, there are some situations in which consumers actively seek some form of cognitive involvement. Aficionados (1-4, 2-1 and 2-2) frequently enjoy comparing the attributes of various types of films, concerts, or exhibitions, judging their relative merits, and assessing the ability of different form to 'enrich' life. As 2-3 (Male/Age:35-49/photographer) notes:

My feeling has always been that art galleries have a vast potential market of people who are regularly excited by what they see advertised and what they read, hear about exhibitions but who are stopped from attending by barriers of distance, time and all the distractions of life. These people need to be sold tickets then and there. Catch a person with two tickets to a top show!

Even though frequent attenders (1-4, 2-1 and 2-2) are familiar with the institution and feel psychologically comfortable in the surroundings because it is part of their

lifestyle. This desire is volatile and can evaporate quickly. “The wanting must be turned into action quickly, or opportunities will be lost,” as Diggle (1995:32) suggested.

7.3.4 Behaviour Effort

Anyone who has spent several hours walking around museums can attest to the fact that ‘purchasing’ [experiencing] involves behaviour effort. As with time and cognitive activity, behaviour effort can also be a benefit rather than a cost. For example, as 4-1 (Female/Age:65+/housekeeper) mentions, ‘Walking in museums is good exercise and is sometimes done as a source of relaxation.’ As 4-3 also suggests, museums [the NMMBA] should start early-morning programmes for senior citizens. It might create a positive image for museums and bring in potential users. 4-2 (Male/Age:65+/retired) asks ‘Can we get a lower price if we are willing to take on some marketing costs (recommendation of friends) to reduce the amount we spend and to make trade-offs among various types of costs.’

We have discovered four aspects of price from the consumer’s point of view. Purchases can be viewed in terms of which of the elements is considered a cost or a benefit and which is considered most critical for a particular purchase. However, regardless of what cost trade-offs are made, it seems that whatever is being purchased must be perceived to be of greater *value* to the consumer than merely the sum of the costs. In other words, the consumer perceives that the purchase offers benefits greater than the costs and so is willing to exchange to receive these benefits (Peter and Olson, 1994).

7.4 Price Perceptions and Attitudes

As noted in a conceptual framework in Chapter 3, one approach to understanding price perceptions is information processing, and this approach is outlined in Figure 3.2. *Price perceptions* are concerned with how price information is comprehended by consumers and made meaningful to them.

7.4.1 Price Information

Drawing from the data, we find the question of whether such access should be charged for as an entry fee (unit price) or whether it is a right in a publicly funded institution. For a low-involvement product or purchase situation, dollar price may have little or no impact on consumer behaviour. Price is not even evaluated as a purchase criterion. As seen in the MOCA, Taipei, participants do not carefully store special price information (e.g. Free entrance on Tuesdays) in their memory. Consumers simply purchase tickets without ever inquiring as to the price but simply paying whatever is asked for at the point of purchase. Only a small minority of those (2-4 and 2-6) who visit the MOCA, Taipei on Tuesdays and utter in surprise “Out of the blue!”

In other cases, price information may be carefully analysed because consumers have a particular price image for the museum they are visiting. In the cognitive processing of price information, the NMMBA’s consumers make comparisons between the stated price and a price or price range they have in mind for the product or service.

While the NMMBA is increasingly working with travel and tourist agencies to develop plans, promotions, and programmes to attract tourism, consumers are exposed to information through advertising. As a tour guide 7-5 says, “Most tourists

who choose a package holiday do not request the *single* price of the entrance fee but take an itinerary for granted. If we do not offer a visit of the NMMBA, they will not choose our programme.”

Tour guides are often considered to be cultural interpreters who provide a supportive service to tourists in unfamiliar surrounds. This is an important role that tour guides have to play, but relatively little is known about their socio-psychological roles, or whether they can affect attitudinal or behavioural change in tourists.

7.4.2 Reference Price

What factors influence that determination, the so-called *reference price*? They are (Nagle & Holden, 1995):

- (1) the current prices to which the consumer is exposed
- (2) the recalled prices which the consumer remember from past experiences, and
- (3) the context within which the price is offered.

For example, as 1-4 (Female/Age:20-34/student) says, ‘£1 is about the right price to pay for a ticket, like a box of lunch⁹.’ When a museum increases admission to 3 pounds, the internal reference price may inhibit purchase because the asking price is too high.

In their initial studies examining the reference price for previously free services, Bailey et al (1993,1997) has discovered that the reference price is likely to be zero and so provides a theoretical rationale for administrators’ preferences only to charge

⁹ In Taiwan, you can easily get a cheap box of lunch (called bian-dang) in street shops.

for a new service. Reference prices increase substantially when information is provided on the level of subsidy per user. It draws attention to the importance of accounting procedures which can accurately identify the cost of providing the service, and so to the level of subsidy per users.

The price variable may also include an external reference price. An external reference price is an explicit comparison of the stated price with another price in advertising, catalogue listings, price guides, on entrance displays etc. For example, the stated price may be compared with the seller's former price ("£1, marked down from £2"). External reference prices are used by the MOCA, Taipei to enhance the attractiveness of the stated price.

Price does exert an effect upon the perception of product quality when it is the only cue permitted to vary. Brand images may affect perception of quality, especially for brands with strong positive images. It would therefore seem as if brand image is a more important cue than price in determining quality perception of museums. The price-brand name distinction is somewhat confounded. However, especially for established products, knowing only the brand name provides more information than simply knowing the price.

Summary

One of the most interesting findings is that there is evidence to indicate that museum aficionados are capable of discriminating quality differences. Such findings may be explained by the fact that people tend to use cues systematically even when the cues possess no real predictive utility whatsoever. In the next chapter I will continue to analyse whether the consumer is highly brand—loyal. In this case consumers may

make purchases on the single attribute of brand name without comparing price, other consumer costs, or other factors.

Chapter 8

Visitor Loyalty and Variety Seeking

Loyalty is traditionally measured through behaviours such as repeat purchases, intention to repurchase or advocacy of the organisation's products (Harrison and Shaw, 2004). Satisfying customers is integral to this process. From a strategic viewpoint, a major objective of museum marketing is to increase the probability and frequency of visitors coming into contact with and exploring museums, purchasing tickets, and repeating visits.

Chapter 8 presents how participants perceive branding—the museum's vision—generally and how distinct 'brands' create visitor loyalty. Section 8.2 examines whether visitors are motivated by considerations of branding in their choice of museum destinations. It also discovers the relationship between brand loyalty and variety seeking. While museums seek to develop brand-loyal visitors, a further discussion on the usage rate of particular services by various target markets and users is revealed. Section 8.3 explores the effect of satisfaction on recommendation. Finally, despite the fact that the potential for repeat visitation amongst focus groups is high, it is advised that museums must meet the challenge of providing dynamic and engaging exhibitions, membership, and volunteer schemes now and in the future. This chapter addresses, loyalty, the final aspect of the third research question: What factors influence a visitor's perceptions of the value-for-money offered by a visit to a museum?

8.1 What is Visitor Loyalty?

'How loyal are your visitors?' Museum service officers¹ often answer the question by citing the frequency with which they visit. *'Just how frequent is loyal?'*

¹ I interviewed Ms. Monica Huang (MOCA, Taipei) on 28th November 2002 and Mr. Kuo-Nan Chung (NMMBA) on 21st November 2002.

questioned Baker (2002), who states that loyalty and frequency do not necessarily equate.² Loyalty depends on the degree of cognitive commitment [personal connection] and this can be difficult to measure or quantify (Baker, 2002; Peter & Olson, 1999).

What does visitor loyalty mean in the museum context? The qualitative findings supported the notion that so-called loyal visitors are “regular museum-goers”, and they are now ‘squeezing’ leisure time in around their day-to-day responsibilities as well as juggling the time spent on the many museum activities available to them. Because of more options available, people do not confine their visits to a particular museum alone. This has to be recognised, and should be exploited by museums by linking together, perhaps through consortia. This is already happening in local government museum services, where visitors to one museum are encouraged to visit another museum in the service. The mass audience is, in a way, confirmation that the museum is the most democratic cultural institution of all, attracting by far the widest cross-section of the population (Schubert, 2000:75). Being in a museum, one does not have to pass muster or dress up, and there is no peer pressure.

Many museums are in a position to create loyal visitors, through such schemes as Friends organisations (McLean 1997; Runyard & French 1999). Friends as ‘true customers’ (Grönroos, 1994) make favourable referrals, spend more money on a per-year basis with an organisation, and may even pay a premium price for the perceived benefits offered by a service.

In terms of service and relationship marketing, two components—satisfaction and

² An example is given that if you haven’t changed your bank account in twenty years then you are just as likely to be a lazy customer as a loyal one! See Baker (2002:4).

retention—are increasingly important to identify and measure the visitor loyalty.

8.1.1 Satisfaction

Prior to the 1990s little was published in the museum marketing literature about visitor satisfaction. Partially in response to the public movement, however, interest in this topic rapidly grew. Given its importance to marketing strategy, customer satisfaction has been the subject of considerable attention to increase the level of loyalty. A number of these studies have discussed the appropriate ways to measure satisfaction levels (McLean 1994; Kawashima 1998; Harrison and Shaw 2002 & 2004). Knowledge about how users evaluate their museum experience, particularly in relation to high and low levels of satisfaction, can help museums to manage intention to return and intention to recommend the visit to others. Post-purchase behaviours such as intention to return and word-of-mouth recommendation are dependent on a satisfactory experience (McLean, 1994).

The most widely accepted definition of customer satisfaction characterises it as the state of a customer who has purchased a product after weighing the costs and benefits (Harrison and Shaw, 2004:24). Therefore, if a visitor is satisfied with a museum visit, he/she will be more likely to return and also tells others of his/her pleasing experience with it. If he/she is dissatisfied, he/she will be more likely to switch products (or brands) and complain to museums and other users. Participants both in the MOCA, Taipei and the NMMBA express a common desire for the museum environment that they regard as crucial for a quality outcome.

Environment Experience

There was a general consensus about satisfaction with the museum environment, and

views expressed show a whole variety of opinions by 5-5, 7-1, 7-2, 7-3, 7-4, and 2-3.

5-5 (Male/Age:50-64/civil servant) describes his satisfaction with a particular aspect of the environment experience and says:

I really like the 84-feet long underwater tunnel with a moving walkway. It is a fantastic journey - crossing by means of an underwater tunnel. I believe it is the largest in Asia. The architectural design has a level equal to that of the western contemporary maritime museums. I have been here three times with colleagues and now hope NMMBA becomes a place where families gather.

As first-time user, 7-1, 7-2 (Female/Age:20-34/student), 7-3, and 7-4 (Male/Age:20-34/student) praise “what a giant tank! It must be very expensive to build to enable us to enjoy the splendid and colourful coral world.” The results show that participants in focus group 7 are less aware of ‘weighing the costs and benefits’ than the family group (Focus Group 4 and 5). They are satisfied with a unique experience, but complain about high prices on admission, food and drink. Such responses may have lasting effects in terms of negative image and reduced sales for the museum in the future. This negative image is frequently revealed in the NMMBA focus group interviews, but still much less attention is given to consumers’ reactions to dissatisfaction. This is an important issue for museum marketers.

In the MOCA, Taipei, as a first-time user, 2-3 (Male/Age:35-49/photographer) expresses his nostalgia for the ‘old’ building which was used as the Taipei City Hall from 1946 until 1993. It endears such a building to those who work in it. He says:

The Museum building in Taipei is a delight. I used to work for the Taipei City Government and still remembered which room was my office. Although this is

my first visit to MOCA, Taipei, I would surely like to keep coming back. I feel at home now!

Exhibition Experience

Exhibition experience [product] is also a contributing variable to satisfaction. Some significant examples can be drawn from the MOCA, Taipei message board as follows:

‘MOCA should maintain this level of exhibitions. The experience in the gallery is great’ says Chen Yi-Jun (13 Oct 2002).

‘MOCA offers a special space for people to see exhibitions. Hope the exhibitions will have a unique style of their own’ says Koukou (23 Oct 2002).

‘Great! Yet the period of each exhibition is quite long. Other shows could be held at the same time’ says Li Shi-Heui (23 Oct 2002).

‘The standard of artworks is fine. Hope the uniqueness will be sustained’ says Deng Hsing-Huei (15 Nov 2002).

The question here is that if customers regard exhibition experience as the major factor in satisfaction, how often can customers repeat it immediately? While a significant relationship was found between satisfaction and intention to return, it was very weak in line with the data. That is, while most visitors are satisfied, they may not see a need to return to a museum in the near future unless the ‘product’ changes substantially - just as most people who visit a museum may regard the experience favourably without repeating it immediately. Harrison and Shaw (2004) term this type of products as “infrequently purchased products.” Some highly satisfied

visitors —first-time users (1-1,1-3, 2-3,and 3-6) and heavy users (1-4,2-1,2-2,and 3-3) —question why should we need to return if the exhibition has not changed? A variety of factors could account for this finding, but the most probable relates to the nature of the product not lending itself to repeat purchase in the short term.

