



MONITOR

New Cluster Concepts Activities in Creative Industries

Produced for the European Commission Enterprise & Industry Directorate-General

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Preface

This mini-study discusses the different perceptions and methods of identifying creative clusters. The study is produced for the European Commission Enterprise & Industry Directorate-General. It is scheduled to be presented at the workshop "Towards a Pan-European initiative in support of innovative creative industries in Europe" to take place in Amsterdam on 4-5 February 2010.

The study examines the perception and definitions of the creative industries. It compares different methods and different data using industrial and occupational statistics, and it illustrates the differences with employment data for the area of Greater Copenhagen as well as international clusters. The international data used is from Monitor Group. Based on the comparison, recommendations are made on how to go forward with mapping creative clusters.

The study also discusses international benchmarking of creative industries along with cluster initiative for creative industries. Finally, it discusses cross boarder collaboration between creative industries and the importance of user-driven innovation in the creative industries.

The study has been produced in FORA by Jørgen Rosted; Markus Bjerre; Thomas Ebdrup; Anne Dorthe Josiassen.



Danish Enterprise and Construction Authority's
Division for Research and Analysis
Langelinie Allé 17
DK-2100Copenhagen
T: +45 35 46 63 20
M: fora@ebst.dk
W: www.foranet.dk

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1. Introduction

A fast growing global market for unique experiences has made creative industry a large and growing sector. The digital technology and global networks have made the creative industries one of the fastest growing sectors in the world with annual growth rates between 5 and 20 pct.¹

Creative industries account for 5-6 pct. of GDP in OECD-countries but the variation between countries is considerable. In US, more than 11 pct. of GDP comes from creative industries.² In UK, the creative industries have been one of the fastest growing parts of the economy with computer games and electronic publishing as the most successful. Today creative industries account for about 8 pct. of GDP in UK.³

Today, some of the world's most successful companies operate within the creative industries for instance Apple, BBC, PPR Group, Louis Vuitton, Alessi, Universal Studios, Time Warner and Capital Records. Even if the list of admired creative companies is long, the dynamics and creativity of the industries is heavily dependent of a huge crowd of small companies. Even mini-firms and self-made free-lancers play an important role in the complex social production system of the creative industries.

The increase significance of creative industries has led a number of regions and countries to design policy initiatives for the creative industry. And it has raised the need for a better understanding of the functioning of creative industries and its importance for other industries and for the total economy.

2. Perception of the creative industries

Creative industries are not a well defined branch, sector or occupation in statistical sense. Statistics is not static as one might think, as economic statistic categorizations over time adapt to the economic development. Some time in a distant future we will probably have proper statistical data for the creative industries. Meanwhile, one must find the best solutions with the different possibilities in the existing statistical categorizations.

This section will discuss different definitions of creative industries which can be used to construct data on creative industries from existing statistics. Both industrial and occupational

¹ See www.creativeclusters.com.

² See www.keithsawyer.wordpress.com/2007/11/03/the-creative-industries-around-the-world/.

³ The Work Foundation (2007): Staying ahead: the economic performance of the UK's creative industries. See www.culture.gov.uk/reference_library/publications/3672.aspx.

categorizations will be discussed and illustrated by data. The section ends with a recommendation on future data construction.

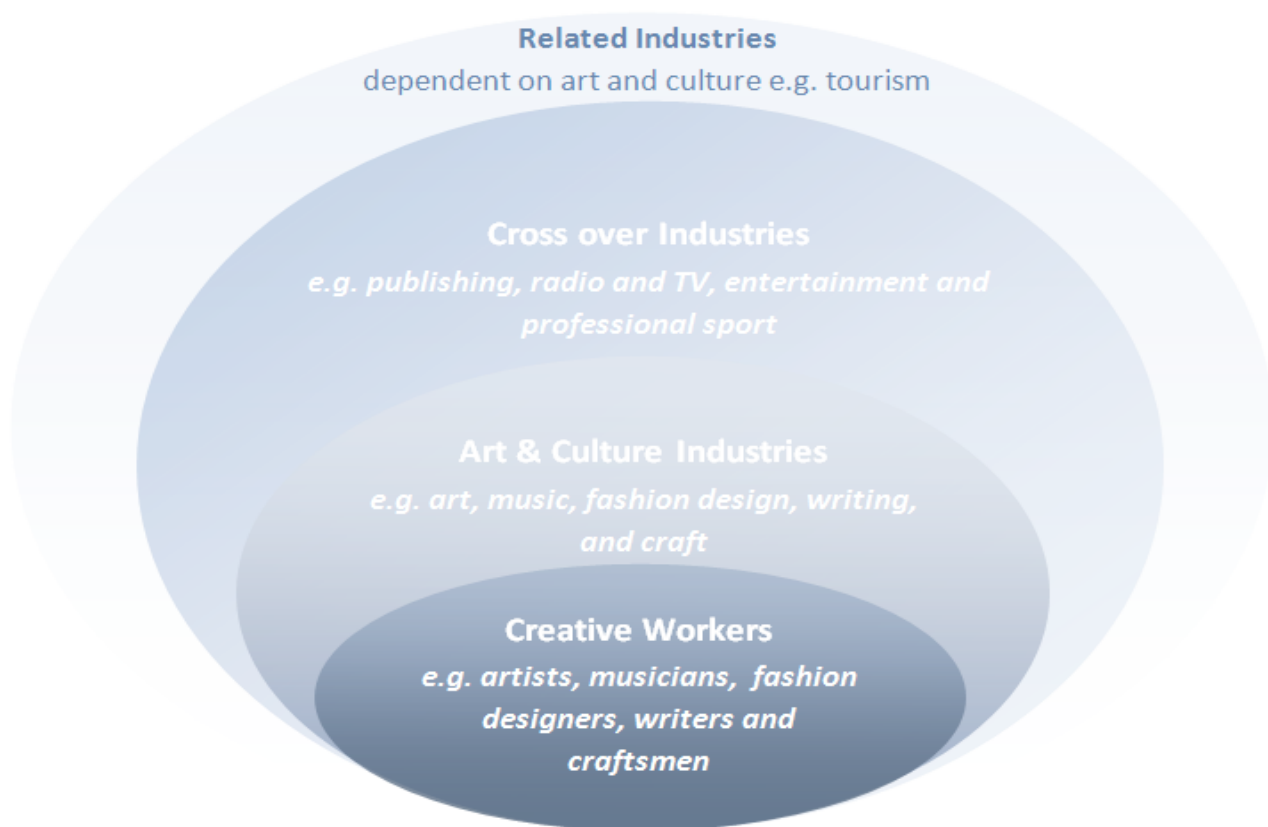
Definitions

Creative industries can be understood as industries where the core product is the result of an artistic activity made by musicians, painters, writers, actors, architects, craftsmen or designers. This narrow perception of creative industries is also called *art and culture*.

