Canada Council for the Arts

The Arts in a Digital World

Executive Summary

Prepared by: Nordicity

Survey Data Report

February 2017

Prepared by

Nordicity

Prepared for

Canada Council for the Arts

Submitted to

Gabriel Zamfir
Director, Research, Evaluation and Performance Measurement
gabriel.zamfir@canadacouncil.ca

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For more information please contact:

Canada Council for the Arts Conseil des arts du Canada

Research, Evaluation and Performance Measurement
150 Elgin Street | rue Elgin
PO Box | CP 1047, Ottawa ON K1P 5V8
canadacouncil.ca | conseildesarts.ca
research@canadacouncil.ca
Or consult http://canadacouncil.ca/research

Executive Summary

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Introduction

Nordicity was engaged by the Canada Council for the Arts (the Council) to conduct a bilingual national survey to measure the impact of digital technologies on the creation, dissemination and business practices of individual artists and arts organizations in Canada. The aim of this survey is to help ensure that the arts sector is positioned to take advantage of all the opportunities presented by digital technologies, and to support artists and arts organizations as they respond to the challenges posed by an increasingly connected environment.

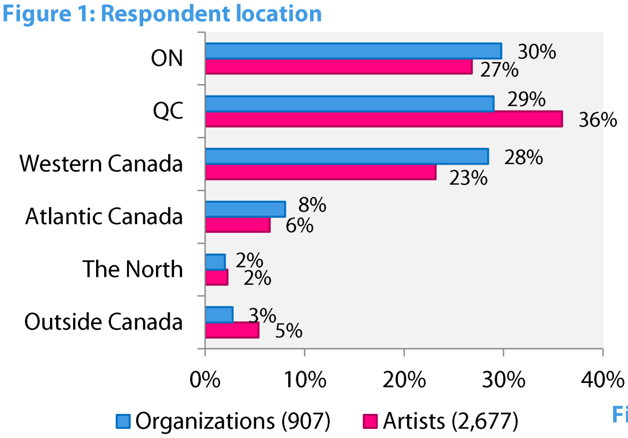
To ensure that the collected sample roughly adhered to the makeup of the Council's overall client base (which was used as a proxy for the wider arts sector), Nordicity set soft quotas for both arts organizations and artists and tracked the representation of equity groups in the sample. Among both artists and arts organizations, the survey captured responses from: Aboriginals, Culturally Diverse Organization/Artists, Deaf & Disability Organization/Artists, and Youth Artists.

The survey was distributed to 3,921 arts organizations and to 11,585 artists across the country. These figures include every arts organization and independent artist who has received a Canada Council grant in the last three years. Nordicity received usable data from 907 arts organizations, and from 2,680 artists across Canada overall.[1] Taken together, these numbers represent a response rate of 23% among both organizations and artists.

This document presents a high-level summary of the key findings of this survey exercise.

Who Responded?

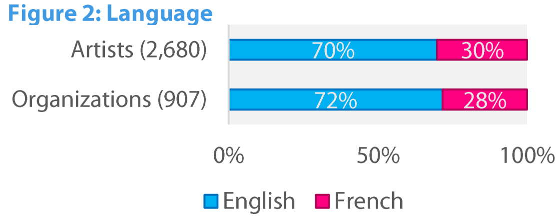
Figure 1: Respondent location



Source: Nordicity Arts in a Digital World survey (2016)

Figure 1 shows the geographical distribution of organizations and individual artists who responded to the survey. Among organizations, 87% of respondents were in Ontario, Quebec and Western Canada. The majority of artists are in Quebec and Ontario (63%), with strong representation in Western Canada (23%).

Figure 2: Language



Source: Nordicity Arts in a Digital World survey (2016)

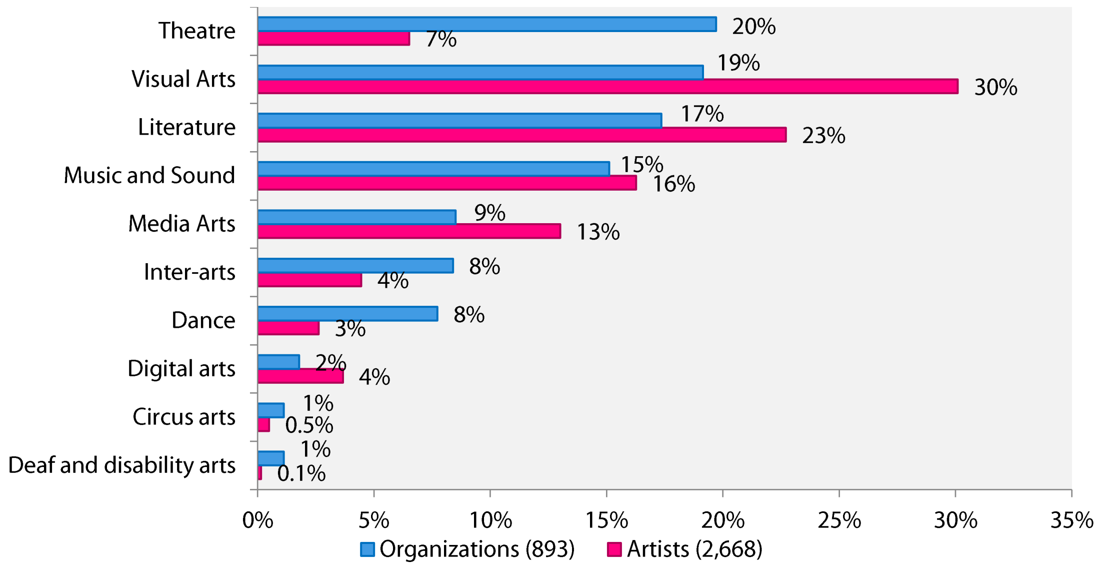
Figure 2 illustrates the distribution of respondents by language. The percentage of French-language respondents is similar to the overall response rate from Quebec, but it is not a perfect correlation, as some respondents from Quebec answered the

[1] Note: Not all respondents provided an answer for every question. For this reason, the number of valid responses ('n-value') has been listed for in each figure presented.

survey in English, and there are significant French-language communities elsewhere in Canada.

