ARTS & ECONOMIC PROSPERITY 6

The Economic & Social Impact Study
of Nonprofit Arts & Culture Organizations
& Their Audiences in

City of West Hollywood

Supporting **jobs**.
Generating **revenue**.
Building **community vibrancy**.

City of West Hollywood
California 1984

Americans for the Arts

Americans for the Arts | ARTS & ECONOMIC PROSPERITY 6

The Economic and Social Impact of Nonprofit Arts and Culture Organizations and Their Audiences in City of West Hollywood

Direct Economic Activity	Organizations	Audiences	Total Expenditures
Total Industry Expenditures (FY2022)	$4,909,482	$7,525,226	**$12,434,708**

Economic Impact of Spending by Arts and Culture Organizations and Their Audiences

Total Economic Impacts (includes direct, indirect, and induced impacts)	Organizations	Audiences	Total Impacts
Employment (Jobs)	146	102	**248**
Personal Income Paid to Residents	$5,409,087	$4,268,123	**$9,677,210**
Local Tax Revenue (city and county)	$243,393	$271,518	**$514,911**
State Tax Revenue	$388,255	$369,926	**$758,181**
Federal Tax Revenue	$1,267,607	$849,636	**$2,117,243**

Event-Related Spending by Arts and Culture Audiences Totaled $7.5 million

Attendance to Arts and Culture Events	Local[1] Attendees	Nonlocal[1] Attendees	All Attendees
Total Attendance to In-Person Events	126,171	20,881	**147,052**
Percentage of Total Attendance	85.8%	14.2%	100.0%
Average Per Person, Per Event Expenditure	$45.45	$85.76	$51.20
Total Event-Related Expenditures	**$5,734,472**	**$1,790,754**	**$7,525,226**

Nonprofit Arts and Culture Audiences Spend an Average of $51.20 Per Person, Per Event

Category of Event-Related Expenditure	Local[1] Attendees	Nonlocal[1] Attendees	All Attendees
Food and Drink	$15.55	$20.11	$16.20
Retail Shopping	$5.66	$7.98	$5.99
Overnight Lodging (one night only)	$2.55	$29.90	$6.45
Local Transportation	$5.69	$15.29	$7.06
Clothing and Accessories	$7.90	$5.24	$7.52
Groceries and Supplies	$4.87	$4.71	$4.85
Childcare	$0.72	$0.25	$0.65
Other/Miscellaneous	$2.51	$2.28	$2.48
Overall Average Per Person, Per Event	**$45.45**	**$85.76**	**$51.20**

Source: *Arts & Economic Prosperity 6: The Economic and Social Impact Study of Nonprofit Arts and Culture Organizations and Their Audiences in the City of West Hollywood*. For more information about this study or about other cultural initiatives in the City of West Hollywood, contact the City of West Hollywood Economic Development Department (Arts Division).

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Past studies have focused primarily on the financial, economic, and tourism contributions of the nonprofit arts and culture industry. AEP6 expands beyond those topics to include measures of social impact. Surveys completed by individual attendees in the the City of West Hollywood demonstrate an appreciation for how the arts and culture impacts the development and well-being of the community and its residents.

Audiences Demonstrate Appreciation for the Impact of Arts and Culture

Level of Agreement with Social Impact Statements	Audiences
"This venue or facility is an important pillar for me within my community."	73.3%
"I would feel a great sense of loss if this activity or venue were no longer available."	80.7%
"This activity or venue is inspiring a sense of pride in this neighborhood or community."	86.5%
"My attendance is my way of ensuring that this activity or venue is preserved for future generations"	81.4%

About This Study
Americans for the Arts conducted AEP6 to document the economic and social benefits of the nation's nonprofit arts and culture industry. The study was conducted in 373 diverse communities and regions across the country, representing all 50 states and Puerto Rico. **The City of West Hollywood Economic Development Department (Arts Division) joined the study on behalf of the City of West Hollywood**. For additional information including the national report, summaries for the 373 communities, an online calculator, and a description of the project methodology, visit www.AEP6.AmericansForTheArts.org.

Surveys of Nonprofit Arts and Culture Organizations
Nationally, detailed information was collected from 16,399 nonprofit arts and culture organizations about their FY2022 expenditures (e.g., labor, local and non-local artists, operations, materials, facilities, and asset acquisition), as well as their event attendance, in-kind contributions, and volunteerism. Surveys were collected from February through July 2023. Some organizations only provided total expenditures and attendance (they are included in the study). Responding organizations had budgets ranging from a low of $0 to a high of $375 million. Response rates for the 373 communities averaged 43.9% and ranged from 5% to 100%. **In the City of West Hollywood, 12 of the 33 total eligible nonprofit arts and culture organizations identified by the City of West Hollywood Economic Development Department (Arts Division) provided the financial and attendance information required for the study analysis—an overall participation rate of 36.4%.** It is important to note that each study region's results are based solely on the survey data collected. Therefore, the less-than-100 percent response rates suggest an understatement of the economic impact findings.

Surveys of Nonprofit Arts and Culture Audiences
Audience-intercept surveying, a common and accepted research method, was conducted to measure event-related spending by audiences. Attendees were asked to complete a short survey while attending an event. Nationally, a total of 224,677 attendees completed the survey. The randomly selected respondents provided itemized expenditure data on attendance-related activities such as meals, souvenirs, transportation, and lodging, as well as socioeconomic information, ZIP code of primary residence, and four social impact questions. Data was collected from May 2022 through June 2023 at a broad range of both paid and free events. **In the City of West Hollywood, a total of 1,032 valid audience-intercept surveys were collected from attendees to nonprofit arts and culture performances, events, exhibits, and special events during the period from May 2022 through June 2023.**

Studying Economic Impact Using Input-Output Analysis
Americans for the Arts uses the IMPLAN platform to create the customized models for each of the 373 study regions. Input-output models calculate the interdependencies between various sectors or industries within a region. This analysis traces how many times a dollar is respent 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 AEP studies because it can be customized specifically to each participating community, region, or state. **To complete this analysis for the City of West Hollywood, the researchers used the IMPLAN platform to build a customized input-output model based on the unique economic and industrial characteristics of Los Angeles County**.

Research Notes:
[1] For the purpose of this study, local attendees live within Los Angeles County; nonlocals live elsewhere.

"The AEP6 report underscores what businesses across the nation have witnessed–that investments in arts and culture not only enhance the quality of life, but also stimulate economic development. By supporting the arts, companies attract and retain talent and create an environment where creativity, businesses, and communities thrive."

— PAUL WASHINGTON
Executive Director
Environmental, Social, and Governance Center
The Conference Board

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“The AEP6 report findings confirm again the economic value of arts and culture. Arts and culture continue to put millions of people to work in big cities and small towns across the United States, including many members of DPE’s affiliate unions. The AEP6 report also finds that arts and cultural productions are economic drivers for local economies by spurring consumer spending at restaurants, hotels, and other local businesses. Simply put, investment in arts and culture continues to deliver a positive economic return for American communities.”

— JENNIFER DORNING,
President, Department for Professional Employees, AFL-CIO

ARTS AND CULTURE BUILDS

BY RANDY COHEN, VICE PRESIDENT OF RESEARCH,
AMERICANS FOR THE ARTS

Every day, more than 100,000 nonprofit arts and culture organizations in the U.S. are making their communities better places to live and work by beautifying cities, fueling creativity, celebrating diversity, and bringing joy to residents. Like all nonprofits, these organizations have a public purpose: to make their cultural product broadly accessible so everyone can share in these benefits. And, like all nonprofits, they count on financial support from government and the private sector to deliver on that promise. We are in a time, however, when many leaders feel challenged to fund the arts. Shrinking budgets, mandates to prioritize jobs and economic growth, and pressing community development issues make for difficult decision making. To those leaders, **Arts & Economic Prosperity 6** brings a welcome message: when you invest in the arts and culture, you are investing in an industry that strengthens your economy and builds more livable communities.

Arts & Economic Prosperity 6 (AEP6) is an economic and social impact study of the nation's nonprofit arts and culture industry. By every measure, the results are impressive. Nationally, the sector generated $151.7 billion of economic activity in 2022—$73.3 billion in spending by arts and culture organizations and an additional $78.4 billion in event-related expenditures by their audiences. What was the impact of this economic activity? It supported 2.6 million jobs, provided $101 billion in personal income to residents, and generated $29.1 billion in tax revenue to local, state, and federal governments.

Investment in the nonprofit arts and culture industry builds the communities where people want to live and work. It is where entrepreneurs and creative economy businesses are launched and where nighttime economies flourish. When we prioritize diverse cultural expressions and traditions, it nurtures social connections, promotes community pride and identity, and boosts tourism by providing the authentic experiences that draw visitors to the community. If visitors have a positive experience, it may become a place to work—and ultimately one in which to live. **Creating livable communities is economic development**.

> *"Mayors understand the connection between the arts industry and city revenues. Arts activity creates thousands of direct and indirect jobs and generates billions in government and business revenues. The arts also make our cities destinations for tourists, help attract and retain businesses, and play an important role in the economic revitalization of cities and the vibrancy of our neighborhoods."*
>
> — RENO MAYOR HILLARY SCHIEVE,
> President, The United States Conference of Mayors

The AEP6 study expands beyond the economic and financial data of its five previous versions to include social impact measurements of arts and culture's effect on the well-being of communities and residents. For example, nationally, 89% of attendees to arts and culture events agreed that "the event they are attending inspires a sense of pride in the neighborhood or community," and 86% responded that they "would feel a great sense of loss if this activity or venue were no longer available." Taken together, economic and social impact provide a more holistic portrait of how arts and culture strengthen communities.

30 YEARS OF ECONOMIC IMPACT STUDIES

AEP6 represents a total reset, establishing a new benchmark in the AEP study series.

- **We changed our approach**. We expanded the study inclusion criteria from "arts" to "arts and culture," implemented a new data collection methodology, asked our partners to utilize new community engagement tools, added social impact questions to the survey instruments, and moved our economic impact modeling to the IMPLAN platform.

- **The world around us changed**. The COVID-19 pandemic occurred, a recession followed, audiences decreased, attendance habits changed, the arts and hospitality industries suffered profound job losses, and billions of dollars were distributed to the arts and culture sector from federal pandemic relief funding such as the CARES Act.

What has not changed is the community-based focus of our work. When Americans for the Arts published its first economic impact study in 1994, we partnered with local arts agencies representing 33 communities. AEP6 has grown tenfold since then. It provides detailed findings on 373 regions from across all 50 states and Puerto Rico—ranging in population from 4,000 to 4 million—and representing rural, suburban, and large urban communities. Local and statewide research partners collected surveys from 16,399 nonprofit arts and culture organizations and 224,677 of their attendees and customized economic input-output models were built for every region to ensure reliable data and actionable results.

SPENDING BY ARTS AND CULTURE AUDIENCES

What continues to set AEP6 apart from other national studies is its analysis of the event-related spending by arts and culture audiences. When people attend a cultural event, they often make an outing of it—dining at a restaurant, paying for parking or public transportation, enjoying dessert after the show, and returning home to pay for child or pet care. AEP6 shows that the typical attendee spends $38.46 per person per event, in addition to the cost of event admission. A ZIP code analysis of each of the 224,677 survey respondents shows that a third of attendees (30.1%) traveled from outside the county in which the event took place. Their event-related spending was more than twice that of their local counterparts ($60.57 vs. $29.77).

What brought those visitors to town? For 77% of respondents, the primary purpose of their visit was to attend that cultural event. When we asked their local counterparts what they would have done if the event where they were surveyed had not been available, 51% said they would have "traveled to a different community to attend a similar arts or cultural activity"—and 64% of nonlocal visitors would have traveled to another community as well. Vibrant arts communities attract visitors who spend money and help local businesses thrive. They also keep resident spending money local—a value-add that few industries can compete with.

ADDING VALUE THROUGH EQUITY AND INCLUSION

Past AEP studies have focused primarily on the nonprofit arts and culture industry's financial, economic, and tourism contributions. This resulted in more effort being placed on collecting data from large-budget organizations with existing relationships to the funding community (often with a focus on Eurocentric culture), and less on smaller organizations and those that primarily serve communities of color. With the goal of making AEP6 more inclusive and reducing systemic bias, Americans for the Arts transformed its approach. We hired a director of AEP6 community engagement and equity, added an equity consultant to the research team, established an AEP6 Equity Task Force composed of leaders from all segments of the industry, and completed a full review and restructuring of the methodology. We ensured publishing accessibility guidelines were met and provided inclusive language offerings (for example, we made the audience survey available in 25 languages). We also created a series of community engagement tools to help our research partners identify, approach, and establish new and strengthen existing relationships with organizations representing BIPOC- (Black, Indigenous, People of Color) and ALAANA- (African, Latine, Asian, Arab, Native American) identifying communities.[1]

AEP6 included an expectation—for the first time—that our research partners would collect a portion of audience surveys at events that were presented, produced, or hosted by BIPOC and ALAANA organizations. We found that spending by attendees at BIPOC and ALAANA organizations was nearly identical to the overall national average ($38.29 and $38.46 per person, respectively). Similar findings were noted in the social impact questions. For example, 81.2% of attendees at BIPOC and ALAANA organizations agreed, "This venue or facility is an important pillar for me within my community." The figure for all attendees was 81.4%.

With the research showing proportional economic and community impacts, these findings should initiate new, or escalate existing, funding conversations about BIPOC and ALAANA organizations receiving fair and proportional financial support—a necessary first step in correcting the grant award processes that have frequently proven to be historically and systemically unbalanced. A 2019 report by Americans for the Arts, for example, found that among local arts agency grantmaking organizations, the largest 16% of grant recipients (by budget) received 73% of the dollars awarded. Ensuring equitable funding for arts and culture organizations is a vital step in creating an inclusive, balanced, and vibrant cultural landscape.

BUILDING MORE LIVABLE COMMUNITIES

The arts were among the economic sectors most devastated by the COVID-19 pandemic and remain among the slowest to recover. Yet, they still helped us heal socially and recover economically. The arts infused our lives with joy when it was hard to find, staved off isolation and loneliness when it was most persistent, and increased life satisfaction when it lagged the most. The arts were also kindling for the economy, getting people out of their homes and spending money in the community. **AEP6 makes clear that when we fund the arts, we are investing in an industry that stimulates the economy, supports local jobs, and contributes to building healthy and vibrant communities**.

