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The impact of 'Creative Industries' definitions on subsector typologies

O impacto das definições de 'Indústrias Criativas' nas tipologias dos subsectores

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ABSTRACT

Being the 'Creative Industries' (CI) a growing economical sector, many studies have tried to define it as well as to identify its subsectors. However, the discussion still remains as to whether the sector should be called 'Cultural Industries' or if these should be included inside the wider CI group. Other discussions debate how the CI should be identified.

So, what are Creative Industries? What makes this sector different from other sectors? It is of vital importance to define this sector and not just enumerate possible subsectors, so that future mappings can provide us exact numbers on its extension and influence on economy, both direct and indirect.

This study aims to contribute to the definition of Creative Industries by analyzing previous definitions, namely in terms of criteria and subsectors.

Key words: creative industries, cultural industries, definitions, subsectors

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1 INTRODUCTION

The increasing interest in culture and creativity as powerful tools for economical development has come to define new paths, strategies and markets. The world's economy is being reshaped to embrace the challenges coming from mankind's limitless resource: creativity.

And time has come to take creativity to a whole new level. Creativity must not be attributed so lightly to everything or everyone who is apparently different. Klausen (2010:351) states that

there may be qualities such as, say, open-mindedness or playfulness, which often go together with creativity and do not need to have any propensity for producing a desirable outcome. But they are not creativity; they are possible or likely, but not absolutely necessary elements in a creative process.

Creativity is much more than most people think; it's the new-found answer to economy's development.

If creativity is claimed to be found in everything, everywhere, how can we define which industries are creative and which are not? What makes a creative industry stand out from the rest? What is a creative industry for that matter? Are they cultural? Or is the creative industries' scope wider than that? Are they different from the cultural industries or are they the one and the same? These questions have been asked over and over and a final answer is still to be found. If no one denies the fact that creativity is a vital tool for the economy, then it makes sense that the next step is to know how vital it is, how much does it influence economy. Its measurement is key. But one cannot measure what cannot be properly identified. Many studies have shown numbers trying to define the weight of the creative/cultural industries on world/national/regional and even local economy. Despite of those studies importance and impact on how creativity is now seen, it's important to understand that without a proper definition, no studies will ever be trustful. Significant data has been collected but probably not as accurate as it should be.

It is, therefore, important to perform a thorough analysis to what sets the creative industries apart from the other industries, including the cultural industries.

1.1 The creative industries background

Supporting the Arts through funding is a very old activity. Traced in "feudal Japan" (www.wikipedia.org¹), patronage was an ancient form of sponsorship to help creators live of their work. Patronage became more famous during "medieval and Renaissance Europe" (www.wikipedia.org). Some hidden agendas were followed by some of the rich families

¹ <http://en.wikipedia.org/wiki/Patronage>

supporting the artists, such as “political ambitions, social positions, and prestige” (www.wikipedia.org).

Benjamin (1969), quoted by Kellner and Durham (2006:19), mentions signs of industrialization of cultural activities in ancient Greece, as the “Greeks knew only two procedures of technically reproducing works of art: founding and stamping. Bronzes, terra cottas, and coins were the only art works which they could produce in quantity”. This takes us to Kellner and Durham's (2006:xvii) idea of “industrial production, in which the commodities of the culture industries exhibited the same features as other products of mass production: commodification, standardization, and massification”.

In the 1930s a group of social theorists saw the

importance of what they called the ‘culture industries’ in the reproduction of contemporary societies, in which so-called mass culture and communications stand in the center of leisure activity, are important agents of socialization and mediators of political reality, and should be seen as primary institutions of contemporary societies with a variety of economic, political, cultural, and social effects”(Kellner and Durham, 2006:17).

The Frankfurt School (Max Horkheimer, Theodor W. Adorno, Herbert Marcuse and Walter Benjamin) “coined the term ‘culture industry’ to signify the process of the industrialization of mass-produced culture and the commercial imperatives which drove the system” (Kellner and Durham, 2006:17).

