



The BCA Report:
2010
**NATIONAL SURVEY OF BUSINESS SUPPORT
TO THE ARTS**

July 2010

Background And Methodology



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**Business Committee
for the Arts**

A Division of **Americans for the Arts**

- ◆ Shugoll Research conducts a triennial survey called the National Survey of Business Support to the Arts for the Business Committee for the Arts (BCA), a Division of Americans for the Arts. This is a presentation of key 2010 findings.
- ◆ A total of 600 businesses completed telephone surveys. The businesses are divided into three revenue size groups, under \$1 million, between \$1 million and less than \$50 million and \$50 million and over. The study is believed to be the only major arts giving survey that includes small businesses.
- ◆ Total business giving trends are based on using median contributions within each size category. The data are weighted to reflect the approximate number of businesses in each size category. This year, the number of businesses in each category is assumed to be similar to the previous survey, to identify giving trends within a “matched” population. This strategy has been introduced given the lack of up to date data on the number of businesses by category.

Total Arts Giving



Total Arts Giving



- ◆ Cash plus non-cash arts giving between 2006 and 2009 among the “matched” population is down 14 percent. This is almost identical to the 13 percent decline in median total corporate giving over these years reported by the Committee Encouraging Corporate Philanthropy. There are several reasons for this, likely motivated by the turbulent economic climate. First, the percentage of businesses in the BCA study giving to any philanthropic cause is down from 70 percent in 2006 to 52 percent in 2009. Second, the percent of all businesses contributing to the arts during this period decreased from 43 percent to 28 percent. Third, the percentage of businesses giving to the arts is down among each of the three size categories: from 30 percent to 24 percent among small business, from 42 percent to 25 percent among mid-size business and from 58 percent to 35 percent among larger businesses. Fourth, the median contribution to the arts per business across all business sizes is down from \$800 to \$750. Fifth, arts support among the largest size category is down sharply from a median gift of \$25,000 to \$15,500.
- ◆ Only 27 percent of businesses say the arts are among their highest charitable priorities and just a few say it is their highest priority (2%). This is similar to the number who consider the arts a fairly low (15%) or very low (6%) priority. Half (50%) consider the arts a moderate priority.
- ◆ Businesses do not predict a turnaround in overall charitable giving for 2010. Almost three times as many expect their giving in 2010 to decrease from 2009 (29%) than increase (11%). Over half (58%) expect giving to remain the same and 2 percent are not sure. The same trend is true for arts giving. Only 10 percent of those who support the arts expect their arts giving to increase in 2010 while 22 percent say it will decrease and 67 percent say it will remain the same.
- ◆ Among the negative numbers is some encouraging news. The percentage the arts receive of total philanthropic contributions is actually up slightly from 13 percent to 15 percent. Also, among the decreased number of businesses that continue to support the arts, median giving actually rose among small businesses (from \$500 to \$700) and mid-size businesses (from \$2,000 to \$2,250).
- ◆ As a result, small and mid-size businesses more than ever contribute the largest share of arts dollars. Small businesses contribute 69 percent, mid-size businesses contribute 24 percent and large businesses contribute 7 percent. Of course, this is driven by the large number of small businesses in America.



Total Arts Giving



- ◆ A significant number of small (60%) and mid-sized (57%) businesses include non-cash or in-kind giving to arts organizations. For small businesses, this is up significantly from 46 percent in 2006. Close to half of the larger businesses (46%) also contribute in-kind to the arts.
- ◆ Small numbers of arts givers match contributions made by employees to arts organizations (9%) or provide grants to arts organizations where employees volunteer (8%).



