

*Taking Charge – Evaluating the
Evidence:*
The Impact of Charging or Not
for Admissions on Museums

Executive Summary
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KEY FINDINGS

- There are no defining characteristics that distinguish charging or free-entry museums, and the picture is much more complex than often assumed, since one in three independent museums are free-entry and one in three local authority museums charge for admission.
- There is no direct link between the diversity of audiences and whether a museum charges for admission or not, with the pattern in terms of social mix being very similar. However, such a finding needs to acknowledge that the general social mix of museum visitors is not always representative of the wider social mix within their communities.
- Donations are more affected by a range of other factors than by whether museums charge for admission or not.
- There is no consistent relationship between levels of secondary spend and whether a museum charges admission, with other factors having much more influence. However, some evidence has emerged showing visitors to charging museums are more likely to have visited the shop (or used on-site catering), than visitors to free-entry museums.
- Dwell times are typically longer for museums that charge for admissions.
- The process of charging creates a focus for the visitor welcome and captures information about visitors. Where museums are free entry, alternative approaches are required for these elements.
- In making any changes it is especially important to communicate clearly with stakeholders and the local community about the reasons for the changes and to ensure that staff are positive and confident in explaining them to visitors.

INTRODUCTION

The Association of Independent Museums (AIM), in partnership with Arts Council England (ACE) and the Museums Archives and Libraries Division (MALD) of the Welsh Government, commissioned DC Research Ltd to carry out a research study into the impact of charging or not for admissions on museums.

The overall aim of the research was to understand the experience of museums that have moved from free admission to charging, or charging to free admission, or to 'hybrid' models, and to investigate different pricing strategies and their impact, including impact on: visitor numbers; diversity of visitors; income (including secondary spend and spontaneous donation); visitor satisfaction/quality of visit; and reputation and relationships, as well as identifying lessons learnt to share with other museums.

The research included a review of previous research and literature about the impact of charging for admissions on museums, a sector-wide survey of museums across the UK (311 replies were received), visits to 20 case study museums to assess in-depth the impact of charging for admissions, and a range of one-to-one consultations with key museum stakeholders.

SETTING THE SCENE - OVERVIEW OF CURRENT ADMISSION CHARGING LANDSCAPE FOR MUSEUMS

The pattern and profile of survey respondents shows that the survey is generally representative of the wider museums sector in terms of museum type, geography and museum size, whilst reflecting the fact that the research was commissioned by AIM (resulting in a slightly higher proportion of responses from independent museums) and that MALD were directly involved (resulting in the strong response rate from Welsh museumsⁱ).

In terms of the current charging position, 42% of museums charge for general admissions only; 3% charge for specific exhibitions only; 12% charge for both; 43% do not charge at all for admissions. In summary, this shows that 57% of museums charge in some way for admissions to their museum, whilst 43% do not charge at all for admissions.

More than one-quarter of museums reported that they had changed their charging position in the last three years. The vast majority (70%) were museums that already charged and had changed pricing (increasing the scope or scale of charging). Almost one-fifth (17%) moved from charging to free; and around 11% moved from free to charging.

COMPARING CHARACTERISTICS, EXPERIENCES, AND IMPACT – CHARGING AND NOT CHARGING FOR ADMISSIONS

Characteristics

Exemplifying the mixed picture around charging for admissions (and challenging the preconception that independent museums charge and local authority museums are free-entry) the survey found that 37% of LA museums do charge and 37% of independents have free-entry. Apart from university museums, which are almost all free entry, no characteristic was found to determine whether a museum would charge or not, though some characteristics linked to tourism did increase the likelihood of charging, such as being located in an area where there is a significant visitor economy, being a key attraction in the area, or being in an area where there is high competition to attract visitors.

Museums located in areas where the visitor economy is described (by the museum) as 'key' or 'significant' are more likely to charge for admissions (67% and 57%) than museums in areas where the visitor economy is described as 'moderate' (53%) or 'minor' (50%).

