

Facts about the Arts
Arts Council of Finland
Publication no 27
Helsinki 2001

Pekka Oesch

COMPANY SUPPORT FOR THE ARTS AND HERITAGE IN FINLAND IN 1999

English Summary

Since 1985, the Research Unit of the Arts Council of Finland has, together with the Statistics Finland, 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 80s and 90s. This study looks at the results of the 1999 questionnaire and at support during the 90s.

There have been small changes within certain sectors because of the three different classifications used in the 90s. Since 1996, official NACE 1995 classification has been used. After the 1993 survey, some of the companies included in the survey had been wound up due to bankruptcy or merger. In 1996, the sample was therefore up-dated and a number of new companies were included in the survey. Until 1996, the number of companies surveyed represented approximately 450 of the largest companies in Finland in terms of turnover.

In 1999, the totally renewed sample of companies based on the number of employees. First of all, 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. The questionnaire was then sent to 504 large enterprises and 702 small and medium-sized enterprises representing the following sectors: 1) manufacturing, 2) wholesale & retail trade, 3) financial intermediation, 4) insurance & pension funding, 5) transport, storage & communication, 6) construction, 7) hotels & restaurants, 8) real estate, renting & business activities and 9) others.

There were not enough responses to the questionnaire from the construction sector and the hotels & restaurants sector, and these were included in others.

The arts were defined 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.

This time, 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. The country was divided into six major regions using NUTS level 2 classification. However, in practice only three major regions were used because most of companies were located in the major region of Uusimaa and the major region of Southern Finland. The major region of Åland was included in the major region of Southern Finland and the major regions of Eastern Finland, Mid-Finland and Northern Finland formed one region named Other regions.

Of the 1206 companies, 53 per cent answered the questionnaire. Only 26 per cent of the 639 companies replying to the survey had supported the arts and heritage in one way or another in 1999. Although, the percentage of companies replying was low, the number of companies supporting the arts was higher than in any previous survey.

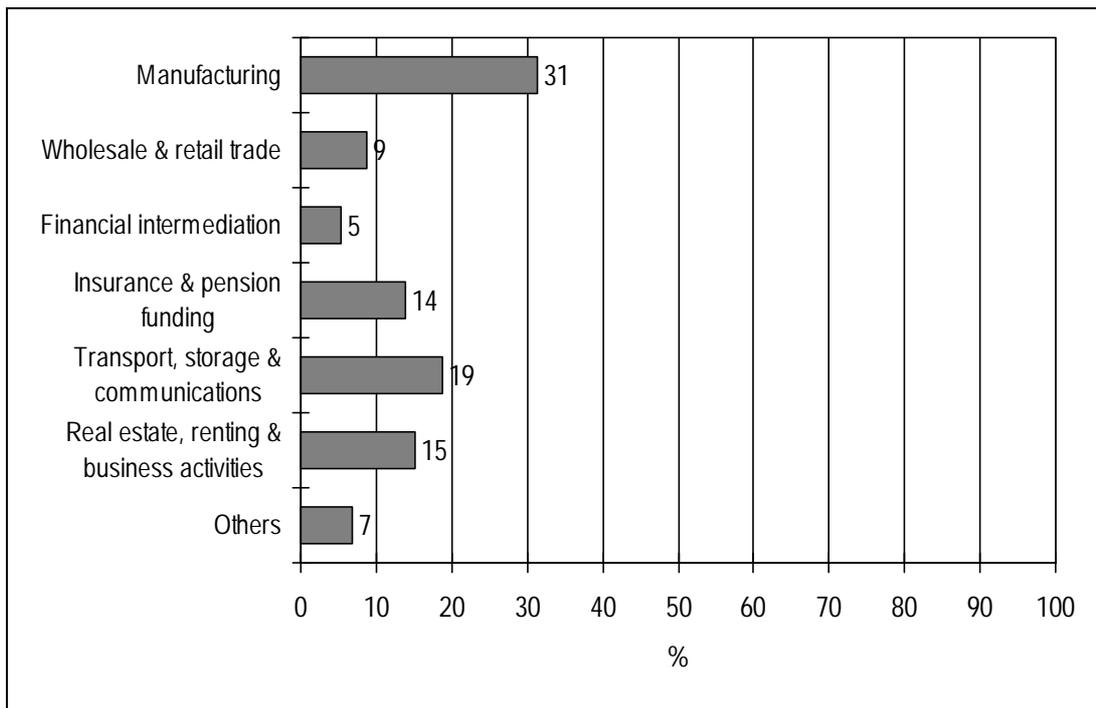
Total support for the arts and heritage was FIM 48.5 million (€8.2 million). Company support for the arts and heritage in 1999 can be estimated to be at least FIM 55-60 million (€9-10 million) because some large-scale companies did not answer the questionnaire. According to previous surveys and advertisements and articles in the newspapers, these companies were known to support the arts, especially by sponsorship. Also, the survey covers only such support where an exact or an estimated amount of money was transferred. Co-operative marketing can include different types of financial support without actual money being involved.

