



Valuing 50 years of Australia's Icon

2023

Acknowledgment of country

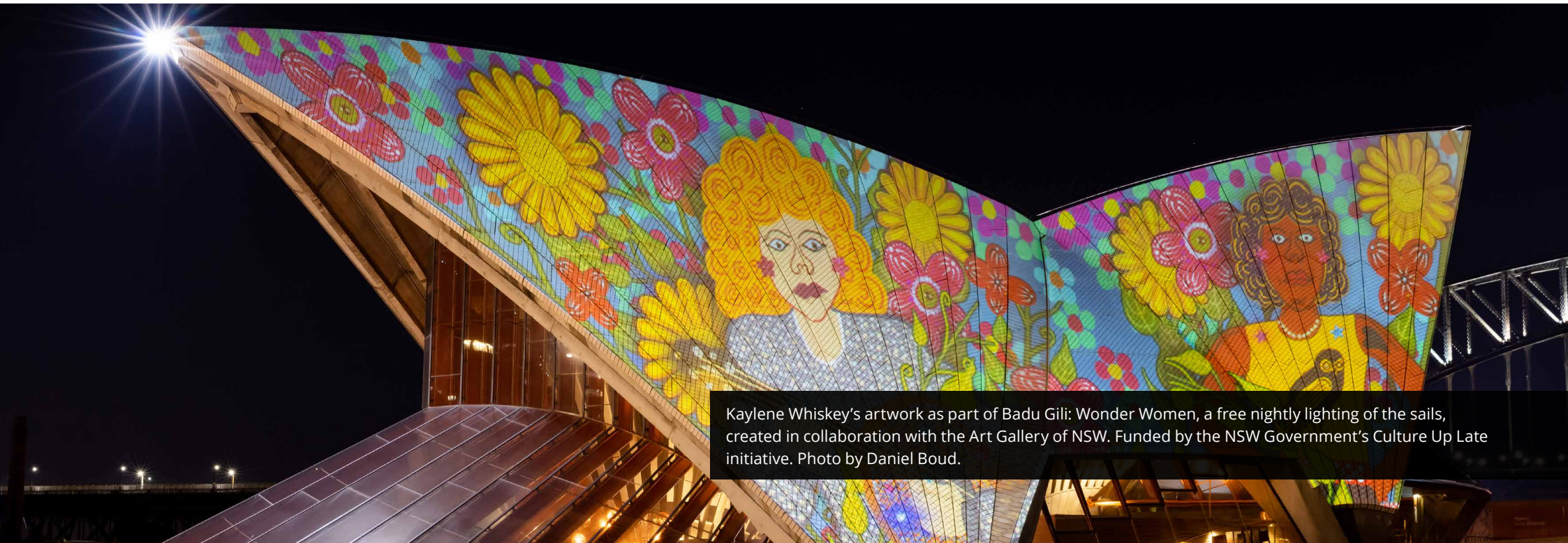
The story of the Opera House is the story of Australia. Of its ambition for culture and story, an embrace of innovation and heart. It channels the story of a country that is striving to live in respectful relationship with place, but one that hasn't always understood its relationship to an ancient scale of time. The Opera House is a 50-year-old building that is a cultural beacon for the new and the ancient. Its power as a global icon draws not only on the power of beauty but on the power of its place and the people that have cared for that place for millennia.

It is why acknowledging country is an important task. It connects us to the country we are on and to the house that sits atop it. It reminds us of the responsibilities we have to our past, to our future, and to the land.

I want to acknowledge that the Opera House is on Gadigal land; Ngatha Ginyang Gadigal Barray gaba but that the House is for all; Ngatha Ginyang Nayiri Barray gaba, and so I acknowledge the elders of this whole land – past and present; Ngatha ngarrayn marrun dangaygal.

This land is sacred land; Wanyimbu wanyimbu ganyiy nyiirunba barray – Always will be Aboriginal land.

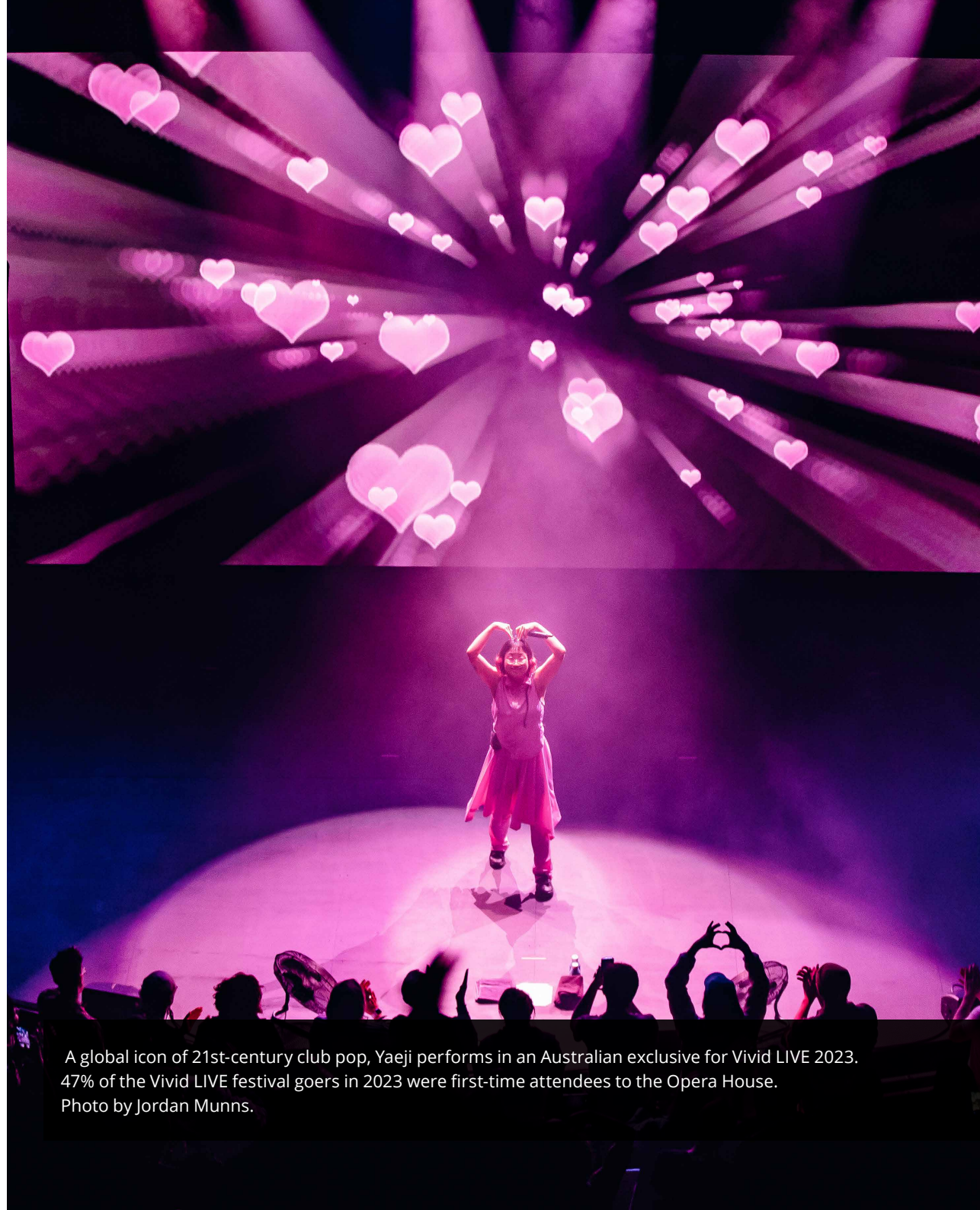
Professor Deen Sanders OAM
Worimi Man
Deloitte Integrity Lead Partner



Kaylene Whiskey's artwork as part of Badu Gili: Wonder Women, a free nightly lighting of the sails, created in collaboration with the Art Gallery of NSW. Funded by the NSW Government's Culture Up Late initiative. Photo by Daniel Boud.

Contents

Executive Summary	5
1. Introduction	8
2. Economic contribution	11
3. Social value	21
4. Digital value	31
5. Brand value	37
6. First Nations	44
7. Leading the way	47
Appendices	52
Report authors	58
References	61



A global icon of 21st-century club pop, Yaeji performs in an Australian exclusive for Vivid LIVE 2023. 47% of the Vivid LIVE festival goers in 2023 were first-time attendees to the Opera House. Photo by Jordan Munns.

Valuing 50 years Of Australia's Icon

Economic driver

In 2022-23, the Opera House precinct generated \$1.2 billion in value for the Australian economy and supported 8,000 FTE jobs.



Increasing social value

The Opera House has a social value of \$11.4 billion in 2023, reflecting 38% real growth over the past 10 years.



Adapting to customer behaviours

The digital value contributed \$500 million to the social value, a 400% increase over the Decade of Renewal.



Cultural icon

The Opera House is the most well known human-made symbol of Australia's national identity.



Celebrating First Nations art

The Opera House is committed to championing First Nations art and artists.



Inspiring positive change

The Opera House adopted the United Nations Global Goals to advance social and environmental sustainability. 72% of people agree that visiting the Opera House improved their wellbeing.



Executive Summary

This year marks the 50th anniversary of the Sydney Opera House, the symbol of modern Australia. It is an architectural masterpiece, the nation's premier tourism destination and one of the world's busiest performing arts centres, hosting thousands of events every year - from contemporary music to ballet, circus to theatre, talks to contemporary art and diplomatic summits. No one could have predicted how integral the Opera House would become not just to Sydney, but as an icon to Australia. In five decades, the building has more than repaid the conviction of those who dreamed of its creation.

At its 40th anniversary, the Opera House launched its Decade of Renewal, a bold plan to open up the building to more of the community, while setting the stage for future generations of artists, audiences and visitors. The Decade is now complete. Over that time, the Opera House has improved accessibility, amenities and safety, as well as significantly enhancing performance spaces, such as the Joan Sutherland Theatre and Concert Hall. It also launched a new Centre for Creativity and function centre, the Yallamundi Rooms, and made the Forecourt vehicle-free. The Renewal has been the largest series of capital works undertaken since the Opera House's opening.

Deloitte has assessed the value of the Opera House twice before, in 2013 and 2018, at the start and midpoint of Renewal. We now return for the valuation at the 50-year mark, considering how things have shaped up after the Decade of Renewal and through the continued production of acclaimed events and performances. Further, this research considers how the Decade of Renewal has positioned the Opera House to continue to make an impact in the future.

This valuation is set in the context of significant disruption. This includes the lingering impacts of COVID-19, with international tourism yet to return to pre-COVID levels. It also considers the challenges posed by today's inflationary environment and cost of living pressures.

So, how valuable is Australia's most iconic institution in 2023? There are several dimensions to the answer.

First, consider the economics. In 2023, the Opera House's land and buildings were valued at \$3 billion. This is three times the original construction cost (which would be around \$1 billion in today's terms).

Yet, as a driver of economic activity in NSW, the economic contribution of the Opera House is much greater than the value of its land and buildings alone. In 2023, the Opera House contributed \$1.2 billion to the NSW economy, supporting more than 8,000 full-time equivalent (FTE) positions. While its internal operations are significant (\$361 million), its biggest impact comes from drawing tourists to Sydney from around the country and around the world (\$824 million).

This economic contribution is lower than in 2018, reflecting international tourism levels that remain below their pre-COVID levels. However, the Opera House will have a big role to play in the next 18 months to two years in rebuilding Sydney's position as a global destination of choice. Despite impacts of COVID, the economic contribution of the Opera House in 2023 is larger than at the start of Decade of Renewal in inflation-adjusted terms.



\$1.2 billion
in total value added to the
NSW economy in 2022-23.



8,000 FTE
jobs supported.



\$824 million
in tourism contribution.

Executive Summary

Second, we recognise the Opera House is not just important for tourism or the economy, it provides audiences with experiences that are unique to the Opera House. Experiences that, according to 72% of survey respondents, contribute to their mental, physical and social wellbeing by reducing stress and creating meaning in life. Social value is even created for those who don't regularly visit – those who simply like that it exists.

Measuring this social value of the Opera House isn't easy, but Deloitte has developed a model based on a range of commercial, survey and willingness to pay data. We estimate that in 2023, the social value was \$11.4 billion. Even after accounting for changes in how the social value has been measured and inflation, the Opera House is worth 38% more today than at the start of the Decade of Renewal.[^]

There are various factors contributing to the increase in the social value of the Opera House. First, despite the lingering impacts of COVID-19 on international tourism, the transaction value of the Opera House has grown by 16% in real terms. Further, the consumer surplus of attending performances at the Opera House is 43%, up from 38% in 2017-18. Investments made over the Decade of Renewal – for example to improve accessibility or updates to the Concert Hall – could have contributed to making experiences at the Opera House more enjoyable for audiences, driving up the value premium. Further, the Opera House has invested heavily in expanding its digital offerings. This means that more digital content is available and more people are engaging with it; increasing the digital value of Opera House by 400% over the decade. Finally, Australians are willing to spend 26% more in nominal terms than they were in 2018 to support the Opera House's continuing existence and

operation. The iconic value of the Opera House and the role it plays in Australia has evolved over the decade, shaped by investments in broadening its First Nations programming, and becoming a leader in social and environmental sustainability.

One of the fastest changing component parts of the Opera House's value is from screen channels. Audiences viewed more than 900,000 hours of content online in 2022-23, and there were some 6 million unique visitors to the Opera House website in 2022-2023. Approximately 21 million engagements with the Opera House's social media and website channels. All up, we put the digital value at \$23 million annually.

The Sydney Opera House has evolved its screen-based offerings over time, for example through major investments like *From Our House To Yours* which played a pivotal role during the COVID-19 lockdowns but also through the launch of its new platform, Stream. This shows a commitment to innovation and providing new ways for audiences to engage with performing arts in Australia and internationally.

As mentioned, the amount of government funding that Australian households would be willing to allocate to the Opera House has increased 26% in nominal terms since the last time it was measured. This result is even more meaningful against the backdrop of rising prices, underscoring the value Australians place on the Opera House as a core part of Australia's national identity. The increase in Australians' willingness to contribute to funding the Opera House has seen its existence value increase 32% in real terms since the start of the Decade of Renewal.

[^]This reflects the increase after accounting for changes in methodology (including a shift to a 5% discount rate in this year's edition and a 50-year valuation period) as well as increases in CPI.



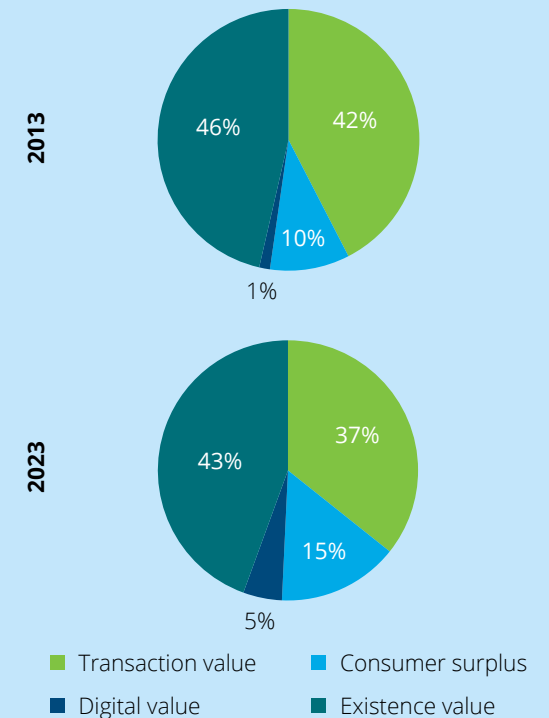
\$11.4 billion
in social value.



\$23 million
in digital value annually.



72%
of people agree that the
Sydney Opera House
contributes to their wellbeing.



Executive Summary

Of course, the Opera House is not just a building, a performance venue or a website – it's one of the strongest brands in the world, making Australia one of the only countries in the world that is recognisable by an arts and culture centre.

The Opera House is as emblematic of Australia as a koala or kangaroo, putting it in the rare category of combining strong recognisability with high positive perceptions. It ranks highly on all four categories of the Brand Asset Valuator: differentiation, relevance, esteem and knowledge. Relative to other cultural brands, the Opera House consistently outranks in the four categories. In fact, in the past decade, the Opera House has never scored below 99 on the differentiation measure. Brand associations made by visitors to the Opera House further emphasise the strength of its brand, with the word "Unique" consistently featuring as one of the top two words associated with the Opera House. In recent years, the words 'visionary' and 'dynamic' have also become leading terms associated with the Opera House.

This edition of the valuation extended our research inquiry into the values brought from the Opera House to our night life, First Nations art and sustainable development.

The Opera House is playing a key role in revitalising the night-time economy after the pandemic, delivering a variety of experiences such as free Forecourt concerts and a new iteration of Badu Gili as part of the NSW Government's Culture Up Late program. As the centrepiece of Vivid Sydney, the lighting of the 'sails' was critical to attracting visitors back to the city at night. 71% of people agree that the Opera House contributes to Sydney's night-time culture and economy.

First Nations storytelling is an integral part of the Opera House, with 50% of visitors to the Sydney Opera House having engaged with First Nations art. Performances engaging First Nations peoples are regularly presented, with programming increasing its focus on supporting and engaging with the artists going into the future.

In 2019, the Opera House became the first major Australian arts institution to commit to the United Nations Sustainable Development Goals (Global Goals) to demonstrate the role that creativity and collaboration with likeminded organisations can play in helping to build a more sustainable, equitable and fairer world. This has positioned the Opera House as a leader in sustainable development. The Opera House has consistently performed well in its corporate responsibility, environmental and social sustainability, achieving a 6 Star Green Star performance rating (equating to world leadership in environmental and social sustainability) from the Green Building Council of Australia in 2023.

The Opera House is working towards becoming Everyone's House by connecting more deeply with the community it was built to serve. The 50th anniversary has been a valuable opportunity to take stock of how much has been achieved over that time — but it's also been an opportunity to reveal what to expect in the years ahead. Its next strategy focuses on how the Opera House can further secure its position as a leader in Australia and globally. The priorities of artists, audiences and visitors continue to evolve, and so too does this singular masterpiece of creativity on Sydney Harbour.



99
score on brand
differentiation.



71%
of people agree that the
Opera House contributes to
Sydney's night-time culture
and economy.



50%
of visitors have engaged
with First Nations art.



6
Star Green Star building
performance rating
achieved.



1. Introduction



The reopening of the Concert Hall with a performance from the Sydney Symphony Orchestra, after more than two years of extensive renewal works, the culmination of the Opera House's Decade of Renewal. Photo by Daniel Boud.



Introduction

The Opera House and its precinct (which includes the Forecourt, restaurants and bars, as well as other public spaces) generate value for both direct users and the broader community. This value is generated in a number of ways including:

- by providing enriching experiences for people who attend performances, tours and restaurants at the Opera House
- by generating and supporting economic activity in NSW and Australia more broadly
- by serving as a national and international icon and attracting tourists
- by contributing to Australian culture and society more broadly, for example by facilitating access to the arts and providing free educational programs, taking bold climate action, celebrating First Nations culture and reinvigorating the Sydney nightlife.

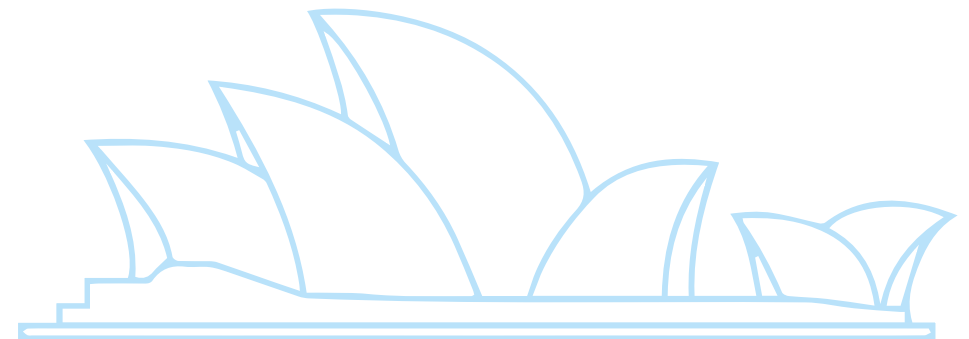
The Opera House has become a world leader in sustainability. In 2023 the Green Building Council of Australia awarded the Opera House with a 6 Star Green Star Performance Rating, confirming its status as an innovator in environmental and social sustainability. The award makes the Opera House one of the first World Heritage listed buildings to have received the certification.

In 2013, Deloitte Access Economics released the report: *How do you value an icon? The Sydney Opera House: economic, cultural and digital value*, which estimated the value of this asset for the Australian economy and people. It found that, through mechanisms including those above, the Opera House supported \$775 million of economic activity annually, and that its broader social value was \$4.6 billion.

