

**t**heatre  
**d**ance  
**o**pera

**toronto alliance  
for the  
performing arts**

# **TAPA CORPORATE RESEARCH PROJECT**

## 2021 Survey Findings

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## EXECUTIVE SUMMARY

- The performing arts sector in Toronto is largely supported by the Finance sector, but there also are Other Businesses fairly supportive
- Most corporate funding is committed with low funding amounts to 1-year cycles. However, some corporations in the Finance sector are long-term funders committed to 5-year cycles with large funding amounts
- Corporate funding has mainly remained unchanged or increased over time; however, some decline has been detected among long-term funders
- Applications for funding from Other Business sectors are not as successful as those from the Finance sector
- Funding applications increased considerably in fiscal year 2019/2020, probably related to the impact of the COVID-19 situation on the performing arts sector
- The most common means of communications between applicants and funders during the application process are email and Web portal. However, Web portals may not be an effective way for this process
- The inter-relationship of clarity in funders' conditions for funding and transparency in funders' decision-making process is ambiguous, particularly in the Finance sector. The perceptions differ by group of applicants.
- Funders are frequently involved with events developed by performing arts organizations. These organizations offer to funders a wide variety of benefits and types of recognition.
- The majority of the performing arts organizations are already committed to initiatives to improve Equity, Diversity, and Inclusivity not only artistically but also from community health and labor perspectives
- Several interesting ideas and propositions for further support of corporate funding were provided

## INTRODUCTION

TAPA – Toronto Alliance for Performing Arts fielded a survey among their members from April 26 to May 7, 2021 in order to:

1. Assess trends in corporate funding to the performing arts; and
2. Understand the relationship between corporate and performing arts organizations.

The survey also included questions regarding the COVID-19 situation currently affecting the sector to assess the possible impact on funding shifts and post-pandemic recovery plans. The focus of the survey was on funding mechanisms from financial institutions, insurance companies, retail and other businesses, specifically excluding in-kind support and funding from foundations or government sources. The completion of the survey on the *SurveyMonkey* platform averaged 20-30 minutes and participation was voluntary ([https://www.surveymonkey.com/r/Preview/?sm=w\\_2FwcVcJsP40D94H18AY14DqHneoR80Wu3ytqV7Ckr37uVWhnl4\\_2BpcNAG9M3hqtrnt](https://www.surveymonkey.com/r/Preview/?sm=w_2FwcVcJsP40D94H18AY14DqHneoR80Wu3ytqV7Ckr37uVWhnl4_2BpcNAG9M3hqtrnt)). The response rate reached 29%.

## STATE OF CORPORATE FUNDING

The Finance sector<sup>1</sup> is the largest funder of the performing arts in Toronto. Their support comprises of a wide range of funding options. Although the Other Business sector also supports the performing arts, their contribution tends to be smaller than that from the financial institutions (Table 1).

Estimated Annual Funding	Sector			
	Finance <sup>1</sup>	Insurance	Other Business <sup>2</sup>	Total
Up to \$10,000	7.1%	0.0%	17.9%	25.0%
\$10,001-\$25,000	28.6%	3.6%	0.0%	32.1%
\$25,001-\$50,000	17.9%	0.0%	0.0%	17.9%
\$50,001 or more	21.4%	0.0%	3.6%	25.0%
<b>Total</b>	<b>75.0%</b>	<b>3.6%</b>	<b>21.4%</b>	<b>100.0%</b>

<sup>1</sup> It comprises the top five Canadian banks.

<sup>2</sup> It includes businesses from industries such as hospitality, construction, legal, and technology.

*Table 1. Distribution of Corporate Funding by Sector*

<sup>1</sup> The top five Canadian banks are the main contributors within the Finance sector.

Funders' commitment can be assessed through the funding cycles reported by the performing arts organizations. The majority of the funding from the Finance sector supports 1-year cycles; however, there are some funders also supporting 5-year cycles within the Finance and Other Business sectors (Table 2).

