Arts Index Netherlands

Key information about the cultural sector 2005-2011

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The cultural sector is in transition. Cultural practises are changing thanks to digitisation. After an initial increase, participation is showing a decline, despite increased capacity and competitiveness. Statistics gain in significance when they can be presented together and compared with each other. This is why we have initiated the Arts Index Netherlands.

The Arts Index Netherlands (CiN) makes it immediately clear that the cultural field showed growth during the years 2005-2009.[1] This came to an end in 2009. A closer look at the four 'pillars' on which the index is built reveals that the growth was found especially in increased capacity and the improved competitiveness of the cultural sector.

The volume of financial flows in the year 2011 was almost the same as in 2005 (when the figures were adjusted for inflation), although in the intervening years it had been higher. Participation, on the other hand, ultimately showed a decline, after initially rising (see Table 1).

Table 1

	2005	2006	2007	2008
Totaalindex	100	105	106	105
Capaciteit	100	103	108	118
Participation	100	105	100	93
Financial flows	100	107	108	102
Competitiveness	100	107	109	108

Table 1: Arts Index Netherlands from 2005 to 2011: developments in index and pillars

These are the main findings to emerge from the trend figures created by bringing together a broad spectrum of data on the cultural field. Unfortunately, the results shown here do not extend to the present: the figures for 2012 and 2013 are in many cases not yet available. The figures for 2011 show few of the effects of the economic

[1] Size or growth incidentally does not directly correspond to vitality and strength. So, for example, large financial flows may indicate inefficient usage of money, while large capacity can also mean *over*capacity. Whether increased or reduced subsidies lead to vitality is primarily a political judgement. The index reports on the issue of *more or less*. The extent to which that means *better or worse* is, as always, in the eye of the beholder.

crisis on culture. The impact of reduced government subsidies and curtailed private spending is not yet fully visible, because it largely came into force after 2011. The combined effect will be visible in the next edition of *The State of Culture*, which we hope will appear in 2015. In the meantime, we are working on a website (www.cultuurindex.nl) on which the latest figures will appear from mid-2014. Also, the site will contain background information about, and an explanation of, the index.

With the use of trend data in general, and indices in particular, the time of the first measurement is of prime importance. All the differences are in fact expressed as differences compared to that year. It is therefore important to determine whether it was an exceptional year in any respect, because in that case this should be taken into account in the interpretation. Unlike the present, in 2005 there was no talk of either recession or of major interventions in cultural policy. In the broader social context, it was not a special year. Digitisation was already underway and had made some progress, so this was no sudden new factor. There is, therefore, no reason to believe that 2005 was an exceptional year

What does the index add to the available information?

Here and there you can find plenty of information about goings on in the cultural field. Nowhere however, is this data systematically brought together, let alone numerically integrated. In the articles in this *State of Culture*, a whole range of data is reviewed. The Arts Index Netherlands compresses some of that information together, into a few key figures which give a picture of developments in the cultural area. The strength of the survey is in its consistency, the way in which many individual statistics are combined with each other. Therefore, this overview is informative for those concerned with the field from a policy point of view, whether in governmental organisations, umbrella organisations, institutions or independently. We must be honest about the weak spots in this index and therefore stress that there are currently a number of areas with limited, or even no information available. This absence of data can have several causes. Market participants may be reluctant to disclose business information, while public institutions may make public little or no information concerning their amount of private support, often because this is administered by separate supporting foundations. Some data sources have been launched only recently, while others are available only on a smaller scale, and not on a national one. We hope that the players in the cultural sector, both private and public, will tackle these shortcomings. An important goal of this publication is to ensure that more data will become available in the future, for collection over a long period of time.