The term 'culture industry' later changed to 'cultural industry'. Garnham (2005:18) said that “the term 'cultural' had two meanings”, the “Frankfurt School’s (...) very general model of the capitalist economy as a whole” on one hand, and “the special features of the economic structure and dynamics of symbolic production, distribution and consumption” on the other. Granham (p. 21) quoted Bell (1973) to say that “the driving force in capitalist development was no longer physical capital, but human capital in the form of scientific knowledge”.

With time, the concept became wider to include all knowledge-creating activities. The 'creative industry' concept “emerged in Australia in the early 1990s” and “was used to describe all industries based on creativity that generated intellectual property, but this description was quickly narrowed to include industries that had an artistic or cultural bent” (Howkins 2002, quoted by Henry, 2009:145). The 'creative industries', however, became a major topic worldwide after it was used by Tony Blair’s government through the UK's Department for Culture Media and Sport in 1998.

1.2 Research gap

Many definitions have come to public, many contributions have been made to improve them and many mapping studies have been performed in order to determine this sector's impact. However, on DCMS' 2007 definition, there is not a clear distinction between 'industries' and 'activities' and between 'creative' and 'cultural', creating a blurred view of the creative economy. Maybe for this, Liu (2008:233) remembered that in China "there is still not an agreed definitional framework on either cultural industries or creative industries". Comunian (2009:58) even mentions the CCIs (Cultural Creative Industries), a designation that covers both the 'creative' and the 'cultural', which underlines the lack of consensus between

definitions. Granger and Hamilton (2010:49) also highlight the reliability concerns raised by current definitions.

The absence of a consensus between academics to provide a definition capable of distinguishing the 'industries' from the 'activities' and the 'creative' from the 'cultural' provides two research gaps: the existence of different streams of thought not before identified and the nonexistence of a consensual definition.

1.3 Purpose of the study

The purpose of this dissertation is to review the literature on creative industries. To distinguish the creative industries from the remaining economical sectors one must identify the criteria that underline their definition.

The main goal of this dissertation is therefore to contribute with answers to the following questions:

1. What are creative industries?
2. Which streams of thought can we identify?
3. Which criteria distinguish the creative industries?
4. Which typology of subsectors results from such criteria?

2 CREATIVE INDUSTRIES DEFINITIONS

2.1 The concepts: creativity, culture, innovation, R&D, industry, activity and economy of scale

To understand the 'creative industries' concept it is important to comprehend the meaning of the words behind its origin. The meanings of 'Creativity' and 'Industry' have been combined to describe a new economical sector. Believing that these two words weren't randomly picked, maybe it's worth to go back to the roots and deconstruct the 'creative industries' concept. We'll define also some other concepts for we consider them essential for a more comprehensive understanding of the concept we are studying.

2.1.1 Creativity

According to the Oxford Dictionaries (www.oxforddictionaries.com), creativity is 'the use of imagination or original ideas to create something; inventiveness'.

Klausen (2010:351) states that "as the word says, it's about creation, and to create plainly means to bring something about". "Merely being useful or appropriate for solving a task is not sufficient for being a genuinely creative product. The novelty and usefulness requirements cannot be split" (Klausen, 2010:350). Klausen also makes an interesting observation by saying that "creativity is not innovation, which is more appropriately conceived as achieving a concrete and immediately useful outcome" (2010:351).

Tanner (1994), on winstonbrill.com², also separates creativity from innovation by stating that "we define creativity as the generation of novel, useful ideas" and "innovation as the process for bringing the best ideas to reality".

Hollanders and van Cruysen (2009:43) remember Florida (2002) to say that creativity

is multidimensional and three different 'types' of creativity can be distinguished: technological creativity (invention), economic creativity (entrepreneurship) and artistic/cultural creativity. All these dimensions of creativity are interrelated, sharing a common process of thinking and reinforcing each other. The creative economy is then the result of the interrelations among technology, arts and businesses.

