The Impact of Marketing on Activities of Vietnam Arts and Cultural Organizations

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> *Abstract*---With the trend of budget reduction and autonomous operation of arts and cultural organizations, competition in this field to attract audiences is an inevitable trend. This sets out the requirements of marketing activities to bring arts to the audiences and bring the audience to arts, which is, to link arts with the audience; not only achieved the goal of establishing and meeting the audience needs, but also fulfilled the arts and cultural organizations' task of creating arts. There have been many research perspectives on culture and arts marketing in the context of cultural integration and economic development associated with the characteristics of each country and region. In this study, the author approaches, inherits, and develops Rentschler's culture and arts marketing model to build a scale and conduct practical research in Hanoi, Vietnam. The survey subjects were identified as art practitioners (artists) with more than 3 years of working experience in 7 theaters in Hanoi. The research was carried out by qualitative method through secondary data collection, combined with the quantitative method through a survey of opinions of 200 artists.

> *Keywords*---arts marketing, arts, cultural organizations, culture, Vietnam.

Introduction

In Vietnam, large arts and cultural organizations are often located in crowded urban areas such as Hanoi capital, Ho Chi Minh City, Da Nang City, Hue City, Hai Phong City - areas with strong economic growth, cultural and social development. Arts and cultural activities in Vietnam currently have similarities with the arts and culture field of many countries around the world, which is, the reduced budget allocated by the Government and the encouraged requirements of commercial-oriented culture and arts. Therefore, the requirement for arts and cultural organizations is that they need to be proactive in finance, diversify their sources of income, which include income from ticket sales of arts and cultural

programs, cultural values and the organization's service occupies an important part (Walmsley, 2016; Nasution et al., 2021).

The reality of the renewal process in Vietnam shows that the participation in the global economy is influenced by the globalization process, the introduction of many cultural products and the participation of many economic sectors into cultural activities, has forced arts and cultural organizations to operate in an increasingly competitive environment (Gillen, 2011; Colbert & Courchesne, 2012). Although arts and cultural organizations have different functions, tasks and operational goals, in the end, developing an audience or "drawing them" to works of art, values and services of the organizations is still the highest goal, a survival mission. In addition, arts and cultural organizations also recognize that audience development is the way to achieve their goals, whether it is arts, financial, social goals or a combination of the three. This poses a requirement for an appropriate management method so that each art and cultural organization can compete and develop. In fact, there are many tools to help arts organizations survive and develop, and in the trend of economic and cultural integration, culture and arts marketing is also identified as one of the important tools (Filladsen & Jordenzen, 2020; Gede Budasi & Wayan Suryasa, 2021).

From the perspective of organizational administration, it can be seen that culture and arts marketing is an effective tool to help arts and cultural organizations promote arts programs, sell tickets, develop an audience, build and develop their own brand, enhance competitiveness. Especially with the trend of international exchange and integration becoming more and more extensive, with the subsidized budget mechanism not being able to meet operational needs and the increasingly fierce competitive environment, the research and application of culture and arts marketing in organizations have become a necessary issue. And in the context of Vietnam, the capital Hanoi is the area with a high level of education, where most arts and culture organizations are located compared to other localities across the country. Therefore, the author chooses Hanoi to carry out the investigation and survey in order to achieve the objective of this research (García, 2001; Urciuoli, 2003; Chen & Jaw, 2009).

Research overview of culture and arts marketing

Arts marketing has been a sensitive topic, a word that managers are reluctant to use, believing it implies "selling out artistic principles in favour of finding the lowest common denominator for dealing with the public" (Dickman, 1997). Artists need to create independently to meet the customer requirements because of the special nature of art products, so "marketing's role is, therefore, not to influence the kind of arts produced but solely to match the artist's creations and interpretations with an appropriate audience" (Hill et al., 2012). Thus, the role of arts marketing is to create conformity rather than shape arts products and services because arts products have their characteristics. Part of the problem can be seen as a misunderstanding of the principles of marketing and how marketing can promote the distribution of products and services. On the other hand, it is also because of the changing environment in which arts and cultural institutions operate, more and more arts organizations are realizing the advantages of using

marketing principles to support the process of making the right and realistic decisions, ultimately giving them more opportunities for creativity and innovation.