In 2018, Deloitte Access Economic updated this analysis in the report: *Revaluing Our Icon*. The report found that the contribution of the Opera House had increased to support \$1.2 billion of economic activity annually, and that its broader social value was \$6.2 billion.

This year's addition of the report takes an updated approach to modelling the social value that reflects new guidance on social discount rates from NSW Treasury and a 50-year evaluation timeframe. For comparability to previous reports, results using a like-for-like methodology are also presented.

On its 40th anniversary, the Opera House embarked on a Decade of Renewal designed to ensure that the building continues to inspire future generations of artists, audiences and visitors. Major upgrades to the infrastructure of the Opera House include the restoration and renovation of the Concert Hall and Joan Sutherland Theatre, and the delivery of a new Centre for Creativity and function centre, the Yallamundi Rooms. Other major initiatives included the launch of Stream, which offers access to recorded and livestreamed performances from the Opera House stages, and significant accessibility upgrades across the precinct.





Introduction

The Sydney Opera House Trust (SOHT) is responsible for operating and maintaining the Opera House precinct on behalf of the NSW Government. The SOHT has engaged Deloitte Access Economics to re-examine the value of the Opera House at the end of its Decade of Renewal.

This report updates and refines previous estimates of the value of the Opera House. We use a range of bespoke and existing research, including:

- new input-output modelling using financial data from the SOHT
- a bespoke survey of 3,800 people fielded by Ipsos including from across Australia and international tourists from the US, the UK, New Zealand and China
- tourism modelling using satellite accounts and Tourism Research Australia (TRA) data
- Consults with a range of stakeholders including Tourism Australia, the City of Sydney, Dr Terri Janke of Terri Janke & Company, Western Sydney University and the Green Building Council of Australia

Using these inputs, the report quantifies both the economic contribution and social value of the Opera House. In doing so, we can estimate both how the Opera House contributes to GDP and employment, as well as the value it delivers to consumers and Australian society. Though these are not additive, they illustrate the significant contribution the Opera House makes.

In addition, we consider other benefits that the Opera House delivers, by contributing to Australia's brand, celebrating First Nations culture, alongside digital initiatives and opportunities over the next 50 years.

Acknowledgments

Deloitte Access Economics would like to acknowledge the contributions of:

- **Ipsos Australia** for the coding and fielding of the consumer survey
- **Landor & Fitch** for providing the Brand Asset Valuator report





2. Economic contribution



The contemporary staging of *Amadeus* in 2022-23 featuring the acclaimed Michael Sheen was nominated for six Theatre Awards. Project was supported by the NSW Government through the Blockbusters Funding initiative. Photo by Daniel Boud

Economic contribution (2022-23): Key findings



\$1.2
billion

Total value added to the NSW economy from the Opera House precinct and tourism



82%

International visitors said the Opera House was a consideration in visiting Sydney



8,038
FTE jobs

Supported by the Opera House precinct



\$1.2
billion

In tourism expenditure from domestic and international visitors to the Opera House



\$361
million

Value added from the operations of the Opera House precinct



\$824
million

In value added from tourists visiting the Opera House precinct



Overview

The Sydney Opera House generates significant market value for the New South Wales (NSW) economy

Economic contribution studies provide a snapshot of the contribution of an entity to the economy at a point in time. This chapter estimates the 2022-23 market value of the economic activity generated and supported in the Opera House precinct. Specifically, this includes:

- the [direct economic activity](#) of three types of entities, as shown in Table 2.1
- the [indirect economic activity](#) supported by these entities
- the Opera House's role in [attracting tourism activity and expenditure](#).

Table 2.1: Entities considered in the Opera House precinct's economic contribution

Component	Main economic activities
SOHT	<ul style="list-style-type: none"> • Maintaining and managing the precinct • Venue hire, rental income from food and beverage, and retail space to other companies and customers • Presenting performances through its internal programming arm Sydney Opera House Presents • Providing guided tours and ticketing services
Resident performing arts companies	<ul style="list-style-type: none"> • Presenting events and performances at the Opera House
Onsite food and beverage operators and retailers	<ul style="list-style-type: none"> • Selling food, beverages and merchandise to visitors on the precinct

The economic contribution of the Opera House precinct has changed from year to year for a variety of reasons.

First, global circumstances, such as the COVID-19 pandemic and lingering border closures, impacted international tourism. This has impacted the number of international visitors attending the Opera House precinct (i.e., taking guided tours or viewing performances).

Second, decisions about the timing of maintenance expenditure could affect the amount of economic activity generated by the SOHT in a particular financial year.

Third, the popularity of programming by resident performing arts companies and Opera House may change, for example, due to increased household economic pressures or the increasingly competitive social and cultural opportunities available across the city.

As such, the economic contribution for the Opera House precinct **should not be expected to remain constant from year to year**.

This report notes that commercial hirers also host events at the Sydney Opera House precinct, generating \$10 million in gross box office revenue in 2022-23. However, in the economic contribution, only the net box office revenue has been included i.e., the proportion of revenue received by the SOHT from commercial hirers. Excluding commercial hirers from the analysis is consistent with the approach taken in previous reports.



Economic contribution of the Opera House precinct

The Opera House precinct supported \$361 million in direct and indirect value added in 2022-23 and supported approximately 2,800 FTE jobs.

The economic contribution of the Opera House precinct includes its value added, as well as the employment it supports in the NSW economy, both directly and indirectly.

- **Direct value added** captures the wages and gross operating surplus of the SOHT and other businesses in the precinct.
- **Indirect value added** captures the flow-on economic activity associated with the purchase of intermediate inputs made by the SOHT and other businesses in the precinct.

Further details on the methodology used to estimate the economic contribution of the Opera House are in Appendix A.

The amount of economic activity generated by the Opera House precinct in 2022-23 was \$207 million in direct value added to the Australian economy. As shown in Table 2.2, and calculated earlier, this contribution is calculated as the sum of the economic contribution of three groups of entities operating in the precinct: the SOHT, the resident performing arts companies and those companies who operate the onsite bars, restaurants, cafes and retail shops on behalf of the Opera House.

The Opera House had the largest share of the direct contribution (\$107 million) followed by resident performing companies (\$63 million). There were approximately 1,700 FTE roles in the precinct in 2022-23. Again, the Sydney Opera House constituted the largest share (37%) of this employment.

The intermediate inputs purchased by the SOHT and other businesses in the precinct also generate flow-on benefits for other sectors of the economy. For example, purchases of food by restaurants in the precinct will lead to payments to the agriculture, food processing and wholesaling industries. The sum of these flow-on benefits is the indirect economic contribution.

In 2022-23, the Sydney Opera House precinct had an indirect economic contribution of \$154 million and supported around 1,100 FTE employees.

The Opera House precinct generated:



Table 2.2: Economic contribution of the Opera House precinct

2022-23	Direct				Indirect				Total			
	SOH	Resco	F&B	Total	SOH	Resco	F&B	Total	SOH	Resco	F&B	Total
Value added (\$m)	107	63	37	207	68	56	30	154	174	119	67	361
Employment (FTE)	633	619	427	1,679	511	428	181	1,120	1,144	1,047	607	2,799

Source: Deloitte Access Economics analysis based on the SOHT annual report 2022-23 and the annual reports for resident performing companies 2022.

Note: Individual figures may not add due to rounding.

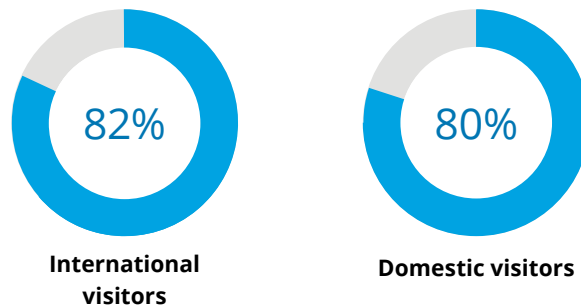


Contribution to tourism activity

The Opera House precinct supported \$1.2 billion in tourism expenditure during 2022-23, creating \$872 million in value added and approximately 5,576 FTE jobs.

The Opera House also supports economic activity through its role in attracting tourists to Sydney. Some tourists – whether from interstate or overseas – come to Sydney, or stay in Sydney longer, in order to experience the Opera House.

The proportion of visitors to the Opera House who say it was a consideration in their decision to visit Sydney.



To the extent that the Opera House attracts a visitor to come to Sydney, stay longer and spend more, this activity and expenditure can be attributed to the Opera House, even if they did not spend money at the precinct.



Three main steps were used to estimate tourism expenditure attributable to the Opera House and the corresponding economic contribution to Australia:

1. Estimate the **total amount of relevant tourism expenditure** in Sydney
2. Estimate the **contribution of the Opera House** to this expenditure
3. Model the **value added and employment** associated with this expenditure.

We estimate that the Opera House supported \$1.2 billion in tourism expenditure during 2022-23 in NSW.

This expenditure supports businesses and generates value added for the Australian economy. As shown in Table 2.3, we estimate that tourism expenditure associated with the Opera House contributed to \$872 million in direct and indirect value added in 2022-23. It also supported approximately 5,576 FTE roles.

More details on the methodology and data sources used for the Opera House tourism contribution can be found in Appendix B.

Table 2.3: Estimated contribution of the Opera House to tourism in Sydney, and associated contribution to NSW economy, 2022-23

	Direct	Indirect	Total
Expenditure (\$m)	1,218	N/A	1,218
Value added (\$m)	397	475	872
Employment (FTE)	3,243	2,333	5,576

Source: Deloitte Access Economics, Tourism Research Australia (2023), SOHT data, SOHT annual report 2022-23 and the annual reports for resident performing arts companies 2022

Note: Individual figures may not add due to rounding.



Total economic activity of the Sydney Opera House

The Sydney Opera House precinct contributed \$1.2 billion in value added to the NSW economy in 2022-23, with an associated employment of 8,038 full-time equivalent (FTE) jobs.

In total, the Opera House contributes significant value to the Australian economy through:

- The direct activities of the SOHT, resident performing companies, and food and beverage operators
- Flow-on activity from inputs purchased by the SOHT, resident performing companies and food and beverage operators
- Attracting tourists to Sydney and Australia.

There is some degree of overlap between these values. Specifically, some tourism expenditure would be included in the direct economic contribution of the SOHT, resident performing companies and food and beverage businesses.

To avoid double counting, we removed the estimated revenue that the SOHT, resident performing companies and food and beverage operators earned from selling to tourists.

As a result, we estimate that the total value added by the Opera House to the Australian economy in 2022-23 was \$1.2 billion (as shown in Table 2.4).

Similarly, we estimate that the Opera House supports more than 8,000 full-time equivalent roles.

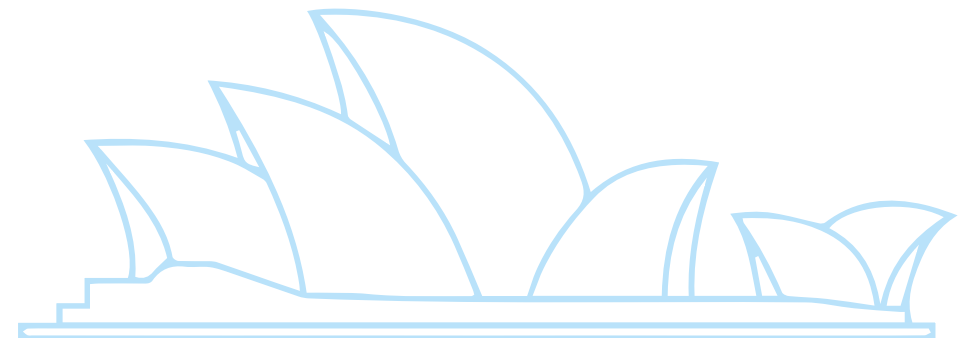
Table 2.4: Total economic contribution of the Opera House precinct, 2022-23

Component	Total
Economic value added (\$m)	361
Tourism value added (\$m)	824
Total value added (\$m)	1,185
FTE roles supported	8,038

Source: Deloitte Access Economics, Tourism Research Australia (2023), SOHT data, SOHT annual report 2022-23 and the annual reports for resident performing arts companies 2022

Note:

1. Individual figures may not add due to rounding
2. Value added is lower than in Table 2.3 because we have accounted for double counting of tourism contribution





Changes in the tourism landscape over time

International tourism is yet to return to pre-pandemic levels, but recovery is on the horizon

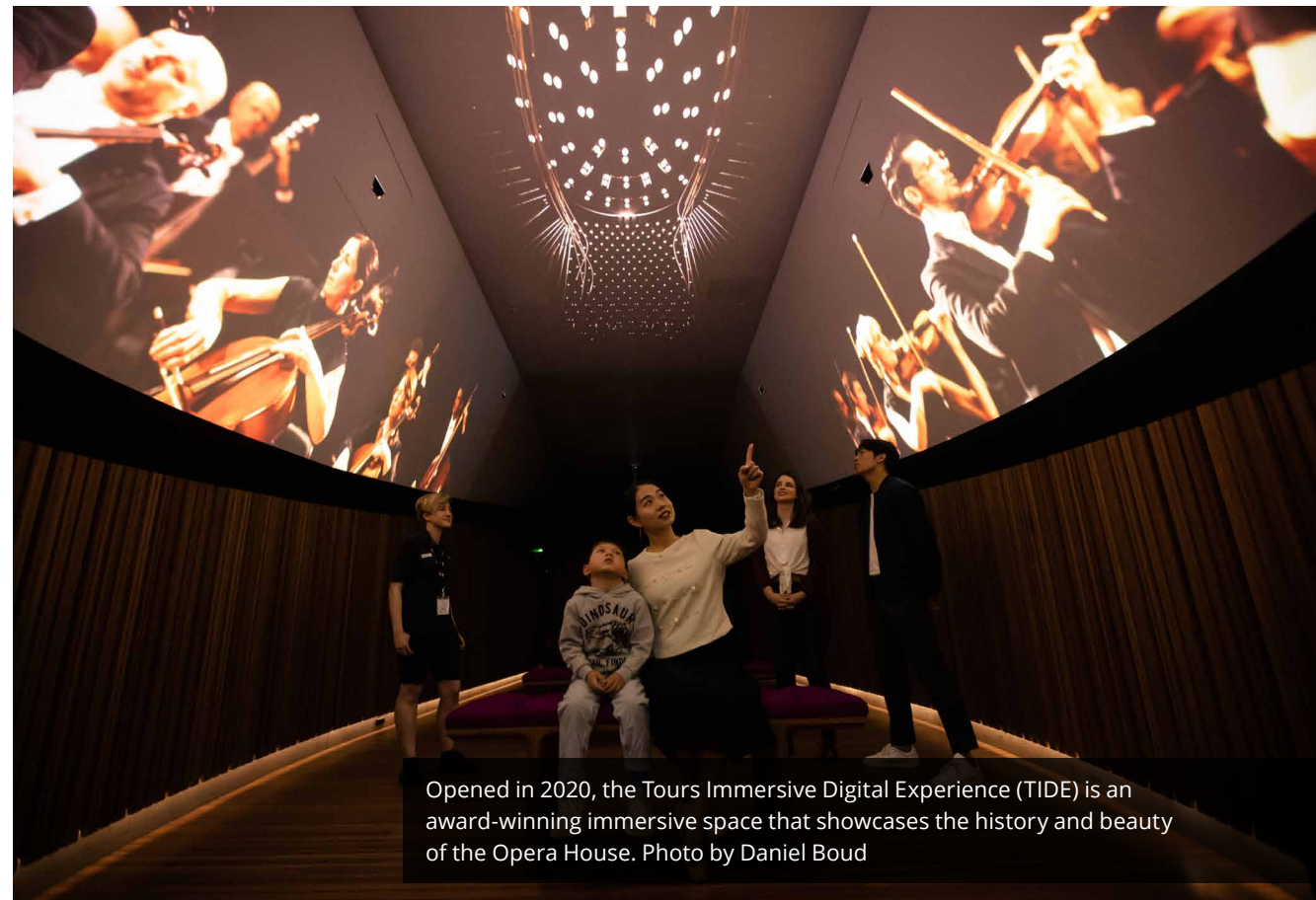
COVID-19 significantly dampened tourism activity in Australia, with mandated lockdowns limiting both domestic and international travel. While domestic tourists have returned in full, international tourism is yet to recover. Total monthly arrivals in 2022-23 were 38% below pre-pandemic levels while international holiday makers, the key international market for the Opera House, remain at 70% of pre-pandemic levels.

The Opera House attracted \$1.2 billion in tourism expenditure in 2022-23, which is 21% below the 2016-17 level in real terms. This change can be explained by the following:*

- Tourism expenditure in Sydney declined by 23% in real terms between 2016-17 to 2022-23. This was largely driven by a drop in international tourist expenditure (approximately 50% since 2016-17), partially offset by an increase in domestic tourism spending.
- As a proportion of total visitors, the Opera House caters to more international travellers than Sydney more broadly. As a result, the Sydney Opera House was disproportionately impacted by the ongoing effects of COVID-19 on international travel.

Importantly, Deloitte modelling forecasts that international tourism should reach pre-pandemic levels by late 2024, with the Opera House likely to be an important contributor.

Furthermore, while CPI rises in the past 12 months have increased cost of living for families, spending on tourism activities is expected to be sustained. This is already being reflected in tourism data, with overnight domestic spending up 38% from pre-pandemic levels in May 2023.



Opened in 2020, the Tours Immersive Digital Experience (TIDE) is an award-winning immersive space that showcases the history and beauty of the Opera House. Photo by Daniel Boud

* Adjustments in multipliers mean the ratio of expenditure to value added in this report are not comparable to previous editions.

The Opera House at night

Reinvigorating the night-time economy

Sydney is one of Australia's largest night-time economies and is a key draw for tourism in the city. It is a significant contributor to the economy, local businesses and culture. In fact, NSW Treasury has a specific Sydney 24-hour Economy Strategy which is focused on developing the city's night-time economy. Each year, Sydney's night-time economy generates more than \$3.64 billion in revenue, supporting 4,600 businesses and employing more than 32,000 people.¹

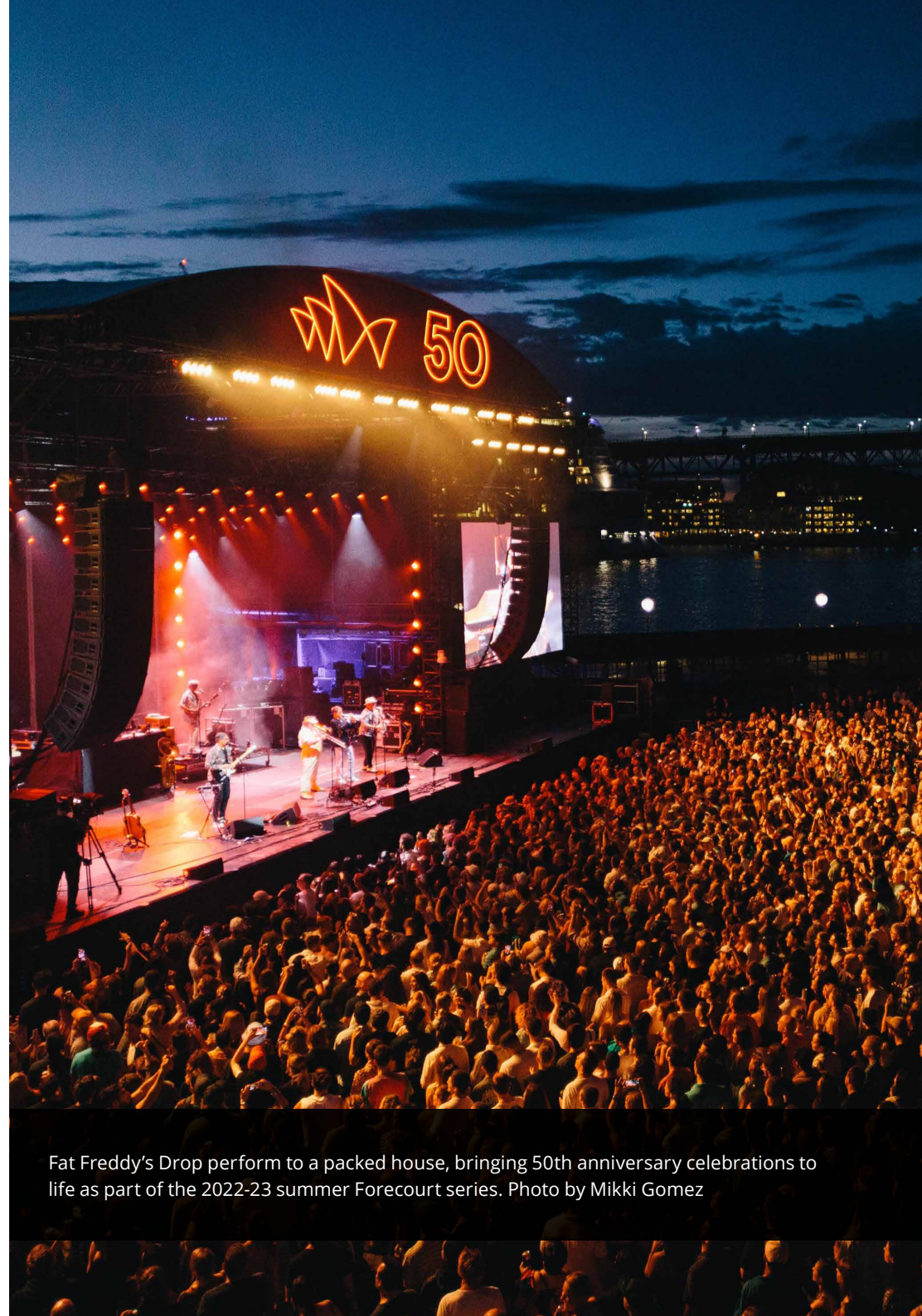
Situated centrally on the edge in the harbour, the Sydney Opera House plays a key role as a flexible venue from the early morning to the night life experience in the city. Further, it adds value to the surrounding businesses and precinct. In fact, 71% of people agree that the Opera House contributes to Sydney's night-time culture and economy.²

In particular, the Opera House has been critical to reinvigorating the night-time economy post-lockdown. Every year the Opera House plays a prominent role in Destination NSW's Vivid Sydney, a night-time festival of light, music, food and ideas. Since 2014, the Opera House's iconic 'sails' have been a canvas for projected artworks, a centrepiece for the event.

