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COVID-19 effects in museum management. Insight about the Italian context

Abstract

The recent lockdown imposed by the Italian Government in response to the COVID-19 pandemic led museums to a complete halt in the offer of cultural services in-museum.

How did museums react against the risk of losing their own audience? What strategies did they adopt? The lockdown has pushed museums to implement alternative methods of valorization and fruition of cultural heritage, by facing an abrupt digital transformation. They had to change their business model, and the fruition model, as well as communication strategies adjusted accordingly.

The paper aims to investigate the digital transformation of museums, the contribution that digital technologies can provide to their offer, the space digital technology should occupy in museums' offer. The paper is also an opportunity to reflect on what we should expect from the museums' 'new normal'.

Key words: Museum; Management; Innovation; Digital revolution

Introduction and Objectives

The lockdown led museums to a complete standstill in the offer of cultural services in-museum. Over 90% of the world's museums have been forced to temporarily close their doors, to protect their visitors (Unesco, 2020). In Europe, especially larger museums located in touristic areas, are looking at an exceptional income loss of 75-80% due to the complete halt of tourism and the potential continuation of restrictions into the summer period (Nemo, 2020).

To keep in touch with the public, museums abruptly had to move their cultural offer to digital platforms. This situation has never occurred before. Digital technologies became increasingly common in museum practices and generated exponential post-COVID digital growth in organizations. In the case of Italy, the pandemic has had and will have an unprecedented and negative impact on museums. The shutting down, imposed by the coronavirus pandemic between March and May 2020 costed Italian museums almost 19 million visitors, for a failure to collect 80 million euros (ISTAT, 2020). Against the risk of losing their own audience, museums have been forced to change their business model and embrace an abrupt digital transformation. Alternative methods of valorization – and consequently – fruition of cultural heritage have emerged. Digitization has helped museums to overcome barriers in reaching their audience and allowed them to develop a new relationship with them.

In addition to acting as a way to maintain their cultural role and to preserve jobs for their employees, digitization and new communication strategies represented an attempt to offer, in a short time, a response to allow the continuation of the relationship with the audience and the access to cultural content.

Thus, although it is still not possible to understand how and when the activity will be able resume at full speed, this moment also represents an interesting opportunity to reflect on

museum management innovations, on how to rethink the cultural offer, and, finally, on how digital revolution has changed or is going to change businesses, performances, communication, and stakeholders with their advocacy. Starting from these premises, the paper aims at pointing out how the pandemic served as a strong push towards museum innovation. At the same time, it allows the reader to understand some challenges and opportunities arising from the pandemic crisis, providing some useful insight for museum management, in view of the “new normal”. In this perspective, the following research questions emerged: RQ.1: How is the COVID-19 pandemic redefining the model of construction, supply and fruition of the cultural offer? RQ.2: What are the effects of the digital revolution in museum management?

Literature Review

In the last two decades, museums of all over the world have been affected by digital technology and consequently by digital transformation (Carvalho, Matos, 2018). Despite their initial resistance - essentially due to the fear of change in onsite visiting habits, and a reduction in museum visitor numbers (MacDonald, 2006), museums have embraced digital transformation in order to cope with the ever evolving society. This enabled museums to start a new relationship with audience and communities, and to stimulate and enhance the museum visit (Cassidy et al. 2017). Considering the overall situation, digital and virtual experiences, along with social media have been overrated but still underutilized by museums (Orlandi, 2020) before the pandemic crisis. In fact, according to the report of the Observatory of Digital Innovation (ODI) (Politecnico di Milano, 2020), as early as last year the situation was still very fragmented: in 2019, almost 80% of the museums had at least partially digitized their collection but only 30% had already published part of it online. Furthermore, in 2019, 67% of museums had a Facebook account but only 26% of them had an Instagram account. Out of a sample of 420 Italian museums, 76% did not have a strategic plan formalized with respect to digital innovation, and one museum out of 2 declared that they carried out less than 10% of digital investments. During the closing period due to pandemic, most of the museums have opened their *virtual doors*, allowing access to their digital material for free. During this time, museums had doubled their use of social media, reaching a wider online public and changing social media from communication channels into tools for spreading cultural material (Agostino et al., 2020). Meanwhile, both digital and social media have offered new visit experiences. Digitization and social media have brought major changes in the museum management context, in view of the “new normal”: from the need of new investments in technologies, to the raise of new issues concerning personnel skills and expertise (Booth et al., 2020; Agostino et al., 2020).

