

Thesis Cultural Economics and Entrepreneurship

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QUANTITY VERSUS QUALITY?

**THE ROLE OF BLOCKBUSTER EXHIBITIONS IN THE
FINANCIAL VIABILITY OF DUTCH ART MUSEUMS**

Acknowledgements

Writing this thesis was not an easy process for me. Part of me underestimated it. I have never missed a beat in my 8 years of university education, so why worry about it now? The disappointment of making a fundamental, crucial mistake proved difficult to overcome, and it took a while to regain the motivation and excitement to finish.

Rounding up, I realized I put a summary of my mistake in the title of the thesis: quantity versus quality. Setting out to do quantitative research, partly because I had never done it and it seemed a challenge, partly because to my own surprise I turned out to be good at statistics, and partly because the subject at hand seemed to be perfect for it, I overlooked the fact that I was after sensitive information. As it turns out, even public institutions don't like students looking into their pocket books. The information I wanted turned out to be inaccessible or incomparable. After some deliberation and a small mental breakdown I swallowed the bitter pill and took the decision to skip the deadline, skip graduation, and go back to the drawing board. It took several months and conducting all of the interviews for me to realize I had made the right decision.

Using this newfound perspective, I was able to turn a letdown into one of the most rewarding chapters of my academic path. With the guidance of Philip Vermeylen, who luckily never gave up on me, and the encouraging words of Aldo Do Carmo, I was able to see the light at the end of the tunnel. I want to thank you so much for all the reading, feedback, reading, feedback, more reading and more feedback.

A big thank you for my classmate, business partner and most of all my friend Sofie, who managed to stick to the same terrible schedule as me. I know it wasn't easy for you either. We may have gotten sidetracked *a lot*, but we got there in the end. All the inspirational talks, the crisis management and all of your brilliant insights got me through this process. Madelon and Carli, thank you for understanding, not giving up on me, and all of your support.

My parents have witnessed me going through the ups and downs throughout studying, watching me leave the country at 18 to study at Sussex University. I know it wasn't easy, and thank you for letting go. Thank you for all the support. The long wait is over.

The same is true for me. The end is nigh, and it is time to let reality kick in. Onto the next chapter we go.

INDEX

1. INTRODUCTION	1
2. ART MUSEUMS: DEFINITIONS, FUNCTIONS, OBJECTIVES AND A CONFLICT OF INTEREST	4
2.1 <i>The Commercialization Debate</i>	7
2.2 <i>Public and Private Museums: Institutional Form and the Effect on Decisions</i>	12
3. THE FINANCIAL STRUCTURE OF MUSEUMS	16
3.1 <i>Revenue and other Income</i>	18
3.1.1 <i>Admission fees</i>	20
3.2 <i>Cost Structure</i>	20
4. MUSEUM OUTPUT: EXHIBITIONS	22
4.1 <i>Special Exhibitions, Blockbusters and Travelling Shows</i>	22
4.2 <i>The Blockbuster Debate</i>	25
5. METHODOLOGY	29
5.1 <i>Research Design</i>	29
5.2 <i>Population</i>	30
5.3 <i>Data Collection</i>	31
5.4 <i>Limitations</i>	34
6. ANALYSIS	35
6.1 <i>Museum Boijmans van Beuningen, Rotterdam</i>	35
6.2 <i>Van Gogh Museum, Amsterdam</i>	41
6.3 <i>Het Rijksmuseum, Amsterdam</i>	45
7. DISCUSSION	49
8. CONCLUSION	54
8.1 <i>Recommendations for Further Research</i>	55
9. REFERENCES	57

1. INTRODUCTION

In September 2015 the exhibition *Van Bosch tot Bruegel, ontdekking van het Dagelijks Leven* opened in Museum Boijmans van Beuningen in Rotterdam. Following the lines of the classic blockbuster exhibition format, the display generated a lot of media attention and managed to pull a lot of visitors to the museum. Although the subject of medieval genre-art is popular, and would attract visitors regardless, this exhibition was ambitious to go beyond: it aimed at bringing together top-quality 16th century works of art, focusing on the theme of daily life. Touching upon daily farm-life, prostitution, parties, tradition, sexuality and love with a sense of humor, this exhibition combined the ordinary with the extraordinary, as it was the first time in 450 years the pièce de résistance, 'de Hooiwagen' by Jheronimus Bosch, was seen in the Netherlands. For curators and scholars the exhibitions provided a unique, once in a lifetime opportunity to see all the works in relation to each other, and several academic publications originated. For the ordinary visitor the exhibition created a sense of urgency, for the exhibition featured works they might never be able to see again, touching upon a relatable subject. *Van Bosch tot Bruegel* serves as an example of an exhibition which can be considered both academically relevant *and* a blockbuster.

Over the past decade the financial situation of museums in the Netherlands has changed drastically. This is in part due to the infamous recent cutbacks in funding for arts and heritage by the government due to the economic crisis. Although the actual amount of public subsidies has not decreased, and has in fact increased a little, the economizing of the arts budget comes in a time where operating costs of museums continue to grow rapidly. As a result, funding lags behind, and museums are forced to cover a larger percentage of their annual budget with own income. In order to avoid having to make drastic cutbacks, Dutch museums have been starting to look for ways to increase their revenue. Commercial activities such as running gift shops and restaurants, as well as attempts to increase valuable relationships with private donors and corporate sponsors, have become increasingly

important.

Another way to generate revenue for museums is to charge admission fees. Despite efforts to diversify museum revenue streams, income from entrance fees remain highly important, making up the largest part of the museums' own income (MusEAna, 2014). Perhaps somewhat contradictinly, museums have often been criticized for taking a more commercial approach, because it would result in a shift from educational, academic and conservational objectives to a more soft, easily accessible and entertaining approach to programming.

This thesis explores the role of blockbuster exhibitions in terms of strategy in public arts museums in the Netherlands by placing it within the commercialization discussion. It looks at whether, due to the recent changes in governance and funding to the art and heritage, art museums have started to rely more on the income of these temporary exhibitions, and at the consequences these possible changes bring with them. The research question this thesis revolves around is:

What is the role of blockbuster exhibitions in the financial viability and sustainability of museums in the Netherlands, and what are its organizational ramifications?

The aim of the research is to establish the role blockbuster exhibitions play regarding revenue streams for Art museums in the Netherlands, and to explore the relationship between visitor numbers, revenue streams and the museum's objectives. As will become apparent throughout the thesis, a conflict exists between the artistic and the commercial side of cultural activities, both on an organizational level and in the perception of the audience. This thesis adds to the literature aiming to bridge the gap and finding common ground between the two sides. When it comes to cultural organizations, money is a means to an end. It is used to facilitate culture, rather than the other way around. In this sense, a reliable stream of income is highly essential for cultural institutions, as it is for any organization or business, in terms of financial sustainability.

Out of the five core functions identified by ICOM (2007), the acquisition, conservation, research, communication and exhibiting of tangible and intangible heritage, the communication and exhibition functions are the only ones entailing

significant revenue-generating possibilities in the form of admission charges. The argument of the thesis is that although this dichotomy between the commercial and artistic side exists, blockbuster exhibitions are a way in which both artistic and commercial goals can be realized, and as such one of the core functions of the museum contributes to financial sustainability of the institution.

First, a clear characterization of museums in general, and art museums in particular is provided, featuring definitions and the core functions museums aim to realize. Because funds are limited, museums are not able to perform each function to the desired full extent. This means that they have to prioritize, and at times sacrifice one activity in order to be able to perform another. The issue of institutional form is discussed in relation to this. The second chapter discusses the dynamics of museum economics, the ways in which museums generate income, and the cost structure. Third, special exhibitions, and blockbusters are discussed in light of the commercialization debate.

2. ART MUSEUMS: DEFINITIONS, FUNCTIONS, OBJECTIVES AND A CONFLICT OF INTEREST

The Art Museum plays an important role in society as an educator, communicator, researcher, and preserver. Cultural heritage is placed under the care of the institution, and their role is to preserve of it, research it and make it available to an audience. The multiplicity of the function of museums is evident from the official definition of museums by ICOM, the International Council of Museums:

“A museum is a non-profit, permanent institution in the service of society and its development, open to the public, which acquires, conserves, researches, communicates and exhibits the tangible and intangible heritage of humanity and its environment for the purposes of education, study and enjoyment.” (ICOM, 2007)

ICOM has developed a code of ethics for museums, describing minimum standards of practice and performance for museums and their staff: First, it is the duty of the museum to preserve, interpret and promote the natural and cultural inheritance of humanity, both tangible and intangible. Museum management has the responsibility to protect and promote this heritage as well as the human, physical and financial resources that are accessible for these purposes. Second, museums have the duty to acquire, preserve and promote their collections in order to keep the natural, cultural and scientific heritage safe. Their collections are a significant public inheritance, and the institution has the function of guardian over the collection. This brings with it rightful ownership, stability, documentation, accessibility and the responsible discarding of objects. Third, museums hold a collection that can be used for establishing and furthering knowledge, and have particular responsibilities to all for the care, accessibility and interpretation of objects collected and held in their collections. Fourth, museums have the responsibility to develop their educational function and appeal to wider audiences from the community they serve. Fifth, museums hold resources that bear opportunities for other public benefits. They possess a multiplicity of specializations, knowledge, skills and resources that can be applied in a wider context, beyond the museum. This could result in shared

resources or the establishment of services as an extension of the museum's activities. It is important that these activities are organized in a way that ensures they do not compromise the mission stated by the museum. Sixth, the collections of museums represent the heritage of the people from which they have originated. They thus possess objects with a character beyond that of regular property, which may incorporate affinities with national, regional, local, ethnic, religious or political identity. Therefore, it is crucial that the museum is aware of these affinities. Furthermore, the code states that museums operate in a legal and professional manner (ICOM Code of Ethics for Museums, 2004).

The code described here is only one example of a guideline of the way in which museums ideally operate. It does however serve as a solid account of the general conduct of most, if not all, museums. It is important to realize that, in addition to these general and common objectives, individual institutions have their own mission, vision and goals. These are often a hierarchy or specification of the factors mentioned above, as well as a determination of a specific subject, artist or theme. One can think here for example of museums with a specific focus on educational or community value, museums which concentrate on the theme of art, science, ethnography, warfare, or history, or institutions aimed at a specific artist or artistic movement like the Van Gogh Museum in Amsterdam. Weil (1994) states that in every museum the general goals mentioned above are linked to specific goals stipulating what it is that is to be collected, preserved, studied, interpreted and exhibited as well, in most cases, as the purpose or purposes for which this work is to be done. These specific objectives will ordinarily be determined in its charter or another establishing document. These objectives are the fundamental principles of the museum, and the pursuit of possible other aims is regarded to be unwarranted.

Weil (1990) defined the three main objectives of the museum. The first, preservation, entails the collection and acquisition of artworks and the preservation and conservation of the collection. The museum bears social responsibilities, one of which is to collect and maintain cultural heritage. The second function is the study of the collection of the institution, and making sure the art is understood and placed in its proper context. The third function is communicating this knowledge to the audience through exhibitions and educational programs, also linking into the social

responsibility of the museum (Weil, 1990). These three categories build upon the five functions proposed by Noble (1970): to collect, to conserve, to study, to interpret and to exhibit, all fitting into the above mentioned three categories. None of the categories are to be regarded separately. The museum has to operate in accordance to all of these functions, and the institution can't neglect one or more of the responsibilities without risking neglecting the mission, loosing public and governmental support as well as critical acclaim.

DiMaggio (1991) divides the museum organization and its objectives in three subcategories, each revolving around a different audience: the patron's sub-museum; the marketing sub-museum; and the social sub-museum. He states that we must realize that the arts museum has not one public, but several, and that the institution is organized in a way that allows it to carry out several relations with these different audiences. The fiscal and political environment of the institution influences the way in which the attention is divided amongst these audience groups. The attitude of the museums towards these audiences are the result of, and shape, the formation of the purpose the institution is looking to perform.

