



Research Division  
Note #69  
September 1998

## **The Arts in the GDP: Consumers Spent More Than \$10 Billion on Admission Receipts for Performing Arts Events in 1997**

According to the Bureau of Economic Analysis (BEA), a division of the U.S. Department of Commerce, American consumers spent more than \$10 billion dollars on admissions to performing arts events in 1997. Moreover, 1997 spending on performing arts events was roughly 1.6 times larger than spending on either admissions to motion pictures or spectator sports events. The Research Division of the National Endowment for the Arts has been reporting the annual statistics on these expenditures and their significance to the arts community since 1982<sup>1</sup>. This Note summarizes recently issued figures concerning consumer spending on the arts and entertainment.

### Growth in Admission Receipts for Performing Arts Events, Motion Pictures, and Spectator Sports

Table 1 shows BEA historical estimates of admission receipts for performing arts<sup>2</sup>, motion pictures, and spectator sports from 1992 through 1997. Using figures measured in 1992 dollars<sup>3</sup>, American consumers increased their spending on performing arts events by almost \$2 billion, a gain of 26 percent, over this six-year period. This compares to more modest gains of roughly 8 percent in motion picture expenditures and 9 percent in spectator sports admissions between 1992 and 1997.

Chart 1 graphically shows growth patterns in these three components of recreation expenditures measured by the BEA. However, the analysis here is extended to a larger 1982 through 1997 time period. Over this longer time span, real spending on performing arts more than doubled from \$3.8 billion in 1982 to \$8.6 billion in 1997 – a gain of nearly \$5(4.798) billion. Alternatively, motion picture expenditures dropped by almost 2(1.9) percent (\$5.5 billion – 1982 to \$5.4 billion – 1997); and a comparatively low gain of 9(9.4) percent was recorded for spectator sports admission.

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<sup>1</sup> For list of earlier Notes on this subject, visit the National Endowment for the Arts Web site at [arts.endow.gov](http://arts.endow.gov).

<sup>2</sup> Admissions to performing arts events include not only non-profit organizations, such as symphony orchestras or ballet companies, but also activities in the for-profit sector, such as Broadway theater and rock music concerts. Further, admission receipts is a broad category which includes not only the price of a ticket, but also can include such receipts as concessions.

<sup>3</sup> Beginning in December 1995, the Commerce Department changed its method of deflating current dollar estimates of National Income and Product Accounts from a fixed weight calculation to one of changed weights. Additionally, the base year was updated from 1987 to 1992. For a detailed discussion of this methodology, see the July 1995 issue of the *Survey of Current Business*.

The recreation spending trends shown in Table 1 and Chart 1 are similar to the findings from the Endowment-sponsored Survey of Public Participation in the Arts (SPPA). For example, higher attendance levels were reported in the SPPA in 1997 compared to in 1992 for each type of performing arts activity surveyed (see Table 2). However, there are major differences in 1997 SPPA and 1992 SPPA, because 1997 was a separate, stand-alone random digit dial survey, while 1992 was a supplement to an existing Census survey. As a result, it is not possible to determine how much of the difference is a result of this change in the way the survey was conducted in actual increases in participation.

Along with these favorable trends in arts participation, BEA data indicate that constant growth has occurred in expenditures on performing arts since 1989 (see Chart 1). By contrast, admission receipts for motion picture and spectator sports have showed little change in the same period. In 1997, for example, spending on performing arts tickets increased nearly 8% from 1996, while both motion pictures and spectator sports receipts decreased.

### Recreation Expenditures as a Percentage of Real GDP

The data reported in Table 1 represent just a part of the recreation expenditures reported by the BEA. Table 3 shows a more comprehensive picture of recreation spending by reporting GDP, consumption expenditures as a percent of GDP, and total recreation expenditures as a share of GDP for the 1992-1997 period. The “total recreation” class of spending includes the admissions spending discussed throughout this Note (i.e., performing arts, motion pictures, and spectator sports) plus spending on many recreation activities such as video and audio equipment, books and maps, gardening activities, toys and sport supplies, and memberships to clubs and fraternal organizations. In addition, Table 3 shows breakdowns of selected recreation spending categories both as ratios of GDP and total recreation spending. All the figures shown in Table 3 are measured in 1992 dollars.