In a broader perception, creative industries could include cross over industries, where it is not obvious that the core product is an artistic activity but the products have some of the same characteristics as art and culture. Candidates for cross over industries could be publishing, radio and TV, entertainment and professional sport.

Finally in its broadest form, creative industries could include related industries which economic activities are dependent on art and culture and cross over industries for instance tourism. Figure 1 shows a typology for the creative industries.

Figure 1. A typology for the creative industries



Industrial Statistics

Creative industries cluster together as other industries, and creative clusters can be identified by the same method as other clusters. The EU Cluster Observatory has identified 38 clusters based on the localizations coefficient method.

Among the 38 clusters several can be argued to belong to creative clusters in a broad perception of creative clusters. These include 7 clusters in Fashion & Design and 4 clusters in Entertainment & Leisure, see Box 1.

Box 1. Clusters related to creative industries in European Cluster Observatory.

Entertainment & Leisure	Fashion & Design
Entertainment	Apparel
Hospitality and Tourism	Footwear
Publishing and Printing	Furniture
Sporting, recreational and Children's good	Jewelry and precious Metals
Lightning and Electric	Leather Products
	Equipment
	Textiles

It seems rather obvious to include Entertainment in the creative industries while the inclusion of Publishing, Sport and Recreational Goods can be questioned. However, it can be argued that these branches belong to the cross over branches which rely a good deal on creativity and have some relations to art and culture.

The same could be said of some of the activities in Hospitality and Tourism. It can be argued that areas where art and culture are strong also attract tourists. Therefore, tourism should be part of a creative cluster in the broad perception.

In the industrial era it could be questioned if branches like textiles, footwear and furniture should be part of the creative industry. In today's economy, the main driver of these branches is increasingly design of unique products which counts for both Fashion and Apparels and Furniture and Lightning.

Even if we include all these 11 clusters in a creative cluster, it can be argued that some important branches are missing. Entertainment does not include all art and culture activities and Publishing and Printing do not include all media activities e.g. is Radio and TV missing. Most importantly, the new and rising creative activities such as video games and other digital entertainment services are missing as they are part of the ICT cluster.

As an alternative identification of creative industries one could pick the branches where it can be assumed that the core product is the result of an artistic activity and possibly include cross over branches where it can be argued that the core product has characteristics similar to artistic activities. As there is no unambiguous way to pick the creative branches, it will necessarily be based on an element of judgment. Box 2 gives an example of what branches to include in the creative industries.

Box 2. Example of branches forming creative industries

NACE4	Industry
2211	Publishing of books
2212	Publishing of newspapers
2213	Publishing of journals and periodicals
2214	Publishing of sound recordings
2215	Other publishing
7221	Publishing of software
7222	Other software consultancy and supply
7260	Other computer related activities
7310	Research and experimental development on natural sciences and engineering
7320	Research and experimental development on social sciences and humanities
7420	Architectural and engineering activities and related technical consultancy
7440	Advertising
9211	Motion picture and video production
9212	Motion picture and video distribution
9213	Motion picture projection
9220	Radio and television activities
9231	Artistic and literary creation and interpretation
9232	Operation of arts facilities
9233	Fair and amusement park activities
9234	Other entertainment activities

Source: The European Commission Enterprise & Industry Directorate-General: Proposal for A European Creative Industry Alliance. See www.edc.nl/amsterdamconference.

The proposed example in Box 2 has interesting characteristics. First of all, it includes important branches which are missing when using cluster data. The software branch is included in a very broad – maybe too broad – version as it includes almost all forms of software. Architectural and Engineering activities, Advertising and Radio and TV are included which is not the case when using cluster data. On the other hand, the definition of creative industries in box 2 excludes Fashion & Design and Hospitality & Tourism. The significance of different definitions are shown later in section one in figure 2.

When the creative industries are formed by picking branches under the assumption that the core product is a result of an artistic activity or a similar activity, it could be questioned if the identification of creative industries could be called a creative cluster. Clusters are usually connected with proximity, so if branches are picked after other criteria than proximity, one cannot talk about cluster in the traditional sense.

There is no clear evidence what method should be used to identify clusters. The method of picking branches that fulfil some criteria for creative branches makes it possible to analyse to what extent the branches cluster together by comparing the clustering in different regions. For example, whether software activities have a tendency to cluster together with art and culture or together with other ICT activities? Most likely only a minor part of software activities cluster together with art and culture.

Therefore, the term cluster should be used with care if the analytical tool applied to identify the cluster has no reference to proximity.

Occupational statistics

The point of departure for a statistical illustration of creative industries can be either industrial categorization which was used above or occupational categorization.

With occupational categorization one has to pick artistic occupations such as musicians, painters, writers, actors, architects, craftsmen or designers. In the case of occupational categorization, it is possible to make a narrow definition of creative industries for instance art and cultural activities or a broader definition that include occupations in cross over activities that remind of artistic activities e.g. different media occupations.

Box 3 gives an example of creative industries based on occupational categorization.

Box 3. Creative and cross over occupations by occupational categorization

ISCO88 Creative occupation

- 2141 Architects, town and traffic planners
- 2452 Sculptors, painters and related artists
- 2453 Composers, musicians and singers
- 2454 Choreographers and dancers
- 2455 Film, stage and related actors and directors
- 3131 Photographers and image and sound recording equipment operators
- 3139 Optical and electronic equipment operators not elsewhere classified
- 3471 Decorators and commercial designers
- 3473 Street, night-club and related musicians, singers and dancers
- 3474 Clowns, magicians, acrobats and related associate professionals
- 5210 Fashion and other models
- 7312 Musical instrument makers and tuners
- 7313 Jewellery and precious-metal workers
- 7324 Glass, ceramics and related decorative painters
- 7331 Handicraft workers in wood and related materials
- 7332 Handicraft workers in textile, leather and related materials

Cross over occupations

- 2451 Authors, journalists and other writers
- 3132 Broadcasting and telecommunications equipment operators
- 3472 Radio, television and other announcers

Source: The ISCO88 occupational categories are comparable to the categories of Art and Cultural occupations defined in "The Warhol Economy" by E. Currid (2007).

