How Are the Performing Arts Performing?
Vision Statement
Building a national culture of data-driven decision making for those who want to see the arts and culture sector thrive.

Mission Statement
To empower arts and cultural leaders with high-quality data and evidence-based resources and insights that help them to overcome challenges and increase impact.
Joining forces to **strengthen the national arts and cultural community** through data, the knowledge that can be generated from it, and the resources to learn from and use it.
Our work today:
What is available to you now
Welcome to the Cultural Data Profile!

Arts and Cultural Organizations
Analyze performance and benchmark against peers

Grantmakers
Analyze applicant data

Researchers
Gain insights from a deep data set.

Advocates
Leverage data to impact funding and policy.

Leverage data to impact funding and policy.
The Data: Your Data + Your Community’s Data

Partners and Our Model of the Arts & Culture Ecosystem

Knowledge Partners: BCG, rta
Arts and Cultural Organizations and a Sense of Place
Example – Ecosystem of ABC Theatre in Chicago

0-1 km radius, weight=100%
1-2 km radius, weight=27%
2-3 km radius, weight=18%
What we do with the data: Research, Knowledge, and Tools
<table>
<thead>
<tr>
<th>City</th>
<th>Population</th>
<th># Organizations</th>
<th>Ave. Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>14.2 million</td>
<td>2,733</td>
<td>$1.9M</td>
</tr>
<tr>
<td>New York</td>
<td>7.3 million</td>
<td>2,733</td>
<td>$1.9M</td>
</tr>
<tr>
<td>L.A.</td>
<td>10 million</td>
<td>2,733</td>
<td>$1.9M</td>
</tr>
<tr>
<td>DC</td>
<td>6 million</td>
<td>973</td>
<td>$2.6M</td>
</tr>
<tr>
<td></td>
<td>7.3 million</td>
<td>1,025</td>
<td>$1.3M</td>
</tr>
<tr>
<td></td>
<td>1.6 million</td>
<td>550</td>
<td>$2.0M</td>
</tr>
<tr>
<td></td>
<td>1.6 million</td>
<td>550</td>
<td>$2.0M</td>
</tr>
</tbody>
</table>
Chicago and Four Major Markets

**Median Income**

<table>
<thead>
<tr>
<th></th>
<th>NYC</th>
<th>L.A.</th>
<th>CHICAGO</th>
<th>DC</th>
<th>S.F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>$39,873</td>
<td>$32,810</td>
<td>$36,885</td>
<td>$50,284</td>
<td>$50,359</td>
</tr>
</tbody>
</table>

**EDUCATION, INCOME DISTRIBUTION**

- **% of Population with a Bachelor's Degree or Higher**
  - NYC: 36%
  - L.A.: 36%
  - CHICAGO: 29%
  - DC: 48%
  - S.F.: 49%

- **% of Population with Household Income >$200k**
  - NYC: 11%
  - L.A.: 8%
  - CHICAGO: 9%
  - DC: 21%
  - S.F.: 17%

- **% of Population in Poverty**
  - NYC: 18%
  - L.A.: 14%
  - CHICAGO: 9%
  - DC: 11%
  - S.F.: 17%
Chicago and Four Major Markets

Size-wise, the ecology of Chicago’s organizations are most similar to L.A’s.
What is the contributed revenue story for Chicago organizations?

If you’re not supporting more than 2% of expenses with corporate funding, you’re normal.
What is the contributed revenue story for organizations of different size?
 Longer-range planning may be a key to growth

The larger the organization, the more diverse its contributed revenue sources, particularly with respect to resources for longer-term plans (high NARTR).
What’s Chicago’s Return on Fundraising story?

Chicago organizations tend to raise more money than those in LA or DC but they spend proportionally more in doing so.

Raising $1 is slightly harder in Chicago than in other markets...
Trends in Return on Fundraising, by Market

... and less money was spent to bring in even less money over time.
What’s the Return on Fundraising story, by Sector?

