

A photograph of two dancers in mid-air against a black background. The dancer on the left is a woman with long, flowing brown hair, wearing a dark, textured, sleeveless top and dark shorts. She is in a dynamic pose with her arms and legs spread wide. The dancer on the right is a man, shirtless, wearing green cargo pants. He is also in a dynamic pose with his arms and legs spread wide. The lighting is dramatic, highlighting the dancers' forms.

Zannie Voss



*Director, SMU DataArts
Professor of Arts Management
Meadows School of the Arts &
Cox School of Business*

How Are the Performing Arts Performing?



SMU | DataArts

NATIONAL CENTER FOR ARTS RESEARCH



Vision Statement

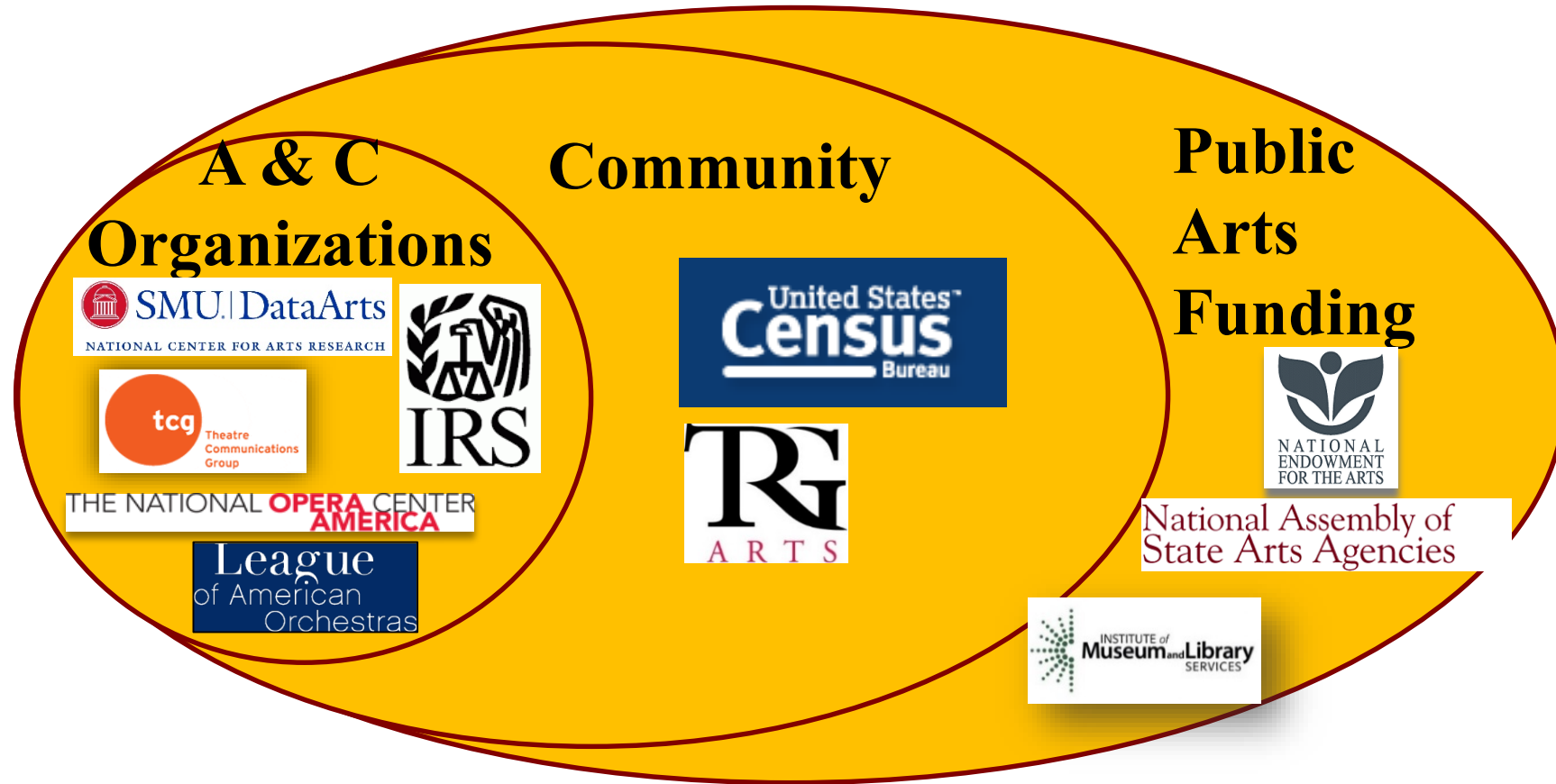
Building a national culture of data-driven decision making for those who want to see the arts and culture sector thrive.

Mission Statement

To empower arts and cultural leaders with high-quality data and evidence-based resources and insights that help them to overcome challenges and increase impact.



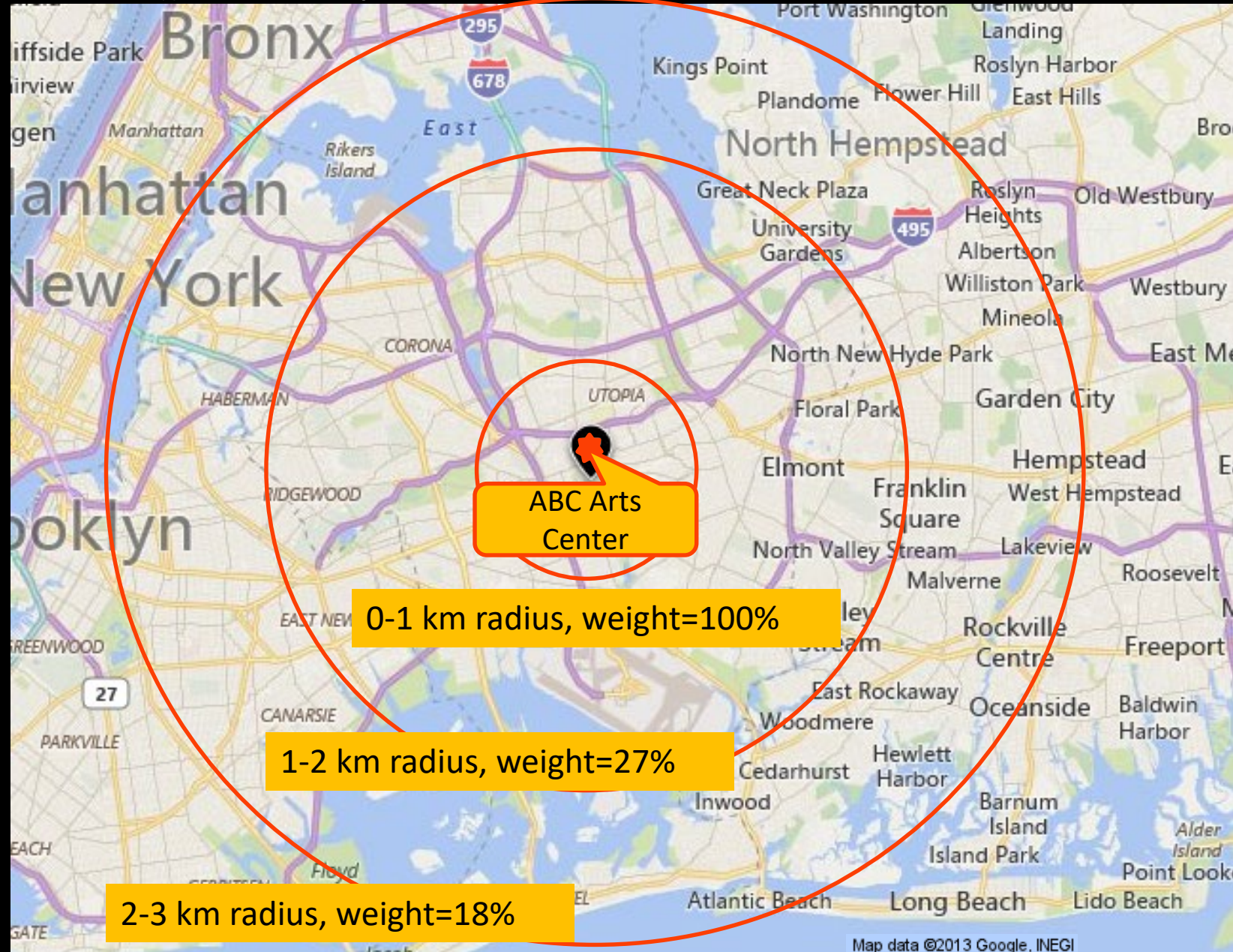
Partners and our Model of the Arts & Culture Ecosystem



Knowledge Partners:   rebecca thomas + associates  

Arts and Cultural Organizations and a Sense of Place

Example – Ecosystem of ABC Arts Center in Queens





Mission Statement



**What are the Key Metrics to
Assess Management Performance?**



**Contributed
revenue**

**Balance
Sheet**

**Earned
revenue**

Expenses

**Community
Engagement**

**Marketing
Impact**

**Program
Activity**

**Bottom
Line**

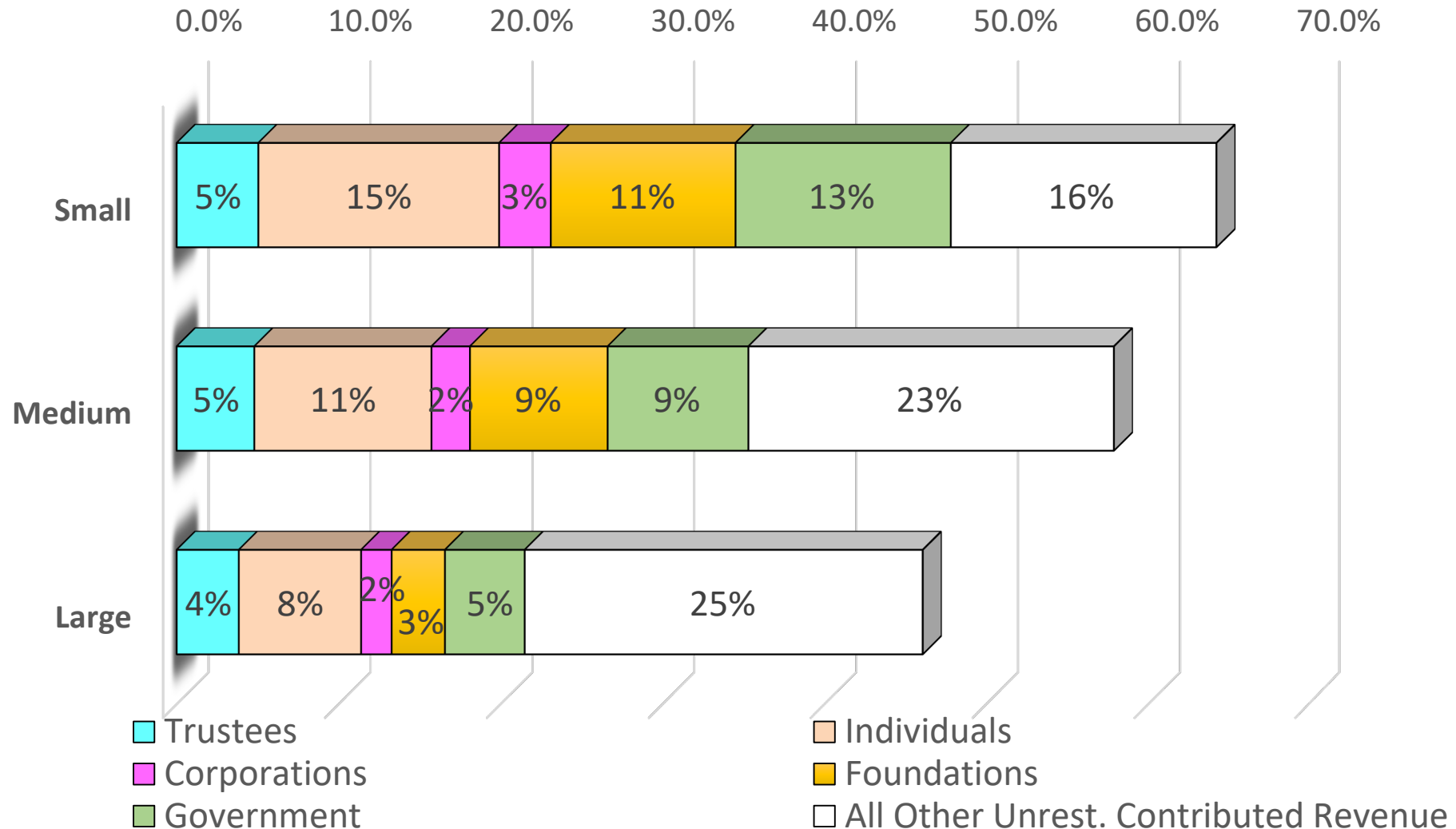
Staffing

Example:

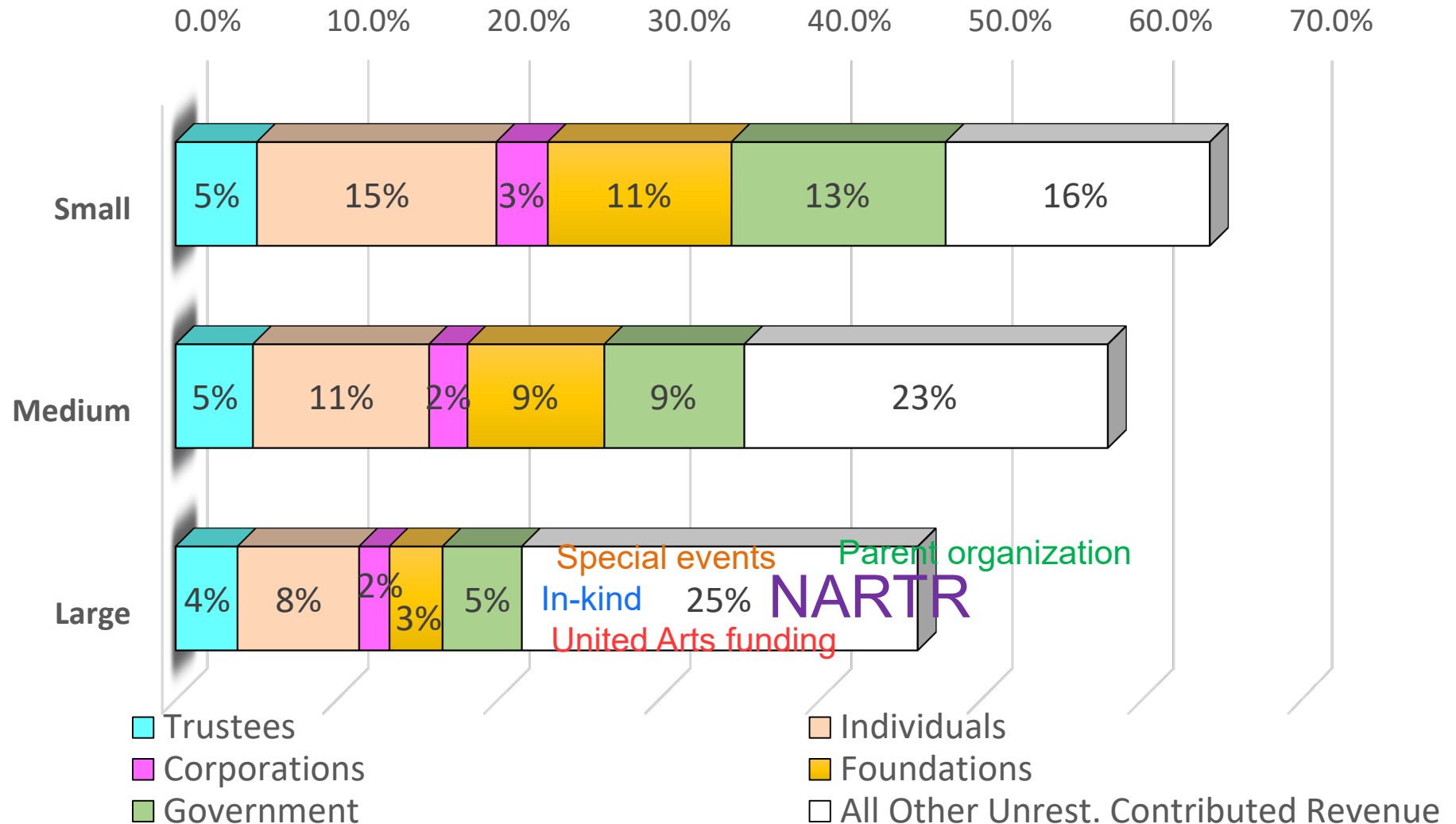
Question: “How much of our expenses do we support with contributed revenue from each funding source?”