Current Cycle	Sector			
	Finance <sup>1</sup>	Insurance	Other Business <sup>2</sup>	Total
1 year	63.0%	0.0%	7.4%	70.4%
2 years	0.0%	3.7%	3.7%	7.4%
3 years	7.4%	0.0%	0.0%	7.4%
4 years	0.0%	0.0%	0.0%	0.0%
5 years	7.4%	0.0%	7.4%	14.8%
Total	77.8%	3.7%	18.5%	100.0%

<sup>1</sup> It comprises the top five Canadian banks.

<sup>2</sup> It includes businesses from industries such as hospitality, construction, legal, and technology.

Table 2. Length of Commitment by Sector

Although there is a wide range of funding options for 1- to 3-year cycles, the options for 5-year cycles tend to be concentrated at both ends of the spectrum with small and large amounts (Table 3).

Estimated Annual Funding	Current Cycle					
	1 year	2 years	3 years	4 years	5 years	Total
Up to \$10,000	14.8%	3.7%	0.0%	0.0%	3.7%	22.2%
\$10,001-\$25,000	25.9%	3.7%	3.7%	0.0%	0.0%	33.3%
\$25,001-\$50,000	14.8%	0.0%	3.7%	0.0%	0.0%	18.5%
\$50,001 or more	14.8%	0.0%	0.0%	0.0%	11.1%	25.9%
Total	70.4%	7.4%	7.4%	0.0%	14.8%	100.0%

Table 3. Funding Support by Length of Commitment

## FUNDING TRENDS

Broadly speaking, most corporate funding has remained unchanged or actually increased over time. However, long-term commitments also show a divergent pattern where some negative changes have occurred (Table 4).

Number of Years Receiving Funding	Change in Funding over Time			
	Positive	Negative	None	Total
1-2 years	0.0%	0.0%	18.5%	18.5%
3-4 years	14.8%	0.0%	3.7%	18.5%
5-9 years	7.4%	3.7%	7.4%	18.5%
10 years or more	25.9%	3.7%	14.8%	44.4%
<b>Total</b>	<b>48.1%</b>	<b>7.4%</b>	<b>44.4%</b>	<b>100.0%</b>

Table 4. Funding Trends over Time

Regarding changes linked to the current COVID-19 situation, the responses did not show a clear pattern, most likely because its impact has been limited to some short-term funding commitments.

## FUNDING AND PARTICIPATION ON BOARDS

Although some sort of positive relationship between long-term commitment and participation of corporate funders' representatives on boards can be observed, the wide variety of situations among those that do not sit on board indicates this could be seen as an ambiguous relationship (Table 5).

Number of Years Receiving Funding	Funder Representative Sits on the Arts Organization Board		
	Yes	No	Total
1-2 years	3.6%	17.9%	21.4%
3-4 years	3.6%	14.3%	17.9%
5-9 years	0.0%	17.9%	17.9%
10 years or more	17.9%	25.0%	42.9%
<b>Total</b>	<b>25.0%</b>	<b>75.0%</b>	<b>100.0%</b>

Table 5. Funding and Corporate Participation in Boards

## FUNDING APPLICATION PROCESS

The most recent fiscal year 2019-2020 shows a significant increase of online applications for corporate funding in both the Finance and Other Business sectors (Table 6). The impact of the COVID-19 situation may have played a role in the increase observed,

Sector	Fiscal Year Application			
	2017/2018	2018/2019	2019/2020	Total
Finance <sup>1</sup>	10.3%	27.6%	48.3%	86.2%
Other Business <sup>2</sup>	0.0%	0.0%	13.8%	13.8%
Total	10.3%	27.6%	62.1%	100.0%

<sup>1</sup> It comprises the top five Canadian banks.  
<sup>2</sup> It includes businesses from industries such as hospitality, construction, legal, and technology.

Table 6. Trends in Online Funding Applications

Results from applications submitted over the last 3-fiscal years show a high disproportion of unsuccessful outcomes in the Other Business sector, exposing the particular challenges in obtaining funds from this group of heterogeneous businesses (Table 7).