BUSINESS CONTRIBUTIONS TO THE ARTS

	2009	2006
Percent change from 2006 in total arts giving	-14%	-
Percent of all businesses contributing to any philanthropic cause	52%	70%
Percent of all businesses contributing to the arts in 3 year period (cash/non-cash)	28%	43%
Median contribution to the arts per business	\$750	\$800
Percent the arts received of total philanthropic contributions	15%	13%

Base: All companies in survey



BUSINESS CONTRIBUTIONS TO THE ARTS BY SIZE OF COMPANY

	Less than \$1 Million		\$1-\$49.9 Million		\$50+ Million	
	2009	2006	2009	2006	2009	2006
Percent of all businesses contributing to the arts (cash/non-cash)	24%	30%	25%	42%	35%	58%
Median contribution to the arts per business	\$700	\$500	\$2,250	\$2,000	\$15,500	\$25,000

Base: All companies in survey



IMPORTANCE OF SUPPORTING THE ARTS

	2009
The top priority	2%
Among the highest priorities	27%
A moderate priority	50%
A fairly low priority	15%
A very low priority	6%

Base: Only companies that support the arts

Note: This question was added in the 2010 study.



EXPECTED CHANGE IN ALL CHARITABLE CONTRIBUTIONS IN 2010 vs. 2009

	2009	2006
Increase	11%	18%
Decrease	29%	11%
Remain the same	58%	69%
Don't know	2%	2%

Base: All companies in survey



EXPECTED CHANGE IN CONTRIBUTIONS TO THE ARTS IN 2010 vs. 2009

	2009	2006
Increase	10%	14%
Decrease	22%	9%
Remain the same	67%	74%
Don't know	1%	3%

Base: Only companies that support the arts



PERCENT OF TOTAL BUSINESS CONTRIBUTIONS TO THE ARTS BY COMPANY SIZE

	2009	2006
Less than \$1 million in annual revenues	69%	52%
\$1 million - \$49.9 million in annual revenues	24%	31%
\$50+ million in annual revenues	7%	17%

Base: All companies in survey



MADE NON-CASH OR IN-KIND CONTRIBUTIONS TO THE ARTS AMONG ARTS GIVERS

	Less than \$1 Million		\$1-\$49.9 Million		\$50+ Million	
	2009	2006	2009	2006	2009	2006
Yes	60%	46%	57%	60%	46%	57%
No	39%	53%	41%	38%	51%	37%
Don't know	1%	1%	2%	2%	3%	6%

Base: Only companies that support the arts



OTHER AREAS OF SUPPORT FROM ARTS GIVERS

	2009
Match contributions made by employees to arts organizations	9%
Provide grants to arts organizations where employees volunteer	8%

Base: Only companies that support the arts

Note: This question was added in the 2010 study.

Areas Of Arts Giving



Areas Of Arts Giving



- ◆ The largest percentage of businesses supporting the arts continue to give to theaters (58%) and non-symphonic music groups and programs (54% and 41%, respectively). There is some increase in giving this year to arts education initiatives (up to 40% from 33%) and dance (up to 38% from 28%). The sharpest area of decline is to public radio and television (down from 46% to 33%).
- ◆ Most arts giving remains targeted at local arts projects (97%). Two percent goes to national projects and 1 percent to international projects.



ALLOCATION OF BUSINESS CONTRIBUTIONS TO THE ARTS

	2009	2006
Theater	58%	56%
Other Music	54%	54%
Performing Arts Center Programs	41%	46%
Arts Education Initiatives	40%	33%
Symphony Orchestras	40%	34%
Dance	38%	28%
Art Museums	35%	33%
Public Radio and Public Television	33%	46%
Other Types of Museums	33%	35%
Literary Arts	17%	21%
Opera	16%	11%
United Arts Fund	6%	10%

Base: Only companies that support the arts



GEOGRAPHIC ALLOCATION OF BUSINESS CONTRIBUTIONS TO THE ARTS

	2009	2006
Local Arts Projects	97%	92%
National Arts Projects	2%	7%
International Arts Projects	1%	1%

Base: Only companies that support the arts

Decision Makers, Source Of Giving To The Arts And Determinants Of Level Of Giving



- ◆ The largest numbers of businesses continue to support the arts from annual contributions budgets (39%), advertising budgets (39%) and marketing/sponsorship budgets (38%). Large businesses are most likely to give through an annual contributions budget (62%).
- ◆ Four factors tend to influence how much money is given to the arts from these sources. These are the perceived need of various philanthropic causes in a business' operating community (54%), the pressure to fund non-arts areas such as education and social services (49%), senior executive interest in the arts (46%) and company profitability (46%).



