

# **Economic Contribution of Arts & Culture to the Space Coast – 2022 Estimates**

## **Organization Operational Spending, Construction & Refurbishment Expenditures, & Audience Participation Purchases**

Estimates produced for the



**September 2022**

Analysis by

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These estimates were produced under contractual agreement with Brevard Cultural Alliance (BCA) for its October 6, 2022 Cultural Summit. The BCA is a private nonprofit 501(c)(3) agency founded in 1975 whose mission is to “promote the cultural vitality of our community while providing high-quality programs / services, marketing and promotional efforts, and advocacy to help our entire cultural community thrive.”

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# Operational Expenditure Contribution from 61 Participating Organizations

Table 1-ES. Economic Contribution from A&C Organizational Operating Expenditures				
Impact Type	Employment	Labor Income	Value Added = County GDP	Total Sales
Direct Effect	309.9	\$9,050,806	\$13,567,510	\$25,965,239
Indirect Effect	81.9	\$2,775,219	\$4,667,803	\$11,271,596
Induced Effect	52.3	\$2,164,710	\$4,211,015	\$7,410,965
<b>Total Effect</b>	<b>444.1</b>	<b>\$13,990,735</b>	<b>\$22,446,327</b>	<b>\$44,647,801</b>

Source: Brevard Cultural Alliance

## SYNOPSIS

These *Economic Contribution of Arts & Culture to the Space Coast – 2022 Estimates* analyze the impact of three distinct categories of arts & culture spending: 1) arts and cultural organization budgetary items, including employee compensation and business operating expenses in year 2021; 2) capital expenditures incurred during the year 2021; and, 3) spending by arts and cultural event attendees on associated purchases such as meals and drinks, souvenirs, lodging, transportation, and other expenses that occurred due to the attendee’s art or cultural visit.

With respect to organizational expenditures, the 2021 operating budgets of 61 participating organizations were examined, down from 64 in the 2019 study. About 74% of the 2022 organizational participants overlapped with the 2019 cohort. With respect to the Top 8 participating organizations in 2019 by size of operation budget, they constituted about 76% of the aggregate reported operating budget of \$29.8 million for the 2019 overall study cohort. In 2022, the budgets of those same Top 8 organizations in 2019 constituted 76.5% of the aggregate reported operating budget of \$25.6 million for the 2022 overall study cohort.

The total effect of arts and cultural organization operations amounted to about **\$44.6 million** in terms of **sales** or **output**. This supported, in aggregate, just over **444** full and/or part-time jobs. The total **value-added** from operations, equivalent to county gross domestic product (and income), amounts to about **\$22.4 million**. And **labor income**, which is a subset of value-added, comprised about 62.3 percent (\$14.0 of \$22.4 million) of total income generated through arts and cultural organization operating expenditures. It should be noted that all figures have been converted to year 2022 values to coincide with the release of this report. For any category, multipliers can be determined by dividing the total effect by the direct effect.