Sector	Application Results from Fiscal Years 2017/18, 2018/19 & 2019/20		
	Successful	Unsuccessful	Total
Finance <sup>1</sup>	62.1%	24.1%	86.2%
Other Business <sup>2</sup>	3.4%	10.3%	13.8%
Total	65.5%	34.5%	100.0%

<sup>1</sup> It comprises the top five Canadian banks.  
<sup>2</sup> It includes businesses from industries such as hospitality, construction, legal, and technology.

Table 7. Funding Application Results by Sector for the Last 3-Fiscal Years

The potential relationship between the outcome of the applications and primary communication channel during the application process is unclear since the distribution of outcomes appears to follow the proportionality of submissions (Table 8). However, the Web portal as the primary communication channel in the application process shows a higher proportion of unsuccessful outcomes.

Primary Communication Channel in the Application Process	Result of Funding Application		
	Successful	Unsuccessful	Total
Face-to-Face/Virtual	6.9%	3.4%	10.3%
Over the Phone	6.9%	0.0%	6.9%
Email	41.4%	13.8%	55.2%
Web Portal	6.9%	13.8%	20.7%
None	3.4%	3.4%	6.9%
<b>Total</b>	<b>65.5%</b>	<b>34.5%</b>	<b>100.0%</b>

Table 8. Primary Communication Channel and Application Results

The less personalized approach offered by Web portals may not be the most effective means of communications with funders, particularly during the application process as it can be inferred from data on Table 9.

Primary Communication Channel in the Application Process	Channel Value				
	Necessary	Helpful	Worthless	Do Not Know	Total
Face-to-Face/Virtual	3.4%	6.9%	0.0%	0.0%	10.3%
Over the Phone	6.9%	0.0%	0.0%	0.0%	6.9%
Email	17.2%	34.5%	0.0%	3.4%	55.2%
Web Portal	17.2%	0.0%	3.4%	0.0%	20.7%
None	0.0%	0.0%	0.0%	6.9%	6.9%
<b>Total</b>	<b>44.8%</b>	<b>41.4%</b>	<b>3.4%</b>	<b>10.3%</b>	<b>100.0%</b>

Table 9. Value of Communication Channels

## ROLE OF FUNDRAISING PERSONNEL

The number of successful applications may have some relationship with the number of fundraising personnel available for the application process. However, this relationship may be confounded by the fact they also submit more applications overall.

## EXPERIENCE IN THE APPLICATION PROCESS

The experience in the application for corporate funding is a fundamental component when reaching out to corporations for funding. Therefore, it is critical to capture the different aspects involved in this process. Within this context, three essential factors were explored:

1. Applicant’s familiarity with the application and submission process
2. Applicant’s understanding of the funder’s conditions for funding
3. Applicant’s perception of transparency in the corporate decision-making process

Each of these factors will be examined separately first, and the potential interactions among these factors will be analyzed secondly.

## FAMILIARITY WITH THE FUNDING APPLICATION PROCESS

Applicants are mostly familiar with the funding application process in the Finance sector, and moderately familiar or much less familiar with the process in other corporate sectors (Table 10). This information indicates there is room for improvement in this area in sectors other than Finance.

Familiarity with the Application Process	Sector			
	Finance <sup>1</sup>	Insurance	Other Business <sup>2</sup>	Total
Extremely Familiar	12.5%	0.0%	0.0%	12.5%
Very Familiar	37.5%	0.0%	0.0%	37.5%
Moderately Familiar	25.0%	4.2%	4.2%	33.3%
Slightly Familiar	12.5%	0.0%	0.0%	12.5%
Not at all Familiar	0.0%	0.0%	4.2%	4.2%
<b>Total</b>	<b>87.5%</b>	<b>4.2%</b>	<b>8.3%</b>	<b>100.0%</b>

<sup>1</sup> It comprises the top five Canadian banks.

<sup>2</sup> It includes businesses from industries such as hospitality, construction, legal, and technology.

