National Portfolio Organisations (NPOs)

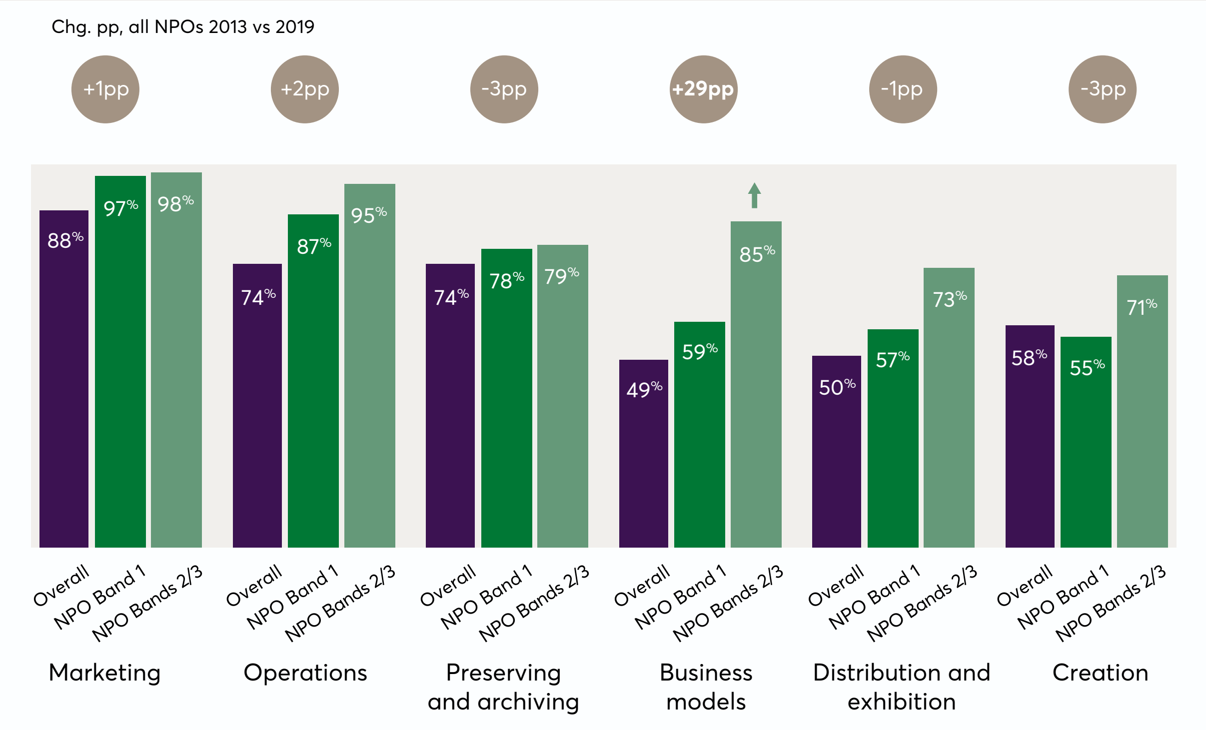
Four hundred and twelve NPOs participated in the 2019 Digital Culture survey of how arts and cultural organisations in England use digital technology. They include organisations of different sizes from across England, giving us a picture that reasonably reflects how NPOs are using technology to support their work.[1] In this factsheet we have distinguished the findings on Band 1 NPOs from those on Band 2 and Band 3 NPOs combined. This reflects the fact that ACE has different funding requirements in relation to digital for NPOs in these different bands.[2]

Importance of digital technology

Most important for →	Marketing
Least important for →	Creation

Overall, NPOs are more likely than the sector as a whole to perceive digital technologies to be essential or important across business areas. However, Band 2/3 NPOs are more likely than Band 1 NPOs to consider them essential/important. The greatest difference between Band 1 and Band 2/3 NPOs is with regard to business models – 85 per cent of Band 2/3 NPOs consider digital to be essential/important for this area, compared to 59 per cent of Band 1 NPOs and 49 per cent of the sector overall.[3] In line with the sector overall, the highest proportions of both Band 1 and Band 2/3 NPOs say digital technology is essential/important for marketing (97 per cent among Band 1 and 98 per cent among Band 2/3) and the fewest organisations rate it as essential/important for creation (55 per cent among Band 1 and 71 per cent among Band 2/3). Band 1 NPOs are less likely than the sector as a whole to consider digital important for creation (55 per cent of Band 1 NPOs vs 58 per cent of the sector).[4]

