



Museums – A Catalyst for Sustainable Economic Development in Sweden

Christer Gustafsson¹ & Akram Ijla²

¹ Professor at Uppsala University-Sweden

² PhD and Researcher at Uppsala University-Sweden

ABSTRACT

Museums have a great impact on the cultural economy of every country and museums have a very significant meaning for social integration within socio-cultural and socio-economic contexts. Studies have shown that the impact of museums may vary from one city to another, and from one country to another, at local, regional or national level. The role of museums in the cultural economy is very important, because they sustain cities in promoting themselves as cultural center's in the domestic and regional market by fulfilling their demands and expectations of visitors and investors. One can say that museums act as "the instruments" for cities in the regeneration process. Over time, it was considered that museums were created with the purpose of education, collecting, preservation and research, but because society evolved, the economic role of museums became increasingly important. Consequently, the role of museums has become more diverse in the 21st century, and they become key partners in the heritage and culture tourism industry and the creative and innovative industries as well. This paper seeks to explore the impact of museums on regional development in sustainable way. The Authors argue that museums have a multiplier effects on regional development and become an important tool for regional economies

Keywords: Museum, Economic Sustainable Development, Regional Development, and Cultural Heritage.

INTRODUCTION

The creative and innovative function of the museums started developing as an important factor tool for regional development. The wish to visit a certain museum will transform the visitors of that museum into tourists for the city where the museum is located and will offer them the possibility to visit other cultural and heritage routes and locations. A very important role museums play is the fact that they can become city or regional symbols. Thus the relation between museums and cities may become symbiotic.

Additionally, from different directions and traditions, there is a growing interest in the effect of location on competition and sustainable economic development. There is no doubt that many locations in Sweden can be utilised as a place or a space which has strategic cultural and historic competitive advantage A well-developed innovative and creative museum or emblematic museum in different regions in Sweden might create the catalyst of agglomerated cultural economies at the heritage and cultural tourism cluster level where usually clusters are often works best where small and medium size towns.

Researchers suggest that efforts to upgrade cultural industries are most successful when they start from an established base of cultural institutions with museum's being considered one of the most important engines to simulate a prospectus sustainable development.

People who are working in the fields of museum, art gallery services, and conservation can testify that the gap between what is needed to run a half decent service, and available funding is absolutely colossal. Backlogs in basics such as building maintenance, collection care initiatives and conservation processes mean that a finite and culturally valuable resource, the intellectual capital, is facing very real threats of change and decay that is avoidable with some investment. Museums are vital to public understanding and education in science, art, engineering, medicine, history and many other fields.

Places like these can inspire people to work in any of these fields, and they are also vital for the purposes of research. Museums in Sweden have some of the finest collections in the world, but there is a need to let them be able to maintain and expand on what they have in order to keep the research and reputations of these institutions at the forefront of world market.

Sweden's exceptional heritage, museums, and galleries lead many tourists to visit Sweden because of its wealth of cultural resources. If museums, galleries, and exhibitions are cut back, tourism would likewise scale down, and so would the resulting revenue.

This paper provides an overview of the important impact of museum's on regional economic development. It contains deep analysis and wide spectrum scanning of major scholarly papers, books, and professional reports.

The paper recommends that the government has to continue to support museums with appropriate subsidies and keeping museums well-funded. Appropriate funding for museums leads to sustainable development not only in the field of history or art per se, but, museum is a big arena and engine for implementing and achieving Sweden's cultural policy, objectives, and activities on local, regional, and national level.

FROM OBJECTS CONSERVATION TO SUSTAINABLE ECONOMIC DEVELOPMENT

This paper examines the sustainable economic development impact of museums. The object of the study is to shed light on the impact of sustainable economic development which museums have on the surrounding regional economy. These impacts are measurable in economies directly related to cultural or heritage tourism. In addition we examine the impact of the activity of the museums themselves and all multiplier effects of the activity on the regional sustainable development.

The analysis of sustainable development impact of museums locally, regionally and nationally involves many factors the most central of which relates to the cultural tourism industry in general and to museums in particular.

Heritage tourism and museums can be considered to be an innovative and creative motors for economic growth and development and they have spillover effects on related creative industry fields. The regional economic impact of museum's cannot be measured only by direct revenues, however, but also by the museums activities with its multiplier effects in the region.

Research Questions

This paper examines the following issues;

1. What is the sustainable economic development impact provided by museum activities with its multiplier effects?
2. What kind of economic impact do the activities of museums have on regional sustainable development?

METHODOLOGY

This study is based on qualitative research methodology. The qualitative research comprises text analysis, literature review, and personal experiences of the researchers who are academic and practical experts in sustainable development, cultural heritage policies and strategic economic development.

Reviewing studies that quantified the economic impact of many of museums case studies has been facilitating accomplishing this paper. The paper also utilized other examples which used land property impact analysis on museums on the surrounding zones. In addition, reviewing academic and organisational reports on museums' indirect social and environmental impact was carried out and developed based on other planning and sustainable development theories to illustrate how museums achieve sustainable development.