[1] Americans for the Arts believes that language and identity go hand-in-hand and are essential to how we name and organize any community. We use the terms BIPOC (Black, Indigenous, People of Color) and ALAANA (African, Latine, Asian, Arab, Native American) to represent People of Color and Communities of Color. While these terms do not fully encompass or represent the complicated and multi-layered nature of indigeneity or ethnic and racial identities, they are the most commonly used terms in our work. We invite and encourage anyone who engages with the AEP6 study to examine and explore the terms used in your community and that are important to and valued by the individuals you interact with, support, and engage.

TOP AEP6 TAKEAWAYS in the City of West Hollywood

1. Arts & Economic Prosperity 6 (AEP6) is an economic and social impact study of the nonprofit arts and culture industry. In the City of West Hollywood, the sector generated $12.4 million in economic activity during 2022—$4.9 million in spending by arts and culture organizations and an additional $7.5 million in event-related expenditures by their audiences. That economic activity supported 248 jobs, provided $9.7 million in personal income to residents, and generated $3.4 million in tax revenue to local, state, and federal governments.
2. Nonprofit arts and culture organizations are businesses. They employ people locally, purchase supplies and services from nearby businesses, and engage in the marketing and promotion of their cities and regions. Their very act of doing business—creating, presenting, exhibiting, engaging—has a positive economic impact and improves community well-being. In the City of West Hollywood, nonprofit arts and culture organizations spent an estimated $$4.9 million which supported 146 jobs and generated $1.9 million in local, state, and federal government revenue.
3. Arts and culture drives commerce to local businesses. When people attend a cultural event, they often make an outing of it—dining at a restaurant, paying for parking or public transportation, enjoying dessert after the show, and returning home to pay for child or pet care. Overall, in the City of West Hollywood, attendees spend $51.20 per person per event, beyond the cost of admission. These dollars represent vital income for local merchants and a value-add with which few industries can compete.
4. Arts and culture strengthens the visitor economy. In the City of West Hollywood, 14.2% of attendees are nonlocal visitors who traveled from outside Los Angeles County; they spend an average of $85.76. Additionally, 56.2% of nonlocal attendees reported that the primary purpose of their visit was specifically to attend the performance, event, exhibit, venue, or facility where they were surveyed.
5. A vibrant arts and culture community keeps local residents—and their discretionary dollars—in the community. When attendees were asked what they would have done if the event where they were surveyed had not been available, 69.4% of attendees who live in Los Angeles County said they would have "traveled to a different community to attend a similar arts or cultural activity."
6. Arts and culture organizations contribute to community pride in the City of West Hollywood.
    - 86.5% of arts and culture attendees agree that the activity or venue where they were surveyed "is inspiring a sense of pride in this neighborhood or community."
    - 80.7% agree that "I would feel a great sense of loss if this activity or venue were no longer available."
    - 73.3% agree that the venue or facility where they were surveyed is "an important pillar for me within my community."

"Race Forward values the vital role of the arts and culture in achieving a just, multiracial democracy, in which people of color thrive with power and purpose. Throughout American history, from the Harlem Renaissance to the Chicano Mural Movement to publications like Gidra, artists and culture bearers of color have used their craft to shape powerful narratives that assert the full humanity of communities of color; challenge racist ideologies in neighborhoods, on campuses and in workplaces; and push us to realize an equitable future. In addition to the aesthetic and economic boosts that artists and culture bearers of color undoubtedly bring to local and national economies, we must also honor, cherish, and invest in the bold sociopolitical voice for racial and economic justice for all that they offer to us through their artistic and cultural expression."

— GLENN HARRIS,
President of Race Forward

THE ECONOMIC & SOCIAL IMPACT OF THE NONPROFIT ARTS AND CULTURE INDUSTRY in the City of West Hollywood

From coast to coast—and in **the City of West Hollywood**—America's nonprofit arts and culture organizations are providing inspiration and joy to residents, beautifying public spaces, and strengthening community pride and identity. Arts and culture organizations are also businesses. They employ people locally, purchase goods and services from nearby businesses, and produce the authentic cultural experiences that are magnets for visitors, tourists, and new residents. Event-related spending by their audiences generates valuable revenue for local merchants—dining in a nearby restaurant, paying to park or for a rideshare, shopping at local retail stores, and enjoying dessert after a show—a value-add few industries can compete with. These actions, in turn, support jobs, generate household income, and generate tax revenues to the government that more than offset the public's arts and culture sector investment. The economic activity by arts and culture organizations and their audiences is both measurable and a story that must be told.

Arts and Economic Prosperity 6 (AEP6) provides compelling evidence that the nonprofit arts and culture sector is a significant industry in West Hollywood—one that generated $12.4 million in total economic activity during 2022. This spending—$4.9 million by nonprofit arts and culture organizations and an additional $7.5 million in event-related spending by their audiences—supports 248 jobs, generates $9.7 million in household income for local residents, and delivers $3.4 million in tax revenues to local, state, and federal governments. This study sends a strong signal that, even in the aftermath of the COVID-19 pandemic and the resulting recession, the nonprofit arts and culture is a formidable industry. AEP6 demonstrates that when we support the arts, we are investing in West Hollywood's economic and community well-being.

AEP6 is the largest and most inclusive study of its kind. It documents the economic and social contributions of arts and culture in 373 diverse communities and regions representing all 50 states and Puerto Rico. The study areas range in population from 4,000 to 4 million and represent rural, suburban, and urban communities (130 cities and 126 counties, 78 multi-city or multi-county regions, 18 individual arts districts, and 21 entire states/territories).
To measure industry spending, local and statewide research partners representing the 373 study regions collected expenditure and attendance data from 16,399 arts and culture organizations and the event-related spending information from 224,667 of their attendees. Using the IMPLAN economic modeling platform, input-output analysis models were customized for each study region to provide specific and reliable economic impact data for each.

This unique report has been prepared for the City of West Hollywood in collaboration with our community research partner, the City of West Hollywood Economic Development Department (Arts Division).

ECONOMIC IMPACT OF ARTS AND CULTURE

During fiscal year 2022, spending by both the City of West Hollywood's nonprofit arts and culture organizations and their audiences totaled $12.4 million. The table below demonstrates the total economic impact of this economic activity.

Table 1:
Total Economic Impacts of the Entire Nonprofit Arts and Culture Industry in the City of West Hollywood During Fiscal Year 2022

	Organizations	Audiences	Industry Totals
Direct Expenditures	$4,909,482	$7,525,226	**$12,434,708**
Jobs Supported	146	102	**248**
Household Income Paid	$5,409,087	$4,268,123	**$9,677,210**
Local Government Revenue	$243,393	$271,518	**$514,911**
State Government Revenue	$388,255	$369,926	**$758,181**
Federal Tax Revenue	$1,267,607	$849,636	**$2,117,243**
Total Tax Revenue	$1,899,255	$1,491,080	**$3,390,335**

DEFINING ECONOMIC IMPACT

To complete this national study, researchers—together with local and statewide research partners—collected expenditure and attendance data from a total of 16,399 arts and culture organizations and 224,677 of their attendees to measure total industry spending. Using the IMPLAN economic modeling platform, input-output analysis models were customized for each study region, including the City of West Hollywood. These quantitative models measure the economic relationships between hundreds of different industries in each geographic area. This, in turn, enables localizable economic impact results to be derived. Why this level of rigor? Quite simply, $50 spent in two different cities, even if in the same state, may have two very different sets of economic impact outcomes. It takes more than one million calculations to derive the economic impact data for each community. IMPLAN's method of economic analysis ensures reliable and actionable localized results.

1. **Jobs** is a figure of total people employed (full-time, part-time, and seasonal employment).
2. **Resident Household Income** includes salaries, wages, and entrepreneurial income paid to residents. It is the money individuals earn personally and then use to pay for food, mortgages, and other living expenses.
3. **Revenue to Local, State, and Federal Governments** includes revenue from taxes (e.g., income, sales, property) as well as funds from licenses, fees, and other similar sources.

HOW CAN A DOLLAR BE RESPENT?

AEP6 measures the economic impact of the arts using a methodology that enables economists to track how many times a dollar is respent within the local economy, and then to measure the economic impact generated by each round of spending (i.e., the direct, indirect, and induced economic impacts). Think of this as tracking a supply chain. Consider this example:

> A theater company purchases a five-gallon bucket of paint from its local hardware store for $100—a very simple transaction at the outset but one that initiates a complex sequence of income and spending by both individuals and other businesses.
>
> Following the initial purchase, the hardware store may use a portion of the $100 to pay the salesclerk who sold the bucket of paint. The salesclerk then respends some of the money for groceries; the grocery store uses some of the money to pay its cashier; the cashier then spends some of the money for rent; and so on.
>
> The hardware store also uses some of the $100 to purchase goods and services from other businesses, such as the local utility company, and then to buy a new bucket of paint from the paint factory to restock its shelf. Those businesses, in turn, respend the money they earned from the hardware store to pay employees and buy goods and services, and so on.
>
> Some of these expenditures are local and some are outside the region. The local ones continue the local economic impact cycle. Eventually, the last of the $100 is spent outside of the community at which point it no longer has a local economic impact. It is considered to have "leaked" out of the community.

The total economic impact describes this full economic effect, starting with the theater's initial paint purchase and ending when the last of the $100 leaks out of the community. It is composed of the direct economic impact (the effect of the initial paint purchase by the theater), as well as the indirect and induced economic impacts, which are the effects of the subsequent rounds of spending by businesses and individuals, respectively.

Interestingly, a dollar ripples very differently through each community, which is why an input-output model was constructed specifically for Los Angeles County. The IMPLAN platform accounts for the unique economic and industrial characteristics of local economies.

THE PANDEMIC'S DEVASTATING IMPACT ON ARTS AND CULTURE ... A RECOVERY THAT CONTINUES

AEP6 was conducted in 2022-23 as the nation continued its emergence from the COVID-19 pandemic. By every measure, the arts and culture industry was among the most devastated economic sectors.

- The U.S. Bureau of Economic Analysis provided one particularly sobering report of the pandemic's impact on the arts in 2022: "In year one of the COVID-19 pandemic, few areas of the U.S. economy were harder hit than the performing arts: Performing arts presenters and companies joined oil drilling/exploration and air transportation as the steepest-declining areas of the U.S. economy in 2020. After adjusting for inflation, the value added by performing arts presenters (including festivals) fell by nearly 73% between 2019 and 2020."
- Many communities implemented restrictions on public gatherings and travel, which limited attendance and even the ability of performers to work together on the stage. 99% of producing and presenting organizations canceled events during the pandemic with many shuttering for entire seasons—a loss of an estimated 557 million ticketed admissions (Americans for the Arts, 2022).
- Johns Hopkins University reported in 2021 that the percentage of job losses at nonprofit arts organizations was nearly 5 times worse than the average of all nonprofits (-34.7% vs. -7.4%).
- In 2020, 63% of artists experienced unemployment and 95% lost creative income. 37% were unable to access or afford food at some point during the pandemic and 58% did not visit a medical professional due to an inability to pay. (Americans for the Arts, 2022)
- The pandemic's impact was not felt equally. Organizations serving and representing BIPOC communities were more likely to report that they lacked the financial resources needed to return to in-person programming than non-BIPOC organizations (55% vs. 38%). BIPOC artists had higher rates of unemployment than white artists in 2020 (69% vs. 60%) and lost a larger percentage of their creative income (61% vs 56%). (Americans for the Arts, 2022)
- Arts and culture organizations showed resilience by moving to virtual and online experiences, outdoor performances, drive-in events, and other innovative ways to maintain audience and subscriber engagement.
- Audiences are returning slowly in many communities with informal estimates of a ⅔ to ¾ return rate as of 2023.
- 40% of responding AEP6 organizations reported that, during the height of the pandemic, they expanded services beyond arts and culture in order to address urgent community needs such as collecting and donating supplies, donating facility space as a testing/vaccination site, or helping other organizations and individuals apply for pandemic relief and unemployment benefits.

The pandemic occurred in the time between the AEP5 and AEP6 fiscal years of analysis (2015 and 2022, respectively). While analyses of the pandemic's impact on the arts will continue for years to come, the challenges it brought had an undeniable effect on the industry. Thus, study-to-study comparisons of AEP findings are not recommended.

SOCIAL IMPACT OF THE ARTS AND CULTURE

Past AEP studies have focused primarily on the financial, economic, and tourism contributions of the nonprofit arts and culture industry. AEP6 expands beyond that to also include measures of social impact.

Surveys completed by both arts organizations and individual attendees demonstrate a deep appreciation for how the arts and culture impacts the development and well-being of communities and their residents. Nationally, high levels of appreciation are demonstrated across all socioeconomic groupings. In the City of West Hollywood:

- 86.5% of attendees said that the activity or venue they were attending was a source of neighborhood pride for the community. 100.0% of the participating organizations agreed based on feedback received from community members.
- 80.7% of attendees said they would feel a sense of loss if that activity or venue was no longer available. 100.0% of the participating organizations agreed.
- 81.4% of attendees said it important that future generations also be able to have that cultural experience. 85.7% of the participating organizations agreed.

Table 2
Percentage of Nonprofit Arts and Culture ATTENDEES that Agree with Statements about the Social Impact of the Arts in the City of West Hollywood

	Agree
"This venue or facility is an important pillar for me within my community."	73.3%
"I would feel a great sense of loss if this activity or venue were no longer available."	80.7%
"This activity or venue is inspiring a sense of pride in this neighborhood or community."	86.5%
"My attendance is my way of ensuring that this activity or venue is preserved for future generations."	81.4%

"Arts and cultural organizations play an essential role in their local communities, and they hold an equally important place within the broader nonprofit community. Americans for the Arts has done it again, with compelling new data about the power of arts and culture to create jobs, generate tax revenue, and build vibrant communities. This report is a call to action for policymakers and a powerful tool for nonprofit advocates across the sector."

— DR. AKILAH WATKINS
President and CEO, Independent Sector

Table 3
Percentage of Nonprofit Arts and Culture ORGANIZATIONS that Agree with Statements about the Social Impact of the Arts in the City of West Hollywood
(answered by organizational leadership, based on feedback received from community members)

	Agree
"Members of the community consider my organization to be an important pillar within the community."	85.7%
"Members of the community would feel a great sense of loss if my organization were no longer available."	100.0%
"Members of the community feel that my organization inspires a sense of pride in this neighborhood or community."	100.0%
"Members of the community rely on my organization to ensure that the arts and culture we celebrate is preserved for future generations."	85.7%

The social impact findings from the AEP6 study are specific to the nonprofit arts and culture attendees and organizations that participated in the study. It could be argued that these respondents may already have a positive disposition about their cultural experience by virtue of their attendance at an event.

