

## How is Economic Impact Measured?

Economic impact is measured through studies that track how money flows through a community as a result of a specific industry—like the arts. Here’s how it’s typically done:

**Direct Spending** – Researchers collect data on how much money is spent on things like event tickets, artist wages, venue operations, and other cultural activities.

**Audience & Visitor Spending** – They also measure what audiences spend beyond just the event itself—like dining at restaurants, staying in hotels, shopping, and transportation.

**Jobs & Wages** – Studies look at how many jobs are supported by the industry and how much income those jobs generate.

**Tax Revenue** – They calculate how much tax revenue (sales tax, property tax, etc.) is generated from arts-related activities, benefiting local and state governments.

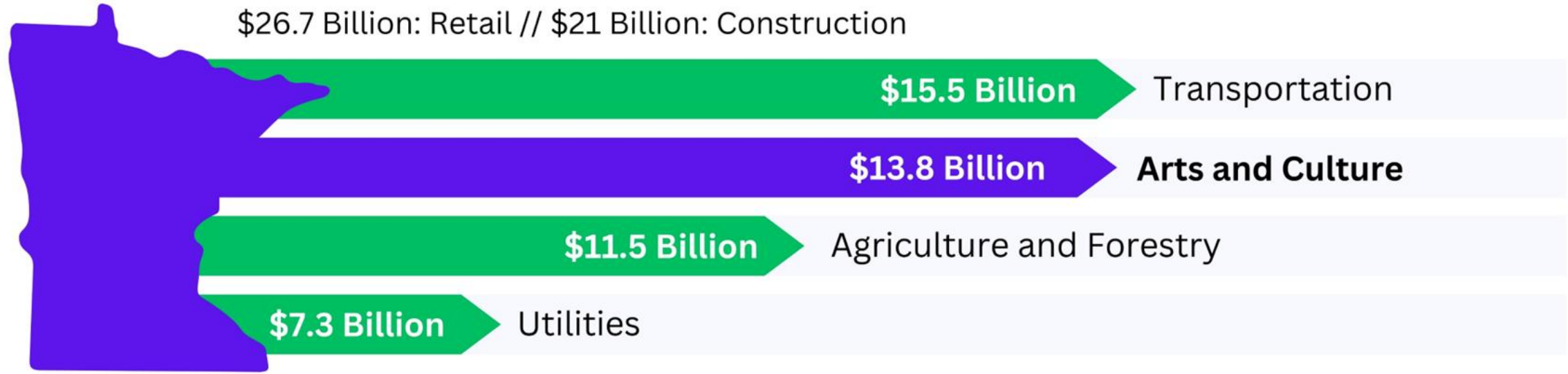
**Ripple Effect (Multiplier Effect)** – Money spent in the arts doesn’t stop there—it ripples out to other industries. Economic impact models, like IMPLAN, estimate how arts spending boosts other sectors like hospitality, retail, and services.

The result? A total economic impact number that shows how the arts contribute to jobs, business growth, and tax revenue—proving that the arts are an economic engine, not just a cultural asset!



# Industry Sectors Ranked by Impact

\$26.7 Billion: Retail // \$21 Billion: Construction



**Non-Profit and For-Profit Art is a \$13.8 Billion Industry in Minnesota**

Source: US Bureau of Economic Analysis & National Assembly of State Arts Agencies (2024). Data collected for 2022.