<table>
<thead>
<tr>
<th>Sector</th>
<th>Total Contributed Revenue/Fundraising Expenses (Incl. Personnel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performing Arts Centers</td>
<td>$9.90</td>
</tr>
<tr>
<td>Opera</td>
<td>$9.53</td>
</tr>
<tr>
<td>Dance</td>
<td>$8.81</td>
</tr>
<tr>
<td>Symphony Orchestras</td>
<td>$8.42</td>
</tr>
<tr>
<td>Music</td>
<td>$7.75</td>
</tr>
<tr>
<td>Theater</td>
<td>$7.28</td>
</tr>
</tbody>
</table>
There appears to be a natural ceiling on the return each dollar of fundraising yields.

The average theatre allocates 63% of fundraising expenses to fundraising staff compensation, very similar to dance and opera.

If you want to raise more, spend more (wisely).
In the PAC, Dance, and Theatre Sectors, It Is Getting Harder to Raise $1 for Every $1 Spent, not Easier

RETURN ON FUNDRAISING:
TOTAL CONTRIBUTED REVENUE/FUNDRAISING EXPENSES

Performing Arts Centers, $9.91
Dance, $8.82
Symphony Orchestras, $8.44
Theater, $7.61

$9.23
$8.69
$8.48
$7.35

And for Orchestras, growth was insignificant.
The reverse was true for Music and Opera

RETURN ON FUNDRAISING:
TOTAL CONTRIBUTED REVENUE/FUNDRAISING EXPENSES

Performing Arts Centers, $9.91
- Dance, $8.82
- Symphony Orchestras, $8.44
- Opera, $8.42
- Theater, $7.61
- Music, $6.29

2014 2015 2016 2017
In Dance and Theatre, it is Getting **Harder** to Earn $1 for Every $1 Spent, not **Easier**

Theatres cut marketing expenses annually. Program revenue decreased at greater rate.
What’s the Marketing Expenses per Attendee story?

- DANCE: $8.21
- MUSIC: $1.64
- OPERA: $15.95
- PACS: $4.59
- SYMPHONY ORCHESTRAS: $7.48
- THEATER: $5.63
Different sectors have different levels of demand and different economic models.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Program Rev/Attendee</th>
<th>Marketing Exp/Attendee</th>
</tr>
</thead>
<tbody>
<tr>
<td>DANCE</td>
<td>$8.21</td>
<td>$50.46</td>
</tr>
<tr>
<td>MUSIC</td>
<td>$8.36</td>
<td>$45.89</td>
</tr>
<tr>
<td>OPERA</td>
<td>$1.64</td>
<td>$61.84</td>
</tr>
<tr>
<td>PACS</td>
<td>$4.59</td>
<td>$36.03</td>
</tr>
<tr>
<td>SYMPHONY ORCHESTRAS</td>
<td>$7.48</td>
<td>$43.68</td>
</tr>
<tr>
<td>THEATER</td>
<td>$5.63</td>
<td>$32.42</td>
</tr>
</tbody>
</table>

Music had lowest net program revenue at $6.72 and Opera the highest at $45.89. Theatre’s was $26.79.
Trends in Program Revenue per Attendee

- Fewer Attendees: Less Program Revenue
  - Dance
  - Music
  - Orchestras
  - Opera
  - Theatre

- More Attendees: More Program Revenue
  - PAC's

Fewer people paying higher prices
What’s Chicago’s Program Revenue per Attendee and Marketing Expense per Attendee

<table>
<thead>
<tr>
<th>City</th>
<th>Program Rev/In-person Attendance</th>
<th>Marketing Exp (incl. staff)/In-person Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>NY</td>
<td>$2.74</td>
<td>$29.04</td>
</tr>
<tr>
<td>LA</td>
<td>$4.26</td>
<td>$33.18</td>
</tr>
<tr>
<td>CHICAGO</td>
<td>$4.52</td>
<td>$26.45</td>
</tr>
<tr>
<td>SF</td>
<td>$4.00</td>
<td>$27.86</td>
</tr>
<tr>
<td>DC</td>
<td>$4.73</td>
<td>$39.58</td>
</tr>
</tbody>
</table>
Subscription Revenue covered less expenses over time for all but PACs