"Americans Speak Out About the Arts in 2023"—a national public opinion study of 3,062 American adults conducted by Ipsos Public Affairs for Americans for the Arts—expands the survey universe to the general public to include both those that do, and do not, participate personally. This separate study also finds a rich appreciation for both the social and economic benefits that arts and culture provide for their community.

Table 4
Findings from "Americans Speak Out About the Arts in 2023"
A National Public Opinion Poll of 3,062 American Adults About the Arts and Culture

Arts and culture "improves the image and identity of their community"	70%
Arts and culture "inspires a sense of pride in their community"	63%
Arts and culture "is important to their community's quality of life and livability"	86%
Arts and culture is "important to their community's businesses, economy, and local jobs"	79%
Arts and culture "provides shared experiences with people of different races, ethnicities, and beliefs"	72%
Arts and culture "helps them better understand other cultures in their community"	63%

CENTERING NONPROFIT ARTS AND CULTURE ORGANIZATIONS THAT PRIMARILY SERVE A COMMUNITY OF COLOR: The National Perspective

The prioritization of financial and economic analyses in past AEP studies typically resulted in high rates of inclusion by large-budget organizations (often focused on Eurocentric culture) and an underrepresentation of arts and culture organizations that primarily serve communities of color. Two changes were made to the AEP6 methodology with the goal of mitigating this imbalance.

1. The first was building a larger and more inclusive universe of organizations eligible to be surveyed in AEP6. Local and statewide research partners used new protocols to make contact with organizations that they may have had no previous relationship with and identify new organizations they were unaware of. They also sought to identify arts and culture programs under the umbrella of a non-arts organization or facility (e.g., social service agency, faith-based institution, or library). Expanding the terminology to "arts and culture" was also a deliberate equity strategy, because "arts" organizations and "culture" organizations can be used synonymously in some communities of color.

2. AEP6 included an expectation—for the first time—that our local and statewide research partners would collect a portion of audience surveys at events that were presented, produced, or hosted by BIPOC or ALAANA organizations. A requested sample size was determined for each community based on the U.S. Census Bureau's percentage of the population that identifies as "White only, not Hispanic or Latino." For example, if the census estimates that 20% of a community's population identifies as something other than "White only, not Hispanic or Latino," the research partner representing that community was asked to collect at least 20% of their total sample of audience surveys from attendees to BIPOC and ALAANA organizations. The requested minimum sample was "at least 25%" for nearly two-thirds of the 373 participating communities. While just 141 of the 373 study regions were able to meet the data collection goal (38%), it yielded a robust national sample of 37,805 respondents.

Nationally, an analysis of the audience surveys collected from attendees at BIPOC and ALAANA organizations (N=37,805) and the overall national findings (N=224,677) showed nearly identical results in average event-related spending, nonlocal visitation, and opinions on the social impact of arts and culture.

- Nationally, per person spending by attendees at BIPOC events ($38.29) was only fractionally different from the national average spending at all events ($38.46).
- Similar national findings were noted in the social impact questions. For example, 88.7% of attendees at BIPOC and ALAANA organizations agreed, "This activity or venue is inspiring a sense of pride in this neighborhood or community." The figure for all attendees was 88.5%.

Table 5
National Analysis of Audience Surveys Collected from Attendees to Events that were Presented, Produced, and/or Hosted by an Organization that Primarily Serves a Community of Color

	Attendees at BIPOC/ALAANA Organizations (N=37,805)	National Sample of Audience Surveys (N=224,677)
Average Per Person Event-Related Audience Expenditure	$38.29	$38.46
"This venue or facility is an important pillar for me within my community."	81.2%	81.4%
"I would feel a great sense of loss if this activity or venue were no longer available"	84.9%	86.0%
"This activity or venue is inspiring a sense of pride in this neighborhood or community"	88.7%	88.5%
"My attendance is my way of ensuring that this activity or venue is preserved for future generations"	86.6%	86.6%

"As a social and cultural entrepreneur, I have witnessed the importance of informing our BIPOC and foreign-born communities about our impact and contributions to the economy. Having access to this comprehensive and thorough study will allow grassroots and established organizations to quantify and see the financial benefits of growing and diversifying audiences, as well as acknowledging their contributions towards building and sustaining our cultural movements. AEP6 will be a valuable tool in sharing that message."

— ANGIE DURELL,
Founder and CEO, INTEMPO and AEP6 Equity Task Force member

"It is crucial for Black state legislators to champion the arts because fostering economic growth in our communities is intricately tied to robust support and funding for artistic endeavors. The decline in arts support has disproportionately affected regions that need it most. By advocating for the arts, Black state legislators can help cultivate a more imaginative and innovative workforce, ultimately bolstering our economy and advocating for the cultural richness of Black communities."

— REP. KAREN D. CAMPER,
TN House Minority Leader & Founder of Black Legislative Leaders Network

NONPROFIT ARTS AND CULTURE ORGANIZATIONS

Most people appreciate nonprofit arts and culture organizations as wonderful amenities that improve community livability. They are also businesses. They employ people locally, purchase supplies and services from nearby businesses, and engage in the marketing and promotion of their cities and regions. Their very act of doing business—creating, presenting, exhibiting, engaging—has a positive economic impact on the community.

To measure the impact of spending by nonprofit arts and culture organizations in the City of West Hollywood, the City of West Hollywood Economic Development Department (Arts Division) first identified the universe of eligible organizations that is located in the community. Those organizations were then asked to complete a survey about their fiscal year 2022 expenses and attendance. A total of 12 organizations participated in the survey. The findings in this report are based on the data provided only by those 12 organizations; no estimates or extrapolations have been made to account for non-participating organizations.

During 2022, the 12 participating nonprofit arts and culture organizations in West Hollywood reported aggregate expenditures of $4.9 million. These direct expenditures generated total economic impacts (i.e., direct, indirect, and induced) of 146 jobs, $5.4 million in resident household income, and $1.9 million in total tax revenue. This is the impact of just organizations—festivals, performing and visual arts organizations, history and heritage centers, public art programs, museums, community programs, living collections, and more. It does not take into consideration the spending by their audiences. The following table demonstrates the total economic impact findings of the direct spending by these organizations.

Table 6:
Total Economic Impacts of Spending by Nonprofit Arts and Culture Organizations in the City of West Hollywood During Fiscal Year 2022

	City of West Hollywood	Median of Population Cohort (Population = Fewer than 50,000)
Direct Expenditures	$4,909,482	$3,470,037
Jobs Supported	146	73
Household Income Paid	$5,409,087	$2,585,788
Local Government Revenue	$243,393	$72,313
State Government Revenue	$388,255	$96,192
Federal Tax Revenue	$1,267,607	$515,749

JOBS SUPPORTED ACROSS THE COMMUNITY

Nonprofit arts and culture organizations provide rewarding employment for more than just arts administrators, artists, and curators. They also employ box office staff, ushers, tour guides, custodians, graphic designers, accountants, printers, maintenance staff, builders, plumbers, and an array of occupations spanning many industries. Arts and culture jobs are highly local and are not typically the type to be offshored. Dollars spent on human resources typically stay within a community longer, thereby having a greater local economic impact. **In West Hollywood, 122 of the 146 total jobs supported by the spending of nonprofit arts and culture organizations are a direct result of the organizations' initial expenditures** (i.e., direct impacts that exclude indirect and induced impacts).

ECONOMIC IMPACT BEYOND DOLLARS: VOLUNTEERISM

While arts volunteers do not have an economic impact as defined in this study (because there are no direct expenditures), they do have an enormous impact on their community because their time and expertise help arts and culture organizations function as a viable industry. **During 2022, a total of 674 volunteers donated a total of 36,856 to West Hollywood's 12 participating organizations**. This represents a donation of time with an estimated aggregate dollar value of $1.4 million (Independent Sector places the value of the average volunteer hour in CA at $37.32). Volunteers can include individuals such as unpaid professional staff (executive and program staff, board/commission members), artistic volunteers (artists, choreographers, designers), clerical volunteers, and service volunteers (ticket takers, docents, ushers, gift shop volunteers).

The 12 participating organizations in West Hollywood reported an average of 56.2 volunteers who contributed an average of 54.7 hours each, for a total of 3,071 hours per organization during 2022.

VALUE OF IN-KIND CONTRIBUTIONS

The participating arts and culture organizations provided data about their in-kind support. In-kind contributions are non-cash donations such as donated assets, office space, airfare, and advertising space. These contributions can be received from a variety of sources including corporations, individuals, local and state arts agencies, and the government. Like volunteerism, in-kind contributions are not factored into the economic impact measures as defined in this study, but they provide an enormous assist to the organizations and their ability to make their cultural product accessible to the community.

In West Hollywood, the 12 participating organizations reported that they received in-kind contributions with an aggregate estimated value of $159,900 during fiscal year 2022 (an average of $13,325 per organization).

Arts and culture organizations provide rewarding employment for more than just arts administrators, artists, and curators. They also employ box office staff, ushers, tour guides, custodians, graphic designers, accountants, printers, maintenance staff, builders, plumbers, and an array of occupations spanning many industries.

"Music and the arts are the foundation of vibrant communities and help us connect, understand, and inspire one another. All while driving economic growth, creating rewarding jobs and careers, and powering our culture forward. Americans for the Arts' latest Arts and Economic Prosperity report does a vital service documenting the facts on the ground of the U.S. creative and nonprofit economy and offers valuable lessons and opportunities for communities seeking to boost their own arts footprint and activities."

— MITCH GLAZIER
Chairman and CEO, Recording Industry Association of America

COMMUNITY ASSISTANCE DURING THE PANDEMIC

The participating organizations were asked if they expanded their services beyond arts and culture in order to address urgent community needs during the height of the COVID-19 pandemic. Examples could include collecting and donating food, masks, and cleaning materials to community members; donating facility space as a testing and/or vaccination site; and helping organizations and individuals apply for pandemic relief funds and unemployment benefits. **In the City of West Hollywood, 66.7% of the responding organizations responded "Yes."**

PAY EQUITY

The participating organizations were asked if, since the beginning of the COVID-19 pandemic, they had addressed pay equity through deliberate changes to its policies or practices that were made for the benefit of paid staff, artists, and/or contractors. **In the City of West Hollywood, 100.0% of the responding organizations responded "Yes."**

DESIGNATED CULTURAL DISTRICT

The participating organizations were asked if they are physically located or headquartered in—or if the majority of their arts and culture programming takes place within—a designated Cultural District (or Arts District, or Arts & Entertainment District). Cultural districts are defined as well-recognized, labeled areas of a city in which a high concentration of cultural facilities and programs serve as the main anchor of attraction. **In the City of West Hollywood, 33.3% of the responding organizations responded "Yes."**

EMPOWERMENT ZONE OR RENEWAL COMMUNITY

The participating organizations were asked if they are physically located or headquartered in—or if the majority of their arts and culture programming takes place within—an Empowerment Zone or Renewal Community (or other designated revitalization zone as determined by the local municipality). Empowerment Zones (EZs) and Renewal Communities (RCs) are economically distressed communities where qualifying businesses are eligible to receive tax incentives and grants. **In the City of West Hollywood, n/a of the responding organizations responded "Yes."**

NONPROFIT ORGANIZATIONS GENERATE TAX REVENUE

The nonprofit arts and culture industry generates significant revenues to local, state, and federal governments. Nonprofit organizations themselves are exempt from many federal and state taxes, so how can they generate tax revenue? Like all employers, they pay payroll taxes (e.g., Social Security, Medicare) and their employees pay income taxes on their personal earnings. In addition, other local businesses are likely to pay taxes on goods they sell and services they provide to nonprofits. **In the City of West Hollywood, spending by nonprofit arts and culture organizations generated a total of $1.9 million in tax revenues**. In addition, event-related spending by arts audiences (e.g., food and drink, retail, lodging) is taxed in most communities, providing another stream of government revenue. **In the City of West Hollywood, spending by nonprofit arts and culture audiences generated a total of $1.5 million in tax revenues**. Given the substantial financial activity that occurs within the nonprofit arts and culture sector, a considerable amount of tax revenue is often generated.

"NONPROFIT" ARTS AND CULTURE ORGANIZATIONS

The AEP6 study used an inclusive approach when defining the list of eligible nonprofit arts and culture organizations to be surveyed as part of the study—a definition that accounts for different localities and cultures. For example, in some communities, the city museum may be a nonprofit organization while in others it is a government-owned and operated entity. Both are included in AEP6. Also included are organizations such as public and private local arts agencies, historical societies and historic/heritage sites, living collections (zoos, aquariums, and botanical gardens), cultural and racial/ethnic awareness organizations and programs, university presenters, and arts programs under the umbrella of a non-arts organization or facility (such as a library, social service organization, or church). In addition to the organization types listed above, the study partners were encouraged to include other types of 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 arts and culture. In short, if it displays the characteristics of a nonprofit arts and culture organization and has an identifiable budget, attendance, and leadership, it was included in AEP6. *This study does, however, exclude individual artists and the for-profit arts and entertainment sector (e.g., Broadway, popular music concert tours, or the motion picture industry)—all vital and valued components of the nation's arts landscape but beyond the scope of this study*.

"The economic and cultural impact of live performance on our nation and in communities across the country has been taken for granted for far too long. Independent venues and the entire live entertainment ecosystem are working at the federal, state, and local levels to elevate the critical role we play in community innovation, inclusion, and development. AEP6 will provide unparalleled data and compelling perspectives that will help our sector better tell our story and ensure that arts and culture organizations have a seat at the table to determine the future of their communities."

— STEPHEN PARKER,
Executive Director, National Independent Venue Association

ARTS AND CULTURE AUDIENCES

Every day, millions of people attend and participate in arts and culture activities. Unlike most industries, arts and culture leverages significant amounts of "event-related spending" by their audiences. For example, part of the cultural experience often includes dining out at a restaurant, paying for parking, shopping in nearby stores, and returning home to pay for child or pet care. Sometimes it includes travel and paying for overnight lodging. Local businesses that cater to arts and culture audiences reap the rewards of this economic activity.