After two years of cancellation due to COVID-19, Vivid Sydney 2022 made a strong comeback with 2.5 million visitors injecting money into the struggling CBD night-time economy post-lockdowns.³ More specifically, the Lighting of the Sails drew millions of visitors to the harbour.

Using a well-known icon, such as the Opera House and adding a twist with an event like Vivid was key to attracting visitors to the CBD. As Robert Dougan, Executive General Manager of Strategy & Research at Tourism Australia stated, through an event like Vivid, **"[w]e get people in with the experiences they know, and we stretch it out from there"**.

Post-pandemic, the Opera House has delivered many other events and initiatives to bring people back to the heart of the city and create community connections as part of the NSW Government's Culture Up Late program, such as a series of free Forecourt concerts, a new iteration of Badu Gili, discounted tickets and more.



Fat Freddy's Drop perform to a packed house, bringing 50th anniversary celebrations to life as part of the 2022-23 summer Forecourt series. Photo by Mikki Gomez



Visitors to the Sydney Opera House

Visitors from around the world travel to see the Sydney Opera House

The Sydney Opera House has long been an iconic Australian landmark enticing a range of people to visit. Not only is it valued locally, but it stands as a global building of significance. Visitors travel from across the world and around Australia to see the Opera House.

The Opera House is a popular destination to visit for international travellers. In 2019, 28% of tour related revenue came from China, 21% came from the USA and 11% came from South Korea.¹ Tour revenue includes both national and international tourists.

NSW residents are proud of the Sydney Opera House, and travel from across the state to visit. Although more commonly visitors reside in inner-Sydney, the allure of the Opera House extends beyond the area and entices visitors from across the state. Outside of the Sydney CBD, in NSW, most visitors reside in Baulkham Hills, Marrickville to Petersham and Strathfield to Ashfield.² The Opera House caters to a diverse audience, ranging across the state and is accessible to a variety of visitors, regardless of location.

Domestically, the most common area of Australia that visitors come from are Sydney and Melbourne contributing to a substantial portion of the overall audience.³

Figure 2.1: Percentage of visitors to the Sydney Opera House by country in 2019

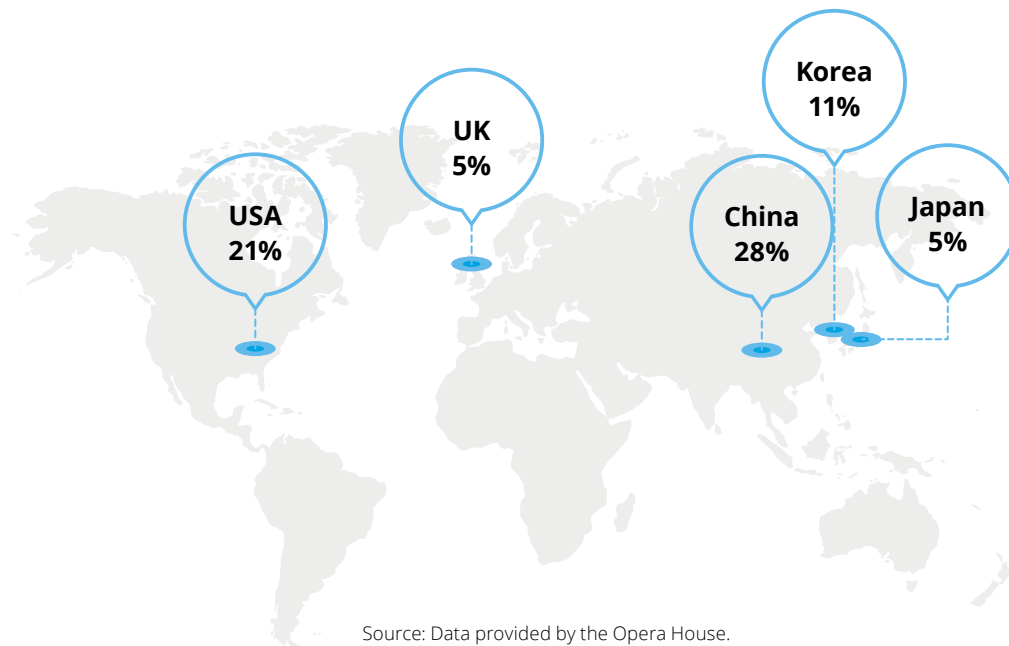
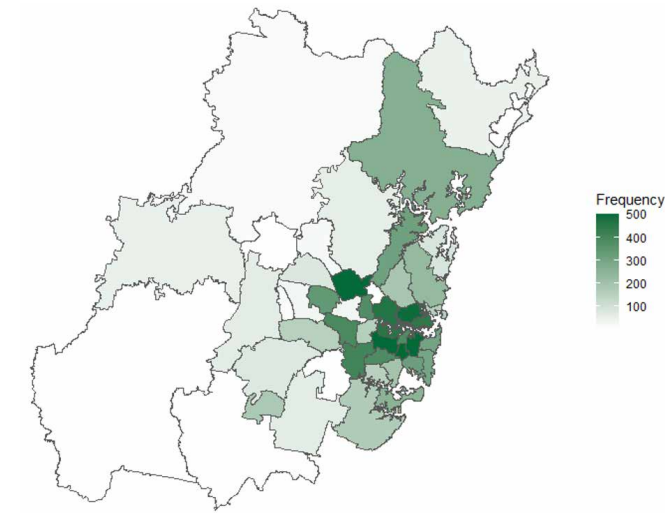


Figure 2.2: Visitors from Greater Sydney to the Sydney Opera House



Source: Customer insights data provided by the Sydney Opera House
 Note: Includes visitors from January 2019 to July 2023.



Demographics of visitors

The Sydney Opera House attracts a diverse range of people

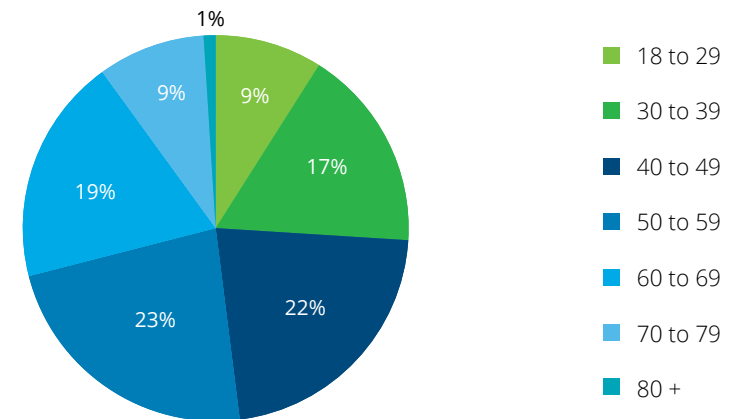
Over the past ten years, the Opera House has expanded its programming to engage a broader, more diverse range of artists and audiences. Combined with the physical transformations of the major venues and across the precinct, the ultimate objective of this period of renewal has been to open up the building to more of the community than ever before.

In 2022, the largest proportion of ticket buyers by age were 30 to 39 year olds, followed closely by 40 to 49 year olds. People identifying as women were the most common visitors in 2022, making up 71% of audiences or people engaging with the Opera House.¹

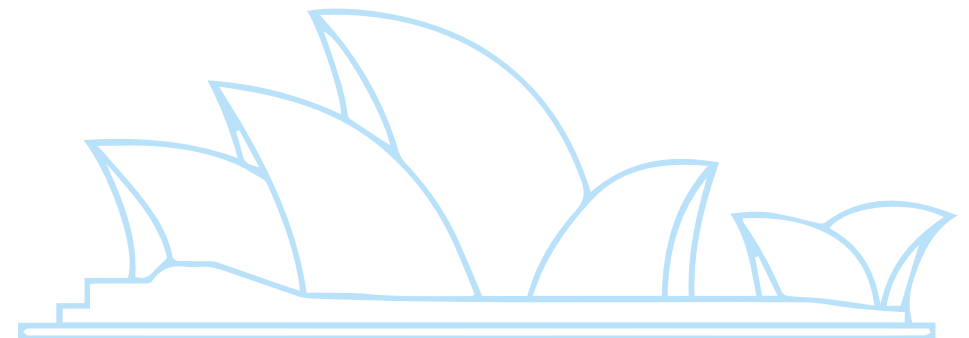
In the future, the Sydney Opera House endeavours to continue catering to and including a diverse range of audiences and communities through its performances.

In its upcoming strategy for 2024 to 2026, goals target attracting an increasingly diverse range of artists and communities through its programming and experiences. As part of this goal, a wider range of people will be welcomed to performances at the Opera House, through subsidised access initiatives such as free tickets and travel, audio described programming, tours and relaxed performances. Further, the Opera House will work to create a culturally safe environment for audiences and visitors and explore new ways to embrace community diversity across visitors' experiences.

Chart 2.1: Visitors to the Sydney Opera House by age in 2022



Source: Customer insights data provided by Sydney Opera House





3. Social value



Kids Sensory Music Café Pilot Program 2023 for young audiences aged zero to two who experience a range of sensory and physical disabilities. Photo by Jaimi Joy

Social value: Key findings



\$11.4
billion

The social value of the
Opera House



\$480
million

The social contribution of
the Opera House to Australia
in 2022-23



\$5
billion

The existence value of the
Opera House



38%

The real increase in social
value over the past 10 years



\$192
million

In precinct transaction value
from performances, tours and
food and beverage in 2022-23



43%

The value premium above
the ticket price of attending
performances



Social value

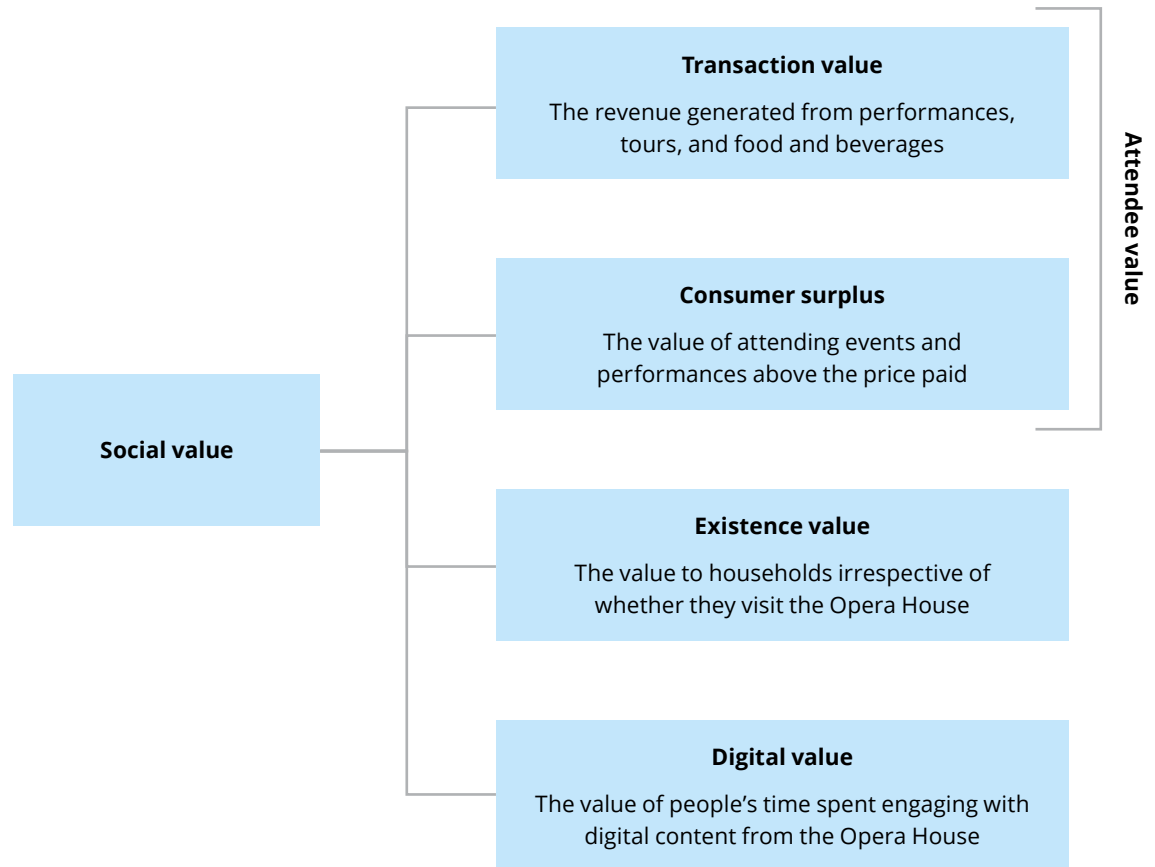
Overview of approach

The contribution of the Opera House to Australia goes beyond its economic and tourism contribution. The Opera House provides substantial additional value in four additional ways examined in this chapter:

- The **attendee value** of the Opera House including:
 - The **transaction value** of the money spent on experiences at the Opera House. This includes performances and events, tours and, food and beverages
 - The **consumer surplus** of these experiences which is represented by the value visitors receive over and above the price paid to experience them. This also includes the benefit of additional choice provided to consumers through the unique range of performances available at the Opera House
- The **existence value** of the Opera House. This reflects the inherent value that Australians place on the Opera House existing regardless of whether they have or will ever visit
- The **digital value** which reflects the value of people's time who choose to engage with digital content, including screen-based programming, produced by the Opera House. The digital value is examined in Chapter 4.

Detailed methodologies are presented in Appendix C.

Figure 3.1: Components of social value





Attendee value

The value to audiences of attending events and activities at the Opera House is captured by both the money spent and additional consumer surplus

In 2022-23 more than 1.1 million people attended performances and events at the Opera House. People attending these events spend money on a range of items and activities including tours, performances and food and beverages. In total people spent almost \$192m on these items across 2022-23. This makes up the transaction value of the Opera House.



\$7m

Tours



\$112m

Performances



\$73m

Food & beverage

To determine the total consumer surplus of performance and tour attendees at the Opera House we asked more than 1,400 Australians about their most recent experience at the Opera House and whether they would choose to engage in that same experience at higher prices. Based on the decisions made by the survey respondents, we estimate the average consumer surplus and a value premium on a per ticket basis. Within this average value some attendees would be willing to pay more, while others would not. For example, 20% of survey respondents report being unwilling to an additional 25% for the same experience.

Table 3.1: Consumer surplus and value premium of survey respondents

Attendee type	Average consumer surplus per ticket	Value premium
Frequent attendees	\$111	44%
Regular attendees	\$84	42%
Occasional attendees	\$58	38%
All attendees	\$72	43%

Note: Frequent attendees purchase at least 52 tickets per year, regular attendees purchase at least 12 tickets per year and occasional attendees purchase at least one ticket per year.

Accounting for how often survey respondents attend paid events, performances and tours at the Opera House, the table above shows the average consumer surplus and value premiums for different users. The more that a person frequents the Opera House, the greater their per ticket consumer surplus.

Applying the estimated consumer surplus of attending paid events, performances and tours to the more than 1.1 million attendees who participated over the past year suggest that the total consumer surplus was almost \$82 million.

This difference in the actual and maximum willingness to pay for performances is one approach to measuring the consumer surplus taken in this report. The second is value associated with the increased choice and uniqueness of experiences available at the Opera House compared to other venues discussed overleaf.



Attendee value

The additional value to consumers attending the Opera House was \$58 million in 2022-23. 72% of visitors agreed that visiting the Opera House improved their overall personal wellbeing

Attendees also derive value over and above the price of admission through access to the unique variety of events and performances available at the Opera House. This includes an increasingly diverse range of programming from opera, ballet, music, public talks, conferences and children's shows. Many of these performances are not widely available in other venues.

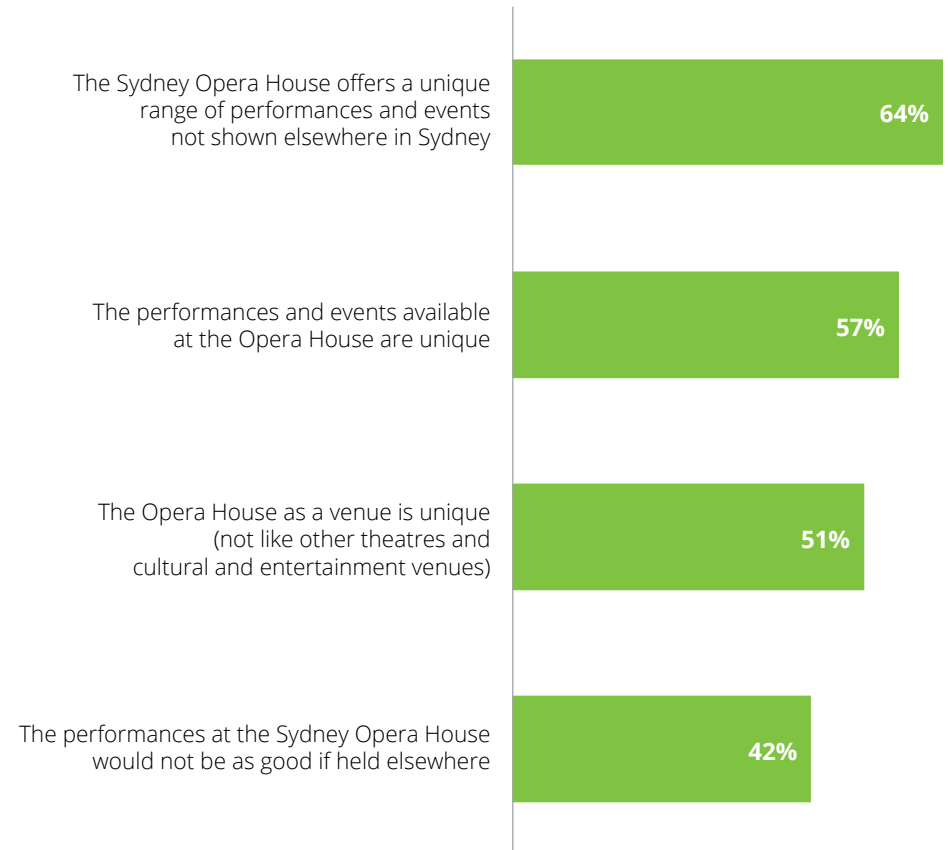
Unique events at the Opera House included the 2023 Australian exclusive *Amadeus* featuring Welsh actor Michael Sheen. Also the return of the London Symphony Orchestra conducted by Sir Simon Rattle. Both these events were supported by the NSW Government's Blockbuster Funding initiative.

The choice and unique experiences on offer are also inherently valuable with academic research finding that consumers place a value on having greater choice. To capture this component of value we measure how responsive consumer demand is to changes in the price of ticket (an elasticity), how unique the venue and experiences available at the Opera House are compared to those at other venues, and apply this to the revenue generated from paid attendance. For a detailed explanation of the methodology used see Appendix C.

Based on the citizen survey an average of 53% of respondents agree, or strongly agree with four key measures of uniqueness for the Opera House (Chart 3.1). Multiplying paid attendance revenue by our measure of uniqueness reveals that attendees place an estimated \$35 million of value on the additional choice in variety provided by the Opera House.

