



Creative Economy of Chicago: Impact and Assets

June 2026

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Arts Alliance^{IL}

Working inside of the creative economy, we know well its extraordinary impact across our city and state. We know how it transforms the hearts and minds of the people of Chicago every day, connecting communities across differences. We also know the positive impact that it has on the development of our young people, the advancements in health and wellness it supports, how it makes our streets safer and our workforce stronger. These will be the subject of future research efforts.

Today, we focus on the power of arts, culture, and creativity as a driving force behind our economy. The creative industries have an outsized impact on our workforce and the overall economic development of our city, and now we have the data to prove it. We can share this impact far and wide, so that all across Chicago know the value of investing in creativity.

In this report, we are proud to quantify this scale, and answer the questions: How much does the creative sector contribute to the economies of Chicago and Illinois? What is its direct and indirect impact on jobs and our overall economy? How does this compare to other sectors?

This report demonstrates that arts, culture, and creativity mean big business in our city, and provides the data we need to continue making that case. The effort also represents a remarkable public-private partnership, bringing together economic development leaders, government agencies, nonprofit arts and cultural organizations, and private philanthropy in a shared commitment to leveraging and strengthening the arts as core economic assets.

We are proud to champion this work and the artists, organizations, and communities across Chicago that it represents. We look forward to hearing how you use this data, and to supporting your efforts to demonstrate the value of investing in our creative economy and the vibrant future of our city.

Sincerely,



Claire Rice
Executive Director, Arts Alliance Illinois

Acknowledgements

Arts Alliance Illinois wishes to thank the generous supporters who made this work possible.

Anne L. Kaplan



THE CHICAGO COMMUNITY TRUST®



Introduction

Chicago is one of the world's great creative cities, with a cultural and creative economy that has shaped artistic movements across America, influenced global industries, and helped define the identity of the region for generations. Creativity is embedded in the city's neighborhoods, businesses, institutions, and public spaces, contributing not only to cultural vitality but also to economic growth, civic identity, and quality of life.

Today, Chicago's creative economy spans a diverse ecosystem of artists, creative workers, nonprofit organizations, educational institutions, entrepreneurs, and businesses working across fields such as design, media, performing arts, visual arts, architecture, film, advertising, publishing, and technology. Together, these interconnected sectors generate cultural value, attract talent and investment, support tourism and community development, and create economic opportunity throughout the city.

Chicago's reputation as a creative capital is well established. What has been less clearly understood is the full scale of the sector's economic contribution. This report provides a comprehensive assessment of Chicago's creative economy, offering the data and analysis needed to better understand its role as a driver of employment, business activity, public revenue, and long-term economic prosperity.

Commissioned by Arts Alliance Illinois, this economic impact assessment provides a targeted, data-driven analysis of the creative economy within the city of Chicago. Delivered in tandem with the statewide Illinois assessment and a number of other local reports including Chicago's Loop, this study focuses on the unique municipal variables and industrial density that drive the city's creative sector. Its purpose is to provide civic leaders, local policymakers, and industry stakeholders with the robust metrics necessary to inform strategic decision-making and sustainable growth at the city level.

The core objectives of this work are to equip Chicago-based advocates with evidence-based tools that support local funding and policy initiatives. By analyzing the city's ecosystem through the same rigorous methodology applied to the statewide report, we ensure a seamless comparison between municipal performance and the broader regional context. This alignment allows stakeholders to clearly identify how Chicago's specific creative contributions act as a primary engine for the wider Illinois landscape.

This assessment provides a granular evaluation of Chicago's creative economy by quantifying its direct, indirect, and induced economic contributions. By analyzing key variables, including total output, employment levels, and Gross Value Added (GVA, total input minus costs, see Table 3), this report details both the baseline operations of the city's creative industries and the broader economic networks that intersect with Chicago's diverse communities. Through this comprehensive landscape mapping, we aim to assist stakeholders in visualizing the true scale of the city's creative footprint, fostering targeted

investment strategies that champion the sector's long-term prosperity and deep integration into the regional economy.

Understanding the Creative Economy Ecosystem

The creative economy is a highly interconnected network of individuals, enterprises, and institutions that collectively drive cultural value and economic growth across the city. Rather than operating in isolation, the sector relies on a variety of mutual economic dependencies, meaning that the growth and sustainability of core creative enterprises are directly linked to the health of supporting industries and the broader city economy.

To evaluate the economic impact of this sector, the ecosystem is comprised of three distinct, interdependent components:

- **Primary:** This category includes the highly visible **creative drivers** of the sector, such as independent artists, musicians, designers, and performers, alongside critical cultural infrastructure like theaters, galleries, museums, and live music venues. These entities serve as the primary engines of cultural production and public engagement.
- **Secondary:** This category includes the businesses that provide the **technical and operational infrastructure** necessary for creative output. This includes specialized IT and software suppliers, local transportation and logistics services, equipment manufacturers, and creative agencies specializing in marketing, finance, or legal services for the arts.
- **Tertiary:** This category includes government agencies, non-profit organizations, philanthropic foundations, and educational institutions. Together, these organizations provide the **regulatory frameworks, public funding, grants, and talent pipelines** required to sustain the workforce and foster innovation.

Analysis of the size and economic impact of Chicago's creative economy requires a comprehensive approach that accounts for all three tiers. Because these segments are economically linked, disruption within one tier creates a negative ripple effect throughout the supply chain. Conversely, targeted investment and policy support generate a multiplying effect, driving job creation, tourism, and revenue growth across both the creative industries and the wider city economy.

The creative economy operates differently from traditional corporate sectors because a vast portion of its primary cultural production relies on independent professionals, sole proprietors, and freelancers who do not operate out of a standardized storefront or commercial office. Standard industry datasets frequently miss these workers. To ensure a comprehensive assessment, this report supplements business establishment data with national occupational labor statistics. Cross-referencing these datasets allows the model to capture a complete economic footprint of both physical creative enterprises and the

independent workforce, such as actors, writers, visual artists, and musicians, that sustains them.

Table 1 outlines the 12 specific industry classifications and sub-sector breakdowns that define the creative economy for this report.

Table 1: Creative Economy¹

Industries Included in the Creative Economy	Components
Arts Education	Conservatories and universities with cultural & creative programs or business programs for the cultural & creative industries; public and private schools with cultural & creative programs.
Audiovisual & Interactive Media	Film & video production companies; film & video distribution companies; movie theaters, drive-in movie theaters; film & video post production companies; other motion picture and video services organizations; motion picture booking agencies & film restoration providers; radio networks; radio stations; television broadcasting networks; web hosting, video and audio streaming organizations; internet broadcasting organizations; computer software consultants and programmers for the cultural & creative sector; games and computer software publishers.
Books & Press	Books & press printing establishments; newspaper publishers; periodic publishers; books publishers; greeting card publishers; libraries & archives.
Cultural & Natural Heritage	Museums; restorers of art and museum collection objects; zoos & botanical gardens.
Design & Creative Services	Architect firms; landscape architect firms; interior designers; industrial design companies; graphic designers; costume, fashion and jewelry design companies; advertising agencies.
Festivals, Fairs, and Conventions	Performing arts festivals, fairs, and conventions; book fairs and conventions; design fairs and conventions; audiovisual & interactive media festivals, fairs, and conventions.

¹ Components in italics indicate segments derived from Occupational Employment and Wage Statistics (OEWS) data to accurately capture independent and decentralized workers.

Independent Creators & Performers	<i>Musicians & singers; music directors and composers; independent performers (magicians, acrobats); independent performers (actors, dancers, and script writers); writers & authors; independent film & video creatives (movie producers and directors); independent radio & TV creatives (TV directors, radio DJs); visual artists.</i>
Industry Support - Retail	Musical instruments & equipment stores; record stores; film and video stores; book stores.
Music Recording & Publishing	Music publishers; recording studios, producers & rehearsal rooms; record labels.
Other Professional & Business Support	Other commercial and administrative support organizations for the cultural & creative sector; general non-profit organizations for the cultural & creative sector; bookers & programmers; artists' managers; performing arts ticket offices; musical instrument manufacturers.
Performing Arts Companies & Venues	Performing arts companies (theater, dance, bands, orchestras); dedicated performing arts venues; arenas; dedicated live music venues; occasional venues.
Visual Arts & Crafts Support	Art galleries; auctions & dealers; craft stores.

Economic Impact Explained

To ensure the integrity and external validity of this assessment, the economic impact modeling relies strictly on the traditional three-tiered economic framework, measuring the *direct, indirect, and induced impacts* of the creative economy.²

Table 2. Economic Impact Dimensions

ECONOMIC IMPACT	DEFINITION
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² External consumer spending calculations, such as out-of-pocket audience expenses for off-site dining, local transit, and adjacent retail, were excluded from this model to maintain a conservative baseline and prevent the artificial inflation of secondary economic impacts, ensuring the assessment focuses strictly on the direct operations of the creative industries themselves. To see how these consumer spending patterns play out locally, see the *Chicago Loop Alliance EIA report*.

Direct Economic Impact	The direct impact is the economic value and employment directly generated by the economic activity of the creative economy.
Indirect Economic Impact	The indirect economic impact measures the ripple effects on the economy, focusing on value and job creation in sectors that form part of the creative economy's supply chain. It encapsulates the demand-driven benefits for supporting industries, such as advertising, legal services, and food and beverage suppliers, which are integral to the creative economy's operations.
Induced Economic Impact	Induced impact refers to the economic effects generated when the ecosystem's direct and indirect employees spend their wages on goods and services such as food, transportation, and entertainment in their daily lives. This spending stimulates further economic activity within the broader community.

This conservative approach was explicitly chosen to align this assessment with standard economic impact assessments conducted across other primary industrial sectors. By focusing exclusively on verifiable business operations, supply-chain business-to-business transactions, and the direct recirculation of employee wages, the report provides a baseline measure that is directly comparable to traditional corporate industries. Consequently, the metrics presented in this report offer a highly defensible, grounded assessment of the sector's footprint, recognizing that the everyday reality of the creative economy's ripple effect across Chicago communities is undoubtedly even larger than these conservative figures state.

