The Economic Impact of New Jersey's Nonprofit Arts and Associated Audience Spending on the State's Economy – 2009

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I. INTRODUCTION

This is the third study of the contribution of the arts and the spending of their audiences on the economy of New Jersey. These studies have quantified the way in which spending in the arts supports a broad range of important segments of the state's economy. The three analyses have measured the full impact of the operating expenditures of nonprofit cultural organizations, the construction or renovation of cultural facilities, fellowships to individual artists, and of the ancillary spending of audiences using their leisure time and dollars to enjoy New Jersey's cultural offerings.

The first study in 1993 established the economic importance of the arts in New Jersey for the first time. The second study in 2001 measured the robust growth of the arts since the first study. This study illustrates both the durability of the arts' economic impact, and its vulnerability to weakness in the broader economy.

Summary Highlights

- The nonprofit arts in New Jersey spent $247.6 million on operations and $51.4 million capital improvements in 2007, generating the following impacts on the state:
  - $717.7 million in total impact
  - $265.5 million in earnings
  - 6645 jobs (full-time equivalent)
  - $17.8 million in state income and sales taxes
- The economic impact in 2007 represents a very slight increase (1.7%) from 2001 in inflation-adjusted terms, the result of a slight decline in operating expenditures and a significant increase in capital spending.
- Spending by nonprofit arts organizations supports a broad range of sectors in New Jersey, led by professional, scientific and technical services; real estate, finance and insurance, health care, manufacturing, and construction.
- Visitor spending during trips to New Jersey arts events is estimated at $283.8 million, generating an economic impact of:
  - $501.9 million in total impact
  - $131.4 million in earnings
  - 4408 jobs (full-time equivalent)
  - $23.1 million in state income and sales taxes

II. SCOPE AND METHODOLOGY

This study has a broad scope encompassing more than 800 nonprofit arts organizations and individual artists, and the ancillary expenditures of their audiences during the 2007 study year. At the same time, the scope is limited to activity linked to the New Jersey State Council on the Arts, or to county arts organizations. This analysis does not attempt to quantify nonprofit artistic activity conducted in organizations that do not apply to the state or county arts councils, artistic activity occurring in for- profit organizations, or activity by individual artists that is not captured in the expenditures of the organizations studied or fellowships granted.

The stream of expenditures that originates with the activities of the organizations and audiences analyzed is the source for new payrolls, business purchases, consumer purchases by workers, and tax payments to the state. Moreover, each dollar spent generates a multiplier effect that benefits many other sectors throughout the economy of the state. In this study, as in the previous two studies of the economic contribution of the nonprofit arts to New Jersey's economy, the impact of the arts is estimated by analyzing the expenditure patterns made by arts organizations and their audiences with an input-output model.

Direct expenditures of arts organizations operations were developed primarily by using data from NJSCA application forms detailing the patterns of spending of individual organizations. Budgetary information was also gathered from the county arts councils. Spending on capital improvements was estimated by interviewing staff at organizations known to have undertaken major project about the nature of that work. The ancillary expenditures of visitors to arts events were estimated by analyzing 2687 questionnaires completed by audiences at twenty-three cultural attractions across New Jersey.

The expenditure streams of each component were analyzed with the RIMS II input-output model from the U.S. Department of Commerce, Bureau of Economic Analysis, to measure their full economic impact. Fiscal impacts were estimated using effective New Jersey tax rates.

All dollar values are expressed in 2008 dollars.

The methodology is described in more detail Appendix A – Methodology.

III. OPERATIONS OF NEW JERSEY'S NONPROFIT ARTS SECTOR

Direct Spending

The day to day operations of arts organizations, programs and individual artists produce enormous and varied cultural richness in New Jersey. At the same time, the expenditures required to achieve this have a powerful effect on the economy of the state.

<u>Organizational and Programmatic Operations</u>

Total direct spending on operations and programs by the 781 nonprofit arts organizations in New Jersey studied was $247.6 million in 2007. This diverse group of cultural institutions ranges from the State's largest, including the New Jersey Performing Arts Center, the Paper Mill Playhouse, the Newark Museum, the New Jersey Symphony Orchestra, and the McCarter Theatre to a profusion of smaller arts groups and programs including performing arts groups, cultural centers, museums and exhibition spaces, educational programs, radio stations and art service organizations across the state. Most of the expenditures (92 percent) were made by the 204 organizations funded directly by the New Jersey State Council on the Arts (NJSCA).[1] In total, organizations funded directly by NJSCA had operating expenditures of $227 million in 2007. In addition, NJSCA extends its reach through funding arts councils in each county who re-grant funds for local arts organizations and programming. In 2007, these county arts councils re-granted the state money to 577 organizations. These organizations used their NJSCA re-grant funds as well as money earned and contributed from other sources, to make expenditures of $20.3 million.

<u>Fellowships to Individual Artists</u>

In 2007, NJSCA awarded fellowships to 32 individual artists in the fields of crafts, photography, playwriting, poetry, prose, and sculpture. Artists in these disciplines are considered in odd years, while in even years, fellowships are awarded in choreography, composition, media, painting, and works on paper. Fellowships awarded in 2007 totaled $235,311. These fellowships account for only a small fraction of all economic activity by individual artists.

While the earnings of many artists are captured in the operating expenditures of the organizations included in this analysis (both as wages and outside artists fees), there are thousands more artists who are self-employed or employed by for-profit companies, schools, churches or other organizations not included in the

[1] In order to keep the samples of organizations consistent with the previous study, 8 active organizations that were funded by NJSCA in 2001, but not in 2007, were added to the data set of organizations analyzed.

scope of this study. It is estimated that in 2000 there were a total of 61,090 artists in New Jersey, including actors, announcers, architects, fine artists, art directors, animators, dancers, choreographers, designers, entertainers, musicians, singers, photographers, producers, directors, and writers.[2] See Appendix B - 1 for summary information on these occupations in NJ in 1990 and 2000, and characteristics of the national artists workforce; and Appendix B – 2 for findings from a survey of NJSCA fellowship applicants.

Total Direct Spending on Operations

In total, nonprofit arts organizations and fellowship awardees spent $247.6 million on operations in 2007 and employed 3598 full-time equivalent workers in New Jersey.

Direct Spending on Operations – 2007

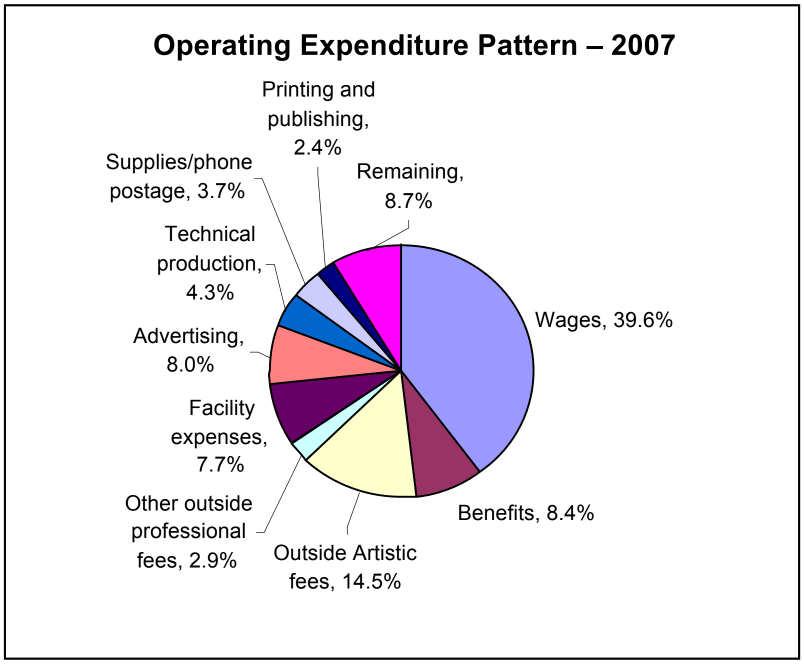
(All dollar figures in millions of 2008 dollars)

Category	Number	Expenditures	Employment (FTE)
NJSCA Grantee Organizations	204	$227.0	3300
County Re-grant Organizations	577	$ 20.3	295
Fellowship Awardees	32	$ .2	3
Total	813	$247.6	3598

[2] National Endowment for the Arts, Artists in the Workforce 1990-2005, Research Report #48, May, 2008.

Operating Expenditure Patterns

Most of the operating expenditures are for labor (62.5%), including wages, benefits, and outside artistic fees. Other major categories of expenditures include advertising (8%), and facility expenses including rent or mortgage payments and maintenance and repair (7.7%).



The Economic Impact of Operating Expenditures

These expenditures ripple through many areas of the economy as workers spend their earnings (induced spending) and suppliers purchase the goods and services and hire the workers required to accommodate their customers in the arts (indirect spending).

