THEME 5

# Cultural sector marketing and consumption through digital technology

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What's new is no longer digital. What attracts attention isn't the latest model of smartphone launched a couple of weeks ago and neither is it the millions of people using a social network every day. Neither is it the application that tells you where you've parked the car, nor is it the latest thing in delivering your on-line shopping purchases as fast as possible.

The real event is the digitally everyday and the habitually digital. It is no longer newsworthy that you can buy theatre tickets via the Internet, or via your mobile phone while sitting on a bus having just seen a poster that's made you get your phone out of your pocket. The most normal thing is to ask your friends on Facebook if it's worthwhile going to see this play while at the same time receiving a reply on Twitter from one of the actors.

The important thing these days, tumultuous for some, full of opportunities for others, is to make these opportunities, these advances, help us understand the new scenario which is already here.

As Álex de la Iglesia said in his speech at the 2010 Goya Awards ceremony, "The rules of the game have changed (…) the Internet—and all the opportunities—are not the future, they are the present". It is not now a question of theorising about the "when" because that "when" is now.

The question is to define what the processes are going to be like; the platforms; the experiences; the relationship between a cultural context—of whatever sort—and an increasingly mass environment of "attention seekers", consumers—readers, concert-goers, visitors to exhibitions and so forth—who are more and more connected with each other and who are more and better informed with the power of the word that transcends their anonymity and who are capable of trashing a work with their comments and opinions.

Technological advances, above all the way they are used, have had a transforming effect in all ways: socially, in business models and, of course, in the field of culture. It should not be forgotten that technology has always been a key element. It has enabled and facilitated the creative processes and the exchange and preservation of our cultural memory. "Without some sort of recording technology, (tablets, paper, wax, electronic and analogue mechanical printing and so on) none of the cultures in which we live would exist." (Lister et al., 2009).

Over and above all of these advances there are two questions that we might regard as the supporting pillars on which the new times we are living through rest. The first is the total accessibility of the digital world, at any time, place and from any kind of device (everywhere, everytime). It is no longer

strange to see someone on the Metro watching a TED conference or 'attending' a concert via streaming whilst enjoying a day out in the countryside. It might sound futuristic, but we already know that it isn't.

The second pillar is the creation of digital spaces for conversation, interchange, and interaction between users, brands, institutions and so on as places in which opinions, about the cultural sphere amongst others, are gathered and published. Some experts call them "village squares", places where people come together spontaneously to talk about matters worldly and divine.

Appearing under these platforms are communities consisting of thousands, or millions, of members who are connected

**Cultural organisations need to consider and adapt to changes in the way cultural content is consumed on the Internet**

and mobilised by a topic of interest. They are the people who can, in the last instance and because of their prescriptive power, say what you should read, see and listen to.

The cultural sector can not avert its view from all these changes. Users have changed their habits, their expectations and their behaviour with regard to the consumption of cultural content and so cultural institutions and organisations must also adjust to the connected workings of the Net. Many have already done so, and they are important beacons for those who are still doubting.

Taking advantage of this digital setting to reach the public does not simply mean advertising cultural events through a newsletter or creating a Facebook page—which would, perhaps, soon not be kept up to date—but improving people's cultural experiences outside the Net as well (on/off integration) and disseminating cultural content through the various formats that people use on a daily basis via the Net (tweets, instagram photos, pinboards on Pinterest, etc.).

In this article we will review some of the technological opportunities that are giving shape to this new context, where the cultural sector also resides, and whose aim is the marketing and consumption of cultural content.

We will consider who the new consumers of cultural content and experiences are, and how they go about it. All these interrelated questions and considerations provide a view of how, within the context of the cultural industries, it is becoming necessary to evolve and to take the initiative so as to adapt the cultural offerings, their content and the experience of them to the new model of entertainment that we are witnessing.

If people participate in cultural activities, in any of their expressions, as moments of leisure and relaxation, we must also recognise that we are immersed in a society in which the provision of entertainment is growing considerably.

The decision to read a book, go to the theatre, to watch a play or go to see an exhibition is in direct competition with other alternatives such as watching a film, playing with a video console or browsing the Net with no particular aim in mind. The number of different options available obliges the actors who form part of the process of cultural creation to be more innovative and creative than ever before and to differentiate themselves from, and adapt to, the requirements of ever more demanding cultural consumers if they are to succeed in attracting their attention.

On the other hand, neither is it a question of suddenly making everything digital, of converting everything into bits without previous consideration, but rather of understanding each content, each experience and reflecting on the value "the digital" provides in this cultural content, this experience and of placing it in a current context so that participation and consumption are completely natural, something that forms part of daily life.

The economist, frequent contributor to *The New York Times* and three times winner of the Pulitzer

Prize, Thomas Friedman, discusses the idea of "flatteners" in his magnificent book, *The World is Flat*.

With this term he describes the various sociological and technological events which have made physical borders almost disappear (the collapse of the Berlin wall, Netscape going public on the stock exchange, outsourcing, free access to information and so forth) and that globalisation makes itself felt through the most everyday actions.

In this article I propose to provide a similar exercise in identifying some of the "flattening" challenges that can help us to understand how the cultural industries are evolving.

A selection has been made, by no means a complete one, of the most important opportunities for making cultural content and experiences evolve at the same pace, something that they are already doing in the current context and, above all, the public to which they are addressed.