Figure 1: Importance of digital (essential/important) to different areas – Band 1 NPOs vs Band 2/3 NPOs and the sector overall



How important is digital technology to your organisation overall, at the present time, in each of the following areas? 'Chg. pp' = Change in percentage points. Statistically significant changes 2013–2019 (at a 95 per cent confidence level) highlighted in bold. Arrows show statistically significant differences between Band 1 and Band 2/3 NPOs in 2019.

Base: 2019 – all respondents (n = 1,113), 2019 – Band 1 NPOs (n = 206), 2019 – Band 2/3 NPOs (n = 119).

When assessing the importance of digital over time, perceptions among all NPOs that digital is essential/important have remained relatively stable since 2013 in most business areas. For example, in 2013, 65 per cent of NPOs considered digital to be essential/important for distribution and exhibition compared to 64 per cent in 2019. The only area in which there has been a marked increase in perceived importance over time is for business models: 41 per cent of all NPOs considered digital to be essential/important for this area in 2013 compared to 70 per cent of all NPOs in 2019.[5]

Digital activities

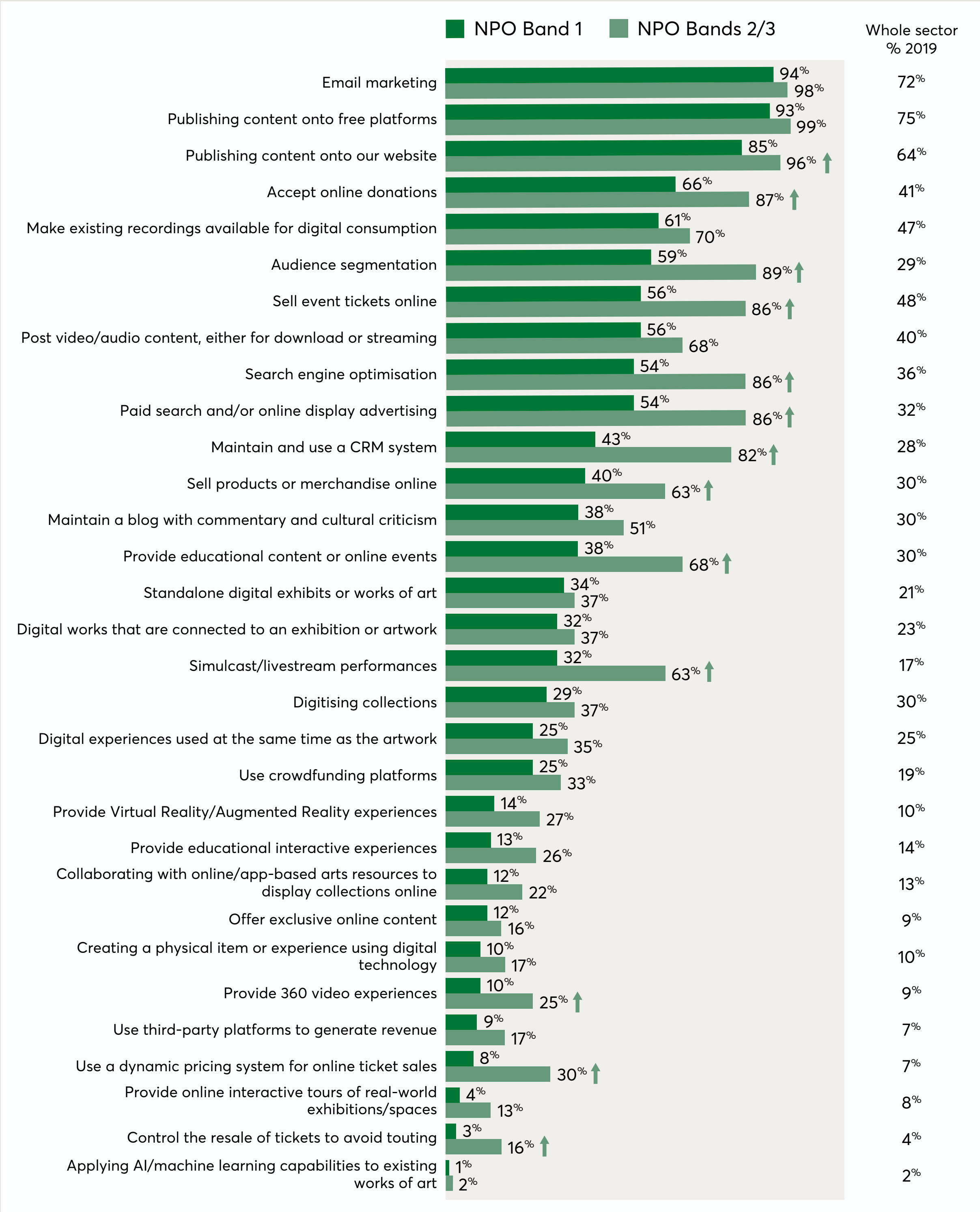
Top digital activities →	Email marketing, publishing content on free platforms and our own website