There is a notable pattern around the importance of museums as an attraction in the area and the likelihood of charging - those museums that are a key attraction (76%) compared to one of a number of significant attractions (57%); moderately significant attraction (56%); or attraction of minor significance (51%).

Assessing the level of competition for attracting visitors in relation to charging shows that those museums in 'very' or 'moderately' competitive areas are more likely to charge (64% in both instances) than those in 'slightly' (43%) or 'not at all' competitive areas (41%).

Perspectives

The majority of museums have not changed their charging position in recent years, but were able to provide their perspectives on what they think the impact of being a free admission museum or being a charging museum has on the key aims of the research.

Those museums that do not charge report positively on the impact of free admission on visitor numbers (88% say that it has a positive or very positive impact). Some base this finding on historical experience of charging and the impact that occurred then, others report anecdotal findings and evidence – especially around free admission helping to encourage repeat visits from local people.

Conversely, those that do currently charge for admissions most commonly report that this has no impact on visitor numbers (50%) with a small proportion (less than one-fifth in each case) reporting more positive or negative impacts.

In terms of the mix and diversity of visitors, whilst 68% of museums that do not charge for admissions feel that this has a positive or very positive impact on the mix of visitors, 58% of those that do charge report that charges have no impact on the mix or diversity of visitors.

Those that do charge emphasise the role of special offers for particular groups to reduce any potential negative impacts, with the biggest concern relating to the impact of charging on visits from local people. The concern about the impact of charging on local people is supported by AIM Visitor Verdict dataⁱⁱ which shows local visitors (i.e. from same county) accounting for a higher proportion of visitors to free admission sites (44%), than paid admission (26%).

The research suggests that charging does not affect the social mix of visitors to museums. AIM Visitor Verdict shows there is very little difference between the proportions of different social grades of visitors to free admission sites and to paid admission sites.

However, generally speaking, the social mix of visitors to museums (whether charging or free) is not representative of wider society – with higher social grades (e.g. AB) over-represented and lower social grades (e.g. C2 and DE) under-represented. Similar evidence (about over-representation of upper socio-economic groups and under-representation of lower economic groups) is found in other data on museum visitors (e.g. Taking Part, Scottish Household Survey, National Survey for Walesⁱⁱⁱ). There are museums that are the exception to this pattern – achieving a social mix and diversity of visitor that reflects their community, but these are not distinguished by whether they charge for admissions or not. This broad pattern needs to be acknowledged.

Not surprisingly, the vast majority of museums that charge for admission report on the positive impact this has on income. When it comes to income from other sources – both on-site secondary spend and spontaneous donations – overall, charging is not the biggest influencing factor on either of these sources.

Many museums (both free admissions and those that charge) report that other factors (rather than the charging position) influence the level of donations received – most notably the overall strategy and approach of the museum to pro-actively seek donations (or not).

Some trends did emerge around charging and secondary spend. For example, AIM Visitor Verdict shows visitors to paid admission sites are more likely to have visited the shop and purchased (or used on site catering), than those to free admission sites. Interestingly, however, the survey showed that half of free-entry museums believe being free has a positive impact on secondary spend, whilst only one-fifth of museums that charge believe so. One of the more frequent positive impacts reported by free museums is an overall increase in visitors leading to an increase in sales.

Once again, many museums (both those that are free admissions and those that charge) report that factors other than the charging position influence the level of secondary spend – most notably the quality of the (retail and on site catering) offer.

The research shows that museums which charge admission have longer dwell times than those that are free entry. This was evidenced both by data from AIM Visitor Verdict and the survey of museums. AIM Visitor Verdict showed free entry museums have higher rates of repeat visits (39%) compared to those that charge for admission (31%). A third of free entry museums view the frequent, shorter visits as a positive impact of free admission.

AIM Visitor Verdict also shows that for overall enjoyment of visits (rated on a scale of 1 to 10 by the visitor), there is very little difference between the quality of visit at paid admission sites (average score of 8.7) and free admission sites (average score of 8.9), suggesting that charging or not charging is not a major influence on the overall quality of the visit.

