The Creative and Cultural Economy Initiative

ARTS + CULTURE
RESEARCH NETWORK

The Creative and Cultural Economy Initiative
In what ways and in what time frame does investing in arts and cultural organizations benefit Rhode Island?

Composite data from a sample of nine organizations surveyed shows a positive return on RI’s investment. Continued data collection efforts with larger sample sizes are necessary to validate and replicate the results of this pilot survey.

On average for every $1 invested by the State, $5 in tickets were sold.

- Avg Grant Award: $130,400
- Avg Tickets Sold: 44,000
- Avg Gross Sales: $683,000

Additionally, on average for every one grant dollar, $9 for meals and lodging were pumped into the local economy.

- Avg In-State Visitors: 28,160
- Avg Out-of-State Visitors: 15,840
- Avg In-State Spending: $362,000
- Avg Out-of-State Spending: $219,000

Above Average Return

According to Americans for the Arts the average return on investment is a seven to one total return.

The average numbers of employees and contractors paid directly from the funds of the grant show a high number of trade contractors employed to work on the average grant project.

- Trade Contractors: 10
- Volunteers: 10
- Full Time Employees: 3
- Part Time Employees: 1

The average project did not require sector contractors or interns. But, did have a high number of volunteers.
A Rhode Island focused data collection approach can support policy and build capacity to utilize sector-wide data.

**CHALLENGE**

In November 2014, voters approved authorization for Rhode Island to issue $35 million in Creative and Cultural Economy Bonds. Policymakers in RI want to know the return on that investment. The answer is not readily available due to a lack of data skills, techniques, and tools that are not readily acquired or accessible to the arts community. Without appropriate tools, training, and support, data collection efforts result in low-quality data and unwelcome burden for organizations. The challenge is to balance the need for quality evidence to support policy while minimizing the burden of collecting quality sector-wide data.

**RESEARCH**

The research team conducted extensive community forums to inform the development of a data collection instrument. The instrument was developed to capture organization-level and project-level data in line with the organizations’ annual reporting cycles. The team distributed surveys to nine organizations who benefitted from the bond funds, including three named in the bond statute, three other art-centric organizations and three preservation organizations. The organizations user-tested the survey for clarity of questions and directions, keeping in mind the goal of easing the data collection burden.

**FINDINGS**

From the information gathered during the development and testing of the data collection instrument, researchers made the preliminary observation that the average organization, in the sample of nine organizations, shows a positive return on the State’s investment. Continued data collection efforts with larger sample sizes are necessary to validate and replicate the results of this pilot survey.

Additionally, the forums revealed the sector’s self-identified role in ‘placemaking’ as an important link between culture, economics and community development.

**INSIGHTS**

The development and testing of a data collection tool is the first step. Going forward, the annual collection of organizational and project data, when completed consistently with appropriate resources, would permit year-by-year analyses. Longitudinal analyses would aid state policymakers in understanding the immediate and long-term impact of sector investments.

Organizations may benefit from access to shared services for data collection. Partnering with local universities may provide access to build capacity within the state to utilize the data.

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**Programmatic Recommendations**

- Annual Advisory Committee Data Review
- Data Training for Organizations
- Partner w/Local Academic Research Institutions

**Implementation Recommendations**

- Strive for Good Data Return Rate
- Collect Data Longitudinally
- Clarify Roles for Distribution, Collection, and Analysis
- Ensure Stakeholder Consensus
State Grant Awardees as of 2016*

The State Cultural Facilities Grant Program (SCFG) was created to support capital improvements to Rhode Island’s cultural infrastructure and increase opportunities for art and preservation to contribute more dramatically to the state and local economy by creating jobs, stimulating tourism, and revitalizing communities throughout the state.

*Does not include grants awarded in 2017 and 2018