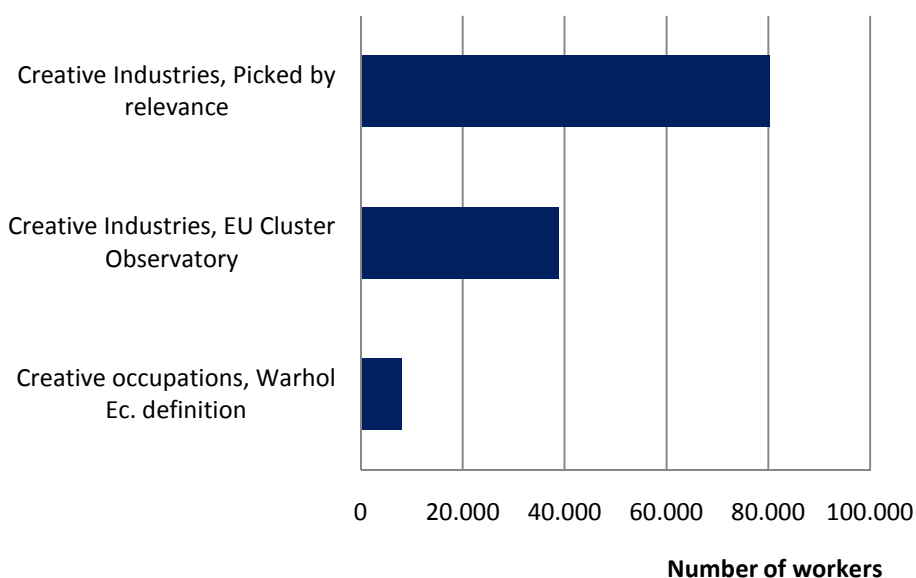
There are two main differences between creative industries formed by either industrial or occupational categorization. Industrial categorization includes all employees both creative workers and others within the branches included in the creative industries. Occupational categorization includes all creative workers independent of the industry they work for. For example, a movie creator can work in the film industry, in a publishing company or in a life science company making its own film or daily news.

It can be discussed if clusters are identified when occupational categories are used to define creative industries. Clusters claims for proximity but also synergy of some kind. Even if data for a small area is used – which by definition have proximity – there is no guarantee for synergy.

However, several studies have illustrated that creative people have a tendency to work in the same places and that there are considerable synergies.⁴

To illustrate the quantitative implications of using occupational categorization, data from the Greater Copenhagen area has been used and constructed for all three definitions discussed above as listed in box 1, 2 and 3, see figure 2.

Figure 2. Creative industries in Greater Copenhagen using industrial and occupational statistics, 2006



Taking the 11 clusters from Box 1 gives a total of 38.000 employed in creative industries in Greater Copenhagen in 2006 while taking the 20 branches in Box 2 gives a total of 80.000 employed in creative industries in Greater Copenhagen. The difference between the two definitions is rather big – only about 10.000 employed are the same in the 2 definitions.

The cluster method includes Fashion & Design which has 7.500 employed and Hospitality and Tourism which has another 15.000 employed. This gives a total of 22.500 employed that are part of the creative industries in the cluster method which are left out in the picking method.

On the other hand, the picking method include 60.000 employed which are not included in the cluster method, e.g. 20.000 in Software, 20.000 in Architectural and Engineering Activities, 7.000 in Advertising, 7.000 in Film and Performing Arts and finally 5.000 in Radio and TV.

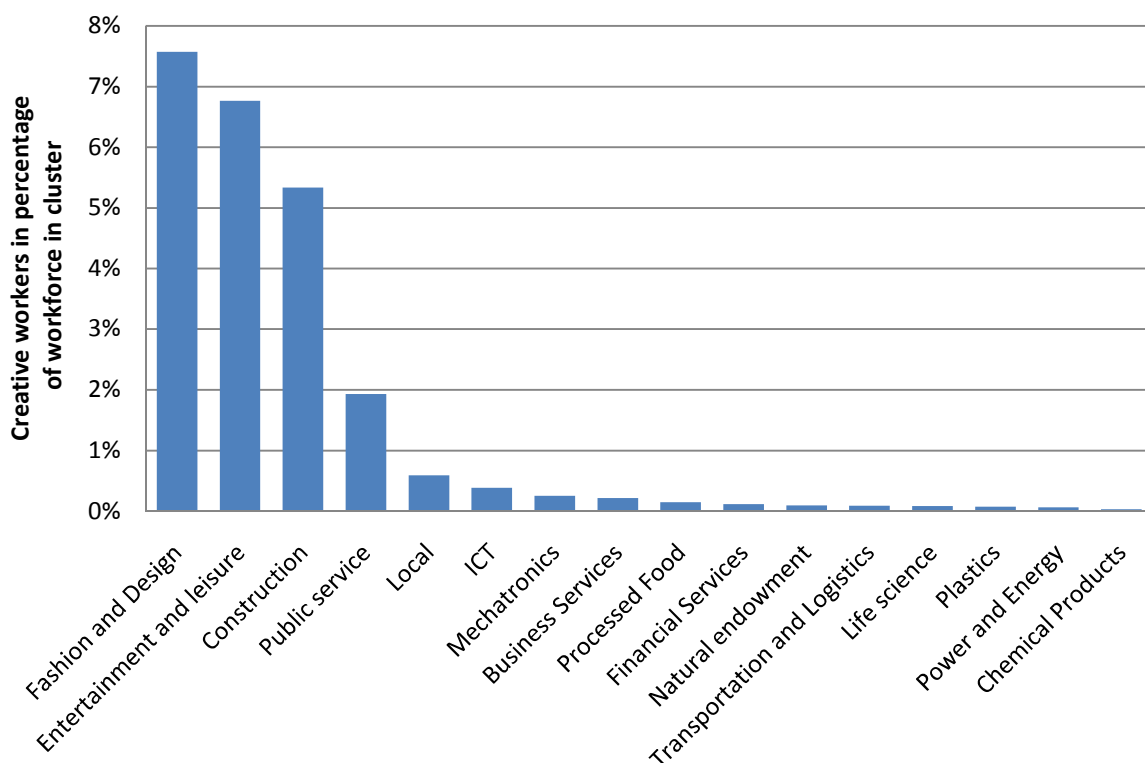
⁴ Florida, Richard (2002): *The Rise of the Creative Class: And how it's transforming work, leisure, community and everyday life*. New York: Perseus Book Group. & Currid, Elizabeth (2007): *The Warhol Economy: How Fashion, Art, and Music Drive New York City*. Princeton: Princeton University Press.

Finally, taking the occupations from box 3 gives around 8.000 employed in Greater Copenhagen as illustrated in figure 2.

There are disadvantages in using occupational statistics, especially for creative workers. Occupational data are industry-reported, meaning that they only report those individuals working for the firm as opposed to being self-employed and free-lancers. It must be expected that creative workers have a high degree of self-employed and free-lancers.

