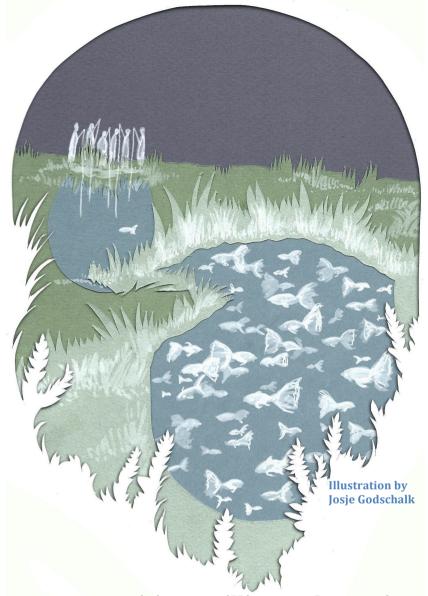


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**Art Museums in Financial Distress** 



# Are art museum visitors willing to donate in order to support the museum financially?

Erasmus University Rotterdam
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Master Thesis Cultural Economics & Cultural Entrepreneurship

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# **Summary**

The subsidy cut for art and culture by the Dutch government has left museums in turmoil. In order for museums to overcome this situation they have to exploit alternative funding to cover costs. Within this context, this thesis explores the possibilities for museums to generate donations from their visitors and investigates if Dutch art museum visitors are willing to donate to a special fund to support the museum financially. In addition, this thesis identifies the personal motivations that drive the visitors to contribute. The contingent valuation method was used in order to elicit the WTD of the respondents. The data for this research was gathered through the distribution of surveys among the visitors of the Stedelijk Museum Schiedam, Van Abbemuseum and Cobra Museum as they were nearing the exit. With a dataset of 120 completed surveys a general profile of the art museum visitor could be formed, followed by an analysis of the WTD of the respondents. This analysis shows that a small majority of 51% is willing to contribute, which led to a mean donation of €28,21 when excluding zero-bids. The significant variables that mainly explain the WTD were age, location and marital status. Additionally, the analysis of the intrinsic motivations shows that visitors contribute out of social motivations as they are aware of the financial situation and are concerned with the museums' welfare. However, the zero-bids motivations indicate that a large share of the visitors believes that the government is responsible for museums and should continue their financial support. Consequently, this thesis presents results that show the existence of a modest support base among art museum visitors however; it depends on the museums' effort to utilize this potential source of income and to set these donations in motion.

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# 1. Introduction

When looking back in history of the financial structure of Dutch art museums, great differences in (the usage of) financial resources can be discovered. Whereas museums relied heavily on private support until the first half of the 20<sup>th</sup> century, they now depend on public support for more than half of their income. The subsidies for art and culture by the Dutch government were introduced during the Second World War as a temporary aid to preserve and support art and culture in the Netherlands (Steenbergen, 2010). Almost seventy years later, these subsidies reached their expiration date and the Dutch government decided to cut funding. These drastic changes force cultural institutions to reconsider their financial and business strategy. As a result of these changes, museums find themselves at a point in which they have to rapidly adapt to the current situation and focus more on alternative sources to generate income and cover costs, or face serious consequences (Twaalfhoven, 2011). Due to these recent developments, questions have been raised concerning the possible implementation of the "American system" whereby museums do not rely on subsidies but focus on private support, e.g. donations and sponsoring. In Europe, where museums generally are state funded, there are only few examples of museums that are successful in raising donations. Tate Gallery in the UK is among these museums, and was able to generate donations from its members with a total sum of more than £5.000.000 in 2011 (tate.org.uk.) These donations enabled the museum to cover various costs including staff costs, which is for the majority of the museums the largest cost (Feldstein, 2001). When looking at museums in the Netherlands there are no museums that are able to equal the achievements of Tate Gallery. However, the majority of the Dutch museums does not have the same entrepreneurial expertise as Tate Gallery.

The recent developments related to the financial support for museums have created new opportunities for interesting research. Now that museums have to turn to other financial resources than public support, the focus has shifted to finding possibilities for private funding. This leads to the question if museums can turn to its stakeholders for alternative funding. In other words, is there a support base among the museums' stakeholders, especially its visitors, to contribute to the museum financially in order to secure its existence? In this thesis an attempt is made to fill the gap of information related to the donation culture among Dutch art museum visitors and the extent to which museums can rely on this group for financial

support. In line with the recent developments, this thesis responds to the current discussions related to the possibilities for private funding to museums. The results are therefore relevant for both academics and museum administrators since it will generate new insights that add to existing knowledge and can be used in the development of new strategies. This research will answer the following research question:

To what extent is there a willingness to donate among the visitors of Dutch art museums to contribute to a special fund to finance the museum, and which motivations influence their decision?

To answer the research questions, the Stedelijk Museum Schiedam, Van Abbemuseum and the Cobra Museum are used as locations to gather data. The three art museums, which are all located in different provinces of the Netherlands, are incorporated to enable this thesis to present a more general image about the donation culture in the Netherlands between art museums and their audience. The dataset contains 120 surveys that are completed by the museum visitors and holds interesting information about the audience profile, the respondents' cultural preference, their willingness to donate and their personal motivations that are decisive for their willingness to donate.

This thesis is constructed out of various chapters. The first chapter after this introduction includes a literature review, which consists out of two parts. In the first part the focus is set on the concept of the art museum and its functions as a firm. The second part focuses on various aspects that play a role in donating to Dutch art museums. In the third chapter of this thesis the methodology of the research is explained. In this part the concept of the contingent valuation method will be explained as well as the reasoning for the usage of this method, followed by a description of the data collection and survey design. The next chapter includes the analysis of the empirical results. This chapter focuses first on the characteristics of the sample group, followed by the identification of a possible support base among museum visitors and a logistic regression model to identify significant determinants. The last part of this chapter concentrates on the personal motivations of the sample group that have led them to state a positive or negative willingness to donate. In the final chapter of this thesis the conclusions are presented, together with discussion points and suggestions for further research.

# 2. The art museum

# Introduction

In this chapter the theoretical framework will be presented in which various definitions and concepts related to the topic of this thesis are explained. The framework exists out of two parts; the first part will go in dept on the concept of the art museum in which the focus lies on the role and functions of art museums. The second part deals with the culture of giving to art and culture in the Netherlands and the motivations that drive voluntary giving. With this theoretical framework key terms and concepts are indentified on which the empirical section of this thesis is built.

In this first section of the framework the art museum is the main topic. First a definition of museums will be given including a description of its role and functions. Secondly, the museum and its output will be approached as if it is a firm. In this part the demand and supply sides of the museum will be analyzed as well as the various financial structures.

### 1.1 Museum definition

Before we dive into analyzing the core services and financial structures of art museums it is important to have a general understanding of the definition of art museums. Since there are many different definitions used in literature, it is rather challenging to pin down the correct definition. The definition of a museum is not protected and the different interpretations of the institutions' purpose and function can result in a variance in data on similar topics. In the Netherlands for example, the variations in interpretation have resulted in a difference in number of existing museums stated by various organisations. In 2010 museum.nl reported the existence of 1254 museums whereas the Dutch central statistics bureau (CBS) stated that the number of museums was 773 (museumvereniging.nl), a significant difference of 521 museums. However many variations there are, for this thesis the definition according to the International Council of Museums (ICOM) is used. This leading organisation in the field of museology and partner of UNESCO describes the definition of museums as:

A museum is a non-profit, permanent institution in the service of society and its development, open to the public, which acquires, conserves, researches, communicates and exhibits the tangible and intangible heritage of humanity and its environment for the purposes of education, study and enjoyment (icom.museum).

This definition will be used throughout this thesis and is chosen for the reason that ICOM changes it in accordance with the actuality of the global museum community. It is therefore the most accurate and representative definition and can be used globally.

# 1.1.1 Role and function of the museum

The exact role and function of a museum has not always been clear. In the 18<sup>th</sup> century, the majority of the museums was established by wealthy and powerful individuals. The main function of these museums was to share the art of the owners with the public. With this core activity the museum did not need any additional justification for its existence or vision. During the 20<sup>th</sup> century the financial resources for the museums changed (see paragraph 2.1), which made them transform into public institutions. During the global economic recession of the 1980s the need for clarity increased. In this period the question of *why* museums exist and *what* their function was started to rise (Harrison, 1994). The need for clarity became more important as museums applied the use of business models. Through the use of visitor surveys a new management style was introduced through which the management started acting proactive rather than reactive. Performance measurements were used and the museum products, such as exhibitions, research and public programmes, were transformed into a definable monetary value.

Although there are many differences among museum structures, their role remains similar. In the *Museum Manifesto* by Joseph Veach Noble (1970) the functions of museums are described as to collect, to conserve, to study, to exhibit and to interpret. The interrelationship between these responsibilities is considered to be very important. By neglecting one of these core functions the museum would not function successfully. Through time this paradigm was shaped into a modern version. Whereas the "old museology" focussed on the functions of collecting, documenting, preserving, exhibiting and interpreting objects, the "new museology" focuses on the local community as a driving force (Harrison, 1993). Weil, (1990) who is an important museum critic, describes why museums chose this focus:

It has proven comfortable. To focus museum rhetoric on the socially beneficial aspects of a museum would ultimately be to invite discussion on a wide range of political and moral issues that could well pit trustees against staff members and staff members against one another. By contrast, to focus on function- on the good,

seemingly value- free work of collecting, preserving and displaying- projects with a sense of ideological neutrality...in which people of diverse social views are able to work more amiably together (Weil, 1990: 46).

The new museology is associated with "edutainment" in which education and enjoyment are the most prominent keywords (Stead, 2002). With this new path museums focussed not only on the past, but more so on the present and future.

In addition to the general role and function of museums it is possible to categorize museums by their different characteristics. According to Frey and Meier (2006) museums correspond to four different criteria: content, size, age and institutional form. Art museums for example, on which this thesis is focussed, differ from other museums. Gordon (2010) explains that "whereas other museums show objects to explain, art museums show objects to inspire, nourish and transport: explanation is an aid rather than the point" (2010:1).

### 1.2 Museum as a firm

Additional to the previous explained role and definition of museums, there is also an economic perspective to the concept of the museum. Ginsburg and Mairesse (1997) point out that museums also have other roles such as attracting tourism and stimulating regional development. Cultural economists have analyzed museums from an economic perspective and concluded that museums are multiple output firms. This means that they produce multiple visitor services. These multiple outputs are considered to be market goods and the museums' functions represent costs, which makes the institution suitable for economic analysis.

Like any other firms museums know a demand and supply side. The demand side can be divided into two parts: namely, private demand - visitors - and demand derived from persons and organisations benefiting from the museum (Frey & Meier, 2006). The private demand is the result of an individual utility maximization process that is influenced most by the economic variables budget - derived from income and price - and time (Fernandez - Blanco & Prieto-Rodriguez, 2012). In order to understand the precise influence of budget on demand many studies have been conducted on the price elasticity of demand. However, the right answer remains debatable since many studies show limitations in their generalization.

Additional to the private demand there is also a social demand connected to museums. This social demand is created by the museum and the externalities it produces. These externalities have an effect on the society and apply therefore not only to visitors, but also to

non-visitors (Frey & Meier, 2006). These externalities cannot be described in monetary terms but are described as the following five types:

- *Option value:* People value the possibility of enjoying the objects exhibited in a museum sometime in the future.
- Existence value: People benefit from knowing that a museum exists, but do not plan on visiting it themselves now or in the future.
- Bequest value: People derive satisfaction from the knowledge that their descendents or
  other members of the community will be able to enjoy a museum in the future if they
  choose to do so.
- Prestige value: People derive utility from knowing that a museum is highly valued by
  persons living outside their community they themselves need not actually like the
  museum, nor even visit it.
- *Education value*: People are aware that a museum contributes to their own or to other peoples' sense, and value it because of that (Frey & Meier, 2006: 1023).

These non-user benefits are difficult to measure but do contribute to the merit good characteristics of a museum.

The supply side of the museum is presented by its multiple services. These services include education and (aesthetic) enjoyment through the exhibition of collections, preservation services and expertise offered to other museums and research on its collection and context. Next to the core services, many museums also offer complementary services such as a museum shop and café (Towse, 2010). As mentioned earlier, the multiple outputs of a museum represent its costs. The cost structure of a museum is to a certain extent different compared to other firms in the service industry. Museums deal with high fixed costs that are unchangeable in the short run and independent of output. These fixed costs include costs of the building, staff and insurance. Next to the general fixed costs museums also have fixed costs related to the exhibitions. These costs are generally high at the start of the exhibition and diminish rapidly after the opening. While the fixed costs are high, the marginal costs are close to zero since it makes little difference if there is one more visitor or not. However, this may change in case of a "blockbuster" exhibition where the amount of visitors increases for a short period of time. Finally, the museum also generates costs through the conservation and storage of its main asset: namely, the collection. Not only do these activities add to the fixed costs, they also generate opportunity costs. These costs are made by not selling items from the collection whereas it would otherwise generate money.

In order to cover all costs museums have to generate income. The following section will elaborate on the various revenue sources and the different influences they have on the development of a museum.

### 1.2.1 Income of the art museum

The sources of income differ significantly between museums depending on the nature of ownership. Additional to the self-generated income, which is important to any museum, museums rely on private- and or public support. In general the majority of the museums located in the Netherlands is state owned by national, regional or local government (Towse, 2010). This does not always mean that the government owns the entire museum but often owns only a part of it such as the collection or the building. Additionally, most Dutch museums rely on public support. On the other hand there are also museums that are privately owned. These museums do not receive public support and are mainly dependent on income gathered through private support.

In general the sources of income for museums can be divided into three types:

- *Self-generated income*: income generated through ticket sale and commercial activities such as renting out halls for venues, merchandising and the museum café. Another source of self-generated income is deaccessioning of the collection.
- *Private support*: generated through donations and patronage by private persons, corporate giving and sponsorship
- *Public support*: TAX deductions, funds, government grants and subsidies.

The following section will elaborate on the variety of revenue sources of museums.

# Self-generated income

Ticket sale

Generally visitors have to pay admission fee to enter a museum and various museums even wield an additional fee for special exhibitions. Price discrimination and a free admission day during the week are often applied to keep the museum accessible for all public. Although the use of admission fee is very common, the price does not cover costs. Nonetheless, it is not a simple solution to increase or change the use of admission fee (Towse, 2010). The influence of admission fee has grown into a well-discussed topic over the years and the use of it is debatable. Many articles have been written on the effect of admission fee on museum attendance. Admission fee is assumed to come with various advantages and disadvantages,

which caused various academics to advocate the use of free entry (Anderson, 1998), price discrimination (Maddison & Foster, 2003) and policy changes (Fernandez-Blanco & Prieto-Rodriguez, 2006; Frey & Steiner, 2010). However, in general the museums' demand responds weakly to changes in admission fee, provided that the increase or decrease is reasonable. This inelastic demand is reason for museums to use admission fee in order to generate additional income. Conversely, the financial recession has resulted in the demand to be more elastic (Ministry of Education, Science and Culture, 2011).

Argumentations to ban admission fee are based on the idea that museums have public good characteristics and should therefore be non-excludable (Feldstein, 1991). Museums create a barrier and exclude people from visiting by charging admission fee. Another argument is that use of admission fee affects especially the lower economic classes. Research however shows that this hypothesis does not always hold (Bailey & Falconer, 1998). Various pricing strategies are suggested to replace admission fee such as donation boxes, a free day policy or the by Frey and Steiner (2010) introduced "pay as you go" system where a visitor pays according to the time spent in the museum. While many alternative options are suggested, most museums in the Netherlands remain to use admission fee. They need this income even more after the reduced subsidies.

### Commercial activities

As the revenue from ticket sale does not cover all costs museums also engage in supplementary services (Frey & Meier, 2006). These activities often include museum shops, cafés, the organisation of events and courses, catalogue sales and providing the possibility to rent space. The provision of these services is often not derived from the urge to become a commercial institution, but mainly serves to generate income for the core service: the collection.

# Deaccessioning

The last type of self-generated income in this section is the sale of paintings from a collection, also known as deaccessioning. This method of income generation is forbidden in most European countries but is allowed in the United States (Frey & Meier, 2006; Towse, 2010). However, the sale of items remains a sensitive topic in the world of museums since it represents the neglect of one of the five functions of a museum: to collect. The value of this core function is shown by the attitude of museums that are allowed to de-access. William Grampp (1996) notices that even these museums are not keen on deaccessioning and only do

it when a piece no longer fits in their collection. He argues that since museums seem to apply the Pareto principle, where they only use 20% of their collection in their exhibitions and leave 80% in storage, deaccessioning would be a good way to manage the museums' main and most valuable asset, the collection, in an efficient way. While Dutch public museums are not allowed to sell items from their collection, they are encouraged by museum policies to share their collections (Towse, 2010).

# Private support

Whereas public museums depend on funds and subsidies, private museums depend heavily on private income. The survival of a private museum is contingent on the income through ticket sale, private and corporate donations, sponsorships and commercial activities. Because these museums cannot count on public funds, they are highly concerned with attracting visitors and finding donors and companies that are willing to make a donation or connect their name to the museum (Frey & Meier, 2006). Therefore the attitude of this type of museums is commercial compared to public museums. It also results in high effort to emphasise services to visitors such as bookshops, clean restrooms and appealing cafeterias.

