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**The specific features of art marketing and the
main problems of its development in
Azerbaijan**

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Abstract

Nowadays many people do not favor of going to cultural organizations in Azerbaijan which shows the lack of marketing directed to them. In order to protect our culture and develop it, there is a need to create marketing strategies and implement them in our cultural institutions. Thus, the diploma work focuses on art marketing and its main concerns in development in Azerbaijan. Marketing in art is particular since it must adjust to the aesthetic objectives. In this way, the part of marketing is not only to comply to requests of the market, but moreover to draw attention of onlookers to the current offer. In the first chapter of the study work, the essence and significance of marketing in the sphere of culture, inquiry and supply in Azerbaijan for the services of theaters, museums, libraries as well as the functions and tasks of marketing in cultural organizations were examined. The second chapter of the research is devoted to the analysis of the national theater of Opera and Ballet. An analysis of the state of the enterprise, analysis of the marketing in the theatrical art, as well as problems related to the financing of marketing activities and theaters as a whole, was conducted.

Table of Contents

Acknowledgement.....	2
Abstract.....	3
Introduction.....	5
Chapter1. The essence and significance of marketing in the sphere of art....	8
1.1 Demand and supply for products of art.....	8
1.2Features of marketing in the field of art.....	11
1.3Functions and objectives of marketing in cultural institutions.....	19
Chapter2. Analysis of marketing management and its problems in cultural institutions in the example of “Azerbaijan State Academic Opera and Ballet Theater” and model for its development.....	29
2.1Characteristics of the research subject and data collection.....	29
2.2 Analysis of marketing in the field of theatrical art	32
2.3 The problem of financing marketing activities in the cultural sphere.....	39
2.4 Formation of the organizational structure for the effective marketing of theatrical services	45
Conclusion.....	50
Bibliography.....	52

Introduction

According to domestic and foreign scientists, the theater and other spectacular arts became a new reality now. Its expansion leads to not only a change in the taste, aesthetic preferences of the audience, but also to the total transformation of the value system, to a change of their hierarchy in the public consciousness. The leisure space, including cultural ones (television channels and computer games, nightclubs and coffee houses, ice discotheques and dance floors, movie empires and pop concerts, etc.) is expanding substantially. However, people are more attracted by television channels than theaters or museums. In other words, a flurry of bright colors and sounds led to the phenomenon of "clip consciousness", the satisfaction of which brings the speed of change of impressions, not the depth of content. This was disturbing trend for the theater and was noted by researchers three decades ago.

The struggle for time and money of the viewer is exacerbated within the theater community itself. Obviously, this struggle is not only cultural, but also purely economic in nature, as today theaters, like the whole country, are in the market competition. Civilized or wild, hard or liberal - he dictates his laws: today everything costs money, even wax and feathers for Daedalus' wings. Having removed the deficit problem and launched its main mechanism - competition - the market was replaced by the prosperous dictatorship of the seller to the power of the capricious buyer. At the same time, reducing state of financial support for cultural and art organizations is becoming more evident, which complicates the problem of the economic stability of theaters.

Thus, in the beginning of the 21st century, the issue of physical and moral survival of theater became acute. To survive and preserve traditions and ensure the continuity of the development of art, theater must learn to soberly assess the current situation and act according to the rules of behavior in the market. With this, we can determine the relevance of this study work that research the problems in this field and develop adaptation of marketing technologies to the domestic theater.

Marketing - "the science of the market" – arose for the development of experience in the sale of the produced. Closely associated with the psychology of human behavior, with theories about the basic needs of the individual, marketing achieved such serious results in a relatively short period that today it can be said without any particular exaggeration that marketing, the product of the twentieth century, has largely become the determining factor of development. The specificity of its existence in the structure of the theater is its subordination to the conditions of artistic existence.

Western cultural figures have recognized that marketing is an instrument through which the theater can remain a theater, a museum-museum, an orchestra-orchestra. Of course, marketing "should not dictate to the artist how to create works of art; its role is to bring together the creation and interpretation of the artist with the corresponding audience ". According to G.Dadamyán and A.Rubinstein, one of the main cultural and aesthetic goals of the theater is "the formation and reproduction of the optimal structure of the audience." According to a common definition by K.Diggle, the main task of marketing in culture is to specify a certain number of certain people in order to establish a specific form of relationship with the artist while at the same time getting the best financial success, in line with the achievement of this objective. Thus, it is obvious that it is marketing that serves to meet one of the main goals of the cultural organizations.

It can often be heard that commercial activities should be developed by cultural institutions in the current difficult economic conditions. For this approach there are a lot of exculpatory factors (both pragmatic and global nature), but the psychological characteristics of the behavior of visitors, for which any price will be high, become a significant restriction of socio-cultural activities based on market mechanisms in cultural institutions.

The emphasis on the non-commercial nature of the marketing of socio-cultural activities emphasized the importance of developing such marketing problems that determine the target areas of its organization in cultural institutions, primarily the

development of principles of social and ethical marketing, consonant with the humanistic orientation of socio-cultural activities.

All this also determined the choice of the topic, the definition of the goal and the formulation of the tasks of this research work. Therefore, the purpose of the research is to identify the specific traits of marketing in the sphere of culture and its main problems on the example of Azerbaijan State Academic Opera and Ballet Theater.

To reach the goals of the study work it is necessary to learn and solve a number of problems:

1. To study the essence and significance of marketing in the sphere of culture.
2. Learn analyzing the basics of art marketing.
3. Conduct the research for analysis of the marketing in the field of theatrical art
4. To develop a typological model for the marketing service in cultural institutions in the example of the Azerbaijan State Academic Opera and Ballet Theater.

The subject of the work is the activity of the marketing service in the sphere of culture. The object of the study is the Azerbaijan State Academic Opera and Ballet Theater. In the course of the work, laws and regulations operating in the territory of the Azerbaijan, as well as textbooks and works of foreign authors were used.

Chapter1.

The essence and significance of marketing in the sphere of art

1.1 Demand and supply for products of art

Cultural organizations occupy an important place in society. Their activities reflect the state of culture through the content of the proposed works (declared values, disputed issues, taboos), through the use of certain technological forms and techniques, through the type of consumer and the supply. The type of consumer can be illustrated by the following example: dance can be performed by all participants - in this case, this is entertainment; if the audience is watching the dance, this is a performance.

The concept of the organization of culture can be viewed both in a narrow and broad sense. In a narrow sense, these companies are engaged in production and distribution of the product in the field of performing arts (drama, music, opera, dance), fine arts (museums, galleries), as well as historical heritage (libraries and historical and cultural monuments). If the concept of cultural organization is treated more broadly, it will also include the industry in the sphere of culture (films, sound recording, musicals, publishing, handicrafts) and the media (radio, television, periodicals).

The study of demand for cultural services in Azerbaijan was conducted on the basis of the statistical index of attendance of cultural institutions (theaters, museums, libraries) (Table 1 and Fig. 1) for the period from 1995 to 2016. An investigation of the participation of these cultural institutions showed that visits by the citizens to theaters decreased from 1201 to 727 thsd. in 1.6 times during the period 1995-2016. At the same time there is an interesting dynamics: for the period 1995 - 2010 attendance dropped by 2.2 times, and for the period of 2010-2016 the level of attendance has practically sprouted. A similar dynamics applies to

libraries: the attendance of the population of these cultural institutions fell from 2824 thsd. people in 1995 to 2612 thsd. people in 2016.

Table1. Demand and supply for cultural services in Azerbaijan

	1995	2000	2005	2010	2014	2015	2016
Number of public libraries	4794	4374	4004	3947	3291	3242	3088
of which library stock million copies	39,3	38,7	36,6	36,1	33,2	33,6	32,5
Number of readers, thsd. Person	2824	2801	2739	2698	2677	2607	2612
Number of movie theatres	21	9	7	10	11
number of attendees of cinema shows, thsd person	115	83	236	599	469,6
Number of professional theatres	26	27	30	28	28	28	28
number of attendees of theatres, thsd person	1201	925	544	540	728	752	727
Number of museums	145	155	163	226	233	234	236
number of attendees of museums, thsd person	1543	1196	1477	1804	2531	2578	2697

However, in museum services numbers are fluctuated. The change in the demand for museum services in different periods is different. From 1995 to 2000, there was a sharp decline in the volume of demand for museum services from 1543 to 1196 thsd - 1.3 times, due to deterioration in the living standards of the population throughout the country. From 2000 to 2016, there was a rise in demand by 2.2 times, due to the increased activity of the population in the consumer services market.

However, since 2014 there was a different tendency for demand for services of these cultural institutions. Demand for museums and movie theaters augmented which is associated with some improvement in the well-being of the population, while the attendance of the theaters and libraries abated slightly from 2014 to 2016.

In Azerbaijan, the preferences of the population regarding cultural leisure activities have increased with respect to the services of museums and movie theaters. If in 1995, the attendance of museums exceeded the attendance of theaters only 1.2 times, then in 2016, - 3.7 times (Table 1). These changes are related to the implementation of new requirements and desires of the population, as well as the reorientation of the policy of cultural institutions. Over the past decade there has been a reconsidering of the role of museums, their influence on the development of different divisions of the economy and the nation as a entirety. If in the 1980s tasks of museums were limited to the preservation and study of monuments of culture and art, in the 2000s museums turned into cultural, educational, leisure and information centers of public life.

The level of supply of services to cultural organizations in Azerbaijan was estimated with the help of a number of cultural institutions (theaters, museums and libraries), as well as the volume of services provided by them. An analysis of the number of cultural organizations in Azerbaijan from 1995 to 2016 showed that throughout the period under investigation there is a constant tendency towards an increase in the number of museums and theaters (Table 1) The number of theaters for 1995 – 2016 went up by 0.9 times, and in 2016, 28 theaters operated in Azerbaijan, compared with 26 in 1995. The number of museums (more than 1.6 times) has also augmented to 236 units in 2016, compared with 145 in 1995. The opposite situation occurs with the dynamics of the number of libraries: their numbers diminished by 1.5 times during the period under review and amounted to 3088 in 2016, in comparison with 4794 in 1995.