A brief analysis of Table 3 indicates that performing arts admissions have been consistent over the past six years, with 0.12 percent of GDP (except 1992). Admissions to movies and spectator sports have hovered around 0.07 to 0.08 percent of GDP over this time period. Expressed as percentages of total real recreation spending, however, arts admissions have decreased over this time period from 2.19 percent to 1.86 percent, with the peak of 2.27 percent occurring in 1993. Similarly, motion picture and spectator sports admissions spending have decreased from 1.52 percent to 1.17 percent and 1.48 percent to 1.12 percent over the same time period.

While most of the selected categories of recreation spending percentages shown in Table 3 have changed very little over time, this is not true of the spending category labeled “video and audio products, computing equipment, and musical instruments.” This category shows steady gains in recreation spending over the six-year period. For example, in 1997, expenditures on video and computing equipment, etc. were 30.40 percent of all recreation spending--up from 19.68 percent in 1992.

## Per Capita Expenditures on Performing Arts, Motion Pictures, and Spectator Sports Admissions

Table 4 combines information on expenditures on recreational activities with population estimates, providing an indication of per capita spending on these activities. As with Table 1, the data are presented in current and “constant” or 1992 dollar values. Among the findings are 1997 per capita spending on performing arts of about \$39 (current dollars). This compares to \$24 per person on motion picture admissions and \$23 for spectator sports. Hence, when standardized with per capita measurements, spending on the performing arts remains 1.6 times larger than movies or spectator sports expenditures.

In constant dollar terms, per capita expenditures in performing arts grew from \$26.65 in 1992 to \$32.07 in 1997. Per capita motion pictures admissions were fairly flat over this period--\$19.57 in 1992 to \$20.23 in 1997. Admissions to spectator sports were also little increased from \$18.71 to \$19.38 over this six-year period. The per capita data in Table 4 reveal a story similar to the data in Table 1. Specifically, on a per capita base, spending on performing arts admissions in constant dollars rose in 1997, compared to 1996. Spending on motion pictures remained somewhat constant in 1997, compared to 1996, while spectator sports decreased to \$19.38 in 1997 from \$20.70 in 1996.

Final Notes: *The Survey of Current Business*, published by the Bureau of Economic Analysis, is used as the source publication of data regarding GDP, personal consumption expenditures, and recreational expenditures described in this Note. Retrospective revisions to these data are common and should be anticipated. The population estimates used in the per capita expenditures described in this Note were produced by the U.S. Census Bureau and are published on the Census Bureau’s Internet site at [www.census.gov](http://www.census.gov).

## Research Division Notes of Related Interest

### Notes:

- Note # 1      The Arts in the GNP (October 8, 1982)
- Note # 6      The Arts in the GNP Revisited (October 20, 1983)
- Note # 13     The Arts in the GNP III (November 6, 1985)
- Note # 20     The Arts in the GNP: A New Beginning (February 2, 1987)
- Note # 28     The Arts in the GNP: Consumer Expenditures for Nonprofit Performing Arts Events Exceed Spectator Sports for Two Years (January 14, 1988)
- Note # 30     The Arts in the GNP Revisited and Revised: For the Third Year Consumer Expenditures for Performing Arts Events Exceed Spectator Sports (November 30, 1988)
- Note # 32     The arts in the GNP Revisited: Consumer Admission Expenditures For Performing Arts Events Now Exceed Both Spectator Sports and Motion Pictures (December 22, 1989)
- Note # 34     The Arts in the GNP Revisited: Consumer Admission Expenditures for Performing Arts Events Increase Slightly But Are Unchanged When Adjusted for Inflation (November 2, 1990)
- Note # 36     The Arts in the GDP: Recent Benchmark Produces Major Revisions in the Consumer Admissions Series (March 31, 1992)
- Note # 38     The Arts in the GDP: Admission Receipts for Performing Arts Events in 1991 Experience First Decline in Five Years (May 31, 1993)
- Note # 53     The Arts in the GDP: Admission Receipts for Performing Arts Events in 1992 Experience Continued increase Since 1988 (February 28, 1994)
- Note # 56     The Arts in the GDP: Admission Receipts for Performing Arts Events Continue to Grow at a Steady Rate (June, 1995)
- Note # 59     The Arts in the GDP: Consumers Spent More Than \$9 Billion on Admission Receipts for Performing Arts Events in 1996 (February, 1997)

