

Are Admission Fees for Large Urban Historic Parks Feasible and Fair? Empirical Results from a Survey in the Prussian Palace Gardens in Berlin and Potsdam

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Introduction

The question of how large urban recreation areas can be financed in a sustainable manner is currently intensively debated in Germany. In view of decreasing local public budgets, the introduction of admission fees receives increasing attention among policy makers. Since many urban parks in Germany have a historic character and often are protected as horticultural monuments, assuring a proper and sustainable maintenance is of particular importance. In Berlin and its surroundings, there are several huge public recreation areas in urban areas where admission fees are already obligatory and constitute an important financial source. Recently, the foundation that is in charge of the management of the large Prussian palace gardens in Berlin and Potsdam announced it would consider the introduction of admission fees even for those Parks that are located in densely populated areas. Clearly, the Parks concerned show an enormous social importance in terms of size, visit numbers and the variety of possible recreation activities.

Admission fees are potentially at odds with recreation objectives and social and equity concerns wherefore citizens' and users' acceptance can not be taken for granted. In this context, the perception of fairness of first-time admission fees might play a crucial role in determining visitor responses to fees. Obviously, charging the access to public parks would imply that the open access policy, which is still pursued in the major-

ity of German urban parks, could not be retained. There is little doubt that the introduction of prices reduces use rates, depending on the elasticity of demand. Consequently, we can expect that obligatory admission charges will result in a drop of visitor numbers. In particular, local people living closest to the Parks are likely to be particularly indignant at the thought of paying a fee for an area they are used to enter without any restrictions. Furthermore, admission fees might particularly exclude low-income people from recreation in the historic gardens. The expectable decrease of visit numbers might not only point to unintended social effects but also question the economic feasibility of admission fees because we can not take for granted that revenues will exceed the costs associated with admission charges. However, the magnitude of the reduction of the overall use level is an empirical issue just as the acceptance of fees, the expectable use rates of different user groups and their average willingness-to-pay.

Methods

Against this background, we present the results of a visitor survey (N = 1550) that was undertaken in two well known historic parks in the Berlin-Potsdam Region in Germany: the Palace Garden Sanssouci and the Palace Garden Charlottenburg. Both palace gardens rank among the most frequented urban parks in the region and attract more than 1,5 million visits per annum each.

However, the palace gardens do not only attract local people seeking recreation but international and national tourists in parallel. The objective of the empirical analysis was to assess the acceptance of admission fees and to elicit visitors' willingness-to-pay. Apart from expectable revenues, we analyzed the potential effects of different price strategies on the visit numbers and the perceived fairness. We also assessed the impact of admission fees on different types of visitors (tourists, local people etc.) and income-groups. In particular, we aimed to show whether, and if so to what extent, low income users may show to be more responsive to the introduction of admission fees than high-income visitors.

Results

We will show that both the income of the respondents and the type of visitor determine significantly visitors' willingness-to-pay. Furthermore, we used the survey to analyze the visit motives, the planned activities during the visit and visitors' attitudes regarding various issues (e.g. fairness of admission fees, alternative fund raising options, importance of horticulture monument preservation). In the presentation we will focus explicitly on the interrelationship between the motives and attitudes and the measured willingness-to-pay. Finally, we will show that proximity to the historic Parks does not only influence the frequency of visits and the reported length of the stay at the site but also the perceived fairness of access fees. To assess the willingness-to-pay, we implemented the Contingent Valuation Method, an iterative bid design was used to assess use rates associated with different fees and pricing strategies.