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Citation: McLeay, Fraser and Andersen, Hans-Christian (2010) The art of SME export marketing: a case study. *The Marketing Review*, 10 (3). pp. 239-258. ISSN 1469-347X

Published by: Westburn Publishers

URL: <http://dx.doi.org/10.1362/146934710X523096>  
<<http://dx.doi.org/10.1362/146934710X523096>>

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## **The Art of SME Export Marketing: A Case Study**

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Key Words:

SME Exporting, Art Exporting, Creative Industries, Creative Enterprise Sector, Trade Mission, Export Barriers

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## **THE ART OF SME EXPORT MARKETING: A CASE STUDY**

### ***Abstract***

In this paper, it is proposed that integrating arts and culture into international trade missions will stimulate arts and crafts, as well as SME exports. It can also help to package trade missions so that they appeal to a wider audience and build relationships with international partners. Arts and cultural organisations – as well as individual artists – share features and interests with other SMEs. A case study illustrates that by piggy-backing on each others' unique skill sets, industry, tourism and the arts can together successfully contribute to trade missions that promote a region and the products produced there. Lessons that the author has learnt from organising and participating in numerous trade missions are used to develop a framework that could potentially be utilised to develop similar programmes. The results should be of value to policy-makers, export development organisations, arts and cultural development organisations, and individual SME managers and artists.

## **INTRODUCTION**

Creativity/culture-based sectors are one of the fastest growing areas of the global economy and serve as magnets to attract other businesses as well as employees to a region. The potential of the creative industries to underpin wider economic development has been recognised for many years. The great cities of Europe – Paris, Dresden, Rome, Florence etc. – have long been established as major cultural attractions, drawing in millions of visitors with collections from the European arts tradition. They have inspired urban centres across the world to develop their own civic arts facilities, theatres and art galleries.

But more recently – in the second half of the twentieth century – declining industrial centres have demonstrated that the arts – and, more generally, the creative industries – also have the power to support economic regeneration and help cities such as Glasgow, Newcastle/Gateshead and Bilbao re-orientate and re-image themselves as cultural destinations. These have become places to visit: they attract people to the location. In this paper, a view is taken that exported arts and cultural/creative products can also attract a visitor to an export event, as well as help to support the cultural tourism image of the exporting region.

The potential of the creative industries to act as an economic driver by boosting exports has been recognised in many countries. This paper explores the role that integrating arts and cultural exhibitions into international trade missions can play in helping to stimulate small and medium sized enterprise (SME) exports. A case study describing an innovative and entrepreneurial programme combining international trade missions for regional SMEs with the international opening of art exhibitions is developed. A framework that could potentially be utilised to develop similar programmes in other regions is outlined and policy implications are described.

## **THE CREATIVE SECTORS AND ARTS AND CRAFTS INDUSTRY**

Throughout the world, the growth of the creativity-based business sector is significantly exceeding that achieved by more traditional economic sectors (Florida, 2002; Henry, 2007; Higgs et al., 2008). Creativity-based businesses add value to other sectors and can play a role in transforming regional identity (Scott, 1997; O'Connor, 2008). Regions that value the role of creative industries are attracting innovative and competent people as a key resource for building a thriving knowledge-based economy

(Nation Governors' Association, 2009). Fleming (2007) in Henry (2007) points to the role which the creative industries play as a catalyst in developing a "honeypot" in a region, to help attract other industries and a qualified workforce.

As illustrated in Figure 1, working together and in parallel, traditional businesses and the creative sectors can lead to the formation of a knowledge-based, innovative economy that is a crucial factor to successfully competing in today's global business environment. It is widely recognised that innovative knowledge-based economies are a key component of economic growth (for example: World Bank 1999; Potts and Morrison, 2009). Henry (2007, p. 1) also points to existing examples of the positive connection between the creative industries and increased international business activity.

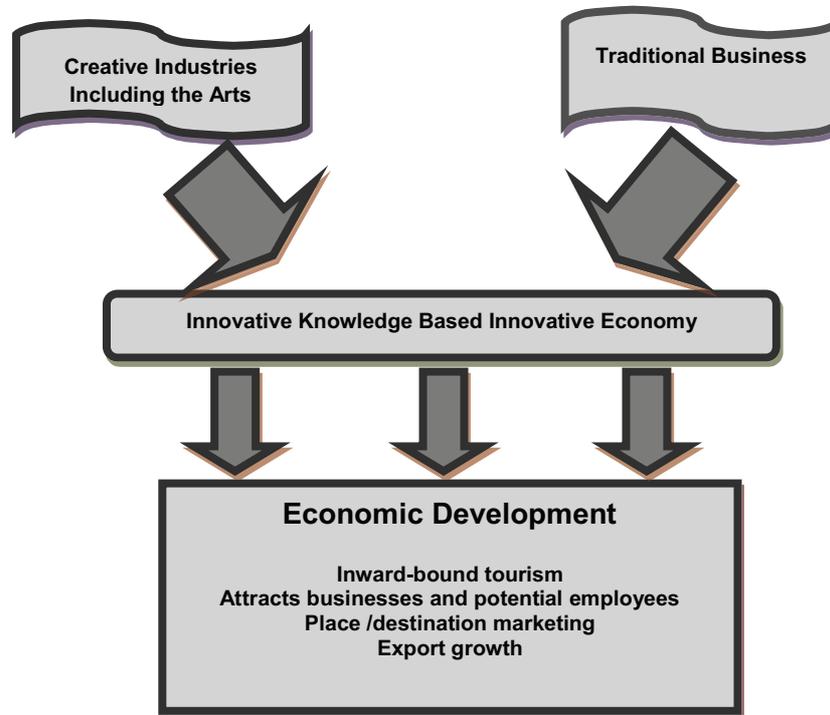
The art and crafts industry is part of the creativity-based business sector. Traditionally, the arts have often been considered as something of a public amenity in a civilised society and they are often subsidised with public funds, along the same lines as libraries and schools. Crafts, on the other hand, have been more clearly seen as part of society's productive sector, manufacturing decorative and/or useful items, say, for the home.

