

# Building Public Relations through an Art Place

—A Case Study of Benesse Art Site Naoshima

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## **[Abstract]**

This study examines why companies become involved with art as a media, using the case of Benesse Art Site Naoshima (BASN). BASN is an art place that is visited by many art fans worldwide and was started by a single company. Previous studies have shown that the focus of stakeholder theory has shifted from managing to building relationships. Arts management research has indicated that corporate involvement with the arts has a positive impact on internal assets as well as external stakeholders; however, the details remain unclear. Thus, this study aims to reveal the function that an art place—a place that internalises art—plays as media to build relationships between a company and its stakeholders through a case study of BASN.

In-depth interviews were conducted with people associated with BASN; the data was used to examine the impact that BASN had on its relationships with diverse stakeholders. The role of the art place as media was evaluated and three functions were identified: the function of expanding its reach to stakeholders whom it did not usually come into contact with; the function of facilitating deeper messages to each stakeholder, which enabled employees to have a perspective on the future; and of building network-based, rather than dyadic, relationships. A community was born from the long-term creation of a networked relationship with art as a hub. Although it required substantial time and effort, art succeeded as a powerful communication tool.

## 1. Introduction

For a company to be a going concern, it must build and maintain good relationships with its various stakeholders. Therefore, companies often use communication to build relationships with their stakeholders. In recent years, attention has focused on the benefits of art in business, and one of these benefits is building public relations through art places.

This study reveals the function of an art place, in other words a place that internalises art, as media to build relationships between a company and its stakeholders through the case of Benesse Art Site Naoshima (BASN).

BASN is an art project funded mainly by Benesse Holdings, which has attracted worldwide media attention and brought tourists from all over the world to Naoshima.

## 2. BASN

BASN is the collective name for the art activities conducted on three remote islands in Japan, namely, Naoshima, Teshima and Inujima. The project aims to incorporate modern art into the unique landscape of these islands. The project is run by Benesse Holdings, Inc., and the Fukutake Foundation, which was established through donations by the family of the company's founder, Tetsuhiko Fukutake. Benesse Group is a Japanese company with annual sales of 448.6 billion yen (March 2020), which focuses on correspondence education for children.

In 1986, Soichiro Fukutake took over the

company, and since 1992, he has been spearheading this project. Thirty years have been spent carefully constructing the art facility on Naoshima to create site-specific modern art museums and groups of works. 'Site-specific' refers to the artwork that expresses the characteristics of a specific location (Oki, n.d.). Presently, there are 22 facilities spanning five islands, along with many outdoor displays (BASN, n.d.).

The basic policy is 'to create one art space in the middle of the landscape of the Seto Inland Sea Region over time, and thus, by combining modern art and architecture in the nature and unique culture of each island, to create novel spaces'. Such places provoke visitors to think about the corporate philosophy of the Benesse Group, 'Benesse—Well-Being'. BASN affirms the building and maintenance of long-lasting relationships as follows: 'In all our on-going activities, we are committed to fostering a relationship of mutual growth between art and the region, aiming to make a positive contribution to the local communities' (BASN, n.d.).

In 2000, Naoshima was selected as one of Conde Nast Traveller's Seven Wonders, and in 2010, the Setouchi Triennale, or Art Setouchi (collectively referred to below as 'Art Setouchi'), began in the area centred around Naoshima. In 2019, Art Setouchi became the prime destination for National Geographic Traveller (U.K.). Today, art lovers from around the world visit Naoshima to appreciate the modern art.

### 3. Literature review and research question

Several fields have studied the involvement of the business sector with art. Advertising research has studied sponsorship as a type of advertising activity. Sponsorship refers to investments into causes or events that are carried out to support the goals of any firm or marketing agency (Gardner & Shuman, 1988). However, sponsorship research is far less prevalent in art than in sports (Sonobe & Kawakita, 2020), and the effects of art-specific sponsorship remain unclear.

