

# Investigating the audience: a study of the experience and benefits perceived during Matera 2019

## Executive summary

### Summary

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## The research

This research proposes an ex-post valuation of the "Matera Capitale Europea della Cultura 2019" mega-event ("Matera 2019" from here on), focusing on the tangible and intangible economic impacts that the event has generated.

More in detail, the specific objects of the research project are the following:

1. defining the profile of the audience of the Matera 2019 events;
2. estimating the benefits gained by visitors who attended some specific Matera 2019 events;
3. assessing the benefits gained by visitors who attended the entire Matera 2019 event.

To achieve these objectives, the analysis relies on primary micro data collected on-site during Matera 2019. Different empirical methods, whose use is widespread in the cultural economics literature, were used to examine these data. The use of such a variety of methods is the distinctive feature of this study.

## Data and methodologies

The research objectives were pursued through an empirical strategy based on a quantitative analysis of two microdata datasets. The first one includes data collected through questionnaires during three events in the final period of Matera 2019.

The selected events – one visual art exhibition (*Blind Sensorium | Il paradosso dell'Antropocene*), one performing art festival (*Altofest*), and one movie exhibition (*Rassegna Biennale di Venezia Virtual Reality*) - are highly heterogeneous. This heterogeneity is highly representative of the Matera 2019 program. These events differ in terms of typology and modalities of cultural fruition. Moreover, they were carried out in heterogeneous locations. *Blind Sensorium* was exposed in unusual areas of the museum Ridola, located in the centre of Matera. *Altofest* involved the local community of several towns in Basilicata by asking residents to host the artists and the performances in their houses. Finally, the *Biennale Venezia* event combined an antique location (a hypogeum) with the virtual reality technology used to watch movies.

Data were collected through the administration of questionnaires to those spectators who attended these events. The questionnaire was articulated into two sections; the first one was focused on the event attended by respondents. This part gathered information about respondents' stated willingness to pay (WTP) for attending a future hypothetical edition of the event. The second part, instead, was focused on the entire Matera 2019 mega-event. This latter part asked about motivations for attending the mega-event and also included questions aimed at collecting information about respondents' socio-demographic characteristics. The survey included 374 interviews (20% during *Altofest*, 40% during *Blind Sensorium*, and 40% during *Biennale Venezia*).

Information collected through the second part of the questionnaire was elaborated to investigate the Matera 2019 audience's profile. The investigation relies on a principal component analysis (PCA) and a cluster analysis (CA). These multivariate techniques allowed segmenting the public that attended the Matera 2019 mega-event based on its socio-demographic characteristics and its motivations for visiting. Such a segmentation provides useful elements to define future ECoC's promotion and programming policies.

Instead, data extracted from the first part of the questionnaire allowed estimating the benefits gained by those visitors who attended each of the selected events. The analysis is based on the contingent valuation (CV) approach.

For the analysis of benefits gained through the *Altofest* event, the quantitative data were integrated with qualitative information derived from semi-structured interviews with the Foundation Matera-Basilicata 2019, the event organizers, and some participants.

The second dataset analysed by this research is based on microdata collected by the survey "*Il vissuto del 2019 e l'eredità della Capitale europea della cultura - il punto di vista di turisti e residenti*" realized by Datacontact srl. These data were elaborated to estimate visitors' benefits related to the entire Matera 2019 mega-event. The empirical analysis of this data is based on the Travel Cost Method (TCM) approach on 2,281 observations.

The CV and the TCM empirical strategies belong to the category of non-market valuation empirical approaches (Haab and McConnell, 2002). This group of techniques allows investigating the capacity of cultural events to generate positive (or negative) externalities rather benefits or costs that they determine for the society and are not internalised from market mechanism (Moreschini, 2003). The CV allows estimating the value that consumers attribute to goods and services not traded in a regular market. This method is based on direct WTP statements made by respondents. Instead, the TCM is based on observing visitors' behaviour; more specifically, it looks at the travel costs sustained by visitors to reach the place where the event is carried out, which is considered a valid proxy of the price they would pay for participating to the event.