SOURCE OF BUSINESS CONTRIBUTIONS TO THE ARTS

	2009	2006
Annual Contributions Budget	39%	39%
Advertising Budget	39%	35%
Marketing/Sponsorship Budget	38%	43%
Executive Budget	22%	16%
Company Foundation	8%	11%
As an in-kind gift	1%	0%
Employee Donations/Employee Income	1%	0%

Base: Only companies that support the arts



SOURCE OF BUSINESS CONTRIBUTIONS TO THE ARTS IN 2009 BY COMPANY SIZE

	Less than \$1 Million		\$1-\$49.9 Million		\$50+ Million	
	2009	2006	2009	2006	2009	2006
Annual Contributions Budget	38%	37%	49%	58%	62%	70%
Advertising Budget	38%	43%	43%	36%	33%	43%
Marketing/Sponsorship Budget	37%	41%	51%	53%	45%	55%
Executive Budget	23%	14%	18%	25%	35%	36%
Company Foundation	8%	11%	10%	10%	26%	34%
As an in-kind gift	1%	0%	3%	0%	0%	3%
Employee Donations/ Employee Income	1%	0%	1%	3%	2%	2%

Base: Only companies that support the arts



INFLUENCES ON AMOUNT OF BUSINESS CONTRIBUTIONS TO THE ARTS

	2009	2006
Perceived need in operating communities	54%	57%
Pressure to fund other areas such as education and social services	49%	30%
Senior-level executive interest in the arts	46%	52%
Company profitability	46%	50%
Employee interest in the arts	36%	38%
Strategic business goals	30%	35%

Base: Only companies that support the arts

Percent indicating that each is a "very important" or "somewhat important" reason in deciding to support the arts.

Reasons For Supporting The Arts



Reasons For Supporting The Arts



- ◆ Sixty percent of businesses say they support the arts because it is a good thing to do. Only 14 percent say giving is tied solely to business goals, although another 23 percent say they give both for philanthropic and business goal reasons. This means a net of 37 percent of businesses mention relating arts giving to business goals.
- ◆ Five reasons are most important in deciding to support specific arts organizations. The top two reasons show the role of both pure philanthropy and the need to have business goals fulfilled: arts organizations offer programs reaching the underserved (68%) and they offer opportunities for company recognition such as signage, product displays, program listings and promotional tie-ins (67%). While over a third of businesses (above) say arts giving is tied to corporate goals, it is interesting that two-thirds acknowledge choosing organizations that provide opportunities for corporate recognition. The other leading reasons for supporting specific arts organizations are that an organization offers arts education initiatives (62%), the business has an existing relationship with someone at the arts organization (62%) and arts organizations offer programs that tie into social causes such as hunger, violence and homelessness (61%). Slightly less important is offering sponsorship opportunities (51%).
- ◆ The most important determinant of why a business that gives to the arts might increase its support is if profitability increased (74%). The remaining are consistent with why they now give: If they could also support social causes by giving to the arts (65%), if there is a proven need for the contribution (65%) and if a direct impact on the company's bottom line could be shown (63%). Also important is having a direct tie-in to the company name and products (55%) and if businesses could specify how the contribution could be used (53%).
- ◆ Over a fifth (22%) say that there is increased concern about evaluating the returns from arts contributions. This is a small, but not inconsequential percentage. It is flat from 2006.