PREVIOUS STUDIES

Nowadays, museums are confronted by intense pressure and they are considering options to alleviate their operations and to ensure their future.. Many studies and technical reports show that the concept of sustainability offers a range of strategies, approaches, and insightful ideas to help museums operate efficiently and effectively. The studies address the relationship between sustainability, organisational change, leadership, planning, greening initiatives and assessment of museum context.

The following matrix shows part of the literature reviews that have been studied in this paper:

Table 1: Matrix of previous studies: Economic Perspectives

Theme	Author-Country	Year-Publisher	Brief Results
Public Finance	Carole Rosenstein, USA	2010, International Journal of Cultural Policies	The paper provides a deepened understanding of the significance of ties between museums and government that are mediated by dollars in the USA. The degree of directness through which government dollars are delivered to a museum tells us something important about the museum's public status. Money has dimensions of significance that can only be understood by looking at characteristics of the institutions, mechanisms, and systems through which it moves. In other words, money, in a policy system, does not express strictly numerate relations. The article concludes by pointing out ways that an acknowledgement of this multivalence of money can be valuable for developing nuanced theory about the relationships between cultural economics and cultural policy.

Theme	Author-Country	Year-Publisher	Brief Results
Economics	Fiona Tuck, UK	2015, Arts Council England.	The report aimed at estimating the direct economic impact of the museums sector in England. The research considers the full range of income-generating activities that a museum undertakes and includes all of these activities in the calculation of total income. The study indicates museums have a number of ways by which direct and indirect economic impact may be achieved. The study shows that museums have a positive economic outputs and outcomes.
Sustainable Economic Development	Throsby David, UK	2001, Cambridge University	In an increasingly globalized world, economic and cultural imperatives can be seen as two of the most powerful forces shaping human behaviour Throsby's book considers the relationship between economics and culture both as areas of intellectual discourse, and as systems of societal organization. The book is built on a foundation of value theory, developing the twin notions of economic and cultural value as underlying principles for integrating the two fields. Ideas of cultural capital and sustainability are discussed, especially as a means of analysing the particular problems of cultural heritage, drawing parallels with the treatment of natural capital in ecological economics. The book goes on to discuss the economics of creativity in the production of cultural goods and services; culture in economic development; the cultural industries; and cultural policy.
Cultural Heritage and Sustainable Development	Luigi Fusco Girard (Italy) and Peter Nijkamp (Netherland)	2009, Ashgate. University Federico and University of Amsterdam	While an avalanche of tourists has a positive impact on the local economy, such modern mass tourism also brings about negative externalities such as congestion, decline in quality of life, low access to cultural amenities and loss of local identity; to the extent that the sustainability conditions of a locality might be endangered. This study examines the interface of local cultural resources and modern mass tourism from a sustainability perspective. It puts forward

			innovative methodologies and best practice case studies for future cultural conservation policies.
Historic Preservation and Sustainable economic development	Donovan Rypkema, USA	2010, Place Economics	The author makes his case with 100 "arguments" on the economic benefits of historic preservation, each backed up by one or more quotes from a study, paper, publication, speech, or report. Rypkema describes how strategies that include preservation projects help communities make cost-effective use of resources, create jobs, provide affordable housing, revive downtowns, build tourism and attract new businesses and workers.

Theme	Author-Country	Year-Publisher	Brief Results
Culture and Local Development	Xavier Greffe (France)	2005, Organisation for Economic Co-operation and Development	The author highlights the impact of culture on local economies and the methodological issues related to its identification. She demonstrate that the contemporary contribution of culture to economic development is not only limited to attracting tourists, but that it increasingly acts as a catalyst for other activities to further development through territorial clusters. It also demonstrates the power of culture as a tool for the social integration of distressed people and communities, thus contributing to sustainable development. Building on recent international case studies, Culture and Local Development shows how public policies can foster culture as a lever for local economic development in terms of partnerships, tax relief, and other innovative instruments. The book also sets out the implications for national governments in the fields of education and intellectual property rights.
Museum and Sustainable Development	ICOM	2014	ICOM defines that sustainability is the dynamic process of museums, based on the recognition and preservation of tangible and intangible heritage with the museums responding to the needs of the community. To be sustainable, museums, through their mission, must be an active and attractive part of the community by adding value to the heritage and social memory.
Economics	Suojanen Vanio, Finland	2014, University of Vaasa	Museums are cultural destinations but they are also tourist destinations and thus have an impact on economic activity. The study was aimed at finding out the economic impact of museums themselves, including the spending of museum visitors.
Public Policies and Finance	Charles Smith, UK	2011, Museum Management and curatorship	There are different types of museums with different working cultures and different methods of interpretation and display. One of the problems of much current museum policy-making is an assumption that one rule should suit all. The author believes that by the far most effective solution for museums funding problems would be to establish a system of state-aided endowment funding.
Competitiveness and Marketing	Alfonso Siano and others, Italy	2010, Museum Management	The authors' investigate the effective marketing strategies based on the context of the museums

		and Curatorship	where they are located. They found that museums which are located in clusters are more competitive than those tare located in the outliers.
--	--	-----------------	---