The following table illustrates the main features of the data and methods used for each of the study's three aims.

Objective	Methodology	Data
Segmenting the audience	Cluster analysis (CA) Principal component analysis (PCA)	Survey of the audience of three Matera 2019 events
Estimating the benefits associated with attending the events: <i>Blind Sensorium</i> , <i>Altifest</i> , <i>Biennale Venezia</i>	Contingent valuation (CV) Regression analysis investigating the determinants of respondents' willingness to pay (WTP) to attend the events	Survey of the audience of three Matera 2019 events
Estimating the benefits associated with attending the entire Matera 2019 mega-event	Travel cost method (TCM)	Survey <i>Il vissuto del 2019 e l'eredità della Capitale europea della cultura - il punto di vista di turisti e residenti</i> carried out by Datacontact srl

## The Matera 2019 audience

According to the data collected by our analysis, the Matera 2019 audience records a prevalence of Italian visitors; the majority of the people comes from the Basilicata region (more precisely, 53% of the sample related to the survey of the audience of three Matera 2019 events and 75% of the sample of the Datacontact survey); among them, the great majority is resident in the Matera province. This result might be affected by the period of data collection since usually in December the number of tourists is slightly reduced compared to the rest of the year. If looking at the provenience of the *Passaporto Matera* costumers, people coming from outside the region are more than the residents in Basilicata.

The audience of Matera 2019 seems to be very heterogeneous in terms of age, level of income, and education (see graphic 1, 2 and 3). The distribution of respondents among age classes demonstrates the Matera 2019 event was able to attract young people. On average, the level of education and the public's level of cultural consumption is relatively high; nevertheless, a significant part of the Matera public consists of people with low education and low cultural consumption levels, namely people who are usually less willing to participate in cultural events, according to the Cultural Economics literature (Candela & Scorcu, 2004; Di Maio, 2019).

The CA results suggest that the Matera 2019 audience might be split into two macro groups; the first group includes young, highly educated, and cultured people coming mostly from outside the Basilicata region and often working in the cultural and artistic domain. Instead, a second one comprises older people who mostly come from the Basilicata region and show a low level of cultural consumption. Surprisingly, in participating in Matera 2019, the first group seems to be motivated by relaxation and leisure while the second group displays a

specific interest in the cultural event. These two motivations emerged from applying the PCA methodology to respondents' answers about the reasons that triggered them to participate in the event. Investigating motivations has been recognised as a useful tool not only for cultural marketing but also for policy valuation (Brida et al., 2016).

This result might depend on the fact that the first group is mostly composed of tourists traveling around. Many tourists have also had the opportunity to discover Matera and neighbourhoods. Although the research was not focused on tourism, it emerges from the interviews that, for many tourists, the cultural mega-event influenced visiting the region in 2019. This finding confirms the added value of the mega-event in attracting visitors. In contrast, the second group includes residents who are not highly familiar with international cultural events and are more motivated by cultural aspects. Matera 2019 has increased the possibility for residents to enjoy an international artistic and cultural program and re-discover places and locations that have never been devoted to hosting such kinds of events.

In general terms, the level of satisfaction for Matera 2019 is high for all the public (see figure 4).

## How much is it worth Matera 2019?

Our analyses suggest that attending the Matera 2019 events provides significant benefits to the public. The CV analysis reveals that the public shows an excellent propensity to contribute to the event financially. Indeed, the average willingness to pay for the events *Altofest* and *Blindsensorium* is higher than the actual price paid for the *Passaporto* (Passport) card, i.e., a membership card that allowed participating in the entire Matera 2019 mega-event.

This willingness to pay seems to be positive influenced by education, income, and the level of satisfaction for the event. These results are in line with the literature on cultural consumption. Results obtained when looking at the *Altofest* festival constitute a peculiar case. On average, people who attended this festival are less educated than those who attended other events; nevertheless, they show a higher willingness to pay than the others. This circumstance can be due to the festival's characteristics, the particular atmosphere that characterized this event, and its connection with the local community. This finding emerges from the qualitative survey conducted to complement the quantitative analysis.