Fernández-Blanco and Prieto-Rodríguez (2011) state that the museum has a multi-output production function, including conservation, exhibition, and research. Taking on the system of Becker (1965, in Towse, 2011), they note that "all of these outputs can be considered as being market goods which, when combined with inputs and time, allow visitors to obtain desirable commodities such as knowledge, aesthetic experience and/or simply enjoyment" (Fernández- Blanco and Prieto-Rodríguez 2011: p. 290). The authors group the outputs of museums into three categories. The first, collection, includes the identification, documentation, expansion and preservation of museum contents. The second, exhibition, entails making the museums content available to visitors for aesthetic enjoyment and/or entertainment motivations, as well as for education, training and research purposes. Third they identify the category 'other services', of which the content is broader and highly varied. It includes for example the museum restaurant and the merchandising. They note that services such as these emerge and evolve as museums are redirecting towards improving the museum experience of the visitors. Over the past decades these additional services have become increasingly important to the museums as an

additional source of income, as well as an addition to the overall visitor experience. Of course, ancillary services and their revenue are only relevant when people actually visit the museum.

2.1. The Commercialisation Debate

The values according to which museums should ideally operate in relation to its collection as well as the audience as described above, can at times be conflicting in terms of operational and commercial decisions. Kotler and Kotler (2000) state that museums struggle to balance their activities in terms of integrity versus competition. They have to balance keeping the integrity of the institution intact in terms of collecting, conserving, researching, exhibitions and education, but at the same time having to focus on making the museums more attractive in order to be able to compete on the market and secure an income. The same issue is also discussed by Alexander (1990), who states that within museums, particularly when it comes to organizing exhibitions, there is a conflict between different visions that are to be carried out. This conflict also exists between the different stakeholders, including in particular museum employees, who are to carry out these visions.

Thus, there exists a possible conflict of interest between different elements of the museum mission and goals, as well as the resources necessary in order to be able to achieve these objectives. In order to be able to realize museum goals, the institutions use labor and capital, which in turn makes it possible to analyze the institutions in economic terms (Johnson & Thomas, 1991; 1998). In addition, Frey and Meier (2006) state that museums can be looked at as a firm providing certain services, and economic analysis then focuses on the relationship between input, such as investment in exhibits and manpower, and the output that can be measured, such as attendance and revenue. Needless to say, part of the conflict arises from the fact that financial resources are limited, and the museum is faced with choices regarding investment priorities, as well as an array of ways in which to deal with potential financial instability or even unsustainability. Feldstein (1991) notes that when it comes to financing the different functions, museums are faced with choices, as they cannot do 'more of everything'. Instead, they face the decision of doing one thing at the expense of another. In the museum sector it remains an issue that there

is a lack of funding, and as such the institutions get less money than the ideal level desire. This means that they face restrictions, such as limited opening hours, limited space, restrictions on restoration activities, the reduction of educational activities, or the organizing of fewer specialized exhibitions due to the limited budget.

In order to better understand the workings of the museums as institution, Stephen E. Weil (1994) has developed the MGR, or the Methods, Goals, Resources system. Tasks carried out in museums can be divided in method related tasks, goal related tasks and resources related tasks, ultimately all working towards achieving the aim of the institution. This system also makes clear the divide under which museums operate. He states: "Under MGR for example, it would appear evident that a museum cannot have as its goal to 'operate in the black' or 'to break even'. Money is a resource, not a goal. While fiscal probability is a necessary precondition to a museums survival, it is no measure of its success toward achieving its actual general and particular museological goals. A museum may operate with a constantly balanced budget and still, by its failure to generate programs commensurate with its goals, be an inadequate museum" (Weil 1994: 285). In other words, in a museum, money is not an end, but merely a means in support of other goals. Though it is a highly essential means, the value of the institution must come from other sources, such as the collection, education program, exhibitions, or research.

Although the mission of the museum is to remain at the center of its activities, we can witness a trend towards commercialization. This phenomenon can be considered as the inclination of the management of non-profit organizations to become increasingly independent from subsidies as a source of income. Instead, they have shifted the focus towards admission fees or ancillary facilities, towards the selling of goods or services. These additional activities may or may not be related to the mission of the organization.

Two main opposing arguments regarding commercialization can be identified. The first argues that commercialization has led to organizations being increasingly self-sustainable and independent. The adoption of commercial methods and tools for non-profit organizations is thus regarded to be a positive development. The notion of cultural entrepreneurship is at the center of this argument in favor of moneymaking in the non-profit sector. A more business-like approach to cultural

institutions like museums is regarded to have resulted in improvements in efficiency and has given way to innovative ways of addressing problems engrained in the sector (Toepler, 2006).

The opposing view is that managers in the museum sector have been *forced* towards the commercial approach due to cutbacks in support in order to stay financially sustainable as well as meet the needs of the audience. Commercial activities such as charging admission fees and having a museum shop and restaurant are only necessary means used in order to subsidize the provision of the public good, such as helping to finance the visit of people unable to afford it, or educating school kids. However, the argument is that non-profit institutions face considerable threats by venturing into the commercial realm. The income may become a goal rather than a means, and the societal function of the museum may be neglected or forgotten in order to facilitate it (Toepler, 2006). Toepler (2006) rightly points out that if the aim of the commercial activities put on by non-profit organizations is to generate money, for one reason or the other, and that there is no use in running them if they do not make a profit. Whilst there a lot of concern regarding possible negative effects of commercialization on the aims of non-profit cultural institutions, the economic viability of such ventures remains of little concern to scholars, and the mere fact that more and more managers are deciding to turn commercial activities should by itself not be taken as an indicator of its success.

A prefix of the commercialization trend is the fixation of museums on getting a great number of paying visitors through the front door. From a commercial point of view, it is obvious that the more visitors the museum manages to attract, the better. However, as Ames (1994) points out, great audience numbers come with a downside when it comes to educational value and the museum experience. When the museum becomes overcrowded, the educational potential of the artworks declines, and the experience of the visitor is negatively influenced by the presence the other visitors. The most striking example of a situation where this occurs would be the hall the Louvre in which the Mona Lisa is displayed. There are so many people in the hall at the same time that it is hard for most of them to get a good look at the painting, let alone have the opportunity to reflect on it. The same is true for aesthetic value.

The issue of visitor numbers in relation to commercialization and the possible clash with the institutional mission is particularly evident in the field of museum marketing. As d'Hannoncourt (1991: 37) puts it, "no curator and no museum director wants to hang a gallery full of objects or install an exhibition and have nobody there". It is therefore tempting for museums to keep the wishes of the audience in mind when planning an exhibition, in order to attract visitors. General marketing revolves around products and its relation and relevance to a suitable audience. Most often in the commercial world, products are developed keeping the customer in mind, catering to their exact needs and wishes. However, in terms of museums or cultural productions in general, changing the product to fit what the audience wants makes everybody anxious (d'Hannoncourt, 1991). One can think here of the recent trends of making the collection of the museum available online, as well as the availability of audio-visual and interactive tours in the museum, and special exhibitions or blockbusters attempting to pull visitors through adding entertaining elements.

The 'superstar museum' is another concept where the clash between the commercial and artistic side of museums is inherent. Frey (1998) characterizes superstar museums based on five distinct characteristics. A superstar museum firstly has great prominence among tourists and world fame among the general population. Tourists consider them an essential part of their visit to the city, and are told a visit should not be missed. Secondly, the collection of a superstar museum generally features famous paintings and individually known painters. The collections often feature the works of thousands of artists, with a few of them known even to art lovers. Museums wanting to attract a large number of visitors put the focus on the renowned artist in their collection. Third, superstar museums attract the attention through exceptional architectural locations. One can think here of the buildings of the Guggenheim in New York or the Stedelijk Museum with its recently added 'bathtub' building in Amsterdam. Fourth, they have a substantial impact on the local economy and play a role in commercialization. And last but surely not least, they attract a great amount of visitors. Superstar museums have to offer the visitor a "total experience". They have to relate to events in history, technology, politics and media. Furthermore, they have to provide education, catering, gifts, shopping and

entertainment. Not all superstar museums have all characteristics mentioned by Frey (1998). The van Gogh Museum in Amsterdam for example has a building that is hardly noteworthy, but can definitely be considered a superstar museum when considering the other aspects, whereas the EYE museum, also in Amsterdam, has a remarkable building in a prime location, but lacks in terms of some of the other factors. Although quite a few museums bear some or most of the characteristics of the superstar museum mentioned by Frey (1998), there are only a few museums in the Netherlands truly bear superstar status. Only the Rijksmuseum and Van Gogh Museum in Amsterdam enjoy the international acclaim and status and the mass appeal of a superstar museum.

Superstar museums as well as other market-oriented museums are often criticized for their commercial approach, with many arguing that they have lost sight of the core functions and objectives of a museum. For example, Lampugnani (2006) argues that the modern day museum has seized being a public service. They do not restrict themselves to the core functions of preserving and exhibiting art any longer. Instead, they are developing museum-related activities that, in the view of the author, will soon advance into it being its main business. Museums have started to put on guided tours, lectures, conferences, and film projections. They are also selling catalogues, books, and souvenirs of for example reproductions of artworks. Additionally, they have started to function more and more as a venue for events. "This sort of frenetic activity is part of a program; the museum is now a place in which culture is exploited in order to create turnover" (Lampugnani 2006: 252). He further argues that the focus has been shifted from art to the visitor. The visitor has not benefited from being the focal point however, as in trying to adjust to the visitors tastes the museum does not make attempt to enrich the cultural horizon of the audience by taking risks and presenting extraordinary things. For him, commercialization and the 'dumbing down' of the subjects presented goes hand in hand.

A view on the commercialization trend that is even grimmer, has been expressed by Kramer (1991), who asks if commercial success has spoiled the art museum. He notes: "We now take it for granted that the art museum is an appropriate place in which to order lunch or dinner, buy something to wear, do our

Christmas shopping, see a movie, listen to a concert, attend a lecture on anything under the sun, possibly even art, and also on occasion participate in a wedding party, a cocktail party, a charity benefit, a business reception, a fashion show, or some other lavish social event for which the museum is deemed a suitably prestigious facility” (Kramer 1991: 5). The more dynamic financial approach museums have been taking has in his eyes shattered the higher cultural values the institutions has represented in the past.

Conn (2006) identifies recent characterizations of the museum as having moved toward a more postmodern cultural discourse, and the way in which the institutions operate is increasingly grounded in “soft values” such as consumption, distraction, entertainment and the spectacle. He states that one of the most visible changes in museum custom is the commercialization of display. This is evident in the rise of the blockbuster exhibition as well as the production of other highly spectacular visitor experiences. The rise of the blockbuster in relation to commercialization will be discussed more extensively in the next chapter.

2.2 Public and Private Museums: Institutional Form and the Effect on Decisions

In terms of commercial decisions, the way the museum is governed and financed plays a guiding role. Historically, museums were public places that were exclusively funded by the government. However, this started to change after the Second World War, particularly in the USA. Philanthropists financed the founding of museums from their private financial resources or art collections. The amount of museums kept increasing and public funds started to run dry, leading to the privatization of many institutions. Fernández- Blanco and Prieto- Rodríguez (2011) discuss the issue of ownership of museums, noting that they can be either publicly or privately owned. In Europe, public ownership is most common. A large amount of the museums are founded upon or include collections that were initially constituted by the church, the crown or the aristocracy. Contrastingly, in the United States, the major part of museums is privately owned. Regardless of the type of ownership, museums generally are non-profit organizations. However, the ownership type does affect the ways in which museums operate. Public ownership stipulates stability and security to the institution, but may also pose a lack of incentive to develop economically

efficient management and operations. Private ownership has a positive effect on the economic efficiency of museums, but risk and uncertainty are much higher.

In the article *The Economics of Museums*, Frey and Meier (2006) look at the functioning of museums in relation to their organizational structure. They argue that whether an institution is public or private influences the way it operates. It has an effect on the way the collection is being managed, the way prices are being set, and the way the institutions use commercial activities. In other words, different organizational positions each account for a different way of generating income. For a public museum, in the case it is being completely funded by public money, the incentive to generate its own income is low. Instead, these institutions would rather focus their resources on non-commercial aspects, such as artistic or historical values. For private museums on the other hand, the incentive to generate their own revenue is high. They will engage extensively in commercial activities, taking a much more market-oriented approach.

