

CORPORATE SUPPORT FOR THE ARTS AND CULTURE: EVIDENCE FROM FRENCH FIRMS¹

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Abstract:

In this article we use an original survey conducted in France (Paris region not included) in 2012 to identify the characteristics of firms involved in patronage and sponsorship of the arts (whatever the form of support: money, in kind, skills), and also examine the influence of some local characteristics, associated with the area where the firm is located.

We propose to analyze corporate patronage and sponsorship of the arts in different frameworks: all of them include a series of objective characteristics for the firms as well as for the area where the firm is located. The first is based on the idea that some places are more generous than others. The second is derived from the economic literature, considering that sponsorship and patronage of the arts is a kind of philanthropy. The third considers that sponsorship and patronage of the arts are something specific to the cultural field.

Our results highlight some regional differences. When the firm is located in an area where people are more involved in their community, this increases the probability of corporate patronage and sponsorship of the arts, which decrease in less conservative and more selfish areas. Another surprising result is that this kind of support is not so culture-driven. The number of cultural facilities and organizations in a given area is non-significant. In contrast, the creative environment and cultural attractiveness has a positive though weak effect. This would suggest that, in France, corporate patronage and sponsorship can be analyzed as any other kind of philanthropy and seems more altruist than strategic.

Key words: patronage, sponsorship, corporate philanthropy, arts business

JEL codes: Z10

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1. Introduction

Corporate support for the arts and culture is receiving growing interest. Firms and cultural organizations are building up closer and closer relationships. Culture is conceived as a factor of economic growth, as suggested by the new cultural economics framework (Throsby, 2001). 'Arts business' originating in Anglo-Saxon countries is on the increase and various practices are emerging to link the economic world to the cultural world (McNicholas, 2004; Morel, 2005). Due to the decrease in public subsidies in Europe, corporate patronage and sponsorship of the arts are now high on the agenda of cultural policy makers and arts organizations (Klamer et al., 2006). In France, the "Aillagon Act", voted in 2003 and developed in the years that followed, brought in a tax incentive system aimed at promoting corporate and individual philanthropy in France. For businesses, the main features are a corporate income tax reduction equal to 60% of the amount of gifts (in cash or in kind) made to "general interest" bodies or charities, subject to an annual giving limit of 0.5% of the company's turnover. If the limit is exceeded, the business has five fiscal years in which to use its tax reduction. Culture is usually considered as the leading beneficiary of the French tax incentives for philanthropy program. In this article, we analyze empirically the profile of firms involved in corporate patronage and sponsorship of the arts.

There are numerous articles that investigate firm-specific determinants of corporate giving. These studies focus on why firms give (motivations), how they give (relations, patterns, etc.) and to whom (behaviors, impact, etc.). However, few studies have investigated the profile of businesses that support arts and culture, apart from a comparison with donors in the case of natural disasters (for a recent article, see Hurtado & Agudelo, 2013). Moreover, many investigations about corporate giving are situated in Anglo-Saxon countries, and call for research outside of these countries. By focusing on corporate giving from a continental European perspective, this article aims to enrich the empirical literature.

Basing our study on an original survey conducted in France (Paris region not included) in 2012, we identify the characteristics of firms involved in patronage and sponsorship of the arts, as well as the influence of some local characteristics associated with the area where the firm is located. The paper is then organized as follows: section 2 presents the related literature and the theoretical framework, section 3 describes the data and presents the empirical strategy, section 4 discusses the results and conclusions are drawn in section 5.

