

TITLE: The Economic Value of Attendance at a Museum with No Admission Fee

The question as to whether museums, as cultural institutions whose primary mission in addition to preservation, research and education includes making their collections accessible to as broad a segment of the population as possible, should offer free admission or charge an admission fee has for decades – if not centuries – been the focus of analysis and debate within the public policy arena. Dimensions of this discourse range from how to define and measure operationally the socioeconomic characteristics of population segments that tend to visit or not visit museums to the design of admission fee regimes that can generate needed revenues to support museum operations while accommodating accessibility goals to the equity and efficiency considerations present in any pricing decision for publicly provided goods and services. Given the breadth and duration of this discourse as well as actual changes implemented over time in public policies regarding museum admissions fees the sparsity of empirical evidence about the basic demand relationship between price and museum attendance capable of informing this debate is noteworthy if not surprising.

This paper provides empirical evidence about the demand for museum attendance in the absence of an admission fee. The analysis is based on data obtained from a survey of visitors to the Galway, Ireland Museum over the years 2007 through 2010. The results provide estimates of the total value (consumer surplus) of annual museum visits when no admission fee is charged. Using these results it is possible to determine the welfare effects of predicted reductions in the number of visits at various levels of an admission fee. The results also provide insight about the effect on demand for subsequent versus initial museum visits, a focus of continuing interest within the cultural economics literature.

KEYWORDS:

Museums

Admission Fee

Empirical Demand

Economic Value

JEL Classifications: Z11, H40