In reality however, such a hard contradiction is not very helpful, as not many examples of a purely private or purely publicly owned museum can be found. In fact, many museums are subject to a more hybrid form of governance (Schuster, 1989). The hybrid model is a combination of public and private ownership, and thus provides more opportunities for the autonomous management of museums exploit the advantages of both the market and public support, while at the same time trying to avoid the disadvantages they bring. This has led to a more diversified stream of income, both relying on public funds as well as for example ticket sales, the revenue from shops and restaurants, donations, and sponsorships. This diverse revenue stream means that museums more stability and continuity in times when structural public support is uncertain.

Alexander (1999) states that most government support is provided through an 'Arms Length' system. Independent intermediary agencies are provided with government funds and are then free to pass these on to cultural institutions based in their own selection criteria and quality measures. This means that although essentially the government provides the funds, cultural institutions are not mainly subject to their criteria, but to those of independent funding organizations. Cultural institutions adjust their funding applications to fit the criteria posed, leading to every

organization focusing on aspects emphasized by the funder. In other words, funding agencies have become increasingly powerful. The criteria they pose have become more extensive and strict, demanding both high artistic and organizational qualities (Throsby, 1990). In the Netherlands in particular, the emphasis of funding agencies has increasingly been put on cultural entrepreneurship, and generating own income has become one of the criteria to receive funding.

As stated before, in recent years substantial cutbacks in funding for the arts and culture sector have been instigated in the Netherlands. In reference to museums structural changes to the field and the way it is financed have been implemented. Most institutions have been faced with a reduction in long-term structural subsidies. This led to some institutions being forced to close, and others deciding to merge together in order to be able to stay operational. The cuts have been taking place on all levels of government, with the nation implementing the most drastic restructuring (Commissie Asscher-Vonk, 2012).

In this changing environment we see that the view on the role of public support of museums is changing. A shift is taking place from a focus on structural subsidies, to the museum that is responsible for generating its own income. According to the Commission led by Asscher-Vonk (2012), the changes have already had several consequences. First of all, the professionalism of museums has increased in terms of organization and commercialization, as well as content. However, they state that the cutbacks are most likely deemed to have a negative effect on the programming of museums. The costs of the building as well as the conservation of the collection are relatively set, making saving in these departments next to impossible. Suffering on account of these set costs are education, research, innovation and exhibitions. This in turn leads to declining income from admission fees as well as the general public function of the institution. The commission notes that the effects are least noticeable for the largest and the smallest museums. Volunteers generally run the smallest museums, and the fixed costs are low. The largest museums have a good position to generate funds from sponsors, private donors or admission fees. The museums in the middle however are faced with serious problems, as an ever increasing percentage of their income is put towards fixed costs, leaving little to invest in exhibitions, marketing, acquisitions or

innovations. The development of such museums has been stagnated over the past years, and the current situation is feared to result in a downward financial spiral for some institutions.

The cutback in public funding is perhaps paradoxical, because of the positive local economic impact that exhibitions potentially bring. Sarah Skinner (2006) investigates the measurable growth effects of blockbuster exhibits using intervention analysis. She studies the local economy of Jackson, Mississippi USA, where officials have decided to strategically and continually fund blockbuster art exhibitions. In her research study, the number of jobs created measures the economic growth. Skinner finds that for each event, approximately 700 new jobs are created in the Jackson metropolitan area. With her research, Skinner is able to shift the discussion from the core functions of the museum as discussed above, and places the museum at the center of the local leisure economy. The funding governmental body does not only create a place for education, preservation and presentation, but also witnesses real economic growth.

3. THE FINANCIAL SUSTAINABILITY OF MUSEUMS

A museum possesses a number of resources that they can employ in order to achieve their goals (Weil, 1994). First of all, museums have a collection they rely upon. The collection here includes not only accessioned goods but also objects that may be available temporarily, potentially or momentarily for study or exhibition through for example loan or excavation. Secondly, the museum has access to human resources, including trustees, paid staff, donors, members and volunteers. Thirdly, the museum has fiscal resources, including cash, future interests, accounts receivable, and any other similar asset that can be quantified financially. Fourth, they have tangible assets aside from the collection such as land, equipment, and the building there are housing in. Then there are several other resources that are more abstract, such as information, public regard and time, that an institution can possess and use in order to achieve its institutional aims.

It is a widely known fact that museums keep the major part of their collection hidden away in storage, without most people every being able to take a look at the items. Frey (1994) discusses this issue, noting that the value of the collection does not count as assets of the museums, and that in general the fact that these artworks have any notable value is not taken into account. When looking at this issue from an economic perspective, the collection in storage can be considered assets or 'stock capital'. The value of this capital would be the market price of artworks if they would be sold on the art market. As such, keeping a piece of art in storage and not showing it to the public bears with it foregone income or opportunity costs. Additionally, there is the option to sell an artwork and earn the museum a large amount of money at once. This can finance the other functions of the museum with often much needed money. The opportunity costs of the collection thus equal the missed income. This issue is also discussed by Feldstein (1991), who notes that the significant rise in the price of artworks has led to museums being both remarkably rich and poor at the same time. The value of their permanent collections is extremely high in terms of market prices, but it is not possible to capitalize on the

items whenever money is needed. This is due to several reasons. First, as explained by Frey (2003), the collections of museums generally belong, at least in part, the city or the state. The decision to sell an important work would be considered a loss to the community and would have a negative effect on the communal trust. Secondly, a crowding out effect may occur when a museum decides to start selling artworks. Because of the rise in income of the institution the incentive to provide public support is lower. Third, many items in the collection of museums have been donated, often motivated by wanting to contribute to research or showing the item to the public. Again, this trust might be negatively affected if an item is sold on the market. In addition, museums are poor because the high prices of art on the market limits them from acquiring new items for the collection (Feldstein, 1991). The higher prices on the art market also mean that the opportunity cost of the collection is thus much larger than it has been before (Frey, 2003). On top of this lies the fact that collections are highly expensive to house and preserve to the high standard required.

Most museums in the Netherlands get support from the government in order to be able to care for their collections and make their work accessible to the audience. Although subsidies are provided by all three layers of government (nation, province, municipality), most museums receive municipal support. The biggest museums however, operate on a nationwide support. It is not possible for an institution to receive funding from two or more levels of government. Most of the Dutch museums, both the public and the privately funded institutions, are foundations. Since the 1990's, the government has decided to privatize many of the museums. The municipality funds the largest amount of museums in the Netherlands. Surprisingly, privately funded museums come in second, and the nationally supported institutions come in third. In terms of total amount of money spent however, the nation is the biggest funder (Museana: 2015).

The collection of museums is for the largest part owned by different levels of government agencies, such as the state, the municipality or the province, and businesses and individuals own a small part. An estimated five percent of the collection is on display in museums. This small percentage of items on display is explained by Sigmond and Jacobs (2014). They state that museums put an emphasis on audience numbers in relation to income. This leads to museums selecting only

those pieces they believe will attract a large amount of visitors. The big museums are in a position to alter between showings that are attractive to a large audience and as they put it, subjects that are a little less “sexy” (Sigmund and Jacobs 2014, p. 2). Small and medium-sized museums however keep objects in storage if they feel they will not appeal to the public, simply because they cannot afford to miss out on visitors.

3.2 Revenue and Other Income

Feldstein (1991) describes the unique financial situation of museums as follows: “as non-profit institutions, they lack both the ability to raise financial resources in the ways that profit-making businesses can, and the substantial public funding of government activities” (p. 1). The author identifies several sources of funds for museums: the government, the revenue from admission charges, charitable gifts, the income from shops and restaurants, and endowment income. Feldstein argues that charitable gifts and the government are the most important categories. Although the sources of funds are still relevant today, this situation in the US in the 90’s is remarkably different from the current Dutch situation. First of all, in 2015, an average 52,9% percent of the income was provided by public subsidies, comprised of subsidies on national (26%), provincial (4%), and city level (18%), and to a small extent also European subsidies (4%). Thus, an average of 47,1% was own income generated by the museums. Income from ticket sales in turn made up on average 45,5% of the total own earnings, followed by private funds (14,9%), income from shops and restaurants (12,4%), donations (6,5%), sponsoring (5,4%) and other, unspecified income (16,5%) (Museana, 2015). Thus, in the Netherlands, the national government and municipalities remain important players in financing the museum. For the larger museums, the percentage of public support is significantly lower than the average of 52,9%, coming in at between 15 and 30%.

The different ways through which museums, or cultural institutions in general, generate funds can be clarified using the framework of the four spheres proposed by Arjo Klamer (1998; 2012). In line with Frey and Meier (2006), Klamer (2012) argues that the mode of financing has an effect on the way the organization operates, the kind of product it delivers, as well as the type of collaborators the

organization engages with. Setting aside the Oikos sphere (the sphere that revolves around the values associated with the home) for this particular discussion, we have the government sphere, the market sphere and the public/third sphere. Within the government sphere is the museum relies upon public grants and subsidies provided by national government institutions, the city or the province. In the market sphere they operate according to the logic of the market, generating revenue through the selling of a product or for example through the partnership with a corporate sponsor. In the social sphere, the institution engages in relationship with the patron, developing a sense of involvement and ownership with the aim of being able to count on (financial) support. Although the importance of the social sphere seems to be increasingly realised, in the Netherlands, the market and government play the biggest role. Each sphere brings with it its own code of conduct regarding the relationship with the relevant stakeholders.

In relation to the market sphere for example, Johnson and Thomas (1991) and Schuster (1989) consider the availability of ancillary services, such as a restaurant, a café, a bookshop and parking facilities as part of the visitor experience. These services, as mentioned before, add to the diversified stream of revenue and as such contribute to the financial stability of the institution. The market sphere also includes the revenue made from admission fees. These are all important factors the visitor encounters, influencing and shaping their relationship with the institution.

Lindqvist (2012) discusses income originating from various museum stakeholders, and looks at the vulnerability of this income to instabilities in the economy. While she finds that most museum revenue is not principally susceptible to economic instability, she states that structural challenges for the financial management of museums do still come into play after economic crunches. Therefore, she argues, the museum needs to manage long term stakeholder relationships, because this is a more reliable way of achieving financial stability in the long term compared to the implementation of short-term strategies to fight the effects of an economic recession (Lindqvist, 2012).

3.2.1. Admission fees

Revenue from admissions is an important financial resource for many museums. However, there is a discussion amongst scholars on the issue of whether museums should even be charging admission fees. As mentioned before, museums carry out several functions, some of which are in conflict with each other. On the one hand, accessibility to the audience is amongst the main objectives of the museum. On the other hand, admission fees make up an important part of the own revenue. Some scholars argue that admission should be free in order to assure this low barrier of entry. However, charging no admission fees is only possible when there is enough support from government funds as well as private contributors to carry all the operating costs of the museum. Feldstein (1991) argues that although additional admission charges might discourage some people from attending the museum and thus lowering accessibility, the funds generated from the tickets would allow the museum to be able to better carry out all its other aims, such as preservation or education. When no other funds are available however, higher admission fees might be a more favorable option than cutting back on expenses. In other words, revenue from admission fees is a means to an end, and is often a necessary tool to keep the institution operational. Not charging admission fees is common in for example the UK and the US. In the Netherlands however, it is customary to charge visitors to visit the permanent presentation and charge an additional fee for special presentations.

3.3 Cost Structure

The cost structure of museums differs from other firms in the service industry (Frey and Meier, 2006). First of all, museums have high fixed costs and low variable costs. The building, the staff, the insurance, and the conservation of the objects are all but set and cannot be altered in a short amount of time. No matter how much income the museum generates, these costs will have to be paid. The insurance cost of museums is a particular interesting matter. As mentioned before, the prices on the art market are rising rapidly, meaning the value of the museum collections increases with it, in turn increasing the cost of insurance as well as transportation. The rapid rising costs lead to increasingly difficulties with budgeting loans, because they are often planned years in advance. Variable costs however can be kept at a minimum if

necessary by limiting the museum's output. Secondly, the marginal cost of an additional visitor is close to zero, meaning that no additional expenses will have to be made in order to accommodate an extra visitor. Thirdly, museums suffer from cost disease, meaning that an increase in input such as labour or money does not equal an immediate increase in productivity. In museums, there is little opportunity for increasing productivity, and costs therefore increase continuously. Fourth, as discussed previously, the opportunity costs of the collection constitute a substantial part of the costs of a museum.