However, more recently, the arts and crafts have become recognised as factors in the local, regional and national economy, either raising revenue directly through sales or impacting positively on other sectors in the economy. Employing arts and design in projects to attract inward investment and otherwise contribute to economic regeneration and development has become a standard approach, starting with US cities such as Philadelphia and Lowell, Massachusetts, in the 1970s (Smith, 2007).<sup>1</sup> The arts industry also plays an important part in tourism. The creative arts and heritage are two of the core historical motivators for tourists to visit destinations. Cities like Rome and Florence owe their fame to their history and culture. The WTO has estimated that 37% of tourists are cultural tourists (Richards, 1996, in Kercher and du Cros, 2002; OECD, 2009).

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<sup>1</sup> Many other cities have followed suit, such as Glasgow and the recent Capital of Culture: Liverpool. The arts have the ability to enhance the environment, aesthetically, socially, culturally and economically, as well being valuable themselves, in a variety of ways

**Figure 1: The Creative Sector and Traditional Businesses Combine in an Innovative Knowledge Based Economy**



The arts industry can act as a powerful economic engine to inspire innovation, creativity and entrepreneurship, create jobs, produce revenue, and increase the quality of life (National Governors' Association, 2001; Florida 2002). The industry is mainly comprised of SMEs and micro-businesses (McAuley and Fillis; 2002, 2004, 2006; Adair and Wagner, 2005). However, studies of arts and crafts businesses have shown that despite their small size, such businesses are often 'born global' or are 'instant exporters.' They therefore can experience a rapid transition from selling in local markets to international ones (for example Fillis, 2002; McAuley, 1999).

Travelling international sales exhibitions containing the work of groups of artists are becoming increasingly common (Tinari, 2002) and are often subsidised with public grants, concentrating on arts and design. In its efforts to promote Irish arts on a worldwide basis, Culture Ireland has invested an estimated 10 million euros in 1,000 events across 60 countries and 5 continents (Mbeki, 2008). It sent its first ever trade mission of performing artists to New York City in 2008. Last year the Australian Trade Commission launched a reverse trade mission for 7 American buyers and distributors interested in aboriginal art (Jenkins 2008; Strickland, 2008). Other examples include the Icelandic "Ice

on the Tyne” crafts exhibition opened by the Icelandic Ambassador in Newcastle in November-December 2008 and the Danish ”Landmarks” crafts exhibition at London’s Flow Gallery in May-July 2009, sponsored by the Danish Embassy. In both cases, national institutions provided a halo effect to the exhibitions.

Linking manufacturing/service businesses with creative art is not uncommon. For example at the micro-business level, small tour organisers specialising in bespoke African tours may launch a new season in a gallery exhibition where an artist opens an exhibition of paintings of African wildlife. On a larger-scale, international, government-sponsored campaigns involve not only a range of businesses but also the full panoply of officialdom: royalty, loans from national art exhibitions, ambassadors, opera premieres etc. Often the two sectors – the arts, on the one hand, and business, on the other – are kept apart. Given their different status as producers: the arts are, it might be argued, spiritual where business is, perhaps, more functional.<sup>2</sup> However, where the two types of production may differ in the nature of production and of goods produced, the element of creativity (innovation etc.) may well be shared and may well form a basis for successful collaboration in export drives.

Governments often support the arts internationally in a specialised manner, setting up special agencies to promote art and culture separately from businesses. For example, the *British Council*, the German *Goethe Institute*, the French *Institut Français* and the recently developed Chinese *Confucius Institutes*. Although the latter are usually located inside universities and concentrate on promoting Chinese language and culture, the Scottish Confucius Institute is explicitly described as ”a national centre to promote educational, economic, and cultural ties between Scotland and China.”<sup>3</sup>The business – economic – aspect is openly acknowledged and the two are obviously interlinked. Making target customers aware of a nation’s culture is addressed in the ethno-centric and country-of-origin marketing literature.