The total impact of the rounds of spending generated by the initial direct spending of arts organizations is $607.7 million. This level of economic activity in the state generates $232 million in earnings, and 5,928 full-time equivalent jobs.

The Economic Impact of Operating Expenditures – 2007
(All dollar figures in millions of 2008 dollars)

	Output	Earnings	Employment (FTE)
Direct	$247,6	$134.2	3,598
Indirect & Induced	$360.1	$ 97.8	2,329
Total	$607.7	$232.0	5,928
Multipliers	2.45	1.73	1.65

This economic activity generates an estimated $15.6 million in taxes to New Jersey. Of this total. $9.0 million is collected from individual income taxes and $6.6 million from general sales and gross receipts taxes.

The table below details the industries most affected by the spending of arts organizations in terms of their output and employment. It reveals the diversity of sectors that benefit from the operational spending of arts organizations – sectors with varying wage levels and ranging from professional services to retail trade; from manufacturing to health care.

Industries Most Affected by Spending on Operations

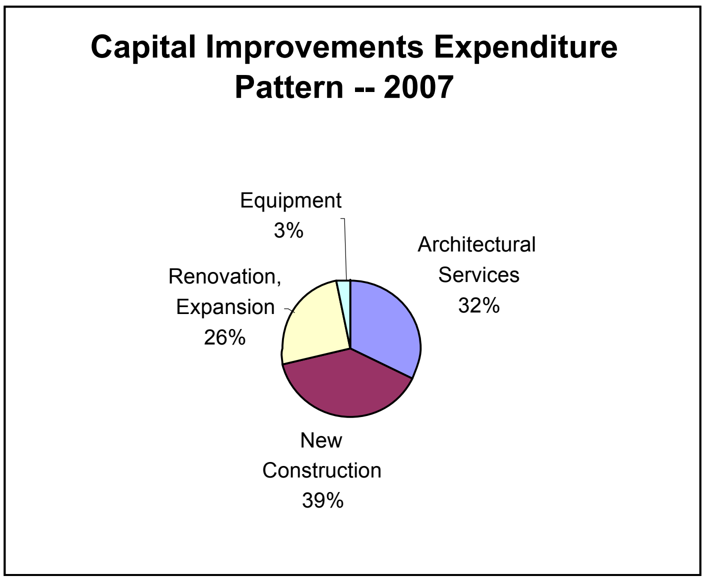
Industry	Output (millions of $2008)
Finance and insurance	$44.6
Real estate	$43.7
Health care and social services	$41.8
Manufacturing	$37.6
Professional, scientific and technical services	$36.7
Information services	$29.5
Administrative and waste management services	$23.5
Retail trade	$23.0
Wholesale trade	$14.3
Accommodation and food services	$13.5

Industry	Jobs
Health care and social services	385
Administrative and waste management services	270
Retail trade	270
Professional, scientific, and technical services	215
Accommodation and food services	190
Finance and insurance	155
Other services	135
Arts, entertainment and recreation	125
Real estate	120
Manufacturing	110

IV. CAPITAL INVESTMENT IN NEW JERSEY'S NONPROFIT ARTS SECTOR

Investment in New Jersey's cultural facilities keeps the arts' physical infrastructure up to date and in good repair, while lending an added excitement and vibrancy to the state's cultural life. In 2007, capital projects at New Jersey cultural facilities incurred direct spending of $51.4 million in construction, architectural services, project management, construction supplies and equipment purchases.

New construction accounted for 39 percent of expenditures, while renovation and expansion accounted for 26 percent. About a third of expenditures were used for architectural services.



Direct spending on capital improvements generated a total impact of $110.0 million for New Jersey industries; earnings of $33.5 million and 717 full-time equivalent jobs. This capital investment generated an estimated $2.24 million in taxes to the State -- $1.29 million in personal income taxes and $0.95 million in sales taxes.

Construction is the industry most affected, in terms of both dollar impact and jobs, by spending on capital improvements at New Jersey's cultural facilities.

Industries Most Affected by Capital Improvements

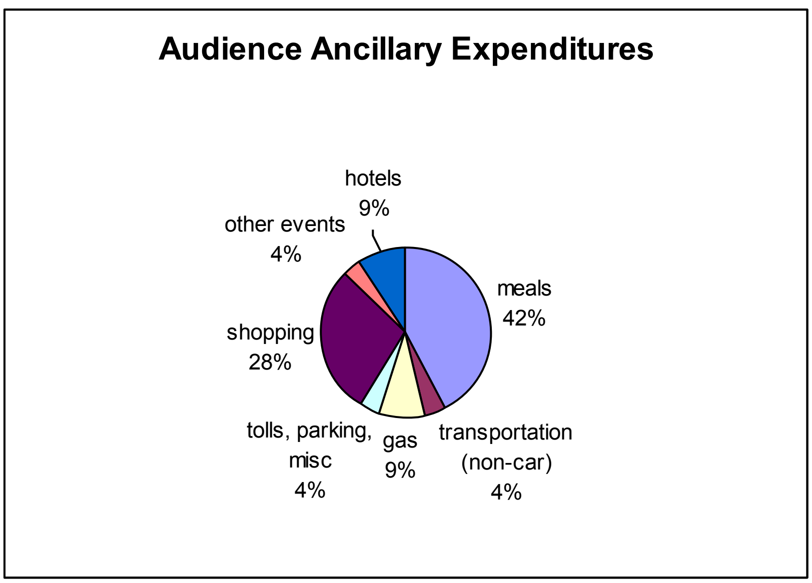
Industry	Output (millions of $2008)
Construction	$35.4
Professional, scientific, and technical services	$18.3
Real estate	$ 8.0
Retail trade	$ 6.5
Finance and insurance	$ 5.8
Health care and social services	$ 4.9
Wholesale trade	$ 3.7
Administrative and waste management services	$ 2.9
Transportation and warehousing	$ 2.5

Industry	Jobs
Construction	260
Professional, scientific and technical services	105
Retail trade	75
Health care and social services	50
Administrative and waste management services	35
Manufacturing	30
Accommodation and food services	30
Other services	25
Real estate	20
Finance and insurance	20

V. ANCILLARY SPENDING BY CULTURAL AUDIENCES IN NEW JERSEY

In 2007, 9.4 million people are estimated to have attended New Jersey's museums, art centers and performing arts venues[3], supporting not only the cultural organizations themselves through their admissions and other purchases, but also supporting the surrounding economy through purchases of food, gift items, gasoline and other ancillary expenditures. Expenditures associated with attendance at cultural events are estimated at $283.8 million in 2007. Most of this spending is not "new" money to the New Jersey economy the way that it would be in the case of the arts drawing visitors into the state, but the expenditures of the predominantly local audience supports the area's economy and in some instances keeps leisure spending of New Jersey residents in the state. See Appendix C – 2 for detailed findings from the visitor survey.

The largest share of visitor spending is in the restaurant and retail sectors, through purchases of meals (42%) and shopping (28%). Transportation-related expenditures follow with expenditures for gasoline (9%), tolls, parking and miscellaneous expenditures (4%) and trains and busses (4%). A very small percentage of visitors stay in hotels, but this expensive item nevertheless accounts for 9% of ancillary spending. Other events account for 4% of visitor expenditures.



Visitor expenditures ripple through New Jersey's economy in much the same way as the expenditures of the arts sector do, albeit with emphasis on different sectors. The different paths that these dollars take result in different economic and fiscal impacts. The total impact of visitor expenditures is estimated at $501.9

[3] This analysis focuses on visitation at New Jersey's nonprofit cultural facilities and does not include "off-site" exposure through channels including the media or schools.

million, resulting in a multiplier of 1.77. That is, each dollar of visitor spending generates an additional 77 cents of economic output throughout the economy of the state of New Jersey. This is significantly lower than the multipliers for the operating expenditures (2.45) or capital spending (2.14) in the arts sector. At the same time, this activity generates a large number of full-time equivalent jobs, 4,408, and a high level of state sales taxes, $18.0 million, in addition to $5.1 million in state individual income taxes.

Accommodation and food services is the sector most affected by this activity, reflecting the preponderance of visitor spending in this area. The economic impact on industries most affected by visitor ancillary expenditures are listed below.