The Netherlands Culture Index: a work in progress

This index aims to use figures from the years 2005, 2007, 2009 and 2011 to make visible broad developments over several years. However, this multi-year perspective inevitably means a restriction in the data usable in the index. We could only include figures collected in a similar way during those particular years. However, we found digitisation too important a subject to ignore purely on the basis of a statistics deficit. This theme is included in *The State of Culture*, addressed in a cluster of three contributions. In addition to the criterion of consistent long-term measurement, we used other criteria. The data had to have a national scope (and not just focus on a city or a region), and had to have been collected soundly by a reliable organisation. Besides the problem of availability, there is also the issue of demarcation. What counts as culture, and what does not? This is not a static issue. Definitions and boundaries are constantly developing. The distinction between high and low culture is less relevant. In the index, they are both included. More problematic is where culture ends and where marketing, planning, catering and craft all begin. In addition to the demarcation of chains, there is the question of what within a culturally identified chain should be counted as a cultural field, and what should not. Making music recordings belongs to the cultural fields, for example, but does that also apply to pressing CDs? In determining the scope, we have been guided by the limits which the CBS currently applies (Braam 2011).

Evidently, arts and heritage are wholly within the range. Media, entertainment and creative business services are also included in part, especially in terms of capacity and financial flows.[2] However, statistics on public broadcasting and programmes have been excluded. In considering participation, we have limited ourselves to culture in the narrow sense of arts and heritage. During the preparation of the index, it became clear that the pattern of cultural participation is currently shifting. Virtual participation (participation in culture through internet products and services) is increasing strongly. However, some developments are so recent that there are as yet no figures that could be included in the index.

The index was shaped by choices. Selection is inherent in the whole exercise and remains a subject of ongoing attention. From a critical reflection on our work, and from data yet to become available, the index of two years from now can only improve. It could be that we revise the data of the years presented here based on new insights, and on the basis of new information which may be available in two years' time.

The financial data shown has been adjusted for inflation. Growth is therefore real growth, not the result of currency devaluation. The figures are not adjusted for population growth. In the period 2005-2011, the population grew by 2%. An increase in visitor numbers of 2%, for example, does not indicate real growth, but is a reflection of a growing population. On the other hand, larger populations require greater capacity and so do represent a constructive development. Therefore, although these figures are not adjusted for population growth, in some cases this should be kept in mind.

Pillars and key indicators

Data doesn't speak for itself, but must be made to speak. Ordering is also not self-evident. We have based our index on four pillars, following the American example of Americans for the Arts' National Arts Index. These pillars are: capacity, participation, financial flows and competitiveness.

'Capacity' refers to the resources of the cultural field, 'participation' indicates the public interest in culture, 'financial flows' brings the money side into the picture, and 'competitiveness' relates to the relative strength of the cultural field within the broader context. Within each of these four pillars, the data is ranked according to some key indicators (see Table 2).

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[2] See also *Boekman* 93 on the creative industries.

Armed with this format, we addressed the question of how the various factors weigh against each other. Simply treating all valuable information as though it were of equal weight is unsatisfactory. Then the random information density concerning a portion of the cultural field would also determine what weight that aspect would have in the index. However, an accurate assignment of weights to the various aspects of culture is hardly an option. Indeed, there is no gold standard with which to determine those weights.

Table 2

Pillar	Key indicator
Capacity	Organisations
	Infrastructure
	Employment and training
Participation	Visit/attendance
	Practise
	Cultural consumption
Financial flows	Income (excluding government contributions
	Government contributions
	Sales
Competitiveness	National competitiveness
	International competitiveness

Table 2: *Arts Index Netherlands pillars and core indicators*

Relying on common sense, we opted for a safe middle ground regarding the pillars and core indicators. We gave each of the four pillars equal weight in calculating the index.

Hence we assigned the same weight to capacity, participation, financial flows and competitiveness. Within each pillar, the respective key indicators also count equally. Each core indicator is composed of several concrete factors, each of which is given an equal weight in the mix, apart from a few reasoned exceptions.[3]

The Culture Index unites many diverse quantities. Financial flows are expressed in euros, visitor numbers and range in percentages. Through indexation, i.e. by establishing the situation in the year 2005 as 100 and subsequently viewing the situation in later years as a deviation from 100, all the varying quantities are 'placed on the same footing'.

