PEKKA OESCH

Yritysten tuki taiteille 2003
ja tuen muutokset 1993–2003

Company Support for the Arts and Heritage in Finland in 2003
and changes in the support 1993–2003

TILASTOTIETOA TAITEESTA N:o 34
FACTS ABOUT THE ARTS No. 34

Taiteen keskustoimikunta
Arts Council of Finland
2005

Kansi: Kari Piippo
Taitto: Jussi Hirvi

ISBN 952-5253-53-8
ISSN 0788-0278

Sävypaino Oy
Helsinki 2005

Facts about the Arts
Publication no 34
Arts Council of Finland
Helsinki 2005

Pekka Oesch

Company support for the arts and heritage in Finland in 2003 and changes in the support 1993–2003

English Summary

Since 1985, the Research Unit of the Arts Council of Finland, together with Statistics Finland, has carried out six surveys concerning company support for the arts and heritage in Finland. The results reflect the type of support and the extent to which companies have supported the arts and heritage during the 1980s and '90s. This study looks at the results of the 2003 questionnaire and at subsequent developments since the 1980s.

Small changes within certain sectors have occurred because of the three different classifications of companies used in the 1990s. The newest official NACE classifications has been used since 1996. Because some of the companies included in the 1993 survey had been terminated owing to bankruptcies or mergers, the sample was updated in 1996 and included a number of new companies. Up to this time, the number of businesses surveyed represented approximately 450 of the largest companies in Finland in terms of turnover.

A totally renewed sample of companies, based on the number of employees, was used for the first time in 1999. The sample included all large enterprises (at least 250 employees) and every 20th small and medium-sized enterprise with at least 20 employees, with the exception of the financial intermediation sector where companies with at least 10 employees were also included. In 2003 the questionnaire was then sent to 540 large enterprises and 705 small and medium-sized enterprises representing the following sectors: 1) manufacturing, 2) wholesale & retail trade, 3) finan-

cial intermediation, 4) insurance & pension funding, 5) transport, storage & communication, 6) construction, 7) hotels & restaurants, 8) real estate, renting & business activities and 9) others. Since there were not enough responses to the questionnaire from the construction and the hotels & restaurants sectors, and these were later included in the group "other companies".

The arts were divided as before into the following 11 fields: 1) visual arts, 2) design, 3) music, 4) theatre, 5) literature, 6) dance, 7) cinema, 8) photographic art, 9) museums, 10) cultural heritage and 11) other arts.

Company support for the arts and heritage was divided into five categories: 1) purchases of works of art, 2) sponsorship, 3) donations to foundations and funds supporting the arts and heritage, 4) co-operative marketing and 5) other support (including support for the artistic activities of company personnel).

Also surveyed was company support for the arts in different regions of Finland. For the sake of comparison, the country was divided into six major regions using NUTS level 2 classification from the year 2000; this was also used in the previous survey in 1999. Compared to the newest classification it is more detailed and gives a better overview of the location of the companies.

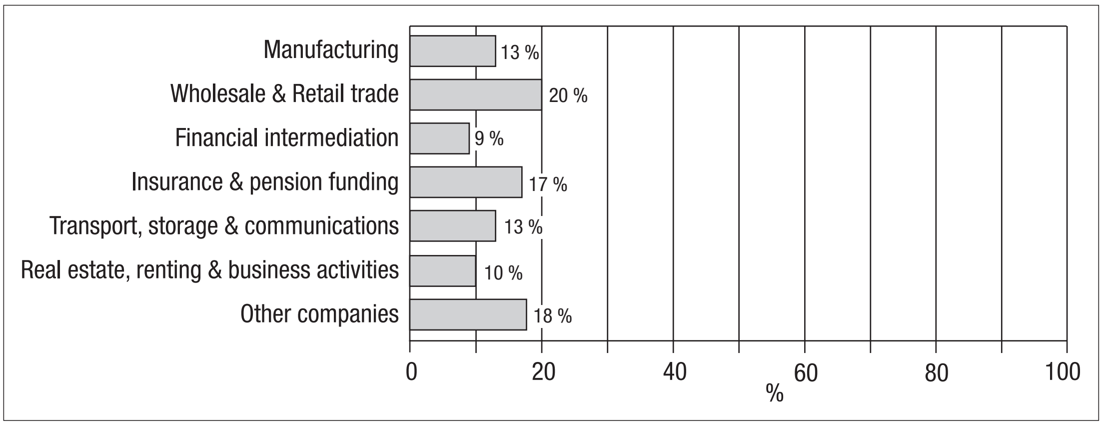
Of the 1,245 companies, 49 per cent answered the questionnaire but only 22 per cent of the 609 companies replying to the survey had supported the arts and heritage in one way or another in 2003. Nearly 60 per cent of the companies answering the questionnaire had supported sports or exercise and half of them had previously supported arts and heritage. Also, some 40 per cent had supported youth or public activities and 92 per cent of these companies had previously supported arts and heritage.

