

49% increase in consumer spending on live performances between 2001 and 2008



Statistical insights on the arts, Vol. 9 No. 2
Report funded by the Department of Canadian Heritage,
the Canada Council for the Arts and the Ontario Arts Council

February 9, 2011

Patterns in Performing Arts Spending in Canada in 2008, the 33rd report in the *Statistical Insights on the Arts* series from Hill Strategies Research, provides a detailed analysis of Canadians who spend money on live performing arts. In 2008, consumer spending on live performing arts was \$1.426 billion, or an average of \$108 for each of the 13.2 million households in the country. In 37% of Canadian households, some money was spent on live performing arts in 2008. In households with some spending on live performing arts, the average amount spent was \$293.

49% increase in performing arts spending between 2001 and 2008

After adjusting for inflation, consumer spending on live performing arts increased by 49% between 2001 and 2008. In 2001, for those households with some spending on live performing arts, 25 cents out of every \$100 in household income was spent on live performing arts. This figure had increased substantially by 2008 (an average of 31 cents out of every \$100 in household income).

Between 2001 and 2008, there was a substantial increase in the number of high spenders on live performing arts. In 2001, about 2.2 million households spent at least \$120 on live performing arts. In 2008, even with an increase in the minimum spending threshold, over 2.7 million households spent at least \$200 on live performing arts. This represents a 26% increase in the number of high spending households, compared with an 11% increase in the total number of households in Canada between 2001 and 2008.

Other performing arts spending statistics held steady between 2001 and 2008

In 2001, 36% of Canadian households reported spending any money on live performing arts, a figure that is very similar to the 37% of households reporting any spending in 2008. While many analytical categories were revised between the 2001 and 2008 data years, it is clear that at least the same percentage of households in each income group spent at least some money on live performing arts in 2008 as in 2001.

With an abundance of spending options, many Canadians choose live performing arts

Canadians have many ways in which to spend their disposable income. As a comparator to live performing arts, the report also examines some indicators of spending on three other attendance-related activities: movie theatres, museums, and live sports events. The results of these comparisons show that a substantial proportion of the Canadian public spends a considerable amount of money on live performing arts.

The \$1.426 billion spent on live performing arts was slightly higher than spending on movie theatre admissions (\$1.216 billion) and more than double the spending on live sports events (\$0.645 billion) or admissions to museums and heritage-related activities (\$0.519 billion) in 2008. In 2008, 37% of all Canadian households spent any money on live performing arts. In comparison, 55% spent any money on movie theatre admissions, 29% on museum admissions, and 17% on live sports events.

Many lower-income Canadians choose live performing arts

A considerable percentage of lower-income households choose to spend some money on live performing arts. Households with incomes of \$25,000 or less are more likely to spend any money on live performing arts (15%) than on museum admissions (12%) and live sports (4%). On the other hand, many more households with incomes of \$25,000 or less spent some money on movie theatre admissions in 2008 (29%).

Those lower-income households that did spend money on live performing arts in 2008 spent an average of \$166, compared with an average of \$124 for those lower-income households that spent money on live sports events, \$106 for lower-income households with some spending on movies, and \$66 for lower-income households that spent money on museum admissions.

Performing arts marketing insights

The report also shows that households that spend a significant amount of money on live performing arts also have much higher spending on other cultural activities than low or non-spenders, including:

- 3.5 times higher average spending on admission to museums and other heritage-related activities.
- Nearly three times higher average spending on art, antiques and decorative ware.
- Over 2.5 times higher average spending on books.
- Nearly 2.5 times higher average spending on movie theatre admissions.
- Over two times higher average spending on photographic goods and services.
- Over two times higher average spending on magazines and periodicals.
- Two times higher spending on newspapers.

Based on this data, performing arts marketing strategies could target other cultural participants, especially museum goers, art buyers and book readers.

Data in the report also shows that high spenders on the performing arts spend over four times more on live sports events than low or non-spenders on the performing arts. This data indicates that many households that purchase tickets for events do so for a range of different events, rather than sticking to one type of activity. Based on these statistics, performing arts marketing could also target sports attendees.

Arts sponsorship possibilities

In order to obtain sponsorships, it is helpful for arts organizations to have reliable data on the non-cultural spending habits of those who spend significant amounts on live performing arts. Households that spend a significant amount of money on live performing arts also have much higher spending on non-cultural goods and services than low or non-spenders on live performing arts, including:

- Hotels and other travel accommodations (nearly triple) and inter-city transportation (more than double).
- Financial services (over twice as much) and contributions to retirement savings and pension funds (nearly twice as much).
- Garden supplies (more than double).
- Restaurants (85% higher average spending on restaurant food and more than double the average spending on restaurant alcohol).
- Bicycles (more than double).
- Clothing (88% higher).
- Furniture (86% higher).
- Computer equipment and supplies (81% higher).
- Pet expenses (72% higher).

For potential sponsors, these statistics mean that high spenders on the performing arts are key customers. Through performing arts organizations, sponsors in these sectors can reach interested buyers of their goods and services.

Factors in performing arts spending

The report also finds that education, province of residence, municipal size and disability are factors that have an impact on performing arts spending. On the other hand, demographic factors that do not have a substantial impact on performing arts spending include the presence of children in the household, household size, and the age or sex of the survey respondent.

Media contact

For media interviews, please contact Mr. Kelly Hill, President of Hill Strategies Research, Hamilton, Ontario, at kelly@hillstrategies.com or 1-877-445-5494, ext. 1.

Full report also available

The full report contains much more detail about the variations in performing arts spending between households based on factors such as education, income, age, sex, the presence (or

absence) of children in the household, household size, disability, rural and urban households, as well as province. Funded by the Department of Canadian Heritage, the Canada Council for the Arts and the Ontario Arts Council, the report is available free of charge on the Hill Strategies Research website (<http://www.hillstrategies.com>) and the websites of the funding organizations.

Methodological notes

The data is drawn from Statistics Canada's Survey of Household Spending, a yearly questionnaire on Canadians' spending habits. Statistics Canada surveyed 9,787 Canadian households regarding their spending in 2008, including the following question regarding live performing arts: "In 2008, how much did your household spend on admissions to live performing arts events, for example, plays, concerts, dance performances?"

Because it is a broad survey of overall spending habits, the Survey of Household Spending does not provide all of the details that might be desired regarding cultural spending items. For example, the live performing arts category includes a range of for-profit and non-profit arts activities, including pop concerts, classical music, musical theatre, plays, opera, dance, and others.

The survey asked respondents about their spending on live performing arts, not their overall attendance. Free performances, by definition, are excluded from the survey.

While higher spending on the performing arts might often be considered a "good" thing in the cultural sector, high ticket prices (which could lead to higher spending levels) could push the live performing arts experience out of reach of too many individuals. This report examines which households do or do not spend any money on live performing arts, in addition to differences in average spending between households. Unfortunately, the data in the household spending survey does not provide details about the number of purchases or the average price of each activity. Further research into purchasing patterns and prices would be of interest.