# Donations and patronage

The income through donations and patronage is very important for private museums, but also for public museums. Donations are given to the museum voluntarily without expectations of a direct return service (Geven aan Cultuur, 2011). Patronage however, mainly comes forth from a personal relationship between the museum and patron (Crane, 1992). For museums these patrons include their friends and private benefactors<sup>1</sup>. In contrast to donations, patronage does include return services; however, these are not by definition made official in a contract but are settled in informal arrangements. Both the donors and patrons give to the museum because they feel committed to the museum and want to support the institution. This source of income is unfortunately not yet utilized by many public museums. The reasons for this will be discussed later on in this chapter.

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<sup>&</sup>lt;sup>1</sup> In section 2.3.2 the relationship between museums and their friends will be elaborated.

# Corporate giving and sponsoring

Funding from private corporations initially started as a replacement for the diminishing financial support from the government in the 80s (Feldstein, 1991). However, the conditions for this support changed over the years. Whereas corporations used to fund exhibitions by awarding grants through their foundations, nowadays these corporations hold official departments dealing with their image and non-profit sponsorship. Private enterprises may be motivated to support museums and other non-profit organisations by self-interestedness or by philanthropy (Towse, 2010). Nevertheless, the need for support makes it possible for corporations to demand certain return services from the museum. Services such as the promotion of the corporation and the organisation of special events for the sponsor and its clients are common services provided by museums in return for the support received. In short we can see that the difference between donations and sponsoring lies within the expected compensation. Whereas sponsors expect (non-monetary) return services for their support, donors give voluntarily without expectations of direct compensation.

# Public support

# Tax exemptions

Dutch museums enjoy various tax exemptions such as the dispensation to pay tax over the revenue generated (excluding revenue generated form commercial activities) and received donations. However, these exemptions do not apply to all museums. In order to qualify for tax exemptions for donations museums need an ANBI status, which is a certification for institutions that serve the public interest (Geven aan Cultuur, 2011). In order to receive this status museums have to meet various criteria set by the Dutch Tax and Customs Administration. Consequently this exemption enables the museum to receive the entire donated sum. Until recently museums were also exempted from paying tax over their revenue generated from commercial activities (Kok, 2011). However, with the introduction of budget cuts for art and culture this exemption was abolished. Another type of tax exemption museums benefit from is the Geefwet, which will be elaborated in section 2.3.1.

# Government grants and subsidies

Various museums prove that existence based on private financing is possible; however, in most European countries including the Netherlands, the majority of the museums relies mainly on state funding. In the Netherlands state funding is managed both directly as indirectly (Cultuur in Beeld, 2011). Direct funding is arranged mainly on local level where

museums are supported by the municipality. The national government supports museums indirectly as they provide subsidies through an arms' length structure. The budget is divided between various foundations that together form a basic cultural infrastructure. These foundations in their turn, decide over the distribution of the subsidies guided by rules and with approval of the government.

Since museums are non-profit organisations they do not benefit from making profit, since this has to be returned to the state (Towse, 2010). Furthermore, by receiving subsidy to cover the deficit, museums are not stimulated to keep costs at a minimum. These situations create the impression that the relationship between the government and museums does not encourage museums to develop entrepreneurial skills. By generating income through ticket sales or other sources, museums will be cut on public support. However, in contrast to public support on which museums can rely to receive it annually, private support is a risky source since it is not guaranteed to be the same amount next year. As long museums receive public support, they will experience limitations in unfolding its entrepreneurial skills and to make use of commercial opportunities since it comes with greater risks.

The financial structure of state funding to museums has kept many cultural economics busy as they question why the government should support the arts (Fullerton, 1991). Why should museums not be left to the free market? The majority of the literature is based on the welfare economics theory where the conditions for welfare improving policies are the starting point. These policies create the basis for government intervention in the market economy (Towse, 2010). The reason for government intervention in the museum sector mainly lies in the inability to meet the market, also known as market failure. Market failure in the museum sector can be the result of various factors originating from both the demand as the supply side (Frey, 2012). These factors are elaborated in the next section.

# 1.2.2. The case for government intervention

There are various reasons for market failure in the museum sector. One of the reasons for market failure is the public good characteristic of the museum and the merit good characteristics of its main service: the collection. A museum is considered to be a public good and should therefore be, among other criteria, non-excludable (Feldstein, 1991). This means that museums should not exclude anybody from visiting. Since museums often charge admission fee we can conclude that it is not a perfect public good, yet people expect museums to be accessible by everybody. The public good character is strengthened by the non-market demand that is created by non-visitors as explained in paragraph 1.2. The merit good

characteristics of the collection is created by the general opinion that art is important for a persons' cultural capital and should therefore be accessible to all (Towse, 2010).

Although public opinion learns that museums should be open to all and adds to a person's cultural capital, it often occurs that the museums' demand curve lies below the average cost curve, which results in a deficit for the museum (Towse, 2010). If the museum would operate in the market economy this might result in closing the museum. However, since the existence of the museum is important to the public for many reasons, the government interferes and covers the deficits through public funding to achieve maximum welfare.

Market failure on the demand side should also incorporate arguments that relate to equity (Frey, 2012; Ginsburgh, 2001). Questions are raised if it is fair that persons with a lower income often do not have access to certain goods and services such as museums. These arguments are inspired by a common believe in equal distribution of income and access. Subsidies should therefore be used to facilitate this access. However, redistribution of income should also take place directly by transferring money to the poor in order to give them the opportunity to decide for themselves where to spend it.

On the supply side museums also experience situations of market failure. The market for museums knows mainly monopolistic players that provide quantities at prices higher above marginal cost compared to a situation with competitive suppliers (Ginsburg, 2001). Most museums in one town or city enjoy a monopoly position since it serves the local market or a niche of that market (such as one modern art museum and one old masters museum). By supporting additional supply the government is able to correct this market failure.

Another argument for public support is the theory of the productivity lag. Baumol and Bowen introduced this theory, also known as the *Baumol's cost disease*, in 1966 in their study to the performing arts. This theory implies that prices in the general economy continue to rise and the productivity of cultural output is unable to keep up. In order to cover the deficits resulting from this theory it is augmented that the government should step in to avoid the implementation of the increase of the ticket prices to cover the costs. However, this theory is based on labour intensive activities such as performing arts and is therefore less likely to exist in an environment such as a museum, which is less labour intensive (Peter and Schwarz (1985).

# Principal-agent model

Dutch museums depend heavily on the subsidies provided by the government. For this relationship, as to any other bilateral relationship, the principal-agent model can be applied (Prieto-Rodriguez & Fernando-Blanco, 2006). When applying the principal-agent model to the museum sector, the principal resembles the government and the agent the museum manager. The fundamentals of the model lie in the situation where the principal offers incentives or grants to the agent who in its turn, is obliged to fulfil certain conditions that were agreed upon by both parties in a contract. For the principal it is important to spend the grants in a responsible manner since it originally is generated through taxpayers. The agent therefore has to justify why he needs the money and in which way he will spend it. Additional to the justification of the agent, the principle also seeks for return services from the agent such as effort input. In other words, the return services can be translated to the effort the museum puts into attracting visitors, increasing ticket sale and maintaining its quality. These agreements of return services in order to receive subsidies are all captured in a contract (Towse, 2010). Measurements can be presented in performance indicators such as the number of visitors or ticket sales, but even as important is the measurement of the effort input by the agent. The agents' effort is important to measure since in the art industry it is nearly impossible to predict the future precisely. This industry deals with factors such as "nobody knows" and "and art for art's sake", which makes it hard to control. However, not all input by the agent is measurable and therefore the principle relies on the information he receives.

Due to the importance of information the principle-agent model knows two different scenarios. Symmetric information, where both parties have the same information, would in theory have a different influence on the relationship than asymmetric information. In case of symmetric information the principal has full control over the agents' effort and the budget would be independent of the number of visitors and ticket sale. The public sector will cover the deficit under the condition of the agents' optimal effort. Hereby the grand will decrease when the number of visitors and ticket sale increases which brings more uncertainty and risks to the museum (Maddison, 2004). In case of asymmetric information the contract is based on results, which would make a full insurance of the budget inefficient since it will diminish the agents effort to meet the conditions in the contract. Either way the principle is able to control the agent, especially when making short-term donations. Without any certainty of financial resources in the future the agents experience difficulties planning ahead effectively (Towse, 2010).

# Crowding out

From the museums' perspective the subsidies are a reliable source of income compared to sponsorships and donations. Subsidies are often granted for the duration of several years whereas private support can vary annually. However, there is a limit to the total amount a museum can receive from subsidies which forces the museum to generate additional income from other sources. As explained in paragraph 1.2.1 the government regularly supports the Dutch public museums. This intervention is assumed to have an influence on the income from private sources such as corporate sponsorships donations. Maddison (2004) and other economists noticed a decrease in non-grant income when public support increases, also known as the crowding-out effect. In this situation is it assumed that givers will use their donation contribution financed through tax as a substitute for additional voluntary donations.

Andreoni and Payne (2003) believe this to be not solely the result from the increase in public grants, but also from the reductions in fundraising by museums. From this study it is understood that the crowding out effect is often caused by the behaviour of the organization rather than the response of individuals. Creating agreements on the effort input by the agent regarding fundraising can reduce this effect. Maintaining fundraising activities is expected to limit the crowding out effect. An additional effect derived form the relationship between public funding and private donations is the influence it has on the number of donations and average donations (Brooks, 2003). While public grants might sometimes cause an increase in number of donations, at the same time it decreases the average donation. While the total amount of donations does not change, it can be seen as a positive effect that the number of donors increases. Since it is believed that an increase of public grants is the starting point of the crowding out hypothesis, Maddison (2004) studied the influence of other financial resources and concluded that non-grant income, such as sponsoring, also has a significant effect on donations.

# 2. Giving to arts and culture in the Netherlands

# Introduction

As mentioned earlier, most Dutch museums are publicly funded and depend heavily on subsidies and funds. Due to the announced subsidy cuts for art and culture, museums find themselves on a turning point and are forced to develop into a commercial direction and adopt more characteristics of private funded museums. To cover the cutbacks, extra focus is going to generating income through private support and the search for sponsors, donors and patrons has started (Twaalfhoven, 2012). When we take a look into the history of financing museums we can see that in the 19<sup>th</sup> century the financing structure was significantly different and income through private support was normal. Due to the implementation of subsidies this culture of giving seems extinct. This section will focus on financing museums through different spheres, the various types of donations and the motivations that drive people to give to museums.

# 2.1 History of financing art and culture in the Netherlands

In order to understand the current developments of financing art and culture in the Netherlands, it is important to have knowledge of its history. In the past century many changes occurred in the way that government and citizens felt responsible for the preservation of art and culture. There is a clear distinction between the first and second half of the 20<sup>th</sup> century in which responsibility shifted from private individuals to the government. The different situations and influences of the market will be described as we go back to the end of the 19<sup>th</sup> century.

# 2.1.1 Private support

The Netherlands did not always enjoy the same welfare that we know today. At the end of the 19<sup>th</sup> century the Dutch state and local government relied often on wealthy individuals for loans to repair facilities such as sewerage and infrastructure. Around 1900 the Dutch economy experienced a boom, which is also referred to as the Second Golden Age. This period produced various wealthy individuals that earned their capital as bankers or merchants and were interested in art and culture (Rienstra, 2006; Steenbergen, 2010). The ownership of art was a great way to display wealth in a sophisticated manner, which led to a boom of the art and culture market. Within ten years the city of Amsterdam experienced an increase in

cultural sights: namely the Concertgebouw (1888), Stadsschouwburg (1884), Stedelijk Museum (1895), which were all, except for the Rijksmuseum (1885), financed by private persons who were part of the higher social classes (Steenbergen, 2010). The Rijksmuseum, established in 1800, was the first museum founded by the Dutch state yet it relied on collections of art collectors and did not charge admission fee. Investing in art created a certain reputation for wealthy people and by exhibiting their art in public spaces they were able to flaunt their wealth.

Next to the stimulation of culture the time of a booming economy also brought challenges. Around 1900 the demand for seventeenth-century paintings increased and Dutch paintings were sold more often to international, mostly American, buyers. Although the persons from the higher social classes established most museums, they often did not have the resources to keep the paintings as public possession. However, they felt they had to retain the paintings since they were an important part of Dutch history (Steenbergen, 2010). This situation inspired various private persons to establish foundations, such as the Rembrandt Foundation, in order to preserve art of national interest<sup>2</sup>. These foundations advanced money to the state in order to buy paintings and exhibit them in the Rijksmuseum.

The establishment of museums or other cultural organisations often relied on funds and sponsorships and the support of stakeholders was essential. The establishment of the Scheepsvaartmuseum for example, would not have been possible without the pre-financing of construction work by stakeholders, the existence of shareholders and donations of various forms. Many of the shareholders of the Scheepsvaartmuseum were companies working in the same branch. As the museum worked as promotion for their businesses, it was easy to find people who thought the existence of the museum was important and who were willing to give donations for the establishment (Steenbergen, 2010). These companies were run by families that were often connected to each other through marriage. In this time the reputation of the family name was very important and had its influence on the establishment of some cultural institutions. During the fundraising for the founding of these institutions most families were obliged to participate to maintain their families' reputation. While it seems like initiatives by private persons to establish a cultural organisation was a success-story, there were also many initiatives that failed to be realized.

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<sup>&</sup>lt;sup>2</sup> The Rembrandt Foundation still exists today and has over 9000 members (www.verenigingrembrandt.nl/vereniging-rembrandt/organisatie)

While most families helped each other when necessary, it was not guaranteed that the needed sum would be gathered in time. Many projects were unsuccessful as its initiators deposited only al small percentage of the total amount they needed to generate and were hoping for the multiplier effect. Various families participated to such initiatives but contributed only a limited amount. The final gathered amount was often far less than expected.

Private financing of art and culture remains unchanged until 1920 (Steenbergen, 2010). The stock market crash and economical recession forces the government to take over certain tasks more often. Whereas the Dutch citizens focussed on family name reputation, religion and social status in the first half of the 20<sup>th</sup> century, it changed through time towards a more individualized society. Social charities became more popular to support compared to art and culture. Finally, the Second World War changed the system drastically as private financial support was strongly diminished due to war and impoverishment.

# 2.1.2 Public support

Until 1940 art and culture remained financed with help of private persons. This drastically changed during the Second World War when the Germans occupied the Netherlands. The occupiers started with subsidizing art and culture to nourish this industry. The NSB-philosopher dr. T. Goedewaagen, who was appointed as Secretary General of Public Information and Arts, increased the budget for art and culture by fourteen times in 1941 as displayed in table 2.1. (Kammer, 2012). After the war the Dutch government continued the subsidization of art and culture (Berkel, 2012; Dulken, 2002). During the first fifteen years after the war the Dutch government focused mainly on the conservation of its own culture and to protect it from American cultural influences.

While the government tries to revitalize private financing for art and culture and uses subsidies as a temporary solution, they increase subsidies for art and culture though the 50's. From 1960 until 1980 the Dutch government takes over even more care functions and culture is part of this. An increase in national income even made it possible to expand subsides.

Table 2.1. Amounts state budget and budget for art and culture 1910-1995

Year	State budget in million guilders	Budget for art and culture in million guilders	Budget for art and culture in % of the State budget
1910	f 207	f 0,10	0,05
1920	f 587	f 0,30	0,05
1930	f 612	f 0,50	0,08
1940	f 747	f 0,48	0,06
1946	f 5.532	f 3,15	0,06
1950	f 3.550	f 3,20	0,09
1955	f 5.525	f 6,80	0,12
1960	f 9.545	f 14,50	0,15
1965	f 14.745	f 28,00	0,19
1970	f 28.965	f 61,40	0,21
1975	f 62.815	f 140,80	0,22
1980	f 111.611	f 222,20	0,20
1985	f 179.128	f 311,00	0,17
1990	f 176.761	f 408,70	0,23
1995	f 233.282	f 438,60	0,19

Source: Ministry of Education, Culture and Science 1998, 40.

However promising the booing economy may have seemed during the beginning of the 80s it changed significantly as a result of the global economic recession. The government introduced budget cuts, yet the subsidies for art and culture remain unchanged. Subsidy cuts for arts and culture were expected to demolish the cultural sector, yet it continues to be a point of discussion to change the system.