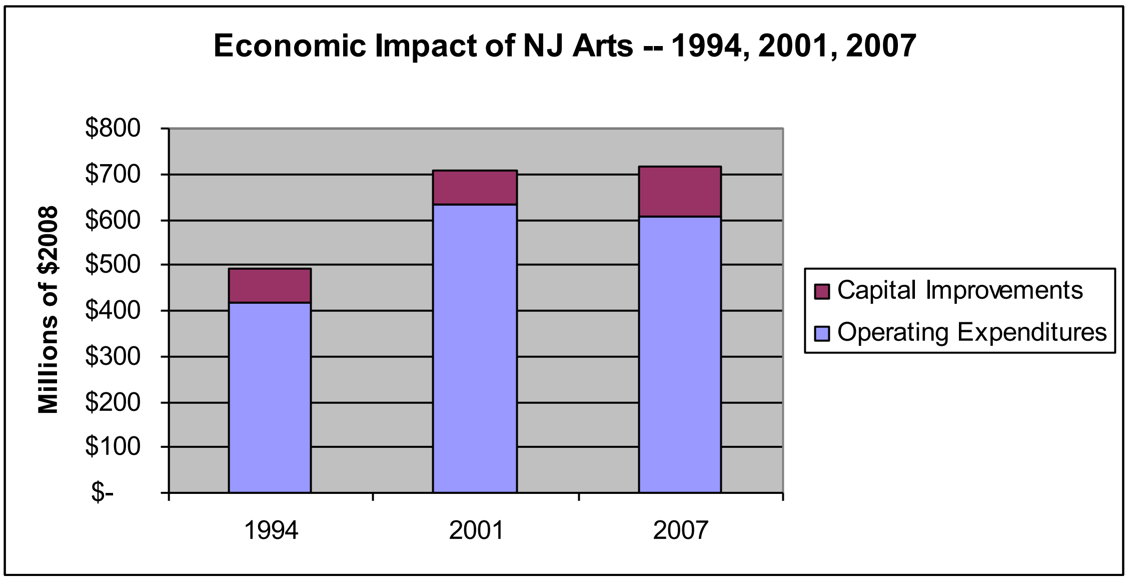
Industries Most Affected by Visitor Ancillary Expenditures

Industry	Output (millions of $2008)
Accommodation and food services	$137.9
Manufacturing	$ 72.2
Retail trade	$ 51.0
Real estate and rental and leasing	$ 41.8
Finance and insurance	$ 27.4
Wholesale trade	$ 27.3
Transportation and warehousing	$ 25.2
Professional, scientific, and technical services	$ 21.0
Information	$ 18.8
Other services	$ 16.7

Industry	Jobs
Accommodation and food services	2050
Retail trade	595
Transportation and warehousing	260
Manufacturing	225
Health care and social assistance	185
Arts, entertainment, and recreation	180
Other services	165
Administrative and waste management services	135
Professional, scientific, and technical services	120
Wholesale trade	120

VI. TRENDS IN THE ECONOMIC IMPACT OF NEW JERSEY'S NONPROFIT ARTS SECTOR

In the period from 1994 to 2001, the economic impact of the arts experienced robust growth. From 2001 to 2007, however, that growth stalled. Indeed, as the chart below indicates, the economic impact of the operations of the arts sector declined slightly in inflation-adjusted terms from 2001 to 2007. The total impact in 2007 is marginally higher than in 2001 because of a significant increase in capital investment in the arts.[4]

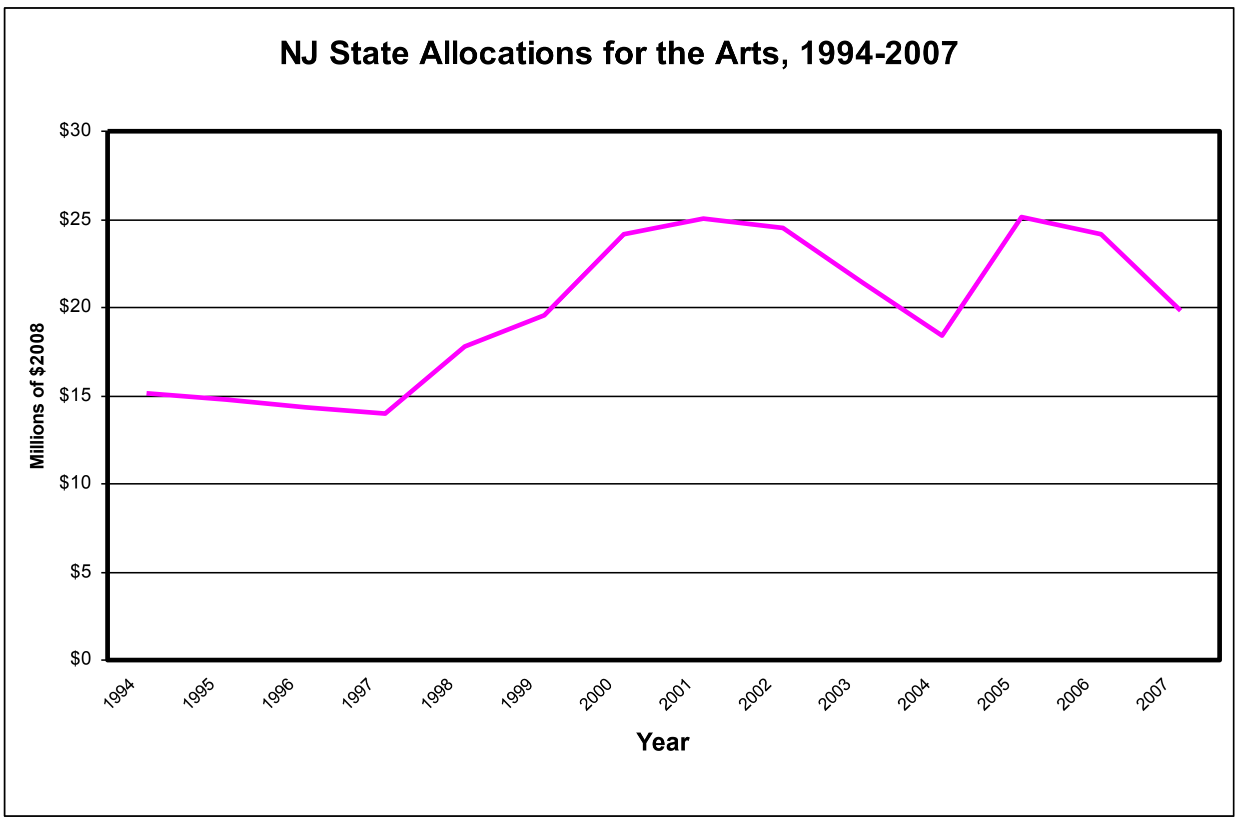


This trend can be best understood in the context of fluctuations in the State's economy. The period from 1994 through 2000 was a time of strong growth in the New Jersey economy. New Jersey's economy experienced an impressive span of growth that began June 1992 and continued through December 2000. Over this eight and one-half year period, 576,000 new jobs, were added in the state's economy, a 16.7 percent gain in employment, The average gain in jobs per year registered during this period was 67,200, which can only be characterized as robust growth. Professional and Business Services, Education and Health Services, Leisure and Hospitality, Financial Activities and Construction were key drivers of growth during this expansion.

[4] The trends presented in this section are limited to the industry itself, and do not include the impact of ancillary audience expenditures. Changes in the methods of estimating attendance in the period from 2001 to 2008 confound drawing a trend for this activity for this period. Per person audience expenditures in 2007 were roughly comparable to levels found in 2001.

The dotcom bubble and the subsequent recession set the New Jersey economy into a moderate decline that lasted 27 months and cost the state a total of 59,000 jobs. Most of the impact of the 2001-2003 recession was felt by the New York City economy. However, New Jersey came out of this recession growing much more slowly than in previous expansions and more slowly than the U.S economy and neighboring states. During this nearly five-year period of growth, from 2003 to 2008, New Jersey added 126,200 jobs, an average of only 26,100 jobs per year. This is just a fraction of the growth that occurred during the 1990s expansion. With the financial crisis and the national recession firmly taking hold in 2008, New Jersey lost 85,700 jobs during the year. Since the end of the recession is not in sight yet, it is likely that the state will struggle to register any job growth at all over this decade.

The State's economic fortunes are reflected in the allocations from the New Jersey State Council on the Arts to institutions and programs during the same period. As indicated in the chart below, allocations grew, on an inflation-adjusted basis, during the late 1990s. This was followed by a period of volatility and decline from 2001 to 2007.



APPENDIX A – METHODOLOGY

In order to estimate the economic impact of the nonprofit arts in New Jersey, and of the ancillary spending of their audiences, the expenditures of the various components were analyzed with the help of the RIMs II model from the U.S. Department of Commerce. The steps involved are described below.

DIRECT EXPENDITURES

Operating expenditures were gathered from a variety of NJSCA records for 2007.

- Operating expenditure patterns from 204 organizations funded directly by NJSCA were gathered from the budget section of application forms. These expenditures were analyzed to expand and refine the categories included in the application.
- The operating budget totals of 577 organizations receiving state re-grant money from county arts councils were gathered. Expenditure patterns estimated for the directly funded organizations were applied to re-grant organizations.
- Fellowship awards to 32 individual artists were gathered from state council records. Expenditures from these grants were assigned to the household sector for the pupose of the impact analysis.

Capital expenditures were estimated by surveying organizations known to have been involved with significant capital projects during the study year as to the nature of their projects and the amount of money spent in 2007 in design, construction and equipment purchases.

