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Time and Income in Performing Arts (Theatre) Demand. The Portuguese Case

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ABSTRACT

Performing Arts demand has a special characterization due to specific features, as the attendees' displacement to a proper location and the allocation of time to a performance appreciation. Otherwise, besides the ticket price, other costs are associated to the Performing Arts consumption, as the displacement costs and opportunity cots of time. Taste formation is another requirement to the Performing Arts cultural consumption which, combined with the growing prices trend, due to the "cost disease", leads to an important influence of disposable income in Performing Arts demand. Therefore, disposable income has a positive influence in Performing Arts audience, although there was a negative impact of time in higher income groups' attendance. In this work, we study Performing Arts demand, analyzing the effects of time and income in its attendance. For a more consistent conclusion, we need to do a specific empirical analysis in order to find the relationship between those two effects in a demand level. In that way, it was made an econometric analysis for the Portuguese case. We have concluded for a positive influence of revenue increase in the audience level, matched with an eventual attendance decrease, due to a growing cost of leisure time.

Key words: Performing arts; demand studies; cost of time; time series models.
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