Service Experience

Greater access to and use of the museum building is a response to public requests for such facilities as cafés, clean toilets and classrooms.

2-6 (Female/Age:20-34/student:art teacher trainee) considers the ‘frequent’ use of the museum and suggests how to bring existing visitors back.

I hope there will be experimental plays on the square, or the space can be open to students from art schools, or to installation works. Then visitors will be able to interact with the place. It will encourage ‘first-time users’ to revisit within a month.

Regarding the spending role of the public in the museum environment, even those satisfied with exhibition programmes may complain; for instance, 2-5 (Female/Age:20-34/student:art teacher trainee) expresses her displeasure and dissatisfaction at the café and she says:

I cannot sense where is the ‘MOCA café’! No roasted smell attracts me. A tiny room that is hidden in an invisible place that unwillingly welcomes us. The lunch menu is very boring and prices of snacks are too high. My students and I do not have such money for secondary spending in the café. The café in the MOCA, Taipei is like a “caecum” in the human body, it is of no use. Cut it out!

It is accepted that “atmosphere” is a competitive tool (Kotler, 1973); however, to many museums the physical structure can impact on the degree of atmosphere which can be created. Even if museums are in an ideal position to create an image of the service in the target consumer’s mind, visitors still see them as essentially ‘object-based services’, which is also confirmed by McLean (1994). The MOCA, Taipei claims that ‘we are marketing focused and customer driven³’, but in reality they are product focused.

Basically, this approach views visitor satisfaction as the degree to which a museum experience provides a pleasurable level of consumption-related fulfillment.

8.1.2 Retention

First-time & Light User⁴

As described earlier, on account of factors involved in “infrequently purchased products”, people may regard the exhibition experience favourably without repeating it in the short term. It is not surprising to see that first-time users (occasional visitors) accounted for 91% of adults in the NMMBA⁵. This finding would suggest that the mass-marketing approach required by government—whereby the museum is compelled to attract broad and often incompatible segments—is a viable one.

The NMMBA is increasingly working with travel and tourist agencies and the

³ According to the interview of Ms. Monica Huang, Public Service Officer (MOCA, Taipei).

⁴ First-time user/light user (depends on exhibition) /medium user (monthly)/heavy user (weekly).

⁵ The MOCA, Taipei undertook its first audience survey in December 2002. The NMMBA commissioned the National Sun Yat-sen University to undertake a policy analysis and audience satisfaction survey in 2000. First-time users accounted for 64 % of adults in the MOCA and 91% of adults in the NMMBA.

hospitality industry to develop plans, promotions, and programmes to attract tourism⁶, and so consequently about 30% of visitors are those who joined coach trips and are first-time users. The market for the NMMBA also consists largely of friends and family; and some participants (4-1,4-2,5-4,and 5-8) who were first-time users termed themselves “holidaymakers” who just accompanied their family without paying fees. A great concern for ‘amateur events’ is in line with Hill (1995:148), who notes that high admission charges may restrict audiences to a loyal core, alienating more peripheral supporters. Since almost 50% of the visitors said that the admission price was not at the correct level, it may be that these customers are not very likely to remain loyal to the NMMBA. In terms of customer retention, 7-1, 7-2 (Female/Age:20-34/student), 7-3, and 7-4 (Male/Age:20-34/student) say:

For us [as tourists], today, it is affordable to pay the high admission once. However, as we live in Taipei, we may not have any chance or reason to come back here.

When leisure markets are growing, the NMMBA focuses on winning new customers, particularly in Southern Taiwan tourism. The NMMBA positions itself as a museum with free time activities, and as a museum designed primarily to engage tourists who seek entertainment. The new challenge now is about loyalty, about customers who keep coming back. We may ask the question ‘what must museums do differently to hold on to first-time users who show a propensity to be loyal to us?’ In the area of customer loyalty and retention⁷, as Johnson and Gustafsson explain (2000: 7), *loyalty*

⁶ The tourism market is composed of several types of visitors: families, businesspeople, members of group tours, conventioners, adult couples, and school groups.

⁷ Although I will use the term *loyalty* at times to encompass both intended loyalty and actual retention, it is important to clarify the distinction.

is a customer's intention or predisposition to buy, while *retention* is the behaviour itself (as when a visitor returns to a museum exhibition, comes back to purchase a exhibition catalogue, or has tea or coffee).

These findings suggest that people's needs from leisure change with age and their stage in the family life cycle. In fact, any particular museum has different meanings for different kinds of people in relation to the interests they are pursuing. In terms of the lifetime value of the customer,⁸ 7-5 (Male/Age:20-34/tour guide), a heavy user, suggests that the NMMBA needs to "measure retention by type of event and by customer type". He further suggests, "If the NMMBA can instill that mental picture in tour guides [which are treated as advocates], they are more likely to focus on the customer care issues that lead to customer loyalty." Accordingly, it is interesting to find that a relationship involves customers seeing themselves as part of what the Museum does.

Medium & Heavy Users

For most respondents who regard themselves as "medium/heavy users", entry to a museum is relatively inexpensive, especially MOCA, Taipei, which has a free day weekly.

Compared with the NMMBA, visitors to the MOCA tend to be individualist. Medium and heavy users (Frequent visitors) accounted for 44 % of adults in the

⁸ As Christopher (2002) demonstrates, high retention makes good business sense. He states that a successful organisation in the US, with a presence in the UK, is Domino's Pizza. They have always believed in the lifetime value of the customer.... this is the value of a customer who stays loyal for the life of a typical Domino's Pizza franchise.

MOCA⁹. Some participants of the MOCA focus groups mentioned the '*freedom of visit*' and they do not like promotions such as either '*buy ten, get one free*' or '*group discount*'. An individual visiting a museum is able to choose when to visit, how much time to spend, and what to view and what not to view. They are so-called "cultural needs seekers", as Colbert (2003) describes, who seek direct functional or cultural benefits from the product. While there is some support for the widespread assumption that "culture" appeals predominantly to well-educated, high-income, and older women (Bourdieu, 1991; Colbert 2003); and 92% of visitors to the MOCA, Taipei were well-educated; it can also be observed that 53% of visitors were students with a low income and 61% of visitors were single females between the ages of 21 and 34 years. As a heavy user, 1-4 (Female/Age:20-34/student) gives the reason why she returns to the MOCA, Taipei:

The gallery plan is professional and comfortable. The contents of exhibitions have special themes. I can completely focus on the ideas conveyed by the works. Compared with prices to a film¹⁰, a ticket to MOCA's exhibition costs little.

As a medium user, 3-4 (Female/Age:20-34/official) expects more relevant talks and publications given by the MOCA, Taipei and she says:

I like the identity and name of MOCA. It plays the role of guiding contemporary trends. More concepts should be integrated into it. I wish that there could be a MOCA's bookshop specialising in contemporary art.

⁹ See note 2.

¹⁰ A film ticket is around £4 to £5.

Accordingly, the findings suggest that loyal customers are willing to spend more time with museums. Reichelt and Teal (1996) in *The Loyalty Effect: The Hidden Force Behind Growth, Profits, and Lasting Value* analyse the impact of the purchasing behaviour of loyal customers. They have found that, over time, loyal customers will buy more often and spend more with us as they become more confident in the relationship. The stronger the relationship becomes, the less we have to spend on marketing. They further recommend loyalty-based management, in which businesses not only make a conscious effort to retain customers but also develop strategies for attracting the kind who are likely to remain loyal. Increasing the rate of customer retention has a significant impact on customer lifetime and therefore on profitability. An 80% retention rate means that 20% of customers will be lost. In five years the whole of the customer base will have turned over with each customer having an average “customer life” of five years.

8.2 Brand and Visiting Patterns

In the museum context, what is ‘branding’? According to the interview data, branding encompasses how a museum is perceived, the ‘brand’, and how it can manage and influence this perception. In essence, the brand is an expression of the museum’s vision, and increased promise (this is what you will get from X). The most successful brands are the ones that articulate this promise clearly and deliver it each and every time that the visitor comes into contact with the museum (Maitland, 2000). Accordingly, the four major elements contribute to how a brand is built and perceived, and these include:

- Products/services: what you make, sell or offer
- Environment: where you make or offer it —the location and the physical

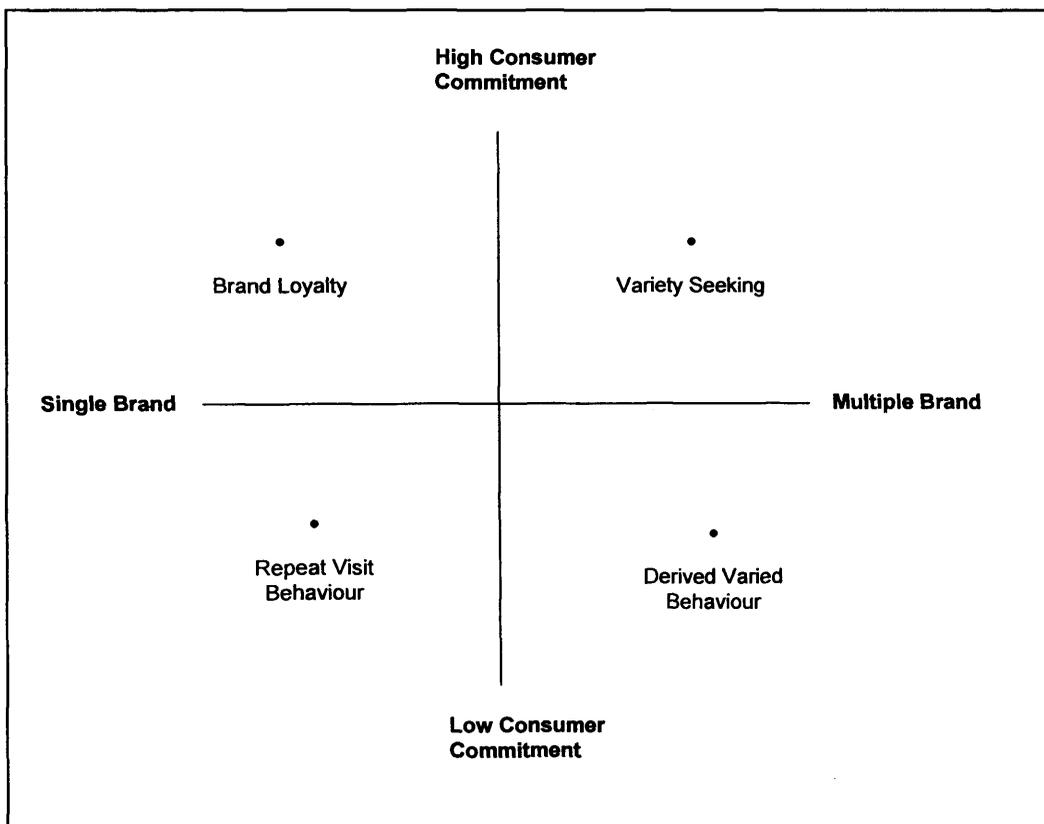
environment

- Information: how you describe and publicise what you do
- Behaviour: how people representing the organisation act in person and remotely.

8.2.1 Cognitive Commitment and Museum Brands

As described in Section 8.1, *loyalty* depends on the degree of cognitive commitment. Based on the degree of cognitive commitment and number of museum brands visited among participants of focus groups in a particular period, Figure 8.1 presents four categories of visiting patterns: brand loyalty, repeat visit behaviour, variety seeking, and derived varied behaviour.

**Figure 8.1 Four Categories of Visiting Patterns:
Cognitive Commitment and Brand Choice Mapping**



Museums want to be thought of as brands, but are they succeeding with visitors in distinguishing between themselves as effectively as other types of brands? In the 7th *International Conference on Arts and Cultural Management*, Caldwell (2003) raises a question: do museums have brand images that are recognized by visitors? The results of this study show that a brand's identity is determined by the nature of the collection and other proprietary brand assets such as location or architecture.

The MOCA, Taipei has (since 2001) added the advertising strap line '*the first contemporary art museum in Taiwan*' and has managed to build a brand association. While MOCA Taipei has embraced its position amongst the museums of contemporary and modern art throughout the world, the word 'museum' usually signifies an institution committed to collecting. MOCA has a small collection of videotapes. The decision to focus on developing the exhibition programme in the early years, together with initial budget and space limitations, has caused the Museum to defer a full consideration of its collection options until somewhat later (Paroissien, 2003).¹¹

Still, as first-time users, 1-5, 3-1, and 3-6 display doubt over "what contemporary art is?" and "why do we need a contemporary art museum?" In terms of vague image or identity, the question remains: what opinions do visitors hold regarding a museum? 1-5's words (Male/Age:20-34/military service) are precise and to the point, and he says:

I come here for a series of lectures organised by the *National Geography*

¹¹ It should be noted some forms of "contemporary art" are somewhat unfamiliar to broad segments of the public and are distasteful to some people. The creation of art is often associated with individuals who harbour "avant-garde" and sometimes antisocial ideas. See Kotler and Kotler (1998).

Society, because I am interested in geography. I do not know if contemporary art has any relation to geography.