Theme	Author-Country	Year-Publisher	Brief Results
Innovation	Brian Dawson, Canada	2008, Museum Management and Curatorship	The paper explores the nature of innovation, reviewing broader business models of the nature of innovation, how organisations (museums) innovate, and how these models may be applied to a cultural institution. The paper also explores concrete examples of fostering innovation within the Canada Science and Technology Museum Corporation, including the role of integrated strategic planning, process improvement, product development, and grass-roots participation.
Marketing and creativity	Denise Cole, UK	2008, Museum Management and Curatorship	Discusses the contribution of marketing as a tool to museum's survival strategy, and applying these strategies to mining heritage museums. The paper also examines the value of museum branding
Financial Efficiency	Des Griffin, Australia	2008, Museum Management and Curatorship	High performing enterprises, including effective museums, are characterised by a focus on the long term, unique value and cohesive leadership, which build supportive but challenging relationships within the enterprise.
Public-Private Partnership	Morten Sondergaard and Niels Veirum, Denmark	2012, Museum Management and Curatorship	Museums are increasingly required to demonstrate business creativity and innovatory zeal. Educational establishments, such as universities, face similar pressures. The need for both sectors to develop new tools and understandings to facilitate innovation presents difficulties analogous to those that the small and medium-sized enterprises (SME) face. However, institutional barriers currently restrict interaction between museums, universities, and SMEs. This article presents a joint venture model for culture-driven innovation in a public-private consortium that addresses these institutional barriers, and has proven successful in a Danish context.
Strategic Planning	Douglas Worts, Canada	2011, Museum Management and Curatorship	The review highlights the intense financial pressures on museums and how these museums vulnerable to find ways to stabilize their operations and ensure future survival. The author introduces the concept of sustainability and offers a range of strategies and insights to help museums operate more efficiently, with accompanying cost savings and reduced environmental impacts.
Promoting innovative finance	Philip Feifan Xie, USA	2005, Tourism Management J.	The investigation revealed that although the potentials for conserving and interpreting the museum are valued highly, there exist conflicting views by various stakeholders. Problems are attributed to poor community perceptions, a lack of strong support from the industry, the controversial reuse of existing facilities, ill-informed economic benefits and the issue of authenticity.
Economics of Demand and Supply	Victor A. Ginsburgh, UK and David Throsby, Australia	2006, ELSEVIER	The chapter explains the economics of museums in terms of demand (private demand, social demand, external effects and effects on Markets). The paper discusses the costs of supply of services (cost structure, cost functions and Institutional structure).

Theme	Author-Country	Year-Publisher	Brief Results
Strategic Management	Mark Weinberg and Marsha Lewis, USA	2009, Museum Management and Curatorship	The paper discusses the museum managers' strategic role in managing and adapting the assets of the organisation toward maximum value creation in an environment of resource constraints and constant change. The paper utilizes Mark Moore's public value model, the Strategic Triangle, which provides the most comprehensive framework for strategic management in the public and nonprofit sectors. According to Moore, bad strategy or strategic failure in the public sector results when the organisation's goals do not mirror the community's desires, the organisation is unable to produce the desired good or service, or what is produced has no long-term public value.
Public Administration	Marsha Semmel and Mamie Bittner, USA	2009, Museum Management and Curatorship	The paper utilised the federal agencies role in the USA as an example to explore evolving definitions of public value regarding the museum sector. Five broad areas needing continued attention are suggested in connection with relevant Federal Agencies supported projects.
SMEs	Marina Novelli, Birte Schmitz, Trisha Spencer, UK	2005, Tourism Management	The authors use network and clusters as a framework providing SMEs with innovative opportunities to operate in a competitive tourism environment. A review of relevant literature on clusters, networks and tourism business innovation is undertaken, before focusing on the specific issues of Healthy Lifestyle Tourism.

Theme	Author-Country	Year-Publisher	Brief Results
Competitiveness	Fernando G. Alberti, Jessica D. Giusti, Italy	2012, ELSEVIER	The regional identity and heritage allowed the creation of a new form of cluster, where major firms in tourism organisations, sport facilities, institutions and tangible and intangible cultural heritage (corporate and industry museums, private collections, archives, expertise and practices) are beneficially tied together in a self-reinforcing mechanism of competitiveness, nurtured by tourism flows.
Museum Finance	Katja Lindqvist, Sweden	2012, Museum Management and Curatorship	This study concludes that most museum revenue types are not particularly vulnerable to income originating from various museum stakeholders (fund) fluctuations in the economy. There are structural challenges for financial management of museums beyond economic crises, and these are linked to long-term strategic decisions of museums regarding stakeholder relationships.
Investment	Steven Tufts, Canada	1999, Pergamon	Examines how cities and regions may reconstruct cultural heritage institutions including museums from demand supply (place for leisure, education, and the celebration of local heritage) versus a transition to alternative consumption experiences and tourism activities. (Supply sided perspective)
Governance	Antonio Russo and Jan Van Der Borg,	2002, Tourism Management	The case studies highlight how specific soft elements (human capital) of the urban and regional museums are the ones that matter most in determining the attractiveness of

	Italy.		a city for international visitors.
Production Factor	Beatriz Plaza, Spain	2009, ELSEVIER	Economic valuation through an estimate of the <i>Willingness to Pay</i> (WTP) (e.g. contingent valuation), is clearly an insufficient method for valuating a GLAMUR (Global Art Museum). One possible accurate method could be to calculate the Discounting of Cash-flows (DCF), followed by the discounting of the WTP estimates.
The Economics of Museums: Research Fields	Peter Johnson and Barry Thomas, Netherlands	1998, Journal of Cultural Economics	The authors examine different analytical methods on how museums can be productive organisations, and which policies might prove most fruitful. They suggests that embracing consumer motivations, museum management objectives, and public choice considerations as a formal modelling enriches with innovative development will leads to sustainable economic development.
	Yeoryios Stamboulis, Greece	2003, Tourism Management	Innovative attempts gain new strategic value when viewed from a perspective that values experience as an important new attribute. This perspective has significant consequences for the growth of destination strategies, policies, and the integration of the information-society dimensions.