The analysis based on the TCM approach suggests that attending the mega-event leads to a positive consumer (visitors') surplus. The estimates of benefits provided by this method are not high in absolute terms. Nevertheless, this finding is because most of the Datacontact survey respondents are residents and hence do not support any travel cost. Despite such limits, the consumer surplus's positive value suggests that the event has generated benefits for the people who participated. Furthermore, it is worth noting that this kind of method measures only the use-value related to the consumption of a cultural event, not considering the whole economic value.

## Pricing policy: the Passaporto Matera 2019

The mega-event Matera Capital of Culture 2019 adopted a pricing policy that aimed to widen cultural participation. The organization designed the *Passaporto* card, i.e., a single-day or entire-festival membership card to attend all the events. Both the single-day and the entire-festival cards had a low price. Such a strategy was crucial to trigger participation by those low-income people and people who are not usually involved in cultural events.

When looking at cultural activities, bundling, i.e., selling different items together as a package, increases participation since it pushes people to enjoy various cultural goods (Candela & Scorcu, 2004). The data collected by our analysis suggest that the public highly appreciated the *Passaporto*. More than three-quarters of

our survey respondents declared that thanks to the *Passaporto*, they were stimulated to attend more events than what they would have done without. Furthermore, the great majority of the audience positively evaluated its price.

The *Passaporto* is a particular case of bundling since its price is far below the sum of single events' prices. On the one side, this characteristic, as already underlined, encourages cultural participation and guarantees access to vulnerable social groups, increasing the number of visitors. Such a low ticket price policy is consistent with the idea that culture in all its manifestation is a merit good (Musgrave, 1959) that has to be preserved and promoted. On the other side, relying on this policy implies an inevitable loss of revenue for cultural managers, although it is reasonable that a public policy aims to maximise the number of visitors and spectators.

The CV analyses carried out by our study provide some insights potentially useful to define selective price strategies that take into account the purchasing power of people as long as the benefits that they gained through participating in the events. Namely, differential prices should be considered for residents and non residents in order to promote cultural consumption of local people. In line with this perspective, providing the possibility of a voluntary contribution to some events could be a valid strategy to receive financing from people who care and have the chance to finance culture.

## **Replicate Matera 2019: some reflections on future cultural policy strategies**

2019 has been a great year for Matera and the entire Basilicata region. The Matera 2019 mega-event has been capable of attracting national and international tourists and giving residents the possibility to enjoy an outstanding cultural program. The high rate of satisfaction declared by the public and the participation of low educated people who are not usually involved in cultural activities represent a tangible sign of such appreciation.

The Matera 2019 organization was able to valorise the local cultural productions and traditions thanks to a detailed knowledge of the territory and ten years of work that involved the local community. This strategy allowed connecting local cultural operators within international circuits in order to increase opportunities in a long-term perspective.

The present debate concerns the legacy of the event. The main challenge for the future is to elaborate new strategies that allow taking advantage of the opportunities created by the ECoC mega-event, in a difficult moment when sanitary exigencies impose significant restrictions in all domains.

The study suggests that a cultural program has to be structured and diversified in terms of typology of events and exhibitions to attract both people with a specific cultural interest and other, like tourists, who are motivated more by leisure reasons.

Furthermore, the case of *Altifest* demonstrated the relevance of inclusion policies affecting the whole population and the centrality of participatory planning that preserve the culture of territories allowing people to live in a more "active" way the cultural events. This circumstance turns to be central in order to allow a mega-event to generate positive benefits for the hosting community.

Such policies act as a tool to preserve local identity against the risk of touristification that could reduce local specificities to mere representation. In parallel, it is fundamental to continue strengthening the segment of the economy that focuses on productive activities in the creative sector.

