

CHORUS AMERICA | FRIDAY, OCTOBER 18, 2024

Exploring National Insights

**ECONOMIC, OPERATING, AND FINANCIAL HEALTH
TRENDS FOR ARTS AND CULTURAL
ORGANIZATIONS**

Wenhua Di, Ph.D., Research Director
Rebecca Roscoe, Senior Research Associate

SMU
DataArts



Rebecca Roscoe *(she/hers)*
Senior Research Associate
SMU DataArts

SMU DataArts Research

Rebecca Roscoe is the senior research associate at SMU DataArts and works on compiling and analyzing data on arts organizations and their communities nationwide while developing reports on important issues in arts management and patronage for consumption by arts leaders, funders, policymakers, researchers, and the general public.

Rebecca has co-authored papers on topics such as organizational financial and programmatic health, the impact of COVID-19 on the arts and culture sector, workforce and audience demographics, and the Arts Vibrancy Index, which highlights the 40 most arts-vibrant communities in America.



Wenhua Di, Ph.D. *(she/hers)*
Research Director
SMU DataArts

Director of Research

Wenhua Di joined SMU DataArts as the research director in September 2024. Wenhua also serves as a research professor of arts management and arts entrepreneurship and a research professor of economics at SMU.

Dr. Di was a research economist at the Federal Reserve Bank of Dallas studying consumer finance, impartial access to credit, and the regional economy. She led the effort to establish the DFW Federal Statistical Research Data Center, supporting data-driven interdisciplinary research.



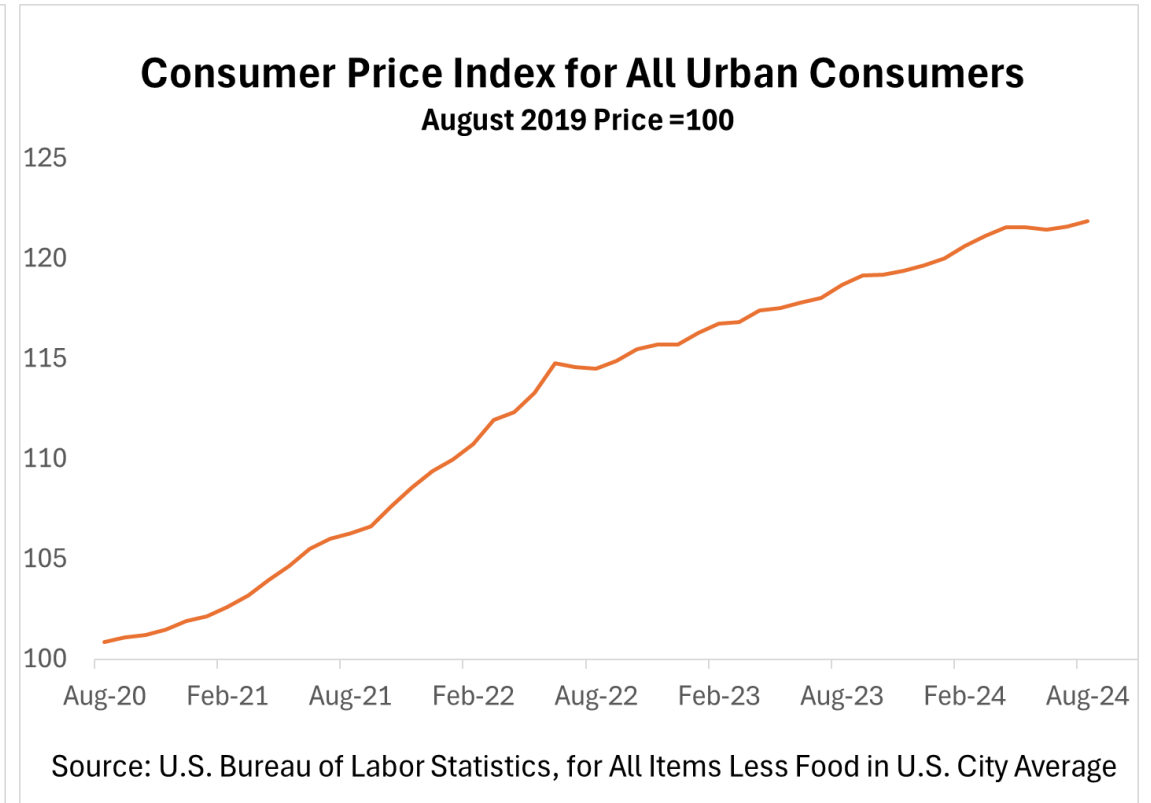
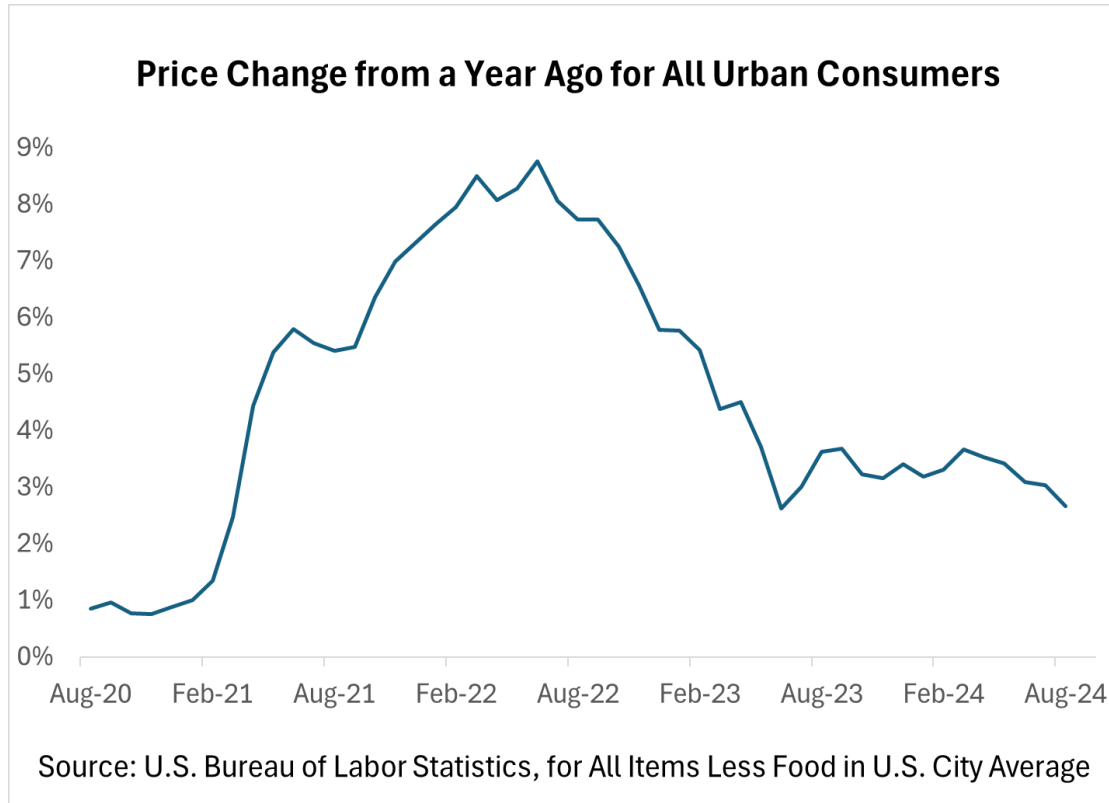
Agenda