For Tiemann *et al* (2009:186)

creativity has many definitions with many subtle differences, but most of those definitions centre on newness — the creation of something new. Newness is usually not brand new; it is seldom the creation of something as transformative as the railroad network or the personal computer. Most often, newness is the combination of ideas from different fields or different

² http://www.winstonbrill.com/bril001/html/article_index/articles/101-150/article106_body.html

places, the application of an old concept in a new place; jazz musicians borrow classical themes, three dimensional artists borrow techniques building construction, automotive engineers apply materials long used in aircraft. If this type of thinking is common, then workers are used to crossing borders and thinking of doing things differently — being creative. The more ideas they have around them, the higher the probability that they will bring two together in new ways. Greater heterogeneity in a society will not only provide the greater variety of goods high income people want today, it will also make the economy more creative.

2.1.2 Culture

For Zimmermann (2012), 'culture' is "the characteristics of a particular group of people, defined by everything from language, religion, cuisine, social habits, music and arts".

For Oxford Dictionaries, 'culture' is

the arts and other manifestations of human intellectual achievement regarded collectively (20th century popular culture); the ideas, customs, and social behaviour of a particular people or society (Afro-Caribbean culture); the attitudes and behaviour characteristic of a particular social group (the emerging drug culture).

As for the Cambridge Dictionaries Online (<http://dictionary.cambridge.org>), 'culture' is "the way of life, especially the general customs and beliefs, of a particular group of people at a particular time".

2.1.3 Innovation

For Oxford Dictionaries, innovation is “the action or process of innovating; a new method, idea, product, etc.”.

In the Frascati Manual (2002:33), the Oslo Manual (OECD, 1997a) is mentioned to state that innovation activities

are defined as all those scientific, technical, commercial and financial steps, other than R&D, necessary for the implementation of new or improved products or services and the commercial use of new or improved processes. These include acquisition of technology (embodied and disembodied), tooling up and industrial engineering, industrial design n.e.c., other capital acquisition, production start-up and marketing for new and improved products.

Cropley (2009:257) states that “innovation involves the introduction of something new and valuable — an artifact or a method — into a functioning production, marketing, or management system”.

For Clayton *et al* (2009:84) “the process of converting knowledge capital or ideas to increased output is the innovation process”, which may go “*upstream* (R & D, design) and *downstream* (marketing, organisational change)”.

2.1.4 R&D

Oxford Dictionaries considers Research and Development as “(in industry) work directed towards the innovation, introduction, and improvement of products and processes”.

For OECD, according to their Frascati Manual (2002:30), “research and experimental development (R&D) comprise creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society, and the use of this stock of knowledge to devise new applications”. OECD adds that

the term R&D covers three activities: basic research, applied research and experimental development. Basic research is experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundation of phenomena and observable facts, without any particular application or use in view. Applied research is also original investigation undertaken in order to acquire new knowledge. It is, however, directed primarily towards a specific practical aim or objective. Experimental development is systematic work, drawing on existing knowledge gained from research and/or practical experience, which is directed to producing new materials, products or devices, to installing new processes, systems and services, or to improving substantially those already produced or installed.

Still in the Frascati Manual (2002:34) we can find, as OECD says, “the boundaries of R&D”, as

the basic criterion for distinguishing R&D from related activities is the presence in R&D of an appreciable element of novelty and the resolution of scientific and/or technological uncertainty, *i.e.* when the solution to a problem is not readily apparent to someone familiar with the basic stock of common knowledge and techniques for the area concerned.

2.1.5 Industry

Still for the Oxford Dictionaries, 'industry' is an

economic activity concerned with the processing of raw materials and manufacture of goods in factories; a particular form or branch of economic or commercial activity.

For the Cambridge Dictionaries Online, an 'industry' is a set of

companies and activities involved in the process of producing goods for sale, especially in a factory or a special area.

As we can see in the Oxford Dictionaries definition, the notion of 'industry' as an 'economic activity' does not separate the 'individual' from the 'collective', as 'industry' and 'activity' are almost the same. The separation of these concepts occurs, however, on the Cambridge Dictionaries definition, as the 'companies' are separated from the 'activities'.

2.1.6 Activity

For Porter (1998:36), "every firm is a collection of activities that are performed to design, produce, market, deliver and support its product".

Saha (2012), on [managementexchange.com](http://www.managementexchange.com)³, quotes Porter to classify "the generic value added into two classes", being "primary activities which are classified as product and market related activities and support activities that are related to infrastructure, technology, procurement, and human resource management".

