# Artistic license: Fresh ideas attracting new audiences to art

## Beatriz Muñoz-Seca offers advice on service design for cultural institutions recovering from COVID.



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## The art of business, the business of art

**By Beatriz Muñoz-Seca**

*Beatriz Muñoz-Seca is a professor in the Operations, Information & Technology Department at IESE. Her book, Service Operational Canvas: the key to making money without compromising service excellence, was given a 2022 Research Excellence Award by the IESE Alumni*

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*Association in its annual recognition of the best research by IESE faculty members. It's the third book in her latest trilogy, with blueprints for solving operations problems, designing service strategies and delivering results. The other two books in the trilogy are: How to make things happen (2017) and How to get things right (2019).*

In 2018, the Louvre had not only its best year on record, with 10.2 million visitors, but the best year on record for any museum anywhere. Two years later, visits crashed, as the pandemic wreaked chaos on the cultural sector, shuttering museums, theaters and concert venues. Perhaps even more significant was the profound impact on the public: the wish to avoid crowds runs deep. Why go out when you can stream a show in the safety of your own home?

Even before COVID-19 hit, the Louvre notwithstanding, visitor numbers to museums and other cultural venues were relatively small, and arts attendance was in decline. There was a large untapped market that the world of art and culture was failing to reach. The pandemic has only compounded an ongoing problem.

As people start going out again, the cultural sector must think long and hard about how it is going to reach audiences. Now is the time to reimagine business models and discover new demand. And in the 21st century, the focus must be more on offering a memorable experience rather than on the object or activity itself. For example, a trip to Paris's Orangerie museum, home to Monet's Water Lilies, might include a side trip to Monet's house in Giverny and a walk around his garden where he painted his signature work.

Here are some timeless principles, derived from my years of research on service design for cultural institutions:

**Craft your concept.** Think in terms of creating emotional connections and stimulating all five senses.

**Configure the variables and performance indicators.** Which variables are needed for your service concept? How will you collect the data? What performance indicators will you use to measure customer satisfaction with the experience?

**Experiment with prototypes.** Try out various concepts and assess them using your previously chosen indicators. Adjust accordingly.

**Build responsive service structures.** Experiences are living things and demands evolve. But if the underlying service structure is sound, then you can continue to make service

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improvements, solving problems on the go, and refining and perfecting the service in light of how people respond, without having to reinvent your offer every single time.

**Redefine your essence and identify your "flame red."** Remember, a service is a prototype that is finished with your customer. You will need service people with the right skills and problem-solving abilities to build an exceptional customer experience, one that meets individual expectations and generates the "special spark" that keeps people coming back for more.

*The pandemic seriously impacted in-person cultural events — museum-, concert-, theater- and movie-going were decimated — but their consumption grew online. This accelerated a trend that had begun well before 2020. Digitalization and changing public tastes and habits have the cultural sector scrambling for fresh ideas and new audiences. The climate crisis has forced more artists to question their business models. And the crypto wave is transforming how people enjoy art. Check out the creative ways that the artistic experience is being innovated.*

## *Art-ificial experiences*

*Non-fungible tokens (NFTs) are the digital equivalent of a physical collectible. Content creators sell their one-of-a-kind works to clients using unique tokens in which the proof of purchase is coded into the artwork itself. NFT marketplaces like Open Sea are springing up all the time, and NFTs have become big business. Sometimes the pieces are collectively owned, as happened with Pak's The Merge where thousands merged their tokens to buy a unit of the digital artist's work for a whopping $91.8 million through Nifty Gateway.*

## *Crowdfunded experiences*

*When Sotheby's in New York auctioned an original copy of the U.S. Constitution, a DAO or decentralized autonomous organization made up of 17,000 people tried to buy it between them, also using tokens. In the end, they were outbid and their tokens were refunded. But the experiment highlights an interesting trend of peer-to-peer online communities joining forces for a single purpose. It doesn't get more "We the people" than that!*

## *Sustainable experiences*

*Because live concerts can be major polluters, the British band Coldplay announced a carbon-neutral tour in 2022. Through a careful audit of their carbon footprint, they pledge*

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*to cut direct emissions by 50% over their 2016-17 tour and they're taking a creative approach to powering their production: A kinetic floor in and around the stadium will convert fan movements into energy to power the show.*

## *Immersive experiences*

*Ever just wanted to climb inside a painting? Now you can: immersive exhibitions have become a lucrative new phenomenon. By combining virtual reality and wraparound projections, the public can walk in Van Gogh's sunflower fields (pictured above) or the Sistine Chapel where you can see Michelangelo's masterpiece up close and personal, without the Vatican crowds. The IDEAL center of digital arts in Barcelona offers an immersive Dali experience, featuring XR technologies such as virtual reality, augmented reality, mixed reality and holography, developed by its R&D lab.*

## *Enhancing experiences through analytics*

*It's a classic problem: visitors pack in front of one famous artwork while another lesser-known painting nearby is ignored. How distances between paintings, time spent in the museum and visitor congestion affect which paintings get seen is something that operations professor Victor Martínez de Albeniz has analyzed, using visitors to the Van Gogh Museum in Amsterdam. His paper with Ali Aouad and Abhishek Deshmane reveals how to design layouts for sequential experiences with application to museums. READ: For the best experience, let data be your guide*

## *ALSO READ*

*"A service model for cultural excellence: the art of customer experiences" by Beatriz Muñoz-Seca was published in IESE Insight Issue 12 (Q1 2012).*

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