REASONS BUSINESS SUPPORTS THE ARTS

	2009	2006
Good thing to do	60%	55%
Tied to business goals	14%	15%
Both	23%	28%
Don't know	3%	2%

Base: Only companies that support the arts



REASONS FOR SUPPORTING SPECIFIC ARTS ORGANIZATIONS

	2009	2006
Offer arts programs to reach the underserved	68%	76%
Offer opportunities for company recognition such as signage, product displays, program listings, and promotional tie-ins	67%	73%
Offer arts education initiatives	62%	68%
Having an existing relationship with someone at the arts organization	62%	79%
Tie the arts to social causes such as hunger, violence or homelessness	61%	63%
Offer sponsorship opportunities linked to a company's products and services	51%	58%
Have company employees serve as volunteers	47%	50%
Provide tangible employee benefits such as discount tickets or free admission	45%	49%
Provide tangible company benefits such as use of arts venues and workplace programs	39%	37%

Base: Only companies that support the arts

Percent indicating that each is a "very important" or "somewhat important" reason in deciding to support the arts.



REASONS BUSINESSES MIGHT INCREASE CONTRIBUTIONS TO THE ARTS OR BEGIN SUPPORTING THE ARTS

	Current Arts Contributors	
	2009	2006
Profitability improved	74%	63%
Could also support other social causes by giving to the arts	65%	62%
There is a proven need for the contribution	65%	69%
A direct impact on a company's bottom line can be shown	63%	62%
A direct tie-in to the company name or products	55%	51%
Could specify how the contribution is used	53%	46%
Helped with employee recruiting, satisfaction and/or retention	38%	40%

Base: All companies in survey



IS THERE INCREASED CONCERN ABOUT EVALUATING RETURNS FROM CONTRIBUTIONS TO THE ARTS?

	2009	2006
Yes	22%	20%
No	77%	80%
Don't know	1%	0%

Base: Only companies that support the arts

Business Perceptions Of The Arts



Business Perceptions Of The Arts



- ◆ Businesses, both those that now give to the arts and those that don't, agree that arts giving can benefit them in several ways. Two thirds or more say the arts can increase name recognition (79%), offer networking opportunities and the potential to develop new business (74%) and stimulate creative thinking, problem solving and team building (66%). Half agree that arts support has the potential to increase their bottom line (50%). Fewer believe that the arts can offer special benefits to their employees (45%) and that the arts can help recruit and retain employees (37%).
- ◆ While non-arts contributors have lower awareness of how the arts can help businesses in each category, almost two-thirds or more realize it can increase name recognition (72%), offer the potential to develop business through networking (71%) and stimulate creative thinking, problem solving and team building (62%).



HOW INVOLVEMENT WITH THE ARTS CAN ENHANCE BUSINESS

	Total		Arts Contributors		Non-Arts Contributors	
	2009	2006	2009	2006	2009	2006
Can increase its name recognition	79%	77%	88%	88%	72%	66%
Offers networking opportunities and the potential to develop new business	74%	69%	76%	79%	71%	61%
Can stimulate creative thinking, problem solving and team building	66%	69%	72%	75%	62%	64%
Has the potential to increase its bottom line	50%	51%	59%	60%	43%	44%
Offers special benefits for employees	45%	45%	50%	52%	41%	38%
Can help to recruit and retain employees	37%	38%	44%	50%	30%	26%

Base: All companies in survey
Percent indicating they "agree strongly" or "agree somewhat."