Literature review’s summary

The previous literature review show’s that museums can play an important role in regional renewal and regeneration. The literature discusses the idea of museums as a catalyst for economic sustainable development through various case studies. The literature reviewed concentrates on assessing the economic impact of museums covering various aspects including public finance, small and medium businesses, competitive advantage, business administration, governance systems, investment, human capital and product factors. The literatures show that the active museum which are located in urban areas and they well equipped by local professional staff and leadership, they have an effective vision and sustainable strategies which lead the museums to be able to represent a valuable example of sustainable development.

CONCEPTUAL FRAMEWORK

Successful museums are deeply involved and engaged in the surrounding environment and community by developing a sustainable activities and programs. Museums that are isolated from their surrounding development always suffer from low visitation due to their disconnection with other attractions and services.

Sustainable development benefits that may be generated by the clustering of reinforcing activities and overlapping markets result from complementary interaction among the three pillars of sustainability, economic development, social development, and environment protection. Sustainable development is cost savings or revenue gains that result from the cohesive forces among co-located regional development activities.

Museum considers as cultural hub which grouping social and cultural activities that are dependent on sustainable development principles. Moreover, museums can foster public consciousness of the needs and impacts of human life. Achieving a viable future globally will require a strengthening of local communities in ways that encourage reflection, dialogue and action—a role that museums have the potential to perform, even though it is not their traditional function.

The following conceptual maps (as shown in figure 1) show how a museum can work as a regional development engine.

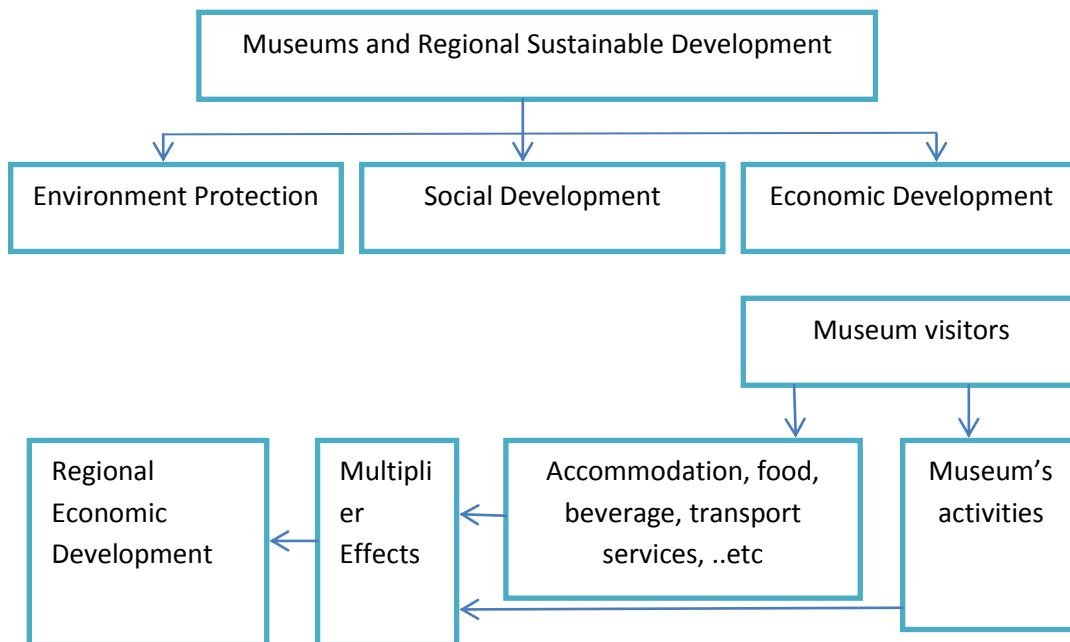


Figure 1: Conceptual Framework

Economic Development

The economic development conceptual framework treats various aspects of the production of museum services. Two different impacts will be discussed. Firstly this paper shows that museums may be looked at as an economic unit where direct inputs and expenditures can be analysed (activities of museums themselves), secondly, the paper demonstrates the indirect impacts which resulted through ancillary services (regional economic impact of museum visitors' spending).