By combining the cluster categorization based on industrial employment data and occupational statistics respectively one can illustrate in which industries the creative are employed, see figure 3.

Figure 3. Creative occupations in clusters, Greater Copenhagen 2006



Note: Natural endowment contains industries whose location is mainly determined by a natural resource, Public Service contains public industries, and Local contains local industries. The cluster categories correspond to a grouping of the cluster categories of the EU cluster observatory. The grouping is described in detail in "Summary Report BSR InnoNet WP 4", FORA, 2008, www.foranet.dk.

As one could expect, the two creative clusters have the highest share of creative workers. The relatively high degree of creative occupations in Construction is mainly found within Architectural activities. Almost 50 pct. of the creative occupations in Public Service are found within the occupation "Artistic and Literacy Creation and Interpretation".

Concluding remarks

There are no straightforward arguments to decide which definition of creative industries or which type of data should be used to identify creative industries. The answer depends on the purpose of the analyses and what the data is used for.

There are many good arguments for facts based policy but access to good data is needed – which can be expensive. Therefore, it would be a huge advantage if analysts, policymakers and other interested all over Europe could have access to a database with relevant and high quality data for creative industries.

Recommendation 1

Different definitions of creative industries and different data categorization can be relevant dependent of the purpose. Therefore, it is recommended to build a flexible data base with both industry statistics and occupational statistics and opportunities to use different definitions of creative industries.

As illustrated different definitions and methods to identify creative industries can result in major differences. It is recommended to carry out an in dept study of different methods and come up with a consolidated proposal which hopefully could be a reference for future work with creative industries.

3. International benchmarking of creative industries

Facts and data are necessary elements to understand what is happening in the industry and in the economy. Sufficient data and good analysis can help formulate better policy and it can enlarge the political room for manoeuvre. Comparison between industries can be helpful; especially comparison between the same industries in different regions and countries can give useful insights for understanding an industry and the importance of good business conditions.

In this section employment data for creative industries is presented to illustrate the importance of creative industries and the benefits of international comparison. The section ends with a recommendation on future international benchmarking of creative industries.

Studies of creative industries in London and New York

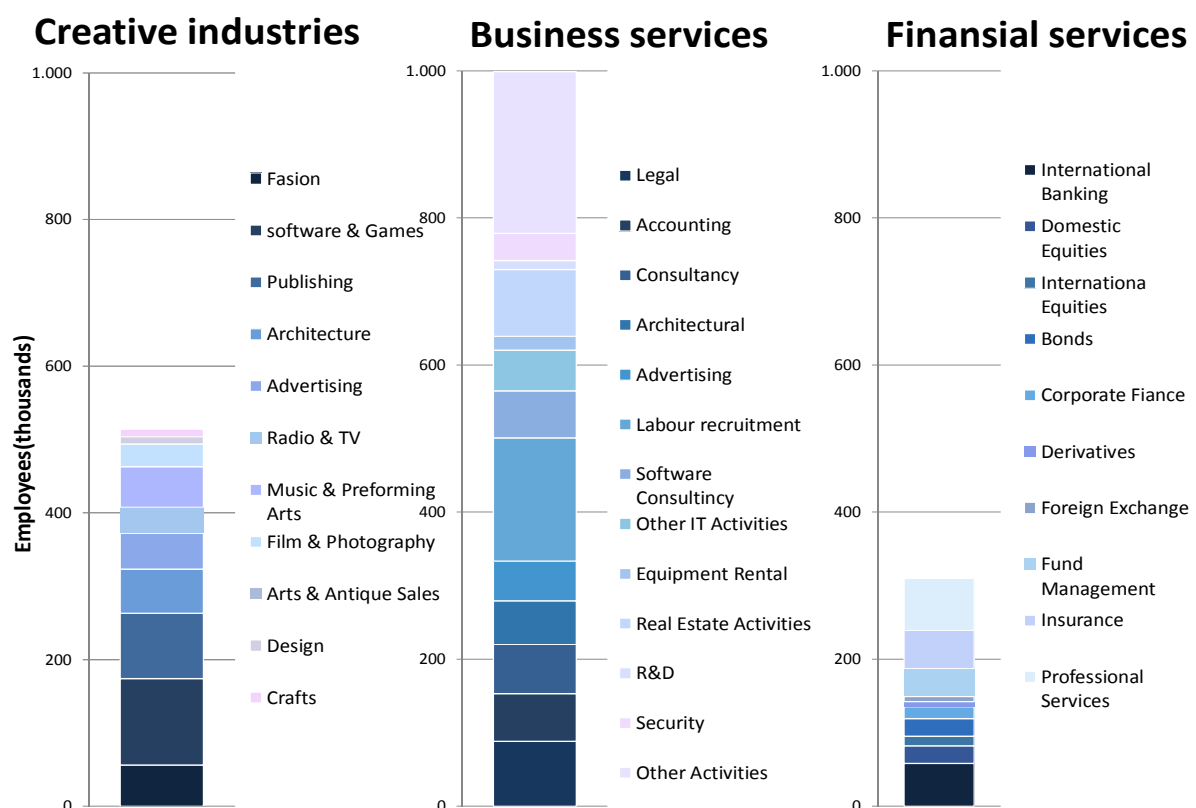
London and New York are among the leading global hubs for creative industries and also some of the few areas where you find stimulating quantitative analysis of creative industries. For many it was an eye-opener when it was emphasized that creative industries in both London and New York challenge financial services as job creator and in economic importance.

A study of the significance of the creative industries in London has been conducted by the Strategy Unit in the UK Prime Ministers office building in 2003.

The study use industrial statistics and pick branches which could be assumed to be included in the creative industries. The definition is rather similar to the branches included in Box 2 but include also Fashion, Design, Craft and Music.

According to this definition, more than 500.000 people worked in the creative industries in London in the beginning of 2000 compared to 300.000 in financial services, see figure 4.