In this paper, it is proposed that arts exports can provide a useful catalyst for promoting the exports of other regional SME businesses. The benefit of combining the arts with other social and economic initiatives is well established and it could act as one of the drivers of an export campaign – regionally devised or otherwise – combining the arts with other products and services. As a stand-alone

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<sup>2</sup> It is beyond the scope of this paper to enter into the art versus commerce debate which has been addressed adequately by authors such as Kotler and Scheff (1997), Holbrook (2005) Fillis (2006), and Dennis and Macaulay (2008).

<sup>3</sup> <http://www.confuciusinstitute.ac.uk/>

industry, art exports are important, however, it is argued that art exports can also complement other SMEs as they attempt to enter new international markets.

### **EXPORTING, EXPORT BARRIERS AND EXPORT ASSISTANCE PROGRAMMES**

The macro-economic benefits associated with enhancing a country's export base are widely recognised and include job creation (Beeman et al., 2007), expanded tax bases (Eisinger, 1988), and improved availability of foreign exchange (Brewer, 2009). In the current recession, with near record government budget deficits and relative debt increasing to levels that have not been seen since the end of World War II, increasing export sales is an important mechanism for addressing the balance of payments deficits. However, exporting increases an SMEs need for foreign market expertise, knowledge and information (Seringhaus, 1987). Smaller firms generally face greater limitations when trading across international borders (Roberts and Tybout, 1997; Bernard and Jensen, 2004; Wagner, 2007). A major barrier to SMEs' export success is a lack of market information and the knowledge that is needed to reduce the level of uncertainty associated with entering a foreign market or markets (Welch and Wiedersheim-Paul, 1980). SMEs often lack the internal resources, know-how and information to enter foreign markets successfully (Alvarex, 2004; Wilkinson and Brouter, 2006; Wolff and Pett, 2000). These factors can deter a business from exporting (Hanley, 1996) and mean that exporting is perceived as a high-risk venture (Burpitt and Rondinelli, 2000).

Many governments have developed a variety of export assistance programmes to help SMEs explore and take advantage of export opportunities, tap into the resources and skills necessary to develop reliable foreign market information, and also to overcome other barriers associated with exporting. For example, the UK Department of Trade and Industry provides subsidised trade missions, organises booths and international trade shows, develops computerised trade matching services and provides many other export assistance services.

A significant body of literature has been developed that explores the role and performance of export assistance programmes (for example see: Gencturk and Kotabe, 2001; Shamsuddoha and Ali, 2006; Martinicus and Carballo, 2009). The results of such studies have often had mixed results. For example Brewer's (2009) assessment of the effectiveness of Australia's export assistance programmes concludes that goals are not met as the programmes do not increase the number of exporting firms. Gill et al. (2006) suggest that Spanish regional trade agencies promotional

programmes have increased trade. Francis and Collins-Dodd's, 2004 study of Canadian high-tech SMEs concludes that active exporters gain more from export programmes than experienced international firms. The focus of this paper is on trade missions, which seem "especially well suited to a firm preparing for market entry" (Serिंगhaus, 1987).

Trade Missions in which a group of businesses (often led by a government official) visit a foreign country or countries are among the most widely publicised export assistance programmes. Their aim is to encourage participants<sup>4</sup> to gain experiential knowledge by providing business managers with hands-on opportunities to meet with the potential buyers or distributors of their products in a foreign market. Trade missions are highly valued by export-orientated participants that produce internationally competitive products (Serिंगhaus, 1989; Spence and Crick, 2004). Attending trade missions has been shown to increase individual businesses' export sales (Rose, 2007) as well as employment levels (Beeman et.al. 2007) in the long run.<sup>5</sup>

In any business, building long-term relationships is important. In spite of technological advances, face-to-face interactions remain important in order to identify the capability of business partners as well as the degree to which they complement businesses' goals (Serिंगhaus, 1989, Ford et al., 1980, Spence and Crick, 2004). Strong networks and inter-organisational relationships are particularly important in developing relationships with potential foreign buyers (Carson et al., 1995; Crick and Czinkota, 1995; Spence and Crick, 2001; Chetty and Campbell-Hunt, 2003). Trade missions that provide opportunities for exporters to meet pre-screened potential partners in a relaxed, friendly and welcoming environment can help develop such relationships. It is argued that combining trade missions with art exhibits can provide potential partners with extra opportunities to meet in an informal and relaxing but informative setting.

### **SME AND ART EXPORTING: CASE STUDY**

Situated on the Rocky Mountains and plains just south of the Canadian border, the State of Montana combines spectacular scenery with a genuine frontier history in the real American West. From antelope-speckled, short grass prairies in the east to snow-capped mountain ranges and free-flowing rivers in the west, the state has been dubbed "the last best place." It also has been jokingly referred to

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<sup>4</sup> Which are most often SMEs.

