

ECONOMIC IMPACT OF THE NONPROFIT ARTS & CULTURE INDUSTRY

# **IMPACT REVIEW PROJECT SUMMARY**

Arts & Economic Prosperity IV, released in 2012 by Americans for the Arts, was the fourth study of the nonprofit arts and culture industry's impact on the economy. It was the most comprehensive study of its kind ever conducted, covering 182 regions in all 50 states and the District of Columbia. It provided a quantifiable economic impact of nonprofit arts and culture organizations and their audiences.

In 2014, Americans for the Arts conducted research to determine how the Arts & Economic Prosperity study had been used by its study partners in impacting policy, engaging businesses, and improving the profile of the arts sector. This document provides a summary of the project, the results of our survey, and recommendations for the development of future studies.

# The Arts & Economic Prosperity Impact Review Project

The Arts & Economic Prosperity Impact Review Project is comprised of a comprehensive review of the fourth edition of the Arts & Economic Prosperity Study (AEP IV) undertaken by Americans for the Arts. The objectives of the project were threefold:

- 1. To measure the impact of AEP IV on both arts organizations and the communities they serve, and thereby act as a preparatory study for the next iteration of the AEP report.
- 2. To identify and develop new tools which can be used by study partners in advocacy initiatives relating to the Arts & Economic Prosperity Study.
- 3. To use feedback from study partners to develop strategic recommendations for the development of future economic impact studies of the arts sector.

# **Project Methodology**

To achieve these objectives, we consulted with internal and external stakeholders. These consultations sought to determine the needs of the stakeholders, and to understand how we could design the impact measurement process to best meet those needs. We also undertook research into prior studies of this type and best practices in the field.

Following these consultations, we created an impact assessment framework, which outlined areas of importance to stakeholder groups, and the types of information to be captured in the assessment process. The framework also included a methodology for the analysis of collected data.

This framework was then used as the basis for the creation of a survey instrument for collecting data from study partners. The instrument was designed to be administered as a phone interview, and comprised a combination of multiple-choice, numerical, and long-form comment questions.

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# ARTS & ECONOMIC PROSPERITY

# **Survey Results**

We surveyed 116 study partners over a three week period, gathering information on how the study was used, as well as obtaining feedback on how Americans for the Arts can build an even better study. Some of the key results are presented below:

#### Overall Impact of the AEP IV Study:

- 70% of study partners reported that AEP IV increased their profile in the community
- 73% of study partners reported that AEP IV increased the profile of the arts in the community

#### AEP IV in the Press:

- 59% of study partners saw positive coverage in the press.
- The most popular form of distribution of the study was simply sending the report to key stakeholders, followed by creating press releases using our templates as a guide.
- 62% of study partners reported that they were not inhibited from using the tools provided by Americans for the Arts to promote the study.

#### AEP IV and Government Advocacy:

- 96% of study partners used the study for advocacy with government at any level.
- 92% of study partners used the study for advocacy with local government.
- 63% of study partners undertook advocacy with more than one level of government.
- 70% of partners who undertook advocacy at more than one level of government felt that local governments were most responsive to the findings.
- 51% of study partners saw positive policy changes in their community.
- 72% of these partners stated that these policy changes were a direct result of the study.

# AEP IV and Business Engagement:

- 73% of study partners used the study in advocacy activities with businesses.
- 60% of these partners saw positive impacts to their relationship with business that they considered to be a direct result of the study.

#### AEP IV and Study Partners:

- 40% of study partners received contributed funds to participate in the study.
- 53% of study partners reported using the study in community cultural planning processes even more reported that they are planning to use it in future cultural planning.

## **Survey Recommendations**

The survey process also provided extensive feedback from study partners on how to enhance the study in future. We analyzed this feedback, and are now exploring ways to improve the next iteration of the study. In particular, we are recommending consideration of the following:

- Improving the participation rates of local arts organizations, volunteers and the public in the study. The higher the participation rates, the more robust the results.
- Reducing the amount of work for study partners and local arts organizations to provide financial and audience data for the study.
- Developing tools for study partners to quantify the impact of the AEP study within their community, so as to provide robust and accountable reporting to stakeholders, particularly funding providers.

#### **New Tools**

In general, we found that study partners were happy with the quality of existing tools and the support of Americans for the Arts. However, we think that we can do even better. We are in the process of developing newer tools for promoting the results in communities, particularly through social media and using infographics for the visual communication of data. We are also looking at ways to help study partners to monitor the impact of the study within communities so that they are equipped to provide evidence of a return on investment to foundations, government and the wider community that they serve.

### **Conclusions**

Our study showed that the Arts & Economic Prosperity Study has a tangible impact upon the communities of study partners. It improves the profile of the arts, builds connections with government and business, and gives arts organizations the tools to demonstrate the economic value of the non-profit arts sector to their community. With the next Arts & Economic Prosperity Study commencing in 2015, these results are timely evidence of why such studies are valuable.

#### **Further Details**

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