- 1 The Economic Perspective
- 2 State of Arts & Cultural Sector
- 3 Chorus Data & Insights
- 4 SMU DataArts Research
- 5 Let's Chat!

The Economic Perspective



Inflation Occurs when Supply cannot Keep Pace of Demand



Inflation Moderates, but High Price Persists

Arts Sector Affected by Higher Prices

- **Supply-side: higher production cost**
 - Wage pressure & staff layoff
 - Program shifts
 - Adopts cost-saving technologies
- **Demand side: consumer responses**
 - Buy more
 - Buy less
 - Shift preference
- **Funding and sponsorship change**
- **Investment under uncertainty**

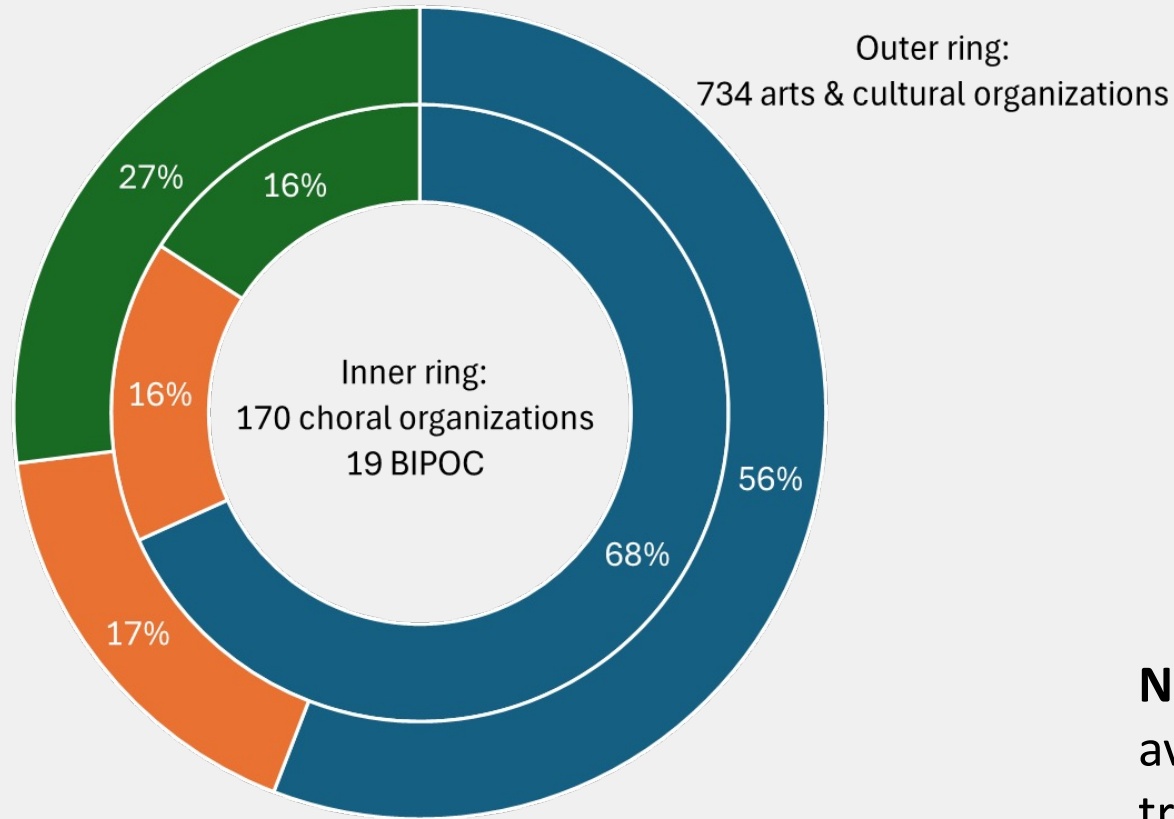


State of Arts & Culture



Two Lenses on the Data: General and Choruses

Organizations in 2019-2023 Trend Data by Budget Size



Number of Choruses filing CDP

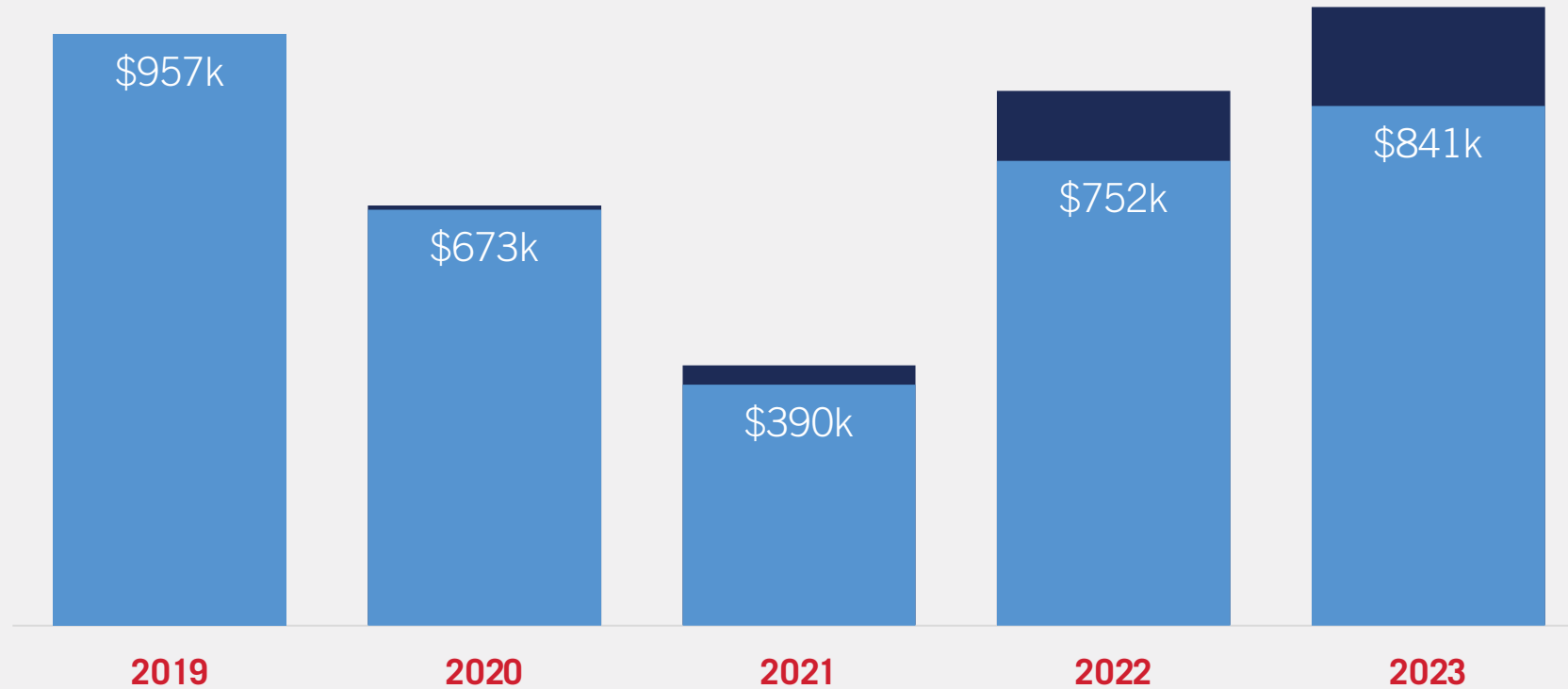
	2023	2019 - 2023
Small	173	116 (67%)
Medium	32	27 (84%)
Large	31	27 (87%)
Total	236	170 (72%)

Notes: The national analysis uses data available in April 2024, while the chorus trend analysis uses data of October 2024.

■ Small - Under \$500,000 ■ Medium - \$500,000 - \$999,999 ■ Large - \$1M +

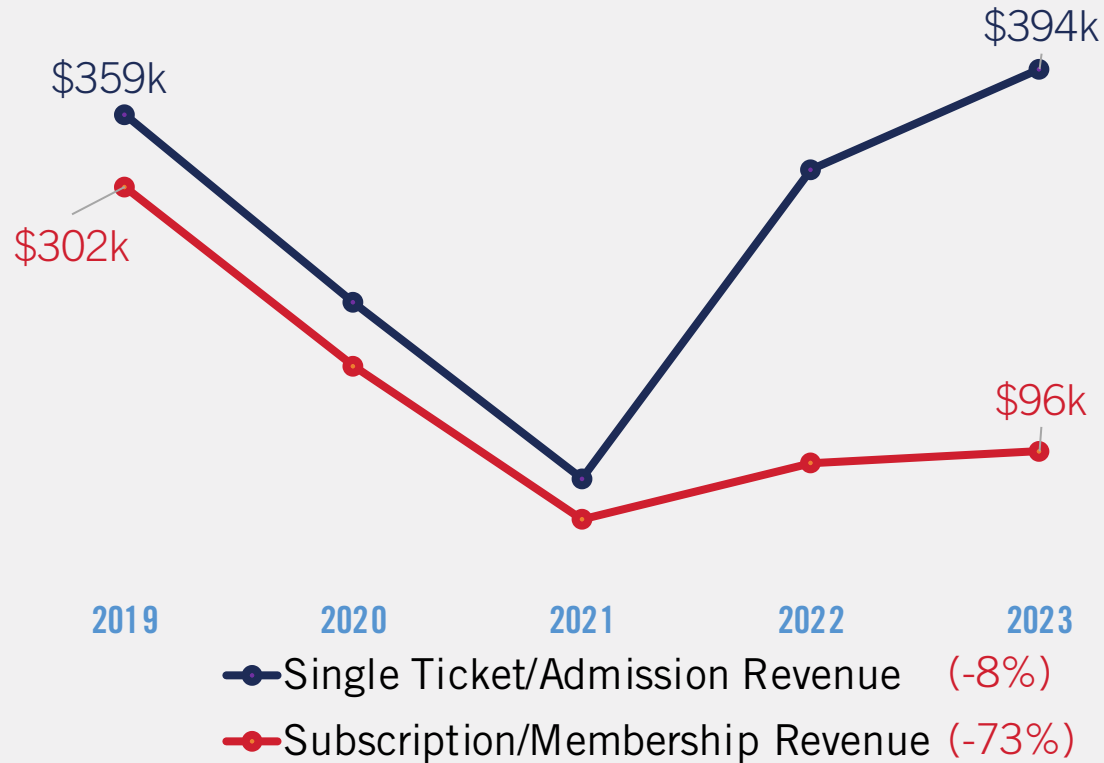
Earned Revenue has Recovered, but not Fully