Until 1987 various museums were the responsibility of different types of government simultaneously (Dulken, 2002). This structure was corrected and all museums were appointed to a specific province. Through the 90s and the beginning of the 21<sup>st</sup> century various ideas were introduced to make more efficient use of the subsidy system, yet no drastic changes are introduced until 2007 when the government decides to subsidize directly to foundations that together form a basic infrastructure for national cultures<sup>3</sup>. The government also takes on changes starting from subsidy period 2007-2012 (Cultuur in Beeld, 2011). Under the vision "more for less" the government decides to support fewer cultural organisations with the idea to have more money for the institutions that will receive subsidies. Moreover, the remaining budget is reduced with twenty percent. Additionally, starting from 2012 the tax deduction on commercial activities of cultural organisations is abolished and all income exceeding fifteen thousand Euros is taxed according to corporation taxes. In the past the generated income of

<sup>&</sup>lt;sup>3</sup> This includes among others the Mondriaan Sitchting, Fonds Beeldende Kunsten, Vormgeving en Bouwkunsten, Fonds Podiumkunsten, Letterenfonds, Filmfonds, Stimulerings Fonds voor Architectuur and Fonds Cultuurparticipatie

the museum bookshop or café could benefit from deduction but this has come to an end. Exceptions are made only when volunteers carry out the commercial activities, yet the staff in most museum shops- and cafes' is paid. For the Van Gogh Museum, which has a very successful museum shop, it means they have to pay over 300 thousand Euros in tax annually (Kok, in Volkskrant, 2011). The economic recession was decisive for the introduction of subsidy cuts for art and culture that force organisations from this industry to focus on alternative financial resources to generate income.

# 2.2. Finance through different spheres

As described earlier we can say that museums operate as firms and like every other firm it has to deal with its financial aspects. Museums are special as they are multiple output firms; yet they also differ on another aspect from commercial organisations. In the museums' perspective, content comes first and then finance, whereas for commercial organisations profit is their main interest. In literature we can see that culture can be financed through various spheres (Klamer, 2008). In cultural economical perspective three different spheres can be distinguished through which an organisation can operate in order to finance its activities. The first two spheres are spheres that museums already focus on namely the market- and government sphere. The government is a source used very often for subsidies and the market sphere is used to generate sponsorships. The third sphere however, is more informal namely the social sphere. In this sphere the focus is set not on contracts or exchanges with a quid pro quo agenda, but is concentrated on the notion of gifts. These gifts come in various shapes such as volunteer work, donations and patronage. Table 2.2 displays the amounts of contributions Dutch museums receive from the different spheres.

**Table 2.2. Sources of Contributions in Million €** 

	1995	1997	1999	2001	2003	2005	2007
Households	1,121	1,414	1,788	1,899	1,854	1,945	1,938
Corporations	693	1,466	1,359	2,271	1,513	1,639	1,694
Lotteries	-	-	-	369	369	394	461
Foundations	214	329	237	196	431	339	387
Bequest	135	213	231	189	182	240	232
Total	2,163	3,422	3,615	4,924	4,376	4,557	4,712

Source: Geven in Nederland 2011, 2011

Museums have to adjust their strategy and actions to the specific sphere they are trying to work with since every sphere works differently. Attracting sponsors means that the museum has to act and present itself as a (commercial) firm. Sponsorships depend on quid pro quo

arrangements where sponsors donate money in exchange for services such as publicity, invitations to events in the museum and other services that show that the money is well spend (Klamer, 2008). In the government sphere it works somewhat the same. In order to receive subsidies the museum has to meet certain obligations and targets as described in paragraph 1.2.2. Targets such as a specific amount of visitors, educational events and income through ticket sale are set in order to justify the subsidies that come from tax money but also to have a certain control over the museum. In the third sphere however, targets, quid pro quo arrangements and other obligations are no dealmakers. There are different principles since it is the sphere of informal arrangements, reciprocity, gifts and donations. This sphere is driven by emotions and individual interests and preferences rather than by commercial perspectives. People in this sphere give because they feel committed to and believe in the outputs of the institution.

# 2.2.1 Donations in the private sphere

Whereas museums know why fundraising is important to them, it is necessary to send this message to the audience. To revitalize the Dutch culture of giving, the stakeholders and other interested have to be informed why they should donate and what the possibilities are to do so. Attracting income from the private market creates possibilities for museums to pursuit entrepreneurial and sometimes risky ambitions within relative freedom. However, museums first have to encourage these private parties to donate. In the report *Geven in Nederland 2011* (2011) it is presented that in 2009 a total amount of  $\epsilon$  4,7 billon was donated by Dutch households to various organisations, which represents 0,8% of the Gross Domestic Product<sup>4</sup>. While the percentage indicates that the Dutch are not considered to be generous donors, it has to be taken into account that Dutch citizens indirectly contribute to public institutions by paying taxes. Organisations related to religion received the highest sum of donations ( $\epsilon$  891 million) and 'culture' can be found on the sixth place with  $\epsilon$  454 million.

In the Netherlands there are various ways to support the art museum. The options for both private individuals and companies are diverse since not only monetary donations are welcome but also donations in form of art and time are appreciated. Given that this thesis

<sup>4</sup> This is relatively low compared to the United States where approximately 2% GDP was donated.

<sup>&</sup>lt;sup>5</sup> This is € 33 on average per household and is 10% of the total amount donated in the Netherlands.

focuses on donations by private individuals we will cover the various types of donations from the private sphere to art museums. In general we can divide private donations in three types<sup>6</sup>:

- Periodic gifts: a person will donate a sum annually for a period of five years,
- Other gifts: all monetary gifts that do not fall under periodic gifts,
- Gifts in form of art or other objects: gifts such as volunteer work or pieces from a private collection (Geven aan cultuur, 2011)

One-off annual donations can, in certain circumstances, be deduced from the person's income tax and the museum does not have to pay gift tax over the donated sum if it has the ANBI status. This means that, under the right circumstances, the total donated sum goes to the favoured institution. These various types of donations and particular financial benefits will be analyzed more thoroughly in paragraph 2.3.1. 'tax incentives'.

The actual act of donating is relatively easy in the Netherlands. It is possible to donate directly to the museum as a private person. In most cases the contact details of the museum can be found on the website or can be required through a phone call. In most cases there is no need to make a special appointment with the responsible person of the museum. Another way to donate is by establishing a foundation or fund through which culture can be supported (cultuurfonds.nl). These foundations can be independent but there is also the possibility to establish a foundation under an existing institution or fund such as the *Prins Bernhard Cultuurfonds*.

Donations from the private sphere are influenced by the factor income. A logical explanation for the level of giving related to income can be referred back to the availability of financial recourses. In order to donate one needs to possess some level of income. Bekkers (2004) and Auten and Rudney (1990) explain that higher levels of income and wealth lead to higher donations. However, this does not mean that households with less income do not donate (Wiepking 2007). The level of income is argued not to have an effect on the probability of donating. The study by Wiepking in which the data of the *Giving in the Netherlands Panel Study 2003* is used, shows that in general the higher the households' income, the lower the proportion of income a household donates. In the same specific situations, the higher income group only donates a slightly higher proportion of the income compared to the lower income group. Although there is some evidence stating that the level of donations in the lower income level can be related to the stronger religious affiliations (McClelland & Brooks, 2004), there

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<sup>&</sup>lt;sup>6</sup> Donations in form of legacy, lease-lend or usufruct are also possible in the Netherlands but will not be part of this thesis.

are also studies that contradict this assumption (Andreoni, 2004, Wiepking 2007). In her study Wiepking explains that the most prominent factor for people to donate is not their level of income, but the request for donations and volunteering which is important information for fundraisers.

When comparing the solicitation of donating opportunities between museums in the Netherlands, there are some differences to be found related to accessibility and possibilities. When observing websites of Dutch superstar museums that focus on marketing, such as the Rijksmuseum and Boijmans van Beuningen, and comparing those with websites of museums such as the Van Abbemuseum and Kunsthal, the difference can be found in the accessibility of information of donating possibilities. Whereas the first mentioned museums provide the visitor with a large amount of information of the various donating possibilities, the latter museums only provide a limited explanation and details to which a (future) donor can transfer money. As for donations in cash the majority of Dutch museums does not provide any opportunities to give this type of donation. This means that they do not use donation boxes near the entrance/exit or present other possibilities to donate small amounts in cash which can be seen as limited possibilities to donate on the spot.

# 2.2.2. Fundraising strategies

Raising money from the private sector is a somewhat untapped source for Dutch public museums. Since museums have to focus more on private support, there are various fundraising strategies museums can employ such as the organisation of fundraising events. From the early 1970s the recognition within non-profit marketing increased and introduced the relation between donations and the use of segmentation (Sargeant, 1999). By segmenting the market into groups with similar motivations and needs, organisations can decide how to target specific segments and use their communication and promotional strategies efficiently (Prince et al., 1993). These events can be organised in various forms but the strategy of these venues is to spend money to raise money. Museums such as Tate Gallery invest millions in generating income through fundraising and are able to generate a substantial sum. For Tate Gallery the success of their fundraising can be described by their return on investment (ROI) of £9.79<sup>7</sup> in the year 2010. This means that for every British pound invested in fundraising they received £9.79. While this ROI is rather high, various museums "only" raised \$ 2,76 for every dollar invested in the year 2000 (Smithsonian Institution, 2001). Although donors are

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 $<sup>^{7}</sup>$  The annual report of Tate (2010-2011) the museum invested £ 2,048,000 in fundraising and generated £20,050,000.

willing to donate money to museums they often expect something in return. Through fundraising events donors and prospects get "socially" rewarded as they feel important and learn about the organisation. By investing in these events the museums are likely to receive more in return.

While investing in fundraising is important, the involvement of the board members is also essential. Board members are the key factors in attracting major donors as they are prominent members of communities (Smithsonian Institution, 2001). Through this position in society they are likely to have various other prominent persons in their network. This network is indispensible and a great source for fundraising as board members can solicit for support directly. In various occasions board members are even requested to make contributions themselves in order to hold the position. Although a museums' network is extended there are always new donors to attract from outside the network. Museums should therefore continuously work on attracting new individual donors. By creating more awareness for the options to donate, museums send a clear message and making a donation becomes easier. Donation boxes, donation buttons on websites and easy access to additional information on donating reduce the threshold to donate. These solicitations can be implemented in the everyday activities of a museum, but can also be presented in a temporary campaign to raise awareness for the demand of donations. Blockbuster exhibitions are another strategy to attract donors. By presenting an exhibition that is accessible to the general public, museums can attract additional major sponsors as it generates extra publicity.

Imbedded in the various strategies mentioned is the necessity of developing a personal relationship with donors. It is crucial for donors to feel appreciated and being a part of the museum. Actions such as inviting the donors to museum events, being thoughtful towards major corporate anniversaries and sending personalized communication are ways for a museum staff to build a community (Smithsonian Institution, 2001). It is not only important to build this relationship with people who donate monetary donations, but also with those who donate time. Volunteers often value being part of the museums' "family" higher than paid staff because of their passion and commitment to the museum. The importance of building a relationship also reflects on the process of donating. Many benefactors start with a relatively small donation but by maintaining and nurturing the relationship this individual donation can turn into an annual donation and increase rather than being a one-time donation (Waters, 2008, 2010).

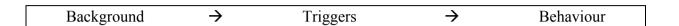
# Free riding

Although museums can apply various strategies to raise private support, donations remain sensitive to free riders. The free rider theory is based on the hypothesis that rational acting people want to maximise utility for minimal costs. For museums this theory refers to individuals that act within a group of visitors who obtain benefits from group membership, but do not pay the proportional share of the costs of providing the benefits (Albanase & Fleet, 1985). In the case of voluntary donations this implies that various individuals choose not to donate since they expect other will. Strategies for countering the free riding tendency propose that the size of the group has a strong influence. By offering financial incentives or a special form of recognition the group of free riders can be reduced (Cherrington & Wixom, 1983). Monitoring free rider activities and making group member outputs more identifiable are also been suggested as strategies to reduce free riders. However, monitoring groups and identifying their output is only possible when the members are registered and is not applicable for casual donations made by random museum visitors. When the output cannot be traced back to an individual it is difficult to constrain the free rider behaviour.

# 2.3. Motivations to donate

In order to understand the factors that drive people to giving this section will analyze various motivations for private individuals to donate. Over five years - from 2005 to 2010 - the Nederlandse Donateurspanel (Dutch panel for donors) has researched the donors' trust and giving behaviour in the Netherlands and has concluded that Dutch citizens have a negative perception of the Dutch donation culture (Bekkers, 2010). The study shows that the Dutch believe others donated less in past years and will donate even less in the future. Although they hold negative conceptions towards the Dutch donation culture, their opinion does not reflect in the actual numbers. Between 2005 and 2008 the total amount of donations in the Netherlands increased. The negative respond can however be related to the lack in consumer trust in the economy. According to Bekkers (2010) there are four factors that influence the donor's trust: the economical trend, reports on charities, political preferences and social trust. In 2008 almost 2/3 of the panels' respondents thought financing museums was a task of the government, not of the citizens, while 1/5 thought financing museums was important yet not important enough to donate money to. This report displays the uncultivated giving behaviour to art and culture in the Netherlands and there is room for improvement. In order to increase donations, museums first have to comprehend the various motivations to donate.

Literature on philanthropy has increased substantially over the past decades. Interest does not come only from the field of cultural economics, but also from disciplines as political science, anthropology and social psychology. Derived from the overwhelming information on this topic a process can be determined in which the act of giving is analyzed. The lean version exists out of three parts: background factors, triggers or input factors and finally the behaviour of the donor (Sargeant, 1999, Slyke & Brooks, 2005).



The model displays the background factors, which in combination with the triggers or input, result in the final behaviour of the donor. These parts will be analysed separately in order to be able to distinguish the influences coming from each part of the process.

# Background influences

Derived from the extensive literature on this topic various driving forces can be identified that drive philanthropy. The background influences can be divided into two types of personal motivators: namely, intrinsic and extrinsic motivations. Intrinsic factors represent motivations from within the person. Examples of intrinsic motivations are the need for self esteem, guilt, pity, social justice, empathy, fear and sympathy (Sargeant, 1999). From an economic viewpoint a psychological process is addressed to define intrinsic motivations that can be divided in three parts (Andreoni, 1988). Firstly, we know donors that may act pure altruistic without any expectations. Secondly, there are donors who act out of impure altruism. Internal satisfaction in the form of the "warm glow" effect may be experienced. Their expectation of internal satisfaction is often derived from previous donation experiences. Thirdly, intrinsic motivations can originate from ethical codes and moral constraints (Sugden, 1984).

Whereas intrinsic motivations come from within the person, extrinsic motivations derive from rational decisions that are based on a personal cost-benefit consideration. Factors such as rewards and other return services will trigger the motivation. It is therefore important to know the optimal level of compensation in order to make the extrinsic motivations work. Additionally there are also four main demographic characteristics that play a role such as income, educational level, religious involvement and marriage (Bekkers & Wiepking, 2006).

Economic literature deals also with reputational motivations in addition to intrinsic and extrinsic motivations. Reputational motivations fall under a separate category since they do not concern directly to economic or monetary factors (Benabou & Tirole, 2006). This type

of motivation includes the supplementary status, obtaining public praise and image. In order to respond to these motivations it is important that there is a visibility of the act of donating. Consequently these motivations play a limited role when the donation is anonymous.

# Triggers

Additional to the background motivations that can bring a person to give a contribution, there are also triggers involved. The institution can provide these triggers or the person creates them. The triggers coming from the institution begin by the fundraising techniques. Techniques such as direct mail, telemarketing and events are among the many different types of fundraising strategies through which the institution can reach its future donor. Literature suggests that segmentation can be used to reach potential donors and the usage of a certain type of media should fit the profile of the specific segment (Sargeant, 1999). Within the strategy of fundraising it is important for the institution to create a brand in which the stakeholders' believes and values are projected (Wray, 1994). Marketing is an essential tool during the process of fundraising and the introduction of the institutions' brand. Furthermore it is important to provide the stakeholder with information. In order for the stakeholder to make a donation, he or she needs to understand the urge to support the institution and that it is possible to donate (Bekkers & Wiepking, 2010). However, studies have shows that museums can also repel visitors from giving donations by charging admission fee (O'Hagan, 1998; Frey & Steiner, 2010) The level of admission fee can influence the potential donations positively or negatively as the higher the admission fee is, the less willing visitors are to donate.

In addition to the triggers that come from the institution there are also triggers that are difficult to be controlled by the institution. The experience of the donor with regard to past donations for example is a factor that could influence future donations (Milne & Gordon, 1993). This experience can either come from donating to the given institution, or to institutions and charities in general. A negative experience will have its influence on future donations. Also the criteria the stakeholder uses to determine to which institution he or she wants to donate and if the institution fits with the person play a significant role.

# Behaviour

The final dimension of the model comes forth from the decision making process in which the person decides to either donate or not to donate. In case the stakeholder wants to donate there are also decisions to be made regarding the donation itself. The donation size, form and the

persons' loyalty are forms of output that are influenced by the inputs from the institution and the intrinsic and extrinsic determinants of the stakeholder.