According to Porter's theory, Saha (2012) describes those two classes:

Product related activities: The activities that the organization performs to add value to the products and services itself. The activities are classified as:

1. Inbound logistics: For the production and development activities, organizations need inputs as goods which are received from the suppliers. Inbound logistics refer to all the activities related to receive goods from the suppliers, decision about the transportation scheduling, storing the goods as inventory, managing the inventory, and make the inputs ready to use for the production of end products.
2. Operations: These include the production process, development activities, testing, packaging, maintenance, and all other activities that transform the inputs into finished product.
3. Services: Organization offers the services after the products and/or services have been sold. These service activities enhance the product's value in the form of after sales guarantees, warranties, spare parts management, repair services, installation, updating, trainings, etc.

Market related activities: The activities that the organization performs to transfer the finished products or services to the customers. The activities are classified as:

1. Outbound Logistics: The finished products are developed using the product related activities. Now activities are required to transfer the finished products to the customers via warehousing, order fulfillment, transportation, and distribution management.
2. Marketing and Sales: These activities include the advertising, channel selection, product promotion, selling, product pricing, retail management, etc. The activities are performed to make sure that the products are transferred to the targeted customer groups. Marketing mix can be an instrument to take the competitive advantage to the target customers.

Support activities: The activities that the organization performs to assist the primary activities to gain the competitive advantage. The activities are classified as:

³ <http://www.managementexchange.com/hack/mapping-porter%E2%80%99s-value-chain-activities-business-functional-units>

1. Procurement: This is the purchasing activity of the inputs to transform these into finished products or services. Procurement adds value by the acquisition of appropriate goods or services at the best price, at the right time, and in the desired place with the desired quality and quantity.
2. Technology Management: This is very important in today's technological driven environment. Technology can be used in production to reduce cost, to develop new products, increase customer service facility, build up cost effective process, etc. It supports the value chain activities such as research and development, process automation, process design, etc.
3. Human Resource Management: The key roles of HR are to support the attainment of the overall strategic business plan and the objectives. As a strategic business partner HR designs the work positions by hiring, recognition, reward, appraisal systems, carrier planning, and employee development. They act as an advocate of the employees to motivate them and create a happy working environment. For the organizational changing situation, HR executes the strategic needs of the organization with minimum employee dissatisfaction and resistance to change.
4. Infrastructure: This includes the planning management, legal framework, financing, accounting, public affairs, quality management, general management, etc. These are required to perform the value added activities efficiently to drive the organization forward to meet the strategic plan and the objectives.

2.1.7 Economy of Scale

According to Amadeo (2012), economies of scale is

an economics term that means large entities, whether businesses, non-profits or governments, can reduce costs simply because of their size. This gives them a competitive advantage over smaller companies. For example, they can produce things more cheaply per unit because they make so many.

Amadeo also says there are two types of economies of scale: internal and external.

Internal economies are, as the name implies, internal to the company itself and is controllable by management. External economies are supported by external actors, such as the industry, geographic location or government.

For Reuters (www.reuters.com⁴), economies of scale are

the cost advantages of an increase in output if the fixed costs of doing so, such those for plant and equipment, remain the same. The marginal cost, or the cost of the last unit of production, falls as output is raised.

⁴ http://glossary.reuters.com/index.php/Economies_of_Scale

2.2 Creative Industries and Cultural Industries

Although it may seem premature to make this distinction before reaching a definition, it makes sense to separate these two close concepts, in order to show, during the next pages, exactly what we want to define.

For Scott (2000), quoted by Brandellero and Kloosterman (2010:62),

cultural industries are concerned with the production and marketing of goods and services that have an aesthetic or semiotic content, reflecting an economic and cultural conjuncture where commodity production has become tied in with artistic experimentation, and vice versa.

According to UNESCO (2004), states Foord (2008:95), cultural industries were seen to “use creativity, cultural knowledge and intellectual property to produce products and services with social and cultural meaning”. Foord (p. 95) goes on adding that the

use of the term ‘cultural’ rather than ‘creative’ industries was therefore a key discriminator for those wishing to prioritize the *social* meaning of cultural production, distribution and participation, including ideas of collective ownership of culture and the significance of not-for-profit production.

