

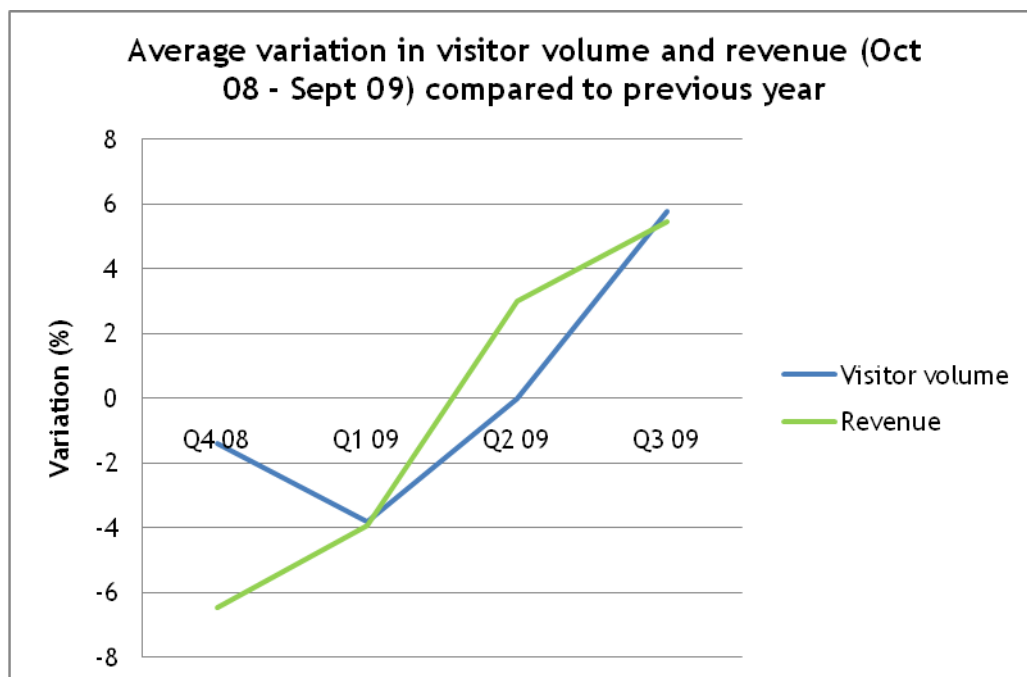


What impact is the recession having on the West Midlands' cultural sector? A summary of key findings to date.

Produced by West Midlands Cultural Observatory (November 2009)

1 Visitor volume and sales

1. Evidence suggests many local cultural venues and attractions have seen an increase in footfall and sales compared to the previous year over the spring and summer months. Respondents of the latest Cultural Research & Intelligence Group (CRAIG) recession survey reported visitor volume and revenue to have increased by an average of 6% during July-September 2009. This follows an initial dip in performance compared to the previous year between October 2008 and March 2009.



Source: West Midlands Cultural Observatory (2009) Cultural facilities survey, quarter 4 (2008) - quarter 3 (2009)

This corresponds with the results of the ‘Quarterly England Attractions Monitor’. In the Apr-Jun 2009 quarter, West Midlands visitor attractions recorded an increase in visitors (+19%) (compared to the previous year)¹.

Museums and historic houses in particular have seen an increase in footfall².

The increase in Britons ‘holidaying at home’ over the summer months is likely to have contributed to this trend³.

“We seem to have had more people visiting the area who would normally have gone overseas for their holidays”

(Museum, Herefordshire, October 2009)

There is also some suggestion that culture is helping to boost morale during the recession⁴. Past research has told us people turn to culture for comfort⁵.

“What appears to be emerging is that light-hearted, comedy and music events with a feel-good-factor tend to be the most popular”

(Arts Centre, Birmingham, October 2009)

In addition to its morale boosting properties, culture is seen as having a role to play in retraining local people for employment (who may have lost jobs). There is also widespread interest in the use of cultural events to draw in visitors and boost local economies⁶.

¹ Note: this compared favourably to the England average (+15%)

² West Midlands Cultural Observatory (2009) West Midlands Cultural Sector Economic Snapshot (Apr-Jun and Jul-Sept 2009 snapshots)

³ West Midlands Cultural Observatory (2009) West Midlands Cultural Sector Economic Snapshot (Jul-Sept 2009). Note: quotation in the yellow box was sourced from the Jul-Sept 2009 CRAIG recession survey

⁴ West Midlands Cultural Observatory (2009) The role of culture in the region’s post-recession recovery

⁵ BMG Research (2009) Cultural demand in the West Midlands, for Culture West Midlands, section 5.3. Note: quotation in the blue box was sourced from the Jul-Sept 2009 CRAIG recession survey

⁶ West Midlands Cultural Observatory (2009) The role of culture in the region’s post-recession recovery

2 Accommodation sector

2. **There is evidence to suggest that domestic visitors are saving money on accommodation rather than on cultural activities and this may be affecting the West Midlands accommodation sector disproportionately.** According to data from the UK Tourism Survey for example, the decrease in 'average length of stay' in the West Midlands (-22%) was the most marked of any region during the Apr-Jun 2009 quarter (although most regions did see a reduction)⁷, suggesting that the trend for people to save money on accommodation is happening nationally, but may be affecting the West Midlands accommodation sector disproportionately.