Most support came from large enterprises and only 15 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 FIM 290,000 (€48,000) and the median was around FIM 45,000 (€7,500). Most companies invested less than FIM 100,000 (€16,000) and nearly 40 per cent of companies invested less than FIM 30,000 (€5,000) in support for the arts and heritage.

Support for the arts and heritage was most frequent among financial intermediation and insurance & pension funding companies, which were among the smallest sectors of the questionnaire. However, the number of companies supporting the arts and heritage was greatest in manufacturing and more than one third of the total support came from that sector.

Support given by the various sectors was divided as follows: manufacturing FIM 15.2 million (€2.5 million), wholesale & retail trade FIM 4.3 million (€720,000), financial intermediation FIM 2.6 million (€433,000), insurance & pension funding FIM 6.7 million (€1.1 million), transport, storage and communication FIM 9.1 million (€1.5 million), real estate, renting and business activities FIM 7.3 million (€1.2 million) and other companies FIM 3.3 million (€565,000). (Figure 1.)

Figure 1. Share of support by type of company in 1999 (N=€8,157,000).



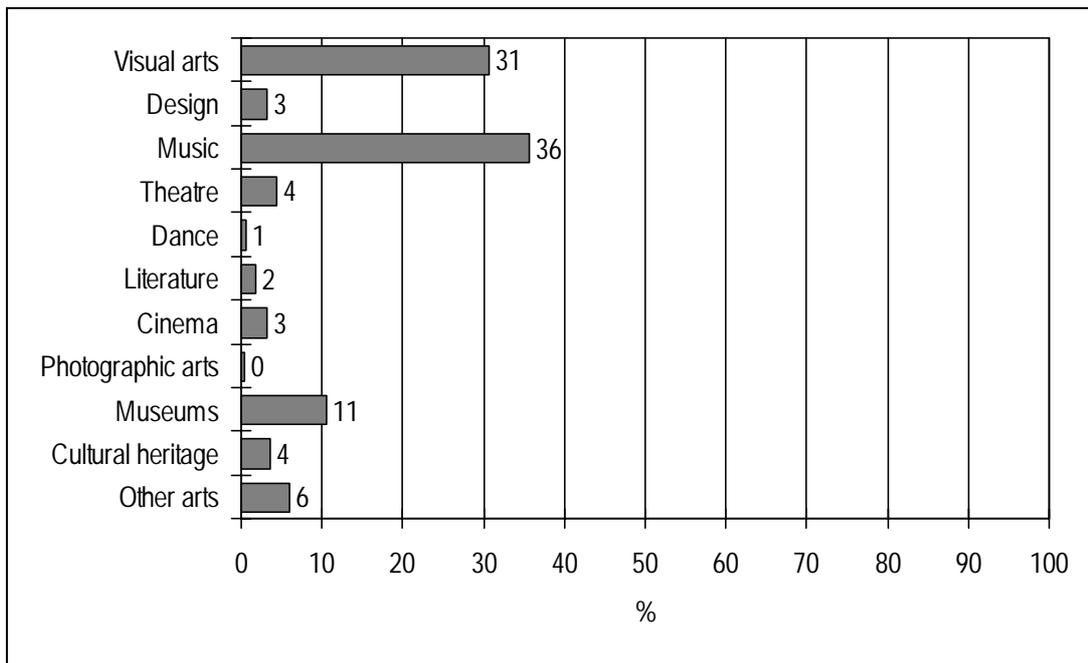
Visual art was the most supported art form in manufacturing, financial intermediation and insurance & pension funding. Other types of companies supported mostly music, except real estate, renting & business activities, which mainly supported other arts. In manufacturing, financial intermediation and insurance & pension funding, purchasing works of arts was the main type of support. In wholesale & retail trade, real estate, renting & business activities and other companies, sponsorship was the most important type of support. Co-operative marketing was foremost in transport, storage & communications.