# Eight mechanisms

Next to the model that explains the process of giving, there are eight mechanisms indentified that drive charitable giving (Bekkers & Wiepking, 2011). The authors conducted a literature review of over 500 articles and categorized the mechanisms based on three different dimensions that are visualized in table 2.3. This table displays whether the mechanism is intangible or tangible (*what?*), whether the mechanism finds place within, outside or between people (*where?*) and which parties are involved; organisations, donors, beneficiaries such as charitable and non profit institutions and alters (*who?*). The eight mechanisms are described as follows:

- **Awareness of the need**: people have to become aware of the need for donations. This mechanism lies outside the control of the donor and needs to be stimulated by the institution that needs financial help.
- **Solicitation**: this mechanism refers to the act of being solicited to donate. The majority of all donations occurs in reaction to a solicitation. Therefore the cultural sector in the Netherlands has to work towards a "culture of asking" before the "culture of giving" can be realized (Steenbergen, 2010).
- **Costs and benefits**: giving money also costs money, which is an influential factor for donors. However, in most occasions the donor receives various benefits in return such as free entrance and invitations to exhibition openings and other events.
- **Altruism**: refers to the fact that many people give donations out of pure altruism because they care about the institution and its output.
- **Reputation**: for some people the act of donating is influenced by social consequences. This phenomenon finds place in the social environment between individuals. The donors receive verbal or nonverbal rewards from other people for giving to the institution. In same situations the knowledge that others perceive one's donation is enough motivation for people to donate.
- **Psychological benefits**: the intangible benefits a donor experiences as a result of donating. Donating can contribute to the individuals self image and can have an influence on the emotional state of the person. Such motive is also known as "warm glow" or "joy of giving".
- **Values**: social values can trigger a person to give to an institution. These values are personal and can originate from one's religion, culture and social values.

- **Efficacy**: this mechanism refers to the perception of the donor that their donation makes a difference to the cause they support. People are less likely to donate when they think their contribution will not make a difference.

Table 2.3. Overview of the eight donation mechanisms

	Where?	Where?	Who?	
Mechanism	(Tangible or	Within, outside		
	intangible)	or between	Actors	Targets
		people		
Need	Tangible and	Within, outside	Beneficiaries and	Donors
	intangible	and between	organisations	
Solicitation	Tangible and	Between	Beneficiaries and	Donors
	intangible		organisations	
Cost/Benefit	Tangible	Outside	Organisations	Donors
Altruism	Tangible	Outside	Donors and	Beneficiaries
			organisations	
Reputation	Intangible	Between	Alters	Donors
Psychological	Intangible	Within	Donors	Donors
Benefits				
Values	Intangible	Within	Donors	Donors and
				beneficiaries
Efficacy	Intangible	Within	Organisations	Donors

Source: Bekkers and Wiepking (2011)

### 2.3.1. Tax incentives

In order to encourage cultural patronage the Dutch government introduced various fiscally attractive facilities such as tax incentives (Hemels, 2009). Contrary to what many people think the fiscal benefits in the Netherlands are more attractive compared to the benefits offered in the United States of America (Hemels, 2011). Whereas in the USA only 50 percent of the donated sum is deductible, in the Netherlands this is 100 percent<sup>8</sup>. These incentives present themselves through special arrangements in the tax legislation such as deductions or exemptions. An example is the deductibility of gifts to cultural organisations from the Personal Income Tax (PIT). The Dutch government has established a Cultural Patronage Programme with the mission to promote cultural support among companies and private individuals<sup>9</sup>. This platform aims to create awareness for the different funding possibilities among cultural organisations, and to increase awareness and willingness to give to cultural organisations among the public. Next to the presentation of expert workshops, informational

 $<sup>^{8}</sup>$  This is only applied when the total donated amount is more than 1% and less than 10% of the persons' income and is higher than  $\in$  60.

<sup>&</sup>lt;sup>9</sup> Cultuur-Ondernemen originates from the merge between Kunst & Zaken en Kunstenaars & CO at July 1, 2010.

websites and publications the organisation also focuses on raising awareness on tax incentives to stimulate cultural patronage.

As mentioned earlier there are three different types of gifts for private individuals: namely periodic gifts, other gifts and donations in form of art or time. The specific characteristics will be explained in this section.

Monetary periodic gifts can be donated to all cultural organisations; however, the Dutch Tax and Customs Administration (TCA) has appointed various cultural organisations as *Algemeen Nut Beoogde Instellingen (ANBI)*, institutions for public utility (Geven aan cultuur, 2011). Donors who give money to these organisations receive special fiscal benefits in form of a deduction from their PIT. This is only applicable when it is documented in a notarial "document of donation" that it is an annual donation for a period of five years. Unlike other organisations the ANBI's do not have to pay gift taxes and thus the entire donation goes to the organisation.

# Example 1)

Mr X has an income that is taxed with 52%. He wants to give his favourite theatre (with ANBI-status) every year a sum of  $\in$  4000 for a period of five years. After tax deduction he pays  $\in$  1.920 annually and the government indirectly pays the remaining  $\in$  2.080 annually in form of tax reduction (Geven aan cultuur, 2011)

Donations that do not meet the requirements to be periodic donations are named "other gifts". These gifts can include annual gifts made as a friend or donor of the museum without a notarial document. Under the right circumstances these donations can be deductible; however, in contrast to periodic donations the deduction is limited to a certain amount. These donations only come with fiscal benefits when the total donated amount is more than 1% and less than 10% of the persons' income and is higher than 60.

Additional to monetary gifts it is also possible to donate works of art, instruments or other objects. In this situation the market value of the object represents the extent of the donation, which will be determined by an appraiser (Geven aan cultuur, 2011). Since the value of the object often exceeds the deduction limit it is only financially beneficial for the donor if the gift is transformed into a periodic donation. When donating a collection for example, it can be recorded in the notarial document that a proportional share of the collection is donated to the museum annually.

# Geefwet

In 2012 the Dutch government introduced the 'Geefwet', which is a temporary additional tax benefit and is intended to stimulate donations to cultural organisations with ANBI status. This construction enables donors to deduct the donated sum with 1.25 times from their income tax, provided that the donation meets the general requirements as discussed in the previous section (rijksoverheid.nl; cultuurfonds.nl). This means that the donor is allowed to deduct one fourth more from the income tax than the actual donated sum. The Geefwet only applies to annual donations made for a period of five years starting from 2012, with a maximum annual donation of €5000 (Hemels, 2011). This implies that donating to an ANBI organisation is made extra attractive by the introduction of a temporarily additional percentage that can be deducted from the income tax. Whereas the previous tax law made it possible to deduct 100 percent of the donation from a persons' income statement, the Geefwet works as a multiplier. This means that donors can deduct an additional 25 percent from their income tax, which can reach a total maximum of €1250 annually.

# Example 2)

Mr X wants to donate a total sum of  $\in 1000$  in 2012. Because of the multiplier he is now allowed to raise this amount with 125% and thus accounts  $\in 1250$  as the deductible amount on this PIT. With the maximum tariff of 52% the TCA refunds  $\in 650$ . The actual donation of  $\in 1000$  only costs Mr X  $\in 350$  ( $\in 480$  without the multiplier). (Cultuurfonds.nl, 2012)

Various specialists are sceptical about the tax incentives. Sigrid Hemels (2009), professor in tax law at the Erasmus University Rotterdam, argues that this incentive is only beneficial for citizens with a higher income. Persons with a higher income generally spend more money on cultural goods and services than lower income groups. The difference is the result of various factors such as budget limitations and appreciation for a more mainstream form of art. This also applies to the fact that the main donors of cultural organisations find themselves in higher income levels. This group profits more from tax deductions for cultural goods than the lower income group. On top of this the Geefwet allows the donors to deduct 125 percent of their donated amount from their income tax. The government is compensating this additional 25 percent with money from tax paying citizens. Due to this incentive individuals with a higher income can profile themselves as generous donors whilst, in the worst scenario, they actually pay only 23 percent of the donated sum and the remaining amount is paid with tax money. A less negative approach to this incentive is that it gives donors the opportunity to donate more

for the same amount. By donating  $\in$  1000 a donor achieves for the cultural organisation to receive  $\in$  1250 with the help of the multiplier.

Tax incentives could have a positive effect on the Dutch donation culture, however, the precise effect of this stimulus on the willingness to donate remains debatable. It is argued that people do not give because of the existence of fiscal facilities; they give because of their affinity with the organisation (Grappenhaus, 2010 Hemels, 2011). The tax incentives and the Geefwet are only additional benefits to the act of donating and can motivate people to increase their donation but do not work as a driving force. In order to attract new donors it is important for the museums to understand the driving forces behind the act of donating (Bertacchini et al., 2011).

# 2.3.2. Friends of the museum

The museum attracts various types of visitors. Some visitors visit the museum occasionally, others on a regular basis. Some of these regular visitors feel connected to the museum in such a way that they want to support it. To connect these people to the museum there is the possibility to become friends of the museum. Mensch (1983) defined friends of the museum as "an association of persons who feel connected to a museum in various ways, and united with the aim to provide moral, financial and possibly material support" (p.68). The very first museum friends in history are considered to be the private collectors in the second half of the 19<sup>th</sup> century, who donated pieces of their collection to a museum so that the public could enjoy it too (Brugman & Vernoy, 1989). Nowadays we know various other ways in which friends of museums can support museums such as voluntary work and promotional activities. Next to the fact that friends are a stable source of income for the museum, they also function as an intermediary between the museum, the public and the government. The intermediary with the government is established as friends can improve and strengthen the museums' position towards the government by showing how important the museum is to the public. By doing so they can play a role in acquiring subsidies.

The most common functions of friends of museums are:

 Providing financial support: it is possible to become a friend of a museum by contributing a small amount annually. In the Netherlands a friend can contribute between 10 and 250 Euros. These relatively small amounts combined form a valuable source of income for the museum,

- Organisation of voluntary activities: by organising voluntary activities it can be realized that the public appreciates the work of a museum more and might feel more attached to the museum because of it,
- Promotion of the museum: friends act as positive ambassadors for the museum by enhancing the mouth-to-mouth advertising and therefore also the public awareness of the museum. The promotion of the museum by a museum friend can trigger other persons to join the group, or can even motivate people to donate to the museum. (federatievriendenmusea.nl).

There are various motivations for people to become a friend of a museum. The main reason for many friends is to be connected to a group (Brugman & Vernoy, 1989). By being a friend of a museum they are part of a community. The feeling of belonging, integration and connection with similarly minded people in combination with a feeling of responsibility and commitment towards the museum are triggers to become a friend. In addition there are also various benefits the friends receive in return.

Examples of friends of the museum groups in the Netherlands can be found at various museums. The Van Abbemuseum for example offers visitors to be friends from  $\in$  17,50 annually. Their association of friends organises various activities such as courses, lectures and excursions for their members. Friends of the Van Abbemuseum enjoy free admission and are invited to openings of exhibitions, receive quarterly publications of the museum and the magazine with interviews and background information for activities and the association and the museum (vriendenvanabbe.nl). The Stedelijk Museum Schiedam offers similar services to their friends for the same price as the Van Abbemuseum and friends of the Cobra Museum have to pay  $\in$  25 annually (stedelijkmuseumschiedam.nl; cobra-museum.nl)

Since museum friends are not obliged to continue their friendship after a year, the limitation of this concept is that museums cannot expect to generate the same amount from this source annually. The Kunsthal therefore uses a different approach to this concept. In contrast to friends, the Kunsthal focuses on attracting "family" (Kunsthal.nl). To become a member of the Kunsthal Family an annual donation of € 1.250 is acquired for a minimum period of five years. This relatively large donation however, is deductive from the donors' personal income tax. In return the museum offers a VIP membership card, invitations to all openings, an annual meeting for its private donors, the digital newsletter and the possibility to mention the donors name on the website.

Friends are not only valuable to a museum because they generate income; they are also a source of feedback for the museum. This unwanted feedback has often led to friction between friends and the museums' administration in the past, which was for a few museums a reason not to start a circle of friends (Jongenelen, 2011). The Rijksmuseum is an example for this. Their argumentation for this decision was in 2005 that friends cost more than they yield. In many cases the return services of the museum to their friends meets or exceeds the income generated from this source. Additional to the costs, the Rijksmuseum also did not want any interference with the museum policies from outsiders (Schoonenboom, 2006). However, in 2006 the museum established a group of friends and has generated more than 1400 members. The new generation of directors is more focussed on collaborating with their friends, which has led in various occasions to advisory roles of the group of friends to the administration (Jongenelen, 2011).

Many traditional groups of friends are experiencing a decrease in members due to aging. Especially members in the category between 30 and 40 years are discontinuing their friendship because of the increase of other time consuming activities. In order to fight this development museums are now using social media in order to find new friends (Jongenelen, 2011). Facebook, LinkedIn and Hyves are among the various platforms used to attract new friends. However, an online friendship does not generate income for the museum. Digital friends only display the popularity of the organisation. While the online search for friends seems not to be the best remedy, other forms of marketing do work. Museums such as the Hermitage and FOAM have experienced a rapid increase of their friends, from which 70% is aged between 20 and 40 years old. An explanation for this development is the demand for privileges and the marketing and branding of the museums. Friends do not have to wait in line to enter the museum and they are provided with a free coffee. FOAM also introduced segmentation for its friends. They have three groups, each formed to the needs of its target group depending on the different age categories.

# 3. Methodology

#### Introduction

The aim of this research is to conduct a cross-sectional Contingent Valuation (CV) survey to a selected sample group that contains of visitors of the Van AbbeMuseum, Cobra Museum and the Stedelijk Museum Schiedam in order to elicit their willingness-to-donate (WTD) to support the museums financially. Additional to the focus on the WTD, the survey will include questions in order to determine the motivations related to the WTD. In this chapter the problem statement of the research will be presented followed by the methodological framework in which the concept of CV and the limitations connected to this application will be discussed. Subsequently the data collection will be covered as well as the survey design. In the final part of this methodological framework the challenges that were dealt with during the empirical research will be elaborated.

#### 3.1. Problem statement

From paragraph 2.1. 'History of financing art and culture in the Netherlands', we can conclude that the way of financing art and culture has changed drastically around the Second World War. Museums became more reliant on subsidies provided by the government and private support has significantly diminished. However, during this period in time where subsidies for art and culture are cut, museums are forced to turn to the market- and private sphere to explore their financial opportunities. Though in general the art sector was able to rely partially on corporate support, there is still much to achieve in the area of the audience. Therefore, it is relevant to study the opportunities for a support base among the audience as an alternative for subsidies. The two chapters in the theoretical framework have explored the opportunities for museums related to a possible income from voluntary donations. In order to learn to what extent art museums will be able to rely on their audience, this thesis will study the following problem statement, which is twofold:

To what extent is there a willingness to donate among the visitors of Dutch art museums to contribute to a special fund to finance the museum, and which motivations influence their decision?

The question is twofold because the decision to give a voluntary donation is influenced by social values in addition to economic rational choice. It is therefore important to retrieve the personal motivations that drive people to giving. This study has both scientific and social relevance. From the museums' perspective, the managers may want to learn the motives of their visitors so they can adjust their fundraising strategies accordingly. As for the academic relevance this thesis will add to the little current knowledge there is on the donation culture related to Dutch museums and their visitors. Since this thesis will use a relatively small sample group, three different locations are used to generate the data in order to conserve a reasonable chance for generalization.

## 3.2. Contingent valuation method: a definition

From its nature museums tend to be non-excludable (accessible for everybody) and non-rival (the consumption of one person does not effect the consumption of others). Economics call these goods 'public-' or 'common' goods. However, museums often provide both public and private services since they regularly apply admission fees. Goods that have both public and private characteristics are known as 'mixed goods'. Museums are therefore often referred to as mixed goods since they are beneficial for both the community and consumers (Noonan, 2002). As mentioned in paragraph 1.2 'Museums as a firm', a museum does not only provide economic benefits, it also supplies non-market goods such as pleasure and national pride. These externalities are difficult to be measured in monetary terms and display values that are not related with purely financial gain.

There are various ways in which the values of externalities provided by museums may be measured. In a broader sense they can be divided into two types; namely revealed and stated preference methods (Snowball, 2007). Revealed preference methods require data on actual spending whereas the stated preference method relies on hypothetical scenarios in which respondents are asked how they value a good. Within the stated preference approach there are three different types of methods: namely, the travel cost method, the hedonic price method and the contingent valuation method. The travel cost method measures what consumers are willing to pay in order to attend an event and the hedonic price method is used to measure the value people attach to living in a specific geographic region that can influence their quality of life. The contingent valuation (CV) method is used for research in which the valuation is contingent to a given hypothetical scenario and surveys are used to elicit people's willingness to pay (WTP) for the benefits received, or their willingness to accept

compensation for their loss (WTA) (Noonan, 2002, 2003; Ready et al. 1997)<sup>10</sup>. Or more clearly explained in a definition by Snowball (2007), "Contingent Valuation surveys ask people directly what their willingness to pay or accept is for the preservation or expansion of art and cultural goods in hypothetical scenarios" (p.77). The use of this method in cultural economics is very popular since it measures both the use and non-use value of a good from which the demand curve and surplus of the population can be estimated.

Before the various limitations of the CV method will be explained it has to be certified that there is a difference between WTP and WTD, which has an influence of the effectiveness of the CV method. Contingent Valuation studies mainly opt to measure the balance between supply and demand. This makes it a perfect method to measure the WTP where the willingness to pay in order to receive certain benefit is the topic of research. Willingness to donate studies however, measure the willingness to voluntary give money toward the provision of a good. In contrast to payments, voluntary contributions are made in reaction to the individuals' intrinsic and extrinsic motivations and external triggers (Bertacchini et al. (2011). Since the motivations of respondents in WTD studies are more based on social values instead of economic thinking it is noticed that the CV method does not perfectly apply to this research. However, due to lack of a perfect alternative method it will be used in combination with a focus on the driving motivations behind the WTD.