The parts of the whole: capacity, participation, financial flows and competitiveness

Above, we reported the main results of the Netherlands Culture Index. The index shows that the cultural field in the years 2005-2011 was characterised by a gradually flattening growth. This growth was mainly due to an increasing capacity. Initially,

[3] Sometimes several concrete details concerning a single phenomenon are merged, or a choice is made between them in order to prevent a frequently measured phenomenon getting too much weight. The appendix of this chapter contains a table list of all observations used. All this will be explained in detail at: www.cultuurindex.nl

competitiveness grew too. The volume of financial flows in 2011, following previous growth, was almost the same as in 2005. In contrast to the overall picture, participation showed a decrease (see Table 1, Figure 1).
We will now briefly discuss the developments within each of the four pillars. The appendix table in this article provides an overview of developments in all indicators used. Further elaboration and interpretation of trends within the pillars are discussed in separate articles.

Figure 1

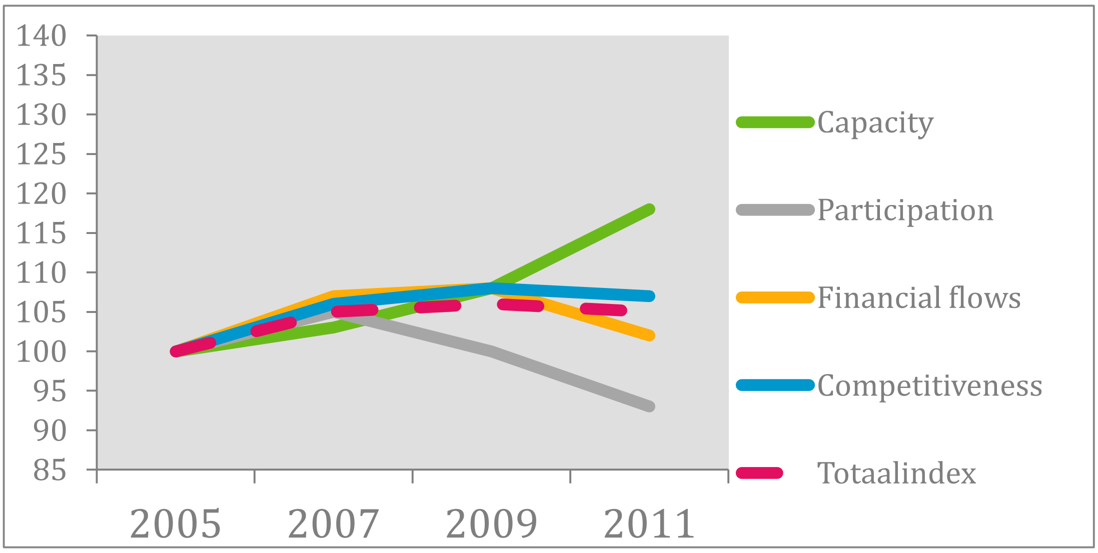

Figure 1: *Trends in the four pillars of the Arts Index Netherlands*

The robust growth in the capacity pillar is due to growth in what we term the labour market (see Table 3). In this category, we also include the number of people carrying out voluntary work. In both the museums and the performing arts, this number has grown significantly.

Table 3

	2005	2007	2009	2011
Capacity	100	103	108	118
Company/institutions	100	96	96	100
Infrastructure	100	107	109	116
Labour market	100	106	118	138

Table 3: *Arts Index Netherlands 2005-2011: Capacity*

The developments in participation reveal a mixed picture. An initial growth turned into a net decrease, since the gains in visits did not outweigh the losses in consumption and practise (see Table 4). Furthermore, it must be taken into account that the numerical registration of ‘virtual participation’ is as yet incomplete.