Method

The research methodology has been divided into three phases: a) literature analysis, which has been focused on the digital transformation process in museum contexts and the adoption of more user-oriented communication strategies, such as personalization and cultural participation via web and social media. b) Online desk research based on a systematic examination of the available online sources and data in the museum context, considering also museum websites and social media to gain background knowledge on the topic of digital revolution in museums. c) Qualitative research based on in-depth interviews to museum directors or communication managers, since it favors a delineation of the observation context (Hancock, Algozzine 2011).

Findings

Covid-19 crisis has changed the face of museums and exhibitions. On the one hand, it forced museums to rush in order to offer audiences a variety of online ways to engage with heritage content and to participate remotely in arts and cultural events; on the other hand, it turned visitors into users. Museums increased their digital activities by 15% (ICOM, 2020) and they

often innovated their mission and values: from traditional tasks of collecting, preserving, and fostering understanding, to a new expression of purpose for connecting with their audiences and stakeholders. Doors closed physically but were wide open digitally. The internet and social networks went from being a complementary resource to being the main means of communication and engagement with the public. Museums moved their cultural offer online, making their repertoire and archives available on their channels, increasing the offer of digital virtual tours. In this regard, they began experimenting with remote cultural productions, going from traditional visits to digital access and a personalized user experience. Considering the priority to stay in touch with their audience and stakeholders, museums doubled online activities, increasing the number of social media followers, entering the visitors' homes to show their digital proposals: from digital archives to gamification, from virtual tours and virtual reality experiences to immersive audio guides and podcasts.

Furthermore, they expanded their communication tools, in the attempt to retain sponsors and grant-makers, who had to face a dramatic economic crisis which could change their minds and sensibility on cultural issues. Digital innovation investment represents a big challenge for museums in the next years. To support museums, the Italian Ministry of Cultural Activities and Tourism issued the "Three-year Plan for the Digitization and Innovation of Museums" aimed at activating new forms of access and use of heritage data, mediated or enabled by technological solutions.

Apart from complementary digital innovation practices during the on-site visit – e.g. QR codes and online the audio guides – the mostly already digitized activities were cataloguing, followed by ticketing and security. Therefore, much still remains to be done, especially regarding digital communication. In addition, the digital revolution of museums has been affecting their businesses (core and collaterals), their governance and their performances in different ways, especially during COVID-19. In the following table we summarized how much the digital revolution has changed businesses, performances, communication, and stakeholders with their advocacy. These trends concern only four contingencies, contents and strategies.

The very next future might lead to an increasing immersion in virtual coordinates, due to the COVID-19 crisis occurrence. The hope is for physical coordinates to be fully reopened soon.

Table 1. Digital revolution in museums

	BUSINESSES CORE → CORES AND COLLATERALS	
IDENTIFICATION STAKEHOLDERS' ADVOCACY ↑EMPHATY	DIGITAL REVOLUTION in MUSEUMS What for →↑	SOCIAL MEDIA marketing COMMUNICATION MARKETING↑
	PERFORMANCES ECONOMIC → SOCIAL	

Own-source

Discussion

The process of digitizing cultural heritage and services in Italy still offers room for improvement, and it seems not only appropriate, but urgent, to reflect on how this experience can lead to a redefinition of a consolidated model of construction, supply and use of the cultural offer, opening up to a phase of coherent digital transformation. The lockdown highlighted the need to implement alternative methods of valorization and use of cultural heritage. On the one hand, museums need to rethink the contribution that digital technologies can provide to their

offer; on the other hand, we, as researchers, need to reflect on what space digital tools should occupy in museums' marketing mix, and on how they affect performances and stakeholders with their advocacy. Businesses have evolved from the core 'collection, exhibition, education' to (→) virtual exhibitions, museums as locations of theatrical and streaming performances, virtual edutainments, virtual dialogue. Core and collateral strategies have changed in virtual and digital opportunities: from online fundraising to crowdfunding and virtual campaigns (with the engagement of new and innovative stakeholders), from merchandising to online sales and delivering of catalogues and gadgets (and ad hoc merchandising), from networking with touring exhibitions to connections for co-branded virtual events. The range of cores and collaterals can be here only given for some examples. Marketing and relationship marketing have been supported by (↑) social media, whose implications for advocacy and trust must be further strengthened, even through to other digital tools. Stakeholders have been increasing as for numbers and roles. For example, crowdfunding platforms or inspired influencers in the ladder of engagement from likes to call for actions. Their empathy has been for sure emphasized and reinforced with respect to (↑) identification in the museum and in any cores and any collaterals. Identification means a trustworthy and exclusive relationship, whose maintenance might but cannot remain virtual. This is a very important point in terms of limits of digital revolution. The above-mentioned represents the possible evolution for Italian museums, too. Economic performances are a draft estimate of the digital revolution and have an impact on the sustainability of museums. Contacts and likes are the most mentioned measure of digital revolution. Economic ones have turned into (→) social performances. Rate and revenue per contact, they have been improving as an estimate according to different accounting standards, though cost per contact, at the same time, attention must be paid for time-consuming, contact-selecting and high-burden of social media marketing. And if revenue-cost, their difference, reveals itself as a heavy loss, another limit of digital revolution will be counted.