2. Literature and theoretical framework

Why do firms engage in corporate support for the arts and culture? In the literature, it is suggested that patronage and sponsorship practices could both be analyzed primarily as partnership business practices (McNicholas, 2004). However, as O'Hagan & Harvey (2000) remind us, following Schuster (1996), researchers must then confront the difficult analytical problem of distinguishing between patronage and corporate sponsorship. "Patronage" can be defined as the encouragement through monetary support to attain certain fields of life (Mazza, 1994). This is supposed to be an active approach, more altruistic than sponsorship. "Sponsorship" is the payment of money by a business to an organization with the explicit objective of promoting the business's name, its products, services or

image. Indeed, traditionally, patronage comes under philanthropy,³ whereas sponsorship is part of marketing strategy. However there is a very fine line between the two areas when considering them from a social marketing perspective⁴. Sponsors increasingly engage in corporate social responsibility (CSR) activities (Ulrich et al., 2014) and patrons can be driven by marketing motivations in a utility-oriented framework (McAlister & Ferrel, 2002). Motivations for patronage are more and more similar to those for sponsorship. In this article, we consider jointly these both practices and focus on corporate support for the arts and culture, whatever this kind of support (money, in kind, skills).

Some studies consider that corporate philanthropy is a kind of managerial graft and that corporate charitable contributions are independent of both profit maximizing objectives and shareholder preferences (Kahn, 1997), but are imputed to utility maximization of CEOs (Barnard, 1997). The "Corporate Social Responsibility" movement develops a different view and considers that corporations have a moral duty to do well for others, and engage in philanthropy because of this moral duty. For economists, "philanthropy exists because individuals have preferences for altruism" (Henderson and Malani, 2009, p. 583). Put differently, some people derive utility, either directly (pure altruism theories) or partly through a "warm glow" (impure altruism theories), from giving and/or when someone's welfare is improved⁵. On the other hand, Porter and Kramer (2002) consider that corporate philanthropy generates a competitive advantage, suggesting a positive link between giving and profit. Indeed, literature develops the common view that corporate philanthropy is strategic, even if Gautier and Pache (2013) stress that nearly all the studies have been conducted in English-speaking countries. The US-centric model taxonomy of corporate philanthropy by Burlingame and Young (1996) categorises business motivations into four frameworks called the "neoclassical/corporate productivity" model (philanthropy has to contribute to profit), "ethical/altruistic model" (considering that corporations and the societies they operate within are extremely interdependent and trying to advance the firms legitimacy, autonomy and power) , "political" model (philanthropy as a way to pre-empt government interference in the free-enterprise system) and "stakeholder" model (the firm affects and is affected by multiple stakeholders and the corporation's management is an exercise in managing the stakeholders). There has been an abundance of literature investigating these various business motivations. For instance, O'Hagan and Harvey (2000) analyse survey data from Irish companies and identify four main motivations for corporate philanthropy toward the arts: promotion of image/name, supply chain cohesion, rent-seeking and non-monetary benefit to managers/owners. Moir and Taffler (2004) investigated the involvement of UK companies with the Arts and provide evidence of two main motivations: seeking a business return, i.e. the Arts are used as a form of reputation enhancement, on the first hand, and using of community-based activities to gain legitimacy on the second hand. As summarized, "all firms state some form of business benefit or motivation, but not all firms mention an Arts or societal benefit or motivation" (Moir and Taffler, 2004, p. 154).

Who engage in corporate support for the arts and culture? Some places are more generous and more relational than others. For Useem (1988), corporate philanthropy remains the result of a mixture of economic and institutional considerations. Kirchberg (1995) studies corporate arts support in metropolitan areas of the United States and shows that it increases with the population's level of education. It is also greater where the local service sector generates more income and where

³ For a literature review on why firms engage in philanthropy, see Henderson and Malani (2009).

⁴ "Social marketing is about delivering social values, promoting social causes or effecting social changes by planning and implementing marketing strategies to meet the needs of multiple constituencies. These constituencies may consist of customers, managers, donors, public policy makers, etc. " (Chao, 2009, p. 253).

⁵ Economists have developed theories of pro-social preferences and pro-social behavior based on the notion that people care about the well-being of others. This framework is generally used to explain contribution to public good. For a well-documented review, see Meier (2006).

the local manufacturing sector generates less income. Wolpert (1993) shows that in America, generosity is greater where large businesses are prominent, income is greater, unemployment is lower, and the welfare ideology is more liberal.