For commercial organizations, profit can be seen as a measure of success, but in the field of culture and arts, an organization's goals include many different priorities such as arts, financial and social goals. Some argued that culture and arts marketing needs to be applied creatively, not stereotyped as general marketing principles because artistic products have their characteristics (O'Reilly & Kerrigan, 2010). It is also argued that contemporary understandings of marketing reveal more similarities than differences between commercial marketing and arts marketing. Both types of marketing need to: "balance the needs of the organization and the needs of the customer; involving multiple stakeholders along with existing customers; focus on creating and maintaining long-term mutually beneficial relationships" (Hill et al., 2012). Therefore, arts and cultural organizations can benefit from the creative value of marketing, such as building a strategic vision in planning and operating the organization. When it comes to culture and arts marketing, some other researchers have similar views and they said that "the primary aim of arts marketing is to bring an appropriate number of people into an appropriate form of contact with the artists, and in so doing to arrive at the best financial outcome that is compatible with the achievement of that aim" (Colbert, 1994). Here, marketing is emphasized on its role as a bridge between certain audiences and artists, and determining the appropriate approach between the audience and the artists is also important. This approach is understood as the way artists convey their works, products, and services to the audience.

With this research point of view, culture and arts marketing, whether it is to achieve the goal of satisfying or meeting the needs of the public, does not have to follow the needs of the market but needs to ensure artistic orientation or product orientation and in terms of research, the author agrees with this point of view. It is because "if you let the public decide what you do you will become both repetitive and lacking in imagination. What the public wants is always more of what they have already experienced and liked. The real challenge is to find ways in which they can be persuaded to listen to something they do not immediately find attractive so that essentially that experience extends their knowledge and their taste" (Kerrigan et al., 2004).

Regarding research on the influence of marketing on the activities of arts and cultural organizations, many researchers also pointed out that "marketing the arts is the process of linking the art with an audience and vice versa" (Radbourne & Fraser, 1996), which means connecting arts with the audience. On the other hand, marketing "provides the framework to increase product offerings and to promote arts and entertainment through a wide range of activities; through strategic marketing, it is possible to heighten levels of satisfaction of current customers, and also reach new audiences" (Dickman, 1997). And so, marketing is one of the tools to help arts and cultural organizations achieve their goals, which are: (1) Performing the task of creating arts; (2) Establishing the needs of the audience; (3) Meeting the needs of the audience.

In terms of content, culture, and arts marketing is approached on the basis of the general principles of marketing in the market. In this study, the author approaches and inherits the content of Rentschler's arts and culture marketing, including Arts and cultural products; Price of arts and cultural products; Promotion of arts and cultural products; Distribution of arts and cultural products (Rentschler, 1999). From the content of Rentschler's arts and culture marketing and the effects of marketing on the activities of the mentioned arts and cultural organizations, the author has built a research theoretical framework (Table 1) with a 5-core element model (Figure 1) below.

Table 1
Research theoretical framework

No.	Scales	Encode	Level				
			1	2	3	4	5
I	Arts and cultural products	ACP					
1	Popular arts and cultural products following traditional trends	ACP1					
2	Popular arts and culture products following contemporary trends	ACP2					
3	Special and peak arts and cultural products	ACP3					
II	Prices of arts and cultural products	PCP					
1	Price of arts and cultural products based on costs	PCP1					
2	Prices of arts and cultural products by audience segment	PCP2					
3	Prices of arts and cultural products according to the purchased quantity	PCP3					
III	Promotion of arts and cultural products	PRCP					
1	Irregular promotion (programme promotion)	PRCP1					
2	Regular promotion (promotion according to the programme, the organization's annual plan)	PRCP2					
3	Promotion in association with media organizations and social networks.	PRCP3					
IV	Distribution of arts and cultural products	DCP					
1	Appropriate performing form	DCP1					
2	Suitable performing time	DCP2					
3	Suitable performing location	DCP3					
V	Activities of the arts and cultural organizations	ACO					
1	Fulfilling the task of creating arts and serving politics	ACO1					
2	Establish the needs of the audience	ACO2					
3	Meeting the needs of the audience	ACO3					

