

Summary of Findings

The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in the State of New Hampshire (Fiscal Year 2010)

Direct Economic Activity *	Arts and Culture Organizations	+	Arts and Culture Audiences	=	Total Industry Expenditures
Total Industry Expenditures	\$53,028,067		\$62,054,161		\$115,082,228

Spending by Arts and Culture Organizations and Their Audiences Supports Jobs and Generates Government Revenue

Total Economic Impact of Expenditures * (Direct & Indirect Impacts Combined)	Economic Impact of Organizations	+	Economic Impact of Audiences	=	Total Economic Impact
Full-Time Equivalent (FTE) Jobs Supported	2,009		1,484		3,493
Household Income Paid to Residents	\$45,603,000		\$33,928,000		\$79,531,000
Revenue Generated to <u>Local</u> Government	\$2,462,000		\$3,375,000		\$5,837,000
Revenue Generated to <u>State</u> Government	\$3,095,000		\$2,674,000		\$5,769,000

Event-Related Spending by Arts and Culture Audiences Totaled \$62.1 million (excluding the cost of admission)

Attendance to Arts and Culture Events *	Resident** Attendees	+	Non-Resident** Attendees	=	All Cultural Audiences
Total Attendance to Arts and Culture Events	2,053,175		506,894		2,560,069
Percentage of Total Attendance	80.2%		19.8%		100%
Average Event-Related Spending Per Person	\$19.25		\$34.70		\$22.31
Total Event-Related Expenditures	\$29,313,706		\$32,740,455		\$62,054,161

Nonprofit Arts and Culture Event Attendees Spend an Average of \$22.31 Per Person (excluding the cost of admission)

Category of Event-Related Expenditure *	Resident** Attendees	Non-Resident** Attendees	All Cultural Audiences
Meals and Refreshments	\$11.79	\$17.13	\$12.85
Souvenirs and Gifts	\$2.68	\$4.03	\$2.95
Ground Transportation	\$1.53	\$3.62	\$1.94
Overnight Lodging (one night only)	\$0.91	\$7.46	\$2.21
Other/Miscellaneous	\$2.34	\$2.46	\$2.36
Average Event-Related Spending Per Person	\$19.25	\$34.70	\$22.31

* Figures represent those organization and individuals who responded to the survey.

** For the purpose of this study, residents are attendees who live within the State of New Hampshire; non-residents live outside that area. Source: *Arts & Economic Prosperity IV: The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in the State of New Hampshire*. For more information about this study or about other cultural initiatives in the State of New Hampshire, visit the New Hampshire State Council on the Arts's web site at www.nh.gov/nharts.

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About This Study

The *Arts & Economic Prosperity IV* study was conducted by Americans for the Arts to document the economic impact of the nonprofit arts and culture industry in 182 communities and regions (139 cities and counties, 31 multi-city or multi-county regions, and ten states, and two individual arts districts)—representing all 50 U.S. states and the District of Columbia. The diverse communities range in population (1,600 to more than 3 million) and type (rural to urban). The project economists, from the Georgia Institute of Technology, customized input-output analysis models for each participating study region to provide specific and reliable economic impact data about their nonprofit arts and culture industry—specifically (1) full-time equivalent jobs, (2) household income, and (3) local and (4) state government revenue.

Surveys of Nonprofit Arts and Culture ORGANIZATIONS

Each of the 182 study regions attempted to identify its comprehensive universe of nonprofit arts and culture organizations using the Urban Institute's National Taxonomy of Exempt Entity (NTEE) coding system, a definitive classification system for nonprofit organizations recognized as tax exempt by the Internal Revenue Code. In addition, the study partners were encouraged to include other types of eligible organizations if they play a substantial role in the cultural life of the community or if their primary purpose is to promote participation in, appreciation for, and understanding of the visual, performing, folk, and media arts. These include government-owned or government-operated cultural facilities and institutions, municipal arts agencies and councils, private community arts organizations, unincorporated arts groups, living collections (such as zoos, aquariums, and botanical gardens), university presenters, and arts programs that are embedded under the umbrella of a non-arts organization or facility (such as a community center or church). In short, if it displays the characteristics of a nonprofit arts and culture organization, it is included. *For-profit businesses (e.g., Broadway and motion picture theaters) and individual artists were excluded from this study.*

Nationally, detailed information was collected from 9,721 eligible organizations about their fiscal year 2010 expenditures in more than 40 expenditure categories (e.g., labor, local and non-local artists, operations, materials, facilities, and asset acquisition), as well as about their event attendance. Response rates for the 182 communities averaged 43.2 percent and ranged from 5.3 percent to 100 percent. It is important to note that each study region's results are based solely on the actual survey data collected. No estimates have been made to account for non-respondents. Therefore, the less-than-100 percent response rates suggest an understatement of the economic impact findings in most of the individual study regions.

