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Appendix

Methodology

Private Investment in Culture Survey

Out of a population survey of 5,500, we received close to 1,000 responses, representing organisations of all artforms and from all the regions and nations of the UK, meaning there was a 17% response rate. This figure was slightly lower than last year, when we had a 23% response rate, which is indicative of the difficulty many arts organisations face in completing the survey, mainly due to the lack of time and resources.

Our respondents provided us with exact figures of the private investment received by their organisation for the financial year 2007/08, which was then extrapolated to cover all organisations in our original population base for which we had sufficient information (around 5,000 organisations).

The extrapolation method is based on a projected investment band that each organisation is placed within (there are 8 bands ranging from null to over £20 million). This in turn is based on the amount of private investment each organisation is expected to receive, which is informed by one of four methods:

1. Asking the organisations directly which band they belong in;
2. The amount of private investment they received last year;
3. Local knowledge of the organisation (we have regional offices throughout the UK, who maintain good contacts with the organisations in their regions and can therefore provide this);
4. Desk-based research.

The extrapolation process for organisations which have not responded is then completed by developing a matrix on SPSS whereby their region, artform and band are used to calculate an extrapolated figure based on the actual responses.

Private investment, from our actual responses, accounted for 78.5% of the total extrapolated figure, which included most organisations within the top 3 bands and therefore makes the extrapolation method very reliable.

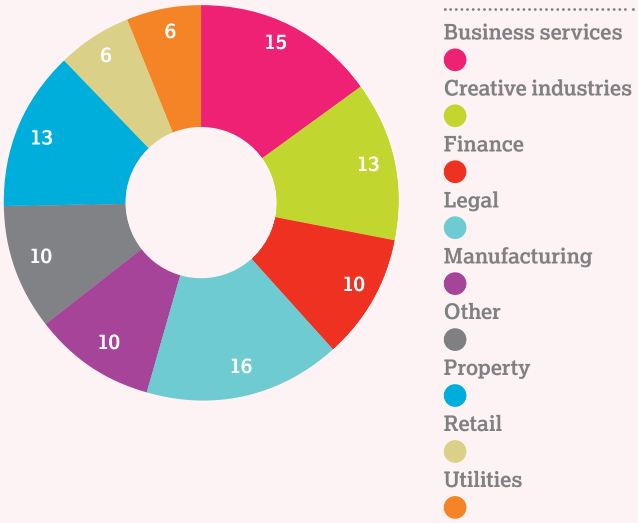
NB. There were several organisations we surveyed throughout the UK, explaining that they were either no longer in operation, had temporarily ceased trading or were completely under-resourced and therefore had no time to complete the survey. As none of these organisations had received any private investment, this does not skew our figures; however, it does seem to be a sign of difficult times ahead. Many also added that it was a particularly difficult year for securing both public funding and private investment.

Recession research

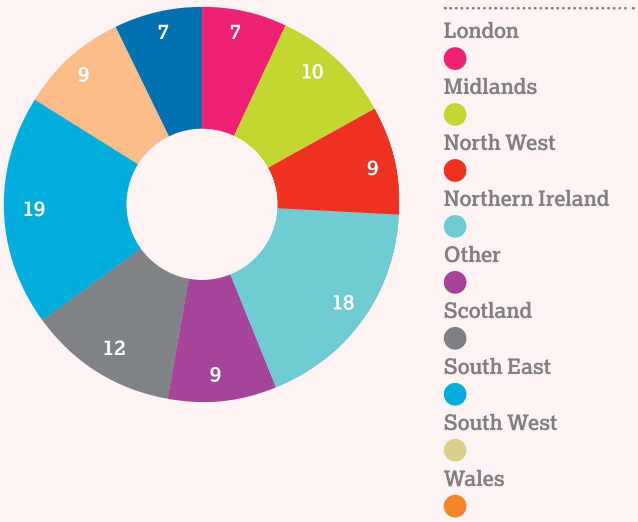
Round 1 (Aug 08): More than 1,600 businesses were surveyed, with questions about their sponsorship priorities, how they have changed in the past year and how they are likely to change in the future, in particular in regards to and as a consequence of the credit crunch. Respondents had four weeks to participate during August 2008. We had a near 10% response rate.

Round 2 (Nov 08): A slightly different survey was sent to the same number of people as the original, with three and a half weeks to respond, prioritising participation from those who responded to the first round. Of these, we got a 43% response rate, with respondents spread almost evenly across most regions and business sectors.

Business sector respondents



Regional representation



All figures are in percentages

State of the market and cultural sector

The latter chapters of the report explore and consider the context in which the cultural sector operates in, from the economic value of culture through to the nature of attendance to cultural venues and events. These chapters contextualise the findings from the primary research of the Private Investment in Culture Survey.

All of the data provided in these later chapters comes from existing sources such as the Arts Councils (England, Scotland, Wales and Northern Ireland), the Department for Culture Media and Sport (DCMS), the Regional Development Agencies and many other public and private sector organisations.

Given the methodology used it is important that readers of this report remember the following:

- The most recent data available has been used, which tends to be 2006/07, however, this is not always the case which makes comparisons across datasets sometimes difficult. The year which the data corresponds to is always quoted and comparisons have only been made across genuinely comparable datasets.

- Some sections of the analysis are covered in more detail than others, especially in relation to the value of the creative industries and participation and attitudes towards culture by nation and region. The approach of collating existing data identifies the gaps in current knowledge and research. Where evidence is relatively limited we would recommend, as a matter of priority, that research be undertaken in order to improve everyone's understanding and knowledge of the marketplace and provide a stronger case-for-investment in the nation's and/or region's cultural sector.