Source: Author synthesized, a scale developed from Rentschler's research model

Through the research overview on culture and arts marketing, the scales determined according to the research model include: 04 independent variables and 01 dependent variables with a total of 15 observed variables. The author designed a survey consisting of 15 questions and 15 observed variables with a 5-level Likert measure: 1 - Strongly disagree; 2 - Disagree; 3 - No comments; 4 -

Agree; 5 - Strongly agree (Table 1). Research models and research hypotheses are built below.
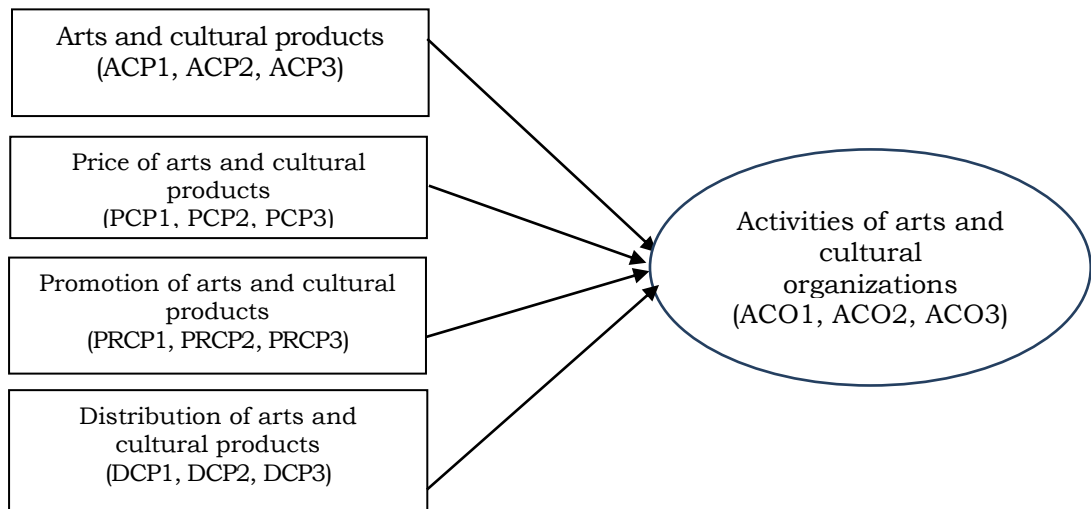
Research model

Figure 1. Research model

Research hypothesis

H1: Arts and cultural products are correlated with the activities of arts and cultural organizations.

H2: Price of arts and cultural products is correlated with the activities of arts and cultural organizations

H3: Promotion of arts and cultural products is correlated with the activities of arts and cultural organizations.

H4: Distribution of arts and cultural products is correlated with the activities of arts and cultural organizations.

Research method

The author uses a qualitative method (collection, analysis of secondary data - published documents) combined with quantitative methods (collection and analysis of primary data in the form of investigation and surveys). The investigation and survey are carried out in two steps: Preliminary investigation and official investigation (Castañer, 2014; Johnson et al., 2011).

Preliminary investigation

The minimum sample size required for factor analysis for the 5-scale and 15-variable model of this study is N = 15*5 = 75 (Hair et al., 2009). The author surveyed with a sample size N = 200 > 75 to ensure the reliability of data collection. The survey questionnaire was designed and completed, the author conducted a preliminary survey at 3 arts and cultural organizations (theaters) in

Hanoi with a sample size N = 100 artists. Preliminary survey results show that the observed variables are reliable so that they can be used in the official survey on a broader scale.

Formal investigation

The author conducted an official survey at 7 out of 21 theaters in Hanoi, including: (1) Vietnam Youth Theater; (2) Thang Long Puppet Theater; (3) Vietnam Puppet Theater; (4) Vietnam Symphony Orchestra; (5) Vietnam Tuong Theater; (6) Vietnam Cheo Theater; (7) Vietnam National Music Song and Dance Theater. Survey subjects are identified as artists with more than 3 years of working experience (Mak et al., 2020; Vuong et al., 2019). The survey was carried out with the consent of the respondents after the author's preliminary interview. The survey results are: 200/200 people agree to answer and 198/200 valid answer sheets, reaching 99% response rate. The characteristics of the research sample show that the majority (79.3%) of the survey respondents are artists with more than 6 years of working experience (Table 2).

