

SECURITY CONTROL POINT & EXHIBITION.

Impact of the activities of the
Guggenheim Museum Bilbao
on the Basque regional economy
in 2008

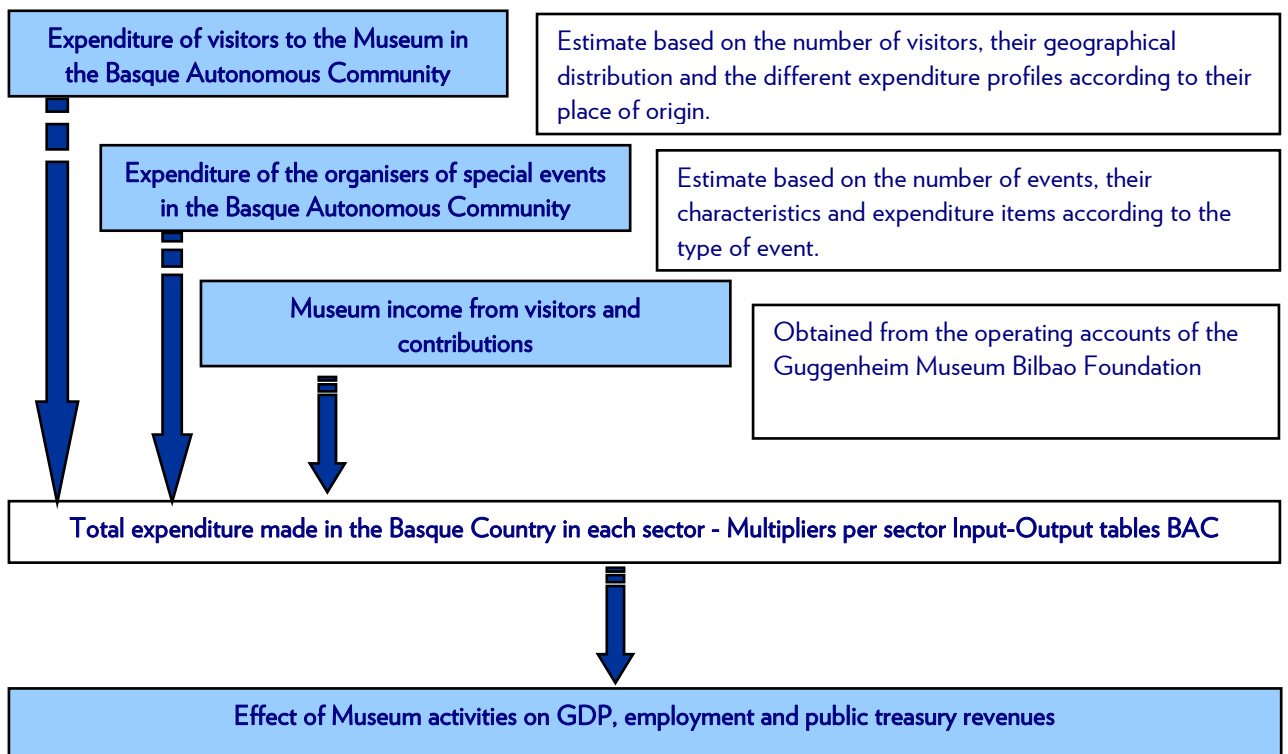
Introduction

In 1998, the Guggenheim Museum Bilbao began to analyse its contribution to the transformation of the Basque Autonomous Community, its tourist industry and the regional economy in general, by developing and annually applying an economic impact analysis methodology. The annual report looks at the impact the activities of the Guggenheim Museum Bilbao Foundation have on the regional economy, measured in terms of the generation of GDP, the contribution to the upkeep of jobs and increases in fiscal revenues.

Impact model

The benchmark for estimating economic impact is the model proposed in 1998, which was updated in 2006, structured into two of its main components:

- Review of visitor expenditure profiles according to their place of origin, which are the main inducers of direct expenditure and generation of wealth. This involved conducting 4,196 individual surveys with visitors to the Museum during the year.
- Updating sector-based multipliers, which were recalculated after the publication of the Input-Output tables, bringing the relations between sectors in the economy up to date to reflect the changes in the economic structure of the Basque Country in recent years.



Main results of the impact model

The main conclusions of the economic impact analysis on the activities of the Guggenheim Museum Bilbao in 2008 are as follows:

The **total direct expenditure** generated by the activities of the Museum in the Basque Country in 2008 mounted to 231,788,989 euros, which represents an average expenditure of 243.64 euros per visitor. The total direct expenditure is obtained from the sum of the following items:

1. 202,805,049 euros, which correspond to expenditure outside the Museum's premises according to the expenditure profile reflected by the studies carried out. The sectors that have benefited most from the development of the Museum's activities are as follows:
 - Catering: 91,588,873 euros in restaurants, bars, and cafeterias.
 - Shopping: 29,650,718 euros shops and stores.
 - Accommodation: 46,437,083 euros in hotels, guesthouses, and other kinds of accommodation.
 - Transport: 13,389,060 euros in vehicle hire, gasoline, motorway tolls, fares, etc.
 - Leisure: 21,739,315 euros in cinemas, theaters, visits to other museums, etc.
2. 28,983,940 euros, which correspond to visitor expenditure within the Museum premises (admissions, items purchased in the Store-Bookstore, expenditure in the restaurant, contributions of Individual and Corporate Members, expenditure deriving from the organisation of special events at the Museum, subsidies, etc.)

Therefore, considering the direct, indirect, and induced effects, the activities of the Guggenheim Museum Bilbao in 2008 have generated **210,072,873 euros of GDP**, provided **28,609,825 euros in additional revenues for the Basque Treasury**, and have contributed to keeping 4,196 jobs.

The impact of the activities of the Guggenheim Museum Bilbao on the Basque Autonomous Community from October 1997 to December 31, 2008 is set out below:

Euros	Oct-Dec 1997	1998	1999	2000	2001	2002
Impact						
Direct expenditure	40,568,317	190,400,635	202,799,514	191,903,165	149,724,135	143,706,595
Generation GDP	31,517,075	147,921,099	157,555,323	149,087,063	168,331,470	162,327,827
Employment (1)	832	3,906	4,161	3,937	4,415	4,265
Treasury Revenue	5,871,888	27,562,415	29,359,441	27,784,790	26,949,383	25,988,685

Euros	2003	2004	2005	2006	2007	2008	TOTAL
Impact							
Direct expenditure	153,745,225	163,711,085	165,835,281	233,621,942	242,986,389	231,788,989	2,110,791,272
Generation GDP	173,089,191	184,046,738	186,197,551	211,633,296	220,240,289	210,072,873	2,002,019,795
Employment (1)	4,547	4,842	4,893	4,232	4,399	4,196	4,354
Revenue Treasury	27,711,580	29,465,882	29,810,227	28,822,339	29,994,526	28,609,825	317,930,981

(1) The employment figures reflect the contribution to maintaining employment, not the creation of new jobs.