



UPDATE

OCTOBER 2014

THRIVING ARTS ORGANIZATIONS, THRIVING ARTS

WHAT WE KNOW ABOUT BUILDING
AUDIENCES FOR THE ARTS AND
WHAT WE STILL HAVE TO LEARN

 The Wallace Foundation®

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Cover and inside photos: Visitors to the Isabella Stewart Gardner Museum in Boston take part in the museum's monthly event combining socializing with brief talks, guessing games and other ways to experience the Gardner collection. These Third Thursdays have helped introduce the museum to younger adults.

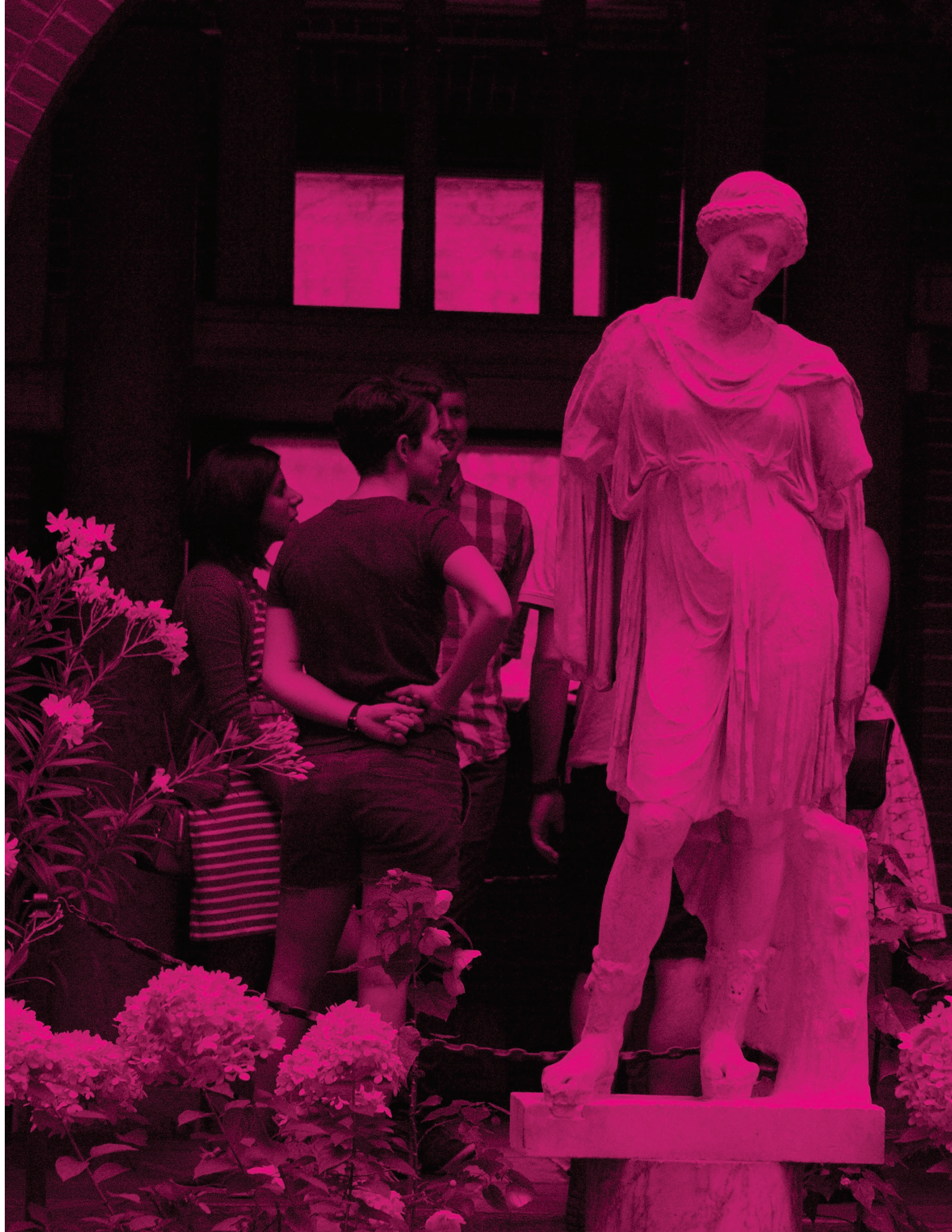
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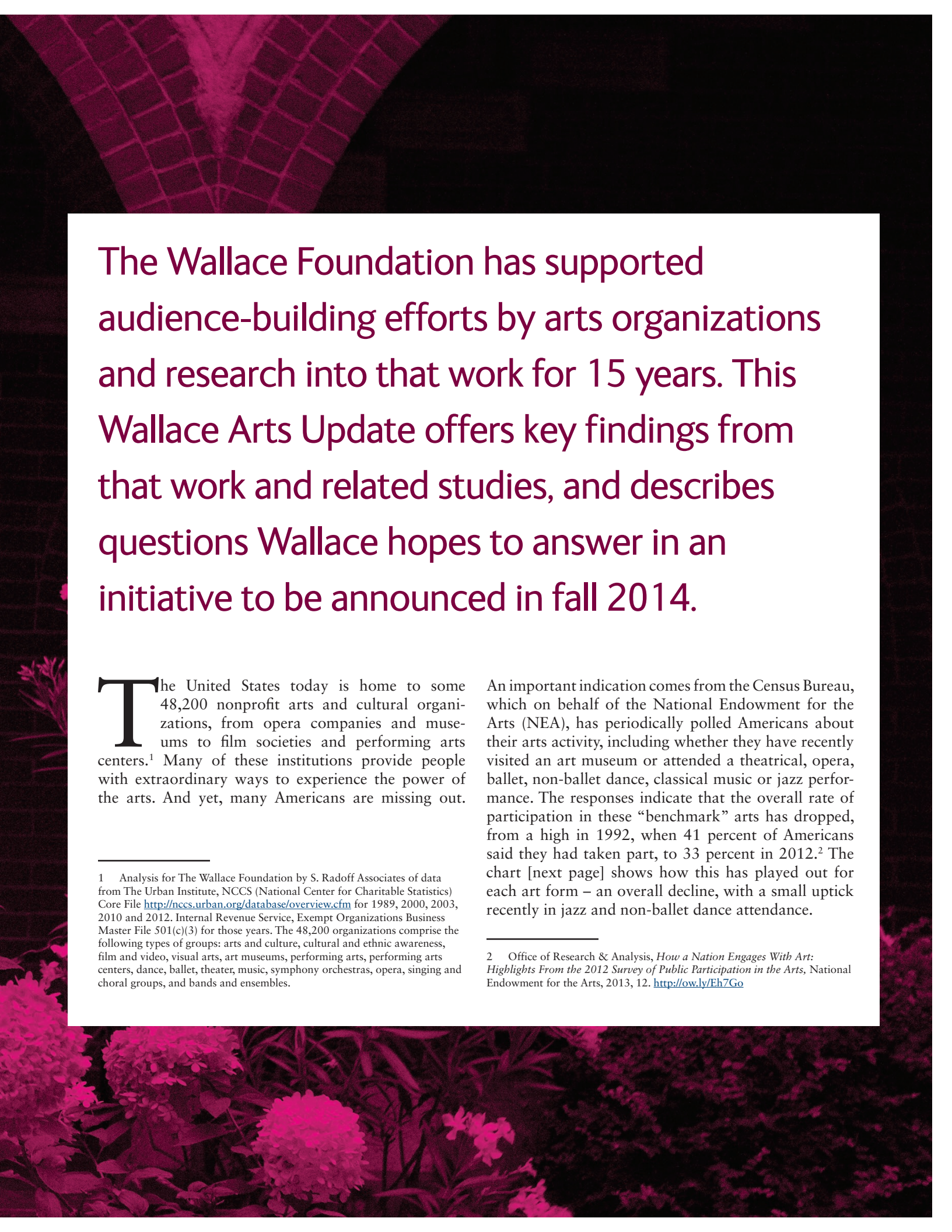
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The Wallace Foundation has supported audience-building efforts by arts organizations and research into that work for 15 years. This Wallace Arts Update offers key findings from that work and related studies, and describes questions Wallace hopes to answer in an initiative to be announced in fall 2014.