In the question that concerns us here none of the actors who form part of the cultural industry—an industry that is so necessary not only for personal growth but also for the intellectual wealth of the country—are immune from the threats that loom over it.

Mike Shatzkin (a publishing expert and digital change analyst) has said, "Everything that can be digital will cease to be physical". In many ways and in many different sectors we are already seeing that this is the case (music, films, shopping, etc.). But this evolution should not be seen as a threat but as a set of opportunities with the clear aim of strengthening and enriching cultural content and experiences.

There is no unique and decisive magic wand for going ahead successfully, what there is is an important recommendation: look around and define a strategy.

## TELL ME WHICH BLOGS YOU READ AND I'LL TELL YOU WHO YOU ARE

The only true aim in creating cultural content and experiences, be they the publication of the simplest story; a play performed on the tiniest of stages; installations and shows such as those of the Cirque du Soleil or art exhibitions that have people queuing round the gallery and down the street to get in; is that the public, the readers, the visitors should enjoy themselves and escape from reality for a while, and that everything they see, hear and feel should make them question themselves about what they know and believe. That they should imagine themselves to be in a different time and place and forget who they are and where they are and let themselves be carried away by the moment. That they enjoy the experience and enjoy themselves. In large measure Stendhal's syndrome is an accurate diagnosis of these sensations.

> **The changes are not threats, but opportunities for enriching the cultural experience by observing the environment and defining strategies**

Wanting to know every detail about consumers seems to be something that has flourished only recently, but it is not as new as people think. In 1967 the advertising executive Lester Wunderman, he of the well-known advertising agency of the same name, was already working on a methodology which today we know as direct marketing. It was founded on the idea of having very detailed knowledge about people's purchasing habits in order to adapt supply to their real needs.

Formerly, sociological studies concerning an objective public that would be impacted by an advertising or commercial message, or in other words, purchasers of a product, were carried out under sociodemographic criteria which gave as a result the most heterogeneous groups such as men

between the ages of 25 and 35. It didn't make any difference whether they smoked, took part in sport, or watched television at night.

Nowadays, we have completely segmented and diversified publics who, even if they have things in common between them, are totally different, not so much for what they are, but for what they do in their lives. The fragmentation of these groups can be as wide as the "digital" segmentation criteria used.

What media (digital ones, of course) do these users consume? Where? Do they read blogs, if so, which ones? Do they share their photos on Instragram or on Pinterest? Do they prefer to talk to their friends and family through WhatsApp or Facebook Messenger? And even, what's their attitude to downloading content? Do they prefer to use methods of dubious legality, or do they prefer to pay a sum of money in order to ensure that they have paid for what they want to see? Do they read books published on paper or on an e-Reader, or both? If the latter is the case, what are their criteria for buying one book made of paper and another one in digital format? Do they find all the details of the works they will find in exhibitions they intend to visit through blogs, Web sites and social media or do they prefer to leave it all to chance? What applications have they got on their smartphone? Do they use it to generate content and publish it on their social profiles? And so on and so on, broadening knowledge about the consumers of cultural content as detailed as the segmentation criteria adopted.

At the present time it is digital consumers, through their behaviour guided by the use of technology, who are transforming business models. They are not content with what they have in reach of their hand or mouse and they feel motivated and prepared to

> **It is the digital consumers, guided by the use of technology, who are transforming the business models**

go in search of new cultural content and experiences that will satisfy their need to know what's new, guided in the vast majority of cases by the recommendations of their closest circle.

We can put to one side the classical typology of users: digital natives (under 35 years of age), those who have adapted (between 35 and 55 years of age) and the reticent (over 55 years of age). What we find are consumers who want to form part of a cultural experience who, without doubt, know that it is in the digital space where they will find the whole value chain (information, e-commerce, criticism, recommendations, new things, opinion and so forth). People may be more or less agile in having access to these resources but there can be no doubt that it is here that all the potential for creating this bond, this connection between the content and the consumer, resides and that is the case for any of their cultural expressions.

Everything revolves around the idea of being customer-centric in which the key issue is the process of getting to know the users and their behaviour. It is a question of placing the consumers in the middle of the marketing plans and of understanding them as the key link in the whole of the value chain. It is in this way that the model that was in use is evolving and being rectified because within it there were no powerful arguments for considering the consumer as just another link, and in the vast majority of cases, one that was found at the very end of the process. Marketing tended to take for granted that the consumer would always be there, loyal, docile, and receptive to any action or message. Events are confirming that this is no longer the case.

Customer-centric models are based on strategies whose main aim is to align the conceptualisation, development, and marketing of content—and the brand behind it, be it personal or commercial—with the needs and wants of the customers who are most valuable, active or who even have the greatest prescriptive power.

In an excellent article in *Forbes* magazine Martin Zwilling said that there are four key factors for defining a customer-based marketing strategy for products or services:

1. Accept that all customers are not the same. To this end, and with prior knowledge, a selection must be made of those on whom attention is to be focussed (young people, for example, *Harry Potter*; women, for example, *50 shades of Grey*; freaks, for example, *Game of Thrones...*). An accurate selection can make it possible to create clearly different forms of content.

2. Customers with a track record. It is not a question of having one hit but of cultivating and enchanting a public that could plant the seeds from which a loyal community could grow. Think of them as companions on a long and enriching journey.