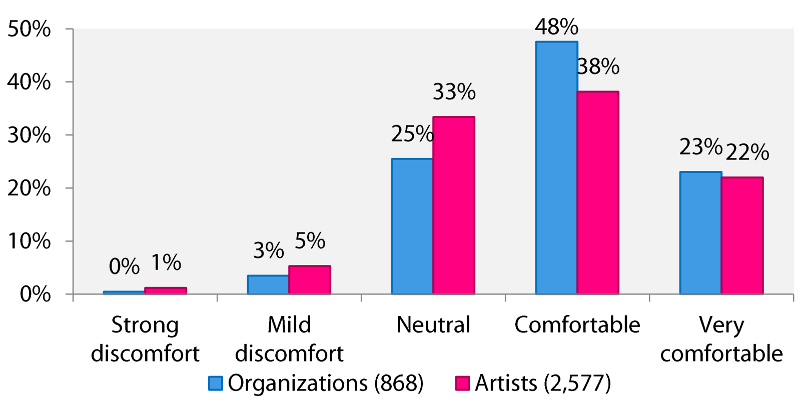
Figure 3 shows that the majority of artists indicated that they primarily work in visual arts and literature, whereas the majority of organizations work in theatre, visual arts, and literature. Overall, performing arts (i.e., theatre, music and sound, and dance) had a higher response rate among organizations than individual artists.

Figure 3: Primary discipline



Source: Nordicity Arts in a Digital World survey (2016)

Figure 4: Level of digital comfort



Respondents were also asked to identify their level of digital comfort. As Figure 4 shows, most organizations (71%) and artists (60%) indicated that they were either comfortable or very comfortable. Overall, organizations reported higher levels of digital comfort than artists.

Source: Nordicity Arts in a Digital World survey (2016)

Demographically, 53% of artist respondents indicated that they identify as female and 43% identified as male. The remaining 4% indicated they preferred not to respond to this question or identify with another gender. The average age of the 2,631 artists who provided a response was 48 years.

The survey examined additional characteristics, for both organizations and individual artists:

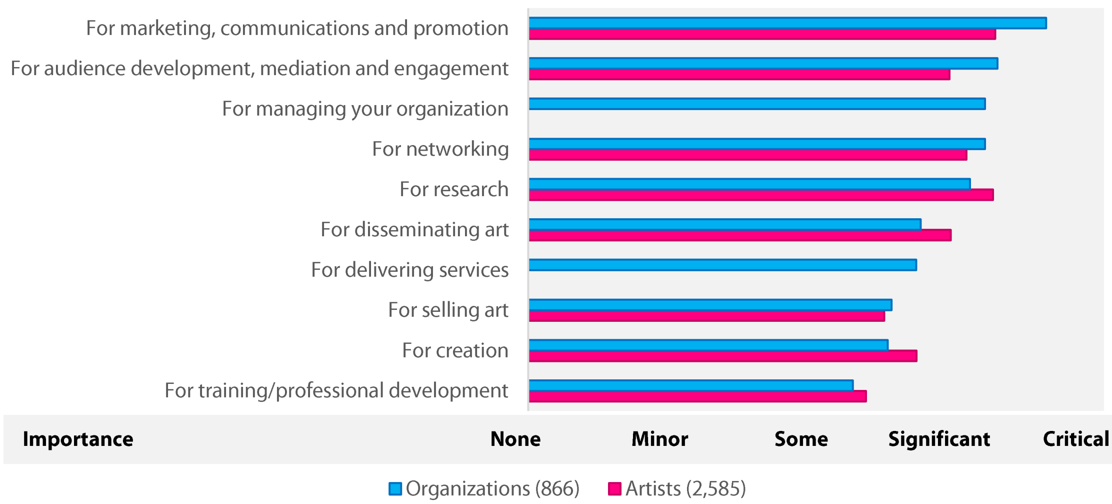
- **Organization Size:** organizations with an annual operating budget of more than $250,000 are classified as "large," while the remainder (67%) are considered "small."

- **Individual Career Stage**: Artists who reported practicing professionally for more than ten years are classified as "late" career stage in comparison to their "early" peers. About two thirds of respondents (66%) are in the late career stage.

Digital Technology: What is it Good For?

Digital technologies are used for a range of purposes by both organizations and artists. When asked to rate the importance of digital technologies for different activities, organizations and individual artists both identified marketing, communications and promotion as the most important applications of digital technology (as illustrated in Figure 5).