Table 10. Levels of Familiarity with the Funding Application Process

## CLARITY IN FUNDERS' CONDITIONS FOR FUNDING

Most applicants think there is clarity in the funding application process in the Finance sector; however, they also think there is less clarity in other corporate sectors (Table 11). This information shows the need for improvement in this area, and also a noticeable similarity with the findings in terms of familiarity with the process as described previously. Further analysis will be done to understand these similarities in the findings about familiarity and clarity.

Clarity in the Application Process	Sector			
	Finance <sup>1</sup>	Insurance	Other Business <sup>2</sup>	Total
Extremely Clear	4.2%	0.0%	0.0%	4.2%
Very Clear	33.3%	0.0%	0.0%	33.3%
Moderately Clear	33.3%	4.2%	4.2%	41.7%
Slightly Clear	8.3%	0.0%	0.0%	8.3%
Not at all Clear	8.3%	0.0%	4.2%	12.5%
<b>Total</b>	<b>87.5%</b>	<b>4.2%</b>	<b>8.3%</b>	<b>100.0%</b>

<sup>1</sup> It comprises the top five Canadian banks.  
<sup>2</sup> It includes businesses from industries such as hospitality, construction, legal, and technology.

Table 11. Levels Clarity of Clarity in Funders' Application Conditions

## TRANSPARENCY IN FUNDERS' DECISION-MAKING

The distribution of responses within the Finance sector may indicate an ambiguous situation (Table 12). Although the interpretation of familiarity and clarity looks very similar as seen in previous tables, the interpretation of transparency indicates a wider range of perceptions within the Finance sector.

Transparency in the Application Process	Sector			
	Finance <sup>1</sup>	Insurance	Other Business <sup>2</sup>	Total
Extremely Transparent	0.0%	0.0%	0.0%	0.0%
Very Transparent	33.3%	0.0%	4.2%	37.5%
Moderately Transparent	29.2%	4.2%	0.0%	33.3%
Slightly Transparent	12.5%	0.0%	0.0%	12.5%
Not at all Transparent	12.5%	0.0%	4.2%	16.7%
<b>Total</b>	<b>87.5%</b>	<b>4.2%</b>	<b>8.3%</b>	<b>100.0%</b>

<sup>1</sup> It comprises the top five Canadian banks.  
<sup>2</sup> It includes businesses from industries such as hospitality, construction, legal, and technology.

Table 12. Levels of Transparency in the Funding Decision-making Process

**INTERACTION BETWEEN CLARITY AND TRANSPARENCY IN THE APPLICATION PROCESS**

In order to understand the range of perceptions about the funders’ decision-making process and the possible ambiguity detected in the Finance sector, it is useful to look for potential interactions or confounding elements among the factors presented in this section.

Since data on clarity and familiarity showed very similar patterns (Tables 10 & 11), a crosstabulation between clarity and transparency will suffice to understand the ambiguity previously detected in data on transparency within the Finance sector (Table 12).

Clarity in the Application Process	Transparency in the Application Process					Total
	Extremely Transparent	Very Transparent	Moderately Transparent	Slightly Transparent	Not at all Transparent	
Extremely Clear	0.0%	4.2%	0.0%	0.0%	0.0%	4.2%
Very Clear	0.0%	25.0%	8.3%	0.0%	0.0%	33.3%
Moderately Clear	0.0%	8.3%	20.8%	12.5%	0.0%	41.7%
Slightly Clear	0.0%	0.0%	4.2%	0.0%	4.2%	8.3%
Not at all Clear	0.0%	0.0%	0.0%	0.0%	12.5%	12.5%
<b>Total</b>	0.0%	37.5%	33.3%	12.5%	16.7%	100.0%

*Table 13. Interaction of Clarity and Transparency in the Application Process*

The diagonal pattern shown on Table 13 indicates the coexistence of potentially two types of situations, where applicants perceive the decision-making process differently. On the one hand, there is a subset of applicants that perceive the application process clear, and the decision-making process transparent. On the other hand, there is a subset of applicants that perceive the application process not so clear, and the decision-making process not very transparent. These findings in connection to those displayed on Table 12 indicate the coexistence of two types of situations within the Finance sector in particular.