Ancillary expenditures of visitors to the arts were estimated using an intercept survey at 23 organizations administered by their staffs during the last quarter of 2008. The organizations were selected to provide a broad sample of the arts in New Jersey in terms of location, budget size and artistic discipline. Organizations from every part of the state, and every type of community (eg urban, suburban and rural) were included, as were organizations with a variety of operating budgets and disciplines. A list of participating organizations is presented in Appendix C - 1.

The survey consisted of detailed questions on ancillary expenditures, distance traveled and trip purpose. In addition, marketing questions were included for the participants use.

Expenditure patterns elicited from this survey were analyzed and applied to the broader universe of attendees at cultural events based on the onsite attendance and type of venue of all New Jersey attractions analyzed to estimate total audience ancillary spending. Non-expenditure findings are presented in Appendix C – 2.

IMPACT ANALYSIS

The direct expenditures of each component were entered into the RIMs II input-output model for New Jersey which was developed by the Bureau of Economic Analysis in the US Department of Commerce. This model depicts the structure of sales and purchases throughout the various sectors of the state's economy, measuring the multiplier effect or a given economic activity. This multiplier, or ripple effect comprises two distinct components:

- The indirect effect traces the additional economic activity from direct expenditures as suppliers ranging from fabric wholesalers to restaurants make their own purchases of materials and hire labor in response to the demand created by the direct expenditures.
- The induced effect traces the spending of wage earners at the arts institutions, capital improvement contractors and hospitality venues on food, shelter, clothing and the like.

The multiplier effect continues to ripple through the economy of New Jersey in diminishing rounds of spending until all dollars have either been spent within or leaked out of the area.

The results show the total impact, total earnings and total employment in New Jersey. Multipliers for each of these measures are expressed as total output, earnings or employment impact divided by the initial direct expenditures, earnings or employment. For example, an output multiplier of two means that for every dollar in direct spending, there is an additional dollar generated in indirect and induced spending with the state.

Tax revenues attributable to the arts sector and their audience's ancillary spending are estimated by using effective tax rates for New Jersey.

All dollar values are expressed in 2008 dollars.

APPENDIX B – 1

INDIVIDUAL ARTISTS IN NEW JERSEY, DATA FROM THE U.S. CENSUS BUREAU[5]

Nationwide, almost two million Americans describe their primary occupation as artist, according to the U.S. Census Bureau[6]. This estimate does not include an additional 300,000 people with secondary employment as artists. After doubling as a proportion of all workers from 1970 to 1990, artists have kept pace with growth in the labor force from 1990 to 2005.

According to the 2000 Census, artists are:

- highly concentrated in urban areas,
- more highly educated, as a group, than the workforce as a whole,
- 3.5 times more likely than other workers to be self-employed,
- less likely to have full-year, full-time jobs (55%) than the overall labor force (61%)
- paid less than other workers with similar education levels.

In New Jersey, 61,090 people were classified as artists in the 2000 Census, representing 1.46% of the labor force. The proportion of the labor force is exactly what it was in 1990, and slightly higher than the 1.40% of artists in the labor force nationwide.

The table below presents information from the 2000 and 1990 Censuses on artists in New Jersey, and the State's ranking in each occupation.

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[5] All information in this appendix is from *Artists in the Workforce, 1990-2005,* National Endowment for the Arts Research Report #48, May 2008.

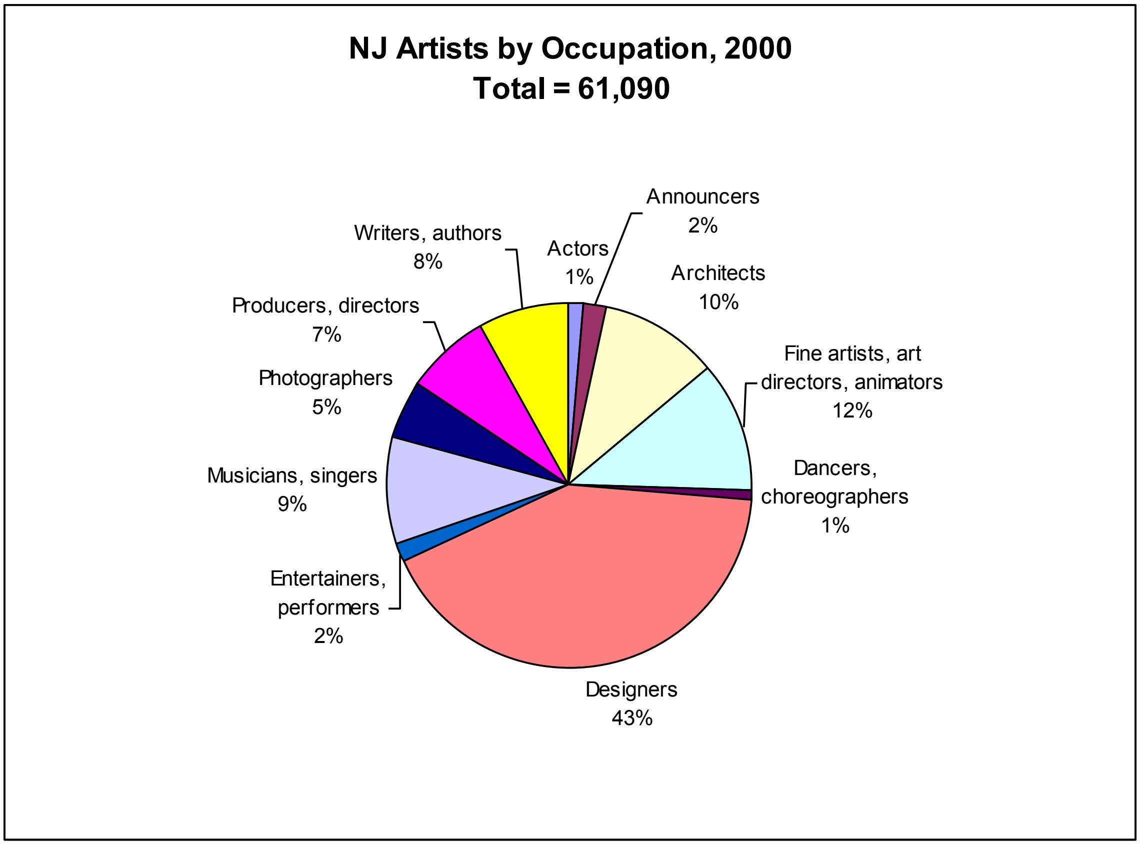
[6] Occupations classified as artists by the Census are designers, performing artists, fine artists, art directors, and animators; architects, writers and authors, producers and directors, and photographers.

New Jersey Artists by Occupation and National Ranking: 2000 and 1990

Occupation	Total artists, 2000	% of civilian Labor force, 2000	Rank By %[7]	Total artists, 1990	% of civilian Labor force, 2000	Rank By %	% change in, number of artists, 1990-2000
All artists	61,090	1.46	14	59,844	1.46	12	2.1
Actors	915	0.02	5	1,102	0.03	6	-17.0
Announcers	1,150	0.03	51	1,417	0.04	50	-18.8
Architects	6,350	0.15	15	5,922	0.14	13	7.2
Fine artists, art directors, animators	7,185	0.17	19	9,688	0.24	15	-25.8
Dancers, Choreographers	490	0.01	33	808	0.02	10	-39.4
Designers	25,485	0.61	10	23,774	0.58	4	7.2
Entertainers, performers	995	0.02	12	534	0.01	14	86.3
Musicians, singers	5,755	0.14	8	4,186	0.10	21	37.5
Photographers	3,195	0.08	36	3,893	0.10	14	-17.9
Producers, directors	4,570	0.11	8	4,299	0.11	5	6.3
Writers, authors	5,000	0.12	19	4,221	0.10	19	18.5