3. The cost of a new customer. A very expensive creation in terms both of time and money. It might not be the best offer for the kind of customer who is looking for more superficial, more immediate and more readily consumed content.

4. Personalisation as a good move. If a formula for success exists it is this: give customers what they want, adapt—insofar as possible—the creation and the content to their tastes and expectations. If this is the case, they will feel they are being listened to and recognised, and furthermore they will share their gratitude with their followers.

If there is somewhere, a digital space, that complies with all these recommendations while also giving a voice to users, thereby strengthening the customer-centric concept, then that space is occupied by the social media. In any of their forms (generic, for photographs, messages, etc.) they are places for meeting and participation where the lives of the users take place. It is not even possible to talk of "another life" or their "2.0" life. It is the same life, the same day-to-day life, told in timeline format.

Their profiles show where they have been through geolocation applications, what they have had for lunch through photos of the dishes they have eaten, what music they have been listening to, what links they have shared and what they think about the day's news.

And they will, of course, have had time to give a "like" to the amusing photos posted by friends and reply, in private, to their girl or boyfriend about the weekend away that they are planning. Additionally, they will at last have received a reply from the airline company with which they wish to book a flight telling them how much it will cost to take their bicycle with them and, since they will have had a few spare moments, they will have used them to make a note of the reference number they have noticed on their favourite complementary items Web site of the new backpack that want to carry their laptop computer in.

Some experts call this lifestreaming and it refers to the retransmission in digital format of the stream of events in daily life. For most people it is a behaviour that verges on the narcissistic and superfluous since it shares information that is not at all relevant to the rest of the community. For others it is an absolutely daily activity.

> **In a scenario of connected consumers, it is important to be where the users are, listening and contributing, but without invading their space**

Such behaviour, totally natural in most cases, represents the opportunity that presents itself to those who administer cultural content and experiences to reinforce the bonds with users, to get to know them more and better. The strategy consists of being where the users are, listening, helping, collaborating, accompanying, contributing, but, above all, not encroaching on them, not invading their space.

Publications whose usefulness is beyond doubt, recommendations for a book or author about a topic that is becoming the centre of debate, an invitation to see a contemporary art exhibition because it is

known that this user is keen on art, these are small actions that generate big responses.

To this should be added the fact that an opinion published about a work or a book, or feedback about an exhibition that has been visited, becomes an interaction of enormous value since it comes from the right context and is intimately related to the cultural discipline in question.

To sum up, the idea is to exceed users' expectations, to understand that their activities and behaviour in the digital conversational space is providing clues, leaving a trail of crumbs along the way, through which to participate in their conversations and offer content and information of value.

Becoming part, always in a natural way, of users' digital lives, with presence but without insistence, is the natural evolution that actors in the cultural industries must adopt.

With the tools available it can be determined when the presence of a publisher or curator of an exhibition is necessary and opportune and when it is better to stay listening, waiting for the opportunity to intervene.

## WHAT YOU SAY SOUNDS FAMILIAR, DO YOU COME HERE OFTEN?

There are, within this new setting of permanently connected consumers, two core aspects when it comes to learning who the consumers are who interact and participate in cultural experiences. The first is the massive participation of users in all the spaces for digital conversation (be they on general topics, or private areas), and more specifically in the social networks. Secondly, companies' and institutions' capacity to monitor, listen and filter all the conversations, opinions, references and so forth published by means of them.

Furthermore, we should not forget that almost 80% of Internet users habitually use the social networks (*Estudio 2012 del Uso de Redes Sociales en España,* IAB) [2012 Study on the use of social networks in Spain, Interactive Advertising Bureau - IAB]. In our country 8 of every 10 Internet users between the ages of 18 and 55 years of age use the social networks and devote more than eight hours a week of their time to interacting with the content and with the friends they encounter there.

This combination has all the elements needed to provide rich opportunities for defining plans for establishing contact. These plans should work in two ways, firstly they should aim to broaden and strengthen communication with consumers, and secondly they should create an ever more relevant brand image for the institution or company concerned.

The arrival of 2.0 tools, and more specifically that of the social networks, makes it possible to be watching, listening and observing what is going on in the cultural sector to see who is talking, and what they are saying about the last book they read, what they thought of their last visit to the International Contemporary Art Fair (ARCO), what their opinion was as they were leaving a concert at the auditorium. They make it possible to scrutinise customer behaviour, and in great detail. It is also possible, something that is almost *de rigueur*, to identify who the incluencers and prescribers are, these are the people who use cultural content as the basis for their publications and who, to a great degree, stimulate and interact with this sector, bringing thousands of followers along with them. To sum up, it is necessary to know who is out there and how relevant they are within the community.

If we talk about getting to know our public then, logically, we must talk about Customer Relations Management, or CRM-based strategies whose aim is to typify and segment each user on the basis of three kinds of information. On one hand, socio-demographic data (age, sex, level of education, city of residence, etc.) and on the other hand, data that are more based on behaviour in relation to the

industry or brand that give body to this strategy such as how many and what kind of books people read, if they go to exhibitions, if they often go to the theatre, their musical preferences, where and how they buy their tickets, etc.