Few studies have examined art in the field of public relations; however, in the case of BASN, because Benesse has built long-term relationships with its stakeholders—such as local residents, artists and employees—through the art places, it can be studied within the context of stakeholder theory in public relations and informed by art management research as well as art and media studies.

#### 3-1. Stakeholder theory

Stakeholder research began when Freeman and Reed (1983) argued for a paradigm shift where, instead of companies focusing on stockholders only, attention should be paid to all the stakeholders. Subsequently, studies classifying and identifying stakeholders (e.g. Frederick, Davis, & Post, 1988) and studies on the different qualities of their relationships (e.g. Payne, Ballantyne, & Christopher, 2005) began to develop. Further, discussions emerged for the shift from managing to building relationships (Halal, 2001).

Relatedly, Lozano (2005) proposed the term ‘relational corporation’. This term refers to companies that do not manage their relationship with stakeholders but instead change their approach towards building a relationship together. This approach includes network-based and process-oriented methods. Network-based methods suggest that instead of the past firm-centred dyadic relationship of ‘influence—be influenced’, complex modern society is perceived as a structure of networks, and companies take on the perspective of co-responsibility, for society with the stakeholders.

Process-oriented methods refer to building trust and commitment through exchange and conversation with partners. ‘It is within this process that we confront the inevitable differences and conflicts that in practice always affect stakeholder relationships. Building such complex relationships means narrating, explaining, drafting, understanding and giving them meaning, considering the interests, values and principles that are at stake’ (Lozano, 2005, p.70).

Conventionally, the values that stakeholders pursue are not the same as those of companies; thus, a conflict is assumed. Here, Schormair and Gilbert (2021) summarised how value conflicts with stakeholders are perceived. They classified values based on whether value is perceived as monism or pluralism. The former case includes the following three stances: financial value, shared value (Porter & Kramer, 2006; 2011) and aggregate happiness (Jones and Felps, 2013a; 2013b). The latter case assumes that each stakeholder is oriented to-

wards different values. From this perspective, the challenge is that a concrete path towards relationship building is not clearly presented.

Presently, research on consensus-building process in political science and stakeholder theory in business administration are merging. Schormair and Gilbert (2021) saw the consensus-building processes as agonistic and deliberative approaches and presented a five-step framework for a comprehensive approach that is neither of these. They also indicated that in the field of stakeholder management, few studies deal with the aspects of shared communication.

Cutlip, Center and Broom (2006: 5) stated that '[p]ublic relations is the management function that establishes and maintains mutually beneficial relationships between an organisation and the public on whom its success or failure depends'. BASN is a place where diverse stakeholders hold long-lasting dialogues about the complex problems of modern society through art. In other words, it is a place to practice building public relations; Benesse thus embodies Lozano's (2005) 'relational corporation' through an art place.

To practice building public relations, relationships with each stakeholder must be built through direct communication, and indirect communication with each stakeholder must be actualised with mass media as the mode. For the latter, mass media such as newspapers and magazines are also important stakeholders.

### 3-2. Art management research

Compared to other countries, Japan's national

budget for culture is as low as 104 billion yen, which is approximately a fifth of the budget of France, the country with the highest budget for culture in the world. Moreover, private donations from the private sector are minimal owing to the lack of tax benefits (CDI, 2018). Kawashima (2012) observed that problems in Japanese cultural administration include a lack of policy and management professionals. In such a situation, companies have been supporting the arts as a form of philanthropy and have played a role in cultural promotion in Japan. To explain the reasons for this investment in arts support by companies, we should consider the benefits to the company as well as the cause of social contribution.

In the field of art management, sponsorship and partnership have been studied in the context of acquiring support for art organisations. Event partnerships between companies and art organisations not only improve external brand recognition but also have an impact on the internal corporate assets.

