

EMA 370 - Practical Arts Entrepreneurship

Crisis Management Plan

1 - What is the Crisis Strategy? (copy the strategy from Box 10 in the *Arts Crisis Strategy Canvas* here).

“Painting the Apocalypse”

With the spread of COVID-19, it's now an undeniable fact that the developed world has entered an entirely new global paradigm, and human civilization will be forever changed after this pandemic. Not surprisingly, artists and creators have translated this new zeitgeist into their art to reflect the dark reality we're all living in. That being said, there's enough doom and gloom out there to make one feel overwhelmingly depressed.

So. Rather than portraying this new era in a negative light, our strategy will be to focus on the positive effects of the pandemic, and see it from an entirely different artistic perspective. Focus on the lack of people, the flourishing of nature, and the revival of the environment. For example, a piece may be titled: *Pandemic, Day 26, Raleigh, NC* and it portrays an empty Fayetteville Street with a deer in the middle of the road.

This theme, combined with the inherent temporality present in the art, will (hopefully) make consumers more inclined to purchase a piece. The thinking is that people are naturally drawn to things they can relate to, and that give them hope.

We will focus entirely on online revenue streams, with the main focus being integrating an ecommerce platform into the existing

6 - Local Support Efforts

Identify local artist or arts business support efforts available to the venture during the crisis. (this assumes the venture will qualify)

Moving under the assumption that the artist is still close with her friends who are “plugged into” the 2D art community and are local, they would be the first artists available. In terms of arts businesses and organizations for support (assuming she lives in an area similar to Raleigh), tapping into the resources and supports of entities like local art agencies, online websites for venues that are closed due to the crisis but are still attempting to provide support for artists, and any other online funding resources for artists (even if they aren't “local” by definition) is very valuable.

Will the venture take advantage of these efforts? Why or why not.

It would be worth reaching out to local arts agencies like the [United Arts Council](#) for issues of funding, especially with relief programs and grants set into motion like the [NC Artist Relief Fund](#) and other freelance/contract aids. Organizations that are more nationally recognized but still have local chapters and impacts like [Americans for the Arts](#), [Arts Ready](#) (working especially in crisis management for the arts and offering [free webinars](#) and other), and even specially made [websites](#) for COVID-19 and freelance artists with a blog of [extraneous resources](#). In regards to her 2D art friends, she could make it a point to collaborate with them on, if not actual pieces, certain community efforts.

personal website. Additionally, it will be necessary to develop supplementary digital income sources, such as live streams, online lessons, etc...

2 - Identify and Prioritize the Strategic Activities critical to the Crisis Strategy (copy the activities from Box 11 in the *Arts Crisis Strategy Canvas* here).

1 - Crisis Response Goal: Setup an ecommerce platform using Shopify, and integrate it into the existing personal website.

Actions:

- This is a relatively straightforward step. It will cost approximately \$300/year to maintain the service, but is necessary to move forward with creating a bonafide arts business.

2 - Crisis Response Goal: Drive people to the new website.

Actions:

- This goal essentially means developing an entirely new marketing strategy, and will include items such as:

- Making every image of art on the website a separate link/URL—that way they're more searchable on search engines.

- Main avenue will be social media platforms: Instagram, Facebook, Twitter, and yes, TikTok...

- Instagram: Primarily used to post finished pieces. Actions and language on Instagram should be tailored towards a more youthful audience.

- Facebook: Utilize as a community building and interactive platform. Don't worry as much about speaking to the younger generation, use a wider age range.

- Twitter: Arguably the least important of the social platforms, and can mainly be used

7 - Monitor & Apply Innovations for a new 'short-term' normal

How will the venture monitor innovations from competitors? Be specific: "social media" is not an answer.

The venture is incorporating "coronavirus art" to innovate its selection and aid it in standing out amongst other landscape artists. The social media strategy is also not your typical landscape artist marketing strategy. The artist is encouraged to record every new painting she does and with that she is free to use the content in whatever way she feels comfortable. Whether it be a narrated Bob Ross-like demonstration live-stream, or if she doesn't want to worry about talking she can turn the video into a time lapse. Using video content is innovative in that most landscape artists just post basic pictures of the art itself. When monitoring other innovations other competitors, local arts news websites are a perfect way to get an idea of the broader circumstances of the local arts geography: <https://indyweek.com/>, <https://www.ncarts.org/arts-news>

What will the criteria be when the venture identifies an innovation from a competitor it would like to implement?

If there is something the venture identifies as potentially innovative, the first thing is that the venture must determine that costs of incorporating this innovation will not hurt the venture's well-being in the long run. The second criteria is that the venture must determine if this new innovation is something that could be added on top of all other revenue streams and innovation, or if something must be replaced/deleted in order for

to share personal arts experiences.