Figure 4. Employment in London within different sectors (thousands)



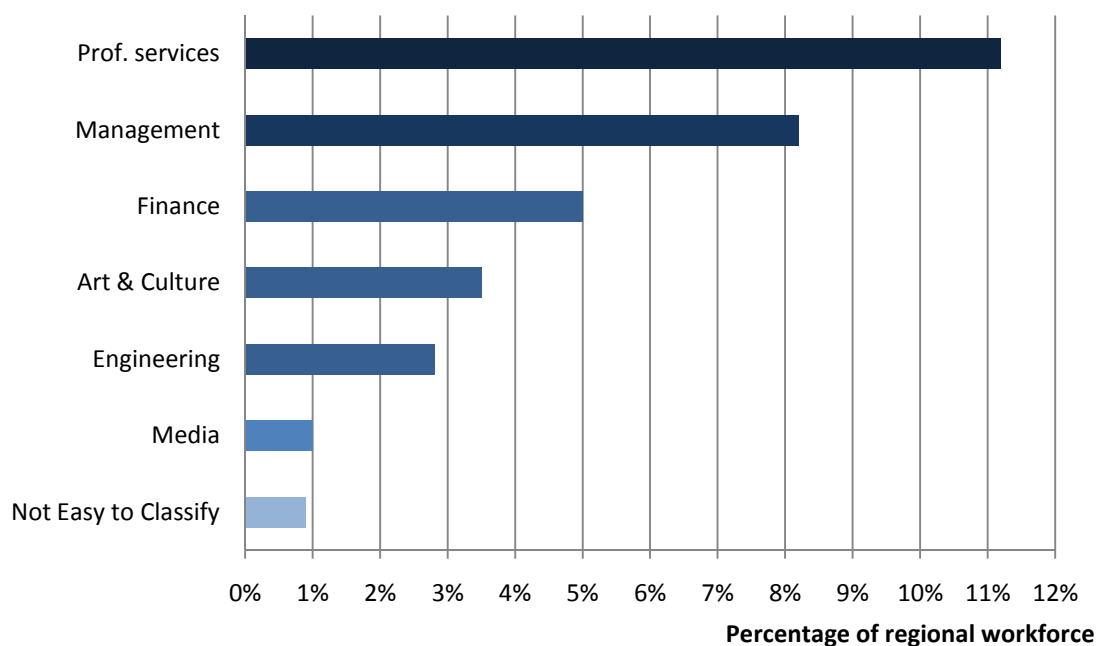
Source: Strategy Unit (2003): London Analytical Report.

Business services employed 1 mill. people in London in the beginning of 2000. The number is impressive but may not be surprising in so far all metropolises have huge business service sectors. To see if London is more specialized in business service than in creative industries one need compare London with other metropolis.

In an interesting study of how fashion, art and music drive New York City a comparison are made between New York and other US metropolis. The study use occupational statistics and a definition of creative occupation similar to the definition in Box 3 in section 1.

Creative workers in art, culture and media make up 4.5 pct. of the total workforce in New York in 2000. In comparison, high skilled workers in financial services make up 5 pct. of the total work force and high skilled workers in management and professional services which constitute almost 20 pct. of the workforce in 2000, see figure 5.⁵

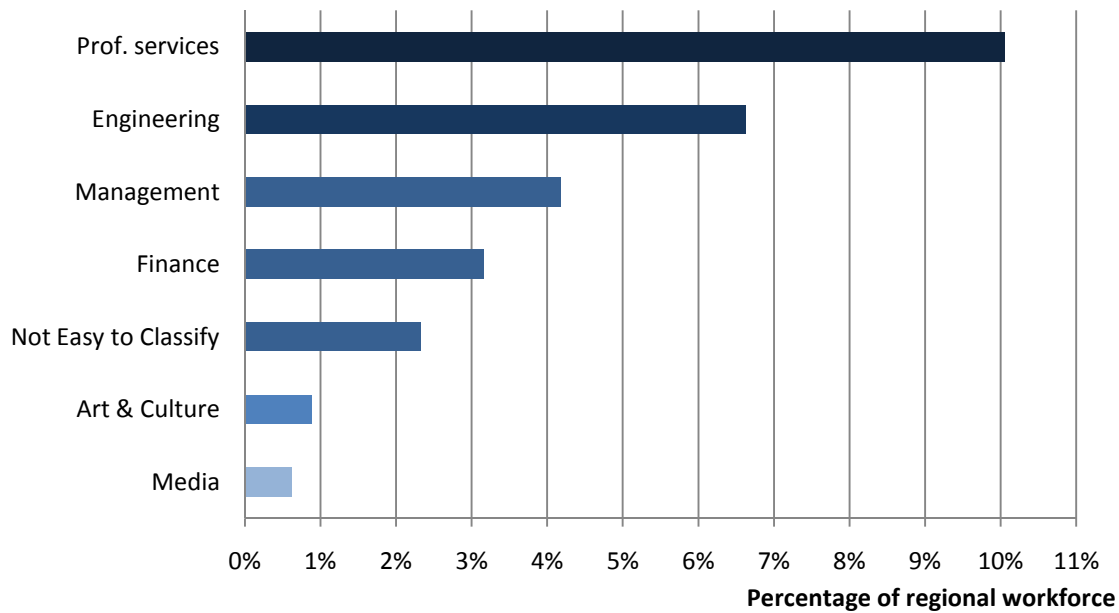
Figure 5. High skilled occupations New York, 2000



In Greater Copenhagen, high-skilled workers in finance makeup for 3.2 pct. of total workforce while creative workers in art, culture and media constitute 1.5 pct. of the workforce or almost 50 pct. of high skilled workers in finance. High-skilled workers in management and professional services make up for 14.2 pct. of total workforce in Greater Copenhagen, see figure 6.

⁵ Currid, Elizabeth (2007): *The Warhol Economy: How Fashion, Art, and Music Drive New York City*. Princeton: Princeton University Press.

Figure 6. High skilled occupations Greater Copenhagen, 2006



In the study, the High-skilled Human Capital Industries in New York City is compared to High-skilled Human Capital Industries in Major Metropolis Statistical Areas in US and occupational location quotients (LQ) is calculated to illustrate to different specialization of US metropolis.