Museums also reported how their current charging position affects relationships and reputations with stakeholders and funders; local community and friends and members. The large majority of museums that do not charge see free admission having a positive impact with these groups, especially with their local community. In contrast, for museums that charge, far fewer state that charging affects these same relationships. Most often, museums report that there is understanding across these groups about the rationale for charging, and as such it does not affect relationships. The exception being relations with the local community which some museums report can be negatively affected by charging.

IMPACT OF CHANGING CHARGING POSITION

As noted earlier, the number of museums that have changed their position (from free to charging or from charging to free) is relatively small. However, combining the relevant survey responses with the more detailed findings from the case study visits for each grouping has provided a good basis on which to conclude the following.

CASE STUDY EXAMPLE: IMPACT OF MOVING FROM FREE TO CHARGING

Brighton Museum & Art Gallery went from free to charging for non-residents in May 2015, and have found that whilst visitor numbers have markedly dropped, dwell time and spend per visitor have increased. Brighton Museum found that the quality of their visitor data collection as a free museum was not detailed enough for charge based business planning, and the fall in visitor numbers was greater than anticipated (data quality has significantly improved through more detailed visitor engagement). Brighton learned that although residents go free, the perception that your museum charges impacts on numbers. Ideally, a long lead in time is advisable to better communicate the change, as is supportive programming, especially aimed at local audiences.

IMPACT OF MOVING FROM FREE TO CHARGING

- Museums that have moved from free to charging most commonly report that this has a negative impact on overall visitor numbers, with some reporting notable decreases in visitors, especially in the number of local visitors.
- Museums that have moved from free to charging typically report that this has had no impact on the mix and diversity of visitors, although data on social mix can be limited for some museums, especially when they were free.
- All of the museums that have moved from free to charging report a positive impact on admissions income, and for some this has been a notable/substantial level of income which has strengthened the overall financial position of the museum.
- Spontaneous donations commonly decreased when moving from free to charging, although such decreases are more than compensated by increases in admissions income. Many museums report that factors other than charging have a greater influence on donations.
- Whilst a mixed picture emerged about the impact of charging on secondary spend, there is evidence that visitors to paid admission sites are more likely to visit the shop and purchase (or use on site catering), than those to free admission sites. However, the stronger influence of factors other than charging on secondary spend - most notably the quality of the (retail and on-site catering) offer - was noted by many.
- Some museums noted that overall secondary spend had not changed whilst visitor numbers had decreased - suggesting that the visitors lost when moving from free to charging may be those who typically did not make any secondary spend when visiting.
- Museums that have moved from free to charging for general admissions report that this had both positive and negative impacts on relationships and reputation. Whilst there is typically an appreciation from stakeholders about the need to increase income, museums can experience a negative reaction from the local community, with communication and planning being key elements in mitigating such reactions.

IMPACT OF MOVING FROM CHARGING TO FREE

- The vast majority of museums that have moved from charging to free report a positive impact on overall visitor numbers, with some reporting a doubling of visitors, especially a greater number of repeat visits, and more 'casual' visits (i.e. shorter dwell times).
- Museums that have moved from charging to free present a mixed picture in terms of the mix and diversity of visitors, with 'no impact' and 'positive impact' being reported in equal numbers. Whilst data on social mix can be limited for some museums, those reporting a positive impact particularly noted more local visitors.
- The vast majority of museums that moved from charging to free reported a positive impact on spontaneous donations as a result. The extent to which this increase in donations makes up for the loss of admissions income varies from museum to museum - some experience a net gain in income whilst others are worse off financially.
- A mixed picture emerged about the impact of moving from charging to free on secondary spend. In many cases, museums reflected that other factors influenced the level of secondary spend, especially the quality of the retail and catering offer. Although one of the more frequent positive impacts reported by free museums is an overall increase in visitors leading to an increase in overall sales.
- There is limited data on dwell time from those that have moved from charging to free, but most reported no impact, and those that reported a positive impact typically related this to shorter, more frequent visits rather than an increase in the dwell times per visit.
- Museums moving from charging to free reported positive impacts on relationships and reputation with stakeholders, local community and friends and members. In particular, moving to free admissions helped to develop stronger and better links with the local community - encouraging access, and raising the profile of the museum.