Compared to the previous years, Dutch museums have been cutting down on their expenses. The highest average expenses are personnel costs (40%). Location costs are also high (25%). Exhibition costs (8%) and acquisition costs (5%) are relatively low. As stated before, the public funding has been reduced and will most likely be reduced even more, forcing museums to increasingly rely on their own income. Despite this cost-reduction, museums in the Netherlands have witnessed an increase in attendance of thirteen percent in 2013.

4. MUSEUM OUTPUT: BLOCKBUSTER EXHIBITONS

4.1 Special Exhibitions, Blockbusters, and Travelling Shows

A distinction can be made between the permanent collection of the art museum that is either in the depot or on display, and temporary, special exhibitions. Museums keep a significant amount of their collection in storage, only putting an estimated five percent of their collection up for exhibition. Belcher (1991) offers an outline of several kinds of exhibitions, distinguishing between the permanent collections, temporary exhibitions, special exhibitions, 'blockbusters', loan exhibits and touring exhibitions. Temporary exhibitions can be drawn from the collection of the museum itself, from the collections of other museums, or from private collections.

There are several advantages to temporary exhibitions for both the museum and the audience, identified by Belcher (*ibid*). First of all, a temporary exhibition allows for the maximization of resources. Secondly, the fact that the institution offers a lively and interesting exhibition program is likely to get the interest of different audience segments, and simultaneously encourages repeat visits by regulars who will be able to see something different each time they visit. Third, it provides the museum with the opportunity to experiment and take risks regarding the programming and the format of the exhibition. Fourth, it allows for exhibitions to be up to date and in tune with current events and trends, and provides the option to be controversial. In result of this, the exhibition functions also as a way to generate knowledge on the interests of the audience as well as exhibition methods. Additionally, special exhibitions are of great interest to sponsors because of the high amount of publicity the shows can generate.

Special exhibitions are a particular kind of temporary exhibition, often revolving around a certain theme. A special exhibition creates a sense of urgency in the visitor, and emphasis is often put on the uniqueness of the occasion. Often it is rare that particular works are on display in the same space, creating the feeling of the exhibition being a 'once in a lifetime' occurrence. 'Blockbuster' expositions are temporary exhibitions that generate a lot of attention and a large crowd. Due to the

large attendance numbers it is possible for the presentations to generate a lot of revenue for the hosting museums. They attract crowds for two reasons: first because the audience has an actual interest in arts or the subject at hand, and secondly because of the effects of social pressure and advertising (Belcher 1991). The before-mentioned high expectations of the visitors are due to the fact a lot of promotional activities and media attention precedes these special exhibitions.

These grand exhibitions bear several benefits to both the general audience and scholars. As mentioned before, it is rare to be able to appreciate specific works in close relation to each other, for example when they do not belong to the same museum, or if they are in the possession of a private collector. Heilbrun and Gray (2001) state that special exhibitions and touring shows have great impact on the geographical circulation of art, leading to the concentration of thematic artworks to secluded areas.

However, one highly important disadvantage mentioned by Belcher (1991) and Barker (1999) particularly in relation to traveling exhibitions but also highly relevant to any special exhibition involving the transportation of artifact, is the fact that temporary exhibition have high risk attached to them. The transportation of artworks is not only costly; it can result in the damaging of the work. Frey (2003) is also cautious about museums putting on large amounts of temporary shows, because the reception of a new exhibition is highly uncertain and dependency on the yield of these expositions thus comes with high risks involved. Another downside may be that due to high expectations from the side of the audience due to marketing efforts and media coverage, people might end up disappointed with the actual content (Belcher 1991, d'Hannoncourt 1991).

The effect of Blockbuster exhibitions on the amount of visitors is demonstrated by Verboom (2011) in her thesis on the willingness to contribute of visitors of the *Museum Boijmans van Beuningen* in Rotterdam. One of her findings was the fact that in the years the museum featured blockbuster shows, the attendance numbers peaked. The museum generally charges an additional € 5 for special exhibitions, meaning an additional financial benefit attached to the surplus of visitors.

Harry S. Parker, former director of the Fine Arts Museum in San Francisco,

states that in the 1970s and 1980s “the bills [of the San Francisco Fine Arts Museum] were paid by relying on blockbuster exhibitions, which were scheduled for every 2-3 years. The result was recurring swings from surplus to deficit and back” (1991, p. 61). In the case of the San Francisco Fine Arts Museum, this resulted in an underlying structural deficit of one million dollars in the mid 1980s. The former director argues that this made apparent the risk of relying on the income from blockbuster economics, where operational costs are covered with the profits from the big shows.

Oster and Goetzman (2003) note that putting on temporary exhibitions, and blockbusters in particular, is more challenging for smaller museums than it is for bigger museums due to financial constraints. Essentially, two inputs are required to produce a temporary art exhibition: curatorial time and artworks. Both obviously cost money. The first problem arises from the fact that mounting a diversity of special exhibitions needs substantial input from the curatorial staff. In the blockbuster age, having a staff of exhibit designers has become increasingly expensive, meaning a further increase in the fixed costs burden for smaller museums (Silver, 1982, in Oster & Goetzman, 2003). A second problem facing small museums is the result of the economics of loaning artworks. Generally, special exhibitions consist of objects from the museum's own collection as well as borrowed items. It is customary in the museum world that these loans are made without charge. However, the museum borrowing the artwork does have to pay for the costs of transportation and insurance. The authors argue that although initially people might believe that by lowering the costs this borrowing tradition makes it easier for smaller museums to put on temporary exhibitions, the system may in fact do the exact opposite. Aside from the fact that, as stated before, due to the boom in the art market travel and insurance costs have risen significantly, the system of exchange puts small museums in a disadvantaged position. They might have few items of any considerable ‘trade’ value, resulting in the fact that appeals for exchange are often refused by other institutions. Additionally, businesses and private collectors are likely to favour lending their artworks to museums that are well known. Thus, the ability of the creative curator in the smaller museum to exploit his or her skill is reduced, leading to inefficiency (Oster & Goetzman, 2003). Museums put in

considerable effort to set up and maintain meaningful partnerships. The collection of a museum is an important resource, acting as leverage.

4.2 The Blockbuster Debate

The term 'Blockbuster' is a familiar concept borrowed from the film industry, where it is used to refer to box-office champions: films that are disproportionately successful compared to others, generating a large amount of income for the production company, and is thus a highly commercial term. Often the profits of these hugely successful productions carry the costs and possible losses of other, less successful productions (de Vany, 2004). The term was not only adapted into the museum discourse. It is also used in the music, publishing, video gaming and even pharmaceutical industries. In these industries, the more sales, the better.

It is important to realize the difference between these for-profit industries and public, non-profit museums in terms of objectives. Whereas maximizing sales can only be considered positively in an industry with reproducible goods, aimed at profit making, and providing a cultural good in the process, the maximizing sales in a museum might bear disadvantages. Amongst both scholars and professionals from the museum field there is a heated debate regarding blockbusters, resembling the commercialization debate previously discussed, and central is the role of the museum in relation to the audience. For example, the director of the Tate Modern in London, Nicholas Serota, has noted that the reduction in public support for museums has put extra pressure onto shifting exhibition programming to an emphasis on blockbuster shows, because they potentially attract a bigger audience and corporate sponsors. He has chosen to balance such necessities with a program that limited the museum to organise only one blockbuster annually (Marincola, 2001).

In relation to science museums, Conn (2006) argues that blockbusters may have the effect of distorting what the public sees in the museum by putting the emphasis in the popular, and as such driving out kinds of exhibits that do not have the same appeal or effect. Secondly, blockbusters result in an even greater dependency on corporate funding. This dependency might have the effect of bending institutional priorities. He mentions an example from the field of science

museums: the Field Museum did not have the money to purchase a T-Rex skeleton by itself, and much of the funding came from the companies McDonald's and Disney. Fearing a high degree of commercialisation of the museum, he asks: "can an animated film featuring Sue [the dinosaur], complete with a "Sue-per sized" happy meal, be far off?" (Conn 2006: 505).

Tony Bennett (2008) argues that blockbuster exhibitions play a major role in the ever-diminishing boundaries between the museum and other forms of commercialized popular visual entertainment. He states that "if the incorporation of television, video, touch-screen computer displays, and Imax theaters into museums has undermined the distinction between museums and other contemporary forms of audiovisual culture, the increased importance of blockbuster exhibitions has also undermined the distinction between museums and the field of commercialized cultural production" (Bennett 2008: 134). In this way, the main thing that has distinguished the museum from other forms of leisure activities has now become an integral part of the institution.

Shearer West, who accuses blockbusters of devaluing cultural capital, expressed a similar view in 1995. She argues that as a site reflecting both the exclusivity of high culture and the consumerist populism of heterogeneous culture, can function simultaneously at more than one level. However, having money as its purpose, it alienates the majority of the population due to the high admission fees. Even though it is said to bridge the high-low divide and aims to educate as well as entertain, the blockbuster is part of cultural excess, providing just a minor component of a varied leisure experience. She concludes that "through its academic pretensions, it seems to lure an educated audience, but it is accompanied by commercialization, hyperbole and sensationalism which give it more populist qualities. (...) Visitors to art blockbusters worship at the shrine of great art, while the overwhelming spectacle of crowds, queues and commodities prevent them from engaging meaningfully with the works on display (West 1995: 90).

Exhibition policy at many museums increasingly coincides with the logic of show business: putting on an event to attract maximum publicity and attendance, whilst performing a separation between audience and object. Standard output for

large museums includes massively organized, high profile exhibitions, many of them packaged as units of artistic commerce to guarantee high levels of sponsorship. But it is the “blockbuster” exhibition that has become the most defining feature of contemporary museum display, its visibility now ruling the public’s perception of art. This mirrors the shift away from the museum’s preoccupation with the permanent collection toward the three-month exhibition as the most effective crowd-puller (Barker 1999).

Sponsors are more inclined to finance temporary exhibitions than for example operational costs. This is due to the high visibility and large audience numbers associated with temporary shows. Alexander (1999) raises the issue of the needs and wishes of commercial sponsors influencing the content of museum exhibitions. She finds that the exhibition plan usually comes first, and the financial resources second. In her research on the influence of sponsors on the content of exhibitions, she finds that curators and museum directors try hard to avoid any sponsorship deals that come with strings attached. That is not to say that they do not have any effect: the fact that they are only willing to contribute to exhibitions they like is already a type of selection process. Both government and corporate sponsors prefer exhibitions that draw large audiences, but their motivations are different. Whereas public institutions aim to bring a social good to as many people as possible, businesses are hoping to increase their advertising scope through their donation (Alexander, 1999). Either way, their preference tends to be exhibitions that will potentially attract a large amount of visitors, so they opt for exhibits on the more popular subjects or widely known artist rather than experimental shows.

The opposite of blockbuster economics is the theory of the Long Tail. The term, originated by Chris Anderson (2006) in the book *The Long Tail. Why the Future of Business is Selling Less of More*, refers to the fact that due to modern technology it is possible for businesses to tap into niche markets. Where before these specialty products would not have been on display in shops due to high opportunity costs, compared to putting up bestsellers, the internet allows for ‘unlimited space’, and thus the possibility to offer niche products at low cost. The Long Tail theory suggests that the sum of all these niche products combined is quite significant and makes offering these products worthwhile. It not only opens up the market for specialty

products, but also diminishes the dependence on blockbuster strategies.

However, the possibilities for Long Tail economics for museums are limited. Exhibitions provide the audience with the unique experience of being close to the artwork and interacting with it. Artworks are generally one of a kind, which is inherently a part of its mystery and aura, and thus its appeal. Although online content provides definite opportunities regarding accessibility and education of the permanent collection and the artworks featured in special exhibits, the aesthetic experience is irreproducible online.