However, the analysis of the supply of services to cultural organizations based on the volume of services provided by them gives similar results. So, the constant growth in the number of theaters and museums from 1995 to 2016 show the way to the total number of performances that went up from 4673 in 1995 up to 5012 in 2016. The number of annual exhibitions in museums has increased from 1513 in 2000 up to 2929 in 2016, i.e. in 1.9 times. This indicates that, in general, the

supply of theater and museum services has amplified. Reducing the number of libraries and movie theaters was also accompanied by a decrease in the number of incoming literature and films in them.

On the premise of the data given, we can speak of a general tendency of fluctuations in the proposition and inquiry of services to cultural organizations in the Azeri market.

The Azerbaijan social circle is characterized by a disparity between the volumes of supply and request for facilities or services of social organizations. In this way, the reduction in request for theaters for 1995-2016 and a half times higher than the increment in supply made awkward nature within the market. As a result, Azerbaijan market of social facilities was characterized by a disequilibrium state.

For the level of cultural organizations in Azerbaijan, there have also been significant changes in the period under study. Average attendance of the museums and movie theaters grew, while proposition of cinema theaters lessened. Fortunately, both inquiry and supply of museums augmented what cannot be written for libraries (it was abated). However, dropping request for theaters made market to offer more services, which lead to an augmentation in supply. The non-equilibrium state of the Azeri market of cultural services led to a deterioration of the economic situation of domestic cultural establishments and required them to attract extra budgetary sources of funding.

1.2 Features of marketing in the field of art

As the experience of countries with a developed social sphere shows, the importance of marketing in the activities of organizations providing services in the field of culture is steadily increasing, which is explained by a number of reasons, among which:

- expansion of the volume of rendered services in the field of culture;
- a wide variety of cultural services;
- Complicating the tasks to be done in the field of culture;
- intensification of information flows between state and non-governmental organizations providing services, on the one hand, and consumers of these services on the other;
- Complicating the structure of the needs of clients and increasing their requests to the cultural organizations.

In Azerbaijan, the role of marketing and the marketing concept is underestimated, and they are not widely used because the most typical style of management of cultural organizations is the so-called "common sense" management, when the majority of managerial decisions are made on the basis of subjective judgments and intuitions of managers. This tendency is strengthened by the prevailing orientation of officials for short-term success, which does not have the potential to develop long-term strategies for winning stable positions in the market of social and cultural services.

Experts recognize that the organization of marketing in cultural institutions is much more difficult than in the production or in banking structure. It is necessary to take into account such characteristics as non-conservation of results of operations, intangibility, inseparability from the source, inconstancy of quality, etc.

Work with visitors (clients) is necessary to justify the mission of the institution of culture, while the purpose of attracting patrons is to receive financial and material support. Creation of the reputation of a cultural organization is important for the further development of its activities. In addition, different areas of marketing in the field of culture are inextricably linked. Qualitatively developing its individual, highly professional work program, the institution becomes more interesting for visitors and for society as a whole.

The attention of the press, the creation of its own unique image and strong reputation allow attracting the interest of private and corporate sponsors, which, in turn, improves the internal work of the institution and the creation of an individual work program.

Consequently, the marketing activities of cultural organizations operate in a consistent way, one after the other - in a spiral, moving with each turn to a qualitatively different, higher level of development (Fig. 1). Bradford calls this relationship a "spiral of success", or "a spiral of failure" - depending on the results obtained.

Analyzing the directions of marketing in the sphere of culture, we will consider the components of the marketing complex and the most important factors affecting marketing activities in this area.

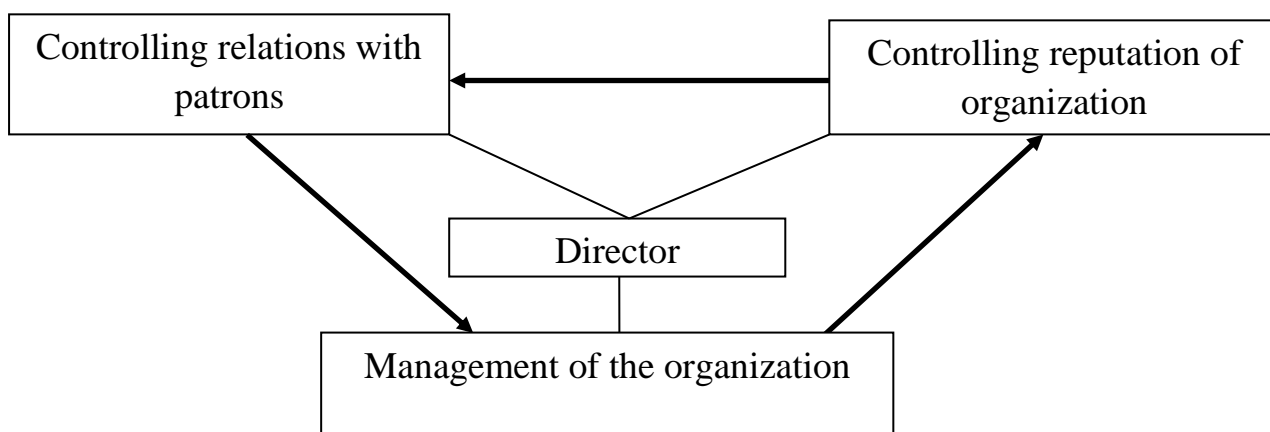


Fig.1. Spiral development of marketing activities in the sphere of culture

Product

In the institution of culture, the product is the various services provided to them in accordance with its mission. For the museum, for example, as the main services are exhibition activities, i.e. presentation and interpretation of collections, as well as educational work, namely: excursions, lectures, seminars, etc. In addition, additional services are of great importance. They consist in information support,

work of cafes, buffets, museum stores, as well as in carrying out various activities - receptions, meetings, concerts, performances.

Consumer

A feature of the marketing complex of a cultural organization is the obligatory presence and participation of consumers, otherwise the whole activity of the institution is meaningless. This feature, however, also extends to the production of a number of services. The sphere of culture satisfies the needs of a person in spiritual development, therefore, various segments of the population act as consumers of cultural institutions.

Price policy

The price policy of a cultural organization is determined primarily by the social goals of its activities. Consequently, the price level depends on the availability of a particular service for a potential consumer. In this case, prices are almost always lower than they would have been in purely market conditions, and sometimes even none at all. Therefore, the opportunities for using market pricing policy in the marketing strategy of the cultural sphere are limited.

Effect with increasing demand

For commercial organizations, the greater demand for their services means more income. In the sphere of culture, the opposite effect is observed. As a rule, cultural institutions are not able to cover the expenses that are required for a single consumer by the income received from him. According to marginal utility theory, the marginal cost of producing an additional service to meet growing demand may exceed the marginal revenue derived from the sale of an additional service unit. It follows that cultural organizations, by virtue of performing public functions, cannot be self-financing, but should rely on external sources of financial support.

It should be noted that in the sphere of culture there are areas of activity for which this effect is not realized. At certain volumes of production, marginal

revenue exceeds marginal costs and profits are formed. This is, first of all, commercial (contractual) services inside or on the basis of the organization - for example, the work of cafes, buffets, restaurants, shops, special workshops.

The effect with the growth of innovations and labor productivity

The growth of high-tech developments, the introduction of the latest scientific achievements lead to an increase in labor productivity, a reduction in product prices and a rise in the wages of workers in the commercial sector. In the sphere of culture, these changes are practically absent. This effect is also called the "cost disease" of Baumol (by the name of the economist who proved it).

Due to the virtue of these two effects, it is necessary to note the special orientation of the price policy of cultural organizations. In the cultural sphere it is formed, for example, from the differentiation of prices for entrance tickets on the basis of age (children, students, pensioners) and for certain categories of visitors (war participants, labor veterans, invalids, foreign and Russian citizens, and individuals and groups). The price level is formed depending on the time of visiting the cultural organization (day-evening, open-closed working hours) and the popularity, uniqueness of exhibitions, concerts, performances.

In fact, cultural organizations are actively pursuing price discrimination. Is it fair from a social standpoint?

With a single price for the benefit of different groups of buyers would acquire differentiated volumes of the good, and for some of them consumption would be minimal or zero at all. So, as can be seen from Fig. 2, at a single price P^* for the benefit of the first group of buyers, demanding the demand of D_1 , would have zero consumption of the good Q_1 . The second group of buyers could acquire the minimum amount of good Q_2 . While the third group would have the largest amount of consumption Q_3 .

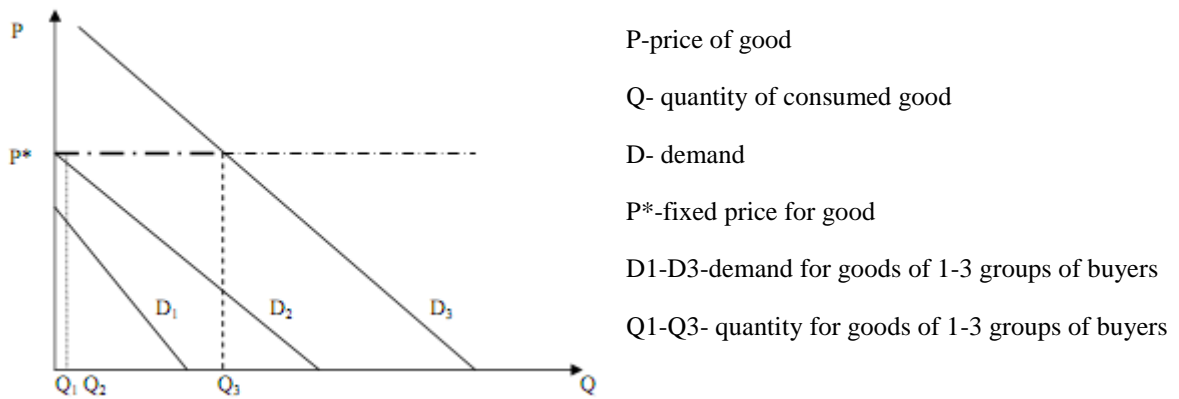


Fig.2. Non-discriminatory pricing policy of a cultural organization

With price discrimination in the sphere of culture, the level of price for good is determined depending on the material security of certain groups of the population and gives access to consumption to different social strata. Thus, from Fig. 3 it can be seen that a relatively high volume of benefits Q^* are able to acquire all population groups by paying differentiated prices P_1 , P_2 and P_3 .