Inflation adjustment shown in dark blue



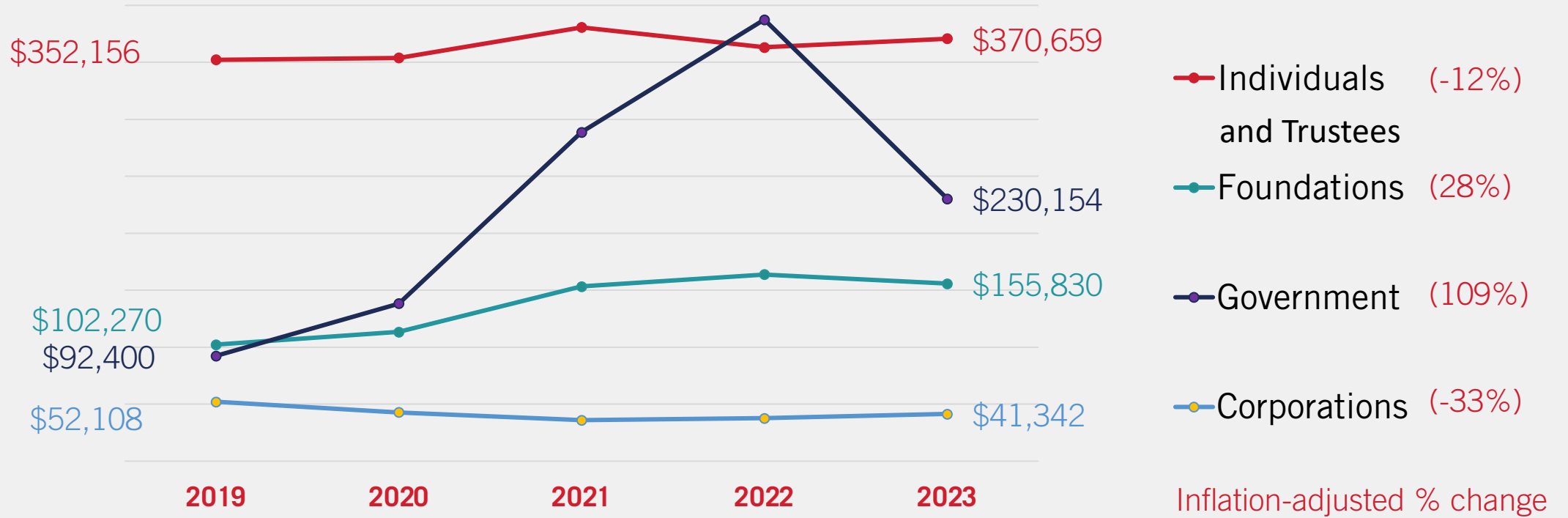
Earned revenue growth fell short of inflation

Ticket and Membership Revenue Still Lower than 2019

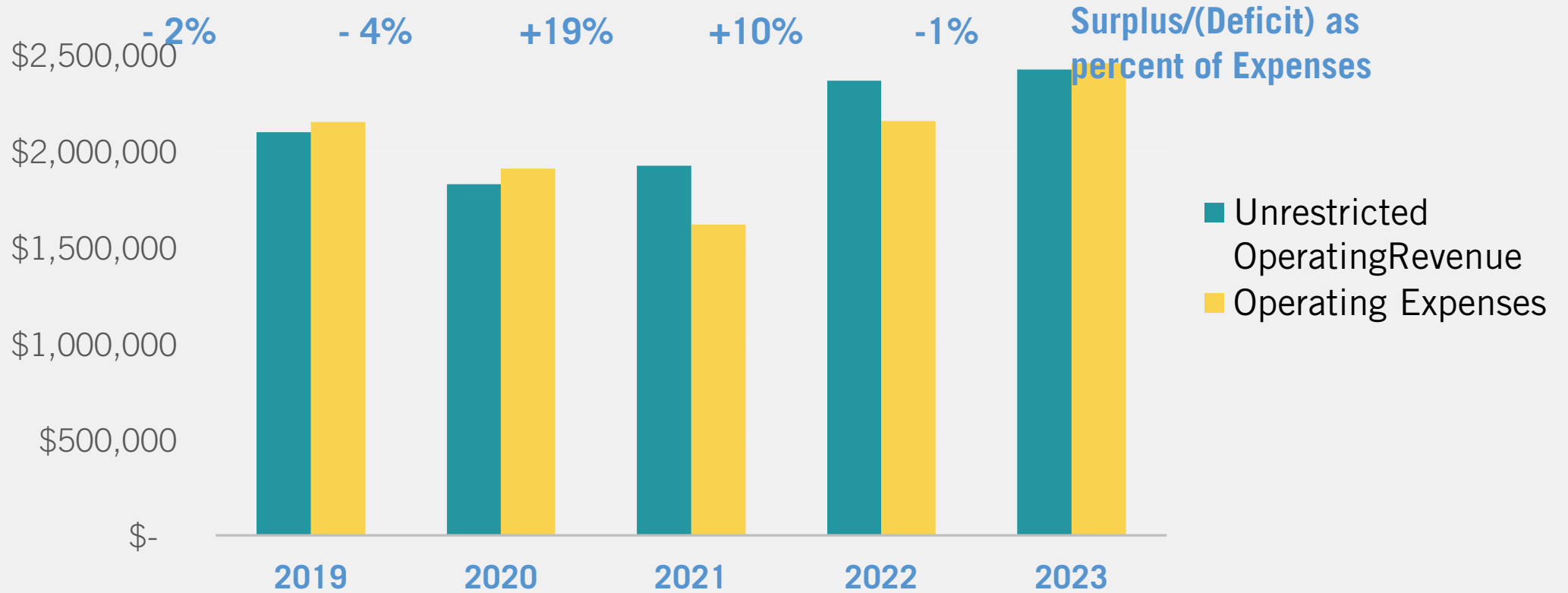


	2019	2023	Infl. Adj. % chg.
Single ticket high price	\$100	\$71	-40%
Single ticket low price	\$11	\$9	-8%
In-person attendance	42,658	33,420	-22%
# subscribers/members	9,188	6,179	-33%