Table 4

	2005	2007	2009	2011
Participation	100	105	100	93
Visit/attendance	100	103	104	106
Practise	100	104	95	86
Cultural consumption	100	108	100	87

Table 4: *Arts Index Netherlands from 2005 to 2011: Participation*

The financial flows pillar up to 2009 reveals an initial increase and a subsequent decline. All three distinct core indicators initially show a growth and then a relapse (see Table 5). Only government grants did not fall back to their initial levels. Given the government cuts up to January 2013, there has since been a decline there, too. There are also signs that private donations are under pressure.

A problem here is that on the one hand we have figures concerning financial flows in the cultural sector itself, which are incomplete because the commercial elements are missing. On the other hand, there is data concerning the entirety of the creative industries, including the commercial elements, from which no figures about the cultural sector itself can be distilled. For the future, there is the hope of more details when the Central Bureau of Statistics (CBS) makes progress with so-called satellite accounts[4] in the field of culture. These would be much more informative regarding financial flows and capacity in culture.

Table 5

	2005	2007	2009	2011
Financial flows	100	107	108	102
Income culture (excluding government)	100	108	112	99
Government contributions	100	108	113	110
Turnover creative industries	100	105	99	96

Table 5: *Arts Index Netherlands from 2005 to 2011: Financial flows*

Competitiveness, finally, is the pillar which indicates to what extent the cultural sector is growing along with other sectors in the Netherlands, and with the cultural sector from an international perspective. From a national perspective, the cultural sector has done well in recent years even though since 2009 there has been a relapse. In the international context, the competitiveness of the Dutch cultural sector in 2011 was slightly above the starting level, after an initial dip (see Table 6).

Table 6

	2005	2007	2009	2011
Competitiveness	100	107	109	108
National competitiveness	100	116	117	112
International competitiveness	100	98	101	103

Table 6: *Arts Index Netherlands from 2005 to 2011: Competitiveness*

[4] A satellite account provides insight into the production and employment in a particular sector in connection with the national accounts.

Conclusion

The index and the underlying pillars and key indicators give a picture of the trends in the cultural sector and also provide insights into trends in various parts of the sector. We see a certain evolution. When we compare the index of 2005 with that of 2011, sometimes there is some growth (in competitiveness and capacity), sometimes some shrinkage (as with participation) and sometimes stability (or stagnation - in financial flows).

The cultural sector is in transition. Changing consumption patterns through digitisation and visitor behaviour indicate a greater role for mass events. Within the sector cultural institutes are already experiencing the consequences of this. Additionally our knowledge of now shrinking income (both grants and donations) suggests a lower index score for 2013.

We hope that the Netherlands Culture Index sketches a recognisable outline of the entire cultural sector, and above all invites further debate. We believe that the figures that have been collected in this index form a useful background for this discussion.

About the authors

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Literature

Braams, N. (2011) *Onderzoeksrapportage creatieve industrie*. Voorburg: Central Bureau of Statistics.

Arts Index Netherlands 2013: pillars, key indicators and observations

	2005	2007	2009	2011
CAPACITY	**100**	**103**	**108**	**118**
Organisations	***100***	***96***	***96***	***100***
Number performances private sector	100	106	116	120
Number of performances (performing arts)	100	107	109	110
Theatre halls (performing arts)	100	106	104	107
Public library collections	100	96	91	87
Number of exhibitions in museums and BIS-presentation institutions	100	117	105	97
Number of new titles	100	145	151	200
Number of new movies	100	90	103	106
Number of cinema screens	100	99	100	113
Number of cinema seats	100	97	105	110
Infrastructure	***100***	***107***	***109***	***116***
Number of members VSCD	100	109	103	103
Number of members VNPF (music venues)	100	82	74	73
Number of members NGA	100	85	83	75
Number of public libraries	100	59	50	48
Number of museums and BIS-presentation institutions	100	100	105	102
Number of listed/protected buildings	100	103	104	104
Number of protected city/village areas (designated)	100	112	117	123
Number of publishers		100	109	159
Number of sales points registered bookstores		100	102	103
Number of music stores	100	99	96	92
Number of media stores: video and audio (CDs, DVDs, and/or vinyl)	100	84	71	54
Number of movie theatres	100	100	107	113
Number of cinemas	100	92	94	98
Number of centres for the arts	100	103	77	73
Number of companies in the creative industries[5]	100	115	145	178

[5] The ‘creative industries’ (also ‘cultural sector’) include arts and heritage, media and entertainment and creative business services.