The economic impact assessment takes the three dimensions above and, for each, measures the creative economy using three variables: employment, output, and Gross Value Added (GVA). These are the standard indicators used in economic impact analysis, and together they provide a comprehensive evaluation of the sector's performance, scale, and net contribution to the economy.

Table 3. Variables evaluated in the Economic Impact

VARIABLE	DEFINITION
Employment	The total number of jobs supported by the ecosystem, including full-time, part-time, and seasonal positions. This metric represents the total number of distinct roles rather than Full-Time Equivalents (FTE) or unique individuals, meaning one person holding two part-time roles within the ecosystem would count as two jobs.

Output	The economic value produced by the sales of goods and services in the ecosystem, like concert ticket sales, and broadcasting services, for example.
Gross Value Added (GVA)	The value the sector adds to the economy on its own, equal to output minus the cost of goods and services bought from other businesses, such as supplies, equipment, transportation, and legal services, for example.

Key Findings

Total Economic Impact

- Combining direct, indirect and induced impacts, the creative economy in Chicago supports 212,875 local jobs (15.5% of overall local employment in the city),³ and generates a total output of \$50 billion and a total Gross Value Added (GVA) to the city’s economy of \$31.4 billion.
- For every \$1 of output generated by the creative economy, an additional \$0.38 of output is created locally across other industries.⁴ This output multiplier is comparable to that of the educational services and public transport industries.

Contribution to the Tax Base

- The creative economy in Chicago generates a total of \$5.7 billion in total tax revenue. While federal taxes comprise the largest share at \$3.8 billion, the ecosystem contributes approximately \$1.9 billion across state, county, and local jurisdictions, supporting essential public services.

Direct Economic Impact

- The creative economy in Chicago directly employs 155,228 individuals (11.3% of the employment in the city), generating a direct output of \$36.2 billion and a GVA of \$22.6 billion. This represents nearly half (47.5%) of the direct creative economy

³ According to data sourced from the [Illinois Department of Employment Security](#), the total overall employment baseline for the city of Chicago is 1,375,486. Employment figures reflect the annual average headcount of positions supported by the industry, combining full-time, part-time, and seasonal work. See Appendix A for more detail on the methodology used.

⁴ Because this assessment deliberately excludes external consumer expenditures such as off-site dining, transit, and retail purchases, the true output multiplier for the creative economy is expected to be higher than reported. Consequently, these metrics represent a conservative baseline of the sector’s total economic ripple effect across Chicago.

output in Illinois and two-fifths (40.7%) of the direct creative economy employment.⁵

- Among the analyzed industries, the highest direct output is generated by the Audiovisual & Interactive Media industry with a direct output of \$9.2 billion (25.3% of direct output in the ecosystem). Conversely, the highest direct employment is generated by the Performing Arts Companies & Venues industry with 26,831 jobs (17.3% of direct employment in the ecosystem).

Indirect and Induced Impact

- **Indirect Impact:** Indirect impacts total \$9.6 billion in output, \$5.9 billion in GVA, and 39,059 jobs, reflecting the economic activity stimulated across the sector's supply chain.
- **Induced Impact:** Through the recirculation of wages into the local economy, the sector generates \$4.2 billion in output and \$2.9 billion in GVA, while supporting 18,587 jobs. This reflects the substantial economic ripple effects generated by workers' household spending across the city.

Comparison with Other Sectors⁶

- The creative economy, directly supporting 11.3% of the city's workforce, represents a major sector for the city's employment. This scale of employment surpasses sectors like educational services (10.2%), retail trade (8.3%), and manufacturing (7.9%), but is smaller than sectors such as healthcare (13.9%) and professional, scientific and technical services (13.4%).

Independent Creators and Performers

- The Independent Creators & Performers sector supports 2,498 direct jobs and generates \$413.2 million in direct GVA. While 'independent film & video creatives' lead in both employment and GVA, 'writers & authors' have the second highest impact, followed by 'musicians & singers', 'independent performers (actors, dancers & script writers)', and 'independent radio & TV creatives'.

⁵ See the Illinois Economic Impact Assessment here: <https://artsalliance.org/creative-economy/>

⁶ These figures are intended to offer a general frame of reference for the creative economy's scale. However, it is important to note that certain creative activities overlap with other industries, such as Retail Trade, Communication, and Educational Services. Because methodologies and classifications differ across these sectors, these comparisons are not entirely like-for-like.

Non-Profit Creative Organizations

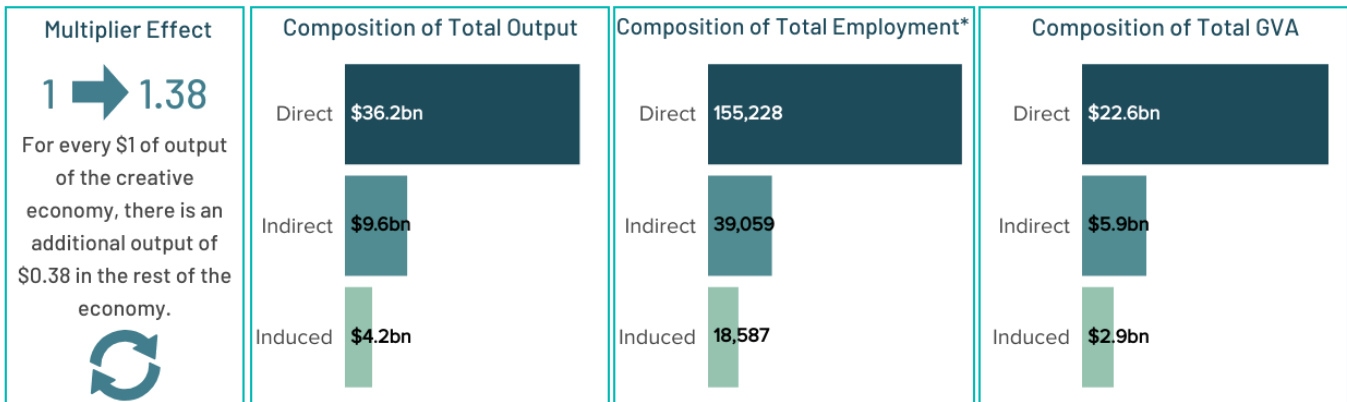
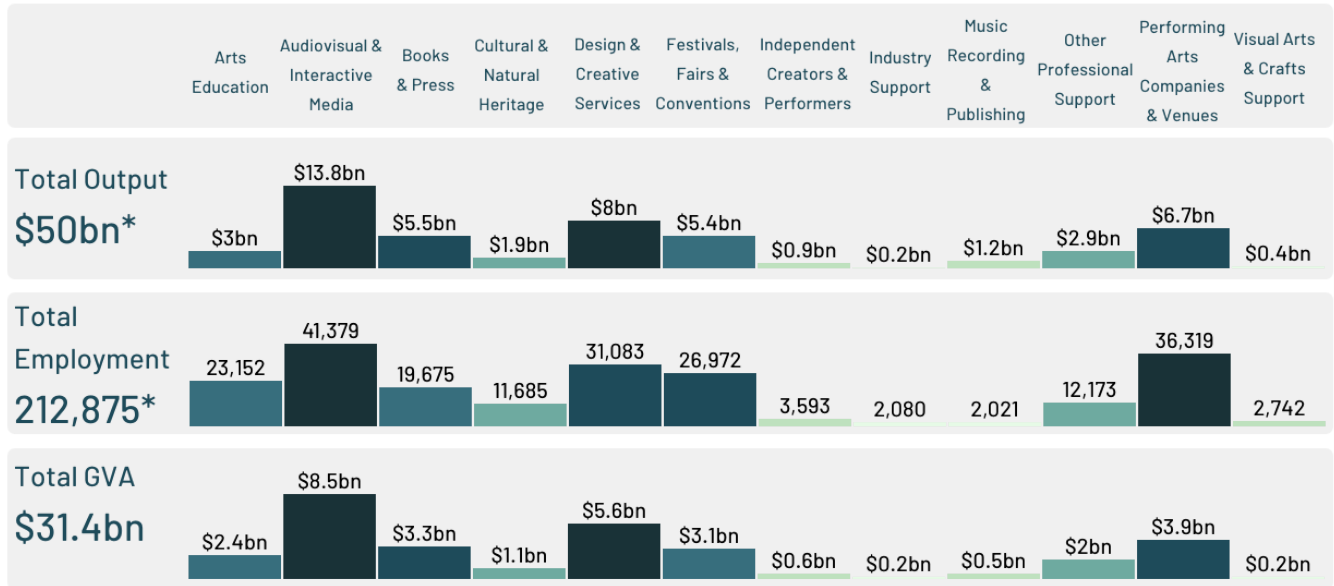
- Non-profit organizations in the cultural and creative sectors⁷ are a vital pillar of the creative economy, accounting for 15.2% of its total output. These organizations generate \$7.6 billion in total economic output, \$4.8 billion in GVA, and support 36,279 jobs, with direct impacts accounting for \$5.6 billion of that output, \$3.5 billion of GVA, and 27,700 jobs.
- Representing 2% of the city's total workforce, these organizations match the employment scale of other significant sectors: real estate (2.3%), information (2.2%), and wholesale trade (2%).

Labor Income in the Creative Economy

- Although Chicago's creative economy boasts a high average annual wage of \$106,226, this figure masks deep systemic inequities driven by high-earning corporate and tech-integrated media sectors.
- In contrast, many cultural workers, including musicians, visual artists, and industry support staff, earn drastically less, with many failing to clear the city's \$53,667 living wage baseline.
- To prevent a severe talent drain and safeguard demographic diversity within the arts, policymakers must look past aggregate averages to granular workforce data to implement targeted interventions like wage standards and subsidies.

⁷This refers to registered 501(c) organizations, foundations, and associations that directly support or operate within the 12 core sectors that define the city's creative economy.