This author goes even further to remind that “in 2005, the European Commission proposed that the ‘creative industries’ should be viewed as a sub-set of the ‘cultural industries’”.

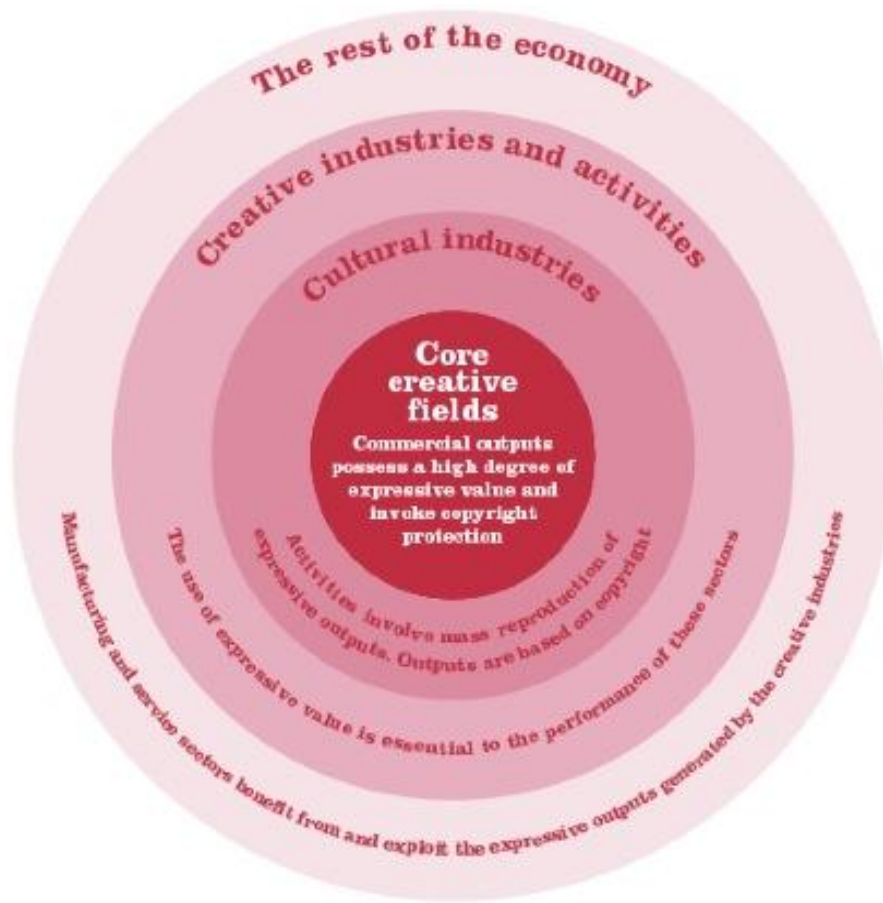
One other point seen as differentiating between ‘cultural’ and ‘creative’ industries seems to be the target audience. ‘Cultural industries’, although seeking profit, are directed to an elite audience, a rich and/or cultured public, educated enough to comprehend the symbolic inherent to art. Albeit the desire for the democratization of culture, the ‘cultural industries’ subsectors are essentially directed to niches of society, mostly due to its subjective content. The ‘creative industries’, because they are much wider, have products and services covering all segments of society.

Panfilo (2011:30) quote Galloway and Dunlop (2007) to say that

using the term creative instead of cultural is significant especially within a knowledge economy context. Whereas originally the cultural industries were incorporated into cultural policy, the new policy stance has subsumed culture within a creative industries agenda of economic policy. The absorption of cultural industries within the wider creative industries agenda is related to increased interest for knowledge economy.

Rato *et al* (2009:3) quote Hartley (2005) to say that the term 'cultural industries' “failed to combine art and culture, culture and creativity. It failed to take advantage of social, technological, and cultural changes (...)”. Rato *et al* (p.3) continue to state that the “new concept of ‘creative industries’ which emerged at that time revealed to be much more flexible and wide-ranging”, quoting again Hartley (2005) to say that the 'creative industries' term represents “the commercial, or commercializable, applications of creativity within a democratizing ‘republic of taste’”.

