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Research Division Note #53 - February 28, 1994

The Arts in the GDP: Admission Receipts for  
Performing Arts Events in 1992 Experience  
Continued Increase Since 1988

Based on data from the U.S. Department of Commerce's Bureau of Economic Analysis, consumer expenditures for admissions to performing arts events in 1992 amounted to \$5.1 billion, or 8% more than in 1991. For the third consecutive year, expenditures on motion pictures have exceeded expenditure levels for the performing arts. In addition, 1992 expenditures for performing arts events have been lower than expenditures on spectator sports. This is consistent with the five year trend starting in 1988. As stated above, performing arts admission receipts totaled \$5.1 billion in 1992, while admissions receipts for motion picture theaters stood at \$5.5 billion (or 10% above the 1991 level), and admissions to spectator sports rose \$0.3 billion to \$5.5 billion, an increase of almost 6 percent. The Arts Endowment's Research Division has reported on annual admissions expenditures for select recreational activities since 1982.

Recent trends (in constant 1987 dollars) for performing arts, motion pictures, and spectator sports admission expenditures, indicate that:

1) Admission to performing arts events has steadily increased over the last five years, which amounts to a 15 percent increase in constant dollar terms, since 1988.

2) Admission to motion picture theaters experienced an increase of 20 percent in constant dollars, which correlates with increasing levels since 1988.

3) Admission to spectator sports have continued to increase, as indicated by the 11 percent rise in admission receipts from 1988-1992.

Arts in Education

Challenge &  
Advancement

Dance

Design Arts

Expansion Arts

Folk Arts

International

Literature

Locals

Media Arts

Museum

Music

Opera/Musical  
Theater

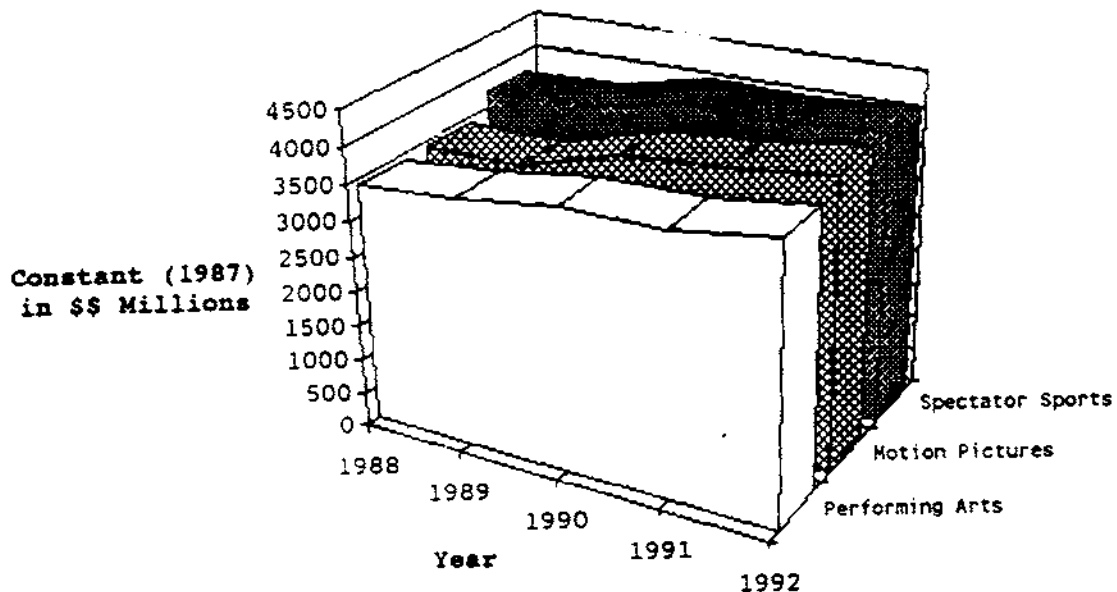
Presenting &  
Commissioning

State & Regional

Theater

Visual Arts

## Admissions Receipts to Specified Entertainments



As mentioned in Research Division Note #36, (March 31, 1992), the "Admissions to Performing Arts Events" category includes not only non-profit organizations, such as symphony orchestras or ballet companies, but also activities in the for-profit sector, such as Broadway theatre 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, etc.; therefore, admission receipts are not exclusively correlated with attendance. Despite these caveats, the data provide estimates of the overall magnitude and trends in admission receipts for performing arts events. This is especially significant in light of the growth in the availability of alternatives to live performances during the last decade.