In manufacturing and insurance & pension funding, 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.

Visual arts and music received jointly some 66 per cent of the total support for the arts and heritage in 1999. Almost the entire support for the visual arts, 83 per cent, was in the form of purchasing works of art for company collections. Some 60 per cent of the support for music was in the form of sponsorship (opera, festivals and events).

Compared with visual arts and music, other art forms and heritage received much less support. Dance and photographic art received hardly any company support at all. Support for each different art form and heritage was as follows: visual arts FIM 14.8 million (€2.5 million), music FIM 17.3 million (€2.9 million), museums FIM 5.1 million (€860,000), theatre FIM 2.1 million (€362,000), cultural heritage FIM 1.8 million (€300,000), cinema FIM 1.6 million (€260,000), design 1.5 million (€256,000), literature FIM 0.8 million (€145,000), dance FIM 0.2 million (€41,000), photographic arts FIM 0.2 million (€34,000), and other arts FIM 2.9 million (€486,000). (Figure 2.)

Figure 2. Percentage of total company support received by different art forms and heritage in 1999 (N=€8,157,000).

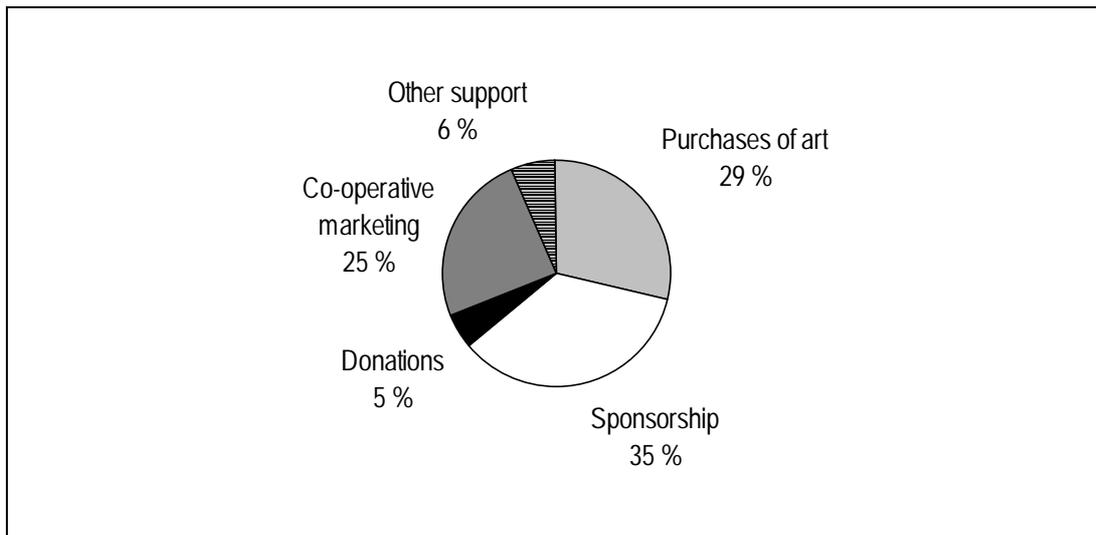


Most companies supporting the visual arts, music, dance, literature, cinema and museums were from the manufacturing sector. In design and photographic art, most of the support came from the financial intermediation sector. Other forms of the arts and heritage received support mainly from real estate, renting & business activities.