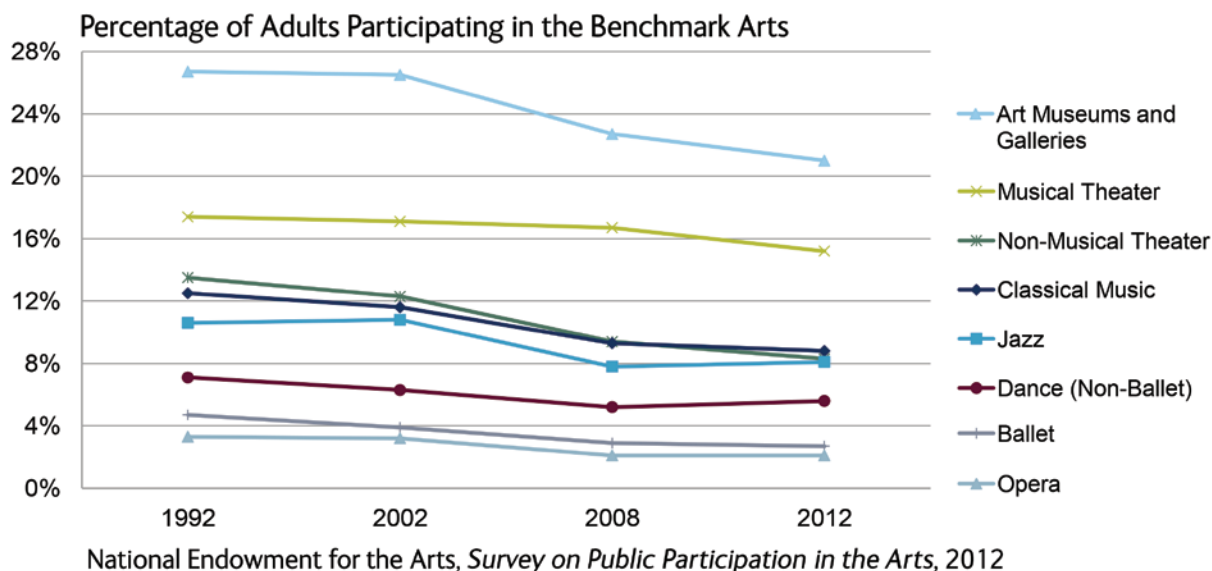
The United States today is home to some 48,200 nonprofit arts and cultural organizations, from opera companies and museums to film societies and performing arts centers.¹ Many of these institutions provide people with extraordinary ways to experience the power of the arts. And yet, many Americans are missing out.

1 Analysis for The Wallace Foundation by S. Radoff Associates of data from The Urban Institute, NCCS (National Center for Charitable Statistics) Core File <http://nccs.urban.org/database/overview.cfm> for 1989, 2000, 2003, 2010 and 2012. Internal Revenue Service, Exempt Organizations Business Master File 501(c)(3) for those years. The 48,200 organizations comprise the following types of groups: arts and culture, cultural and ethnic awareness, film and video, visual arts, art museums, performing arts, performing arts centers, dance, ballet, theater, music, symphony orchestras, opera, singing and choral groups, and bands and ensembles.

An important indication comes from the Census Bureau, which on behalf of the National Endowment for the Arts (NEA), has periodically polled Americans about their arts activity, including whether they have recently visited an art museum or attended a theatrical, opera, ballet, non-ballet dance, classical music or jazz performance. The responses indicate that the overall rate of participation in these “benchmark” arts has dropped, from a high in 1992, when 41 percent of Americans said they had taken part, to 33 percent in 2012.² The chart [next page] shows how this has played out for each art form – an overall decline, with a small uptick recently in jazz and non-ballet dance attendance.

2 Office of Research & Analysis, *How a Nation Engages With Art: Highlights From the 2012 Survey of Public Participation in the Arts*, National Endowment for the Arts, 2013, 12. <http://ow.ly/Eh7Go>

ATTENDANCE DECLINES IN MOST ARTS



Fortunately, the story does not end with the statistics. Many arts leaders and arts professional associations have long recognized the problem and are seeking to tackle it. Moreover, a number of arts organizations are finding ways to bring people in and successfully build their audiences.

FOUR TRENDS AND THE CHALLENGE OF FUNDING

No one knows for sure why the decline is happening. What can be said is that four trends in particular are making audience building in the 21st century a complicated enterprise.

- Waning arts education.** Several studies have shown a solid correlation between adult arts engagement and childhood exposure to the arts.³ So it's notable that a 2011 analysis of the 2008 NEA arts participation survey found a steady erosion in youth arts education. In 1982, 65 percent of 18-year-olds reported having received childhood arts education; by 2008 that figure had fallen to 50 percent.⁴ If more people are reaching adulthood minus an arts education, arts organizations might need to figure out how to compensate through introductions to their art forms.