CASE STUDY EXAMPLE: IMPACT OF MOVING FROM CHARGING TO FREE

Elgin Museum moved from charging for admissions to free entry in 2013 aiming to make the museum more accessible. The museum managed to arrange corporate sponsorship support to help offset the lost admissions income initially. As well as seeing visitor numbers almost double, Elgin Museum emphasised that the implementation of a pro-active donations strategy (including effective use of donation boxes, building on good practice guidance) helped to offset much of the lost admissions income, which alongside the ongoing sponsorship has put the museum in an improved financial situation as well as leading to far greater connections and engagement between the museum and the local community due to free admissions – exemplified through the increases in the number of children visiting the museum.

CHARGING FOR ADMISSIONS – APPROACHES, STRATEGIES, PRICING AND IMPACT

For those museums that charge for admissions, the survey found that a diverse range of pricing strategies are adopted, which typically reflect the common types of visitor (e.g. adult, child, concession and family tickets are most common). Within these types some museums offer flexibility – e.g. age-related charges for children; recognition of the different sizes/types of family and provide ticketing to match.

Beyond this, other pricing strategies can include discounts (or free entry) for: groups, Friends/Members, disabled persons and carers, or local residents, as well as other incentives and offers such as annual passes, season tickets, free repeat visits, joint ticketing, etc..

Other pricing innovations include discounts for online ticket purchasing; discounts with particular offers/voucher schemes; reduced rates on certain days/times of the week.

One issue that did emerge is about the potential complexity of pricing – given the range of tickets; range of offers; as well as Gift Aid and/or voluntary donation options. Some museums note that such a range of tickets/prices can be administratively burdensome for the museum and complex for the potential visitor. There is a move (e.g. within some of the case study museums) to simplify their pricing structure – to make it easier both for their systems, for staff/volunteers, and for visitors.

The survey found that almost 40% of museums operate a Gift Aid scheme for admissions, with twice as many using the additional 10% scheme compared to the annual pass scheme. Of the remainder almost one-quarter state they are not eligible for Gift Aid, with the remaining 40% stating that they do not operate a Gift Aid Scheme for admissions – the vast majority of which are independent museums.

In terms of average prices relative to other factors, analysing general admission adult prices against other factors found some notable patterns:

- There is little difference between average prices by type of museum – whilst independent museums are more likely to charge than local authority museums, the average prices for those of both types that do charge is very similar.
- The more significant the visitor economy is to the local area the lower the average price.
- The more important the museum is as an attraction to the local area, the higher the average price it charges.
- There is a pattern of higher average prices relative to the size of the museum (in terms of visitor numbers) i.e. the larger the museum the higher the average price.
- Average prices are higher for museums in the south (i.e. London, South West of England and South East of England) than for other areas across the UK.