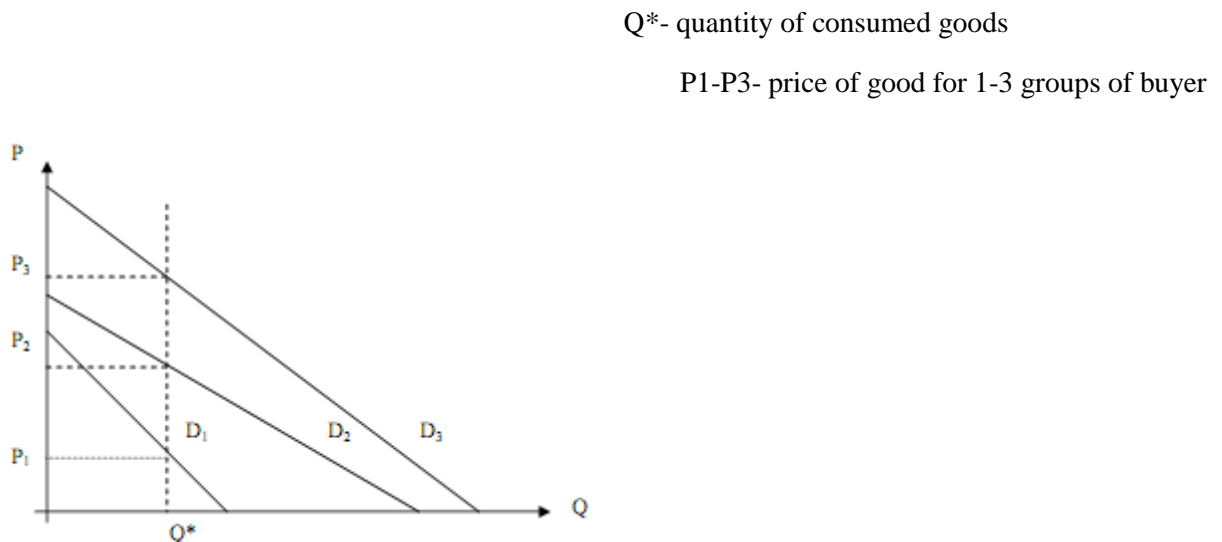


Fig.3. Price discrimination to the services of a cultural organization

Position in the market

Activities of cultural institutions are related to a number of market characteristics, which include the presence of external effects, information asymmetry and local monopoly. Most of the services of cultural organizations are related to public goods. Unlike private goods, the consumption of such services is accompanied by external effects, i.e. the benefit from the use of cultural goods is borne not only by people participating in this process, but also by other groups of the population or by society as a whole (for example, raising the level of education, increasing the spiritual potential of society, etc.).

Information asymmetry is, on the one hand, the lack of complete information among consumers about the properties of the proposed product, on the other - in the absence of a certain level of training of consumers to assess the quality of the product itself.

The work of cultural institutions is characterized by the presence of a local monopoly on the market. In most cases it is not economically justifiable in small towns to create, for example, several art museums, theaters, etc. This is due to the fact that average costs are higher than marginal costs, which creates a barrier to entry into the local cultural market. Thus, cultural institutions most often operate in non-competitive conditions, which, in the final analysis, may negatively affect the properties of the services they provide.

Product promotion

Of the four elements of the product promotion complex (sales promotion, direct marketing, public relations and advertising), three elements find application in the sphere of culture - advertising, direct marketing and public relations.

Advertising and direct marketing in the sphere of culture are aimed at an additional inflow of money. Management of public relations of the organization is guided by the creation of its image, reputation. Of course, there can be no clear boundaries between these elements, as advertising itself and direct marketing

influence the creation of the reputation of the organization, and the expansion of public relations leads to an increment in the number of visitors and patrons.

Staff

In the sphere of culture, the personnel (executors) are employees of specially created by marketing, development and public relations departments in major organizations. In small cultural institutions, they are usually combined into a single service or their functions are transferred to other internal structures.

In the world practice, there are two main models of organizing marketing activities in the sphere of culture - American and French. The American model is focused on attracting individual, corporate and government financial investments to a non-profit organization. The objects of marketing are friends of the institution, sponsors, patrons, foundations and public authorities.

The French model of organization of marketing activities in the sphere of culture is the opposite of the American one. The focus here is not to attract potential sponsors, but to create and meet the demand of visitors.

A common feature of these models is the presence of a public relations service working on creating an image of the organization. Public attention is attracted through the media, cooperation with other institutions, as well as with sponsors, public authorities, both on the domestic and foreign markets.

Currently, an intermediate model of marketing in the sphere of culture is being formed in Azerbaijan. Its distinctive feature is the combination of various elements from American and French models. Many Azerbaijani cultural organizations continue the Soviet tradition of working with visitors which are close to the French model. Since the state is no longer able to fully provide cultural institutions, they have to additionally engage in raising funds to cover current and capital expenditures. In the management of the organizational structure of Azerbaijani cultural institutions, development, marketing, and public relations departments are

formed. But the staff of these departments and the functions performed by them are substantially limited.

The principles of marketing in the field of culture discussed above reveal the important role of this activity in the management of a cultural organization. Cultural institutions searching for ways to optimize internal work, first of all, must develop a marketing strategy that is distinguished by its complexity and multidirectionality.

1.3 Functions and objectives of marketing in cultural institutions

Under the functions of marketing should be understood the main types of marketing activities that can be represented in the following form:

1. Study of the real and potential demand of consumers for services produced or being prepared for production. This is market research, a kind of prevention of unwanted failures, a way to avoid mistakes, unnecessary risk in the production and sale of services.

It is known that one of the regulators of consumer demand is the price of goods sold or services provided. If several manufacturers offer the same type of services to the population, then the buyer will most likely choose something more affordable to him or her. But it does not always happen. Visitors are increasingly "chasing" not for a cheap price, but for the quality of services provided. Losing in the costs, the consumer wins in comfort, and this is quite satisfactory.

Two or more institutions that provide identical services to the population are almost always in a competitive position with respect to each other. To achieve excellence in such competition is most reliable not by price methods, but by concern for increasing the comfort and reliability, the quality and stability of the services provided, and expanding their range. Pricing methods are tactical

methods. Non-price methods are closer to strategic. They are more complicated, but also more reliable.

The dynamics of the tastes, interests and needs of consumers depends, of course, on the degree of novelty of the services offered, on their technical equipment, on the brightness and credibility of advertising, and much more. We need ingenuity, constant concern for the novelty and quality of the services provided, about their timely modernization or transformation, scientific and methodical search, experimental work, etc. Practice shows: tricks of employees of cultural institutions will not help, if, for example, the proposed classes in the studio are conducted according to the old methodology or if the price list of prices for services does not change for years.

2. Search and construction of new types of services that needed to meet the demand of the population. Newly introduced fee-based services can be perceived by the population as new, although in reality they could previously be or are now rendered by other institutions. It is important to put the case in such a way that in cultural institution the services are modernized, qualitatively altered and improved, then they will really be perceived as new and attract the attention of potential consumers. For example, if in a nearby institution paid Sunday excursions are arranged only if the customer has transport, then we could conduct such excursions in our cultural organization using our own comfortable bus, which would be free to the customers that would liberate from further troubles. Most likely, the service offered by us in such quality would quickly attract the attention of consumers and we would thus be more competitive.

Workers of cultural institutions should be in constant search and always be ready to respond to the increased or newly emerged demand for certain types of services.

3. Planning the arrangement of services by taking into account the demand of consumers. It does not problem, if for some reason, more often objective, there are

failures in the work of the cultural institution. Deviations from the planned plans also occur in more solid institutions and organizations, even some national economic plans and programs remain on paper. But this is when it comes to traditional, i.e. free service of the population. If the case is broken, in which the population has invested their own funds, (a fee has been paid for the education of the child in the circle, money has been given for the planned excursion, tickets have been purchased for the forthcoming performance, etc.) the authority of the cultural institution, its reputation in the market services is in danger. One - two failures and the consumer is reoriented to our competitor. The probability of failures can be minimized or avoided altogether if you count your capabilities in advance and provide for a certain "margin of safety". Let's give an example: we expected to recruit 30 boys and girls in a children's ballet studio in the coming year, while there were twice as many willing to do it. You can, of course, stop recording and start classes with a recruited group of 30 people. But, having a "margin of safety", you can create another one of the same group. In this case, the reputation of the institution of culture increases, but this step must be prepared, always taking into account the unpredictability of consumer behavior in the services market.

4. Coordination and regulation of the activities of structural units providing services. At industrial enterprises, where marketing is paid more and more attention every year, special departments and sectors are created that deal with the study of demand, advertising, after-sales service, etc. Their work is coordinated by deputy director of marketing. In cultural institutions that provide paid services to the population, there are no such divisions, and even special employees dealing only in marketing. Hence - every employee of a cultural institution involved in the provision of paid services must in some way be competent in matters of marketing activities. In this case, it is important, for example, to coordinate the actions of the staff of the institution responsible for writing scripts, the preparation of theatrical game programs, conducting classes at paid courses, as well as setting up audio-

visual aids, transport exploitation, distribution of season tickets, etc. From each of them, to some extent depends on the success or failure of any commercial undertaking.