- Changing demographics.** In large part because of the aging of the population, audiences for the benchmark arts are graying. Today, the proportion of 20-somethings in these audiences is 21 percent, down 12 points from 1982, while the 60-plus crowd has jumped from 15 to 19 percent of the audience.⁵ In addition, the United States is becoming a “plurality nation,” according to the U.S. Census Bureau, which projects that although non-Hispanic whites will continue to constitute the largest block of the population, by 2043 no one ethnic or racial group will be in the majority.⁶ Other research has found that motivations for attending arts programming can differ by race or ethnicity. In one survey, for example, African American respondents (50 percent) and Hispanic respondents (43 percent) were far more likely than white respondents (15 percent) to say a major reason they had attended a cultural event was to celebrate their cultural heritage.⁷ Arts organizations might need to consider the implications of demographic shifts for their audience efforts.
- Competition for leisure time.** In an analysis published in 2008, researchers found that everything from craft

3 Laura Zakaras, Julia F. Lowell, *Cultivating Demand for the Arts: Arts Learning, Arts Engagement and State Arts Policy*, RAND Corp., 2008, 18-19. <http://ow.ly/AsbW1>.

4 Nick Rabkin, E.C. Hedberg, *Arts Education in America: What the Declines Mean for Arts Participation*, National Endowment for the Arts, 2011, 15. <http://ow.ly/Aseu1>

5 Mark J. Stern, *Age and Arts Participation: A Case Against Demographic Destiny*, National Endowment for the Arts, 2011, 38-39. <http://ow.ly/AsgVD>

6 “U.S. Census Bureau Projections Show a Slower Growing, Older, More Diverse Nation a Half Century from Now,” press release, United States Census Bureau, Dec. 12, 2012. <http://ow.ly/Asl5X>

7 Francie Ostrower, *The Diversity of Cultural Participation: Findings from a National Survey*, The Urban Institute, 2005, 10. <http://ow.ly/Aso3a>

“Fundraising and finding stable revenue are the two biggest challenges facing them, arts groups say.”

fairs to historical sites was seeing drops in attendance. “The patterns suggest that all arts activities are experiencing increased competition for the public’s attention,” they wrote, noting, however, that the major source of the competition was unclear.⁸ (Likely candidates include expanded cable channels and online services.) In addition, arts organizations might be competing more among themselves: Those 48,200 nonprofit arts groups represent a 22 percent increase from the 39,500 in 2000.⁹ Whatever the cause, arts organizations are working harder for people’s time and attention.

- **Technology boom.** More than 70 percent of arts groups surveyed in 2012 by the Pew Research Center said texting and other “digital distractions” are causing “significant” audience disruptions, and 40 percent said technology is shortening people’s attention span for live performance. On the other hand, 78 percent viewed technology as “very important” for increasing audience

engagement.¹⁰ An analysis of the 2008 NEA participation survey, meanwhile, found that noticeable proportions of respondents experience the benchmark arts virtually rather than in person.¹¹ Arts organizations are working to understand the impact of technology and how to use technology wisely.

In addition to these current trends, arts groups confront a reality that’s as old as the starving artist stereotype: Money is hard to come by. In 2011, 44 percent of U.S. nonprofit arts organizations reported having an operating deficit.¹² Little surprise, then, that when asked to rank the challenges facing them, arts organizations put fundraising first and finding stable revenue second. It’s worth noting, as well, that arts organizations rank audience building among their top 10 challenges.¹³ The two concerns – audiences and

10 Kristin Thomson, Kristen Purcell, Lee Rainie, *Arts Organizations and Digital Technologies*, Pew Research Center’s Internet and American Life Project, 2013, 48, 13-14. <http://ow.ly/AssRR>