Further information on these Research Notes can be found on the National Endowment for the Arts World Wide Web site: <http://arts.endow.gov/pub/ResearchNotes.html>

**Table 1. Admission Receipts for Performing Arts Events, Motion Pictures and Spectator Sports: 1992-1997**

	1997* \$ Millions		1996 \$ Millions		1995 \$ Millions		1994 \$ Millions		1993 \$ Millions		1992 \$ Millions	
	Current	Constant	Current	Constant	Current	Constant	Current	Constant	Current	Constant	Current	Constant
<b>Admission Receipts to Specified Entertainments (change from previous year)</b>	<b>23,192</b> <b>5.1%</b>	<b>19,185</b> <b>1.6%</b>	22,060 9.1%	18,891 3.5%	20,218 6.6%	18,246 2.4%	18,973 4.8%	17,821 0.1%	18,108 9.4%	17,803 7.5%	16,559 5.1%	16,559 1.8%
<b>Performing Arts</b>	<b>10,380</b> <b>11.4%</b>	<b>8,583</b> <b>7.6%</b>	9,317 7.0%	7,980 1.5%	8,711 6.6%	7,864 2.4%	8,175 4.9%	7,680 0.2%	7,795 14.7%	7,665 12.8%	6,796 13.5%	6,796 10.0%
<b>Motion Pictures</b>	<b>6,540</b> <b>3.4%</b>	<b>5,414</b> <b>-0.1%</b>	6,327 6.0%	5,419 0.6%	5,970 6.8%	5,385 2.6%	5,592 7.1%	5,248 2.3%	5,220 4.6%	5,131 2.8%	4,991 -5.4%	4,991 -8.5%
<b>Spectator Sports</b>	<b>6,272</b> <b>-2.2%</b>	<b>5,188</b> <b>-5.5%</b>	6,416 15.9%	5,492 9.9%	5,537 6.4%	4,997 2.1%	5,206 2.2%	4,893 -2.3%	5,093 6.7%	5,007 4.9%	4,772 6.4%	4,772 3.0%

Source: U.S. Department of Commerce, Bureau of Economics Analysis

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Note 1: "Constant" refers to expenditures measured in 1992 dollars. A "chained weight" method was used to adjust for inflation. For a detailed discussion of this methodology, see the July 1995 issue of the *Survey of Current Business*.

Note 2: Along with the release of the most recent year's estimates of admission receipts, the Bureau of Economic Analysis revises the estimates for up to 4 prior years. As a result, the estimates of admissions from 1993 to 1996 shown in the table above have been revised and differ from those shown in Research Division Note #59.

**Table 2. Attendance at Performing Arts Events: 1992 and 1997**

Performing Arts Events	1997*			1992**
	Attendance Rate (Percent of Adult Population Attending)	Number of Adults Attending (at least once in the last 12 months)^ (Millions)	Total Number of Attendances^^ (Millions)	Total Number of Attendances (Millions)
Opera	4.7%	9.2	16.5	10.4
Ballet	5.8%	11.3	19.2	14.8
Other Dance	12.4%	24.3	62.7	39.6
Plays	15.8%	30.9	76.9	60.2
Jazz	11.9%	23.3	71.8	57.1
Classical Music	15.6%	30.5	88.0	60.3
Musical Plays	24.5%	47.9	104.9	74.5

\* Source: 1997 Survey of Public Participation in the Arts (National sample of 12,349 adults, conducted as an independent, stand-alone survey)

\*\* Source: 1992 Survey of Public Participation in the Arts (National sample of 12,736 adults, conducted as a supplement to Census Bureau Survey)

^ The number of adults attending at least once in the last 12 months was computed by multiplying the attendance rate by 195.6 million -- the U.S. resident non-institutionalized population, 18 years of age and over in 1997. (from the U.S. Bureau of the Census, Current Population Survey, March 1997)

^^ The total number of attendances was computed by multiplying the total number of attenders by the average number of times attended.