## Figures and tables

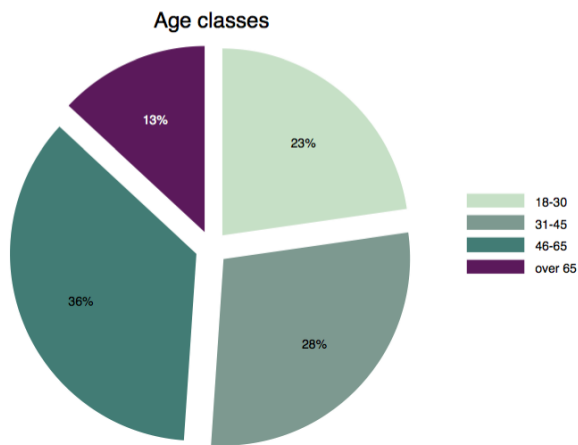


figure 1 Age of the respondents (Survey of the audience of three Matera 2019 events)

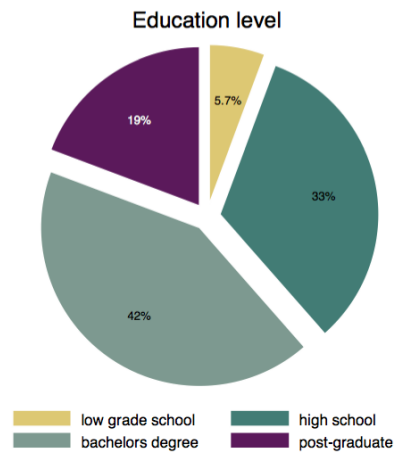


figure 2 Education level of the respondents (Survey of the audience of three Matera 2019 events)

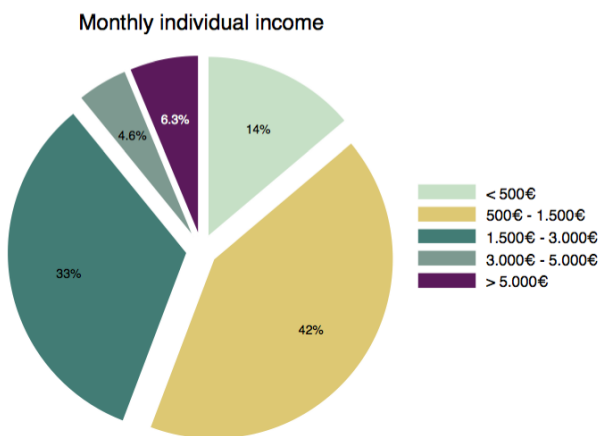


figure 3 Monthly individual income of the respondents (Survey of the audience of three Matera 2019 events)

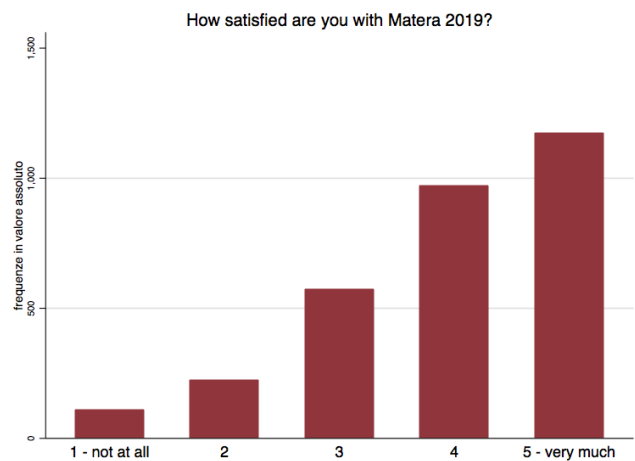


figure 4 Satisfaction level of the respondents (Datacontact srl survey)

Are you willing to contribute?				
	Total	Altofest	Biennale	Blind Sensorium
no	30%	20%	32%	32%
yes	70%	80%	68%	68%

table 1 Percentage of respondents willing to contribute for a re-edition of the event. Data refer to single event and to the total sample

Average willingness to pay				
	total	Altofest	Biennale	Blind Sensorium
	17,30 €	31,60 €	21,30 €	6,40 €

table 2 Average willingness to pay for each of the event investigated and on the total sample

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