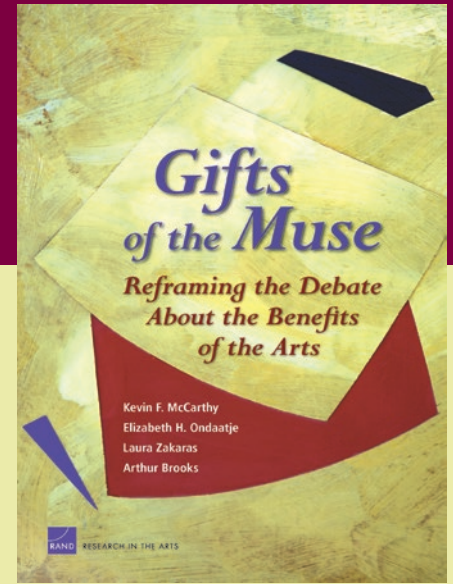
11 Sameer Bawa, Kevin Williams, William Dong, *Audience 2.0: How Technology Influences Arts Participation*, National Endowment for the Arts, 2010, 12-13. <http://ow.ly/AsMSz>

12 Roland J. Kushner, Randy Cohen, *National Arts Index 2013: An Annual Measure of the Vitality of Arts and Culture in the United States: 2000-2011*, Americans for the Arts, 2013, 99. <http://ow.ly/ArvrC>

13 S. Radoff Associates, WIT Consulting, *Orientation to Information and Interest in a Web-Based Service Among Arts Professionals*, 2014, 62. Unpublished survey of arts organizations and findings prepared for The Wallace Foundation.

8 Paul DiMaggio and Toqir Mukhtar, “Arts Participation as Cultural Capital in the United States, 1982-2002: Signs of Decline?” in *Engaging Art: The Next Great Transformation of America’s Cultural Life*, Steven Tepper and Bill Ivey editors, Routledge, 2008, 298.

9 Analysis for Wallace by S. Radoff Associates of data from The Urban Institute, NCCS Core File for 1989, 2000, 2003, 2010 and 2012. Internal Revenue Service, Exempt Organizations Business Master File 501(c)(3).



Thriving arts organizations are a key to vibrant arts. But what makes the arts necessary? It’s a question that philosophers, critics and others have debated for centuries. In recent decades, arts advocates have drawn attention to secondary effects the arts might have – such as boosting local economies or student learning. In 2004, a Wallace Foundation-commissioned report from the RAND Corp. weighed in, finding that although there was some evidence for these “instrumental” benefits, the research was often weak or missing an important bit of context: whether the benefit might be achieved more effectively another way. The report, *Gifts of the Muse*, pressed instead for attention to what the arts can, by their nature, accomplish directly: bringing captivation and pleasure to the individual, forging social bonds and expression of communal meaning for the public, and promoting people’s cognitive growth and empathy – a boon both to the person and the society he or she belongs to. *Gifts* argued that these “intrinsic” benefits are a precondition for any secondary effect, and that to attract a broad swath of the population, more Americans needed to be introduced to rewarding arts experiences.

A NEW FRAMEWORK: TARGET AUDIENCES AND THE BARRIERS TO DISMANTLE

Target Audience	Audience-Building Goal	The Barrier
Disinclined	Diversifying	Perceptions
Inclined	Broadening	Practical Matters
Current Audience	Deepening	Experience

Source: *A New Framework for Building Participation in the Arts*, RAND Corp.

funding – could be related. After all, developing a larger corps of enthusiastic followers could result in better ticket sales and donations.

UNDERSTANDING THE AUDIENCE

Together, the trends are pushing arts organizations to find new ways to reach audiences. It’s not an easy task. One possibility that Wallace promoted in an initiative in the late 1990s – having arts organizations work with one another or other types of community organizations – showed the promise of partnerships, as well as their pitfalls, such as the large amount of time, funding and commitment they can consume relative to their often modest effectiveness.¹⁴

Adding to the difficulties is the reality that the arts-interested public (to say nothing of the *potentially* arts-interested) is not a monolith, so there is no one approach that works for all in building audiences. One survey found, for example, that respondents who visit art museums do so mainly because they want to learn something, while those who attend plays say that socializing with family or friends is a major motivator.¹⁵

Still, the experiences of arts organizations as well as research over the last decade or so have started to carve pathways through the complexities.

In a 2001 study, *A New Framework for Building Participation in the Arts*, the RAND Corp. put forward a way

for arts organizations to think systematically about audience building and work more effectively.¹⁶ The analysis draws from a survey of arts organizations, visits to arts groups and an in-depth literature review. In short, the authors say adults fall into one of three categories: current audience members, those inclined to take part but not doing so, and the disinclined. The *Framework* asserts that to increase their audience size, arts groups need a different approach to each category – a specific strategy to dismantle the particular barriers preventing the target group from participating in the arts. To reach the inclined, for example, arts organizations should lower “practical barriers” such as inconvenient scheduling, while for the disinclined, arts groups should dismantle “perceptual barriers,” such as the sense that arts are elitist. To get current attendees to come more often, arts groups should enhance the audience experience.