A note on the data

Given the huge variety of datasets complied and referenced in this report it is worth just highlighting the methodological approach of some of them:

- The *Taking Part Survey for England* has been conducted by the DCMS and non-departmental bodies (including English Heritage, Arts Council England, Museum Libraries and Archives Council and Sport England) since 2005 to explore the issue of engagement and non-engagement in cultural, leisure and sporting activities. Two year's worth of data is now available (2005/06 and 2006/07) along with the first six months of the third year's survey (2007/8). Using a combination of survey work and interviews, it is the most authoritative information on attendance and participation in England.

- Scotland has its own *Taking Part Survey for 2008* which comprised over 2,000 face-to-face in-home interviews which presented a representative geo-demographic sample of Scotland's population. There were also 'booster' interviews with under-represented groups and regional attendees in order to improve the accuracy of the research.

- *Arts and Culture in Northern Ireland* by the Arts Council for Northern Ireland uses a combination of interviews and survey data to analyse attendance in cultural sector. The data is very robust with a confidence level (margin of error) of +/- 3%.

- *Arts Council Wales 2007 Omnibus Survey (Beaufort Research)* is a regular piece of research conducted into attendance and attitudes using Computer Aided Personal Interviews (CAPI). The sample is carefully selected to reflect the demographic profile of the Welsh population.

- *Audiences London*, the audience development agency for the capital, consolidated some of their existing research especially for this report. Using their snapshot data, which is an analysis of box office data from 40 performance venues then cross-referenced and mapped on to the MOSAIC geo-demographic model to reflect the audience trends of London as a whole.

Definitions

Private investment refers to any income received from private sources including businesses, individuals and trusts and foundations. This excludes earned income and public funding.

Business investment includes:

- Cash sponsorship: the payment to an arts organisation by a business in exchange for agreed benefits such as promotion of the business name, its products or services. Sponsorship is part of a business' general promotional expenditure and as such cannot be considered as a pure donation, though it can encompass a sense of corporate social responsibility;

- In-kind sponsorship: the equivalent cash price of equipment, materials, services or advice in lieu of payment made by a business;

- Corporate membership: payment of an annual subscription by a business in exchange for a set of standard benefits such as a number of complimentary tickets, the use of hospitality facilities and discount on programme advertising;

- Corporate donation: the payment of money by a business to an organisation with no expectation of any return, commercial or otherwise – includes support from company trusts and foundations.

Individual giving includes but is not limited to:

- Legacies: a charitable bequest of money or material as stated in an individual's last will and testament;

- Friends' scheme: the payment of an annual subscription by an individual, often entitling that individual to certain benefits such as priority booking, advance information etc.

Trusts and foundations are:

- A non-corporate grant-making body established by an organisation or individual to fulfil a charitable remit.

The Private Investment in Culture Survey asked the arts organisations to classify their artform. Therefore, the definition of culture used throughout the report reflects those categories used, which were crafts, heritage, museums, theatres, drama, dance, libraries, archives, music, visual arts / gallery, film, video, literature, poetry, opera, arts centre, arts services, combined, community arts and festivals.

The definition of some of these artforms are:

- Crafts: the application of skilled hand-made practice, including calligraphy, glass, pottery, ceramics, jewellery, ironwork, wood carving, textiles, fabric arts and musical instruments;

- Heritage: the historic built environment, including conservation areas, cathedrals, and churches, archaeology, historic buildings and ancient monuments;

- Community arts: organisations whose main activity focuses on community, educational youth or learning-disabled projects etc. through a variety of artforms;

- Arts services: organisations, companies or consultancies offering arts marketing, PR, administration or other supporting activities. Also bodies that represent and/or act on behalf of a number of arts organisations or individuals artists, possibly representing a variety of art forms (e.g. umbrella bodies);

- Other combined arts: any other type of organisation engaging in a variety of artforms; includes local authorities and academic institutions.

However, the exact definition of culture is still an issue for debate in the sector. This is evidenced by the fact that each secondary information source uses a slightly different definition themselves. Work is being conducted by the DCMS, the Office of National Statistics (ONS) and partners to establish a single definition to enable comparisons to be made and a clearer picture of the sector to be established.

For the sake of clarity in this report the term **culture** (or arts) covers the artforms examined in PICS. Where a specific artform is interrogated in detail, this has been clearly labelled.

The term **creative industries** has a slightly wider definition and scope because it includes the broader supply chain contributing to the cultural sector as well as industries like design, architecture and advertising. The exact activities included tend to be:

- Arts: visual, performing and heritage;
- Cultural Industries: film, video, radio, TV, broadcasting, video games, publishing and music;
- Creative Sectors: design, architecture and advertising.

Another term which appears in the report is **recreation and culture**. Often the national statistics incorporate culture with recreation and sporting activities in order to evaluate and establish the value and turnover of this combined sector of the economy. The exact definition of recreation and culture is defined at appropriate points but broadly speaking it refers to sports, gambling, theatre, cinema, AV, computer games, photography, music, tickets etc.

Sources

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- Slough Museum
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Tina is responsible for conducting, analysing and disseminating in-house research at Arts & Business, looking at various ongoing and upcoming trends of private investment in the cultural sector. She is also in charge of coordinating evaluations of culture and commercial partnerships. Her primary interests include cultural branding and cultural activism as well as cultural consumption, cultural identity and the value of the arts to society and the economy.

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