But now, due to the intensive use of social platforms, there is a third criterion for achieving this segmentation, and that is the level of relation and interaction of users within the social networks. What is their activity like, is it sporadic or frequent? Do they interact with specific groups? Do they habitually share content of interest? Are they considered to be prescriptors, opinion leaders, or are they users who are interested in specific topics? How many followers have they got? What kind of followers are they? Are they producers capable of generating content, or are they just dispatchers who distribute what they receive? Do they regularly update a blog with cultural information? Do they establish links with other followers? And so on.

**Social CRM consists of identifying and actively listening to users via the social media**

In the world of marketing special attention and large resources have always been devoted to creating CRM models and setting up solutions that help the brands to identify the users who relate with them, and get to know them more and better. The aim of seeking this broad relationship is no other than to learn about their behaviour and to create a more personalised communication strategy, one that is more closely based on fulfilling their expectations and that is completely adapted to their tastes and preferences.

Now, with the arrival of digital spaces for relation and conversation we are faced with a new model that is key for learning more about users: the Social CRM.

Three starting points can be observed. Firstly, according to a study carried out by The Cocktail Analysis consultancy (4th wave) 65% of users on

Facebook have relations with brands and 32% on Twitter. Here we have our first conclusion, namely, the greatest engagement between brands and users is on Facebook, advantage being taken of the fact that there is no limitation to the length of the message to be published and there is the possibility of adding support material such as a photo or a video. Furthermore, any other user following this profile can leave a message or simply say they like the content. It is important to remember that in some cases, this can mark the point where a more profound conversation or reflection can commence.

Secondly, a report by the CMO Council in December 2011 indicated that 80% of consumers say they are more likely to try new products and services when they receive recommendations for them from friends in social networks.

And finally, a report from the McKinsey consultancy in June 2009 stated that two of every three information points influencing purchasing decisions were not generated by the companies involved but by other consumers. That is to say, it is the community itself that determines and defines the behaviour of the members of the group with regard to recommending purchases.

Everyone knows that a recommendation to visit an exhibition that comes from a member of the family or a close friend is always more important to us than one that can be read in a Sunday cultural supplement section of a newspaper. When speaking of "the power of the recommendation", the credibility and trust in the source of that recommendation counts for everything.

With this data we can say that in today's digital spaces a philosophy and a strategy are being created and designed to link customers to collaborative conversations in pursuit of mutual benefit: customer loyalty with regard to the cultural content they demand and, from the company's perspective, knowing, better than ever before, what consumers want with regard to content, timing and form.

As well as the advantages already mentioned there is one which stands out from all the others on account of the results it achieves, results that have been confirmed by companies that have already taken these steps. That is, direct contact customer care, without intermediaries and without telephone calls on hold waiting for an answer.

If a reader wants to ask a publishing company about the date of publication of a book or when it will be available as an e-book, or if someone wants to know if a particular work of art is to be included in an exhibition, or even if they want to ask the author of a work something specific about their work, they do not need to be listening interminably to music played down the telephone while they think about how expensive the call is going to be. It is likely they will receive an almost immediate response through a contact that is totally personal and direct.

Apart from technological questions such as platforms and tools, which are obviously not without importance, the cultural industries are facing the great challenge and, at the same time, have the great advantage of defining, together with the users who consume their content, what the next years are going to be like. There is no excuse for a large publishing company or a small theatre group not identifying their audience, their public, and establishing a broad relationship with them in which both parties will always benefit.

Of course there must be some aims, to increase sales, the launch of a new title, to promote an exhibition, but what is more important than all this is to strengthen the social and participative aspect. These are collaborative spaces in which, in many cases "persuasive" tactics are not totally rejected. In this regard, there are four points that define what social consumers who actively participate in these spaces are like.

1. Social consumers are consumers of information. According to a study carried out by Nielsen, 70% of Internet users trust the comments and opinions made by other consumers via online media.

2. Social consumers produce information. These kinds of users immediately share their experience. Consumers who are the passive receivers of messages are disappearing; new consumers consider themselves to be active, they want to be recognised for publishing and generating content of interest for the entire community.
3. Social consumers are mobile. The apps and social networks connect the consumer to groups that are akin, even at the moment of purchase. They have access to the information they need before making the decision to buy.
4. Social consumers want mutually beneficial relationships. They want to be treated on equal terms and do not want to be accosted or pursued by advertising, superfluous promotions or commercial messages. They want their questions and doubts to be answered honestly and they want those answers to provide solutions.

One of the greatest benefits of adopting a Social CRM is the creation of a new point of contact with the customer, and in this case, one of great value. Until now communication was very unidirectional, both nodes sent messages, but there was nowhere for them to connect. Now, with the social media, customers know that there is somewhere where they can have greater contact with the cultural content they demand.

In the words of Molly Barton, global strategy director for the Penguin publishing company, the publishing industry must achieve a greater level of collaboration with their readers via the social media.

There are advantages for both parties. There are advantages for companies and institutions because they can avail themselves of a space for promotion, information and debate that is ordered chronologically and with tools that enable them to learn about the behaviour of their audience (what they like, when they read their publications, what country they are in when they seek access and so forth) and there are advantages for consumers

because they find a place where they can resolve their doubts and keep up to date.

In fact, any CRM strategy is based on two principles: on one hand, actively identifying and listening to users, consumers, readers and creators and on the other hand, using this information in a logical and astute manner.