Overall, NPOs are much more diverse in their digital activities than the sector as a whole. In 2019, NPOs engage in an average of thirteen digital activity types compared to only eight activity types amongst the sector as a whole.[6] However, Band 2/3 NPOs (fifteen activity types) are more diverse than Band 1 NPOs (eleven activity types).

Band 2/3 NPOs are more likely than Band 1 NPOs to do all the activity types tested in the survey, and this is particularly the case for newer or more complex activities. For example, there is a large difference in the proportions that maintain and use a CRM system (43 per cent of Band 1 NPOs do this compared to 82 per cent of Band 2/3 NPOs); that do audience segmentation (59 per cent of Band 1 NPOs do this, compared to 89 per cent of Band 2/3 NPOs); and that engage in dynamic pricing (8 per cent of Band 1 NPOs compared to 30 per cent of Band 2/3 NPOs).[7] Other activity types where there is a notable difference between Band 1 and Band 2/3 NPOs include search engine optimisation and paid search/display advertising (54 per cent among Band 1 vs 86 per cent among Band 2/3), and providing educational content or online events for schools (38 per cent vs 68 per cent).

There are two activity types that NPOs in general are much more likely to engage in now than in 2013. These are paid search/display advertising (27 per cent of all NPOs did this in 2013 compared to 66 per cent in 2019) and simulcast/livestream performances (26 per cent in 2013 vs 42 per cent in 2019).[8]

Figure 2: Digital activity types for Band 1 and Band 2/3 NPOs, compared to the sector overall



Now thinking about your organisation's digital activities, please indicate which of the following your organisation currently does. Arrows show statistically significant differences between Band 1 and Band 2/3 NPOs in 2019 (at a 95 per cent confidence level).

Base: 2019 – all respondents (n = 1,134), 2019 – Band 1 NPOs (n = 206), 2019 – Band 2/3 NPOs (n = 119).

NPOs overall are ahead of the whole sector in having a mobile-optimised web presence (89 per cent of NPOs vs 73 per cent of the whole sector).[9] However, Band 2/3 NPOs are even more ahead, with 95 per cent having a mobile-optimised web presence compared to 86 per cent of Band 1 NPOs.[10]

Band 2/3 NPOs are also using slightly more social media platforms on average than Band 1 NPOs (6.4 vs 5.3). In particular, Band 2/3 NPOs are more likely than Band 1 NPOs to use LinkedIn (36 per cent of Band 1 NPOs vs 56 per cent of Band 2/3) and YouTube (70 per cent vs 92 per cent).[11]

