

Executive Summary

Montana Artrepreneur Program Artist Sales and Impact on Household Income 2009-2013

For more information about this report contact



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Funding for the Montana Arts Council's Montana Artrepreneur Program (established 2009) is provided by the State of Montana, the Emily Hall Tremain Foundation, the LINC Foundation and the U.S. Department of Agriculture's Rural Communities Development Initiative



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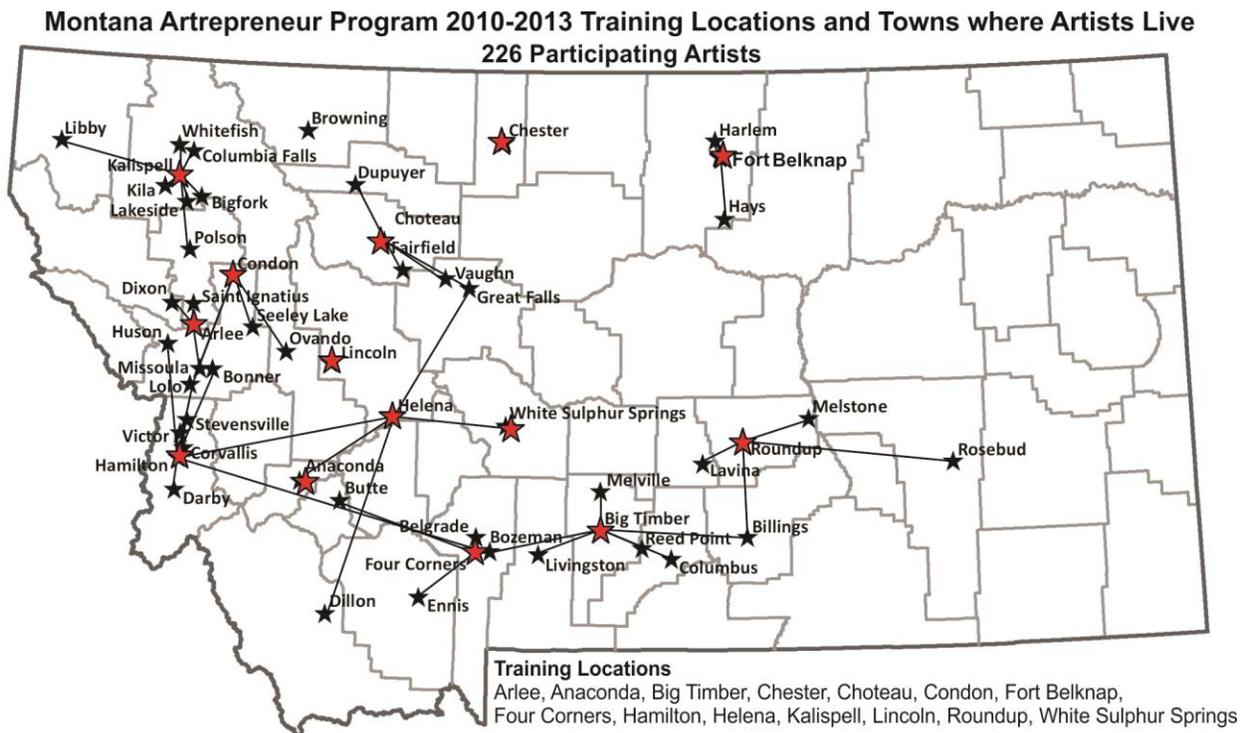
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Introduction

The Montana Arts Council established the Montana Artrepreneur Program (MAP) in 2009 to support individual artists working in rural areas throughout the state who wanted to increase their household incomes through the sale of their art. The basic structure of MAP is a ten-month course of participatory training in a regional cohort of artists, followed by a process of formal certification. With business development as the intended outcome, the certification process requires artists to complete a comprehensive toolkit to become market ready.

In May 2014, Decision Support Partners, Inc. was contracted by the Montana Arts Council to develop a survey to gather data from Montana Artrepreneur Program (MAP) participants from 2009 through April 2013. The survey was intended to help the Montana Arts Council better understand the impact of the program on participating artists and to help inform the future of the program. A letter from Arlynn Fishbaugh, executive director of the Montana Arts Council, was sent to 221 artists who had completed the program asking for the participation in this evaluation. The survey was administered electronically and anonymously by Decision Support Partners. Because the survey was lengthy and required respondents to provide multiple years of financial information (from the time they participated in their formal MAP training through 2013), artists were provided an incentive of \$25 to \$150 to complete the survey. The amount of the incentive was determined based on the timeliness of their response and how thoroughly they responded. In total, 80 artists (36%) responded to the survey and 73% of these artists provided complete financial information as requested.