At the present time any brand can, with conversation administration tools in the social media space, analyse the tone and feeling of this conversation, find out what a particular consumer needs or resolve any specific issue that might crop up. They can, and should, participate in these conversations through their Community Management teams in order to make their point of view known and, above all, provide real value to the conversations.

Adopting a plan for use or a strategy in the field of Social CRM is key for defining what aims are to be achieved.

All the considerations made can be resumed in aims to be achieved in any Social CRM plan.

Here are some of the most important ones:

1.  To increase the engagement and prescription marketing ratios.
2.  To increase online and offline channel conversations.
3.  To increase the utility of customer care responses.
4.  To integrate marketing, sales and customer care.
5.  To improve customer knowledge.
6.  To strengthen the digital reputation of the brand or institution heading the strategy.
7.  To place the user at the centre of the strategy. All actions must start and finish with the user, that is to say, they must be customer centric.

In the coming years there will be more people who, through their participation in the digital conversation space, will volunteer their data,

profiles, and preferences to groups in a totally spontaneous and natural way to give shape to new products and services.

By means of social networks, stories, electronic commerce and infinite lists of reading matter, videos and music, connected consumers are going to create extensive profiles and trails of data that will encompass information from their cultural preferences to their daily movements.

This means that the people connected will mature through the tendency towards crowdshaping: new products and services being defined by the aggregate preferences and behaviour of groups of consumers, large and small, as expressed by their data. Furthermore, the technologies that enable the creation and passive comparison of these data flows will become even more omnipresent.

**Connected consumers are going to create extensive profiles and data trails that will make it possible to assess their activities and relevance**

At this point it will be the communities themselves that, through their natural behaviour, will be sending the message about what cultural content they want to consume and enjoy. And that, without doubt, will be an important statement of information because nothing and nobody will be able to prevent them from taking up the challenge of creating it themselves if they have not got it.

Users already participate in the social networks in a natural way by interacting with their friends, family and colleagues. They comment on daily events, share news and content, publish their personal photos and so on thereby making these spaces an extension of their "analogue" lives. Of course, they are also spaces where they ask for recommendations when it comes to making a decision within the cultural sphere. Is this exhibition worth visiting? Is Arturo Pérez-Reverte's latest book as good as they say it is? Is that going to be an unrepeatable concert at the auditorium?

The initiative taken by the administrators of these spaces on behalf of brands, publishers and institutions is the key to giving an enriching service to these communities. When a user converses or publishes news about the economic crisis a publisher should participate and add a reference to one of its new titles on the economy; when someone comments about the light at dusk in a published photograph the organisers of an exhibition can recommend one of the works on display. An opportunity can always be found for communication that promotes and boosts a cultural content.

It is a question of social participation, but by adding value, having knowledge about who this user is (CRM), their activities and behaviour, how influential they are within their community and how relevant they are within it. Having identified this group of relevant users, many brands offer them the possibility of becoming a kind of ambassador for this activity or cultural content.

## ON AND OFF. UNITED FOR EVER

If we have to define the great challenge, and of course it is also a great opportunity, facing cultural activities and content, it is the integration of their traditional activities, let us call them offline activities, with the new opportunities that exist in the digital sphere.

Events, launches, marketing actions and *mise-en-scène*, need to be reinvented and those behind all these processes need to exercise themselves about how to make their tasks meld with the new setting. The protagonists of the acts of creation, production and marketing must bear a new factor in mind, a new element which is of extreme importance since it defines everything: the digital is becoming the "glue" that is binding everything together.

Although it might be thought that all these changes appeared from one day to the next, if we pause to look to the past we can see that in the 1950s the cultural sector also had to evolve.

After the end of the Second World War the market for paperback books began to expand noticeably. During the war the historian and scholar Philip Van Doren Stern carried out a project for the US Army with the aim of making cheap paperback books available to soldiers. The important thing was not elegant binding or typesetting, but that the book should weigh as little as possible and be manageable enough to go in a soldier's backpack.

After the war mass publishing expanded greatly. The large publishers of the day (Ballantine, Bantam, Signet and so on) started their activities during these years. The key to the mass market was distribution through the network of wholesalers that placed magazines in newspaper stands and small shops, often chemists, throughout the entire US.

In contrast with traditional books distributed to bookshops which required a special agreement between the

> **The great challenge is the integration of traditional activities with new opportunities provided by the digital world**

publisher and the bookshop before a book could be displayed on the shelves, the "mass markets" were allocated by the publishers to the wholesaler who, in turn, distributed books to the points of sale controlled by them.

This method had obvious advantages. It enabled thousands of copies to be distributed to a host of places with much lower distribution costs and this system meant that tens of thousands of points of sale were available throughout the country while there were bookshops in only a couple of thousand locations.

The result was revolutionary. The greater availability of these titles, in combination with their much lower prices, created legions of new readers, and therefore consumers, who were completely enthused with these products.

In this case the publishers' association had to adapt

to circumstances and devise a new way of getting their books to readers. This new product made them realise that there was a different way of distributing them by taking advantage of a wider commercial network. It is quite probable that this was one of the first evolutionary processes an industry had to embark upon in order to survive.

The threats facing all the actors who intervene in the generation and distribution of cultural content mean that the future will consist of integrating their initiatives within the digital ecosystem we live in. To the processes we can already see occurring, the success of which nobody doubts, must be added a new layer to add the value demanded by the present-day consumer, the same consumer that moves in an entirely online environment.