NPOs are more likely to engage in data-driven activities than the sector overall (NPOs overall engage in 7.9 of the fifteen data-led activities listed vs 4.3 amongst the sector). NPOs have also increased their engagement over time; in 2013 NPOs engaged in an average of 5.7 data-led activities compared to 7.9 in 2019.[12] However, Band 2/3 NPOs are much more likely than Band 1 NPOs to do almost all the data-driven activities listed in the survey. The greatest differences between Band 2/3 NPOs and Band 1 NPOs are in using data to benchmark our organisation against others (35 per cent of Band 1 NPOs do this vs 72 per cent of Band 2/3 NPOs), using audience/visitor data to create a CRM system (30 per cent vs 66 per cent) and using audience/visitor data to personalise different marketing, sales and/or fundraising campaigns for different types of user (50 per cent vs 83 per cent).[13]

The positive impact of digital

Band 1 NPOs

Proportion seeing major/fairly major positive impacts overall →	75 per cent (vs 67 per cent for the whole sector)
Main area of positive impact →	Boosting public profile

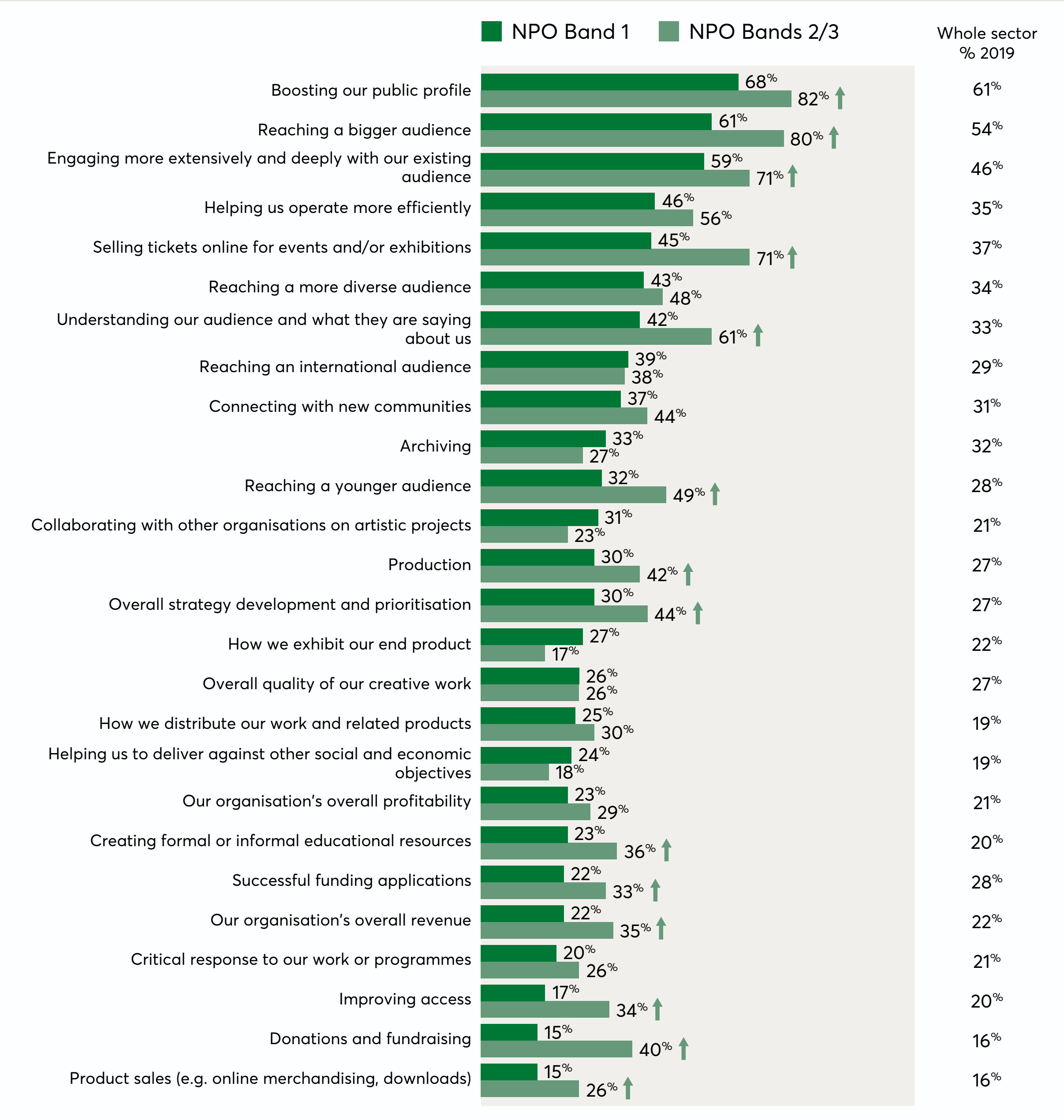
Band 2/3 NPOs

Proportion seeing major/fairly major positive impacts overall →	88 per cent (vs 67 per cent for the whole sector)
Main area of positive impact →	Boosting public profile

In the Digital Culture survey, organisations were asked to rate the positive impact of digital technology on their organisation's ability to fulfil its mission successfully. Overall, 75 per cent of Band 1 NPOs and 88 per cent of Band 2/3 NPOs report a major or fairly major positive impact (scoring four or five on a five-point scale) from digital technology on their ability to carry out their mission. For NPOs considered as a whole, levels of major/fairly major positive impact have increased since 2014 (the first year this question was asked) from 74 per cent in 2014 to 80 per cent in 2019.[14]