#### 3.3. Challenges of the contingent valuation method

However popular the CV method is in the field of cultural economics, it comes like every other research method with certain limitations. When the CV method was introduced, it was mostly used for valuing environmental amenities and damages in wilderness and the validity and reliability of the method has been criticized in literature ever since (Noonan, 2003; Snowball, 2007; Throsby, 2003; Venkatachalam, 2004). The disagreements of the CV method comes forth from the various kinds of biases such as the disparity between WTP and WTA, the hypothetical and strategic bias, the embedding effect and "warm glow" hypothesis and the mixed good bias, which will be described in the following section.

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<sup>&</sup>lt;sup>10</sup> The use of CV methods is in addition to the field of cultural economics also used in health economics, environmental economics and transportation safety.

#### Inequality between WTP and WTA

For researchers is it important to understand the difference between WTP and WTA when using the CV method. As mentioned earlier, WTP measures the willingness to pay in order to receive certain benefits whereas WTA measures the amount of money needed to compensate the individual for the loss experienced when the good no longer exists. In a study by Willig (1976) it has been theoretically demonstrated that the willingness to accept value is always higher than the willingness to pay when used for the same good. Hanemann (1991) argues that this disparity between WTP and WTA is caused in case the good has no close substitutes. In his model he displays that if income effects are constant the disparity between WTP and WTA becomes greater as the quantity of substitute goods diminishes. The empirical experiment by Adamowicz et al. (1993) in which two goods are used - one without substitute (a feature film in a local theatre) and the other with substitute (hockey match with a substitute of live radio/TV telecast) - shows that the existence of substitutes does diminish the disparity between WTA and WTP; yet it does not eliminate the disparity entirely. It is therefore plausible that other factors also play a role such as the assumption that the loss of a good weighs heavier for an individual than the gain derived from purchasing the same good (Kahneman & Tversky, 1979). Kahneman et al. (1990) could conclude from various experiments that the initial ownership also had a great influence on the WTA of his sample groups, which is also known as the "endowment effect". However, overall there are various studies that come to contradicting conclusions regarding the disparity between WTA and WTP. Therefore Horowitz and McCornell (2002) used a meta-analysis to test whether the high WTA/WTP ratios are an experimental phenomenon, or whether it is a representative broad-based image of preferences. They conclude that if the survey is designed as close to reality as possible, the disparity between WTA and WTP would diminish. In addition they also argue that the WTA/WTP ratio in real experiments does not differ significantly from that of hypothetical experiments.

#### Hypothetical and strategic bias

One of the most prominent critics of the CV method suggests that the respondents may not tell the truth and overstate their willingness to pay since the market created in a CV survey is mainly hypothetical. Therefore this bias is called 'hypothetical bias' (Neill et al., 1994). This bias is defined as the possible difference between the real and hypothetical payments (Snowball, 2007). While the existence of the hypothetical bias is acknowledged in literature, it is argued that the studies on this topic have been conducted through laboratory experiments

in which mainly private goods were used as subject (Venkatachalam, 2004). Therefore it is questioned whether the hypothetical bias is as present in real experiments as it is in laboratory experiments, since in real experiments the respondents experience budget constraints whereas this influence is limited in laboratory experiments. Consequently it can occur that the hypothetical WTP is significantly different from the real WTP (NOAA, 1993).

However, derived from the hypothetical bias found in laboratory experiments, various studies experience a 'strategic bias' in real experiments where respondents state their premeditated WTP. Reasons for respondents to state a different hypothetical amount than the real payment are defined as two main possibilities (Champ & Bishop, 2001; Snowball, 2007). The first possibility is that the respondent may be a free rider. He or she will therefore overstate its WTP for the good in order to ensure that it is provided since the respondent knows the amount stated does not have to be paid in reality. The second possibility for respondents to over pledge their WTP is the assumption that it would influence the provision of the good of topic.

Additional to the literature that advocates the existence of the strategic bias there are also studies that suggest that the free rider phenomenon in CV studies is not as extreme as one thinks (Murphy et al., 2005). In an attempt to overcome such bias Bohm (1979) introduced "the Bohm interval method". With this method he argued that in the right setting and under certain circumstances two similar sample groups could act as controls for each other. If the average WTP of the two sample groups was not significantly different it could be assumed that no significant misrepresentation had taken place. Various studies have used this method as a source of inspiration for their own tests and showed similar findings to the original test. Strategies such as using a post-decision question, which tents to measure how much the respondent is affected by the decision of other respondents, have also shown to limit the hypothetical and strategic bias. Mitchell and Carson (1989) suggest simply avoiding using a questionnaire with information that could 'hint' the respondent to answer strategically.

Another proposed method to control the hypothetical and strategic bias is through questionnaire design. Literature on this topic is mainly focussed on the use of a "cheap talk" questionnaire that is used in situations where the respondents are first made aware of the possible bias before asking them the willingness to pay questions (Cummings & Taylor 1999). While in theory this was a good idea, the authors did acknowledge the questionnaire is difficult to use in reality because of the lengthy cheap talk explanation. Champ et al. (1997) published a method of identifying participants who were responsible for observed bias: a follow-up question in which the affirmative respondent to the contingency question is asked

how certain he or she is that he or she would donate the nominated amount in reality. The respondents who were less certain about their willingness to donate were expected to be less likely to donate in reality. The authors therefore suggest recoding positive responses to less certain respondents into negative respondents. The result was that WTP results replaced the real market results for the identical good and the hypothetical bias disappeared.

### Embedding effect and "warm glow" hypothesis

Another source of error in the CV method is the 'embedding' effect. This phenomenon refers to a variation that can be found depending on whether the good is valued in its own or as part of a package. The embedding effect occurs if 'the same good is assigned a lower value if WTP for it is inferred from WTP for a more inclusive good rather than if the particular good is evaluated on its own' (Kahneman & Knetsch, 1992:58). In other words, the WTP to save all paintings of a museum would only be slightly higher than the WTP to save one painting of a museum. This effect is inconsistent with economic theory where it is expected that the WTP grows with an increase in quantity. Kahneman and Knetsch (1992) and Rizzo and Throsby (2006) explain that this happens when respondents are not valuing the good in an economically rational way but were expressing a positive attitude towards the good. In this scenario the respondents are willing to pay to do something good instead of paying for the specific change in the given scenario.

#### Mixed good bias

Museums are considered to be mixed goods since they have both private good - such as admission fee - and public good characteristics such as non-excludability and non-rivalry and the externalities that they generate. In WTP studies it is considerably difficult to separate pure non-market externalities from market or financial benefits of a mixed good. Carson et al. (1999) point out that WTP consists of both passive use value (the externalities to both users and non-users) and direct use value (only to users). Derived from this point, Throsby (1984) argues that, even when the free rider behaviour is nonexistent, it is logical to expect that users will exaggerate their WTP for the good in order to ensure subsidies with the cost divided over the users and non-users. The best method to measure both the value of non-market externalities versus market benefits is suggested by Seaman (2003) to be a combination of a WTP study and an economic impact study at the same event. However, the possibility exists that the use of this method would include some double counting.

### Willingness To Donate

Various biases were described related to contingent valuation studies. A range of suggestions has been proposed in order to diminish a possible bias and insure the validity and reliability. or in other terms, the accuracy and consistency of the CV data. Even though there is much criticism on the use of the CV method, it remains the main method capable of estimating both the use and non-use value of a good and can be used to derive useful information. However, in this thesis the willingness to donate (WTD) will be assessed and not the willingness to pay. While it is the same concept, the bias rate of WTD studies is less compared to WTP studies. Champ et al. (1997) and Champ and Bishop (2001) have argued that donation vehicles are more useful compared to payment vehicles since it provides practical advantages that may limit the free-rider phenomenon. Donation mechanisms are expected to be more credible since individuals normally have some experience with donations and the responses of individuals in willingness to pay studies include the purchasing of moral satisfaction for contributing to public goods (Kahnmeman & Knetsch, 1992). The previous argument is commonly known as a frequent bias in WTP studies yet when analyzing donations it is consisted with the behaviour related to intrinsic motivations. The different approaches in studies makes WTD studies less subject to strategic and hypothetical biases compared to WTP studies (Bertacchini et al., 2011).

#### 3.4 Survey design

As explained by the literature on the CV method it is important to put extra effort in the survey design in order to limit the possibilities of a bias. The type of WTD questions, the donation vehicle, the description of the scenario and the information provided to the respondents are all parts of the questionnaire that can have a great influence on the reliability and validity of the data. Before constructing the questionnaire the aim of the research has to be perfectly clear in order to understand which questions are to be included. When using a survey as method to collect data, it is essential to limit the quantity of questions since lengthy surveys do not work well with respondents. Another point of concern is how to pose the WTD questions. Next to the importance to learn about the motivations behind the act of donating, it is also important to collect data on the main reason behind the decision of protest (zero) bidders (Cuccia & Signorello, 2002).

As the design of the survey is an important factor in this study, it is equally important to create a questionnaire that causes no implications. Therefore, examples of surveys used in existing literature on WTD are used as a source of inspiration in order to create a survey of

good quality. A request for a survey example was sent to Ana-Maria Bedate (2009), Enrico Berticchini (2011), Patricia Champ (2001) and Eric Thompson (2002). Enrico Berticchini and Particia Champ were so kind to send me a copy of the survey they used for their own research. In addition to these two examples the survey of the 2011 research by Jessica Verboom was acquired through an online database of the Erasmus University Rotterdam. These three surveys were used as inspiration for the design of the actual questionnaire for this research.

The questionnaire is divided in four parts. The first part focuses on the respondents' general cultural preferences. This information will display the quantity of visits to a range of cultural sights and will go in depth on the visit to the specific museum the respondent just visited. This first part also includes a question to determine whether the respondent makes use of discounts or is a member of a museum. Through the information gathered in this section it will be possible to sketch an image on the general participation in art and culture of the respondents.

The second part focuses on the respondents' experience with donating. In order to understand the willingness to donate of the sample group it is important to know if they are at all familiar with donating and to have knowledge of their preference of charity institutions.

The willingness to donate and the motivations behind this will be the focus of part three. The respondent will first be introduced with a hypothetical scenario in which the museum is establishing a fund in order to preserve the institutions' quality and general state. The scenario description is short and simple in order not to loose the respondents' focus and to minimize communication errors. This section will ask the respondent how much he or she is willing to donate in a double-bounded dichotomous choice question followed by an open question based on the survey of Verboom (2011). The amounts chosen in this question are based on results from other published WTD studies. As a follow up to the open question there is a certainty question included as suggested by Bertichini et al. (2011) and Champ and Bishop (2001). In this question the respondent is asked how certain he or she is about the nominated amount in order to limit chances for a possible bias. If the respondent states that he or she is willing to donate, he or she will be asked what the motivations behind this are. The given motivations are based on the eight donation mechanisms identified by Bekkers and Wiepking (2010). In case the respondent is not willing to donate it is important to generate information on the cause of this decision. This will be asked in the final question of this section.

In the final part of the questionnaire the respondent is asked to fill in questions that focus on the background of the respondent such as educational level, age and income. These questions will be solely used for statistical purposes and will visualize the overall characteristic of the art museum visitor. Since the research focuses on Dutch museum visitors, the survey will only be distributed in Dutch, which will automatically exclude the possibility for foreign visitors.

In order to limit the chance for additional challenges to arise it is suggested to test the survey before the actual data collection. Due to limitations in time and recourses the test group existed of friends and family. During the data collection the respondents are able to verbally communicate difficulties to the researcher or leave a written comment on the survey. Contact between the researcher and the respondent during the process of answering the survey questions is avoided as much as possible since unnecessary contact can influence the reliability and validity of the data.

#### 3.5. Data collection

In order to collect the data needed to answer the research question a self-completion questionnaire is conducted on location. The locations were chosen semi-randomly out of a list of art museums in the Netherlands. In order to control for a representative sample there were three main criteria taken into account during the selection: namely, number of visitors, type of art and nature of ownership. Although many museums were very enthusiastic about the research, there were only three museums that gave permission to conduct the survey on their location, namely the Van Abbemuseum, Cobra Museum and Stedelijk Museum Schiedam.

#### Van Abbemuseum

H.J. van Abbe (1880-1940) was a Dutch entrepreneur with an impressive collection of modern art. With the aim to share his collection with the citizens of Eindhoven - the city where he lived - he established the Van AbbeMuseum in 1936. From this moment on the museum was able to extend its collection to over 3900 items, which includes works on paper, paintings, sculptures, installations and video work (vanabbemuseum.nl). The Van AbbeMuseum (VAM) owns one of the largest collections of El Lissitzky paintings that are part of the museums' permanent collection. Since the opening the museum has focussed on contemporary artistic experiments. To do so the museum concentrates on three basic principles: radicalism, hospitality and exchange of knowledge. The approach of the museum

is awarded with an ECF Routes Prinses Margriet Award. The jury praised the museums' director Charles Esche for its ability to create a bridge between art and the public.

Next to the display of the collection the museum also provides courses, lectures, cinema evenings, special activities for children and workshops. In addition the museum includes an extensive library, which is specialized in scientific literature on modern and contemporary fine arts, and a museum café. In order to finance all activities the VAM knows several sources, costs and income as displayed in table 3.1. (Mensen en Cijfers, 2011). A special strategy of the museum is that they work with over 80 volunteers next to their paid staff (vanabbemuseum.nl). These volunteers generally work as hosts in the museum and provide visitors wit extra information when needed.

Table 3.1. Income and costs of the Van AbbeMuseum in 2011

Income Source	% of	total	Costs Source	% of total costs
	incomes			
Subsidies by regional government	59		Staff	41
(Inter)national funds	26		Exhibitions	26
Sponsoring and donations	5		Maintenance	13
Commercial activities	4		Other expenditures	6
Self generated income	4		Education	3
Lease-lending artworks	2		Marketing	3
			Education	3

Source: Mensen en Cijfers, 2011

#### Cobra Museum

The Cobra Museum (CM) was established in 1995 and is a museum for modern art. The permanent collection includes pieces made by modern artists who were members of the CoBrA- movement (cobra-museum.nl). The Cobra-movement is known for its creative freedom and experiment, dedication, vitality and social engagement and the museums' mission and vision is to exhibit art in which these core values are recognised. In addition to the permanent collection the museum also organises temporary exhibitions of international artists.

The museum is determined to be as independent as possible and manages to show special exhibitions that are financed through sponsorships and special funds. Their most recent success was the special exhibition 'Klee en Cobra. Het begint als kind', which opened near the and of January 2012 and attracted approximately 60.000 visitors in 2,5 months time, which is the same as their annual number of visitors (cobra-museum.nl). Because of this entrepreneurial attitude the museums' income exists for 60% out of self-generated income and

income from private funds and the remaining 40% out of subsidies from the regional government.

#### Stedelijk Museum Schiedam

The Stedelijk Museum Schiedam (SMS) was established in 1899 and moved to its current location, the Sint Jacobs Gasthuis in the historical part of Schiedam, in 1940. The museum exhibits modern and contemporary art made after the year 1945 and attracts over 80.000 visitors annually, which includes 18.000 paying visitors (stedelijkmuseumschiedam.nl). The SMS, additional to expositions, offers the possibility to rent the chapel of the museum for private events and there are various group arrangements. With the aim to make a visit to the museum fun for children the SMS museum has special activities for them such as a quest through the museum or a painting competition.

Over time the museum has managed to become a relatively independent institution through the focus on self-generated and private financing. Within these categories the museum gathered income through ticket sales, sponsoring, commercial sales and private funds with a total sum of  $\in$  317.000 (stedelijkmuseumschiedam.nl). With this income the museum was able to finance a substantial part of the variable costs. Like any other museum the SMS has to deal with the diminishing subsidies for art and culture. Their annual report of 2010 displays that the budget cuts have mainly affected the variable costs which resulted in a cutback of the educational services, exhibitions and management and conservation of the collection.

The strategy for the data collection was to approach visitors on their way to the exit in a random manner, asking roughly every fourth visitor whether they are willing to cooperate. The aim was to include only visitors who are financially independent, i.e. 18 years and older. This approach of data collection will come with certain limitations to the validity of the sample since the sample is chosen by self-selection (Bryman, 2008). However, using this approach is inevitable due to time constraints.

Since three different museums are used for this study the survey is conducted over a period of several weeks. In order to collect a sample that is representative for a museum, forty surveys are conducted at each location, which adds up to a total of 120 completed surveys. Since the quantity of visitors is not equally distributed over the week, the researcher was on location on the busiest days. After consultation with the different museums the following schedule was used for data collection:

Stedelijk Museum Schiedam: May 3 and 4, 2012

Van Abbemuseum: May 10 and 11, 2012

Cobra Museum: May 25 and 26, 2012

## 3.6 Challenges of the empirical research

Since the time to collect the data was somewhat limited and three different museums were chosen as a location, the researcher was forced to start the data collection at the first opportunity rather than the best opportunity. This means that the period of data collection fell exactly in a period where the three museums were changing collections or recently closed a "blockbuster" exhibition. As a result the number of visitors was far less compared to normal days. In the case of the VAM and SMS the changing exhibitions may have affected the response visitors gave in the survey since they had to pay the normal price but could only visit half of the museum. This however is not mentioned by any of the respondents.