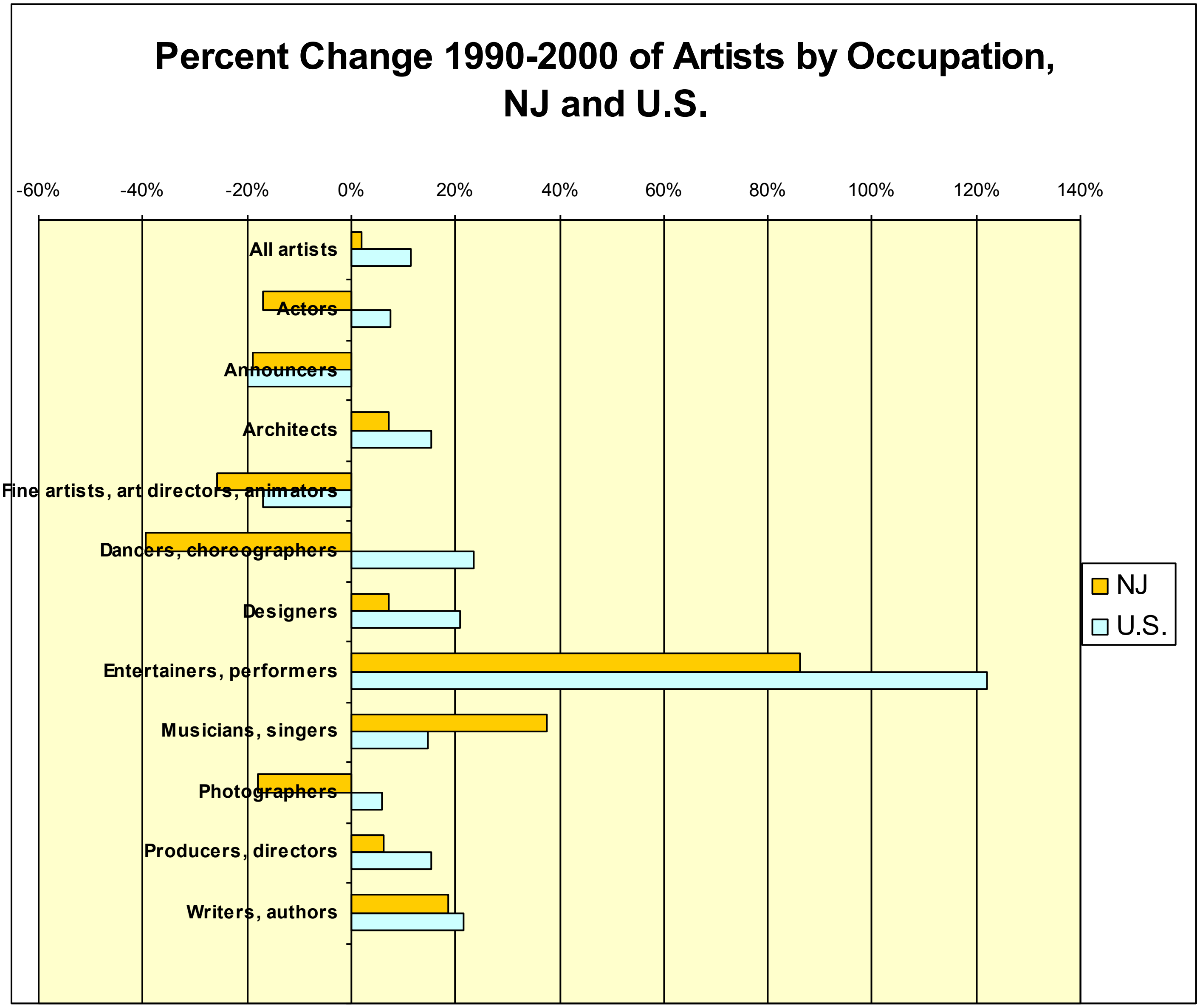
[7] Ranking among 50 states plus the District of Columbia by % of the civilian workforce

The chart below, showing the NJ artist occupational data for 2000, indicates the relative size of the various categories of artist occupations. Designers comprise the greatest share of artists (43%) in New Jersey in 2000, followed by fine artists, art directors and animators (12%), architects (10%), musicians and singers, (9%), writers and authors (8%) and producers and directors (7%).



Overall, the numbers of artist in New Jersey increased from 1990 to 2000 at a slower rate (2.1 %) than in the U.S. as a whole (11.6%). The changes by occupation in New Jersey and the country as a whole are quite varied, as the table below indicates.

Despite rapid growth in other parts of the U.S. New Jersey is among the top fifteen states in absolute numbers of artists in every occupation, and among the top fifteen states by number of artists per 10,000 people in total artists, architects, designers, actors, entertainers and performers, producers and directors, and musicians and singers.


Percent Change 1990-2000 of Artists by Occupation,
NJ and U.S.
-60%
-40%
-20%
0%
20%
40%
60%
80%
100%
120%
140%
All artists
Actors
Announcers
Architects
Fine artists, art directors, animators
Dancers, choreographers
Designers
Entertainers, performers
Musicians, singers
Photographers
Producers, directors
Writers, authors
NJ
U.S.

APPENDIX B – 2

FINDINGS FROM A SURVEY OF NJSCA FELLOWSHIP APPLICANTS

A survey of applicants to the NJSCA fellowship program over the past 2 years provides insights into the professional lives of this group of 253 artists in New Jersey. This survey does not represent a statistically valid sample of artists in the State.

These 253 New Jersey artists work in a wide variety of venues, both in paid and volunteer capacities, and cited multiple paid and volunteer situations. The percentage of artists working at various venues, and their paid or volunteer status is shown below.

Venue	Paid	Unpaid	Total
Schools	45%	17%	62%
Nonprofit organizations	28%	26%	54%
Public spaces	17%	13%	30%
Libraries	11%	13%	24%
Private companies	14%	4%	18%
Community centers	8%	8%	16%
Health care facilities	6%	6%	12%
Government	6%	3%	9%
Retirement/assisted living facilities	4%	5%	9%
YMCA	2%	3%	5%

Schools are the most frequently cited work venue, followed by nonprofit organizations, public spaces and libraries. On average, these artists had 1.4 paid jobs and a total 3.0 paid and volunteer positions.

This group of artists is more likely to hold part-time (59%) rather than full-time (45%) jobs. The table below presents the frequency with which they call on various streams to earn their income.

Sources of Income	
Grants, fellowships and commissions	30%
Full-time employment on the arts	25%
Full-time employment outside of the arts	20%
Part-time employment in the arts	35%
Part-time employment outside of the arts	24%
Pension/retirement income	4%
Sale of artwork	3%
Free-lance work	2%

The importance of their art in the work life of these artists is evident in the fact that a majority, (57%) assert that their art is inseparable from or very closely related to their jobs. An additional 10% state that their art and employment are fairly close in that their art informs their professional work.

Relationship of Art to Employment	
Inseparable	28%
Very close	29%
Fairly close	10%
Only a little	18%
Not at all	15%

The commitment of these artists is also reflected in the amount of time that they spend on their art. Fully 79% devote eleven or more hours a week to their art – and most devote considerably more time to their art.

Hours Spent on Art Weekly	
one to five	8%
six to ten	13%
eleven to twenty	21%
twenty-one to thirty	19%
thirty-one to forty	16%
more than forty	23%

These artists are very highly educated, as indicated in the table below. Among New Jersey's population as a whole, 82% have a high school degree, according to the U.S. 2000 Census, compared with 98% of artists in this survey; and 30% have a bachelor's or higher, as compared with 81% of artists in this survey.

Education Level	
Not a high school graduate	2%
High school degree	2%
Some college	15%
Bachelor's degree	33%
Advanced degree	48%

The survey respondents are almost all (92%) over the age of 35.

Age	
<25	1%
25-35	7%
36-55	58%
55 and over	34%

Women comprise 62 % of the survey respondents, while men make up 38%

Individual income among this group of New Jersey artists is fairly modest, with 38% earning less than $25,000 and 62% earning less than $50,000. Household income is significantly higher, with 73% earning $50,000 or more annually. Median household income in New Jersey is estimated at $67,420 in 2007 by the Census Bureau.

Income	Individual	Household
< $25,000	38%	14%
$25,000-$49,999	24%	14%
$50,000-$74,999	22%	23%
$75,000-$99,999	10%	15%
$100,000-$149,999	5%	23%
$150,000-$299,999	1%	11%
> $300,000	0%	1%

Most New Jersey artists responding to this survey have health insurance through their own or their spouse's employer (72%). An additional 13% buy health insurance independently, and 3% get coverage through Medicare. Eleven percent do not have health insurance coverage.