## The 2022 Study Cohort - 61 Participating Organizations

Brevard Cultural Alliance	<a href="http://artsbrevard.org">artsbrevard.org</a>
American Police Hall of Fame & Museum	<a href="http://aphf.org">aphf.org</a>
American Space Museum & Space Walk of Fame	<a href="http://spacewalkoffame.org">spacewalkoffame.org</a>
Art Consignment & Gallery	
ArtWorks of Eau Gallie Fine Arts Festival	<a href="http://artworksofeaugallie.org">artworksofeaugallie.org</a>
Brevard Achievement Center	<a href="http://bacemploy.com/art-programs">bacemploy.com/art-programs</a>
Brevard Caribbean American Sports & Cultural Association	<a href="http://bcascafl.com">bcascafl.com</a>
Brevard Nature Alliance	
Brevard Regional Arts Groups	<a href="http://henegar.org">henegar.org</a>
Brevard Renaissance Fair	<a href="http://brevardrenaissancefair.com">brevardrenaissancefair.com</a>
Brevard Symphony Orchestra	<a href="http://brevardsymphony.com">brevardsymphony.com</a>
Brevard Watercolor Society	<a href="http://brevardwatercolorsociety.org">brevardwatercolorsociety.org</a>
Brevard Zoo	<a href="http://brevardzoo.org">brevardzoo.org</a>
BUneke.org	<a href="http://BUneke.org">BUneke.org</a>
Camera Club of Brevard	<a href="http://ccbrevard.org">ccbrevard.org</a>
Carolyn Seiler & Friends Gallery	<a href="http://carolynseiler.com/#!/__friends">carolynseiler.com/#!/__friends</a>
Central Brevard Art Association	<a href="http://cbaaartists.com">cbaaartists.com</a>
Central Brevard Rock & Gem Club	<a href="http://centralbrevardgems.com">centralbrevardgems.com</a>
Central Florida Winds	<a href="http://cfwinds.com">cfwinds.com</a>
Cocoa Beach Art Show	<a href="http://cocoabeachartshow.org">cocoabeachartshow.org</a>
Cocoa Beach Main Street	<a href="http://cocoabeachmainstreet.org">cocoabeachmainstreet.org</a>
Cocoa Village Art & Craft Fairs / Historic Cocoa Village Association	<a href="http://visitcocoavillage.com/art-craft-fairs">visitcocoavillage.com/art-craft-fairs</a>
Cocoa Village Playhouse	<a href="http://cocoavillageplayhouse.com">cocoavillageplayhouse.com</a>
Community Band of Brevard	<a href="http://communitybandofbrevard.com">communitybandofbrevard.com</a>
Dance Arts Centre	<a href="http://danceac.com">danceac.com</a>
Eau Gallie Arts District Main Street	<a href="http://egadlife.com">egadlife.com</a>
Field Manor	<a href="http://fieldmanor.org">fieldmanor.org</a>
Fifth Avenue Art Gallery	<a href="http://fifthavenueartgallery.com">fifthavenueartgallery.com</a>
Florida Historical Society	<a href="http://myfloridahistory.org">myfloridahistory.org</a>
Florida Surf Museum	<a href="http://floridasurfmuseum.org">floridasurfmuseum.org</a>

## The 2022 Study Cohort continued - 61 Participating Organizations

Green Gables at Historic Riverview Village	<a href="http://greengables.org">greengables.org</a>
Harry T. & Harriette V. Moore Cultural Complex	<a href="http://harryharriette.moore.org">harryharriette.moore.org</a>
Highland Art Studio	
Indialantic Chamber Singers	<a href="http://indialanticchambersingers.org">indialanticchambersingers.org</a>
King Center for the Performing Arts	<a href="http://kingcenter.com">kingcenter.com</a>
Lawndale Historic Museum	<a href="http://friendsoflawndale.com">friendsoflawndale.com</a>
Melbourne Art Festival	<a href="http://melbournearts.org">melbournearts.org</a>
Melbourne Chamber Music Society	<a href="http://melbournechambermusicsociety.org">melbournechambermusicsociety.org</a>
Melbourne City Ballet Theatre	
Melbourne Community Orchestra	<a href="http://mcorchestra.org">mcorchestra.org</a>
Melbourne Main Street	<a href="http://downtownmelbourne.com">downtownmelbourne.com</a>
Melbourne Municipal Band	<a href="http://mmband.org">mmband.org</a>
Museum of Dinosaurs	<a href="http://dinosaurstore.com">dinosaurstore.com</a>
National Air Sea and Space Foundation	
Native Rhythms Festival	<a href="http://nativerhythmsfestival.com">nativerhythmsfestival.com</a>
North Brevard Art League	<a href="http://northbrevardartleague.com">northbrevardartleague.com</a>
Rossetter House Museum	<a href="http://rossetterhousemuseum.org">rossetterhousemuseum.org</a>
Seaside Piecemakers	<a href="http://seasidepiecemakers.com">seasidepiecemakers.com</a>
Space Coast Art Festival	<a href="http://spacecoastartfestival.com">spacecoastartfestival.com</a>
Space Coast Ballet Company	<a href="http://spacecoastballetcompany.com">spacecoastballetcompany.com</a>
Space Coast Cultural Arts & Business Organization	<a href="http://sccabo.org">sccabo.org</a>
Space Coast Jazz Society	<a href="http://spacecoastjazzsociety.org">spacecoastjazzsociety.org</a>
Space Coast Symphony Orchestra	<a href="http://spacecoastsymphony.org">spacecoastsymphony.org</a>
Strawbridge Art League	<a href="http://strawbridgeart.org">strawbridgeart.org</a>
Studios of Cocoa Beach	<a href="http://studiosofcocoabeach.org">studiosofcocoabeach.org</a>
Surfside Playhouse	<a href="http://surfsideplayers.com">surfsideplayers.com</a>
The Downtown Art Gallery	<a href="http://thedowntownartgallery.com">thedowntownartgallery.com</a>
Titusville Playhouse	<a href="http://titusvilleplayhouse.com">titusvilleplayhouse.com</a>
Valiant Air Command / TICO Airshow	<a href="http://valiantaircommand.com">valiantaircommand.com</a>
Veterans Memorial Center	<a href="http://veteransmemorialcenter.org">veteransmemorialcenter.org</a>
WFIT	<a href="http://wfit.org">wfit.org</a>