Another challenge of the research relates to the survey. The surveys are designed to elicit the willingness to donate to a specific museum. Since various visitors came from other parts of the Netherlands and were no regular visitors of the three museums used for this research, they occasionally answered negative to the WTD question since they preferred to donate to a museum located near their residence. In this situation the negative response does not imply that the visitor is not willing to donate to museums, he or she is just not willing to donate to the museum of research. The visitor was able to clarify this in question 13 of the survey<sup>11</sup>.

<sup>&</sup>lt;sup>11</sup> A copy of the survey used for this research can be found in the appendix.

## 4. Results

## Introduction

In this chapter the results of the empirical research will be analysed and interpreted. This will take place in three different sections. In the first section a general profile will be sketched of the museum visitor. In this section topics such as the socio-economic background of the visitor will be dealt with as well as their cultural preferences and past experience with donating. The second part will focus on the possible financial support base among the museum visitors. Are the visitors willing to donate or not? How much are they willing to donate? These are examples of questions that will be answered and analyzed. The third part will reveal the motivations that drive the respondents to give a donation and the motivations of the respondents that indicated not to be willing to give a contribution. After analyzing the gathered data the statement of this research will be answered from which conclusions will be drawn in the final chapter of this thesis. Although the sample is analysed as a whole it is occasionally split into three parts corresponding to the museums when noteworthy dissimilarities are detected.

#### 4.1 Visitors profile

Gender, age and socio-economic background

The visitors of the museums are mainly female which is consistent with findings from other research (Broek et al., 2005). This same publication however shows that the percentages between male and female visitors may differ between types of museums. Ranshuysen (1998) for example describes that women are higher represented in art museums than men. The ratio between men and women (35% and 65% respectively) visiting the art museums deviates slightly from earlier research that shows ratios around 45% - 55% (Broek et al., 2005, Ranshuysen, 1998).

The median age of the visitors (N=120) is 58. However, the standard deviation of 15,7 years shows a broad distribution. Over 50 percent of the respondents are older than 57 years and the highest percentage (35%) falls within the 55-64 year old category (see figure 4.1). These results correspond with the findings from earlier research and shows that the majority of the visitors is relatively old. Fifteen percent of the visitors fall within the age range between 18 to 34 years old. This percentage is fairly low but can be explained by the days of the week the data was collected. Since 5 of the 6 days of data collection took place on

working days it can be assumed that most persons from age 18 to 30 had work or school related obligations. However, over a quarter of the respondents are aged between 35 and 54 years old, which is also a group that is expected to belong to the economically active population. Nevertheless the data corresponds with national trends which explain that 10% of the Dutch museum visitors is aged younger than 26 years (Ranshuysen, 2009).

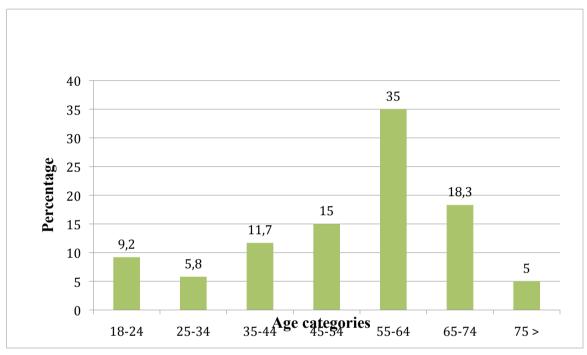


Figure 4.1. Visitors' age in categories

Additional to age and gender it is also interesting to see where the visitors live. In table 4.1 the respondents are divided into categories responding with the museum they visited and a comparison can be made. Whereas the SMS attracts a large group of visitors from within the museum region (47,5% of the visitors) the percentages are lower at the VAM and CM (17,5% and 30% respectively). However, since the sample per museum is rather small (N=40), it is more interesting to look at the total sample, which is visualized in figure 4.2. This figure shows that approximately 30% of the respondents live within the area of the museum they visited. However, the other numbers show that approximately 49% of the visitors live in the same province as the location of the museums. Next in line are Limburg and Utrecht as most frequent place of residence and the other provinces are relatively underrepresented. The two most northern provinces are even completely missing.

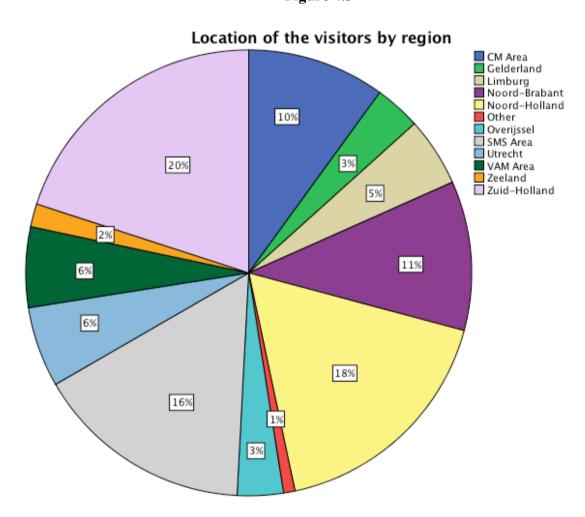
Table 4.1 Visitors' residence divided in museums

Province of residence	Frequency SMS	Percent SMS
Gelderland	1	2,5
Noord-Brabant	2	5
Noord-Holland	2	5
Overijssel	1	2,5
Museum Area	19	47,5
Utrecht	4	10
Zeeland	1	2,5
Zuid-Holland	9	22,5
Other	1	2,5
Limburg	-	-

Frequency VAM	Percent VAM
1	2,5
7	17,5
13	32,5
1	2,5
7	17,5
1	2,5
1	2,5
6	15
-	-
3	7,5

Frequency CM	Percent CM
2	5
4	10
6	15
2	5
12	30
2	5
-	-
9	22,5
_	-
3	7,5

Figure 4.3



Another interesting figure is the marital status among the visitors. The majority of the respondents is married (60%), which is positive since earlier research showed that married people donate more frequent than single people (Slyke and Brooks, 2005). The majority of the

visitors is highly educated. The sample shows that 74% of the respondents completed or are following higher vocational or academic education (HBO or WO in the Netherlands) and an additional 14% completed or follows higher secondary education (in Dutch known as HAVO and VWO). Only twelve percent of the respondents ticked the boxes of the lower educational levels. These results correspond with the general income profile of museum visitors (Towse, 2010).

Differences between educational level and income frequently go together. Since the topic of personal income is a sensitive matter, the answers of the survey question were presented with a difference of  $\in 1000$  in order to make it less precise and personal. Although it was expected to generate a lower response rate for this question, the complete sample answered the question. The median income of the visitors lies within the  $\in 2001$ -  $\in 3000$  category. This category was also ticked the most frequent (28% respectively). Compared to the average monthly gross income of Dutch citizens, which is  $\in 2.541$  in 2012 (loonwijzer.nl), this result is accurate. However, a large share of the respondents (39% respectively) indicated they earn less than  $\in 2000$  with 21% in the  $\in 0$ -  $\in 1000$  category which means that one fifth of the sample group earns less than  $\in 1000$ . Surprising is that, since the majority of respondents is highly educated, only 33% of the sample earns above average. However, when taking the age of the respondents in consideration, the relatively low income compared to the high educational level can be explained by the expected considerable share of visitors who are retired or are positioned at the start of a career. In table 4.2 an overview is presented of the income categories.

**Table 4.2 Monthly gross income of the visitors** 

		Frequency	Percent
Valid	€ 0 - € 1000	25	20,8
	€ 1001 - € 2000	22	18,3
	€ 2001 - € 3000	33	27,5
	€ 3001 - € 4000	21	17,5
	€ 4001 - € 5000	3	2,5
	€ 5001 - € 6000	6	5,0
	> € 6000	10	8,3
	Total	120	100,0

#### Cultural preferences

Now that the personal profile of the visitors is described it is interesting to learn about their cultural preferences. With the information about their cultural related activities we will be able to discover how active the visitors are and what type of cultural activity they favour. In order to obtain this information a question was designed which asked the respondent how frequent they visited the theatre, ballet, music events, cinema, festivals, heritage and exhibitions on annual basis. Table 4.3 gives an overview of the cultural preferences of the respondents (N=120).

Table 4.3 Visitors' cultural preferences in annual attendance frequency

		Frequency	Percent		Frequency	Percent
Theatre	Never	46	38,3	Cinema	23	19,2
	Once per year	28	23,3		18	15,0
	2 - 3 times per year	22	18,3		21	17,5
	4 - 5 times per year	7	5,8		14	11,7
	> 5 times per year	17	14,2		44	36,7
Ballet	Never	73	60,8	Festival	56	46,7
	Once per year	23	19,2		29	24,2
	2 - 3 times per year	16	13,3		23	19,2
	4 - 5 times per year	3	2,5		3	2,5
	> 5 times per year	5	4,2		9	7,5
Music	Never	14	11,7	Heritage	17	14,2
	Once per year	18	15,0		19	15,8
	2 - 3 times per year	35	29,2		40	33,3
	4 - 5 times per year	14	11,7		16	13,3
	> 5 times per year	39	32,5		28	23,3
Cabaret	Never	66	55,0	Exhibitions	3	2,5
	Once per year	35	29,2		5	4,2
	2 - 3 times per year	17	14,2		16	13,3
	4 - 5 times per year	-	-		23	19,2
	> 5 times per year	2	1,7		73	60,8

From this overview we can conclude the most popular cultural activities are exhibitions, the cinema and music events which are visited more than 5 times a year by over 60%, 36% and 32% (respectively) of the respondents. Since 95% of the respondents claim to visit exhibitions more than two times per year it is safe to assume that the vast majority is familiar with museums. The category heritage is also fairly popular and is visited more than 2 times a year by 70 percent of the respondents. The less favoured cultural activities include ballet, cabaret and festivals which the majority of the visitors visits never or only once per year (81%, 83% and 72% respectively).

Memberships can also give an indication about the affinity with museums, for which an overview is given in table 4.4. A question that was posed in the survey was designed to obtain information about a variety of memberships and the popularity of them. The respondents (N=120) were allowed to give multiple answers for this question. The most prominent membership the visitors enjoy is the museumjaarkaart and is used by 98 of the 120 respondents. This card, which can be bought for approximately €40 from the Museumvereniging, provides the holder free or reduced admission to member organisations. The Museumvereniging support their members with the money generated from sales of the card. Another type of reduction is given by owning a CJP card. This is a card for Dutch residents under 30 years old and gives them reductions to various cultural activities. The CJP card is used by a small group of 5 respondents. Another five respondents indicated they were member of an organisation such as the Rembrandtvereniging. As described in section 2.3.2. friends of a museum feel concerned to the museum in question and are willing to pay a certain amount of money to become a member of the group of friends. However, only sixteen respondents state that they are a friend of a museum or the museum he or she just visited. The box that indicated that the given types of membership did not apply to him or her was ticked twenty-two times. It is safe to assume that these persons did not enter the museum with a reduced or dismissed admission fee.

Table 4.4 Memberships among visitors

Type of membership	Frequency
СЈР	5
Museumjaarkaart	98
Member of an organisation	5
Friend of the museum	4
Friend of a museum	12
Non of the above	22
Total	146

#### Visiting the museum

Additional to the type of membership the respondents were asked how frequent they have visited the museum where the data was collected, in the past two years. This information is meaningful since it can give an indication of the affinity with the museum. From table 4.5 we can read that  $2/5^{th}$  of the museum visitors (N=120) visited the particular museum for the first time with the Van Abbemuseum having the highest percentage of first time visitors (N=40). When focusing on the museums separately we see that the Stedelijk Museum Schiedam (N=40) and the Cobra Museum (N=40) score the highest related to returning visitors with

40% and 52.5% (respectively) of the visitors indicating they have visited the museum once or more than one time in the last two years.

Table 4.5 Visitors' affinity with the museum

	Percent SMS	Percent VAM	Percent CM	Percent total
First time	35,0	62,5	30,0	42,5
Not in the last	25,0	12,5	17,5	18,3
two years				
1 - 2 times	22,5	7,5	30,0	20,0
3 - 4 times	7,5	5,0	7,5	6,7
5 - 6 times	•	5,0	5,0	3,3
> 6 times	10,0	7,5	10,0	9,2

The vast majority of the respondents did not visit the museum alone (72%). When visiting the museum together with other people 59% of the times this was only with one extra person. In 28 percent of the cases the respondent visited the museum with two other persons and in 14% of the cases with three persons. Since this information was gathered through the use of an open question, it indicates that the sample group visited the museum alone or with a small group of maximum four persons.

#### Experience with donating

Past experience with donating may have an influence on future donations. Therefore it is helpful to have an indication of the familiarity with donating among the respondents. A quarter of the survey was designed to obtain information about this topic and included questions about the frequency of donations and the type of causes the donations went to. From all the respondents (N=120) the majority (79,2%) was familiar with donating and indicated to have donated, regardless of the type of cause, in the past two years. From the respondents who indicated to have donated in the past two years, 50,5% stated to have done this with a frequency of more than four times within this period. With this result we can assume that if the respondent is willing to donate, he or she does this rather often. However, it has to be taken in consideration that the respondents also included their donations in a collecting box. These include mostly small donations given to a person with a collection box at the door of the respondents' residence. When making a distinction between genders the difference is noteworthy as 67% of the respondents familiar with donating is female, and 33% is male.

As we now know that respondents who are familiar with donating predominance, it is interesting to learn about the type of institutions that received the gifts. Especially the question whether 'art and culture' is an accepted cause to donate to or not is valuable information. In a multiple choice question the respondents, who indicated to have donated in the past two years, were asked to tick the boxes of various types of causes they donated to. With a response rate of N=99 we can see that 'emergency aid' and 'environment and animals' are the two most popular causes (22,4% and 20,9% respectively). This result is somewhat notable since in earlier research about the donation habits of Dutch citizens 'religion' scored the highest, followed by medical causes (Geven in Nederland 2011, 2011). The two runners up are 'medical research' (17%) and 'art and culture' (15.5%). Although 15.5 percent for art and culture seems rather low, the percentages are slightly scattered since the respondents were allowed to tick multiple boxes. When taking a closer look at the frequency the box of art and culture was ticked we can see that 43 respondents, out of the 99 who filled out this question, indicate to have donated to art and culture. In this context the number is rather promising. The last two columns of table 4.6. present the frequencies divided between male and female respondents. Here it shows again that women do not only donate more often than men, they also donate to more different causes with 97 boxes ticked by men, and 180 by women.

Table 4.6. Type of causes the visitors donated to (N=99)

Type of cause	Frequency total sample	Percent total sample	Frequency Men	Frequency Women
Art and Culture	43	15,5	15	28
Emergency Aid	62	22,4	20	42
Medical Research	47	17,0	16	31
Environment and Animals	58	20,9	22	36
Social Care	35	12,6	13	22
Religion	30	10,8	11	19
Other	2	0,7	-	2
Total	277	100,0	97	180

The frequency of donations to art and culture can be taken as a positive sign however, only 21,7%, a frequency of 26, of the respondents (N=120) indicates to have donated to a museum that is located in the Netherlands or abroad. Nevertheless, 22 out of the 26 respondents who indicated to have donated to museums did this to Dutch museums and only four to museums abroad. The Dutch museums that are donated to the most are Boijmans van Beuningen, Gemeentemuseum Den Haag and the Stedelijk Museum Amsterdam. It is not very surprising that these three names are found at the top of the list since these museums are very well

known in the Netherlands and focus more on donations from private individuals compared to other museums.

In this section the personal background of the respondents was analyzed from which it was possible to indicate that the resemblance between the sample group and the general profile of the Dutch museum visitor from earlier research is reasonably accurate. From the data on cultural preferences we can conclude that the respondents visit cultural events frequently and the majority is familiar with donating and donates frequently. In the next section the WTD of the respondents will be determined as well as the significant factors that influence the WTD.

## 4.2 Willingness to donate among museum visitors

As this study is designed around a research question that consists out of two topics, on the one hand the willingness to donate and on the other hand the driving motivation, this section of the chapter will focus on answering the first research question, which reads:

RQ1: To what extent is there a support base among art museum visitors to voluntarily contribute annually to a special fund to support the art museum financially?

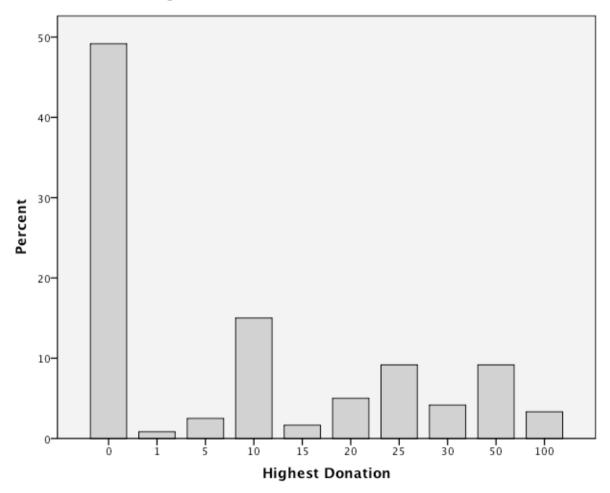
#### Willingness to donate

After being presented a hypothetical scenario the respondents were asked whether they would be willing to donate or not and what the highest amount of their donation would be. The data shows a positive attitude towards donating among the respondents (N=120) as 51% indicates to be willing to donate. The amounts that the respondents indicate to be willing to contribute, which was asked in an open question, vary from  $\in$  0 to a maximum of  $\in$  100. The mean of the donations is  $\in$ 14,34 however, when excluding the zero-bids the mean donation is  $\in$ 28,21 (N=61). Table 4.7. displays the statistics of the donations including the zero donations. Additional information derived from this informative table is the standard deviation of  $\in$ 22.25, which is rather high.