5. METHODOLOGY

5.1 Research Design

The aim of the research is to determine the role of blockbuster exhibitions in the financial continuity and sustainability of museums in the Netherlands, and the organizational ramifications of this role. The decision has been made to start the analysis from 2008 onwards. As stated before, this year marks a significant change in cultural policy in the Netherlands, shifting the focus towards entrepreneurship and own income. This shift brought with it a greater responsibility of accountability for institutions, and has generally led to both greater transparency and professionalism in terms of administration. Before 2008, numerous institutions for example did not even produce an annual report, let alone a public financial report.

The research follows a qualitative approach, consisting of both in-depth interviews with museum exhibition experts and secondary analysis of annual reports and other documentation regarding exhibitions. This research method has both advantages and disadvantages. The all-inclusiveness of qualitative research provides the potential for a more rounded understanding of the subject. The validity of qualitative research is higher than when a quantitative approach is being used, because the subjects are studied in their natural surroundings, and less controlling factors come into play. The method leaves room for respondents to raise their own issues as well as giving them the chance to elaborate. This may lead to unexpected insights and results, which may have been overlooked using a more controlled approach. The downside to this method is the effect the researcher may have on the subjects. Furthermore, because the method is not homogeneous and relies on the interpretations of the researcher, the reliability of qualitative research is weaker than in a quantitative approach (Carr, 1994). As will be explained in further detail in the following chapters, there is a lack of consistent and up to date quantitative information available in the Dutch museum sector. An in-depth approach, in which key individuals working on exhibitions in some of the most important museums in

the Netherlands are interviewed, will therefore provide the most relevant information for this research.

The research follows an inductive approach, meaning that the data collected will provide a theory on the role of blockbuster exhibitions in the financial continuity and sustainability of museums in the Netherlands. The research does however also contain a deductive element, in which the existing theory is tested against the findings.

5.2 Population

In the Netherlands there is no official, publicly accessible and definitive list of arts museums, and the accounts that do exist differ in number. For example, the erfgoedmonitor (heritage monitor) counts 74 arts museums in the Netherlands in December 2014, but does not specify which institutions are included in the count. CBS (Central Bureau of statistics) counted 66 at the end of 2013, but also does not specify which museums are included. The Dutch museum server features a list of over 165 arts museums, but this list also includes several commercial galleries, art centers, ateliers, art collectives and exhibition spaces. The main issue regarding an all-inclusive and uniform list lies in the way in which different institutions identify arts museums. This is why a decision has been made to generate a particular list of art museums suitable for analysis in this thesis. Cross-referencing the museums features in the publication *Museumcijfers 2013* with several online lists of Dutch art museums, such as the 165 institutions identified by museumserver and 55 institutions named by the *Artcyclopedia*, a selection was made. This list of museums that have been contacted is based on several criteria. It features:

- Museums that have their own collection. Museums without their own collection, such as De Kunsthal in Rotterdam or Kunsthal KAdE in Apeldoorn only have temporary exhibitions, meaning that their entire operational model is certainly based on these expositions, making them unfit to consider in this thesis.
- Museums with an online presence. They have information available regarding admission and collection, and have their contact information available on website.

- Museums charging admission fees, either standard for general admission or just for special exhibitions, or both.
- Museums that are still open to the audience. Some institutions on the list had been closed to the audience and focus primarily on the collecting, documenting, research and preservation function of the museum, and are therefore not relevant for analysis in this thesis. Others featured in some lists have ceased to exist completely.
- Institutions of which the core function is being a museum. This leaves out galleries, ateliers, and mixed-arts venues featuring exposition spaces.

The definitive list consists of seventy arts museums in the Netherlands, ranging from small local institutions to superstar museums, from public to privately funded. The locations of the museums are spread throughout the country, and the themes vary from contemporary art, media and film art and fashion to old masters or community art. The list of museums that have been contacted can be found in Appendix 1.

5.3 Data Collection and Sample

In order to conduct a more informed purposive sampling, a method in which units are selected in direct reference to the research question and therefore are most relevant for analysis (Bryman 2012: 418), preliminary information was needed for the selection of the case studies. An email was sent to all institutions listed asking them to provide information regarding temporary exhibitions, visitor numbers, annual reports and financial reports over the past ten years. In order to create context, the emails featured a short survey consisting of five questions, based on several issues raised in the literature.

Unfortunately, many museums had limited information available, were unable to cooperate due to restrictions in the time they have available, or were unwilling to provide an answer due to the sensitivity of the information. Other institutions however, were highly interested in cooperation and were able to provide all or most of the information needed.

The decision was made to conduct interviews with five Dutch art museums, based on the extensiveness of information provided by the institutions as well as

other publicly accessible information that was found to be available. The case studies include:

- Het Rijksmuseum, Amsterdam
- Museum Boijmans van Beuningen, Rotterdam
- Het Van Goghmuseum, Amsterdam
- Mesdag Collectie, Den Haag (not included in the case studies)
- Museum De Lakenhal, Leiden (not included in the case studies)

Qualitative interviews were conducted with the head curators or heads of the exhibition departments of the five museums mentioned above. In the case of Het Van Gogh Museum and Mesdag Collection this was the same person, so the interview covered both institutions. The interviews were a combination between a semi-structured interview and an unstructured interview, which, as explained by Bryman (2012: 212), means that there was a series of questions and topics to be touched upon in the interview, but there was room for further questions, new topics, a different order of questions. The phrasing and order of the questions varied from interview to interview, and some questions were specific to the particular institution or individual. The people interviewed were:

- Cathy Jacob (Museum Boijmans van Beuningen, Head Presentations Department). In her role as the head of the Presentations department she is responsible for the presentation and educational programme of the museum, leading the museum's conservators in the exhibition planning process and alterations in the permanent exhibitions.
- Edwin Becker (Van Gogh Museum and Mesdag Collectie, Head Curator of Exhibitions). He commissions and coordinates most of the exhibitions in the van Gogh Museum and the Mesdag Collectie, and is in charge of the museum's policy regarding exhibitions. Besides the leadership function he is also involved in several research project in his function as Head Conservator.
- Tim Zeedijk (Rijksmuseum, Head of Exhibitions). He is responsible for leading the large team of conservators in the planning and realization of exhibitions, the museum's exhibition strategy, and was also closely involved in the

development and realization of the new Rijksmuseum over the past few years.

- Rob Wolthorn (Lakenhal, Head of Programme and Collections). He leads the team of curators in the realization of exhibitions, working closely together with the museum director, as well as being responsible for the permanent collection of the Lakenhal.

The duration of the interviews varied between 38 and 71 minutes, due to time restrictions of one of the subjects. The interviews were conducted face to face and in Dutch, the native language of all of the subjects interviewed as well as the interviewer. Two took place in the workspace of the person interviewed, one in the museum café and one in the museum gardens. The interviews were recorded, transcribed and submitted to an open coding system based on the main concepts that are to be analyzed: strategy; values; commercial aspects; collaboration and restraints.

In order to further narrow the focus of the research, three case studies were selected based on the interviews: Museum Boijmans van Beuningen, the Van Gogh Museum and the Rijksmuseum. Secondary analysis was conducted on the annual reports of the three institutions selected, ranging from 2008 to 2015. This secondary analysis revolved around finding qualitative information on blockbusters and organizational decisions and policy regarding exhibitions as well as data regarding visitor numbers and entrance fees. Additional data was gathered from the websites of the institutions, what often feature an abundance of information on exhibitions, as well as press releases and reports in the media.

Based on the key aspects discussed in the literary review, the interviews and secondary sources were analyzed based on six conceptual categories:

- Exhibition strategy: The place of temporary exhibitions and blockbusters in the museum policy, its changes over time and the internal process of planning exhibitions.
- The values of the institutions: what are the important deliberations when planning an exhibition? These values can be educational, aesthetic, academic, commercial, etcetera.

- Commercial aspects of exhibitions, including the influence of marketing, funding and sponsoring.
- Restrictions: what restrictions are faced by the museum in planning temporary exhibitions, and what can be done to overcome these restrictions?
- Other: any other important information not fitting into the above mentioned categories.

On the basis of the analysis of these six factors, the findings are discussed with regards the economic viability of the institutions.

5.4 Limitations

As stated before, despite the fact that museums in the Netherlands are for the most part publicly supported, there remains a lack of transparency concerning financial records and visitor numbers. This is not due to unwillingness to cooperate, for all five museums in the case study were prepared to assist in the research, but due to the fact that every institution approaches and records the issue in different ways. This made a lot of the information incomparable. For example, regarding visitor numbers, some recorded visitor numbers on a monthly basis, others per exhibitions, and others only had yearly numbers available. In the annual reports and other secondary sources, the numbers were often incomplete.

6. MAKING EXHIBITIONS MATTERS: ANALYSIS

1. Museum Boijmans van Beuningen, Rotterdam

At museum Boijmans van Beuningen in Rotterdam, the aim is to provide visitors with a highly varied and qualitative range of exhibitions. The head of exhibitions and the museum director are in charge of the programming of these special exhibitions and the set collection. Together with a large team of curators and production staff, they work according to the 'Boijmans method', a management system in which the team works according to predetermined phases: the starting phase, in which the idea for an exhibition is born, the initiation phase, in which the idea is researched and developed into a project plan including a content plan, and education plan, a marketing plan, a communications plan, a sponsor plan, the execution phase in which the exhibition is realized, and an evaluation phase. Throughout these phases there are constant meetings determining whether an exhibition is 'go, or no go'. This layered system was implemented to create a more systematic and relaxed way of working with a large team, dealing with a lot of influences and departments which all need to contribute to a single product, while all the while keeping the mission of the museum in mind. This is reflected in the way the 2015-2016 exhibition *De Ontdekking van het Dagelijks Leven: Van Bosch tot Bruegel* came to be.

Regarding exhibitions, the museum has made a clear-cut division between seasons: the fall exhibition is regarded to be the most important, and this is when the most visitors attend. The summer is the slowest season. The blockbuster show *Van Bosch tot Bruegel* was launched in October 2015. The effect of the exhibition is reflected in the overwhelming increase in visitors in the last 2,5 months of the year. 43,9% of the total amount of people who visited Boijmans in 2015, attended in the last 11 weeks of the year. The average amount of visitors increased from 17.000 a month from January to September, to an average of 39.000 visits a month in October, November and December (Museum Boijmans van Beuningen: Jaarverslag 2015). Due to the overwhelming success, the duration of the exhibition was prolonged by one week, further increasing the success of the exhibition. In total,

150.000 visitors attended the display in the 106 days it ran. The distribution of visitors throughout 2015 is illustrated in table 1.

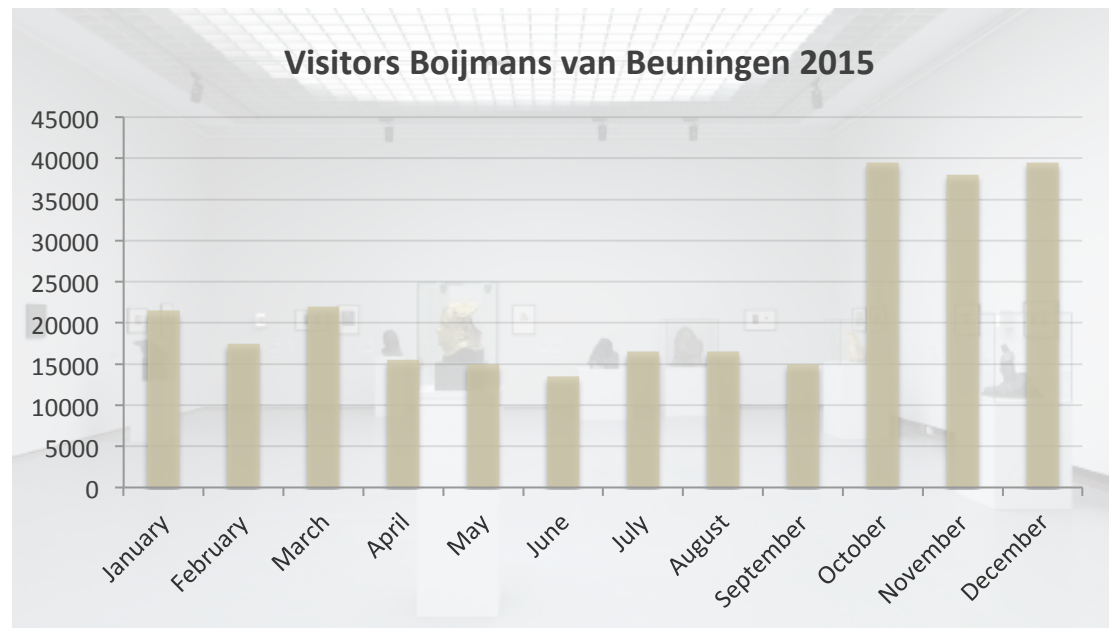


Table 1. Source: Museum Boijmans van Beuningen (2016) *Jaarverslag 2015*.