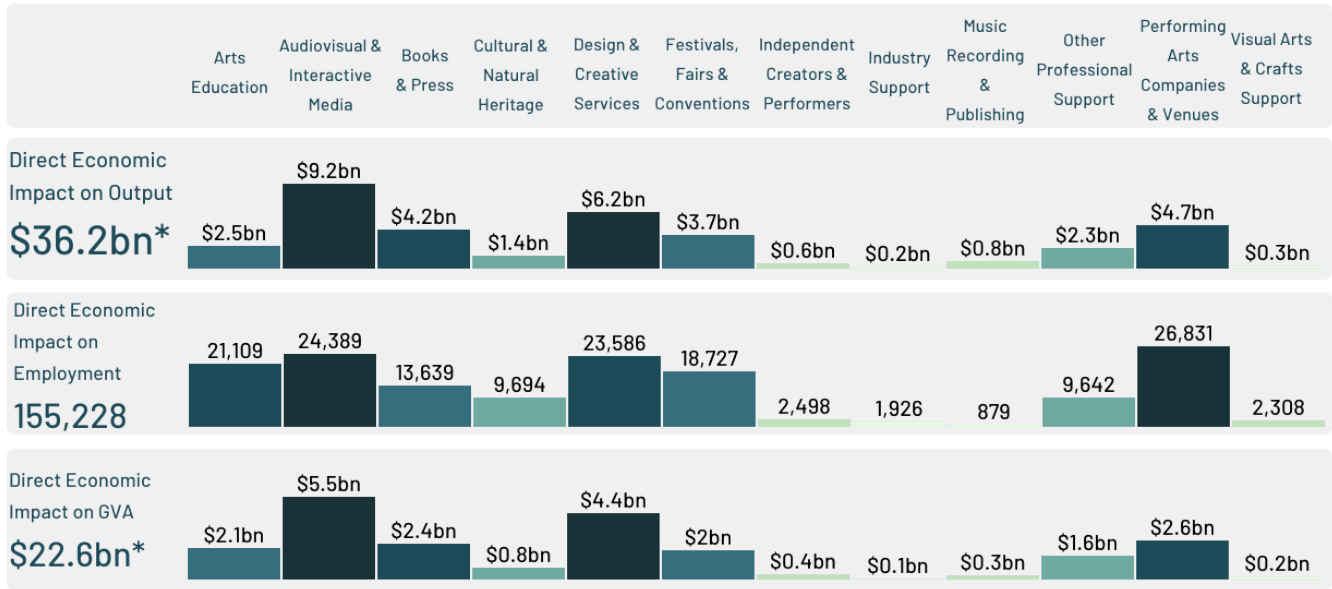
Figure 1. Total Economic Impact⁸



Source: County Business Patterns 2023, IMPLAN, Sound Diplomacy Research

⁸ Note: figures may not sum exactly due to rounding. Where this is the case, the summed figures are marked with an asterisk.

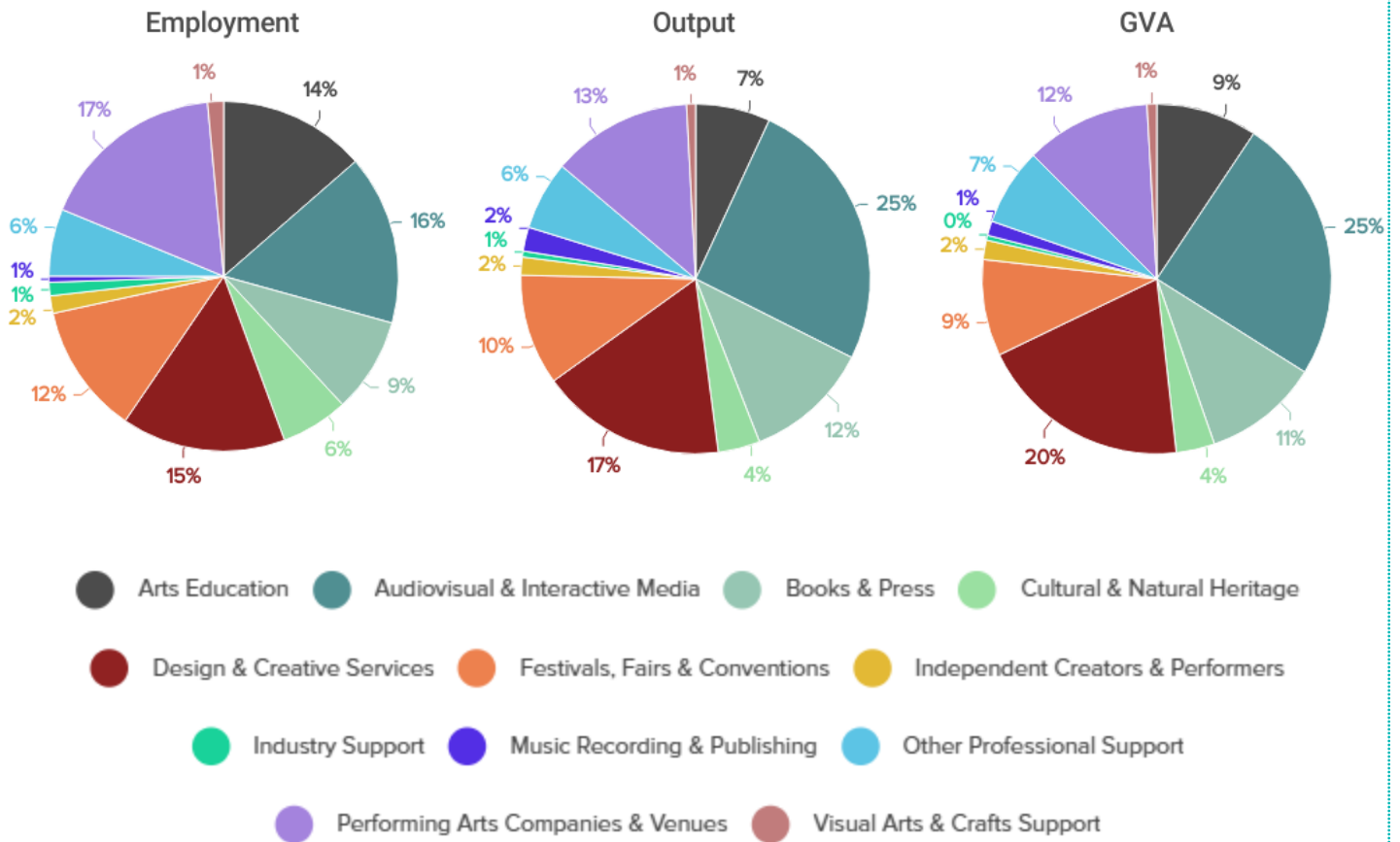
Figure 2. Direct Economic Impact⁹



Source: County Business Patterns 2023, IMPLAN, Sound Diplomacy Research

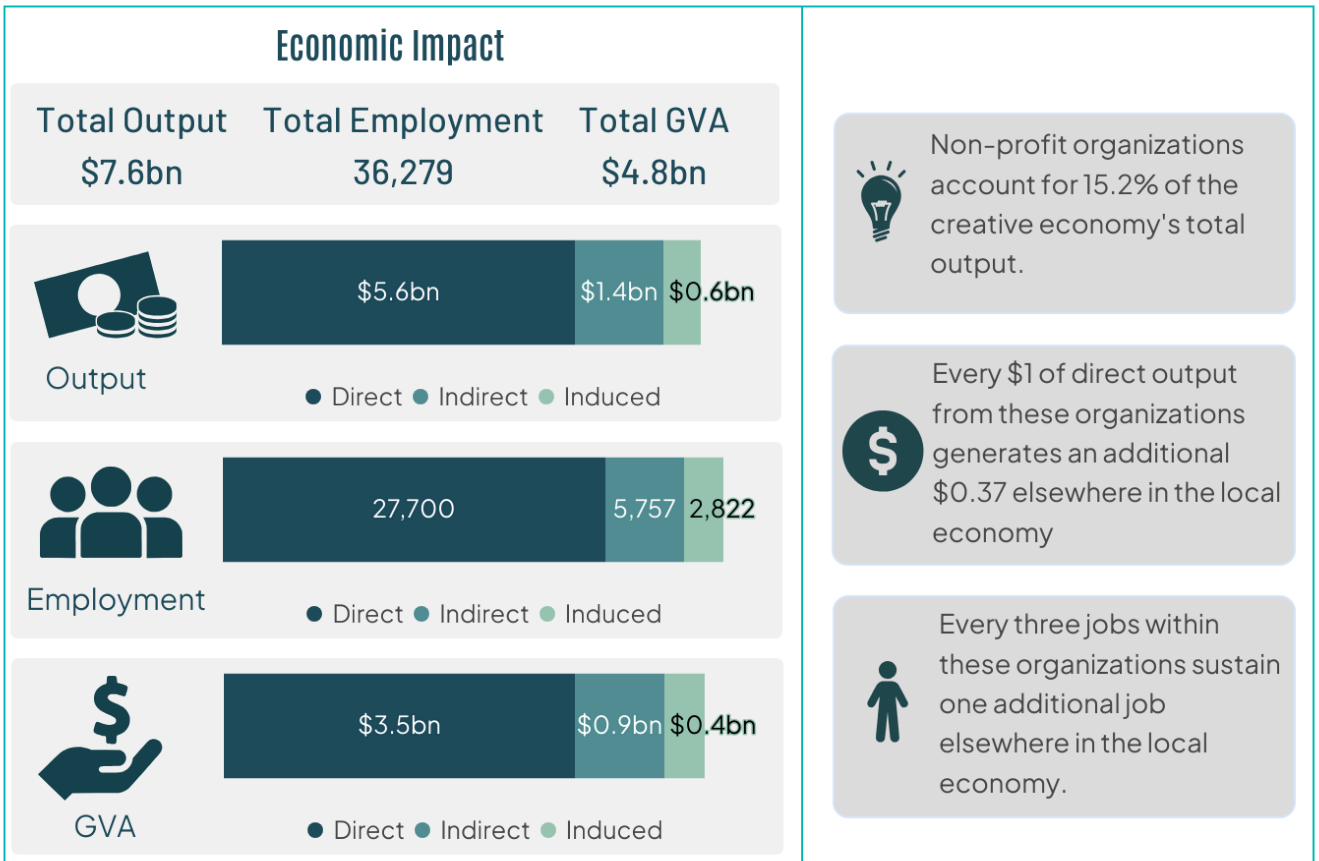
⁹ Note: figures may not sum exactly due to rounding. Where this is the case, the summed figures are marked with an asterisk.