3-6 (Male/Age:35-49/professional and technical), as a next-door neighbour, wonders:

Why not use the building as a history museum, since the Museum is housed in a beautiful former school from the Japanese colonial period in such a richly historic district?

On the other hand, with some “arts curiosity”, 1-1, 1-2, 2-1, 2-2, 2-3, 2-5, 2-6, 3-3 and 3-4 are delighted to have an “avant-garde atmosphere” which stands as a positive statement of the acknowledged importance of contemporary culture by Taipei and Taiwan. 3-3 (Male/Age:35-49/manager) expresses his opinion on adapting an historic building to an art museum, and he says:

Throughout the world artists and art professionals in recent decades have repeatedly expressed a strong preference for working in and exhibiting art in adapted older buildings rather than solely being shown in purpose-built contemporary buildings. Adapting an historic building to a museum also presents many challenges, some of which were not foreseen when the Chang-An West Road building was restored. I believe it would be a visionary application of a much-loved building to the arts of our time.

In addition, 3-4 (Female/Age:20-34/official) says “I like the identity and the name of MOCA. It plays the role of guiding contemporary trends.” Furthermore, 2-2 (Female/Age:20-34/unemployed) makes a distinction between the MOCA, Taipei and the Taipei Fine Arts Museum and says:

I believe that it is a good decision to rename Taipei's second art museum "Museum of Contemporary Art, Taipei." The Museum itself can build a brand association. Before the MOCA, Taipei became an independent Museum¹², the building was considered as an annexe of the Taipei Fine Arts Museum—a comprehensive museum established in 1983 - and that the annexe [the second art museum] would focus on multi-media.

Why does a person choose to go a particular museum destination? As 2-2 says:

The MOCA, Taipei is seeking to build a broader definition of creativity than popular ideas of "art". I remember that two successive projects [in response to the September 21 Earthquake of 1999] invited artists and architects from Taiwan to respond to the locating of a museum devoted to contemporary culture in such a richly historic district (*Legends of Chang-An West Road*) and an exhibition of innovative work by several Taiwanese architects (*Myxomycity*).

Regarding the "contemporary theme", as a "brand-loyalty" heavy user, 1-4 (Female/Age:20-34/student) explains the reason why she repeatedly visits a particular museum [MOCA, Taipei]:

The MOCA, Taipei focuses on multi-media which, I think, actually relates to our everyday lives. I have attended almost every exhibition since the Museum opened with the exhibition, *Labyrinth of Pleasure*. I thoroughly enjoyed the exhibition *TECH/NO/ZONE* that raises issues about rethinking contemporary

¹² A difference of opinion between the Director of that Museum and the Taipei Cultural Affairs Bureau led to the decision to make the former Japanese school an independent Museum, with 49% funding provided by the City and 51% funding by a newly established Foundation. For a further discussion of this see Paroissien (2003).

technology-related art.

Focused on multi-media, 2-3 (Male/Age:35-49/photographer) cries, “finally, photography is regarded as art by the museum. There were very few public (or even private) galleries showing non-commercial photography during the last decades.”

It appears that the MOCA’s brand is largely associated with its product [contemporary art exhibitions] in terms of brands. The result confirms the general conclusion reached by Caldwell (2003) that ‘functional form’ and ‘exhibits’ (what you get) are the most important categories for all groups of people. If the two Museums wish to benefit from branding, they must have greater awareness of the non-functional aspects of their brand. First-time users (or non-visitors) who are not enticed by functional claims may well be motivated by emotional associations (how you feel) of a controversial or multidisciplinary programme.

8.2.2 Brand Loyalty vs. Variety Seeking

For visitors to be brand loyal, they must not only visit the same museum repeatedly, but also have a cognitive commitment to do so. The museum must have sufficient meaning to them so that they visit it not because of convenience, but because the museum represents important “functional” and “emotional” associations to them. As 1-4 says, “its unique style of ongoing programme demonstrates such an engagement with the city and the public.”

On the other hand, 2-3 (Male/Age:35-49/photographer) suggests that the MOCA, Taipei should consider ‘brand extensions’ which are designed in part to appeal to brand-loyal customers who also seek variety within a branded group and to increase their retentions. He says, “the exhibition of Picasso attracted 200,000 visitors at the

National Palace Museum during just a few months” (see Di Men, 1998). Brand extensions are thought to be a safer approach for launching newly ‘unknown’ exhibitions.

In an urban area where there is likely to be a great concentration and variety of venues or events, competition for audiences is likely to be high and switching prevalent. Considering existing charges in other tourism attractions, the NMMBA reflects on its educational purposes, so its admission charge is lower than other private competitors. In the first year (2000/01), the NMMBA attracted approximately 2 million visitors. After the second exhibition of *Coral Kingdom* opened in mid 2001, compared with the first-year number of visitors, 2001/02 figures increased by 18% (Chung, 2005). As a museum with leisure activities, the NMMBA engages tourists who seek entertainment. First-time and light users (who visit once or twice a year) accounted for 91% of adults in the NMMBA. Fifty percent of visitors were not satisfied with the high admission charge, and they reflected that a reasonable price should be around £2 to £3. They are thus shown to be a group seeking a wide spectrum of variety. Variety seeking has been identified as a determinant factor in branding switching. A great concern for ‘amateur events’ is confirmed by Hill (1995:148), who notes that high admission charges may restrict audiences to a loyal core, alienating more peripheral supporters.

As Schultz and Robinson (1986) suggest, the typical brand switcher within the fast moving consumer goods sector is looking for a ‘deal’ and that a price/value relationship is the key motivation for this behaviour. For example, students among focus group 7 could be defined as ‘switchers’, and are likely to only visit museums that they consider are pleasurable with a ‘unique’ experience not available elsewhere;

in this case one must say that the museum experience is a value added one. The behaviour of ‘switchers’ could have similarities with first-time/light users at the MOCA, Taipei, as ‘those who think the arts are a “good” thing and like the idea of attending but never seem to get around to it’ (Hill and O’Sullivan, 1995:43). Whilst this may account for a small number of switchers within the arts context, it is thought to be of less significance, as price is less of a discrimination factor (Hayes & Slater, 2002:9).

Social patterns (families and groups) are also important factors influencing switching behaviour; group decision-making will take account of varied interests and preferences leading to rotation of venues and events selected. Focus groups 4,5, and 6 show a strong interpersonal and social component, and they also exhibit a learning lifestyle with intellectual curiosity; this leads them to be heavy consumers of continuing education courses and foreign travel experiences. As 6-3 (Female/Age:50-64/principal) and 6-4 (Male/Age:50-64/teacher) say “having an opportunity to learn we do not mind paying!” Those ‘switchers’ may be “heavier spenders” in the leisure industry.

Similarly, where good transport links exist, travelling distance may be less of an issue, encouraging switching. As 7-4 says, “it is very accessible to Checheng Village¹³ by a wide range of transport links, but we almost missed the NMMBA; perhaps, there are lots choices of tourism attractions.”

While a museum seeks to develop brand-loyalty users, it also seeks to create access –

¹³ The NMMBA is located in Checheng Village, Pingtung.

“building bridges”¹⁴ with different groups to ensure their specific needs are met. Yet, caution is advised in the selection of new target groups defined as ‘switchers’ such as “culture vultures” or “experimenters” who will not show loyalty to a particular museum, but may visit a variety of museums, and possibly as guests. It is unlikely that the programme of a single museum could satisfy their needs and as a consequence they will search to broaden their knowledge and range of experiences.

8.2.3 Brand Loyalty and Usage Rate

More Leisure Activities Available

The study found that all participants perceived a great choice of leisure options and a greater number of choices within each option. There are more festivals for lovers of the arts and more cinemas offering a total experience that includes the film, dining facilities and related retail outlets for movie lovers. The boom in museums establishment, though perceived generally as a positive indication of the value placed on heritage, may also have adverse consequences as museums compete with one another for a limited market (Lusaka and Strand, 1998). As noted in Chapter 4, in Taiwan, there were only fifty museums in 1980, but by 1997 this number had increased threefold. All museums now are competing for that proportion of the local population that attends museums. In addition, new leisure activities, such as home-based activities¹⁵, offer novelty and difference which test customer loyalty to the established and the known.

¹⁴ Dodd and Sandell’s definition of audience development reflects the strategic emphasis on new audiences. See Dodd & Sandell (1998).

¹⁵ A growing amount of our leisure time, activities and spending take place in our own homes. Electronic media bring music, drama and films to our living rooms; video and compact discs mean we can enjoy them when we want them. See Council of Cultural Affairs (2003).

Less Time and More to Do

Participants in all the focus groups speak of an increased *pace of life* in general: “I can’t relax like I used to”, “there is no down time” and the pressure is on to “do more.”¹⁶ This increased pace of life combined with a perception of less time in which to undertake an increasing array of leisure options is showing *variety-seeking behaviour*. This group, identified as an emerging consumer phenomenon, is characterised by people who respond to the moment and will choose to do what is on when time becomes available. Spontaneous consumers are generally people in demanding professional jobs that leave them ‘time poor’ and prone to making immediate decisions on the day about where they will go and what they will do (Caldwell, 1998). This can be attributed in part to interest in non-purposeful behaviour, which cannot be accounted for by the information-process perspective.

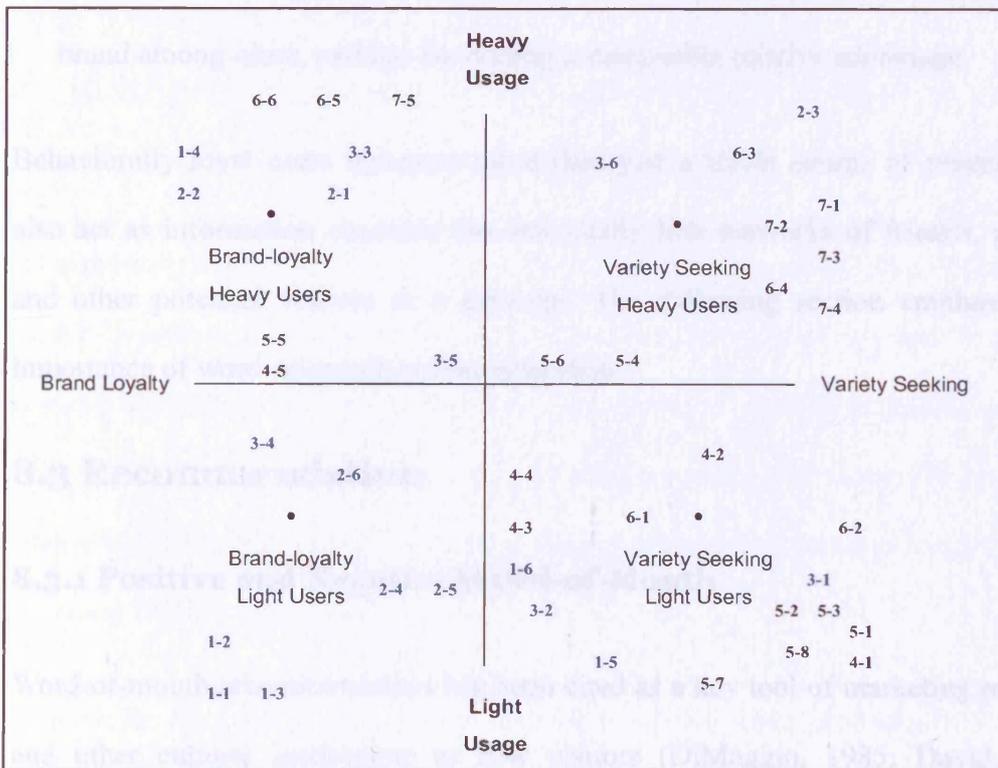
While increased career and family responsibilities are seen as the key factors underlying these changes, there is also a strong perception that there are many more leisure options available than there used to be. For the audience, this increase in the ‘pace of leisure’ combined with increased responsibilities is having an effect on loyalty to particular brands. People are now squeezing leisure time in around their day-to-day responsibilities as well as carefully juggling the time spent on the many activities available to them. The implications of these findings for museums are significant.

¹⁶ Those with children at home sometimes used their children as an excuse for not going. Three housewives did not attend the focus group interview because of children.

Are you loyal to a museum's brand or a competitor's one?

It is essential to consider the usage rate of particular types of museums¹⁷ by various users. Based on forty-two participants, the relationship between brand loyalty and usage rate is shown in Figure 8.2. This figure could be used as a strategic tool to plot users of both the museum's brands and competitor brands on the basis of brand loyalty and usages rates.

Figure 8.2 Brand Loyalty and Usage Rate



Depending on the location of users and whether they are loyal to the museum's brand or a competitive one, several strategies might be useful:

¹⁷ According to Kotler and Kotler (1998), museums are organisations with different collections, missions, and objectives. The major types of museums are art museums, history museums, science museums, natural history, anthropological and ethnographic museums, zoological parks and botanical gardens, children's and youth museums, community and ethnic museums, specialty museums, general museums, encyclopaedic museums, and small museums.