What is the contributed revenue story for organizations of different size?



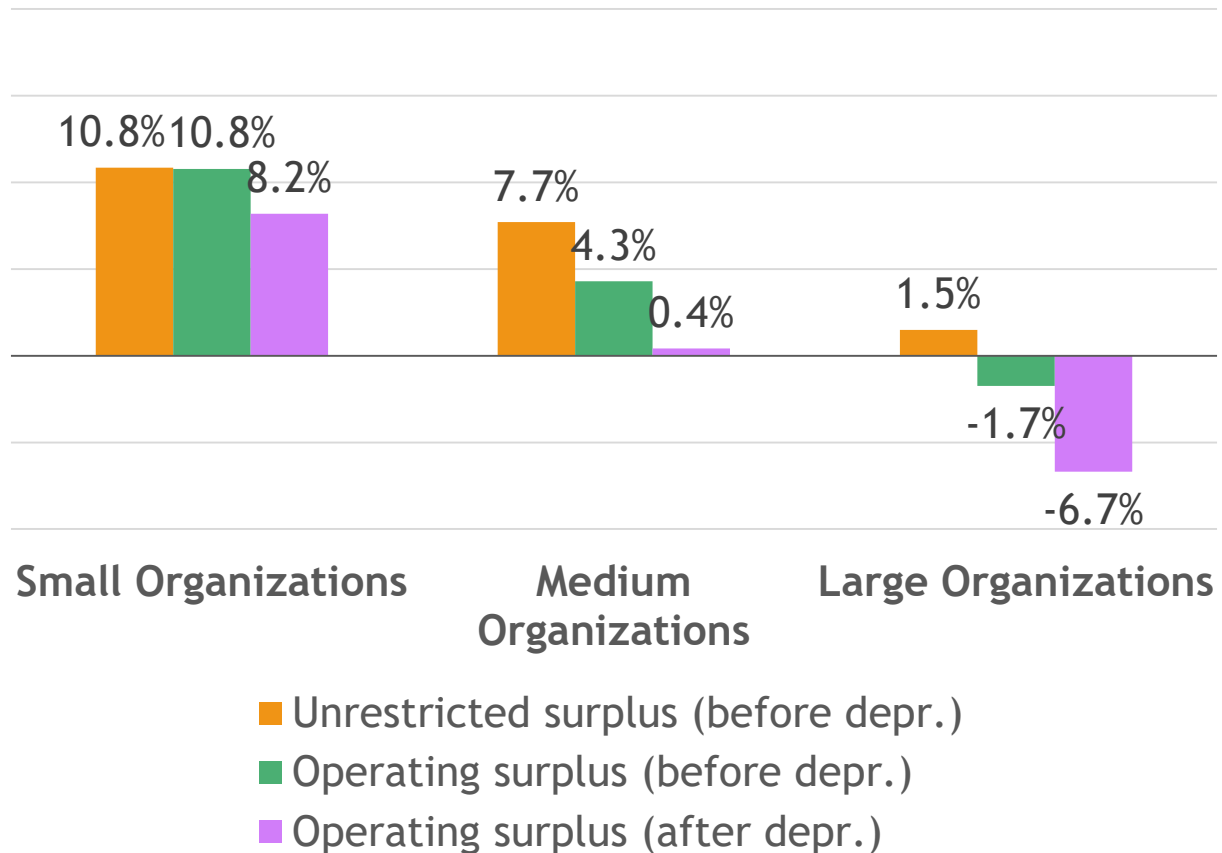
Longer-range planning may be a key to growth



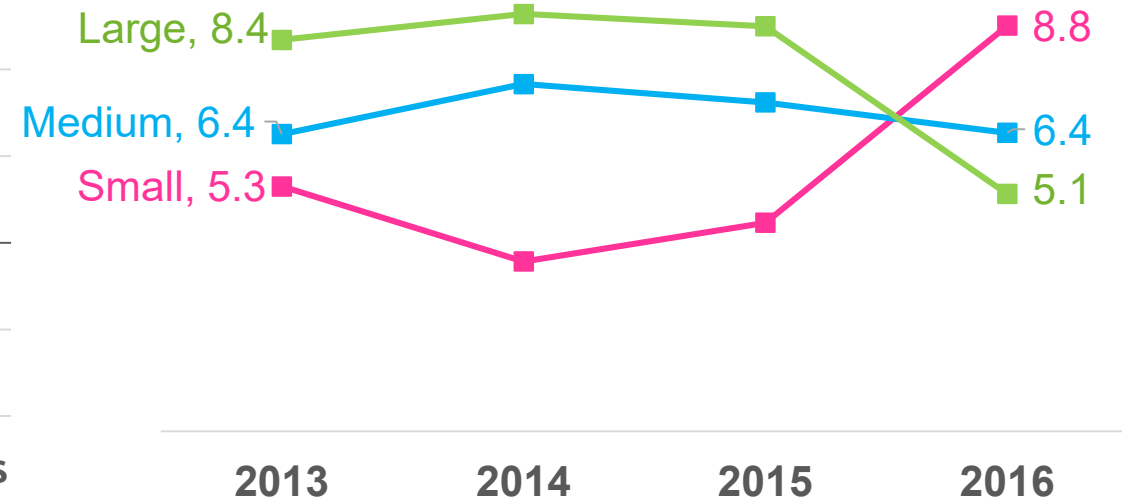
The larger the organization, the more diverse its contributed revenue sources, particularly with respect to resources for longer-term plans (high NARTR).

Small organizations rock! Large organizations are struggling.

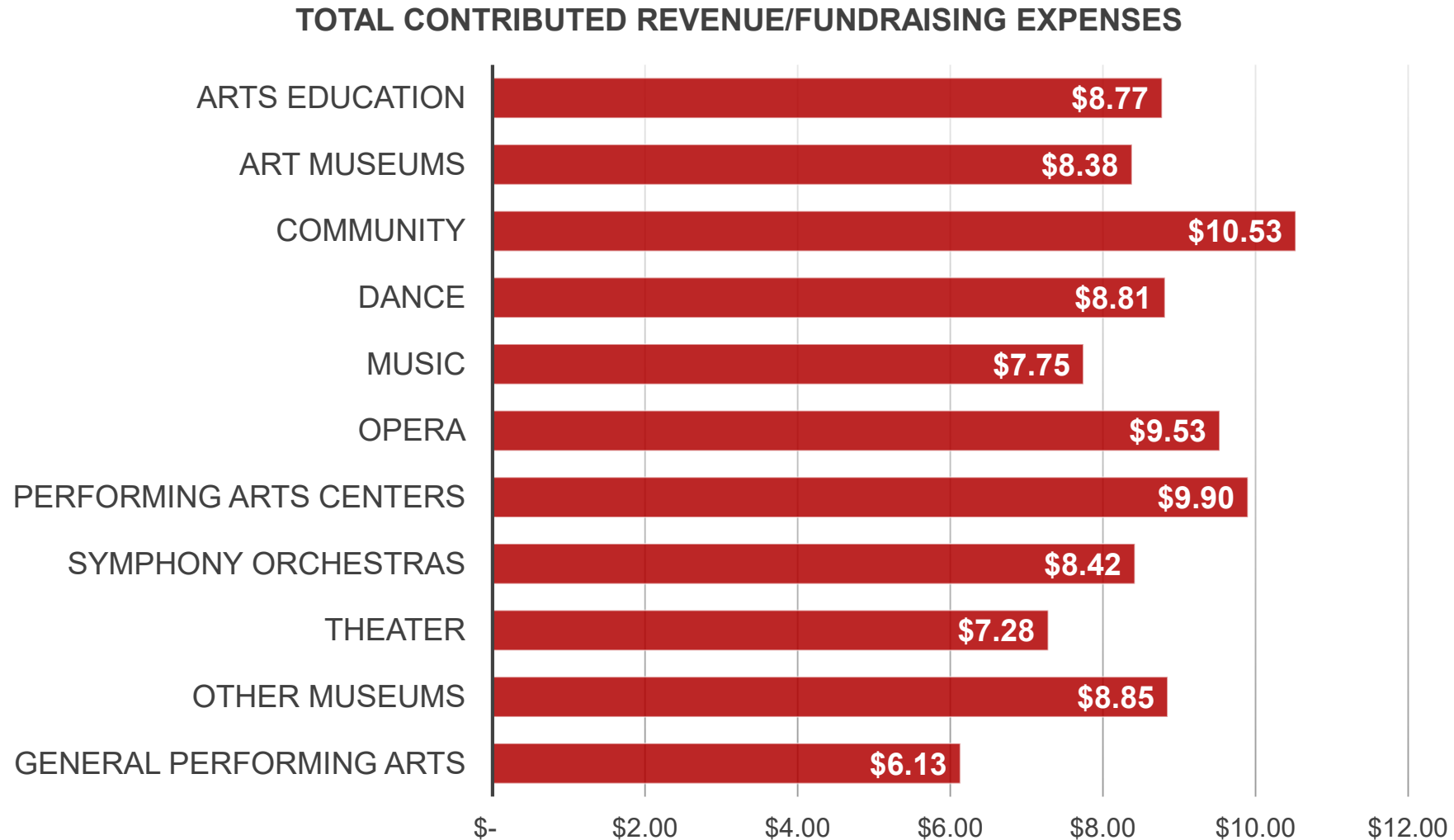
BOTTOM LINE



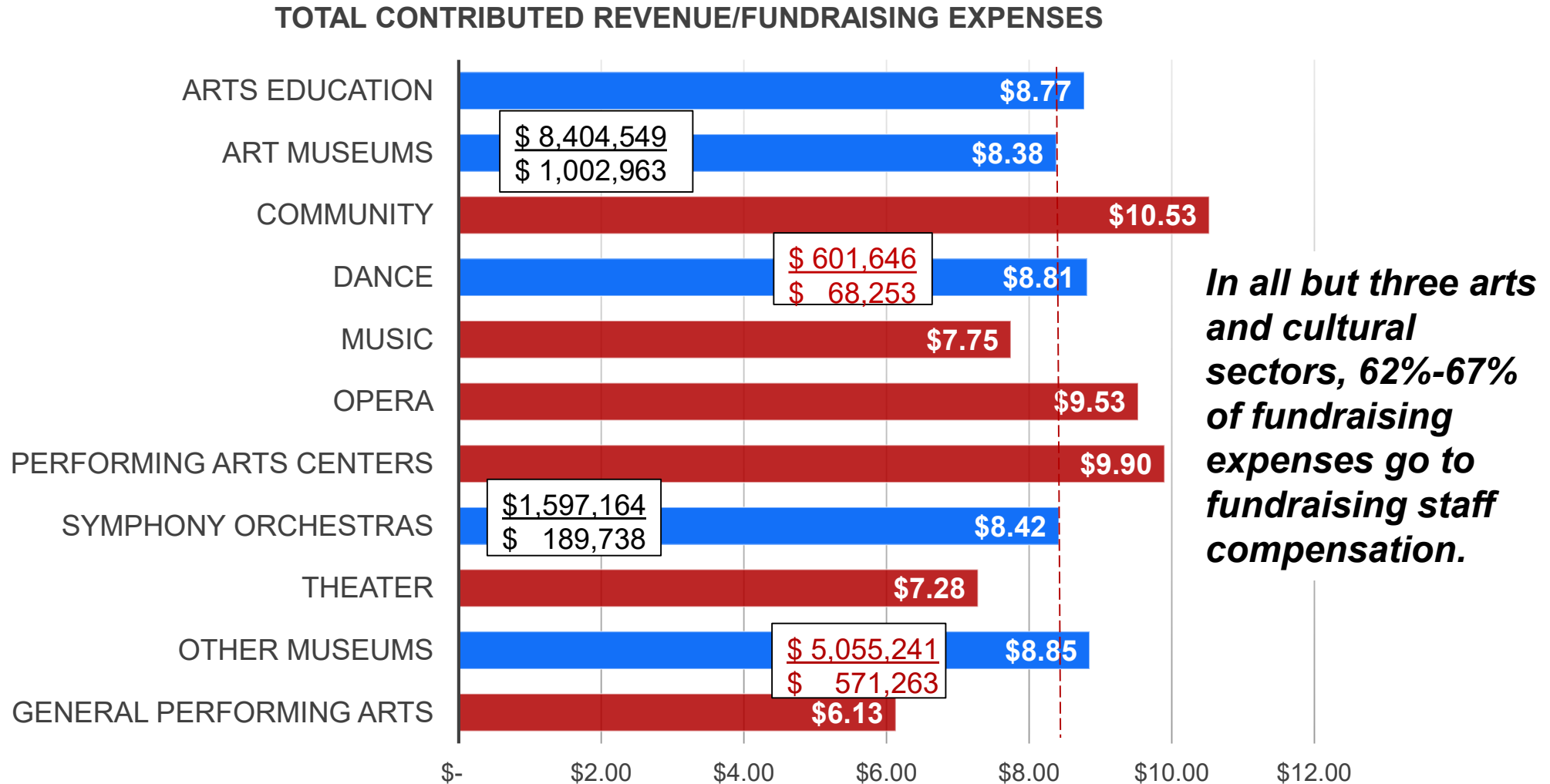
MONTHS OF WORKING CAPITAL



What's the Return on Fundraising story?



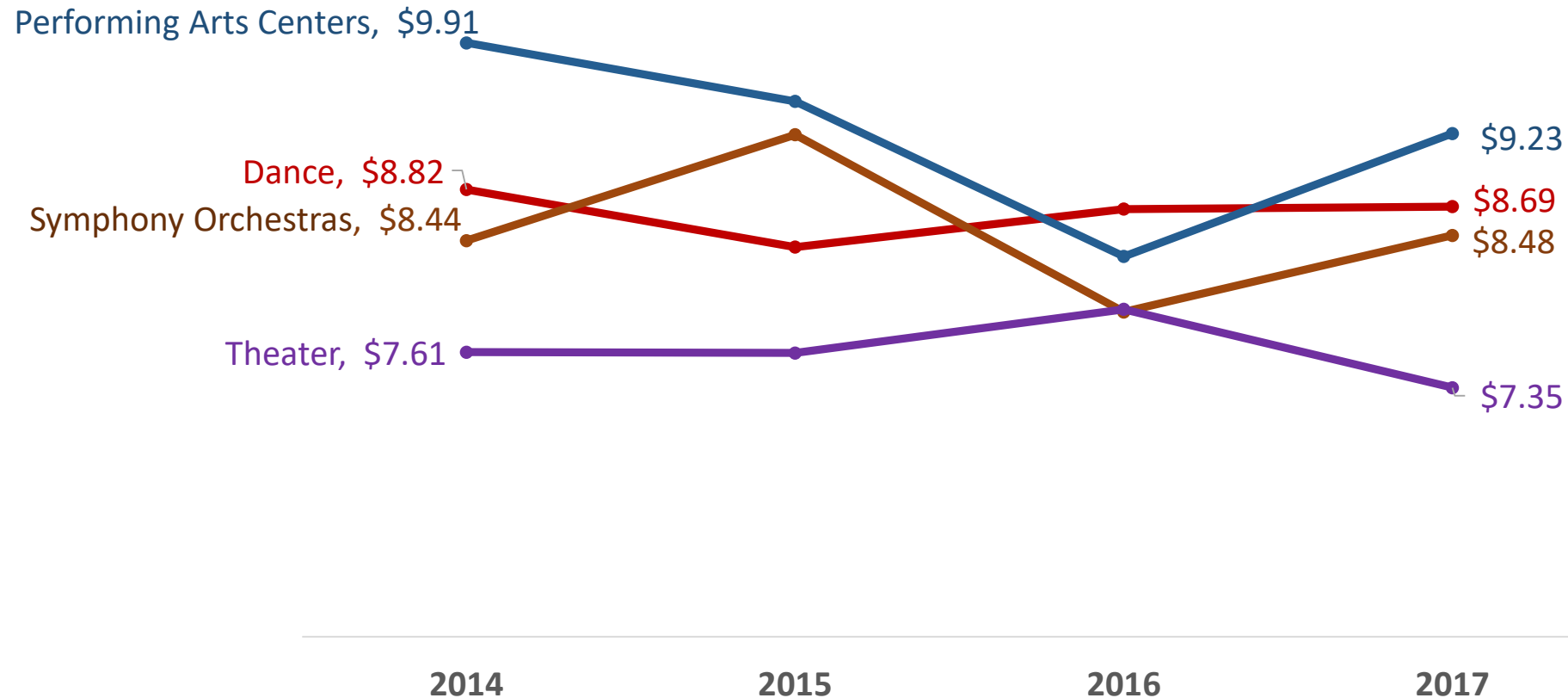
In 5 sectors, there appears to be a natural ceiling on the return each dollar of fundraising yields



If you want to raise more, spend more (wisely).