Comunian (2009) attempted to explain the implications of business investment trends in art from a business perspective and presented a new conceptual framework for why corporations are becoming more involved in art and culture. There is a competitive advantage at three levels. The first is the competitive advantage that is brought about by the effects of sponsorship on customers and other external stakeholders, such as image transfer and improvement. Furthermore, arts sponsorship is the best method to attract influential people that other sponsorships cannot. The second level is defined by the possibility for

the company to generate competitive advantage in its product market. The third level is the effect on the internal assets of the company. It has a positive impact on human resources, not only on visible assets such as artworks but also on the interaction with artists. This effect on assets provides a future competitive advantage.

Lewandowska (2015) demonstrated that partnership collaboration with the arts, rather than mere sponsorship by companies, increases creativity and learning and enhances positive relationships with communities and stakeholders.

These studies reveal that internal corporate assets are positively affected when companies not only provide financial support alone but also build interactive relationships with art events and organisations. However, there has been a lack of clarity regarding the exact nature of this positive impact.

### 3-3. Art and media

Generally, we perceive the term 'media' as a means to mediate communication between entities. The broad definition of (information) media refers to all tools and devices that not only transmit but also accumulate and process information (Mikami, 2004). A more detailed definition includes being a carrier that transmits information and a function that represents it.

Depending on the type of carrier, media can be divided into four types: spatial media (plazas, theatres, stadiums, indoor/outdoor event spaces, etc.), portable media (newspapers, magazines, CDs, etc.), wired media (landline tele-

phones, optical fibre networks, etc.) and wireless (radio wave) media (television broadcasts, wireless LAN, etc.) (Mikami, 2004). Based on this classification, an art place is categorised as spatial media internalising information content constituted by modern art. An artwork alone would be insufficient, but its incorporation into a site enables it to function as media.

Fukutake (2016) discussed the function of art as media and noted that in the process of community revitalisation through art practiced at BASN, art and architecture function as 'media' that build a relationship between urban youths and rural elders. He also argued that 'in literature, music and film, the creator is the subject, enforcing their opinions on the recipient; however, modern art may be the only media that lets the recipient be the subject' (36). According to Fukutake, this island with its scattering of modern art is a medium that allows recipients to be the active subject. The aspect that differentiates BASN from a typical art museum is how the whole island acts as a spatial medium through the scattering of artwork.

### 3-4. Research question

In public relations, the goal is to maintain a healthy relationship with stakeholders. Additionally, although arts management research identifies the positive impact of collaboration with the arts on the external and internal stakeholders of a company, the specific effects thereof are unclear. BASN's role as media is to build relationships with diverse stakeholders. Thus, the following research question arises: What impact has the art place, with its

corporate support, had on each stakeholder?

#### 4. Methodology

We conducted in-depth interviews with those in positions deeply involved with BASN at that time to examine what impact BASN had on the relationships with diverse stakeholders.

The interviewees were Soichiro Fukutake (Honorary Adviser of Benesse Holdings Inc., BASN Founder and Chairman of Fukutake Foundation), Kenjiro Kaneshiro (Director of Fukutake Foundation), Ryoji Kasahara (President and CEO of Naoshima Cultural Village Co., Ltd.), Shigenori Fujii (Secretary of Town-Naoshima Tourism Association) and Kaori Sakamoto (then Manager of Benesse Holdings, Public Relations/Investor Relations Department). The interviews were held over three days between 31 January and 13 April 2019. The main questions were ‘How have you been involved with various stakeholders through BASN?’ and ‘What effects has BASN had?’.

#### 5. Findings from the interviews

This art place was created through the passion of Soichiro Fukutake, the Honorary Adviser of Benesse. His drive was the resistance to negative aspects of excessive modernisation and urbanisation. Modern society has sacrificed rural areas and nature for urban lifestyles. Although Naoshima permitted a copper smelter to be built 100 years ago, pollution from the sulphurous acid gas released from the smelter had stripped the mountains of

their vegetation. In Teshima, located next to Naoshima, a large amount of illegally discarded toxic materials were discovered. Inujima has also been polluted with soot released from the copper smelter. To raise the question of ‘Is this society acceptable?’ with respect to this negative history, Fukutake borrowed the power of art. According to Fukutake, artistic activities lead to ‘good community-building’.