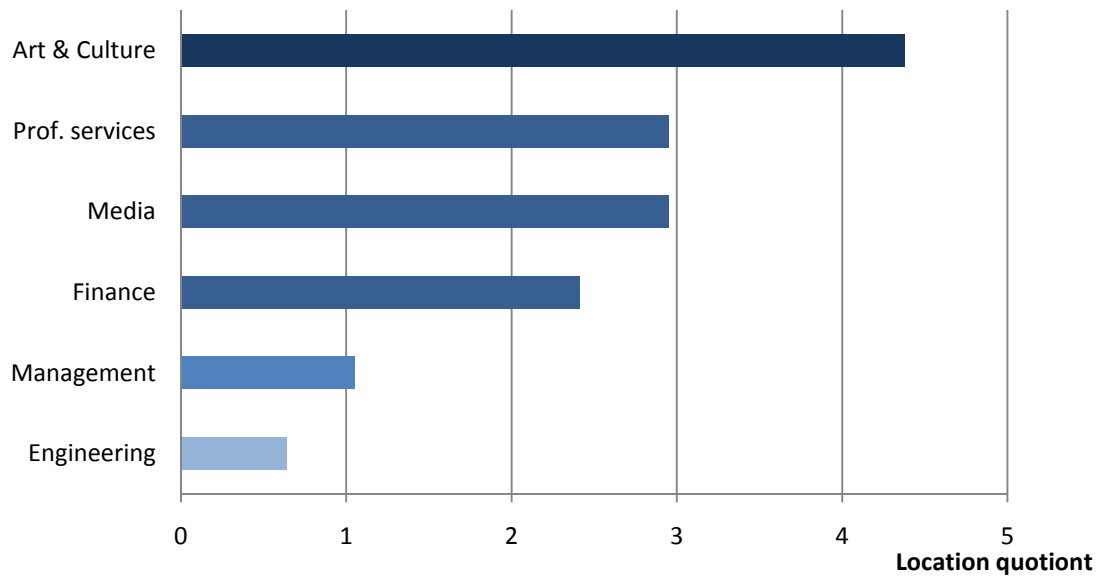
In 2004 New York City was by far the most specialized metropolis in art and culture with a LQ of 4.4 meaning that NYC has 4.4 times more creative workers than the average major metropolis in US. Los Angeles is ranking second with a LQ of 2.7. Inside creative industries NYC is especially specialized in makeup artist and theatrical performance (with a LQ of 19.3) and fashion designers (with a LQ of 16.0). Los Angeles is especially specialized in film and video editors with a LQ of 8.8 and other film related occupations with similar LQ's.⁶

New York City is also most specialized in art and culture compared to other high-skilled occupations in NYC, followed by Media with a LQ of almost 3.0 and professional services also with a LQ of almost 3.0 and management with LQ of 1.1. High-skilled occupation in finance has a LQ of 2.4.⁷

⁶ Currid, Elizabeth (2007): *The Warhol Economy: How Fashion, Art, and Music Drive New York City*. Princeton: Princeton University Press.

⁷ Ibid.

Figure 7. LQ for highly skilled occupations New York, 2004



The interesting story from the comparison of US Metropolis is that business service is the biggest job creator for high-skilled workers in *all* US metropolis but the differences between the metropolises is not large. In every metropolis there are a lot of managers and professional service activities. Creative industries are also an important job creator but the importance differs markedly between metropolis with New York City and Los Angeles a head followed by San Francisco, Boston, Washington DC and Miami.

Cluster statistics

A study of creative industries based on data from the European Cluster Observatory has been carried out in order to be presented at the workshop "Towards a Pan-European initiative in support of innovative creative industries in Europe" to take place in Amsterdam on 4-5 February 2010. The study focuses on European regions.⁸

In the following, a micro-study of creative clusters in selected Metropolis Regions in Europe and Major Metropolis Statistical Areas in US will be presented.

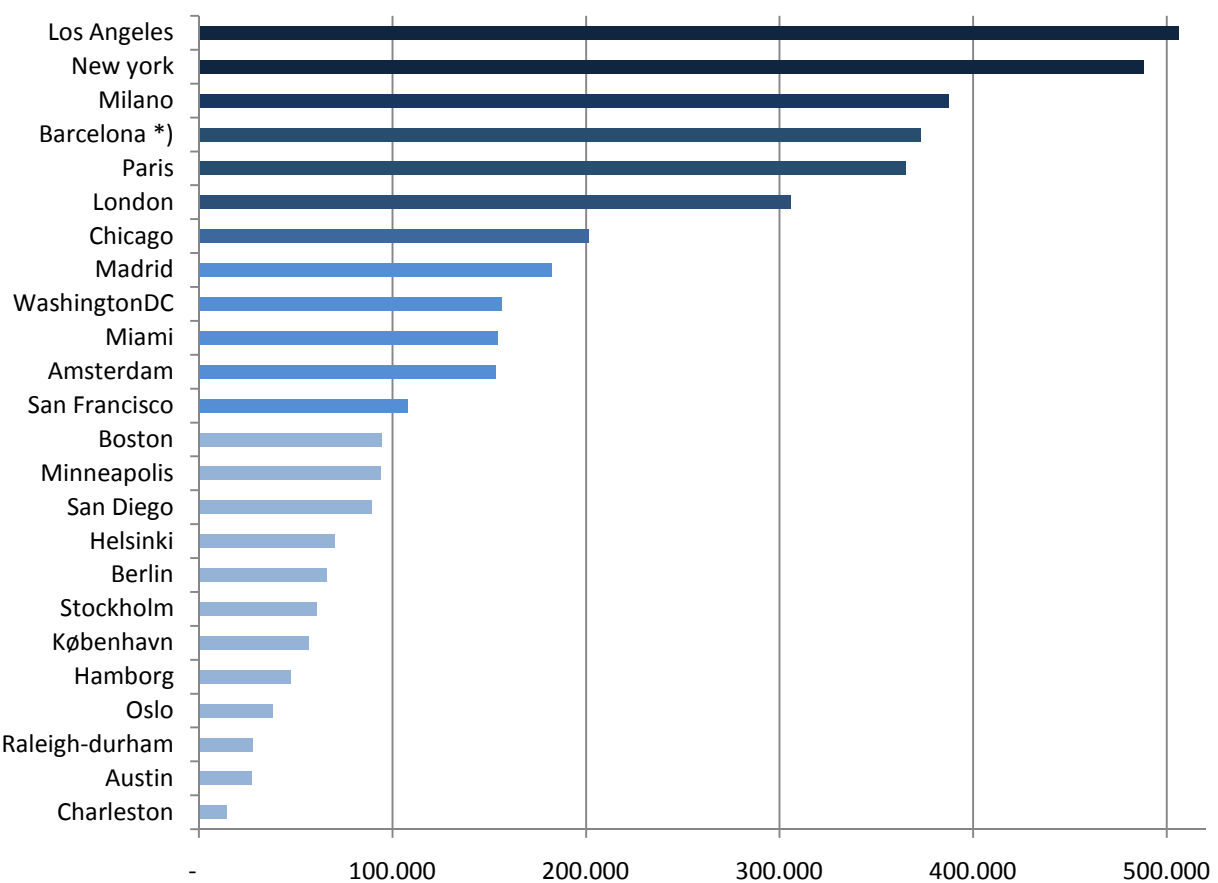
Creative clusters in this micro-study are composed of 11 clusters which together can be said to constitute a creative cluster cf. the discussion in section 1 where the 11 clusters are listed in Box 1.