Table 2
Descriptive statistics of the study sample

			Working time			
			3-5 years	6-10 years	Over 10 years	Total
Gender	Male	Count	28	71	24	123
		%	22.8%	57.7%	19.5%	100.0%
	Female	Count	13	36	26	75
		%	17.3%	48.0%	34.7%	100.0%
Total		Count	41	107	50	198
		%	20.7%	54.0%	25.3%	100.0%

Source: Author's survey results in 2021

With the collected data, the author conducts scale testing, exploratory factor analysis, and regression analysis to test the research hypothesis.

Research findings

The author conducts scale testing to identify the reliability of the observed variables in the model. The test results show that all 15 observed variables have reliability when meeting the standard conditions: Cronbach'alpha > 0.6; Corrected item-total Correlation > 0.3 (Hai & Ngoc, 2018), (Table 3).

Table 3
Scale test results

No.	Scales	Observed variables	Reliability coefficients (Cronbach' Alpha)	The correlation coefficient of the smallest total variable
1	Arts and cultural product (ACP)	ACP1, ACP2, ACP3	.666	ACP2 = .347
2	Price of arts and	PCP1, PCP2,	.681	PCP3=.413

	cultural products (PCP)	PCP3		
3	Promotion of arts and cultural products (QB)	PRCP1, PRCP2, PRCP3	.758	PRCP1=.586
4	Distribution of arts and cultural products (DCP)	DCP1, DCP2, DCP3	.783	DCP3=.521
5	Activities of arts and cultural organizations (ACO)	ACO1, ACO2, ACO3	.778	ACO1=.604

Source: Author's survey results in 2021

With verification values that meet the standard, 15 observed variables in the model continue to be used to perform exploratory factor analysis. The author conducts exploratory factor analysis with Varimax rotation to preliminary evaluate the unidimensionality, convergence value, discriminant value of the scales. The results of the analysis are shown in Tables 4 and 5 below.

Table 4
Total variance explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.257	41.714	41.714	6.257	41.714	41.714	5.997	39.983	39.983
2	1.276	8.506	50.220	1.276	8.506	50.220	1.403	9.350	49.333
3	1.216	8.109	58.329	1.216	8.109	58.329	1.309	8.730	58.063
4	1.068	7.117	65.446	1.068	7.117	65.446	1.095	7.297	65.360
5	1.000	6.669	72.115	1.000	6.669	72.115	1.013	6.755	72.115
6	.817	5.446	77.561						
...	.....	.....	.....						
15	.174	1.157	100.000						

Extraction Method: Principal Component Analysis.
Kaiser-Meyer-Olkin Measure of Sampling Adequacy: KMO = .801
Bartlett's Test of Sphericity: Sig = .000

Source: Author's survey results in 2021

Table 5
Rotated component matrix

	Component				
	1	2	3	4	5
ACP2	.825				
ACP1	.819				
ACP3	.805				
PCP1		.841			
PCP3		.826			
PCP2		.819			
PRCP3			.853		
PRCP1			.751		
PRCP2			.743		
DCP1				.703	
DCP2				.697	
DCP3				.688	

		.773
ACO3		.773
ACO2		.768
ACO1		.767

Extraction Method: Principal Component Analysis.
a. 5 components extracted.

Source: Author's survey results in 2021

Exploratory factor analysis data in Tables 4 and 5 show that exploratory factor analysis is performed in accordance with the data set through the following values: $0.5 ≤ KMO ≤ 1$; Bartlett's test has the Sig level of significance. < 0.05; Eigenvalue $≥ 1$; Total Variance Explained $≥ 50\%$; Factor Loading $≥ 0.5$ (Hai & Ngoc, 2018), which is:

- KMO value = 0.801 > 0.5 confirms that exploratory factor analysis is appropriate for the data set.
- Bartlett test has the Sig level of significance. = 0.000 < 0.05 shows that the observed variables have a linear correlation with the representative factor.
- Total Variance Explained with Cumulative % = 72.115% > 50% shows that 72.115% variation of representative factors is explained by observed variables.
- All observed variables have Factor Loading > 0.5 shows that the observed variables have good statistical significance.
- The observed variables extracted into 05 factors corresponding to 05 initial factors with Eigenvalues > 1, show that the original research model was kept unchanged, including: 01 dependent variable (ACO), 04 independent variables (ACP, PCP, PRCP, DCP) with a total of 15 observed variables with good statistical significance, multivariable linear regression analysis can be performed to consider the relationship of independent variables (ACP, PCP, PRCP, DCP) with the dependent variable (ACO).