Figure 3. Direct Employment and Output by Industry



Source: County Business Patterns 2023, IMPLAN, Sound Diplomacy Research

Figure 4. Non-Profit Creative Organizations Economic Impact



Source: County Business Patterns 2023, IMPLAN, Sound Diplomacy Research

Chicago’s Economic Impact

Overall, Chicago’s creative economy supports 212,875 jobs across the city through direct, indirect, and induced effects, representing a share of 15.5% of the city’s employment.¹⁰ The ecosystem generates \$50 billion in total output and \$31.4 billion in total GVA. Table 4 summarizes the total economic impact of the creative economy in Chicago.

The results also indicate moderate multiplier effects: for every \$1 of direct output, an additional \$0.38 is generated in the wider regional economy. This output multiplier is comparable to that of the educational services sector (1.38) and public transport sector (1.37), while noticeably outpacing that of major traditional sectors such as professional services (1.31), health care (1.30), and accommodation (1.20).

While this multiplier effect appears conservative, it tells a positive story of cross-boundary economic vitality. The data reflects a robust ‘anchor city’ dynamic where the economic wealth generated in Chicago’s creative core does not remain siloed within city limits; instead, it disperses to sustain surrounding communities. This occurs when commuting creative professionals recirculate their earnings back into household expenses across the wider metropolitan area, and when businesses located in the city source production materials from regional suppliers.

Table 4. Chicago Creative Economy Economic Impact, Output, GVA and Employment¹¹

TYPE OF IMPACT	EMPLOYMENT (NUMBER OF JOBS)	OUTPUT (BILLION \$)	GROSS VALUE ADDED (BILLION \$)
Direct	155,228	36.2	22.6
Indirect	39,059	9.6	5.9
Induced	18,587	4.2	2.9
Total Impact	212,875*	50	31.4

¹⁰ According to data sourced from the [Illinois Department of Employment Security](#), the total overall employment baseline for the city of Chicago is 1,375,486. Employment figures reflect the annual average headcount of positions supported by the industry, combining full-time, part-time, and seasonal work. See Appendix A for more detail on the methodology used.

¹¹ Note: figures may not sum exactly due to rounding. Where this is the case, the summed figures are marked with an asterisk.

Contribution to Tax Base¹²

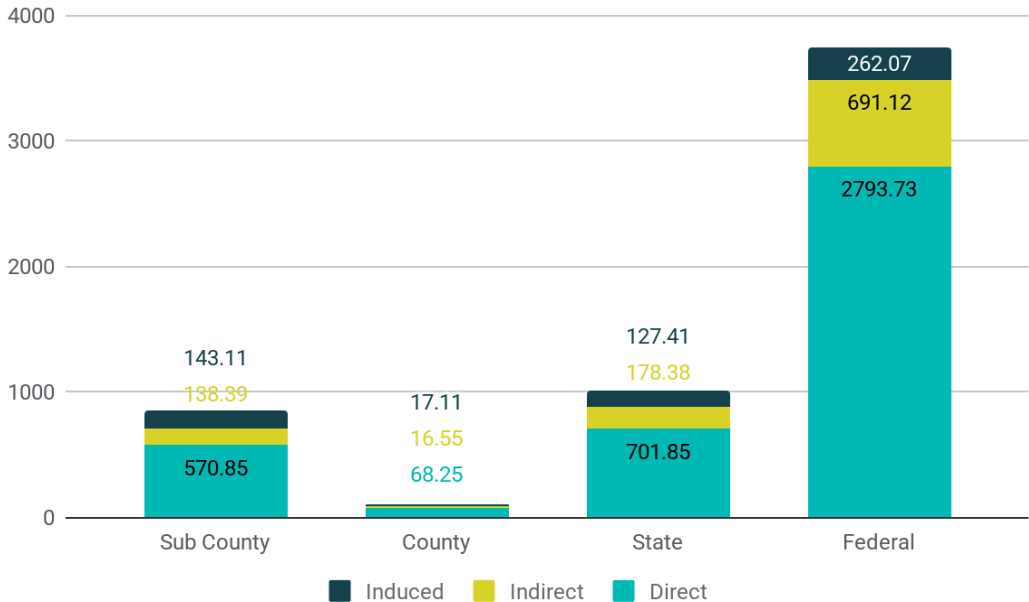
Combining direct, indirect, and induced tax effects, across all levels of government, the creative economy in Chicago contributes **\$5.7 billion** in fiscal impact. This total reflects the broad fiscal footprint created both by the ecosystem’s core activities and by supply-chain interactions and household spending (see Figure 5).

The ecosystem generates

- **\$0.9 billion** in sub-county revenue¹³
- **\$101.9 million** in county level revenue
- **\$1 billion** in state level revenue
- **\$3.8 billion** in federal tax revenue

Federal revenues represent the largest share of the total, reflecting the scale of labor income and business activity linked to the ecosystem.

Figure 5. Impact on the Tax Base, \$ millions



¹² For a detailed explanation of the metrics and frameworks examined within the fiscal impact analysis, see Appendix A.

¹³ Sub-county revenues represent those which have been collected below the county tier. These include City/Municipal collections (local taxes, surcharges, business licenses) and Special Districts (independent taxing authorities for public services, such as school districts, fire protection, or transit).

Direct Impact

The direct impact is the economic activity that the creative economy generates through its own work, before counting any ripple effects on the rest of the economy. It covers what creative businesses and workers earn from their core activity: a theater selling tickets, a design studio billing clients, a museum charging admission, an independent artist selling work, or a recording studio paid for a session. In short, it is the money the sector itself produces and the jobs it directly sustains. This impact resulted in an output of \$36.2 billion and a GVA of \$22.6 billion, encompassing 155,228 jobs, 11.3% of the employment in the city.¹⁴

The direct output generated by Chicago's creative economy represents roughly half of the direct creative economy output in Illinois (47.5%) and about two fifths of the direct creative economy employment (40.7%).¹⁵ This indicates that Chicago functions as a major engine of the overall state's creative ecosystem; consequently, the economic health of Illinois' creative industries is disproportionately tethered to the vitality of the city, making Chicago a critical focal point for any statewide policy, infrastructure investment, or economic development strategy in this area.

In terms of direct output, the three largest creative industries in Chicago are:

1. Audiovisual & Interactive Media: \$9.2 billion (25.3%)
2. Design & Creative Services: \$6.2 billion (17.2%)
3. Performing Arts Companies & Venues: \$4.7 billion (13%)

In terms of direct employment, the three largest creative employers in Chicago are:

1. Performing Arts Companies & Venues: 26,831 jobs (17.3%)
2. Audiovisual & Interactive Media: 24,389 jobs (15.7%)
3. Design & Creative Services: 23,586 jobs (15.2%)

¹⁴ According to data sourced from the [Illinois Department of Employment Security](#), the total overall employment baseline for the city of Chicago is 1,375,486. Employment figures reflect the annual average headcount of positions supported by the industry, combining full-time, part-time, and seasonal work. See Appendix A for more detail on the methodology used and Appendix D for the full-time equivalent (FTE) figures.

¹⁵ See the Illinois Economic Impact Assessment here: <https://artsalliance.org/creative-economy/>

Table 5. Chicago Creative Economy Direct Economic Impact by Industry¹⁶

INDUSTRY	EMPLOYMENT (NUMBER OF JOBS)	OUTPUT (BILLION \$)	GROSS VALUE ADDED (BILLION \$)
Arts education	21,109	2.5	2.1
Audiovisual & interactive media	24,389	9.2	5.5
Books & press	13,639	4.2	2.4
Cultural & natural heritage	9,694	1.4	0.8
Design & creative services	23,586	6.2	4.4
Festivals, fairs, and conventions	18,727	3.7	2
Independent creators & performers	2,498	0.6	0.4
Industry support - retail	1,926	0.2	0.1
Music recording & publishing	879	0.8	0.3
Other professional & business support	9,642	2.3	1.6
Performing arts companies & venues	26,831	4.7	2.6