We average this choice value and willingness to pay calculated previously to estimate the consumer surplus of attending paid events at the Opera House at \$58 million in 2022-23.

Chart 3.1: Agreement with key uniqueness themes of the Opera House



Source: Deloitte Access Economics and IPSOS (n = 975).



Existence value

Australians value the existence of the Sydney Opera House at \$211 million in 2022-23, a 27% increase since 2018

The Opera House has tremendous value simply by virtue of existing. This existence value, also known as cultural or iconic value, is the value that individuals place on the Opera House irrespective of whether they have or will use its amenities or even see it in person.

In our survey, 79% of respondents agreed that the Opera House was an iconic landmark that contributed to Australia's national identity and international standing.

We measured the existence value by asking Australians who had not visited the Opera House precinct in the past year how much funding they thought the Opera House should receive from government. The survey included information about the current level of funding that the Opera House and other comparable institutions receive.

The survey results suggested that NSW residents considered the Opera House precinct should receive \$23 in funding per household (Table 3.2). This is a 26% nominal increase from the suggested funding level of \$18 in 2018. The fact that respondents today are willing to pay more to support the Opera House's existence is particularly noteworthy given the current inflationary environment and cost of living pressures.

Across the rest of Australia, we impute the existence value at \$20.26 per household. Based on the number of Australian households this makes the total existence value of the Opera House precinct \$211 million in 2022-23.

Table 3.2: Suggested funding level by location

Cohort	Funding per household (\$)	Annual aggregate (\$m)
NSW residents	22.78	71.3
Non-NSW residents	20.26	140.0
Total	-	211.3

Note: Issues with the survey question for non-NSW residents resulted in infeasibly low estimates. The value was therefore imputed based on the percentage change in the suggested funding of NSW residents relative to the 2018 report.

Of course, using a survey to measure this value has limitations. If participants believe that their response may change the way their taxes are spent, they could be reluctant to place a higher value on the Opera House. On the other hand, those that regularly attend the precinct may be inclined to report unrealistically high values in an effort to get their visits subsidised by government funding.

Responses may also be biased by the options presented in the survey, and anchored by the examples provided.

While these limitations are a practical reality of this approach, the results from the consistent use of the methodology across the years demonstrates the increasing existence value placed on the Opera House by Australians.



Total social value

We estimate that the Opera House precinct has a total social value of \$11.4 billion

Total social value

In total, the social value of the Opera House is estimated to be \$11.4 billion. This is spread across the four components outlined in Table 3.3. Of these components the existence value, being the value that Australian's place on just knowing that the Opera House exists, is the largest totalling almost \$5 billion. The transaction value of money spent by consumers, and individual benefits above the price paid (consumer surplus), comprise \$4.2 billion and \$1.7 billion respectively.

The digital value reflects the value of people's time spent engaging in Opera House content online. This includes YouTube content, live-streamed performances and video-on-demand. We estimate this value is \$23 million in 2022-23 based on the almost 1 million hours of content consumed. More detail about the digital value is outline in Chapter 4.

Change in value since 2018

A key change in the modelling for this year's social value is the incorporation of a 5% discount rate rather than the 7% discount rate used in previous additions. The lower rate is used based on updated guidance from NSW Treasury requiring the use of a 5% central social discount rate for cost-benefit analysis and businesses case purposes in NSW. The timeframe for analysis has also been extended to 50 years with growth in each of the annual benefits overtime made to reflect both a return to business-as-usual operations as paid visitation bounces back from COVID-19, and underlying population and household growth.

For comparison to previous analysis, the social value is presented in Table 3.3 with both the updated and original discount rate and timeframe. It can be seen that when similarly modelled, the total social value has increased 29% nominally (equivalent to 9% in real terms after adjusting for inflation).

A substantial share of the aggregate increase in social value is driven by an increase in the existence value. This is as a result of the 26% increase in per household non-use value and incorporation of household growth over time into the analysis.

Table 3.3: Total social value, 2023 and 2018

Component	Annual value (2022 - 2023)	Social value (50 year NPV, 5%)	Social value (40 year NPV, 7%)	2018 Social value (40 year NPV, 7%)
Transaction value (\$m)	191.9	4,201.5	3,119.3	2,916.2
Consumer surplus (\$m)	58.40	1,676.8	1,232.2	915.7
Existence value (\$m)	211.3	4,954.9	3,515.0	2,207.8
Digital value (\$m)	22.9	538.2	380.5	166.6
Total (\$m)	484.6	11,370.4	8,247.0	6,206.4

Source: Deloitte Access Economics (2023)



Growth in social value across the Decade of Renewal

The social value has increased by \$3 billion (38%) over the past decade in real terms

Drivers of change across the decade

The social value of the Opera House has increased by \$3 billion over the past decade in like-for-like terms with analysis from previous reports. The growth in social value is consistent with the Opera House's strategy over the past 10 years throughout the Decade of Renewal, including major capital works to improve facilities and accessibility across the site, broadening and diversifying its programming and audience reach, and a commitment to sustainability leadership.

Over the first half of the decade the bulk of the increase in social value is associated with increased monetary and non-monetary value placed on attending performances, events and tours. This is reflected in the growth in the transaction and consumer surplus and is consistent with the commercial strategy to provide broader offerings, which delivered a 50% increase in precinct revenue over that period.

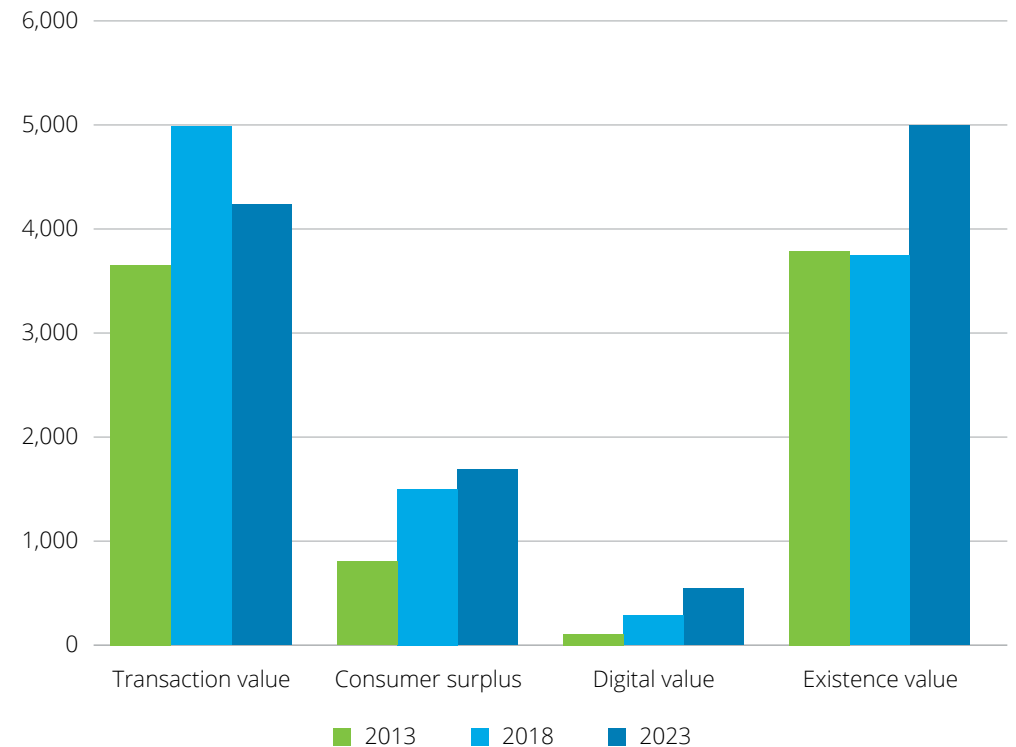
However, more recently, the growth has been driven by increases to the existence or icon value of the Opera House. This is the most significant contribution to the change in social value (increasing 32% since 2013). The increase in consumer surplus, while modest, is significant as it reflects an increased value spread across smaller number of paid attendances compared to 2018. The increase is due to a greater value premium from attendees placed on performances, tours and events at the Opera House.

In relative terms the digital value has increased the most (at 402%) across the decade. This highlights the increasing focus and importance of digital and screen content for the Opera House reaching new and diverse audiences. However, in absolute terms the digital value makes up a smaller proportion of the total social value of the Opera House.

The social value has remained resilient to falls in paid attendance and transaction value due to lingering impacts of COVID-19. The fall may also reflect current cost of living pressures across the nation.

Overall, the \$3 billion increase in social value demonstrates the continuing and growing importance of the Opera House to both the communities it directly serves and the broader Australian populace.

Chart 3.2: Components of social value over time, \$ million (real)



Note: Social values for 2013 and 2018 have been estimated based applying the percentage change in the real social value (with a 7% discount rate and 40-year evaluation period) to the results produced in this report (5% discount rate and 50-year evaluation period). Some differences in the underlying calculations of values between reports remain. While this allows for comparability values do not align to the previously published results.

Source: Deloitte Access Economics (2023)



The Sydney Opera House and wellbeing

There are wellbeing and social benefits from visiting the Sydney Opera House

Engagement with the arts contributes to enhancing wellbeing and health, through creating more meaning in life, feeling less stressed and feeling more connected to others.

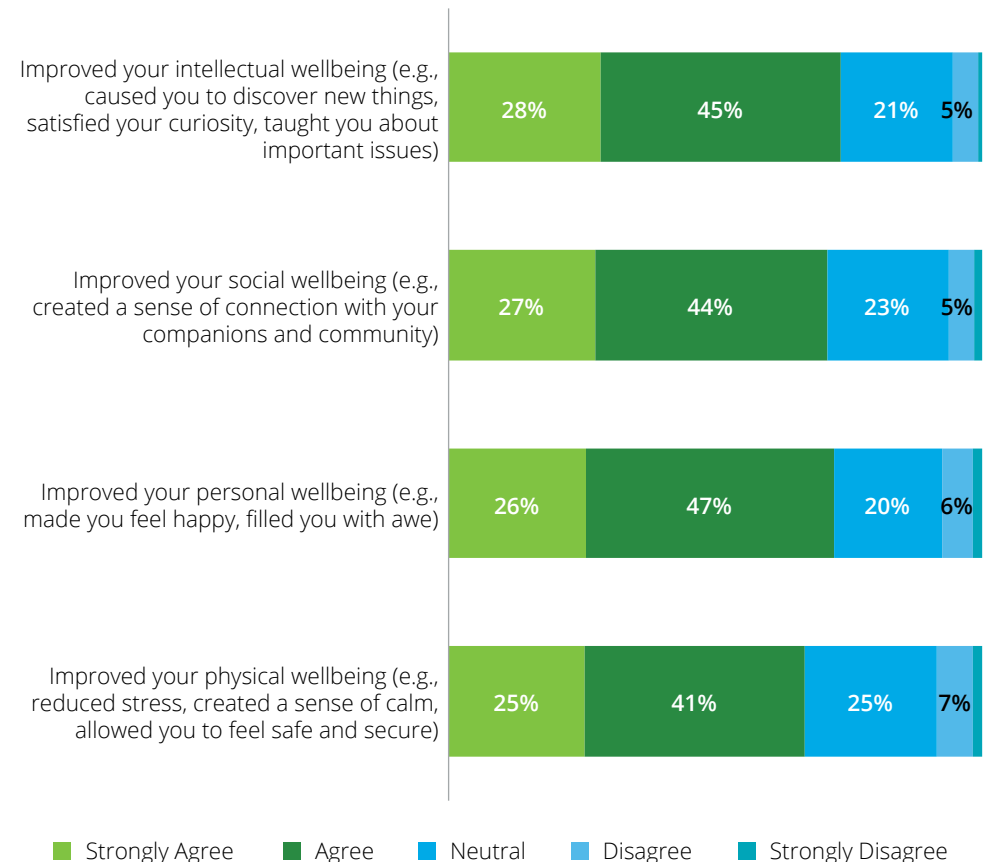
Australians are increasingly recognising the impacts of the arts on wellbeing. In fact, the 2020 National Arts Participation Survey found that 84% of Australians acknowledged the positive impacts of arts and creativity on their lives, which has increased from 75% in 2016.¹ In addition, most Australians (68%) agree that the arts make for a richer and more meaningful life.² Further, engagement with the arts has been shown to have positive impacts on stress outcomes.³

The wellbeing benefits are felt by visitors to the Sydney Opera House as well. Specifically, 72% of visitors agreed or strongly agreed that visiting the Opera House improved their overall personal wellbeing, that is, made them feel happy or filled with awe.⁴

In addition to personal wellbeing, the arts have profound impacts on communities, improving social isolation and connectedness. People who visit or engage with the Opera House also experience similar benefits to their wellbeing. 71% of Australians agreed that the arts help understand perspectives other than their own, and 53% resonated with the statement that the arts allow them to connect with others.⁵ Most visitors to the Opera House also agreed that their visit improved their social wellbeing in feeling connected with companions and the community.⁶

Visiting the Opera House and engaging with its performances and arts have significant impacts on the wellbeing of audiences and broader community. The wellbeing impacts on audiences may be a contributor to the increase in stated consumer surplus by attendees.

Chart 3.3: To what extent do you agree that visiting the Sydney Opera House did the following?



Source: Deloitte Access Economics and IPSOS (n = 636).



Education initiatives

Providing quality learning opportunities

The Sydney Opera House hosts a wide range of educational opportunities to inspire creativity for all ages. In line with the UN Global Goals, the Sydney Opera House promotes quality education and learning opportunities through its community outreach programs.

In January 2022, the Opera House opened the Centre for Creativity, its first dedicated venue for hands-on creative experiences, including the Children, *Families and Creative Learning and Science, Technology, Engineering, Art and Mathematics programs*. In 2022, the Centre attracted roughly 12,000 attendees of which 3,000 were students.

The Opera House's innovative three-year Creative Leadership in Learning program places artists in schools to develop skills and confidence to use creativity as a teaching and learning tool across curriculum. The program includes professional development workshops for teachers, artists teaching on-site to develop a school performance and excursions to the Opera House.

To broaden access to performing arts, the Opera House established the Arts Assist program which provides free tickets to the Creative Learning performance to students from schools with special needs or facing socioeconomic disadvantage. The program also provides discounted tickets to more expensive events.

Creative learning opportunities help support children's development and wellbeing, and there is evidence to suggest that arts learning experiences improve children's empathy and writing skills and reduce disciplinary infractions.¹ The education programs offered by the Opera House can help spark an interest in performing arts and provide a safe space for people to express themselves creatively.

The learning opportunities offered by the Opera House extend beyond the performing arts. As a feat of architecture and design itself, the Opera House's BUILD program aims to combine the creative arts with STEM subjects through the lens of the building's history. BUILD offers different learning opportunities for secondary school students, tertiary students and the general public, including on-site creative workshops and public speaking events.

Dolla Merrillees, Director of Western Sydney Creative at Western Sydney University, noted the profound impact of the program, stating that it was **"critical for the development of the students"** who participated.

To expand reach beyond what is possible from one organisation alone, the Opera House partners and provides a platform for other organisations in the performing arts space to deliver creative opportunities to more people.

One of a range of collaborations includes the Opera House's partnership with The Australian Ballet and Lifestart to launch the True Grit program, which aims to develop skills, confidence and wellbeing of young adults living with diverse needs through creative dance classes.



4. Digital value



Experimental electronic artists Alexis Weaver and sallvage's collaboration *Sonic Mutations* as part of a new Outlines 2023 season on Stream - a playful, provocative showcase of artists that are embracing and disrupting technology to imagine new forms of performance. Photo by Jordan Munns

Screen: Key findings



\$23
million

The estimated digital value of the Opera House in 2022-23



6
million

Unique visitors to the Sydney Opera House website in 2022-23



929,000

Hours of Opera House content viewed in 2022-23



63%

Of respondents agreed digital access is important to improving accessibility



300,000

Children in regional and remote areas given free education opportunities



85%

Of Stream users agreed it is a valuable way to inspire people who cannot visit in-person



Digital value

Almost a million hours of content representing a total digital value of \$23 million was consumed in 2022-23

The digital value of the 928,674 hours of Opera House content consumed in 2022-23 is one aspect of its social value. To quantify this value, we consider the value of the time spent engaging with content including Stream, YouTube and other social channels. The value placed on this time is based on the value of leisure time which is usually considered equal to the value of private travel time.

In 2016, Transport for NSW estimated the value of private travel to be \$16.26 per hour.¹ Adjusting for inflation, the 2023 value of private travel time, and hence leisure time, was \$20.23 per hour. Applying this hourly rate, we estimate that 928,674 hours of consumed content in 2022-23 was worth approximately \$18.8 million. This estimate assumes that each hour was viewed or listened to by only one person. In reality, this could be an underestimate if multiple people were viewing content across a single stream. For example, in a car while travelling or on the television at home.

Research from an Australian audience measurement research firm (OzTAM) measures viewership of broadcaster live streamed and video on demand ("BVOD") content (e.g. ABC iView and SBS On Demand).² OzTAM estimates that when co-viewing is taken into account, an additional 22% of content hours are consumed compared to measuring consumption without co-viewing.³ Applying this estimate to the Opera House estimates of consumption suggests that a total of 1,132,982 hours of content was engaged with in 2022-23, representing a total digital value of \$23 million.

Screen-based programming is a core part of the Opera House's strategy to reach a broader, more diverse audience and to improve accessibility to the arts. Digital content allows audiences, domestically and internationally, to access Australian arts when attending in-person is not feasible. In fact, digital engagement is now double that of physical engagement with the Opera House.

The Opera House's website is a centralised source of information on the Opera House itself and upcoming experiences. It also connects the community to a vast library of content and digital storytelling where they can learn more about the Opera House. From the Voice of the Customer survey, 36% of visitors heard about the most recent experience they attended through the Opera House website, making it the second most common avenue for visitors to discover what's on.

The website acts as a central information source on all things related to the Opera House, garnering an average of 790,000 monthly visits over the first half of 2023. The Opera House continues to maintain strong viewership across online platforms to maximise reach in the digital ecosystem.

Through digital platforms, the Opera House has achieved:

- More than **21 million** views across social media and website in 2022-23
- More than **6 million** website unique visitors in 2022-23
- **7,693 ticket** purchases through Stream in 2022-23
- **13,617 hours** of watch time on Stream in 2023⁴



Leading screen content

Experiencing the Sydney Opera House digitally

Making world-class performing arts available anywhere.

Building on the success of its digital program From Our House to Yours, in 2021 the Opera House launched its first digital streaming platform: Stream. Hosted on Vimeo, Stream provided free access to livestreams and recordings of performances at the Opera House, as well as ticketed premium content and original exclusive content. Stream is a worldwide platform which helps promote Australian content to a global audience.

In addition to its digital platform, the Opera House invests in a range of other screen-based initiatives:

- The Opera House supports emerging artists through its Outlines festival. Outlines commissions artists that embrace digital platforms and technology to showcase new and experimental arts and performances. To date, Outlines 2023 has showcased the work of over 20 individual artists integrating technologies such as artificial intelligence, motion capture, generative art and other experimental techniques into their work.
- To develop emerging talent, the Opera House offers a variety of free digital learning content to Australian schools. This includes live and on-demand events for all skill levels, extending reach beyond what is possible on-site.

Digital performances during COVID-19

The COVID-19 lockdowns forced the Opera House to suspend activities. In response, a digital program was developed to livestream performances from the Opera House to a global audience, From Our House To Yours (FOHTY).

FOHTY provided a platform and income to Sydney artists who would otherwise have had few or no places to perform, keeping audiences engaged through a turbulent period for the industry. FOHTY helped support mental health and wellbeing during lockdowns through entertainment and by connecting audiences through a shared interest.

Over the 7 months that FOHTY was active during 2020, the program:

- Produced more than **140 hours** of digital programming
- Received **7.9 million** views across multiple platforms
- Garnered more than **1,800** editorial articles highlighting the strengths of the program
- Won **3** Time Out awards for responses to the lockdowns in Sydney¹



Digital accessibility

Broadening accessibility through digital platforms

Screen-based content allows people to engage with Opera House performances from wherever they are, expanding accessibility and removing barriers to access.

The Opera House's Stream platform has made strides in visibility, with 38% of survey respondents having heard of or used the platform since it launched in 2021. The majority of respondents valued the ability to watch performances remotely and 63% agreed that digital access is important to improving accessibility to the arts in Australia.¹

Among those who had used Stream, 85% of users felt the platform is a valuable way to uplift and inspire audiences who cannot visit the Opera House in person.²

Chart 4.1: Prior to this survey, how familiar were you with Stream?