5. Realization (sale) of services, first of all due to their wide advertising. Realization of the produced services is, in the final analysis, the ditch, on which the reliability and viability of the created system of marketing activity is verified. Everything is important here: prices, forms and methods of implementation, packaging, delivery, advertising, etc.

Improving the implementation of services is achieved in various ways, but above all by strengthening the material and technical base of the organization, developing business and intermediary communications, timely informing consumers, and getting feedback from them.

It should be noted that caring for the welfare of the consumer and making profit, in principle, do not contradict each other. In the conditions of cultural activity - these are only two sides of one process. How we cannot produce products and sold products that could harm the health of the consumer, so cultural services that harm the moral health of people cannot be provided. Even if the dubious services are extremely popular among consumers, the institution of culture must proceed from its social status of the center of education and do not have the right to go on about the dubious property of needs. A striking example of this - a real videobook of militants literally overwhelmed the youth.

The most important component of marketing - advertising, is honest and objective, not only in informing consumers about the qualities and properties of services in a vivid form, but also in convincing certain social strata and groups in the appropriateness of their consumption.

In some cases, some form of consumer incentive can be developed - a reduction in the prices for services, their delivery to the home; consulting points, trainings, demonstrations and demonstrations of ready-made works can also be created, etc.

By providing additional services to basic services for all essential consumers, the institution not only increases profit, but also increases its reputation in the services market, becomes more competitive. Unfortunately, this truth is sometimes not taken into account by the leaders of cultural institutions.

6. Management of structural units and individual officials implementing services, including technical and methodical servicing of the entire cycle of their production and sale. In the conditions of functioning of cultural institutions - parks, museums, theaters, leisure centers, etc. - the implementation of the management function often falls on the director, manager, administrator. In rare cases, a specially appointed person is responsible for marketing - a commercial director.

Due to the low prevalence of marketing ideas and the absence of a specially recorded experience in marketing activities, the leaders of most cultural institutions are engaged in this activity most often on an empirical level, relying only on their own experience, and even simply on common sense. And as a rule, they do not consider themselves marketing specialists, although they have a certain attitude towards it: they conclude contracts for services, finance them, study inquiries and interests of consumers, in one form or another inform the population about paid services, sometimes they directly deal with them advertising, analyze the results of commercial activities, coordinate the efforts of interested bodies and individuals.

But as far as the actual production of services is concerned, our leaders or directors here distinctly and clearly understand the duties assigned to them. After all, under their direct leadership, labor collectives of cultural institutions are formed, work with personnel is conducted, annual budgets and outlays of the houses of culture, parks, theaters and museums headed by them are developed.

The above duties acquire even more concrete meaning when it comes to a specialist - a marketer. A marketing specialist participates in the study of the needs and wants, demand of customers; develops activities aimed at better meeting needs; thinks out the external design of services; provides the implementation of

paid services and the necessary amount of profit; thinks about the segmentation of the market; provides effective information to potential consumers about services.

7. Financing activities related to the promotion of services in the market. In the total volume and content of financial activities of cultural institutions, marketing costs are ambiguous. So, even before the creation of a system of paid services, funds are invested in the construction of buildings and facilities, equipment and equipment of premises, transport, inventory, etc. are purchased. All this can, of course, also serve cultural services the free to the population, as it was, in fact, earlier. With the introduction of the paid services system, a part of the financial resources invested in the material and technical base of cultural institutions starts working for profit, i.e. the costs incurred earlier are gradually compensated. But such financing so far has no direct relation to marketing. It is possible and without marketing somehow to make both ends meet.

What can be money spend if we are purposefully engaged in marketing?

- to conduct academic research, study demand and the needs of the population (purchase of paper, questionnaire design, questioning, processing of questionnaires, etc.);
- to pay for original scenarios for paid holidays, rituals, other mass events included in the list of paid services;
- for information and advertising (payment of artistically designed billboards, advertisements in the newspaper, production of booklets, programs, etc.);
- to pay for consultants who provide post sales (or after-sales) service to consumers;
- to the organization of exhibitions, arranged on the basis of the work of paid circles, courses, etc .;

- to stimulate people included in the system of consumption of paid services (purchase of certificates, diplomas, souvenirs, etc.).

Together, these and other costs will just be the cost of marketing. What part of the funds to spend from the received profits for marketing activities is decided by the management of the institution. It also depends on the number of competitors in the sales market, the reputation of the institution, the fashion for the services offered, the quality of services, and so on.

8. Analysis of the results of marketing activities in relation to the result of the activity of the institution that produces services. This function completes the marketing activities. You can invent new types of paid services, you can endlessly advertise them in the press and on the radio, you can arrange consulting points with the invitation of specialists from different industries, you can finally spend the sixth and third part of the profits on marketing activities. But if all steps and measures taken do not increase the number of consumers of the services offered, and the profit with each reporting period decreases, it means that something goes wrong with people dealing with marketing activities. Scientifically grounded steps and measures will inevitably lead to an increase in the profit of the institution and will thus allow to activate cultural activities. It must always be remembered that the main thing in the commercial activity of a cultural institution is not profit, but educational tasks, which can be realized thanks to the profits received.

So, these are the functions of marketing in relation to paid services provided to the population by cultural, extracurricular and sports institutions.

At this level of consideration, marketing tasks in cultural institutions are also understandable. Marketers usually reduce these tasks or objectives to three separate groups:

1 group - analytical and evaluation tasks;

2 group - strategic tasks;

3 group - tactical (performing) tasks.

1. Solving the problems of the first group, experts, first of all, study the state of the market of cultural services, analyze the current situation and assess the foreseeable prospects, possible directions for the development of this market. What should the marketing specialist specifically care about? First of all, he or she should have a clear idea of the scope and content of cultural services implemented by the institution at the time of the analysis. It is necessary, in particular, to know which cultural services enjoy the steady demand of consumers, how many people are really involved in cultural activities, how consumers evaluate the services offered.

It is equally important to choose the right market and make its optimal segmentation. To choose a market - is to define the conditions in which traditional or new cultural services for a given institution and its visitors will be realized, to establish the expected volume and recruitment, and in a number of cases to map out the place of their sale: directly in the institution, on the road during the tour etc.

Segmentation of the market is directly related to the differentiation of the audience (both real and potential) by age, tastes and inclinations of consumers, the type of their main activity, etc. Among the tasks of this group should include scientific and technical forecasting. In this case we are talking about accurate accounting of material, human and financial resources, an objective calculation of the forces, time and means necessary for the production and sale of certain cultural services.

Particular attention is paid to the study and evaluation of services that for the first time or newly introduced into the practice of cultural activities of a particular institution and not yet found their customers. Finally, the range of tasks of this group includes the study of competitors. Practice testifies the insufficient attention of cultural workers to what their colleagues are busy with.

2. On the basis of such a comprehensive analysis and objective assessments, the tasks of the second group that determine the strategy of market behavior of the producer of cultural services are solved. The central place here is given to the development of a strategy for the sale of basic and additional services produced and sold by the institution in the period under review.

3. At the heart of the tasks of the third group is the actual sale, the implementation of services. The good strategy will not bring the expected results, if at the same time it will not be possible to work out questions organizational and methodological issues. The success of the case, in one way or another, is influenced by the mode of operation of the institution, the quality of the cultural services provided, the qualifications of the employees, the conditions in which the consumers of services are provided, and much more.

It is known that the services provided by cultural institutions are extremely diverse. Of course, it is much easier to implement services related, for example, to the work of a billiard room or a toy library. Services of this kind are not personified and employees who provide them, strictly speaking, do not care to whom exactly such services are provided; the main thing in such cases is revenue, income of the institution. When it comes to mass cultural and educational actions - theatrical festivals, concerts, etc. - a number of important tasks arise: writing a script, scenographic explication, the actual direction, material and technical support. In such cases, we are talking about the sale of services that are based on a certain educational charge, based on the cultural interests and needs of different strata and groups of the population.

A special place is occupied by the tasks of establishing and maintaining communication links between the institution and the surrounding social and cultural environment, as well as directly with groups of consumers of services.

What kind of relations are we talking about?

First, about information and advertising. They can not be addressless, neutral in content. By resorting to various methods of informing the public (print, radio, television, Internet etc.), service providers and intermediaries provide a real audience of cultural and leisure activities, group and individual services, and design a contingent of consumers in advance.

Second, about the creation and stabilization of public relations. Practice shows: cultural institutions functioned more successfully, and their commercial activities are more effective, if the links of these institutions with public organizations and associations are more reliable, the wider the range of their direct or indirect intermediaries. These include members of the mass cultural commissions of trade union committees, public distributors of tickets, press workers, and so on.

Third, about the service in the broadest sense of this concept. Here it is possible to carry: the interior of premises able to communicate and relax; Sensitive and caring attitude of employees to visitors of events; assistance in the acquisition of a musical instrument or its setting, etc. All this contributes to expanding the range of customers, increasing the demand for various services.

These are, in general terms, marketing tasks in the context of cultural activities. It is obvious that in the sphere of cultural and recreational activities, not all types of marketing activities described above are applied "from and to", however, it should be noted that the best results are obtained when all marketing-related issues are solved in the system in a comprehensive manner.

Chapter 2.

Analysis of marketing management and its problems in cultural institutions in the example of “Azerbaijan State Academic Opera and Ballet Theater” (ASAOBT) and model for its development

2.1 Characteristics of the research subject and data collection

Starting with history of the research subject we can mention that ASAOBT's history associated with two of the most beautiful, but not confirmed city legends.