- If the only profitable segment is the brand-loyalty heavy user, focus on switching visitor loyalty to the museum's brands.
- If there is a sufficient number of brand-loyalty light users, focus on increasing their usage of the museum's brand.
- If there is a sufficient number of variety-seeking heavy users, attempt to make the museum's brand name a salient attribute/or develop a new relative advantage.
- If there is a sufficient number of variety-seeking light users, attempt to make the museum's brand name a salient attribute and increase usage of the museum's brand among users, perhaps by finding a sustainable relative advantage.

Behaviorally loyal users represent more than just a stable source of revenues, but also act as information channels that informally link networks of friends, relatives and other potential visitors to a museum. The following section emphasizes the importance of word-of-mouth recommendation.

8.3 Recommendation

8.3.1 Positive and Negative Word-of-Mouth

Word-of-mouth recommendation has been cited as a key tool of marketing museums and other cultural institutions to new visitors (DiMaggio, 1985; David, 1994). Visitors at the highly satisfied end of the scale become "unpaid salespeople" for the museums, "taking up" and recommending the experience and generally becoming strong advocates for the museum.

Drawing on focus group interviews, there are two types of disconfirmation. First, there is *positive disconfirmation*, which occurs when the product is better than expected. This situation is thought to lead to satisfaction or pleasurable levels of

fulfillment. For example, 6-5 (Male/Age:65+/retired), a local retired teacher, expected the NMMBA to be pretty good but not as good as Sea World in Hong Kong. After his first visiting, 6-5 perceived it to be even better than 'Hong Kong's one'. In this case, the consumer's expectations would be positively disconfirmed and the theory would suggest that s/he would be satisfied. 6-5 decided to devote his leisure time to museum voluntary work and expected to be offered a discounted fee to use the facilities. In addition, he encouraged his friend, 6-6 (Male/Age:65+/retired), to become a NMMBA's volunteer. As 6-5 says:

I am retired so I've plenty of time and it seems a nice thing to do – meeting people and something different.

As a former principal of the regional primary school, 6-6 applied opinion leadership to inform others about the NMMBA. One of the most frequently cited motives for initially volunteering is to "keep active in retirement." Accordingly, Holms (2003) suggests that retired volunteers are largely leisure seeking and view their interaction with visitors as an opportunity to meet people, share information with them and to welcome them to the museum.

Second, there is *negative disconfirmation* which occurs when product performance is worse than expected. This situation is thought to lead to dissatisfaction. For example, 5-8 (Male/Age:20-34/professional and technical) perceived the NMMBA to be far worse after visiting than what he expected, thus he would be negatively disconfirmed and the theory suggests that the consumer would be dissatisfied. As 5-8 says:

I missed that *Dolphin show* and felt that it was a pity. Why does the Museum run it only twice a day? It should be "told" beforehand. It really wastes my time

and money, especially paying such a high price!¹⁸

This is an important element in visitor satisfaction, because marketers often provide consumers with a wealth of information about their products or services through advertising, package information and so on, which influences consumer expectations and about which consumers sometimes have strong feelings (especially when they feel they have been misled). Yet, the NMMBA has not worried about these negative effects because they believe few consumers are dissatisfied with their products. Museums generally consider visitor satisfaction to be a primary organisation goal. For example, the strategic plan of the NMMBA states, “97% visitor satisfaction is the number one goal.” Consequently, the NMMBA tends to use complaint rates as dissatisfaction indicators and assumed that if complaint rates are low, overall dissatisfaction is low and thus the negative effects are negligible.

Conversely, those at MOCA, Taipei who complain when dissatisfied tend more to be members of “non-cultural needs seekers” than those who do not complain. They do not say if they would recommend the MOCA, Taipei to their friends, family or colleagues. According to the audience survey, 92% of visitors would be delighted to recommend the MOCA, Taipei to others, but 8% of visitors state that they will not recommend to others unless a new exhibition is held.

¹⁸ According to the survey, nearly fifty percent of visitors were not satisfied with the high admission charge, and they reflected that a reasonable price should be around £2 to £3.

8.3.2 Membership and Volunteer Scheme

Membership

The findings, taken from focus group interviews, show participants at the MOCA, Taipei who are individualist tend to be interested in “contemporary art clubs”, “fan clubs” or “discount clubs”; on the other hand, the market for the NMMBA consists large of friends and family and there is an increasing demand for “group discount”. Some NMMBA’s participants said that they just accompanied their family without paying fees. Given that most of these participants are strongly influenced by the peer group, some (7-2,7-3,and 7-4) say they may visit the museum more if their group of friends changed or, more likely, if a new boyfriend/girlfriend was a ‘museum person’.

Some participants, at the MOCA, highlight the ‘freedom of visit’ and they do not like the ticket sales such as either ‘buy ten, get one free’ or ‘group discount’.

As 1-2 (Female/Age:20-34/lecturer) says:

I do not beg for one free ticket. I would rather to join a ‘discount club’ and an annual membership fee which guarantees a 20% discount on all purchases at the museum shop for one year.

Compared to book and music clubs, 1-3 (Female/Age:20-34/official) suggests:

The MOCA should set up its ‘contemporary art club’ offering magazines, books or videos on contemporary art to members.

1-2 (Female/Age:20-34/art teacher) regards the ‘museum fan club’ as a

communicative union which is initiated by a group of people with common interests such as fans of a specific sports team. She says:

I like to make contact with these members directly on a regular basis.

Generally, the primary purpose of membership is to build a relationship with the medium/heavy users that turns them into long-term loyal visitors, who ideally will obtain their lifetime demand of a specific product or service from being “subscribers” says 3-5 (Male/Age:20-34/editor).

Volunteer Scheme

At the NMMBA, older participants without children at home view museums as important to the society at large by their active participation and their willingness to volunteer. For NMMBA’s more recent older visitors a range of cultural and other leisure activities generally played a large part in their leisure lives. They are more likely to supplement this activity with other ‘self-development’ pursuits such as adult education and reading. Thus, as ‘cultural brokers’ (Holmes, 2003), they provide a quality visitor experience for the visitors. As 6-5 say, ‘It provides a chance for me to share knowledge through mutual learning —it is free!’

Summary

Satisfaction is regarded as having direct effects on both loyalty and recommendation. The effect of satisfaction on loyalty is the degree to which a visitor’s more recent visits to the museum affect loyalty. The effect of satisfaction on recommendation reflects both the degree to which a visitor’s more recent visits enhance a museum’s reputation and the consistency of the visitor’s experiences over time. More attention

needs to be given to consumers' reactions to dissatisfaction. This is an important issue for museum marketers.

Reputation may also have a direct effect on loyalty by way of such factors as the ongoing inclusion of certain brands in a visitor's consideration set—the brand the visitor looks at before making a choice - and more long-term or memory—based evaluations of the brand. Loyalty is viewed as a function of both the ongoing reputation of the museum and the visitor satisfaction with more recent performances.

Chapter 9

Towards a Pricing Strategy Model for Museums

Chapter 9 is essential to designing a strategic planning and marketing system so as to integrate the principles of cost management, visitor behaviour, and competition into a more proactive approach to pricing. This chapter attempts to answer the forth research question: How does a museum decide upon a general strategic approach to its pricing decision?

Section 9.1 reviews the nature and role of pricing in the museum environment. Key influences on pricing policies are examined, before a more detailed study of strategic pricing decisions is made. Section 9.2 brings together the conceptual framework and empirical data in order to propose a pricing strategy model for Taiwanese museums in a way that more fully reflects visitor motivations, attitudes and loyalty. In Section 9.3, an idea of 'life cycle pricing' is applied and evolved. The museum service as a product gradually gains in visitor acceptance, eventually attains full visitor acceptance, and is ultimately discarded for something better. The market defined by that product concept evolves correspondingly through four phases: development, growth, maturity, and decline.

9.1 The Nature and Role of Pricing

Generally no museum likes to levy or increase its entrance fees. As the MOCA's former director, Leon Paroissien says:

I personally would like to see entrance to all museums free of charges, but we had to introduce a fee some time ago to discourage people who abused the system. We are also in the position where we have to raise money to keep the museum service going. We are already starting to draw more citizens, particularly young people, to the old district of Taipei City, and their numbers

will increase once the *Taipei Film Museum* opens nearby. This is good for the economy of the city and we need a strategy to make the most of this opportunity (2002, personal communication).

In considering museum pricing, based on the full discussion in Chapter 3 and Chapter 5, museums approach pricing in many different ways; some of the possibilities to be considered are as follows.

Across the programme:

- same price for all events
- different but consistent price structure for each event form
- different prices for each event, according to cost and popularity.

Level:

- low prices to enable access by as many members of the community as possible
- high prices for financial stability
- wide range of prices for the best of both worlds.

Price rises:

- rise of £1 on admission fees biennially
- strategic price increase related to increase in costs
- a rise that brings the price to a level that people are used to paying.

According to personal interviews, most museum staff see pricing as purely a financial matter. Their concern is 'How much do we need to charge in order to remain solvent?' In fact, prices play a deeper role as well. They can be a tool to

persuade people to buy. Considering the nature and role of pricing, Hill, O'Sullivan and O'Sullivan (1995: 143) have argued that, if price is designed to reflect the value that customers place on something offered for sale, then museums are facing a diverse range of pricing decisions. In this way museums confront the same price dilemmas as all service providers who have to price their output to meet customer expectations.

In an economic sense, Hendon (1979: 11) views the museum in most communities as a form of local monopoly, which in turn functions under a kind of public system at the regional and national levels. We can refer to the customer's experience with museums in terms of a "visit," and museums offer experiences, ideas and satisfactions not found in other places (Hendon, 1979; Kotler and Kotler, 1998).

The "visit" itself is the most obvious part of the product that is for sale, and potential audiences are willing to exchange money for tickets in the expectation of a programme of entertainment. It is a highly intangible benefit that they are buying. This has been discussed at greater length in Chapter 6. The audience will have some preconceived ideas as to the likely nature of the experience but it is not until after the programme (e.g. exhibition or educational workshop) that they will be in a position to judge the value they gained for their money. The analysis of focus group data has confirmed Hill, O'Sullivan and O'Sullivan's opinion; it implies that museum visitors begin to place value on a number of tangible and less tangible aspects of what they offer.

Drawing on focus group interviews, some participants seem to decide that they want to view exhibition; then check their availability and if they are free; only then do they see what the ticket price is.

A consumer's response is determined not only by evaluation of the product and its price, but also by perception of the entire purchase situation which is concerned with how price information is comprehended by consumers and made meaningful to them. Accordingly, it is much more important to examine this purchase-situation approach to describing price effects for a visit.

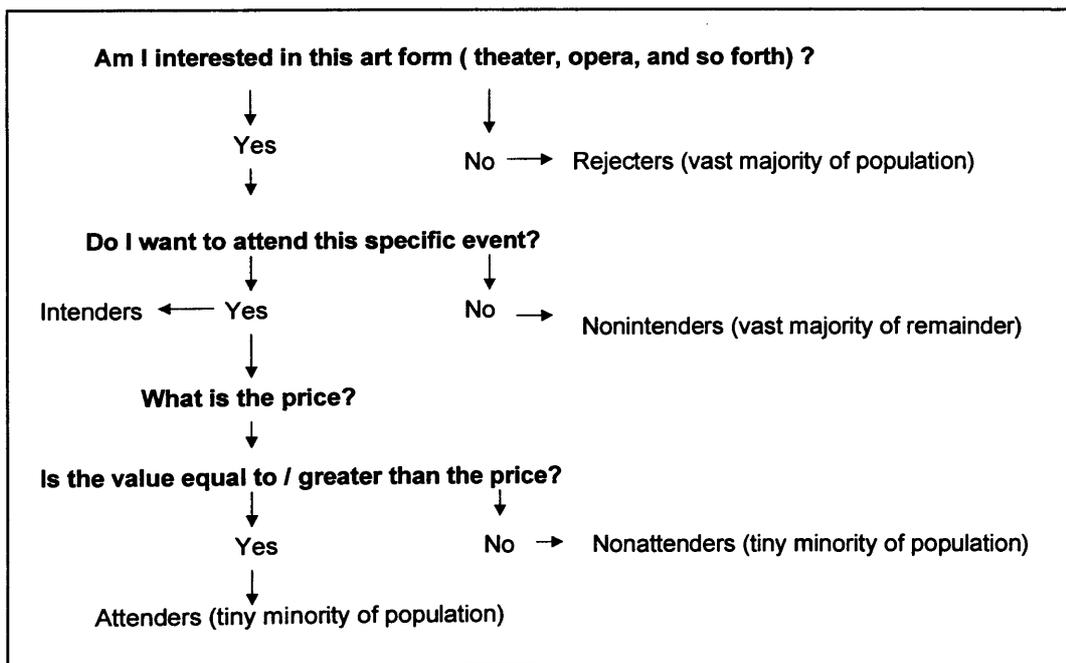
9.2 Audience Segment and Pricing

9.2.1 Entire Purchase Situation

Lack of Motivation

In a study of 1298 regular performing "arts attenders" in Britain, Walshe (1991) developed the decision-making model displayed in Figure 9.1. Walshe's analysis indicates that for the vast majority of people, rejection sets in before price becomes a consideration, because these people have a more significant barrier: lack of interest.