**APPLICATION PROCESS CHALLENGES**

Sometimes the application process of corporate funding may also face intangible situations that are difficult to quantify. Within this context, a qualitative analysis of open-ended questions regarding concerns or barriers encountered in the application process was done.

Two issues for consideration are worth mentioning here:

1. Difficulty in reaching out to the person dealing with the application and not getting their replies

2. Rigidity in the structure of the application forms where the space is not enough to properly describe the goal of the project, and/or the request for quantifiable metrics of the expected impact of the project which is not always suitable due to the nature of the project

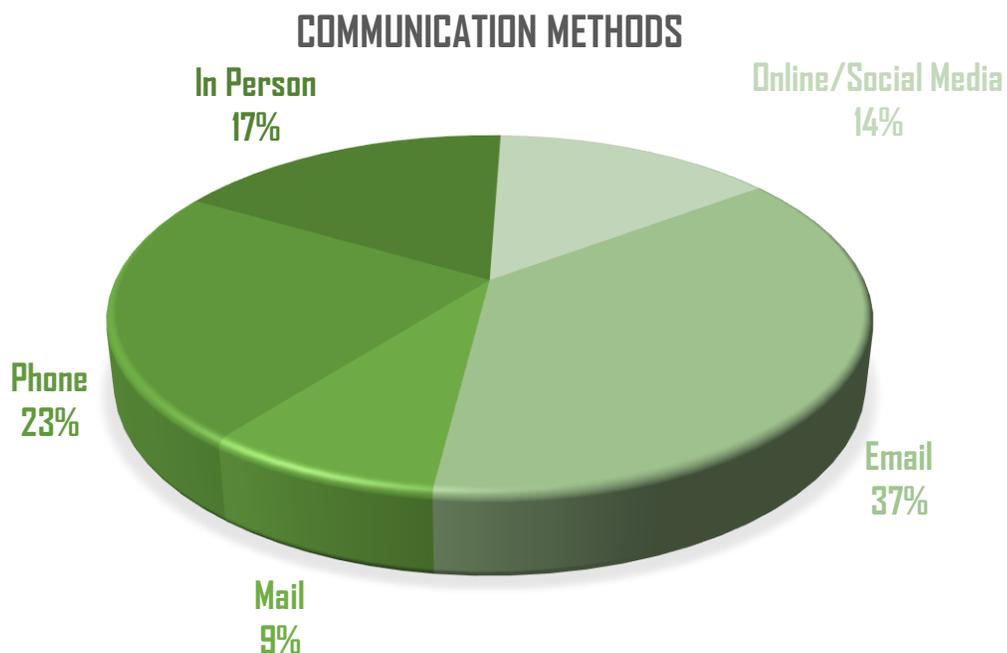
These situations indicate there is room for improvement for a mutually satisfying interaction between funders and applicants.

## STEWARDSHIP ROLE

Stewardship plays an important role in the process of interaction with corporate funders. Fluid communication between the performing arts organizations and funders is critical for mutual understanding and fertile interaction, which can be essential in the application process.

## COMMUNICATION METHODS WITH CORPORATE FUNDERS

The funded organizations use various means of communications to reach funders, although email and over the phone are predominant<sup>2</sup>.



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<sup>2</sup> The communication method categories are not mutually exclusive since funders can be reached through various methods.

## FUNDERS' INVITATION AND ATTENDANCE TO EVENTS

Funders' representatives are very frequently invited to events developed by the performing arts organizations they support (Table 14). Most frequently than not, the main contact or another representative of the funding institution attends the activities developed by the organizations they support (Table 15).

Funder Invited to Arts Organization Events	Sector			
	Finance <sup>1</sup>	Insurance	Other Business <sup>2</sup>	Total
Always	40.0%	5.0%	5.0%	50.0%
Often	25.0%	0.0%	5.0%	30.0%
Sometimes	10.0%	0.0%	0.0%	10.0%
Rarely	5.0%	0.0%	0.0%	5.0%
Never	0.0%	0.0%	5.0%	5.0%
<b>Total</b>	<b>80.0%</b>	<b>5.0%</b>	<b>15.0%</b>	<b>100.0%</b>

<sup>1</sup> It comprises the top five Canadian banks.  
<sup>2</sup> It includes businesses from industries such as hospitality, construction, legal, and technology.