The total support for the arts and heritage by the companies answering the questionnaire was only € 2.9 million. However, some large-scale companies, which, according to previous surveys and other information, were known to support the arts especially by sponsorship did not answer the questionnaire or were not willing to give any details of their support. Using this information and the amount of money used by those companies responding, company support for the arts and heritage in 2003 can be estimated to be at least some € 4.1 million (±2%). The survey covers only support in which an exact or an estimated amount of money was transferred.

Most support came from large enterprises, while 26 per cent came from small and medium-sized enterprises. In many sectors and forms of art and heritage, the number of small and medium-sized enterprises was too small to be surveyed separately. The average amount of support was € 24,000, with the median around € 8,500. Of all companies, 57 per cent invested at least € 5,000 in support of the arts and heritage, but 52 per cent of small and medium-sized enterprises invested less than € 2,500.

Support for the arts and heritage was most frequent among financial intermediation and insurance & pension funding companies, which were among the smallest sectors represented in the questionnaire. The number of companies supporting the arts and heritage was greatest in manufacturing but only 13 per cent of the total support came from that sector. Nearly one fifth of the total amount came from the group "other companies" where some 75 per cent of the support was from one company only. (Figure 1.)

Figure 1. Share of support by type of company in 2003 (Total estimate N = € 4, 099, 440; ±2 %)



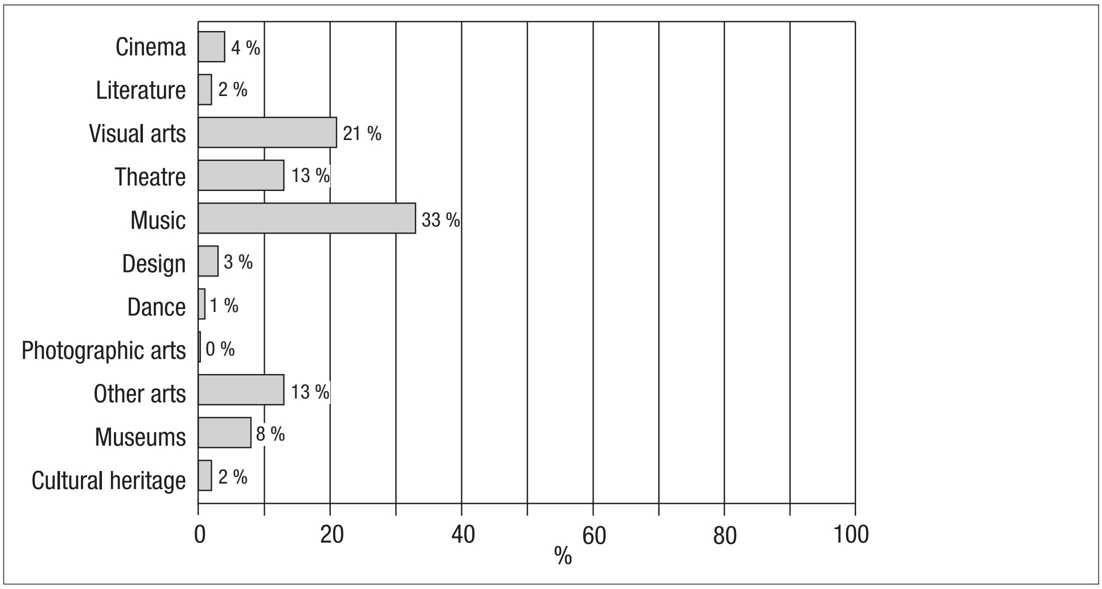
Music received the greatest support in all sectors, except for insurance & pension funding, transport, storage & communications, and the group "other companies", which mainly supported the visual arts. Sponsorship was the main type of support in manufacturing, wholesale & retail trade, insurance & pension funding, transport, storage & communications and the group "other companies". Co-operative marketing was foremost in real estate, renting & business activities.