In 2007, the UK's DCMS (p. 103) made the following circular graphic (figure 1) where a distinction is made between the ‘cultural industries’ and the ‘creative industries’:



Source: *Defining the Creative industries*

Figure 1: A stylised typology

On figure 1 there is a core creative field with a high degree of 'expressive value' on a first level. DCMS (p. 96) defines 'expressive value'⁵ as "every dimension (in the realm of ideas) which, in its broadest sense, enlarges cultural meaning and understanding". On a second level, the 'cultural industries' level, these are referred to as 'activities' where mass reproduction occurs. On a third level, DCMS places creative industries as well as creative activities, to which the 'use of expressive value' is key. On a fourth level DCMS puts the rest of the economy, influenced by the 'spill-over effect'.

2.3 Contributions for the Creative Industries revisited

The Creative Industries have been one of the main focuses of certain countries' governments, influencing the perception of CI's through policy-making actions. It is our

⁵ DCMS quotes Professor David Throsby to identify six dimensions of 'expressive values': aesthetic, spiritual, social, historical, symbolic and authenticity

concern, however, to make sure the CIs are defined by what they are and not by what they can offer to countries (this can lead to definition changes from country to country and even between states inside the same country). Therefore, our analysis of the CIs definitions rested primarily on articles published in the Creative Industries Journal (CIJ).

The Creative Industries Journal (2008:1) first starts by saying that "what sets the creative industries apart from other industries is recognized to be their creativity".

In the following paragraphs, we review a list of authors and their understanding of the creative industries sector. The definitions they adopt and analyse allow us to elicit the implicit criteria, facilitating the comparison of alternative 'creative industries' definitions.

2.3.1 Higgs and Cunningham (2008)

Higgs and Cunningham (2008:9) quote the UK Department for Culture, Media and Sport's (DCMS) 2001 definition referring to the creative industries as "those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property". This DCMS definition is broadly used and the one which gathers the general consensus. The definition comprises the following thirteen segments (or subsectors): Advertising, Architecture, Art & Antiques Market, Crafts, Design, Designer Fashion, Film & Video, Interactive Leisure Software, Music, Performing Arts, Publishing, Software & Computer Services and Television & Radio.

Although regarded as a breakthrough definition, Higgs and Cunningham state that it appears to "align more closely with government portfolio responsibilities than with a rigorous framework to support analysis". The main critic issued by these authors is directed to the Standard Industrial Codes (SIC) used to measure the industry, for they are not accurate, estimating an "error in sizing, possibly up to 25 per cent". Higgs and Cunningham mention Pratt (2004) and Roodhouse (2006) as these also don't agree with the usage of SIC for being "poorly suited to creative industries especially in the Design and Interactive Media segments".

2.3.2 Foord (2008)

Foord (2008:94) highlights the time when the 'Creative Industries' designation was first used in Australia, "to signpost the significant interface between commercial cultural activity and the emerging new media driven by technological change". Foord also states that the CI have a "perceived potential for high levels of innovation (more accurately the creation of new Intellectual Property - IP)". By contrast to the DCMS' definition, Foord says the Australian understanding of CI includes only six segments: entertainment software, film and television, music publishing, book publishing, audio-visual and multimedia.

Foord (2008:95) also quotes Weiping (2005) to mention a World Bank's approach "to identify products and outputs that were 'protectable under some form of intellectual property law'" (given the fact that Intellectual Property (IP) is seen as an important characteristic for the CI), identifying the following segments as the most significant in terms of legal creative

content ownership: software, multimedia, video games, industrial design, fashion, publishing, and research and development (R&D).

2.3.3 Lange (2008)

For Lange (2008: 118), entrepreneurs in the creative industries are “forced to collaborate, to interact and to network with other agents” having at the same time “the risk of losing their initial wealth of innovation”. Grabher, cited by Lange (p. 121), also states that “social network analysis offers a repertoire of tools to conceptualise economic processes such as entrepreneurship and innovation in network terms”.