**Models are needed that integrate the digital consumer with experiences in a physical place and which turn the digital into a consequence of the physical**

According to Antonio Mías, an expert in the cultural industries, bookshops start off from a very disadvantageous position for two main reasons, overproduction of titles and the shortening of the life cycle of the products. Personally, I would venture to say furthermore that in many cases their sales conform to the Pareto principle (80/20) in which 80% of their sales can be accounted to 20% of the titles which, in the vast majority of cases, are of bestsellers. They could be regarded as seasonal sales associated with particular dates such as Christmas time and the occasions for launching bestsellers.

Frequent readers are becoming more divorced from bookshops. They are no longer the place to spend hours leafing through books searching for something new or a rarity. There is no longer time for customers to chat with booksellers and listen to the recommendations they make in the knowledge that the customer will leave the shop with a couple of books tucked under their arm. People hardly even order any books from bookshops. Any bookshop on

the Internet is bound to have it, and it will hardly even take a couple of days to arrive.

The ROPO effect is happening in the retail sector, that is to say Research Online, Purchase Offline, but the other way round. People prefer to look in shops, touch things, leaf trough them, look at them and end up buying them on the Internet, taking advantage of all the convenience of having things delivered in almost 24 hours. In the first pages of the book *Crossumer. Claves para entender al consumidor de nueva generación*, Víctor Gil and Felipe Romero provide a detailed analysis of this new purchasing habit.

It is certainly the case that this phenomenon is occurring in all fields such as fashion, electronics, travel and so forth because consumers still want to know, touch, smell what it is that they are buying.

This effect is also generating a very unfavourable situation for bookshops because they have to assume a whole series of costs for shop rental, employees' wages and so on just to stay open as a showcase for their products, but without putting any money in the till. The customer then goes home and makes the purchase from there.

Putting price policy and customer experience to one side, what is needed is the definition of a model that integrates the new digital consumer with experiences in a physical point of sale—the bookshop—that connects the purchasing process with new reading habits. It is sufficient to say, for example, that only 36.6% of bookshops have their own Web site, so there is still a long way to go.

Some studies recommend measures such as giving customers a digital copy of the book for free or at a symbolic price when they buy the paper version. Others propose recovering bookshops' role as meeting places, places for debate and the exchange of ideas, giving importance once again to the idea of the face to face meeting, the warm glow of conversation and the chat over a coffee.

Another recommendation is to convert the

bookshop into a co-working model, a place people can go to work, read their e-mails, participate in talks about literature or reading groups and so forth while they leaf through and comment on publishers' latest offerings and, of course, buy books. An outstanding example is the case of the Tipos Infames bookshop which defines itself as "a bookshop specialised in fictional literature that also offers other services including a café, wine cellar and exhibitions". This bookshop, located in the centre of Madrid, has known how to reinvent itself, above all, as a meeting place, and as a beacon.

It goes without saying that the physical experience, what really happens in a bookshop, is something that can never be digitally substituted. And it is here, in redefining the customer's experience, in creating new values, that the digital withdraws into the background where it forms just part of the new model of bookshop.

We are faced with the reinvention of bookshops, museums and cultural spaces in all shapes and forms. In the cultural industries there is much at stake in the process as they seek to find these points of contact between customers and the content of any of the existing spaces and settings.

The aim is to live and participate in cultural content and experiences, where they originate is no longer of any great importance.

According to Javier Celaya, one of the leading experts on the cultural industries in our country, "There will be booksellers who want to stay in business and they will do everything possible to keep up to date and maintain their position, and to do this they will transform themselves gradually according to the changes that take place. There will be others who are not interested in the new model of bookshop because it does not conform to the idea of what a bookshop should be which they have had all their lives and they will allow their bookshops to bid farewell along with their careers as booksellers".

It is the eternal debate about how a totally analogue sector (atoms) is to adapt to the new digital

environment (bits) and one that already has an antecedent in the music sector between record shops and platforms such as Spotify.

Last August the US edition of the *Huffington Post* published an interesting article proposing 28 ideas to "save" the bookshops based on proposals that some bookshops had already decided to implement. The majority of them have a point in common: to create and strengthen the greatest bond with the community of readers/customers using every available channel such as social media, the sending of newsletters, etc.

On the other hand, we can not, and do not want, to forget the "romantic" side that books have as one of the objects most evocative of thought and memory. Few "attainable" pleasures exist such as that of entering a bookshop with its heady smell of paper, ink, of books waiting to be opened,

**According to this study 62% of young people between 16 and 24, the so-called digital natives, prefer to buy books made of paper rather than ebooks**

the recommendations of the bookseller, who knows you, the joy of collecting this book that at last has been published after weeks of waiting.

The strangest thing is that the paper book is not as dead as some would have people believe. According to a survey carried out by *The Guardian* newspaper on 25 November 2013 amongst students in the United Kingdom, 62% of young people between the ages of 16 and 24 years of age, the so-called digital natives, prefer to buy books made of paper rather than ones in digital format. The study suggests two reasons for such a result.

The first is that the perception of value is greater in the case of a paper book on account of its being a tangible object. Many people, 28% of them, think that the cost of e-books is expensive while only 8% think their cost is correct. The second reason is that the paper version is attractive because of the way it

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feels, the way it smells and the fact that, once read, it can be sold and part of its original purchase price recouped. Furthermore, people say it is easier to lend to someone else.