According to Marquis et al. (2007), the local geographic community in which the firm is located will have a series of influences on the choices the firm makes in terms of social commitments. The authors' central argument is that geographic communities act as the institutional areas in which patterns of corporate social action take shape. They identify two key elements that encourage high levels of local corporate social action: dense connections between local non-profits and corporations on the one hand, and the development of a local institutional infrastructure — in particular community foundations and elite civic involvement groups — promoting high levels of engagement on the other. Muller and Whiteman (2009) also show the presence of strong persistent regional differences in giving patterns, despite globalization.

Further literature focuses on the profile of donors and sponsors. For Harrow et al. (2006), leading philanthropists are also high profile business leaders. Previous research has shown a positive link between firm size and charitable donation (Brammer and Millington, 2005; Zhang et al., 2010). Amato and Amato (2006) examine the relationships between charitable contributions, firm size and industry. Their estimation of a cubic firm size model suggests that small and large firms, respectively close to communities and needing large philanthropy associated with visibility, give more than medium size firms. They also highlight strong differences across industries.

We propose to analyze corporate patronage and sponsorship of the arts and culture in three different frameworks: all of them include a series of objective characteristics for the firms. We also describe the area where the firm is located from an economic point of view, from an educational point of view, and whether it is more or less urban. The area where the firm is located is then described in three additional different ways:

- 1) In the 'administrative model', the region is taken into account from an administrative point of view, suggesting some local differences, whatever the nature of these differences.
- 2) The 'philanthropic model' relies on the idea that some areas are more philanthropic than others, as suggested by the literature. The region is described according to the intensity of altruism on the one hand and of selfishness on the other. The model also integrates the region according to its degree of modernism or, reciprocally, conservatism. It doesn't include any culture-related indicator.
- 3) The 'cultural driver model' takes into account the cultural supply of the area, in a very broad sense. Indeed, we can expect that when a lot of cultural facilities exist and compete for funding in a given region, they are willing to be pro-active in looking for sponsorship and patronage, which can increase the probability of partnership. The cultural atmosphere of an area can also reveal a culture-oriented population. It can provide an incentive to give money for people who are also consumers of culture. This model relies on the idea that corporate sponsorship and patronage of the arts is a specific category of altruism which depends on culture-related factors.

The 'administrative model' relies directly on the idea that some places are more generous than others. Here, 'place' is identified from an administrative point of view.

The 'philanthropic model' is derived from the literature on philanthropy, considering that corporate patronage and sponsorship of the arts is only one kind of philanthropy. Like the previous one, it relies

on the idea that some places are more generous than others but allows differentiating these places according to some objective characteristics.

The 'cultural driver model' relies on the idea that corporate sponsorship and patronage of the arts is different from altruism generally speaking, or is a specific category of altruism, and depends on culture-related factors.

The data and the three empirical models derived from these frameworks are described in section 3.

3. Data and empirical strategy

Our data are from an original survey conducted in 2012 in France, excluding the Paris region⁶, with the support of the French Ministry of Culture. Survey participants were firms chosen at random, which were or were not involved in corporate patronage and sponsorship of cultural organizations. They are reasonably representative in terms of size and sector. Our sample consists of 362 firms.