Conclusion

The pandemic crisis has changed the paradigm of offering cultural services in the museum environment, and at the same time, it has changed consequently the fruition model, forcing museums to accelerate digitization to innovate cultural services and their distribution, turning visitors into users. Museums must know how to take advantage of the situation in order to offer unique experiences and emotions, establish connections with users, engage and show them multiple ways – more accessible, open, participatory and social – of approaching heritage.

This crisis also boosted social media communication strategies and tools, allowing museums to stay in touch with their audience. Unfortunately, Italian museums are still little digitized in the back-office activities, having neither customer relationship management (CRM) system, nor contact management software. In this respect, there is room of improvement, because the pandemic represented the engine for transforming and innovating the museum sector. From the rethinking of the business model - with the rapid introduction of new technologies and smart working in a very short time – to new strategies of social media marketing. The system and its employees have proven to be able to resist shocks, even if there has been great improvisation in the digital dimension, that, instead, required skills and dedicated resources. This dramatic period should be used as an opportunity for improvement in the museum sector, leveraging the positive effect of actions taken. First of all, in post-pandemic, the online services must remain a permanent component into the museum cultural offer. Providing an integrated multiple offer, museums will break down the barriers to the cultural offer use. So, online services should not be considered only as a mere preparation tool for the museum visit.

Some museums have reached good results, others have not. This is because of a combination of lack of resources, lack of digital capabilities and almost more importantly, lack of digital

mentality throughout the organizations. This last barrier, perhaps with the crisis, will be improved, as the need for digital skills training has become more evident. Society is digital, museum professionals must be too, museums tell stories, museum professionals must learn to do it also in a digital way. Those museums that were better prepared in terms of digital services have been able to offer high quality digital contents during confinement. Pandemic times have given evidence that digital and virtual businesses cannot remain unpaid. Economics and management of museums might be fully changed and, apart of sponsors and grant-makers, whose identification is nurtured for contributions and grants, their sustainability must be based even on other forms of fundraising, besides e-ticketing. Otherwise, the digital revolution will turn into digital and physical absentia and failure.

Managerial implications

The above-described scenario opens up to different problems, among which funding, digital skills, social media marketing skills. Museums require more strategy, more pervasive digital culture and more training, but also more funds.

Indeed, museums need grant funding to survive the period post-pandemic, in order to cope with a longer-term reduction in visitor numbers, philanthropy, national and international collaborations and other sources of income. It is not yet clear how museums might have access to the “Fondo Cultura” established by the last Decreto Legge 19 maggio 2020, n. 34 or if the proposed budget for Culture by the EU Commission will be confirmed. In the present circumstances, museums could lack sufficient funds to invest in digital innovation or to bridge the digital divide and provide staff with training needed to master digital communication and social media. So, fundraising and new competencies in digital communication will be the next challenges to keep up with post COVID-19 changes.

In addition, museums should not forget that digital products are created for the public who deserve the same importance that museums recognize in the art that they preserve.

According to Navarrete (2018), implementing digital applications helps museums to develop new products and services, new processes to research, display and manage collections, new organizational structures to accommodate a changed environment, reaching new markets, and tapping into existing resources to generate new capital.

We are aware that digital platforms cannot replace the onsite visit experience, but we also know that the future of museums will be based on digital grounds. Hence, it must be stressed that the “new normal” of museums will only be achievable thanks to investments in digital skills and technologies, not just for heritage and cultural services management, but also for the supervision of managerial tools.

Further research

In the above-mentioned scenario, the need for new performance indicators could emerge. In fact, in the “new normal”, with limited capacity and timeslots assigned to enter the museum, the performance measurement can no longer depend on ticketing and on the number of visitors only. Although numbers are relevant, there are still many concerns about how to measure efficiency or effectiveness in the museum sector.

With respect to performance measurement, a new issue is emerging. Indeed, there are still many concerns about how to measure efficiency or effectiveness in the museum sector: how to evaluate performance? Must KPIs remain quantitative or could they be implemented with qualitative indicators based, for example, on time/use? This suggests the need for a review of current thinking in managing performance in museums.

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