As we can see, the difference between the income from ticket fees between the blockbuster and non-blockbuster period is striking. The peak continues into January 2016, when attendance was 39.000. After the exhibition closed at the end of the month, attendance dropped again. On average, during the remaining 11 months 21.909 visitors came to the museum monthly. The total amount of visitors in these months never exceeds 28.000 (Museum Boijmans van Beuningen: Jaarverslag 2016).

Taking distribution of the visitors per price category, stating that in 2015 14,8% paid the full price, 14,1% paid a reduction price, 46,85% visited with a museum card and paid the supplementary fee, and 24,8% visited for free (Museum Boijmans van Beuningen: Jaarverslag 2015), and the 2015 admission fees, we can calculate the income from admission fees for each month. This calculation is featured in table 2. In it, we see that the average income between the months without the blockbuster and the *Van Bosch tot Bruegel* months more than doubled. During a regular month, the income averaged around € 87.379,50, During *Van Bosch tot Bruegel* however, this average rose to € 200.460,00 a month.

It needs to be noted however, that the percentages mentioned above and in the calculations, might not be an accurate representation of the actual distribution. In the annual report, these figures are calculated on the basis of a total visitor number of 700.000, whilst, as can be seen in table 1, the total amount of visitors in the actual museum was only 270.000. The figures therefore probably also include online visits, warping the percentages. Even though the actual numbers were higher, the calculations do present us with an indication of the huge growth in income that the exhibition generated.

Income From Ticket Sales *Van Bosch Tot Bruegel* Compared to the Rest of 2015

	No. of visitors/month (average)	Price categories distribution	No. of visitors/price category	Price	Income from ticket fees/month	Total income from ticket sales
January to September	17000	14,80%	2516	€ 15,00	€ 37.740,00	
		14.1%	2397	€ 12,50	€ 29.962,00	
		46,30%	7871	€ 2,50	€ 19.677,50	
		24,80%	4216	€ 0,00	€ 0,00	
Total					€ 87.379,50	€ 786.415,50
October to December	39000	14,80%	5772	€ 15,00	€ 86.580,00	
		14.1%	5499	€ 12,50	€ 68.737,50	
		46,30%	18057	€ 2,50	€ 45.142,50	
		24,80%	9670	€ 0,00	€ 0,00	
Total					€ 200.460,00	€ 601.380,00
Total/year						€ 1.387.795,50

Table 2. Source: Museum Boijmans van Beuningen (2016) *Jaarverslag 2015*.

The increase in visitors had an effect on the income generated by the ancillary services of the museum. The museum shop for example, noted an increase in attendance equal to the total increase in visitors. On average, one in six visitors attended the shop. In general however, the income generated lagged behind the prognosis for 2015. In addition, the museum café changed their methods in order to increase visitor satisfaction. At the same time as the launch of *Van Bosch tot Bruegel*, the café switched from self-service to table service. This meant that in addition to catering to a lot more visitors, more staff was required to account for this labor-intensive innovation. In relation to the extra revenue, the operating costs proved to be remarkably high. Whilst an exhibition is running, the museum uses flexible labor. However, also when there is no special show on, the new method requires a lot of

staff. As of yet, it remains to be seen if the service-change is feasible. For *Van Bosch tot Bruegel* however, it meant that café income was somewhat disappointing.

As we can see in table 3, the actual income from admission fees, the museum shop and the café lagged behind the budgeted income for the biggest part of 2015. In October however, the measured income caught up with the budgeted amount and during the last two months, the income surpassed the predictions rather significantly. If the trend of the first three quarters of the year had continued, the predictions would not have been met and the museum would have faced a deficit in this area.

Income Museum Boijmans van Beuningen 2015: Realization versus Budget

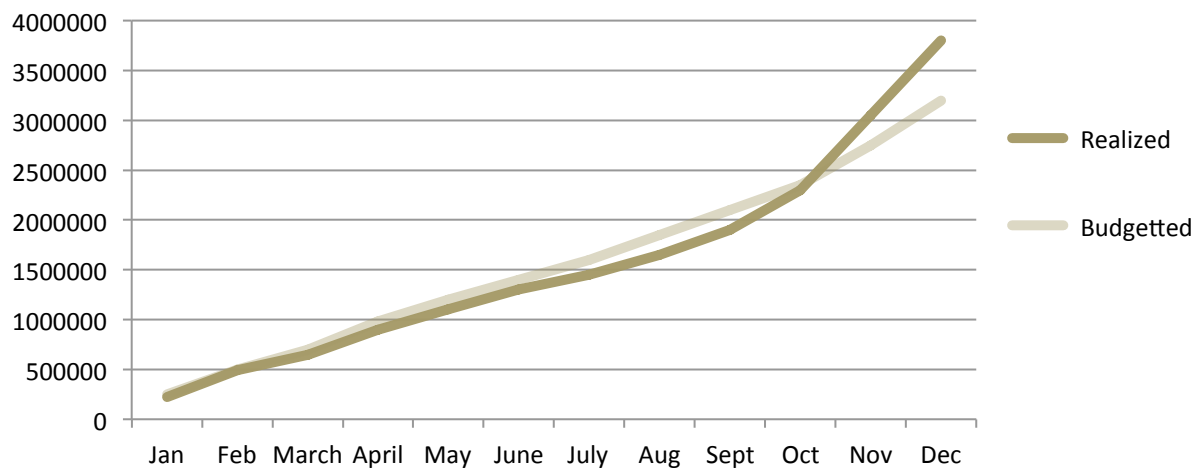


Table 3. Source: Museum Boijmans van Beuningen (2016) *Jaarverslag 2015*.

Due to the large amount of space, it is possible to put on multiple temporary presentations at once, in addition to the display of the museums own collection. A lot of emphasis is put on other spaces in the museum, such as the reception, the entrance square and the gardens, which feature installations the visitors can engage with, creating an unique audience experience.

Although all departments of the museum are involved in planning an exhibition, it all starts with the exhibitions department, and the head of exhibitions is commissioner. Ideas often come from her or from one of the conservators. The starting point is the collection of the museum, and the museum always wants a clear link to the identity of the institution. Key to Boijmans is the research that goes into

the exhibition: the scientific relevance and the contribution to the scientific discourse. Just as important is determining whether the exhibition is relevant to a larger audience, and whether it will attract people to the museum. It is important to realize here that although this deliberation is just as important, it does come second. As Jakob puts it: 'we don't start looking at what subject can attract an audience, and then try to find a connection to the collection. We first think of the collection, of a relevant scientific research question, and then consider if it an attractive exhibition to a wider audience'. What then comes into play are scale, costs, and timing, because determining a presentation will not attract a large number of visitors does not necessarily mean it is off the table. When the exhibition is relevant but applies only to a niche market, it might be planned in the off-season, in a smaller space and on a smaller scale. Quality is key, regardless if it is a 'blockbuster' show or a small presentation. Aside from the main objectives, the connection to the collection, the academic relevance and engaging the audience, several other deliberations come into play. For example, when another museum is planning a similar exhibition at the same time, it might not be a good idea to continue the planning process, because of the limited availability of artworks.

Collaborations are important to Boijmans, both on a local and international level. The museum is situated in Rotterdam's Museum Park, featuring several other museums such as De Kunsthal (exhibition hall) and Het Nieuwe Instituut (architecture museum and archive). The Museumpark foundation has a monthly meeting in order to coordinate but this appears to have limited effects. There is a combination ticket available, but sales of this ticket are disappointing, and the meetings can be counter-productive. What is perhaps more important is the noticeable effect of good programming in the other institutions on Boijmans. The proximity of other quality exhibitions acts as a pull-factor, not only to other museums but also to the city in general. An example was the coordinated exhibitions of two classic modernist artists, Kees van Dongen in Boijmans en Munch in de Kunsthal. The openings were scheduled on the same day so people could attend both, and combination tickets were available. Although in this particular case the timing worked out perfectly, it is important to realize that these types of collaborations are not part of the initial programming scheme.

Internationally, collaborations are perhaps more important. As Jacob points out, Boijmans has a large, valuable and important collection with quality pieces. This puts the museum in an excellent bargaining position, because if you have something to offer, you can get something in return. This is useful when trying to secure valuable, quality pieces that might otherwise for example not travel, and favor Boijmans over other institutions. In addition, in terms of planning exhibitions, collaboration can be a huge money saver. The costs of investment in research, the book, and travel can be split amongst two or more institutions, making this an interesting option. Third, academic collaboration is interesting, because the bringing together of different experts, each with their own specialty, can take research to the next level.

The main restriction Boijmans faces with regards to exhibitions are the rising costs of insurance and transportation, at a time when subsidies are insufficient. The museum receives structural subsidies from the Rotterdam Municipality. Not only has the amount of subsidies dropped (from 9.881.000 in 2008 to 9.093.000 in 2014), the costs have risen significantly. Cathy Jacob is passionate about the subject of insurance, and in an attempt to reduce Boijmans' set costs, she is looking for a better system. She is contemplating the radical idea of refraining, at least in part, from insuring the collection. She mentions that the collection is for the largest part owned by the municipality, as is often the case with museum collections in the Netherlands. The museum is the guardian of these works, and therefore responsible for its insurance. As Jacob points out, if an artwork would be damaged, the insurer would reimburse the actual owner. The artwork however, is still damaged. In this sense, the museum pays but does not reap any benefits. As mentioned before, finding a way to reduce expenses often means cuts in the variable costs, such as staff and exhibitions. Cutting in the insurance fees however is a way of cutting set costs, and would leave more room in the budget to realize the mission of the museum.

6.2 Van Gogh Museum, Amsterdam

The Van Gogh Museum has the unique position of having a blockbuster name incorporated in the name of the museum. This acts as an instant attraction, giving the museum a 'must see' status. As Edwin Beckers emphasizes, the Van Gogh name acts as a pull-factor for tourists in particular. He notes that other museums have to put in more effort to profile themselves, using specialized exhibitions. Despite this privileged position and perhaps a lesser need to attract attention, the museum still focuses on organizing a blockbuster show once every three years.

As a policy, the museum aims to put on two large exhibitions a year: one in spring and one in the fall. Regarding the subjects of the exhibitions, the goal is to spread the themes, subjects and focus as much as possible. The museum therefore doesn't put on three shows with a thematic focus, or three Van Gogh-central exhibitions in a row, in order to keep surprising the public. The museum distinguishes between the size and quality of the exhibitions by using a grading system. A blockbuster would be graded an A+ exhibition. Then there are the A exhibitions, the main shows put on twice a year, which are large but not quite a blockbuster, and B and C exhibitions. The latter are the smaller, more specialized projects. The B-projects generally run in the background, at the same time of the bigger exhibitions. C-projects are the smaller, highly specialized presentations attraction true connoisseurs.

In the preparation stages of planning an exhibition, the curator and his staff keep in mind the type of audience a certain subject will attract. Questions such as 'who will find this particular matter interesting, what discussion would the subject initiate, and what does it contribute in terms of new insights into art history?' will arise. In terms of the mission of the museum, the focus lies on adding to the knowledge and discourse of Van Gogh and his contemporaries and peers as well as stimulating and astonishing the minds of the audience. Beckers emphasizes that exhibitions are planned bottom-up: the idea starts with the curator and his team. From there, it works its way up the ladder of the organization. In the initial phases, the management and marketing team are of little to no influence. Later on, they do act as an advisor on the scale and scope of the project, and the type of audience a particular subject will attract the attention of. Compared to the past, the museums

thinks more about all aspects of exhibitions. The main aspects in the practical planning phase are when will the exhibition take place, who are we putting it on for, how large will it be, and what else is happening at the same time? In order to avoid clashes in programming with neighboring institutions, planning starts four to five years in advance.