In our survey, we use a partnership variable ($Partner_{ij}$) which is 1 if the firm i located in region j is involved in cultural patronage or sponsorship, whatever the kind of support (money, in kind, skills) 0 otherwise. These firms are described using a vector with several objective characteristics ($FirmCharact_{ij}$): turnover in thousand euros, legal status, age, size (i.e. number of employees), sector of activity. The objective characteristics associated with region j are the following⁷: GDP_j the GDP per capita in the region; $Educ_j$ an indicator of education in region j (percentage of young people with reading difficulties); $Urban_j$ an indicator of whether the area j is more or less urban, this last characteristic being described from an official indicator differentiating degree of urbanization and, for rural areas, whether or not it provides a lot of jobs⁸. Then, the variables taken into account differ from one model to another. In the 'administrative model' (equation (1)), we integrate a dummy for every administrative region ($AdministrativeRegion_j$): 1 if the firm is located in the given region, 0 otherwise. In the 'philanthropic model' (equation (2)), $Altruism_j$ is a vector of indicators for altruism in region j : the percentage of people registered on the electoral roll and participation at local elections (percentage of voters) as some indicators of general community involvement (a kind of altruism indicator); in this vector, we also take into account the number of women involved in the local political system (% of female mayors), viewed as an indicator of modernism (as opposed to conservatism); $Selfish_j$ is a vector of indicators for selfishness in region j , based on the degree of criminality in a given area: number of economic and financial offenses, number of property offenses, and number of attacks on physical integrity. In the 'cultural driver model' model (equation (3)), we consider the supply of cultural facilities (historic monuments, museums, theaters, cinemas, libraries, cultural academies) in the $CulturalFacilities_j$ vector. The number of creative jobs (people working as artists and performers) is used as a proxy for the creative environment of a given area ($CreativeEnvironment_j$ vector). Lastly, we take into account the

⁶ The Paris region may exhibit some very specific characteristics. For instance, regarding philanthropy, Useem (1988) suggest a headquarters city effect. As such, the Paris region requires a specific survey and study.

⁷ These are provided by the French Statistical Institute (INSEE, Institut National de la Statistique et des Etudes Economiques).

⁸ The French Statistical Institute provides an indicator called ZAUER (Zonage en Aires Urbaines et Aires d'Emploi de l'Espace Rural).

number of overstay nights as an indicator of cultural attractiveness for non-resident people (*CulturalAttractiveness_j* variable).

For n firms located in m different regions, considering the firm i located in area j , the three empirical models are as follows:

- **Equation 1: 'administrative model'**

$$Partner_{ij} = \alpha + \sum_{i=1}^n \beta_i FirmCharact_{ij} + \gamma GDP_{ij} + \delta Educ_{ij} + \sum_{j=1}^m \theta_j Urban_{ij} + \sum_{j=1}^m \rho_j AdministrativeRegion_{ij} + \varepsilon_{ij}$$

- **Equation 2: 'philanthropic model'**

$$Partner_{ij} = \alpha + \sum_{i=1}^n \beta_i FirmCharact_{ij} + \gamma GDP_{ij} + \delta Educ_{ij} + \sum_{j=1}^m \theta_j Urban_{ij} + \sum_{j=1}^m \rho_j Altruism_{ij} + \sum_{j=1}^m \varphi_j Selfish_{ij} + \varepsilon_{ij}$$

- **Equation 3: 'cultural driver model'**

$$Partner_{ij} = \alpha + \sum_{i=1}^n \beta_i FirmCharact_{ij} + \gamma GDP_{ij} + \delta Educ_{ij} + \sum_{j=1}^m \theta_j Urban_{ij} + \sum_{j=1}^m \rho_j CulturalFacilities_{ij} + \sum_{j=1}^m \varphi_j CreativeEnvironment_{ij} + \sum_{j=1}^m \pi_j CulturalAttractiveness_{ij} + \varepsilon_{ij}$$

Some descriptive statistics are presented in table 1 for the characteristics of the firms and in table 2 for the characteristics of the areas.

