

The value generated by la Scala

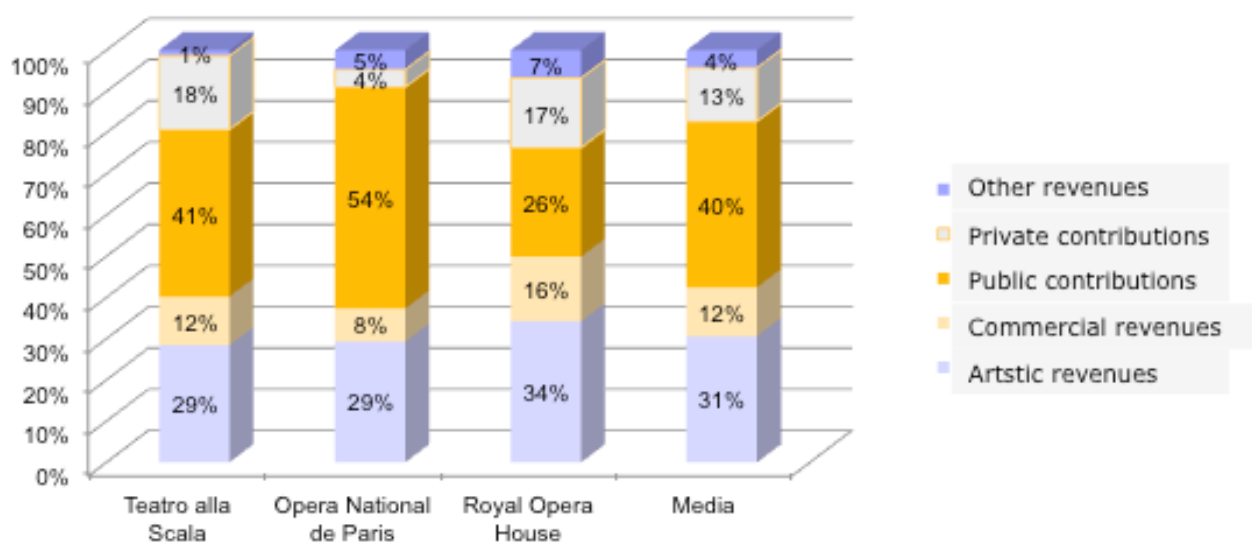
Paola Dubini – ASK Research Center Università Bocconi – Milano – Synthesis of results

During the last month of January, the Board of the Theater has asked ASK Research Center at Università Bocconi to evaluate the impact of the Theater and of the Academy on the city of Milano and on Italy. The research has been financed by Fondazione Banca del Monte di Lombardia.

The study has analysed the theater and the Academy from two complementary perspectives:

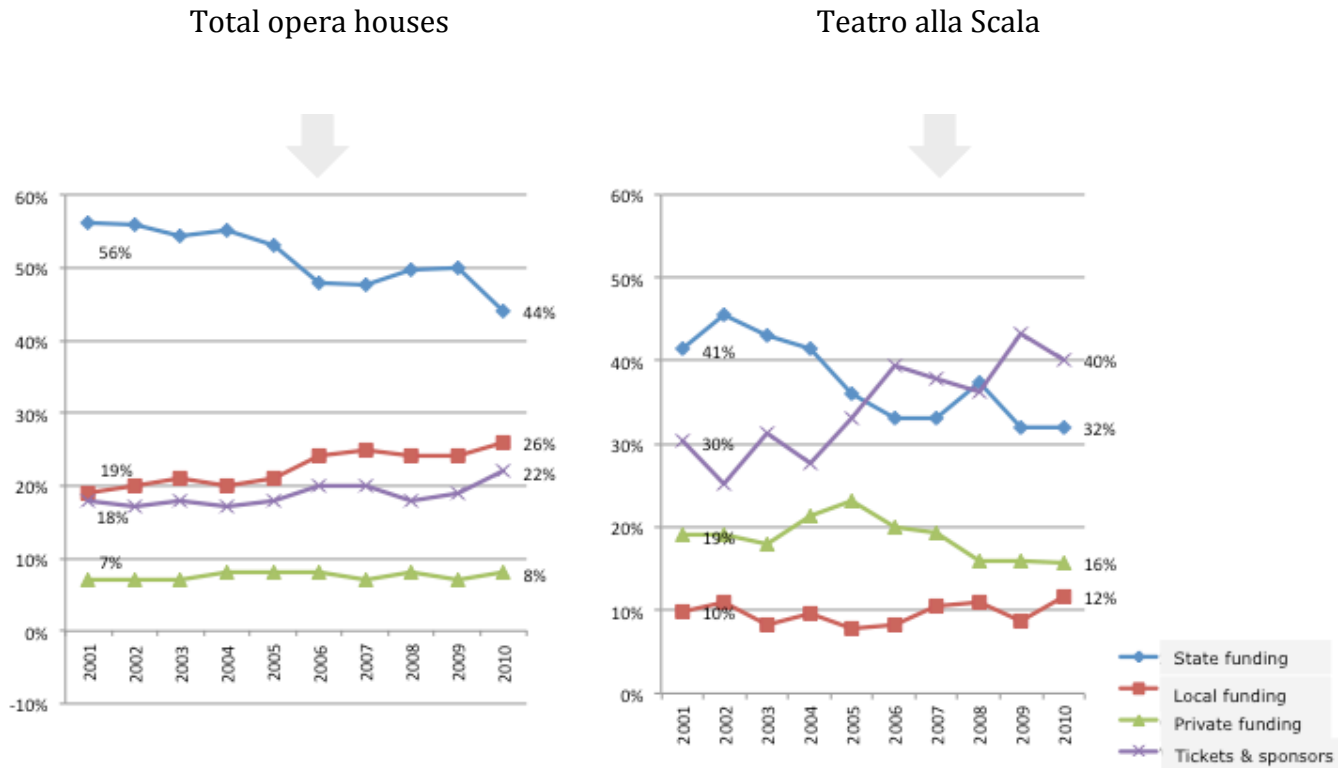
- As a **prestigious cultural institution, pursuing a public function** of preservation, education, enhancement of Opera and of the Italian Opera in particular;
- As a **sustainable economic player**, producing and performing high quality titles appreciated by the public, able to gather adequate economic resources from ticketing and sponsorship to finance its activity.