Table 14. Frequency of Invitations to Funders' Representatives

Funders' Attendance to Arts Organization Events	Sector			
	Finance <sup>1</sup>	Insurance	Other Business <sup>2</sup>	Total
Main contact	30.0%	0.0%	5.0%	35.0%
Other Representative	20.0%	0.0%	5.0%	25.0%
No One	30.0%	5.0%	5.0%	40.0%
<b>Total</b>	<b>80.0%</b>	<b>5.0%</b>	<b>15.0%</b>	<b>100.0%</b>

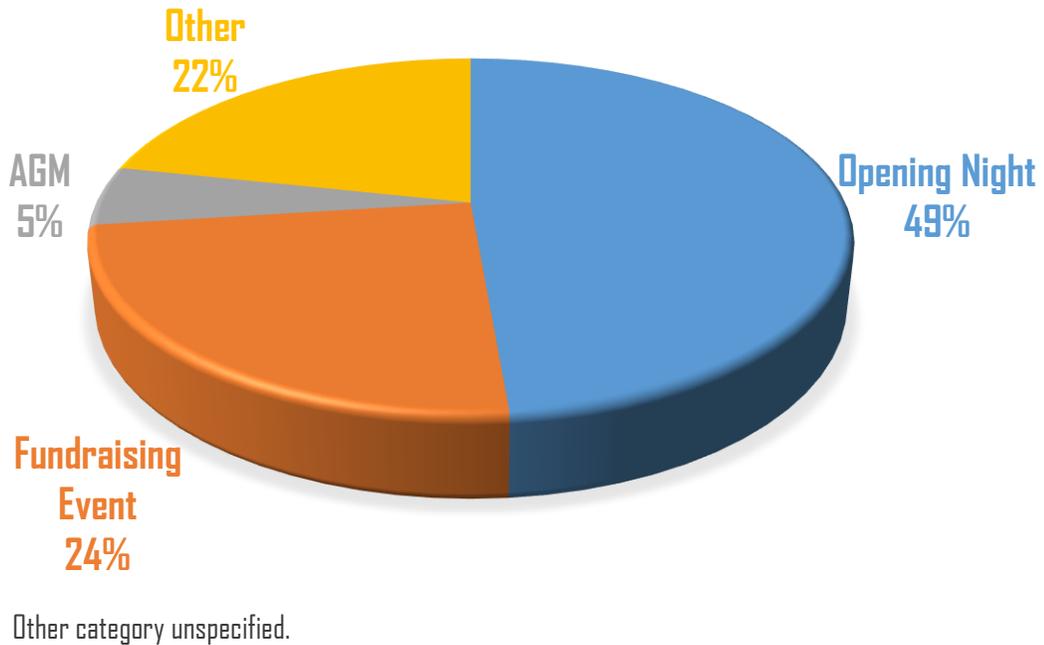
<sup>1</sup> It comprises the top five Canadian banks.  
<sup>2</sup> It includes businesses from industries such as hospitality, construction, legal, and technology.

Table 15. Attendance to Events Developed by the Funded Organization

Funders' representatives are usually invited to opening nights, fundraising and other ad-hoc events<sup>3</sup>. Their involvement with events in the performing arts organizations contributes to their deeper appreciation of their roles in supporting artistic projects and their immediate impact on the communities involved.

<sup>3</sup> The event categories are not mutually exclusive since funders can be invited to several events.