Table 1: Characteristics of the firms – Descriptive statistics

		Nb.	Average	Std. Error	%
	Number of firms	362			
	Supporting the arts over the past 3 years	60			16.62
	Age (years)		32.9	62.03	
Finance	Turnover (thousand euros)		81,568.43	803,402.6	
Legal status	<i>EURL</i> ⁹				2.77
	<i>SARL</i>				44.04
	<i>SA</i>				14.4
	<i>SAS</i>				32.69
	Other				6.09
Size	1 employee				6.09
	From 2 to 5 employees				21.61
	From 6 to 30 employees				32.41
	From 31 to 50 employees				9.14
	From 51 to 100 employees				8.31
	From 101 to 500 employees				13.3
	From 501 to 1000 employees				5.54
	More than 1001 employees				3.6
Sector	Agriculture				2.49
	Food industries				6.93
	Consumer goods				4.99
	Automobile industry				1.11
	Equipment				4.99
	Manufacturing (intermediate goods)				0
	Energy				0.83
	Construction				9.7
	Trade				29.64
	Transportation				5.54
	Financial activities				0.55
	Real estate activities				2.22
	Business services				11.36
	Personal services				8.03
	Education and health				2.22
	Administration				0

⁹ These acronyms refer to the French ones which distinguish 4 kinds of companies, depending of the degree of liability.

Table 2: Characteristics of the areas where the firms are located – Descriptive statistics

		Average	Std. Error	% of firms
Zoning into urban areas	Large urban areas			54.29
	Monocentric cities			15.51
	Multicentric cities			4.99
	Rural city			10.53
	Periphery of a rural city			0
	Predominantly rural space			14.68
Region	Nord Pas de Calais			4.16
	Picardie			5.54
	Haute Normandie			3.05
	Basse Normandie			2.77
	Bretagne			4.16
	Pays de Loire			4.43
	Champagne Ardenne			4.99
	Lorraine			5.54
	Alsace			5.81
	Centre			4.16
	Bourgogne			4.71
	Franche Comté			6.37
	Poitou Charente			4.43
	Limousin			3.32
	Auvergne			3.6
	Rhône Alpes			6.93
	Aquitaine			3.6
	Midi Pyrenées			6.38
	Languedoc Roussillon			4.43
	PACA			9.42
Corse			2.21	
Economy	GDP per capita (2009) EUR	25,613.72	1,878.17	
Education	Young people with reading difficulties (%)	9.42	2.09	
Political involvement	Registration on electoral roll (%) 2012	92.44	0.03	
	Electoral turnout for deputy elections 2011	59.53	2.83	
	% of female mayors 2008	13.44	2.14	
Offenses	Economic and financial offense	505.37	143.29	
	Property offense	2,798.42	1,038.24	
	Attacks on physical integrity	593.58	264.52	
Cultural supply	Number of historic monuments	1,905.82	595.37	
	Number of museums	57.84	29.9	
	Number of theaters	30.76	20.26	
	Number of cinemas	93.67	71.39	
	Number of libraries	696.49	436.14	
	Number of cultural academies	15.58	11.13	
Creative environment	People working as artists	5607.7	4,148.99	
	People working as performers	5,624.29	4,213.65	
Tourism	Number of overnight stays 2011	2,909.67	2,681.01	

With a sample of 362 firms, we estimate a series of three probit models to explain the partnership with a cultural organization (1 if the firm is involved in patronage or sponsorship of the arts, 0 otherwise).

4. Results and discussion

The estimated results are presented in table 3.