- Tik Tok: Content should be exclusively for young people. While Tik Tok is mostly people just trying to get famous by doing dumb stuff, the Tik Tok algorithms are too good not to utilize. Content would most likely consist of painting timelapses and visually scintillating, art based images.

- Facebook and Instagram will be the two most important platforms, and you'll have to dedicate a lot of time to successfully using them.

- Additionally, don't be afraid to spend a bit of money on social media ads. The ads should almost definitely be Facebook videos, and should come in waves of three. Don't just make an ad you're happy with and send it out there, design three you're happy with and plan their distribution times. Advertising budget can be dependent on existing inventory sold.

- Blogging is also incredibly important in driving website activity. More content means better SEO, and can get people to your website.

3 - Crisis Response Goal: Develop and implement supplementary revenue streams.

Actions:

- Setup a sort of livestream where viewers can donate money as they watch you paint. Basically like Twitch, but for painting. Should probably happen on Facebook.

- Don't rule out the wedding idea either - very innovative.

4 - Crisis Response Goal: Utilize/expand artist network.

Actions:

the new innovative idea to fit in. It should also be assessed how much of the competition is also using this kind of innovation, depending on what the data says, decisions are at the discretion of the venture.

- Reach out to people from craft shows/friends already immersed in the art scene, and straight up ask them how they're managing the crisis.
- As painful as it may be, you're gonna have to spend an unsettling amount of time on social media to expand your network and get your name out there.

5 - Crisis Response Goal: Deal with existing inventory.

Actions:

- Sell on personal website as well. Don't worry about discounting original works, those prices should stay the same. However, consider a 20%-25% discount on old prints.
- Have a "mystery painting offer" for prints only: Buyers donate some amount of money, and you send them a painting based on the amount donated. There's a \$25 minimum requirement.
- Buy one, give one: Buy a print at full price and have the option to send another work of equal or lesser value to a friend. Yes, this is essentially a 50% discount, but it's effectively double the exposure.

3 - Venture Continuity

Identify the venture's immediate operational / financial risks and how they will be addressed during this period.

There are four key approaches in the risk reduction world:

1. **Avoid it**
2. **Reduce it**
3. **Change it/ Postpone**
4. **Accept it (accept risk to a certain extent)**

8 - Recovery Planning

Resumption Phase - Identify the first critical product(s) / service(s) introduced during this Phase.

The primary objective should be to (re)apply for new craft shows that have been resumed/postponed. Those are obviously not just a huge revenue stream, but also great networking and exposure opportunities.

Recovery Phase - Identify the less critical product(s) / service(s) introduced during this Phase.

In such a time (COVID crisis), some of the sources of revenue for the venture are disrupted: **[Craft fairs, private sales, Etsy shop]**

Craft Fairs - All craft fairs in the midst of COVID-19 are canceled, to reduce social interactions, with the aim of reducing the spread of the virus. And because of this, the venture loses craft fairs as one of its revenue sources. **[Change it]**

- **Solution:** Seeking another means of revenue to substitute for Craft fairs by going digital. Hosting "online craft shows" by displaying artwork on social media platforms and marketing to potential buyers.

Private Sales (If face to face) - Private sales are another source of revenue for this venture, and since private sales are mostly done face to face, this revenue source must be revised. **[Change it]**

- **Solution:** Once again, by going digital, and marketing to private buyers/art collectors via online channels. Another alternative is to collaborate with well established art dealers such as "Emillions Art" or local art such as "311 Galleries" (if in Raleigh). Art dealers advertise and sell your artwork to their vast network.

Another danger is the lack of consumers over this time due to a spike in unemployment and a reduction in disposable income. Which is a strong bait to reduce the price of art work/service. The venture will not reduce cost of artwork/service, but instead offer special offers to capture consumer surplus. Reducing the price of artwork or service may have detrimental long-term consequences. When you devalue your art, you not only devalue your artwork, but also devalue the art of every other artist who is trying to make a living—many of whom desperately require the money to live, which then devalues the art market. And when you learn that you are losing revenue, you find it hard to increase prices significantly, since the audience you

The secondary objective should be to return to, or move to a new artistic focal point. Now that the "apocalypse" is over, you can return to painting whatever your heart desires, on whatever medium you choose. You could even stick with the same theme.

Additionally, it will be necessary to reassess the status of the secondary revenue streams implemented during the crisis, i.e, live streaming, lessons, etc... Don't totally and immediately ignore them now that the crisis has ended. Consider whether or not they can be adapted to new and relevant income sources.

Restoration Phase - Should the venture expect "business-as-usual" one the crisis is 100% extinguished? Explain your answer.

Business should hopefully be better than usual because of the new and improved digital infrastructure. The crisis, arguably, could be a much needed pause from normality to invest a good deal of time and energy into building a bonafide arts business (assuming things go more or less according to plan.)