In manufacturing and financial intermediation, most of the support for the arts and heritage came from companies located in the major region of Southern Finland. In all other types of companies, the major region of Uusimaa was the foremost region of support.

Music and visual arts jointly received some 54 per cent of the total support for the arts and heritage in 2003. Some 90 per cent of the support for music was in the form of sponsorship and co-operative marketing (opera, festivals and events). Almost the entire support for the visual arts, 83 per cent, was in the form of purchasing works of art for company collections. Compared with visual arts and music, other forms of art and heritage received much less support. Dance and photographic art received hardly any company support. (Figure 2.)

Music received support mainly from the wholesale & retail trade, and design from the transport, storage & communications sector. The visual arts and museums received support mainly from insurance & pension funding. Most companies supporting the cinema, literature, and other arts were companies representing the group “other companies”. In dance, photographic art and cultural heritage, most of the support came from the manufacturing sector.

Figure 2. Percentage of company support received by different art forms and heritage in 2003 (Total support of the companies responding to the questionnaire: € 2, 944, 600. Total estimate € 4,099,440, ± 2%)

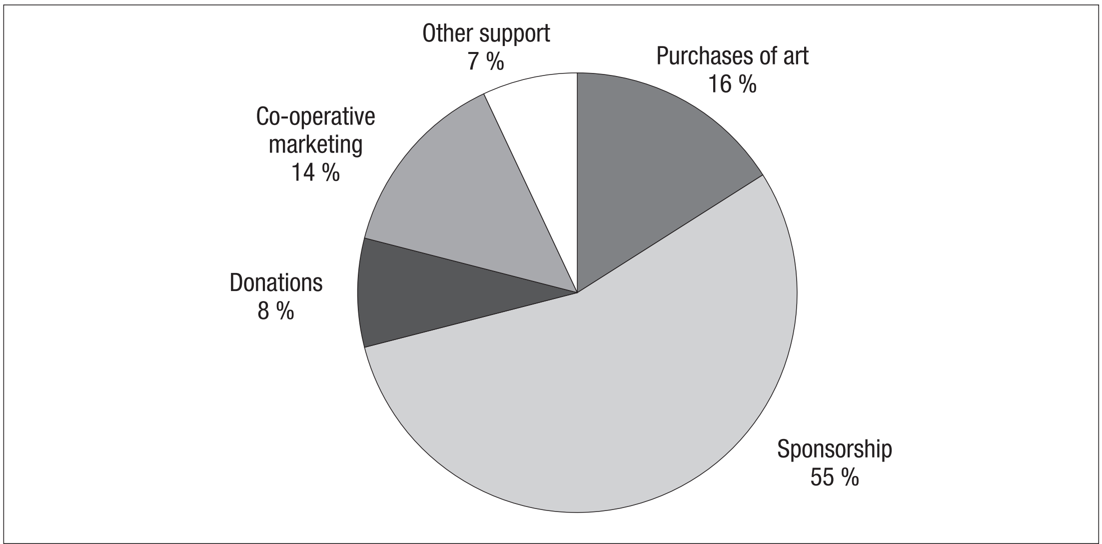


Purchasing of works of art was the main type of support for the visual arts and museums. For all other forms of art and heritage the foremost type of support was sponsorship. Uusimaa was the main region supporting all forms of art and heritage.

Sponsorship was the most important type of support in 2003. Over half of the total amount of support came in the form of sponsorship, and 14 per cent was co-operative marketing, which can be seen as one form of sponsorship. Sponsorship was more common in small and medium-sized enterprises but some 65 per cent of the total amount of sponsorship came from large scale companies. Companies responding to the questionnaire invested only 16 per cent of the total support in purchases of art, which has previously been the most important type of support. (Figure 3.)