Purchasing of works of art was the main type of support for the visual arts and design. Theatre, dance and other arts received the main part of their support through co-operative marketing. For all other forms of art and heritage the foremost type of support was sponsorship. Uusimaa was the main region for supporting all forms of art and heritage.

The main type of support was sponsorship. Almost as much money was invested in purchasing works of art and co-operative marketing. When examined according to the type of support, companies invested FIM 16.9 million (€2.8 million) in sponsorship of the arts and heritage, FIM 14.1 million (€2.4 million) in purchasing works of art, FIM 12.2 million (€2 million) in co-operative marketing, FIM 3.1 million (€513,000) in other types of support and FIM 2.3 million (€396,000) in donations to foundations and funds supporting the arts and heritage. (Figure 3.)

Figure 3. Company support for the arts in Finland in 1999 by type of support (N=€8,157,000).



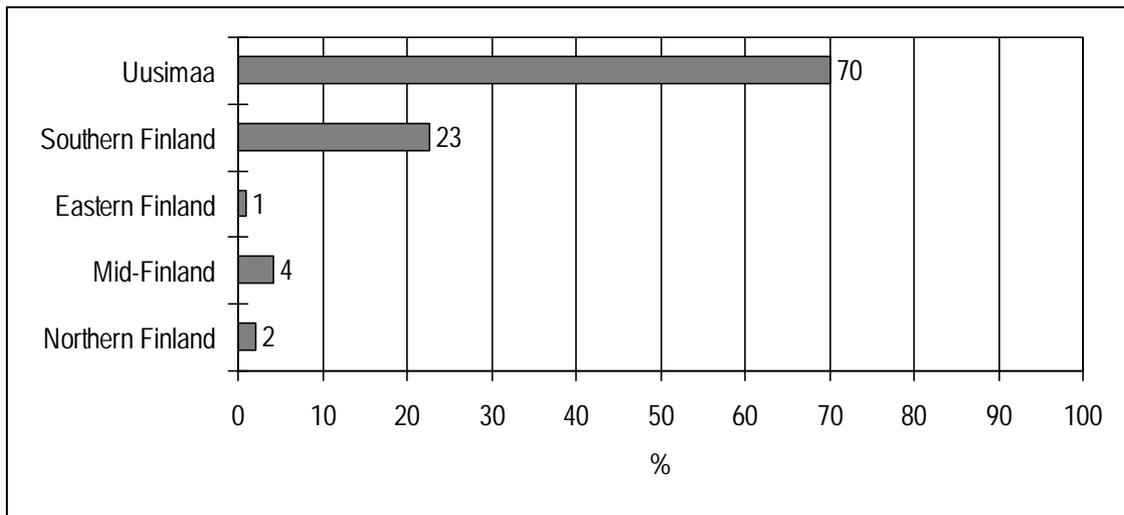
Most of the purchases were works of visual art. Music received most of the sponsorship and co-operative marketing money. The main targets for donations were museums and the cultural heritage. Other types of support were used mainly for theatre and music. In all types of purchases, most of the money came from manufacturing and from the major region of Uusimaa.

Some 92 per cent of total support came from the major regions of Uusimaa and Southern Finland. With FIM 34 million (€5.7 million), the major region of Uusimaa was the main region for company support for the arts and heritage. Companies located in the major region of Southern Finland invested FIM 11 million (€1.8 million) in the arts and heritage. The total support of the other three major regions amounted to FIM 3.5 million (€585,000) altogether. (Figure 4.)

In the major region of Uusimaa, the main type of company supporting the arts and heritage was in real estate, renting & business activities, the primary type of support was sponsorship and most of the support went to music.

In the major region of Southern Finland, companies supported primarily the visual arts and the main type of support was purchasing works of art. The most important type of company was in manufacturing. In the other major regions, most of the support also came from manufacturing, but most of the support went to music, and the foremost type of support was sponsorship.

Figure 4. Company support for the arts in Finland in 1999 by major regions (N=€8,157,000).



There were no dramatic changes in company support in 1999. Manufacturing was the most important sector supporting the arts and heritage. Most of the support went to music and the visual arts and the main types of support were sponsorship and purchases of art.