IMPACT OF CHANGING/INCREASING PRICING FOR ADMISSIONS

- Museums that already charged and increased the scope or scale of their pricing in recent years typically report that the increase in pricing did not have an impact on visitor numbers.
- Similarly, the vast majority of museums that increased prices reported that this had no impact on the mix and diversity of their visitors. Most museums noted very little change in visitor mix at all, with some museums offering specific activities (e.g. outreach), or incentives (e.g. special offers) to counteract any potential impacts.
- The vast majority of museums that increased pricing noted that this has had a positive impact on admissions income, of varying scales.
- Almost three-quarters of museums that increased pricing noted that it had no impact on spontaneous donations – pointing out that other factors were more important in terms of the level of donations.
- More than half of museums that increased charging reported that this had no impact on secondary spend – with more than one-quarter reporting positive impacts, with such positive impacts being supported by other evidence.
- Museums that increased pricing are the least likely to report this has affected their reputation and relationships with stakeholders, local community or friends and members. There is typically an appreciation from stakeholders about the rationale for increasing pricing and strengthening the financial position of the museum.
- Many museums use a change in the visitor offer (e.g. a substantial redevelopment, a new gallery space, the opening of a new exhibition, or a smaller scale change in the offer) to support an increase in price, helping to reduce any potential negative impacts – simply putting the price up without any change in the offer is more likely to result in negative impacts for your museum.

CASE STUDY EXAMPLE: IMPACT OF CHANGING PRICING FOR ADMISSIONS

Bristol Museums recently changed their charging policy for specific exhibitions, moving from a variable approach to a simplified three-tier approach – with standard rates for touring exhibitions; an innovative ‘pay what you think’ model for in-house exhibitions; and free entry for community exhibitions. This shift allowed Bristol Museums to be more consistent and offer clarity around charges, and has not had an impact on visitor numbers or visitor profile, which is largely unchanged – although dwell time of visitors to specific exhibitions is higher than for general visits. Positive impacts on both donations and secondary spend are attributed to other factors rather than charging, but the new charging models have led to substantial increased income. Key lessons include being consistent with charges so that the public understand the offer (charging different prices for different exhibitions can imply difference in quality), the importance of communicating changes and the reasons for charging well – especially with the ‘pay what you think’ model, and review progress using hard data – not assumptions.

LESSONS LEARNED AND ISSUES TO CONSIDER

It is clear that there is no ‘one size fits all’ when it comes to considerations around charging – with the case studies and survey results providing examples of varying types and levels of impact from the same charging and pricing strategies – depending on the context (e.g. the wider environment within which the museum operates), characteristics (of the museum – including the museum’s aims/vision), the collection (e.g. the profile, esteem and draw of the collection), the profile of customers (e.g. understanding who the visitors are), effective communication (both internally and externally), and organisational culture (e.g. ensuring staff and volunteers understand and ‘buy into’ the approach to charging/not charging – providing training where required).

The museums that have faced the greatest challenges are those that have moved from free to charging – with the perceptions and attitudes of visitors (notably local visitors) proving to be a notable challenge.

Separate guidance for museums setting out the key lessons and issues for consideration in more detail has also been produced.

This report is part of a suite of publications produced as part of this research study. Alongside this Executive Summary, there is also a **Success Guide**, a **Final Report**, and a **Summary Report for Wales**. All of these publications are available on the AIM website: www.aim-museums.co.uk.

ⁱ The high level of responses from museums in Wales is due to the fact that MALD, Welsh Government was one of the commissioners of the research, and this resulted in specific additional efforts being made by the research team to achieve a good response level from Welsh museums. The geographic pattern of responses therefore reflects this. It is important to emphasise that the overall findings from the survey do not change materially when Welsh responses are excluded/included – for many aspects, factors other than simple geographic location matter when assessing the impact of charging for admissions, and the additional level of responses from Wales has not led to any bias in the survey results in terms of the specific questions asked.

ⁱⁱ AIM Visitor Verdict is a visitor survey and benchmarking service for small and medium sized visitor attractions. Developed in 2013 by BDRC Continental with the Association of Independent Museums & financial support from Arts Council England, the service is open to all visitor attractions and aims to provide a low cost method of generating comprehensive and robust feedback from their visitors. For more information see: <https://www.visitorverdict.com/>

ⁱⁱⁱ For Taking Part see: <https://www.gov.uk/government/statistics/taking-part-201516-quarter-2-statistical-release>; for Scottish Household Survey see: <http://www.gov.scot/Resource/0048/00484186.pdf>; for National Survey for Wales see: <https://statswales.gov.wales/Catalogue/National-Survey-for-Wales/2014-15>.