Figure 9.1 Decision-Making Model for Performing Arts Attendance



Source: Walshe (1991)

There is, to be sure, an alternative hypothesis: lack of interest among the majority can mask a lack of information, and awareness, if aroused, would generate interest and motivation (Kotler and Kotler, 1998). As a museum reaches out to a broader audience, one can assume that price becomes a factor even if motivation to participate exists. Here, Walshe draws two conclusions: firstly, there is little point in major price cuts to reach the mass market; price cutting will not generate greater attendance. Secondly, pricing strategies should be based only on segments, not on the public at large, and perhaps specifically on the *intenders*—those who express an interest in attending a specific event.

The motivation for establishing a museum becomes not so much the need to house a collection as the desire to provide an opportunity for the general edification of the public. Thus, a museum functions on the basis of its ability to provide a suitable venue for the enactment of interaction rituals with significant others. Viewing museum attendance as a post-industrial ritual of reproduction, then leads to the following predictions with regard to consumer behaviour toward this product. Clearly museums provide social benefits as much as a sense of leisure activity.

Sensation of Price Information

The MOCA's participants think of a ticket that has been discounted from £3 to £1 (“£1 marked down from £3”) as more valuable than a ticket simply priced as £1. This therefore suggests the museum can use “big” discounts to its advantage, aiming the discounts at particular price-sensitive sections of the audience.

Offering a choice of prices for each exhibition works in much the same way. The tickets will assume a value relative to the highest ticket price. Some people will want

to pay the highest price. Others will perceive the next price down as ‘good value for money’ by choosing the lowest ticket price.

Reference Price

There also exists an interesting price dilemma. There is some evidence that the public reacts negatively to frequent price changes and to complex pricing systems in the museum environment. When a museum increases admission to £3, the internal reference price may inhibit purchase because the asking price is too high.

In initial studies examining the reference price for previously free services, Bailey et al (1993,1997) have discovered that the reference price is likely to be zero and so provides a theoretical rationale for administrators’ preferences only to charge for new service. Reference prices increase substantially when information is provided on the level of subsidy per user. This shows the importance of accounting procedures which can accurately identify the cost of providing the service, and so the level of subsidy per users.

Perceived Value - Comprehension & Integration

When faced with two similar items, people usually believe that the one that costs more must be of better quality. They are willing to pay what they feel something is worth.

As seen in the case of the MOCA, lowering prices does not usually mean increased attendances. If something seems cheap people think that it must be of low quality. The MOCA’s promoters would agree that it is very difficult to get people to come to free events. Few participants of focus groups knew about free entrance on Tuesdays.

In fact, people will buy as long as the price is within their spending capacity. They may well include the whole cost of going to the museum in their decision, taking into account what they will have to pay to park the car and have a drink.

Conversely, in the NMMBA, when prices are too high for visitors to afford, the item is still regarded as desirable and of high quality; some people just decide not to make the purchase. It is difficult to tell where this point is. The NMMBA raised its prices by 20% with no reduction in attendance whatsoever. Obviously, the only way to estimate at what point potential audiences will decide they cannot afford an admission fee is to look at the NMMBA's competition. This consists of all the other ways that the NMMBA's audiences could choose to spend their leisure time. In focus group interviews, the potential audience compared ticket prices to the cost of going to other tourism venues nearby, going to the cinema, going to other arts events, hiring a video, spending the evening in the pub and so on, taking into account what they think each entertainment is worth.

Attitude Formation & Purchase Behaviour

Most participants talk about the time and effort they need to put in attending a museum before they mention how much the ticket costs, but price does play a role. Price does affect frequency of attendance and choice. They express the view that price does not affect their decision to attend something that they really want to see. A price that they perceive as high, however, makes the risk of going to a new or unfamiliar museum greater. Sometimes potential attenders will choose a less risky event instead (e.g. a special exhibition associated with known artists). If they were offered a cheap ticket, they would be more willing to try it out as long as they thought the museum was interesting and they were available.

9.2.2 Motivation/Attitude/Loyalty Model of Pricing Levels

The *Motivation/Attitude/Loyalty Model* shown in Figure 9.2 is based on the premise that consumers experience barriers to action because they lack motivation, the attitude or the loyalty to act, or some combination of the three.

Figure 9.2 Motivation/Attitude/Loyalty Model of Pricing Levels

Motivations for Participation	Self-actualisation		Social Needs	
Attitudes towards Museum Participation	Personal Beliefs about Museum Participation		Perceptions of Social Norms towards Museum Participation	
Loyalty of Participation	Brand-loyalty		Variety Seeking	
Higher Prices  Lower Prices	1 Aficionado	2 Client	3 Day-out Visitor	4 Accompanying Visitor
	5 Volunteer	6 Student	7 Neighbour	8 Passing Trade

Each cell in the Model represents a different combination of motivation, attitude and loyalty to participate, and therefore a different segment of the market. The model enables museums to see the potential effects of their strategies on various market segments simultaneously, since the cell divisions are determined partly by the museums' marketing decisions.

Cell 1 - Aficionado

Individuals in cell 1 are prone to act – they have the self-actualisation need, personal

beliefs and heavy brand loyalty to participate. This is the segment where current attenders are found, along with individuals who are highly inclined to participate. Visitors to the MOCA and the NMMBA exhibit distinct characteristics and, in fact, there is little if any crossover. The public is less likely to identify with the arts than with other areas of knowledge such as science or biology. Aesthetic norms, taste, and restrictions on entry worked to limit participation, but existing audiences at the MOCA tend to repeat their visits because of continuing self-learning, and they also want to join the membership. They are frequent visitors (who visit the museum at least three times a year) accounting for 44% of adults in the MOCA.

Cell 2 –Client

Individuals in cell 2 have the self-actualisation need, personal beliefs and satisfaction to participate but exhibit light brand loyalty. They will not show loyalty to a particular museum, but may visit a variety of museums, possibly as guests. Some participants of the MOCA focus groups mentioned the ‘freedom of visit’ and they don’t like the idea of ‘*Buy Ten, Get One Free*’. They are willing to pay the higher price if the ‘product’s quality is good. Besides, occasional visitors (who visit once or twice a year) also accounted for 91% of adults in the NMMBA. Fifty percent of this museum’s visitors were not satisfied with the high admission charge, and they reflected that a reasonable price should be around £2 to £3.

Cell 3 - Day-out Visitor

Individuals in cell 3 have the social needs and social norms to participate but need information and advertising to stimulate action. The tourism market is composed of several types of travellers: families, businesspeople, members of group tours,

conventioners, adult couples, and school groups. NMMBA is increasingly working with travel and tourist agencies and the hospitality industry to develop plans, promotions, and programmes to attract tourism. In doing so, the NMMBA has brought in approximately 30% of visitors through coach trips and people who are first-time users.

Cell 4 - Accompanying Visitor

Individuals in cell 4 have the social needs and social norms to participate but need the word-of-mouth recommendation to do so. They think museums are stuffy and elitist. Some like to visit, especially when family or friends from out of town are paying a visit. Some participants of the NMMBA focus groups said that they just accompanied without paying fees themselves.

Cell 5 - Volunteer

Individuals in cell 5 are prone to act – they have the self-actualisation need, personal beliefs and brand loyalty to participate. Some like to devote their leisure time to museums but take into consideration entrance fees and facilities. They prefer to offer their voluntary hours in exchange for entry.

Cell 6 - Student

Individuals in cell 6 have the self-actualisation need, personal beliefs and satisfaction to participate but not the brand loyalty to do so. The perception of reduced leisure time and a growing focus on home-centered leisure activities have increased the competition that museums face from other leisure activities.

Cell 7 - Neighbour

Individuals in cell 7 have the social needs and social norms to participate but need information process and advertising to do so. It is through museums that societies represent their relationship with their own history in comparison to that of other cultures and peoples. Special discounts are an issue here.

Cell 8 - Passing Trade

Individuals in cell 8 have the social needs and social norms to participate but need the sensation of price information to do so. An individual visiting a museum can choose when to visit, how much time to spend, what to view and what not to view. An individual does not have this same flexibility when attending a live event, which takes place at a specific time, lasts for a specific duration, and presents a set programme.

9.3 Adapting Strategy in a Changing Environment

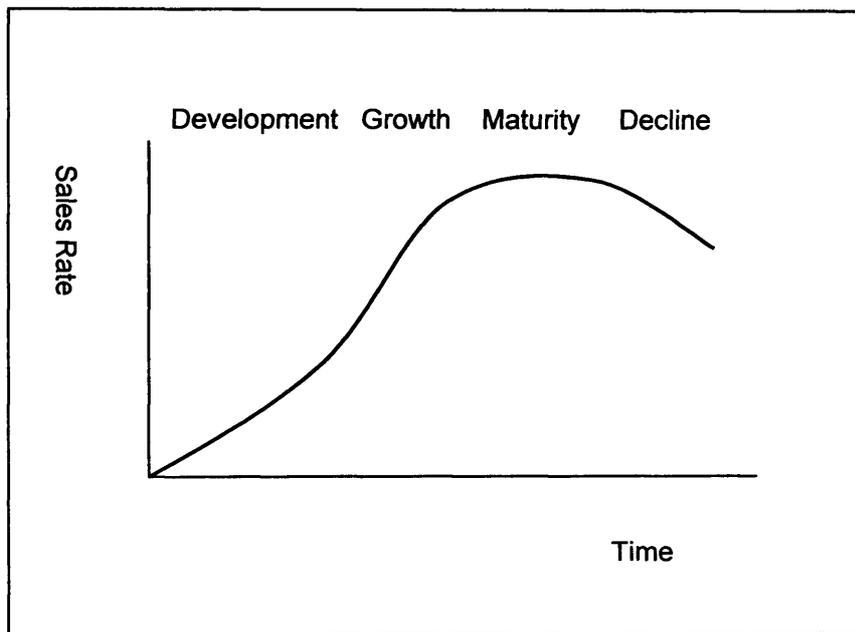
The factors that influence pricing strategy change over the life of a product/service concept.¹ The market defined by a product/service concept passes through four phases: development, growth, maturity, and decline. Figure 9.3 illustrates the changes in the strategic environment over those phases.

In each of its phases, the market has a unique personality. In preceding chapters, I analyzed the three factors that determine the success or failure of a pricing strategy: the product/service's relevant costs, the behaviour of visitors, and the reactions of

¹ For a general overview of marketing strategy over the life cycle, see Levitt (1965), Porter (1980), Hannagan (1992), and Nagle and Holden (1995).

competitors. These factors vary predictably as the market for a product/service moves through the phases of its life cycle. Accordingly, one's pricing strategy must vary if it is to remain appropriate, and one's tactics must vary if they are to remain effective. The following sections explain the rationale for these changes in strategy.

Figure 9.3 Phases of the Market Over the Product Life Cycle



Source: Nagle and Holden (1995)

9.3.1 Pricing the Museum Concept for Market Development

In this phase, visitors are price sensitive because they lack knowledge of the product/service's benefits. Both production and promotion costs are high. Competitors are either nonexistent or few and not a threat since the potential gains from market development exceed those from competitive rivalry. Pricing strategy signals the product/service's value to potential visitors, but the visitor's education remains the key. As discussed in Chapter 6, I have a particular concern for the influences of the family in the individual's 'life line' development, and in the way

different spheres of influence interact at different times in the cycle.

In the Taiwanese museum context, the public used to find the museum concept somewhat foreign. In relation to this 'foreign' concept, Paroissien (2003) has pointed out that the burgeoning of new museums throughout the world in recent decades—especially in countries far removed from where the European concept of a museum evolved—reflects a widely shared concern for representing human history and identity. This has occurred at a time of great political and social change and diasporic movements. It has also been a time of global tourism, stimulated in part by rising public interest in visiting cultural institutions. It does not yet have a place in visitors' life-styles, and so consequently, the market requires substantial education before the public recognizes a product/service's benefits and accepts it as a legitimate way to satisfy its needs. The first Taiwanese museum had to overcome considerable visitor apathy.

Nagle and Holden (1995) use the term *innovation* for a product/service which is new and unique. According to participants of focus groups, most of what individuals learn about museums comes from seeing and hearing about the experience of others. A new product/service that embodies a new concept for fulfilling visitor needs is an innovation whose success requires visitor education. Nagle and Holden (1995:169) call this aspect of that educational process *information diffusion*. The most important factor is social interaction with other visitors who have already been to the museum.

9.3.2 Pricing the New Museum for Growth

In the market growth phase, visitors are increasingly informed about product attributes either from personal experience or from communication with innovators.

Consequently, they are increasingly responsive to lower prices. Price reductions can increase the rate of market growth and the product/service's long-profitability. The reputation of the product/service will become important both for attracting new customers and for repeat visits.