## EVENT TYPE



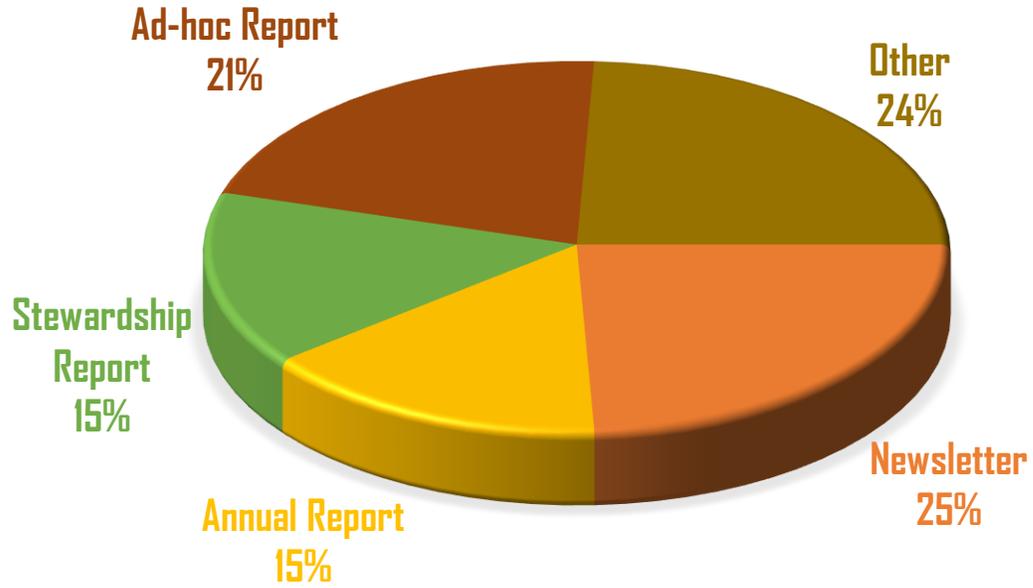
## FUNDERS' RECOGNITION

The recognition of corporate funding tends to be virtually done through institutional and public relations formats<sup>4</sup>. Recognition through Websites and programs is extremely common for general public consumption while the variety of options is fairly wide for institutional consumption.

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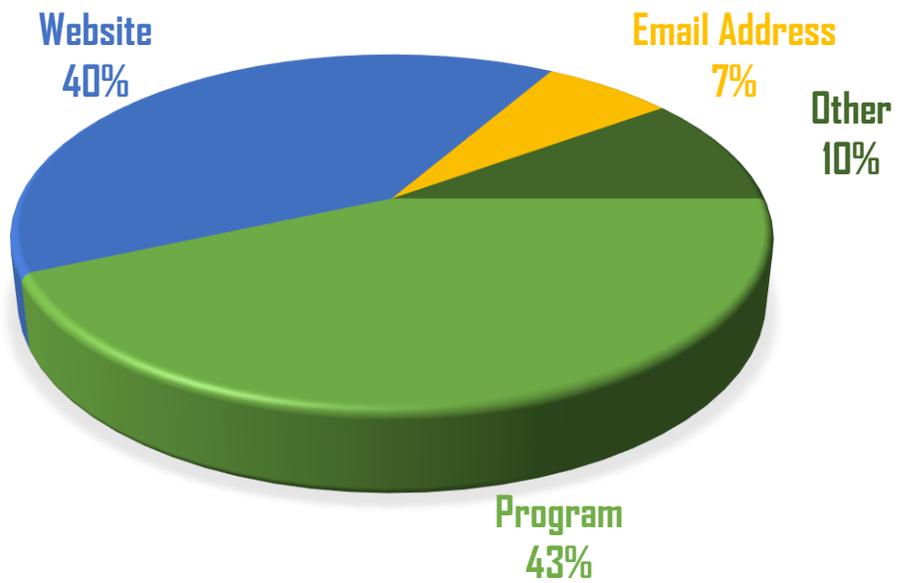
<sup>4</sup> The recognition categories are not mutually exclusive since funders can be recognized in more than one form.

### INSTITUTIONAL RELATIONS FORMAT



Other category unspecified.