Federal Government Support Exceptional

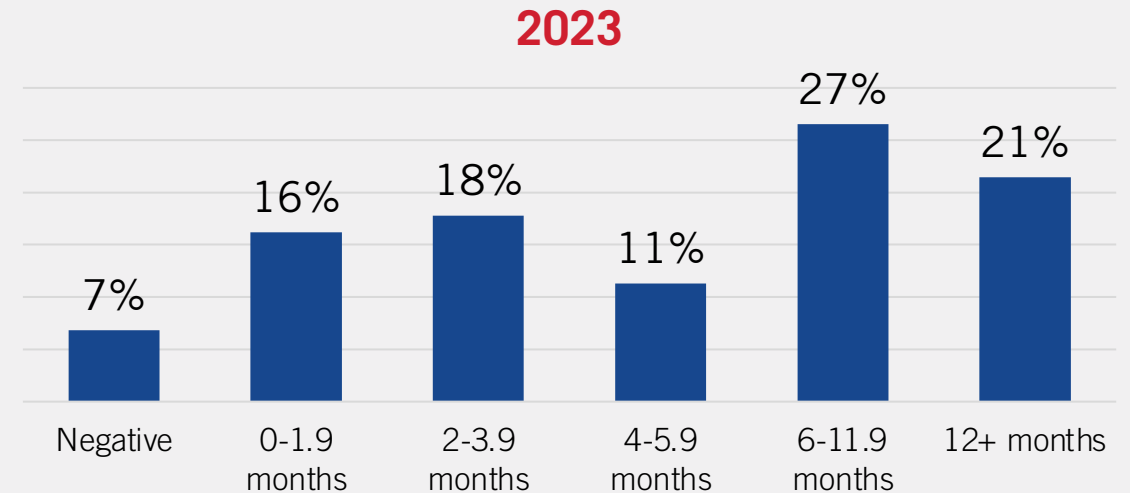
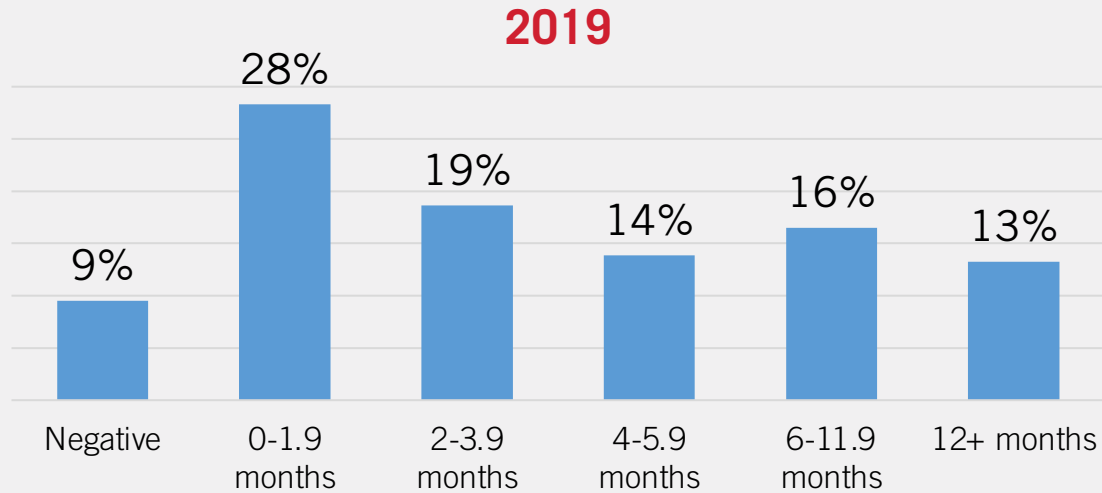


Organizations Remarkably Operated within their Means



Adjusting for inflation, operating revenue was 3% lower over time while expenses were still down 4%.

Pandemic Savings Improved Working Capital, but Unlikely Sustain



Working Capital = Unrestricted Current Assets – Current Liabilities

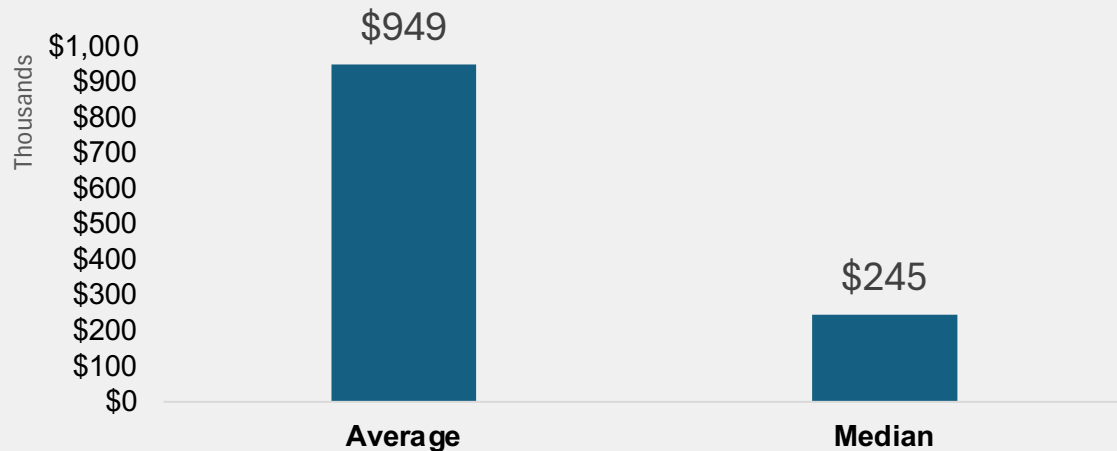
State of the Choral Sector

Chorus Dataset Attributes

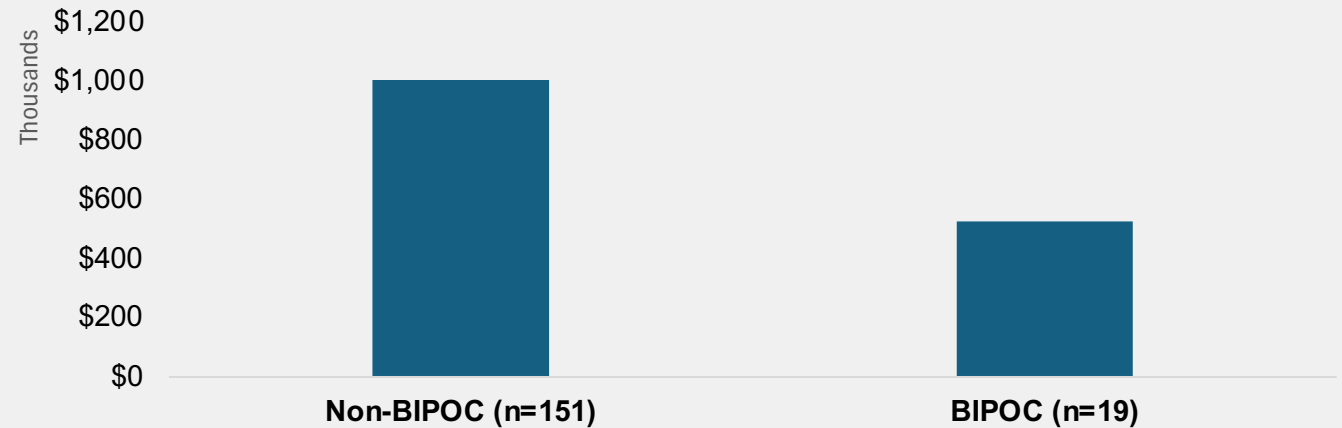
IRS NTEE Designation Codes in Choral Dataset