EARNED RELATIONAL REVENUE INDEX
(SUBSCRIPTION AND MEMBERSHIP REVENUE/TOTAL EXPENSES)

While subscriptions are still critically important to theatres in particular, there has been steady downward march of subscription tickets sold ... since 2007.
What we do with the data: Research, Knowledge, and Tools

How Can You Use This in Your Own Organization? Customized Knowledge

Analytic Reports
- Compare to peer groups
- Highlight long term trends at your organization
- Assess key areas of operations with fundraising, marketing, and balance sheet metrics
- Download reports for easy sharing with stakeholders.
- Use the “Annual Report” to create a basic annual report for your organization.

Projections
- Use historical contribution and expense data as a basis for projections
- Visualize up to 10 years of data
“I use my organization’s KIPI Dashboard scores to identify 3 things:
Where is there encouraging news?
What can we do better?
What information keeps me up at night?”

– Steve Martin, Managing Director, Childplay Theatre Company
What we do with the data:
Research, Knowledge, and Tools
What we do with the data:
Research, Knowledge, and Tools

Data Literacy Courses from DataArts
Free, interactive courses to help arts leaders use data effectively.

http://courses.culturaldata.org
New initiatives
“We now live in an age with multiple truths, but only one truth matters—**their truth**.

In order to break through and connect with your target, you must communicate to **their truth**, not your truth...”
For me, the arts are radically local.

If it’s not in my neighborhood, I am much less likely to go.
We expected a somewhat steep demand curve based on distance from the organization…

Our naïve estimate was that a person living 12 km (7.5 miles) away is 80% less likely to purchase than a person living in the immediate neighborhood.
…but we were wrong. It is much steeper in the average community.

The data revealed that around 2 kms (just over 1 mile), people are 80% less likely to purchase than a person living in the immediate neighborhood.

But factors other than distance influence the decision of whether to purchase or not…
Higher HH’s income and education = more likely to attend, will travel further to attend.

Lower HH income and education = even more radically local.
“What I really want is a destination for an entire day or night out, even if it means a longer drive.”
Location of Arts Organizations Relative to Communities Served and Underserved
What we do with the data: Research, Knowledge, and Tools

How can you use this in your own organization?

**Audience Opportunity Tool**

- Tell us who and where you are
- See propensity to purchase by census tract or zip code
- See population characteristics
- Identify areas of opportunity
Where do we focus our efforts to do a better job of serving African American members of the community?
What would a change in pricing strategy do to increase reach in 77054?
What if we went to them instead?
What we do with the data: Research, Knowledge, and Tools

Audience Opportunity Tool

“Use of this tool helped to increase our season subscriptions by 20%... through a laser focus on target areas that were projected by the tool to produce the highest results.”

-- Zenetta Drew, Executive Director, Dallas Black Dance Theatre
What we do with the data: Research, Knowledge, and Tools

Workforce Demographics Survey

Workplace Perceptions

Scores 0-4, with 4 being most positive

<table>
<thead>
<tr>
<th>Score</th>
<th>Workplace well-being</th>
<th>Support for risk-taking</th>
<th>Psychological safety</th>
<th>Happy employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Org A</td>
<td>3.3</td>
<td>2.9</td>
<td>3.2</td>
<td>3.3</td>
</tr>
<tr>
<td>Average for All Organizations</td>
<td>3.2</td>
<td>2.8</td>
<td>2.7</td>
<td>3.0</td>
</tr>
</tbody>
</table>

GENDER IDENTITY

DISABILITY STATUS

ETHNICITY
All is Not Lost!
Thank you!

www.culturaldata.org
zvoss@smu.edu
@SMUDataArts