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Sponsorship and Other Fundraising for Heritage Organizations

Natasa Glarakis

I don’t know anything about money ... When you get close to it, it disappears— it’s nothing but a rate of exchange.
(Spalding 1991:79)

Raising funds is a necessary activity for any organization that wishes to survive and develop. This is true for conventional businesses as it is for other organizations generally not associated with profit and gain, such as cultural organizations like museums. The relationship between the museum and its funding sources is complex and raises a number of fascinating questions related to the purpose and function of museums today, and the “value” of the cultural materials they protect and display.

Although it may seem that museum personnel concern themselves exclusively with the exhibition of art and cultural artefacts and the management of audiences, the reality is that these organizations operate like businesses, putting equal effort into the management of income and expenses as they do everything else. Often, the gain museums make from such visible sources of income as admission charges and gift shop revenues do not cover their expenses. Managers are forced to look for creative solutions to ensure adequate resources are available so that museum personnel can concentrate on issues of aesthetics, presentation and preservation without hindrance.

Sponsorship is an extremely valuable component of fundraising for museums today. Sponsorship can be thought of as “the partnership between two parties with quite different interests who come together in order to support a particular activity” (Clarke, 1993:83). However, this definition neglects to highlight the fact that in some partnerships, the donating party often expects something in return for their support (Wicks 1992:26). Just as in ancient Greece where the rich funded the writing and production of tragedies in exchange for their mention in the work, so too do individuals and organizations today sponsor cultural organizations for seemingly benevolent, yet self-serving reasons.

Aims and Methodology

This paper focuses on an underexplored aspect of archaeology: the politics behind the display and maintenance of cultural material. Here, I examine the impact of fundraising, and especially sponsorship, on heritage organizations. It will become clear throughout this paper that, despite their often contrary directives, the museum is a space where archaeology and business come together.

In preparing this work I drew from a number of sources. In addition to my library research, I obtained primary documents directly from the Goulandri Foundation. This work is also informed by a personal interview I conducted with Mrs. Papadimitriou who is responsible for public relations at the Museum of Cycladic Art, and by a visit to the Goulandri Museum. My secondary sources include written materials and various internet resources. This paper is organized as a case study with my preliminary research preceding a review of the case I chose, followed by my analysis.

The Principles of Fundraising for Cultural Organizations

In order for heritage organizations to maintain themselves and develop, they need funds. From experience, the managers of these organizations know that fundraising cannot take place quickly or without planning and attention to detail. Those charged with raising money within cultural organizations follow a number of basic principles to help them maximize gain. Clarke has outlined a number of these principles which fundraisers employ to attract supporters effectively (1993:15-19):

1) Fundraising is a people business (it is not a matter of cooperation between organizations but a matter of communication and agreement between people who work for these organizations).
2) Commitment (important for fostering trust).
3) Truthfulness (should not be sacrificed by the fundraiser in order to sell, potential supporters appreciate honesty).
4) Selling the benefit (the fundraiser has to be able to combine altruism and benefit to potential donors).
5) Professionalism (defined as the demonstration of clear objectives accompanied by a sense of responsibility).

6) Making the request (unless the donors are asked to give they will not donate anything).

7) Saying “thank you” (important for retaining a high level of cooperation from donors).

8) Opportunism (the fundraiser should always be alert for any opportunities that may appear, especially those concerning public attention).

9) Persistence.

A talented fundraiser is one who is adept at identifying possible sources of income. Donors can range from the institutional to the individual level, from the rich to the poor, from the involved to the disinterested, and from the concerned to the mildly interested – and most types in between (Clarke 1993:33). Local government is usually a definite source of funds since governments are interested in organizations that contribute to local economy. Yet, sometimes local government support is not adequate to cover all costs. This is often the case in Europe. Interestingly, organizations in Europe can request funds from the European Union which has expressed interest in the preservation and equitable management of cultural resources. There are many EU programs established to support heritage organizations; however, the largest source of funds is the European Social Fund. The main objectives of the Fund are to (Forester, 1997/98:195-197):

1) Improve underdeveloped regions.
2) Help areas affected by industry to regain their human character.
3) Help young people find work through training programs.
4) Promote the development of rural areas.

Two other major sources of support from the EU include the European Regional Development Fund (ERDF) and the RAPHAEL program. The purpose of the ERDF\(^1\) is to stimulate the general economic development in the least prosperous areas of Europe (which can include the support of museums and other cultural organizations), whereas the RAPHAEL program exists to support cultural organizations specifically. One of the most interesting aspects of the RAPHAEL project is that it seeks to develop networks and partnerships, even with non-EU countries, to improve access to cultural resources.