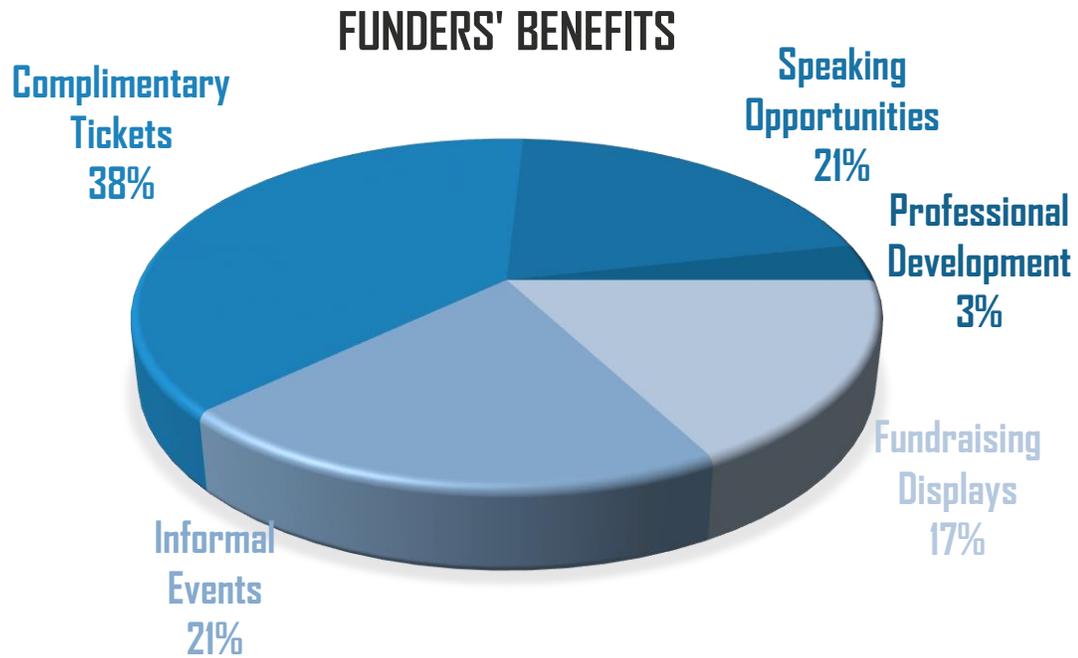
### PUBLIC RELATIONS FORMAT



Other category unspecified.

## FUNDERS' BENEFITS

There is a wide range of benefits available to corporate funders. Receiving complimentary tickets and participating in informal events are predominant, followed by speaking opportunities and fundraising displays<sup>5</sup>.



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<sup>5</sup> The benefit categories are not mutually exclusive since funders can benefit from more than one type of benefit.

## **EQUITY, DIVERSITY, AND INCLUSIVITY**

Recent development in society brought up the need for an examination of current institutional practices within the context of EDI (Equity, Diversity, and Inclusivity). The qualitative analysis of the open-ended questions on this topic sheds light on the impact of EDI on the application process for corporate funding.

Summing up, the majority of the respondents indicate they are already fully committed -or will be very soon- to develop even more work focused on improvements in EDI conditions, not only artistically but also from community health and labor perspectives. Several respondents appreciate the committed role of some major financial institutions in supporting accessibility for all, artists, attendees, workers, etc.

## **IDEAS FOR CORPORATE FUNDING**

The qualitative analysis of open-ended questions on ideas or propositions for better support in reaching out to corporate funders can be summarized as follows:

1. Articulate effectively the meaningful and positive impact of performing arts on local communities to grasp the attention of decision-makers
2. Make collective efforts to engage corporate funders, since individual efforts can be less fruitful and heavily dependent on fundraising personnel often concentrated in large organizations.
3. Find suitable partners to join fundraising efforts will require information sharing and of transparency that may work effectively for some types of organizations
4. Share information of potential corporate funders from sectors other than the well-known Finance sector
5. Generate resources through grassroots campaigns and crowd-source funding to support relevant artistic programming

## The Corporate Working Group:

Kevin A. Ormsby (Chair)

Beth Brown

Theresa Gerrow

Ricardo Gomez-Insausti

Jacoba Knaapen

Annemieke Wade

Analysis and Report by Ricardo Gomez-Insausti, Ph.D.

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