Health Insurance	
Covered through job	72%
Pay independently	13%
Do not have	11%
Medicare	3%

APPENDIX C – 1
ORGANIZATIONS PARTICIPATING IN THE VISITOR SPENDING SURVEY

Organization	Artistic Discipline	Geographic Region
Algonquin Arts	Multidisciplinary	Suburban/Central
Appel Farm Arts & Music Center	Multidisciplinary	Rural/South
Bergen Performing Arts Center	Multidisciplinary	Suburban/North
Cape May Film Festival	Media	Suburban/South
Community Theatre	Multidisciplinary	Suburban/North
Garden State Philharmonic	Music	Suburban/South
George Street Playhouse	Theatre	Urban/Central
Jersey City Museum	Visual Arts	Urban/North
McCarter Theatre Center	Multidisciplinary	Suburban/Central
Mid-Atlantic Center for the Arts	Music	Suburban/South
New Jersey Performing Arts Center	Multidisciplinary	Urban/North
New Jersey Symphony Orchestra	Music	Urban/North
New Jersey Youth Symphony	Music	Suburban/North
Newark Museum	Visual Arts	Urban/North
Paper Mill Playhouse	Theatre	Suburban/North
Perkins Center for the Arts	Visual Arts	Suburban/South
Peters Valley Craft Center	Visual Arts/Crafts	Rural/North
Rutgers Camden Arts Center	Multidisciplinary	Urban/South
Shakespeare Theatre of NJ	Theatre	Suburban/North
State Theatre	Multidisciplinary	Urban/Central
Symphony in C	Music	Urban/South
The Growing Stage	Theatre	Rural/North
Wheaton Arts and Cultural Center	Visual Arts/Crafts	Rural/South

APPENDIX C – 2

ADDITIONAL FINDINGS FROM THE VISITOR SPENDING SURVEY

Demographics

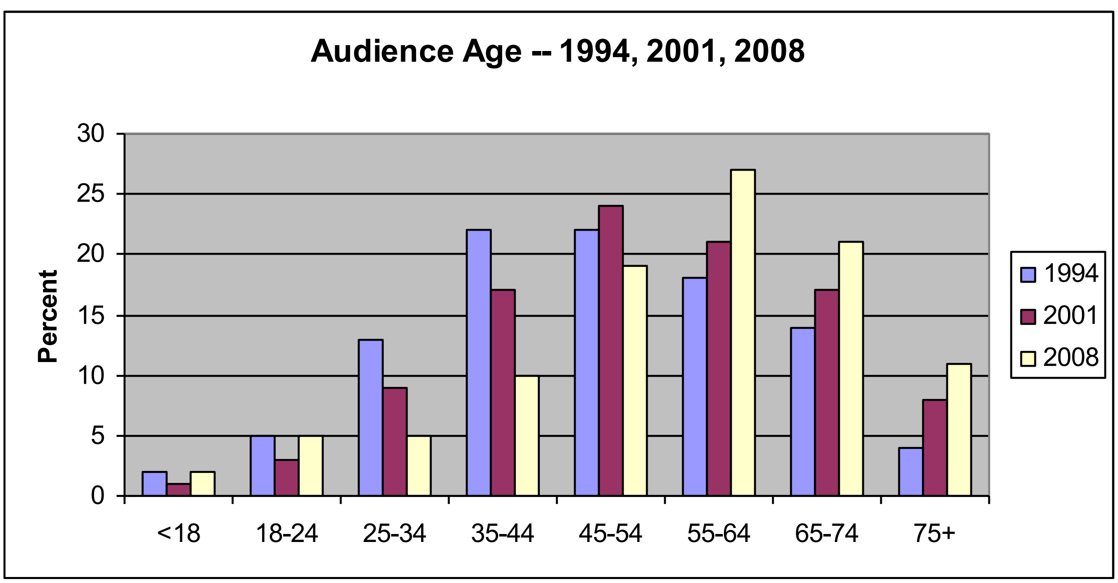
The visitor survey conducted for this study found demographic characteristics of the New Jersey cultural audience to be quite similar to that found in past studies – and in studies of the national audience. The audience is heavily female, older than the general population, and both somewhat better educated and wealthier.

Gender

Almost two thirds of the respondents were female (65%), as compared to 51% of the New Jersey population (2007).

Age

As indicated in the chart below, the age of the New Jersey audience has increased over the three studies. Demographic trends alone could explain this. The baby-boomer bulge can be seen moving the peak age from 35-44 in 1994 to 45-54 in 2001 and 55-64 in 2008.



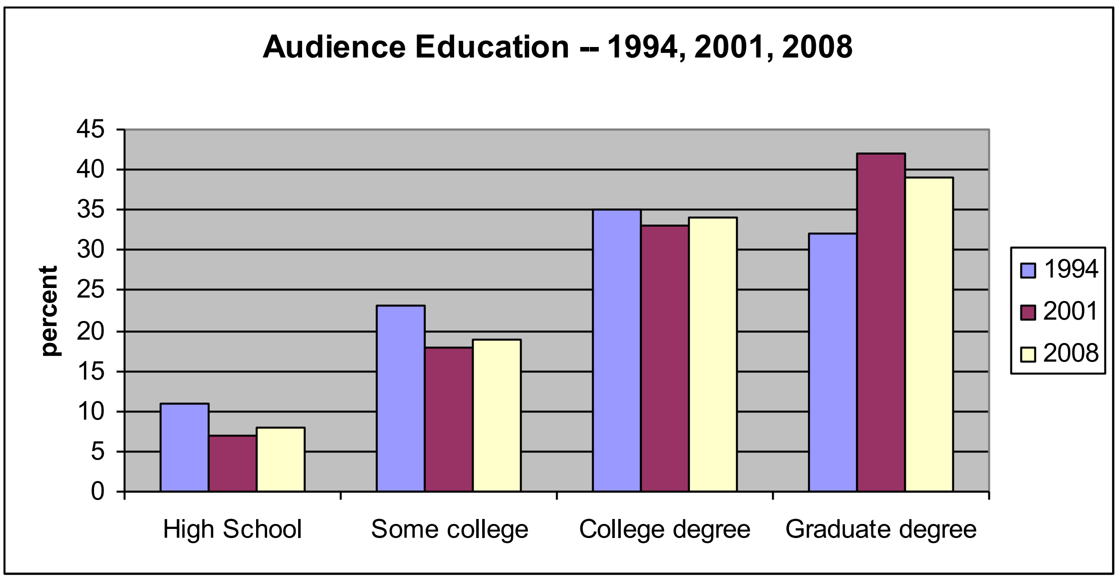
As in past studies, the audience in 2008 is older than the general population of New Jersey which had 13% over 65 in 2007 (as compared to 32% of the cultural audience)

Residence

The proportion of the cultural audience comprised of New Jersey residents is 85%, identical to the 2001 survey findings. As in 2001, the remaining 15% come from neighboring states, with less than one half of one percent coming from other countries.

Education

As in past studies in New Jersey and nationally, the 2008 audience was found to be highly educated, with almost three quarters holding a college or advanced degree.



Ethnicity

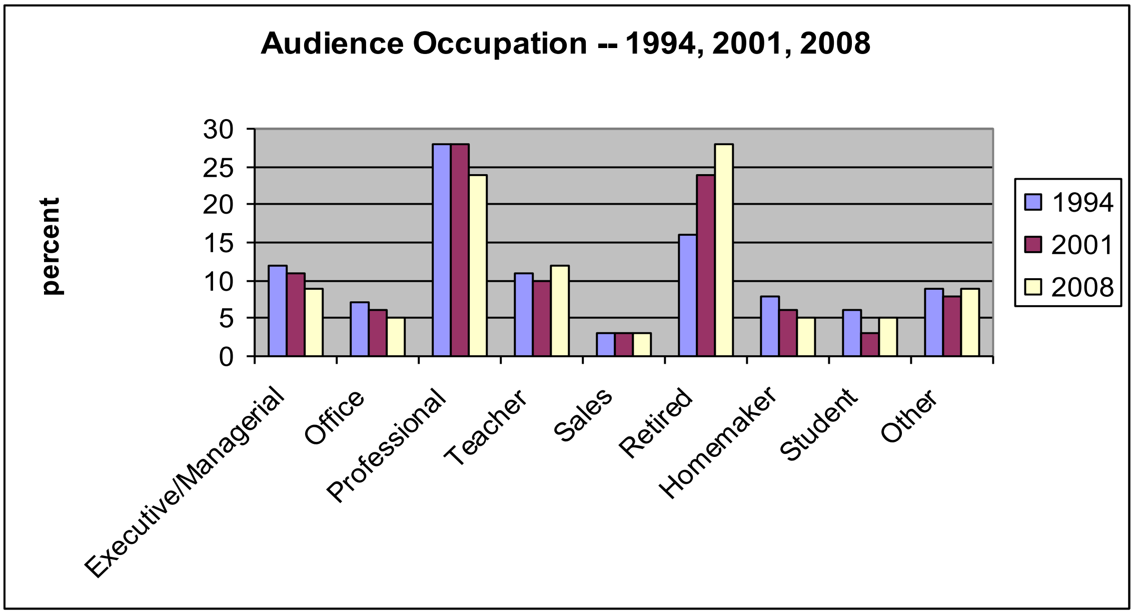
As in the previous studies, the great majority of the New Jersey audience is white, non-Hispanic. In a state where 62% of the population is white, non-Hispanic, 88% of the cultural audience falls into this category.