In the PAC, Dance, and Theatre Sectors, It Is Getting Harder to Raise \$1 for Every \$1 Spent, not Easier

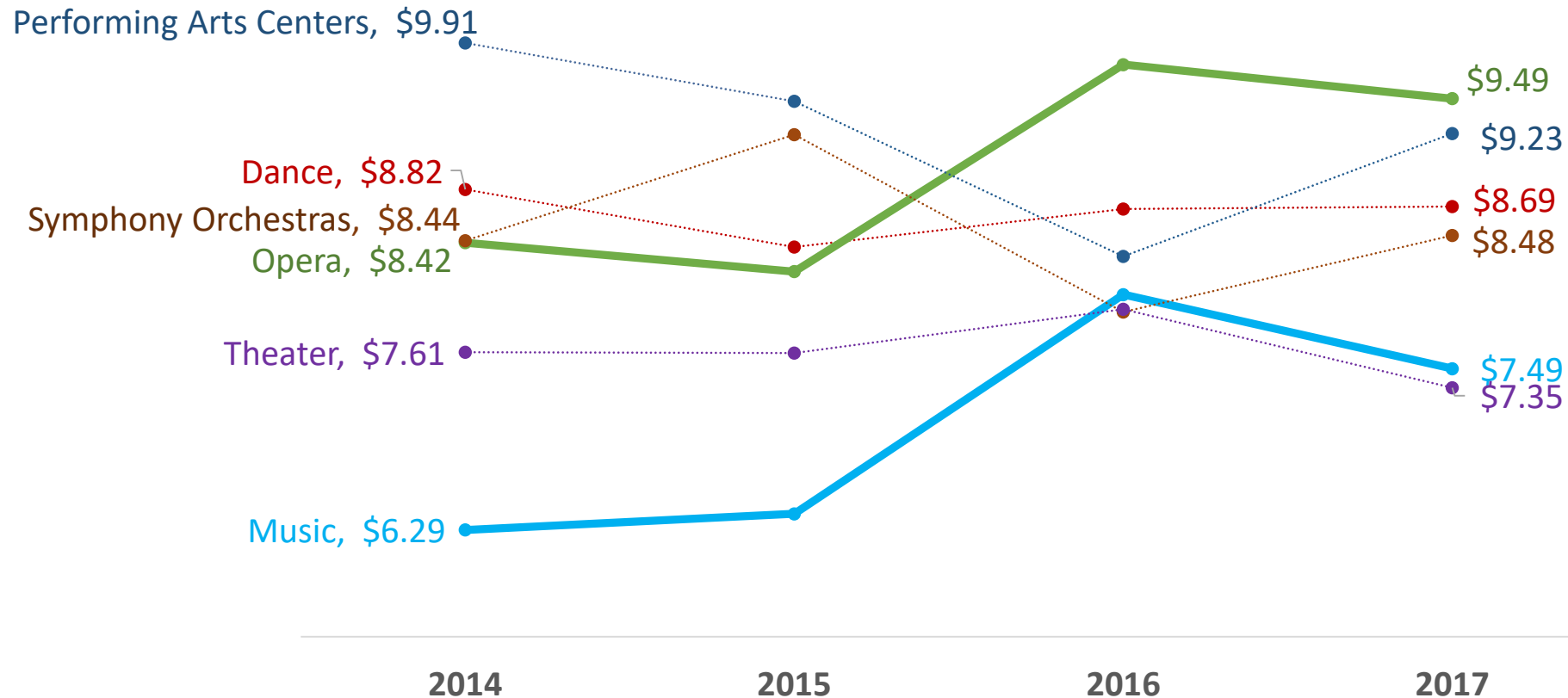
RETURN ON FUNDRAISING: TOTAL CONTRIBUTED REVENUE/FUNDRAISING EXPENSES



And for Orchestras, growth didn't keep pace with inflation.

In the PAC, Dance, and Theatre Sectors, It Is Getting Harder to Raise \$1 for Every \$1 Spent, not Easier

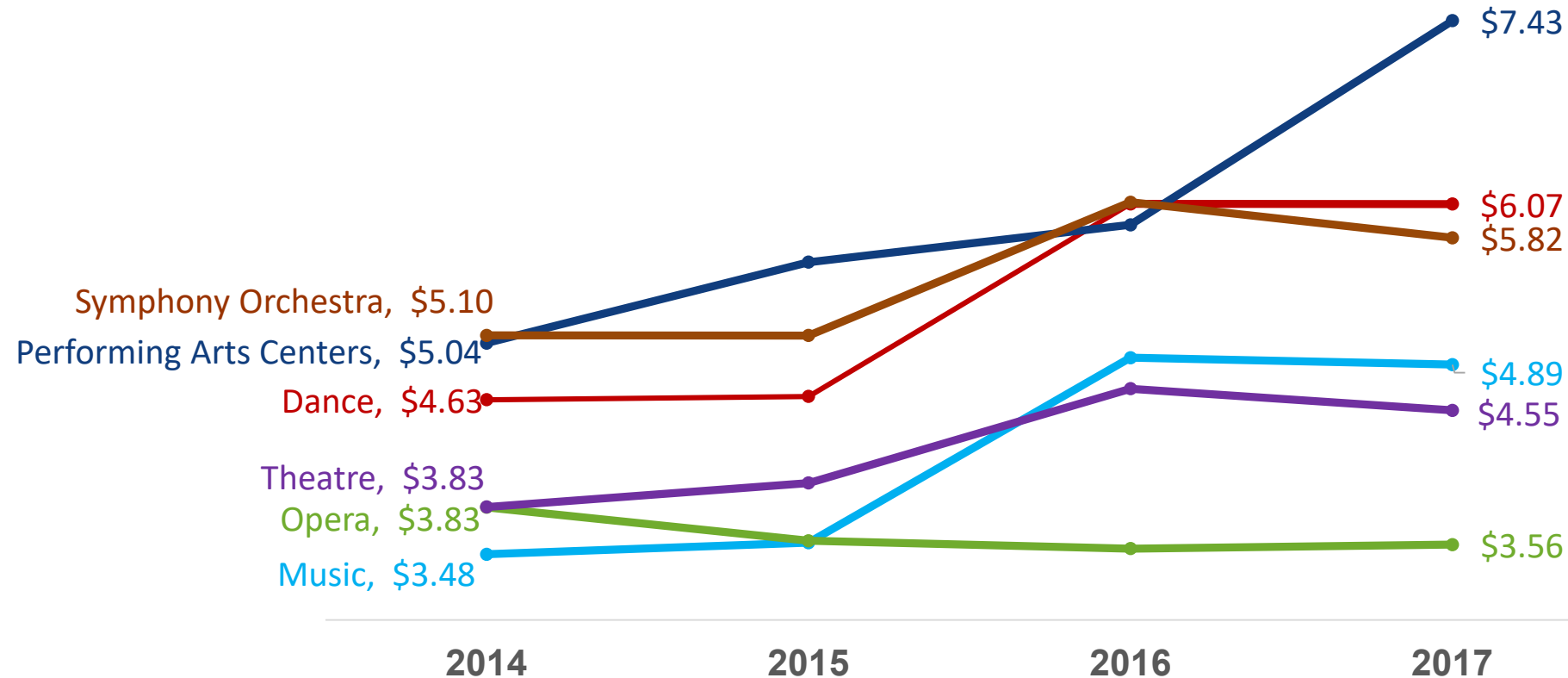
RETURN ON FUNDRAISING: TOTAL CONTRIBUTED REVENUE/FUNDRAISING EXPENSES



The reverse was true for Music and Opera.

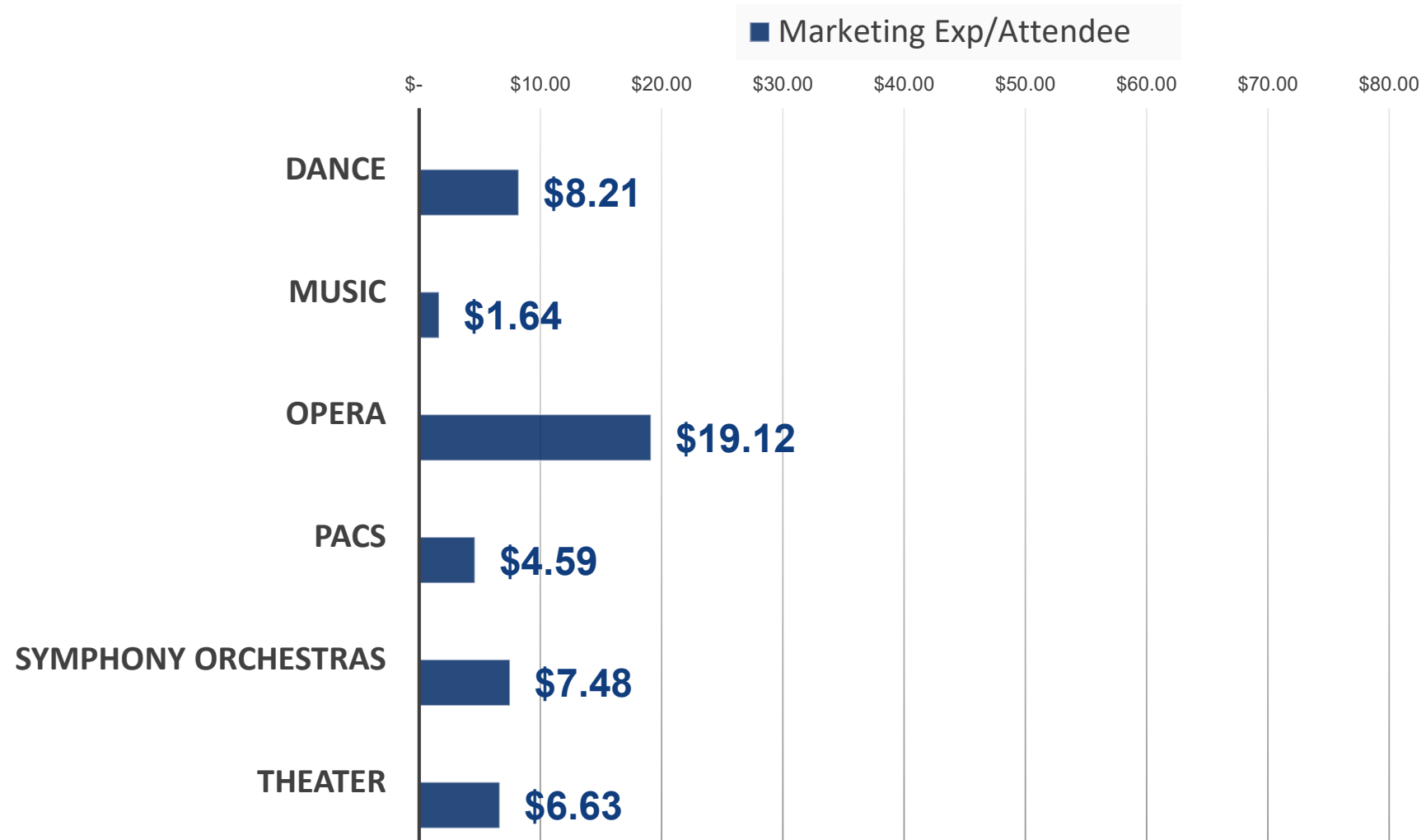
In Every Sector except Opera, it is Getting Easier to Earn \$1 for Every \$1 Spent, not Harder

RETURN ON MARKETING:
PROGRAM REVENUE/TOTAL MARKETING EXPENSES

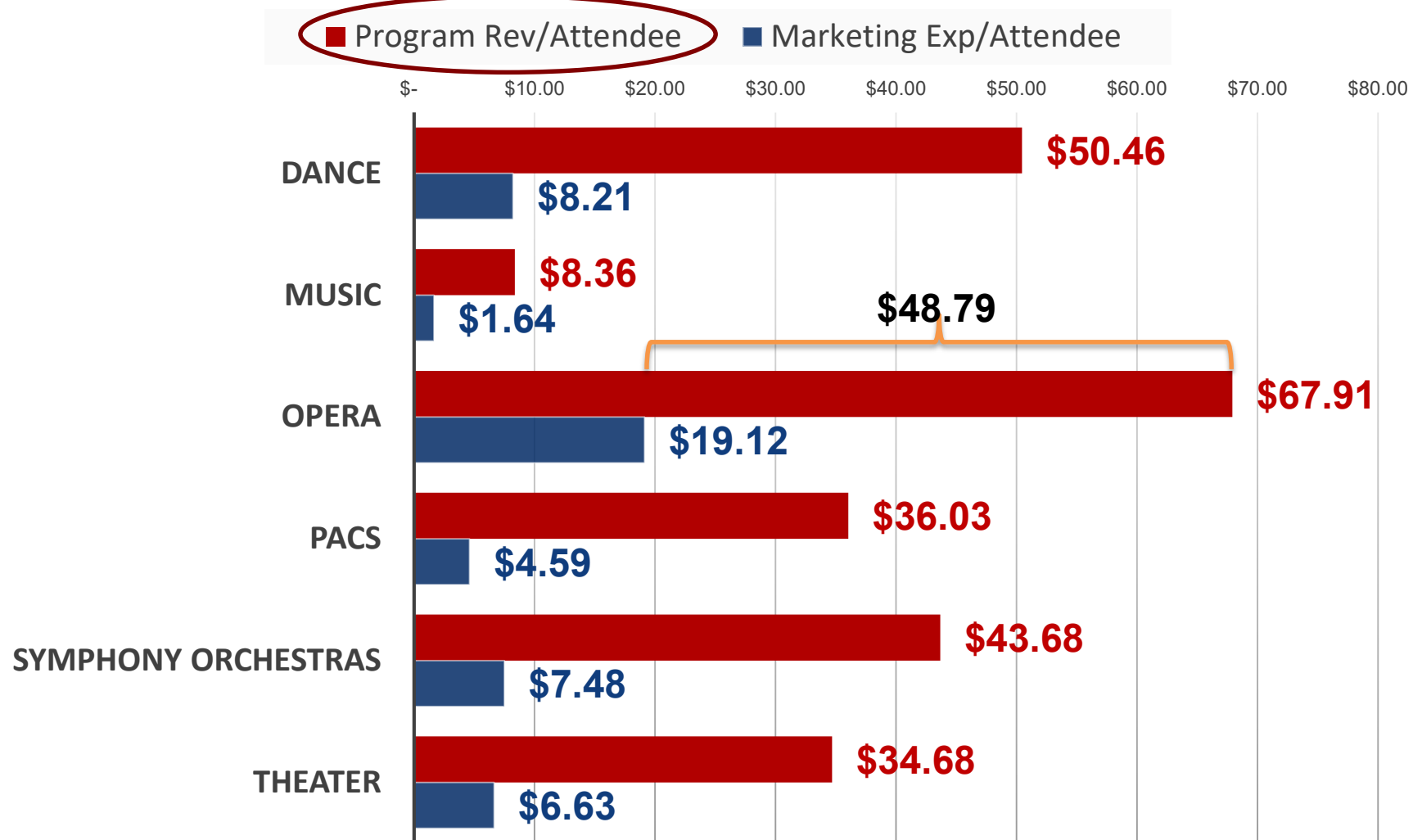


With the exception of Opera, performing arts organizations consistently earned more Program Revenue while reducing Marketing Expenses.

What's the Marketing Expenses per Attendee story?