However, some new aspects emerged. The impact of small and medium-sized enterprises on company support for the arts and heritage was much less than presumed. In contrast to large enterprises, the support of small and medium-sized enterprises was directed slightly less to established forms of art and more to other arts such as circus, performances etc.

The real estate, renting & business activities sector was surveyed for the first time, and was found to be more important in support for the arts and heritage than traditional sectors like financial intermediation and insurance used to be. In contrast to other sectors, most of the support in the real estate, renting & business activities sector came from small and medium-sized enterprises.

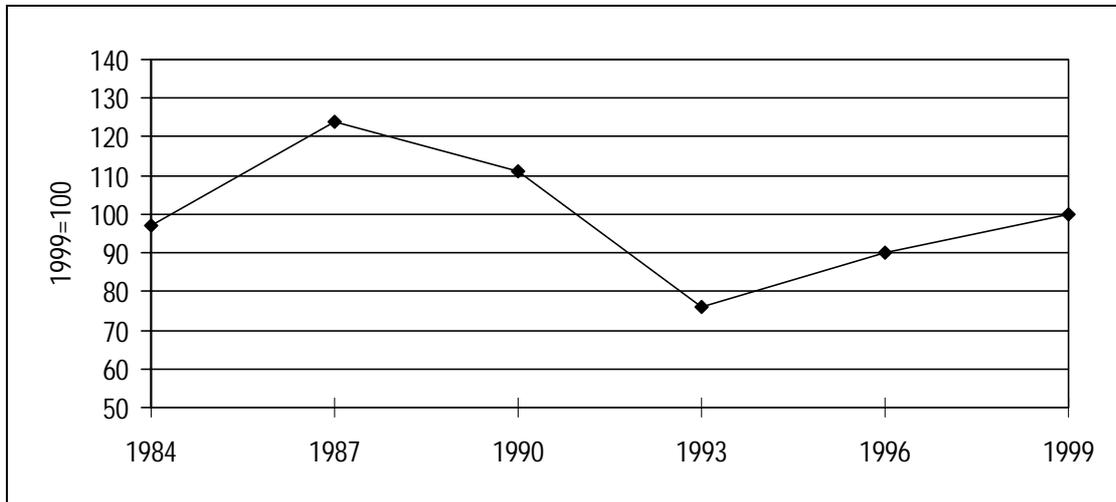
Co-operative marketing was also surveyed for the first time. This type of support seems to be very common, and the amount of money used was as much as for sponsorship. Company support for the arts was concentrated on Southern regions of Finland where most of the companies were located. In many large enterprises support for the arts and heritage is administered by head offices, which in most cases are located in the major region of Uusimaa.

It is still not very common in Finnish companies to use culture and the arts as part of business and marketing. Most of the companies did not support the arts and heritage at all. Generally, the amount of money used was quite small, more than half of the companies spending less than FIM 50,000 (€ 8,400) on the arts and heritage, and in many of the sectors most of the support came from very few companies.

In spite of the different classifications and renewed sample, the main results look quite similar compared with all previous surveys made in the 80s and 90s. In the 90s, company support for the arts and heritage has followed national economic trends. In 1990, the companies included in the survey supported the arts and heritage to the extent of FIM 59.3 million (€9.9 million). During the economic depression in 1993, total support decreased to some FIM 24.6 million (€4.1 million).

Three years later the total support for the arts and heritage began to increase and in 1999, the total support was approximately the same as in the first questionnaire in 1984. However, one has to remember the differences between samples and the changes within the sectors caused by the differences in classification. (Figure 6.)

Figure 6. Company support for the arts and heritage in Finland between 1984 and 1999 (fixed price by cost of living index: 1999=100).



Manufacturing, financial intermediation and insurance have been the principal sectors of support for the arts and heritage. Even though the amount of money spent on different forms of art and heritage has fluctuated from year to year, most of the support went to the visual arts in the form of purchases and to music in the form of sponsorship. Company support for the arts and heritage has always been directed mainly to those art forms which receive wide publicity and give good market value for the company image and company products. It seems that from the company point of view, giving support for the arts and heritage is more or less like any normal business activity.