Table 3: Probit estimation results

		Model 1		Model 2		Model 3	
		Coef.	P-value	Coef.	P-value	Coef.	P-value
Pseudo R²		0.2675		0.2999		0.3028	
Nb. of observations		253		342		342	
Finance	Age	0.009**	2.24	0.008**	2.36	0.008**	2.29
	Turnover	0.000	1.49	0.000	1.25	0.000	1.60
Legal status	<i>EURL</i>	No obs.		No obs.		No obs.	
	<i>SARL</i>	1.075*	1.90	0.976*	1.81	1.005*	1.81
	<i>SA</i>	1.026*	1.82	0.867*	1.65	0.936*	1.76
	<i>SAS</i>	0.594	1.06	0.561	1.06	0.661	1.23
	Other	Ref.		Ref.		Ref.	
Size	1 employee	0.52	0.87	0.65	1.22	0.422	0.80
	From 2 to 5 employees	-0.857**	-2.03	-0.769*	-1.92	-0.849**	-2.07
	From 6 to 30 employees	Ref.		Ref.		Ref.	
	From 31 to 50 employees	0.393	1.01	0.194	0.55	0.213	0.61
	From 51 to 100 employees	0.549	1.35	0.501	1.28	0.506	1.31
	From 101 to 500 employees	0.976***	2.63	1.106***	3.21	1.005***	2.89
	From 501 to 1000 employees	0.665	1.39	0.748*	1.70	0.843**	1.93
	More than 1001 employees	0.243	0.34	0.387	0.57	0.286	0.42
Sector	Agriculture	0.044	0.05	0.236	0.30	-0.367	-0.43
	Food industries	0.451	0.71	0.119	0.22	0.183	0.34
	Consumer goods	-1.194	-1.63	-1.125*	-1.69	-1.029	-1.58
	Automobile industry	1.516*	1.83	1.062	1.45	0.987	1.24
	Equipment	0.154	0.24	-0.111	-0.19	-0.105	-0.18
	Manufacturing (intermediate goods)	No obs.		No obs.		No obs.	
	Energy	No obs.		No obs.		No obs.	
	Construction	0.462	0.93	0.473	1.05	0.380	0.82
	Trade	0.251	0.57	0.166	0.42	0.151	0.38
	Transportation	0.025	0.04	0.062	0.11	-0.094	-0.16
	Financial activities	2.456**	2.13	2.974***	2.81	3.084***	2.79
	Real estate activities	0.541	0.70	0.642	0.89	0.638	0.88
	Business services	0.413	0.79	0.514	1.07	0.414	0.86
	Personal services	0.823	1.45	0.792	1.53	0.818	1.60
	Education and health	0.701	0.92	1.011	1.34	1.127	1.61
	Administration	Ref.		Ref.		Ref.	

*, **, *** statistically significant at, respectively, 10, 5 and 1%.

Table 3: Probit estimation results (cont.)

Variable		Model 1		Model 2		Model 3	
		Coef.	P-value	Coef.	P-value	Coef.	P-value
Zoning into urban areas	Large urban areas	0.399	0.98	0.247	0.65	0.289	0.76
	Monocentric cities	0.520	1.07	0.276	0.62	0.289	0.66
	Multicentric cities	0.005	0.01	-0.01	-0.02	-0.086	-0.14
	Rural city	0.257	0.49	0.135	0,28	0.183	0.37
	Periphery of a rural city	No obs.		No obs.		No obs.	
	Predominantly rural space	Ref.		Ref.		Ref.	
Region	Nord Pas de Calais	-0.388	-0.63				
	Picardie	-0.263	-0.39				
	Haute Normandie	-1.557**	-1;96				
	Basse Normandie	No obs.					
	Bretagne	-0.867*	-1.72				
	Pays de Loire	-0.296	-0.62				
	Champagne Ardenne	-0.145	-0.25				
	Lorraine	-1.065*	-1.71				
	Alsace	-0.775	-1.62				
	Centre	No obs.					
	Bourgogne	No obs.					
	Franche Comté	-0.954*	-1.71				
	Poitou Charente	No obs.					
	Limousin	No obs.					
	Auvergne	No obs.					
	Rhône Alpes	-1.341**	-2.20				
	Aquitaine	-0.743	-1.36				
	Midi Pyrenées	-0,28	-0.60				
	Languedoc Roussillon	No obs.					
	PACA	Ref.					
Corse	No obs.						
Economy	GDP per capita (2009)	-0.000	-0.08	0.000**	2.14	0.000	0.10
Education	Young people with reading difficulties (%)	-0.146*	-1.71	0.02	0.30	0.03	0.42
Political involvement	Registration on electoral roll (%)			12.836***	2.63		
	Electoral turnout for deputy elections			0.06	1.35		
Offenses	% of female mayors			-0.231***	-3.41		
	Economic and financial offense			0.003***	2.66		
	Property offense			0.000	1.38		
Cultural supply	Attacks on physical integrity			-0.002**	-2.02		
	Number of historic monuments					-0.000	-0.14
	Number of museums					-0.013	-0.57
	Number of theaters					0.025	0.46
	Number of cinemas					-0.01	-1.01
	Number of libraries					-0.000	-0.15
Creative environment	Number of cultural academies					-0.055	-0.97
	People working as artists					-0.000	-0.83
	People working as performers					0.001*	1.69
Tourism	Number of overnight stays					0.001*	1.64
Intercept		-0.804	-0.29	-21.016***	-3.34	-3.886	-1.10

*, **, *** statistically significant at, respectively, 10, 5 and 1%.