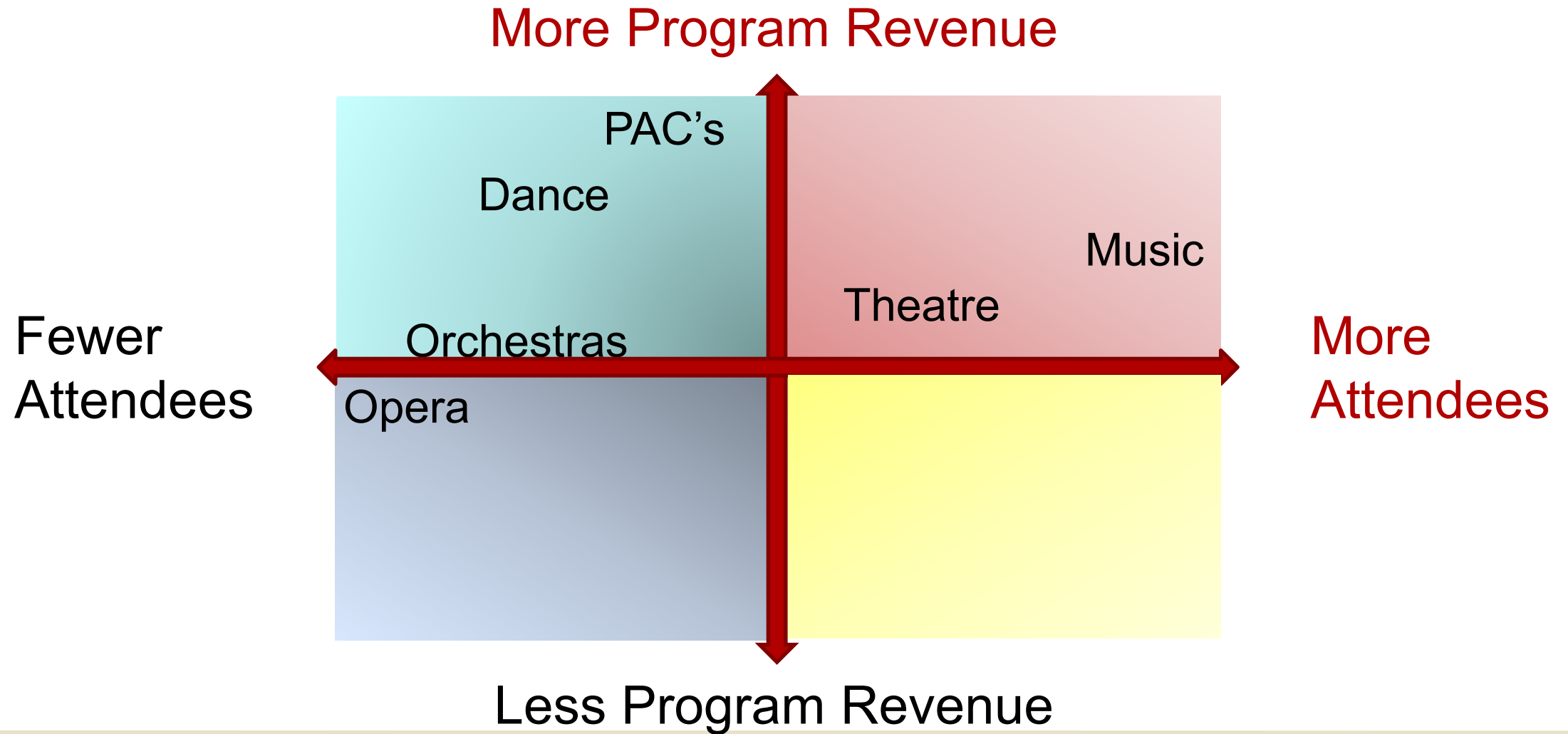


Different sectors have different levels of demand and different economic models

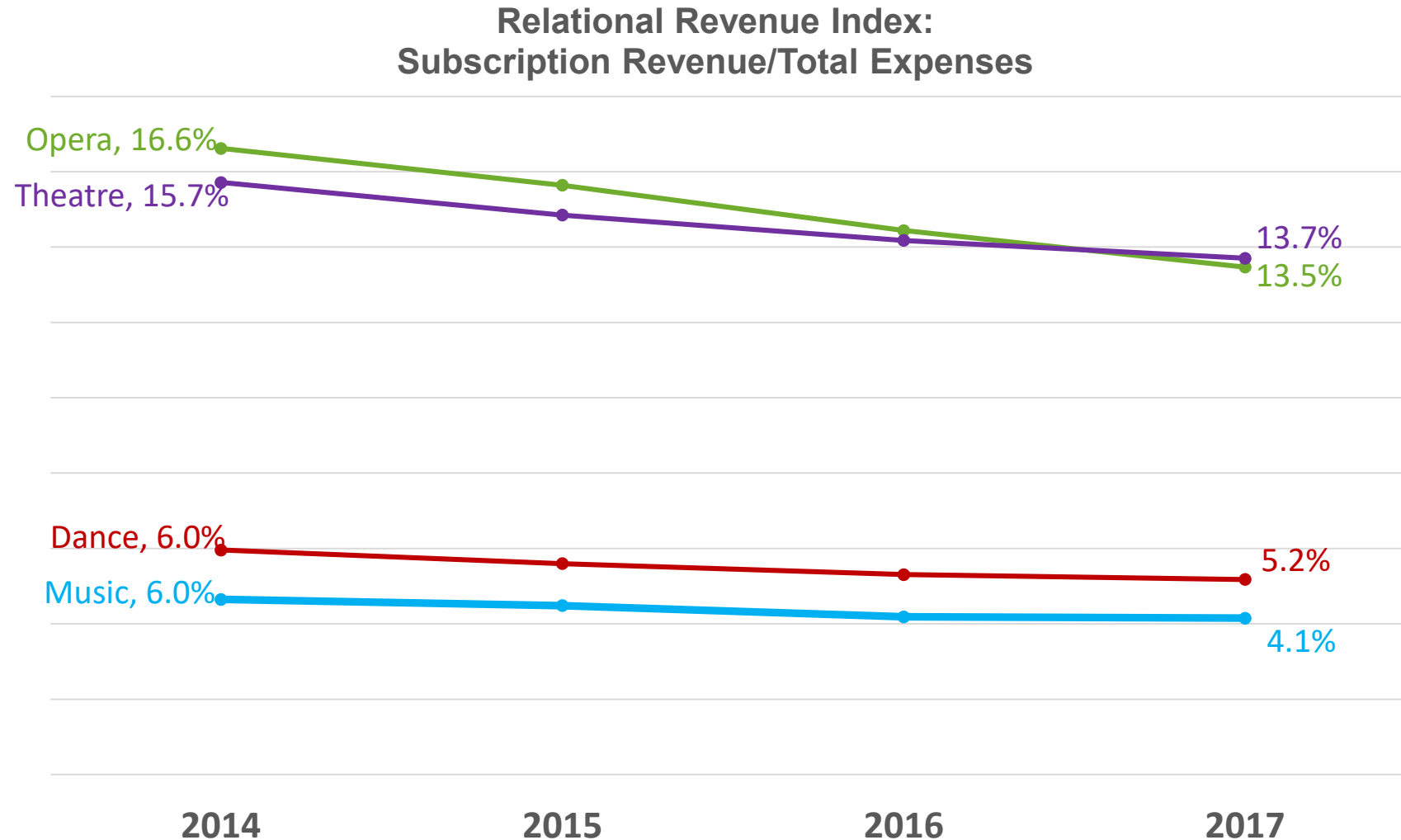


Music had lowest net program revenue at \$5.88
and Opera the highest at \$48.79.

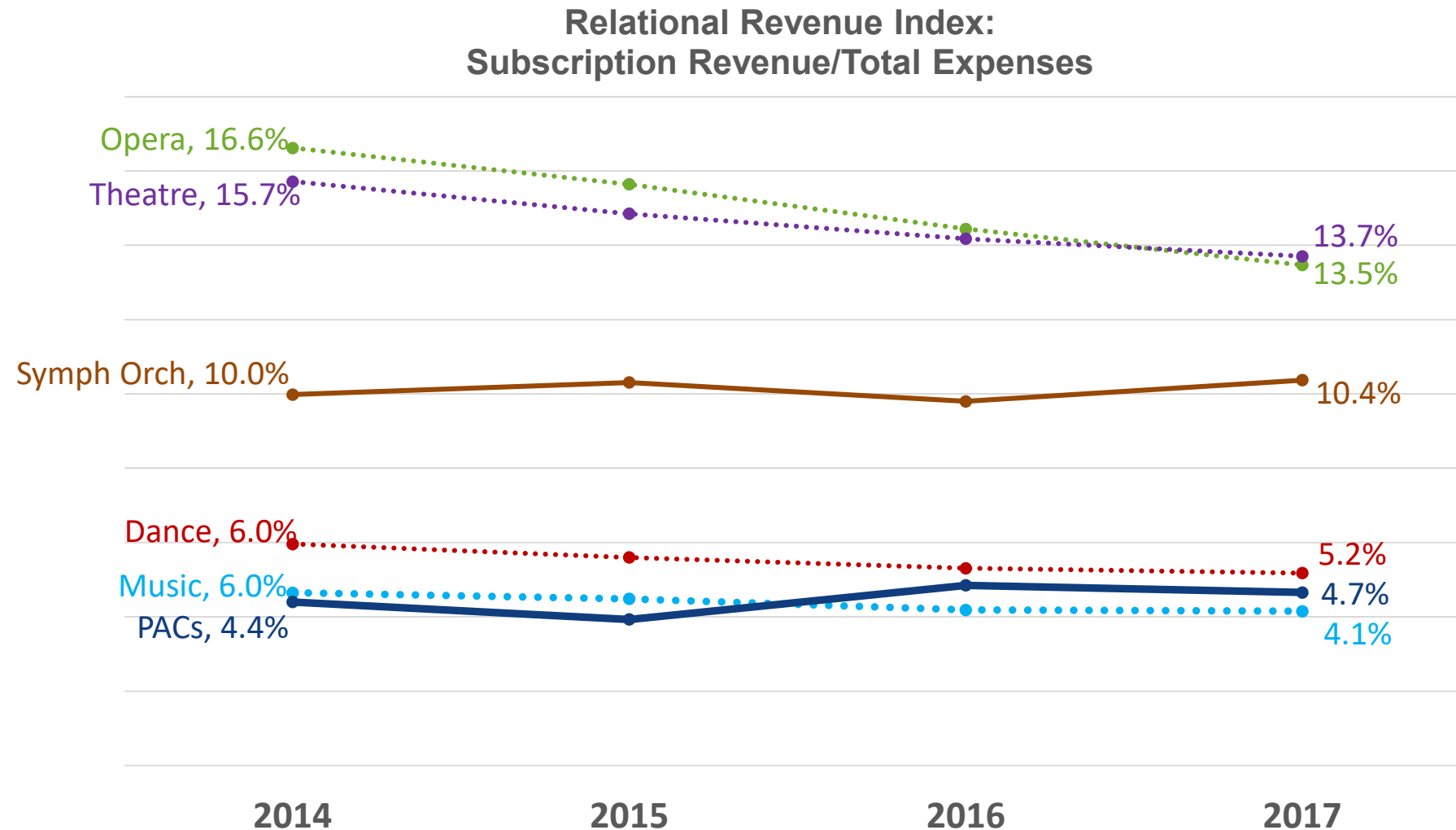
Trends in Program Revenue per Attendee



Subscription Revenue covered less expenses over time for Opera, Theatre, Dance, and Music



Subscription Revenue covered lower expenses over time for Opera, Theatre, Dance, and Music



PAC's and Orchestras held steady.

“ We now live in an age with multiple truths, but only one truth matters—**their truth**.

In order to break through and connect with your target, you must communicate to **their truth**, not your truth...”

maslansky
+ partners

IT'S NOT WHAT YOU SAY, IT'S WHAT THEY HEAR.®

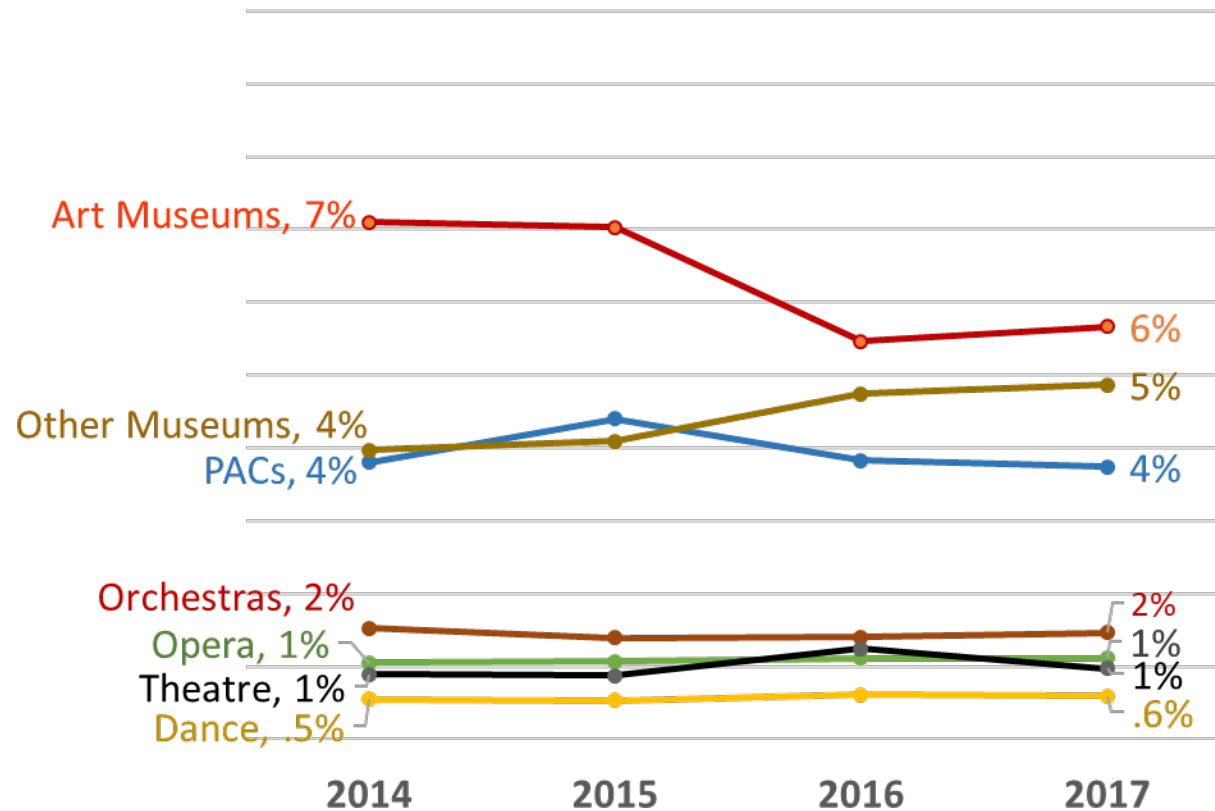
their truth #1

“ I average 11 hours 6 minutes per day on my digital devices.

Either give me a really compelling reason to leave my screen, or meet me where I consume.”

What is the reach of our community engagement, considering in-person and virtual participation?

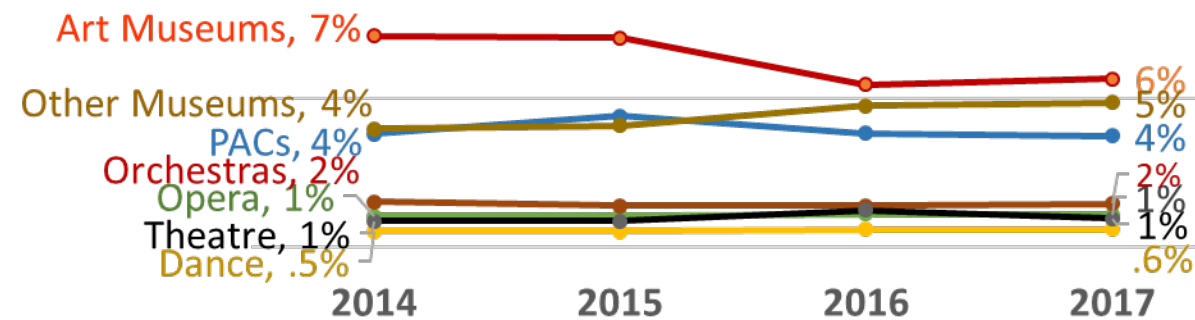
In-person Engagement



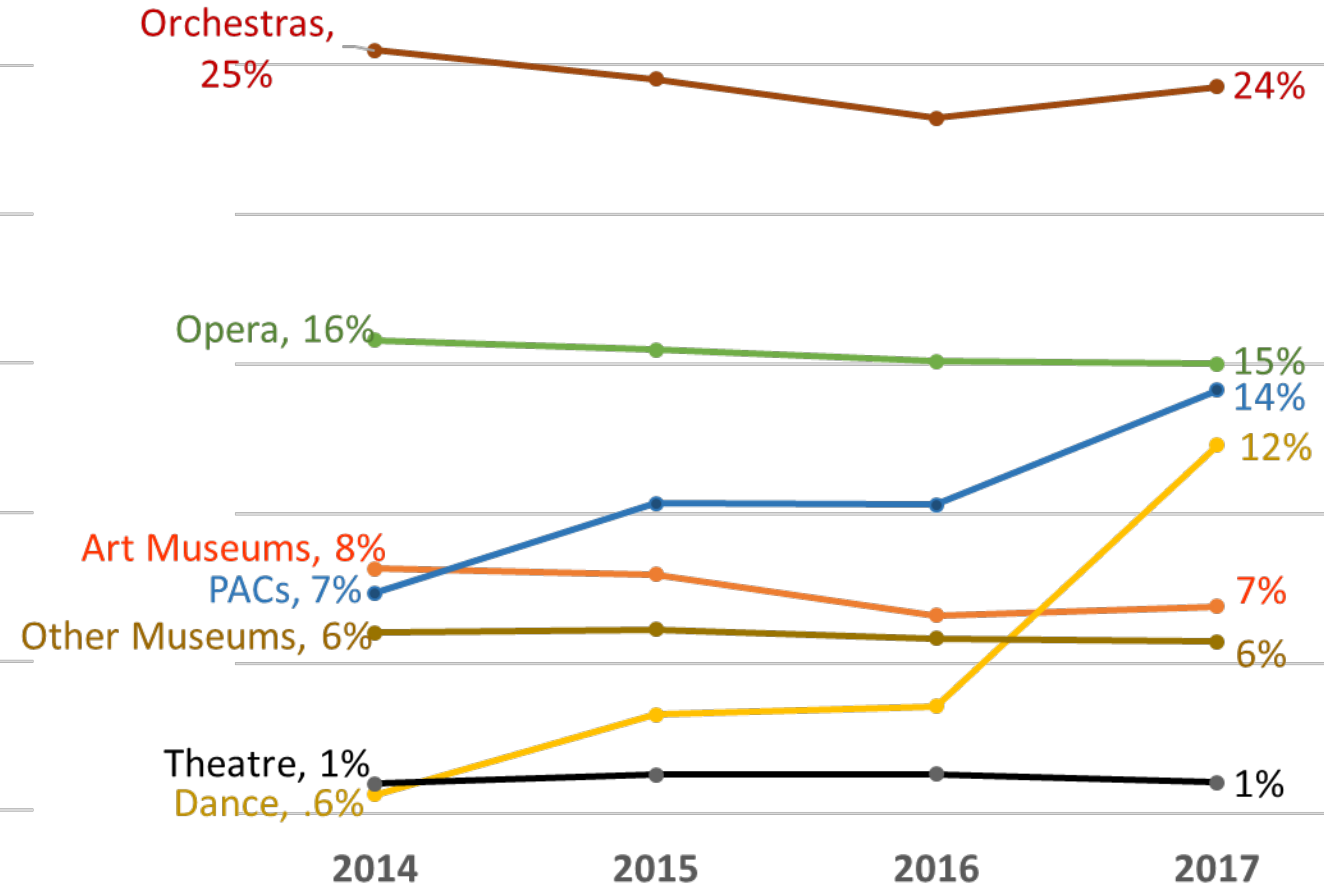
Only Art Museums
fluctuated >1%.