The Recreation Expenditure category of the National Income & Product Accounts (NIPA) that make up the GDP includes a wide variety of recreation expenditures, such as: sports equipment, pleasure boats and planes, video cassette rentals, lottery receipts, expenditures at bowling alleys, and golf courses. The five components most closely related to the arts are as follows:

- 1) Consumer expenditures in 1992 for radios and TV sets, records, musical instruments, and personal computers are estimated at .98 percent of GDP and 18.54 percent of recreation expenditures. In the five year period covered in Table 2, this durable equipment component of the GDP continues to rise from the constant levels experienced in the years 1988-1990. This category maintains its place as

the largest share of both the GDP and of recreation expenditures among all of the categories examined in this Note.

2) Consumer expenditures in 1992 for admission to performing arts events were .08 percent of the GDP and 1.60 percent of the recreation component. This component has remained constant for both GDP and recreation expenditures since 1990.

3) Consumer expenditures in 1992 for books and maps were .33 percent of the GDP and 6.34 percent of recreation expenditures. Since 1988, with the exception of a decline in percent of recreation expenditures from 1990-1991, expenditures for books and maps items have experienced overall growth as part of both components.

4) Consumer expenditures in 1992 for admission to motion picture theaters were .09 percent of GDP and 1.73 percent of recreation expenditure. The GDP component has remained at a constant .09 percent since 1991, but has experienced a slight overall increase since 1988. As a component of recreation expenditures, motion picture admissions showed an increase from its 1991 level of 1.67 percent to its 1992 level of 1.73 percent.

5) Consumer expenditures for admission to spectator sports events in 1992 were .09 percent of the GDP and 1.73 percent of recreation expenditures. Admissions to sporting events has remained steady at .09 percent of the GDP since 1990.

Table 3 illustrates another way of observing the changes in the three entertainment admissions categories. The increase in total expenditures will necessarily increase with the size of the population, even though the average individual may continue to spend the same amount. For an examination of the effect of increased population, per capita expenditures have been calculated for the five years covered in this Note, by dividing by the number of persons in the population for each time period. Unpublished tabulations from the Bureau of Economic analysis have been made available for more precise calculations of per capita expenditures. In addition, unpublished data from the U.S. Census Bureau was made available. The table shows current dollar changes in the three categories and changes in constant dollar amounts which have been deflated to 1987 dollars.

Based on data from the Bureau of Economic Analysis in 1992, the average individual spent \$63.14 on admissions to specified entertainments, including performing arts events, motion picture theatres, and spectator sports. In constant dollar terms (1987=100), this was \$47.45.

1) Performing arts admission expenditures in 1992 were \$20.00 per capita. In constant dollar terms this was \$15.29 and compares to \$13.87 in 1988, a increase of 10 percent for the five year period.

2) Per capita expenditures for motion picture admissions were \$21.57 in 1992. This was \$16.08 in constant dollar terms and compares with \$13.87 in 1988, or an increase of 16 percent.

3) Spectator sports admission expenditures per capita were \$21.57 in 1992. In constant dollar terms this was \$16.08 and compares with \$15.10 in 1988, a modest 6.4 percent increase over the last five-year period.

CAVEATS: This Note uses the latest annual data on recreation expenditures published in the Survey of Current Business, August 1993, and unpublished material obtained from the Bureau of Economic Analysis, and the U.S. Census Bureau. Retrospective revisions for the two most recent years should be anticipated.

TABLE 1. ADMISSIONS RECEIPTS FOR PERFORMING ARTS EVENTS,  
MOTION PICTURES, AND SPECTATOR SPORTS, 1988-1992

	<u>1988 \$ Millions</u>		<u>1989 \$ Millions</u>		<u>1990 \$ Millions</u>		<u>1991 \$ Millions</u>		<u>1992 \$ Millions</u>	
	<u>Current</u>	<u>Constant</u>	<u>Current</u>	<u>Constant</u>	<u>Current</u>	<u>Constant</u>	<u>Current</u>	<u>Constant</u>	<u>Current</u>	<u>Constant</u>
Admissions Receipts to Specified Entertainments (change from previous)	11,100 (9%)	10,500 (3%)	12,100 (9%)	10,600 (.9%)	14,100 (17%)	11,500 (8%)	14,900 (6%)	11,600 (.9%)	16,100 (8%)	12,100 (4%)
Perf. Arts Events	3,600 (13%)	3,400 (6%)	3,900 (8%)	3,500 (3%)	4,500 (15%)	3,700 (6%)	4,700 (4%)	3,700 (0%)	5,100 (9%)	3,900 (5%)
Motion Pictures	3,600 (3%)	3,400 (-3%)	3,900 (8%)	3,400 (0%)	4,700 (21%)	3,800 (12%)	5,000 (6%)	3,900 (3%)	5,500 (10%)	4,100 (5%)
Spectator Sports	3,900 (11%)	3,700 (6%)	4,300 (10%)	3,700 (0%)	4,900 (14%)	4,000 (8%)	5,200 (6%)	4,000 (0%)	5,500 (6%)	4,100 (3%)