In the \$45 million Wallace Excellence Award initiative from 2006 to 2014, The Wallace Foundation funded 54 exemplary nonprofit arts organizations, from dance companies to pottery studios, to devise and carry out audience-building projects that emerged from understanding their prospective audiences and the barriers they faced. The foundation encouraged the organizations to use the *Framework* ideas to help them select target audiences and develop the right methods for reaching them, in ways consistent with their artistic mission and vision. The groups were also asked to inform their work by gathering and analyzing pertinent data.

The results were promising among the 46 arts groups for which Wallace obtained reliable data. Across the 11 organizations that sought to increase the overall size of their audience, the median gain over about three years was 27 percent. Across the 35 organizations seeking to

14 Francie Ostrower, “The Reality Underneath the Buzz of Partnerships,” *Stanford Social Innovation Review*, Spring 2005. <http://ow.ly/Au0Eg>. Another Wallace initiative supported state arts agencies in efforts to encourage greater participation in the arts. See Zakaras, Lowell, *Cultivating Demand*, and *From START to Finish: Lessons From The Wallace Foundation’s Work With State Arts Agencies*, 2010. <http://ow.ly/BHzTq>

15 Francie Ostrower, *Motivations Matter: Findings and Practical Implications of a National Survey of Cultural Participation*, The Urban Institute, 2005, 4. <http://ow.ly/AsQHW>

16 Kevin F. McCarthy, Kimberly Jinnett, *A New Framework for Building Participation in the Arts*, RAND Corp., 2001. <http://ow.ly/AsRGX>



increase the size of a particular audience segment, such as teens or families, the median target-group gain over about three years was 60 percent. It's important to put that second finding in context: The size of a segment is smaller, of course, than the size of a whole audience, making large percentage gains easier. Still, it's clear that the organizations often made progress in building their audiences.

In addition, an analysis of the work of 10 of the arts groups – *The Road to Results*, published in 2014 – found that successful efforts often had commonalities, namely nine practices. These range from identifying a potential target audience that makes sense for the organization to ensuring that the whole organization backs the audience-building effort.¹⁷

The *Framework* also offers two ideas that seem important for organizations that want audience building to amount to more than one-off projects: a.) the au-

dience-building effort must be tightly aligned with an arts organization's mission, resources and operations; and b.) it needs to be continuously studied and refined.

A number of Wallace Excellence Award participants took just these steps. Boston's Isabella Stewart Gardner Museum, for example, developed a project to bring in more 20-somethings. The museum launched art-cum-socializing events that resonated with the target group *and* fit well with the museum's mission of offering art as Isabella Gardner wanted it offered: in an informal, salon-like setting. Moreover, staff members from curators to security guards supported the project. Gardner staffers also took care to evaluate the events and make adjustments according to what they learned. The results speak for themselves: "Crowds consistently are at capacity; 73% of visitors fall into the target demographic; the museum has recruited 241 new members; 25% of attendees are repeat visitors; and 93% explore the galleries."¹⁸

17 Bob Harlow, *The Road to Results: Nine Effective Practices for Building Audiences for the Arts*, Bob Harlow Research and Consulting, LLC, 2014. <http://ow.ly/BHAaC>

18 Bob Harlow, Thomas Alfieri, Aaron Dalton and Anne Field, *More Than Just a Party: How the Isabella Stewart Gardner Museum Boosted Participation by Young Adults*, Bob Harlow Research and Consulting, LLC, 2011, 1. <http://ow.ly/AuBky>

ARTS LEADERS' TOP CHALLENGES*

Fund-raising, revenue

88% of respondents cited one or more of these challenges



- Fund-raising overall
- Trying to find stable sources of revenue
- Cultivating individual donors
- Dealing with funding sources that frequently shift priorities

Building audiences

68% cited one or more of these challenges



- Attracting new audiences while retaining current audiences
- Developing effective strategies to expand audiences
- Increased competition from other entertainment options

Lack of time

65% cited one or both of these challenges



- Having enough time to think and reflect
- Trying to avoid professional burnout

Board development

45% cited this challenge



- Recruiting an effective board

*Results are drawn from a survey for The Wallace Foundation in 2013 of 205 arts professionals by S. Radoff Associates and WIT Consulting. Figures show the percentage of respondents who rated one or more of the listed items as a "major challenge."

