Assessing the Existence Value of Cultural Heritage. The Economic Evaluation of the "Scuola Grande di San Giovanni Evangelista" in Venice

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Abstract. The economic evaluation of cultural heritage has traditionally focused on use values, often neglecting non-use components such as existence value. The current contribution investigated the "Scuola Grande di San Giovanni Evangelista" in Venice as a case study to explore how existence value can be integrated into economic assessment framework. The research combined traditional real estate valuation methods with approaches derived from welfare economics, including demand estimation and proxy indicators of collective appreciation. Two alternative scenarios are analyzed, namely a private investment model and a public-oriented cultural system, interpreted as mechanisms for revealing different components of total economic value. The results show that, beyond market value, the asset generates a significance existence value linked to its historical symbolic, and identity-related dimensions. The study contributes to the ongoing debate on the economic justification of heritage conservation by proposing an integrated framework capable both use and non-use values in high-tourism urban contexts.

Keywords: Existence value · Cultural heritage economics · Economic evaluation

1 Introduction

The economic valuation of cultural heritage has been grounded in economic approaches that privilege measurable and market-based dimensions of value. However, the increasing recognition of the multidimensional nature of heritage has led to a progressive redefinition of evaluation frameworks, incorporating concepts derive from welfare economics and environmental valuation. Within this evolving paradigm, the notion of existence value has emerged as a crucial component for understanding the full contribution of cultural assets to society [1].

Existence value refers to the benefit that individuals derive from the mere knowledge that a cultural good continues to exist, regardless of any direct interaction with it. This form of value is particularly relevant in contexts where heritage plays a central role in shaping collective identity and cultural continuity. In cities such as Venice, where the

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urban fabric itself constitutes a living archive of history, the preservation of heritage assets generates benefits that extend far beyond their immediate use [2].

Despite its theoretical relevance, existence value remains difficult to operationalize within standard evaluation procedures [3]. Traditional valuation methods, such as market comparison or income capitalization, are inherently limited in their ability to capture intangible and symbolic dimensions. This limitation has led to the development of alternative approaches, including contingent valuation, choice modelling, and various forms of revealed preference analysis. As a result, public decision-making processes often rely on partial assessments that underestimate the social benefits of conservation [4–6].

The present study addresses this gap by proposing an integrated framework for the assessment of existence value, applied to the "Scuola Grande di San Giovanni Evangelista" in Venice (Italy). The research adopts a hybrid methodological approach that combines economic estimation with spatial and demand-based analyses, aiming to approximate non-use values through observable indicators. By interpreting different development scenario as mechanisms for revealing latent preferences, the paper contributes to bridging the gap between theoretical constructs and applied valuation practices.

2 The Existence Value in Cultural Heritage

Understanding he many different aspects of value that are related with cultural heritage can be accomplished through the utilization of the Total Economic Value (TES) concept, which offers a comprehensive framework, According to this, the value of a product is not linked only to its direct application; rather it encompasses a variety of components that reflect both real and possible interactions that are non directly related to the use of the product itself [7–10].

The meaning beyond the "use value" often refers to both direct consumption, such as going to a museum, and indirect advantages such as the economic spillovers that are generated by the tourism phenomena. The option value indicated the wish to retain the possibility of future usage, whereas the value of a bequest conveys the desire to pass on heritage to subsequent generations. Existence value, on the other hand, is distinct in that it is not based in any way on any type of utilization; rather, it is founded on ethical, symbolic, and identity-related factors [11].

A strict relationship is between the significance of existence value and the intrinsic value in the realm of the cultural heritage economics. Intrinsic value acknowledges the significance of cultural assets as goals in themselves, rather than solely as a means of earning economic rewards, Taking into account the existence value as element to bring into decision-making frameworks reflects that the heritage is regarded to be a reservoir of collective memory and social meaning [12].

The accounting of the existence value shows remarkable challenges from a methodological point of view. Across the existing literature, a several methods and empirical approaches were proposed and tested in the perspective to determine the economic significance that the people are capable to give to heritage assets [13]. These approaches, such as the stated preference methodologies (e.g. contingent valuation), are often characterized by remarkable biases and limits associated with imaginary scenarios and strategic behavior [14]. By means of diverse collateral approaches that are oriented to capture the

intrinsic connected to the symbolic value, the economic value of the existence depends on the capacity from the collectivity to estimate that product in accordance with the relative productive performance [15–19]. Recent scholars have investigated the contamination that came from using canonical accounting approaches whit other ones that depend by using location data, behavioral indicators. In line with this, the current contribution proposed a methodology the read patterns of accessibility, demand, and urban centrality as indirect manifestations of communal valuation. This meta-analytical approach provide proxy evidence concerning the economic value of the cultural heritage existence.

3 Materials and Valuation Protocol

3.1 Description of the Case of Analysis

As a case of study the "Scuola Grande di San Giovanni Evangelista" in Venice is considered. It serves repository of historical-cultural capital that bridge late-Medieval devotion with Renaissance architectural innovation. This appraisal evaluates the dual-track objective of maximizing the asset's direct income potential while preserving its intrinsic existing value and indirect use value. As a high-prestige asset in a globally saturated tourism market, The "Scuola Grande di San Giovanni Evangelista" requires ah hybrid valuation approach that combine the maximization of use value with the preservation requirements of a historical asset.