Currently, la Scala is the **third producer of shows in Italy** and **the only opera house that can compare to international benchmarks** for size and volume of activity. In 2011 the theater has a turnover of 113.8 million euros and the second biggest Italian theater, Arena di Verona, is about half its size. Revenue structure of Scala may be compared to that of Royal Opera House in London and Opéra de Paris.



Facing a progressive reduction of public contributions, la Scala has been able, before and more than the other Italian Opera houses, to increase the incidence of **ticketing and sponsorships**, that **currently represent 40% of the theater turnover**.

The evolution of revenue structure for Italian Opera houses



The audience consists of over 400,000 people and is composed for approximately 70% by residents of the broad Milano area. Nearly one third of them bear subscriptions and are the loyal local public. Growth of online ticketing has made it possible to the theater to significantly increase the international span of its public. **International sales accounts for 45% of online ticketing** and in the past 12 years, nations represented have increased, together with a sharp increase of the Russian audience

ONLINE	ITALY	USA	GERMANY	SWITZERLAND	STRANIERI IN ITALIA	FRANCE	RUSSIA	UNITED KINGDOM	JAPAN	ESPANA	OTHER	TOTAL	INTERNATIONAL
2000	84%	3%	2%	2%	4%	1%	0%	0%	1%	0%	3%	11.727	16%
2012	55%	4%	4%	4%	2%	4%	7%	2%	2%	1%	15%	84.721	45%
Δ		+1%	+2%	+2%	-2%	+3%	+7%	+2%	+1%	+1%	+12%	72.994	+29%

The analysis of the theater's **economic impact** shows that for every euro received in public and donors' contribution, la Scala generates, beyond its turnover, **2,7 extra**

euros. This wealth derives from the theater procurement (vastly from local suppliers) from the economic activity generated by hosted artists and by students of the Academy, and from the expenses of the Italian non resident and foreign public. It has to be noted that the funding received is not given to the theater to generate economic returns.

La Scala can be compared to its international peers also in terms of its cost structure, **State contribution covers nearly 50% of cost of personnel, while at Opéra de Paris the contribution is nearly 100%.**

	Scala	Parigi	Londra
Total costs	118.482.313	191.640.000	137.013.049
Employees per day of performance	2,51	2,53	2,43
State contribution to personnel costs	51%	98%	63%

It is interesting to note that in a country with a long tradition of private contribution to cultural institutions, such as the UK, the incidence of private contributions is significantly higher than other countries such as France and Italy; for each euro of public financing, Royal Opera House receives 2.8 euros of private funds (including box office), while Scala receives 1.46. However, in absolute terms, State contribution to Royal Opera House is 1.5 million euros higher than that of Scala

	Teatro alla Scala	Opera de Paris	Royal Opera House	Valori medi
Contributi pubblici <i>Di cui Stato</i>	46.345.000 33.238.000	105.941.784	34.977.852	51.493.472
Contributi privati	67.502.000	91.300.000	97.978.818	72.946.352