Figure 5: Importance of digital technologies

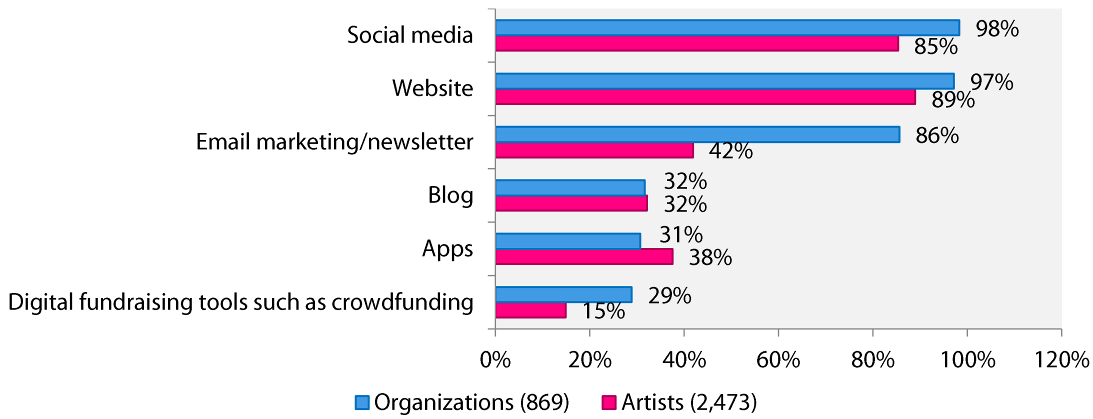


Source: Nordicity Arts in a Digital World survey (2016)

Whereas audience development and engagement was the second most important activity for arts organizations, research ranked second for artists. Moreover, although artists with different levels of comfort and at various stages in their careers attached similar levels of importance to these functions, organizations with a lower level of digital comfort were significantly less likely to perceive the importance of digital tools for creation, dissemination and organizational management.

Figure 6 illustrates that websites and social media are the two most common digital tools used by both organizations and individuals; however, organizations are more active online than individuals. While 98% of organizations use social media and 97% have websites, these figures fall to 85% for social media and 89% for websites among artists.

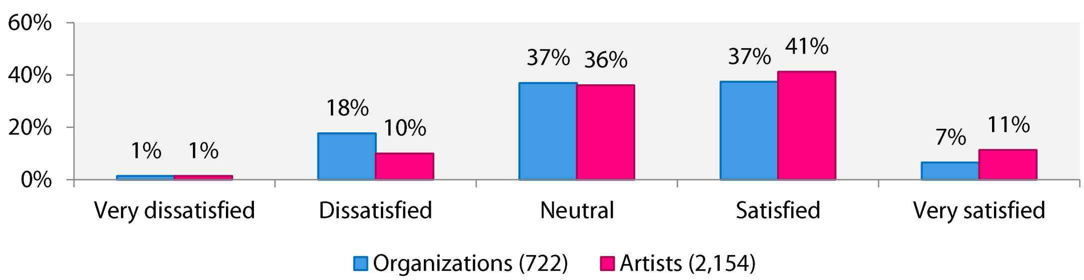
Figure 6: Use of digital tools



Source: Nordicity Arts in a Digital World survey (2016)

In contrast to the trends noted above, just 44% of organizations felt satisfied with their investments in digital technology in comparison with 52% of artists, as shown in Figure 7.

Figure 7: Satisfaction with investments into digital technologies overall



Source: Nordicity Arts in a Digital World survey (2016)

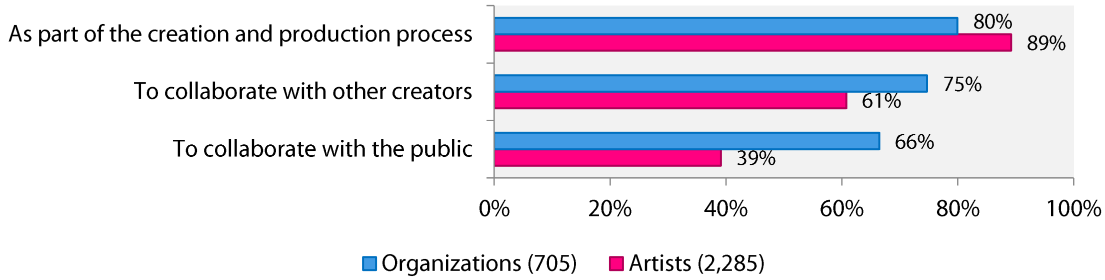
Taken together, these findings suggest that although digital tools are widely used, less than half of organizations and only a slim majority of artists are satisfied with the results. Relatively low levels of satisfaction could also indicate that respondents are aware that they could do more with technology but are unsure how to take full advantage of these tools.

The Arts and Digital Tools

This study evaluates trends in respondents' use of specific digital tools across four categories: creation/production, sales/dissemination, communications/marketing, and (for organizations) management.

With respect to tools used to create artistic works, Figure 8 shows that digital technologies are more likely to be used for creation/production than collaboration (with either other creators or with the public). On average, organizations are more likely than artists to collaborate using digital tools. Organizations are also more likely to take advantage of technology for both creation and collaboration in combination. Among organizations, 69% of respondents use digital tools for creation and are also involved in at least one kind of collaboration. For artists, 57% of respondents reported using digital tools for creation as well as at least one kind of collaboration.

Figure 8: Use of digital tools for creation (of those who use digital creation tools)

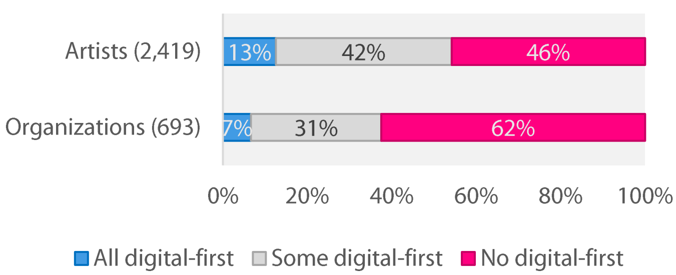


Source: Nordicity Arts in a Digital World survey (2016)

Text tools (i.e., word processors), social media, and web development tools are the most prevalent technologies used in creation and production among both organizations and artists. Use of these tools was followed closely among both artists and organizations by discipline-specific creation tools (such as drawing/painting, sound/music, and video/animation tools).