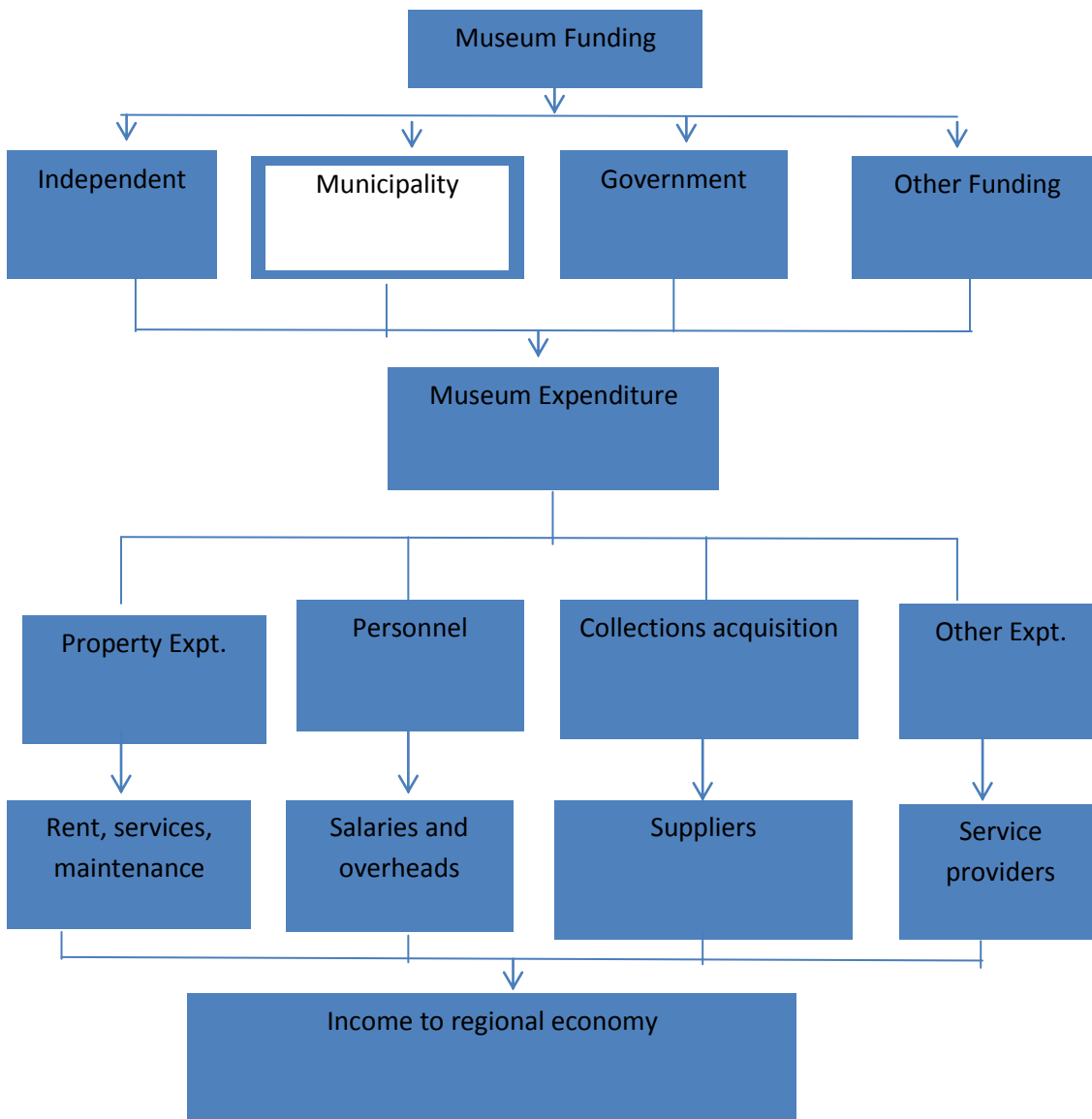


Figure 2: Economic development framework

ANALYSIS AND RESULTS

1. Sustainable Economic Development

A. Direct Economic Impact:

Prior to presenting the previous and recent studies on economic impact, the table below considers the most common activities undertaken by museums in order to generate income. The list reflects the full range of a museum’s potential operational activities, over and above visitors viewing collections. The study classifies all income-generating activities as within scope of highlighting the economic impact of museums, and therefore all of the following activities are included as part of the study of direct economic impact. It should be noted that not all museums undertake all of these activities; rather this list reflects the scope of activities undertaken across the sector.

Table 1: Museums' potential operational activities

Type	Activity description
Museum	The entry fees through which management and viewing of the collection is undertaken. This is where revenue from visitors accessing the collections would be accounted for.
Professional services and Laboratories	The scale of the skills and knowledge of staff hired by other organisations. For example, consultancy services, bid writing, project management.
Research	Undertaken, and participation in, research contracts or projects.
Learning	The delivery of learning services for payment to individuals, groups or other organisations.
Food, drink, and catering	Food and beverage sales. The scale of prepared food and drink in a café, restaurant, bar environment, including for corporate entertainment.
Retail	The retail sale of non-consumable items.
Venue hire	The hire of spaces within the museum for a fee for individuals or organisations. For example; conference/ weddings/ corporate events.
Events	Promotional events organised to generate revenue for the institution. For example, festivals/fairs, concerts, family days, themed days.
Fundraising	Fundraising and development projects directly linked to the museum, including regular activities.