⁸ Forthcoming

The cluster employment data comes from the Monitor Group Cluster Database.⁹ The metropolis regions that are compared and ranked are the 12 Major Metropolitan Statistical Areas in US which was used in the New York City study.¹⁰ The 12 European Regions used are 8 European Metropolitan Regions which could be candidates of regions with high concentration of creative industries and the 4 Nordic Capital Regions.

In this definition of creative industry 6 cities have creative clusters with more than 300.000 employed. Los Angeles and New York have the biggest creative clusters with about 500.000 employed followed by Milan, Barcelona and Paris with about 375.000 employed and London with around 300.000 employed with the used definition of creative industries, see figure 8.¹¹

Figure 8. Employment in creative clusters in selected US and EU metropolis, 2006



Note: As Barcelona is not yet included in the Monitor Group database, the employment has been estimated based on European Cluster Observatory. Source: Monitor Group.

⁹ Monitor Group, see www.compete.monitor.com.

¹⁰ Ibid.

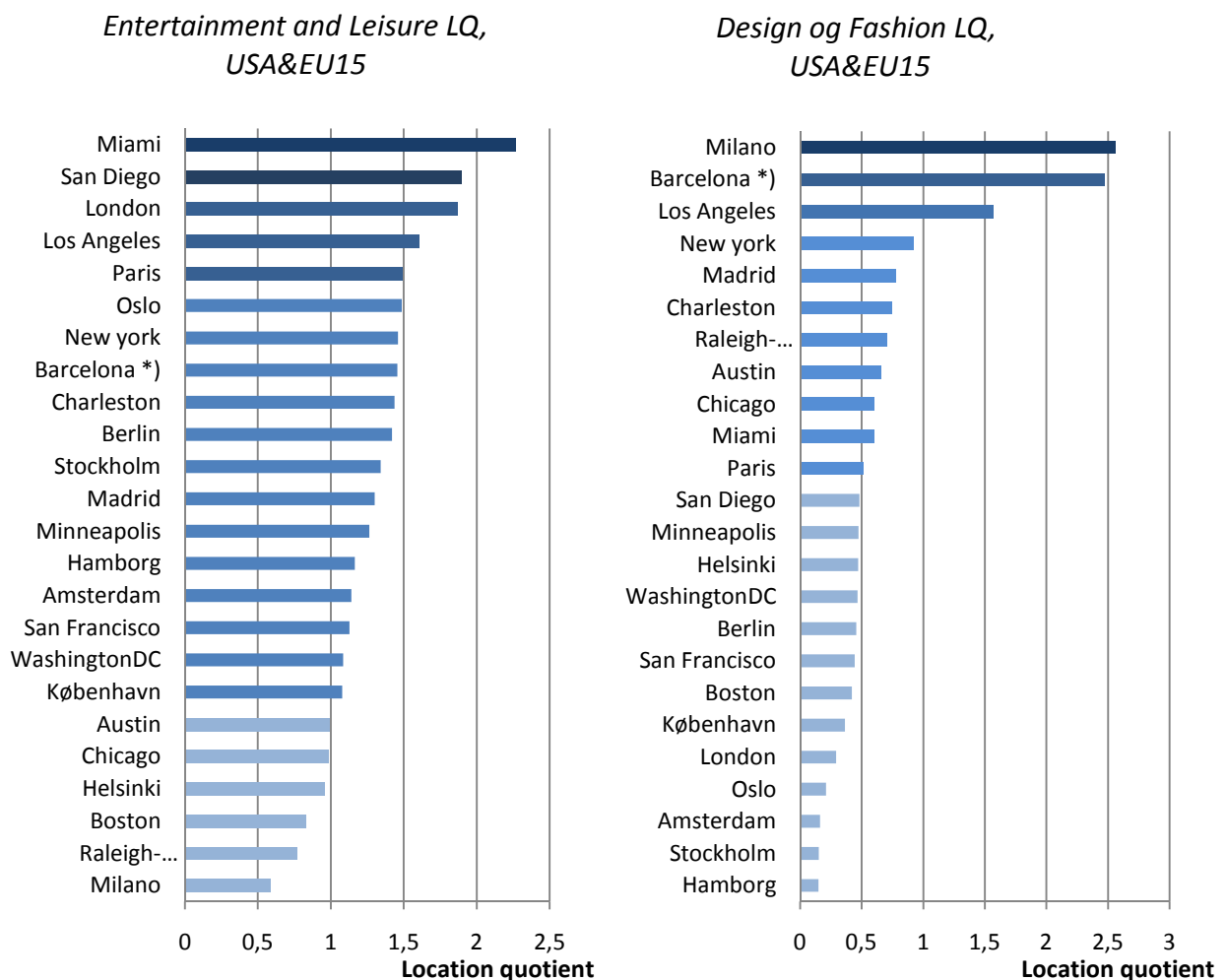
¹¹ The reasons for the difference to the 500.000 employed according to the UK study from the Strategy Unit are probably the same as the differences explained for Greater Copenhagen in section 1.

Six cities have creative clusters with a total employment between 100.000 and 200.000, namely Chicago, Washington DC, Miami, Amsterdam and San Francisco.

It is not surprisingly that the very big cities also have big creative clusters. Looking at localization quotients (LQ) gives an impression of the degree of specialization. Analysing specialization claims for rather detailed studies which are outside the limits of this mini-study. Therefore, LQ's are only calculated for Fashion & Design and Entertainment & Leisure.

Half of the cities have Entertainment & Leisure LQ's above 1 but especially Miami, San Diego and London specialized in Entertainment and Leisure. Probably the high ranking of Miami and San Diego is due to tourism. Only three cities have Fashion & Design LQ's above 1. Those are Milano, Barcelona and Los Angeles, see figure 9.

Figure 9. Location quotient for creative clusters in selected US and EU metropolises



Note: Regional LQ's are calculated relative to employment in creative industries in the US and EU15.

Source: Monitor Group.

Concluding remarks

In both section 1 and section 2, different methods and different data have been used to illustrate characteristics and importance of creative industries. The different data and methods have each advantage and disadvantage and its relevance will depend of the purpose of the analysis.

In section 2, focus has been on international comparison. It has been shown how benchmarking gives a better understanding of creative industries in different cities and regions. Detailed benchmarking makes it possible to identify strongholds and weaknesses and the possibility for collecting peers for further analysis and comparison of performance and business conditions. It is of great interest to compare creative industries in cities and regions inside EU but it could also have great value to compare creative industries globally.

Recommendation 2

Comparable data at a global scale is expensive and few institutions can handle such databases. It is therefore recommended that the Commission could cause the establishing of a global database for international comparison and benchmark of creative clusters.