<sup>5</sup> Other authors such as Moini (1998) and Silverman, et al. (2002) have suggested that trade missions are not ranked as highly as other export assistance programmes by exporters. Wilkinson and Brouthers (2006) suggest that their impact will be long-term rather than short term in comparison to international trade shows where instant sales may be made.

as the last place to attempt to export from. In the late 19th century, with its strong natural resource base of agriculture, timber and mining, Montana's per-capita income was the highest in the US. However, by the 1950's the ranking had dropped to 10th place. By 2000, the state had fallen to near the bottom of almost every comparative economic index.<sup>6</sup> It was:

- 46<sup>th</sup> in per capita income;
- 49<sup>th</sup> in average annual pay;
- 50<sup>th</sup> in exports; and
- 48<sup>th</sup> in Gross State Product, economic activity and high tech jobs.

In 2002, one of the Montana's leading export advocates and Executive Director of the Montana World Trade Center, Arnie Sherman stated.<sup>7</sup>

*"One of the greatest challenges facing businesses in Montana is overcoming the barriers associated with marketing products and services internationally. Among the barriers are the small size of businesses, their rural locations, distance to markets, and lack of professional staff and services. Access to basic trade services such as counselling, banking, and freight-forwarding are limited due to a centralized and small population base.<sup>8</sup> In addition, business managers do not have the advantage of peers who can share international experiences or the benefit of internationally competitive industry clusters. Many firms are hesitant to enter international markets and these factors reinforce their reluctance."*

In an effort to overcome these problems, stimulate economic growth, and take advantage of international opportunities, the Montana World Trade Center<sup>9</sup> (MWTC) set about to develop a framework for an innovative and entrepreneurial programme. The proposed programme would combine international trade missions for Montana's SMEs with the opening of art exhibitions of Rocky

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<sup>6</sup> Source: Montana World Trade Center: 'MWTC PRESTO Application' Submitted to US Department of Commerce

<sup>7</sup> Source: Personal interview with the author of this report.

<sup>8</sup> Less than a million people in an area that is more than one and half times the size of UK.

<sup>9</sup> The Montana World Trade Center is a nonprofit organization that helps businesses establish and strengthen their international commercial capabilities. The Center attempts to develop untapped international trade opportunities, then work with businesses to capitalize on those opportunities. For more details see [www.mwtc.org](http://www.mwtc.org).

Mountain artists internationally. Instead of a spreadsheet of global economies, the new approach would start with an artist's brush or craftsman's hands.

A study commissioned by the Governor of Montana identified arts businesses as part of a "creative enterprise cluster" that should be targeted for support and development (for more details see Rosenfeld, 2004). Montana is rich in its quality and variety of historical and cultural assets, from folk music to symphonies, cottage crafts to art galleries, powwows to museums, interpretative centres and ghost towns to urban centres. Art and crafts also flourish on the reservations where American Indian's craft products are part of the cultural heritage of the tribes, and where cottage industries produce historically accurate clothing and household products. According to the latest available statistics in Montana:

- Creativity-based industries represent almost 8% of the state's businesses and 4% of its workforce (Rosenfeld, 2003).
- There are over 400 tax-exempt arts organisations that have an economic impact of \$80 million per year.
- The non-profit arts sector had an \$85 million economic impact on the state in 2002, generating \$13.6 million in tax revenue and 1,959 full-time jobs (ArtsMarket, Inc. 2003).
- Art contributes approximately one quarter of a billion dollars to Montana's economy. That is more than \$50,000 per artist (Adair and Wagner, 2005).
- Montana artists earn three quarters of their income from out-of-state buyers including those to international markets (ibid.).

In a 2005 survey, 75% of Montana's artists suggested that they required marketing assistance. Marketing ranked higher than any other form of assistance identified in the questionnaire (ibid.).<sup>10</sup>

In 2003, with partial funding from a US Department of Commerce Market Development Co-operator Programme grant and the US Department of Agriculture, the MWTC launched a new programme. The

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<sup>10</sup> In a similar survey of UK artists and craftspeople in the UK, McAuley and Fillis (2005) reported that 75% of respondents indicated that they required training in marketing and business skills. 84% of those surveyed suggested that needed funding to support promoting and selling arts and crafts at an international level.

programme's aim is to help SMEs and small entrepreneurial artists from Montana, including American Indians, develop viable export markets and establish a regional brand identity. Montana-produced art is utilised as a powerful marketing tool, enhancing the state's image nationally and globally and encouraging tourists to visit the state and spend money. The programme promotes best practices through the pooling of private and public sector initiatives and resources. By acting as a catalyst and relationship broker, it is assisting small Montana artists and craftsmen to export, while simultaneously developing brand awareness and sales for other products from the Rocky Mountain Region. Key elements of the programme are:

- Integrating arts and the culture with the development of international trade.
- Trade missions that are combined with an artists' reception at a prominent location, rich in cultural esteem. The premier events welcome business, government, and cultural leaders and acquaint them with contemporary Western art. They simultaneously provide opportunities for informal conversations with pre-screened potential distributors and partners who are invited to meet with SME participants as the first step of forging relationships that could lead to new business agreements. After approximately one month, the exhibition travels to other prominent locations in the host country.
- A catalogue show and test marketing programme. For a small fee marketing materials and samples are sent to an international market and show-cased to international buyers. Companies that a test-market identifies have export potential, are provided with access to an expanded network of pre-screened distributors, retailers and other appropriate buyers.
- One on one pre-arranged meetings (away from the exhibition) for SMEs with pre-screened potential business partners during the trade mission. The meetings are arranged by the MWTC in partnership with the Missoula Export Assistance Center and the U.S. Department of Commerce Commercial Services in country offices using their Gold Key Programme.
- An internship programme where students gain credit from the University of Montana for conducting international market research on behalf of local business and/or helping coordinate the trade missions.