Type	Activity description
Publishing and printing	Publishing books, journals and other written materials, either in physical or electronic format and the printing of images.
Apps and other media	Sale of apps and other media directly linked to the museum.
Memberships	Friends and membership groups linked to the museum.
Property and land	Renting and leasing of property/ land owned by the museum.
Leveraging assets	The leveraging/monetisation of assets/ collections through another business function. For example; artifacts available for hire, touring exhibitions, derivative designs and intellectual property.

Activity of museums themselves:

Every single study from the above literature review shows the same results and presuming that the share of government funding in average 42% of the total funding of museums and this fund leads to positive impact on regional development (Fiona; 2015) , (Piekkola and Vainio; 2014). The other central financiers were municipalities whose share of funding is, on average, 26%. With museums independent funding, museums were responsible on average for 17% of overall funding, and the share of other financiers was about on average 15% (Piekkola and Vainio; 2014).

On average 48% of the spending by museums was allocated to salaries and 31% (on average) to property costs (Fiona; 2015). Other costs accounted for about 20% (on average) of the total expenditure. The share of collections purchase was about 1% of the total expenditure. The salaries and property costs therefore came to about 80% of the expenditure of museums. This is a significant piece of information as particularly labour, job creation, and property costs are mostly allocated for the development of regional economy and thus, they have considerable regional economic impacts (Fiona; 2015).

However, museums as institutions, which are funded by governments have moderately large impact on their local regions and most of their income is used regionally. There is no doubt that museum activity brings an additional income of over three times their expenditure as direct economic impact to the

regions of the museums (Plaza; 2010) . The multiplier effect of the regional economy increases this impact to between 30-50% of the direct income at a regional level (Plaza; 2010).

Impact of museum visitors:

The increase in demand brought by museum visitors in the location of a museum is very important. Estimates for the minimum and maximum spending must be based on statistical data and analysis. However, proxy projection derived from neighbouring countries such as; Norway, Denmark and Finland can be applied. Studies and technical reports show that the activity of the museums themselves increases the spending allocated to the location of the museums by a total of 50% of the museum expenditure on an annual basis. The spending is allocated mainly for salaries, taxes, and payments received by other service providers in the location of the museum. This increase in demand has multiplier effects the magnitude of which increases the total impact by 20%-50%. Hence the activity of museums increases (increase in total demand multiplied by regional economy multiplier 1.2-1.5) economic activity in locations of museums by about 60%-70% of the museums total expenditure (Piekkola and Vainio; 2014) and (Plaza; 2010).

B. Indirect Economic Impact:

Indirect impact of museums might consist of :

1. Visitor spend:

Museums and heritage tourism is considered to be a key motivator for domestic and Scandinavian visits to Sweden and museums are considered to be a major 'pull' factor in this. Research evidence is strongest with regard to museums' economic impact via heritage and culture tourism and spending by visitors. Studies highlight the importance to the local economies of attracting visitors from elsewhere in their countries and the potential importance of retaining spending by those who have stayed in the country itself for their holidays rather than going abroad (Lindqvist; 2012).

2. Procurement:

Museums in Sweden tend to favour and support local suppliers by encouraging local and green products from suppliers (Manneby; 2010). Local sourcing and seeking to buy locally as possible could be an indirect effect of operating environmental and sustainability principles.

3. Local Regeneration:

Literature reviews and studies show that local authorities explored the value that accrued from culture and they concluded that economic development emerged as the main reason for them to fund culture and museums. Museums can play a number of roles in regional economic development and regeneration and development strategies. Place-based developments and place- making efforts can provide a sense of place destination to attract visitors. Museums offer a sense of identity and authenticity which is considered a key to place-based development projects (Hosagrahar; 2013).

4. Business support:

Studies show a significant relationship between museums and local businesses associated with the provision of local goods and services as well as place-based regeneration initiatives (Lambert; 2014).

RESULTS

Over the last few years, the admission charging debate has tended to dominate the economic analysis of museums. The main issues in this debate have now been thoroughly aired after the decision to have free entry to museums which was taken by the Swedish government in September 2015. A deeper understanding of consumer motivations, museum management objectives and public choice considerations is an important area for further study. The issue of innovation and its diffusion within the museum should be one of the principles that might also to be studied side by side with the institutional form of the current museum itself (Governmental or non-profit organisation), innovative content, and the image of the museum in terms of its social and cultural attributes. Deciding which regional museum might cities to have; the effects of museum on market, economics of externalities, museums demand and supply, and recommended activities should be addressed.

However, if a museum's finance collapse's, it will be unable to serve present and future generations and it will be difficult to find other institution to achieve its goals, mission, and objectives. Financial

collapse can lead to dispersal, or complete loss, of collections, expertise, knowledge and information, as well as the termination of services to current audiences. Museums have proved to be adaptable and resilient, however, many museums are now overstretched and financially weak and therefore vulnerable to decline. Future funding can be uncertain and once government funding declines, museums will certainly face real threats. Accordingly, many museums are diversifying their sources of income to avoid over-reliance on a single source of public funding. There is growing belief in the potential of private philanthropy to support cultural organisations, complementing public and charitable funding, sponsorship and earned income. Museums might reform its structural resources by attracting funding from non-government sources, and part of a museum might aim to operate as social enterprises. Also some local authority museums might be administered by charitable organisations that find it easier to diversify their income and can agree funding from their parent local authority several years in advance.