Whatever the estimated model, the pseudo-R² is quite good: 0.2675 for model 1, 0.2999 for model 2 and 0.3028 for model 3. Generally speaking, few variables are significant in explaining the fact of being involved in corporate patronage and sponsorship of the arts.

For the three models, some results converge: turnover does not account for differences among firms while age has a significant and positive effect on the probability of being a partner for culture. There are also some differences according to firms' legal status. The relationship with size is not obvious: large firms are not systematically more involved than smaller ones, but the fact of having from 101 to 500 employees increases the probability of being involved in patronage and sponsorship of the arts. Firms in the financial sector are also more involved than firms from other sectors. Regarding the area where the firm is located, education and GDP are generally non-significant, but the effect of GDP is positive in the altruistic model and the effect of education is negative in the administrative model. The degree of urbanization is non-significant whatever the model.

In the administrative model, many regional differences appear. Indeed, compared with the reference (Provence Alpes Côte d'Azur here), many regions are associated with a significant and negative coefficient: the probability of being involved in corporate support for the arts and culture is lower there.

In the philanthropic model, interestingly, several variables are significant. First, in a given area, the percentage of people registered on the electoral roll increases the probability of sponsorship and patronage of the arts for firms located in this area. In contrast, the percentage of women politically involved has a negative impact, suggesting that more conservative areas are also more altruistic. On the other hand, the effect of criminality, conceived initially as an indicator of selfishness, has a surprising effect: the number of attacks on physical integrity has a negative effect, while the number of economic and financial offenses is positively significant.

In the cultural incentive model, the results are surprising. Indeed, none of the variables associated with cultural facilities in a given area are significant. In other words, a firm located in an area with a lot of cultural organizations is not significantly more involved in patronage and sponsorship of the arts and culture, compared to other firms. Regarding the creative environment, the number of jobs in the performing arts has a positive effect. Lastly, the empirical analysis reveals that companies located in tourist areas are significantly (at the 10% limit) more involved in partnerships with arts organizations. Such a result seems to be in line with the development of creative tourism.

5. Conclusion

This research shows that some intrinsic characteristics of firms (status, size, sector) are relevant in explaining support and funding for the arts in the French context except Paris. Some specific features of the area where firms are located are also seen to be significant variables. The probability of supporting the arts and culture increases with the firm's age and if the firm belongs to the financial activity sector. The empirical analysis also highlights some regional differences. When the firm is located in an area where people are more involved in their community, i.e. a kind of altruism, it increases the probability of corporate patronage and sponsorship of the arts, while this decreases in

less conservative and more selfish areas. Such results would suggest that corporate patronage and sponsorship can be analyzed as any other kind of philanthropy and seems more altruist than strategic. Another surprising result is that this kind of support is not so culture-driven. Indeed, the number of cultural facilities and organizations in a given area is non-significant. On the contrary, creative environment and cultural attractiveness have a positive effect. This other series of results seems to indicate that supporting the arts depends on few cultural variables.

This study does have several limitations, for instance the choice of altruism and selfishness indicators. It would also be interesting to integrate the number of cultural events organized in a given area. Indeed, they are usually considered as some of the main beneficiaries of corporate sponsorship and patronage. In the cultural sector, further research should address the profile of cultural organizations benefiting from corporate sponsorship and patronage. It may also gain from investigating the effect on philanthropy over time of the French tax incentives for philanthropy program.

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