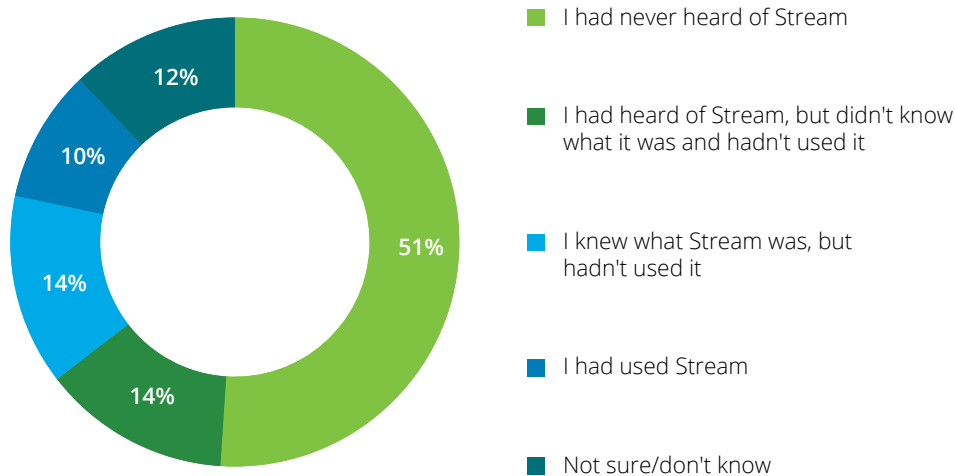
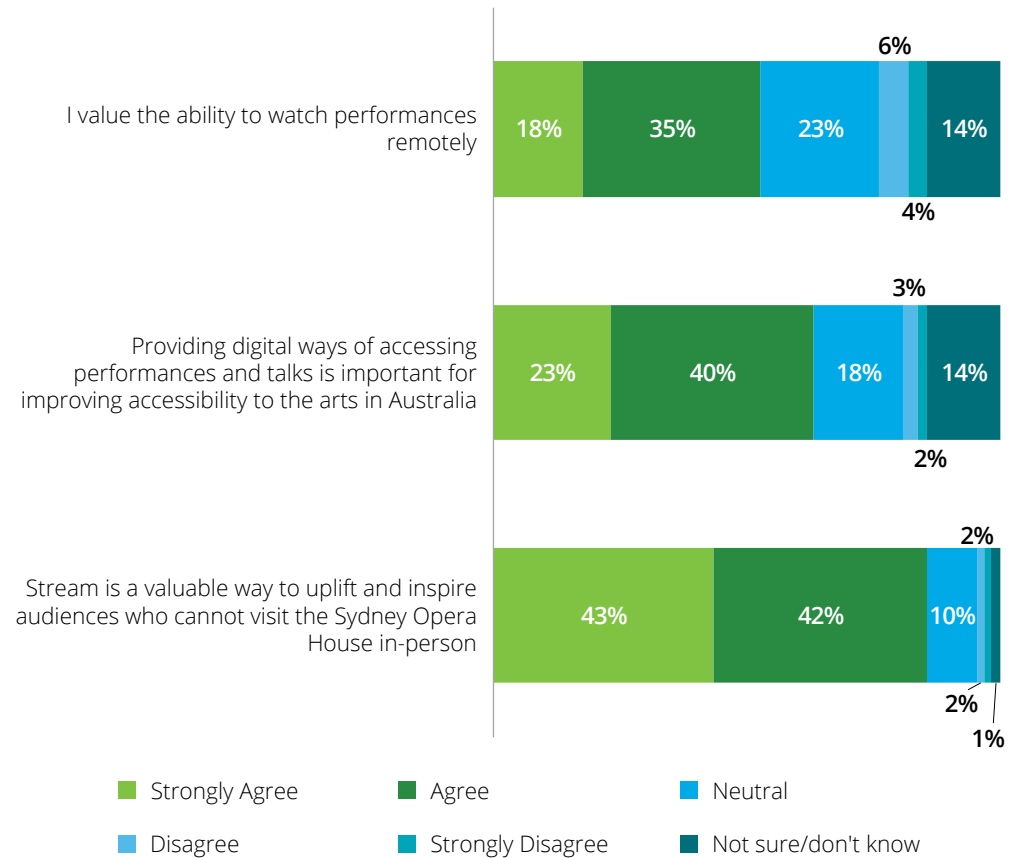


Chart 4.2: To what extent do you agree with the following statements?



Source: Deloitte Access Economics and IPSOS (n = 3831)

Note: 'Stream is a valuable way to uplift and inspire audiences who cannot visit the Sydney Opera House in-person' was only shown to respondents who had used stream (n=366)

Regional outreach

Bringing arts to regional communities

Australians in regional areas can be more limited in their access to performing arts. The results from the National Arts Participation Survey suggest that engagement with the arts supports regional communities through enriching lives, building social bonds and connecting people with culture¹. The Opera House aims to bring performances to under-served locations around Australia through a variety of online and off-site programs.

The Opera House's digital creative learning program offers free performing arts events to Australian schools, including those in remote and regional areas. This includes content such as digital tours, STEM workshops, dance classes, First Nations art workshops, livestream shows, and a longstanding partnership with the Indigenous Literacy Foundation to present the annual Indigenous Literacy Day event which sees upward of 250,000 children and families tune in per year.

The Opera House's schools program provides free education opportunities to schools in regional and remote areas. The program offers online and onsite events to more than 300,000 children each year to educate and inspire an interest in performing arts.

The singing and storytelling program, in partnership with Anglicare Victoria, aims to bring singing programs to schools in under-served and disadvantaged suburbs. The program focuses on training teachers to equip them to form a quality music curriculum.

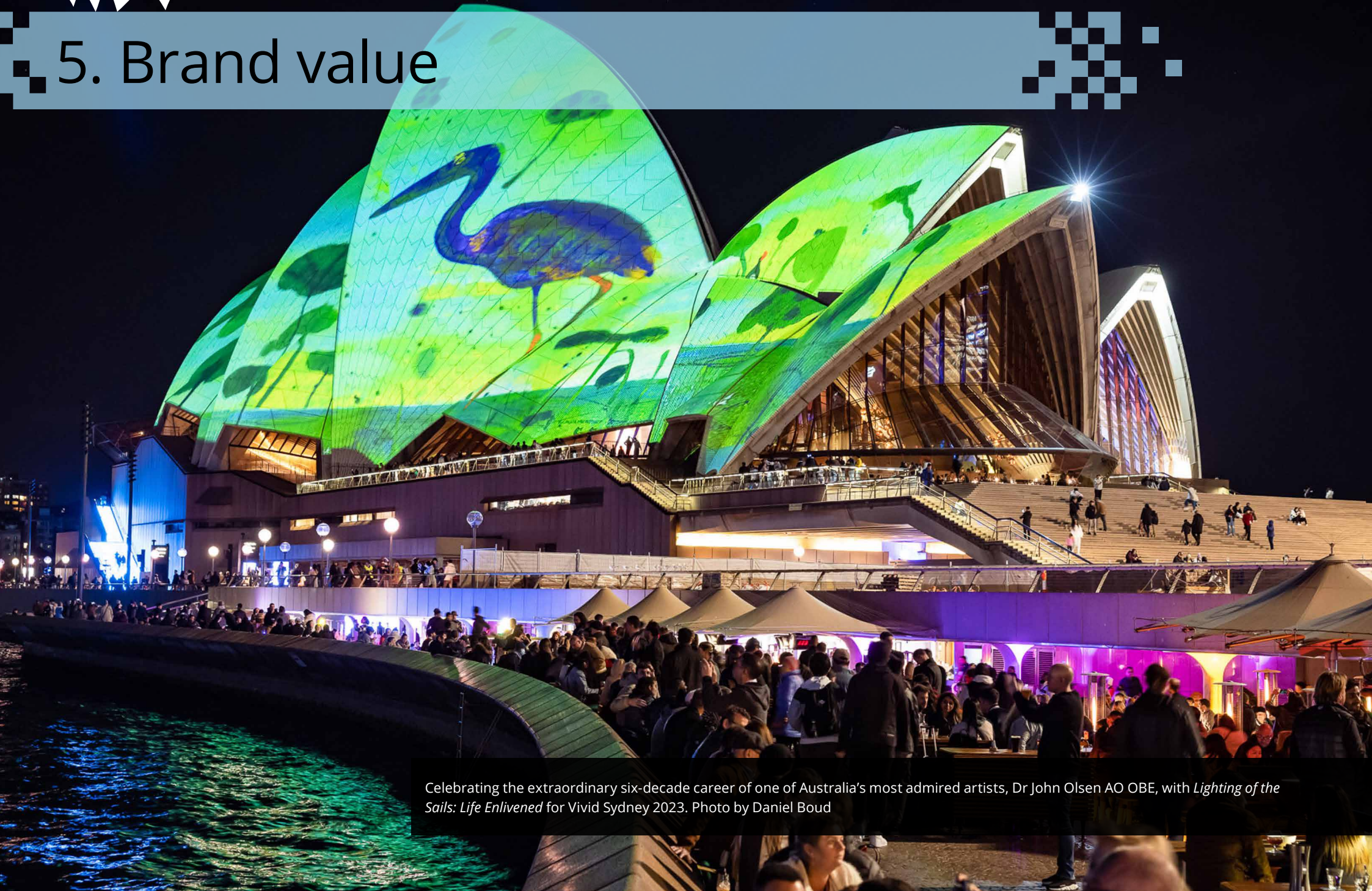
These initiatives provide quality performances and classes to hundreds of thousands of children across Australia, who may not have otherwise had access to similar learning opportunities.



The Digital Creative Learning program provides free educational opportunities for students no matter where they are.



5. Brand value



Celebrating the extraordinary six-decade career of one of Australia's most admired artists, Dr John Olsen AO OBE, with *Lighting of the Sails: Life Enlivened* for Vivid Sydney 2023. Photo by Daniel Boud

Brand value: Key findings



International icon

With brand peers like the kangaroo and koala



97%
greater

Audience knowledge compared to other Australian cultural brands



Brand associations

Of the Opera House include unique, visionary and dynamic



99/100

Score against how successfully the Opera House sets itself apart



24%

More highly esteemed than other Australian cultural brands



21-point (50%)

Post-COVID bounce back in brand relevance in 2023



First among equals

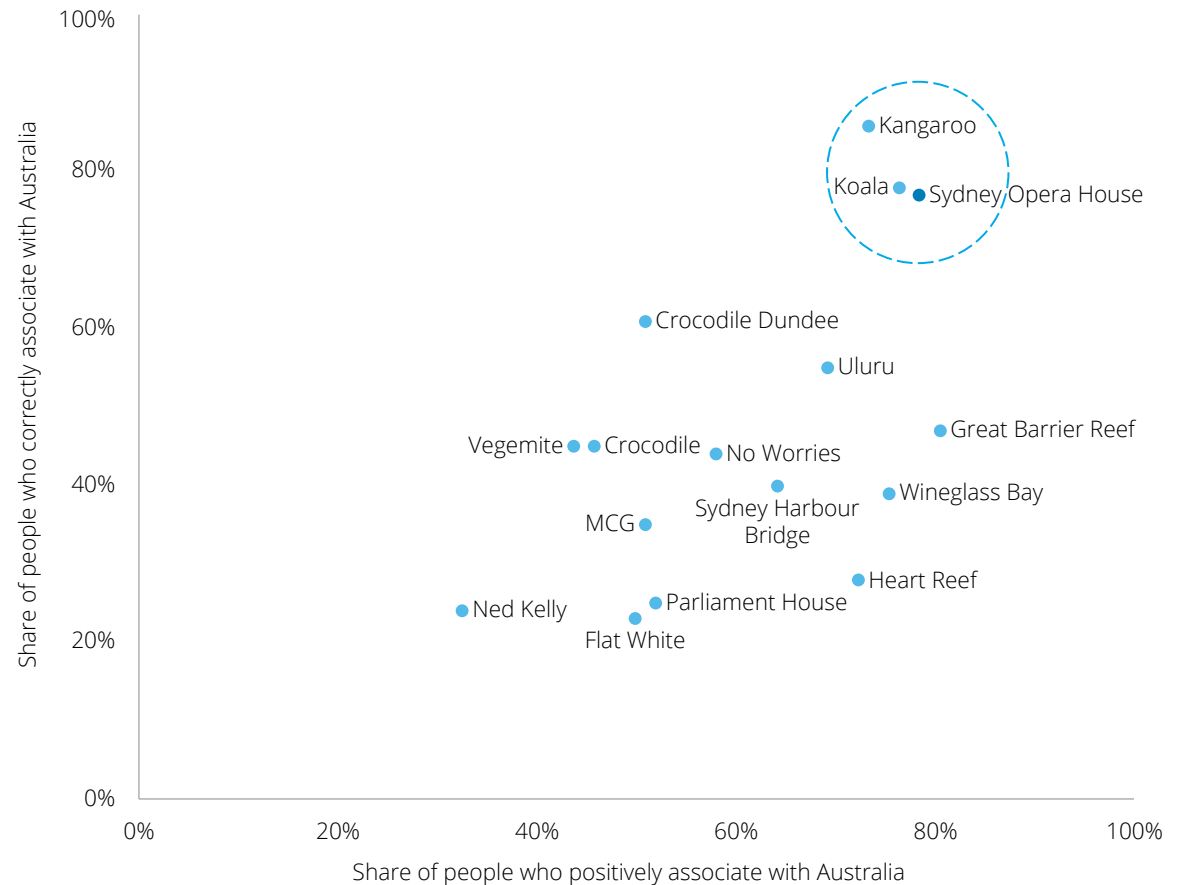
The Opera House is among the most recognisable Australian brands internationally

As it turns 50, the Opera House continues to illuminate the international brandscape as the best-known human-made symbol of Australia's national identity. It is one of world's most recognisable visual forms, demonstrating rare longevity for its high brand differentiation and its unique capacity to burnish the brands both of its home city and of Australia itself.

The Opera House is shorthand for Australia. In an analysis conducted across 13 international markets in 2020, Tourism Australia researched a diverse range of Australian icons for their ability to provide brand 'shortcuts' in communications to international travellers. Ranking famous people like Ned Kelly and Crocodile Dundee alongside quintessentially Australian phrases like 'no worries', cultural flagbearers like Vegemite and flat white coffee, and landmarks like Uluru, the Great Barrier Reef and Wineglass Bay, Tourism Australia researched their capacity to be instantly identifiable as Australian, and to evoke positive perceptions.

The analysis found that among all icons researched, a cohort of three exist within a rarefied category that combine uniquely strong recognisability with highly positive perceptions: the kangaroo, the koala and the Sydney Opera House.¹ The Opera House was the only human-created landmark in the 'Use' quadrant – that is, appropriate for use in marketing without requiring additional explanation.² By contrast, structures like the Sydney Harbour Bridge, the Melbourne Cricket Ground, and Canberra's Parliament House were identified as positive icons, yet require additional traveller education or promotion to be effective national signifiers.³ Along with its marsupial compatriots, the Opera House is shorthand for Brand Australia.

Chart 5.1: Tourism Australia's brand icon assessment, select Australian brands



Source: Deloitte Access Economics based on Tourism Australia (2020)



Brand Differentiation

The Opera House performs better than the average cultural brand against all four brand pillars

The distinction of the Opera House brand is reflected in Brand Asset Valuator (BAV), a 30+ year global study of brands. BAV was developed in the early 1990s by brand consultancy Landor (today Landor & Fitch) and advertising agency Y&R; today, it examines more than 63,000 brands in 52 markets, using 73 separate metrics.

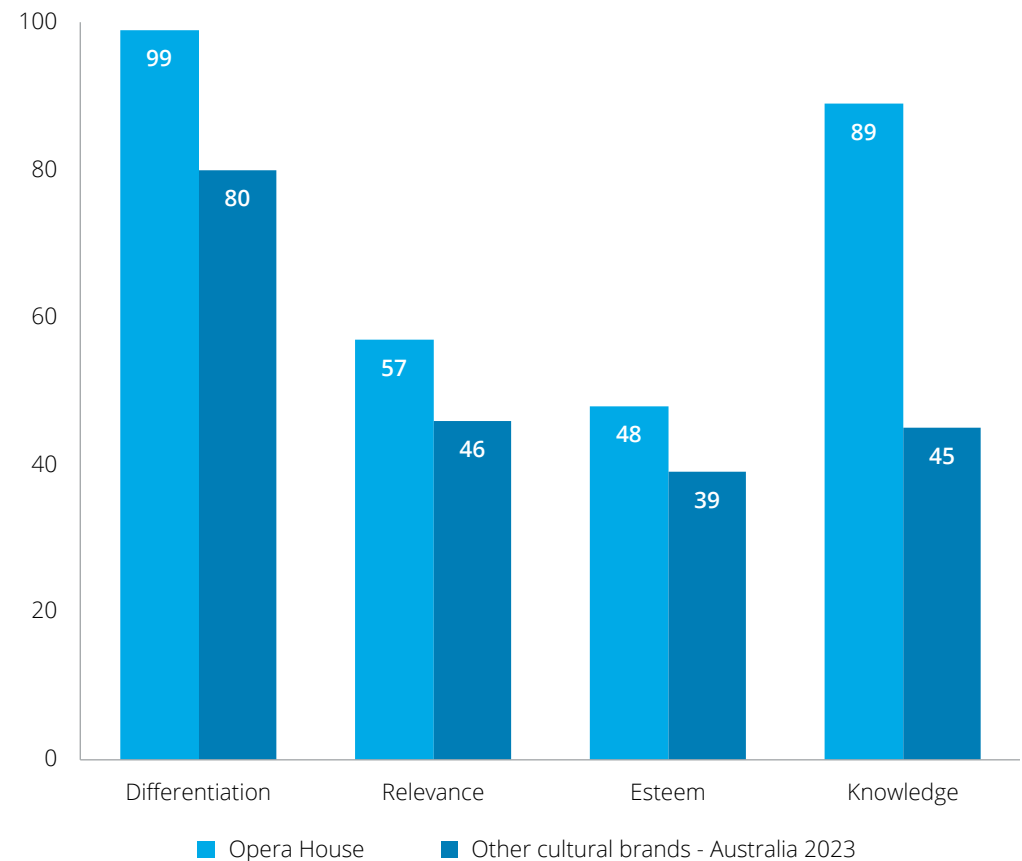
BAV measures brand performance across four pillars:

- Differentiation (how successfully a brand sets itself apart)
- Relevance (a brand's appropriateness to the values and needs of its audience)
- Esteem (an indicator of long-term loyalty)
- Knowledge (how well consumers understand the brand promise).

Over the past 10 years' of BAV tracking, the Sydney Opera House has never scored below 99 on the Differentiation measure; in 2016, in fact, it achieved a perfect score of 100.¹ Very few brands retain such high levels of Differentiation for so long – yet this tells just part of the story.

When all Australia's 'cultural' brands are aggregated under the BAV pillars, the Opera House performs better than average on every measure (Chart 5.2). It is 24% more differentiated, 24% more relevant, and 23% more highly esteemed than other Australian cultural brands.² Audiences, meanwhile, are twice (97%) as knowledgeable about the Opera House than the average of other cultural brands in Australia, a testament to the institution's enduring appeal, and the success of its promotions, programming and outreach.³ Opera House efforts to transforming the Opera House, including the renewal of the Concert Hall in 2022, and refreshing programming may contribute to the ongoing relevance of the Opera House to the community it serves.