La Scala is pursuing a diversification of its stakeholders and is seeking to develop a more significant market orientation. Yet, the assessment of its performance needs to take into consideration the **cultural and institutional value** it is able to generate. In this respect, the research has produced the following evidence:

- The analysis of the performances taking place at la Scala in the past four years shows that the theater is part of a production network involving also very prestigious theaters.
- A further analysis on the venues in which directors, interpreters and producers have operated while being involved with Scala shows that the theater is a key player of an opera international geography

Theaters and festivals:

international

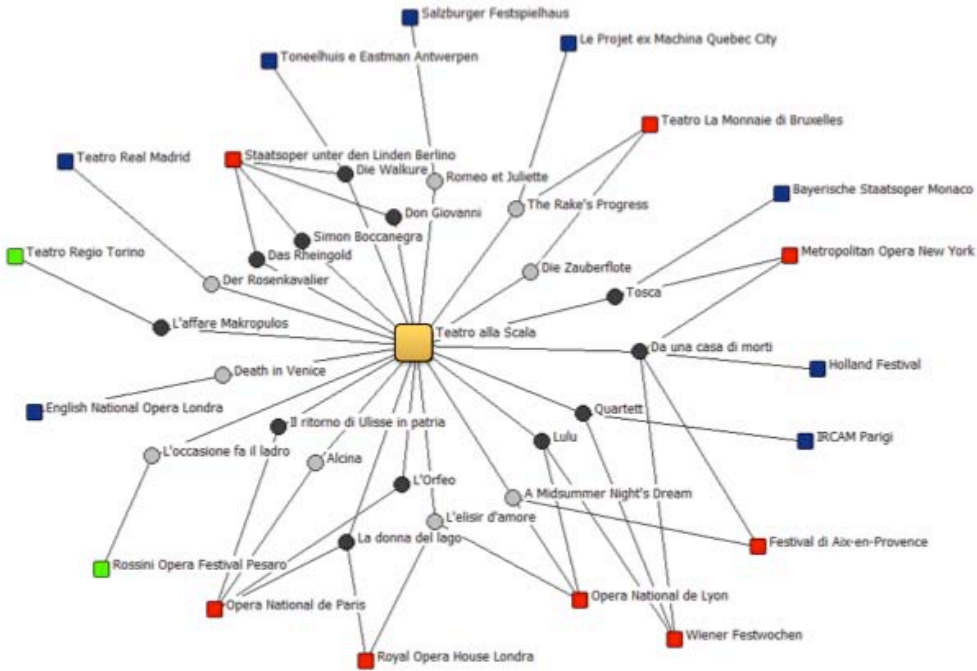
italian

significant partnerships

Operas in partnership:

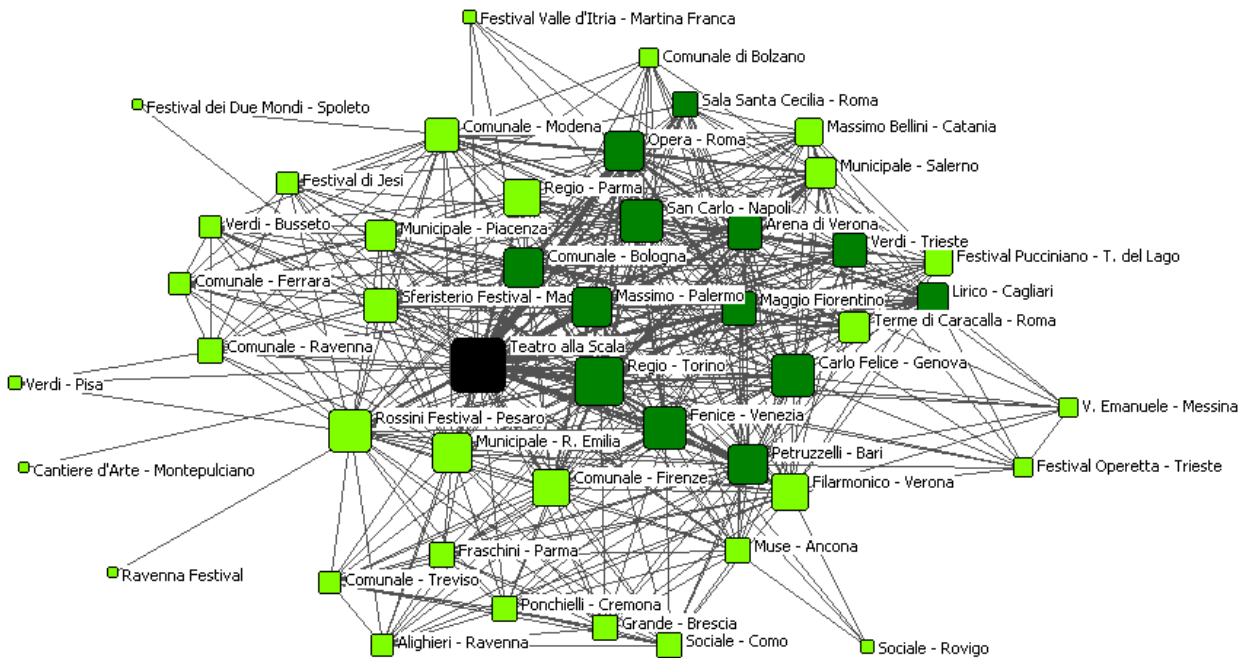
● new productions

● rented productions

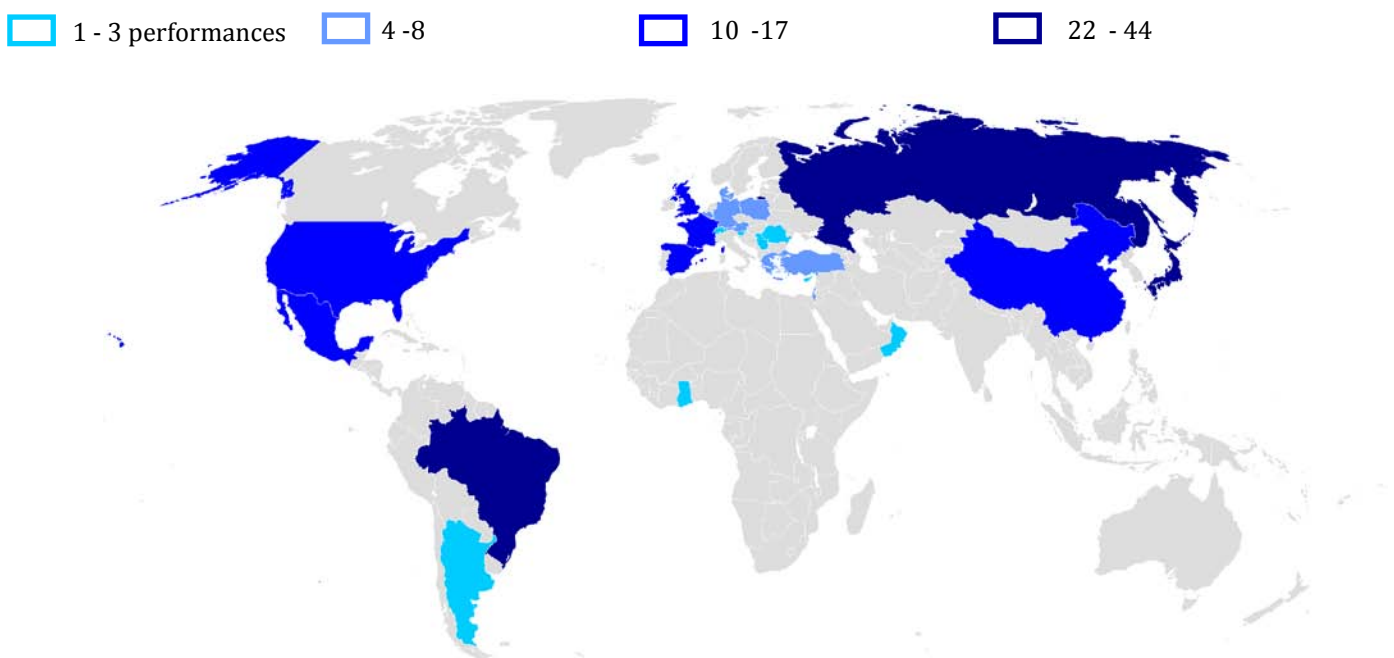


- This does not mean that Scala does not keep a key role in the network with all italian opera houses and the other theaters with an operistic repertoire

Theaters and festivals:
□ Italian Opera houses
□ Other Italian theaters



- The international network of which la Scala is part determines a set of cultural and artistic exchanges, The growing global focus of the theater is shown by the geographic span of its tournées. Nearly 50% of the extra european tournées has been organised in the past 15 years, and it corresponds to 36% of total international programming. Most recent tournées have taken place in Asia, mainly Japan. In the last three years, la Scala has been present in Latin (Argentina 2010, Brasil 2012) and Central (Mexico, 2005 and 2008) America.



- The analysis of international press releases during the last 3 years' premières shows that the theater is not only associated to the cultural life of the country: Scala is associated to Milano, to Italy and to its political situation and is indeed one of the country's most known brands.