In the State of New Hampshire, 161 of the approximately 773 total eligible nonprofit arts and culture organizations identified by the New Hampshire State Council on the Arts participated in this study—an overall participation rate of 21 percent. The organizations that participated are listed below:

Advice to the Players; Allenstown Historical Society; American Sewing Guild - New Hampshire Chapter; Andy's Summer Playhouse; Art Esprit; Arts Alive; Arts Alliance of Northern NH; Arts In Reach; Encouraging Growth Through the Arts; Arts Jubilee; Arts Rochester (DBA Sole City Dance); Believe In Books Literacy Foundation; Canterbury Shaker Village; Capitol Center for the Arts; Castle Preservation Society; Center for the Book at the New Hampshire State Library; Center Harbor Historical Society; Chapel Art Center; Chester Historical Society; Children's Museum of New Hampshire; Children's Stage Adventures, Inc.; City Cultural Commission/Art-Speak; Community Gallery, Inc. d/b/a Ava Gallery & Art Center; Concord Choral, Inc.; Concord Community Music School; Concord Community Players; Concord Community TV; Cooperative Middle School Music Boosters; Cornish Historical Society; Currier Museum of Art; D Acres of NH; Daniel Clark Foundation - Studio Potter Magazine; Deerfield Historical Society; Dunbarton Historical Society; Exeter Fine Crafts; Exeter Historical Society; Franconstown Historical and Improvement Society; Friends of the Arts Plymouth, A Reg. Arts Council; Friends of the Colonial; Friends of Thorne-Sagendorph Art Gallery; Frost Place; Great North Woods Center for the Arts; Greater Rochester Chamber of Commerce; Hampton Historical Society; Hanover Historical Society; Haverhill Heritage Inc.; Historic New England; Rundlet-May House, Gov. John Langdon House, Jackson House; Intown Manchester Management; Jackson Historical Society; Journeys in Education/Mariposa Museum; Keene Chapter SPEBSQSA Inc. (Cheshiremen Chorus); Kids Coop Theatre, Incorporated; Lamprey Arts & Culture Alliance; Lancaster Historical Society; League of NH Craftsmen; Lebanon Opera House Improvement Corporation; Libby Museum; Littleton Studio School; Londonderry Historical Society; Main Street Art; Manchester Community Music School; Merrimack Historical Society; Monadnock Area Artists Association; Monadnock Arts in Education; Monadnock Music; Monroe Historical Society; Mount Washington Valley Arts Association; Mount Washington Valley Children's Museum; Mt Kearsarge Indian Museum; Museum Of Art, UNH; Music In The Great North Woods; Nashua Community Concert Assoc; Nashua Symphony Assoc; New England College Gallery; New Hampshire Furniture Masters; New Hampshire Historical Society; New Hampshire Land and Community Heritage Investment Program; New Hampshire Theatre Project; New London Barn Playhouse; Newmarket Historical Society; Newmarket Main Street Corporation; NH Business Committee for the Arts; NH Citizens for the Arts; NH Film And Television Office; NH Humanities Council; NH Master Choral; NH Philharmonic Orchestra; NH Writers Project; North Country Center for the Arts; North Country Chamber of Commerce (Moose Festival); North Country Chamber Players; Northern Forest Heritage Park; Opera North; Ossipee Historical Society; Palace Theatre Trust; Parrish House Museum Foundation; Pastel Society of NH; Pemigewasset Choral Society; Players Ring Theatre; Poore Family Foundation; Port of Portsmouth Maritime Museum Association (DBA Albacore Park); Portsmouth Historical Society; Portsmouth Music and Arts Center; Portsmouth Public Library; Prescott Park Arts Festival; Pro Portsmouth, Inc.; PSU - Silver Center; PSU-Karl Drerup Art Gallery; Red River Theatres Inc; Redfern Arts Center on Brickyard Pond; Remick Country Doctor Museum and Farm; Rey Center; Rochester Agricultural and Mechanical Association (Rochester Fair); Rochester Arts & Cultural Commission; Rochester Historical Society; Rochester Main Street; Rochester Opera House; Rochester Public Library; Rochester Recreation and Arena; Roger Allen Park; Salisbury Historical Society; Sandown Historical Society and Museum; Sandwich Historical Society; Scytheville - Elkins Sesquicentennial Association; Seacoast Repertory Theatre; Seacoast Science Center; Seacoast Wind Ensemble; SNOB Film Festival; Souhegan Valley Chorus; Southern New Hampshire Youth Ballet; Squam Lakes Natural Science Center; St Kieran Community Center for the Arts; Strafford County Wind Symphony; Strawberry Banke, Inc.; Summer Music Associates; Sutton Historical Society; The Barnstormers Theater Inc.; The Craftworkers' Guild; The Interfaith Choir; The Keene Choral, Inc.; The Moving Company Dance Center dba MoCo Arts; The Music Hall; The Park Theatre; The Winnepesaukee Playhouse; Theatre Kapow; Tredwell Foundation for the Visual Arts dba Portsmouth Museum of Art; Tri-County Community Action Program; UNH - Department of Theatre and Dance; Union Episcopal Church - Summer Concert Series; Upper Pemigewasset Historical Society; Upper Valley Music Center; Wakefield Projects Inc; Warner House Association; Washington Historical Society; Weathervane Theatre Players; Wentworth-Coolidge Commission; Wentworth-Gardner and Tobias Lear Houses Association; White Mountain Musical Arts; Whitefield Historical Society; Wilnot Historical Society; Wolfeboro Community Television; and Wonalancet Preservation Association.