Band 2/3 NPOs are more likely to report a major positive impact of digital technology across all business areas listed in the survey. The greatest disparities between Band 1 and Band 2/3 NPOs are for selling tickets online for events and/or exhibitions (45 per cent of Band 1 NPOs report a major impact here vs 71 per cent of Band 2/3 NPOs), donations and fundraising (15 per cent vs 40 per cent) and reaching a bigger audience (61 per cent vs 80 per cent). However, there are a small number of areas where Band 1 NPOs are more likely to report a major positive impact than Band 2/3 NPOs. These are how we exhibit our end product (27 per cent among Band 1 NPOs vs 17 per cent among Band 2/3 NPOs) and archiving (33 per cent vs 27 per cent).[15]

Figure 3: Proportion of Band 1 NPOs and Band 2/3 NPOs reporting a major positive impact of digital technology on business areas (Band 1 NPOs, Band 2/3 NPOs and whole sector, 2019)



Thinking back over the past twelve months, would you say your organisation's use of the internet and digital technology has had a major positive impact, a minor positive impact, or no positive impact at all on each of the following? Arrows show statistically significant differences between Band 1 NPOs and Band 2/3 NPOs at a 95 per cent confidence level.

Base: 2019 – all respondents (n = 997), 2019 – Band 1 NPOs (n = 199), 2019 – Band 2/3 NPOs (n = 114).

Since 2013, NPOs overall have increasingly reported a major positive impact of digital across twenty-five out of the twenty-seven of business areas, outperforming the sector by a greater proportion year on year. The greatest increase since 2013 has been for selling tickets online for events and/or exhibitions (35 per cent of all NPOs reported major impact here in 2013 vs 56 per cent in 2019).[16]