To measure the impact of spending by arts and culture audiences in West Hollywood, data were collected from 1,032 attendees between May 2022 and June 2023. Researchers used an audience-intercept methodology, a standard technique in which attendees to in-person performances, events, and activities are asked to complete a short survey about their spending related to that event, opinions about the social impact of the arts, ZIP code of their primary address, and basic socioeconomic information. Surveys took place only while attendees were attending the event.

In the City of West Hollywood, the 12 participating nonprofit arts and culture organizations reported that the aggregate attendance to their in-person events totaled 147,052 during 2022. **Event-related spending by these arts audiences totaled $7.5 million in West Hollywood during fiscal year 2022**, excluding both the cost of admission as well as the cost of food and drink that was purchased on-site during the event. Why exclude the cost of admission and on-site food and drink purchases? Those costs are paid directly to the arts and culture organizations themselves and are captured as expenses on the separate survey completed by those organizations. This methodology avoids "double counting" those dollars in the analysis.

The table below demonstrates the total economic impacts of these audience expenditures.

Table 7:
Total Economic Impacts of Spending by Nonprofit Arts and Culture Audiences in the City of West Hollywood During Fiscal Year 2022

	City of West Hollywood	Median of Population Cohort (Population = Fewer than 50,000)
Direct Expenditures	$7,525,226	$3,597,916
Jobs Supported	102	49
Household Income Paid	$4,268,123	$1,374,140
Local Government Revenue	$271,518	$83,287
State Government Revenue	$369,926	$107,366
Federal Tax Revenue	$849,636	$271,996

AVERAGE SPENDING BY ARTS AND CULTURE ATTENDEES

The typical attendee to a nonprofit arts or culture event in West Hollywood spent $51.20 per person per event as a direct result of their attendance (not including the cost of admission, or food and beverage purchased on-site during the event).

The 1,032 audience survey respondents in West Hollywood were asked to provide the ZIP code of their primary residence, enabling research to determine which attendees were local residents (i.e., live within Los Angeles County), and which were nonlocals (i.e., live outside that area). In the City of West Hollywood, 85.8% of the 147,052 nonprofit arts and culture attendees were residents, and 14.2% were nonresidents.

Nonlocal attendees spent an average of 89% more than local attendees ($85.76 vs. $45.45, respectively) as a result of their attendance to nonprofit arts and culture events in the City of West Hollywood. As would be expected from a traveler, nonlocal attendees typically spend more in categories like lodging, meals, and transportation. When a community attracts cultural tourists, local merchants reap the rewards.

Table 8:
Event-Related Spending by Nonprofit Arts and Culture Audiences Totaled $7.5 million in the City of West Hollywood During Fiscal Year 2022

	Local Attendees	Nonlocal Attendees	All Attendees
Total Attendance	126,171	20,881	**147,052**
Percent of Attendees	85.8%	14.2%	**100%**
Average Dollars Per Attendee	$45.45	$85.76	**$51.20**
Total Event-Related Spending	$5,734,472	$1,790,754	**$7,525,226**

"Whenever we share data with policymakers about how the live arts generate economic activity, eyes are opened. As we wrestle with historic underfunding of the arts in the United States, this study shows how tremendously powerful the live arts are in generating economic activity by activating other community businesses. This study is a must-read for policymakers and economic development staff from coast to coast."

— AL VINCENT, JR., "
Executive Director, Actors' Equity Association

Table 9:
Nonprofit Arts and Culture Attendees Spent an Average of $51.20 Per Person, Per Event as a Result of Attending an Event in the City of West Hollywood During Fiscal Year 2022

	Local Attendees	Nonlocal Attendees	All Attendees
Food and Drink (off-site only)	$15.55	$20.11	$16.20
Retail Shopping	$5.66	$7.98	$5.99
Overnight Lodging	$2.55	$29.90	$6.45
Local Transportation	$5.69	$15.29	$7.06
Clothing and Accessories	$7.90	$5.24	$7.52
Supplies and Groceries	$4.87	$4.71	$4.85
Childcare	$0.72	$0.25	$0.65
Other/Miscellaneous	$2.51	$2.28	$2.48
Overall Per Person Average	**$45.45**	**$85.76**	**$51.20**

THE ARTS DRIVE TOURISM

Each of the nonlocal survey respondents (i.e., those that live outside Los Angeles County) were asked about the primary reason for their trip: **56.2% of nonlocal attendees reported that the primary purpose of their visit to West Hollywood was "specifically to attend the performance, event, exhibit, venue, or facility"** where they were surveyed.

The audience-intercept survey also asked nonlocal attendees if they would have traveled somewhere else (i.e., somewhere other than the City of West Hollywood) if the event where they were surveyed had not been available: **65.5% of nonlocal attendees responded "I would have traveled to a different community to attend a similar arts or cultural activity."**

Additionally, 69.6% of the nonlocal attendees in the City of West Hollywood indicated that it was the first time they had ever attended the specific activity or visited the specific venue where they were surveyed.

Of the 14.2% of West Hollywood's arts and culture attendees who are nonlocal, 22.4% reported an overnight lodging expense as a result of attending the event where they were surveyed. Not surprisingly, these attendees with a lodging expense spent considerably more money during their visit—an average of $220.30 per person (as compared to $85.76 per person for the average nonlocal attendee in West Hollywood). For this analysis, only one night of lodging expense is counted in the audience expenditure analysis, regardless of how many nights these cultural tourists actually spent in the community. This approach ensures that the results from the AEP6 study are not inflated by non-arts-related lodging expenses.

Can you still get a hotel room for only $29.90? This figure is an average of all survey responses collected from nonlocal attendees to nonprofit arts and culture events in West Hollywood—22.4% of those nonlocals reported an overnight lodging expense (the rest of the nonlocal responses reported $0 for lodging).

Overall, nonlocal attendees to nonprofit arts and culture organizations reported that they spent an average of 1.2 nights in the City of West Hollywood specifically as a result of their attendance at the activity or venue where they were surveyed. (In is important to note that this figure is not limited to paid lodging—in can include nonlocal attendees who stayed at the home of family members or friends, and may include attendees who have a secondary residence that is located in West Hollywood.

A VIBRANT ARTS SCENE KEEPS RESIDENTS' DOLLARS LOCAL

Finally, the audience-intercept survey asked **local** attendees if they would have traveled somewhere else (i.e., if they would have left the City of West Hollywood) if the event where they were surveyed had not been available: **69.4% of local attendees responded "I would have traveled to a different community to attend a similar arts or cultural activity."**

Additionally, 59.8% of the local attendees in the City of West Hollywood indicated that it was the first time they had ever attended the specific activity or visited the specific venue where they were surveyed.

When taken all together, these cultural tourism findings demonstrate the economic impact of the nonprofit arts and culture industry in its truest sense. If a community fails to provide a variety of opportunities to experience the arts and culture, it risks not attracting cultural tourists and their valuable dollars as well as losing the discretionary spending of its own residents who will travel elsewhere in search of the diverse artistic expressions and authentic cultural experiences they seek.

"AEP6 reminds us that vibrant arts and cultural assets exist in every corner of the country. The data paints a vivid picture of how the arts enhance our community prosperity and our residents' quality of life. By supporting and investing in the arts, counties play an important role in strengthening our communities today and for generations to come. We appreciate our partnership with Americans for the Arts, especially as we continue to demonstrate the value of our artistic and cultural endeavors."

— HON. MARY JO MCGUIRE,
President, National Association of Counties Commissioner, Ramsey County, MN

The AEP6 study included an expectation—for the first time—that the research partners would collect a portion of their audience surveys from attendees to events that were presented, produced, or hosted by arts and culture organizations that primarily serve BIPOC- (Black, Indigenous, People of Color) and ALAANA- (African, Latine, Asian, Arab, Native American) identifying communities. The City of West Hollywood Economic Development Department (Arts Division) collected 81 surveys from attendees to BIPOC and ALAANA arts and culture organizations (representing 7.8% of the overall sample of 1,032 audience surveys, and 40.5% of the researchers' goal to collect a minimum of 200 surveys from attendees to BIPOC and ALAANA organizations in the City of West Hollywood). A minimum sample of 200 surveys was necessary for a separate analysis.

"The African Diaspora Consortium works to positively impact outcomes of Black populations across the African Diaspora. Arts and culture can be used as a vehicle to enhance understanding and connectedness as historical and cultural uplift. The economic impact and social impact of BIPOC and ALAANA representing organizations and their audiences will support our strategy. From our perspective, at organizations across the nation of the African Diaspora, each artwork and series is a journey through thought; a way to connect the dots of the past to the present so that we can collectively decide where to take our future. And the future looks bright!"

— KATRINA ANDRY
ADC Global Visual Artistic Director, African Diaspora Consortium (ADC)

A STATEMENT OF APPRECIATION AND GRATITUDE:

Americans for the Arts extends our deep gratitude to the BIPOC and ALAANA organizations and their audiences for participating in the AEP6 study. We understand that this may be the first time this kind of work has been undertaken in your community, and we are grateful for your trust. We are committed to this work, and to continuing to build and strengthen authentic relationships beyond this research study.

AN IMPORTANT RESEARCH NOTE:

Arts & Economic Prosperity 6 includes comparisons between the sample of audience surveys that was collected from attendees to BIPOC and ALAANA organizations and the overall sample of audience surveys. Nationally, the sample sizes were robust (37,805 and 224,677, respectively).

Arts & Economic Prosperity 6 intentionally excludes comparisons of BIPOC versus not-BIPOC datasets. The goal is to measure the impact of arts and culture inclusive of all communities, cultures, and identities, and to create better tools to advocate for communities that have historically been overlooked, underfunded, and marginalized. **We encourage all who engage with the AEP6 study to refrain from comparisons that have in the past been used to bring harm to communities and undermine the good and hard work being done to advocate for all**.

TRAVEL PARTY AND DEMOGRAPHIC CHARACTERISTICS

Table 12:
Travel Party and Demographic Characteristics of Arts Audiences in the City of West Hollywood

	Local Attendees	Nonlocal Attendees
Travel Party Size		
Average number of adults (18 years of age or older)	1.9	2.2
Average number of children (younger than 18)	0.1	0.3
Average travel party size	2.0	2.5
Age Range		
18 to 25 years of age (i.e., Generation Z)	14.6%	17.6%
26 to 41 years of age (i.e., Millennials, Generation Y)	34.9%	38.2%
42 to 57 years of age (i.e., Generation X)	22.1%	26.5%
58 to 76 years of age (i.e., Baby Boomers)	24.4%	17.6%
77 years of age or older (i.e., Greatest Generation, Silent Generation)	3.9%	0.0%
Educational Attainment		
Less than high school	0.2%	0.0%
High school degree	12.1%	22.1%
Technical or associates degree	11.3%	11.0%
Bachelor's degree	47.6%	38.2%
Master's degree	22.0%	24.3%
Doctoral degree	6.8%	4.4%
Annual Household Income		
Less than $30,000	17.9%	16.0%
$30,000 to $59,999	20.6%	13.0%
$60,000 to $99,999	23.6%	27.5%
$100,000 to $149,999	15.5%	18.3%
$150,000 to $199,999	10.7%	14.5%
$200,000 or more	11.7%	10.7%
Identify with a Disability		
Yes	11.0%	10.6%

Table 12 (continued):
Travel Party and Demographic Characteristics of Arts Audiences in the City of West Hollywood

	All Attendees
Race/Ethnicity*	
American Indian or Alaska Native or Indigenous or First Nations	3.1%
Arab or Middle Eastern or Northern African	3.2%
Asian or Asian American	10.9%
Black or African American	12.3%
Hispanic or Latino/Latina/Latinx or Spanish origin	21.9%
Native Hawaiian or Pacific Islander	1.2%
White or Caucasian or European American	61.7%
I prefer to self-identify	5.4%
Any BIPOC or ALAANA	46.5%
White Only	53.5%

* The audience-intercept survey instrument allowed respondents to choose multiple racial/ethnic categories. Therefore, the sum of the results for the individual categories may exceed 100%.

"City planners know the tremendous power of art and creativity in the built environment. For the planning profession, artists and culture bearers are key allies in our work: they help us shape resilient, livable, and equitable places. This is why the Arts & Planning Division of the American Planning Association advances a network across the fields of planning and the arts. And this is why we value the AEP6 and its data-driven, place-based approach. We know it will have a strong impact for our members and our shared work."

— ANNIS SENGUPTA,
Chair, The Arts & Planning Division of the American Planning Association

"As the world's largest and most reliable resource for destination organizations, arts and culture organizations make up the beautiful tapestry of what makes destinations come alive. Advocacy, especially at the local level, and data from the AEP6 research partners empower destinations to not just showcase their beauty but to measure the impact of creativity, fostering a vibrant, sustainable future for all to explore and cherish."

— SOPHIA HYDER HOCK,
Chief Diversity Officer, Destinations International

CONCLUSION

Arts and culture is more than food for the soul. It also puts food on the table for millions of people across the United States—including in the City of West Hollywood.

In 2022, nonprofit arts and culture organizations and their audiences generated $12.4 million in economic activity in West Hollywood—$4.9 million in spending by the organizations, which leveraged an additional $7.5 million in event-related spending by their audiences. This economic activity supported 248 jobs and generated $3.4 million in tax revenue.

AEP6 changes the conversation about nonprofit arts and culture organizations from that of a charity—worthy of funding in prosperous economic times but hard to justify in challenging times—to that of an industry with an economic and social impact. Arts and culture organizations are businesses. They employ people locally, purchase supplies and services from nearby businesses, and produce the authentic cultural experiences that are magnets for visitors, tourists, and new residents. Their very act of creating, presenting, exhibiting, and engaging has a positive economic impact on the community.

When people attend a cultural event, they often make an outing of it—dining at a restaurant, paying for parking or public transportation, enjoying dessert after the show, and returning home to pay for child or pet care. Attendees at the City of West Hollywood's nonprofit arts and culture events spend $51.20 per person per event, beyond the cost of admission—vital income for local merchants and a value-add that few industries can compete with. Arts and culture organizations also strengthen the visitor economy: 14.2% of West Hollywood's arts attendees travel from outside Los Angeles County; these cultural tourists spend an average of $85.76 per person. When asked, 56.2% of those nonlocal attendees reported that the primary purpose of their visit was "specifically to attend the performance, event, exhibit, venue, or facility" where they were surveyed.