Websites and social media are the top digital communications tools. In fact, artists and organizations are twice as likely to use websites or social media as they are to use any other communications tool – social media was also ranked as the most common tool for collaborating with both the public and other artists. The other digital communications tools investigated in this survey were: email newsletters, apps, blogs, and crowdfunding.

Figure 9: Creation of digital-first works of art



Source: Nordicity Arts in a Digital World survey (2016)

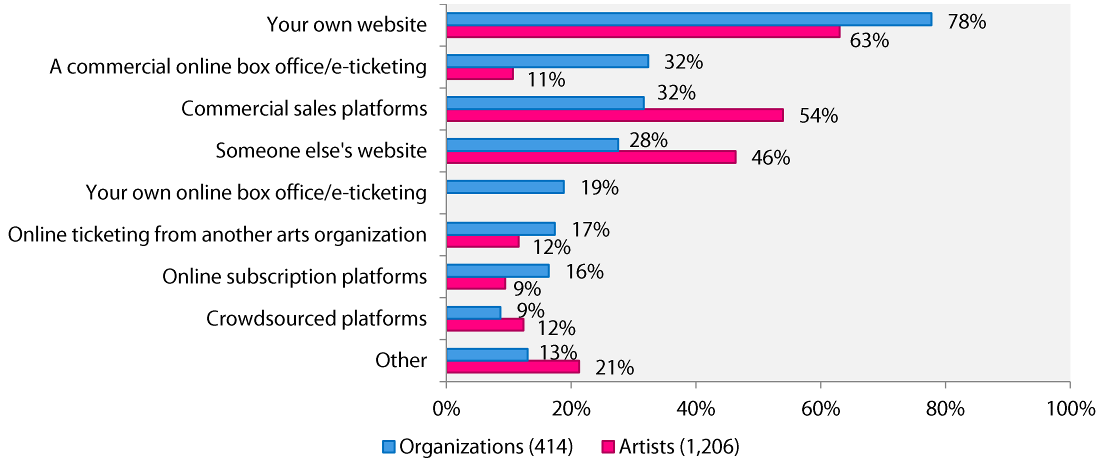
Figure 9 illustrates artists and organizations' creation of digital-first works.[2] Artists were significantly more involved than organizations in creating digital-first works: 55% of artists create all or some of their works as digital first, compared with only 38% of arts organizations. In both cases, producing works in digital formats correlates with digital comfort.

Most respondent artists and organizations employ digital tools to sell and/or disseminate their work. In this case, *dissemination* refers to the distribution of creative content online broadly, whereas *digital sales* focus on the monetization of artistic works. Dissemination tools include YouTube for video in general and VUCAVU for Canadian film and video in particular. A strong majority of responding organizations (75%) – and a slight majority of artists (53%) – use one or more of these tools.

Digital sales platforms range from Amazon and Eventbrite to Bandcamp and Patreon. Overall, 57% of arts organizations and 51% of artists use one or more digital sales platforms (such as a website or ticketing service). Of those who use that use at least one sales platform, their own website was the most common (see Figure 10).

[2] In the context of this survey, "digital first" refers to content that is created exclusively using digital means.

Figure 10: Digital sales platforms used (of those using a digital sales platform)

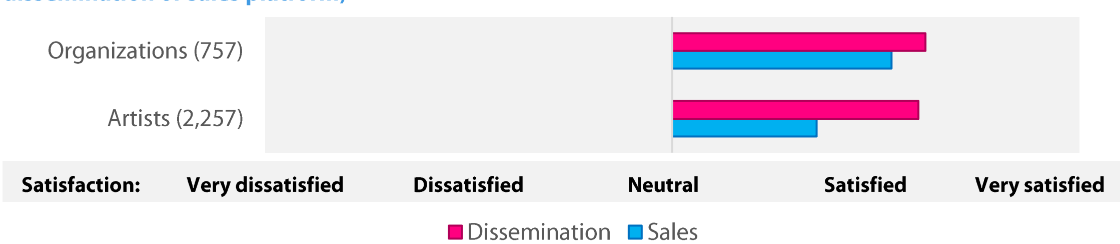


Source: Nordicity Arts in a Digital World survey (2016)

Despite high levels of adoption of digital sales platforms, only 27% of organizations and 21% of artists reported making more than half of their sales through online channels.

Figure 11 presents the aggregate impact of digital technologies on artists and arts organizations' ability to sell and disseminate their artworks. As discussed above, dissemination refers to sharing art and engaging with audiences online, whereas sales focuses on interactions which translate into financial returns. Both artists and arts organizations reported that digital tools had a greater impact on dissemination than on sales. Moreover, arts organizations reported that technology had a larger impact on both sales and dissemination than that indicated by artists.