Audience Ethnicity -- 1994, 2001, 2008

	1994	2001	2008
African-American	8	3	4
Native American	0	3	1
Asian	1	2	2
Caucasian (white)	86	88	88
Latino, Hispanic	1	3	3
International Visitor	1	0	0
Other	3	2	2

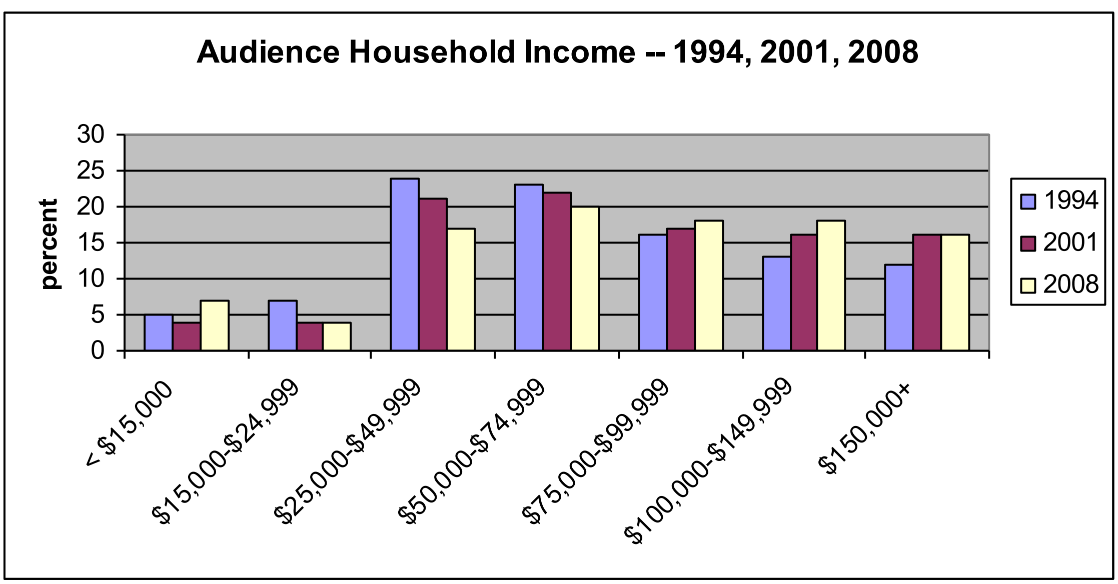
Occupation

This year, for the first time, the most frequently reported occupation was "retired" cited by 28% of the audience surveyed. This was followed by "professional" at 24%, "teacher" at 12%, and executive/managerial at 9%. For the most part, and with the exception of the increase since 1994 in retired respondents (from 16% to 28%), the distribution of occupations across the three studies is quite similar.



Income

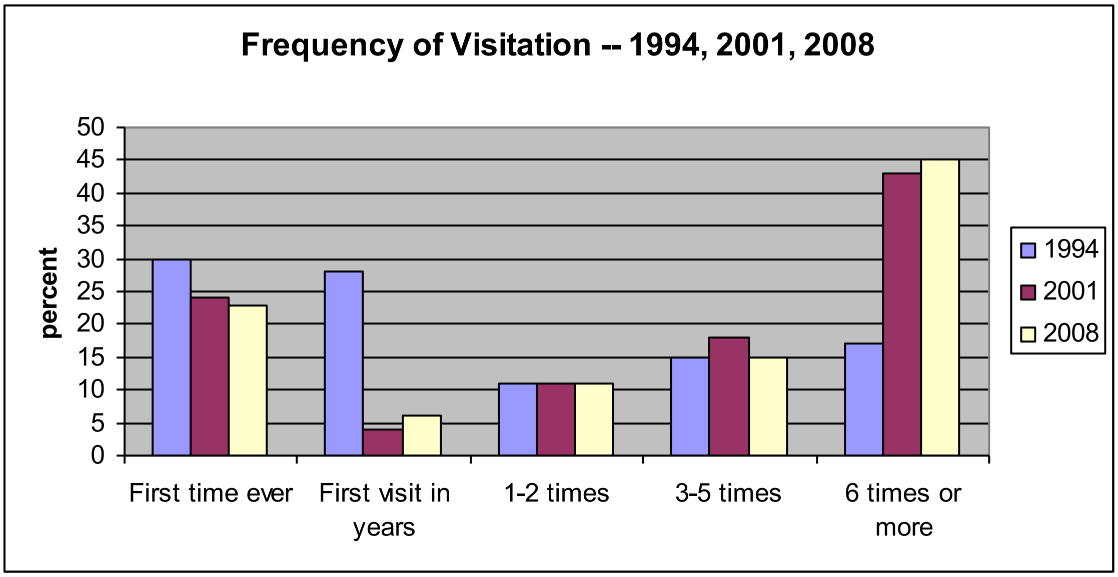
Household income of the New Jersey cultural audience continues to be relatively high. The chart below shows a shift over time to higher income categories that could well be due to inflation.



Visiting Behaviors

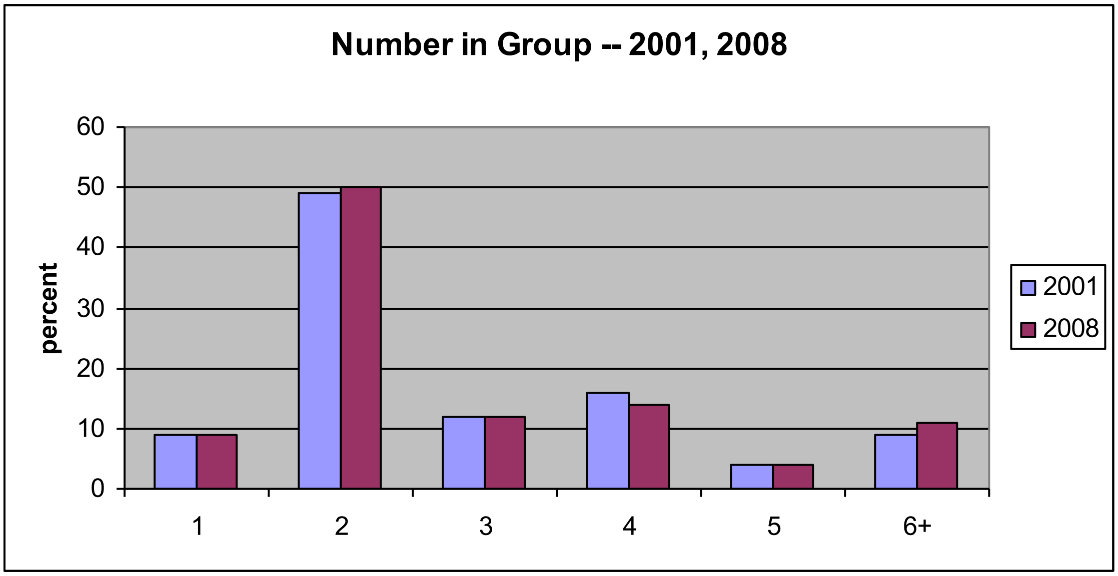
Frequency of Visitation

As in 2001, the question "How often have you visited this theater/museum/arts venue?" revealed a healthy combination of loyal patrons (45%) and newcomers (23%). The pattern of visitation in these past two study years is quite similar. There are some significant differences in the 1994 findings which showed a much higher proportion of "first time in years" responses, and a much lower proportion of "6 times or more" answers.



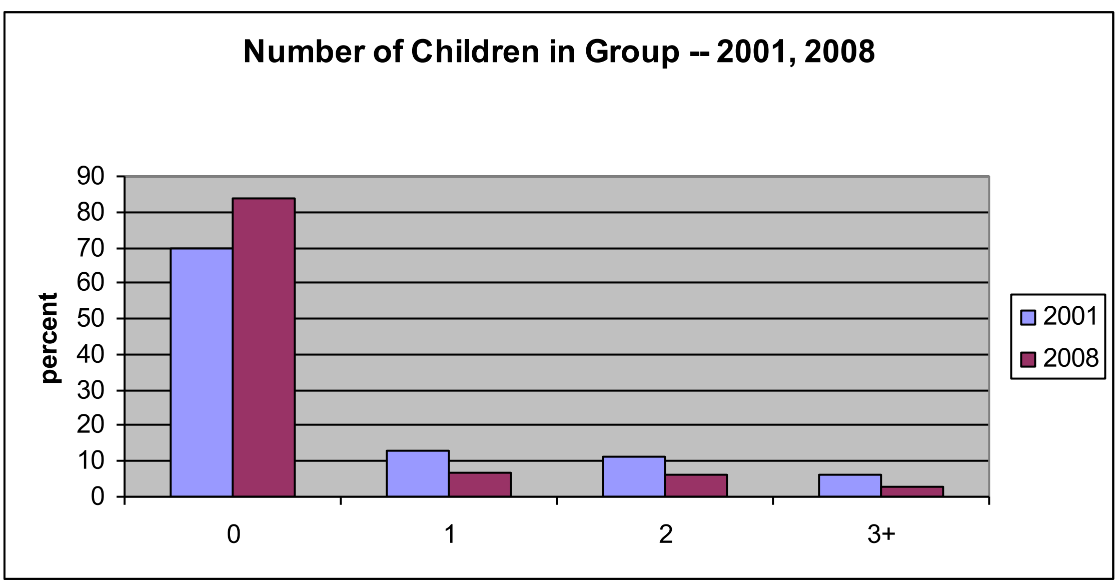
Group Size and Composition

Group size has remained remarkably consistent since 2001 as the chart below shows. Full data from 1994 is not available, but the median (2) and mean group size (4) are identical for 1994, 2001 and 2008.