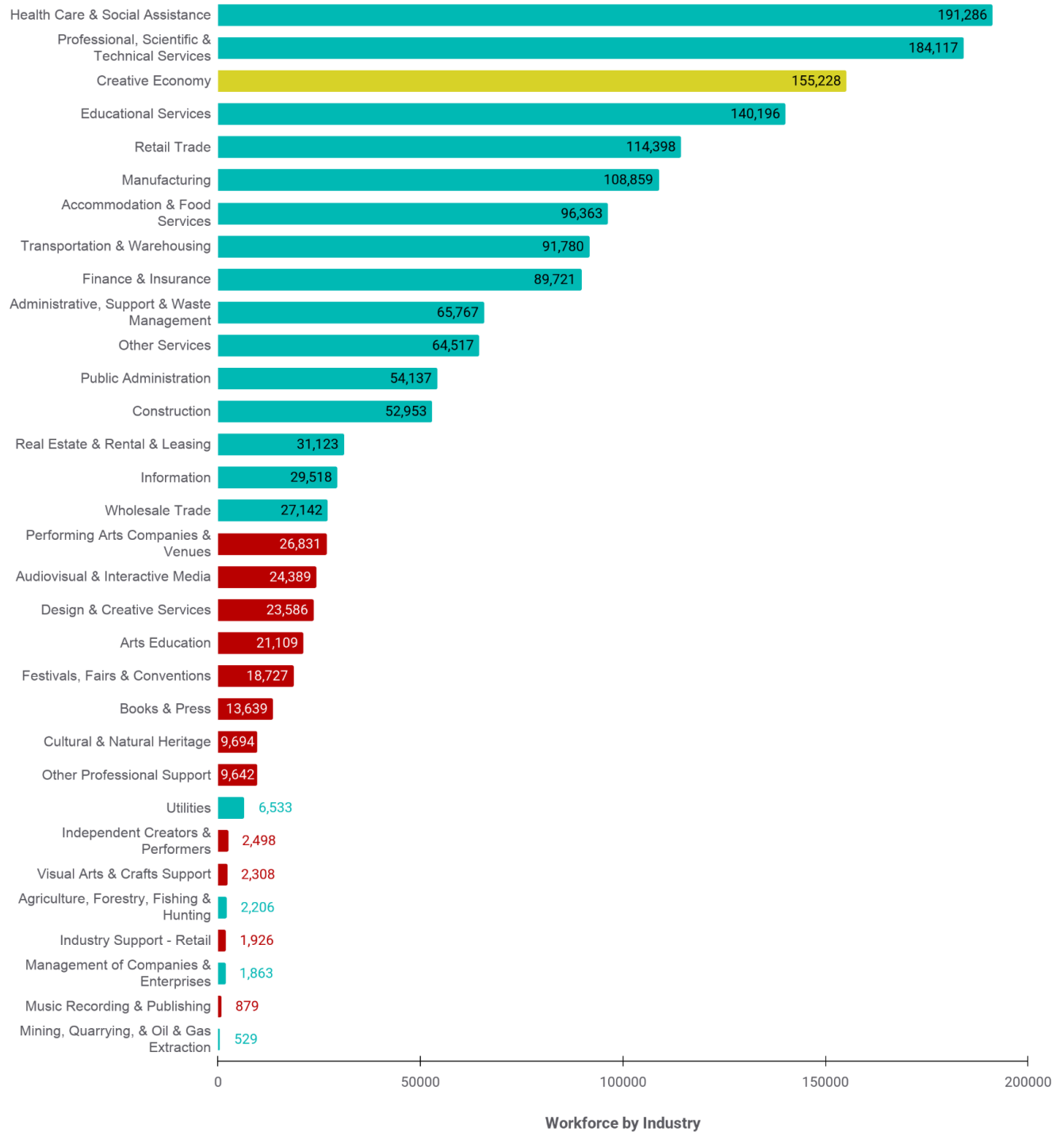
¹⁶ Note: figures may not sum exactly due to rounding. Where this is the case, the summed figures are marked with an asterisk.

Visual arts & crafts support	2,308	0.3	0.2
Total direct impact	155,228	36.2*	22.6*

The creative economy generates more direct jobs, forming a higher percentage of the city’s total employment, than sectors such as educational services (10.2%), retail trade (8.3%), and manufacturing (7.9%). In comparison, the biggest employers in the city are healthcare & social assistance (directly employing 13.9% of the city’s workforce) and professional, scientific and technical services (13.4%).¹⁷

¹⁷ These figures are intended to offer a general frame of reference for the creative economy’s scale. However, it is important to note that certain creative activities overlap with other industries, such as Retail Trade, Communication, and Educational Services. Because methodologies and classifications differ across these sectors, these comparisons are not entirely like-for-like.

Figure 6. Direct Employment by Industry, Chicago*



Source: ACS, Sound Diplomacy Research

**This is a visual representation of employment by industry in the city of Chicago, each creative sector on the graph individually (in red) is a proportion of the direct creative economy employment (155,228 jobs, in green).*

These figures are intended to offer a general frame of reference for the creative economy's scale. However, it is important to note that certain creative activities overlap with other industries, such as Retail Trade, Communication, and Educational Services. Because the methodologies and classifications differ across these sectors, the data is not directly comparable. Consequently, the sum of the individual industries in this graph exceeds Chicago's total employment figure of approximately 1.38 million (Source: datausa.io).

Note that employment figures derived from household census models like the American Community Survey (via DataUSA) reflect a conservative baseline that undercounts the true workforce footprint of several industries, most notably Agriculture, Real Estate, Transportation, and other industries that rely on gig or informal employment. Because the survey classifies individuals strictly by their primary, highest-hour job, it omits the significant portion of the workforce that maintains a different primary career for stable income or benefits while operating family farms or businesses, working freelance contracts, or running secondary business enterprises. Furthermore, these primary-job reporting structures frequently undercount seasonal, part-time, and non-salaried multi-generational family operations.

Indirect Impact and Induced Impact

The calculation of the indirect economic impact involves examining changes in output and employment generated by the suppliers of the creative economy, which includes local businesses in Chicago that provide them with goods and services. This estimation takes into account economic exchanges with suppliers in sectors such as advertising, transportation, maintenance, legal services, communication, and other business-to-business functions. In total, these supply chain interactions generate \$9.6 billion in output, \$5.9 billion in GVA, and support 39,059 jobs across the city.

The induced economic impact reflects the additional economic activity stimulated by the household spending of workers whose employment is directly or indirectly connected to the creative economy. These expenditures include housing, food, transportation, retail purchases, and other everyday consumption patterns. Induced effects amount to \$4.2 billion in output, \$2.9 billion in GVA, and 18,587 jobs supported throughout the regional economy.

The indirect and induced effects, combined, contribute approximately \$13.8 billion in additional economic output, \$8.8 billion in GVA, and 57,647 jobs beyond the sector's direct employment. These figures illustrate the extent to which the creative ecosystem drives economic activity not only through its core operations, but also through the broader network of industries and households it influences.

The results also highlight moderate multiplier effects. The total output multiplier of 1.38 indicates that every \$1 of direct output generates an additional \$0.38 elsewhere in the local economy. This output multiplier is comparable to that of the educational services sector (1.38) and public transport sector (1.37).

Similarly, the employment multiplier of 1.37 suggests that for every three direct jobs in the creative economy, one additional position is supported through indirect and induced economic activity. This employment multiplier is comparable to that of the professional services sector (1.38) and health care sector (1.34).

Because this assessment deliberately excludes external consumer expenditures such as off-site dining, transit, and retail purchases, the true output and employer multipliers for the creative economy are expected to be higher than reported. Consequently, these metrics represent a conservative baseline of the sector's total economic ripple effect across the city. To see how these consumer spending patterns play out locally, see the *Chicago Loop Alliance EIA report*.

Independent Creators & Performers

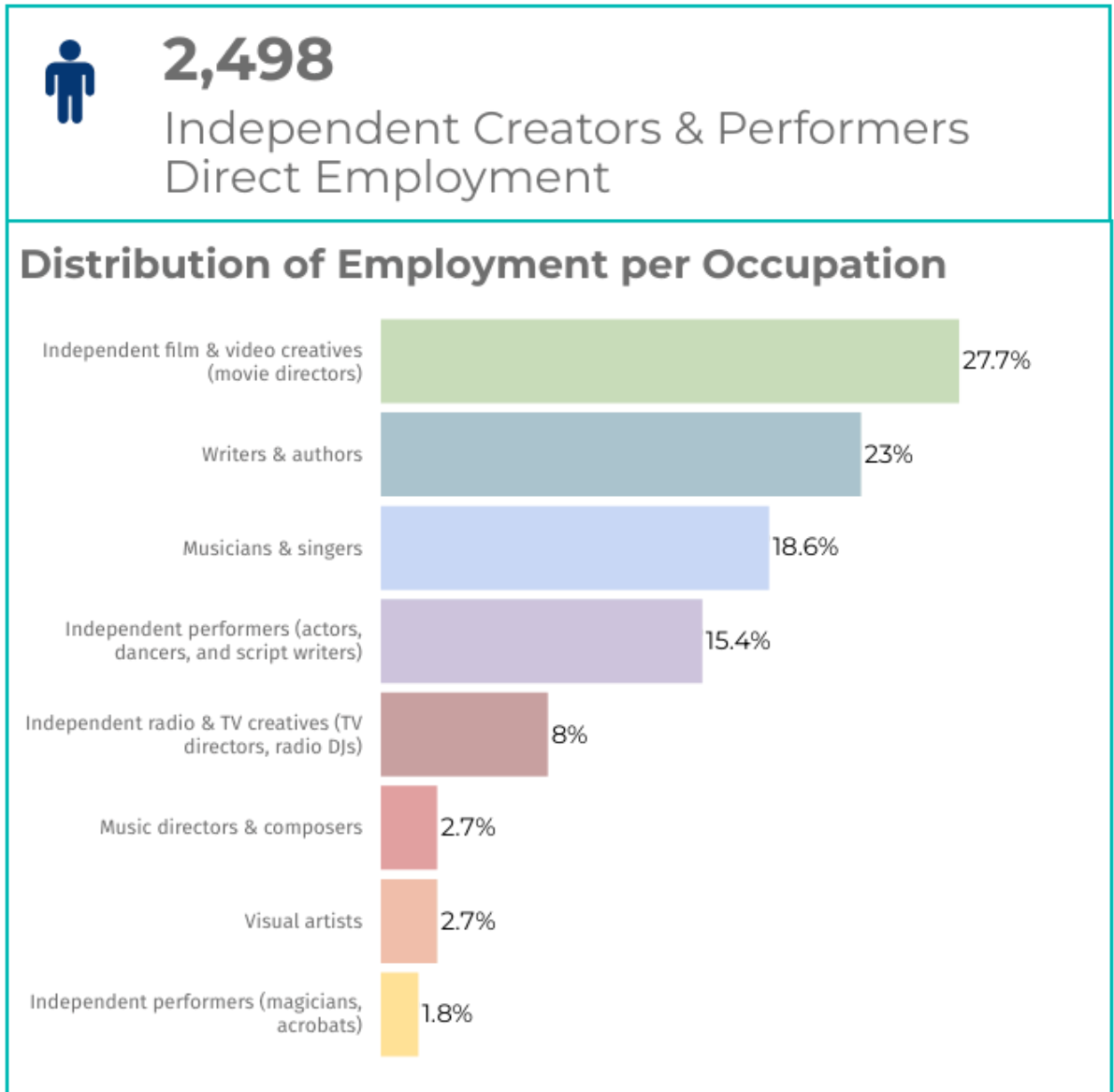
The Independent Creators & Performers sector represents the decentralized workforce of independent cultural professionals operating as sole proprietors or contractors, including independent musicians, performers, authors, visual artists, and independent media production creatives.