Note: This table shows substantial increases in the number of adults attending performing arts events between 1992 and 1997. However, because of the significant difference in the sample design and survey procedure used in the two surveys, only limited comparisons can be made between the two surveys. The 26.3% increase in performing arts admission receipts measured in constant dollars between 1992 and 1997 (shown in table 1), suggests that some increase in arts participation did occur between 1992 and 1997.

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**Table 3. Total Personal Consumption and Recreation Expenditures As a Percentage of Real GDP: 1992-1997**

	1997		1996		1995		1994		1993		1992	
	<b>GDP(billions of 1992 dollars)</b>	\$7,188.8		\$6,928.4		\$6,742.1		\$6,610.7		\$6,389.6		\$6,244.4
<b>Real Consumption As a % of Real GDP</b>	67.71%		68.04%		68.16%		67.86%		67.98%		67.58%	
<b>Real Recreation Expenditures As a % of Real GDP</b>	6.42%		6.12%		5.87%		5.52%		5.29%		4.98%	
<b>Selected Recreation Expenditure As a % of Real GDP And of all Real Recreation Expenditure</b>	<u>GDP</u>	<u>Recr.</u>	<u>GDP</u>	<u>Recr.</u>	<u>GDP</u>	<u>Recr.</u>	<u>GDP</u>	<u>Recr.</u>	<u>GDP</u>	<u>Recr.</u>	<u>GDP</u>	<u>Recr.</u>
<b>Video and Audio Products, Computing Equipment and Musical Instruments</b>	1.95%	30.40%	1.72%	28.16%	1.51%	25.73%	1.32%	23.92%	1.14%	21.47%	0.98%	19.68%
<b>Books and Maps</b>	0.30%	4.59%	0.30%	4.89%	0.31%	5.20%	0.30%	5.37%	0.29%	5.47%	0.28%	5.69%
<b>Admissions to Performing Arts Events</b>	0.12%	1.86%	0.12%	1.88%	0.12%	1.99%	0.12%	2.10%	0.12%	2.27%	0.11%	2.19%
<b>Admissions to Motion Picture Theaters</b>	0.08%	1.17%	0.08%	1.28%	0.08%	1.36%	0.08%	1.44%	0.08%	1.52%	0.08%	1.61%
<b>Admissions to Spectator Sports</b>	0.07%	1.12%	0.08%	1.29%	0.07%	1.26%	0.07%	1.34%	0.08%	1.48%	0.08%	1.54%

Source: U.S. Department of Commerce, Bureau of Economic Analysis  
 Note: All figures based on 1992 dollars (see note on Table 1)