Employment	***100***	***106***	***118***	***138***
Number of art-college graduates	100	100	107	117
Art-college graduates employed in own field after 1.5 yrs	100	102	120	123
Employment in the creative industries	100	102	103	101
Volunteers in museums	100	113	133	182
Volunteers in the performing arts	100	112	115	169
PARTICIPATION	100	105	100	93
Visits	***100***	***103***	***104***	***106***
Visits private sector performances	100	102	90	80
Number of visits performance arts	100	105	106	104
Average reach canonical stage	100	98	100	99
Average reach popular stage	100	103	106	105
Use public library (loans + digital content)	100	98	85	97
Number of members of public libraries	100	99	100	99
Number of visits museums and BIS-presentation institutions	100	105	113	114
Number of cinema visits	100	112	132	149
Practise	***100***	***104***	***95***	***86***
Number of pupils of arts centres	100	106	95	91
Member of music/drama/choral group	100	117	118	112
Spent time playing musical instrument		100	95	83
Spent time singing/choir/singing groups		100	93	86
Spent time on drama/music/ballet		100	88	68
Spent time on crafts/painting/drawing		100	84	74
Consumption	***100***	***108***	***100***	***87***
Album sales music market (physical and digital)	100	92	87	73
Number of art sales contracts	100	93	71	55
Number of books sold (general, including e-books)	100	131	133	126

FINANCIAL FLOWS	100	107	108	102
Income (excluding government contributions)	***100***	***108***	***112***	***99***
Total income VSCD theatres (excluding subsidies)	100	119	116	108
Turnover VNPF-music venues	100	94	108	107
Total spend under art purchase ruling	100	100	75	62
Total income public libraries (excluding subsidies)	100	94	101	98
Total income museums and BIS-presentation institutions (excluding government subsidies)	100	115	129	138
Total revenue from book sales (including e-books)	100	103	101	91
Music market sales (physical and digital)	100	83	71	54
Export value of Dutch music and art	100	202	235	266
Gross cinema box office takings	100	115	139	161
Copyright: music	100	108	126	107
Copyright: images	100	137	154	146
Copyright: text	100	121	103	75
Donations to culture via funds, companies and lotteries	100	118	134	79
Government grants	***100***	***108***	***113***	***110***
Direct tax expenditure culture	100	123	120	99
Indirect tax expenditure culture	100	112	112	109
Government grants for art and culture management (net)	100	106	114	110
Turnover creative industries	***100***	***105***	***99***	***96***
COMPETITIVENESS	**100**	**107**	**109**	**108**
National competitiveness	***100***	***116***	***117***	***112***
Share of art education relative to all college education	100	97	102	109
Share of music in total exports	100	108	182	172
Share of art objects in total exports	100	171	60	76
Share of creative industries in total employment	100	98	98	96
Share of culture in all volunteering	100	125	175	175
Share of gifts for culture in all donations	100	114	129	91
Share of direct tax expenditure on	100	118	96	84

culture in total tax spend				
Share of government spending on art and culture management in total expenditure	100	97	94	94
International Competitiveness	***100***	***98***	***101***	***103***
Average ranking of Dutch artists among global 1000 most exhibited	100	108	105	107
Share of Dutch galleries in top-level art fairs abroad	100	103	99	85
Share of new Dutch book titles of total number new book titles	100	75	76	52
Share of Dutch publishers in total number of publishers		100	97	74
Share of Dutch albums and singles in total albums and singles	100	127	117	114
Share of Dutch Buma/Stemra participants in all copyrights	100	104	100	101
Share new Dutch films in total number of new films	100	60	92	116
Share of Dutch films in box-office takings	100	109	124	177