The company’s name Benesse means ‘well-being’. Naoshima is a place where their corporate philosophy, ‘What does it mean to live well?’, can be contemplated. As Picasso painted Guernica, Fukutake is questioning the social issues by considering ‘well-being’ as part of an art project.

#### 6. Effects on various stakeholders

Based on the interviews, we examined the impact BASN had on the relationships with various stakeholders.

The project nurtured and sustained positive opinions about the company in employees, thus leading them to stay with the job longer. Additionally, employees’ perspectives were widened and the organisational culture of the company became more creative. As per the interviews, employees knew that Benesse is a company driven by its corporate philosophy of ‘well-being’ (Kaneshiro and Sakamoto). New employees and managers experienced the culture at BASN during their training, and this instilled in them the idea that BASN is a place to think about ‘well-being’. Employees also appreciated the company more when they heard about Naoshima from others out-

side the company (Kasahara). Naoshima exists as emotional support, which has kept some employees from leaving the company (Sakamoto). 'Each business is a part of many social activities, right? ... So, a company can't last unless it has the ability to see society from the business perspective and business from the social perspective' (Kaneshiro). In its relationship with society, a company develops an eye for its own business. Further, Fukutake believes that cultural activity is one way for companies to improve their creativity. However, the present day-to-day contact with art is very infrequent.

With respect to the job market, clients and business partners, the effects included not only gaining recognition but also understanding the corporate philosophy, screening for shared values and acquiring trust as a company with social responsibility. It was argued that by letting aspiring employees experience Art Site Naoshima, the company could observe if they could understand the corporate philosophy and be a good fit within the company (Sakamoto and Kasahara). As for clients, 'Chinese managers often hear about Naoshima and wish to collaborate' (Fukutake). With important clients and business partners, having them see BASN enables them to understand Benesse's corporate philosophy and gain trust (Sakamoto and Kasahara).

With respect to investors, particularly those from overseas, it improved recognition and corporate image. At domestic ordinary general shareholders' meetings, it leads to favourable support (Fukutake). Even foreign investors who do not know about the company's

educational products, such as Shinken Zemi correspondence education program, are familiar with Benesse as the owner of BASN. Additionally, the existence of Naoshima may 'improve the image' of the company (Sakamoto).

There are 700-800 media interviews yearly (Kaneshiro). As mentioned earlier, world-renowned newspapers and magazines visit the island for interviews. This aspect improves the trust of business partners and investors. However, for customers, products and BASN are not well-connected. Not many customers seem to know that Shinken Zemi and BASN are both run by Benesse. In that sense, BASN is not familiar to customers (Kasahara and Sakamoto).

For the community, the use of the whole island rather than simply a museum as an art place increases the number of people who are involved with artists, people on the island and tourists. Local elderly people are being revitalised and regaining the energy and pride that they once lost due to population decline, pollution and industrial wastes. 'More than any other media, modern art awakens people and changes the community. No one else in the world has noticed this. I mean, it brought life to old people in this remote little village' (Fukutake).

'When artists decide to create something that only exists here, they dig up the long history and livelihood of the island and people. When artists research this history, it reminds the people of the island of their own history' (Kasahara). 'The biggest damage from the industrial problems that have been going on for half a century on Teshima Island is that resi-

dents have lost their pride. This is the reason why Fukutake decided to build an art museum over there (Teshima Art Museum). We aimed to change the community with culture and art. With Teshima Art Museum being built and becoming the main venue for Art Setouchi, people remember the beauty of their own island and regain their pride' (Kaneshiro).