## Capital Expenditure Contribution on Construction and Refurbishment

Table 2-ES. Economic Contribution from A&C Organizational Capital Expenditures				
Impact Type	Employment	Labor Income	Value Added = County GDP	Total Sales
Direct Effect	11.6	\$600,875	\$1,074,377	\$2,400,581
Indirect Effect	3.8	\$185,923	\$333,618	\$611,502
Induced Effect	3.4	\$141,315	\$274,911	\$483,824
<b>Total Effect</b>	<b>18.8</b>	<b>\$928,112</b>	<b>\$1,682,905</b>	<b>\$3,495,907</b>

Source: Brevard Cultural Alliance

### SYNOPSIS

These *Economic Contribution of Arts & Culture to the Space Coast – 2022 Estimates* analyze the impact of three distinct categories of arts & culture spending: 1) arts and cultural organization budgetary items, including employee compensation and business operating expenses in year 2021; 2) capital expenditures incurred during the year 2021; and, 3) spending by arts and cultural event attendees on associated purchases such as meals and drinks, souvenirs, lodging, transportation, and other expenses that occurred due to the attendee’s art or cultural visit.

Typical capital expenses would include any new construction or refurbishment activity, equipment purchases, and infrastructure related projects. In 2021 about 18% of the participating organizations (11 of 61) engaged in **capital** projects totaling **\$2.35 million** in expenditures. Not surprisingly, just three of the participating cohort – Brevard Zoon, King Center, and the Henegar Center – were responsible for about 93% of all capital expenditures.

The total effect of arts and cultural organization capital expenditures amounted to about **\$3.5 million** in terms of **sales** or **output**. This supported, in aggregate, just under **19** full and/or part-time jobs. The total **value-added** from capital expenditures, equivalent to county gross domestic product (and income), amounts to about **\$1.68 million**. **Labor income** comprised about 55.1 percent (\$0.93 of \$1.68 million) of total income generated through arts and cultural capital expenditures. All figures have been converted to year 2022 values to coincide with the release of this report. For any category, multipliers can be determined by dividing the total effect by the direct effect.

# Space Coast Arts & Cultural Audience Spending Profile

## 2019 & 2022 Proxy Spending Profile for Space Coast A&C Audiences

	Local Patrons	Cultural Tourists	ALL Brevard County Event Attendees
Meals/Refreshments	\$15.65	\$18.03	\$16.11
Souvenirs and Gifts	\$2.94	\$6.77	\$3.68
Ground Transportation	\$2.60	\$6.36	\$3.32
Overnight Lodging	\$0.84	\$18.03	\$4.15
Other	\$2.49	\$4.62	\$2.90
<b>Total Per-Person Spending</b>	<b>\$24.51</b>	<b>\$53.81</b>	<b>\$30.16</b>

Source: Brevard Cultural Alliance

### SYNOPSIS

The inaugural economic report conducted for the BCA back in 2007-08 included a funding base for survey capture via audience intercept. The results aligned extremely well with audience spending figures determined by Americans for the Arts for the greater Central Florida Area (Space Coast values were about 95% of Central Florida values). Due to the prohibitive expense associated with in-field surveying, the BCA has relied on surrogate valuation from sequential Americans for the Arts Economic Impact reports to anchor their audience spending component. In years when a new report is not available, dollar values from the previously available report are indexed to the CPI.

For the 2022 report, based on activities occurring in the heart of the Covid pandemic, two factors are more profound. Rates of inflation have been affected by the supply-chain issues and fiscal stimulus associated with Covid-19, and so have travel patterns. The former aspect works towards elevating the audience spending profile utilized in 2019, while a changing mix of locals versus non-locals would likely decrease spending averages. To hedge against these uncertainties, the spending profile and concomitant geographic apportionment has been maintained from 2019, while the number of audience participants reflects the attendance figures reported by the 2022 survey cohort.