A key challenge in quantifying the economic impact of the primary creative sector is that independent creative workers are frequently excluded from establishment-based industry datasets. To address this and provide a comprehensive overview of the impact of this sector, this report uses Occupational Employment and Wage Statistics (OEWS) data, isolating specific occupational codes to provide more detail for the economic footprint of this decentralized workforce.

Note that OEWS data accounts exclusively for individuals meeting formal, tracked employment criteria. The true city-wide population of visual artists, performers, musicians, and independent creators is expected to be significantly larger, as these figures do not fully capture informal, self-employed, or secondary income-generating activity. More information on the methodology can be found in Appendix C.

Figure 7 outlines the distribution of direct employment by occupation, while Figure 8 illustrates the contribution of each occupation to the industry's direct value added:

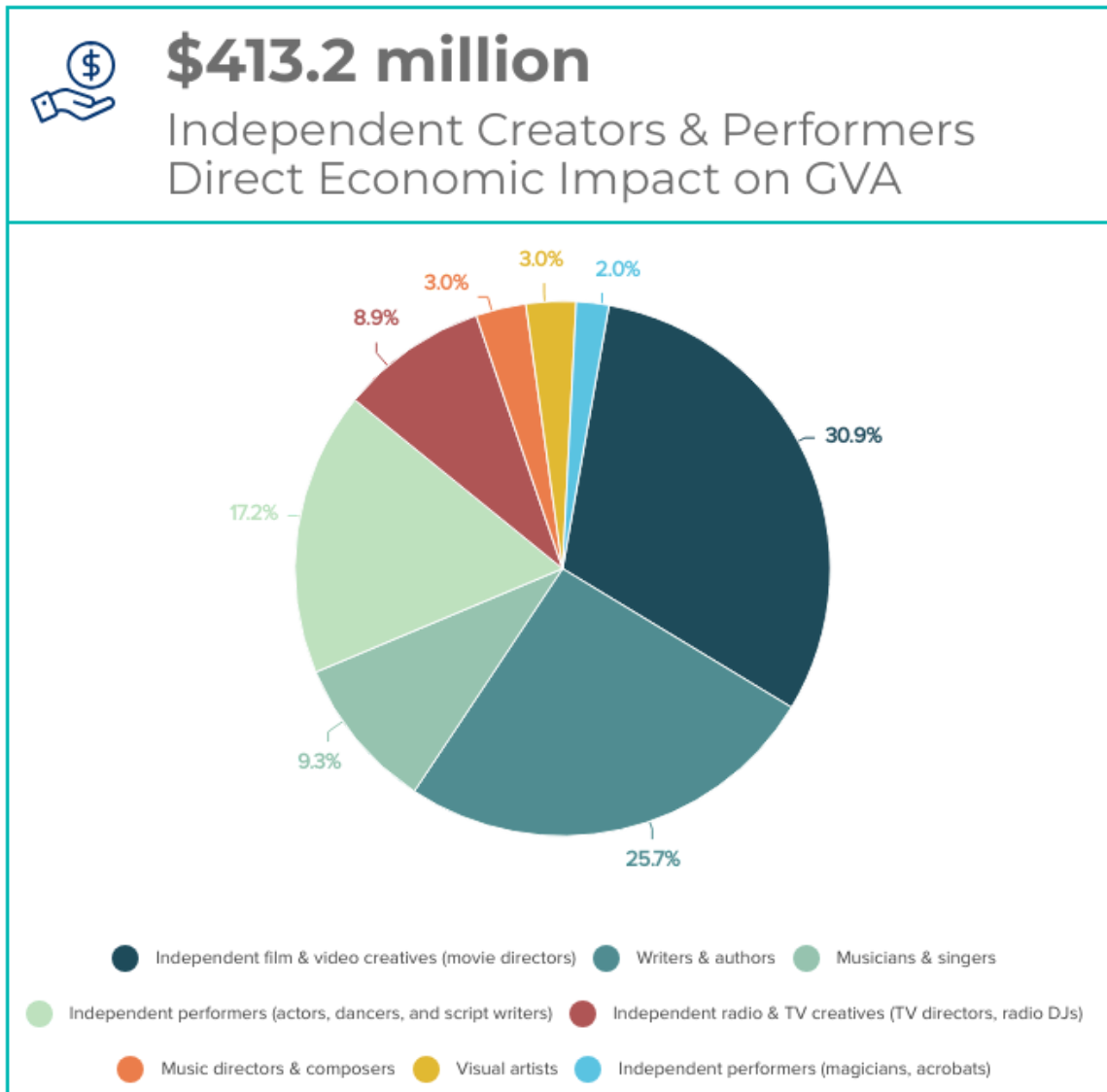
Figure 7. Direct Employment by Independent Creators & Performers Occupation¹⁸



Source: County Business Patterns 2023, OEWS 2023, IMPLAN, Sound Diplomacy Research

¹⁸ To ensure accuracy, the 'independent performers (actors, dancers & script writers)' occupation has been adjusted to prevent double-counting with individuals employed directly by performing arts companies (included in the Performing Arts Companies & Venues sector). Please refer to Appendix C for further detail.

Figure 8. Direct GVA by Independent Creators & Performers Occupation



Source: County Business Patterns 2023, OEWS 2023, IMPLAN, Sound Diplomacy Research

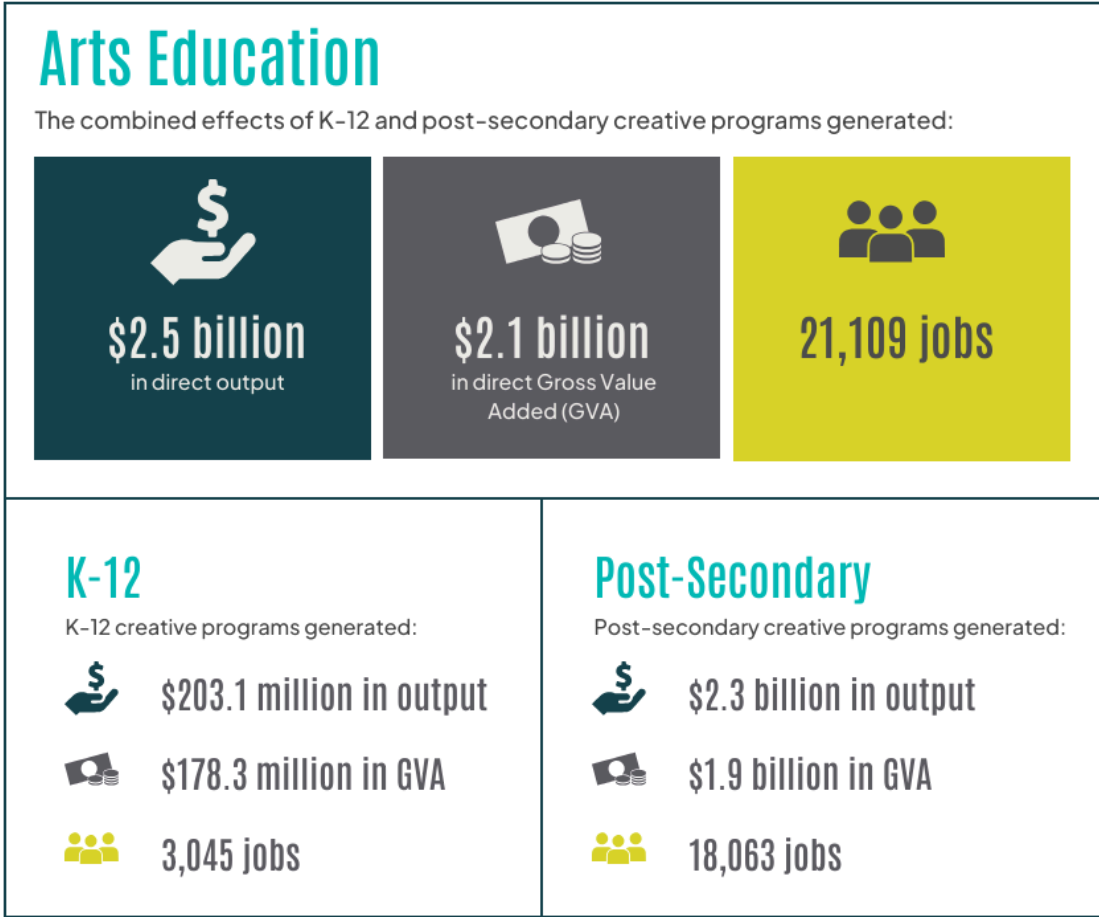
Arts Education

The arts education sector serves as the foundational talent pipeline for Chicago's broader creative economy, ensuring a steady influx of skilled professionals into the creative industries to ensure long-term sustainability. In terms of scale, Arts Education is a

significant economic driver, directly employing 21,109 individuals and generating \$2.5 billion in direct output and \$2.1 billion in direct GVA.

To better understand the specific dynamics of this category, Figure 9 outlines the sectoral contributions of K-12 creative institutions and specialized conservatories and universities. This breakdown clarifies how foundational creative literacy in schools complements the high-level professional training provided by the city's higher education programs.