The researchers suppose that museums have to work within the resources available to them in a sustainable way by doing less, but doing it better. Uncertainty about funding leads museums to think short-term, whereas sustainability requires a long-term approach.

Sustainability has been described as 'efficiency with a conscience' and a key aspect of sustainable operation is to use the limited resources that are available efficiently in order to achieve the maximum possible impact. However, false efficiencies (such as cuts in funding on the basis of hypothetical 'efficiency savings') can weaken organisations, making them less sustainable. In the longer term there may be less funding available for museums, not more. Public expenditure may be under increasing pressure, as taxation struggles to meet rising pension and healthcare costs, with an ageing population. Museum income from visitors is already in decline after the decision of the Swedish government regarding free entry for visitors. Economic sustainability might sometimes be best achieved by working in close partnerships with other museums (networking museums), or other types of organisation, to share resources.

CONCLUSION

In this study, case studies show that museum visiting is likely to grow in importance as incomes increase. Greater leisure time will also reinforce that trend, as well as providing a stimulus for newly developed, specialist museum's, perhaps relying on volunteerlabour, to be set up. Well managed museum's do of course compete in a market place for visitors: whether they like it or not, they are not isolated from the activities of other surrounding attractions, such as cultural heritage sites and places, regionally significant heritage places, festivals, and gardens, cultural activities or from the pull of other claims on leisure time and expenditure, such as local sport. It should be emphasised again that technological developments in information and communications give museum's a much wider market than that defined by those who physically visit the museum premises.

Inthe case of Sweden, mix marketing perspective from stakeholders and visitors point of views, with good institutional governance and management practices, government policy regarding museums' development, might be a good tool for to attract more visitors and to maintain the museum's competitive advantage and to obtain a better position in the economy life of historic old cities and creative cities with culture cluster.

Many established museums in Europe are considered to be a major repository of their regional stock of objects and specimens of educational and cultural value. Shifting regional museums in Sweden to be research institution's in their own right and to provide raw material for visiting researchers can play an important and growing role as visitor and scholar attractions. Regional museums in Europe are significant institutions, and by developing them, a substantial amount of labour and capital will be utilised in performing their multifunctional tasks.

Regional museums in Sweden also may be viewed as productive economic engine which, in order to achieve certain objectives; engage in the technological transformation, via a production technology within the museums sector, of inputs into a variety of outputs that are valued and effected each other's. There is no doubt that there are economic issues relating to government and municipality policies towards museums in their localities and how these policies can contribute to sit up the museum economics to alongside perspectives of other different disciplines in their regions.

RECOMMENDATIONS AND POLICY IMPLICATIONS

We argue in this paper that museums have sustainable economic benefits on time-region level. Museum becomes significantly able to reflect the positive economic effects. We suggest that the key findings of this paper addresses that museums and cultural heritage are highly significant contributor to the Swedish economy including direct and indirect effects mainly those effects which supports the excess number of employees in Swedish cultural heritage sector. The researchers show that a museum as a cultural heritage institution is a reasonable contributor to the Swadesh's gross domestic product (GDP) as well as a significant contribution in employees' income. It has a great share of economic impacts related to heritage tourism sector and tourism expenditure attributable to museums.

The paper confirms the importance of museums to regional economic development in Sweden. It demonstrates that the economic contribution of museums is comparable with a number of other significant industries and sectors of economic activity. It addresses the relevance of museums to the government's overarching purpose of creating a more successful economy, with workforce development opportunities through increasing sustainable regional development.

This paper establishes a catalyst for considering the appropriate governmental, regional and local levels of support and investment in the museums sector. Traditionally, museums face the challenge for the increased investment in this sector to ensure the protection of the cultural heritage with little reimbursement and development impacts. Now there is strong evidence that increasing the investment in cultural heritage and the museums sector leads to a sound contribution on both the regional and the national economy.

In the light of the results of this paper, the researchers make the following recommendations:

1. Increase the awareness of the importance of museums to the economy of Sweden. The awareness campaign should target policy makers and the public alike. Aiming at maintaining and increasing government funding is essential for museums competitive advantage and to keep them more innovative and creative.
2. Increase the governmental investment in order to maximize the multipliers and contributions of museums in the regional development process.
3. Increase awareness of the importance of museums for workforce development and jobs creation and about the economic multipliers impacts of museums in Sweden.
4. Develop a campaign aimed at policy makers to raise their awareness of the need to encourage philanthropy in support of museums as well as to encourage private sector and private investors by offering incentives for donating companies for museums.

