



Economics of Touring Exhibitions

# RECOMMENDATIONS FOR PRACTICE

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## Recommendations for practice

A key barrier to touring exhibitions between UK venues is a lack of information about the economic models that organisations can employ to tour. This document presents the Touring Exhibitions Group's<sup>1</sup> (TEG) recommendations for effective practice when adopting an economic model for touring exhibitions in the UK. These recommendations draw on the research findings<sup>2</sup> of TEG's Arts Council England (ACE) Resilience Fund programme *Economics of Touring Exhibitions: Models for Practice*.

## TEG defines an economic model for touring as:

*'The way an organisation or consortia manages all costs and income connected to a touring project'*

### Touring exhibitions employ one of three economic models:

- **Partial cost recovery;** income against the project covers a percentage of the total exhibition and tour costs.
- **Full cost recovery;** income against the project covers all of the exhibition and tour costs.
- **For profit;** income against the project exceeds the cost of producing and touring the exhibition.

The partial cost recovery model is most commonly employed by UK organisations. This model requires the venue to partially subsidise the project. Currently, exhibitions touring between UK public venues rarely make a profit.

Monies to enable an organisation to tour will come from one or a combination of sources, including grants and sponsorship, hire fee income and core funds.

For example an exhibition might achieve full cost recovery if it is fully subsidised by an external funder. Or full cost recovery might be realised through a combination of fundraising and hire fee income.

Budgetary practice varies significantly between individual museums and galleries; for example some organisations acknowledge all costs in their touring project budget, others only acknowledge costs specific to touring e.g. packing and transport. How an organisation budgets, and allocates costs, can affect the model they are defined to be using i.e. the inclusion of fewer costs may appear to balance the budget. Organisations are encouraged to be aware of their budgetary practices and the real costs of touring.

The acceptability of an economic model to an organisation will depend on their aims and objectives. For example the partial cost recovery model might be acceptable if touring achieves other objectives, such as audience development, increased brand awareness or collections access.

<sup>1</sup> TEG is the national network for touring exhibitions. It is an independent membership organisation concerned with promoting and supporting touring exhibitions, on behalf of exhibition hirers and originators, as well as delivering research and training. TEG is committed to supporting the exchange of exhibitions as a means of sharing ideas, materials and resources, in the belief that touring extends public awareness, knowledge and enjoyment of historical and contemporary culture.

<sup>2</sup> For a full outline and analysis see TEG's *Economics of Touring Exhibitions Survey Report: An Analysis of Touring Exhibitions Practice in the UK*, Charlotte Dew, TEG Researcher, April 2016, available to download from [www.teg.org.uk](http://www.teg.org.uk).

## TEG recommendations

**It is recommended that touring is most economically viable, and able to operate on a full cost recovery or for profit basis if originating venue(s):**

- Understand the full costs of originating and touring the exhibition, to effectively assess its viability, fundraise, identify savings, set a partnership agreement/hire fee and determine levels of cost recovery or profit.
  - Work in partnership with one or more venues to develop and tour the exhibition. This enables:
    - costs to be shared equally or by appropriate proportion
    - additional match-funding for fundraising
    - greater eligibility and access to funding from external sources, which can be contingent on partnership working
    - guaranteed exhibition venues
    - exhibitions that better meet audience needs.
  - Show the exhibition before it tours, maximising its financial effectiveness and use within the organisation and enabling potential hirers to view the finished product.
- Approach fundraising creatively; identifying a single funder will require fewer applications, but where this is not possible monies can be accessed to support different components of the exhibition, from different funders e.g. conservation, research, educational resources, equipment.
  - Are aware of sector trends and good practice, to access funding and meet the needs of potential partners or hirers.
  - Understand the touring marketplace; who their potential partners/hiring venues are, who is producing exhibitions of a similar type, what sort of exhibition is in demand. Awareness is achieved through observation, networking, contact building and partnership.
  - Clearly identify the target audience for whom their exhibition is developed.
  - Operate sustainably to reduce waste, unnecessary transportation and expenditure.
  - Evaluate and review their touring strategy.

## TEG defines an exhibition production model as:

***'The way organisations manage and attribute responsibility for the production of an exhibition'***

The economic model employed by an organisation to tour, will influence the production model used to realise the exhibition.

### **Touring exhibitions employ one of six production models:**

**Single venue production;** an organisation produces a touring exhibition, and manages a tour to other venues. The selection of an economic model and exhibition production model will inform and underpin an organisation's touring strategy.

**Lead venue partnership;** a lead venue manages a partnership between a number of organisations, sharing workload and costs in agreement, to develop an exhibition.

**Equal partnership;** a group of venues form a partnership and share costs and workload equally, to develop an exhibition.

**Strategic partnership;** a national or regional organisation works with a venue, or brings together a group of venues - through invitation, application or competition - to develop an exhibition, providing funding or/and project management, that realises their strategic objective e.g. access or audience development.

**Reactive partnership;** an organisation develops an exhibition on their own, another venue expresses an interest in hiring it and the exhibition is adapted to be shown at the other venue.

**Commercial partnership;** a venue or group of venues works with a commercial exhibition touring company to develop and/or promote and manage an exhibition to tour.

Readers are referred to the *Economics of Touring Exhibitions Survey Report: An Analysis of Touring Exhibitions Practice in the UK* for in-depth examination of TEG's 2015 *Economics of Touring Exhibitions* survey results, which map current touring practice in the UK, and the *Developing an Economic and Production Strategy for Touring Exhibitions Toolkit* for a hands-on guide to selecting an economic model for touring and further resources. For details of the *Economics of Touring Exhibitions* seminar programme, visit [www.teg.org.uk](http://www.teg.org.uk).

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