What is the reach of our community engagement, considering in-person and virtual participation?

In-person Engagement



Total Engagement (incl. virtual)



Orchestras & Opera lead the field. PACs & Dance have joined the party.

How can you use this in your own organization?

Analytic Reports

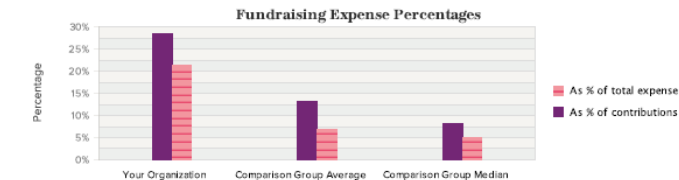
- Compare to peer groups
- Highlight long term trends at your organization
- Assess key areas of operations with fundraising, marketing, and balance sheet metrics
- Download reports for easy sharing with stakeholders.
- Use the “Annual Report” to create a basic annual report for your organization.

This report looks at all development activity and includes all contributions whether unrestricted, temporarily restricted, or permanently restricted, operating or non-operating. Fundraising expenses will include capital campaign expenses if an organization is conducting a capital campaign.

Fundraising Activity	FY 2016	Comparison Group Average FY 2016	Comparison Group Median* FY 2016
Total contributed revenue			
(Includes operating and non-operating revenue)	\$318,915	\$275,056	\$210,288
Total fundraising expense	\$90,925	\$24,790	\$17,144
Total expenses			
(Includes non-operating expenses)	\$424,762	\$360,875	\$349,443

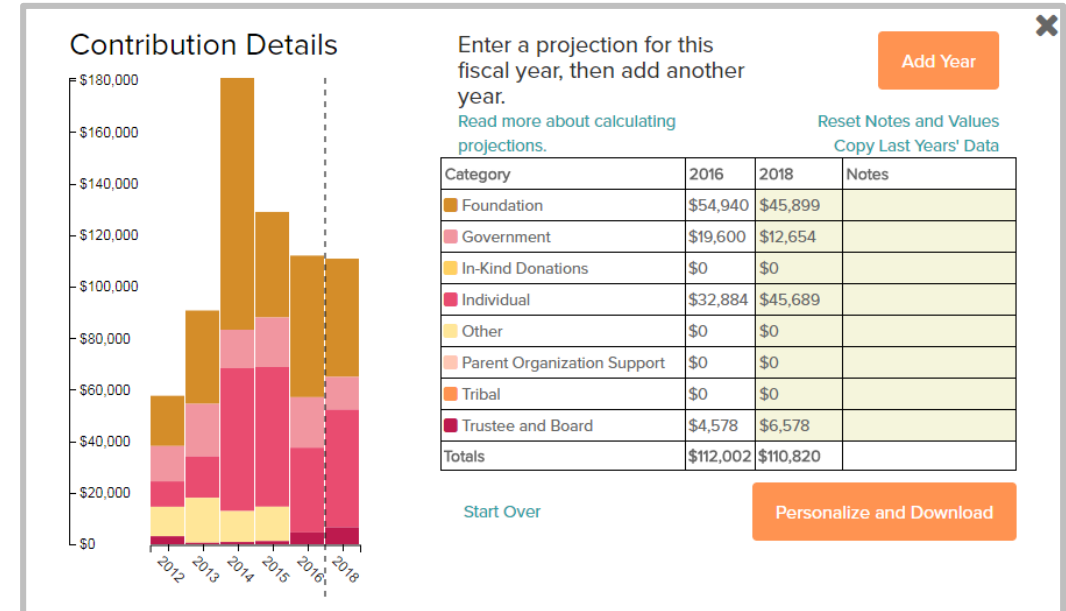
Metrics			
Fundraising expense as a % of total contributions	28%	13%	8%
Fundraising expense as a % of total expense	21%	7%	5%
Fundraising Efficiency	\$4	\$11	\$12
Net Contributed Revenue	\$227,990	\$212,721	\$186,233

Fundraising expense as a % of total contributions shows how much you are spending to generate contributed revenue.
Fundraising expense as a % of total expense shows what percentage of total expenses you are spending on fundraising efforts.
Fundraising efficiency calculates the average dollar amount of contributions raised from each dollar spent on fundraising.
Net contributed revenue shows how much an organization received in contributions net of all fundraising costs.



Comparison Group Average				Comparison Group Median*			
FY 2016	Contributions	Contributors	Average Contribution	Contributions	Contributors	Average Contribution	Contributions
Board	\$6,600	9	\$733	\$17,346	600	\$29	\$8,300
Individuals	\$20,786	198	\$105	\$50,462	1,246	\$41	\$30,699
Corporate	\$33,550	7	\$4,793	\$13,086	572	\$23	\$3,303
Foundation	\$213,065	20	\$10,653	\$71,224	2,570	\$28	\$49,388
Government (Includes Tribal)	\$20,969			\$44,273	2,293	\$19	\$25,000
Board Members	10			11			10
Percentage of board members who contribute	90%			537%			90%

* For any row where fewer than half the organizations in the pool reported data, it is possible for the median value to be blank.



Projections

- Use historical contribution and expense data as a basis for projections
- Visualize up to 10 years of data
- Download visualizations in multiple formats for use in presentation

How can you use this in your own organization?

Example:

Question: “What is program revenue per attendee?”



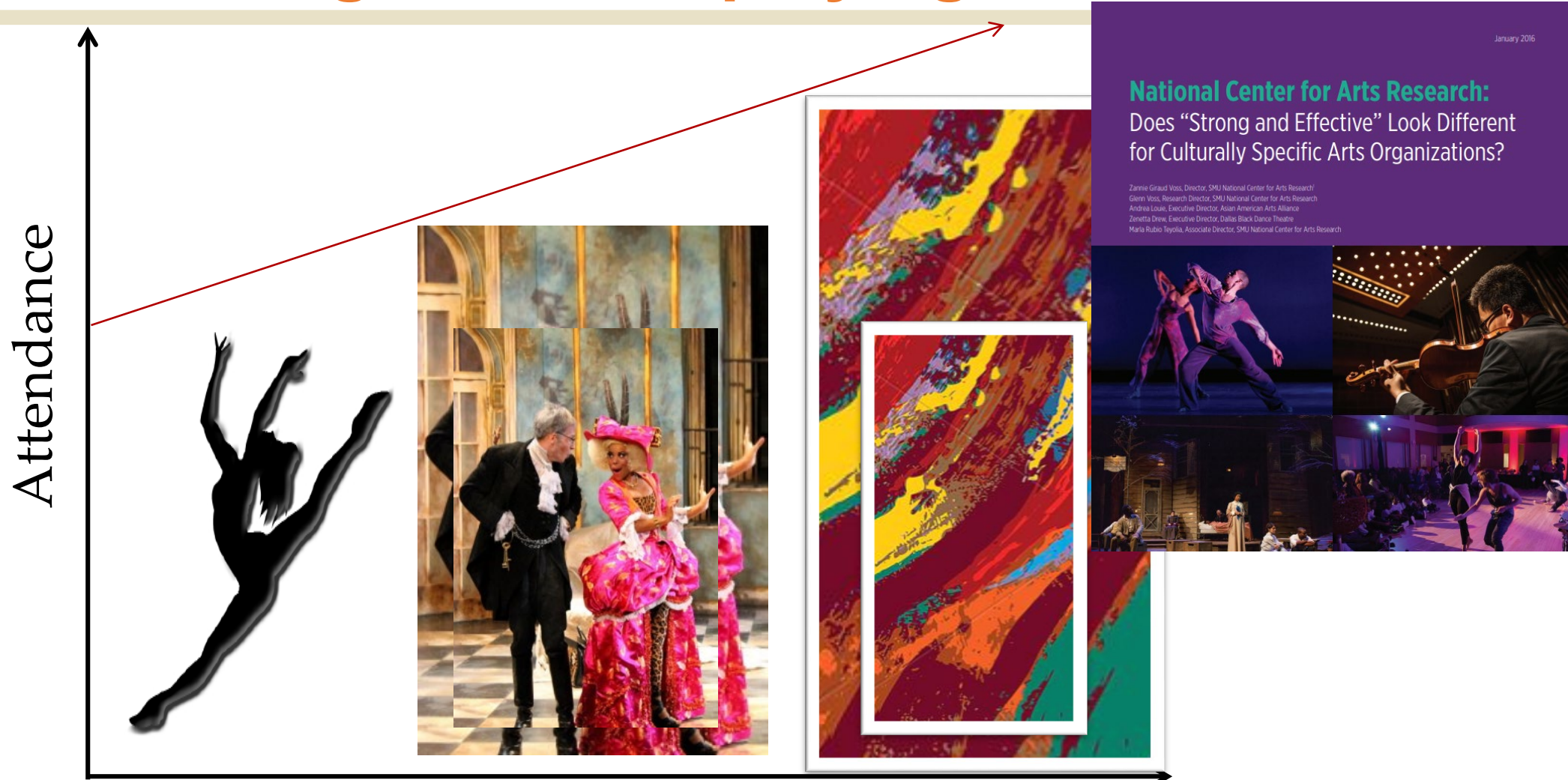
What Drives Performance?

What factors help contextualize expectations?



Arts & Cultural Sector

Performance can be explained by context: Getting to a level playing field



**NOT recognizing these inherent differences can result in
biased conclusions and misguided expectations.**

The Power of That Which You Cannot Count: Systematic Under/Over-Performance (i.e., the KIPI)



Welcome to the

KIPi Dashboard

You care about the health of your organization. So do we. SMU DataArts has created a **free, diagnostic tool**, the KIPi (Key Intangible Performance Indicator) Dashboard, which provides your organization's financial and operating performance results relative to organizations like yours nationally so you can assess health and sustainability and hone strategic decisions.

[Sign-In](#) [See A Sample Dashboard](#)

How to Use the Dashboard

The Dashboard is a free web tool in the National Center for Arts Research's toolkit. Powered by data from DataArts' Cultural Data Profiles (CDP), the personalized and confidential dashboard showcases arts organizations' scores and trends across nine key areas. Scores are ready to access immediately for organizations that have completed the DataArts CDP.

[What's a KIPi Score?](#)

Where do I go from here?

The NCAR KIPi Dashboard has provided a list of resources to help your organization see their scores, and figure out what to do next.

[Find Resources](#)

Not Part of DataArts?

If your organization currently does not participate in DataArts, we can help you get started. Start by filling out your DataArts Cultural Data Profile.

[Start Survey](#)

What's your organization's story, relative to organizations like yours?

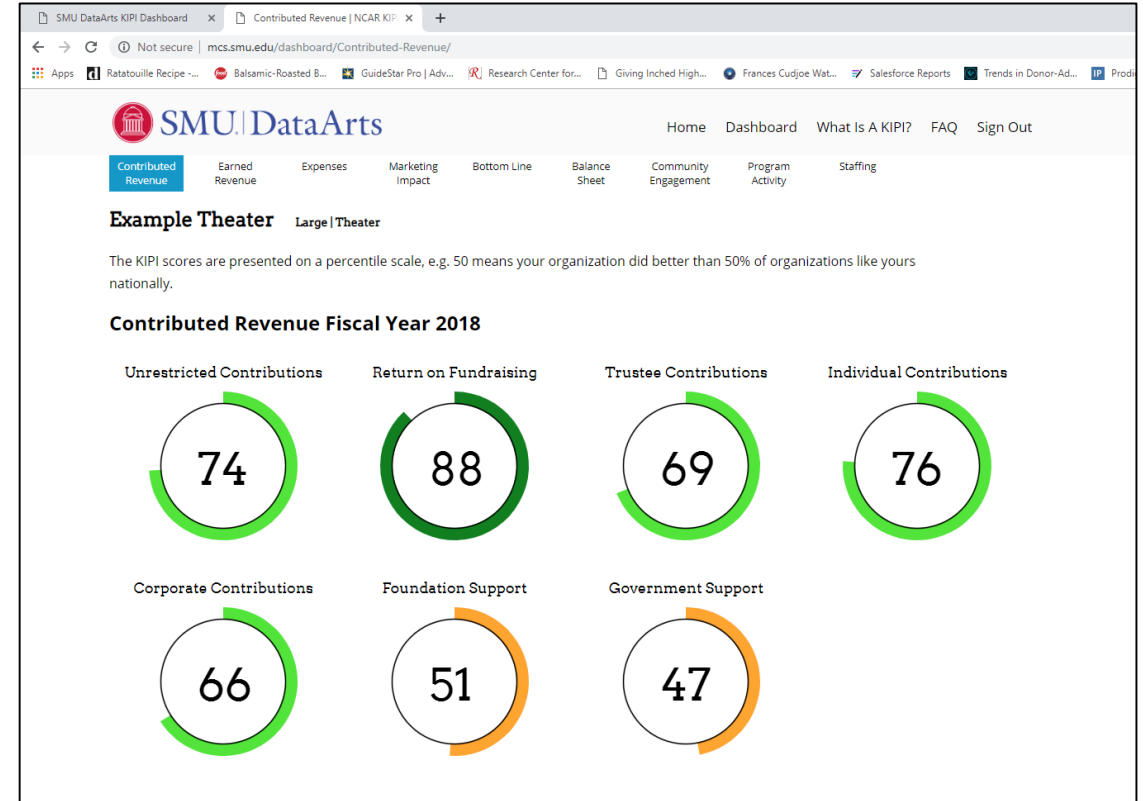
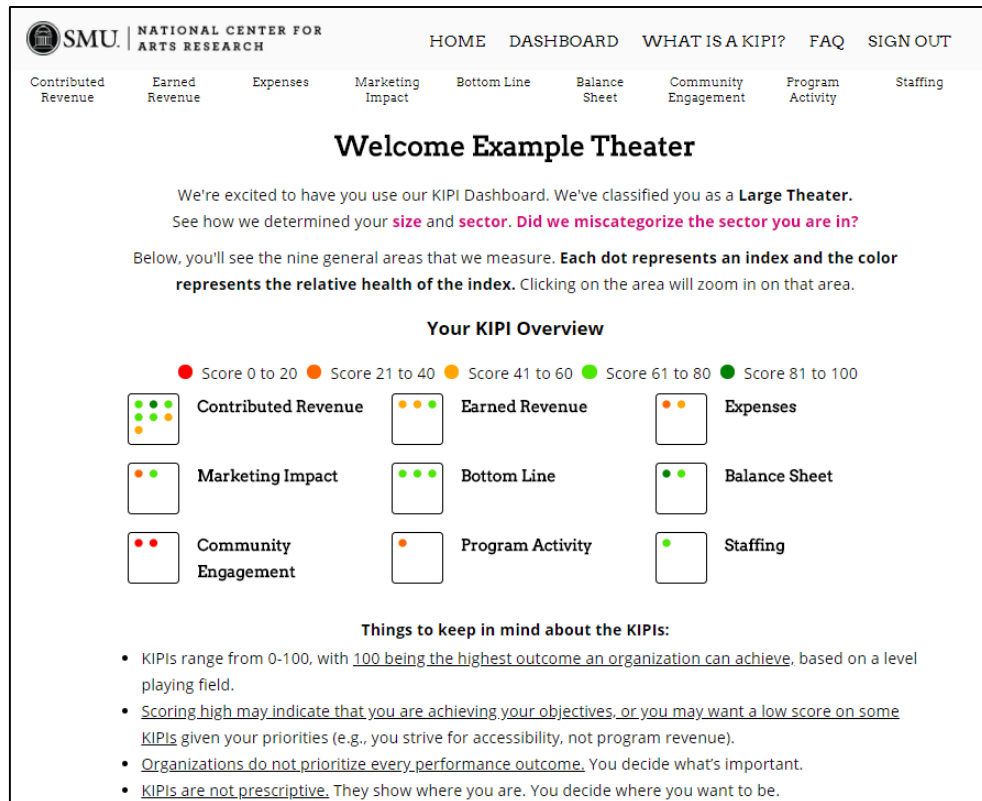
Of all the measures to focus on, what are your top 5?