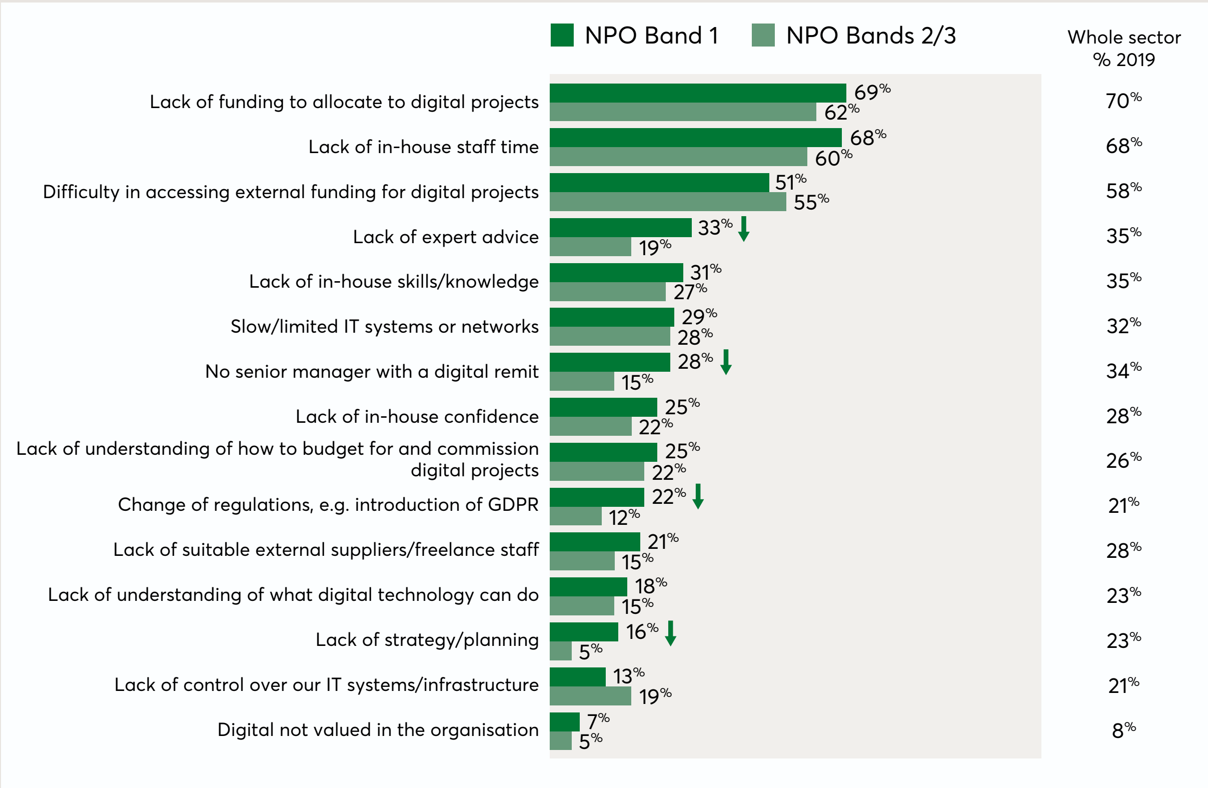
Management factors

Biggest barrier →	Lack of funding to allocate to digital projects

Mirroring the sector overall, both Band 1 and Band 2/3 NPOs identified the same top barriers hindering their ability to fulfill their digital ambitions: lack of funding to allocate to digital projects (69 per cent amongst Band 1 NPOs vs 62 per cent for Band 2/3) and lack of in-house staff time (68 per cent vs 60 per cent).

Compared to Band 2/3 NPOs, Band 1 NPOs are more likelyto perceive the barriers tested in the survey. In particular, they cite as barriers lack of expert advice (33 per cent among Band 1 NPOs vs 19 per cent among Band 2/3), no senior manager with a digital remit (28 per cent vs 15 per cent) and lack of strategy/planning (16 per cent vs 5 per cent). The only barriers which Band 2/3 NPOs are more likely to report are difficulty in accessing external funding for digital projects (51 per cent among Band 1 NPOs vs 55 per cent Band 2/3 NPOs) and lack of control over our IT systems/infrastructure (13 per cent vs 19 per cent).[17]

Figure 4: Perceived barriers to achieving digital aspirations, felt by Band 1 NPOs, Band 2/3 NPOs and the sector overall – 2019



