Art & Economic Prosperity 5 (AEPS) is Americans for the Arts’ fifth economic impact study of the nation’s nonprofit arts and cultural organizations and their audiences. By every measure, the results are impressive. Nationally, the nonprofit arts industry generated $166.3 billion of economic activity in 2015—$63.8 billion in spending by arts and cultural organizations and an additional $102.5 billion in event-related expenditures by their audiences. This activity supported 4.6 million jobs and generated $27.5 billion in revenue to local, state, and federal governments (a yield well beyond their collective $5 billion in arts allocations).

AEPS is the most comprehensive study of its kind ever conducted. It provides detailed economic impact findings on 341 study regions representing all 50 states and the District of Columbia. Data was gathered from 14,439 organizations and 212,691 arts event attendees, and our project economists customized input-output models for each and every study region to ensure reliable and actionable localized results. AEPS demonstrates that the arts provide both cultural and economic benefits. No longer do community leaders need to feel that a choice must be made between arts funding and economic development. Arts & Economic Prosperity 5 proves that they can choose both. Nationally as well as locally here in the Pikes Peak region, the arts mean business.

The Cultural Office of the Pikes Peak Region (COPPeR) is a nonprofit 501(c)(3) organization whose mission is “connecting residents and visitors with arts & culture to enrich the Pikes Peak region.” Governed by an engaged Board of Directors, and with the leadership and passion of a small but dedicated staff, our work at the Cultural Office is all about elevating the visibility, value and impact of the creative sector here in our community. The Cultural Office takes a strategic view of the Pikes Peak region (El Paso and Teller Counties) to ensure that cultural services reach all people, and that the arts are used to positively address issues of economic development, education, tourism, regional branding and civic life. We provide an umbrella service encompassing areas such as marketing and communication, broad-based data gathering, strategic planning and programming, and advocacy for the creative industry in its entirety. As the region’s designated local arts agency, we aim to efficiently and cost-effectively achieve immeasurably more than any one gallery, artist or performance group can do independently. The arts are an ecosystem – and at the Cultural Office we want to ensure that all parts of that ecosystem are healthy, thriving and fully integrated into the fabric of our community.

Americans for the Arts (AFTA) is the nation’s nonprofit organization for advancing the arts in America. Established in 1960, AFTA is dedicated to representing and serving local communities and creating opportunities for every American to participate in and appreciate all forms of the arts.

A special thanks to El Paso County Economic Development for their sponsorship of the AEPS study.

Thanks to the following photographers for the use of their imagery: Al Brody, Isaiah Downing, Bryan Oller, Michael Pach, Stellar Propeller Studio. Design provided by Andrew Hershberger Creative.
Economic Impact Beyond Dollars: Volunteerism

While arts volunteers may not have an economic impact as defined in this study, they clearly have an enormous impact by helping nonprofit arts and cultural organizations function as a viable industry. Arts & Economic Prosperity 5 reveals that they receive non-cash donations such as materials (e.g., office supplies from a local retailer), facilities (e.g., office or performance space), and services (e.g., printing from a local printer). The 87 participating organizations reported an average of 52.4 volunteers who volunteered an average of 65.4 hours during 2015, for a total of 3,421.6 hours per organization.

The Value of In-Kind Contributions to Arts Organizations

Participating organizations were asked about the sources and value of their in-kind support. In-kind contributions are non-cash donations such as materials (e.g., office supplies from a local retailer), facilities (e.g., office or performance space), and services (e.g., printing from a local printer). The 87 participating nonprofit arts and cultural organizations in the Pikes Peak Region reported that they received in-kind contributions with an aggregate value of $4,042,270 during fiscal year 2015. These contributions can be received from a variety of sources including corporations, individuals, local and state arts agencies, and government agencies.

Cultural Tourists Spend More

The 867 audience survey respondents were asked to provide the ZIP code of their primary residence, enabling researchers to determine which attendees were local residents (live within El Paso and Teller Counties) and which were nonresidents (live outside El Paso and Teller Counties). In the Pikes Peak Region, researchers estimate that 82.6 percent of the 3 million nonprofit arts attendees were residents; 17.4 percent were nonresidents.

The Arts Drive Tourism

Each of the nonresident survey respondents (i.e., those who live outside El Paso and Teller Counties) were asked about the purpose of their trip: 72.8 percent indicated that the primary purpose of their visit to the Pikes Peak Region was “specifically to attend this arts/cultural event.” This finding demonstrates the power of the arts to attract visitors to the community.

The Arts Retain Local Dollars

The survey also asked local resident attendees about what they would have done if the arts event that they were attending was not taking place: 45.1 percent of resident attendees said they would have “traveled to a different community to attend a similar cultural event.” Of the 17.4 percent of arts attendees who are nonresidents, 18.5 percent reported an overnight lodging expense. Not surprisingly, nonresident attendees with overnight expenses spent considerably more money per person during their visit to the Pikes Peak Region than did nonresident attendees without overnight lodging expenses ($140.22 and $46.93, respectively). For this analysis, only one night of lodging expenses is counted toward the audience expenditure, regardless of how many nights these cultural tourists actually stayed in the community. This conservative approach ensures that the audience-spending figures are not inflated by non-arts-related spending.