Arts and culture is a fundamental component of livable communities—beautifying cities and towns, bringing joy to residents, and celebrating diverse cultural expressions and traditions. It powers the creative communities where people want to live and work, where entrepreneurs and innovation thrive, and where businesses and nighttime economies flourish. Shared cultural experiences strengthen sense of belonging and community pride.

Arts & Economic Prosperity 6 delivers a clear and welcome message: when communities invest in arts and culture, they are not investing in community development at the expense of economic development. Rather, they are investing in an industry that stimulates the economy, supports local jobs, and contributes to building healthy, vibrant, and more livable communities. **When we support the arts, we are investing in both West Hollywood's economic and community well-being**.

AEP6 CALCULATOR

To make it easier to compare the economic impacts of different organizations located in the City of West Hollywood (or to calculate updated impact estimates in the five years ahead), the project researchers calculated the economic impact per $100,000 of direct spending by nonprofit arts and culture organizations and their audiences.

ECONOMIC IMPACT PER $100,000 OF DIRECT SPENDING BY NONPROFIT ARTS AND CULTURE ORGANIZATIONS

For every $100,000 in direct spending by a nonprofit arts and culture organization in the City of West Hollywood, there was the following estimated economic impact during fiscal year 2022.

Table 13
Ratios of Economic Impact Per $100,000 of Direct Spending by Nonprofit Arts and Culture Organizations in the City of West Hollywood During Fiscal Year 2022

	City of West Hollywood
Employment (Jobs)	2.97
Resident Household Income	$110,176
Local Government Revenue	$4,958
State Government Revenue	$7,908
Federal Tax Revenue	$25,820

An Example of How to Use the Organizational Spending Calculator Table (above):

An administrator from a nonprofit arts and cultural organization that has total expenditures of $250,000 wants to determine the organization's total economic impact on employment in the City of West Hollywood. The administrator would:

1. Determine the amount spent by the nonprofit arts and cultural organization (in this example, $250,000)
2. Divide the total expenditure by 100,000 (in this example, $250,000 divided by 100,000 equals 2.5)
3. Multiply that figure by the employment ratio per $100,000 for the City of West Hollywood

ECONOMIC IMPACT PER $100,000 OF DIRECT SPENDING BY NONPROFIT ARTS AND CULTURE AUDIENCES

The economic impact of event-related spending by arts audiences can also be derived for an individual organization or groups of organizations in the City of West Hollywood.

The first step is to determine the total estimated event-related spending by local attendees. To derive this figure, first multiply the total attendance by the percentage of attendees that are residents. Then, multiply the result by the average per person event-related expenditure by local attendees. The result is the total estimated event-related spending by local attendees.

The second step is to do the same for nonlocal attendees. To derive this figure, first multiply the total attendance by the percentage of attendees that are nonresidents. Then, multiply the result by the average per person event-related expenditure by nonlocal attendees. The result is the total estimated event-related spending by nonlocals.

Then, sum the results from the first two steps together to calculate the total estimated event-related audience spending in West Hollywood. Finally, the ratios of economic impact per $100,000 in direct spending can then be used to determine the total economic impact of the total estimated audience spending.

Table 14:
Audience Spending Ratios for the AEP6 Calculator in the City of West Hollywood

	Local Attendees	Nonlocal Attendees
Percentage of Total Attendees	85.8%	14.2%
Average Per Person Event-Related Expenditure	$45.45	$85.76

Table 15:
Ratios of Economic Impact Per $100,000 of Direct Spending by Nonprofit Arts and Culture Audiences in the City of West Hollywood During Fiscal Year 2022

	City of West Hollywood
Employment (Jobs)	1.36
Resident Household Income	$56,718
Local Government Revenue	$3,608
State Government Revenue	$4,916
Federal Tax Revenue	$11,291

An Example of How to Use the Audience Spending Calculator Tables (on the preceding page):

An administrator wants to determine the total economic impact of the 25,000 total attendees to his/her organization's nonprofit arts and cultural events on employment in the City of West Hollywood. The administrator would:

1. Multiply the total attendance by the percentage of attendees that are residents
2. Multiply the result of step 1 by the average per person event-related expenditure for residents
3. Multiply the total attendance by the percentage of attendees that are nonresidents
4. Multiply the result of step 3 by the average per person event-related expenditure for nonresidents
5. Sum the results of steps 2 and 4 to calculate the total estimated event-related audience spending
6. Divide the resulting total estimated audience spending by 100,000
7. Multiply that figure by the employment ratio per $100,000 for the City of West Hollywood

MAKING COMPARISONS WITH SIMILAR STUDY REGIONS

For the purpose of this analysis and unique report, **the geographic region being studied is defined as the City of West Hollywood in California**. According to the most recent data available from the U.S. Census Bureau, the population of the City of West Hollywood was estimated to be 36,854. For comparison purposes, an appendix of detailed data tables containing the study results for all 373 participating study regions can be found on at www.AEP6.AmericansForTheArts.org. The data tables are stratified by population, making it easy to compare the findings for the City of West Hollywood to the findings for similarly populated study regions (as well as any other participating study regions that are considered valid comparison cohorts).

Additional AEP6 tools and resources can be found at www.AEP6.AmericansForTheArts.org.

"As statewide policy makers, NOBEL Women fully appreciates the connection between the arts, community development, and social improvement. The AEP6 report shows us that this collective effort across the country fosters diverse and inclusive collaborations that can influence sustainable policy change and more arts funding. Generating $151.7 billion of economic activity in 2022, is proof positive of the impact that the arts has on America's economy."

— REPRESENTATIVE JUANDALYNN GIVAN (AL)
National President, National Organization of Black Elected Legislative Women

BUILDING AEP6 WITH A FOUNDATION IN EQUITY

BY DR. GENNA STYLES-LYAS, DIRECTOR OF AEP6 COMMUNITY ENGAGEMENT AND EQUITY

Historically, Arts & Economic Prosperity studies have underrepresented and underrecognized arts and culture organizations serving or representing BIPOC- and ALAANA-identifying communities. For AEP6, we set out to intentionally transform our approach to focus on reducing systemic research bias; establishing new local, state, and national partnership models; and creating new narratives that would better represent the BIPOC and ALAANA arts and culture communities.

But how do you rebuild a 30-year-old institutional economic impact study into one that is based on a foundation of equity and community engagement? Through constant communication, planning, learning, adjusting, and then readjusting.

As the Director of AEP6 Community Engagement and Equity, I had the opportunity to connect with 297 people representing 373 communities to learn from their individual challenges and witness the pride and passion local and statewide partners held for their communities. Through these one-on-one conversations, we gained a wealth of knowledge providing Americans for the Arts the opportunity to be more collaborative, responsible, and responsive to each of the diverse participating communities. Through this process of engagement, it was critical to document our journey and what we learned. Our goal: To share our learnings with the local and statewide partners that will inform our future work and rebuild a foundation for AEP6 that is centered in equity. Below, I have outlined eight takeaways for consideration.

1. ONE SIZE DOESN'T FIT ALL

The first major shift to the AEP6 study was the requirement for all local and statewide research partners to collect 25% of their audience surveys at events hosted or produced by BIPOC and ALAANA organizations. However, upon implementation, it soon became clear that a one-size-fits-all approach does not account for the unique characteristics of each community. Some communities simply didn't have demographic diversity. Rather than having those communities ignore the requirement because they could not meet it, we readjusted the requirements to a scaled approach based on population data from the U.S. Census. For example, if a community's demographic data revealed that 5% of the population identified as a part of the global majority (BIPOC and ALAANA), the audience survey collection goal at BIPOC and ALAANA centered organizations would adjust to 5%. The remaining 95% of surveys could be collected from other organizations. Many local and statewide partners were inspired by the requirement to make new connections and build deeper relationships within their communities. Others were encouraged by this approach and have gone above and beyond the requirement—collecting more surveys than the required minimum from BIPOC and ALAANA organizations.

"There is a national movement, a national dialogue here that is so important for a time such as now."

— JEREMY JOHNSON
President and CEO
Assembly for the Arts, Cleveland, OH

If, after many points of engagement, the research partners could not identify any BIPOC or ALAANA arts and culture organizations in their community, then their audience data collection requirements were met by collecting surveys from non-BIPOC and ALAANA organizations. Our aim was to be true to the community and not overburden or over-survey a single organization. With this thoughtfully scaled approach, 141 of the 373 participating communities (37.8%) achieved or surpassed their goal.

CHALLENGES WITH THE U. S. CENSUS

We acknowledge that this revised approach may not be perfect due to the historic systemic oppressive practices embedded in the U.S. Census methodology such as:

- The Three-Fifths Compromise, where enslaved descendants of Africa were counted as a portion of a person[1].
- Misuse of the data to the detriment of certain communities, such as the wartime incarceration of Japanese- Americans in the 1940s[2].
- Undercounting of people from disinvested communities that have an impact on social/political resources[3]—compounding this count is the distrust of the census in immigrant and other marginalized communities[4].
- Racial or ethnic categories that do not allow people to identify or feel fully represented as themselves[5,6].

These practices create a challenge when attempting to accurately illustrate population demographics. However, in future AEP studies, we will continue to refine our processes in partnership with our community partners to be more inclusive of diverse communities across the country.

1 https://www.pbs.org/race/000_About/002_04-background-03-01.htm

2 https://www.washingtonpost.com/news/retropolis/wp/2018/04/03/secret-use-of-census-info-helped-send-japanese-americans-to-internment-camps-in-wwii/

3 https://itep.org/the-role-of-census-data-in-policy-and-racial-equity/

4 https://www.census.gov/newsroom/press-releases/2019/2020-census-cbams.html#:~:text=The%20analysis%20revealed%20five%20barriers,census%20might%20not%20benefit%20you

5 https://fivethirtyeight.com/features/who-the-census-misses/

6 https://www.cnn.com/2021/08/15/us/census-2020-multiracial-nation/index.html

2. NECESSARY COLLABORATORS

To advise Americans for the Arts on our approach, methodology, and creation of AEP6 resources, we developed an AEP6 Equity Task Force with members that represented the breadth of the arts and culture industries. These included researchers, funders, local research partners, and BIPOC organization leaders who would actually be asked to complete the surveys. The Task Force helped us present relatable, functional, and actionable ideas. They also helped us define what a BIPOC and ALAANA organization was and were the first to review changes to the AEP6 methodology.

With early and frequent involvement of the Task Force, we were able to work more effectively and impactfully with local and statewide research partners and thus, enable them to better connect with their BIPOC and ALAANA communities.

Additionally, local and statewide research partners were responsible for boots-on-the-ground efforts inside the 373 participating study regions. This was the most difficult work because they were navigating challenges such as time constraints, perfectionism, and diving into operationalizing equity—in addition to technical challenges with definitions, digital options, and systemic bias.

3. IMPORTANCE OF RELATIONSHIPS

As part of this minimum audience sample requirement, the AEP6 project team and Equity Task Force reviewed the Definition of Eligible Organizations from the previous AEP study. Although the definition was expansive, the majority of local and statewide partners have historically only connected with 501(c)(3) organizations that participated previously or larger, more familiar arts and culture organizations.

The minimum audience survey sample requirement aimed to represent BIPOC and ALAANA arts and culture organizations and their audiences in this study. In order to accomplish this, we had to ensure local and statewide research partners understood that this requirement was more than just a box to check or a quota to meet. Research partners needed to build trust and maintain their commitment to representation. We asked research partners to go deep into their communities and expand beyond what the European standard of the arts and culture community may look like (e.g., ballet, operas, symphonies, large companies).

The AEP6 project team reviewed the criteria with AEP6 research partners via a webinar and many one-on-one conversations. We learned that some long-standing BIPOC and ALAANA organizations had not been recognized as a part of the arts and culture ecosystem. Research partners were excited to learn and identify arts and culture events happening in community hubs they had not previously considered, such as churches, libraries, and cultural centers. It was thrilling and rewarding for research partners to dig into a deeper well of arts and culture organizations. What did we learn?

- Some BIPOC and ALAANA organizations that presented arts and culture programming were social service/social justice organizations.
- There were a number of BIPOC and ALAANA organizations that worked together in a co-leadership model to create an event.

- Some of the organizations were based outside of the community, but not too far.
- Local and statewide research partners were able to network within a community they had never engaged with previously.
- Collaboration created touring opportunities for the BIPOC and ALAANA organization.

Through the representation of BIPOC and ALAANA organizations, pathways were uncovered for BIPOC and ALAANA communities to further engage within the arts and culture sector.

> *"[The AEP6 study's focus on inclusion] sparked curiosity and excitement to learn more about organizations they weren't connecting with. [With this focus,] we created a new mini-grant opportunity to help local organizations in the city. AEP6 helped us understand the need and how to take action."*
>
> *— KATE GIPSON*
> *Local Research Partner, Louisville, KY*

4. TIME OVER TRANSACTIONAL: PERFECTION IS NOT REAL

One of the challenges to building relationships is that it can take a long time, especially if there is a foundation of historical distrust or marginalization of either side.

Balancing competing commitments of day-to-day responsibilities with completing AEP6 data collection, research partners found it difficult to find the time to make and nurture new relationships. At times, research partners expressed that it would be easier to reach out to old organizations that were well-known rather than exploring broader communities.

It became clear that the minimum sample requirement was more than a quick and easy transactional interaction. Local and statewide research partners found that BIPOC and ALAANA arts and culture organizations needed to do more than send an email and make an ask. To accomplish a more representative survey, research partners needed to maintain an openness and commit time to build new and sustaining relationships.

> *"There is a lot of work to do, but also, I think one of the ways we've been successful in reimagining AEP6 is that we're building in time to pause. We're building in time to walk into a wall and get stuck and back up and figure out another way—a door, a window, a ladder—whatever it is, and I think that's been beneficial to us."*
>
> *— SALLY DIX, EXECUTIVE DIRECTOR,*
> *Bravo Greater Des Moines, Des Moines, IA*

In some cases, research partners had to accept that some relationships did not result in a partnership or any level of engagement for the AEP6 study. However, if they tend to these relationships and responsibly build trust equity, there is an opportunity for future partnerships for the next AEP study and beyond.