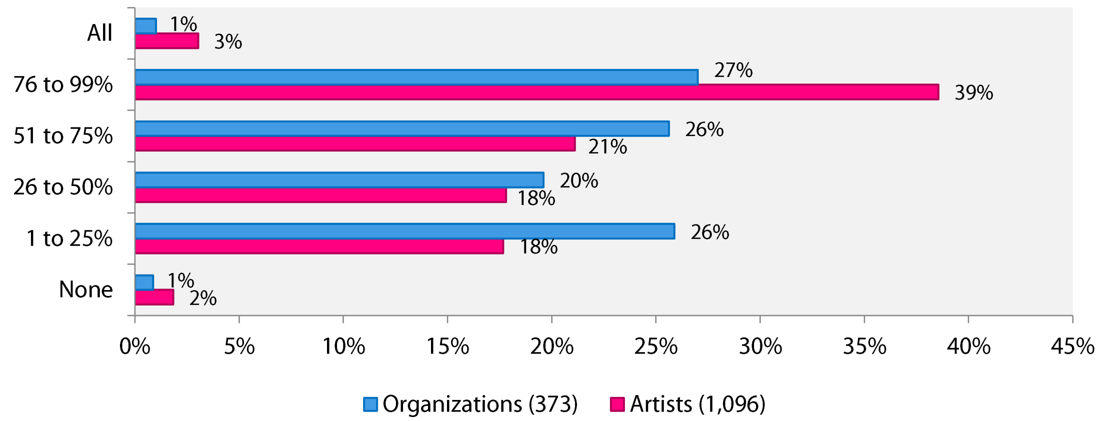
Figure 11: Impact of digital technologies on sales and dissemination (of those using a digital dissemination or sales platform)



Source: Nordicity Arts in a Digital World survey (2016)

Figure 12 shows the distribution of respondents in terms of the percentage of total time devoted to communications that occurs through digital channels.

Figure 12: Percentage of time devoted to communications that occur through digital channels (of those using a digital sales channel)



Source: Nordicity Arts in a Digital World survey (2016)

Of those responding organizations that maintain digital communications channels, 54% of reported that more than half of all staff time devoted to communications occurs online. That proportion rises to 63% among artists.

Overall, digital technologies are most often employed to enhance creation, discoverability and dissemination, with social media and websites as the most prevalent tools for all types of respondent. These tools were identified as the top ways to (co-)create, help audiences discover, and distribute artistic works. In addition, arts organizations and artists both emphasized the importance of social media for connecting with peers – both for co-creation and communication (see, for example, Figure 8 previously shown).

The concentration of users and uses among a small number of digital tools suggests that many survey respondents have not integrated technology into their activities with equal success. Artists' use of apps is an extreme illustration of this trend: on average, only 9% of artists reported creating an app and those with a high level of digital comfort were six times as likely as their less comfortable peers to do so. However, of the artists that did create apps, 75% did so for creative reasons. These figures suggest that, among artists, when advanced digital technology is adopted, it may be led by creative impulse – rather than dissemination or sales objectives.

Aside from the use of digital tools for creative purposes, sales and dissemination is another area in which digital tools are not being effectively employed. Although more than half of the survey respondents reported using digital sales platforms, only 27% of organizations and 21% of individuals made more than half of their sales through online channels.

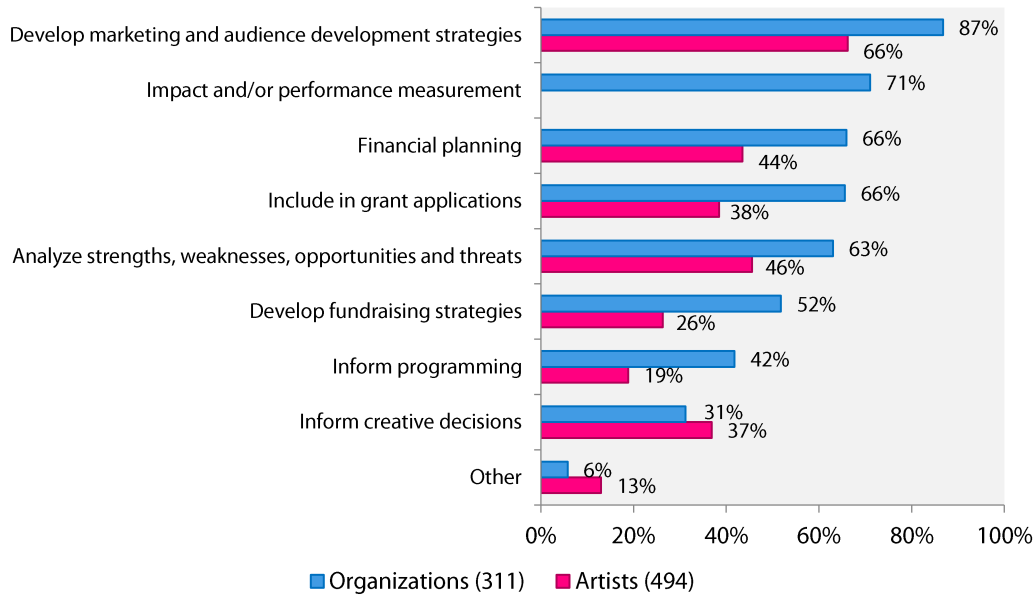
Respondents' motivations for using crowdfunding confirms the importance of digital tools for promotional purposes rather than as a source of funding. Although most survey respondents indicated that raising money was a primary motivation for conducting a crowdfunding campaign, 25% of organizations and 12% of artists did not select this option. For both groups, generating interest in their work was the second most common reason for crowdfunding. This finding suggests that crowdfunding is more prominently viewed as a tool for raising awareness of creative projects, even if this does not translate directly into increased revenue.

Using Data

With respect to the use of data collected via digital means, both organizations and artists are more likely to collect data from websites and social media platforms than online sales tools.

The following chart illustrates how organizations and artists use sales data. Sales data includes any information from the sale of a product or service online. Examples range from the contact information and location of a purchaser to the nature of the item bought or the payment method used. Note that only a minority of responding arts organizations (41%) and artists (22%) collect this information.