Figure 9. Direct GVA and Employment, Arts Education¹⁹



Source: County Business Patterns 2023, IMPLAN, Sound Diplomacy Research

¹⁹ When interpreting the employment figures for the post-secondary sub-sector, the reported 18,063 jobs encompass a broad range of professional roles within the city's higher education infrastructure. This total includes all faculty members, instructors, and researchers directly associated with creative and cultural academic programs. For the K-12 sub-sector, this figure does not include the large number of general education schools that may offer individual drama, music, or art classes as part of a broader curriculum. It focuses exclusively on public and private schools where the core institutional mission is centered on cultural and creative education. Creative academic programs refer to direct, practice-based training in the arts (e.g. fine arts, music performance, creative writing, and theater), whereas cultural academic programs encompass the business, administrative, and operational frameworks of the sector (e.g. arts administration, entertainment law, music business, and museum studies).

Non-Profit Creative Organizations

Non-profit organizations in the cultural and creative industries²⁰ account for 15.2% of the total output of the creative economy in Chicago. Collectively, these organizations generate \$7.6 billion in total economic output, \$4.8 billion in GVA, and support 36,279 jobs. Table 6 summarizes the direct, indirect and induced effects of these non-profit entities.

Table 6. Non-Profit Creative Organizations Economic Impact, Output, GVA and Employment

TYPE OF IMPACT	EMPLOYMENT (NUMBER OF JOBS)	OUTPUT (BILLION \$)	GROSS VALUE ADDED (BILLION \$)
Direct	27,700	5.6	3.5
Indirect	5,757	1.4	0.9
Induced	2,822	0.6	0.4
Total Impact	36,279	7.6	4.8

The direct impact reflects the economic value created through the core activities of non-profit creative organizations. This impact results in \$5.6 billion in output, \$3.5 billion in GVA, and 27,700 jobs. These organizations directly employ 2% of the city’s workforce. This share of the workforce is comparable to established industries such as real estate (2.3%), information (2.2%), and wholesale trade (2%).

Combined, indirect and induced effects contribute \$2 billion in additional economic output, \$1.3 billion in GVA, and support 8,579 jobs throughout the regional economy.

Non-profit creative organizations share similar multiplier effects to the wider creative industry, with an output multiplier effect of 1.37. This means every \$1 of direct output from these organizations generates an additional \$0.37 elsewhere in the local economy. This output multiplier is comparable to that of the public transport sector (1.37) and educational services sector (1.38).

²⁰ Specifically, this refers to registered 501(c) organizations, foundations, and associations that directly support or operate within the 12 core sectors that define the city's creative economy.

The employment multiplier is slightly lower, with a value of 1.31, meaning that each three jobs within these non-profit organizations effectively sustains approximately one additional job elsewhere in the economy. This employment multiplier is comparable to that of the real estate sector (1.31) and construction services sector (1.32).

Labor Income in the Creative Economy

In terms of wages, in 2026 the annual average income of workers in the creative economy in Chicago reached \$106,226, above the average salary of the city (\$82,748). However, it masks deep systemic inequities. The sector is fundamentally divided into high-yield corporate/technical creative industries and historically undercompensated cultural practitioners. The sector's seemingly robust average is disproportionately driven by highly commercialized, tech-integrated, and corporate-facing sub-sectors. Specifically, Audiovisual & Interactive Media leads the ecosystem with an average annual wage of \$201,726, followed by Design & Creative Services at \$126,621, and Other Professional Support at \$125,707. These industries benefit from strong corporate business-to-business demand, scalable digital assets, and centralized media infrastructure, which effectively pull aggregate output, and consequently the average wage, upward.

A starkly different economic landscape emerges when evaluating the fine arts, performance, and primary cultural sectors. Workers in Independent Creators & Performers (\$75,282), Performing Arts Companies & Venues (\$62,522), Visual Arts & Crafts Support (\$50,519), and Industry Support (\$43,906) earn salaries that fall drastically below the ecosystem's average. A closer look at the Independent Creators & Performers sector highlights further internal disparities: while performers and visual artists earn an average of \$79,868, approaching the citywide norm, musicians face a much steeper deficit, averaging just \$55,179 per year. This internal gap of nearly \$25,000 underscores the uneven distribution of capital even within closely related creative disciplines.

When these figures are contextualized against the whole economy, a critical structural vulnerability is exposed. The cost-of-living baseline, or living wage, for Chicago is established at \$53,667. Consequently, multiple core cultural and performance-based sub-sectors operate at or near a deficit relative to basic self-sufficiency. While average wages for the broader independent Creators & Performers industry, specialized performers and visual artists clear this threshold, musicians maintain an exceedingly narrow margin of less than \$2,000 above the living wage. Meanwhile, workers in Visual Arts & Crafts Support and Industry Support fail to meet the baseline entirely. This shortfall heavily impacts the ecosystem's secondary businesses, such as commercial art galleries, craft stores, and creative retail firms, making it difficult for these essential creative spaces to thrive. When these storefronts and platforms struggle economically, it triggers a damaging ripple effect across the entire workforce, leaving local creators with fewer physical spaces and marketplaces to exhibit and sell their work. Ultimately, this structural deficit means that

the very cultural amenities driving Chicago's tourism, hospitality, and urban appeal are being heavily subsidized by the creators themselves. To sustain the city's vibrant and creative image, these individuals are forced to absorb the costs of their own economic precarity, routinely navigating underemployment and the gig economy just to survive.

This wage asymmetry carries macroeconomic implications for the long-term sustainability of the city's creative infrastructure. The vast earning differential between commercial digital media and the traditional fine arts threatens a severe 'talent drain', incentivizing skilled creators to either migrate to regions with lower living costs or abandon cultural production entirely in favor of more corporate or commercial roles. Furthermore, because core creative occupations fail to yield a living wage, entry into these fields increasingly becomes a privilege restricted to those with independent financial safety nets, stifling demographic diversity and equitable representation.

Rather than looking at overall economic prosperity figures, stakeholders and policymakers should examine localized, granular work-force data, such as the empirical trends tracked via the [Chicago Arts Census Data Dashboard](#), to design targeted interventions, including workforce subsidies, affordable creative spaces, and equitable wage standards, thereby stabilizing the financial foundation of the entire creative ecosystem.

Appendices

Appendix A. Methodology

The economic impact analysis is based on official secondary sources and statistics, complemented by primary research conducted by Sound Diplomacy. It provides a reliable measure of the economic importance of the creative economy in Chicago, on three scales: direct, indirect, and induced impact.

The economic impact calculation is based on the Input-Output Model (I-O), which explains how production is determined by the total amount of products and services demanded in the economy. The model identifies how individual industries rely on inputs from other sectors, generating a chain reaction that produces multiplier effects throughout the region. Through this structure, intersectoral impacts are estimated, along with the way sales and purchases circulate across economic activity. For the direct impact, data on the workforce, number of establishments, and average output per worker are used to calculate output, labor income, Gross Value Added (GVA), and employment.

Classifications

To define and frame the creative ecosystem in accordance with available official data, Sound Diplomacy uses **the Classification of Economic Activities of the North American Industrial Code System 2017 (NAICS)**, which is the standard used by federal statistical agencies in classifying business establishments to collect, analyze, and publish statistical data related to the U.S. economy. Sound Diplomacy uses this data to calculate the value of the economic activity in Chicago that can be attributed to the creative economy. For more information, please see Appendix B - 2017 NAICS Activities for the creative economy.

Geographical Scope

This assessment's geographical scope is the city of Chicago. There are 59 zip codes included and these are: 60601, 60602, 60603, 60604, 60605, 60606, 60607, 60608, 60609, 60610, 60611, 60612, 60613, 60614, 60615, 60616, 60617, 60618, 60619, 60620, 60621, 60622, 60623, 60624, 60625, 60626, 60628, 60629, 60630, 60631, 60632, 60633, 60634, 60636, 60637, 60638, 60639, 60640, 60641, 60642, 60643, 60644, 60645, 60646, 60647, 60649, 60651, 60652, 60653, 60654, 60655, 60656, 60657, 60659, 60660, 60661, 60666, 60707, 60827 (source: [Chicago Data Portal: City of Chicago](#)).

Data Sources

The economic impact results correspond with data from 2023 due to most official data sources having a three-year delay.

Six main data sources have been used to conduct the economic impact analysis.

Table 7. List of Data Sources

DATA SOURCE	DETAILS
County Business Patterns: 2023 – Chicago–Naperville–Elgin, IL–IN Metro Area²¹	This source allows the calculation of the number of establishments and employees in the ecosystem.
Occupational Employment and Wage Statistics 2023	This source allows for quantifying the workforce within specific occupations integral to the creative economy.
Quarterly Census of Employment and Wages 2023 & 2024	This source provides complementary data for the number of employees in the ecosystem. QCEW 2023 data is used to calculate benchmarks for the performing arts sector (see Appendix C).
IMPLAN 2023 Data (software and regional I–O accounts) – Chicago	Provides industry-specific production functions, regional trade flows, multipliers, labor income, value added components, and fiscal accounts (federal, city, county, and sub-county). Used to estimate direct, indirect, and induced economic effects across the city of Chicago. All monetary results expressed in 2026 dollars using IMPLAN deflators.
American Community Survey 2020–2024	This source provides data on jobs and other economic activities associated with the ecosystem across several characteristics.
Mapping Dataset	The mapping dataset provides ancillary data that allows Sound Diplomacy to identify missing data points.

Economic Variables

Output values presented in this report represent the total gross value of goods and services produced by the creative sector, serving as the broadest measure of overall economic activity. Output is a measure of gross sales or transactions rather than net wealth created; it encompasses the entire market value of industry production, which means it

²¹ While County Business Patterns data is aggregated at the Chicago MSA level rather than at the city level, this geographic boundary does not impact the validity of the metric developed. This source is used strictly to calculate the average number of employees per establishment (the ratio of total employees to total establishments within the ecosystem). Because we are extracting an intensity ratio rather than absolute volume baselines, the MSA-level data serves as an accurate structural proxy for the localized industry cluster in the city of Chicago.

includes both the value of the final creative products sold and the cost of all intermediate inputs (such as raw materials, third-party software, utilities, and vendor services) purchased to create them. Because it captures every transaction along the supply chain, Output contains inherent 'double-counting' by design - for example, counting both the wholesale purchase of digital audio equipment by a recording studio and the final retail price of the studio's production services.