Reasons For Not Currently Supporting The Arts



Reasons For Not Currently Supporting The Arts



- ◆ By far, non-arts givers say on an unaided (non-prompted) basis that the leading reason they don't support the arts is that education, health care, youth and/or social causes are more important (31%). Also mentioned, but by many fewer businesses, are that it doesn't suit their interests or it is not a priority to them (18%), they've never been asked (14%), they have philanthropic budget constraints (13%) and there is not enough corporate revenue/profit (11%).
- ◆ This is supported by the aided responses where arts non-supporters were asked how important a variety of reasons were in their decision. Most important are that they give where they have an existing relationship (52%), they have limited resources (51%), and they prefer to support other areas such as education or social issues (50%).
- ◆ The factors that might influence them to support the arts in the future are if profitability improved (62%), there was a proven need for the contribution (62%), they could also support social causes by giving to the arts (59%) and a direct impact on the company's bottom line could be shown (57%). Only slightly less important are if they could specify how the contribution is used (53%) and if there was a direct tie-in to the businesses name or products (52%).
- ◆ Another factor for not giving is that over half of businesses do not recall ever being asked for a contribution by an arts organization (56%). However, the arts are doing a better job in this area as this number is down from 71 percent in 2006.



REASONS FOR NOT CONTRIBUTING TO THE ARTS (UNAIDED)

	2009	2006
Education, health care, youth and/or social causes are more of a primary concern	31%	30%
Doesn't suit our interests/not a priority	18%	17%
Never been asked about contributions from arts organization	14%	20%
Budget constraints/lack of available funding	13%	10%
Don't have enough revenue/profit	11%	4%
Only support local community organizations	9%	11%
Lack of arts organizations in the area	5%	5%
Need more information about the arts/why the arts are important	2%	1%
Must allocate funds to numerous different organizations	0%	2%

Base: Only companies that do not support the arts

Numbers may add to more than 100% because multiple answers were accepted.



IMPORTANCE OF REASONS FOR NOT SUPPORTING THE ARTS (AIDED)

	2009	2006
Give primarily to organizations where there is an existing relationship	52%	42%
Limited cash and non-cash resources	51%	45%
Prefer to focus on other areas such as education and social services	50%	58%
Does not fit strategic business goals	18%	29%
Lack of senior-level executive interest in the arts	11%	15%
Lack of employee interest in the arts	11%	17%
No perceived need for arts contributions	10%	14%
Lack of measurable business benefits from arts contributions	9%	17%

Base: Only companies that do not support the arts

Percent indicating that each is a "very important" reason in deciding not to support the arts



REASONS BUSINESSES MIGHT INCREASE CONTRIBUTIONS TO THE ARTS OR BEGIN SUPPORTING THE ARTS

	Non-arts Contributors	
	2009	2006
Profitability improved	62%	62%
Could also support other social causes by giving to the arts	59%	58%
There is a proven need for the contribution	62%	60%
A direct impact on a company's bottom line can be shown	57%	55%
A direct tie-in to the company name or products	52%	50%
Could specify how the contribution is used	53%	57%
Helped with employee recruiting, satisfaction and/or retention	40%	32%

Base: All companies in survey



WAS COMPANY EVER ASKED TO CONTRIBUTE TO THE ARTS?

	2009	2006
Yes	44%	29%
No	54%	64%
Don't know	2%	7%

Base: Only companies that do not support the arts

Charitable Giving Programs



Charitable Giving Programs



- ◆ When asked how businesses support the arts, they are most likely to say they promote volunteer opportunities (21%), provide free or discounted tickets to arts events (18%) or offer time off for volunteer service (17%).
- ◆ Smaller numbers present concerts or art exhibitions in the workplace (11%), promote board service, including at arts organizations (10%), have a corporate art collection (9%) and hold employee art exhibitions or performances (7%).



COMPANY PARTICIPATES IN THE FOLLOWING PROGRAMS (ALL BUSINESSES INVOLVED IN CHARITABLE GIVING, NOT JUST ARTS)

	2009
Promote volunteer opportunities, including at arts organizations	21%
Provide free or discounted tickets to arts events	18%
Offer time off for volunteer service, including at arts organizations	17%
Present concerts or art exhibitions in the workplace	11%
Promote board service at arts organizations	10%
Have a corporate art collection	9%
Hold employee art exhibitions or performances of employee art work	7%
None of these	53%

Base: All companies in survey

Numbers may add to more than 100% because multiple answers were accepted.