- The intricacies of art and craft shipments and logistics are handled by the MWTC. Art is consigned and sold during the exhibition, although cannot be collected by the buyer until the end of the tour. The MWTC receives a commission on all work sold which is fed back into the programme.
- The development of SME and artist education/training on exporting benefits, successful export strategies and e-business solutions.

The initial focus for the first three years of the programme was in Ireland, New Zealand, and Australia. At the onset of the programme, a manager with over 30 years of experience owning retail arts outlets was commissioned. His role was to work alongside the existing management team and to integrate art and culture with the MWTC's existing international trade promotion programmes that already included successful annual international trade missions.

His first assignment was to visit and explore opportunities within Ireland. The initial search for a venue to house an art exhibit, involved knocking on a lot of doors, with numerous visits to galleries and Irish cultural centres. Finally, Barry O'Kelly, Cultural Attaché for the Bank of Ireland in Dublin, accepted the portfolio containing the work of 24 Rocky Mountain artists. At the opening reception, Jane K. Forte, acting US ambassador to Ireland, gave the opening remarks before more than 200 people including many potential importers who visited the show. The MWTC reported \$20,000 of art sales on the opening night, while the accompanying trade mission to Ireland and the United Kingdom generated \$5 million in sales.<sup>11</sup> After a month-long opening in Dublin, the exhibition spent a month at Cavan Museum in Ballyjamesduff, before travelling to the Hunt Museum in Limerick and Yales Memorial Art Center in Sligo, Ireland.

The trade mission and exhibition also created awareness for inbound investment opportunities and tourism in Montana. The MWTC took Travel Montana brochures to Ireland, as well as literature describing travel destinations and activities in the state. The editor of a leading Irish travel magazine who attended the exhibition booked tickets to Montana, which resulted in coverage in the *Abroad Magazine* which has European-wide distribution. This is illustrated in Exhibit 1.

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<sup>11</sup> Source: [www.mwtc.org](http://www.mwtc.org)

Eighteen months after returning from Ireland, the MWTC departed on a trade mission to New Zealand and Australia. The same model that was developed for Ireland was followed with an art exhibition opening in Palmerston North, New Zealand. In addition to fine arts, the exhibition included Indian craft goods and dancers. It resulted in long-term partnerships being developed between the Native American artists and the New Zealand Maori. Product labelling programmes that will set apart and promote the authenticity of works by Montana’s Indian artists and fine handcrafters are subsequently being developed as a result.

The MWTC has subsequently replicated the process with trips to Italy and Canada. Although a planned trade mission to Europe was cancelled in 2009, due to economic recession and the high value of the US dollar, interviews with the MWTC revealed plans to continue to integrate the arts with SME trade missions for the foreseeable future. The programme is gaining international recognition. MWTC managers have travelled to Chile and Panama to demonstrate to policy makers and export development organisations how the programme could work for these countries’ indigenous artists. They plan to visit Malawi soon. The programme has also resulted in a number of indirect benefits that are illustrated in Table 1.

**Table 1: Selected Examples of Indirect Benefits from the Programme**

<p><b><u>”Out West: the Great American Landscape” exhibition</u></b></p> <p><i>After two and half years of planning, twelve Montana artists were featured in the “Out West: the Great American Landscape” exhibition which toured and sold art in China. The exhibit was housed at the National Art Museum of China in Beijing during the Beijing Olympics. It then travelled to museums in Urumqi, Shanxi, Shanghai, Qingdao and Hong Kong, before returning to the United States for a final exhibit in Missoula, Montana.</i></p> <p><b><u>Missoula Children’s Theatre in Limerick</u></b></p> <p><i>The Missoula Children's Theatre (MCT) works with teams of professional adults to help students put together full-fledged theatrical productions. With assistance from the MWTC in 2008, the MCT made its historical debut in Limerick, Ireland. The venture should led to further expansion in Ireland, as well as the greater European market.</i></p> <p><b><u>Kentucky Craft Market</u></b></p> <p><i>Widely considered one of the three most prestigious craft fairs in the US, the Kentucky Craft Market attempts to match top regional artisans with wholesale buyers and the general public. The MWTC project helped bring together a group of 10 Montana artisans and their works, who show-case their work at the 27th annual market in 2009.</i></p>
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**Exhibit 1: Tourism article in the Abroad Magazine the resulted from the Trade Mission**



**OTHER EXAMPLES: IMPLICATIONS AND CONCLUSIONS**

In today's recession, successful businesses, governmental entities and regions are focusing on developing innovative, entrepreneurial approaches to business and export development. They are seeking to exploit the creativity, imagination and passion of individuals and businesses to drive economic development, create extraordinary value, attract and retain a highly educated workforce, and complement traditional resource-based exports.