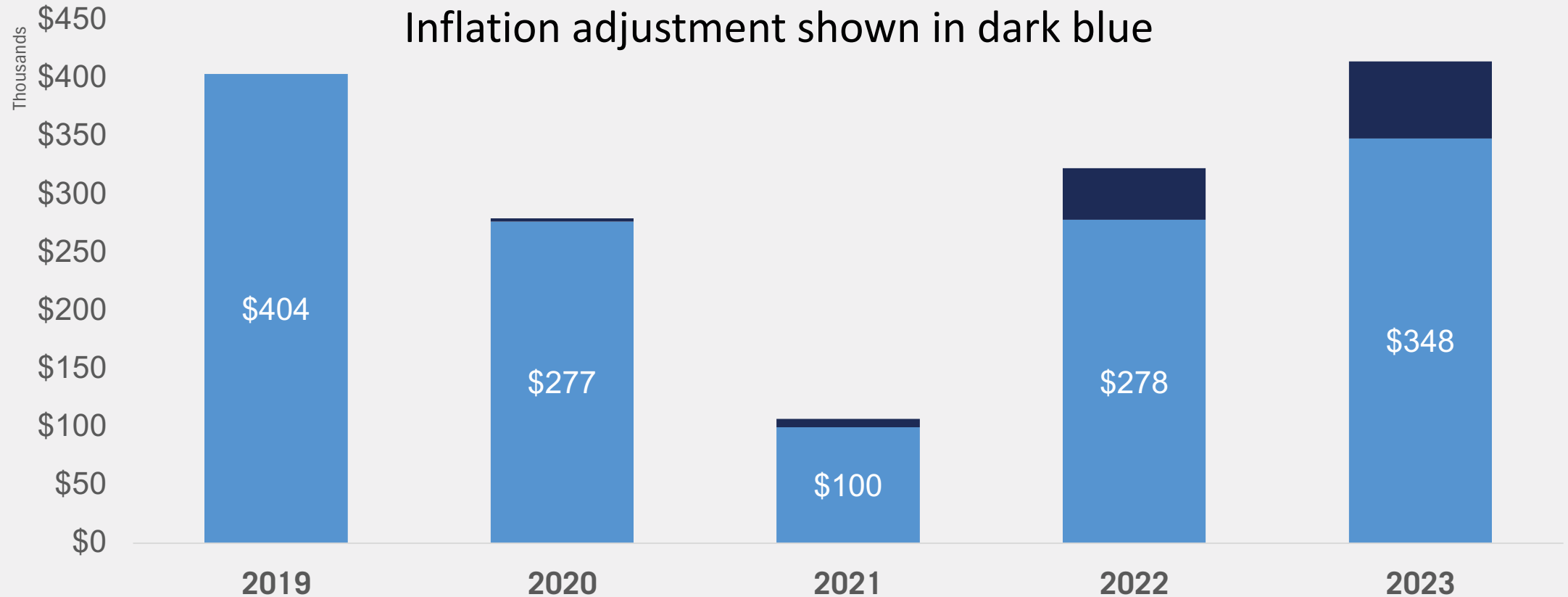
FY2023 Expenses for Choral Dataset



FY2023 Expenses for Choral Dataset: BIPOC vs. Non-Bipoc

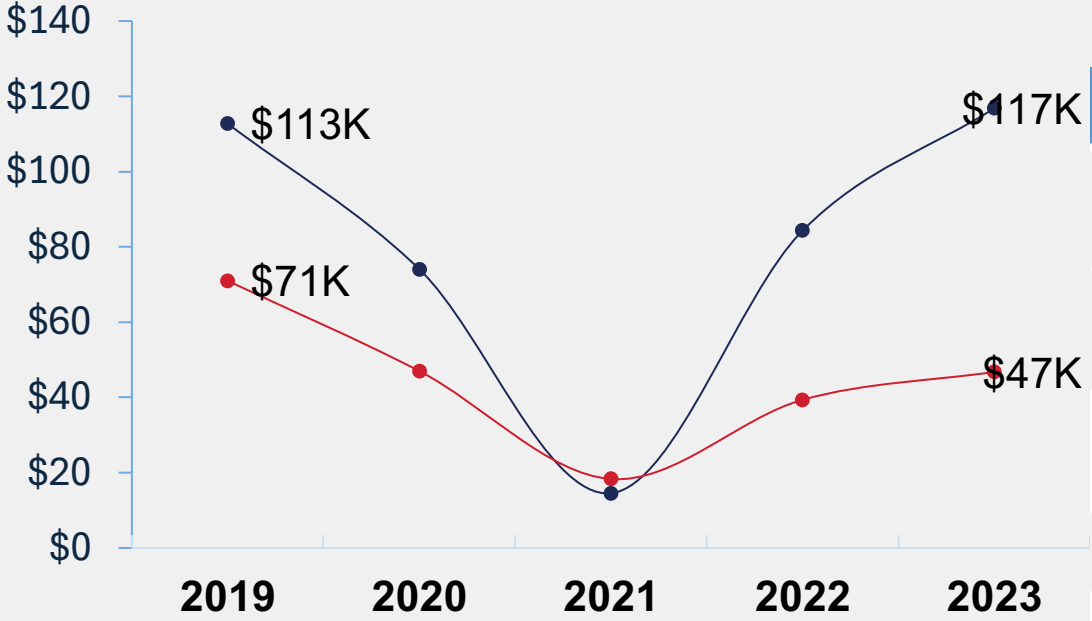


Earned income lags at a similar rate



Real Earned revenue fell by 14%, slightly faster than nationally

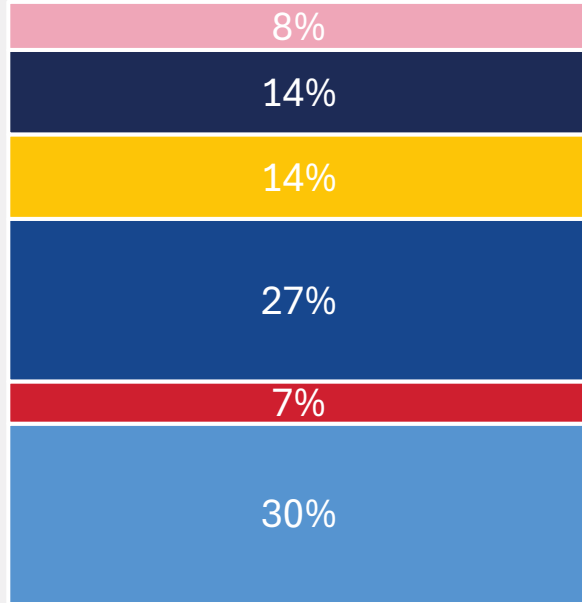
Promising growth in subscribers and members