According to the first, in 1910, famous singer was visited Baku. Her beauty and unmatched voice fascinated the local audience, and one of the millionaire brothers Mailovs fell in love with the singer. He gave her signs of attention, showered with gold and jewels. The singer spent about a month in Baku: After the end of the tour, the millionaire arranged solemn farewells for the singer. At the reception she was asked: "When will you visit Baku again?" The singer shrugged: "Probably never., Because there is no opera house where singers can show their art. " These words exert a strong influence on the millionaire and he promised to woman to build a beautiful building for the opera theater in just one year. Mayilov entrusted the preparation of the project to the architect Baev and asked him to build a building resembling the Tiflis opera, only more beautiful and impressive. After the theater was built, Mayilov gave the singer a telegram and invited her to an opera opening. She came to Baku and took part in the celebrations. The theater was opened with the opera “Boris Godunov”. After the first aria was performed, the singer was sprinkled with flowers.

According to the second legend: Hearing that the Mailov brothers are planning to build a theater in one year, Haji Zeynalabdin Tagiyev, at a meeting with Mailov, asked at what stage the construction is at. Mailov replied that the architect Baev had already familiarized himself with the drawings of the opera house in Tiflis and, having returned to Baku, he had sat down for the project. Haji Zeynalabdin said: "I

do not know how you can build such a building in a year! To this Mailov replied: "Haji, let's argue. If the building is not ready in a year, I will complete the construction and give the opera to you. But if I lay down on time, then you will refund me the funds spent for construction, and the building will remain for me." Tagiyev agreed. Mailov built the building in ten months- from 1910 to 1911. However, no written confirmation of this bet has not yet been found.

Regardless of whether these events are true or fictional, the ASAObT is undoubtedly the adornment and pride of Baku, and the opera as a cultural element has found its place in the national art of Azerbaijan.

ASAObT, which has the largest musical theater in our country, has been operating since 1920 in this beautiful building. In 1928 the theater was named in honor of M.F.Akhundov. This temple of art is called the ASAObT since 1959.

For many years the theater unites both the business elite and the urban intelligentsia, both children and adults, being a link between the most diverse strata of society at its concerts. The theater's face is the repertoire. The repertoire of the theater consists of both world operas and ballet, as well as works of national authors. "Koroglu (opera)", U.Hajibeyov; "Seven beauties (ballet)", K.Karayev; "Swan lake"(ballet), P.Chaykovski; "Leyli and Macnun", U.Hajibeyov etc. are in the repertoire of the AAOBT. Also the repertoire of the theater include performances for children, such as the fairy-tale opera "Girtan" by Nazim Aliverdibekov, "Duymacik" I.Straus and so on. Theater periodically put the premieres, as well as invite artists from abroad, including Moldova, Ukraine to participate in the performances.

Since 2008 the Symphony Orchestra of the Theater (including in 2012, 2013) takes part in the festival "Gut Imling" of opera in Germany (by invitation).The theater also performs on tour. Traditionally, every season the theater opens with the art production of Uzeyir Hajibeyov.

Looking at theatrical activity of AAOBT, it can be written, number of performances has changed over the years. For example, 105 opera and ballet performances were performed in 1990. However, in present, the number of performances in this theater is 190, which is the highest in comparison with other theaters.

The organizational structure of the theater can be characterized as a linear-functional. Linear-functional structure is a combination of a linear structure with a system for the allocation of certain functions. With line managers, special units (staffs) are created that help the line manager in performing individual management functions.

These staffs can:

- Limit yourself to the central levels of government (management headquarters);
- Be in several levels of management;
- Form a staff hierarchy at all levels of government.

Headquarters at several levels of the hierarchy should give advice and participate in the preparation of decisions, but they do not have the power to make decisions and direct subordinate units or executors.

The head of the AAOBT, like the whole theater, obeys the director of the college. The director of the college helps to solve organizational issues, issues of financing, placement, allocation of funds and resources. The director obeys the general staff, who serves to the theater. It's a guard, a cleaning lady, a cashier, a cloakroom attendant.

The head of the theater has the most difficult and responsible role in the management structure of the theater. In his subordination is the rest of the theater: the head of the artistic and production department, actors, dresser, decorator. He is completely engaged in organizing: marketing, organizational and concert activity,

all legal and economic issues, accounting, promotion of performances and their carrying out, participates along with the rest of the team in the creation of creative projects and creative planning. Actors, dresser, decorator also obey the artistic director.

2.2 Analysis of marketing in the field of theatrical art

The transfer of the Azerbaijan economy to market lines helps to draw our theaters into market relations. The Soviet state declared itself the material guarantor of theatrical art from the very first years of its existence. However, today many theaters are thrown by the state to the mercy of fate, budget deductions and subsidies are constantly being reduced. State bodies in the current economic situation are unlikely to significantly increase the amount of appropriations for theatrical art, and the possibilities for increasing funding from public consumption funds at the moment are very modest. This gives grounds to believe that in the near future theaters themselves will have to strengthen the stability of their position in the cultural market in the face of tough competition. That is, the main task of the theater team will be to resolve the problem of finding and attracting a viewer to the theater, which will make the theatrical product (the play) treat as a product that should be profitably sold, and for this it is important to know the laws of the market and constantly conduct marketing research. Consequently, their activities will be directed at ensuring that the spiritual needs of society or the social stratum in the theatrical art become the income of a theatrical institution. In this regard, new approaches and requirements for the activities of theater organizations are emerging. These processes require searches and new management concepts, many of which can be found in marketing.

The point is that the notion of marketing is a new phenomenon not only in culture but also in many areas of social activity, the more it is specific in the field of theatrical art, since the product of collective creativity of specialists is sold and at the same time the aesthetic and spiritual development of the individual is ensured.

The theater exists, develops, fulfilling the tasks assigned to it, which do not resemble the aims of the activity of industrial enterprises. The theatrical collective creates a special artistic "production" - a performance - which cannot be found in other branches of the economy.

Unfortunately, the degree of elaboration of the problem posed to the theaters is very low, therefore, to solve it, they will have to turn to the basics of modern foreign marketing, but necessarily taking into account that the irresponsible and automatic transfer of foreign best practices to our national reality is possible only partially. Therefore, during the introduction of marketing in the theatrical sphere, there may be problems in adapting and adapting Western marketing to the Azerbaijan conditions for the functioning of theater organizations.

The theater market requires a systematic and comprehensive study of the art of survival on it, and this is primarily due to the concept of marketing. However, before using marketing in the theatrical business, it is necessary to analyze the state of the object with the help of various methods of marketing research.

The relevance of marketing research in the field of theatrical art is determined for a number of reasons. Today, the successful life of the theater depends on many factors: from the location of the object in the theater services market; from the level of management of the theater, the skills, experience and talent of management personnel. Only the theater itself is able to really assess the existing conjuncture and demand, to establish such prices for tickets that would not lead to the loss of the viewer.

To develop a marketing strategy, the theater must constantly conduct a situational, comprehensive analysis of its internal and external environment. Such an analysis allows you to evaluate past activities, review achievements and failures, establish their causes, check the competence and professionalism of employees, prevent unwanted failures in the theater, create prerequisites and

favorable conditions for the normal functioning of the marketing system in the theater, and answer many other important questions .

In order to identify trends, development prospects and conditions in which marketing in the theater is possible, it is first necessary to conduct marketing research on the following issues: The market for theater products and their segments; Competition; Pricing is the formation of ticket prices; Attendance and audience demand; Specificity of the repertoire plan; Conducting marketing policy in the theater.

To address these issues, the theater's marketing services are being created, which constantly explore the market of stage art, conducting segmentation and thereby trying to ensure the growth of the audience and demand. They should work quite professionally with the audience, breaking the audience into social groups. For example, marketing staff can work with some viewers individually, defining the boundaries of people for whom theatrical art is a necessity, a part of their daily life and periodically send them new information about the theater and current events in it, about the repertoire, about premieres, about the cast this theater at home address; by phone to take bookings for tickets. We need to take a closer look at our viewers, using various ways of communication - conferences, meetings with artists, discussion of productions with the audience after viewing the performance, benefit performances, etc. This can emphasize respect for the permanent viewer, thereby raising the prestige and prestige of the theater.

Different tastes and preferences of the audience determine the possibility of a disproportion between the theatrical offer and the spectator demand. That the demand of the population for the type of activity in question is sufficient for its reproduction, the following is necessary: Presence of steady interest in the general public to visit the theater as a form of leisure time; A significant prepared audience, ready to receive creative experiments; Solvent population.

In order to adequately assess the consumers of the theater art market and to study the nature of the consumption of these services, a sample survey of citizens was conducted. At questioning were taken into account: age of the respondent; social status; gender; income of the respondent; availability of leisure time; the nature of the use of leisure; evaluation of the quality of theatrical services.

Data on the results of the survey.

During the survey 100 people were questioned (preschoolers, schoolchildren, students, workers and employees, unemployed, heads of organizations, pensioners and invalids). The survey involved 71 women and 29 men. The overview was carried out online and length was a week. It is worth paying attention to the differentiation of the interviewed audience by age, the combination of very heterogeneous age boundaries.