Table 6
Multivariable regression results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
	B	Std. Error	Beta			
1 (Constant)	.739	.206		3.580	.000	1.000
Arts and cultural products (ACP)	.308	.060	.354	4.884	.000	1.000
Price of arts and cultural products (PCP)	.083	.067	.068	1.235	.018	1.000
Promotion of arts and cultural products (PRCP)	.246	.063	.280	4.075	.000	1.000
Distribution of arts and culture products (DCP)	.145	.058	.175	2.488	.014	1.000

a. Dependent Variable: Activities of arts and cultural organizations (ACO)
Adjusted R Square: 0.663
Durbin-Watson: 2.294

Source: Author's survey results in 2021

Multivariate regression analysis data in Table 6 shows that:

- Adjusted R Square = 0.663 confirms that the factors ACP, PCP, PRCP, DCP explain 66.3% of the variation of the ACO factor in the research model. The built multivariate regression model is suitable for the data set.
- The Variance Inflation Factors (VIF = 1,000 < 2) shows that the regression model does not have multicollinearity.
- Durbin-Watson = 2,294 (1 < d <3) shows that the regression model does not have autocorrelation. The regression coefficients of 4 independent variables (ACP, PCP, PRCP, DCP) are statistically significant (Sig. < 0.05) showing that the factors ACP, PCP, PRCP, DCP are all correlated with ACO.
- The unnormalized regression coefficients have positive values, so the factors in the research model have a positive relationship, the hypotheses H1, H2, H3, H4 are accepted.

On the basis of the general regression model $Y = B_0 + B_1*X_1 + B_2*X_2 + ... + B_i*X_i$ (Hair et al., 2009), the multivariate regression model of this study can be identified as follows:

$$ACO = 0.739 + 0.308*ACP + 0.083*PCP + 0.246*PRCP + 0.145*DCP$$

Based on the normalized regression coefficient, it can be seen that the correlation of the independent variables and the dependent variables in order are: Price of arts and cultural products (PCP), Distribution of arts and cultural products (DCP), Promotion of arts and cultural products (PRCP), Arts and cultural products (ACO).

Conclusion

From the research findings, it can be confirmed that: Arts and cultural products (ACP) have the most influence on the activities of arts and cultural organizations (ACO); Next is Promotion of arts and cultural products (PRCP), Distribution of arts and cultural products (DCP) and Price of arts and cultural products (PCP). From this conclusion, the author suggests a number of management innovations for arts and cultural organizations' leaders in Vietnam, which is: Implementing a development strategy to diversify products and improve the quality of arts and cultural products. The strategic content is explained in the following aspects:

- Firstly, the original analyzed research point of view has shown that culture and arts marketing needs to be applied creatively, not stereotyped as general marketing principles because artistic products have their own characteristics (O'Reilly & Kerrigan, 2010), or from a similar point of view, which is: "The difference between cultural arts marketing and commercial marketing is that the starting point of culture and art marketing is the magnificent works of art, not the market" (Thuy, 2007). Therefore, arts and culture organizations carrying out their creative mission through a special product development strategy is always the core mission. However, product strategy plays an important role, which is the foundation that directly

determines the reputation and quality of the organization, so in order to be more successful, in addition to following the ultimate arts creation direction, market-oriented and public-oriented product development should not be overlooked. This helps arts and culture organizations to both ensure the quality of arts, orientate the aesthetics, tastes and well meet the public needs.

- Secondly, the survey results in Table 5 show that the observed variables in the arts and cultural products (ACP) factor are closely correlated with the representative factor (factor loading > 0.5), in which observed variables of popular arts and culture products following contemporary trends [ACP2 = 0.825 (max)]. This shows that the development of popular arts and culture products following contemporary trends is considered to be the most influential. Therefore, in addition to core products such as excellent works of art, arts and cultural organizations need to build high-quality works of art and arts performance, and at the same time have the ability to reflect and forecast social life, satisfy the needs of the public, and be ideological and orientate the audience's tastes at the same time (Peng, 2021; Zhytnik T, 2021; Widana, 2017).

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