The missions centers on a conservative restoration of architectural surface and a systematic enhancement of public accessibility. By refining the formal quality of the Quattrocento interventions and safeguarding he Trecento craftsmanship, the project aims to optimize the site's functionality as cultural node of Venice. The renewal intervention is designed to ensure the highest standards of public enjoyment, in coherence whit Italian legislative on the valorisation of national heritage.

In the following Fig. 1 and Fig. 2 the characterization from an architectural and spatial perspective of the case of study is proposed. The Fig. 3 represent the spatial distribution of public and private properties in Venice; rather, the Fig. 4 the functional localization of most significant attractors in the city.

3.2 Merging Market and Non-market Valuation: An Hybrid Assessment Protocol

The proposed hybrid valuation protocol oriented to capture the economic significance of existence value is characterized by the integration of traditional economic assessment frameworks with collateral approached aimed at capturing non-market values. The analysis is built according to parallel scenarios, which are not seen as mutually exclusive options but rather as complementary perspectives for revealing different components of value.

The first decision-making frame of study consider a private investment perspective, and it is focused on the appraisal of market value and potential income streams. This first one is based on applying consolidated methodology likely the direct comparison and income capitalization, providing a measure of exchange value that are observable by the lengths of the market data. The second scenario, in contrast, is based on the



Fig. 1. Architectural and urban characterization of the case of analysis.

concept of a diffused museum, where the accessibility, cultural interaction, and the connection with the urban system assume significance and importance for conserving the cultural asset considered in Venice. A core item of the method consists of the using of spatial information related to the accessibility, due to its relative connection with the tourist pressure and cultural activity. Demand modeling is also employed to estimate the number of potential visitors, in accordance to similar institutions.

The proposed assessment approach, on one side, provides evidence connected to the use value, on the other one, indirect manifestations of the broader societal interest,



Fig. 2. Inside rooms of the historical property.



Fig. 3. Public and private properties in Venice, respectively in green and violet.



Fig. 4. Localization of the main functional properties in Venice.

which can be interpreted as a proxy existence value, The integration of these two diverse lengths of reading give a more comprehensive assessment of a historical cultural asset, by bridge the market and non-market evaluation.

In the following section the result of the above descripted assessment protocol are described. Then, the conclusions of the study are reported.

4 Results

By the application of the proposed integrated methodology a market value is estimated, reflecting the structural, locational, and architectural characteristics of the property within the Venice real estate context. This estimate derived through a direct comparative approach, calibrated by means of adjustment coefficients that accounts for both intrinsic attributes, such as the state of conservation and historical artistic quality, and extrinsic factors, including accessibility and proximity to primary urban attractors. In analytical terms, the estimated unit value can expressed as a function of the average market benchmark adjusted by a vector of hedonic parameters, thereby situating the asset within the upper segment of the historic property market while incorporating penalties related to the absence f premium features such as direct frontage on the Canal Grande. This value represents the exchange component of the asset and provides a robust baseline for subsequent economic evaluation.

The estimation of rental income further supports this assessment by applying a capitalization framework base on observed yield rates within comparable market segments. From a financial perspective their reinforces the feasibility of a private investment strategy, particularly in relation to adaptive reuse scenarios oriented toward cultural events and temporary uses.

While the market-based evaluation provides a clear measure of the use value, the analysis of demand under the public-oriented scenario reveals a broader and more complex dimension of value. More specifically, the estimation is based on an interception function relating the effective population present within a defined catchment area to observed visitation rates, thereby capturing the interaction between spatial context and cultural consumption behavior. This result indicates a significant level of cultural interest and engagement, reflecting not only the intrinsic attractiveness of the site but also its functional integration within the wider cultural system of Venice [20–22].

The interpretation of these findings in terms of existence value requires a shift from a purely quantitative framework toward a more comprehensive evaluative perspective grounded in welfare economics. The discrepancy between market value and the broader set of benefits associated with the asset highlights the presence of significant non-use components. This can be inferred through the divergence between measurable economic returns and the wider social significance of attributed to the asset [23, 24].

By combining market indicators with spatial and demand-based proxies, the study develops an indirect estimation framework for existence value that is consistent with observable data while remaining theoretically grounded. The integration of geomarketing analysis, accessibility metrics, and demand modeling allows for the identification of patterns that reflect collective preferences and social valuation processes. In this sense, existence value is not treated as an hypothetical construct, but rather as an emergent property of the interaction between the asset and its socio-spatial context [25–43].

5 Conclusions

The study proposed an integrated and multidimensional framework for the assessment of the existence value in cultural heritage, combining traditional economic evaluation techniques with spatial analysis and demand-based modeling. By bridging methodologies derived from real estate appraisal, welfare economics, and geomarketing, the proposed approach aims to overcome the limitations of conventional valuation practices, often liked to market-based indicators. The study highlights the relevance of non-use components within the broader structure of the TEV theory, showing how existence value can be approximated by means with indirect and empirically grounded indicators.

The research opens several directions for further developments. Future studies may enhance the analytical rigor of the proposed approach through the integration of econometric modeling, such as hedonic pricing models or discrete-choice models. The incorporation of stated preference methods including contingent valuation and choice experiments, could allow for a more explicit monetary estimation of existence value, complementing the proxy-based approach adopted in this study. Expanding the empirical basis through the analysis of multiple case studies across different urban and cultural contexts would further strengthen the generalizability of the framework and enable comparative assessments of value structures.

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