● Single Ticket / Admission Revenue (-14%)
● Subscription / Membership Revenue (-45%)

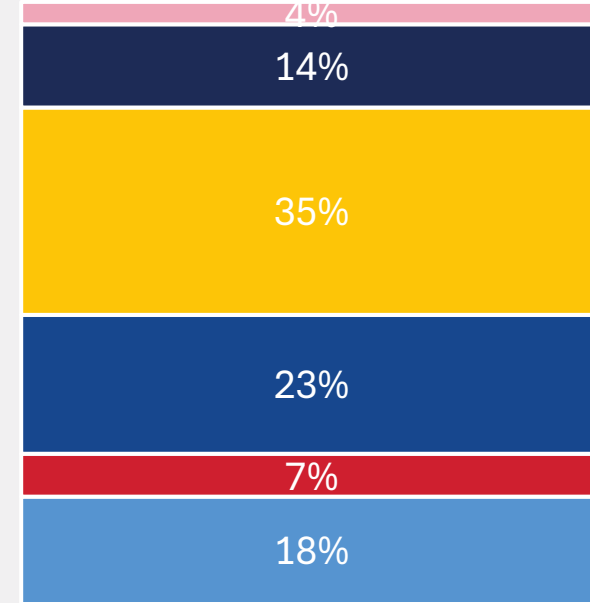
	2019	2023	Infl. Adj. % chg.	
			Chorus Orgs	All Industries
Single ticket high price	\$46	\$48	-9%	-40%
Single ticket low price	\$15	\$12	-33%	-8%
In-person attendance	10,926	7,401	-32%	-22%
# subscribers/members	265	293	+11%	-33%

Higher dependance on education revenue



National Dataset Small (n=173)

- Single Tickets/Admissions
- Education
- Rentals

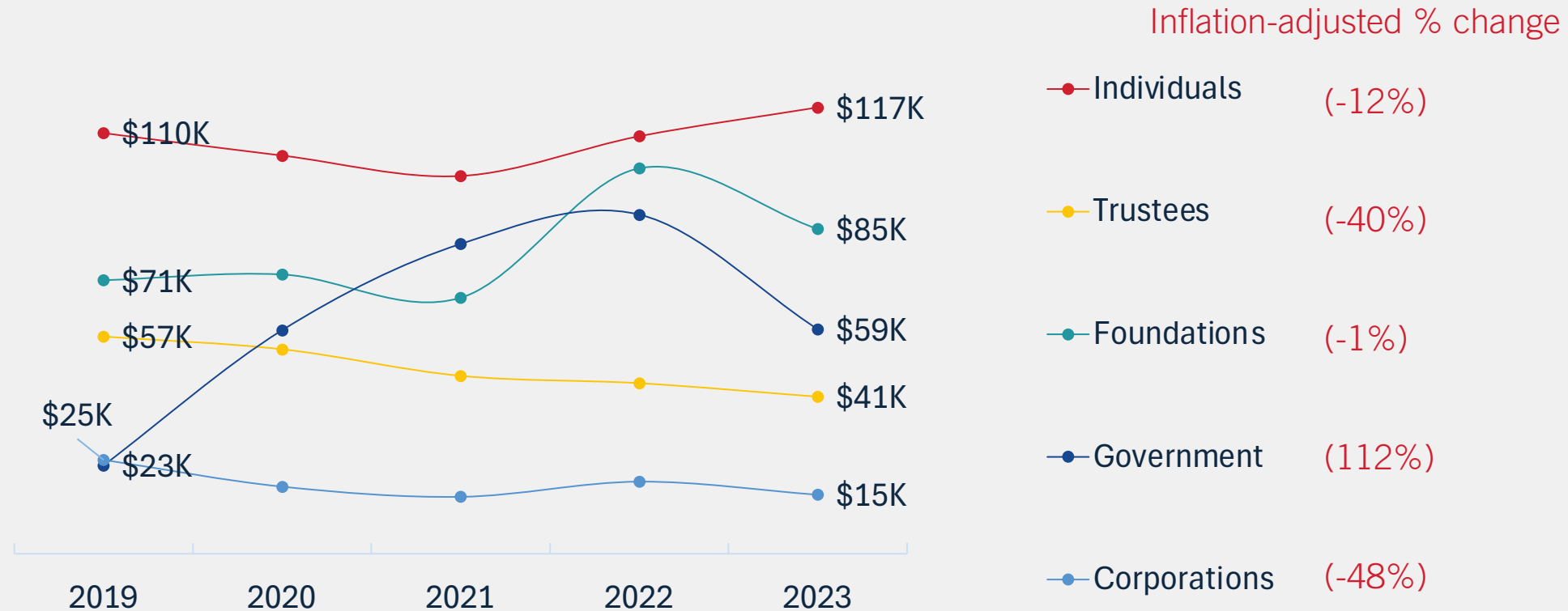


Choruses (n=170)

- Subscriptions/Memberships
- Contracts/Tours
- Attendee-Related, Non Program (e.g., Concessions, Parking)