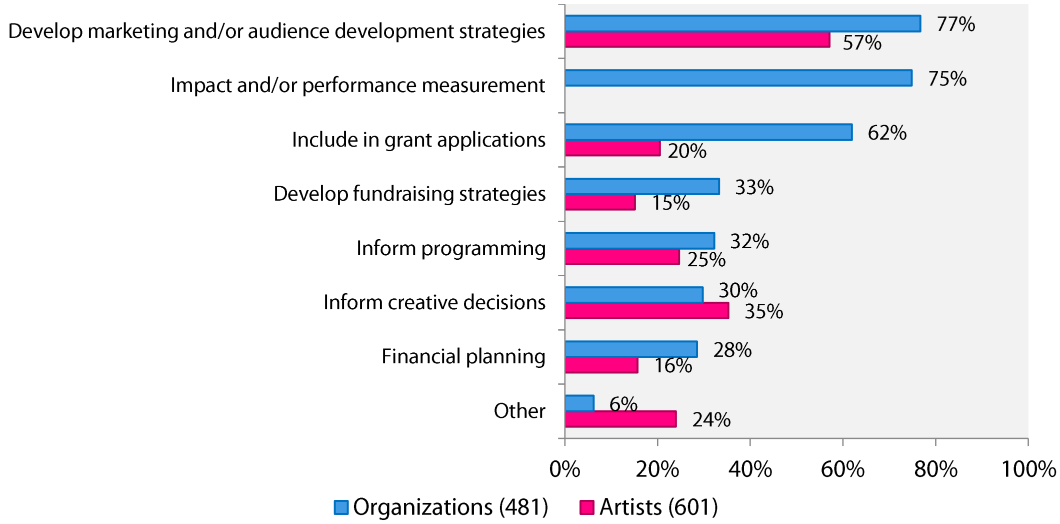
Figure 13: Uses of collected sales data (of those who collect sales data)



Source: Nordicity Arts in a Digital World survey (2016)

The following chart shows how organizations and artists use website data. Website data provides insight into page views, how long people stay on a page and how they travel between pages or find a site. In contrast to the very low rates for sales and dissemination related data collection, 64% of organizations and 43% of artists collect website data. Organizations are much more likely to use this data in grant applications (62%) than artists (20%), whereas artists exhibited a greater likelihood of using website data to inform their creative decisions (35%) than organizations (30%).

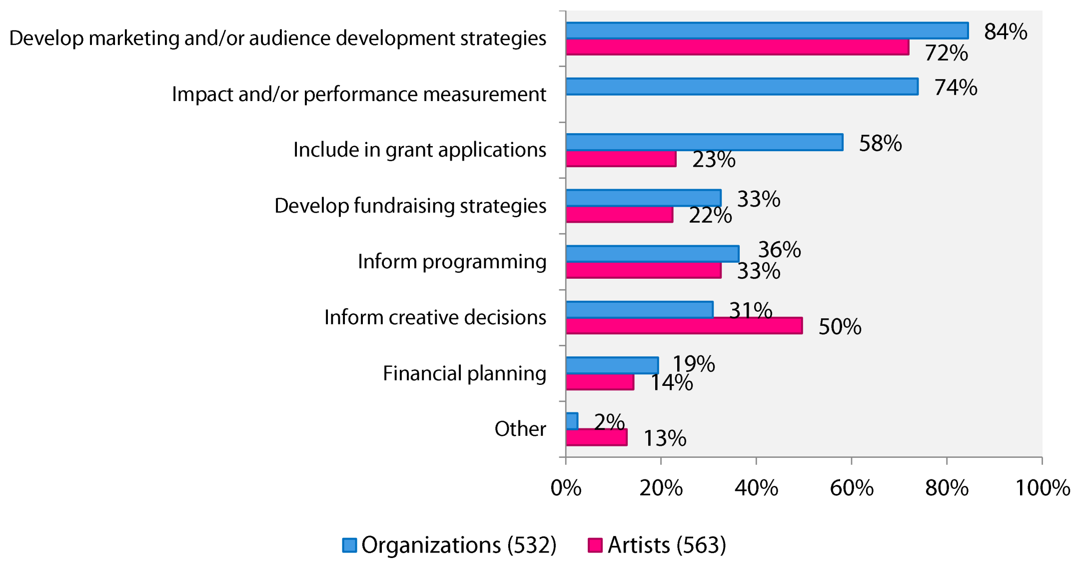
Figure 14: Uses of collected website data (of those who collect website data)



Source: Nordicity Arts in a Digital World survey (2016)

Figure 15 describes the uses of social media data by artists and arts organizations. Social media data is gathered through interactions on platforms such as Facebook, Twitter and Instagram, and tracks metrics including likes, follows and shares. Survey results show that organizations are more likely than artists to use social media data to develop marketing strategies, and far more likely to include such data in grant applications. As with website data, artists are more likely to use social media data to inform creative processes.

Figure 15: Uses of collected social media data (of those who collect social media data)



Source: Nordicity Arts in a Digital World survey (2016)

Among organizations, the most prevalent uses of digital management tools were accounting, project management, collaboration and data management. While otherwise similar, small organizations' use of human resources and stakeholder engagement tools is significantly lower than their larger counterparts. Large organizations were also more likely to use specialized digital management tools across a broader range of activities. This finding is consistent with the fact that smaller organizations likely operate at a scale that would reap fewer benefits from the use of such tools. Individual artists indicated a much more limited use of data than organizations, with lower response rates across the board.