What we heard from local and statewide partners:

- There were a number of times when research partners were disappointed or shocked that BIPOC and ALAANA organizations they found or knew didn't engage in the study at all.
- Research partners shared that BIPOC and ALAANA organizations committed but couldn't follow through. Through direct discussion with some of these BIPOC and ALAANA organizations, we learned that, like other organizations, low volunteer engagement and lack of resources made it difficult to carry out the survey.
- Some organizations had a distrust or trepidation of the local or statewide research partner because they had never engaged with the research partner before.
- Lastly, some Indigenous, Native American, and American Indian communities have events and programs that are not open to the public.

We asked research partners not to push or overstep the engagement, just simply work with these organizations to support them, build trust, and create collaborative opportunities. Now that local and statewide research partners have this experience through AEP6, we have greater confidence that we can build upon the foundation of trust and collaboration established.

5. OPERATIONALIZING EQUITY-CENTERED PRACTICES AND PROCESSES

The other major component of this study was mitigating the amount of harm to all participating parties. The AEP6 research team was committed to creating structures of support and providing resources to do this work intentionally and responsibly with each participating community. Through each research partner conversation, we learned another story, challenge, or perspective on the work of AEP6. These conversations were at the root of how we developed the resources to support and operationalize the practices and processes of community engagement with BIPOC and ALAANA organizations.

Some research partners did not know where to start and how to engage. Early conversations explored the reality that each community engagement touch point is unique. Recognizing this, the AEP6 team built a one-sheet resource, "Engaging with Community," outlining activation points to support and guide responsible communication through a service-driven mindset. The resource provided clear expectations aimed at building or rebuilding trust and thoughtful relationships.

> *"My town has a history of racism and self- segregation. The young black artists here are not offered access to venues like other artists or arts organizations. When they have tried to get venue access, these artists or smaller artist collectives are harassed or met with a level of hostility. However, I have found that most artists collective's events are kept really secret with more than one organizer. I have been able to build a relationship to understand how to join those spaces respectfully."*
>
> *— ANONYMOUS RESEARCH PARTNER*

We also heard concern from several research partners on their ability to locate BIPOC and ALAANA organizations. To address this concern, we developed the resource, "Making Connections with BIPOC and ALAANA Organizations," to advise research partners on how to intentionally find, approach, connect, and navigate early conversations, and thoughtfully engage with BIPOC and ALAANA organizations beyond AEP6.

As one can imagine, our conversations with local and statewide research partners did not end after the second resource. Instead, they became more complicated and nuanced. To aid future conversations, we developed the website, Maintaining and Strengthening Committed Community Connections, a digital engagement tool for research partners to develop a deeper understanding on how to implement and practice equitable community engagement efforts to foster and influence advocacy.

Finally, we translated audience surveys into 24 languages, in addition to English, to ensure representation and better acceptance of the survey. While most respondents utilized the English version of the survey, we received direct feedback that these translated surveys helped multilingual speakers feel seen and acknowledged—a significant early step in strengthening existing and building the new relationships.

> *"We have the survey in English, but we also had it in Punjabi and Hindi. I can tell you that it was like this wall came down. And they felt very seen and surprised that anyone wanted to offer a survey in a cultural language that was familiar to them. And while most people did end up taking it in English, it was really an amazing touch point. It opened up a door for conversation between me and the person taking the survey when they saw that extra mile had been walked to make this more accessible to them and to their community."*
>
> *— JENN GORDON*
> *Former Executive Director*
> *ArtsPartners of Central Illinois, Peoria IL*

6. TECHNICAL CHALLENGES

During this process, we had to contend with a number of societal challenges facing communities across the country. We encouraged expansion in a post-pandemic environment when volunteers were hard to come by. Unfortunately, this led to some research partners overcommitting themselves and further realizing that their local support had diminished. Many partners found themselves overextended, and the arts and culture organizations they were looking to survey were understaffed, underfunded, and unable to support the AEP6 effort.

To add to this difficulty, research partners reported that audience members had communicated an aversion to completing the survey because they didn't trust where the information was going or suffered burnout from numerous surveying efforts during the pandemic.

"Challenges so far have included not having enough volunteers to collect surveys at our own events. Also, with the organizations and event organizers that we've been working with, sometimes they have a difficult time finding enough volunteers to fulfill the basic duties of their event. There have been lapses in communication when dropping off surveys and getting it to the volunteers that are supposed to collect them all…all of these have been challenges. We just do what we can to make sure that we attend as many events as possible and gather as many volunteers as possible and collect as many surveys as possible. It has not been perfect, but we have been trying to collect as much data as we can."

— CATHY HARDISON
Executive Director
Wilson Arts, Wilson, NC

And finally, for the first time the AEP6 audience survey had a digital option, in addition to the paper survey. The research team delivered two different QR codes (one for BIPOC or ALAANA organizations and a second for non- BIPOC or non-ALAANA organizations) to each of the local and statewide research partners that would allow audiences to take the survey on their phones. With the QR codes, we were unable to verify if the correct version of the code was employed, which created more space for user error. Paper surveys, on the other hand, were easier to verify because research partners were required to use batch cover sheets to confirm the event as BIPOC or ALAANA. For the paper surveys, we were able to cross-check the event coding with the name of the organization which held the event. The only recourse for QR code surveys were additional administrative steps to screen incoming surveys for suspected anomalies. With any suspected anomalies, we would have to follow up individually which required additional time and effort.

7. THE REALITY OF UNCONSCIOUS BIAS

The systemic societal issues facing communities are pervasive. Despite encouragement to challenge the status quo, we found current policies and practices, in which the status quo was grounded, hard to move away from.

"We're working within mainstream culture here in the U.S., and so sometimes, we do forget that communication style needs to change, especially when we're working with human beings. Not every human being is the same, not every community is the same as well. We like to tout that the U.S. is a melting pot of cultures. It may be a melting pot, but it doesn't mean that we're all blended together and just a blank array. We have our unique abilities. We have our unique cultures and traditions that need to be addressed, especially when we are approaching people to ask for information from them. While [the study] may benefit these communities, it doesn't mean that they want to participate if we're not presenting the benefits for them, but also being humble in how we approach."

— MARIO MESQUITA
Manager of Advocacy and Engagement
Regional Arts & Culture Council, Portland, OR

As with any random sampling effort, we acknowledge the possibility of interviewer bias during the audience engagement portion. Even though instructions were given to ensure random sampling, it is impossible to completely rule out interviewer bias in the selection of event attendees surveyed. Additionally, in some participating communities, there was a built-in perception of a deficit outcome story. Some research partners expressed nervousness about attending free community events or other events in non-traditional spaces because the economic outcome story of the region would be brought down by low spending at the event. We encouraged research partners to push through that perception and attend, as those events are all part of the arts and culture ecosystem.

We found that the level of spending by audiences at BIPOC and ALAANA events ($38.29) is very similar to the national overall arts and cultural events spending average ($38.46). With the addition of social impact questions to AEP6, we found even more valuable data beyond the economic impact. 86.6% of attendees to BIPOC and ALAANA events believe that their attendance to these arts and culture events is a way of ensuring them for future generations.

Reflecting on the above-mentioned findings, the perception of BIPOC and ALAANA organizations creating a reduction in the region's economic impact is simply untrue. However, these perceptions are often rooted in bias fed by societal challenges. The perceptions are hard to tackle because they are sometimes unconscious assumptions and based on past experiences. We will continue to work with local and statewide research partners while learning from and supporting BIPOC and ALAANA organizations to build better engagement and combat social issues that block progress.

8. REFINING DEFINITIONS

When we began the process of making AEP6 more inclusive, one of the most asked questions was centered on how we defined BIPOC and ALAANA organizations. The AEP6 Equity Task Force was critical in this process. We wanted to allow organizations the ability to self-identify as BIPOC or ALAANA; however, the timeline of the project meant that the audience survey had to come before the organizational survey where each organization would self-identify. This meant local and statewide research partners had to research whether arts and culture organizations and events were BIPOC- or ALAANA-identifying prior to completing audience surveys. In order to guide research partners to find BIPOC and ALAANA organizations, we came up with the following definition:

> *BIPOC and ALAANA organizations include organizations that have a mission statement (or guiding principles) that is centered on advancing, creating, and/or preserving artistic and cultural traditions rooted in communities of color.*

During our process, a research partner emailed a list of organizations they found, whose mission didn't explicitly identify as rooted in a community of color, including The Griot Collective of West Tennessee. We learned the term "griot" is defined as a member of a class of traveling poets, musicians, and storytellers who maintain a tradition of oral history in parts of West Africa. The ability to identify the term allowed us to better understand if the organization fit within the criteria. Additionally, we looked at the programs the collective organized. It was highly likely the organization would identify as

BIPOC or ALAANA. We recommended the partner reach out to the Griot Collective to talk about the study, confirm how they identify, and see if they would be interested in participating.

We found that there were many BIPOC and ALAANA organizations that cannot or do not put their affiliation within their mission statement due to some of their communities' societal circumstances. Constant communication between local and statewide research partners, independent research, personal practitioner experience, and information from local arts organizations also aided in identification efforts. Based on this definition and discussions with local arts organizations, we were able to identify additional organizations that may not have been considered BIPOC- or ALAANA-identifying at the outset of this process.

While the BIPOC or ALAANA organization definition originally required that more than 50% of the organization's audiences/attendees identify as BIPOC or ALAANA, we found that this requirement did not represent a majority of BIPOC and ALAANA organizations across the country. Further, we found that inconsistent or nonexistent practices to track audience demographics—and the implicit bias involved with attempting to broadly categorize audiences—affirmed the need to remove this requirement.

CONCLUSION

Americans for the Arts will continue to refine the AEP study, discovering opportunities to improve the process while also celebrating successes in each iteration. We discovered that our past focus on methodology and capturing economic heavyweights like large-budget Eurocentric institutions, contributed to the underrepresentation of organizations serving or representing BIPOC- and ALAANA-identifying communities and their ability to advocate for their economic impact. Will our transformed methodology in AEP6 rectify our history of underrepresenting BIPOC and ALAANA communities? No, but we are continuing to remodel and expand future iterations of the AEP study to ensure we do not overlook other vital areas.

Showing only the economic impact is a singular tool we can use for advocacy. It does not show the necessary nuances required to truly engage with the community. Dollars and jobs can't quantify the sense of community and fellowship you experience when you attend a local fair, the pride audiences feel when exploring your neighborhood and finding a mural that captures the essence of your community, or the affirmation of identity that comes when you attend an event as a means to ensure that very cultural experience will be available for future generations. These feelings are based on community and transcend across all generations and life experiences. AEP6 is just beginning to scratch the surface—revealing important social and community impact questions to evolve a bigger narrative for advocacy. We are grateful for all of the hard lessons we had to learn during AEP6, and we look forward to sharing and growing in this work with the industry. From the bottom of our hearts, we want to thank our partners for the conversations, the feedback, the calls, and the questions, and for challenging us every step of the way to make sure your perspective was heard, and your community was represented. **We see you**. **We will keep listening**. **We will keep doing the work**.

ABOUT THIS STUDY

Americans for the Arts conducted AEP6 to document the economic and social benefits of the nation's nonprofit arts and culture industry. The study was conducted in 373 diverse communities and regions across the country, representing all 50 states and Puerto Rico. A local or statewide research partner implemented the data collection for each community—a total of 297 research partners represented the 373 participating communities (41 research partners represented multiple communities such as both a city and a county). The participating communities range in population from 4,000 to 4 million and represent rural, suburban, and urban areas (130 cities, 126 counties, 78 multi-city or multi- county regions, 18 arts districts, and 21 states/territories).

Researchers, in collaboration with their local and statewide partners, collected surveys from 16,399 organizations and 224,677 attendees to provide a measure of total industry spending. Using the IMPLAN economic modeling platform, input-output analysis models were customized for all 373 study regions. These quantitative models measure the economic relationships between hundreds of different industries in each geographic area. Reports were prepared for each of the 373 study regions, and national estimates were made for the nation as a whole.

For this study, economic impact is defined as the following measures:

- Jobs is a total figure of people employed (full-time, part-time, and seasonal employment jobs).
- Resident household income includes salaries, wages, and entrepreneurial income paid to residents. It is the money individuals earn personally and then use to pay for food, mortgages, and other living expenses.
- Tax revenue to local, state, and federal governments includes revenue from taxes (e.g., income, property, or sales), as well as funds from licenses, filing fees, and other similar sources.

TO PARTICIPATE IN AEP6, THE 297 LOCAL AND STATEWIDE RESEARCH PARTNERS AGREED TO FOUR PARTICIPATION CRITERIA.

1. Identify and code the comprehensive universe of eligible arts and culture organizations located in their study region.
2. Assist with the collection of detailed financial and attendance information from those organizations and review the information for accuracy.
3. Collect audience-intercept surveys from attendees at a broad, representative sample of cultural events that take place in their study region.
4. Pay a modest cost-sharing fee. (No community was refused participation for an inability to pay.)

To secure the City of West Hollywood's status as one of the 373 participating communities, the City of West Hollywood Economic Development Department (Arts Division) responded to the Call for Participants and agreed to complete the required criteria.

HOW LOCAL AND STATEWIDE RESEARCH PARTNERS IDENTIFIED ELIGIBLE ARTS AND CULTURE ORGANIZATIONS FOR STUDY INCLUSION.

Each of the 297 research partners identified the universe of nonprofit arts and culture organizations located in their region using the National Taxonomy of Exempt Entity (NTEE) coding system as a guideline. The NTEE system—developed by the National Center for Charitable Statistics at the Urban Institute—is a definitive classification system for nonprofit organizations recognized as tax exempt by the Internal Revenue Code. This system divides the entire universe of nonprofit organizations into 10 major categories, including "Arts, Culture, and Humanities." The IRS Business Master File lists approximately 116,000 nonprofit arts and culture organizations registered with the IRS in 2022.