UNANSWERED QUESTIONS AND A NEW EFFORT

The Wallace Excellence Awards offered evidence that a systematic approach to audience building can work. Still, there remains much to learn, not only about how to bring in more people but also whether and how such efforts can fortify arts organizations. Three questions in particular present themselves:

- Can arts organizations embed audience building into their operations, so newcomers become repeat attendees and don't "churn" – showing up once never to return?
- In making audience building an on-going feature of their work, how do organizations ensure that they don't alienate existing audiences, the people who are the main ticket-buyers and contributors? Several Wallace Excellence Award organizations tackled this head on; Seattle's Pacific Northwest Ballet, for example, which was carrying out efforts to attract teens, included in its playbill an ad that both welcomed the young people and explained their

presence to the stalwarts.¹⁹ The arts field could use further insight into how organizations can make new audience friends while keeping the old.

- Can audience building contribute to an organization's financial health through either increased ticket sales or donations? Worded differently, the question takes on special importance: Can expanded audiences make for thriving arts organizations?

To probe these questions, Wallace is embarking on a \$40 million initiative in which up to 24 performing arts organizations will conduct a range of audience-building projects. The initiative will be studied by independent researchers who will issue public reports about their findings, sharing information and insights with arts organizations nationwide. Wallace is hoping for mutual benefits here. Foundation funding will help two dozen arts organizations strengthen their audience-building muscle; also, their efforts will yield evidence and experience with the potential to help many other arts groups improve their effectiveness at engaging audiences. We hope to have some answers in coming years.

¹⁹ Harlow, *Road to Results*, 78-79.

SELECTED WALLACE REPORTS ON BUILDING AUDIENCES

Visit www.wallacefoundation.org for these and other reports and resources about building audiences.

[The Road to Results: Effective Practices for Building Arts Audiences](#), Bob Harlow Research and Consulting, LLC, 2014

This analysis of the audience-building efforts of 10 arts organizations identifies and describes nine practices that can help this work succeed.

[Wallace Studies in Building Arts Audiences](#), Bob Harlow Research and Consulting, LLC, 2011

Individual case studies explore the audience-building efforts of four arts groups – a museum, ensemble theater, chorus and opera company – that were winners of the Wallace Excellence Awards.

[Cultivating Demand for the Arts: Arts Learning, Arts Engagement, and State Arts Policy](#), RAND Corporation, 2008

Reversing declining arts attendance will require more and better arts education because those who experience the arts as children are more likely to seek out arts experiences as adults, this report argues.

[The Diversity of Cultural Participation: Findings from a National Survey](#), Urban Institute, 2005

Findings of a nationwide survey reveal why people decide to attend particular kinds of arts events and what they expect when they do, providing information about what people want from each art form.

[The Reality Underneath the Buzz of Partnerships](#), Stanford Social Innovation Review, 2005

An Urban Institute scholar writes that partnerships between arts groups and other organizations can work when carefully carried out, but she also warns that they can fail, raising potential financial and logistical problems.

[Gifts of the Muse - Reframing the Debate About the Benefits of the Arts](#), RAND Corporation, 2005

This study describes intrinsic benefits of the arts – such as opening people to new perspectives – as well as secondary benefits, such as economic development.

[A New Framework for Building Participation in the Arts](#), RAND Corporation, 2001

This study offers arts organizations a way to avoid hit-and-miss efforts at audience building that waste scarce resources.





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The Wallace Foundation is a national philanthropy that seeks to foster improvements in learning and enrichment for disadvantaged children and the vitality of the arts for everyone. We work to catalyze broad impact by supporting the development, testing and sharing of new solutions and effective practices.

Wallace has five major initiatives under way:

- School leadership. Strengthening education leadership to improve student achievement.
- Afterschool. Making good afterschool programs in cities available to more children.
- Building audiences for the arts. Enhancing the ability of arts organizations to engage new audiences.
- Arts education. Expanding arts learning opportunities for children and teens.
- Summer and expanded learning. Improving access to high-quality summer learning programs, and enriching and expanding the school day.

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