Surveys of Nonprofit Arts and Culture AUDIENCES

Audience-intercept surveying, a common and accepted research method, was conducted in all 182 of the study regions to measure event-related spending by nonprofit arts and culture audiences. Patrons were asked to complete a short survey while attending an event. Nationally, a total of 151,802 valid and usable attendees completed the survey for an average of 834 surveys per study region. The randomly selected respondents provided itemized expenditure data on attendance-related activities such as meals, souvenirs, transportation, and lodging. Data were collected throughout 2011 (to guard against seasonal spikes or drop-offs in attendance) as well as at a broad range of both paid and free events (a night at the opera will typically yield more spending than a weekend children's theater production or a free community music festival, for example). The survey respondents provided information about the entire party with whom they were attending the event. With an overall average travel party size of 2.69 people, these data actually represent the spending patterns of more than 408,000 attendees, significantly increasing the reliability of the data.

In the State of New Hampshire, a total of 3,433 valid and usable audience-intercept surveys were collected from attendees to nonprofit arts and culture performances, events, and exhibitions during 2011.

Studying Economic Impact Using Input-Output Analysis

To derive the most reliable economic impact data, input-output analysis is used to measure the impact of expenditures by nonprofit arts and culture organizations and their audiences. This is a highly regarded type of economic analysis that has been the basis for two Nobel Prizes. The models are systems of mathematical equations that combine statistical methods and economic theory in an area of study called econometrics. They trace how many times a dollar is re-spent within the local economy before it leaks out, and it quantifies the economic impact of each round of spending. This form of economic analysis is well suited for this study because it can be customized specifically to each study region. To complete the analysis for the State of New Hampshire, project economists customized an input-output model based on the local dollar flow between 533 finely detailed industries within the economy of New Hampshire. This was accomplished by using detailed data on employment, incomes, and government revenues provided by the U.S. Department of Commerce (County Business Patterns, the Regional Economic Information System, and the Survey of State and Local Finance), local tax data (sales taxes where applicable, property taxes, and miscellaneous local option taxes), as well as the survey data from the responding nonprofit arts and culture organizations and their audiences.

Research Notes

1. To calculate the total estimated audience expenditures in the State of New Hampshire, first the audience expenditure findings for the individual participating communities that are located within the State (Town of Newmarket, City of Rochester, Greater Portsmouth Area, Greater Concord Area, and Northern New Hampshire) were summed. The State's residency percentages and the average per person arts-related expenditure for residents and non-residents then were applied to any additional attendance data collected from organizations located within the State but outside of the individual participating communities. Finally, the results were added to the aggregate of the individual participating communities. Therefore, the total audience expenditures for the State of New Hampshire do not equal the State's average per person event-related expenditure for residents multiplied by the State's total estimated resident attendance plus the State's average per person event-related expenditure for non-residents multiplied by the State's total estimated non-resident attendance.