Regardless of the data source or respondent group, by far the most common use of data is for marketing and audience development strategies. Although this finding suggests that promoting activities and reaching new groups is a priority, it could also mean that survey respondents are less aware of how to use data for other purposes.

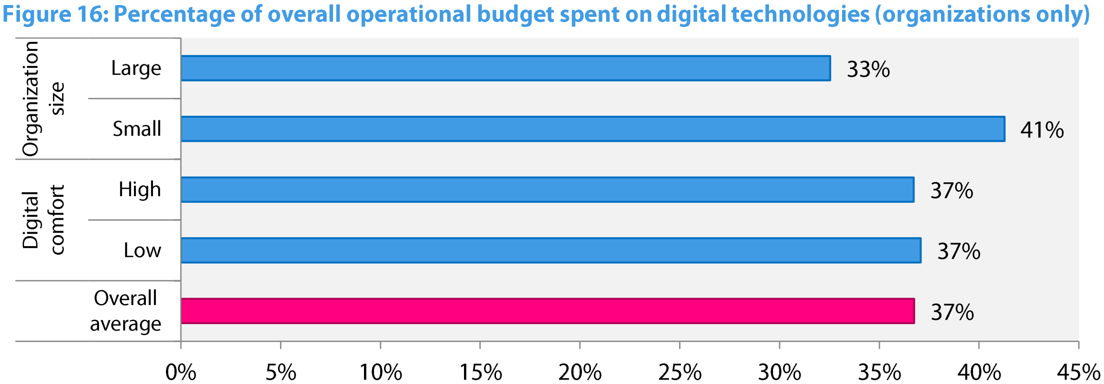
Organization size has a greater impact than level of digital comfort on data use. Specifically, large organizations use data for a wider range of purposes. For instance, large organizations are more likely than small organizations to use social media data for financial purposes, showing that this group is perhaps more attuned to the strategic applications of digital management tools.

In addition to sales and communications data, organizations were also asked about their collection and use of stakeholder feedback. Again, marketing and audience development strategies are the most commonly cited uses for this information. Although responses suggest that small organizations are generally less likely to collect and use data from sales and communications, they are more likely to use stakeholder feedback in creative decisions. This finding could indicate that small organizations are more agile in their programming or have fewer stakeholders and, by extension, less difficulty analyzing and incorporating feedback. These differences are underscored by the fact that small organizations are more likely to use email to solicit feedback, while large organizations tend to lead in the use of surveys and polls, two tools that contain analysis functions and are therefore better suited to dealing with larger amounts of data.

The Return on Digital Investment

Figure 16 focuses on organizations' expenditures: it shows that on average, organizations spend a little more than a third (37%) of their operating budgets on digital technologies. Smaller organizations spend a considerably larger portion of their overall budget on digital technology than larger ones, which suggests that a fixed minimum investment of labour and resources is needed to take advantage of digital technologies.

Figure 16: Percentage of overall operational budget spent on digital technologies (organizations only)

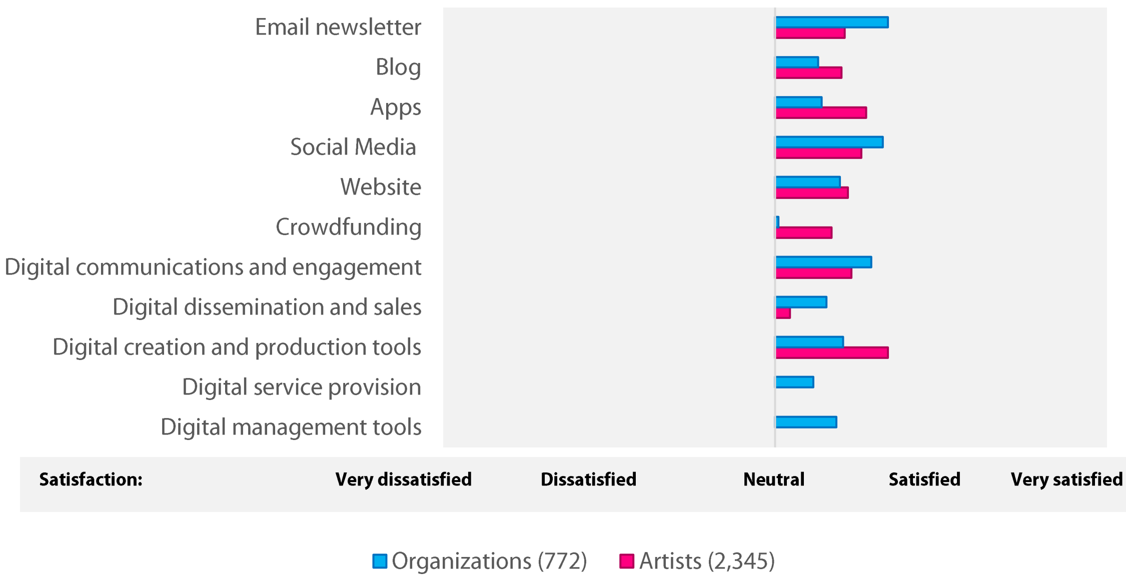


n=604
Source: Nordicity Arts in a Digital World survey (2016)

When this information is broken down by artistic discipline, inter-arts and media arts organizations spent the largest portion of their budget on digital technologies. These organizations spent over half of their total operating budgets on digital tools. In contrast, literature and theatre organizations spent the least, devoting only 27% and 25% of their total budgets to technology respectively.