The following NTEE "Arts, Culture, and Humanities" subcategories were included in this study:

- A01 – Alliances and Advocacy
- A02 – Management and Technical Assistance
- A03 – Professional Societies and Associations
- A05 – Research Institutes and Public Policy Analysis
- A11 – Single Organization Support
- A12 – Fund Raising and Fund Distribution
- A19 – Support (not elsewhere classified)
- A20 – Arts and Culture (general)
- A23 – Cultural and Ethnic Awareness
- A24 – Folk Arts
- A25 – Arts Education
- A26 – Arts and Humanities Councils & Agencies
- A27 – Community Celebrations
- A30 – Media and Communications (general)
- A31 – Film and Video
- A32 – Television
- A33 – Printing and Publishing
- A34 – Radio
- A40 – Visual Arts (general)
- A50 – Museums (general)
- A51 – Art Museums
- A52 – Children's Museums
- A53 – Folk Arts Museums
- A54 – History Museums
- A56 – Natural History and Natural Science Museums
- A57 – Science and Technology Museums
- A60 – Performing Arts (general)
- A61 – Performing Arts Centers
- A62 – Dance
- A63 – Ballet

- A65 – Theatre
- A68 – Music
- A69 – Symphony Orchestras
- A6A – Opera
- A6B – Singing and Choral Groups
- A6C – Bands and Ensembles
- A6E – Performing Arts Schools
- A70 – Humanities (general)
- A80 – Historical Organizations (general)
- A82 – Historical Societies and Historic Preservation
- A84 – Commemorative Events
- A90 – Arts Services (general)
- A99 – Arts, Culture, and Humanities (miscellaneous)
- B70 – Libraries
- C41 – Botanical Gardens and Arboreta
- C42 – Garden Clubs
- D50 – Zoos and Aquariums
- N52 – Fairs and Festivals
- Q21 – International Cultural Exchange

AEP6 takes an inclusive approach that accounts for different localities and cultures. For example, in some communities, the museum may be a nonprofit organization while in others it is a government-owned and operated entity. Both are included in AEP6. Also included are entities such as public and private local arts agencies, living collections (zoos, aquariums, and botanical gardens), university presenters, and arts programs under the umbrella of a non-arts organization or facility (such as a library, social service organization, or church). In addition to the organization types listed above, the study research 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 arts and culture. In short, if it displays the characteristics of a nonprofit arts and culture organization and has an identifiable budget, attendance, and leadership, it was included in AEP6. *This study does, however, exclude individual artists and the for-profit arts and entertainment sector (e.g., Broadway or the motion picture industry)—all vital and valued components of the nation's arts landscape but beyond the scope of this study*.

SURVEYS OF NONPROFIT ARTS AND CULTURE ORGANIZATIONS

Detailed information was collected from 16,399 eligible organizations about their fiscal year 2022 expenditures (e.g., labor, local and non-local artists, operations, materials, facilities, and asset acquisition), as well as their event attendance, in-kind contributions, and volunteerism. Surveys were collected from February through July 2023. Some organizations only provided total expenditures and attendance (they are included in the study). Responding organizations had budgets ranging from a low of $0 to a high of $375 million. Response rates for the 373 communities averaged 43.9% and ranged from 5% to 100%. It is important to note that each study region's results are based solely on the 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 City of West Hollywood, 12 of the 33 total eligible nonprofit arts and culture organizations identified by the City of West Hollywood Economic Development Department (Arts Division) provided the financial and attendance information required for the study analysis—an overall participation rate of 36.4%.

SURVEYS OF NONPROFIT ARTS AND CULTURE AUDIENCES

Audience-intercept surveying, a common and accepted research method, was conducted in all 373 of the study regions to measure event-related spending by nonprofit arts and culture audiences. Attendees and participants were asked to complete a short survey while attending an event. Nationally, a total of 224,677 attendees completed the survey for an average of 602 surveys per study region. The randomly selected respondents provided itemized expenditure data on attendance-related activities such as meals, souvenirs, transportation, and lodging, as well as socioeconomic information, ZIP code of primary residence, and four social impact questions. Data was collected from May 2022 through June 2023 at a broad range of both paid and free events. The survey respondents provided information about the entire party with whom they were attending the event. With an overall average travel party size of 2.41 people, this data represents the spending patterns of 541,472 attendees.

In the City of West Hollywood, a total of 1,032 valid audience-intercept surveys were collected from attendees to nonprofit arts and culture performances, events, exhibits, and special events during the period from May 2022 through June 2023.

STUDYING ECONOMIC IMPACT USING INPUT-OUTPUT ANALYSIS

The nation's economy is shaped by complex interactions among businesses, workers, and communities. 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 multiple Nobel Prizes in economics. The models are systems of mathematical equations that combine statistical methods and economic theory in an area of study called econometrics.

Americans for the Arts uses the IMPLAN platform to create the customized models for each of the 373 study regions. Input-output models calculate the interdependencies between various sectors or industries within a region. The model quantifies how changes in one sector's output and demand for inputs affect other sectors in the economy. IMPLAN's models are based on detailed tables that represent the flow of goods and services between different industries.

IMPLAN relies on region-specific and industry-specific data to customize input-output models for different areas and sectors, allowing for more accurate analysis.

In short, this analysis traces how many times a dollar is respent 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 AEP studies because it can be customized specifically to each participating community, region, or state.

To complete this analysis for the City of West Hollywood, the researchers used the IMPLAN platform to build a customized input-output model based on the unique economic and industrial characteristics of Los Angeles County.

CALCULATION OF THE NATIONAL ECONOMIC IMPACT ESTIMATES

The national estimates were derived using the following steps:

1. The 130 cities and towns that participated in the study were stratified into six population cohorts, and average economic impact results were calculated for each cohort. Ten communities were excluded from the calculation of the averages due to their comparably high levels of economic activity relative to the other participating communities in their cohort. This was done to avoid inflating the national estimates.
2. The nation's largest 13,189 incorporated places were assigned to one of the six groups based on their population, as supplied by the U.S. Census Bureau, and assigned the economic impact average for its population group.
3. The average economic impact values of the cities and towns were added together to determine estimated national economic impact findings.

A comprehensive description of the methodology used to complete this national study is available at www.AEP6.AmericansForTheArts.org.

GLOSSARY

BIPOC and ALAANA
These acronyms are used to reference individuals or communities of color: BIPOC (Black, Indigenous, People of Color) and ALAANA (African, Latine, Asian, Arab, Native American). While these terms do not fully encompass or represent the complicated and multi-layered nature of indigeneity or ethnic and racial identities, they are the most commonly used terms in our work.

Cultural Tourism
Travel directed toward experiencing and engaging with the arts, culture, heritage, traditions, and special character of a place. It may involve visiting an arts and culture organization, attending festivals, and experiencing the cuisine.

Direct Economic Impact
A measure of the economic effect of the initial expenditure within a community. For example, when a symphony pays its players, each musician's salary and the associated payroll taxes paid by the nonprofit represent direct economic impact.

Direct Expenditures
The first round of expenditures in the economic cycle (the money buyers pay to sellers in exchange for goods or services). A ballet company's purchase of dance shoes is an example of direct expenditures.

Econometrics
The process of using statistical methods and economic theory to develop a system of mathematical equations that measures the flow of dollars between local industries. The input-output model customized for each AEP6 community is an example of an econometric model.

Household Income (or Personal Income)
The salaries, wages, and entrepreneurial income residents earn and use to pay for food, mortgages, and other living expenses. It is important to note that resident household income is not just salary. When a business receives money, for example, the owner usually receives a percentage of the profit, resulting in income for the owner. Household income also includes benefits and employer-paid payroll taxes (social security, unemployment, etc.).

IMPLAN
AEP6 study uses IMPLAN for its economic analysis. IMPLAN is short for "IMpact analysis for PLANning." It is a widely used economic modeling and impact analysis tool. Using the IMPLAN economic modeling platform, input- output analysis models were customized for all 373 study regions. These quantitative models measure the economic relationships between hundreds of different industries in each geographic area. IMPLAN is a well-regarded system that is used by more than 1,000 U.S. companies and governments.

Indirect and Induced Impact

AEP6 measures the economic impact of the arts using a methodology that enables economists to track how many times a dollar is respent within the local economy and thus, to measure the economic impact generated by each round of spending. For example, when a theater company purchases paint from the local hardware store, there is a measurable economic effect of that initial expenditure within a community. However, the economic benefits typically do not end there because the hardware store uses some of its income to pay the clerk that sold the paint (induced impact), as well as to pay other businesses such as the electric bill (indirect impact). The indirect and induced economic impacts are the effects of the subsequent rounds of spending by businesses and individuals, respectively.

Input-Output Analysis

A system of mathematical equations that combines statistical methods and economic theory in an area of economic study called econometrics. Economists use this model (occasionally called an inter-industry model) to measure how many times a dollar is respent in, or ripples through, a community before it leaks out (see Leakage). The model is based on a matrix that tracks the dollar flow between hundreds of finely detailed industries in each community. It allows researchers to determine the economic impact of local spending by nonprofit arts and culture organizations on jobs, household income, and government revenue.

Jobs (Employment)

Employment data in IMPLAN is an annual average headcount of full time, part time, and seasonal employment. Note that a person can hold more than one job, so the job count is not necessarily the same as the count of employed persons. While IMPLAN employment adjusts for seasonality, it does not indicate the number of hours worked per day. It is not, therefore, equal to full time equivalents. This is the same definition used by the U.S. Bureau of Economic Analysis Regional Economic Accounts and the U.S. Bureau of Labor Statistics Census of Employment and Wages.

Leakage

Leakage refers to the money that is spent outside of a community. This is measured because nonlocal spending has no economic impact within the community, whereas dollars spent within the community continue to have an economic local impact. A ballet company purchasing shoes from a nonlocal manufacturer is an example of leakage. If the shoe company were local, the expenditure would remain within the community and create another round of spending (and local economic impact) by the shoe company.

Social Impact

In AEP6, social impact refers to the effect that the nonprofit arts and culture industry has on the well-being of individuals and their community, such as social connections, community pride and identity, physical and emotional health, and community livability.

Tax Revenue to Local, State, and Federal Governments

The IMPLAN economic modeling platform used in AEP6 provides a measure of government tax income based on the transactions of the tracked economic activities. It includes taxes paid by both businesses and individuals such as sales tax, income tax, corporate tax, and property tax.

FREQUENTLY ASKED QUESTIONS

This section answers some common questions about the AEP6 study, and the methodology used to complete it.

What is the significance of the AEP6 study?

Americans for the Arts provides the trusted knowledge and information tools that leaders need to advocate for increased funding for arts and culture, inclusive equitable policies and programs, and a thriving local arts agency field. Building on its 30-year legacy as the largest and most inclusive study of its kind, Arts & Economic Prosperity 6 (AEP6) is an economic and social impact study of the nation's nonprofit arts and culture industry. The study provides detailed findings on 373 regions from across all 50 states and Puerto Rico—ranging in population from 4,000 to 4 million—and represents rural, suburban, and large urban communities. AEP6 uses a rigorous methodology to document the economic contributions of the arts and culture industry, demonstrating locally as well as nationally that arts and culture is a critical economic driver of vibrant communities. Americans for the Arts partnered with 297 local, regional, and statewide organizations that represent the 373 study regions in AEP6. This study absolutely could not have been completed without them. This collective effort across the country fosters diverse and inclusive collaborations that can influence sustainable policy change and more arts funding. AEP6 is released with important national partners—organizations of public and private sector leaders that steer billions of dollars into arts and culture funding and create arts-friendly policies. These include:

- Actors' Equity Association
- African Diaspora Consortium
- Arts & Planning Division (American Planning Association)
- Black Legislative Leaders Network
- Department for Professional Employees, AFL- CIO (American Federation of Labor and Congress of Industrial Organizations)
- Destinations International
- International City/County Management Association
- Independent Sector
- National Association of Counties
- National Conference of State Legislatures
- National Alliance of Community Economic Development Associations
- National Independent Venue Association
- National Organization of Black Elected Legislative Women
- Race Forward
- Recording Industry Association of America
- The Conference Board
- U.S. Conference of Mayors

What are the key findings from AEP6?

AEP6 uses a highly regarded, conservative approach to analyze the economic impact of the nonprofit arts and culture industry, which generates a significant amount of economic activity by its organizations and event-related spending by its audiences.

The message is clear: a vibrant nonprofit arts and culture community not only keeps residents and their discretionary spending close to home, but it also attracts visitors who spend money and help local businesses thrive.

Local Impact

What continues to set AEP6 apart from other national studies is exactly why it is so useful. It is local. Every study region uses the same rigorous methodology, and each receives its own customized report. Surveys from 16,399 nonprofit arts and culture organizations and 224,677 of their attendees were collected by local and statewide research partners, and a customized input-output economic model was built for each region.

Arts and Culture Audience Impact

AEP6 is the only national study that incorporates the event-related spending by arts and culture audiences. When attendees go to an arts and culture event, they may also pay for parking, eat dinner at a restaurant, enjoy dessert after the show, and return home to pay child or pet care. The typical attendee spends $38.46 per person, not including the cost of admission.

Visitor Impact

Vibrant arts and culture communities attract visitors who spend money and help local businesses thrive. The study found that one-third of attendees (30.1%) were from outside the county in which the arts event took place. They spent an average of $60.57, twice that of their local counterparts ($29.77)—all vital income for local merchants. For 77% of respondents, the primary purpose of their visit was to attend that cultural event. When we asked arts and culture event attendees what they would have done if the event where they were surveyed had not been available, 51% of local attendees said they would have "traveled to a different community to attend a similar arts or cultural activity," and 64% of nonlocal visitors would have selected another community as well.

Social Impact

For the first time, AEP6 asked audiences social impact questions. Beyond its economic and financial impacts, arts and culture provides social contributions that benefit the wider community, such as neighborhood pride and cultural identity. Surveys completed by attendees demonstrate a deep appreciation for how arts and culture impacts the development and well-being of communities and their residents.

- 89% of respondents agreed the activity or venue they were attending was "a source of neighborhood pride for the community."
- 86% said they would "feel a sense of loss if that activity or venue was no longer available."
- 86% felt it important that future generations also be able to have that cultural experience. This high level of appreciation is found across all socioeconomic groupings.

Equity and Inclusion

AEP6 included an expectation—for the first time—that our research partners would collect a portion of audience surveys from attendees to events that were presented, produced, or hosted by BIPOC and ALAANA organizations. The study found:

- Spending by attendees at BIPOC and ALAANA organizations was nearly identical to the overall national average ($38.29 and $38.46 per person, respectively).
- Social impact survey results were also nearly identical. For example, 81.2% of attendees at BIPOC and ALAANA organizations agreed, "This venue or facility is an important pillar for me within my community." The figure for all attendees was 81.4%.
- These findings should initiate critical funding conversations about BIPOC and ALAANA organizations receiving fair and proportional financial support.
- A 2019 report by Americans for the Arts, for example, found that among local arts agency grantmaking organizations, the largest 16% of grant recipients (by budget) received 73% of the dollars awarded.
- The 2022 survey found that the pandemic's impact was not felt equally. Organizations serving and representing BIPOC communities were more likely to report lacking the financial resources needed to return to in-person programming than non-BIPOC organizations (55% vs. 38%).
- Ensuring equitable funding for arts and culture organizations is a vital step in creating an inclusive, balanced, and vibrant cultural landscape.