Chart 5.2: Brand pillar ranks, Sydney Opera House compared to brand averages



Source: Landor & Finch Brand Asset Value study (2023)



Positive Associations

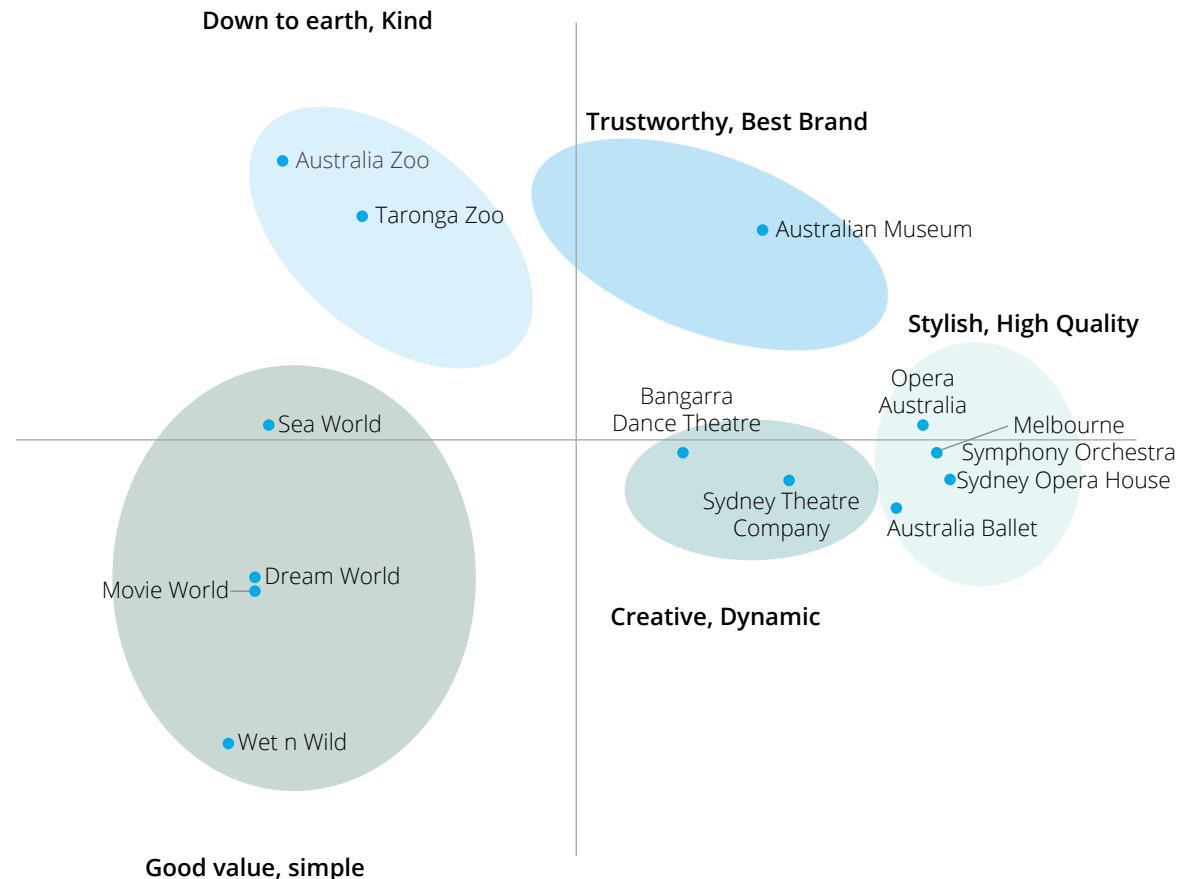
The Opera House's brand is considered 'High Quality' and 'Stylish'

An indication of the impact of the Opera House's Decade of Renewal strategy may be drawn from the shift in brand associations made by Australian and international audiences over the past ten years. Of the top 10 terms chosen by those surveyed, the word 'Unique' has consistently featured as one of the top two associated with the Opera House.¹ Over recent years however, the word 'Visionary' has risen several places to its current place as the second strongest term associated with the Opera House brand.² Similarly, the term 'Dynamic' entered the list of leading terms in 2022 for the first time, while 'Creative' has re-entered the list after a brief absence.³ This may suggest that audiences are aware of the investment in the future of the Opera House and its programming through major renovations for acoustic quality, to better support contemporary and digital programming, improve physical accessibility, and the overall experience.

When mapped against other entertainment, arts and experiential brands in Australia, the Opera House occupies the brand territory of 'High Quality' and 'Stylish', accompanied by arts companies such as The Australian Ballet, Opera Australia and the Melbourne Symphony Orchestra (Chart 5.3).

In international terms, it performs strongly against other major arts institutions – its Relevance score of 61 compares favourably with the New York Metropolitan Museum of Art's score of 33 – and it enjoys an unusually strong online reputation, with less than 1% of survey respondents providing Negative feedback, in contrast to Positive and Neutral sentiments in almost equal measure.⁴

Chart 5.3: Brand territories



Source: Landor & Finch Brand Asset Value study (2023)



Navigating turbulence

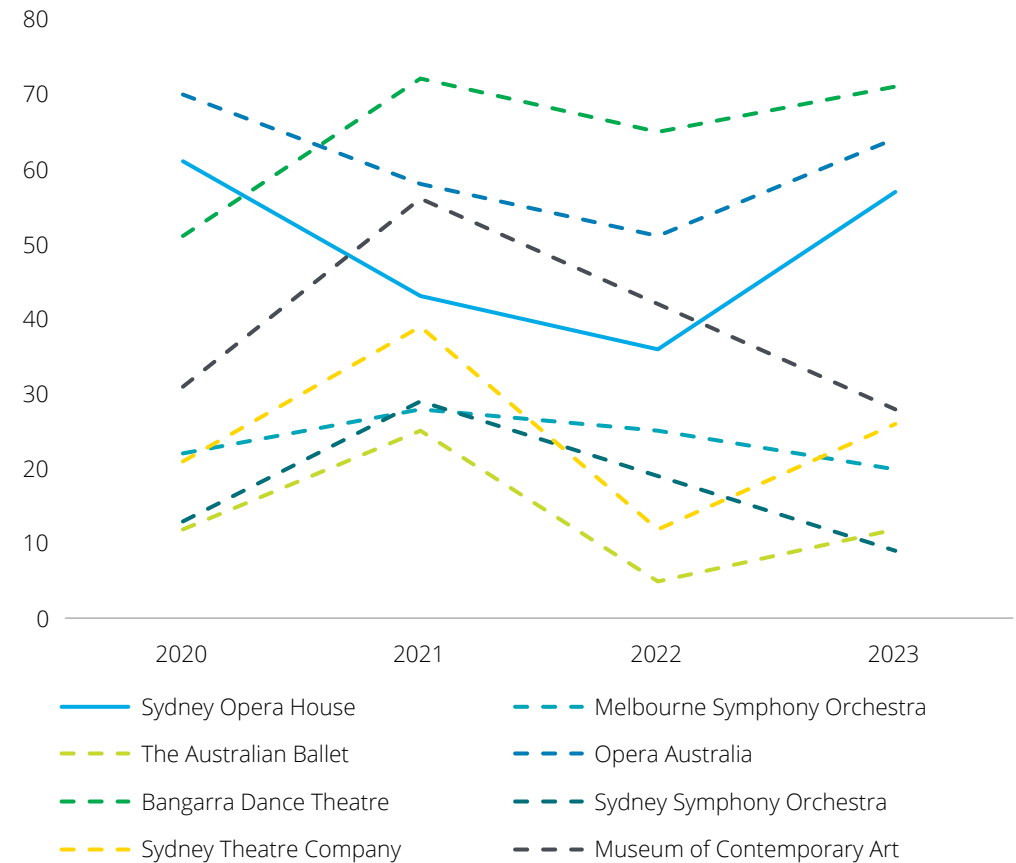
The Opera House's brand relevance bounced back strongly in 2023 after a pandemic induced dip

As a predominantly physical institution, the Sydney Opera House's brand momentum was inevitably disrupted by the COVID-19 pandemic and its period of major renovations. The Opera House's Relevance diminished during a period when audiences were prohibited from visiting the site; even once Sydney visitors were allowed back into the precinct, interstate and international travellers were challenged to experience the Opera House in person. While connections were maintained with audiences and the creative community through online activities like *From Our House to Yours*, the impact of the pandemic and venue closures to enable major capital works saw the Opera House's brand Relevance diminish in 2021 and 2022.¹ This measure has bounced back in the past year, with a 21-point increase in Relevance in 2023.²

Throughout the same period, fluctuations in Esteem and Knowledge might be ascribed to the disruption of personal experiences of the Opera House, once again through lack of physical visits or closures of performance venues for essential renovation works. In recent years the site of the Opera House has, moreover, found use by others for protests and debates over climate change, refugee policies, cannabis legalisation and horse racing, among other issues. Alongside festivals such as Vivid Live and All About Women, the popular Summer family programs, and the Badu Gili lighting of the sails within a broad program of First Nations activities, brand perceptions have been influenced by a multiplicity of at times dissonant forces. With widely scrutinised renovations to its two main theatres also garnering widespread publicity and broad community support, the Opera House brand has arguably spent more time in the public eye over the past decade than at any time since the building's construction.

Given Sydney's role as a gateway city for visitors to Australia – and the reinforcing relationship between the city and its best-known symbol – it is instructive to note that the brands of Sydney and the Opera House are increasingly intertwined. Both enjoyed a rise in brand Esteem in 2022 from 2021 levels, followed by a relative drop in 2023 – a trend also echoed by Melbourne. While both cities' Relevance scores have diminished in the past year, the Opera House has been able to arrest this trend (Chart 5.4).

Chart 5.4: Brand Relevance of Australian institutions



Source: Landor & Fitch Brand Asset Value study (2023)

Everyone's House

The Opera House's ambition to become 'Everyone's House'

When comparing the Sydney Opera House's recent performance to its historical data, the Opera House brand has been challenged by factors within and beyond its control. Relative to other brands throughout the period of the pandemic, however, the Opera House's brand performance has been impressive. In its new 2024-2026 strategy, driven by the ambition to become Everyone's House, the Opera House is focused on making sure it is future-ready, more welcoming and accessible to diverse communities, and continuing to lead and inspire change across social and environmental sustainability. It is anticipated that through this new strategy, the Opera House will lift its brand Esteem and Relevance, while maintaining its Differentiation and Knowledge.

The Opera House brand generates interstate gravitational pull through its activities and programming, as well as contributing to Sydney's day-and-night economies and the city's reputation as a thriving, creative hub. As one of the key attractions for international travellers contemplating a trip to Australia, it provides a major brand promise within a trinity of major national drawcards that see tourists take in 'the Reef, the Rock, and the House'.

Given the recognisability of the Opera House even in its simplest graphic form, and buoyed by an aspiration to always keep its experiences fresh yet familiar, there is no reason to doubt that the Opera House will continue to build its status as Australia's most famous human-created icon, as a unique global symbol, and as a genuine Category of One brand.



As part of the 50th anniversary celebrations, community choirs perform on the Monumental Steps over 11 nights of *From the Steps: Voices at Dusk*. Photo by Belinda Dipalo



6. First Nations



Pre-COVID, 9,000 visitors crowded the Forecourt for DanceRites, with Muggera of Mununjali and Yagambeh nations awarded as the 2019 winners. Photo by Daniel Boud



First Nations art, history and culture are critically important

The history of First Nations peoples is the history of the nation.

The land on which the Opera House stands, Tubowgule, is Gadigal Country. People, knowledge, culture and history have thrived here since time immemorial. It has been the place of story, song and dance for thousands of generations, as an intrinsic part of life for the world's oldest, continuous culture.

It is tempting to see only the 50 years of the Opera House, iconic and dazzling in the reflected harbour waters but in fact, Tubowgule has always been an ancient place of community, connection, celebration and family. It has always been a place of vibrant economy, alive with activity, life and love. As a place it can proudly claim a continuous cultural heritage older than any other cultural space in the world.

At this crucial moment of change for Australia, a transformational opportunity awaits those that open their hearts to First Nations culture, voices, the knowledge of how to thrive in a landscape, and the power of art, song, story and dance to carry a people through thousands of generations and 65,000 years of civilisation. On the other side of that journey is a collective, better understanding of the past, and the future, and the opportunity for self-determination for First Nations people.

The 2023 National Cultural Policy highlights the importance of First Nations arts. In addition to the entertainment value, programs supported and run by First Nations peoples enhance connections to culture and Country and improve educational, employment, justice, health and languages outcomes, inherently supporting Closing the Gap goals.

The Opera House understands the importance of First Nations culture and showcasing its art and artists. It continues to build a dedicated program of First Nations performance and experiences, employ dedicated First Nations expertise and create a culturally safe workplace and precinct.

In 2011, the Opera House became the first performing arts organisation in Australia to launch a Reconciliation Action Plan (RAP). Its vision is to foster and celebrate a shared sense of belonging for all Australians. The most recent RAP addresses five dimensions of reconciliation including historical acceptance, fostering appreciation and respectful race relations, building equality in employment, demonstrating institutional integrity and shared national unity.

A particularly significant experience hosted in 2019 was the DanceRites festival performed on the Forecourt. The last in-person event was in 2019 pre-COVID, with hundreds of First Nations artists from across the country performing to 9,000 people. The festival provides an opportunity to not only showcase First Nations culture and history, but also connect people across communities. The festival also served to create a space in which traditional practices could flourish. The in-person festival will return in 2023.

Badu Gili - meaning 'water light' in the language of the traditional owners of Bennelong Point, the Gadigal people - is another example of the Opera House being a platform for First Nations culture. It is a free daily experience that explores First Nations stories in a spectacular six-minute projection on the Opera House's eastern Bennelong sails. The project was launched in 2017 in response to the growing demand for cultural tourism, First Nations experiences and free evening experiences. It has seen many iterations since then, including most recently *Badu Gili: Wonder Women*, featuring six First Nations female artists from across the country in collaboration with the Art Gallery of NSW, funded by the NSW Government's Culture Up Late program, as well as new experiences like Badu Gili LIVE.



The Sydney Opera House showcases First Nations art

The Sydney Opera House promotes and supports First Nations art and artists

The Opera House continues to showcase First Nations art, led and created by First Nations peoples, and improve internal structures and processes, promoting and integrating First Nations voices.

In fact, the Opera House also recently engaged Dr Terri Janke, who is a Wuthathi/Meriam woman and an international authority on Indigenous Cultural and Intellectual Property, to review how the Opera House can evolve its governance and ways of working so that First Nations voices, self-determination and storytelling can play an even more important role.

Approximately 50% of visitors to the Sydney Opera House have engaged with First Nations art.¹ This includes visitors viewing artwork or attending a performance or talk by or including First Nations artists or peoples.

Hot Brown Honey is an example of how the Opera House showcases and engages with First Nations artists. Hosted in May 2023, Hot Brown Honey is a feminist cabaret performance by global First Nations women, engaging a diverse range of audiences, including First Nations peoples and non-First Nations peoples. Fiona Winning, Director of Programming at the Opera House, highlighted the impact of the performance.



By the end, everyone is up dancing ... That sort of comradery builds empathy and understanding. It breaks down barriers and imagined fears of difference.

The Opera House will continue to increase the number of performances by and including First Nations peoples. However, to ensure that progress and impact is being made, there is a greater need for measurement.

By showcasing First Nations art and artists, audiences can connect with the history and culture of First Nations peoples. The performances provide an opportunity for domestic and international visitors to engage with First Nations culture. This notion was highlighted by Dr Terri Janke, who stated that



the Opera House [is] a major gateway for Australians and international tourists to understand First Nations culture and the true history of Australia and the significant value of First Nations arts, knowledge and performance.

The Sydney Opera House's 2024-2026 strategy includes goals on embedding and promoting First Nations voices both internally and through programming, including through the development and implementation of a new First Nations Strategy and Indigenous Cultural and Intellectual Property protocols. This important work will be led by a new First Nations member of the Executive Team and supported by a newly established First Nations advisory group.

Internally, the Opera House will work to create a culturally safe environment for everyone and encouraging staff to be responsible for cultural safety, inclusivity and anti-discrimination.



The economic value of prioritising First Nations culture and performance will be difficult to measure directly. It can be measured in the economic empowerment of artists but real value will be measured in the profound change it brings to the nation, to the appreciation of Australia's place in the world as the proud home to the world's oldest continuous culture

Deloitte's Indigenous Leader – Professor Deen Sanders OAM (Worimi man)



7. Leading the way



More than 250 staff volunteered to march in or work behind the scenes on the Opera House's 2023 Mardi Gras float, Be Extraordinary!, which was supported by partner Archie Rose, bringing to life the Opera House's Global Goals commitments to building a more equitable, sustainable and fairer future. Photo by Daniel Boud



United Nations Global Goals

Promoting prosperity and sustainability

Since 2019, the Opera House has adopted the United Nations Global Goals as the basis for strategic development.

The Global Goals are a set of 17 goals to promote human prosperity, environmental protection and sustainable development. The goals are interconnected and require coordinated global action across governments, businesses and civil society to achieve the greatest impact.

Through adopting the Goals, the Opera House leverages its cultural value to lead and inspire positive social and environmental action, working in partnership to maximise its impact and championing the role of creativity in envisioning a more sustainable, equitable and fairer future for all.

The Global Goals have also acted as a driver for the Opera House's ambition to be Everyone's House. This aspiration is to be realised through a new 2024-26 organisation-wide strategy and a new private funding approach, attracting like-minded partners and donors to collaborate with the Opera House on key projects to drive social and environmental change.

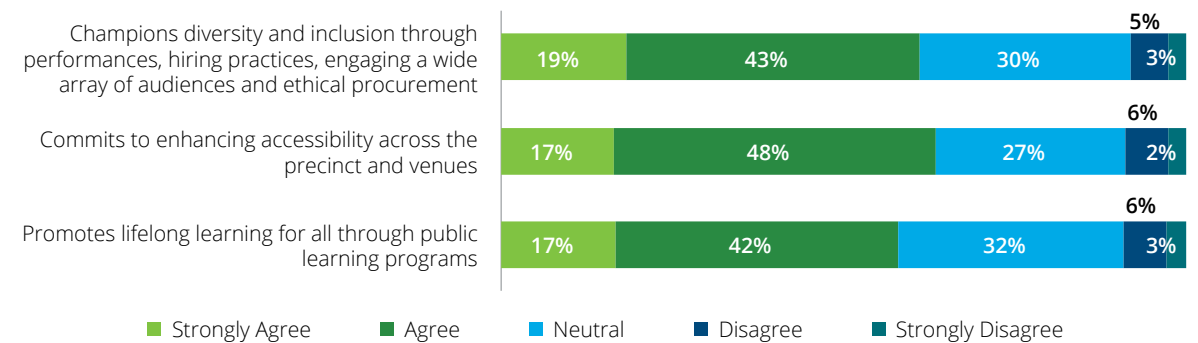
As a philanthropic strategy, Everyone's House aims to expand accessibility, creative programs, First Nations programs and digital content to produce a greater social impact. In 2023, this strategy has enabled the *Inside/Out at the House* with subsidised \$10 tickets, the *What is the City but the People* parade to celebrate Sydney culture, and free performances.

The complementary partnerships strategy enables the Opera House to extend its impact by joining forces with other organisations aligned with the Global Goals. In 2021, the Opera House partnered with Honeywell Building Technologies to improve the building's environmental sustainability. This important work contributed to the Opera House becoming one of the first World Heritage-listed buildings to achieve a 6 Green Star rating from the Green Building Council of Australia, demonstrating world leadership in environmentally conscious operations. In the same year, during COVID-19, Dettol worked with the Opera House on a range of creative learning initiatives and instilling long-lasting hygiene habits in the next generation of Australians.

Most survey respondents agreed that the Opera House champions inclusion, commits to enhancing accessibility, and promotes lifelong learning in accordance with the Global Goals.¹

As society demands more urgent action on climate and social justice, there is an opportunity for the Opera House to make the most of its iconic brand and role to lead and inspire positive change, in line with its 2024-26 strategy.

Chart 7.1: To what extent do you agree that the Opera House does the following?



Source: Deloitte Access Economics and IPSOS (n = 3831)

Note: Excludes 'Not sure/don't know' responses



United Nations Global Goals

Success stories from 2020-2023

Amplifying the Global Goals



Since becoming the first major Australian cultural institution to adopt the Global Goals, the Opera House has established successful partnerships with other organisations, participated in panels and livestreams on ethical leadership, and hosted the Australian chapter of Global Citizen Live in its 24-hour broadcast in 2021.

The Opera House has integrated the Goals into workforce practices and establishing a new position focused on driving greater coordination and engagement around goals, both internally with staff and the Opera House's broader community of artists, audiences and visitors.

Diversity, Inclusion & Belonging Strategy



The Opera House has prioritised inclusivity in its experiences, building and workforce. Internally, the Opera House has been working hard to embed diversity and inclusion in its operations and culture. 5,700 hours of formal DI&B-related training was undertaken. Three new roles were established dedicated to focusing on driving DI&B outcomes. In 2022, the Opera House achieved a 72% Diversity & Inclusion score from the People Matter Employees survey.

Accessibility Action Plan



The Opera House improved accessibility on-site and on-line. The Decade of Renewal delivered a number of accessibility improvements across the site and opened up more of the building to the community. Nearly 400 experiences focused on artists with disability or related themes, including workshops for audiences with a disability. Seven new entry-level jobs were created for adults with disability.

Reconciliation Action Plan



The Opera House has deepened its commitment to amplifying First Nations culture and voices, including presenting more First Nations programming and experiences, and collaborating with Terri Janke & Company on a new First Nations engagement approach. Through the development of its next Strategic Building Plan and the Lower Concourse Masterplan, the Opera House will ensure that First Nations cultures and voices are central in the future evolution of the site.

Environmental Action Plan



The Opera House demonstrates world leadership in environmental sustainability. It is now carbon neutral, as certified by Climate Active, powered by 100% renewable electricity, and more than 90% of its operational, construction and event waste was diverted from landfill in 2022-2023.

