

# The Economic and Social Impact of Nonprofit Arts and Culture Organizations and Their Audiences in City of Rapid City, SD

Direct Economic Activity	Organizations	Audiences	Total Expenditures
<b>Total Industry Expenditures (FY2022)</b>	\$20,933,274	\$183,171,928	<b>\$204,105,202</b>

## Economic Impact of Spending by Arts and Culture Organizations and Their Audiences

Total Economic Impacts (includes direct, indirect, and induced impacts)	Organizations	Audiences	Total Impacts
Employment (Jobs)	524	2,772	<b>3,296</b>
Personal Income Paid to Residents	\$17,309,816	\$88,884,963	<b>\$106,194,779</b>
Local Tax Revenue (city and county)	\$553,057	\$4,612,737	<b>\$5,165,794</b>
State Tax Revenue	\$565,105	\$4,703,194	<b>\$5,268,299</b>
Federal Tax Revenue	\$3,267,884	\$15,685,634	<b>\$18,953,518</b>

## Event-Related Spending by Arts and Culture Audiences Totaled \$183.2 million

Attendance to Arts and Culture Events	Local <sup>1</sup> Attendees	Nonlocal <sup>1</sup> Attendees	All Attendees
Total Attendance to In-Person Events	2,477,480	748,405	<b>3,225,885</b>
Percentage of Total Attendance	76.8%	23.3%	100.0%
Average Per Person, Per Event Expenditure	\$44.82	\$96.38	\$56.80
<b>Total Event-Related Expenditures</b>	<b>\$111,040,654</b>	<b>\$72,131,274</b>	<b>\$183,171,928</b>

## Nonprofit Arts and Culture Audiences Spend an Average of \$56.80 Per Person, Per Event

Category of Event-Related Expenditure	Local <sup>1</sup> Attendees	Nonlocal <sup>1</sup> Attendees	All Attendees
Food and Drink	\$13.28	\$10.37	\$12.60
Retail Shopping	\$10.01	\$14.85	\$11.13
Overnight Lodging (one night only)	\$6.53	\$44.11	\$15.26
Local Transportation	\$1.47	\$1.78	\$1.54
Clothing and Accessories	\$4.01	\$10.67	\$5.56
Groceries and Supplies	\$5.90	\$9.67	\$6.78
Childcare	\$1.60	\$1.11	\$1.49
Other/Miscellaneous	\$2.02	\$3.82	\$2.44
<b>Overall Average Per Person, Per Event</b>	<b>\$44.82</b>	<b>\$96.38</b>	<b>\$56.80</b>

Source: Arts & Economic Prosperity 6: The Economic and Social Impact Study of Nonprofit Arts and Culture Organizations and Their Audiences in the City of Rapid City. For more information about this study or about other cultural initiatives in the City of Rapid City, contact the Rapid City Arts Council.

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Past studies have focused primarily on the financial, economic, and tourism contributions of the nonprofit arts and culture industry. AEP6 expands beyond those topics to include measures of social impact. Surveys completed by individual attendees in the the City of Rapid City demonstrate an appreciation for how the arts and culture impacts the development and well-being of the community and its residents.

### Audiences Demonstrate Appreciation for the Impact of Arts and Culture

Level of Agreement with Social Impact Statements	Audiences
“This venue or facility is an important pillar for me within my community.”	86.3%
“I would feel a great sense of loss if this activity or venue were no longer available.”	88.8%
“This activity or venue is inspiring a sense of pride in this neighborhood or community.”	88.3%
“My attendance is my way of ensuring that this activity or venue is preserved for future generations”	83.1%

#### About This Study

Americans for the Arts conducted AEP6 to document the economic and social benefits of the nation’s nonprofit arts and culture industry. The study was conducted in 373 diverse communities and regions across the country, representing all 50 states and Puerto Rico. **The Rapid City Arts Council joined the study on behalf of the City of Rapid City.** For additional information including the national report, summaries for the 373 communities, an online calculator, and a description of the project methodology, visit [www.AEP6.AmericansForTheArts.org](http://www.AEP6.AmericansForTheArts.org).

#### Surveys of Nonprofit Arts and Culture Organizations

Nationally, detailed information was collected from 16,399 nonprofit arts and culture organizations about their FY2022 expenditures (e.g., labor, local and non-local artists, operations, materials, facilities, and asset acquisition), as well as their event attendance, in-kind contributions, and volunteerism. Surveys were collected from February through July 2023. Some organizations only provided total expenditures and attendance (they are included in the study). Responding organizations had budgets ranging from a low of \$0 to a high of \$375 million. Response rates for the 373 communities averaged 43.9% and ranged from 5% to 100%. **In the City of Rapid City, 24 of the 44 total eligible nonprofit arts and culture organizations identified by the Rapid City Arts Council provided the financial and attendance information required for the study analysis—an overall participation rate of 54.5%.** It is important to note that each study region’s results are based solely on the survey data collected. No estimates have been made to account for non-respondents. Therefore, the less-than-100 percent response rates suggest an understatement of the economic impact findings.

#### Surveys of Nonprofit Arts and Culture Audiences

Audience-intercept surveying, a common and accepted research method, was conducted to measure event-related spending by audiences. Attendees were asked to complete a short survey while attending an event. Nationally, a total of 224,677 attendees completed the survey. The randomly selected respondents provided itemized expenditure data on attendance-related activities such as meals, souvenirs, transportation, and lodging, as well as socioeconomic information, ZIP code of primary residence, and four social impact questions. Data was collected from May 2022 through June 2023 at a broad range of both paid and free events. **In the City of Rapid City, a total of 800 valid audience-intercept surveys were collected from attendees to nonprofit arts and culture performances, events, exhibits, and special events during the period from May 2022 through June 2023.**

#### Studying Economic Impact Using Input-Output Analysis

Americans for the Arts uses the IMPLAN platform to create the customized models for each of the 373 study regions. Input-output models calculate the interdependencies between various sectors or industries within a region. This analysis traces how many times a dollar is spent within the local economy before it leaks out, and it quantifies the economic impact of each round of spending. This form of economic analysis is well suited for AEP studies because it can be customized specifically to each participating community, region, or state. **To complete this analysis for the City of Rapid City, the researchers used the IMPLAN platform to build a customized input-output model based on the unique economic and industrial characteristics of Pennington County.**

#### Research Notes:

<sup>1</sup> For the purpose of this study, local attendees live within Pennington County; nonlocals live elsewhere.