What are your areas to celebrate? What areas do you want to change?

How might you use this information, and with whom?

In what areas could you use help?

What we do with the data: Research, Knowledge and Tools



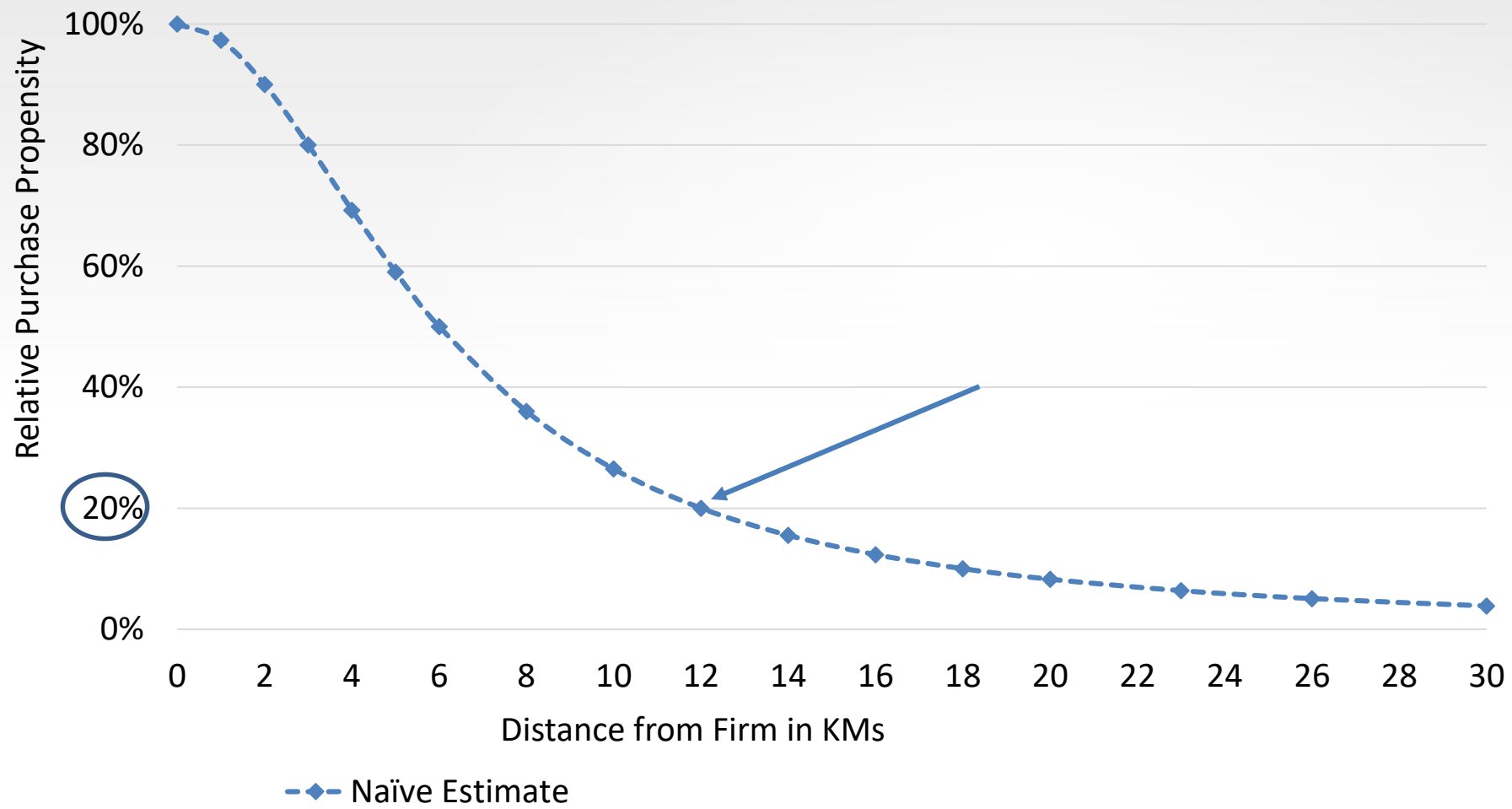
“I use my organization’s KIPi Dashboard scores to identify 3 things:
Where is there encouraging news?
What can we do better?
What information keeps me up at night?”
– *Steve Martin, Managing Director, Childplay Theatre Company*

their truth #2

**For me, the arts are radically
local.**

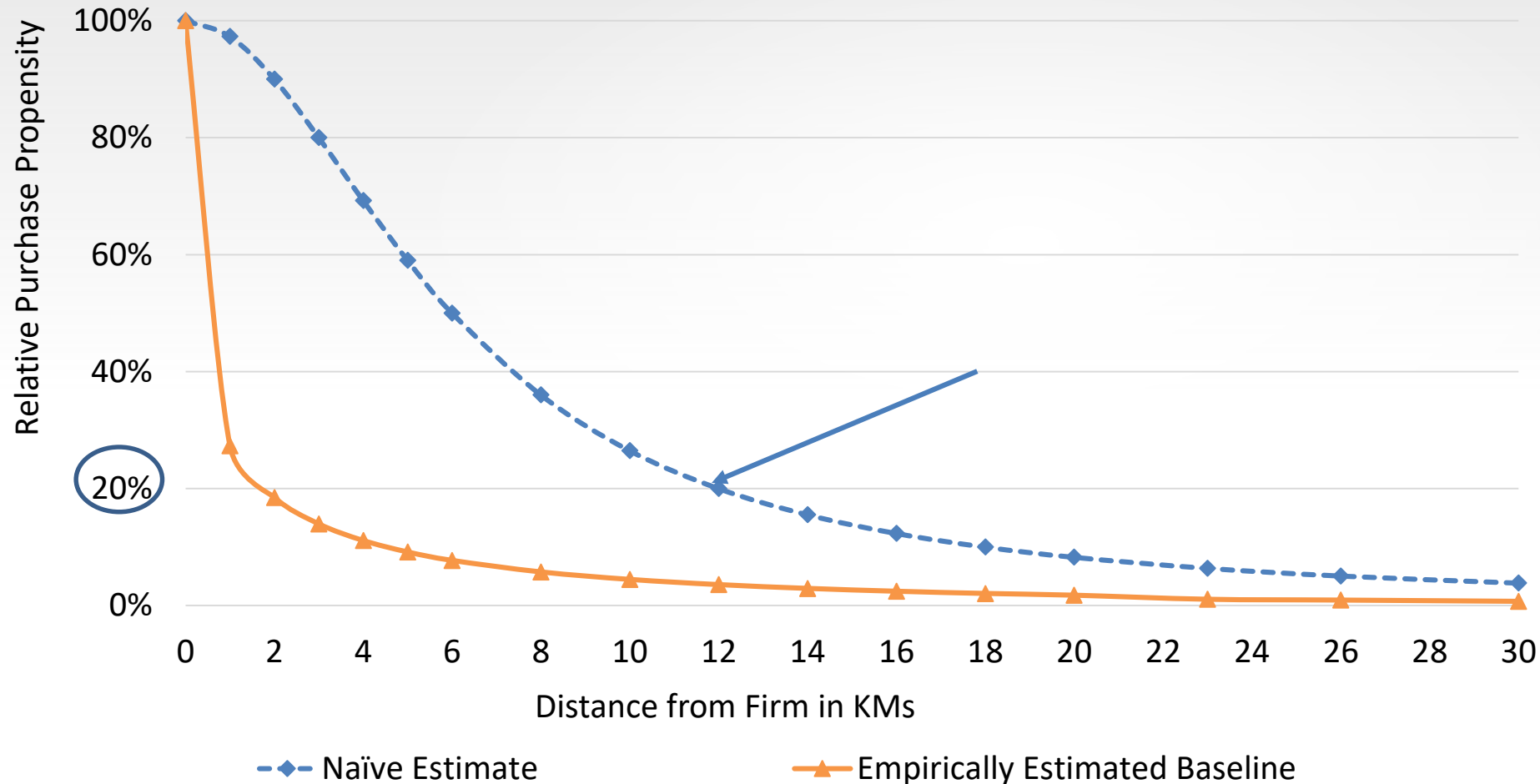
**If it's not in my neighborhood,
I am much less likely to go.**

We expected a somewhat steep demand curve based on distance from the organization...



Our naïve estimate was that a person living **12 km (7.5 miles)** away is **80%** less likely to purchase than a person living in the immediate neighborhood.

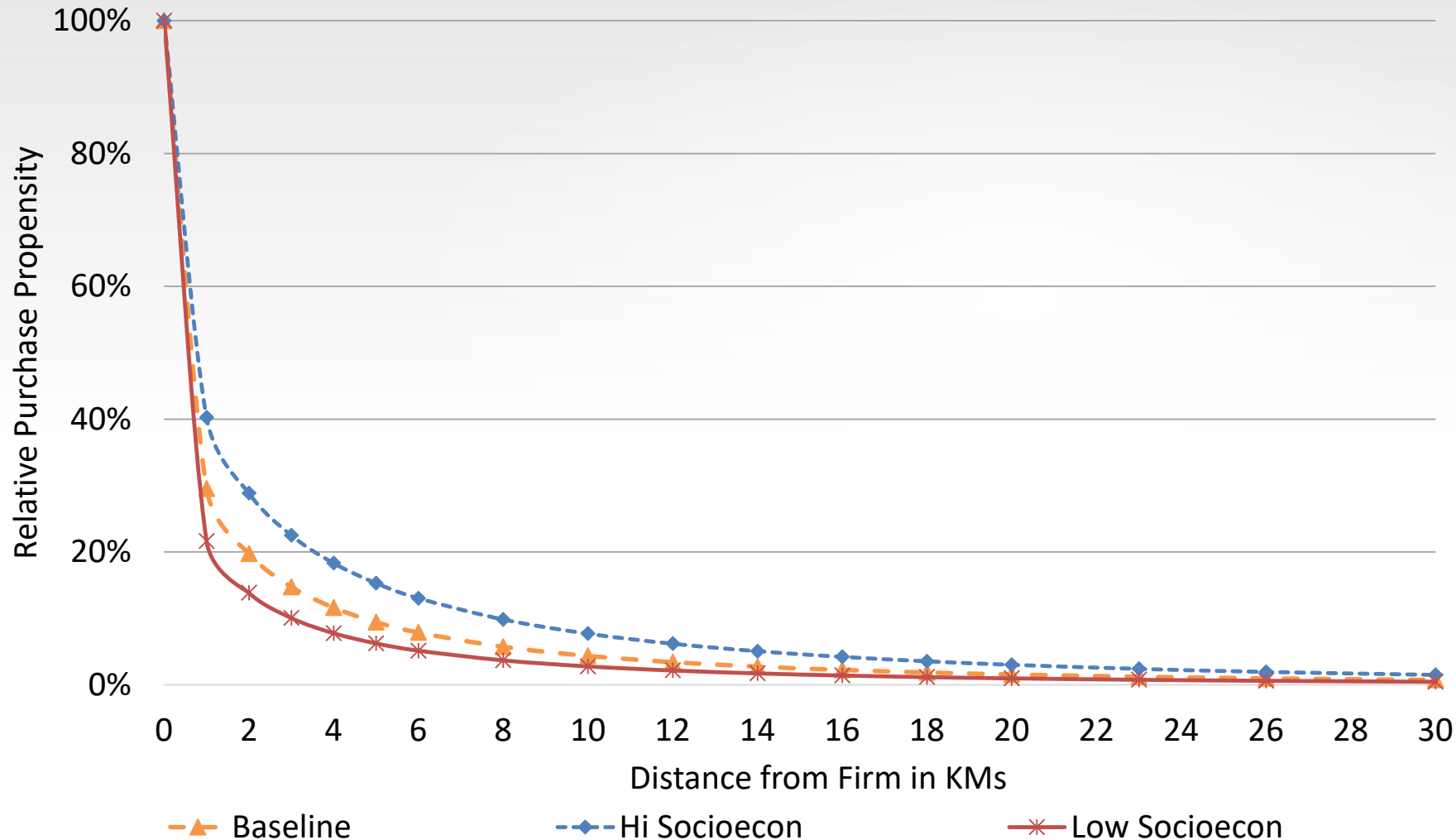
...but we were wrong. It is much steeper in the average community.



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

But factors other than distance influence the decision of whether to purchase or not...

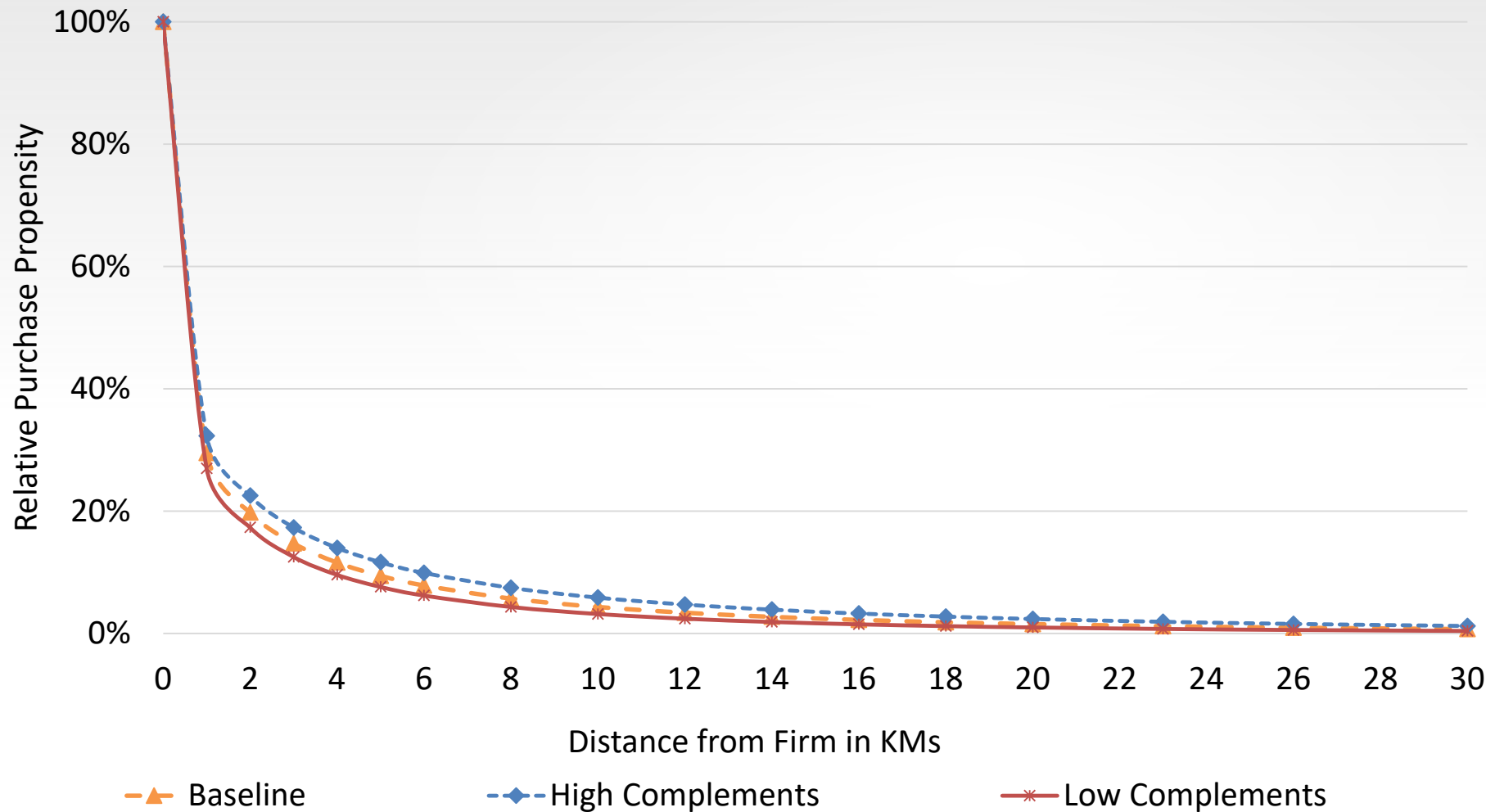
Socio-Economic Level Influences the Consumer's Cost/Benefit Calculus...



