

## Factors That Influence Willingness to Pay for Theatre Performances: The Case of Lithuanian National Drama Theatre

**Authors :** Rusne Kregzdaite

**Abstract :** The value of the cultural sector stems from the symbolic exploration that differentiates cultural organisations from other product or service organisations. As a result, the cultural sector has a dual impact on the socio-economic system: the economic value (expressed in terms of market relations) created influences the dynamics of the country's financial indicators, while the cultural (non-market) value indirectly contributes to the welfare of the state through changes in societal values, creativity transformations and cultural needs of the country. Measurement of indirect (cultural value) impacts is difficult, but in the case of the cultural sector (especially when it comes to economically inefficient state-funded culture), it helps to reveal the essential characteristics of the sector. The study aims to analyze the value of cultural organisations that are invisible in market processes and to base it on quantified calculations. This was done by analyzing the usefulness of the consumer, incorporating not only the price paid but also the social and cultural decision-making factors that determine the spectator's choice (time dedicated for a visit, additional costs, content, previous experiences, corporate image). This may reflect the consumer's real choice to consume (all the costs he incurs may be considered the financial equivalent of his experience with the cultural establishment). The research methodology was tested by analyzing the performing arts sector and applying methods to the Lithuanian national drama theatre case. The empirical research consisted of a survey (more than 800 participants) of Lithuanian national drama theatre visitors to different performances. The willingness to pay and travel costs methods were used. Analysis of different performances lets identifies the factor that increases willingness to pay for the performance and affects theatre attendance. The research stresses the importance of cultural value and social perspective of the cultural sector and relates it to the discussions of public funding of culture.

**Keywords :** cultural economics, performing arts, willingness to pay, travel cost analysis, performing arts management

**Conference Title :** ICCP 2022 : International Conference on Cultural Policy

**Conference Location :** Berlin, Germany

**Conference Dates :** July 21-22, 2022