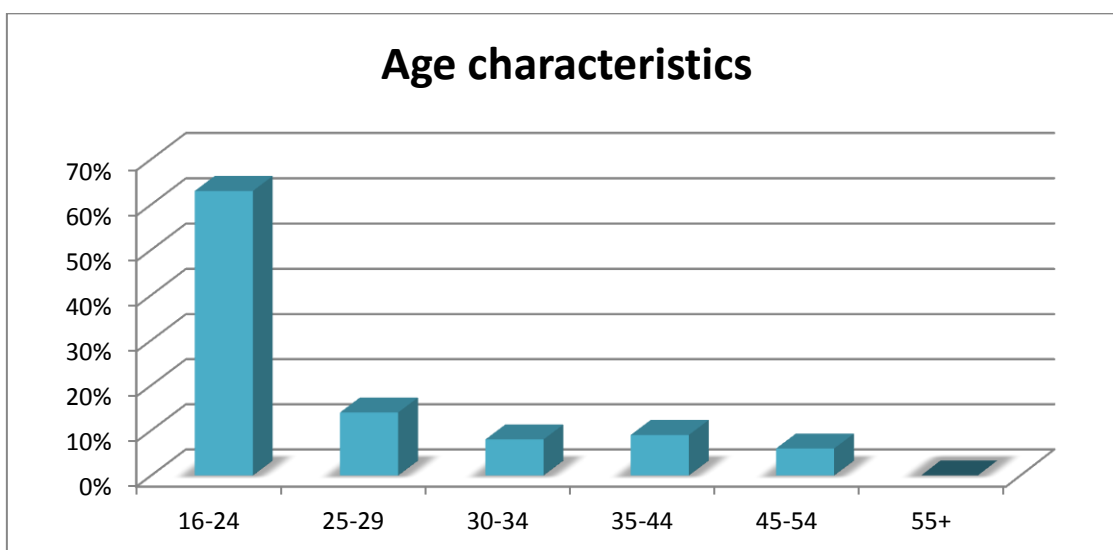


Fig.4. Age characteristics of the respondents

This age differentiation illustrated that mostly 16-24 aged people uses Internet and more likely to share their views about cultural institutions. 59% of people that took part in survey are with high education , while 19% have incomplete higher education. Looking at social status and income of respondents, superiority is in students and they earn approximately 0-200 azn per month.

According to the consequences, most of the people go to the different cultural organizations. Among them, 59 % prefer going to movie theaters, 47% to libraries and 43% to theaters. However, only 15% and 14% went to the drawing galleries and circuses, respectively.

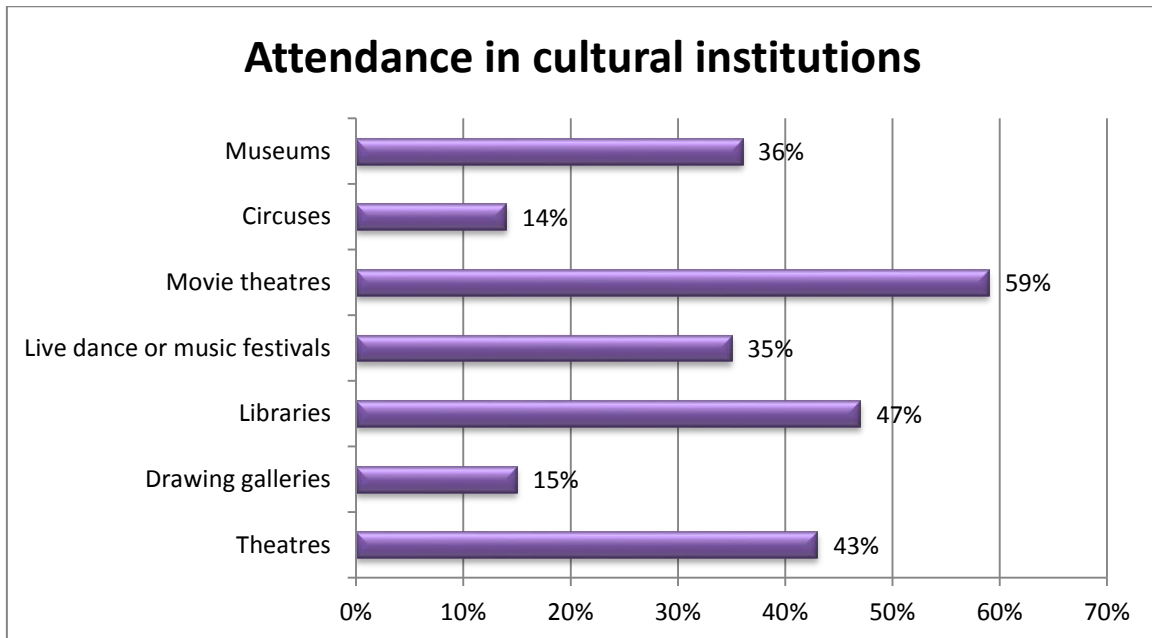


Fig.5. Percentage of people that attend cultural organizations

In general, I can say that the tradition of attending a theater, based on the answers of the interviewed respondents, is quite stable: 45% of active visitors (the sum of answers: "I visit every week", "I visit 2-3 times a month", "I visit 2-3 times a year ") and another 55% of those for whom a visit to the theater is less often than every few years. Most of them are married people, mostly women (68%) with children. Most of the visitors prefer going to cultural institutions with family or friends (85%). The rest of them go alone, as it is more comfortable to concentrate on the piece of art.

Then, in survey, it was asked to note the importance of the criterion in choosing the theater and the results were as following:

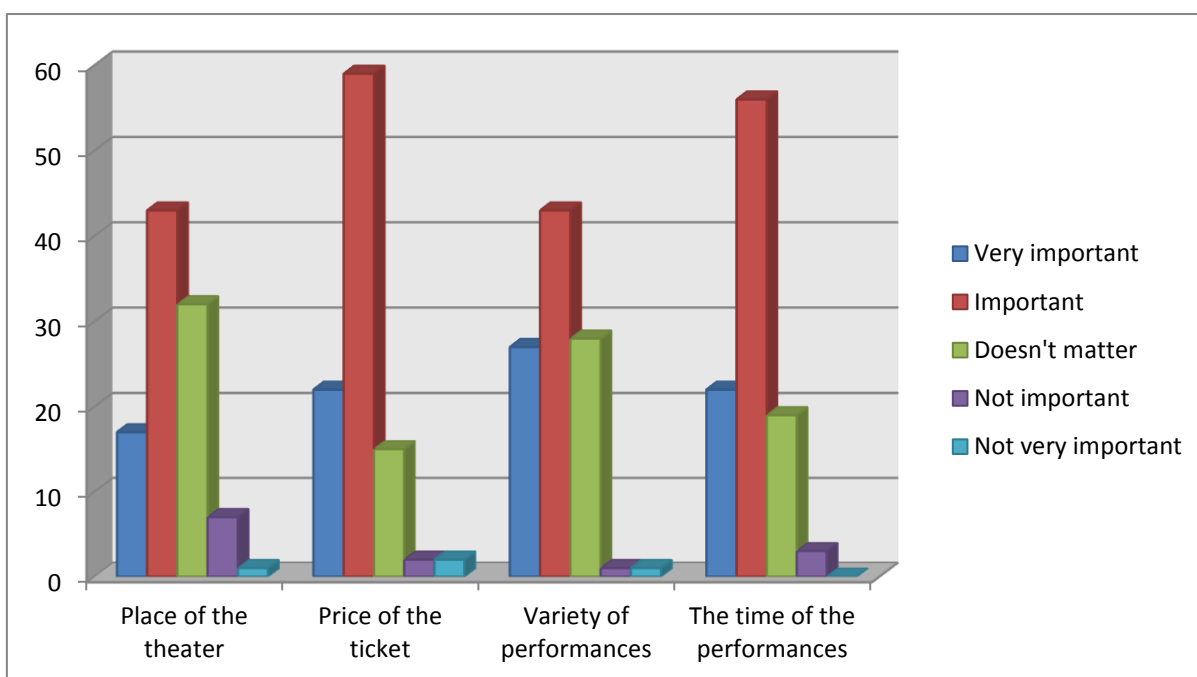


Fig.6. The importance of some criterions in choosing cultural institutions

As my example is AAOBT, I directed many questions about this theater to people. It was revealed that there are many problems related to the condition of the stage. In this case, I can mention that the theater enjoys popularity and prestige among fairly well-off categories of the population, and in this sense must correspond to the of well-being. At the same time, an absolute majority of the respondents (78%) pointed to the problems of the theater's material and technical equipment, also concerns like, old and uninteresting performances (10%); holes in the stage which decreases performance of artists (5%); employee's rough attitude (3%); high prices of program and food in the hall (2%); lack of acoustic (1%) etc. which obviously inflicts reputational damage to the institution.

A confirmation of this provision may be that only 22% of respondents have a positive level of comfort in the theater ("completely satisfied, it corresponds to all ideas of comfort"). The number of those who rated the level of comfort as average or insufficient, in need of improvement, in total is 42%. The lowest possible score for evaluating the quality of services in theater was given by 14% of respondents.

The next questions are related to the respondents' assessment of various information and communication channels and sources selected by the AAOBT to promote information about themselves. The socio-communicative aspect of the consideration of artistic culture is one of the keys in understanding the problem, which directly refers to the system of permanent and stable contacts and interactions of creators, distributors, and consumers of artistic products. The quality and content of advertising and information materials about the activities of the theater (programs, booklets, posters) are, from the view of audience, above the average-low level. Thus, 56% believe that, in general, the system of informing the recipients of services about the work of the institution is at a sufficiently average level, and another 44% characterize the level of information as "bad, not allowing receive the necessary information." It can be proven with that 46% of respondents get information about performances from friends or acquaintances. Only 26% can be aware of shows from the theater's official site, 10% from Facebook, 9% from Instagram. Only 26% can be aware of shows from the theater's official site, 10% from Facebook, 9% from Instagram.