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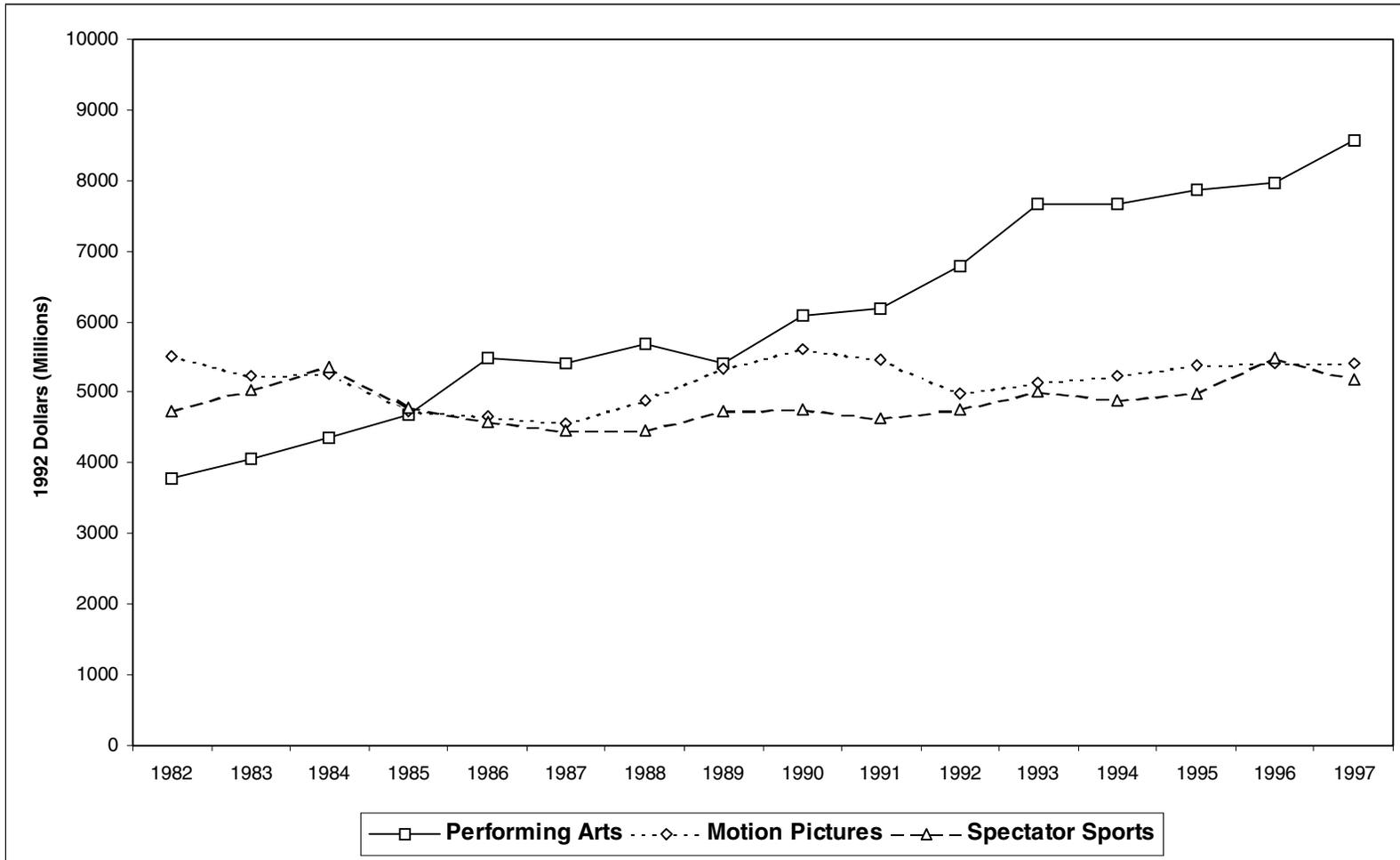
**Table 4. Per Capita Personal Consumption Expenditure For Selected Recreational Activities in 1992 Dollars:  
1992-1997**

	1997		1996		1995		1994		1993		1992	
	Current	Constant										
<b>Total Admissions Expenditures to Specified Entertainments \$ per capita</b>	\$ 86.66	\$ 71.68	\$ 83.16	\$ 71.21	\$ 76.91	\$ 69.41	\$ 72.87	\$ 68.44	\$ 70.24	\$ 69.06	\$ 64.93	\$ 64.93
<b>Performing Arts Admissions \$ per capita</b>	\$ 38.78	\$ 32.07	\$ 35.12	\$ 30.08	\$ 33.14	\$ 29.91	\$ 31.40	\$ 29.50	\$ 30.24	\$ 29.73	\$ 26.65	\$ 26.65
<b>Motion Picture Admissions \$ per capita</b>	\$ 24.44	\$ 20.23	\$ 23.85	\$ 20.43	\$ 22.71	\$ 20.48	\$ 21.48	\$ 20.16	\$ 20.25	\$ 19.90	\$ 19.57	\$ 19.57
<b>Spectator Sports Admissions \$ per capita</b>	\$ 23.43	\$ 19.38	\$ 24.19	\$ 20.70	\$ 21.06	\$ 19.01	\$ 19.99	\$ 18.79	\$ 19.76	\$ 19.42	\$ 18.71	\$ 18.71

Source: U.S. Department of Commerce, Bureau of Economic Analysis and Bureau of the Census  
Note: "Constant" refers to estimates measured in 1992 dollars (see note on Table 1).