# Space Coast Arts & Cultural Audience Aggregate Spending by Category

## 2022 Space Coast A&C Audience Apportionment by Travel Category

	Local Patrons	Cultural Tourists	ALL Brevard County Event Attendees
<b>Total Event Attendance</b>	1,382,088	330,536	<b>1,712,624</b>
<b>Percent of Attendees</b>	80.7 percent	19.3 percent	100 percent
<b>Average Dollars Spent Per Attendee</b>	\$24.51	\$53.81	\$30.16

## 2022 Space Coast A&C Audience Aggregate Spending by Category

	Local Patrons	Cultural Tourists	ALL Brevard County Event Attendees
<b>Meals/Refreshments</b>	\$21,625,835	\$5,959,684	\$27,585,520
<b>Souvenirs and Gifts</b>	\$4,059,359	\$2,238,768	\$6,298,127
<b>Ground Transportation</b>	\$3,597,083	\$2,100,573	\$5,697,656
<b>Overnight Lodging</b>	\$1,155,689	\$5,959,684	\$7,115,374
<b>Other</b>	\$3,438,176	\$1,527,061	\$4,965,237
<b>Total Per-Person Spending</b>	<b>\$33,876,141</b>	<b>\$17,785,771</b>	<b>\$51,661,912</b>

Source: Brevard Cultural Alliance

### SYNOPSIS

The 1.7126 million arts and cultural attendees were apportioned into respective local (Local Patrons = 80.7%) and non-local (Cultural Tourists = 19.3%) segments. Multiplying these population groups by their average spending profile yields the aggregate expenditure amounts, by category, for inclusion in the IMPLAN model. In total, aggregate audience expenditures amounted to \$51,661,912.

## Arts & Cultural Audience Expenditure Contribution (n = 1,712,624)

<b>Table 3A-ES. Economic Contribution from A&amp;C ALL Audience Participational Expenditures</b>				
Impact Type	Employment	Labor Income	Value Added = County GDP	Total Sales
Direct Effect	898.0	\$18,532,426	\$27,547,662	\$48,241,416
Indirect Effect	83.9	\$3,537,695	\$5,715,020	\$12,706,620
Induced Effect	96.3	\$3,986,071	\$7,754,146	\$13,646,547
<b>Total Effect</b>	<b>1,078.2</b>	<b>\$26,056,192</b>	<b>\$41,016,828</b>	<b>\$74,594,583</b>

Source: Brevard Cultural Alliance

### SYNOPSIS

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Approximately 1,712,624 patrons attended arts and cultural events sponsored by the participating Space Coast organizations during 2021, and as discussed above, performances are oftentimes associated ancillary purchases. In total, the 1.7126 million attendees comprising this study expended more than \$51.66 million on purchases associated with their patronage. Due to the margining of retail sales, the “direct effect sales” in Table 3A-ES differs slightly from this figure.

The total effect of arts and cultural organization audience expenditures amounted to about **\$74.6 million** in terms of **sales** or **output**. This supported, in aggregate, just under **1,080** full and/or part-time jobs. The total **value-added** from audience expenditures, equivalent to county gross domestic product (and income), amounts to about **\$41.02 million**. **Labor income** comprised about 63.5 percent (\$26.06 of \$41.02 million) of total income generated through arts and cultural capital expenditures. All figures have been converted to year 2022 values to coincide with the release of this report. For any category, multipliers can be determined by dividing the total effect by the direct effect.



## Cultural Tourist Audience Expenditure Contribution (n = 330,536)

Table 3B-ES. Economic Contribution from A&C Cultural Tourist Participational Expenditures				
Impact Type	Employment	Labor Income	Value Added = County GDP	Total Sales
Direct Effect	290.7	\$6,112,130	\$9,652,577	\$16,532,569
Indirect Effect	28.6	\$1,219,763	\$1,950,713	\$4,226,384
Induced Effect	32.2	\$1,331,947	\$2,590,996	\$4,559,863
<b>Total Effect</b>	<b>351.5</b>	<b>\$8,663,840</b>	<b>\$14,194,287</b>	<b>\$25,318,816</b>

Source: Brevard Cultural Alliance

### SYNOPSIS

Cultural tourism is defined as visitation to the Space Coast from outside locales for the purpose(s) of arts & cultural enjoyment. Due to general interest from tourism management stakeholders, it is beneficial to utilize the aggregate expenditure data for Cultural Tourists to determine the economic impact from this specific cohort. It should be noted that this impact is contained within the results presented in Table 3A-ES and is NOT additive to that result.

The total effect of cultural tourists' expenditures amounted to about **\$25.3 million** in terms of **sales** or **output**. This supported, in aggregate, just under **352** full and/or part-time jobs. The total **value-added** from cultural tourists' expenditures, equivalent to county gross domestic product (and income), amounts to about **\$14.2 million**. **Labor income** comprised about 61.0 percent (\$8.66 of \$14.2 million) of total income generated through cultural tourists' expenditures. All figures have been converted to year 2022 values to coincide with the release of this report. For any category, multipliers can be determined by dividing the total effect by the direct effect.