It is often stated that art opens the heart and the mind. This case study illustrates that art can also open doors to international trade opportunities. Combining art with trade missions can provide a setting for building the long-term relationships as well as contribute to an experiential learning experience that the literature review suggested can help drive an individual SMEs exports. Although the costs and benefits associated with the Montana programme have not been empirically analysed in this paper, the case study illustrates that real and tangible benefits have resulted.

Several other organisations have attempted to take a similar approach to the MWTC programme. Spotlight Singapore has focussed on bringing Singapore arts and businesses to new and emerging markets. A quote from one of 70 Singapore SME managers who participated in a business

exploration and networking mission to Moscow in 2008, suggested the benefits of the programme were twofold. That is:

*"It is a good ice-breaker and there is mutual introduction to both arts and culture, before embarking on business ventures.*

*'Its semi-formal itinerary also allows fellow Singapore business people to bond with each other better. This could hopefully lead to better co-operation among fellow Singaporean businesses abroad' (Ui-Hoon, 2008)."*

The Kingdom of Denmark developed a project to promote arts and industry internationally in an attempt to maximize the positive impact on both exports and Denmark as a "brand". The "Creative Nation" project launched campaigns in the United States in 2007 and the United Kingdom in 2008. A report published in Danish analysed key components of the first campaign<sup>12</sup> and suggests that it is important to:

- Develop a campaign concept which combines business and art/culture in ways that create optimal synergies between the two. Participating organisations are more comfortable with conventional, tried and tested events such as official dinners that permit networking among participants (and where the exporters could suggest invitees from the target market);
- Establish thematic and sector-based networks/clusters of businesses,<sup>13</sup> institutions and public authorities to collaborate to plan actual activities as part of a programme.
- Use existing tools and structures for helping businesses internationalise (such as those presented in Table 1 of this paper).
- Develop an advisory think-tank to support clusters of exporters.
- Develop clear follow-up efforts to optimize the outcome of the programme in the target market.<sup>14</sup>

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<sup>12</sup> <http://www.brandingdenmark.dk/NR/rdonlyres/372F46D7-1CE7-4E44-B6B6-17C832E98029/0/oemafrapportering.pdf>

<sup>13</sup> Although the authors of this report would recommend developing programmes based on clusters of similar businesses, the lack of an export ready business base of SMEs in a cluster meant that such an approach was not practical.

<sup>14</sup> Participating organizations appeared to have paid to participate in the general programme. The "Creative Nation" campaign seems to have attracted more Danish participants than target-market participants. Budgetary constraints prevented a full press and media impact in the target market.

After two major campaigns, the Danish Creative Energy programme is currently inactive, perhaps an indication that in times of global financial crisis, large-scale business-with-culture offensives are not cost-effective. However, a review of the Danish Creative Energy programmes that have taken place indicates the lessons learnt are similar to those at the MWTC. It is recommended that any organisation considering implementing similar programmes develop:

- Clear follow-up efforts to optimise the outcome of the campaign in the target.
- A detailed understanding of the target market.
- A clear understanding of what the programme aims to achieve.
- Objectives that pay equal attention to the needs of all participating interests: business organisations, artists/arts organisations and the destination which the programme is also helping to brand.
- Visibility, which is something that both innovative SMEs and the creative arts, can help provide.
- Public support, through authorities that support export and the arts, possibly in the shape of funding.

This paper is primarily exploratory in nature. However, it appears that broad concepts developed by the Montana programme could be transferred to other countries or regions and utilised by export assistance providers and policy makers there. The rest of this paper draws upon experience that the primary author has gained while organising or attending more than 25 international trade missions and developing the initial MWTC program. This experience is used to develop a framework that could potentially be utilised to develop similar sustainable programmes in other regions.

In Figure 2, details of the main steps in the planning and implementation process are summarised and a cycle for programme sustainability developed. The MWTC programme is still not fully sustainable and partially reliant on grant funding. However, it is close to reaching the critical mass where it could support itself in the future. Programme income from trade mission fees and the test marketing programme and well as commissions from the sale of arts and crafts are reinvested to organise trade missions and art exhibitions to new countries. Competent experienced staff, extensive planning and

research, an adequate budget and the utilisation of strong links with regional, national and international export support organisations are critical to any programme's success. Additional practical suggestions are summarised in Table 2.