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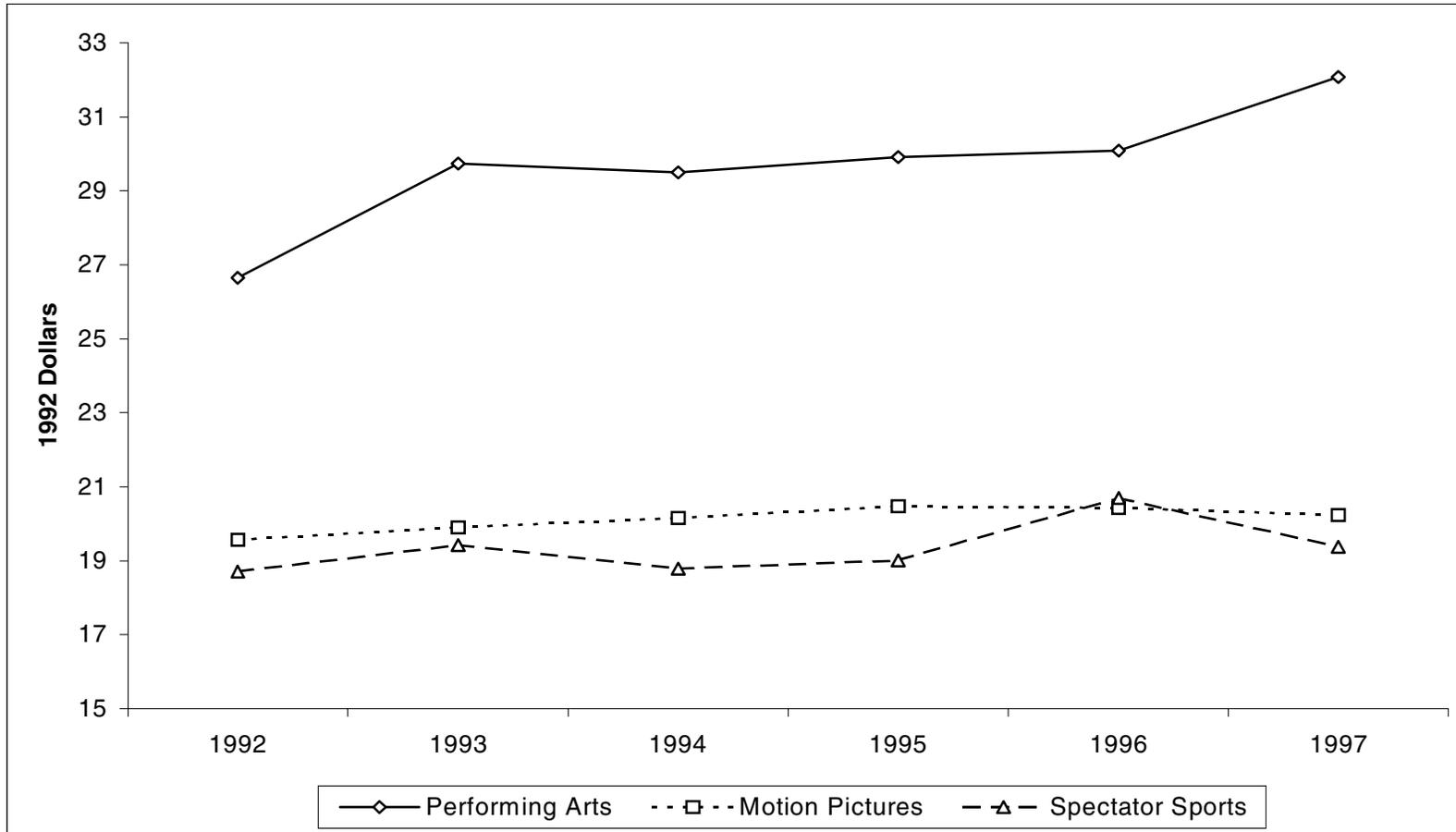
**Chart 1. Admission Receipts for Performing Arts Events, Motion Pictures, and Spectator Sports in 1992 Dollars: 1982-1997**



Source: U.S. Department of Commerce, Bureau of Economic Analysis

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**Chart 2. Per Capita Personal Consumption Expenditure for Selected Recreational Activities in 1992 Dollars: 1992-1997**



Source: U.S. Department of Commerce, Bureau of Economic Analysis  
And Bureau of Census

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