The study also publishes some of the comments made by those interviewed such as, "Books are status symbols, you can't really see what someone has read on their Kindle".

These are crucial days for the cultural sector in which a determined effort must be made to get ahead. In many cases a "paralysis of analysis" can be observed in which nobody makes a move until they see what other people are doing and so on successively. Meanwhile, the "great digital protagonists" are forging ahead, occupying ever more of the terrain once held by bookshops.

All the people involved, authors, publishers, bookshops, have to realise that they are obliged to understand each other with the aim of evolving towards a model that is sustainable and comfortable for readers.

One of the consequences of this integration between the two environments is the disappearance of intermediaries. Authors, working in any format, no longer need the whole administrative chain of publishers, curators, distributors and marketing, etc., to make their work known throughout the world. There are hundreds of initiatives, mostly quite significant ones, that enable any artist to publish and make their work known via the Internet.

Today's authors participate very actively in marketing actions to make their works known. They themselves keep their profiles up to date in the social networks, replying to followers and generating interaction through the content they publish to achieve greater exposure for their works and their creative process.

They are the ones who converse with, encourage and stimulate their audiences with various events to make their work known. They even venture to join movements and groups that support the

enterprising, the ones that can decide to unleash a veritable army of departments, assuming a loss of security in return for the gain of liberty.

They are the creators and administrators of culture with a digital frame of mind, they are hybrids between the physical and the virtual, with flexible time and space.

To borrow an idea from Ludwig Wittgenstein, who said that the limits of the world were the limits of language, it can be acknowledged that technology offers a concept of culture that can be extended to limits that are hard to imagine.

The language that has been spoken for some years now, is digital. It has its own codes and behaviours. It redefines what is understood by participation, conversation and even collaboration.

## MICROTHEATRE. WHAT'S NEW IS ON THE INTERNET

The question of what the model for integration between the digital and the traditional might be like is not confined to the world of books. All the other cultural expressions are living with the same doubts, and the same passion, about how to embark on new paths that will enable them to regain their balance and become beacons for others in the way they bring value to the cultural experience.

An outstanding and curious case is that of Microteatro por Dinero. It is curious because of the concept behind it and because of the form in which its content has been propagated through the social networks, from mouth to mouth, causing a resonance in the media that would otherwise have been impossible from the financial point of view.

In a venue formerly used for having a drink and "other things", and taking advantage of the layout of small rooms, the authors have reinvented the concept of theatre through the performance of micro-works lasting no more than 15 minutes, for an

audience of a maximum of 15 people that is integrated in the work, in a room no more than 15 square metres. According to its creators, "Microteatro por Dinero is much more. It is a multifunctional space in the centre of Madrid where there is also children's microtheatre, micromagic, art exhibitions and so on".

Such has been the success that it has attracted the attention of producers of shows and musicals *(The Lion King, Mamma Mia!)* and preparations are already underway for "Microtheatre for a micromusical". Meanwhile, international expansion has spread to countries such as Mexico.

The idea Miguel Alcantud had for Microteatro por Dinero is the best example of how the use of digital channels

**When talking about online/offline integration strategies the social networks offer low-cost solutions, but with great impact**

(practically without cost) together with a strategy based on building one's own audience/public through the proposal of a different model, is one of the solutions that the cultural sector needs and, above all, it provides confirmation that the union of the traditional (offline) and the digital (online) has a great future in store for it.

When talking about online/offline integration strategies it is not necessary to think about large and costly actions. In many cases creativity and imagination by far make up for any excess of financial resources. If the question is taking the initiative with simple and very low cost actions the #Thyssen140 initiative by the Museo Thyssen is an interesting example. It is carried out by the artistic director of the gallery himself, Guillermo Solana, and it consists of him presenting and explaining the works held by the gallery to the followers of his profile on Twitter, by means of tweets. Brief explanations are given during the course of the day about one specific work in order that followers might discover more details about it. It is certainly an original and curious way of bringing art closer to the public.

At this point it would be irrelevant to fall into a facile debate about whether the offline world is better than the online one if one of them provides certain experiences which the other one is incapable of even approaching. It is much more important to realise that both worlds must work and be understood together, because it is possible.

## (MICRO) INVESTS IN THE CULTURAL

Until some years ago the cultural content that was consumed was, more or less, established. It might be said that it was one-way intellectual communication whereby creators of works showed the results of their labours and left it to consumers to enjoy them. The spectators or the readers had not participated at any time in either the conception nor the creation. They were simply there, contemplating the work with all possible admiration.

We have constructed our cultural references, in any of their artistic expressions, and independently of the preferred places for them, through experiences in which we have found a kindred spirit, or not. The sense of curiosity, desire for beauty, our concerns, the need to know, the urge to live through a different story are some of the motives that connect consumers to works of art.

The arrival of crowdfunding, also known as crowd-sourced fundraising, has given the consumers of culture the opportunity to decide about which content they want to leave their personal mark on, feeling part of it, making it their own. This movement has become an inspiration for establishing a source of alternative funding within the cultural sector.

In Spain most of the projects funded through crowdfunding today are cultural ones related to the audiovisual world, music, cinema, the performing arts and literature. Many of the 60 platforms that can now be found in our country are focussed on

culture, from general interest where culturally themed projects of all kinds can be found, to the specific, such as the crowdfunding platforms focussed exclusively on books, music or audiovisual content.