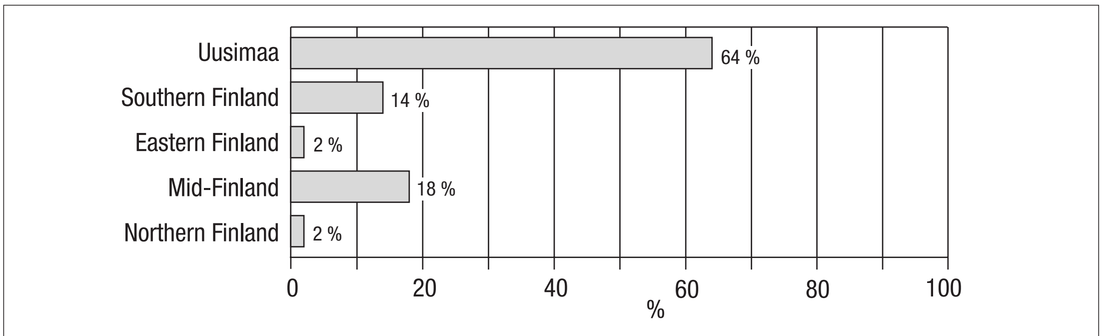
Sponsorship was also the most common way of supporting arts and heritage: 78 per cent of the companies had used it. Some 38 per cent of the respondent had made purchases of arts in 2003. Most of the purchases were visual art works. Some 67 per cent of the companies had supported arts and heritage by co-operative marketing. Music received most of the sponsorship and co-operative marketing money. Every third company had made donations, the main targets also being music and visual arts. Other types of support were used by some 52 per cent of the companies; their targets were mainly other arts. Most of the money in all types of support came from the major region of Uusimaa.

Figure 3. Company support for the arts in Finland in 2003 by type of support (Total support of the companies responding to the questionnaire: € 2, 944, 600. Total estimate € 4,099,440, ±2%)



Nearly half of the companies included in the survey were located in Uusimaa and every third company was located in the major region of Southern Finland. Most of the large scale companies and the head offices of big enterprises were located in these two main regions. With some 41 per cent of the companies located in Uusimaa, it was clearly the main region for company support of the arts and heritage in 2003. However, there is every likelihood that most of the money spent on sponsorship and co-operative marketing went outside Uusimaa. (Figure 4.)

Figure 4. Company support for the arts in Finland in 2003 by major regions (Total support of the companies responding to the questionnaire: €2, 944, 600. Total estimate € 4,099,440, ±2%)



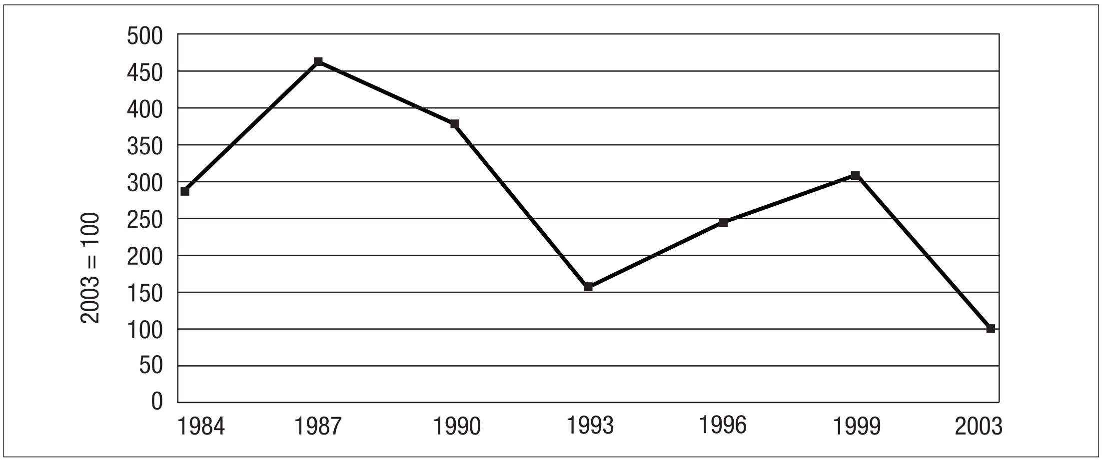
In Uusimaa, the major type of company supporting the arts and heritage was insurance & pension funding. Other important companies were involved in the wholesale & retail trade, and real estate, renting & business activities. The primary types of support were sponsorship and purchases of art. Most of the support went to music and visual arts.

There were many changes in company support for the arts and heritage in 2003. The most dramatic change was the decrease in the total amount of support. The estimated total support was the lowest of all previous surveys since 1984. Manufacturing was no longer the most important sector; insurance & pension funding, as well as the wholesale & retail trade, spent more money in the arts and heritage. Music has become an even more popular target for company support, and sponsorship was clearly the main type of support in 2003.

Compared to targets like sports and the social sector, it is still not very common for Finnish companies to use culture and the arts as part of business and marketing. Most of the companies answering the questionnaire did not support the arts and heritage at all. Generally, the amount of money used was quite small, and in many of the sectors most of the support came from very few companies.