As described in Chapter 8, the effect of satisfaction on loyalty is the degree to which a visitor's more recent visits to the museum affect loyalty. The effect of satisfaction on recommendation reflects both the degree to which a visitor's more recent visits enhance a museum's reputation and the consistency of the visitor's experiences over time. Thus, reputation may have a direct effect on loyalty by way of such factors as the ongoing inclusion of certain brands in a visitor's consideration set—the brand the visitor looks at before making a choice—and more long-term or memory-based evaluations of the brand. Loyalty is viewed as a function of both the ongoing reputation of the museum and visitor satisfaction with recent performance.

For a newly introduced product, an organisation will charge relatively low prices to rapidly obtain a large market share and in this way encourage repeat visits. In a for-profit context, pricing decisions as to what prices to charge for its products are a key determinant of the financial success and competitive standing of a business organisation. If the prices charged are perceived as too high, customers will switch to alternative suppliers and the business will lose out. If the prices charged are too low, the business will not be able to cover its costs and therefore will be unable to survive. Once a product concept gains a foothold in the marketplace, the pricing problem begins to change. Repeat attenders are no longer uncertain of the product's value since they can judge it from their previous experience. First-time visitors can rely on annual reports from the innovators as the process of information diffusion begins. A competition begins to break out in the innovative industry for both the original

innovator and the later entrants.

9.3.3 Pricing the Established Museum in Maturity

In the market maturity phase, most visitors are repeat attenders who are familiar with the product/service. Increasing homogeneity enables them to better compare competing brands. Consequently, price sensitivity reaches its maximum in this phase. Competition begins to put downward pressure on prices since any firm can grow only by taking sales from its competitors. It will need to consider existing charges, which it may in fact use as a starting point for setting a price.

A typical product/service spends most of its life in maturity, the phase in which effective pricing is essential for survival, although latitude in decision making is far more limited. Key opportunities to maintain margins by increasing price effectiveness include: improved demand estimation, expansion of the product/service line, and reevaluation of distribution channels. Sargeant (1999: 104) points out that price discrimination is a widespread practice among nonprofits and there are a variety of bases, including market segment, place, time, and service category. It is also important that the tactical choices relating to the marketing mix elements work well together to reflect the overall strategic direction.

- *Market Segment:* Museums offer discount packages to students, OAPs, family groups, schools, etc. Day-trippers and tourists might be attractive segments to target, especially if the museum or gallery is large enough to launch credible promotional campaigns over a wide area, or if it is located in a holiday resort.
- *Place:* Diggle (1995: 33) suggests that theatre tickets are usually sold according to the desirability of their location. Museums could look at ways of managing

their events like theatre programmes.

- *Time*: Museum admission charges could vary by season to encourage off-peak demand.
- *Service Category*: Museums could elect to offer several grades of service, for example a celebrity opening.

Do museums have ‘brand identities’ that are recognized by visitors? The results of this study confirm the general conclusion reached above that ‘functional form’ and ‘exhibits’ are the most important categories for all groups of visitors. Price does exert an effect upon the perception of product quality when it is the only cue permitted to vary. Brand images may affect perception of quality, especially for brands with strong positive images. It would therefore seem as if brand image is a more important cue than price in determining quality perception of museums. The price-brand name distinction is somewhat confounded; however, especially for an established product, knowing only the brand name provides more information than simply knowing the price.

One of the most interesting findings is the evidence which indicates that museum aficionados are capable of discriminating quality differences. Such findings may be explained by the fact that people tend to use cues systematically even when the cues possess no real predictive utility whatsoever.

9.3.4 Pricing a Museum in Market Decline

In the market decline phase, reduced visitor demand and excess capacity are characteristics. As newer products/services are introduced, they may be substituted for the established offerings. Decline may arise because of changes in fashion or

taste. Decline may occur after a product/service has led a fairly short life or after very many years. This depends on the nature of the product and its market. While the demand for blockbuster exhibitions may be subject to constant changes as fashion changes, the demand for 'fine collections' may have a long life cycle. Two opportunities are available: retrench to the museum's strongest product/service lines and price to defend one's share in them; or consolidate one's position by price cutting to drive out weak competitors and capture their markets.

Summary

The purpose of this chapter is to examine the nature and the role of pricing in the museum environment. Museums have to take into account the influence of economic, political and social factors on the prices it is able to charge. This control reflects political and social policies about such matters as access to health services, education, and museums. The provision of a 'free' museum service is a result of political and social policy. These political and social decisions mean that museums may find their position on price governed or charged by external regulation.

Additionally, cost structures, competition and customers are all integrated key factors in setting prices. Traditionally, marketing theorists have seen three elements of cost, demand and competition as the key influences on pricing (Kotler, 1980; Nagle and Holden, 1995). The relationship between price and demand in the museum field has begun to be researched in recent years (O'Hagan and Duffy, 1995; Luksetich and Partridge, 1998; Johnson, 2000). Competition between museums is untypical of the wider marketing experience, but changes are occurring in tourism links which have been steadily established, resulting in increased visitor numbers in both domestic and international markets (Kotler and Kotler, 1998; Rentschler and Gilmore, 2000).

Product/service life cycle analysis is a practical concept in marketing because it enables us to understand the present, anticipate the future, and prepare to make the most of both. In considering what action can be taken at each phase, price may become particularly important in the mature stage, it may be sensible to reduce the price of a product/service to maintain or increase the share of the market. When the market is saturated, all the potential uses for a product/service will be exhausted and there may be too many competitors so that the market no longer grows (Hannagan, 1992). In the private sector, this stage is often epitomised by price wars; in the non-profit sector, such as museums, it may be characterised by a cost-cutting exercise, so as to reduce expenditure and to avoid increases in any charges that are made.

Furthermore, besides the admission fees paid by visitors, most museums and galleries have other potential revenue sources. In the future, shops, food and beverage facilities, meeting rooms, and special services can be very profitable assets, but require competent staff and a range of merchandise to succeed. There are a number of issues to consider. Will the shop sell educational products only or a full range of souvenirs? Will local crafts people be encouraged to display their merchandise? What prices will be charged? People are very sensitive to perceived high prices or poor quality when they are in a captive situation. If museums have a reputation for charging too much for food, then people will bring their own picnic lunch or their own soft drinks. In the long run it would be better to offer a range of food and beverages at reasonable prices than to drive customers away. As a result, pricing has become a sophisticated practice in a growing number of museums. Pricing admission has influenced museums to think more clearly about the benefits they offer the public and what the public perceive as the value of their visit.

Chapter 10

Conclusion and Recommendations

There was a time when pricing was not an important issue for Taiwanese museums, because the national government had undertaken to support museums. Many museums first introduced pricing by encouraging voluntary contributions. Some set up an out-of-the-way contribution box so as not to embarrass those who chose not to pay. Others placed the box near the entrance. Does this really encourage visitors to make donations? As citizens we are naturally pleased to see the government being supportive of cultural activities, but for many museums today, the reality of a deep recession has come knocking on the doors of the venerable museums that enhance cities and towns throughout the country. A convergence of diminishing funding resources, heightened public expectations, and marketing practices was leading Taiwanese museums in a 'new direction' only a few years ago. Museum administrators are increasingly being forced to review their pricing policies. The present is marked by a deep uncertainty about how museums and their role in a contemporary society should be interpreted, and lack of money for operating costs and purchasing budgets threatens to derail the objectives of even the most established institutions.

The overriding notion that the formulation of policy must place priority upon government financial support is gaining ground in Taiwan. This is in fact the most inefficient, if not dangerous, kind of approach. Often such policies merely outline sums or guidelines for money allotted, while the public's needs, the substance and content of art presentations, and quality of facilities and equipment are overlooked or contested. Yet there has not been much research and debate concerning the impact of charging with regards to visitor behaviour in museums. There is only a limited contribution to a growing body of theory.

The Council of Cultural Affairs (2000a) has shown that there is an increase in visitors who are relatively new and inexperienced museum-goers. The Council suggests that museums should take on the challenge that these people present, and find ways to draw them in more deeply. In this sense, the aim of this research is to identify and analyse key influences on pricing and explore the possibilities for developing the pricing strategy of museums in a way that more fully reflects their fundamental and evolving purposes.

10.1 Evaluation of the Method of this Study

Marketing interpretation of qualitative data analysis aims to uncover common patterns or themes that transcend individual experiences, as well as those aspects that vary from one individual to another (Schouten, 1991). The analysis procedure is an iterative system of coding, categorising, and abstracting the data in order to integrate the themes found. Often these data are referred to as “visitor narratives,” and since we think of ourselves in storied form, these focus group protocols may indeed be relatively narrative in form. Accordingly, focus groups provide people with the cognitive vehicle to achieve a sense of self both by structuring events in time and space and delineating the relationship between individuals acting within a social nexus. However, focus groups will not dwindle into a mere historical curiosity, because they are demonstrably the method of choice in one narrow sub-spectrum of the broad band of sociological topic areas, namely that of the documentation of group norms and understandings (Bloor *et al.*, 2001). Since the main purpose of focus groups is to access group norms and understandings, there are clear advantages in recruiting participants from pre-existing social groups. Focus groups drawn from pre-existing social groups may also be less likely to suffer from non-attendance.

Emergent communications technologies have spawned new forms of group interaction which in turn now offer new ways of applying the principles of focus group research (Bloor *et al.*, 2001:86). Virtual focus groups offer speedy and low-cost options for gathering rich qualitative data and can be seen as representing a response to the demand from developing computer-mediated communications to think about data collections in new and appropriate ways. I have sent a draft report via email to participants and asked for their views. Comments are then used to extend and deepen the analysis and may have practical advantages such as easing access and as a courtesy to participants.

10.2 Key Findings

Focus groups allow me to discover varying perceptual factors: motivations, attitudes and loyalty to museum participation. These three factors influence a visitor to reach a decision of (re)visiting a particular museum. The following section details these qualitative findings.

Museum Participation as Social and Self-actualization Need

How should museums and their roles be interpreted in the age of the leisure society?

Chapter 6 makes significant progress in exploring participants' higher-order goals, such as defining and constructing the self. According to the interpretation of qualitative data analysis, it discerns self-identity related visitor motivations. During focus group discussions, participants think of themselves as story-builders in terms of self-stories. They construct identities, which can be multiple and changing, by locating themselves in stories. A major focus of the stories created by participants is to make sense of who they are and what they consume.

From this foundation, this view has extended the role of interpretation of qualitative data to the realm of visitor (consumer) behaviour, focusing on consumption experiences that help individuals create their sense of self. Their leisure choices are influenced by their age and outlook at various stages in life. The first concern is with the influences of the family on the individual's 'life line' development; then in the way different spheres of influence interact at different times in the cycle. Rapaport & Rapaport (1975:19) suggest that individuals develop their lives along three lines—family, work and leisure—which combine to form whole lifestyle patterns. Individuals integrate influences and experiences in all of these life spheres as they create and live out a life career. As can be seen in the analysis, each line involves relationships with people who influence consumer behaviour.

In addition, the motivation for establishing a museum becomes not so much the need to house a collection as the desire to provide an opportunity for the general edification of the public. Consequently, a museum's basic role is to provide a suitable venue for the enactment of interaction rituals with significant others. Handler (1993) defines museums as *social arenas*. Viewing museum attendance as a post-industrial ritual of reproduction then leads to the following predictions with regard to consumer behaviour toward this product: clearly museums do provide social benefits, but as much in the sense of leisure activity, as in educational or community roles, and perhaps more so than most museum staff appreciate.

In the last two decades there has been an unprecedented boom in the establishment of museums throughout 'post-industrial'¹ Taiwan. In the post World War II period,

¹ The first use of the term 'post-industrial' is attributed to the English sociologist, Arthur J. Penty, who, in 1914, published an anthology called *Essays in Post-Industrialism*. Later, by the end of the

Taiwanese society conformed to a set of accepted norms that included specific times for leisure confined to weekends and short periods of annual leave occurring at roughly the same time each year. Bell (1974) identifies one of the components that best characterises the post-industrial society as the shift from a goods-production to a service economy. There is a great development of the arts and the entertainment industry (also called the free time or leisure industry). ‘Museums are an international growth industry’ asserts Lumley (1998), in which they are not only increasing in numbers, but also acquiring new functions in the organisations of cultural activities. The public’s perception of the museum has shifted from educational to recreational, from research and display and to a more audience driven and service-oriented approach (Schubert, 2000). Regarding the recreational function, when asked to ascribe attributes of an ideal leisure experience, there was some consensus of opinion amongst participants of focus groups that the ideal museum experience was one which was fun, entertaining, exciting, relaxing, a place where one could take friends, a place where one could develop individual and community identities and which was value for money.

Perceptions of Museum and Lifestyle Spending

What factors influence a visitor’s perceptions of the value-for-money offered by a visit to a museum?

Museums were being categorised by participants of the focus groups as *lifestyle spending*: that is, ‘to consume services to maintain or enhance their lifestyles’ in the

1960s and the beginning of the 1970s, Daniel Bell disseminated the term ‘post-industrial society’. See Bell (1974).