Table 4.7. WTD statistics including and excluding zero bids (Left and right column respectively)

(Dere an	u right con	umm res	geetively.
N	Valid	120	61
	Missing	0	0
Mean		14,34	28,21
Mediar	1	3,00	25,00
Mode		0	10
Std. De	eviation	22,251	24,168
Minim	um	0	1
Maxim	um	100	100
Sum		1721	1721

Figure 4.3. Distribution of individual WTD



In order to limit the hypothetical bias a certainty question was included that asked the respondents how certain they were about their stated donation. The outcome of this question is very positive as 60% of the respondents (N=120) rated their certainty with an eight or higher on a scale from 1 to 10 where 10 resembles the highest level of certainty. Only 5 respondents stated to be uncertain about their stated donated and rated this with a 5 or 4. None of the respondents used the rates 1 to 3 to indicate their certainty, which can be interpreted as a confirmation that their response is serious rather than disinterested. Due to the high certainty level we can assume that the stated donations would not deviate much from real donations (Champ and Bishop, 2001).

## Indicators of willingness to donate

As we now know that the majority of the respondents is willing to contribute to the museum, it would be interesting to learn what the determinants to this result are. An econometric analysis will be conducted on the data, which will explain the respondents' characteristics that lead to a positive WTD. To analyze the determinants of donations resulting from the respondents' characteristics we run a logistic regression through which the significance of these characteristics is determined. The first group of explanatory variables contain sociodemographic aspects. These can also be seen as the extrinsic motivations according to the model explained in paragraph 2.3. The second group of variables are the respondents' cultural preferences, e.g. the number of visits to cultural activities and membership. The third group contains variables that refer to the respondents' experience with donations in the past two years.

The willingness to support the museum financially is expected to increase or decrease by the influence of the multiple variables that resemble the respondents' characteristics. The following model visualizes the relationship of the dependent variable (WTD) with a number of independent variables (Salazar Borda, 2007; Thompson, 2002; Verboom, 2011).

$$WTD = b_0 + b_1 X_1 + b_2 X_2 + b_3 X_3$$
 (1)

In this formula the  $b_0$  is the constant, or intercept, and  $b_1$  to  $b_3$  represent the coefficients times X which indicate the positive or negative direction on WTD.

The independent variables -  $X_1$  to  $X_3$  - summarize the characteristics from the three different sections. The variable  $X_1$  includes all socio-demographic, or extrinsic, variables. These consist of gender (1 for male, 2 for female), age (uncategorized variable), place of

residence (1 for in the area of the museums' location, 2 for other), marital status (1 for single, 2 for married and 3 for other), education (1 for lower education, 2 for higher education and 3 for academic education) and income (1 for under average thus  $\epsilon$ 0 to  $\epsilon$ 2000, 2 for average thus  $\epsilon$ 2001 to  $\epsilon$ 3000 and 3 for above average thus  $\epsilon$ 3001 and higher).

The following independent variable,  $X_2$  stands for the respondents' cultural preference and affinity with the museum. These include the attendance to various cultural activities (1 for no visit and 2 for visit), membership (1 for member and 2 for no member), frequency of the visits to the museum of research (1 for first time, 2 for less than three times and 3 for regular visitor) and if the visitor was accompanied by other persons (1 for with company and 2 for alone).

The topic of the last independent variable is the experience of the respondent with donating, which includes the frequency of donating in the past two years (1 for never, 2 for one to two times and 3 for more than two times) and their donations to museums (1 for yes and 2 for no).

The dependent variable, the WTD, is a dichotomous variable meaning there are only two answers (1 for a positive WTD, 2 for no or zero WTD). In order to determine the relationship between the dependent and independent variable a logistic regression analysis is used. This analysis makes it possible to determine the relationship with a dichotomous dependent variable with multiple categorical independent variables simultaneously. After importing all the variables in the model the following tables are constructed.

Table 4.8. Model Summary

	-2 Log	Cox & Snell R	Nagelkerke R
Step	likelihood	Square	Square
1	120,494 <sup>a</sup>	,317	,423

As table 4.8. displays the Nagelkerke  $R^2$  has a value of ,423. This indicates that the model can explain 42% of the variance of the dependent variable, which is a relatively low percentage. However, this type of goodness of fit measure tends to be lower than normal least squares  $R^2$  measures and is never higher than 1. Therefore the fitness of the model is sufficient. The logistic model in table 4.9. is based on expected coefficients of .05 (Sig.  $\leq$  .05), which limits the chance of a type 1 error; a false positive.

Table 4.9. Logistic regression model on WTD to a special fund of art museums

Variable	В	S.E.	Sig.	Exp. (B)
Gender (Man)	,200	,601	,739	1,222
Age	-,047	,024	,050	,954
Location (Museum Area)	1,325	,640	0,39	3,761
Single			,016	
Married	2,196	,785	,005	8,985
Other	1,051	,786	,181	2,816
Income below Average			,361	
Income average	-,164	,673	,808,	,849
Income high	-1,026	,779	,188	,358
Education (Low)			,997	
Education (High)	-,015	,840	,986	,985
Education (Academic)	-,065	1,062	,951	,937
Attendance Music	-,405	,896	,652	,667
Attendance Cinema	-,509	,746	,495	,601
Attendance Cabaret	-,430	,533	,420	,651
Attendance Ballet	-,649	,560	,247	,523
Attendance Theatre	-,694	,564	,218	,500
Attendance Festivals	-,600	,718	,403	,549
Attendance Heritage	-1,371	,839	,102	,254
Attendance Exhibitions	,063	1,565	,968	1,065
First time museum visit			5,169	
Visit museum <3 times	,438	,644	,497	1,550
Frequent visitor	-1,288	,811	,112	,276
Membership	,024	,672	,972	2,711
Group	,990	,590	,091	2,711
Never donates			,225	
Donates 1 - 2 times	1,153	,907	,204	3,169
Donates > 2 times	1,352	,819	,099	3,866
Donates to museums	,563	,632	,373	1,756

#### Socio-demographic variables

The socio-demographic category includes four variables that are significant at a level of 0.05. The first variable is *age*. This independent variable has a negative effect on the dependent variable and can be interpreted as: people are significantly less willing to donate when age increases. Or, when age increases with one year the WTD decreases with 0.047 units. The next significant variable is *location*. People who do not live in the same area as the location of the museum are more likely to have a positive WTD. This result is surprising since various respondents indicated to be willing to donate if the museum was located closer to their residence, which will be explained in section 4.3. In the category *marital status* there are two significant variables. The first is single people and the second is married people. Married

people are significantly more willing to donate. In the column Exp. (B) it shows that this group is 8.985 times more likely to have a positive WTD than single persons. Other socio-demographic variables do not have a significant effect. However, from the coefficients of the variables we can indicate the expected direction. When looking at the variables *income* and *educational level* we see that that the higher the income and educational level the less willing the persons are to donate.

#### Cultural preference variables

When looking at the variables in the cultural preference category we can determine that none of the variables are significant at .05 level. This indicates that the respondents' cultural preference, membership and affinity with the museum do not significantly influence the WTD, which is noteworthy. The coefficients, which are connected to the variables resembling the visitation to cultural activities, are all but one negative. The only positive coefficient is the attendance to exhibitions. Another distinctive coefficient is the significance of heritage visitors, which indicates that this group has an even more negative willingness to contribute than other groups with negative coefficients. This lack of significant results can be related to the fact that attendance was only divided in visit or no visit, which can be somewhat limited. However, an attempt to increase variance within this variable did not change the results.

The other categories, the frequency the respondent has visited the museum and the indication if he or she owns a membership, also do not include significant relations. However, the coefficients indicate that regular visitors are less likely to have a positive WTD than random visitors. A membership however would have a positive effect on the WTD as well as visiting the museum in company of other persons. All in all there is not much to report in this section since none of the variables have a significant influence.

#### Experience with donating variables

The last category of the model includes variables that indicate the role of past experience with donating. The first topic is donations in general, the second focuses on past donations to national and international museums. As with the cultural preferences there are no significant variables in this category. Both general donations and donations to museums do not make a significant difference related to a positive WTD probability.

However, when observing the coefficients we can conclude that past donations do give a positive direction to the probability. This is also the case for past donations to museums. Yet again, these results are not significant and are therefore not decisive.

The model shows us that for this research only a few independent variables were significant which were all included in the socio-demographic category. Age, marital status and location are variables that have a significant positive or negative influence on the dependent variable, here WTD. As described in the literature review section there are multiple different factors that are considered to have an influence on the WTD. In this section we have discussed the extrinsic motivations; however, WTD is also influenced by emotional background factors also known as intrinsic motivations. In the following section the intrinsic motivations of the respondents for a positive WTD will be elaborated as well as the motivations for a negative WTD will be dealt with.

#### 4.3. Donation motivations

The main research question of this study is explained as a twofold question. In section 4.2 the first part of the question was dealt with, which focussed on the extrinsic determinants of the respondents WTD. This section will elaborate on the second question, which reads:

*RQ2*: what are the motivations that influence the visitors' WTD?

This research question will be answered through the evaluation of the various pre-determined motivations. The respondents who stated a positive WTD were asked to indicate to what extent these motivations influenced their WTD on a scale from 1 to 10, where 10 represents the highest ranking. Additional to the eight pre-determined motivations the possibility was also given to the respondents to indicate if there is another motivation driving them to contribute.

When analyzing the pre-determined motivations we can see from table 4.10. that the 'awareness that donations are needed' scores the highest with a mean rating of 7,6. This supports the statement that it is important to create a 'culture of asking' before a 'culture of giving' can be established (Steenbergen, 2010). The second highest raked motivation is the respondents being 'concerned with the museum' with a mean ranking of 7,2. This is interesting since the majority of the respondents does not live in the same region as the museum, which created the expectation that this motivation would be rated lower. However, in the logistic regression model the variable *location* has a significant influence on the respondents' WTD and indicates that the probability for a positive WTD increases when the respondent does not live in the same region as the museum.

The motivations ranked the lowest are 'reputation' and 'cost/benefit'. Since the majority of the indicated positive amounts is too low to qualify for any financial benefits it is only logical that this motivation is rated low<sup>12</sup>. In addition it was also described in section 2.3.1. that financial benefits are expected to have a positive effect on the amount but is not a driving force for people to give a donation.

The surprising outcome is the motivation 'solicitation', which is rated relatively low. This motivation with the corresponding rate indicates that the respondents are not contributing because they are asked for it. However, the current situation shows that when museums are not asking for donations, the majority of the visitors does not give a contribution. It may be assumed that this motivation was not well described by the researcher or interpreted by the respondents.

The ninth motivation named *other* resembles the survey question where respondents were given the possibility to indicate if there is another motivation that influenced the positive WTD statement (N=10). For this open question the answers are mainly similar to each other but formulated differently and are all related to the importance of the preservation of the museum. The self indicated motivation is rated very high as the respondents feel this motivation influences their decision for a positive WTD more than the pre-determined motivations.

In the second column the median of the motivations is displayed. When comparing the mean to the median we can see that they do not differ much but are not identical which indicates that the data is somewhat scattered and asymmetrical.

Table 4.10. Intrinsic motivations (scale from 1 to ten, 10 being the highest)

Motivation	Mean	Median
The museum needs donations	7,6	8
Concerned with the museum	7,2	8
My donation makes a difference	6,4	7
Altruism	5,2	6
Warm glow feeling	4,9	5
Solicitation	3,9	4
Cost/Benefit	2,6	1
Personal reputation	2,2	1
Other (N=10)	9,2	9,5

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 $<sup>^{12}</sup>$  Only donations higher than  $\in$ 60 qualify for financial benefits.

It is interesting to learn about the motivations that lead to a positive WTD; however, since a large share of the respondents is not willing to contribute, it is helpful to gain knowledge on their motivations to state a zero-bid (N=59). These motivations are displayed in table 4.11. The largest percentage indicates to choose not to contribute, as they prefer to donate to another cause or institution. This group of respondents includes not only people who do not want to contribute to the museum, but also people who are willing to donate to a museum but not to the museum they were visiting when they were asked to participate for this research. This information is given to the researcher in a special section at the end of the survey where the respondents were asked if they had any comments about the research or survey. For this motivation seven out of 21 respondents state that they are willing to donate to another museum. This information shows that there are even more persons willing to donate to museums than initially resulted from the dichotomous WTD question.

Table 4.11. Motivations for zero-bids

Motivation	Frequency	Percent
I already pay admission fee	9	15,3
The government should support the museum	12	20,3
This fund is not the right way	8	13,6
I do not have the financial resources to donate	8	13,6
I prefer to donate to another cause/institution	21	35,6
I already donate in another way	1	1,7
Total	49	100

Second highest motivation is the opinion that the government should support the museum followed by the motivation that the respondent already paid for admission fee and is therefore not willing to give an additional contribution. The fact that there are more respondents that indicate to be willing to donate to another cause or institution than there are respondents who think that the government should continue their subsidies is a positive sign. These results may be interpreted as a positive attitude from the respondents towards donating.

Table 4.12. Preferred fundraising strategies

	Frequency	Percent
Anonymous, donation box	44	36,7
Bank	35	29,1
Website	15	12,5
Fundraise event	20	16,7
Other	6	5,0

In order to give an indication about the visitors opinion of certain fundraise strategies the respondents were asked what they thought the best way to generate donations for the museum was (N=120). The results can be found in table 4.12. Anonymous donations, e.g. in a donation box, scored the highest percentage (36,7%). This is surprising since the usage of donation boxes is not very common among Dutch museums. The result also corresponds with the low rating of the intrinsic motivation *personal reputation* since anonymous donations often does not add to a person's reputation. The second best strategy according to the respondents is donating through their bank account (29,1%). However, this option was often understood as online banking, e.g. with the usage of transaction programmes such as Ideal, which can also take place on the website of the museum.

Only six respondents indicated that they thought there are other ways for a museum to generate donations. These answers included ideas for crowdsourcing, increasing the price for the museumjaarkaart and increasing the admission fee. Although these are interesting ideas, they are not innovative. Moreover, this question was answered by all the respondents thus also the respondents who stated a negative bid which creates the assumption that a small percentage of the respondents did not give a determined answer.

After analyzing the results that give answer two the second part of the main research question we can conclude that the intrinsic motivations that drive most of the respondents to a positive WTD are the awareness that the museum needs donations and the respondent being concerned with the museum. This creates the assumption that museums should provide the visitor with information about the need for contributions in order to generate donations. On the other hand we see that various respondents who stated a negative WTD actually are willing to contribute but not to the museum in question and would rather do this to another museum. Both these sets of motivations give valuable information about the motivations among the visitors regarding their WTD and provide more insights in addition to the extrinsic profile of the respondents.

## **Conclusions**

The introduced subsidy cut for art and culture by the Dutch government has left the majority of art museums in the Netherlands in turmoil. In order to overcome this difficult situation financial support is needed from alternative sources that are, up until this moment, hardly utilized. This thesis examines whether there is a support base among visitors of art museums who are willing to contribute to a special fund to support the museum financially. In order to acquire information that will help indicate whether there is reason to believe that art museum visitors are willing-to-donate with the intention to support the museum financially, a survey was used and distributed among the visitors of the Van Abbemuseum, Stedelijk Museum Schiedam and the Cobra Museum. Based on the contextual information from the literature review, the survey contained questions focusing on the respondents' personal background, cultural preferences, donation experience, willingness-to-donate and personal motivations.

With information from the dataset, which included 120 completed surveys, an audience profile could be constructed. A summary of this profile shows that the majority of the visitors is female, older than 57 years old, married and lives outside the region where the museum is located. Furthermore the data leads to the conclusion that the museum visitor is predominantly highly educated and has an average income. Data focused on the cultural preferences of the museum visitors shows that the respondents are very active culturally. Exhibitions, heritage, music and cinema are the most frequent visited activities. The popularity of exhibitions is confirmed by the figures that show that 98 of the 120 respondents own a museumjaarkaart. The museumjaarkaart enables cardholders to visit museums for free or for a reduced price which stimulates this group to visit museums they have never visited, which can be a reason over forty percent of the respondents to be a first-time visitor. Promising results come from the questions focused on the respondents' past experience with donating. The generated data indicates that approximately 80 percent of the respondents has donated in the last two years with 50 percent stating to have donated more than four times in the same period. A ranking of most popular causes the respondents donated to shows that 'art and culture' is a residual choice as the causes 'emergency aid', 'environment and animals' and 'medical research' are donated to more frequently. Among the donors who contributed to 'art and culture' there were only 26 who indicated to have donated to a museum, which is reason to believe that museums are not a standard cause to donate to. After comparing the audience profile from the dataset with information from earlier research it is safe to say that the data is a fair representation of the Dutch museum visitor. After this conclusion the focus was set to answer the following question:

*RQ1:* To what extent is there a willingness to donate among the visitors of Dutch art museums to contribute to a special fund to finance the museum?