**Table 2: Practical Advice for Developing a Success SME and Art Focused Trade Missions**

*Do not hold events at a foreign embassy due to security issues that often lead to delays that frustrate potential business partners as well as the SMEs participating in the trade mission.*

*Employ an expert with experience in managing successful commercial arts businesses.*

*Capitalise on Existing Links (For example, Palmerston, North New Zealand and Missoula, MT are sister cities).*

*Prepare well in advance (prestigious exhibition halls that showcase artwork and could be used as a reception area for an opening event are often booked out years in advance).*

*Select export ready companies with managers that are committed to exporting.*

*Thoroughly brief the support organisation (for example the US Commercial Service) in the foreign country with regards to programme aims and objectives, as well as the goals, capabilities and unique selling points of the SMEs participating.*

*Set up individual video or teleconferences between trade mission participants and the partners they may be meeting with prior to setting up a meeting to check their goals are similar and answer preliminary questions. They can then get straight into business when they meet in person.*

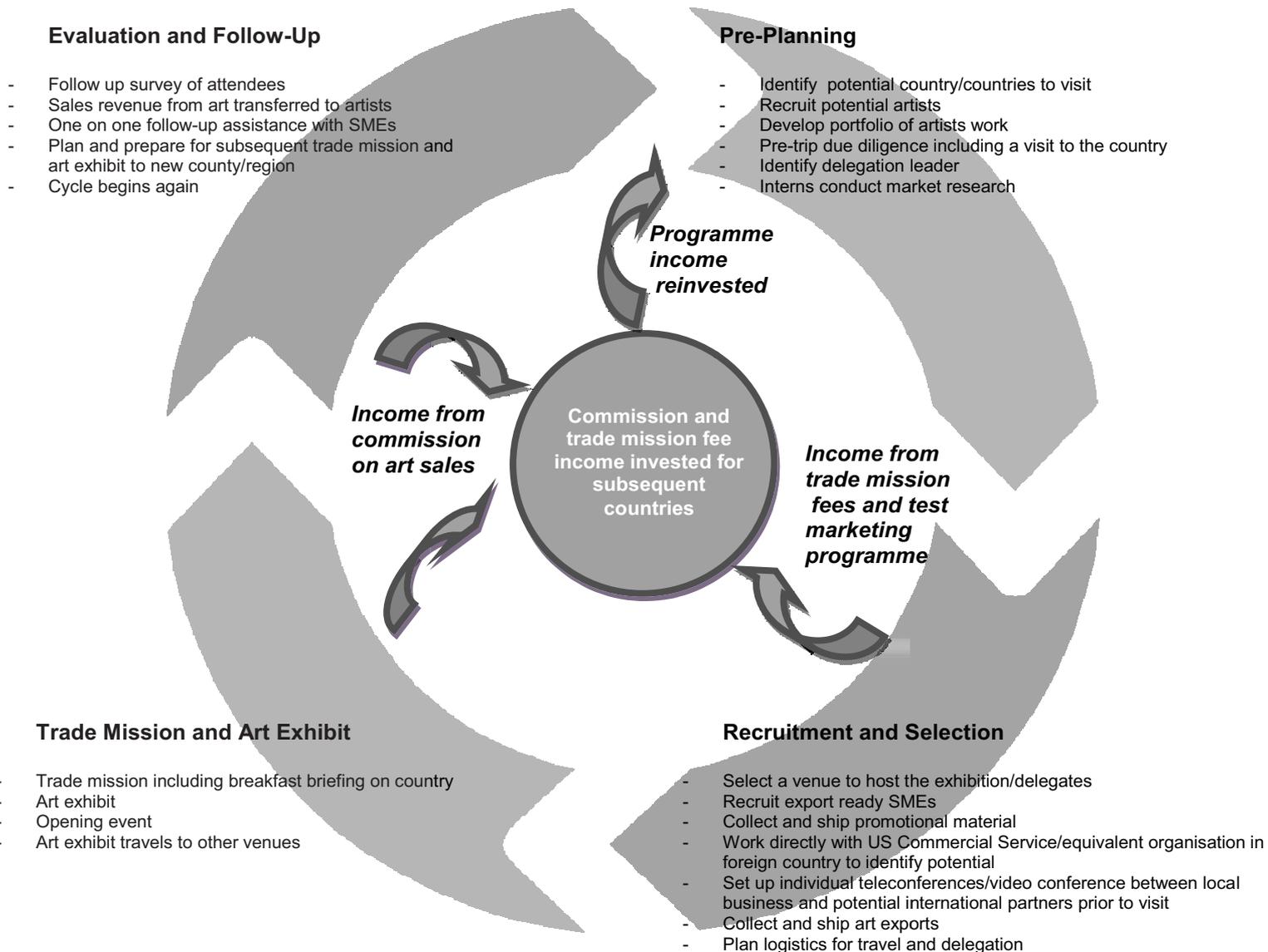
*Prepare a detailed budget that outlines trade mission/art exhibition costs as well as potential revenue streams and update this continually.*

