

Measuring the impact of the economic crisis on the arts, a 5-year analysis

Many researchers have analyzed the impact of the recent economic crisis on the creative economy (*eg. Dubina et al., 2012*) and the arts sector (Alliance for the Arts, 2009), some pointing out that this impact may vary according to revenue sources (Nicholls, 2011). However, no study has analyzed this impact for a constant set of arts organizations over a multi-year period.

The present paper aims at measuring how the economic crisis impacted the different revenue streams of Canadian arts organizations, their expenses and their net assets from 2007 to 2012. Data collected from 947 organizations through a public funders' database was analyzed. Preliminary data show that private sector revenues, such as B2B sponsorships, may have dropped earlier and more significantly (e.g., in dance, -13% from 2007-2008 to 2008-2009), whereas earned revenues, such as B2C ticket sales, dropped three years later (-11% in 2011-2012), while public funding hardly decreased (-1.6%). As well, these trends will be compared to major indicators of attendance and employment to identify the main factors involved.

In analyzing how an economic crisis may have a rippled impact on arts organizations, this research offers an attempt to better understand how arts organizations react when facing an economic downturn. It underlines how the apprehension of a crisis may influence differently consumers, business partners and funders and it offers a significant contribution on how arts organizations adapt their business models in changing circumstances.