Lange (p. 121) mentions two paradoxes that are seen in terms of working practices: 'the 'Globalization Paradox' and the 'Identity Paradox'. To explain the 'Globalization Paradox', Lange quotes Grabher and Fillippi *et al* (2007) by saying that it

addresses the ambivalence of these newly emerged creative milieus and their territorial embedding practices. The ability to practically operate worldwide, socio-spatially integrated 'communities of knowledge' has gained increasing importance in providing the necessary embedding ground for these trans-local knowledge workers.

As for the 'Identity Paradox', Grabher and Fillippi *et al* (2007) are again quoted to explain it

addresses the ambivalence between individual or collective careers, identities and reputations. Inventing static concepts of entrepreneurs is not very productive because mavericks and outsiders as well as independent creative artists are the major protagonists in this market.

2.3.4 Mould, Vorley and Roodhouse (2008)

For Mould, Vorley and Roodhouse (2008:138) higher education institutions (HEIs) are emerging as “'engines' of the knowledge-based economy”. They state that “marginalization of non-scientific or creative academic research represents a significant, and under-developed, knowledge base with unrealized commercial potential” (p. 138). Using Godin and Gingras (2000) words, these authors say that “universities are highly significant to the knowledge-based economy, finding them to be at the 'heart of [knowledge production] systems and that all other actors rely heavily on their expertise”. (p. 140) This “evolution from an historical and societal institution towards a more innovation-led, commercially orientated institution” means it “is important to negotiate a path from the academic to the commercial sector. This necessitates an understanding of the economy and the dynamics of commercialization and technology transfer associated with the creative industries”. (p. 141) The authors recall that even “Florida (2002) emphasizes the importance of HEIs in the creation of the so-called 'creative class’”. (p. 143)

As a conclusion, Mould, Vorley and Roodhouse (p. 147) state that “the commercialization and transfer of non-scientific creative knowledge from HEIs to the economy (and society) is increasingly important to the creative industries”. To achieve this, “IP protection by HEIs will

not only aid commercialization and knowledge/technology transfer, but also increase profitability” (p. 146). They mention Healy (2002) to add that “the importance of IP cannot be understated, as creativity by itself will not make anybody rich; intellectual property laws do that” (p. 146)

2.3.5 Harper (2008)

Harper (2008:196) says that

while the term ‘creative industries’ was extremely useful in discussing individuals and businesses who were involved in the creation of creative or ‘arts-based’ products and services, there was a need to differentiate between sub-sectors within the creative industries, and to give greater attention to those internal differences that provide strength and character to the overall sector.

The author mentions

how university research and knowledge transfer could play a more significant role in supporting (...) individual creators and micro-enterprises (...) to develop to a world-class level”. Harper wishes to highlight the “significant role university researchers could play in enhancing creative practice in the creative industries and in contributing to the knowledge base; the importance of making direct links between university R&D and R&D in industry, with the first action being to further develop a shared ‘language’ for discussion and innovation; the need for strategic funding of practice-led research that cannot be undertaken cost effectively within industry, due to time or resource constraints; and the development of better programmes of exchange that allow researchers to move between academe and industry.

2.3.6 Keane (2008)

Keane (2008: 213,214) reveals that China's Ministry of Culture (MoC) “maintains that the overwhelming majority of China’s cultural economy is traditional, the result of collective endeavour rather than individual genius” and for this reason the UK's DCMS 1998 definition of creative industries “with its focus on ‘individual creativity’ has caused some consternation” and that a “proposal to change the wording to ‘individual and collective creativity’ was made”.