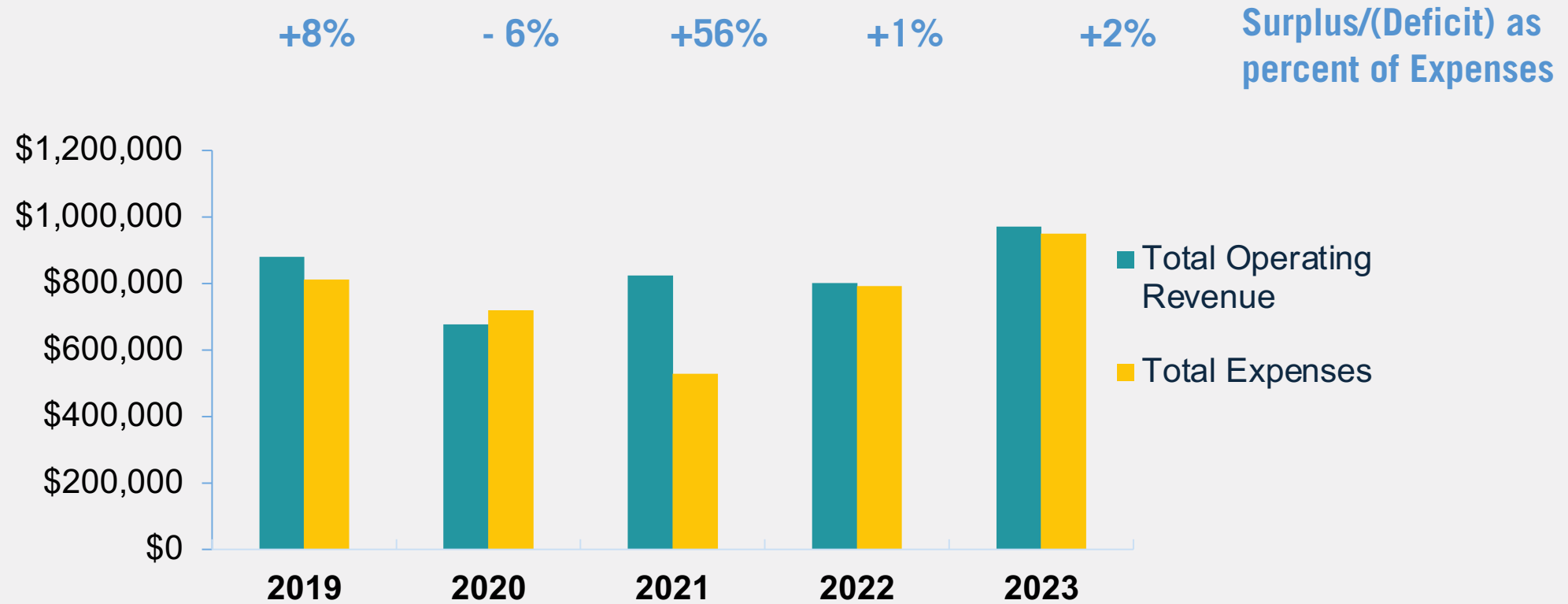
Government support less impactful

Sources of Contributed Support for Choruses



Individual giving is up 7% since 2022 but still lags inflation by 12%. Foundation support peaked in 2022 and is slightly below 2019 levels due to inflation.

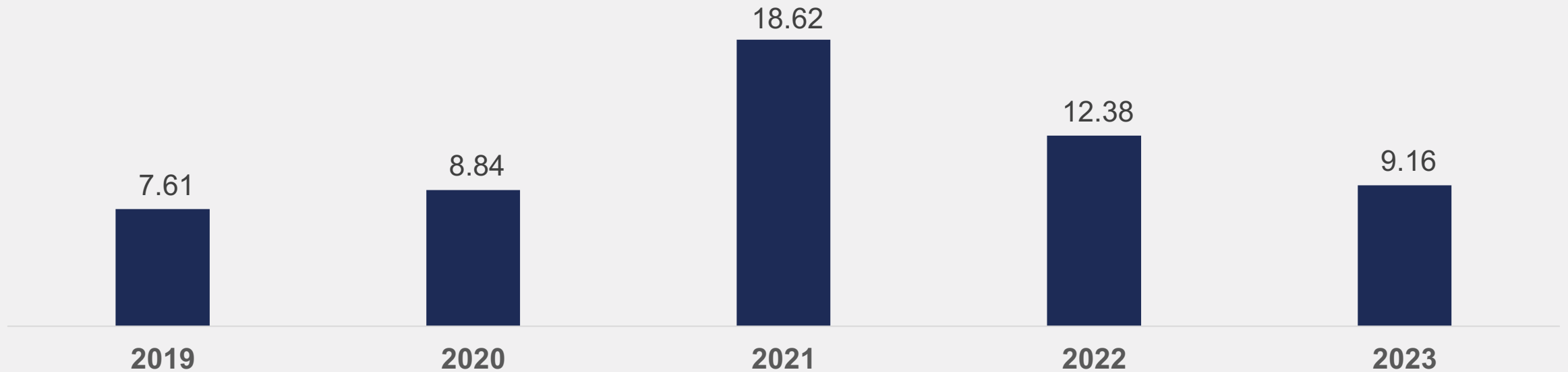
Surpluses remain, but expenses are rising faster



Adjusting for inflation, operating revenue was 8% lower over time while expenses were still down 3%.

Pandemic Savings Improved Balance Sheet

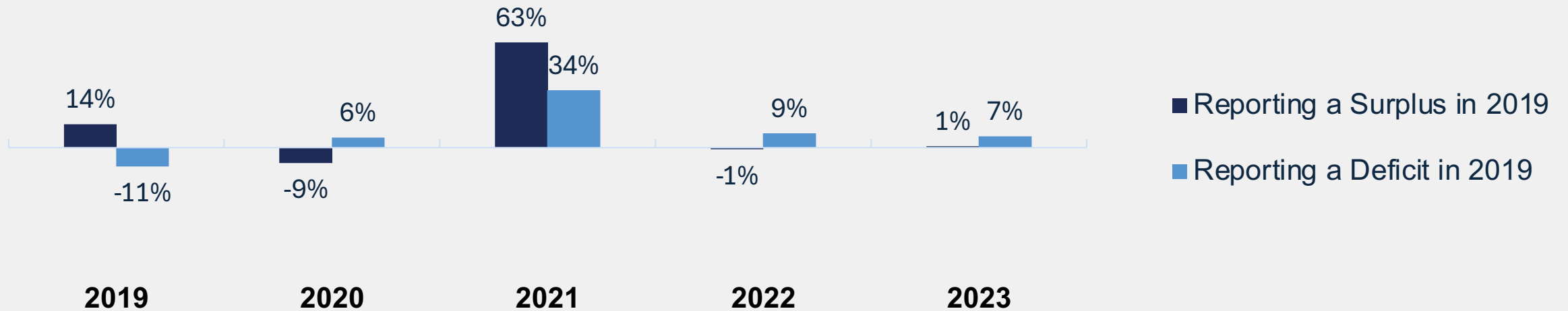
Average Months of Working Capital



Even with decreases in average working capital, half of choruses have at least 6 months liquidity in 2023 compared to one-third in 2019. In 2019, 25% of choruses had less than 2 months' liquidity. This has been reduced to 12% in 2023.

Lessons learned from 2019 deficits resulted in 2023 surpluses

Percent Choruses Reporting Surpluses, 2019-2023



Choruses who were in deficits in 2019 cut expenses in 2020 and grew revenue 21% over the 5-year period, allowing them to realize a higher surplus in 2023 than those who went into the pandemic with surplus funds.