Higher HH's income and education = more likely to attend, will travel further to attend.

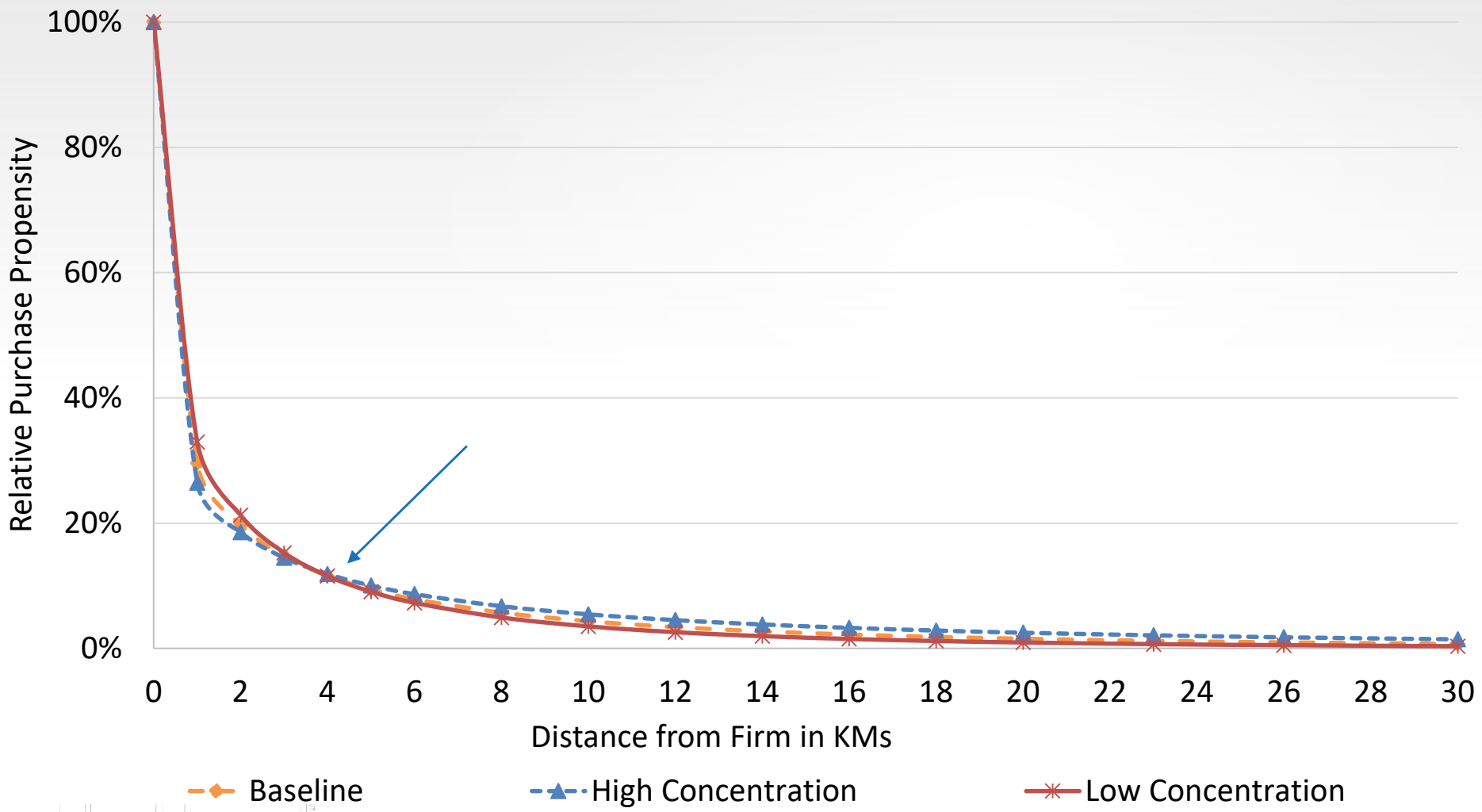
Lower HH income and education = even more radically local.

...and More Nearby Complements (e.g., restaurants, bars) = More Likely People Will Come to Your Arts Organization



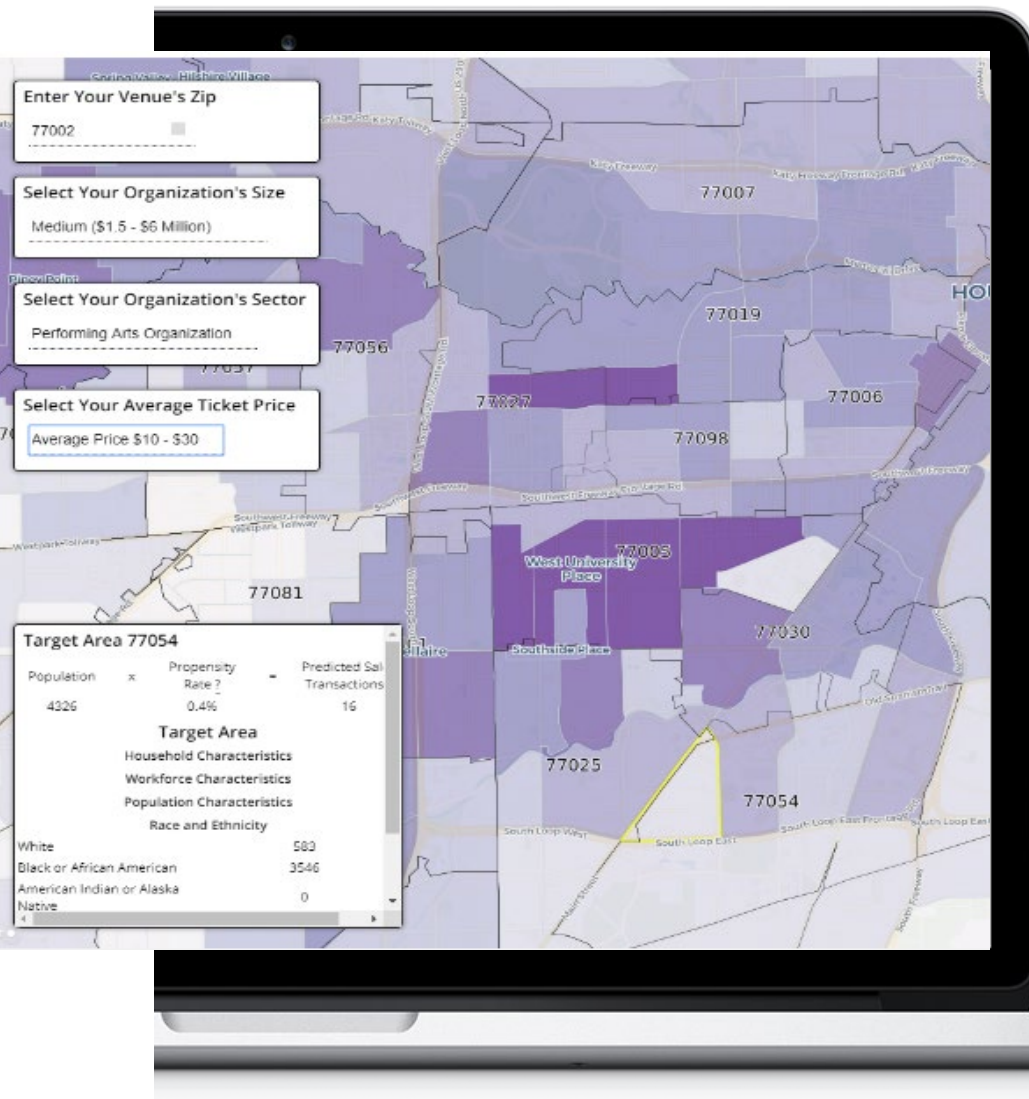
“What I really want is a destination for an entire day or night out, even if it means a longer drive.”

High concentration of arts activity shifts propensities...
People nearby are less likely to choose Your Arts Organization (Competition) and people further away are more likely to attend.



The shift occurs between 4 & 5 km (around 3 miles).
Competition for walkers and complementarities for drivers?

How can you use this in your own organization?

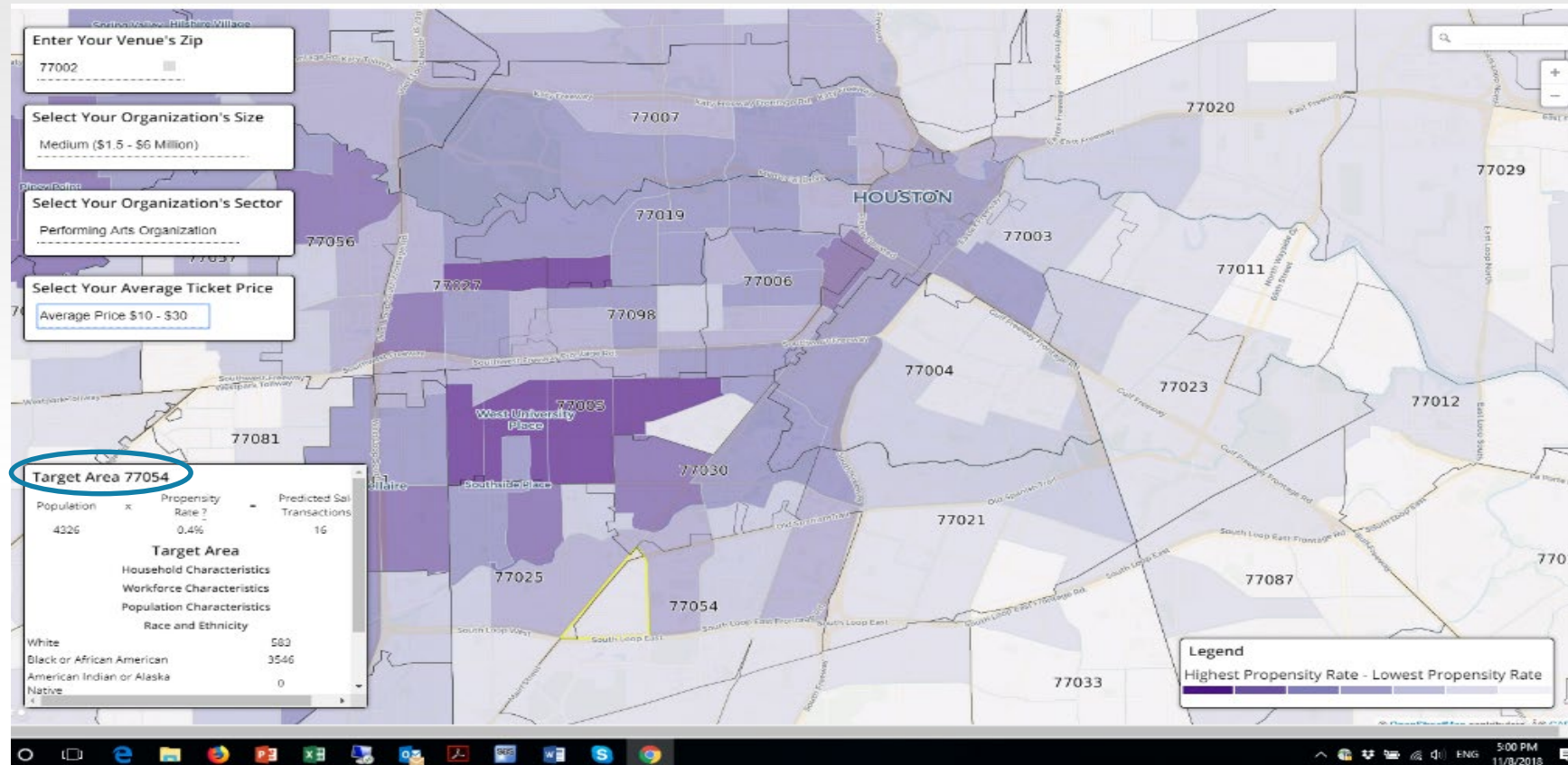


Audience Opportunity Tool

- Tell us who and where you are
- See propensity to purchase by census tract or zip code
- See population characteristics
- Identify areas of opportunity

SMU DataArts Audience Opportunity Tool

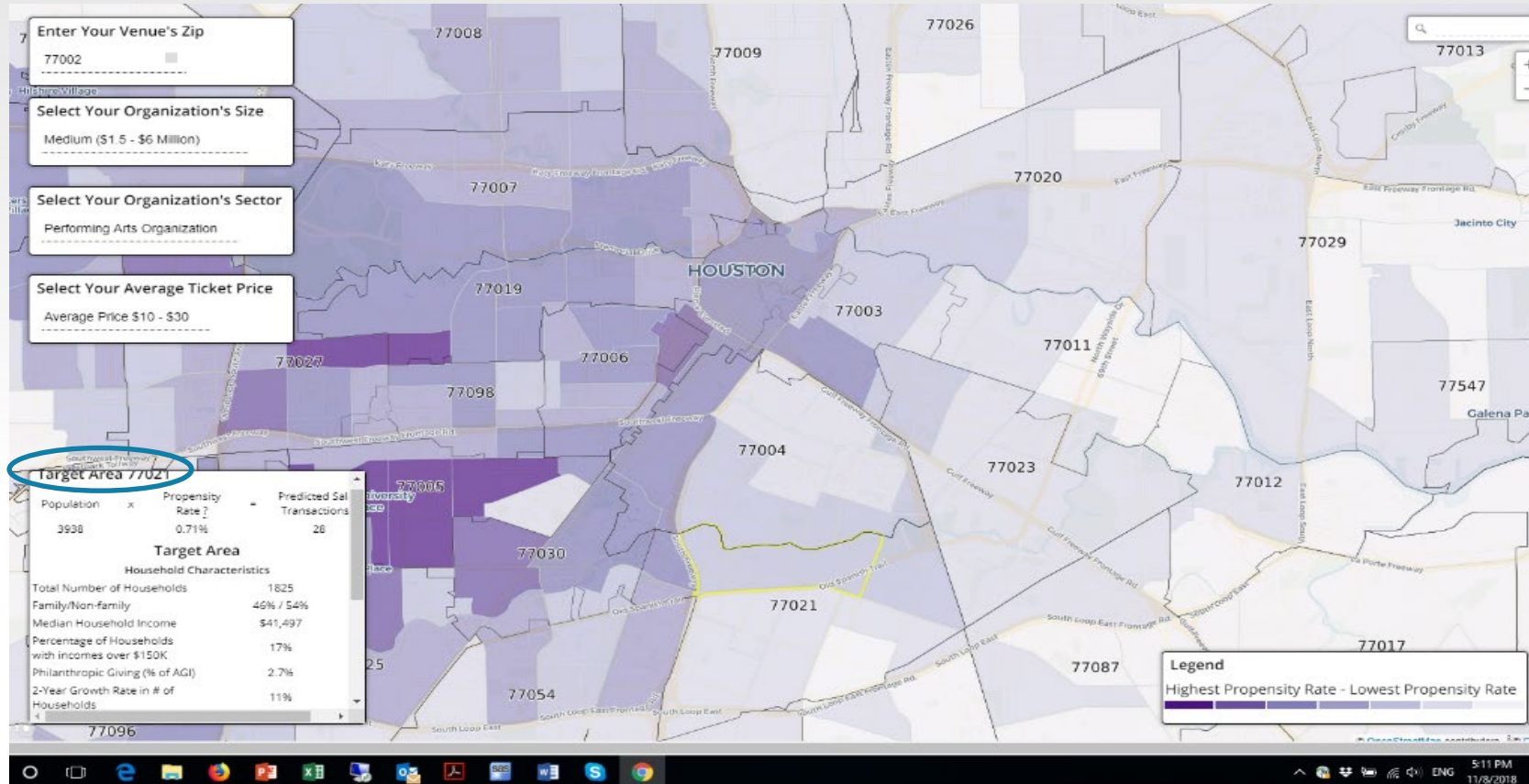
Pilot Test



Where do we focus our efforts to do a better job of serving African American members of the community?