Gross Value Added (GVA), sometimes referred to as *Value Added*, represents the net economic contribution of the creative sector to the regional economy and is the industry-level equivalent of Gross Domestic Product (GDP). Unlike Output, GVA isolates the unique value *added* specifically by creative entities by stripping away the cost of all intermediate goods and services purchased from other industries, thereby eliminating the distortions of supply-chain double-counting. Mathematically, GVA is the sum of four distinct components: Employee Compensation (wages, salaries, and benefits paid to W-2 workers), Proprietor Income (the net earnings of self-employed freelancers and gig workers), Taxes on Production and Imports (TOPI, which includes sales, property, and licensing taxes levied at the local, state, and federal levels, but excludes income taxes), and Gross Operating Surplus (corporate profits and capital depreciation). Consequently, GVA serves as the most accurate metric for evaluating the net wealth retained within the state or municipal borders as a direct result of creative operations.

Employment numbers presented in this report represent an annual average headcount of the total positions supported by the creative sector, rather than unique individuals or Full-Time Equivalents (FTEs). Under this framework, a single position held for a full year, two seasonal positions held for six months each, or a part-time role are all mathematically standardized as 1.0 job. Crucially, to provide an exhaustive footprint of the decentralized creative economy, this metric includes both traditional wage-and-salary corporate payroll employees (W-2 workers) and independent sole proprietors, freelancers, and gig workers (1099 contractors). For a detailed breakdown of the FTE employment figures by sector, see Appendix D.

Contribution to the Tax Base

In an IMPLAN-based economic impact analysis, the tax breakdown categorizes government revenues based on which level of government legally levies and collects the tax. IMPLAN does not just track taxes paid directly by the primary business, but also captures the fiscal ripple effect from the supply chain (indirect) and employee spending (induced). It traces tax flows from four core economic paying entities: Businesses, Employees, Proprietors, and Households.

The model organizes fiscal impact into four distinct, mutually exclusive geographic tiers:

Sub-County (Municipal & Special Districts): Captures revenues collected by government entities below the county tier.

- **City/Municipal:** General sales surcharges, local business licenses, or city property taxes.
- **Special Districts:** Independent local taxing authorities established for specific public services, most notably local public school districts, fire protection, or public transit authorities.

County: Estimates revenues collected strictly by county-level governments (e.g. Cook County). Note that while Illinois property tax bills are consolidated at the county level, the IMPLAN model categorizes the specific portions of those taxes legally allocated to city governments and school districts under the 'Sub-County' tier. This prevents double-counting and ensures revenues are tracked to their final public destination, rather than indicating any data was omitted.

State: Captures all tax streams flowing directly to the state revenue (e.g. State of Illinois). This includes state personal income tax, baseline state sales and use taxes, state corporate income tax, and state motor vehicle licensing fees.

Federal: Estimates all revenues collected by the United States federal government, including federal personal income taxes, federal corporate profit taxes, customs duties, and federal excise taxes.

Appendix B: 2017 NAICS Activities for the Creative Economy

The research analyzed a list of NAICS codes related to the creative ecosystem, which can be found in the following table. It is important to note that some activities on the list were not exclusively related to the Arts and Cultural sector and had to be adjusted.

Information from various sources was collected and cross-checked to ensure that the impact measured resulted from activities related to the Arts and Cultural ecosystem, including the mapping conducted by Sound Diplomacy.

The industry classifications detailed in this appendix are mapped strictly at the six-digit NAICS level. While certain specialized data vendor indexes or sub-industry registries offer even deeper granularities, for example, isolating ‘Restorers of art and museum collection objects’ under a seven- or eight-digit extension like 711510-31, this report intentionally standardizes its analysis at the official six-digit baseline (711510 - Independent Artists, Writers, and Performers). This specific resolution was chosen because the six-digit tier represents the maximum uniform granularity supported across official federal datasets and standard economic impact modeling software. Adhering to this established standard ensures full data integrity, prevents classification mismatches, and guarantees that all economic calculations remain completely reproducible and defensible.

Table 8. Arts and Cultural Ecosystem NAICS Codes

CREATIVE ECONOMY SECTOR	
NAICS codes	515120 Television broadcasting networks
	541512 Computer software consultants
	511210 Games and computer software publishers
	541511 Software programmers
	519130 Internet broadcasting organizations
	518210 Web hosting, video and audio streaming organizations

512120	Film & video distribution companies
512132	Drive-in movie theaters
512131	Movie theatres
512191	Film & video postproduction companies
512110	Film & video production companies
512199	Other motion picture and video services organizations
512199	Motion picture booking agencies & film restoration providers
515111	Radio networks
515112	Radio stations
519120	Libraries & archives
32311	Books & press printing establishments
511130	Books publishers
712110	Museums
711510	Independent artists, writers & performers (including restorers of works of art and museum collection objects)
712130	Zoos & botanical gardens
611310	Conservatories and universities with cultural & creative programs or business programs for the cultural & creative industries
611610	Public and private schools with cultural & creative programs

	541810	Advertising agencies
	541310	Architect organizations
	541320	Landscape architect organizations
	541490	Costume, fashion and jewelry design companies
	541430	Graphic designers
	541420	Industrial design companies
	541410	Interior designers
	711320	Audiovisual & interactive media festivals, fairs, and conventions
	711320	Book fairs and conventions
	711320	Design fairs and conventions
	711320	Performing arts festivals, fairs, and conventions
	451211	Book stores
	443142	Film and video stores
	451140	Musical instruments & equipment stores
	443142	Record stores
	711310	Arenas
	711110	Dedicated live music venues
	711310	Occasional Venues

	711320	Bookers & programmers
	512230	Music publishers
	512250	Record labels
	512240	Recording studios, producers & rehearsal rooms
	711410	Artists' managers
	339992	Instrument manufacturers
	541	Other commercial and administrative support organizations for the cultural & creative sector
	561599	Performing arts ticket offices
	711120	Performing arts companies (theatre, dance, bands, orchestras)
	711110	Dedicated performing arts venues
	339910	Craft stores
	453920	Art galleries, auctions & dealers
	813910	Associations and nonprofits for the cultural & creative sector

Appendix C: Independent Creators & Performers

To ensure the integrity of the economic impact assessment and avoid the inflation of figures, the analysis distinguishes between performers employed directly by performing arts companies and independent performers. The following methodology reconciles data from the Quarterly Census of Employment and Wages (QCEW) and Occupational Employment and Wage Statistics (OEWS).

To isolate the specific workforce metrics for the city of Chicago, OEWS data was initially analyzed at the Chicago Metropolitan Statistical Area (MSA) level. Because this broad regional dataset includes counties outside the city center, a population normalization process was implemented to align the figures with the urban core. This adjustment compared Chicago's city-level employment proportions against the wider MSA data, ensuring the final estimates accurately reflect the city's concentrated creative workforce.

We utilized 2023 QCEW data to establish a baseline for employment proportions within the performing arts sector. To isolate theatrical employment, we filtered for specific North American Industry Classification System (NAICS) codes (primarily 711100 - Performing Arts Companies and 711110 - Theater Companies and Dinner Theaters) and produced an employment ratio.

Based on industry benchmarks regarding the staffing composition of theatrical production companies, we then applied a standardized assumption that performers comprise one-third of the total staff complement. This approach allows us to estimate the number of actors who are already captured under the umbrella of 'performing arts companies'.

The OEWS dataset provides a broad count of actors and performers, which inherently includes both individuals employed by firms (company staff) and independent contractors. To prevent double-counting, we adjusted the OEWS total by subtracting the estimated company-employed theatrical staff calculated in the above step. This net figure ensures that actors employed directly by performing arts companies are only counted once (within the industry employment totals of the performing arts sector) and not as separate, independent entities.

It is important to note that employment data for performing arts companies encompasses both creative and support roles, including set design, costume, technical personnel (lighting and sound), choreographers, and general production staff. The performing arts companies mapped include theatrical, dance, and dance schools which conduct regular performances, and independent live event companies (e.g. wedding DJs, etc).

Additionally, OEWS data accounts exclusively for individuals meeting formal, tracked employment criteria. Consequently, these metrics establish a highly conservative baseline for the Independent Creators & Performers sector. The true citywide population of visual artists, performers, musicians, and independent creators, and therefore the economic impact, is expected to be significantly larger, as standard occupational surveys do not fully capture informal, self-employed, or secondary income-generating activities that characterize a major portion of the freelance creative workforce.

Appendix D: Full-Time Equivalent (FTE) Employment

While the primary body of this report presents an annual average headcount metric to capture the total geographic footprint of the creative economy, counting every W-2 and 1099 position as a single job regardless of hours worked, this appendix provides a more granular look at labor utilization through the lens of Full-Time Equivalents (FTEs).

Measuring employment via FTEs standardizes the workforce based on actual hours worked. One FTE equals a single, full-time employee working a standard schedule (typically 40 hours per week, or 2,080 hours per year). This baseline controls for the high volume of part-time, seasonal, and freelance roles inherent to the decentralized creative economy, offering a precise look at the economic labor volume dedicated to each sector.

Table 9 provides a detailed, sector-by-sector breakdown of total direct employment and direct FTE employment.

Table 9. Direct FTE Employment by Industry

INDUSTRY	EMPLOYMENT (TOTAL)	EMPLOYMENT (FTE)
Arts education	21,109	19,203
Audiovisual & interactive media	24,389	23,319
Books & press	13,639	13,047
Cultural & natural heritage	9,694	8,072
Design & creative services	23,586	22,686
Festivals, fairs, and conventions	18,727	15,593
Independent creators & performers	2,498	2,079

Industry support – retail	1,926	1,682
Music recording & publishing	879	789
Other professional & business support	9,642	8,525
Performing arts companies & venues	26,831	22,340
Visual arts & crafts support	2,308	1,998
Total direct employment	155,228	139,333