Sustainability leadership

6-star Green Star achievement demonstrates world leadership in sustainability

Recently, the Opera House was awarded a 6-star Green Star performance rating by the Green Building Council of Australia, which equates to world leadership in social and environmental sustainability. To understand better what impact the Opera House's role plays in the wider community we spoke with key industry stakeholders.

Davina Rooney, CEO of Green Building Council Australia exemplified the importance of the Sydney Opera House's role in leading the way for environmental sustainability in Australia.

“
When the Sydney Opera House initiates a conversation about sustainability and demonstrates how it can be done, it resonates at a local, national and international level

This notion was reiterated by Monica Barone, the CEO of the City of Sydney, who highlighted that there is much work to be done in Australia to meet the targets the government has set around environmental sustainability. How the Sydney Opera House performs is key to achieving these goals.

“
If the Sydney Opera House leads others will follow... The Opera House is an icon; it's got to lead the way

The Opera House is continuing to build on its strengths. In its upcoming strategy, the Opera House has set the goal of leading, collaborating and innovating to bring about social and environmental change, including in promoting the city as a sustainable destination, demonstrating best practice in sustainable event delivery, developing a climate positive pathway, and leveraging its storytelling and cultural role to inspire the community.



The world premiere of *Thaw*, an ambitious, urgent work by Legs on the Wall, saw performance art on top of a 2.7 tonne piece of ice suspended high above Sydney Harbour for three days in 2021. Co-presented by the Sydney Opera House and Sydney Festival. Photo by Tracy Askew

Opportunities in the next fifty years

A welcoming, more diverse and resilient Opera House that is ready for what comes next

The 50th anniversary of the Opera House presents an opportunity to reflect on the previous decade, when it embarked on a Decade of Renewal. This initiative involved upgrading venues to ensure they are fit-for-purpose, improving accessibility, expanding reach, hosting more diverse and contemporary experiences and demonstrating leadership in sustainability.

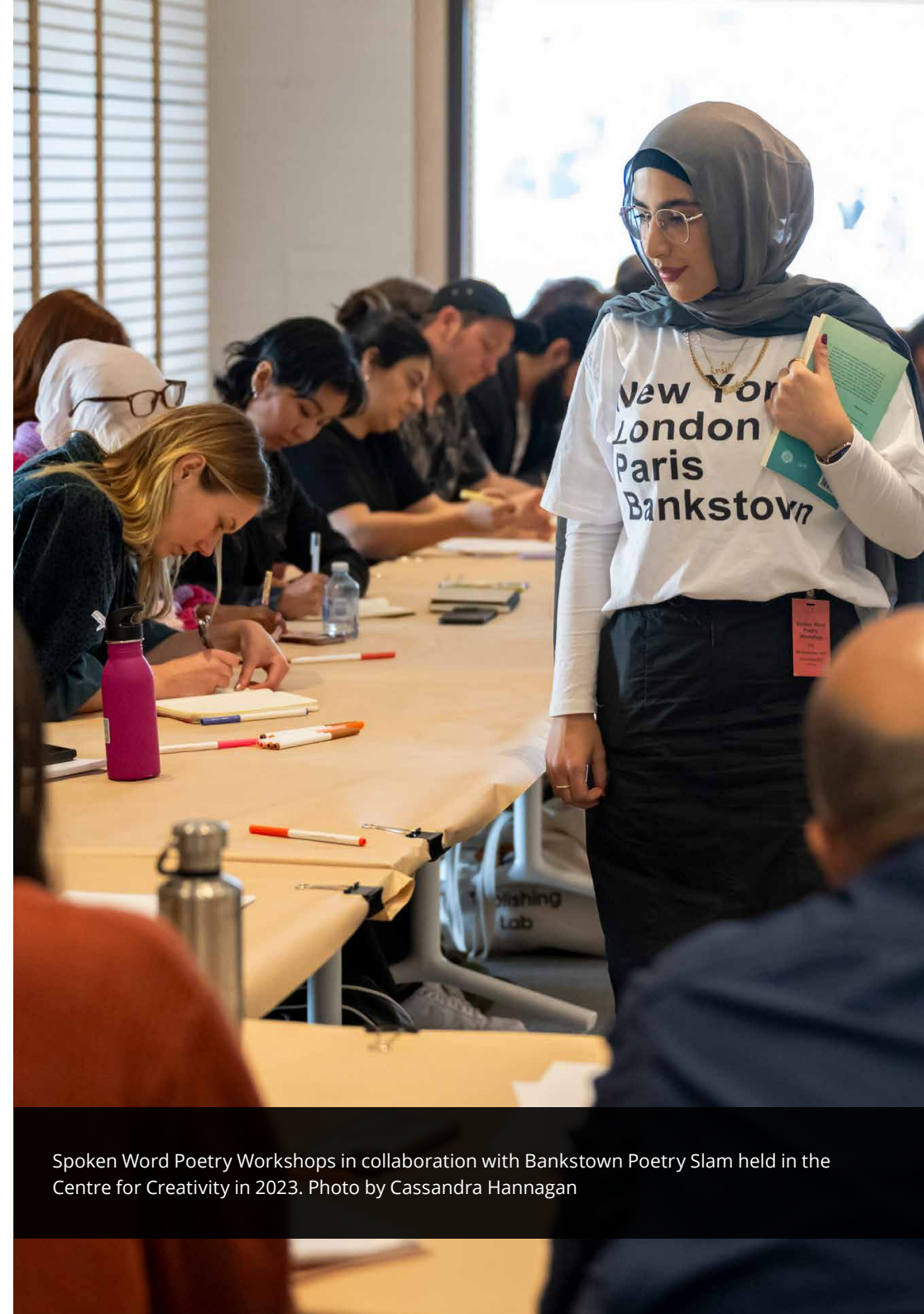
This initiative has helped to cement the Opera House as a leading performing arts centre and a national icon of Australia. It has also helped prepare the Opera House for the future, setting it up for the next fifty years. Looking now to the future, the Opera House has released a 2024-26 strategy with the goal of being Everyone's House.

Emerging from COVID-19 lockdowns, Australia finds itself facing a set of new and different disruptions including an uncertain economic environment, a slow tourism recovery, environmental threats, and more. To maintain its relevance in a changing world, the Opera House needs to ensure it is resilient, forward-looking and adaptable. Launching initiatives such as *From Our House To Yours* and digitising content through Stream in the early years of the pandemic demonstrate the value of continuously adapting in challenging circumstances.

It is crucial that the Opera House evolves with the community it is built for in future years. Through working with more diverse artists, attracting more diverse audiences and amplifying First Nations voices, the Opera House fosters a sense that it is Everyone's House.

As a global leader, the Opera House is investing in its future. The next strategy focuses on where it can continue to grow and maintain its position as a leader, both in Australia and globally. The Opera House is a key part of the sophisticated arts ecosystem, and in collaboration with other arts institutions can innovate and influence broader change in the sector.

The Opera House is working towards becoming Everyone's House as part of its strategy. The four themes include a better understanding of and connection with the community, everyone feeling welcome, being future ready and leading and inspiring positive change. The United Nations Global Goals are also a key fixture of the strategy, further securing the Sydney Opera House's position as a leader in sustainability.



Spoken Word Poetry Workshops in collaboration with Bankstown Poetry Slam held in the Centre for Creativity in 2023. Photo by Cassandra Hannagan

50

all about women

rest in peace. And, yeah, so just familiar things that I find really soothing if I can't speak.

actually autistic

chloé hayden
grace tame
jac den houting
moderated by amy thunig

ask a question
www.slido.com
enter the event code: #concerthall



#allaboutwomen

twitter:
@chloeshayden
@TamePunk
@JacdenHouting
@SydOperaHouse
@IdeasattheHouse

instagram:
@chloeshayden
@tamepunk
@jacdenhouting
@sydneyoperahouse

50



Appendices



Actually Autistic panel presented at the 2023 All About Women festival.
Photo by Cassandra Hannagan

Appendix A: Economic contribution modelling

Economic contribution studies are intended to quantify measures such as value added, exports, imports and employment associated with a given industry or firm, in a historical reference year. The economic contribution is a measure of the economic value of production by a firm or industry.

Value added is the most appropriate measure of the Sydney Opera House precinct's economic contribution to gross state product (GSP). Other measures, such as total revenue or gross output, may be easier to estimate than value added but they 'double count'. That is, they overstate the contribution to economic activity because they include, for example, the value added by external firms supplying inputs or the value added by other industries.

The economic activity accounting framework is presented in Figure A1, showing how total revenue can be disaggregated into component parts in order to measure the economic contribution of an entity. The framework demonstrates the definition of value added being the difference between total revenue and intermediate inputs. Value added is typically calculated as GOS plus labour income net of subsidies.

When calculating the gross operating surplus (GOS) for a typical for-profit firm or industry, income streams from government (such as transfers or production subsidies) are excluded as they are a transfer of public funds, not reflective of income generated by the activities of the firm or industry. However, for non-profit organisations providing a service that generates external, non-use benefits that are not reflected in market prices, government transfers are included in the GOS calculation as they are fundamental to ongoing operations (as is the case for the Sydney Opera House). Similarly, COVID-19 payments from government to the Sydney Opera House Trust were included in GOS because they were essential to the precinct's survival. This aligns with national guidelines provided by the Australian Bureau of Statistics in 2020.¹

Direct and indirect contributions

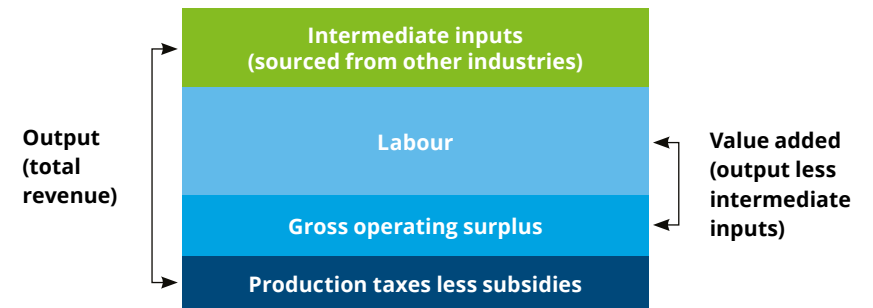
The direct economic contribution is a representation of the flow from labour and capital within the sector of the economy in question. The indirect contribution is a measure of the demand for goods and services produced in other sectors as a result of demand generated by the sector in question. Estimation of the indirect economic contribution is undertaken in an input-output (IO) framework using Australian Bureau of Statistics input-output tables which report the inputs and outputs of specific sectors of the economy (ABS 2023).

IO tables are required to account for the intermediate flows between sectors. These tables measure the direct economic activity of every sector in the economy at the national level. Importantly, these tables allow intermediate inputs to be further broken down by source. These detailed intermediate flows can be used to derive the total change in economic activity for a given sector.

A widely used measure of the spill over of activity from one sector to another is captured by the ratio of the total to direct change in economic activity. The resulting estimate is typically referred to as 'the multiplier'. A multiplier greater than one implies some indirect activity, with higher multipliers indicating relatively larger indirect and total activity flowing from a given level of direct activity.

The total economic contribution to the economy is the sum of the direct and indirect economic contributions.

Figure A1: Economic activity accounting framework



Source: Deloitte Access Economics

Limitations of economic contribution studies

In a fundamental sense, economic contribution studies are simply historical accounting exercises. The analysis — as discussed in the report — relies on a national input-output table modelling framework. There are some limitations to this modelling framework, including that it assumes that goods and services provided to the sector are produced by factors of production that are located completely within the state or region defined and that income flows do not leak to other states.

The IO framework and the derivation of the multipliers also assumes that the relevant economic activity takes place within an unconstrained environment. That is, an increase in economic activity in one area of the economy does not increase prices and subsequently crowd out economic activity in another area of the economy. As a result, the modelled total and indirect contribution can be regarded as an upper-bound estimate of the contribution made by the supply of intermediate inputs.

¹ Australian Bureau of Statistics. (2020, May). Economic measurement during COVID-19: Selected issues in the Economic Accounts. ABS. <https://www.abs.gov.au/statistics/economy/business-indicators/economic-measurement-during-covid-19-selected-issues-economic-accounts/latest-release>.



Appendix B: Tourism contribution modelling

Tourism contribution studies are intended to quantify measures such as value added and employment that results from tourism activity. The tourism contribution framework is based on the Tourism Satellite Account framework, an international approach to defining the tourism sector and related supplier industries.

Measures of tourism activity

There are two measures of tourism activity presented in this report:

- **Visitor expenditure** is a measure of the aggregate price of goods paid by the consumer or a reflection of the price impact on visitors. It includes components that are not directly related to the industries producing the goods and services for tourism purposes, including imports, product taxes, and wholesale margins. It is necessary to adjust for these non-industry components of supply.
- **Value added** is the most appropriate measure of economic contribution as it ensures no 'double counting' of components of spend that should be allocated to other industries. For example, taxes on products (such as the goods and services tax) are recognised as a component of the Government services industry, while wholesale margins should be allocated to the economic activity associated with the wholesale trade industry.

Measuring induced tourism expenditure

A visitor's activity in Sydney was attributed in its entirety to the Sydney Opera House precinct if the precinct was the main reason for their visit to Sydney or if it was a significant reason for their visit and they spent more than 10 hours at the precinct. The spend of other visitors was attributed to the precinct based on the proportion of their total active leisure hours in Sydney that they spent at the precinct.

This definitional approach to 'induced tourism' is consistent with **contemporary best practice conventions for event based economic contribution measurement.**

The analysis used the Tourism Satellite Account (TSA) approach to measuring the economic contribution of induced tourism. The TSA framework is conceptually similar to and draws on the ABS IO tables to generate results. It is based on an international approach to defining the tourism sector and different tourism products and related industries depending on the extent to which they interact with tourists either directly or indirectly.

Direct contribution of tourism

A direct contribution occurs where there is a direct relationship, both physical and economic, between the visitor and the producer of the good or service. Direct tourism sector output is essentially the amount of tourism consumption less net product taxes, wholesale and transport margins and imports.

In the case of retail goods purchased by visitors, only the retail margin contributes to direct tourism output, value added and Gross Regional Product. This is because it is deemed that only the retailer has a direct relationship with the visitor and is therefore part of the tourism industry.

Direct tourism gross value added shows only the 'value' which a producer adds to the raw material goods and services it purchases in the process of producing its own output. In summary, direct tourism value added is measured as the value of the output of tourism products by industries in a direct relationship with visitors less the value of the inputs used in producing these tourism products.

Indirect contribution of tourism

The indirect effect of tourism consumption is a broad notion that covers upstream and supplier effects of tourism demand. Intermediate inputs represent those goods and services which support the supply of the tourism product – the cleaning services that are inputted to the hotel sector; the fuel that is inputted to the aviation industry; the fruit and vegetables that are inputted to the restaurant industry. Together with any upstream impacts, it is these flow-on effects which determine the tourism industry's indirect contribution.

The definition of direct and indirect are slightly different in tourism satellite accounting as direct is defined as activity involving a direct interaction with tourists. Accordingly, the ratio of direct and indirect activity differs from results using a standard IO approach. However, estimates of total value added and employment should be similar across the two approaches.

Table B1: Estimating induced tourism expenditure

	International	Interstate overnight	Interstate day
Average spend per night (\$)	198	473	526
Nights in Sydney (#)	9	5	0
Visitors to the precinct (#)	1,829,474	765,266	135,806
Tourist expenditure of visitors to precinct (\$m)	3,107	1,665	71
Proportion of active leisure time* spent at precinct for visitors to the precinct	6%	11%	45%
Induced tourism expenditure (\$m)	743	442	32

Source: Deloitte Access Economics survey, Tourism Research Australia, Australian Bureau of Statistics (2023)

*Active leisure time on holiday was assumed to be 10 hours per day, equivalent to working hours plus leisure time (Ortiz-Ospina, Giattino and Roser, 2020).



Appendix C: Social value modelling

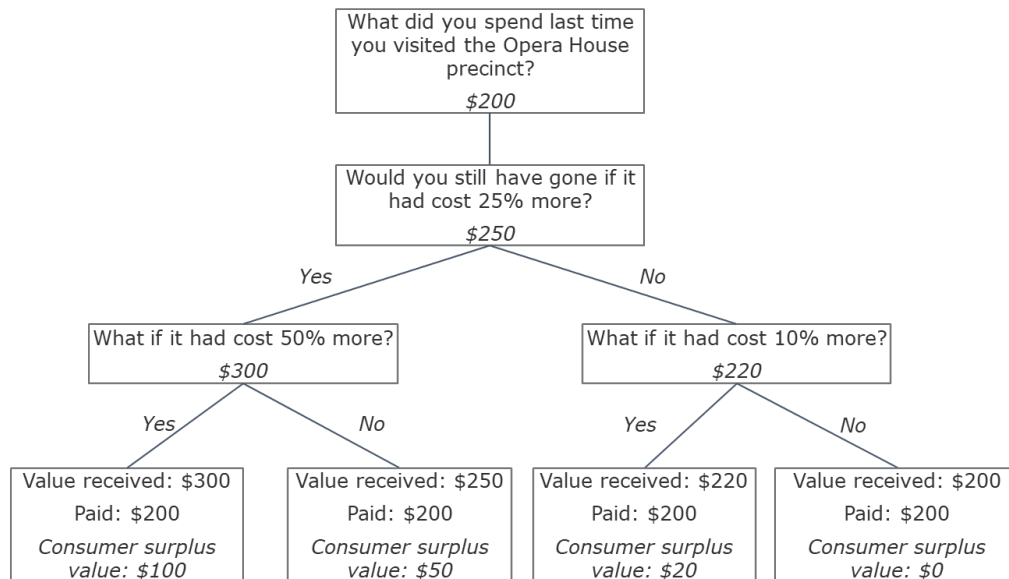
To capture the additional value to consumers of attending tours, performances and events above the price paid to attend, two separate approaches are considered in this report: consumer surplus and choice value.

Consumer surplus

The consumer surplus is difference between the price paid and the maximum price that consumers would have paid for a tour, performance or event. To measure this value we ask survey participants whether their attendance would change given an increase in price, assuming that the experience was at least as valuable as the amount they paid.

Figure C.1 presents a simplified example of how we used the survey to establish consumer surplus.

Figure C.1: Stylised example of calculating consumer surplus



Based on the responses to these survey questions we calculate a value premium for each performance attendee in the sample. This is how much more (relative to the transaction value) a person would be willing to pay for their Opera House experience, expressed as a percent of the average amount spent

The average sample premium multiplied by the total performance revenue generated in 2022-23 then represents the estimated consumer surplus in 2022-23.

Choice value

The choice value is the additional value that consumers receive from having access to a wider variety of events. This is based on academic research that has found that consumers place a value on having greater choice, and this value is not always captured in the price paid for a good or service (see, for example, Lancaster (1990)).

To measure the value of the Opera House's specialised performances, we use an adaptation of the choice value methodology outlined in Brynjolfsson, Smith, & Hu (2003) where choice value is measured as:

$$\text{Compensating variation} = -\frac{x \times R}{1 + \alpha}$$

First, we seek a measure of how different performances at the Opera House are relative to other venues. We use elasticity (denoted by α in the formula) – a way of measuring how the quantity of tickets demanded responds to changes in price – for this purpose.

We calculate an arc elasticity of -2.7, more elastic than the -2.2 found in 2018. This means that, for a 1% increase in price, we estimate that the quantity of tickets demanded would decrease by an estimated 2.7%. As a comparison, the price elasticity of books has been found to be between -1.56 and -1.79

Next, we calculate the proportion of Opera House activities that are a unique addition to the consumer choice set, using perceptions from the survey; this is x in the formula. As outlined in the report, this is found to be 43%.

Finally, we multiply by Opera House ticket sales revenue (R in the formula) to calculate the consumer choice value.



Appendix D: Citizen survey

This report was informed by a bespoke survey fielded by Ipsos in August 2023.

The survey garnered 3,831 respondents, including 3,054 Australians and 777 international tourists.

The data collected from the survey provided insight into participant's views on and usage of the Sydney Opera House precinct, which are used to estimate its value and cultural impact.

The demographic composition of survey respondents and their interaction with the Opera House precinct are illustrated on charts D1-D9.