Note: This question was added in the 2010 survey.

Philanthropic Decision Makers



Philanthropic Decision Makers



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for the Arts**

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- ◆ A company's CEO, Chairman, owner or partner is typically involved in decisions on charitable giving (91% small businesses, 90% mid-sized businesses, 81% large businesses). Only in larger companies are other entities usually involved, typically a foundation or charitable contributions committee (41%) or an employee committee other than a contributions committee (23%).



INDIVIDUALS OR GROUPS RESPONSIBLE FOR DECISIONS REGARDING CHARITABLE CONTRIBUTIONS

	Total	Less than \$1 Million	\$1-\$49.9 Million	\$50+ Million
Chairman/Owner/CEO/ Partner	91%	91%	90%	81%
A foundation/charitable contributions committee or department	9%	9%	14%	41%
An employee committee (that is not also the charitable contributions committee)	9%	9%	10%	23%
Other mid-level executives	4%	4%	7%	4%
Other high-level executives	2%	2%	5%	6%
Other	3%	3%	4%	12%

Base: All companies in survey

Percent answering "Yes."

Note: This question was added in the 2010 study.



RESPONDENT TITLE

	Less than \$1 Million		\$1-\$49.9 Million		\$50+ Million	
	2009	2006	2009	2006	2009	2006
Chairman/CEO/Partner/President/ Owner/General Manager	65%	64%	44%	42%	20%	16%
CFO/VP of Finance/Comptroller/ Treasurer	3%	1%	8%	7%	14%	4%
President or Executive Director of Company Foundation	1%	6%	2%	5%	2%	5%
Corporate Contributions Manager	1%	1%	1%	2%	2%	6%
Vice President (Executive/Senior/ Other)	7%	4%	6%	7%	7%	16%
Director/Manager	14%	10%	18%	21%	33%	33%
Administrative Assistant/Executive Assistant/Secretary/Office	5%	10%	15%	10%	11%	8%
Coordinator (Marketing, PR, Community Relations)	1%	1%	1%	1%	2%	7%
Other (Marketing, PR, Community Relations)	1%	NA	2%	NA	6%	NA%
Other	5%	3%	5%	5%	5%	4%

Base: All companies in survey

Numbers may add to more than 100% because multiple answers were accepted.



The BCA Survey of Business Support for the Arts is the nation's largest survey of its kind, delving beyond pure numbers into the motivations behind and goals of business partnerships with the arts. The specific findings from the survey are used to project national trends in support for the arts by businesses large and small across our nation. The study acts as a resource for current and potential funders of the arts, and for local advocacy organizations to encourage increased partnership between the business community and the arts. BCA has conducted the survey since 1968.

Shugoll Research is one of the nation's leading arts marketing research companies. Located in Bethesda, Maryland it provides its clients with a range of full service research, both qualitative and quantitative. It also has the area's finest focus group facilities. Its clients include a prestigious roster of nonprofit theaters, symphony orchestras, opera companies, dance companies, performing arts centers, museums, choral groups, and arts associations. The company also produces the award winning ArtSpeak! arts education program, bringing Broadway stars into classrooms. For more, please visit www.shugollresearch.com.

Americans for the Arts is the nation's leading nonprofit organization for advancing the arts in America. Celebrating its 50th year of service in 2010, it is dedicated to representing and serving local communities and creating opportunities for every American to participate in and appreciate all forms of the arts. To stimulate business support for the arts in America, Americans for the Arts merged operations with the Arts & Business Council Inc. and the Business Committee for the Arts (BCA) to become the strongest national private-sector arts advocacy organization in the country. Americans for the Arts stimulates partnerships between the arts and business through programs such as Business Volunteer for the Arts, the National Arts Marketing Project, BCA Forum for New Ideas Series, THE BCA TEN, and strategic alliances with organizations such as The Conference Board. For more information, www.AmericansForTheArts.org.