The data used to sketch a general profile of the respondents, which is in literature explained as extrinsic motivations, is expected to have an influence on their willingness to donate of the respondent. The positive or negative influence of these extrinsic motivations are obtained by using a logistic regression model that calculates which independent variables have a significant effect on the dependent variable, thus WTD. Out of 120 respondents, 51 percent indicated to be willing to donate, with stated amounts ranging from €1 to €100. Since this is a small majority, the average donation is €14,43. However, when excluding the zero-bids the average donation increases to €28,21. A certainty question shows that 60 percent of the respondents indicated to be very certain of their hypothetical donation bid. Theoretically this indicates that the majority of both zero and positive bids is close to the bids in real situations. After running the logistic regression analysis, four variables are identified to have a significant effect on the WTD of the respondents. The first variable is age, which has a negative effect the older the respondent gets. The second variable is location as people who live in another region as the museum have a more positive WTD than people living in the same region as the museum. The third and fourth variables fall in the marital status category as both being single and married have a significant influence on the WTD. Consequently, this information leads to the conclusion that there is a small majority among art museum visitors that is willing to donate. However, there are only few extrinsic motivations that influence the WTD significantly.

Since it is important to determine the intrinsic motivations additional to extrinsic motivations when determining the willingness to donate, the answer to the following question is of equal importance as the latter:

## *RQ2:* What are the motivations that influence the visitors' WTD?

Literature explains that, apart from the extrinsic motivations, intrinsic motivations play an important role for people when deciding to donate. From the eight pre-determined motivations presented in the survey there are three that are rated positively and high compared

to the others. These three motivations include: 'the museum needs donations', 'I am concerned with the museum' and 'my donation makes a difference'. These motivations give the impression that the respondents value the existence of the museum highly and are willing to give a contribution to preserve these institutions out of social motivation. The low rating of the more self-centered motivations such as 'cost benefit' and 'personal reputation' strengthens this assumption.

The respondents with a negative WTD have provided other valuable information. The explanation for a zero-bid ranked highest was the motivation that the respondent 'prefers to donate to another cause/institution'. However, out of the 21 respondents that opted for this motivation seven indicated to preferably donate to another museum instead of the museum used for the research. The remaining explanations of zero-bids indicate that a large share of these respondents has a negative attitude towards the support from visitors to museums.

In conclusion, museum visitors with a positive WTD contribute because they believe the museum needs financial support and value the existence and preservation of the museum highly. The donor contributes mainly out of social reasons and not because of self-centered motivations. Finally, only one question remains to be answered which is the following:

## RQ3: To what extent is there a base of support among Dutch art museum visitors?

Overall the results for the first and second part of the research question are promising. However, the question is to what extent these results are able to tell something about the Dutch art museum visitor? When comparing the general profile of museum visitors with the characteristics of the sample group, it shows that these two correspond, which indicates that the sample is fairly representative for the Dutch museum visitor. In addition three different museums are used for this research, located in different parts of the Netherlands, which attracted visitors from across the country. During the statistical analysis comparisons were made between museums in order to detect significant dissimilarities; however, the data gathered at the three locations does not show great variances between each other. Based on this approach and the generated results it can be assumed with caution that there is a support base among Dutch art museum visitors. Nevertheless, it depends on the museums to attract these potential donors and to set their donation in motion. Museums can apply various strategies to generate donations although the respondents have indicated that a donation box for anonymous donations and possibilities for donations via (online) banking are expected to be the most successful.

With the answers to the research question this thesis trusts to have given new insights on the possibilities for alternative funding for Dutch art museums. Although the results indentify the existence of a support base among museum visitors, it is up to the museums to utilize this potential source of income. The current situation demonstrates that a culture of donating to museums has yet to be cultivated for which time and money is needed as investment by the museum. Now that the subsidy cuts are definite, museums should deploy alternative sources of income, including their visitors, in order to overcome this financial turmoil.

In spite of the efforts made to control for limitations and produce valid and reliable results this research, like any other research, leaves room for improvement. To start with, limitations were created due to the restricted time frame for data-collection. Because of the time limitations the data collection was forced to take place on days that were inconvenient for two of the three museums as they were changing collections. With only half of the museum open to the public, these days could have an effect on the response of the visitors. Secondly, the usage of the CV method is debatable. However, after careful consideration this method seemed to fit best. With the help of example surveys from other academics the survey was designed to elicit both the WTD and personal motivations of the respondents that were analyzed separately. This might be debatable for others but this decision was made with the knowledge extrinsic and intrinsic motivations are best to be analyzed separately. Finally, the decision to specify the survey to the museum where the data collection took place has influenced the results. Whereas some respondents were open to the idea to contribute to the specified museum, others would rather contribute to a museum of their choice.

Ideas for further research or adjustments arose during the data analysis and the conversations with museums. The data analysis showed that various respondents saw possibilities for crowdfunding instead of fundraising and in sponsoring. It could be interesting for future research to study the opportunities for these strategies. Research opportunities also lie in the area of online marketing and online promotion for donations.

Additionally it should be noted that there are numerous strategies to generate donations, in this thesis only few were mentioned generally. For future research it would be interesting to compare various strategies to generate donations and the characteristic and motivational differences between the donors.

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Illustration by Josje Godschalk: http://josjegodschalk.nl/

# Enquête naar de bereidheid te doneren aan musea

Geachte bezoeker van het XXXX museum

Bij voorbaat hartelijk dank voor uw medewerking aan dit publieksonderzoek van de Erasmus Universiteit Rotterdam. Dit onderzoek zal u naar schatting 5 minuten van uw tijd kosten. De vragenlijst bestaat uit drie gedeelten, waarin u gevraagd wordt naar uw culturele interesses, uw ervaring met doneren in het algemeen en uw mening over een hypothetisch scenario waarin het museum op een nieuwe manier financieel zou kunnen worden ondersteund.

<u>Deelname is volledig anoniem en vrijwillig</u>. Uw antwoorden zullen alleen gebruikt worden voor onderzoeksdoeleinden en zullen nooit aan derden worden verstrekt. Voor eventuele vragen over dit onderzoek kunt u met mij contact opnemen.

Met vriendelijke groet,

Madeleine Roozeveld van der Ven Masterstudente Cultural Economics & Cultural Entrepreneurship Erasmus Universiteit Rotterdam



### **IN TE VULLEN DOOR ONDERZOEKER:**

RESPONDENTNUMMER:						
ENQUET	ENQUÊTENUMMER:					
DATUM:						
WEEKDA	G:					
1	dinsdag					
2	woensdag					
3	donderdag					
4	vrijdag					
5	zaterdag					
6	zondag					
TIJDSTIP						
uur						

De vragen beginnen op de volgende bladzijde. Graag één antwoord per vraag aankruisen, tenzij anders aangegeven.

## DEEL 1: BEZOEK AAN KUNST EN CULTUUR

In dit deel worden vragen gesteld over uw interesse in culturele activiteiten.

## 1. HOE VAAK PER JAAR BEZOEKT U DE VOLGENDE ACTIVITEITEN?

	0 keer	1 keer	2-3 keer	4-5 keer	meer dan 5 keer
Toneelvoorstellingen					
Balletvoorstellingen Muzielsuitvooringen					
Muziekuitvoeringen					
Cabaret					
Bioscoop Eastivals	 				
Festivals					
Erfgoed	1 1 1				
(monumenten)	, 				
Tentoonstellingen	1 1 1				
2. HOE VAAK HEBT		PEN TWEE JA	AR dit museum l	BEZOCHT?	
☐ Dit is de e	erste keer				
☐ De afgelop	pen twee jaar ni	et, maar ik heb	het museum w	el al eerder be	ezocht
□ 1-2 keer					
□ 3-4 keer					
□ 5-6 keer					
☐ Meer dan	6 kaar				
3. HEBT U VANDAA		M ALLEEN BE	ZOCHT?		
J. HEBT O VICTORY	IG HET MOSEO	W ZEEEN DI	ZZOCIII:		
□ Ja					
$\square$ Nee $\rightarrow$ Hoeveel	personen telt uw	gezelschap (Uze	elf niet meegerek	end)	personen
4. WELKE VAN DE V	VOI GENDE KE	HZES ZIIN OP	II VAN TOEPA	SSING? (Maai	rdoro
antwoorden mogelijk)	VOLGENDE KE	OZES ZIJIV OI	O VIII IOLIII	ibblivo: (meer	uere
☐ In bezit v	an CIP				
	an Museumkaa	rt			
			i ain a Dambuan	4. ICOM)	
	verige organisa	,	nging Kembran	at, ICOM)	
	Begunstiger van				
☐ Vriend/ E	Begunstiger van	ander museum	/ musea		
☐ Geen van	bovenstaande				
☐ Anders					

## **DEEL 2: ERVARING MET DONEREN**

Dit deel gaat over het onderwerp *donaties*. Doneren betekent in deze context een vrijwillige financiële bijdrage geven. Deze vrijwillige bijdrage kan bestaan uit een paar Euro's en kan geschonken worden op verschillende manieren zoals directe betaling, betaling via de bank, door te betalen om lid te worden van een museum (bijv. Vrienden van het museum) etc.

	U IN DE AFGELOI ING (zie vraag 7)?	PEN <u>2 JAAR</u> GEDONEERD	AAN ONGEACHT WAT VOOR					
	Ja Nee							
6. <u>HOE V</u>	<u>'AAK</u> HEEFT U IN I	DIE TIJD GEDONEERD?						
	1 -2 3-4 meer dan 4							
7. AAN V	7. AAN WELKE CATEGORIE HEEFT U GEDONEERD? (meerdere antwoorden mogelijk)							
<ul> <li>□ Kunst en cultuur</li> <li>□ Noodhulp</li> <li>□ Medisch onderzoek</li> <li>□ Milieu/dieren</li> <li>□ Sociale hulp</li> <li>□ Kerk of andere religieuze instelling</li> <li>□ Anders namelijk</li> <li>8. HEEFT U WEL EENS AAN EEN NEDERLANDS OF BUITENLANDS MUSEUM GEDONEERD?</li> </ul>								
	JA → NEE	□NEDERLANDS	□BUITENLANDS					
9. KUNT	U DE MUSEA NO	OEMEN WAAR U AAN H	EEFT GEDONEERD?					

# DEEL 3: DONEREN AAN HET MUSEUM EN MOTIVATIES

Hieronder vindt u een mogelijk scenario om de algemene kwaliteit van het museum te behouden of mogelijk zelfs te verbeteren. Nadat u het scenario hebt gelezen wordt u gevraagd enkele vragen te beantwoorden over uw bereidheid vrijwillig te doneren aan het museum.

**SCENARIO** 

Door de bezuinigingen door de Nederlandse overheid op subsidies voor kunst en cultuur valt er voor musea een belangrijk deel van de inkomsten weg. Naast de eigen inkomsten uit entreegelden, museumwinkel, café, sponsoring en legaten zijn vrijwillige donaties door museum bezoekers voor het museum dan ook een belangrijke bron van financiering.

Om de bezuinigingen op te kunnen vangen stelt het museum een speciaal fonds in dat gericht is op de algemene financiering van het museum (zoals restauratie, aankopen van nieuw werk, verbeteren van service door het museum etc.). Voor dit fonds wordt bezoekers gevraagd of ze vrijwillig willen doneren. Hiermee wil het museum jaarlijks voldoende draagvlak creëren om het niveau van de instelling, zowel kwantitatief als kwalitatief, te kunnen behouden.

10. GEGEVEN DIT SCENARIO, BENT U BEREID OM <u>JAARLIJKS</u> **20** EURO BIJ TE DRAGEN AAN DIT FONDS?

BENT U BEREID OM JAARLIJKS 50 EURO TE DONEREN?

BENT U BEREID OM JAARLIJKS 10 EURO TE DONEREN?

JA NEE JA NEE

### IN BEIDE GEVALLEN

REKENING HOUDEND MET DE VOORGAANDE ANTWOORDEN, WAT ZOU HET HOOGSTE BEDRAG ZIJN DAT U BEREID BENT BIJ TE DRAGEN AAN DIT FONDS?

HOE ZEKER BENT U DAT U DIT BEDRAG ZOU DONEREN IN WERKELIJKHEID? (1= HELEMAAL NIET ZEKER. 10= HEEL ERG ZEKER)

1 2 3 4 5 6 7 8 9 10

INDIEN U **WEL** BEREID BENT EEN DONATIE TE GEVEN AAN HET MUSEUM GA DOOR MET DE VOLGENDE VRAAG (indien u **niet** bereid bent een donatie te geven ga naar vraag 12)

11. BEOORDEEL DE VOLGENDE MOTIVATIES MET EEN CIJFER NAAR DE GROOTTE VAN DE ROL DIE HET SPEELT IN HET MAKEN VAN UW BESLISSING EEN DONATIE TE GEVEN (1=HELEMAAL GEEN ROL, 10= HELE GROTE ROL)

De wetenschap dat het museum d	on 1					ft 6	7	8	9	10
Ik doe het omdat het wordt gevraa	_	d 2	3	4	5	6	7	8	9	10
Het kost geld maar ik kan er belas						hale 6		8	9	10
Puur altruïsme (onzelfzuchtigheid	d) 1	2	3	4	5	6	7	8	9	10
Het is goed voor mijn reputatie	1	2	3	4	5	6	7	8	9	10
Ik krijg een goed gevoel van done			3	4	5	6	7	8	9	10
Ik voel me betrokken bij het muse			3	4	5	6	7	8	9	10
Ik ben van mening dat mijn donat	tie 1		ver			aakt 6				useum 10
Als u van mening bent dat de lijst benoemen en beoordelen?	t aa	inge	vul	d m	oet	wor	den	met	t eer	n andere motivatie kunt u deze
Motivatie:		2	3	4	5	6	7	8	9	10
1 2 3 4 5 6 7 8 9 10  12. WAT IS NAAR UW MENING DE BESTE MANIER OM TE DONEREN AAN HET MUSEUM?  Anoniem, in een donatie box in het museum  Via de bank  Via de website van het museum  Tijdens een fondsenwerf evenement  Anders namelijk										
ALS U NIET BEREID BENT EEN DONATIE TE GEVEN AAN HET MUSEUM										
13. WAT IS DE <u>BELANGRIJKSTE</u> REDEN WAAROM U NIET BEREID BENT IETS BIJ TE DRAGEN AAN DIT FONDS? ( <i>Eén antwoord aankruisen</i> )										

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☐ Ik betaal al voor entree.

<ul> <li>□ Ik vind dat de overheid het museum moet steunen.</li> <li>□ Ik vind niet dat van mensen gevraagd mag worden een vrijwillige bijdrage</li> <li>□ Ik denk niet dat een speciaal fonds de juiste weg is.</li> <li>□ Ik zou het wel willen maar heb er (nu) niet de financiële middelen voor</li> <li>□ Ik doneer liever aan een ander doel</li> <li>□ Ik doneer al geld via een andere weg,</li> </ul>	
namelijk	
□ anders, namelijk.	
DEEL 4: ACHTERGROND INFORMATIE	
Uw antwoorden op de volgende vragen worden strikt vertrouwelijk behandeld en e gebruikt voor statistieken.	enkel
14. GESLACHT M/V	
15. LEEFTIJD: JAAR	
16. WOONPLAATS	
17. BURGERLIJKE STAAT	
<ul> <li>□ Ongehuwd</li> <li>□ Ongehuwd maar samenwonend</li> <li>□ Gehuwd</li> <li>□ Gescheiden</li> <li>□ Weduwe/weduwnaa</li> </ul>	
18. WAT IS UW HOOGST GENOTEN OPLEIDING?  (Indien u nog op school zit of studeert: met welke opleiding of studie bent u op dit moment bes  □ Lager- of basisonderwijs (lo, lom, blo, vglo)  □ Lager beroepsonderwijs (lts, huishoudschool, lbo, leao)  □ Middelbaar voortgezet onderwijs (mavo, mulo)  □ Middelbaar beroepsonderwijs (mts, meao, inas)  □ Hoger voortgezet onderwijs (havo, vwo, hbs, atheneum, gymnasium)  □ Hoger beroepsonderwijs (HBO, hts, heao)  □ Wetenschappelijk onderwijs (WO)	zig?)
<ul> <li>19. WAT IS UW GEMIDDELDE (BRUTO) INKOMEN PER MAAND?</li> <li>□ 0 - 1.000 € per maand</li> <li>□ 1.001 - 2.000 € per maand</li> <li>□ 2.001 - 3.000 € per maand</li> </ul>	

	- DANK U VOOR UW MEDEWERKING! -	
		• • • • • •
		• • • • • •
FINAN	NCIERINGSVORMEN VOOR MUSEA IN NEDERLAND?	
22. HEE	BT U NOG SUGGESTIES MET BETREKKING TOT ALTNERNATIEVE	
		• • • • • •
20. HEE	BT U NOG OPMERKINGEN OVER DIT ONDERZOEK?	
	Meer dan € 6.000,- per maand	
	5.001 - 6.000 € per maand	
	4.001 - 5.000 € per maand	
$\Box$ ?	3.001 - 4.000 € per maand	