REFERENCES

- Alberti, Fernando G., and Jessica D. Giusti (2012). Cultural heritage, tourism and regional competitiveness: The Motor Valley cluster. *City, Culture and Society* Volume 3, Issue 4, pp. 261–273.
- CAMOC Conference 2014: Industrial Heritage, Sustainable Development and the City Museum. ICOM, Göteborg, Sweden, 6-8 August 2014. www.icom.museum/costume/news/detail/article/
- Cole, D. (2008). *Museum marketing as a tool for survival and creativity: the mining museum perspective*. *Museum management and curatorship*. Vol. 23, No. 2, pp. 177-192.
- Dawson, B. (2008). *Facilitating Innovation: Opportunity in Times of Change*. *Museum Management and Curatorship*. Volume 23, Issue 4.
- Fiona, T. (2015). *The Economic Impact of Museums in England*. *Arts Council England*. Prepared by TBR's Creative & Cultural Team in partnership with Pomegranate LLP and Scott Dickinson & Partners Ltd.
- Ginsburgh, Victor A. and David Throsby (2006). *Handbook of the Economics of Art and Culture*. Volume 1.
- Ginsburgh, Victor A., and David Throsby (2014). *Handbook of the Economics of Art and Culture*. Volume 2.
- Girard, Luigi F., and Peter Nijkamp (2009). *Cultural Tourism and Sustainable Local Development*. Ashgate.
- Grefe, X.,(2010), *The Economics of Cultural Landscapes*, Working papers EBLA CENTER - Centro Studi Silvia Santagatta, Torino.

- Griffin, D. (2008). *Advancing museums*. Museum management and curatorship. Vol. 23, No. 1, pp. 43-62.
- Hosagrahar, J. (2013). *Culture's Contribution to Achieving Sustainable Cities*, Background Note 3A-C for Culture: Key to Sustainable Development, Hangzhou International Congress, Hangzhou.
- Johnson, P. and Barry Thomas (1998). *The Economics of Museums: A Research Perspective*. Volume 22 (2), pp 75-85.
- Lambert, T., Boukas N. (2014). *Museums and Cultural Sustainability: stakeholders, forces, and cultural policies*. International Journal of Cultural Policy, Vol. 20, No 5, pp. 566-587.
- Lindqvist, K. (2012). *Museum finances: Challenges beyond economic crises*. Museum management and curatorship. Vol. 27, No. 1, pp. 1-15.
- Manneby, H. (2010). *Museums and Social Economics: A Swedish Example*. ICOM's publications.
- Novelli, M., Schmitz, B., and Trisha Spencer (2005), *Networks, Clusters and Innovation in Tourism: A UK experience*. Tourism Management, ELSEVIER, Vol. 27, pp. 1141-1152.
- Plaza, B. (2006). *The return of investment of the Guggenheim Museum Bilbao*, International Journal of Urban and Regional Research, 30(2), pp. 452-467.
- Plaza, B. (2010). *Valuing museums as economic engines: Willingness to pay or discounting of cash-flows*, Journal of Cultural Heritage, 11(2), pp. 155-162.
- Piekkola H., Suojanen, O., Vainio, A. (2014). *Economic Impact of Museums*, University of Vasa. Levon Institute. Publication 139a.
- Rosenstein, C. (2010). *When is a museum a public museum? Considerations from the point of view of public finance*. International Journal of Cultural Policy. Volume 16, issue 4.
- Russo, Antonio P., and Jan Van Der Borg (2002), *Planning considerations for cultural tourism: a case study of four European cities*. Tourism Management, Vol. 23, No. 6, pp. 631-637.
- Rypkema, D. (2010). *Historic Preservation and Sustainable economic development*, Place Economics. Washington D.C.
- Semmel, M., Bittner, M. (2009). *Demonstrating museum value: the role of the institute of museum and library services*. Museum management and curatorship. Vol. 24, No. 3, pp. 271-288.
- Siano, A., Eagla, L., and Confetto M. (2010). *Destination competitiveness and museum marketing strategies: an emerging issue in the Italian context*. Museum Management and Curatorship. Vol. 25, No. 3, pp. 259-276.
- Smith S. C. (2011). *The Nation's Museums: Politics and Policies*. Museum Management and Curatorship, Vol. 19, No. 2, pp. 187-196.
- Søndergaard, Morten K. and Niels E. Veirum (2012). *Museums and culture-driven innovation in public-private consortia*. Museum management and curatorship. Vol. 27, No. 4, pp. 341-356.
- Stamboulis, Y. (2003). *Innovation Strategies and Technology for experience-based Tourism*. Tourism Management, Vol 24, pp. 35-43.
- Suojanen, O., Piekkola H., Vainio, A. (2014). *Economic Impact of Museums*, University of Vasa. Levon Institute. Publication 139a.
- Throsby D. (2001). *Economics and Culture*. Cambridge University Press, UK 2001.
- Tufts, S., Milne, S. (1999). *Museums A supply-side Perspective*. Annual of Tourism Research. Vol. 26, No. 3, pp. 613-631.
- Tuck, F. (2015). *The Economic Impact of Museums in England*. Arts Council England. Prepared by TBR's Creative & Cultural Team in partnership with Pomegranate LLP and Scott Dickinson & Partners Ltd.
- Weinberg, M., Lewis, M. (2009). *The public value approach to strategic management*. Museum management and curatorship. Vol. 24, No. 3, pp. 253-269.
- Worts, D. (2011). *Culture and Museums in the Winds of Change: The Need for Cultural Indicators*. Culture and Local Governance Magazine. Vol. 3, No 1-2.
- Xie, P. (2005). *Developing Industrial heritage Tourism: A case study of prospectus Jeep Museum in Toledo, Ohio*. Tourism Management. Volume 27, Issue 6.