What are the problems or challenges that AEP6 helps to address?

Like all nonprofits, arts and culture organizations have a public purpose: to make their cultural product broadly accessible so everyone can share in its benefits. And, like all nonprofits, they depend on financial support from the government and the private sector to deliver on that promise. We are in a time, however, when many leaders feel challenged to fund the arts. Shrinking budgets, mandates to prioritize jobs and economic growth, and pressing community development issues make for difficult decision making. AEP6 brings a welcome message: when we invest in the arts, we are investing in an industry that strengthens the economy and builds more livable communities.

Past AEP studies have focused primarily on the financial, economic, and tourism contributions of the nonprofit arts and culture industry. A result of this has been an underrepresentation and underrecognition of arts and culture organizations that primarily serve communities of color and their audiences. For the first time, AEP6 expands beyond the economic and financial data to learn about the arts' social impact on the overall well-being of communities and the importance of affirming spaces in BIPOC- and ALAANA-identifying communities. With the goal of making AEP6 more inclusive and reducing systemic bias, Americans for the Arts transformed its approach and expanded the inclusion and participation of organizations serving or representing communities of color by:

- Hiring an AEP6 community engagement and equity research director
- Adding an equity consultant to the research team
- Establishing an AEP6 Equity Task Force composed of leaders from all segments of the industry
- Completing a full review and restructure of the methodology

- Ensuring publishing accessibility guidelines were met and providing inclusive language offerings (e.g., the audience survey was available in 25 languages)
- Creating a series of community engagement tools to help our research partners identify, approach, and establish new and strengthen existing relationships with organizations representing BIPOC- and ALAANA-identifying communities

Why did AEP6 do a focused analysis of the BIPOC and ALAANA organizations and their audiences?

There are many identities and communities that are marginalized, persecuted, and discriminated against across the nation. For the purposes of AEP6, we identified BIPOC and ALAANA organizations as a starting place, as the social construct of race has been historically pervasive and at the bedrock of prejudice since well before the 1700s. We also acknowledge that there are intersectionalities within BIPOC and ALAANA people that span many other marginalized groups. AEP6 provides a baseline for future studies to explore and potentially expand.

What impact did the COVID-19 pandemic have on AEP6?

AEP6 was postponed for 16 months due to the pandemic. Data collection for AEP6 was originally scheduled to be completed by December 2021 and based on budget and attendance information for the 2020 fiscal year. The study now focuses on fiscal year 2022. The pandemic had a devastating impact on the arts sector. According to national survey work by Americans for the Arts, 99% of producing and presenting arts and culture organizations canceled events during the pandemic—representing the loss of an estimated 557 million ticketed admissions. A secondary impact of the pandemic is the continued stress faced by the arts and culture industry. This includes continued reduced staffing levels needed to complete the organizational survey as well as fewer volunteers and staff to conduct the audience surveys.

What trends do you see between the last AEP5 study (2017) and this current AEP6 study (2023)?

The pandemic occurred in the time between the AEP5 and AEP6 fiscal years of analysis (2015 and 2022, respectively). While analyses of the pandemic's impact on the arts will continue for years to come, the challenges it brought had an undeniable effect on the industry. Thus, study-to-study comparisons of AEP findings are not recommended.

Because of the robust samples of audience surveys that were collected for each study (212,671 for AEP5 and 224,677 for AEP6), it is appropriate to make comparisons with some of the audience data. Nationally, the average per person event-related expenditure increased from $31.47 in AEP5 to $38.44 in AEP6 (+22%), a change that keeps pace with inflation. Conversely, the percentage of nonlocal attendees decreased from 34% in AEP5 to 30% in AEP6 (-11.5%).

What is new in 2022 versus previous years?

The prioritization of financial and economic analyses in past AEP studies typically resulted in high rates of inclusion by large-budget organizations (often focused on Eurocentric culture) and an underrepresentation of arts and culture organizations that primarily serve communities of color. Two changes were made to the AEP6 methodology with the goal of mitigating this imbalance.

1. The first was building a larger and more inclusive universe of organizations eligible to be surveyed in AEP6. Local and statewide research partners used new protocols to make contact with organizations that they may have had no previous relationship with and identify new ones they were unaware of. Research partners also sought to identify arts and culture programs under the umbrella of a non-arts organization or facility (e.g., social service agency, faith-based institution, or library). Expanding the terminology to "arts and culture" was also a deliberate equity strategy. This is because "arts" organizations and "culture" organizations are used synonymously in some communities of color.
2. AEP6 included an expectation—for the first time—that our local and statewide research partners would collect a portion of audience surveys at events that were presented, produced, or hosted by BIPOC and ALAANA organizations. A requested sample size was determined for each community based on the U.S. Census Bureau's percentage of the population that identifies as "White only, not Hispanic or Latino." For example, if the census estimates that 20% of a community's population identifies as something other than "White only, not Hispanic or Latino," the research partner representing that community was asked to collect at least 20% of their total sample of audience surveys from attendees to BIPOC and ALAANA organizations. The requested minimum sample was "at least 25%" for nearly two-thirds of the 373 participating communities. While just 141 of the 373 study regions were able to meet the data collection goal (38%), it yielded a robust national sample of 37,805 respondents.

Who conducted this research?

Americans for the Arts led the research in collaboration with its local and statewide research partners. There are a total of 297 research partners representing the 373 participating communities (41 research partners represented multiple communities such as both a city and a county).

The participating communities range in population from 4,000 to 4 million and represent rural, suburban, and urban areas (130 cities, 126 counties, 78 multi-city or multi-county regions, 18 arts districts, and 21 states/ territories).

Who is the sample group for the research?

In 2021, Americans for the Arts published a call for communities interested in participating in the AEP6 study. Study partners agreed to complete the study's four participation criteria. Some partners requested that multiple study regions be included in their study (e.g., a county as well as a specific city within the county). As a result, 297 study partners represent a total of 373 participating study regions.

How were the eligible arts organizations in each community selected?

Each of the 297 study partners identified the universe of nonprofit arts and culture organizations located in their region(s). Eligibility was determined using the Urban Institute's National Taxonomy of Exempt Entities (NTEE) coding system as a guideline. Communities 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, literary, and media arts. These include government-owned or operated cultural facilities and institutions, municipal arts agencies or councils, living collections (such as zoos and botanical gardens), university museums and presenters, and arts programs

that are embedded under the umbrella of a non-arts organization or facility. For-profit businesses and individual artists were excluded from this study. In short, if it displays the characteristics of a nonprofit arts and culture organization, it was included.

To assist the 297 study partners, Americans for the Arts provided a sample list of the eligible organizations that are located in each of the 373 participating communities using secondary source data. For communities in the six New England states (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont), a list of eligible organizations was provided by our research partner the New England Foundation for the Arts via its CreativeGround database, a dynamic regional directory that celebrates and reflects the vital work of New England's artists, creatives, culture bearers, and creative organizations and businesses. For communities in all other states, a list of eligible organizations was licensed from Candid's GuideStar database of 1.8 million IRS-recognized tax-exempt organizations. Each study partner reviewed, cleaned, and supplemented the list for their community using their own data sources, then returned a final list of eligible organizations to Americans for the Arts.

What is the study methodology? What type of economic analysis was done to determine the study results?

AEP6 uses a highly regarded, conservative approach to analyze the economic impact of the arts and culture industry, which generates a significant amount of event- related spending and tax revenue.

Researchers—together with local and statewide AEP6 study partners—collected expenditure and attendance data from 16,399 arts and culture organizations and 224,677 of their attendees to measure total industry spending. Using the IMPLAN economic modeling platform, input-output analysis models were customized for each study region. These quantitative models measure the economic relationships between hundreds of different industries in each geographic area. This, in turn, enables localizable economic impact results to be derived.

Why this level of rigor? Quite simply, $50 spent in two different cities, even if in the same state, may have two very different sets of economic impact outcomes. It takes more than one million calculations to derive the economic impact data for each community. IMPLAN's methodology utilizes a highly regarded method of economic analysis that ensures reliable and actionable localized results.

Will elected officials, economists, and other community decision-makers trust the validity and rigor of the AEP6 study?

Yes, the AEP6 study makes a strong argument to legislators, but you may need to provide them with some extra help. It will be up to the user of this report to educate the public about economic impact studies in general and the results of this study.

- The user may need to explain the study methodology used and the IMPLAN system that provides a customized input- output model for each of the 373 study regions. You can be confident that the input-output analysis used in this study is a highly regarded model in the field of economics.
- It is also valuable to mention the conservative approach used by AEP6. For example, organizational expenditures are based only on the data collected. No estimates are made for nonresponding organizations. The audience surveys are

conducted at a broad range of cultural events to ensure a representative sample, and not just at the highest priced venues, which would inflate the audience spending averages.

- The AEP6 national partners are organizations of public and private sector leaders that steer billions of dollars into arts funding and create arts-friendly policies. They are partners because (1) they too believe the arts are a fundamental component of a healthy community, and (2) they view the methodology and study findings worthy of their members' attention. Partners are listed on the back cover of every AEP6 report.
- The AEP6 methodology was developed and vetted by economists. As in any professional field, however, there are differing opinions about procedures, jargon, and the best way to determine results. Ask ten artists to define art, and you can expect ten different answers. Ask ten economists the best way to measure the economic impact of arts and culture, and you can expect a similar range of responses. Some economists, for example, prefer to exclude spending by residents in the economic analysis and only track the impact of spending by visitors (often considered the purest form of economic development). Others, however, include resident spending because it plays a significant role in understanding the industry's overall economic contributions to local businesses and the community. In AEP6, both local and nonlocal impacts are counted in the analysis.

The data tables in the report appendix provide details about both local and nonlocal economic impacts. This provides full transparency of the work and offers the opportunity for others to find additional insights from the study.

Who funds this research?

AEP6 was funded by the 297 local and statewide study partners and the Americans for the Arts Ruth Lilly Endowment Fund.

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Americans for the Arts expresses its gratitude to the many people across the country who made Arts & Economic Prosperity 6 possible and assisted with its development, coordination, and production. A study of this scale cannot be completed without the collaboration of many partnering organizations and individuals.

The City of West Hollywood Economic Development Department (Arts Division)

This study would not have been possible without the City of West Hollywood Economic Development Department (Arts Division), our research partner in the City of West Hollywood, which was responsible for the local implementation and data collection requirements. Thank you!!

Research Partners

Special thanks to each of our 297 local, regional, and statewide research partners who contributed time, heart, and financial support toward the completion of this national study. We thank each one of them. AEP6 would not have been possible without them. Thanks also to the New England Foundation for the Arts and SMU DataArts for their collaboration and contributions to the data collection effort.

AEP6 Equity Task Force

The AEP6 Equity Task Force provided invaluable advisory support and guidance throughout the study. Their insights and expertise are reflected in everything from the methodology to the survey design to community engagement tools used by local research partners to language usage and narrative messaging of the report, thereby helping to ensure the inclusion of BIPOC and ALAANA arts and culture organizations and communities in the study. The Task Force has enabled Americans for the Arts to begin to address its history of underrepresenting BIPOC and ALAANA arts and culture organizations as part of the AEP studies. We are most grateful.

- Sandra Aponte, Program Officer, John D. and Catherine T. MacArthur Foundation
- Mark Cardwell, Founder and Principal Consultant, Cardwell Communications LLC
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- Suzan Jenkins, Chief Executive Officer, Arts & Humanities Council of Montgomery County
- Elisheba Johnson, Curator, Wa Na Wari
- Jeremy Johnson, President and CEO, Assembly for the Arts
- Monica Montgomery, Social Justice Curator, Museum Consultant, Community Engager
- David Pankratz, Arts Policy and Research Advisor

Miles Partnership

- Melissa Cherry, Chief Diversity & Inclusion Officer and Senior Vice President
- Najauna White, Vice President, Diversity, Equity & Inclusion
- Juan F. Vargas, Diversity, Equity & Inclusion Account Director

Americans for the Arts Staff

A study of this magnitude is a total organizational effort. Appreciation is extended to the entire staff and board of Americans for the Arts. The Research Department was responsible for the production of this study—Benjamin Davidson, Dr. Genna Styles-Lyas, and Randy Cohen.

The Participating Arts and Culture Attendees

Additionally, this study could not have been completed without the cooperation of the 1,032 people who graciously took the time to complete the AEP6 audience-intercept survey while attending a performance, event, or exhibit—or otherwise visiting a cultural event or facility—in the City of West Hollywood during the period from May 2022 through June 2023.

The Participating Nonprofit Arts and Culture Organizations

This study could not have been completed without the cooperation and participation of the 12 nonprofit arts and culture organizations in the City of West Hollywood, listed below, that provided the financial and attendance information necessary for the analysis.

Activist Foundation; Age Inclusion in the Media; Alliance of Los Angeles Playwrights; Arts Bridging the Gap; Congregation Kol Ami; Gay Men's Chorus of Los Angeles; Helix Collective; L A Choral Lab; Mak Center for Art and Architecture; One Archives Gallery; Tinseltown Squares; War Toys.

ABOUT AMERICANS FOR THE ARTS

Americans for the Arts is a national arts service organization based in Washington, D.C., with an office in New York City. Founded in 1960, it serves, advances, and provides leadership to the network of organizations and individuals who cultivate, promote, sustain, and support the arts and arts education in America.

NATIONAL PARTNERS IN THE AEP6 STUDY

The following national organizations partner with Americans for the Arts to help public and private-sector leaders understand the economic and social benefits that the arts bring to their communities, states, and the nation.

- Actors' Equity Association
- African Diaspora Consortium
- Arts & Planning Division (American Planning Association)
- Black Legislative Leaders Network
- Department for Professional Employees, AFL-CIO (American Federation of Labor and Congress of Industrial Organizations)
- Destinations International
- International City/County Management Association
- Independent Sector
- National Association of Counties
- National Conference of State Legislatures
- National Alliance of Community Economic Development Associations
- National Independent Venue Association
- National Organization of Black Elected Legislative Women
- Race Forward
- Recording Industry Association of America
- The Conference Board
- U.S. Conference of Mayors