Should the crisis go on for longer than 18-24 months, it will likely be necessary to revise the plan, and potentially come up with new revenue sources. Innovation should always be something on the docket, but it will be especially crucial if this pandemic doesn't subside for a good while.

produced would no longer be able to afford your work (high elasticity of demand).

[Venture must avoid customers with a high elasticity of demand and increase customers with an inelastic demand]

[Accept it]

Address the crisis' impact on budgeting, new product introduction, research, business planning, etc. and how this will be addressed in the near term.

In a pandemic, the venture must avoid developing new products which involve physical contact. Because states have imposed a stay at home order to increase social distancing. Therefore, limiting new product innovation and making the venture change its short term business plan to address pandemic.

Budgeting is so easy to do when you have plenty of income to meet any of your expenditures. Re-evaluate budget, and reduce any unnecessary expenses.

- Use 5k savings only when you aren't able to generate enough revenue to cover expenses.

Although the business is being impacted negatively, it's also offering the venture an opportunity to leverage social media usage to expand the market, by reaching a broader market (increase customer retention).

Identify the arts products / services offered during the Response period and if there will be a change in delivery, value or communication for each.

During the response period the venture will focus on selling its art product/service online,

because of the increased traffic in social media usage. For example IZEA, a consumer research firm, found that “99% of social media users believe there is a chance they will purchase something online if they are confined to their home during a Coronavirus outbreak” (GlobeNewswire). Giving the venture a chance to take advantage of this opportunity.

(<https://finance.yahoo.com/news/66-social-media-consumers-expect-183010569.html>)

The value of the art will most certainly have to be adapted, because of the new theme of focusing on the positive side of the pandemic.

4 - Market / Audience Engagement

How will the venture continuously engage their market w/o over-engaging?

The venture will engage their market through various outlets of social media as well as virtual “face to face” tactics. I think she should be able to sell art without being overbearing during this time by posting samples of her work on social media. Through zoom classes she can show examples of the process of her paintings as well as the end result which everyone wants to see. I also think another strategy to engage a market is by emailing opportunities to customers as well as keeping them updated over social media. During this time of Covid19 people are looking for ways to outlet their creativity and innovation. Painting is a good way to do this and providing classes as well will keep people up to date.

What innovations will the venture employ to engage their market more effectively during the Response period?

9 - Based on the questions above, is it necessary to revise the venture’s Crisis Strategy? (if yes, revise the Strategy below).

Because this is a relatively small and straightforward venture, we believe the crisis strategy we’ve provided doesn’t require a great deal of change to be successful.

It’s a fairly broad plan, and the main goals seem intrinsically necessary to making this business work, and thus, we don’t think they should be adapted at this point.

The innovations that this venture can employ to engage with their market during the response period are the painting classes that I stated above. Also setting up a user interface where customers can choose and customize paintings that they desire could provide opportunity for new business and creativity.

Additionally, filming timelapses of the painting process is a great way to push out dynamic and unique content for followers.

5 - Market / Audience Communication

How will the venture communicate to the market during the Response period, what should they say and how often?

The venture will communicate to the market by using different social media platforms. For instance, they can use Tik Tok to create short timelapse videos. On Twitter, Instagram and Facebook the venture can use art to boost morale and put a positive connotation on the crisis at hand. The posts on T, I and F should happen in the morning around 11 am, 5 pm and between 11 pm and midnight which is usually the height of social media traffic. They can use these posts to create buzz, give updates on the artwork itself, converseate personally with the audience. Another idea on what to say is to provide a self care series, Many healthcare professionals believe that expressing yourself can help ease mental tensions and help with problems with depression which a lot of people are going through while being stuck within this specific crisis. This person can incorporate their art along with a few other tips that could help broaden her network and inspire others.

How will the venture communicate business continuity to the market?

10 - Revise and Prioritize the Strategic Activities critical to the revised Crisis Strategy in Box 9. This is the Crisis Management Plan. (If the answer is no, then Box 2 of this document is the Crisis Management Plan).

*1 - Crisis Response Goal:
Actions:*

*2 - Crisis Response Goal:
Actions:*

*3 - Crisis Response Goal:
Actions:*

*4 - Crisis Response Goal:
Actions:*

*5 - Crisis Response Goal:
Actions:*

With this venture just now becoming full time, the person would have to continually post and market so they can build a following. However, it is very important not to rush that process, you can lose credibility by not being prepared when you hit the market.

How will the venture acknowledge the emotional & human pressures on the market?

The venture will look to acknowledge the dreariness of the crisis and the environment surrounding it. By acknowledging the problem, the venture will be able to open an avenue of prosperity and hope while possibly creating a distraction to what's going on around the market. Along with that the venture will acknowledge the economy and manipulate prices and marketing to sustain a profit.