About 34 percent of the output (sales) and GDP (income) impacts from audience participation spending are associated with expenditures from cultural visitors to the area. The total sales effect of Space Coast arts & cultural tourists on overnight lodging is \$6.04 million, which generates a bed tax collection of about \$302K (i.e., \$6.04 million x 0.05).

## Total Economic Contribution from all Arts & Cultural Activities

Table 4-ES. Total Economic Contribution from Arts & Cultural Activity				
Impact Type	Employment	Labor Income	Value Added = County GDP	Total Sales
Direct Effect	1219.5	\$28,184,106	\$42,189,548	\$76,607,237
Indirect Effect	169.5	\$6,498,837	\$10,716,440	\$24,589,719
Induced Effect	152.0	\$6,292,096	\$12,240,072	\$21,541,336
<b>Total Effect</b>	<b>1,541.0</b>	<b>\$40,975,039</b>	<b>\$65,146,060</b>	<b>\$122,738,291</b>

Source: Brevard Cultural Alliance

### SYNOPSIS

These *Economic Contribution of Arts & Culture to the Space Coast – 2022 Estimates* analyze the impact of three distinct categories of arts & culture spending: 1) arts and cultural organization budgetary items, including employee compensation and business operating expenses in year 2021; 2) capital expenditures incurred during the year 2021; and, 3) spending by arts and cultural event attendees on associated purchases such as meals and drinks, souvenirs, lodging, transportation, and other expenses that occurred due to the attendee’s art or cultural visit.

The total effect from all arts and cultural activities amounted to about **\$122.7 million** in terms of **sales** or **output**. This supported, in aggregate, just over **1,540** full and/or part-time jobs. The total **value-added** from all activities, equivalent to county gross domestic product (and income), amounted to about **\$65.1 million**. **Labor income** comprised about 63 percent (\$40.98 of \$65.14 million) of total income generated through all arts and cultural activities. It should be noted that all figures have been converted to year 2022 values to coincide with the release of this report. For any category, multipliers can be determined by dividing the total effect by the direct effect.

As compared to the total contribution of output (sales) from the FY 2019 report (i.e., \$130.8 million), the result from this report represents about a 6% contraction. In a period of vast uncertainty, periodic closures, and a still lingering coronavirus, the economic position of Space Coast Arts & Culture has help up remarkably well. As business and social conditions further stabilize, the pathway for further recovery

## Total Economic Output Contribution by the Top 10 Industry Sectors

<b>Table 5-ES. Total Economic Output Contribution by Sector - Top 10</b>	
<b>Top 10 Sectors by Sales</b>	<b>Total Sales</b>
509 - Full-service restaurants	\$29,316,233
501 - Museums, historical sites, zoos, and parks	\$16,659,271
447 - Other real estate	\$8,231,024
507 - Hotels and motels, including casino hotels	\$7,210,899
418 - Transit and ground passenger transportation	\$5,923,327
520 - Other personal services	\$5,179,492
496 - Performing arts companies	\$4,915,056
500 - Promoters of performing arts and sports and agents for public figures	\$4,006,616
449 - Owner-occupied dwellings	\$3,646,245
60 - Maintenance and repair construction of nonresidential structures	\$2,615,553

Source: Brevard Cultural Alliance

### SYNOPSIS

This briefing concludes with a look at the Top 10 industries impacted by arts and cultural activities in terms of economic output contribution. Conforming to expectations, the contributions from audience expenditures (i.e., sectors 509, 507, 418, 520) constitute about 54.3% of the output associated with the Top 10, while organizational operating and capital expenditures (i.e., sectors 501, 496, 500, 60) comprise about 32.1%. The remaining 13.5% are associated with secondary induced effects which occur as wages earned are then spent (sectors 447, 449) on housing. Collectively, these Top 10 sectors comprise about 71.5% of the overall contribution in output.

# Thank you for your attention and supporting the Arts!



**Michael H. Slotkin, PhD (Principal).** Dr. Slotkin earned his Ph.D. in economics from the University of North Carolina at Chapel Hill in 1995, and in addition to his academic placement, he consults with corporations, government agencies, and NGOs. To date he has co-authored over forty economic impact or technical reports, and he has recently collaborated with both NASA-KSC and Florida's Space Coast Office of Tourism. Originally from Miami, Florida, Dr. Slotkin resides in the town of Grant-Valkaria with his life-partner Karen and their three cats: Zippy, Curry, and Luna. He is a long-time and somewhat long-suffering Miami Dolphins fan, but this year's going to be different.