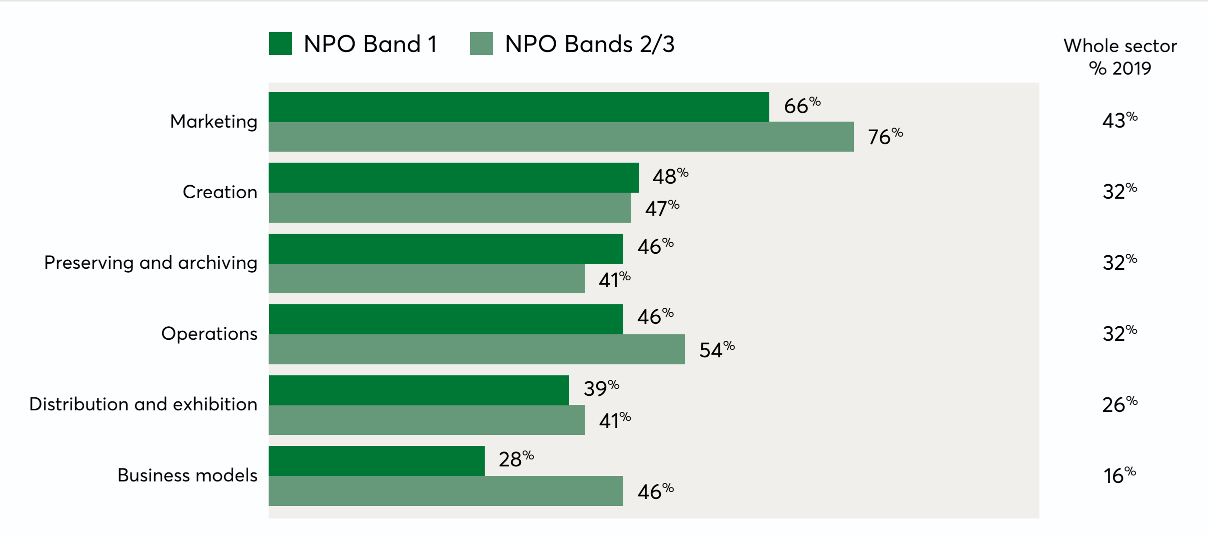
To what extent do you see each of the following as barriers to achieving your organisation's aspirations for digital technology? Arrows show statistically significant differences between Band 1 NPOs and Band 2/3 NPOs at a 95 per cent confidence level.

Base: 2019 – all respondents (n = 976), 2019 – Band 1 NPOs (n = 196), 2019 Band 2/3 NPOs (n = 114).

Across all skills areas tested in the survey, NPOs report higher levels of advanced skills compared to the sector overall. They also report feeling well-served for their needs in a greater number of skills areas.

When comparing Band 1 and Band 2/3 NPOs, Band 2/3 NPOs outperform Band 1 NPOs for advanced skills in four out of six areas (marketing, operations, distribution and exhibition and business models). The only large difference is for business models, where 28 per cent of Band 1 NPOs report advanced skills vs 46 per cent of Band 2/3. Conversely, proportionately more Band 1 NPOs report advanced skills in preserving and archiving and in creation.[18]

Figure 5: Proportion of Band 1 NPOs and Band 2/3 NPOs that report their organisation to have advanced digital skills (six–ten out of ten) compared to their peers



For each of the following areas, how advanced do you feel your organisation's digital skill levels are compared to your peers?

Base: 2019 – Band 1 NPOs (n = 195), 2019 – Band 2/3 NPOs (n = 114), 2019 – all respondents (n = 965).

Since 2013, the Digital Culture survey has also asked organisations to rate a list of skills and capabilities in eleven key digital technology areas according to whether they feel well-served or under-served for their needs. This takes account of external options as well as internal resources; feeling 'well-served' may involve having sufficient in-house skills or could be achieved through acessing skills and expertise externally.

Across all the areas tested, Band 2/3 NPOs were more likely to agree that they feel well-served. The greatest differences between Band 1 and Band 2/3 NPOs are for database management/CRM (41 per cent of Band 1 NPOs report feeling well-served for these skills vs 69 per cent of Band 2/3), digital strategy and planning (49 per cent vs 75 per cent) and data analysis (50 per cent vs 70 per cent).[19]