Organizations and individuals reported different levels of satisfaction with their investments in digital tools, as illustrated by Figure 17. In general, organizations were more satisfied with investments in tools for communications and engagement whereas artists favoured the use of tools for creation, research and production. Nonetheless, both groups reported significantly lower levels of satisfaction with digital sales and dissemination tools.

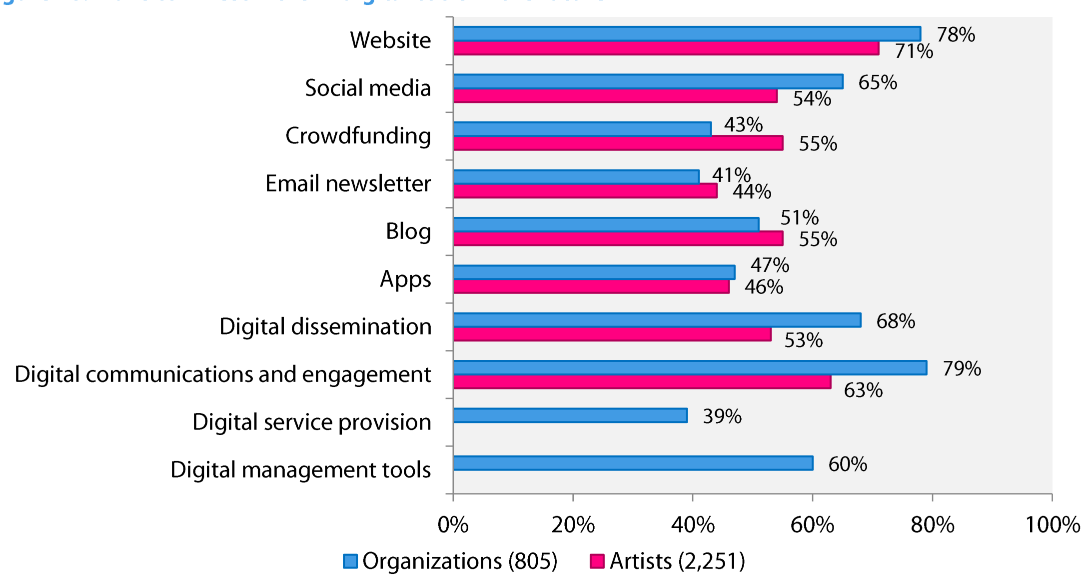
Figure 17: Satisfaction with digital tools



Source: Nordicity Arts in a Digital World survey (2016)

Figure 18 summarizes respondents' plans to invest in digital technology in the future. The greatest discrepancies are seen in digital dissemination, and digital communications and engagement, both of which are more common among organizations. In contrast, artists are significantly more likely than organizations to have plans to invest more in crowdfunding.

Figure 18: Plans to invest more in digital tools in the future



Source: Nordicity Arts in a Digital World survey (2016)

Succeeding in a Digital World

The top three barriers for responding arts organizations were all funding-related: funding (in general), access to operational funding (i.e., on-going financial support), and funds to upgrade IT systems. The top three barriers for artists largely follow the same themes: funding (in general), project-related funding, and artists' use of time (i.e., time commitments related to the use digital tools). As such, it seems that the cost of digital tools (both initial and on-going) is the most pressing concern among respondents.

For both groups, the least important barriers were access to high-speed internet and access to technology in their operating language. From an equity perspective, the latter finding is positive as it suggests that most artists are able to use digital tools in the format most appropriate to them.

Apart from funding concerns, artists and organizations both indicated that use of time, and cost and pace of change are significant barriers. In contrast, the greatest difference between artists and organizations is the investment required to upgrade IT systems and implement skill development. In both cases, organizations were substantially more likely to rank these barriers highly.

Large organizations are more likely than their smaller counterparts to be challenged by pace and cost of change, use of staff time, and funds to upgrade IT systems. Small organizations, in contrast, more often cite funding-related issues as their most significant barriers to success.

When broken down by discipline, responses about barriers to success also reveal clear differences among organizations: inter-arts and visual arts organizations emphasize project financing issues; dance and visual arts organizations are slightly more likely than other organizations to identify the costs of IT upgrades as a significant barrier; and theatre organizations were most likely to focus on project-related funding and use of staff time.

Conclusions

The results of the *Arts in a Digital World* survey – the first such survey conducted at a national level -- present a snapshot of how arts organizations and artists have adopted various digital technologies to date. The results presented in this summary were presented with two principal objectives. First, they provide a policymakers and funders (such as the Canada Council for the Arts) with a reliable picture of which digital tools are being used, and how successfully they have been employed, to create, disseminate, and sell artistic works in Canada. Moreover, it allows these agencies to see how digital adoption varies across different artistic communities – be they discipline-based or geographic. In this context, the results presented here can serve as a benchmark to gauge the impact of policies and programs created to facilitate digital adoption.

Overall, these results evince a wide range of digital technology adoption rates among respondents, with websites and social media as the most common tools (be they for creation, dissemination and/or sales). Moreover, the majority of responding artists and arts organizations use technology to create and collaborate with other creators; however, collaboration with the public remains less common (especially among responding artists).

Despite widespread use of digital tools, the majority of arts organizations and almost half of artists are not satisfied with their investments of time and money in this area, as they have not (yet) seen the "return" on their investment in digital tools. Despite not yet realizing the expected results from their investments in digital tools, respondents see the need to continue to invest in digital tools. To that end, websites as well as digital communications and engagement tools are priorities for future investment. Respondents of all types also noted that funding is a significant barrier that limits their ability to adopt and use digital tools.