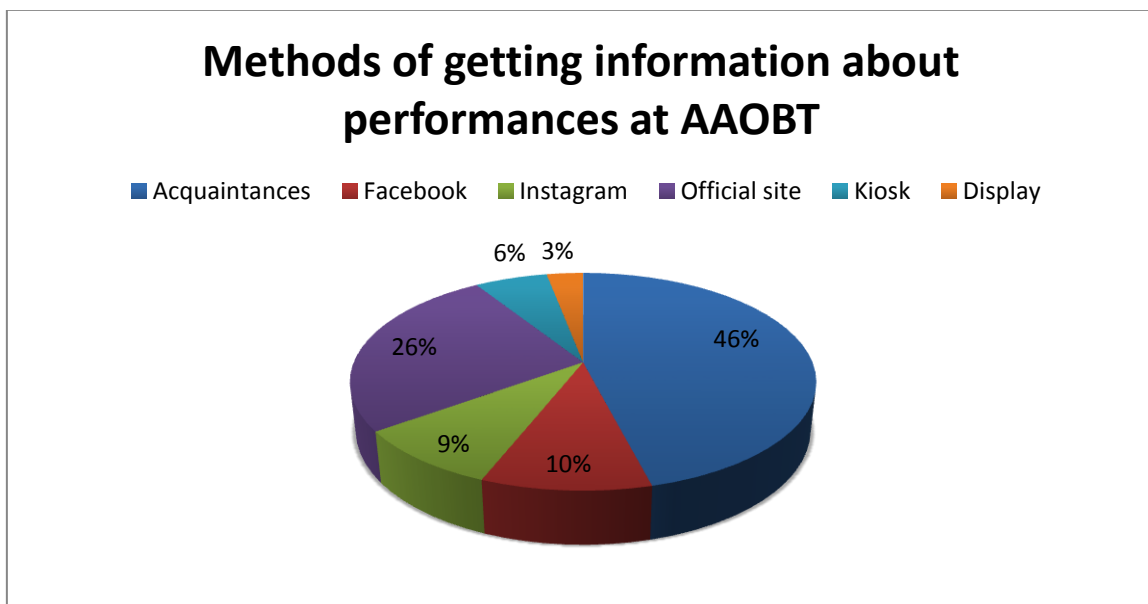


Fig.7. Methods of getting information about performances at AAOBT.

This survey made it possible to find out that 54% of the total number of respondents visited theater establishments, among them:

19% - believe that culture and modern theatrical productions are at a low level;

16% - not satisfied with the high price of tickets;

11% - dissatisfied with the current repertoire and cultural policies of theaters;

5% - indicated the late time of the end of the performances, disruptions in the work of public transport;

3% have no claims.

The last questions of the survey are about assessment of other theaters which helped me identify main competitors of AAOBT. Pursuant to respondents views, Azerbaijan Theater of Young Spectator and Azerbaijan National Dram Theater serve people in high level and are the main rivals of AAOBT.

The results of this sociological research showed that the majority of potential viewers are experiencing a shortage of leisure time, which, of course, has a negative impact on the consumption of theatrical services. Answers to the questions posed help to identify the pressing practical problems, from the solution of which the further marketing program in a particular theater depends.

2.3 The problem of financing marketing activities in the cultural sphere

Theaters have great difficulties in obtaining income, but they cannot survive without them. Their own income above 20% of the total budget is still an exception. Unfortunately, most theaters in Azerbaijan, for example, AAOBT definitely needs funding: the curtain with holes and grease, on the floor on the stage a slippery cover, ballet dancers with difficulty keep themselves from falling. Sponsorship of business is considered the best way out of the crisis, but theaters lack the know-how, local economy is limited to compensate for lost subsidies. Some theaters are trying to earn money by renting out space or by offering the services of their workshops. The irrationality of the acting theater model is realized

both within the theaters and by the authorities, but few attempt to make changes to it or to look for alternative models. Only a small number of theaters closed.

The prestige of the theaters stems more from their role in the pre-communist period, when they supported the national liberation struggle, the development of cultural and linguistic self-awareness. That is why politicians who have closed hundreds of factories without regret and fired tens of thousands of workers usually do not dare to close theaters. They are also afraid of the political damage that authoritative theatrical figures can inflict on them.

However, theaters need adequate time strategies for survival and development, in modern forms of attracting viewers both today and in the future.

Intervention of the authorities, both national and municipal, was of an unsystematic nature, it was half-measures - either politically inspired or caused by financial necessity, for example, a reduction in subsidies. These measures have been applied everywhere in the hope that the market will do the rest. Governments, trying to avoid responsibility, readily eager to overestimate the possibilities of a market economy.

Theaters still remain privileged compared to newly emerging independent troupes: they are guaranteed subsidies, while new troupes can only rely on small random grants. The government excuse is that the existing state funding should be directed, first of all, to theaters, as they are the institutions of state custody. It does not take into account the effectiveness of investing in the repertory sector in comparison with independent troupes.

The forecast of functioning of theaters from the point of view of the legislative base does not inspire optimism. The emerging legislation cannot assess the specifics of non-profit organizations and considers theaters as commercial enterprises.

Some theaters are in a state of organizational and financial turmoil. Others, having reduced production activities and renting performances to a minimum, use meager subsidies, mainly as a social guarantee for their employees. Employees expect that the government will clarify the situation with the help of intelligible laws, although laws developed far from theatrical world by officials, usually cannot offer constructive solutions or take into account the goals and norms of artistic activity. Unfortunately, from the theatrical community, there are very few initiatives and proposals of a systemic nature. Many theatrical figures act on the basis of concern for preserving privileges, regardless of the quality and scope of their work, or for fear of possible competition both within the repertory sector and beyond.

Survival Strategies

Some theaters were chosen as a solution to the problem of survival of commercialization, raising prices and adapting the repertoire to the tastes of the public. Most theaters urgently need to attract additional financial sources, but few have the ability and desire to do it.

Attempts to use the infrastructural, material and creative resources of the theaters to promote productive models of organizational and staging activities are still weak due to political, legislative and financial obstacles, as well as lack of will and organizational skills for theatrical figures.

But the reform of the theatrical sector should be carefully thought out, taking into account the political context, the consequences of reducing public spending and budget redistribution. It is illusory to imagine that if in the current year any theater closes its subsidies, it will automatically pass to other theaters or independent theatrical companies.

It is additionally crucial to take into account the difference in the needs of the public in towns and cities, in rural areas, and in cultural and linguistic minorities. The need to keep an existing audience and to attract a new one, especially from

among young people and socially unprotected people, leads to the following questions: Are theaters able to help solve social problems? What types of theater organizations can be more effective?

Relations with the authorities responsible for decision-making, tax and pricing policies, working conditions, the rhythm of the production and tour activities, sponsorship and commercial activities, publicity, educational programs and communication with the press are elements of a system that exists to serve the public. Changes within the system, as well as changes in the system itself, determine the role and place of performing arts in a democratic society. The change in infrastructure makes sense only within the framework of cultural democracy, which ideally stimulates artistic creativity.

One of the greatest "achievements" of the communist system was the erosion of personal responsibility. The younger generation began to look at the usual way in a different way. Personal initiative and responsibility are increasingly penetrating theatrical organizations, especially new ones. In traditional theatres, the change in mentality is very slow.

Discussion of ways to optimize the theatrical system focused on determining the current force of change. Artistic leaders can be paralyzed by bureaucratization both within and outside the theater, by the resistance of the company, which fears change and resists them, by interference of trade unions. Trade unions, according to Krejtrin Meissner, are useful in political life, but are not suitable for the artistic. In this part of the discussion, workshop participants came to the conclusion that legislative changes must necessarily be preceded by changes in the mentality. In their view, legislative changes are moving slowly and lagging behind the needs of practice.

For example, the Ministry of Culture of Albania decided that 90% of the box office should be spent on the wages of employed actors, the directors, producers. In Georgia, the theatrical community is trying to persuade the Ministry of Culture

to draft a law on the theater, since the old legislation against private organizations in all spheres is still in force. The artistic community of Yugoslavia lays great hopes for a new theater law.

In Slovenia, the existing law on theaters does not correspond to the new realities, because it does not reflect the attitude towards freelance artists, whose number has recently increased to 10-15% of all active theater professionals. In Slovakia, the legislative ideas of the Ministry of Culture provoked demonstrations and firing of leading theatrical figures and led to an atmosphere of mistrust.

So is theater legislation really necessary? Problems exist, but the law on theaters is unlikely to solve them. His appearance looks like an utopia during the transition period. Only when the civil code, the laws on the tax system, social protection, health, unemployment, disability and pensions change for the whole society, then there will be a broader legislative base that can bring stability to the theatrical world.

A normal state will be reached when "there is a transition from a totalitarian, centralized system to a civil society" when, according to George Chabot, the director of the theater in Hungary, "the financial and economic reality will affect cultural life and force cultural practitioners to work with a lower budget, that is, to adapt to reality. "

Theater organizations, repertory or otherwise, should become independent in the legal, managerial and financial sense. But at the same time this means responsibility without craftiness, when theatrical organizations require independence, but at the same time they expect that someone, for example, the government, will decide for them financial or other fundamental issues. In this regard, the importance of independent councils for theater organizations is recognized.

According to the workshop participants, good art managers are rare, therefore professional training programs for them become priority. Questions of "bread and

butter": the search for money, making money, spending money. It is also important to determine the possible financial sources, the prospects for the development of sponsorship, the increase in the share of the earnings actually earned, and finally, to clarify artistic priorities in the face of increased financial oppression caused by a reduction in government subsidies. Under the existing law, state subsidies depend on the number of employees in the theater, so small salaries must be paid to as many people as possible to get more funding, rather than paying decent salaries to a small group of really necessary people.

Recommendations for the financing of theaters

No one in society can imagine a good theater without state subsidies. All the systems of distribution of state subsidies are subject to the same criteria: equality of access, independent competent expert commissions, transparency of the rules of reception, openness of the appointment procedure that exclude or minimize conflicts of interest or distribution of grants for political loyalty and party affiliation.

Theaters need a legal status of non-profit organizations with appropriate tax benefits. Those who receive subsidies must have government contracts that formulate mutual obligations. Theater organizations should be managed by independent committees of people appointed for a limited time, on the basis of professional competence, not political loyalty. Artistic goals should have an advantage over managerial concerns. The state (municipal) government by allocating subsidies, should formulate what they expect in return: a certain number of premieres, art productions, guest performances, percentage of income, etc. Theaters should be focused on attracting additional funds. When receiving income, they should not be "punished" for this. State authorities should stimulate the cooperation of performing arts organizations with TV and radio companies; encourage their activities to attract volunteers.