NOTE: Constant (1987=100) \$ values are based on implicit price deflators used for these expenditures by the Bureau of Economic Analysis, U.S. Department of Commerce in unpublished tabulations.

All data are based on the August 1993 Bureau of Economic Analysis (BEA) comprehensive revision of the U.S. National Income and Product Accounts.

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TABLE 2. TOTAL PERSONAL CONSTANTSUMPTION EXPENDITURES AND RECREATION EXPENDITURES  
AS A PERCENT OF GDP, 1988-1992

	1988		1989		1990		1991		1992	
GDP in Billions (current \$)	\$4,900.4		\$5,250.8		\$5,546.1		\$5,722.9		\$6,038.5	
Total Personal Consumption Expenditures as a % of GDP	67.26%		67.09%		67.82%		68.22%		68.56%	
Recreation Expenditures as a % of GDP	5.04%		5.06%		5.15%		5.23%		5.28%	
<u>Selected Recreation expenditures as a % of GDP and of all Recreation Expenditures</u>	<u>GDP</u>	<u>Recreation</u>	<u>GDP</u>	<u>Recreation</u>	<u>GDP</u>	<u>Recreation</u>	<u>GDP</u>	<u>Recreation</u>	<u>GDP</u>	<u>Recreation</u>
Radio and TV Receivers, Records, Musical Instruments and Personal Computers	0.91%	18.03%	0.91%	17.78%	0.91%	17.64%	0.97%	18.50%	.98%	18.54%
Books and Maps	0.30%	5.95%	0.30%	5.93%	0.32%	6.13%	0.32%	6.11%	.33%	6.34%
Admissions to Performing Arts Events	0.07%	1.46%	0.07%	1.46%	0.08%	1.58%	0.08%	1.57%	.08%	1.60%
Admissions to Motion Picture Theaters	0.07%	1.46%	0.07%	1.46%	0.08%	1.65%	0.09%	1.67%	.09%	1.73%
Admissions to Spectator Sports	0.08%	1.58%	0.08%	1.61%	0.09%	1.72%	0.09%	1.74%	.09%	1.73%

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TABLE 3. PER CAPITA EXPENDITURES FOR SELECTED SUBDIVISIONS OF PERSONAL CONSUMPTION FOR RECREATION, 1988-1992

	<u>1988</u>		<u>1989</u>		<u>1990</u>		<u>1991</u>		<u>1992</u>	
	<u>Current</u>	<u>Constant</u>	<u>Current</u>	<u>Constant</u>	<u>Current</u>	<u>Constant</u>	<u>Current</u>	<u>Constant</u>	<u>Current</u>	<u>Constant</u>
Total Admissions Expenditures to Specified Entertainments \$ Per capita	\$45.30	\$42.84	\$48.99	\$42.92	\$56.63	\$46.18	\$59.12	\$46.03	\$63.14	\$47.45
Performing Arts Admissions \$ per capita	\$14.69	\$13.87	\$15.79	\$14.17	\$18.07	\$14.86	\$18.65	\$14.68	\$20.00	\$15.29
Motion Picture Admissions \$ per capita	\$14.69	\$13.87	\$15.79	\$13.77	\$18.88	\$15.26	\$19.84	\$15.48	\$21.57	\$16.08
Spectator Sports Admissions \$ per capita	\$15.92	\$15.10	\$17.41	\$14.98	\$19.68	\$16.06	\$20.63	\$15.87	\$21.57	\$16.08

Note: 1988-1992 current and constant (1987=100) values were revised pursuant to unpublished tabulations obtained from the Bureau of Economic Analysis. Population estimates for 1988-1991 were taken from Statistical Abstract of the United States 1992, 112th Edition, Bureau of the Census, U.S. Department of Commerce, 1992.

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