SMU DataArts Audience Opportunity Tool

Pilot Test



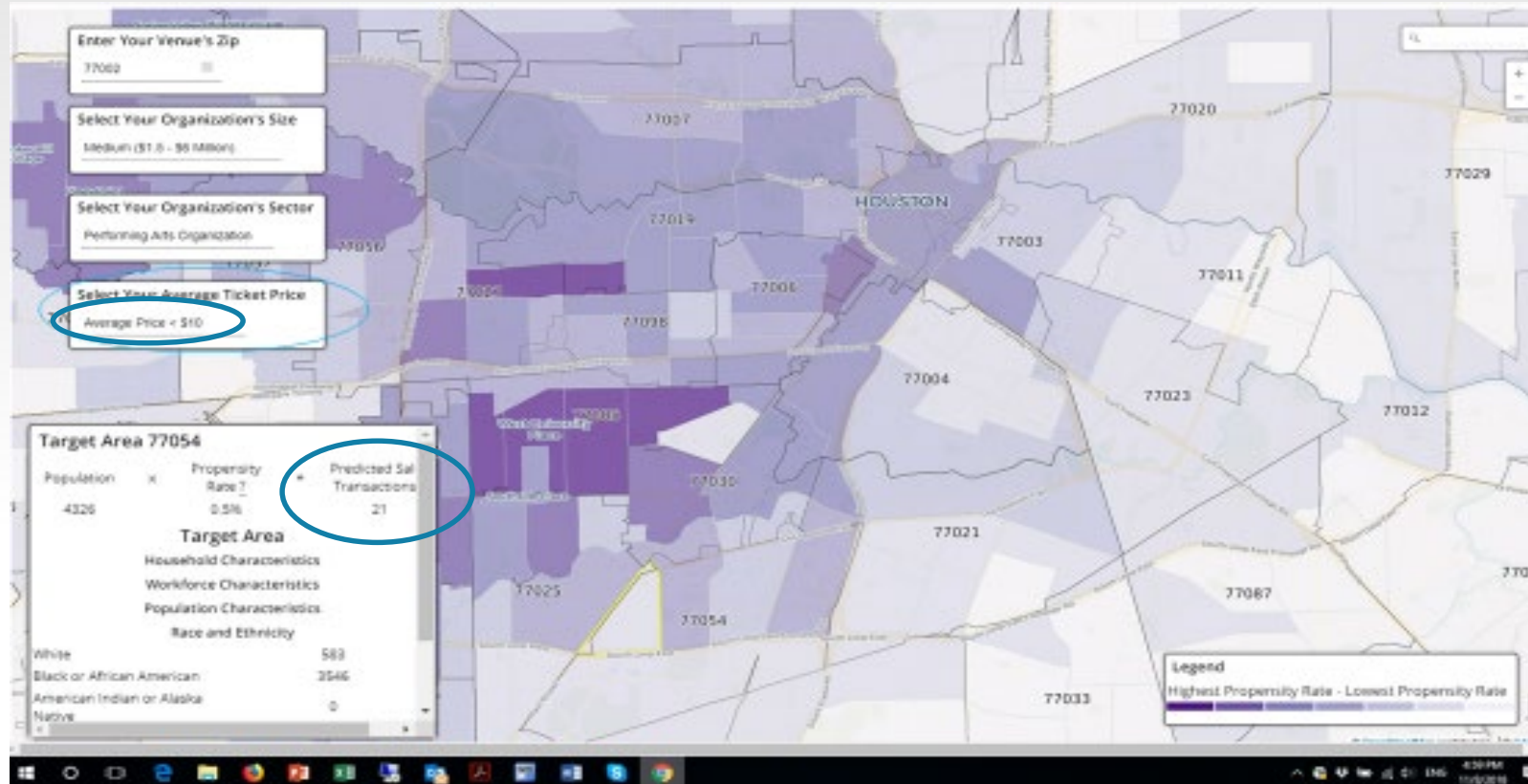
SMU DataArts Audience Opportunity Tool

Pilot Test



	77054 census tract	77021 census tract
Median household income	\$30,938	\$41,497
% of Households with incomes over \$150k	1%	17%
% of Population in poverty	21%	21%
% of Population in the workforce	81%	66%
Average work commute time (in minutes)	19.3	19.8
% of People with Bachelor's degree or higher	22%	42%
2-year Growth rate in # of households	5%	11%
Philanthropic giving (% of AGI)	1.4%	2.7%
Median age	32.3	35.3
% 45-64 years of age (largest age cohort)	28%	26%
% 25-34 years of age (second largest age cohort)	25%	20%

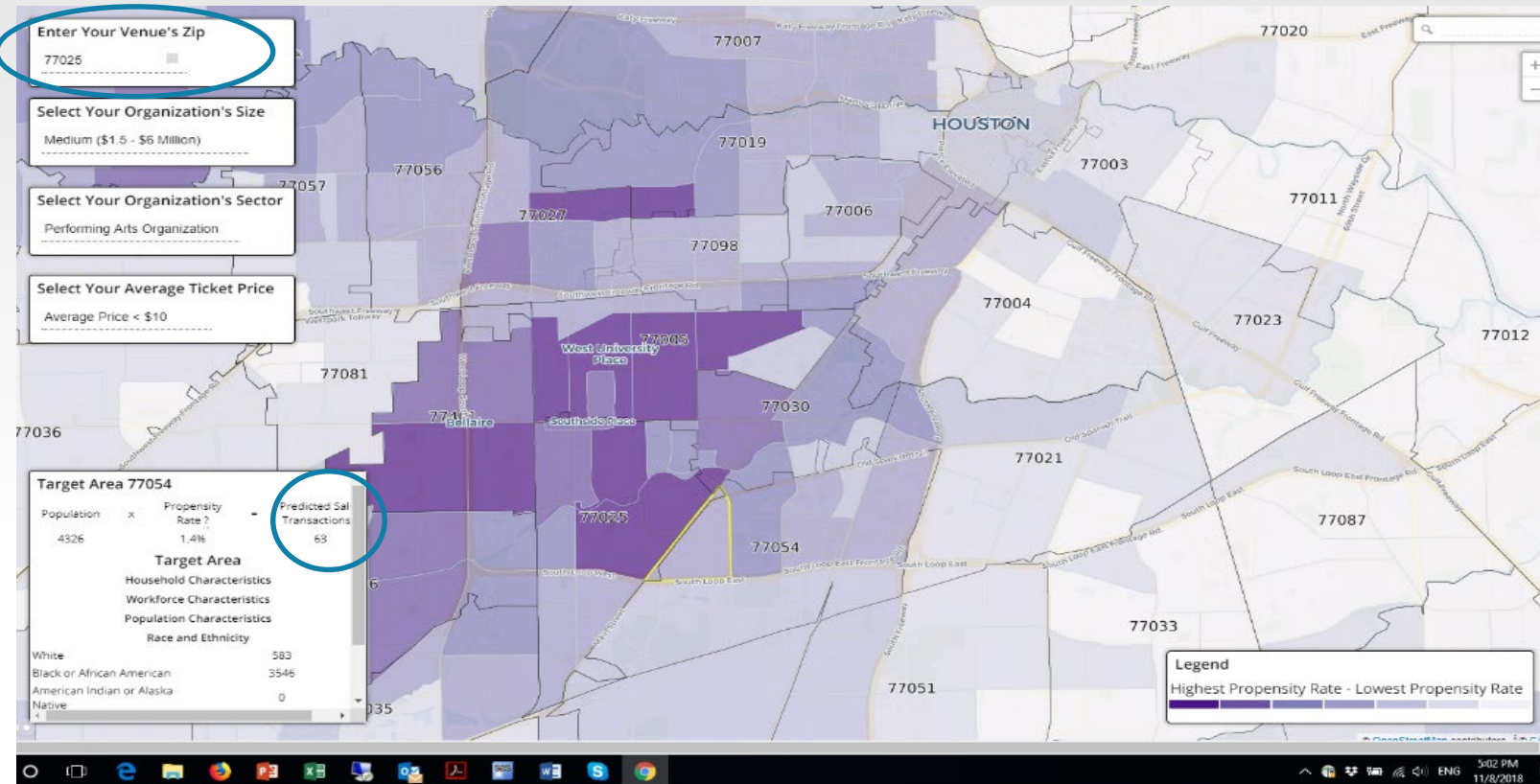
SMU DataArts Audience Opportunity Tool Pilot Test



What would a change in pricing strategy do to increase reach in 77054?

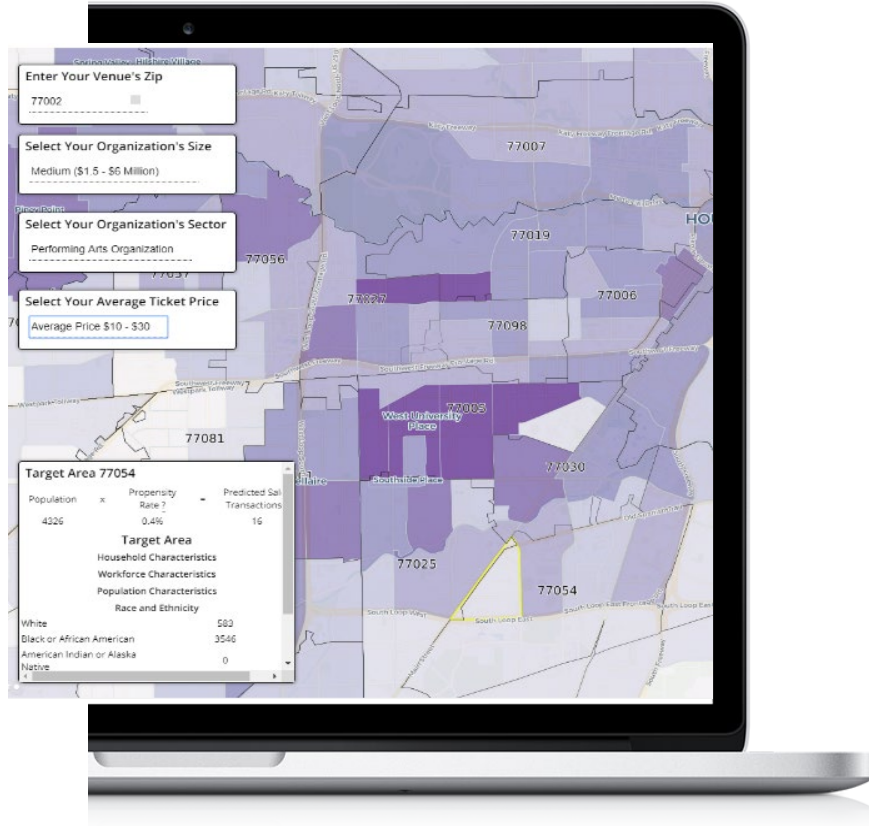
SMU DataArts Audience Opportunity Tool

Pilot Test



What if we went to them instead?

What we do with the data: Research, Knowledge and Tools



Audience Opportunity Tool

- Tell us who and where you are
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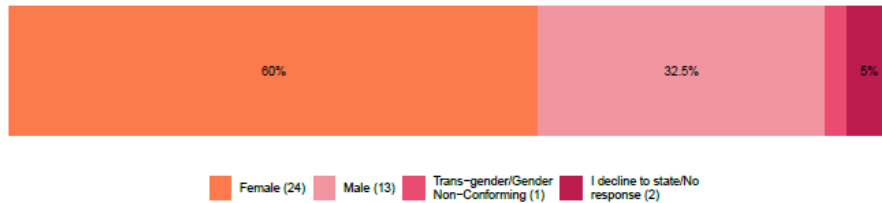
“Use of this tool helped to increase our season subscriptions by 20%
... through a laser focus on target areas that were projected by the tool to
produce the highest results.”

-- *Zenetta Drew, Executive Director, Dallas Black Dance Theatre*

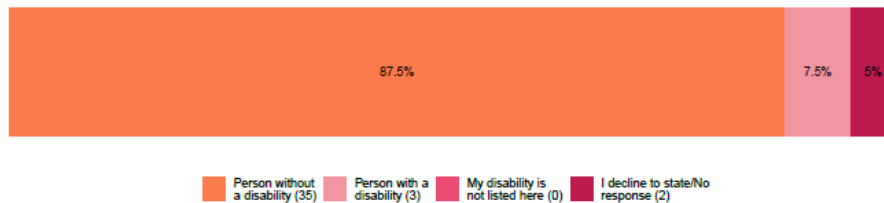
What we do with the data: Research, Knowledge and Tools

Workforce Demographics Survey

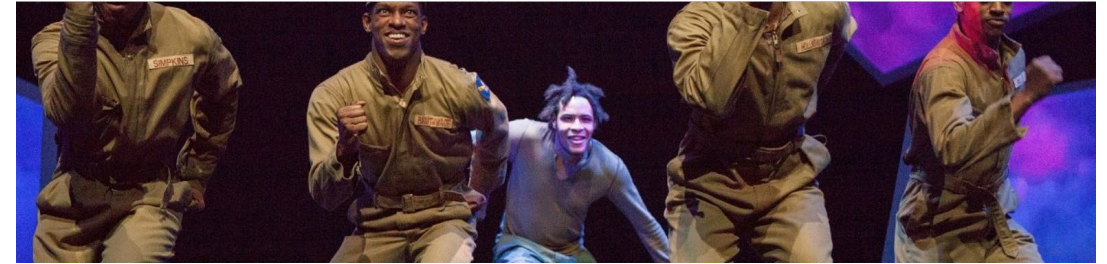
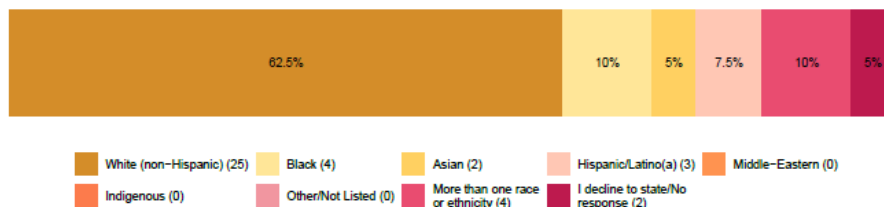
GENDER IDENTITY



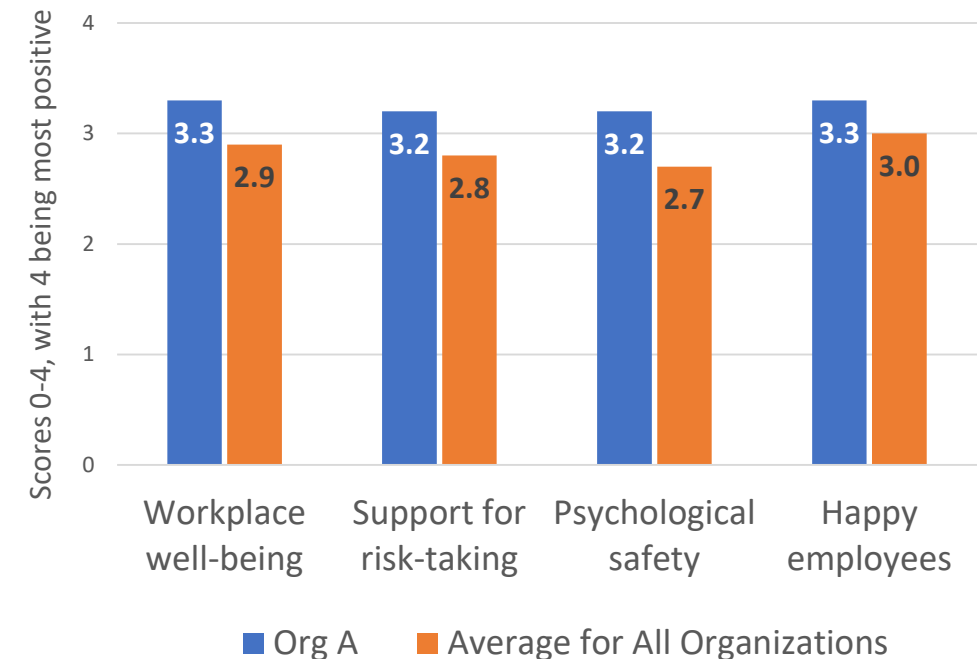
DISABILITY STATUS



ETHNICITY



Workplace Perceptions



Thank you!



SMU | DataArts

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[@SMUDataArts](https://twitter.com/SMUDataArts)

By making the simple things simple
we can make the hard things possible