Another important source of income for heritage organizations is the individual. Cultural organizations strive to be as personal and informative as possible with this group since private donors often have nothing to gain from donating other than personal satisfaction. There are various strategies that organizations employ when trying to attract private donors including radio and television appeals, direct mail to target audiences, solicitation, and hosting public fundraising events (Clarke 1993).

It is also important to look at corporate donations to cultural organizations. Many corporations consider donation smart business practice and often allocate a percentage of their budget specifically for this purpose (Clarke 1993:50). Of course, companies do not give money because they love art or for altruistic reasons. Their motivation is gain, but this is not necessarily negative since the results may benefit both the donor and the recipient. It should also be noted that aside from money donations, my research has revealed that corporations sometimes prefer to give material gifts. These gifts can be in the form of excess stock, unused furniture or equipment, or the loan of corporate assets such as vehicles or computers (Mullin

\(^{1}\) In general terms, ERDF supports measures to improve the competitiveness of businesses and localities. Some examples of the types of activity that could be funded under ERDF are (Forester 1997/1998:197-198):

- New premises for businesses
- New transport and communication infrastructure
- New marketing and inward investment initiatives
- Technology transfer and innovation activities
- Strategic research and development activities
- Training and support for small and medium-sized enterprises
- Export and trade expansion activities
- Improved co-ordination of economic regeneration activities
- Reclaiming derelict sites and land
- Environmental improvements
1995:40). As will be explored below, corporate donors can have the most profound impact on cultural organizations.

**The Role of Sponsorship within Cultural Projects**

Sponsorship is a partnership between two parties with quite different interests that come together in order to support a particular activity (Clarke 1993:83). Cultural organizations are always in search of new partnerships to fund events, exhibitions, purchases and other projects (Wicks 1992:26). Successful fundraising through creating sponsorship partnerships requires special skills and a lot of time. Unlike private donors, corporate donors often seek perks such as their logo on brochures, special mention in advertisements, etc. (Wicks 1992:28). All these perks must be negotiated before a company can become a sponsor. To this end a contract, be it verbal or written, is of paramount importance. In the case of sponsorship, the contract can be thought of as serving two functions. First, a contract can assure those at the donating company that they will receive the benefits they seek from the cultural organization, and secondly, the contract ensures that the cultural organization retains the independence necessary for it to continue to operate ethically.

As Schmidt has noted, sometimes corporations threaten to withdraw their support lest the projects they fund reflect their interests (1992). An extreme example of sponsor bullying is the recent situation at the Science Museum of London. The Science Museum received sponsorship from the nuclear industry in Britain, and because of this was reluctant to represent any of the critiques of nuclear power. The Science Museum of London found itself in a precarious situation: on the one hand it needed the nuclear industry to pay for its display, and on the other the nuclear industry was making it impossible for the museum to accurately depict a moment in history (Schmidt 1992:264). Finding sponsors to pay for exhibitions can be difficult, especially corporate sponsors willing to simply donate money and allow museums and other cultural organizations the creative scope to do their jobs. This is an important point to which I will return below.

**Case Study: The Museum of Cycladic Art**

The Museum of Cycladic Art was founded in 1986 in order to house the collection of Cycladic and Ancient Greek art belonging to Nicolas and Dolly Goulandris. Starting in the early sixties, and with a permit by the state, the couple collected Greek antiquities with special interest in prehistoric art from the Cycladic islands. Between 1979 and 1984, the Goulandris collection was exhibited in some of the most important museums world-wide, including the National Gallery of Art in Washington DC (1979), the Museum of Western Art in Tokyo (1980), the British Museum in London (1983), and the Grand Palais in Paris (1983) (www.cycladic.gr).

In 1981 Nicholas and Dolly Goulandris decided to establish a permanent exhibition of their collection in Athens at a museum that would be open to scholars and the general public. So, in 1986 the Nicolas P. Goulandris Foundation was created. The Foundation’s objectives were, and remain today, the dissemination, promotion and study of Aegean civilization and Greek prehistoric and Classical art. Currently, the Foundation manages the Cycladic Museum, ensures the protection, display, and expansion of the principle collection, organizes temporary exhibitions on important topics, undertakes the publication of scholarly monographs and participates in research projects world-wide (Maragou, 1991:14).