Figure D1: Age split of survey respondents

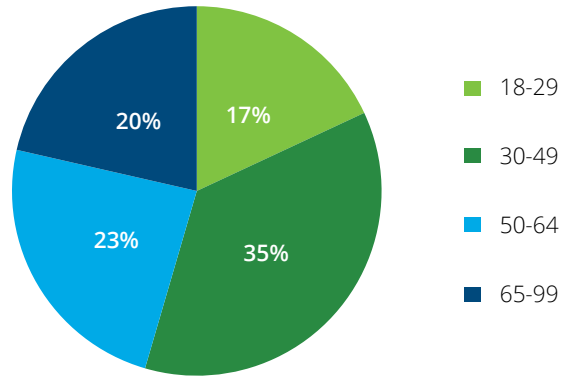


Figure D2: Survey respondents, country of residence

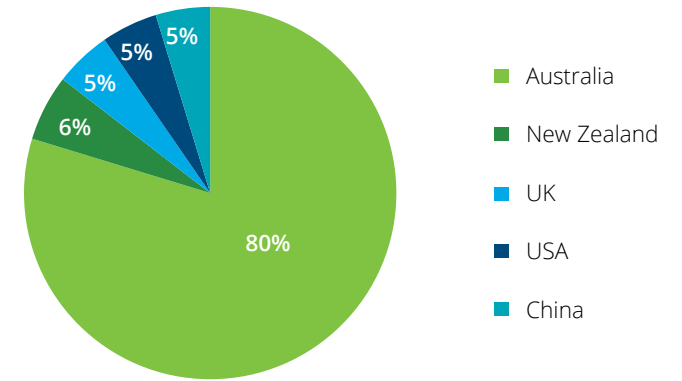


Figure D3: Gender split of survey respondents

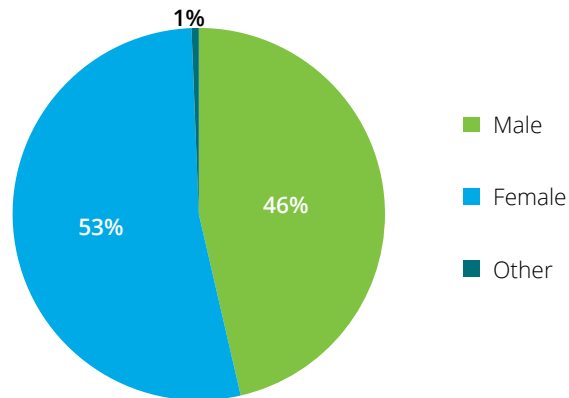
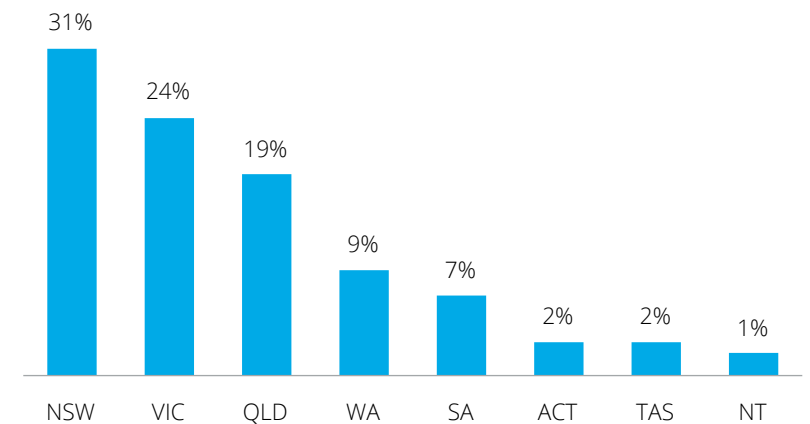


Figure D4: Australian survey respondents, state/territory of residence





Appendix D: Citizen survey

Figure D5: Survey respondents, last trip to Sydney

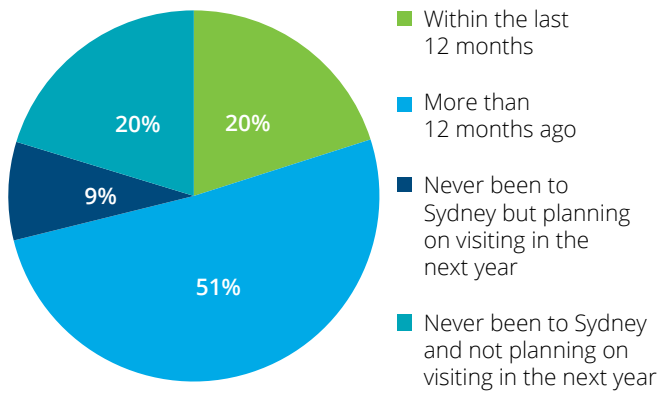


Figure D6: Survey respondents, indigenous identity

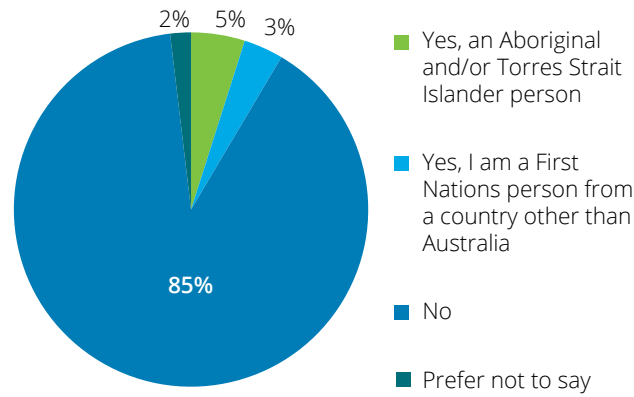


Figure D9: Type of performance last attended by survey respondents

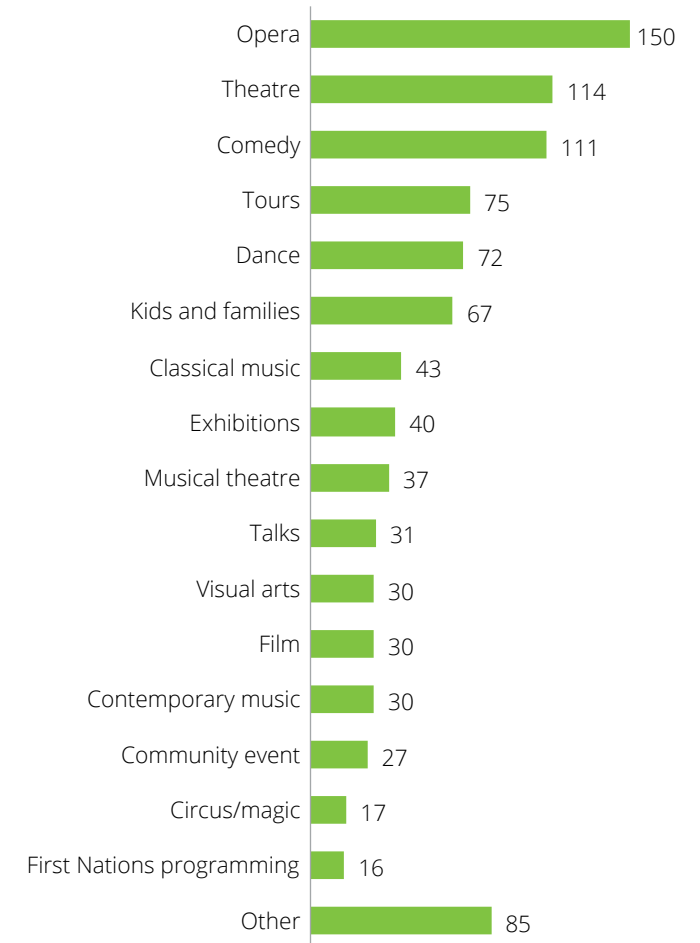


Figure D7: Survey respondents, type of user

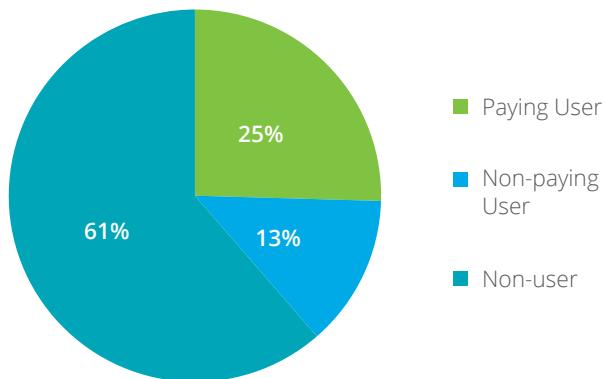
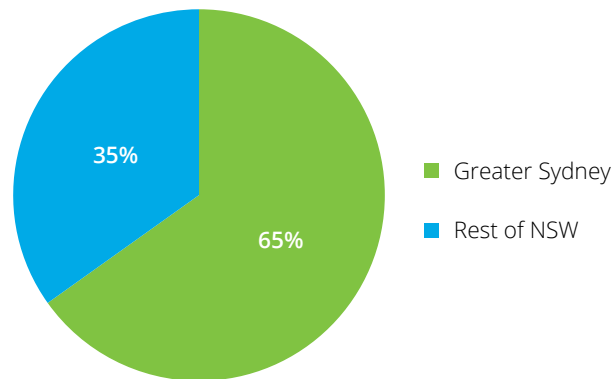


Figure D8: NSW respondents, locality of residence





Report authors



Legendary Lebanese composer, singer and oud player Marcel Khalifé returns to the Opera House after a decade to perform in the Concert Hall in 2023 alongside his son, pianist Rami Khalifé. Photo by Joseph Mayers.



Report authors



John O'Mahony

Partner
joomahony@deloitte.com.au



Adele Labine-Romain

Partner
alabine-romain@deloitte.com.au



David Redhill

Retired Partner
david@davidredhill.com



Deen Sanders

Partner
deensanders@deloitte.com.au



Emily Mahler

Director
emahler@deloitte.com.au



Rhiannon Yetsenga

Manager
ryetsenga@deloitte.com.au



Tara Naidu

Analyst
tarnaidu@deloitte.com.au



Preston Tsamassiros

Analyst
ptsamassiros@deloitte.com.au



Katie McGregor

Analyst
kmcgregor@deloitte.com.au



Angela Watzdorf

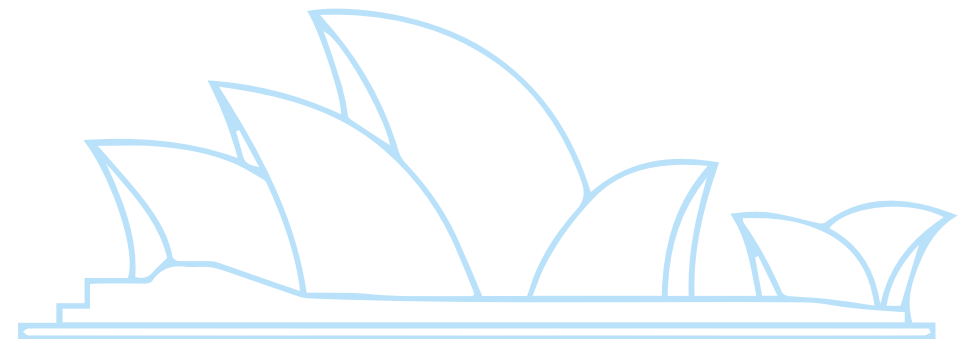
Analyst
awatzdorf@deloitte.com.au



Limitation of Our Work

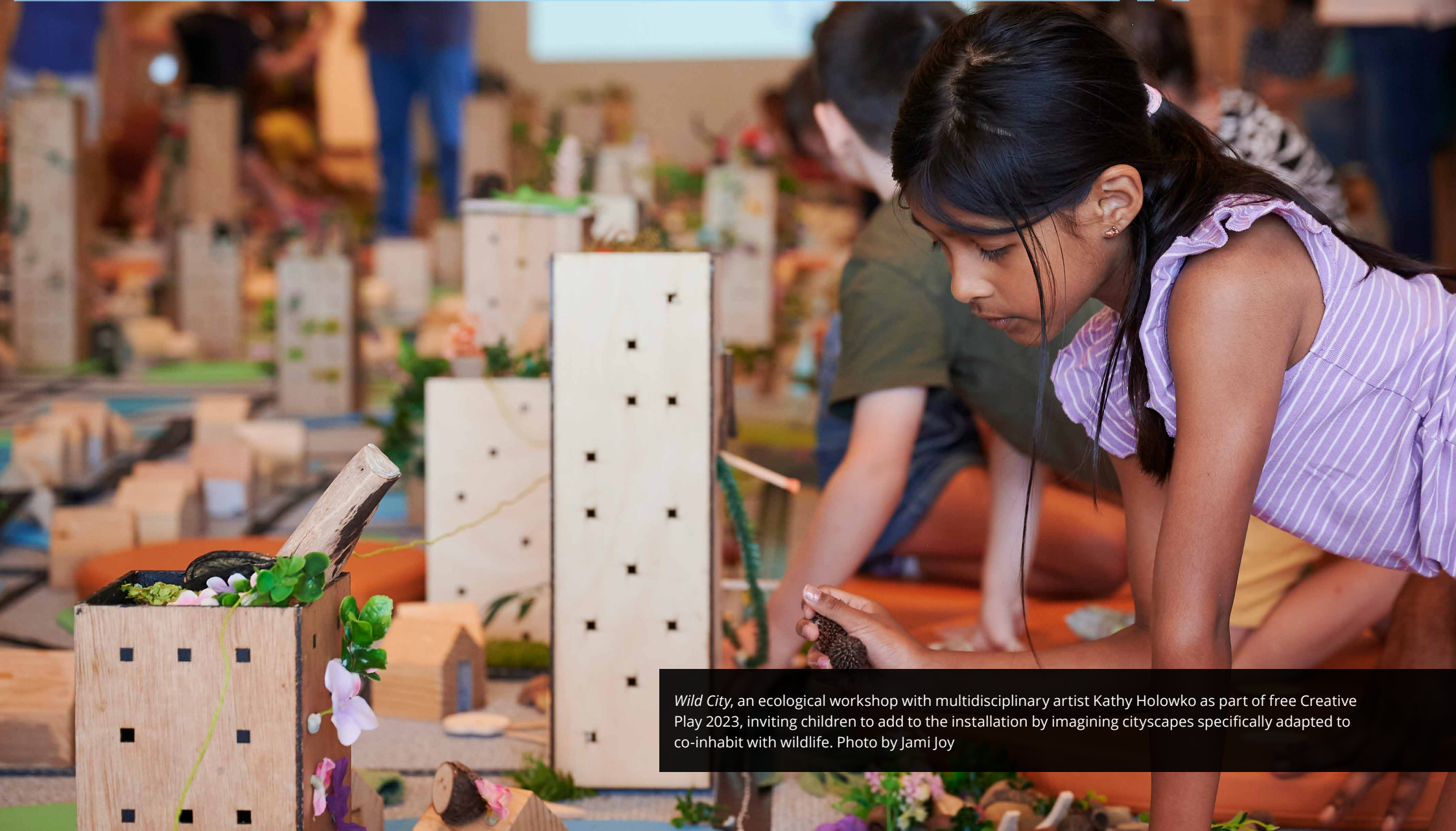
General use restriction

This report is prepared solely for the internal use of the Sydney Opera House. This report is not intended to and should not be used or relied upon by anyone else and we accept no duty of care to any other person or entity. The report has been prepared for the purpose of analysing Australia's digital economy and workforce. You should not refer to or use our name or the advice for any other purpose.





References



Wild City, an ecological workshop with multidisciplinary artist Kathy Holowko as part of free Creative Play 2023, inviting children to add to the installation by imagining cityscapes specifically adapted to co-inhabit with wildlife. Photo by Jami Joy



References

Slide 18: The Opera House at Night

- ¹ City of Sydney, *Night-time economy*, <https://www.cityofsydney.nsw.gov.au/business-economy/night-time-economy>, accessed 05 September 2023.
- ² Deloitte Access Economics and IPSOS 2023, Bespoke survey.
- ³ Barrell, S 2023, *Vivid Sydney: Australia's largest festival is back to illuminate New South Wales*, <https://www.nationalgeographic.com/travel/article/vivid-sydney-australia-largest-festival-illuminates-new-south-wales>, accessed 1 September 2023.

Slide 19: Visitors to the Sydney Opera House

- ¹ The Sydney Opera House 2023, provided data.
- ² Ibid.
- ³ Ibid.

Slide 20: Demographics of visitors

- ¹ The Sydney Opera House 2023, Provided data.

Slide 29: The Sydney Opera House and wellbeing

- ¹ Australia Council for the Arts 2020, *Creating Our Future*, <https://creative.gov.au/advocacy-and-research/creating-our-future/#>, accessed 1 September 2023.
- ² Ibid.
- ³ Martin, L., Oepen, R., Bauer, K., Nottensteiner, A., Mergheim, K., Gruber, H., & Koch, S. C. 2018. 'Creative arts interventions for stress management and prevention—a systematic review.' *Behavioral Sciences*, 8(2), 28
- ⁴ Deloitte Access Economics and IPSOS 2023, Bespoke survey.
- ⁵ Australia Council for the Arts 2020, *Creating Our Future*, <https://creative.gov.au/advocacy-and-research/creating-our-future/#>, accessed 1 September 2023.
- ⁶ Deloitte Access Economics and IPSOS 2023, Bespoke survey.

Slide 30: Education initiatives

- ¹ Bowden D. & Kisida B., 'Investigating Causal Effects of Arts Education Experiences: Experimental Evidence from Houston's Arts Access Initiative', (2019), <https://rice.app.box.com/s/nyrlcfjogvnxzmjo2tk49kdpckhvj3hi>, accessed 1 September 2023.

Slide 33: The digital value

- ¹ Transport for NSW, *Principles and Guidelines for Economic Appraisal of Transport Investment and Initiatives: Transport Economic Appraisal Guidelines*, (2016).
- ² OzTAM, "About OzTAM's Video Player Measurement (VPM) Report," accessed 5 August 2023.
- ³ OzTAM, "Fast facts about BVOD co-viewing," accessed 5 August 2023.
- ⁴ The Sydney Opera House 2023, Provided data.

Slide 34: Leading screen content

- ¹ Deloitte Access Economics, 'From Our House to Yours – Social impact analysis', (2023).
- Slide 35: Digital accessibility
- ¹ Deloitte Access Economics and IPSOS 2023, Bespoke survey.
 - ² Ibid.

Slide 36: Regional Outreach

- ¹ Australia Council for the Arts, 'Creating Our Future: Results of the National Arts Participation Survey', (2020) <https://creative.gov.au/advocacy-and-research/creating-our-future/>, accessed 1 September 2023.

Slide 39: First among equals

- ¹ Tourism Australia, 'Brand Codes Project' (2020) <https://www.tourism.australia.com/en/insights/consumer-research/brand-codes.html>
- ² Ibid.
- ³ Ibid.

Slide 40: Brand differentiation

- ¹ Landor & Fitch, *Sydney Opera House BAV Analysis* (15 May 2023)
- ² Ibid.
- ³ Ibid.

Slide 41: Positive associations

- ¹ Landor & Fitch, *Sydney Opera House BAV Analysis* (15 May 2023)
- ² Ibid.
- ³ Ibid.
- ⁴ Ibid.

Slide 42: Navigating turbulence.

- ¹ Landor & Fitch, *Sydney Opera House BAV Analysis* (15 May 2023)
- ² Ibid.

Slide 46: The Sydney Opera House showcases First Nations art

- ¹ Deloitte Access Economics and IPSOS 2023, Bespoke survey.
- ² Ibid.

Slide 48: United Nations Global Goals

- ¹ Deloitte Access Economics and IPSOS 2023, Bespoke survey.



Deloitte Access Economics is Australia's pre-eminent economics advisory practice and a member of Deloitte's global economics group. For more information, please visit our website: www.deloitte.com/au/deloitte-access-economics

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities. DTTL (also referred to as "Deloitte Global") and each of its member firms and their affiliated entities are legally separate and independent entities. DTTL does not provide services to clients. Please see www.deloitte.com/about-to-learn-more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our network of member firms in more than 150 countries and territories serves four out of five Fortune Global 500® companies. Learn how Deloitte's approximately 286,000 people make an impact that matters at www.deloitte.com.

Deloitte Asia Pacific

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities provide services in Australia, Brunei Darussalam, Cambodia, East Timor, Federated States of Micronesia, Guam, Indonesia, Japan, Laos, Malaysia, Mongolia, Myanmar, New Zealand, Palau, Papua New Guinea, Singapore, Thailand, The Marshall Islands, The Northern Mariana Islands, The People's Republic of China (incl. Hong Kong SAR and Macau SAR), The Philippines and Vietnam, in each of which operations are conducted by separate and independent legal entities.

Deloitte Australia

In Australia, the Deloitte Network member is the Australian partnership of Deloitte Touche Tohmatsu. As one of Australia's leading professional services firms, Deloitte Touche Tohmatsu and its affiliates provide audit, tax, consulting, and financial advisory services through approximately 8000 people across the country. Focused on the creation of value and growth, and known as an employer of choice for innovative human resources programs, we are dedicated to helping our clients and our people excel. For more information, please visit our web site at <https://www2.deloitte.com/au/en.html>.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte Network.

©2023 Deloitte Access Economics. Deloitte Touche Tohmatsu

Designed by CoRe Creative Services. RITM1464303.