Each artist was asked to report on data from the year prior to their participation in MAP, as well as for all years following their participation through 2013. For years following participation in MAP the data was averaged across relevant years and totaled for all respondents.



Executive Summary of Key Findings

As a result of the Montana Artrepreneur Program (MAP) participating artists in the survey sample have:

- Generated upwards of \$1.2 million in gross art sales, which is an 86% increase since participating in the program.
- Increased gross annual sales per artist from \$3,734 to \$6,938 on average, with some as high as \$68,317.
- Generated \$275,000 in net art sales, a 275% increase in net art sales on average since participating in the program, some as high as \$18,000.
- Increased sales of their art outside of the state of Montana by 31%, on average, from years prior to the program to years after participating in the program.
- Reported that in 2013, 21% of their gross personal income of \$1.58 million was derived from their art sales (\$328,059).
- Invested two-thirds of their gross personal income (\$614,340) in their art businesses in 2013, \$406,691 of which was spent in the state of Montana. Artists who invested in their art businesses spent an average of \$8,969.

MAP artist survey respondents reported being:

- More confident in their business management skills (78%)
- More satisfied with their art business (70%)
- In progress toward their art business financial goals (70%)
- More specific and clear on their art business financial goals (74%)
- Actively making art and pursuing their art businesses (78%)

MAP artist survey respondents generated economic activity in the areas of:

- Increased inventory for sale (78%)
- Increased customer base (76%)
- Increased investment in art business (68%)
- Increased sales locations and prices for product lines (65%)
- Increased state business spending (59%)
- Increased local business spending (54%)
- Increased out of state sales (45%)
- Made capital investments in art business (45%)
- Employed/contracted new or more people for art business (18%)
- Rented new space for art business (14%)
- Secured a loan for art business (5%)

MAP Certified Artists

Of the 80 artists responding to the survey, 22 have received MAP certification. To become certified, artists must produce a toolkit (a comprehensive set of 35 professional business elements) in order to be deemed “market ready.” The results from MAP Certified Artists are higher in most cases than all program artists responding to the survey. The 22 MAP Certified Artists:

- Generated \$258,183 in gross art sales, which is a 104% increase since participating in the program.
- Increased gross annual sales per artist from \$5,766 to \$11,736 on average, with some as high as \$68,317.
- Generated \$155,528 in net art sales, a 391% increase in net art sales on average since participating in the program, some as high as \$13,776.
- Increased sales of their art outside of the state of Montana by 53%.
- Reported that in 2013, 29% of their gross personal income of \$464,018 was derived from their art sales (\$134,437).

MAP Artist Characteristics

MAP artists responding to the survey range from 28 years of age to 74 years of age, with an average age of 54. Approximately 60% have a four-year college degree or higher, and 70% are female. Approximately 20% report racial or ethnic background other than Caucasian, and three out of five artists are from Montana towns outside of the seven largest cities.

Sample Success Stories

Below are sample success stories reported by artists on the survey.

Owning an alpaca ranch primarily for breeding and sales during this economic downturn is difficult. By completing the MAP program I learned the skills to get my art out into the buying public. This program by all means, saved the ranch for the last several years. We are now looking at selling the animals and ranch after over 25 years but my art will continue as our primary income other than retirement.

My main motivation for participating in MAP was to develop the wholesale side of my business. During my MAP year, I added one (bringing the total to 2!) yarn shop buying wholesale, in Jackson, WY, during the Tour of Excellence. In 2013, I started reaching out to other yarn shops, and picked up another one or two. Then, in late April, I received a phone call from one of the largest yarn shops in Montana, Camas Creek Yarn, in Kalispell. The owner contacted ME and asked to carry my products! She had heard of me via word of mouth (a friend of hers had seen my booth at a fiber festival in Post Falls, ID). I brought my yarns and fibers to her shop the next week, and made the largest sale I had ever made. This was a huge boost to my confidence, and I decided that I would no longer sell to shops on consignment. Additional requests from shops came after that, and the wholesale side of my business has flourished since then.

Because of MAP my sales have increased and I have more money to invest in my art without taking out loans or carrying any personal debt. All of the wholesale income I have from my art can be attributed to the MAP program. I was able to develop a product line and an inventory to offer at wholesale to qualified buyers. My retail income has increased after learning more about more accurately pricing my work through MAP's pricing formula.

As the numbers reflect, since beginning MAP my sales increased exponentially each year - culminating in sales exceeding \$100,000 last year. Even after meeting all financial obligations (payroll, taxes, operating expenses, etc.) the extra income I earned as a full-time artist - but actually only working part time - gave my family two very important things: extra income that we used to offset the cost of building our new home, and most importantly, it gave me the flexibility to work odd hours, take time as needed to be with our small children, and allowed the family to enjoy time together.