4. Cluster initiative for creative industries

At least two perspectives on creative clusters can be applied. A traditional cluster perspective with focus on companies and how creative companies and branches clusters together with the benefits from locating in the same place. Or an occupational perspective with focus on individuals and how creative people benefits from choosing the same places to live and work.

Both perspectives probably reflect realities. Therefore, both are useful but might lead to different policy initiatives depending of which perspective are applied. A traditional cluster and firm perspective leads to more traditional cluster initiative which of course can be very helpful but the method and tools used are very similar to other cluster initiatives.¹²

¹² See e.g. *The Creative Industries Innovation Centre* at the University of Technology in Sydney, www.newsroom.uts.edu.au/news/detail.cfm?ItemId=14385; The strategy paper "*Creative Britain: New Talents for the New Economy*" by The Department for Culture, Media and Sports in the UK, www.culture.gov.uk; and *The Experience Zones* at the Danish Enterprise and Construction Authority, www.ebst.dk/oplevelseszoner.

Creative industries has important characteristics which separate creative clusters from other clusters and these characteristics will appear more obviously if one apply an individual perspective on creative clusters.

It can be argued that “art and culture are at their most efficient within their social life”.¹³ This means creativity flourish when creative people get together in the right environment being a small gallery and music venues or other activities primarily happening after working hours. Both the physical and “social environment is a very important backdrop to the creative production process”.¹⁴

“Art and culture work best when they are most dense. The neighbourhoods that are most creatively dense are also those that have a diversity of galleries, nightlife, coffee shops and plentifully mixed-use work-live spaces at affordable prices.”¹⁵

A small and very alike group of creative people cannot be the basis for creative cluster. Critical mass and diversity is important especially because “art and culture work as a unified whole” where different people and different industries stimulate each other.

Maybe this more individual perspective of creative industries is important and a critical diverse mass of creative people is a prerequisite for the existence of a creative cluster.

If this is the case cluster initiatives for creative industries should consist of both initiatives to improve the physically and social environment for creative workers as well as more traditional initiative to stimulate creative companies.

It must be admitted that our knowledge is very little of the forces that drive creative industries. Therefore, our knowledge of the relevance and importance of different possible cluster initiatives is also limited so it may be wise to carefully evaluate the proposal of identifying cluster initiatives and creative cluster organizations in EU. There is a risk that the focus will be too much on the company perspective and therefore might fail in creating the information relevant for cluster initiatives and cluster organization.

The same is true for the proposal of offering a platform for exchange of view and collaboration. It is important that such a platform is attractive for all the crucial actors in the creative industries.

Before designing a platform for interaction between actors in the creative industries one should know more about the drivers of creative industries and what forms creative clusters.

¹³ Currid, Elizabeth (2007): *The Warhol Economy: How Fashion, Art, and Music Drive New York City*. Princeton: Princeton University Press, pp. 183.

¹⁴ Ibid.

¹⁵ Ibid.

Recommendation 3

The commission could cause an in dept analysis of what drives creative industries and form creative clusters and based on this make a proposal of how to collect information about cluster initiative, cluster organizations and how to design a platform for exchange of views and collaboration between actors in the creative industries

5. Cross border collaboration between creative industries

The diversity of creative clusters and the fact that creative clusters work as a unified whole calls for collaboration inside clusters and evidence also illustrates that intense collaboration do in fact takes place.¹⁶ That could be a signal of the importance also of cross border collaboration.

The analysis of the specialization of creative clusters in US metropolis referred to in section 2 illustrates that there can be severe differences among different creative clusters which could be a further argument for cross border collaboration.

A simple micro-survey among key actors in art and culture in Copenhagen shows a clear interest of cross border collaboration. Among the arguments for such collaboration priority was given to inspiration and “*What to do next*”? Also a need for enlarging the networks and exchange of employees was mentioned. Finally, the value of collaboration with actors from all parts of the creative industries was stressed.

Talking to actors in art and culture give the impression “that they see themselves as a cohesive and synchronic community”¹⁷ and therefore it was said very openly that initiatives for cross border collaboration should consider the way creative actors normally use to meet and collaborate. Traditional meetings and conferences have little interest but creative cross border events could be attractive.

¹⁶ Currid, Elizabeth (2007): *The Warhol Economy: How Fashion, Art, and Music Drive New York City*. Princeton: Princeton University Press.

¹⁷ Ibid. pp. 184.

6. User Driven Innovation in Creative Industries

A new nature of innovation is emerging and we see a shift from research and technology driven innovation to solution driven innovation where co-creation with users and user involvement in the innovation process play a significant role.¹⁸

User has always been involved in innovation processes but usually it was in the end of the innovation process where customers test prototypes and expressed their views on form and function. To involve users in the fuzzy front end of innovations before any ideas have taken form is new and complicated. The reason for involving users in the beginning or even before the innovation process starts is to tap knowledge from users and identify challenges and problems which need better solutions and therefore could be new business opportunities.

Users can be involved in the beginning of the innovations process in three very different ways.¹⁹ (1) User exploration where theory and method from anthropology and ethnography is used to tap unacknowledged knowledge from users. (2) Innovation by users where advanced users is invited to innovate for or with companies, and finally (3) Experienced prototyping where users repeatedly react on ideas from designers and guide designers to new solutions.

Art and culture and most other creative industries is not driven by neither research nor new solutions based on new knowledge from users. Creative industries are basically taste-driven and most creative workers aspiration is to set new standard for users taste and choice. Therefore, new ideas on the core product of creative industries – the artistic expression – cannot or can very seldom be user driven. But the offers from creative industries are more than the artistic expression it is often a total experience with several ingredients around the artistic expression. And to design the total experience methods from user driven innovation can be relevant also for creative industries.

Probably up till now, there are very few examples of user driven innovation in creative industries but one interesting example from Denmark can be reported. A Danish music house, Vega, has international standards in contemporary rock music and has worked with user driven innovation. By using user exploration they have realized that the experience of a rock concert can be increased by co-creation with users. Often rock enthusiasts buy their tickets month before the concert and appreciate running mails and sms' with information on the artist and the concert. During the concert they could have the opportunity to record on their iPhone a short sentence from the concert where the artist has conducted a new piece which only will be played once at that particular concert.

¹⁸ FORA (2009): *New Nature of Innovation*. Available at www.newnatureofinnovation.org.

¹⁹ FORA (2010): *Creating new concepts, products and services with user driven innovation*. Available at www.foranet.dk/upload/nice_userdriveninnovation_final.pdf.

Based on this experiment the Royal Danish Theatre, The Danish National Broadcasting Company and Vega collaborate on new experiments with user experiences at concerts.