The curator acknowledges that the exhibition policy directly affects the image of the institution. It is therefore crucial to keep focusing on high quality, for both the large scale and the smaller exhibitions alike. Although the name and location guarantees a steady stream of visitors, it is not enough to maintain critical acclaim and a well-respected spot within the academic discourse.

Munch : Van Gogh was the first A+ or blockbuster show put on by the museum after the large scale renovations of the entrance building. Featuring many iconic pieces of both artists, the exhibition presented the works in relation to each other, revealing parallels in both the work and the lives of the two painters. This show has the advantage of bearing two blockbuster names in the title of the exhibition. In addition, the museum decided to wrap the exhibition in a city- and region wide cultural program. The Van Gogh museum partnered up with Het Concertgebouw, movie theatre and museum EYE, museum Dolhuis in Haarlem and many other cultural institutions, who each presented their take on the subject of thematic and contrasting works of art which have to be seen in relation to each other. This cultural program placed the exhibition in a wider context, making it more appealing for tourists and locals in particular. The exhibition attracted 585.620 visitors. In total, the museum was visited over 1.9 million times in 2015.

80 to 85 percent of all visitors come to the museum to visit the permanent collection. Many of these people are tourists. When a specialized show is put on, the museum witnesses a shift to a more national audience. This influences the date of exhibition: in spring, there are more tourists about, so a Van Gogh-central show caters to their wishes the most. In the fall, there are fewer tourists about. The focus then shifts to the national audience. *Munch : Van Gogh* was placed in the fall deliberately, because the amount of visitors would have been too overwhelming for the museum to handle. For example the Easter period brings so many tourists to the city that crowd control in the museum district is already challenging. A blockbuster

would only add the strain, leading to large queues outside. After *Late Rembrandt*, the museum decided that it prefers to let visitors wait outside a little longer, so the visitor experience is not compromised when inside. In addition, compared to tourists a national audience is a more critical audience (Rapport Inzake Jaarstukken 2015). For a more academic exhibitions such as *Munch : Van Gogh*, the fall is therefore a more suited time. It paid off: out of the 585.620 visitors that attended the exhibition, 163.000 were Dutch (27.8%). In general, around 80% of attendees visit from abroad.

Despite the aim to put on a blockbuster every three years, there are a few downsides that even a superstar museum such as the Van Gogh has to deal with. The museum took a lesson from a blockbuster at the neighboring Rijksmuseum, *Late Rembrandt*, which had tested the limits of the museum. Admittedly, the crowds had been too large, which had negatively affected the experience of the many visitors. Limitations of the building and its location are a significant consideration. Then there are the extreme costs of a blockbuster compared to a regular exhibition. The insurance cost of the Munch works fastidiously drove up the total, because the auction prices of Munch have been rising rapidly over the past few years. This influences the values of the works borrowed from the Munchmuseet in Oslo, as well as the transportation fee. The rising costs of insurance and transportation is now mentioned in the official risk management report of the museum (Rapport Inzake Jaarstukken 2015, 2015: 4). The insurance fee of loaned works has increased so significantly over the recent years, that even museums such as the Van Gogh face the risk of not being able to afford the loan of great works. In addition, marketing proved to take up another significant chunk of the budget, because despite the must-see status, the show has to be promoted to an audience that otherwise might not visit. On the other hand, the museum obviously has its own collection to borrow from, featuring top-quality works. The curator emphasizes that factors like these make it extremely difficult, if not impossible, to calculate the costs beforehand. In addition, an exhibition as large as this one puts a huge strain on the organization.

Despite these pitfalls, the exhibition managed to create a boost in income beyond predicted. The objective for 2014 – 2017 was to generate 40% of the income from ticket sales, 40% from other activities, and 20% from subsidies. In 2015, the numbers shifted to a 45% income from admission, 40% from commercial activities

and 15% from subsidies. The predicted amount of visitors for 2015 was 1.65 million. Partly due to the success of *Munch : Van Gogh*, this prognosis was toppled, and a total of 1.908.744 visitors attended the museum. In the months of January till September, the museum experienced a monthly growth of 12% compared to 2014. During *Munch : Van Gogh* however, over 50% more visitors than the same months in the previous year attended the museum. At the height of its popularity, on average 44.000 people attended each week. The peak capacity of 49.000 a week was reached in week 40 of 2015. Due to the focus on crowd control, the museum was able to maintain highly positive visitor experience (82% TRI*M score¹), even during the peak season.

¹ Visitors were asked to rate their visit based on General enjoyment, recommendation, repeat visits and competition, giving a rating from 0 to 100%.

6.3 Het Rijksmuseum, Amsterdam

At the Rijksmuseum in Amsterdam, the museum director has the final say in terms of exhibitions. The idea generally originates with one of the conservators or the education staff and is then run by a commission of the heads of all departments. When all the aspects of the exhibition are put together in a project plan, the director decides whether the idea is executed or not. If given the green light, each exhibition is put in charge of a project leader. They are accountable for time, money and quality management. They work closely together with the conservator; the one as a project manager, the other as artistic manager. The two are co-dependent, because as Tim Zeedijk, head of exhibitions puts it, 'with a lot of money, you can buy a lot of fantastic content'. In the development, five pillars are to be considered: Sales; marketing; image; education and sense of urgency.

In 2015, the museum was visited 2.345.666 times, making it the most popular art museum in the Netherlands. The amount was 17% higher than the previous year, when just over 2 million people visited. The peak was during *Late Rembrandt*, which attracted 520.698 visitors in three months, of which 438.469 were paying visitors. The distribution of the amount of visitors a week throughout

Weekly Visitor Numbers Rijksmuseum: 2015 compared to 2014

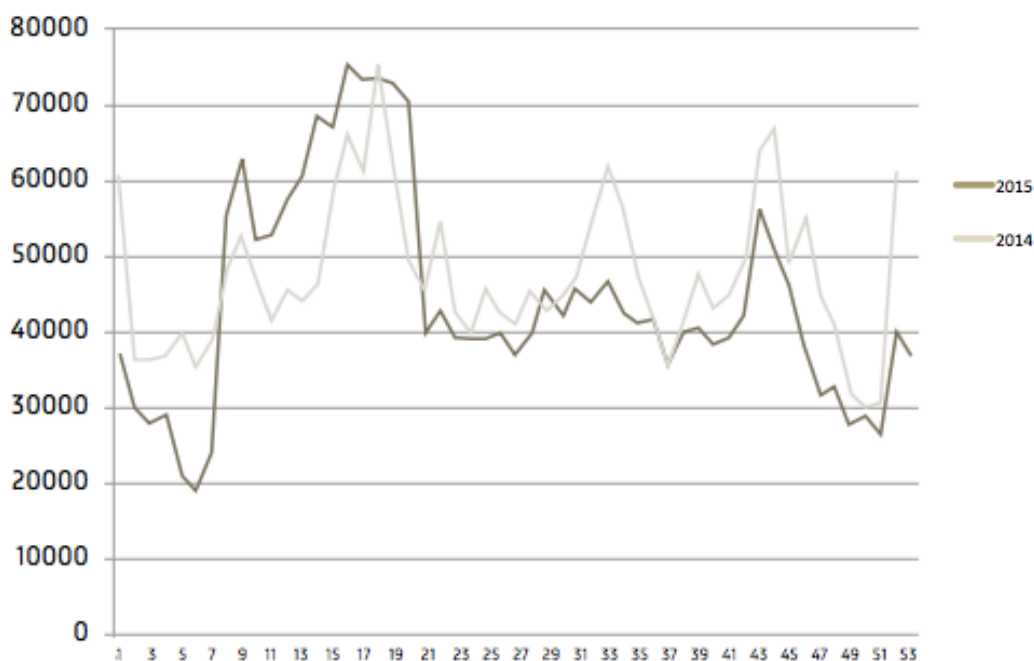


Table 4. Source: Rijksmuseum Amsterdam (2016): *Jaarverslag 2015*

2015 is illustrated in Table 4. An eminent peak in the amount of visitors can be observed at the beginning of the year, from the moment the blockbuster commenced (the 12th of February, or week 6). From week 20, the end *Late Rembrandt*, attendance almost halved. As we can see, 2014 roughly follows the same patterns, but is more evenly distributed. The own income generated by the museum consisted of 70% of the total income compared to 59% in 2014.

520.698 people were attracted to *Late Rembrandt*, over 40.000 more than the museum predicted. 53% of attendees were Dutch nationals, and 47% were international visitors. In addition, the predicted income per visitor was €11,23, and turned out to be higher than predicted at €11,65. Although it seems a small difference, it resulted in a surplus of €218.693,16 for *Late Rembrandt* alone. This was because the Museumkaart paid the museum more money than expected and the fact that quite a few tickets were sold that weren't used. The income is counted, but the visitor is not. Over the entire year, €27.346.000,00 was realized from entrance fees, over €4.803.000 more than predicted. Other income related to attendance, such as educational goods and multimedia tours, as well as the income from the restaurant, was €1.269.000 higher than budgeted. Taking revenue and cost into account, the exhibition resulted in a surplus of 1,5 million euros.

The decision to run an exhibition is based on factors such as academic relevance, actuality, urgency, and the potential audience. Zeedijk points out that academic relevance does not inherently mean niche. An exhibition on Rembrandt can for example attract half a million visitors and put forth a book that will be relevant and important in the field for years. Popularity does not exclude academic excellence, as the one factor does not influence the other. It is also possible for a presentation with a hugely important book, to only attract 200 people, or 100.000. On the other hand, there are shows that attract a lot of visitors, but are put on without any publication. Zeedijk calls these fireworks: 'you shoot it off, and all that remains is the memory'.

Regarding the subject and form of exhibitions, there is no clear-cut, set in stone policy the board of directors or conservators have to keep in mind. Important

however, is that the show has to land 'naturally' and remains close to the Rijksmuseum's theme. Collaborations work in a similar way, the partnership has to feel natural. In practice, this means that the most collaborations are formed with other national museums, operating on a similar scale. This is reflected by the fact that *Late Rembrandt* was the result of collaboration with the National Gallery in London, who ran Rembrandt: The Late Works during the fall of 2014. At the same time, Zeedijks mentions aiming to put on a broad scope and all-encompassing presentations. An unwritten rule is that the Philips-wing acts as a counter-weight for the permanent collection. It functions as a way to present and highlight elements the permanent collection in a more in-depth manner, in the form of a temporary presentation.

Of course, the museum enjoys a superstar status, and will attract a crowd regardless. The emphasis in the measurement of success therefore shifts from the amount of visitor that visits an exhibition, to the level of enjoyment and wonder expressed by these visitors. They have to come, but they also have got to have fun. The academic agenda, marketing, sales, the amount of money generated, comes second.

However, during the course of *Late Rembrandt*, the limits of the museum were thoroughly tested. The large amount of visitors, closely after the renovations of the building, proved a challenge to accurately manage. This led massive queues, asking for adequate crowd-control. Inside the exhibition, the halls were crowded. Due to the higher amount of visitors, the costs turned out higher on some aspects of the project as well. In order to accommodate for the surplus in *Late Rembrandt* visitors in an audience-friendly way, extra hospitality staff had to be hired. Due to unforeseen requests of individuals and organizations lending the artworks and the addition of an unplanned weekly evening event, the costs rose even more. Furthermore, additional cleaning, pest-control and garbage disposal costs had to be made, leading to the operational costs of the exhibition turning out higher than budgeted. Inevitably, the Rijksmuseum is also faced with the rise in costs of insurance and transportation. These costs therefore were also higher than initially budgeted.