‘social construction of their new identities.’ A related notion is also shown in *Social Trend* (2000), which supports these attributes associated with leisure, i.e. there is a noticeable shift from *consumable* spending to *lifestyle* spending. What decides whether a consumer will pay a particular price is not how much it costs, but how much he/she values it.

A ‘museum explosion’ in Taiwan from the 1980s to 1990s led to a need for new audiences. While a museum seeks to develop brand-loyalty users, it also seeks to create access—building bridges with different groups to ensure their specific needs are met. Yet caution is advised in the selection of new target groups defined as ‘switchers,’ such as ‘culture vultures’ or ‘experimenters’ who will not show loyalty to a particular museum, but may visit a variety of museums, possibly as guests. It is unlikely that the programme of a single museum could satisfy their needs and as a consequence they will search to broaden their knowledge and range of experiences.

One of the major findings from this study is that museum participation now is structured by individuals according to the time available to them; in particular, those new consumer patterns (among the 35-49 year age group, where core spending is increasingly focused on mortgages and children’s school fees) are a response to coping with the phenomenon of *more* to do and *less* time in which to do it. “Spontaneous consumers” are generally people in demanding professional jobs that leave them ‘time poor’ and prone to making immediate decisions on the day about where they will go and what they will do (Caldwell, 1998). People are now squeezing leisure time in around their day-to-day responsibilities as well as carefully juggling the time spent on the many activities available to them. The implications for museums of these findings are strong. Still the trend of spontaneous leisure time

activity decision-making has benefited museums, which have enjoyed increases in attendance in recent years. Museum visits allow for flexibility in the amount of time spent and typically do not need to be planned in advance, except for blockbuster exhibits which require advance tickets.

Furthermore, each museum creates an image in the consumer's mind that influences the decision whether to use the service. The MOCA sets its prices according to the educational image it wishes to project, while the NMMBA's prices project a leisure image. Each exhibition mounted by the MOCA has attracted people who have seldom or never visited a museum, and its audiences now are able to discuss a particular type of exhibition or to purchase products associated with a particular brand. In terms of leisure, the NMMBA provides the shopping-mall atmosphere of the foyer which makes visitors' lives into a form of entertainment.

New Museum 'Patrons'

What are the museum's objectives in selecting its pricing objectives?

Museums have been encouraged to rethink their price objectives. Nonprofit organisations may adopt a number of pricing objectives. A university aims for *partial cost recovery*, knowing that it must rely on private gifts and public grants to cover the remaining costs. A nonprofit hospital may aim for *full cost recovery* in its pricing. A nonprofit theatre company may *price its production to fill the maximum number of theatre seats*. A social service agency may set a *social price* geared to the varying income situation of different clients. What are the objectives of museums and how have these changed regarding increased influences and challenges of a rapidly changing economic environment?

In the subsidized sector, one of the purposes of *state patronage*² is to offer cultural opportunities as widely as possible in the community. For this reason, prices are set to permit audiences, regardless of their financial status, to participate in museums. There is, therefore, a latent conflict between access objectives and income optimization which forms a constant ideological backdrop to ticket pricing (Hill, O'Sullivan and O'Sullivan, 1995:147).

In Chapter 5, I have attempted to describe the new patronage setting in Taiwan. This trend towards becoming closer to the *market* and/or *public patronage*³ is not being initiated by the government; it is forced on them by a market environment that is characterized by factors such as:

- Downsizing, forcing museums to use limited resources in an increasingly efficient and effective way;
- Growing competition from stronger and bigger private competitors resulting from the privatization of public museums;
- The constant pressure for growth, which comes from new as well as established visitors;
- Museums' realization that it is more profitable to keep current customers than constantly trying to find new ones; (especially, MOCA, Taipei)
- Consumers with increasing demand for individualized product and service offers;
- Consumers with increasing knowledge about museum alternatives;

² As defined in Chapter 3, 'state patronage' means that government support for museums has both a practical and a symbolic importance. It is a right rather than a privilege reliant upon state welfare.

³ As defined in Chapter 3, 'market patronage' means that industrial sponsorship of museums is growing in contemporary Taiwan. Their sponsorship is considered a form of advertising: 'Better public and community relations; increased sales; and an improved image.' Public patronage means that user charges (director payment) and taxpayers' cash (indirect payment) are paid to utilize the museum service.

- Products (exhibitions) that have become more and more similar in their basic features and call for differentiation on the service level.

The Contemporary Art Foundation (as market patronage) plays a key role in the management of the Museum of Contemporary Art, Taipei. Because its legal status is similar to that of a public authority, the MOCA is still seen by most Taiwanese as a public institution. The National Museum of Marine Biology and Aquarium was opened in February 2000 and the following July turned the management of its aquarium over to the Hi-Scene World Enterprise Company (as public patronage). The NMMBA falls under the control of the public sector but is run by a public/private partnership.

It can be concluded that the Taiwanese government's programme of reform allows for choice between partial privatisation and a totally free-market approach. Consequently, each museum in the country is free to make its own decisions regarding admission objectives and schedules, but consumers, when confronted with price increases, have requested regulation. In the NMMBA, the profit motive may be a factor in pricing decisions, but almost 50% of visitors indicated that admission fees were too high. Conversely, the Contemporary Art Foundation by its very nature does not expect earned income to cover all its costs. It continues to offer cultural opportunities as widely as possible in the community. For this reason, prices are set with a view to permitting audiences, regardless of their financial status, to participate in the arts.

Many Taiwanese museums which charge for admission have now established a price schedule, charging less to children, students, military, police and seniors. In general, museums want to keep admission charges as low as possible so as not to discourage

attendance. Taiwanese museums provide various functions that require payment for these services.

Most economic literature on *user fees* originated in the 1920s; user fees are themselves a feature of feudalism. Yandle (1991:37) points out that the interaction of a feudalistic device employed in a capitalistic economy that is managed by a republican form of government generates interesting dynamics. User fees are among the more visible vestiges of feudalism in capitalist societies. Like their feudalistic counterparts, administratively determined user fees indicate that property is controlled by the 'lord of the manor'—government—and not by the freeman. Therefore, the property rights are public not private. A significant example is given by Yandle (1991:37):

Visitors to Yellowstone Park pay an entrance fee, just as they do at Six Flags Over Texas. At Yellowstone the charge is set and collected by government. At Six Flags the price is determined by competition. If the management of Yellowstone is delinquent in its duties and runs a deficit for a long period or allows the resource to be destroyed by fire, the lord of the manor provides more resources or reduces the level of services. The property rights are not transferred to someone else. If the same thing occurs at Six Flags the spur of competition closes the doors, and the property rights are transferred to someone else.

To be sure, there is no reason in principle why Yellowstone Park could not be leased, or even sold, to a private operator, who in turn would be subject to market forces. We

may compare a local government museum which makes no admission charge with a small independent museum which charges an entry fee.⁴ Equally, museums which do charge may be compared with other leisure options in terms of price.

Pricing admission has influenced museums to think more clearly about benefits they offer the public and what the public perceives as the value of visit. Various factors can impact on the pricing admission strategy of a museum. Decisions on other elements of the marketing mix itself may impact on price-setting. For example, promotional pricing may be used when a lower price is charged for a period in an attempt to stimulate demand. With the increased costs of facilities, user fees are an important contributor to government revenue in the United States and seem to be popular with both voters and politicians (Anderson, 1991:29). In contrast, arguments against charges are based on profound philosophical arguments relating to the right to culture, freedom of access and social equity. There is therefore a “user-pays” philosophy and a treatment of culture as a market-place commodity (Bailey, S., Falconer, P., et al, 1997: 11). Although increasingly qualified by ‘the new public management’, paternalistic and philanthropic Victorian values are still influential in museum practice today.

10.3 Implications for Practice

How does a museum decide upon a general strategic approach to its pricing decision?

In practice, the research shows that museums’ pricing structures tend to be fairly

⁴ In Britain, Museum heritage sites like Ironbridge and Beamish have received over three-quarters of their revenues from admission charges.

simplistic and fail to take account of the impact of charges on quality of service, particularly congestion. It has often been observed that public enterprises have more 'uniform price' than private enterprises in situations with periods of peak demand.

Product life cycle analysis is a useful concept in marketing because it enables us to understand the present, anticipate the future, and prepare to make the most of both. Pricing strategy will depend to a great extent on the product/service life cycle. In considering what action can be taken at each phase, price—one of the four 'Ps' may become particularly important in the mature stage, it may be sensible to reduce the price of a product/service to maintain or increase the share of the market. When the market is saturated, as Hannagan (1992) suggests, all the potential uses for a product/service will be exhausted and there may be too many competitors so that the market no longer grows. In the private sector, this stage is often epitomised by price wars; in the non-profit sector, such as museums, art galleries, theatres, it may be characterised by a cost-cutting exercise, in an attempt to reduce expenditure and to avoid increases in any charges that are made.

In summary, this research identifies several guidelines as follows:

- Fees should generate gross revenue to the museums.⁵
- Fees should not interfere with the museums' mandate to disseminate cultural information, indeed, fees should support this goal.

⁵ Gross revenue: income received for goods and services over some given period of time. In the nonprofit context, commercialization means that organizations are increasingly willing to charge fees for their (charitable) services and/or act more entrepreneurially by developing business opportunities that may be related to the organizational mission. In the museum case, this translates primarily into higher revenues from admission charges and auxiliary activities, but also includes other forms of earnings, such as royalties and the exploitation of copyrights. A further discussion on the contribution of these activities to the financing of museums, See Toepler and Kirchberg (2002).

- Fee schedules should reflect the fair, realistic market value of the products and services offered.
- Revenue should go toward projects clearly identifiable by the public, and should not be used to offset decreased government funding.
- Measures must be taken to avoid discouraging regular museum visitors.
- Low-income groups should be identified, and measures put in place to accommodate them so no one is turned away because of their inability to pay.

10.4 Recommendations for Future Study

Every study owes something to the theory that it produces its own particular viewpoint that animates the inquiry and the handling of evidence; which, in turn, should generate a return to the theory and a clarification and modification thereof in terms of any new findings that have been produced. The analysis of pricing strategies presented here is based on customers' viewpoints and this work helps to illustrate the importance of understanding that what are often described as 'barriers to attendance' are actually a series of needs that potential visitors currently perceive museums are not able to meet. In order to understand in greater depth the motivation behind the survey responses, I have attempted to incorporate Maslow's Hierarchy of Human Needs (1943) and Hargreaves McIntyre's Audience Pyramid Model (2002), and to link them up to visitor attitudes towards museum participation/consumption and to the effect of visitor satisfaction on loyalty. The way prices are presented has taken account of visitor psychology, balancing the customer's desire for a bargain with their understanding of the overall cost of the total experience they are purchasing (Morgan, 1996). Interviewing 'focus groups' has revealed far more than short answers to pre-coded questions and it is by these means that much is being learned

by museums which wish to create user-friendly environments.

Since museums have been regarded as leisure attractions people tend to be more likely to visit them, but there is a great deal of overlap between the interest people pursue during their leisure time. This proves how much the different types of leisure attractions compete for people's time. In this challenging climate, competition exists not only among similar attractions but also across the whole leisure sector. Competition is becoming fiercer as people see leisure time diminish and need to choose between activities on offer. This research has explored the people who 'consume' a specific type of the leisure activity—a museum visit. A further question arises: is there an overlap between leisure-customer clusters? For example, do people who visit museums also enjoy attending classical concerts? And do people who enjoy the performing arts visit national parks? There is more to do during our free time; further evaluation and research on *pricing strategies with regards to consumer clusters* is needed.

With the aim of maintaining visitor numbers, the second challenge is to meet visitor expectations, making them more likely to visit again but also to recommend the museum to others. This is all the more crucial as personal recommendations are the most quoted reason for visiting a museum. This prompts museums to invest further in their *customer relationships*. In order to support ongoing developments and improvements in museum practice what is needed is a pricing strategy appropriate to the specific situation of each museum.

Appendices

Appendix 1: A Covering Letter

21 October 2002

The Director

Pricing Policy and Audience Research

I am writing to ask your help with a PhD research currently being supervised by Richard Sandell at the Department of Museum Studies, University of Leicester, UK. The aim of the research is to identify and analyse key influences on pricing and explore the possibilities for developing the pricing policy of museums in a way that fully reflects their fundamental and evolving purposes. It is also hoped that the Museum may be benefited from the research and have more understanding about the behaviour of visitors.

The study focuses on the Taiwanese museum context, but will have international relevance and appeal. I would be grateful if you could provide me with the opportunity to use your museum as a case study and conduct at least three focus group interviews. Besides, I would assist the marketing officer with work within the visitor survey; as far as I know this it has not been done before.

I very much need your cooperation in this research. Any additional comments would be welcome. Confidentiality will, of course, be maintained in the thesis.

I look forward to hearing from you.

Yours sincerely

Yupin Chung
PhD Student
Department of Museum Studies
University of Leicester

Appendix 2: Topic Guide

First Draft of the Topic Guide

- **Conduct Warm-up portion of Interview**
- **Top-of-mind associations about leisure time**

When you think of leisure time here, what is the first thing that comes to your mind?