Various promoters of cultural projects are opting for crowdfunding to bring their projects to fruition. The decision to do so is the moment of truth. Will they raise enough funding to go ahead?

The aim is to put creators in touch with patrons through these online platforms so that they can explain all the details of the kind of work they want to create, the ways and means of doing so, and the kind of collaboration they are seeking. In most cases this collaboration is financial, obviously, but there are other kinds of sponsorship such as the provision of technical equipment and the like.

It is very important to state the kind of recompense the patron will obtain as a result of this microsupport. On one hand, it is tacitly understood that it will be the enjoyment of the work, be it a book, a documentary, an exhibition or whatever. But there are other benefits of greater value such as meetings with the artist, exclusive access to the opening, meetings with the authors, unpublished extra material or even exclusive editions, differentiated from the versions produced for the mainstream public.

Financing a project of any kind through crowdfunding is a very intense task before, during and after the specific time during which financial assistance is being sought. At any given moment the viability of the project depends on a goal there is no certainty of achieving. But once that goal has been achieved it shows that the creative effort can be equated to the effort of searching for the means to make it a reality.

Crowdfunding was, without doubt, the buzz word of 2013. It became known through attempts to raise support for what were basically technological projects with a grand vision of disruptive innovation. The idea has only been around in the cultural world

for a few years. Many people call it a strategy for survival while others prefer to speak of it as the way in which new collaborative dynamics are appearing between agents and consumers who wish to have a greater involvement in the processes of cultural creation.

This new way of raising sufficient funds to create and publish the proposed work makes it possible for people who are passionate about culture to fulfil one of their dreams, namely, to be able to participate and decide if a work, a literary creation, stage set and so forth, deserves to be brought into existence and be shared with the public, and more especially, with the people who made it possible.

According to the *Crowdfunding Industry Report* drawn up by the Massolution agency which evaluates the use and evolution of crowdfunding, the figures for 2012 can only confirm this tendency. This kind of funding moved no less than US$2,700 million throughout the world through more than a million campaigns. The as yet unconfirmed figure for 2013 is likely to have been in the region of US$5,100 million.

> **Through crowdfunding institutions can mobilise art and culture lovers so that they participate and become committed**

In our country the most representative example of this was the full-length feature film *El cosmonauta,* the making of which was an example of how it is possible to make high-quality audiovisual content through this kind of collaboration.

The project was conceived in 2008 as a short. By the beginning of 2009 it was decided to fund it collectively through crowdfunding at which point it became a project for a full-length film.

May 2011 was the project's most difficult moment when the Russian producer who was committed to funding part of the investment decided to pull out. The people in charge of the project asked for extra

efforts to be made to raise the necessary €40,000. The "Save The Cosmonaut" initiative managed to raise €130,000.

Finally, on 14 May 2013 the film was premiered with three sound tracks, 80 minutes of feature film and 80 minutes of transmedia material.

These four years of struggle represent the largest collective funding project in Spain. Of its budget of €860,000, by the end of 2012 half had been raised through crowdfunding in which 598 investors and more than 4,000 producers (on a private basis) had participated.

The project was also innovative in terms of its distribution because it was premiered at the same time in cinemas, on television and on-demand video platforms. Needless to say, since the day it was released, it has been available on the Web.

At the other end of the scale in terms of project size is the case of Garrido Barroso who wanted to fulfil his dream of publishing 500 copies of his own comic of 48 pages in an always elegant black and white. It tells the story of a zombie who isn't a zombie. Of course, he achieved his aim. Called *Solo,* Garrido's comic went on sale in 2011. Its author saw his dream come true and comic lovers could enjoy an almost exclusive publication.

Crowdfunding is a movement that is gaining ever more acceptance in our country, where finding funding for cultural projects is not easy. In part this is due to the quality and definition of the projects for which funds are being sought and in part it is due to the natural selection carried out by the "micropatrons" as they decide where to put their contributions.

The Verkami, Goteo and Lánzanos platforms and La Tahona Cultural, a portal specialised in connecting patrons and creators for cultural projects, have become key instruments because they gather together all the projects for which funding is being sought, all the information concerning the project

and, above all, information concerning the benefits to be obtained by those making a contribution.

In other cases it is the institutions themselves that publish requests for collaboration with the aim of mobilising art and culture lovers so that their commitment goes beyond mere attendance. The world-famous Musée Louvre in Paris has used this collaborative movement with the aim of raising funds to restore some of its most outstanding works, such as the sculpture, the *Winged Victory of Samothrace,* the restoration of which should commence in 2014. As in all fund-raising campaigns, to achieve a high degree of resonance and success a powerful and evocative slogan is required, a promise of compensation for the donor, and a motivation. The slogan chosen by the Louvre for this campaign was "We are all patrons" and those who collaborate will obtain, amongst other benefits, recognition on the part of the museum and admittance in private visits.

As Jose Ramón I. Alba, the collaborator in Ediciones Simbióticas and head of #ThinkZAC has said, "In Network society merit does not lie in what we are assumed to be, but in what we are worth through the contribution of ideas, what we participate in, our real knowledge. (…) Physical and hierarchical intermediaries disappear, a structural change for the new models of local culture: the filter through the networks of creation. Collective intelligence is what constitutes culture."

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