In addition to a rise in costs, the museum faces some negative publicity due to the crowds, arguing that the visitor experience was diminished because of all the crowdedness. There were reports of people asking back their money and claiming that they could only see the top and the sides of the paintings. Visitors were unable to engage in meaningful reflection. When asked to comment, museum director Wim Pijbes told the critics to “buy their own Rembrandt” [“Koop dan zelf een Rembrandt”] (NRC Handelsblad, 30-05-2015). Unsurprisingly, he received additional criticism for this remark. Pijbes did however admit that the exhibition might have been too busy for visitors to optimally enjoy the artworks, and noted that the museum had put several measures in place to improve the visitor experience.

But, as the museum director puts it: “Good things are sold out”. Despite the before mentioned setbacks, the exhibition therefore remains the pride of head of exhibitions Tim Zeedijk, who has the poster hanging over his desk. He is particularly enthusiastic about the academic aspects of the exhibition. Several conservators and other experts worked to present the public with works that had never been shown before. The exhibition's publication is said to be of academic quality. Furthermore, the majority of visitors was wildly enthusiastic about the subject matter as well as the actual presentation, despite the crowds. As mentioned before, the enjoyment of the audience is regarded to be highly important by the museum.

7. DISCUSSION

All three exhibitions mentioned above, *Van Bosch tot Bruegel* in Museum Boijmans van Beuningen, *Munch : Van Gogh* in the Van Gogh museum and *Late Rembrandt* at the Rijksmuseum, were highly successful in many regards. As demonstrated, all three exhibitions generated an amount of visitors that did not only stand out from the average visitor numbers and result in a growth in yearly attendance, but they also topped their own predicted visitor amount. This again resulted in large financial benefits and budget surpluses for the museums. For all three museums, the blockbusters were profitable, realizing revenue above the predicted income. This has resulted in a budgeting surplus for the institutions. For the Rijksmuseum for example, the surplus generated by *Late Rembrandt* constitutes over a quarter of the total surplus. This economic success reflects what is generally regarded as the main driver behind blockbuster shows: making money.

When providing goods and services, organizations create expectations with the customer. In the case of exhibitions, the visitor might buy knowledge, aesthetic experience, cultural capital or simply entertainment. For all three museums, the visitor experience is highly important. In order for the experience to meet the expectation, certain needs need to be met. This provides museums with a paradox: on the one hand, you want to show as many people as possible the show you have put on. On the other hand, the educational and aesthetic experience decreases as too many people show up. This in turn affects the image of the institution, which is an important resource. The key is to find the balance between attraction and overcrowding.

Regarding public image, all three museums are aware of the negative connotations the term blockbuster brings with it. All heads of exhibitions mentioned wanting to avoid being labeled commercial. Both Boijmans van Beuningen and Van Gogh Museum guard their reputation in this way. Although admittedly the shows they had put on can be categorized as a blockbuster and meets most if not all of the characteristics, they prefer to call it by a different name. The Rijksmuseum however, does call *Late Rembrandt* a blockbuster in its report. The Rijksmuseum has fewer

image concerns than the other two institutions, because it know that people will attend regardless. The Van Gogh Museum enjoys a similar position, but chooses to use the constant flow of visitors as a base, allowing experimentation with more obscure subject matter. The blockbuster exhibits also bear a great emphasis on education and research.

All three institutions discussed are publicly funded, at least to some extent. The main focus however, lies on own income. The museums have been able to diversify their income, increasingly generating their own revenue. This makes the position of the institution stronger, as they are no longer completely dependent on gifts and subsidies. As we have witnessed in 2008, cutbacks can have significant ramifications for museums. The more independent the institution, the lower the risk of financial problems or even collapse. That being said, the independence of the three museums was mainly born out of necessity. When it was announced that structural changes in funding were imminent, museums *had* to change their strategy. The incentive to generate own income increased instantly. This is true for all three institutions, although the Boijmans van Beuningen took the biggest hit. Its policy changes were the most substantial, as out of the three, its visitor numbers are the most uncertain. Lacking the superstar status, it attract fewer tourists. They therefore have to focus on getting and sustaining the attention of the national and regional visitors. Repeat visits can be realized only if the museum is capable of creating a high quality, dynamic and diverse repertoire of exhibits.

However, this focus on attendance does not mean that the institutions have resorted to changing the product in order to meet the expectations of the audience. In practice, it works the other way around for Boijmans, the Van Gogh and the Rijksmuseum alike. The idea for an exhibition generally originates with the curators, who mainly consider academic value and relevance. Other departments such as marketing, finance and education then come in to look at the relevant production questions: who will attend, why will they attend, how many people will this attract, what are the possibilities and what resources are needed to make it happen? On the basis of these questions, the scale and scope of the exhibition is determined. In other words: the plan comes first, the resources second. All three curators repeat that is never works the other way around: no museum decides that they want to put

on an blockbuster and goes looking for a suitable subject, regardless of whether it is academically relevant or not. For the three blockbusters studied, there is no sign of dumbing down the subject matter in order to attract more visitors.

Although the subject remains at the center, there are several tactics employed to generate a maximum amount of visitors. Marketing, being the most visible, aims to attract different kinds of people, to generate a diversified audience. Special events are put on to further broaden the scope of the exhibit. These may include readings, presentations, workshops or other academic events, but also parties and film screenings. The actual exhibition though, is argued to remain unchanged by these activities, and its academic integrity remains intact. It merely provides more, different people with a way of engaging with the subject matter in a way that personally suits them. We can however observe some strategies that clearly bear the marking of the marketing department and influence the experience of the visitor. Events such as the exclusive evening-openings at the Rijksmuseum during *Late Rembrandt*, put the exhibition in a different light. It provided visitors with drinks and snacks, making it more of a reception or an evening out, rather than a museum visit. It did offer the visitor more time and less crowding.

Museums have been accused of shifting the focus from the artworks to other, for-profit activities. This would be a shame, as money should never be the goal of a public institution. In the case of Boijmans, Van Gogh and the Rijksmuseum however, the focus appears to remain research, presentation and conservation. Of course, the museum shop and restaurant are important, as they provide the visitor with an additional service. As such, they do not only generate additional income, but also contribute to the visitors' level of enjoyment. For this enjoyment to remain at a high level, the services need to be fitting. It is therefore important to invest in them. As demonstrated by Boijmans however, higher service levels do not always generate more income.

A significant difference between the three museums is their scope, and therefore its position regarding artwork loans. The Rijksmuseum, being a national institution, has little to worry about. Their extremely high international acclaim and their broad, high quality collection make it a sought-after partner. The museum is in a position to negotiate loans of the highest quality and fame. For the most part, this

is also true for the Van Gogh Museum. Although the subject matter of their collection is more limited, the collection is of the highest quality and features popular masterpieces. Boijmans has to put in a bigger effort. Although their collection is also of top-notch quality, their position in the international field is less established. As a result, Museum Boijmans van Beuningen has to plan its exhibits accordingly. Like any institution, they have to work with the resources available.

Another difference is the exhibition policy. Perhaps due to the superstar status enjoyed by the Rijksmuseum, they appear to have a looser policy regarding exhibits. Relying on the expertise of the people involved in organizing exhibitions, there are no set-in-stone guidelines regarding size and subject matter. Boijmans and Van Gogh appear to have similar strategies: one big exhibit every three years, and academic presentations in the fall. In addition, the subjects of the presentations need to be dispersed, so there are no two similar exhibits following each other. All three institutions run many other smaller exhibitions each year, with a few running alongside the blockbuster.

The cost of organizing exhibits has increased over the past years, posing a significant risk to museums, particularly in relation to the budget cuts. In the case of all three blockbusters, the surplus in visitors more than accounted for the high costs. Smaller exhibits however, also bear these higher costs. In this regard, the larger shows have been able to carry the smaller ones, providing an opportunity where there might otherwise not have been one. It needs to be noted however, that the budget regarding most elements of an exhibit, such as insurance, transportation and staff, remains highly unpredictable. Blockbusters are planned four to five years in advance. Due to the bubble in the art market, prices of works are ever rising. Inevitably, with it they drag up the costs of loans. Such trends are unpredictable in the long term.

Cost disease is a challenge faces by museums, meaning that more input generally does not guarantee a larger output. The Rijksmuseum found a way however to work around this limitation. As stated before, due to budget restrictions, museums are limited to certain opening hours. When it became evident that the capacity of the museum was reached however, the museum decided to extend its opening hours, opening one evening a week for just *Late Rembrandt*. Of course this

additional opening resulted in higher costs, but the revenue from these evening alone was over one million euros. These special events within the event, serve as an example of the way in which a blockbuster provides opportunities to increase output. On a broader scale, the blockbuster itself may be seen as avoiding the cost disease of the museum. Compared to an average year, the input increased. If all goes well, the output increases with it. However, it remains a gable.

8. CONCLUSION: IF YOU WANT TO MAKE MONEY, DON'T START A MUSEUM

The blockbuster exhibit has become an inherent element of the modern museum. Images of queues of people waiting to see a masterpiece are not uncommon. There are two ways scholars and museum officials have been looking at the blockbuster. Many have marked it as being the demise of the museum, the devaluator of cultural capital, or the driver shift the focus away from the artwork onto softer, consumerist values. Essentially, the core values of the museum to collect, to conserve, to study, to interpret and to exhibit, are said to have made way for new functions: to entertain and to make money.

The fact that there had been a shift towards a more commercial approach of museum management is undeniable. This is true for the superstar museums and small institutions alike. In contrast to the dire view expressed above, the commercial approach also has many positive effects: The organizational efficiency of museums has increased, the museum has been forced to make informed decisions, and have become increasingly self-sustainable and independent. Furthermore, museums have found a way to reach a larger and more diversified audience.

In this regard, it needs to be noted that the above-mentioned negative ramifications are only relevant, if the museum decides to let it. Within three of the biggest art museums in the Netherlands, Museum Boijmans van Beuningen, the Van Gogh Museum and the Rijksmuseum, the core values remain the starting point of any exhibition, whether small or blockbuster. The fact that the exhibitions attract such a large crowd, can then only be regarded as fulfilling parts of this mission. The means of realizing the goals may have gotten increasingly commercial, but they still serve to educate the audience and allow them to experience the unique opportunity to engage with exceptional artworks.

The change in the funding structure, shifting from public funding to own income, has in part forced the institutions to walk the path of the commercial approach. However, the appropriation of certain business strategies does not eliminate the values of the institution. Money is always the means to an end, and the

end is the realization of the mission. The curator remains the biggest influence on exhibitions. Marketing, for example, is only employed in later stages. In many cases, institutions were faced with the choice to employ business tactics, or be unable to perform its core functions.

Within this structure, the blockbuster provides the museum with opportunities. First of all, as stated before, it allows the museum to reach a larger and broader audience, fulfilling at least as part of its mission. Secondly, the income generated from the shows, means greater organizational independence and more resources to perform the other core functions. As we have seen, in the Netherlands, the

As we have seen, in art museums in the Netherlands, the effects of blockbuster exhibits have been overwhelmingly positive in terms of income. Regardless of the revenue generated, the core values of the institutions have not been forgotten. The blockbuster serves as a foundation, not only providing many people with a unique opportunity to see great art, but also providing the museum with financial independence. This allows them to explore more obscure subjects in smaller presentation. The profit from blockbusters is highly unpredictable, for it is dependent on many factors that cannot be foreseen. *Late Rembrandt* for example, was so successful partly due to the bad weather driving people towards indoor activities. On the opposite scale of the balance, the costs are ever fluctuating.

Putting on a blockbuster is a gamble, and in no means a guarantee for financial success. If you want a foolproof way to make money, starting a museum and organizing exhibitions is not the way to do it.

8.1 Recommendations for Future Research

As mentioned before, there were quite a few limitations that were encountered throughout the research. In order to create a statistically sound image of the position of blockbuster exhibitions in the financial structure of art museums, there is a need to move beyond interpretations of public numbers, and dive into the actual financial records of museums. Although most art museums in the Netherlands are public institutions and are therefore required to publish their annual numbers, they encompass the results of all exhibitions put on by the institution, and are limited to

one year and thus warping the image of exhibitions running into the new year. A larger scale research could focus on all art museums in the, looking at visitor numbers at the times of blockbusters and calculating trends.

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