Since 1984, company support for the arts and heritage has followed national economic trends. During the economic depression in 1993, total support was at low level, but three years later the total support for the arts and heritage began to increase. In 1999, it was approximately the same as in the first questionnaire in 1984. However, in spite of positive economic growth, this latest survey shows a steep decrease in total support for the arts and heritage in 2003. (Figure 5.)

Figure 5. Company support for the arts and heritage in Finland between 1984 and 2003 (fixed price by cost of living index: 2003=100)



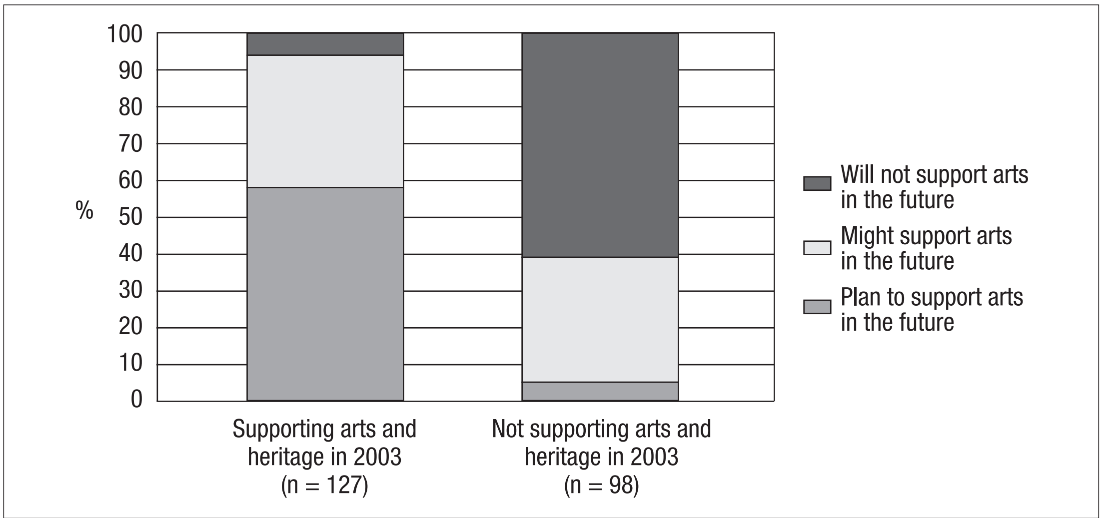
As always, some large scale companies did not respond at all, or were not willing to give the sums of their support for the arts and heritage. However, the data of previous questionnaires shows that many of those large scale companies regularly supporting arts and heritage spent less money in 2003 than in 1999. This information was not available for small and medium-sized enterprises, because of the differences in the sample of companies.

The total amount of support has always been more or less dependent on support coming from manufacturing, but also financial intermediation and insurance have long been the principal sectors of support for the arts and heritage. The share of support coming from other sectors has increased, not necessarely because these types of companies are more interested in arts and heritage, but because at the same time manufacturing support and the total amount of support have decreased.

Support of the arts and heritage has been concentrated in companies where it has become an important and established part of business. Some 90 per cent of all companies supporting arts and heritage in 1999 and 2003 had also done so in previous years. On the other hand, most of the companies that did not spent money on arts and heritage in 1999 or in 2003 had not previously supported arts and heritage. Compared to 1999, the share of the companies previously supporting arts and heritage has slightly increased since 1999 among those companies that had not supported arts and heritage in 2003.

Nearly all companies supporting arts and heritage had also done so in previous years. Every tenth company supported the arts and heritage for the first time in 2003. Most of the companies supporting the arts and heritage in 2003 planned to continue their support in the future. Many companies not supporting the arts and heritage had not done so previously and were not planning to give support in the future either. (Figure 6.)

Figure 6. Future plans of support for the arts and heritage by companies supporting and not supporting arts and heritage in 2003



Company support for the arts and heritage has not become as common as previous surveys have predicted. It is practised mainly by those large scale companies that have gathered experience of sponsorship and know how to use it in normal business activity. The support given to the visual arts in the form of purchases has decreased and company support for the arts and heritage has concentrated more on sponsorship and music. The target of company support has been directed mainly to those art forms receiving wide publicity and giving good market value for the company image and company products.

The results of the previous surveys and the changes in the total support show that the practice of company support for the arts and heritage is apparently not going to expand to new companies or art forms, or become a significant part of financing for the arts and heritage in the near future.