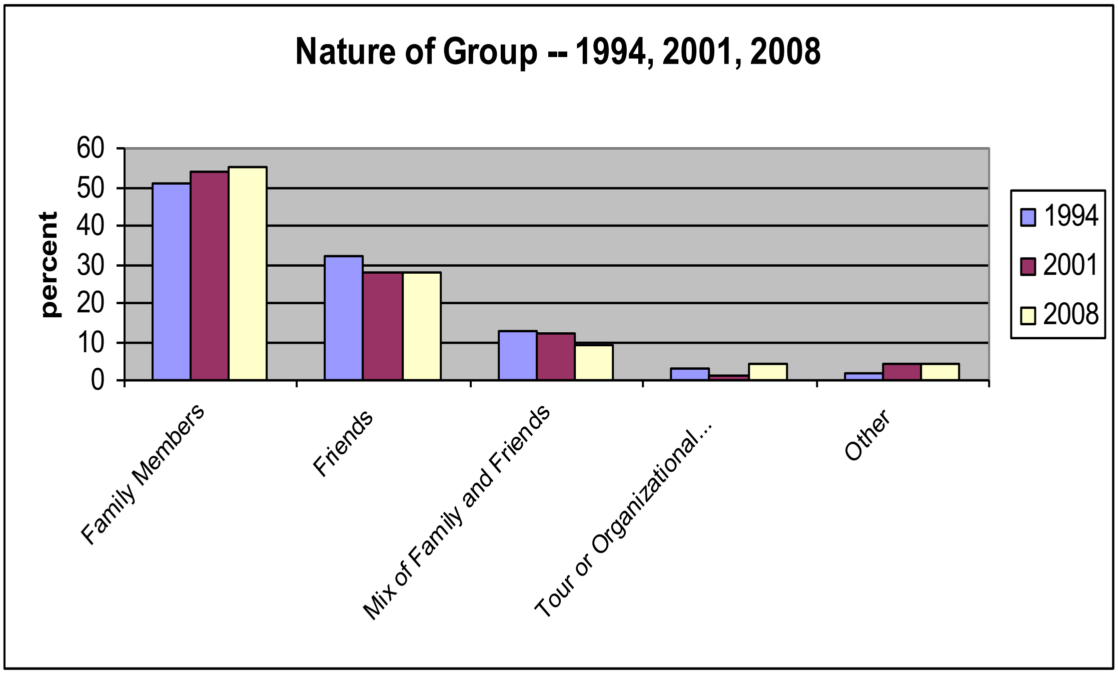
Number of Children in Group

Although the general incidence of children in groups of cultural audiences is similar to that found in 2001, there is a higher incidence of groups without any children in 2008, as indicated by the table below. In all three studies, however, the median number of children has been 0 and the mean has been 1.



Nature of the Group

As found in previous studies, visiting New Jersey's cultural attractions is predominantly a family activity. A majority of respondents (55%) were attending with family members, and an additional 9% were attending with a mix of family and friends. 28% came with friends, and 4% came with a tour or organizational group.



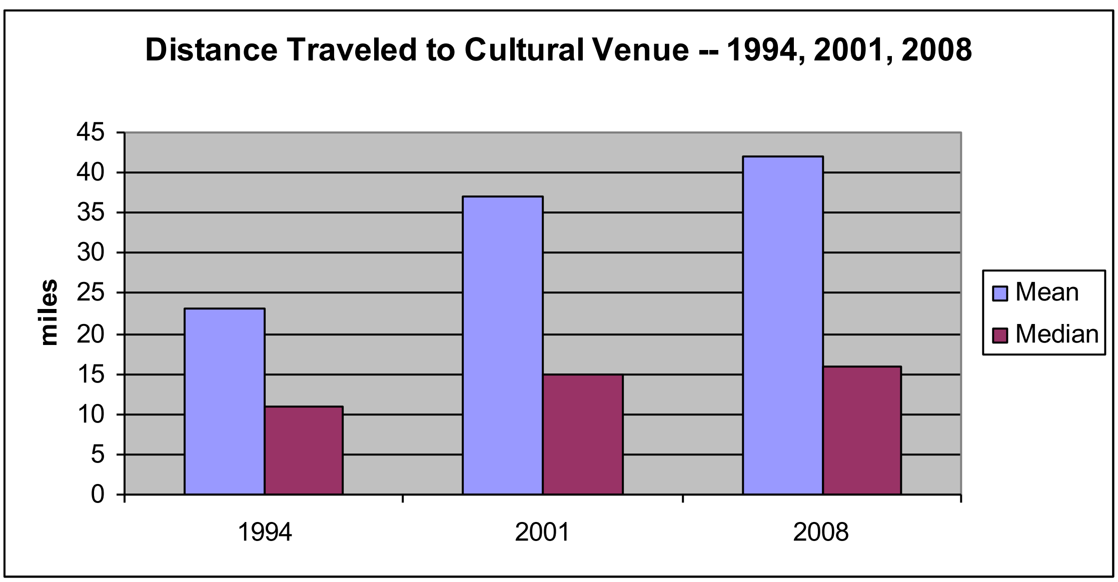
Travel to the Venue

Personal car remains by far the most commonly used mode of transportation to cultural venues in New Jersey.   The great majority, 89% traveled by car, followed by 5% who came by bus, 5% who came on foot and 2% who took a train. Roughly similar patterns of transportation were found in the previous studies, as shown in the table below.

Mode of Travel to Venue

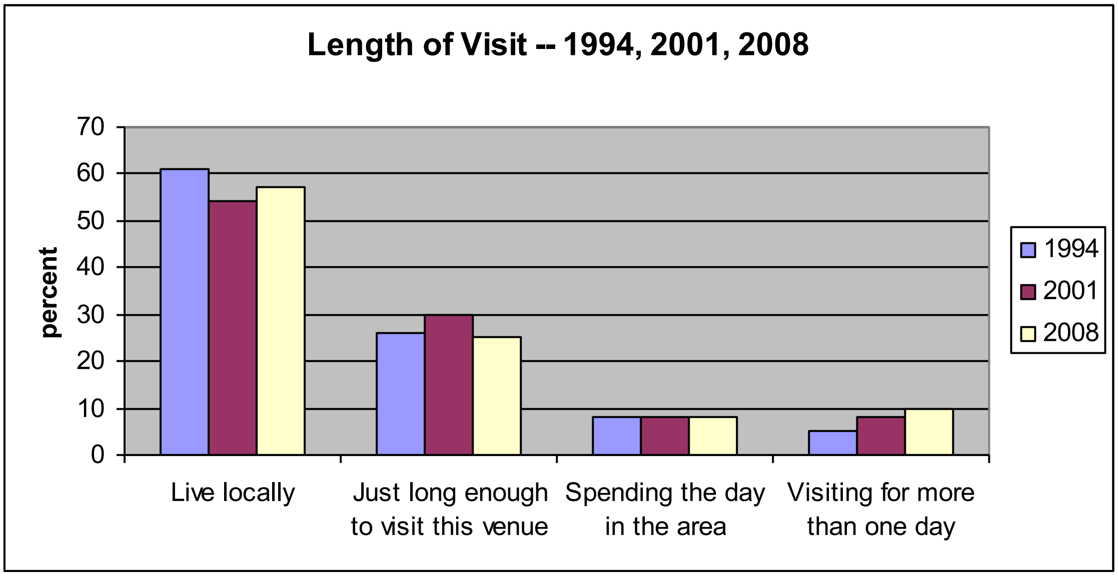
	1994	2001	2008
	%	%	%
Car	94	93	89
Bus	2	2	5
Train	1	3	2
Taxi	0	0	0
Walking	4	3	5
Other	1	0	0

The distance traveled to the venue continued to increase in 2008 over 2001, as it did in 2001 over 1994. The chart below shows mean and median distance traveled in each of the three study years.



Characteristics of the Trip

As was found in previous studies, most of the 2008 audience lives in the area of the cultural venue where they were surveyed (57%), or were visiting the area just long enough to go to the cultural venue (25%). 8% said they were spending the day in the area, and 10% said that they were visiting for more than one day. Of this last group, the average stay was 4 days.



One third of visitors in 2008 said that the cultural venue was a very or somewhat important reason for their being in the area. The remainder reported that it was not a very important reason (usually because they were area residents and so were there anyway).

While in the area, a majority (58%) plan to eat at a restaurant. A substantial minority (21%) plan to shop. Smaller numbers of visitors plan to visit a second cultural facility (9%), go sightseeing (9%), go to the movies (5%), or stay overnight in a hotel (6%). This pattern of behaviors is roughly comparable to that found in the previous studies.