 1. Tell me more about that.
 2. Could you explain that?
 3. Give me an example of that?
 4. How do you feel about that?
- **Feelings about museums**
 1. How do you feel when you visit an exhibition?
 2. Describe what you like and dislike
 3. How long do you normally stay in a museum? Why?
 4. How do museums affect family life?
- **Sentence completions**
 1. The ideal museum blockbuster exhibit is one that ...
 2. A lack of money affects a museum...
 3. The best thing about this museum is that...
- **Chain of questions**
 1. Why do you become a member of the museum?
 2. What do you like about being a member?
 3. Will you be renewing your membership? Why?
- **Benefit and Barriers**
 1. Tell me about two or three situations in which you would decide to go a museum and two or three situations in which you would decide to do something else.
 2. Here are five different couples. Which one will you choose?
- **Closure of Group**

Finalised Topic Guide

I. Warm-up: Your name and one thing you enjoy doing on weekends.

II. Motivations to visit

1. Your first museum visiting experience
2. Have you ever visited MOCA/NMMBA before?
3. How did you hear about us?
4. How do you think of *leisure time*?
5. How do you make museum-going decisions?

III. Attitudes to museums

6. What's the first thing that comes to mind when I say *museum*? How about the image of MOCA / NMMBA in your mind?
7. How do you feel?
8. How long do you normally stay in a museum?
9. What did you enjoy the most about your visit?
10. Do you know we offer 'free of charge on Tuesdays'? (MOCA)
Are you satisfied with that level of admission charge? (NMMBA)
11. Special exhibitions (or blockbusters) and waiting queues
12. The ideal museum blockbuster is one that...
13. Did you make any purchases?

IV. Loyalty

14. Why don't you become a member of our *Friends' Society*?
15. Would you like to join our volunteer scheme?

V. Summary and Conclusion

16. Summary of questions 10, 11, 12, 13, & 15.
17. Have we missed anything?
18. What advice do you have for us?

Appendix 3: Focus Group Questioning Route

Introductory Question: Tell us your name and what do you enjoy doing (hobby, activity, etc.) on weekends.

1. Would you like to talk about your first museum visiting experience?
2. Have you ever visited MOCA/NMMBA before?
3. How did you hear about us?
4. When you think of *leisure time* here, what is the first thing that comes to your mind?
5. Tell me about two or three situations in which you would decide to go a museum and two or three situations in which you would decide to do something else.
6. What's the first thing that comes to mind when I say *museum*? How about the image of MOCA / NMMBA in your mind?
7. How do you feel when you visit a museum?
8. How long do you normally stay in a museum, why?
9. What did you enjoy the most about your visit?
10. Do you know we offer 'free of charge on Tuesdays'? (MOCA)
Are you satisfied with our service at that level of admission charge?
(NMMBA)
11. You just told me you would like the museum to have more special exhibitions (or blockbusters) and now you are telling me that you can't enjoy because of waiting queues – how do you explain this?
12. The ideal museum blockbusters is one that...
13. Did you make any purchases at the museum shop or restaurant today?
14. Why don't you become a member of our *Friends' Society*?
15. Would you like to join our volunteer scheme?
16. Let's summarise the key points of our discussion.
[The assistant moderator will give a brief 2-minute summary of the responses to question 10, 11, 12, 13, & 15.]
17. The goal is to examine the necessity or appropriateness of charging fees in our museum. Have we missed anything?
18. What advice do you have for us?

Appendix 4: Semi-Structured Interview for Museum Staff

1. Do you have a general admission charge?
2. If you do not charge, do you ask for a voluntary donation?
3. Do you recommend a minimum donation? If so, how much?
4. Have you charged admission in the past?
5. Do you charge admission for part of permanent collection, or for special/ temporary exhibition?
6. When was charging introduced?
7. How long did charge continue?
8. How much did you charge at the beginning?
9. What was the main reason that prompted charging?
10. How has the introduction of an admission charge changed visitor numbers?
11. Was the admission charge intended to control visitor numbers?
12. Is the charge applicable all opening hours, or only at certain times?

(Please specify accordingly)

Charge is applicable during all opening hours

Charge is applicable only at peak times during the day

Charge is applicable at peak days during the week

Charge is applicable at weekend only

Charge is seasonal only

Other

13. Does the museum keep income from charging as additional revenue?
14. What is the revenue used for?
15. What running costs have been created with the introduction of admission charge?
16. What proportion of charges revenue is taken up by running costs?
17. How do you think charges have had an effect on visitor behaviour?
18. How do you think charges have had an effect on visitor satisfaction?
19. Do you think charges have had an effect on the type of visitor?
20. Do you count visitor numbers now?
21. How do you count visitors numbers?
22. Did you compete for an admission charge with other cultural activities and leisure attractions?
23. If yes, why?

Appendix 5: Chart Layout for Linking Research Questions and Design

Research Questions	Objectives	Collection of Data	Analysis of Data
1. How should museums and their roles be interpreted in the age of the leisure society?	To examine the purposes of museums and how these have changed	Literature Review	<ul style="list-style-type: none"> ■ Search for existing literature in the area of study and develop a theoretical and conceptual framework. ■ Analysis of a change will give expression to a shared vision and clarify the museum's role within the marketplace.
2. What are the museum's objectives in selecting its pricing objectives?	To survey the historical and current background to pricing policies in Taiwanese museums	Documents	<ul style="list-style-type: none"> ■ The analysis of documentary sources helps address the existing competencies of policy.
3. What factors influence a visitor's perceptions of the value-for-money offered by a visit to a museum?	To discover visitor attitudes and motivations	Focus Group Interviews	<ul style="list-style-type: none"> ■ Identify the different positions or dimensions that emerged regarding each key topic area. ■ Think about the major objectives of the research and key decisions/actions that are to be taken.
4. How does a museum decide upon a general strategic approach to its pricing decisions?	To explore the possibilities for developing the pricing policy of the museums in a way that more fully reflects their purposes	Case study MOCA, Taipei NMMBA	<ul style="list-style-type: none"> ■ A comparison of similarities and differences between the data yielded from the different sources will help us to build up a pricing policy.

Appendix 6: Participant Profiles of Focus Groups

No.	Geographic	Demographic					Behavioural	
		Age	Family life cycle	Gender	Annual Income	Occupation	Education	User status
Group 1 - 4 Jan 2003 MOCA								
1-1	Taipei County	20-34	young, married, no children	F	12,000-24,000	lecturer	graduate school	first-time user
1-2	Taipei County	20-34	young, single	F	12,000-24,000	lecturer	graduate school	light user
1-3	Taipei City	20-34	young, single	F	4,800-7,200	official	graduate school	first-time user
1-4	Taipei County	20-34	young, single	F	under 2,400	student	2nd year at college	heavy user
1-5	Taipei City	20-34	young, single	M	under 2,400	military	college graduate	first-time user
1-6	Taipei City	20-34	young, single	M	4,800-7,200	homemaker	college graduate	light user
Group 2 - 7 Jan 2003 MOCA								
2-1	Taipei City	20-34	young, single	F	under 2,400	art teacher	college graduate	heavy user
2-2	Taipei City	20-34	young, single	F	under 2,400	unemployed	college graduate	heavy user
2-3	Taipei City	35-49	young, married, youngest child 6 or over	M	7,200-12,000	photographer	college graduate	first-time user
2-4	Taipei City	20-34	young, single	F	under 2,400	student	3rd year at college	light user
2-5	Taipei City	20-34	young, single	F	under 2,400	student (art teacher trainee)	3rd year at college	light user
2-6	Taipei City	20-34	young, single	F	under 2,400	student (art teacher trainee)	3rd year at college	medium user
Group 3 - 12 Jan 2003 MOCA								
3-1	Hsinchu	35-49	young, married, no children	M	12,000-24,000	professional and technical	graduate school	first-time user
3-2	Taichung	20-34	young, single	M	under 2,400	student	2nd year at college	first-time user
3-3	Taipei City	35-49	young, married, youngest child under 6	M	12,000-24,000	manager	college graduate	heavy user
3-4	Taipei City	20-34	young, single	F	7,200-12,000	official	college graduate	medium user
3-5	Taipei City	20-34	young, single	M	7,200-12,000	editor	graduate school	medium user
3-6	Taipei City	35-49	young, single	M	12,000-24,000	professional and technical	graduate school	first-time user

Group 4 - 13 Feb 2003 NMMBA								
4-1	Kaohsiung	65+	older, married, no children under 18	F	under 2400	housekeeper	grade school	first-time user
4-2	Kaohsiung	65+	older, married, no children under 18	M	4,800-7,200	retired	high-school graduate	first-time user
4-3	Changhua	50-64	older, married, no children under 18	F	4,800-7,200	housekeeper	grade school	light user
4-4	Kaohsiung	65+	older, married, no children under 18	F	N/A	housekeeper	grade school	light user
4-5	Kaohsiung	35-49	young, married, youngest child under 6	M	12,000-24,000	professional and technical	college graduate	medium user
Group 5 - 13 Feb 2003 NMMBA								
5-1	Taipei City	20-34	young, married, no children	F	7,200-12,000	professional and technical	graduate school	first-time user
5-2	Taipei City	20-34	young, single	F	7,200-12,000	sales	college graduate	first-time user
5-3	Hsinchu	20-34	young, single	F	4,800-7,200	clerical	college graduate	first-time user
5-4	Hsinchu	20-34	young, single	F	under 2,400	student	4th year at college	first-time user
5-5	Hsinchu	50-64	older, married, no children under 18	M	12,000-24,000	civil servant	college graduate	medium user
5-6	Hsinchu	50-64	older, married, no children under 18	F	7,200-12,000	civil servant	college graduate	medium user
5-7	Changhua	20-34	young, married, no children	M	7,200-12,000	professional and technical	graduate school	first-time user
5-8	Taipei City	20-34	young, single	M	7,200-12,000	professional and technical	college graduate	first-time user
Group 6 - 14 Feb 2003 NMMBA								
6-1	Pingtung	65+	older, married, no children under 18	M	2400-4800	farmer	grade school	medium user
6-2	Pingtung	65+	older, married, no children under 18	F	2400-4800	farmer	grade school	light user
6-3	Tainan	50-64	older, married, with children	F	12,000-24,000	principal	graduate school	first-time user
6-4	Pingtung	50-64	older, married, with children	M	12,000-24,000	teacher	college graduate	first-time user
6-5	Pingtung	65+	older, married, no children under 18	M	12,000-24,000	retired	college graduate	heavy user
6-6	Pingtung	65+	older, married, no children under 18	M	12,000-24,000	retired	high-school graduate	heavy user

Group 7 - 14 Feb 2003 NMMBA								
7-1	Taipei City	20-34	young, single	F	under 2,400	student	2nd year at college	first-time user
7-2	Hsinchu	20-34	young, single	F	under 2,400	student	2nd year at college	first-time user
7-3	Maoli	20-34	young, single	M	under 2,400	student	2nd year at college	first-time user
7-4	Taipei City	20-34	young, single	M	2,400-4,800	student	2nd year at college	first-time user
7-5	Changhua	20-34	young, single	M	2,400-4,800	tour guide	college graduate	heavy user

Note: A description of user status, see Chapter 8 (8.1.2 Retention)

Appendix 7: Attendance Overview / MOCA, Taipei

Year	Month	Exhibition	Monthly Attendance	Accumulated Attendance
2001	5	The Gravity of the Immaterial	4827	4827
	6		4737	9564
	7		5390	14954
	8		5111	20065
	9	Hello, Master!	3692	23757
	10	Labyrinth of Pleasure	2500	26257
	11	In the Name of Women: Photography by	8062	34319
	12	Bettina Flitner	7104	41423
2002	1		7159	48582
	2		5365	53947
	3	Design + ; Through Women's Eyes: Video	8762	62709
	4	Art by Women Artists	13358	76067
	5	Legend on Chang An West Road Part I	10473	86540
	6	Architecture for the New Millennium	16429	102969
	7	Legend on Chang An West Road Part II	8513	111482
	8		9029	120511
	9		9679	130190
	10	Tech/No/Zone: Contemporary Media Art	6700	136960
	11		8437	145397
	12		6454	151851

Source: The Museum of Contemporary Art Taipei, 2003

Appendix 8: Attendance Overview / NMMBA

Year	Month	Monthly Attendance	Accumulated Attendance	Exhibition
2000	2	54263	54263	Opened in February 2000
	3	168438	222701	
	4	247652	470353	
	5	202414	672767	
	6	165982	838749	
	7	289845	1128594	
	8	224293	1352887	
	9	156040	1508927	
	10	163553	1672480	
	11	129681	1802161	
	12	125206	1927367	
	2001	1	166194	
2		94576	260770	
3		58464	319234	
4		124711	443945	
5		86626	530571	
6		101627	632198	
7		407393	1039591	
8		462870	1502461	
9		164279	1666740	
10		284674	1951414	
11		230473	2181887	
12		188950	2370837	

Source: The National Museum of Marine Biology & Aquarium, 2002

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