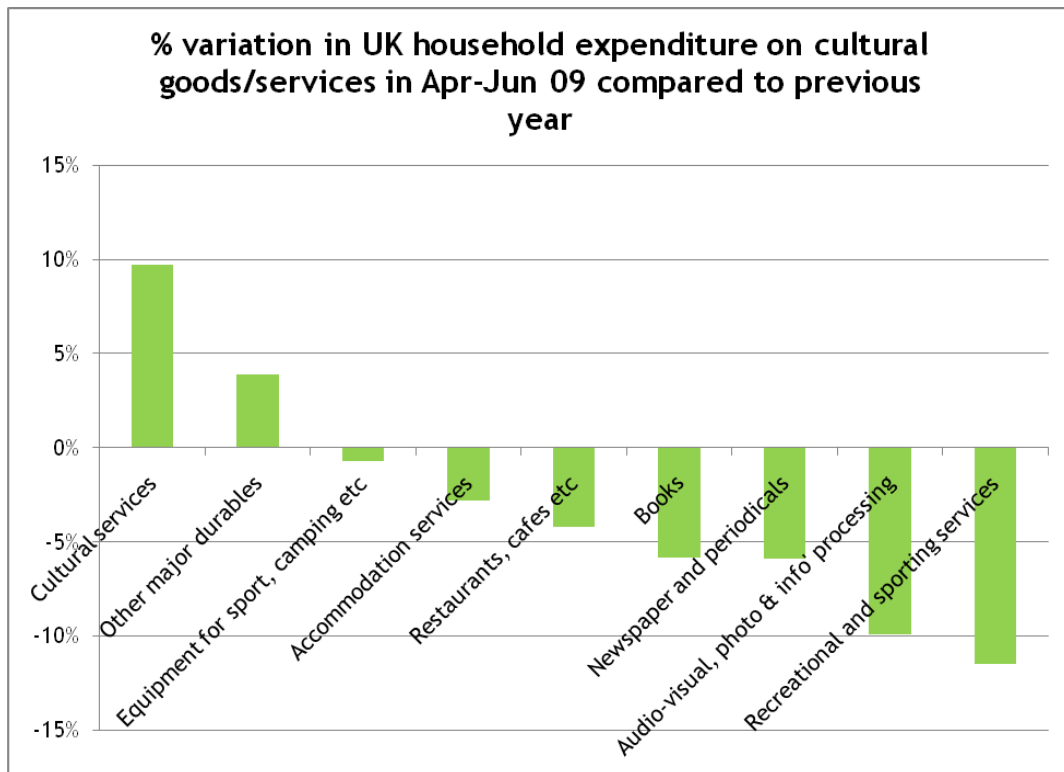
3 Household expenditure

3. **Similarly, there is some evidence to suggest that nationally, consumers are choosing to save money on cultural retail products.** Expenditure by UK households on cultural goods and services in Apr-Jun 2009 had decreased compared to the previous year (-3.5%) and compared to the previous quarter (-1.9%). In both cases, the rate of decrease exceeded the average for all items which was -2.6% and -0.2% respectively⁸. This suggests ongoing issues for commercial product manufacturers (despite a more positive outlook for manufacturers generally⁹).

⁷ Note: the England average decrease was -3%.

⁸ ONS (2008/09) Consumer Trends. Note: the 'other major durables category includes the following: 'major durables for outdoor recreation', 'musical instruments and major durables for indoor recreation' and 'maintenance of other major durables'.

⁹ West Midlands Cultural Observatory (2009) West Midlands Cultural Sector Economic Snapshot (Jul-Sept 2009)



Source: ONS (2008/09) Consumer Trends

4 Local authority budget cuts

- Local authorities are having to make difficult choices as pressure mounts on them to save money. This carries with it implications for the region's cultural sector, including reduced funding for cultural services leading to gaps in provision¹⁰. Various research has also pointed to increased pressure on other sources of funding. For example, a recent Arts & Business survey with 250 arts organisations nationally found funding from private investment (63%) and trusts and foundations (55%) has decreased for the majority of respondents¹¹.

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¹⁰ West Midlands Cultural Observatory (2009) West Midlands Cultural Sector Economic Snapshot (Jul-Sept 2009)

¹¹ Arts & Business (2009) Market Trends 2009 (Spring edition)