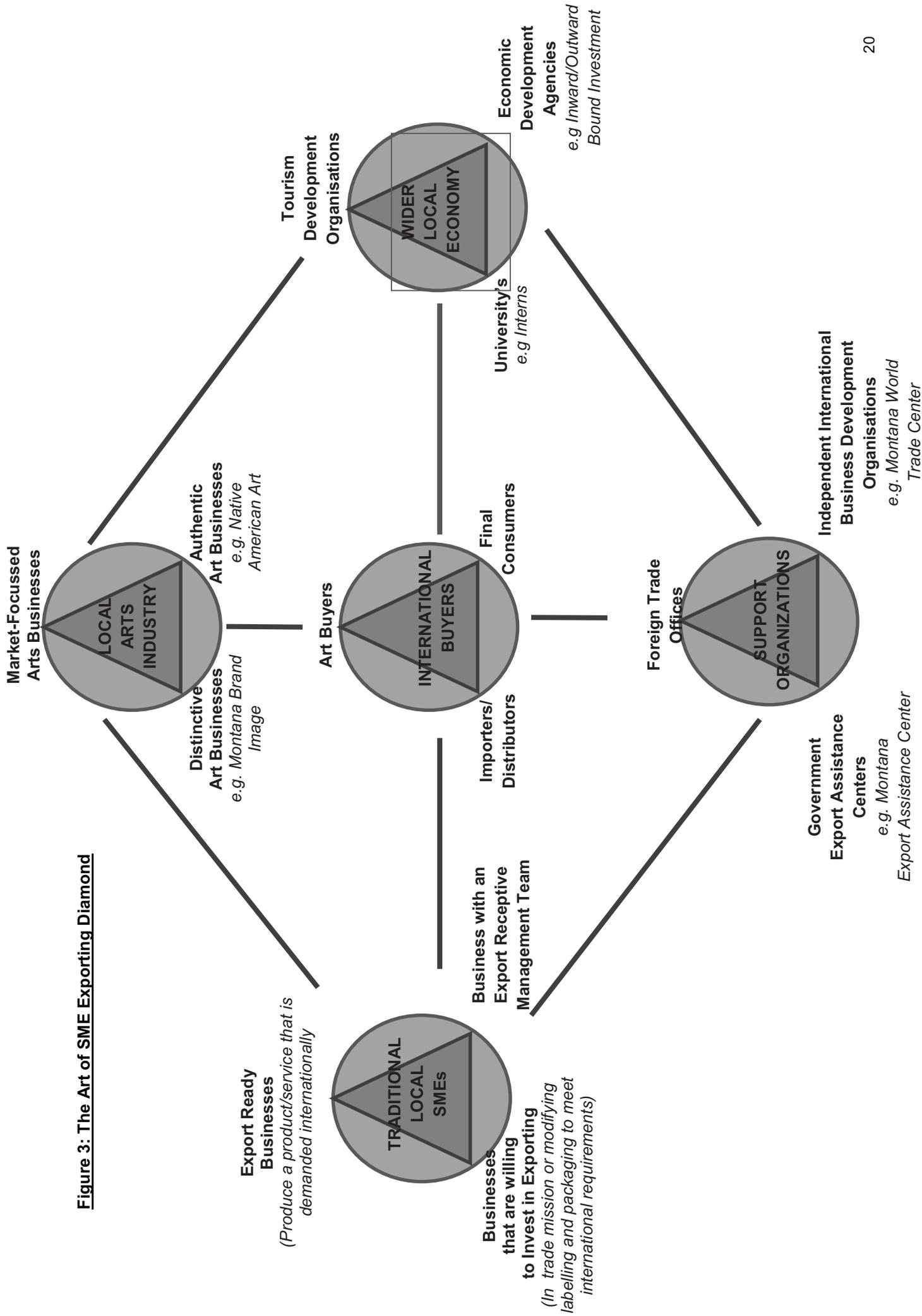
Not all regions have the "mythical western image" of Montana and the Rocky Mountains, almost ready-made as a cultural USP to help support a campaign. However, most have unique selling points that can be capitalised upon. In Figure 3, a conceptual diamond that could be modified for specific programmes or markets is presented. It illustrates that in order to develop effective export assistance programmes incorporating SMEs and the arts, managers must take into account all four corners and all six links of the diamond simultaneously. The individual points on the triangles in the diamond will also influence the programme's ability to satisfy international consumers and therefore the overall success of a programme. Organisations and policy makers could use the model to identify the extent to which they can build on home-based advantages and international links to promote exports. For example, in the UK it would appear to be relatively straightforward to create such programmes, with a minimum of bureaucracy. For example Regional Development Authorities (RDA's) and Arts Council

England could potentially develop programmes on an ad-hoc basis rather than as a long-term developmental project.

In summary, trade missions are effective and widely utilised programmes that have been the subject of extensive research efforts. “The concept of broad-based inward-focussed campaigns incorporating industry, the arts and tourism to promote an area is also well-established.” These campaigns have been practised extensively at a national level and used as a tool for driving inward tourism and investment, but regions rarely use the same approach at an international level.” Arts and cultural organisations – as well as individual artists – share features and interests with other SMEs. By piggy-backing on each others’ unique skill sets, industry, tourism and the arts can together successfully contribute to trade missions that promote a region and the products/services produced there.” It is suggested that integrating arts and culture with traditional trade missions will help export arts and crafts.” However, it will also play a role in packaging trade SME focused missions so they appeal to a wider audience and open doors beyond those typically associated with a specific market sector.

**Figure 2: Conceptual Cycle of Programme Sustainability**





**Figure 3: The Art of SME Exporting Diamond**

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