The museum is a private company that houses a private collection. The financial help that it gets from the European Union and the

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2 The Museum’s main building, erected in the centre of Athens in 1985, was designed by the Greek architect Ioannis Vikelas. The space where it was built covers an area of 400sq m and provides a total of 2300sq m of exhibition space, storerooms, workshops, and offices (Maragou, 1991:20).
Greek state comprise only 3.98% and 1.97% of the museum’s total income respectively\(^3\) (Maragou, 1999:115). Revenue is also generated from internal sources such as its café and gift shop. Unfortunately, however, the café which has been in operation since 1999 only generates enough income to cover its expenses and the gift shop (established in 1986) generates only 39.25% of the museum’s total income\(^4\). Needless to say, the museum relies heavily on donations and sponsorship. In terms of donations, those interested in supporting the museum can donate anything from office supplies to entire exhibits. A recent example of a donation of this kind was of two 19th century paintings given to the museum by Ms. Elisabeth Godley, wife of the ex-ambassador from the United States to Greece in 2001. Yet, donations of this kind do not cover the costs of maintaining the permanent exhibitions, educational programs, or upkeep of the building. To cover those costs the museum looks to fundraising and cost containment\(^5\).

The two major fundraising activities undertaken by the museum are the selling of memberships and attracting sponsorships. According to Papadimitriou, membership is a minor, yet still important source of income for the museum (2001). Despite the fact that in 1999 membership represented only 1.67% of the museum’s total income, Papadimitriou explains that membership is growing quickly. In the meantime, however, the Cycladic Museum is forced to look elsewhere for support. This support often comes in the form of sponsorship from businesses, usually to pay for temporary exhibitions. Papadimitriou explains that without corporate support and “temporary exhibitions our museum would be dead” (2001). Temporary exhibitions attract new patrons and allow museums to expand, not only the scope of the material they display, but also the museum organization and sometimes the infrastructure too. However, as mentioned above, it can be difficult to accommodate the sponsor’s demands. The Cycladic Museum makes it a point to avoid sponsor interference when it comes to organizing exhibitions.

**Summary and Recommendations**

This study has looked at the cooperation of art and business. Cultural organizations are not just about preservation and education, but are also businesses that aim to persist and develop. From the case study presented above, it is clear that fundraising is a vital part of any cultural organization’s mandate and daily operation. In Greece, where state support for independent cultural organizations like the Cycladic Museum is miniscule, fundraising is of primary concern. Moreover, of all the fundraising initiatives cultural organizations are engaged in, sponsorship is the most important source of income – and potentially, the most problematic.

As explained above, complications with sponsors emanate from the fact that they expect to benefit from their investment. The concept of a partnership, ideally, would have sponsors only interested in the preservation and display of antiquities and other such materials. Unfortunately, however, corporations are often uninterested in such things as culture and history; instead, cultural organizations have to be weary of the fact that, just like them, corporations need and are always trying to make money. This is the dark side of fundraising. Sometimes sponsors push cultural organizations in directions that are unethical and/or contrary to their purpose. When I asked Papadimitriou whether the Museum of Cycladic Art had ever made any compromises while coming to an agreement with a sponsor, she replied, “the museum had to make some changes in some exhibitions in order to satisfy the sponsor but I am not allowed to speak about that in any detail.”

While states are still uninterested or unable to regulate the sponsorship of cultural organizations, the danger of manipulation exists. In some cases the past is being represented responsibly; still in others fragments of the past are being silenced. It is up to both partners in the sponsorship relationship to strike a clear and equitable agreement (Tulli 2001:2). The marriage between business and art is complex, and potentially dangerous. Museums and other cultural institutions are not simply storage facilities for dusty antiques, but are vital components of a society’s collective memory – as relevant to its past as they are to its future. Those charged with the care of these institutions must struggle to mediate two very pressing

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\(^3\) The financial data presented here is based on the book by Maragou, L. written in 1999; however Papadimitriou stated that there have been almost no changes since then.

\(^4\) During the 1999 season (Papadimitriou 2001).

\(^5\) One of the most valuable contributors to the museum are the volunteers that work at the gift shop, secretariat, and generally as support staff for the educational programs. Volunteers are instrumental in keeping expenses to a minimum.
responsibilities, first to ensure the persistence of their organization and second to the greater humanist project of which they are a part. This is sometimes a challenging task, yet critically important.

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