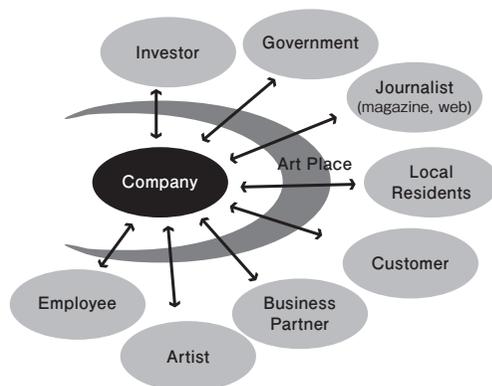
'Without being asked, many island residents go out of their way to talk to tourists, share their knowledge of the artworks and experience interacting with artists and tell stories about how art has changed the community. Some may provide tips on how to take photos of the artwork (those for which photography is permitted). People of the island will drive lost tourists to the destinations by car instead of just giving them the map directions' (Fujii).

## 7. Results and conclusions

Based on the data gained from this study, we determined the functions of company-supported art places as media (see Figure 1). Benesse has succeeded in community-building—thinking about society together through BASN—and in building relationships with stakeholders. Hence, the following three functions are evident.

The first is the function of expanding its reach to stakeholders whom they usually do not come in contact with. If BASN had created a regular art museum instead of an art site, they would not have been able to make contact with the local people with whom they interacted to make artwork. As the appeal of BASN attracts foreign media companies, its

Figure 1 Art Place as Media



Source: Created by the authors based on Freeman (1984) and Sonobe (2014)

international recognition has notably increased. By incorporating the modern art preferred by those with high incomes who could become investors and the management class who could become business partners, important stakeholders can be approached.

The second function is facilitating deeper messages to each stakeholder. Simply trying to express the corporate philosophy of 'well-being', to others in words alone is nothing more than a one-sided message that is unlikely to arouse emotion. However, in a place that incorporates modern art allowing recipients to be the subject, people's ears and eyes can be opened, and they can develop feelings for various social issues. Instead of trying to tell, it waits for others' feelings to be evoked. This is a time-consuming process, but they continue with consistent patience. Even if this message includes a strong argument for resistance, it can provide room to think together through the unique refinement of art.

This function also allows employees to find meaning in their existence in society. They

are exposed to social issues through a place to think about 'well-being', thus allowing them to nurture perspectives for the future. This aspect also leads them to think about their own company. Why does art enable this? Art not only has the power to 'affect people emotionally' but also the property of 'critically analysing existing values and discovering new perspectives'.

The third function is to build relationships based on networks. In traditional public relations, activities are aimed towards specific stakeholders with, for example, the relationship of 'influencing-influenced' in the corporate-centred perspective. However, with BASN, the framework enables interaction throughout the whole island; thus, various stakeholders, such as artists, local people, young visitors and international fans of the artwork, become connected, thus formulating a communication channel. This aspect builds a network-based relationship where trust and commitment are born.

## 8. Practical and social implications

With respect to art support by a company, relationships leading to trust can be built with new stakeholders not only by providing funds but also by building an art place that values the communication process. In this study, the case of BASN shows that an art place can play a role as a medium. It takes immense commitment for a company to continue expressing a consistent message over a long period through their activities. Therefore, generalising this approach for other companies may be difficult.

Nonetheless, this community revitalisation model is called the 'Naoshima method', thereby referring to the process below and has garnered interest overseas in China and elsewhere.

Artists create work that can only exist on this land with a message critical of modernity. Island residents become involved. Artwork remains when artists leave, and young people visit the island to see the artwork. Seniors begin to tell their stories about the artists, surprising young people. This situation is very interesting. Soon seniors of the island will begin to talk about the history and culture of the island as well (Fukutake, 2016: 45).

If business owners can continue to invest their will and funds in this activity and hold dialogues with artists on an equal ground, this method may be implemented by other companies. However, one should be ready for such a long-term involvement. The social implication is that one company's work through art can change regional communities. To this end, it must be process-oriented, as in this case. This study focused on interviews with those at Benesse, but we hope to continue this work by interviewing external artists, municipalities and media companies.

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