Sponsors and donors should be encouraged by appropriate tax incentives. State authorities should stimulate any form and activity supporting theatrical art and theatrical figures: training programs, courses and workshops for professional development, information centers, associations, etc.

2.4 Formation of the organizational structure for the effective marketing of theatrical services

Today, in the marketing of the field of theatrical art, in connection with the growing competition in the cultural market, much attention should be paid not primarily to finding a new spectator, but not to lose the old one. The state, stopping control over ticket prices, the volume and theme of the repertoire, the structure of the proposal, gave the theater the opportunity to independently survive on the spontaneously developed market of stage art in a very tough competition. However, theater is a complex and multifaceted concept. Outwardly, in each theater there is a hall and a stage, artists and spectators, and at the same time they are completely different. The theater is psychological, everyday, poetic, journalistic, musical, opera and ballet, drama, comedy, satire, puppet theater - this is the range of tastes and requirements of the audience. However, the theater that can react more quickly to the unforeseen change in the market situation and tactics of competitors, while enjoying the marketing strategy, is not competitive, without fear of risk and difficulties. It should be noted that for any theater within the framework of market competition it is important to interest the viewer by constantly expanding the range of its activities, and for this in the life of the theater there must be various events: premieres, benefit performances, celebrations of jubilee performances, grand opening and closing of the season, festivals, targeted performances and other events.

At this stage, in the current market situation, theaters need to engage in developing an effective pricing policy. An integrated system of measures to improve the pricing process should focus on the accessibility of theatrical art to all

social strata of the population. Ticket prices cannot be set arbitrarily. Here you need: tracking competitors' prices; sample surveys of the population; flexibility and efficiency in the variation of prices without reducing the quality of the art productions; accounting for art production and creative costs, etc.

Consequently, the theater management should develop a price strategy based on the basis of costs, demand and pricing policies of competitors. This is to ensure the solution of strategic marketing tasks in the theatrical business, since under its conditions there must be flexible differentiated prices adapted to each specific situation.

The theatrical product - the performance - is sold by selling tickets, through the cashier, where approximately 65% of the total number of ticket products for each performance should pass. Let each commissioner receive 40% of the cost of tickets sold to him, but in the event of a return from him, a very high fine, in the amount of 80% of unsold tickets, must be withheld. This could be a very effective innovation in the ticket distribution system, since there are a lot of tickets returned and they remain unsold.

Another option for the profitable sale of tickets is that they can be sold in large stores, hotels, restaurants and other places of general congestion. For this it is necessary to equip there own or general stationary cash desks with advertising posters. Also, in order to conduct a marketing policy aimed at attracting the viewer to the theater, it is desirable to find, first of all, partners who by virtue of any circumstances would be interested in taking over part of the expenses of the theatrical organization. For example, as a rule, after the performance is over, the viewer is forgotten. Transport works poorly, and a person begins to worry even before the start of the performance. It is for this reason that many people simply refuse to visit the theater in the evening. The way out of this predicament is the organization, after the performance of the show, of scheduled buses specially booked by the theater, which will take the spectators home by different routes.

This is most acceptable and crucial in cities. Such a partnership with a transport agency should be beneficial, especially in the late evening hours. And the theater, in turn, using the opportunities, can, talk about mutually beneficial cooperation with this transport company through the media.

The marketing concept used in the theater includes advertising activities. Today, the need for advertising to stimulate the spectator demand is quite urgent and is the main component of the marketing policy in the field of theatrical art. Advertising of performances should be considered as a form of mass communication, which tries to translate the quality of productions into the language of needs and requests of consumers. Most potential viewers do not know what they want to see on stage, until someone tells them. Thus, theatrical advertising is really pivotal to increase the audience demand and reduce the measure of uncertainty of consumer behavior. Therefore, in the objectively existing conditions of competition with other theaters, arts and shows, each theater needs to form its individual "image" in the minds of the mass audience, to develop its image.

So, marketing in the field of theatrical art is one of the ways of the withdrawal of many theaters from a crisis situation. Saving on marketing research does not justify itself here; The losses caused by the wrong decision are much more significant. Therefore, the allocation of funds for marketing management of the theater is crucial.

It is necessary to realize that even the most perfect model of a new economic mechanism cannot function effectively without talented and well-trained managerial managers. Undoubtedly, theatrical figures understand the need for radical changes, but for years the emerging stereotypes of managerial thinking hinder the quick exit from the difficult situation in which many theatrical institutions turned out to be. Therefore, there is a need for theoretical and practical retraining of the personnel of theater managers. With the widespread introduction

of market elements into the domestic economy, the positions of marketing specialists are necessary in the staffing table of organizations of any type. At the initial stage of using marketing, the theater should establish a marketing director post.

The main functions of the marketing director and employees of the marketing service of the theater are as follows: constant analysis of the market situation and possible fluctuations in demand; studying trends in the development of the theatrical art market; definition of strategy of perspective development; forecasting the volume of ticket sales while ensuring the sustainable sale of tickets; collection of marketing information; carrying out of sociological interrogations and the analysis of opinion of a spectator audience; evaluation of competitors' policies; formation of spectator demand and stimulation of attendance; developing a flexible pricing strategy; rational drawing up of a repertoire plan; the organization of advertising campaigns.

The possible structure of the administrative apparatus of the theater, focused on marketing, can have several options, but the most suitable and suitable for practical use in the theater, in my opinion, can serve as the following scheme (Figure 4).

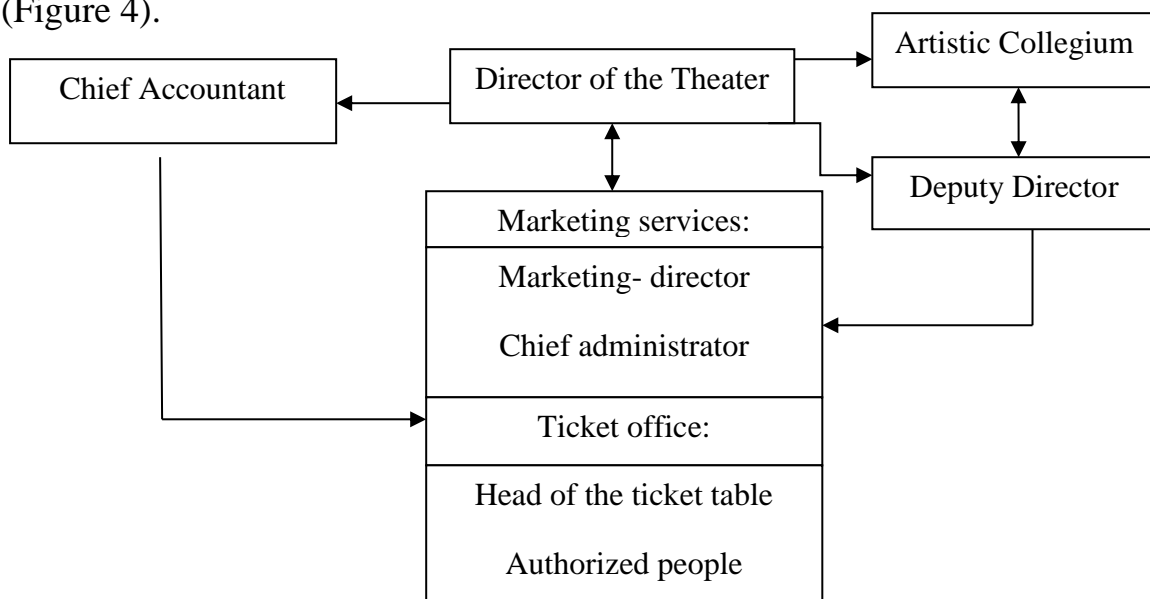


Fig 8. Structure of the administrative apparatus of the theater.

Assessing the current situation in the theatrical sphere as a entirety, it ought to be famous that the main thing in describing the activities of Azerbaijani theaters is the lack of interrelation with the population and the establishment of dialogue with it, feedback. And the absence of such interrelations, in turn, results in insufficient use of the available theatrical creativity and also leads to financial losses. This once again proves the inevitability of the application of marketing methods in the field of theatrical art.

Conclusion

Therefore, in research work the analysis of marketing management and its implementation in cultural institutions on the example of the national theater AAOBT was conducted.

In the first chapter of the study work, the essence and significance of marketing in the sphere of culture, inquiry and supply in Azerbaijan for the services of theaters, museums, libraries as well as the functions and tasks of marketing in cultural organizations were examined. The second chapter of the research is devoted to the analysis of the national theater of Opera and Ballet. An analysis of the state of the enterprise, analysis of the marketing in the theatrical art, as well as problems related to the financing of marketing activities and theaters as a whole, was conducted.

As a result of the study, the following conclusions can be drawn.

1. The theater operates in Baku and has several main competitors: Azerbaijan Theater of the Young Spectator named after M. Gorky and Azerbaijan State Academic National Dram Theater
2. The main competitive advantages of the AAOBT: high professionalism of actors and being the ancient theater of the Azerbaijan.
3. The main consumers of theater services are people aged 20 to 45, with middle income, high education, working in education or services. The main source of information about the theater is acquaintances.
4. The shortcomings revealed in the analysis include: lack of service, poor condition of the walls and floor in the theater, untidiness, lack of ads which leads to the unawareness of the citizens about performances of theater .

In accordance with the analysis, it was recommended:

1. Introduce the marketing service in the structure of the theater, which will deal with the analysis of the market and consumers and, on the premise of this, form the marketing strategy of theater.
2. Develop an advertising campaign with the use of Internet, television in order to be more recognizable among the masses.
3. Increase the level of service by organizing a buffet, selling program booklets, books about the history of the theater.

The introduction of the recommendations suggested above will allow the theater to become more famous among the people, be more in demand among the public and receive a monetary reward for the further development of the theater.

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