Endnotes

1. Please note, our sample size of Band 1 NPOs (n = 206), allows for a margin of error of +/- 7 per cent at a 95 percent confidence level whilst our sample size of Band 2/3 NPOs (n = 119) allows for a margin of error of +/- 9 per cent at a 95 per cent confidence level. Please see the main report for details of our calculations of statistical significance.
2. Bands were introduced for NPOs accepted into the Arts Council's portfolio for the period 2018–2022 and did not exist at the time of previous Digital Culture surveys. Band 1 NPOs receive between £40,000 and £249,999 per year of ACE funding; band 2 NPOs receive between £250,000 and £999,999 per year; whilst Band 3 NPOs receive £1,000,000 per year or above. Both Band 2 and Band 3 NPOs are required by the Arts Council to have a digital policy and plan.
3. Q10. How important is digital technology to your organisation overall, at the present time, in each of the following areas? Base: 2019 – Band 1 NPOs (n = 206), 2019 – Band 2/3 NPOs (n = 119), 2019 – all organisations (n = 1,110).
4. Q10. Base: 2019 – all respondents (n = 1,113), 2019 – Band 1 NPOs (n = 206), 2019 – Band 2/3 NPOs (n = 119).
5. Q10. Base: 2013 – all NPOs (n = 391), 2019 – all NPOs (n = 408).
6. Q12: Now thinking about your organisation's digital activities, please indicate which of the following your organisation currently does. Base: 2019 – all respondents (n = 1,134), 2019 – all NPOs (n = 412).
7. Q12. Base: Band 1 NPOs (n = 206), 2019 – Band 2/3 NPOs (n = 119).
8. Q12. Base: 2013 – all NPOs (n = 391), 2019 – all NPOs (n = 412).
9. Q23. Does your organisation currently have a web presence that is optimised for mobile devices? Base: 2019 – all organisations (n = 1,003), 2019 – NPOs (n = 394).
10. Q23. Base: 2019 – Band 1 NPOs (n = 199), 2019 – Band 2/3 NPOs (n = 115).
11. Q18. On which, if any, of the following social networks/websites does your organisation currently have a regularly active profile? Base: 2019 – Band 1 NPOs (n = 200), 2019 – Band 2/3 NPOs (n = 115).
12. Q16. Thinking about how you use audience or visitor data (generated either via your own website, social media, offline engagement or a third-party platform such as Audience Finder), which of the following activities are you doing? Base: 2013 – NPOs (n = 384); 2019 – all NPOs (n = 398), 2019 – all organisations (n = 1,036).
13. Q16. Base: 2019 – Band 1 NPOs (n = 201), 2019 – Band 2/3 NPOs (n = 117).
14. Q35. Overall, how great an impact do you feel digital technology has had on your organisation's ability to fulfil its mission effectively? Base: 2019 – all organisations (n = 994), 2019 – Band 1 NPOs (n = 119), 2019 – Band 2/3 NPOs (n = 114), 2014 – all NPOs (n = 431), 2019 – all NPOs (n = 994).
15. Q28. Thinking back over the past twelve months, would you say your organisation's use of the internet and digital technology has had a major positive impact, a minor positive impact, or no positive impact at all on each of the following? Base: 2019 – Band 1 NPOs (n = 199), 2019 – Band 2/3 NPOs (n = 114).
16. Q28. Base: 2013 – NPOs (n=391), 2019 – all NPOs (n = 393).
17. Q37. To what extent do you see each of the following as barriers to achieving your organisation's aspirations for digital technology? Base: 2019 – Band 1 NPOs (n = 196), 2019 – Band 2/3 NPOs (n = 114).
18. Q67. For each of the following areas, how advanced do you feel your organisation's digital skill levels are compared to your peers? Base: 2019 – Band 1 NPOs (n = 114), 2019 – Band 2/3 NPOs (n = 114).
19. Q45. Here is a list of skills and capabilities in key areas relating to digital technology and digital R&D. Please rate each one according to the extent to which your organisation is well-served or under-served for its needs in these areas. Base: 2019 – Band 1 NPOs (n = 195), 2019 – Band 2/3 NPOs (n = 114).

Learn more about the Digital Culture 2019 survey findings

The Digital Culture 2019 report and factsheets are brought to you by Arts Council England and Nesta. Click here to read the Digital Culture 2019 report.

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