Keane (p. 214) recalls Richard Kraus' (1995) categorization of “artistic and cultural activities in China within four quadrants, which he calls *traditional elite*, *traditional popular*, *contemporary elite* and *contemporary popular*” and adds that

it is in Kraus’s last quadrant, the contemporary popular, where the core creative industries are located. They are mostly media-based occupations (Internet-based digital content, advertising and design, audio-visual industries, etc.) that target youthful and affluent consumers; moreover, they are usually located in large cities. (p. 214)

According to Keane (p. 215) “the Beijing categorization of cultural and creative industries comprise 9 main sectors, 27 subsectors and 88 smaller sectors. The nine sectors are:

- Broadcasting, TV and film
- Cultural activities and performing arts
- Media and publishing
- Software, Internet and IT services
- Advertising and exhibition
- Arts and crafts market
- Design services
- Tourism
- Leisure, entertainment and associated services”

Keane (p. 216) states that “for the Beijing School, which is responsible for the China Creative Industries Development Report (Zhang *et al* 2007), offers a more eclectic approach, incorporating the following:

- Film and TV culture
- Telecommunication and software
- Craft and fashion
- Design services
- Exhibition, performance and publication
- Consultation and planning
- Recreation and entertainment
- Scientific research and education”

For the author the 'spill-over effect' does occur, for a

creative cluster will have significant spill-over effects into the regional economy through the dynamic implications of new ideas, capabilities and improved innovation services. These are more than simply cultural spill-overs, but improvements in the competitive advantages of not just the cultural and creative sector, but potentially many other industries (e.g. through improved access to design services, architecture, media and communications). (p. 218)

2.3.7 Liu (2008)

Liu (2008:233) states that in China “there is still not an agreed definitional framework on either cultural industries or creative industries; instead Beijing and Shanghai have their own

version of a cultural and creative industries framework". Liu (p. 234) summarizes those definitions, as well as DCMS' definition in the following table:

<p>Department for Culture, Media and Sport, UK</p>	<p><i>Creative Industries Mapping Document (1998 and 2001)</i></p>	<p>Advertising, Architecture, Art and Antiques Markets, Computer and Video Games, Crafts, Design, Designer Fashion, Film and Video, Music, Performing Arts, Publishing, Software, Television and Radio.</p>
<p>Beijing Municipal Development Commission</p>	<p><i>Investment Guide for Beijing's Cultural and Creative Industries (2006)</i></p>	<p>Performing Arts, Publishing and Trading of Intellectual Property, Movie and TV Production, Animation and Interactive Games, Advertising and Conference Organization, Antiques and Arts Trading, Creative Design, Cultural Tourism.</p>
<p>Shanghai Economic Development Commission</p>	<p><i>Shanghai's Creative Industries Development Guide (2005)</i></p>	<p>Research, Development and Design-based Creative Industry, Architecture-based Creative Industry, Culture and Media-based Creative Industry, Consultancy, Public Relations and Advertising-based Creative Industry, Fashion and Cultural Consumption-based Creative Industry.</p>

Source: Adapted from Liu (2008)

Table 1: Creative industrial subsectoral classification in the United Kingdom, Beijing and Shanghai

2.3.8 Montgomery and Potts (2008)

Montgomery and Potts (2008:246) refer the Department for Culture, Media and Sport (DCMS) definition, which defines the 'creative industries' as

those industries based on individual creativity, skill and talent that have the potential to create wealth and jobs through developing and exploiting intellectual property" (DCMS 2008).

They also refer to Allen Consulting Group's (2001) words to say that

many industries within the CI definition have traditionally been regarded as 'core copyright industries' – including film, television, music and publishing, as well as computer software and interactive games.

The authors, thus, add that it is "tempting to conclude that strengthening the IPR that allow creative goods and information to be globally traded will help strengthen the CI". Boyle (2004) is also quoted to say that

'core copyright industries' such as film and music have been closely associated with a rhetoric that asserts that high levels of copyright protection are crucial to the existence of and economic contribution made by this sector of the economy. (p. 245)

However, Montgomery and Potts (p. 247) say that "the economics of IP have come under scrutiny in recent years" and refer Klein, Lerner and Murphy (2002) and Romer (2002) who said that "many economists view copyright (especially within the 'creative industries') as a pure source of rent and distortion, rather than a solution to the problem of supply". "CI firms, even small ones, are often 'born global': whether in production, markets or both. While this provides opportunities for value creation in production collaboration and specialization, along with the general benefits of large markets, it also immediately involves problems in dealing with IP protection in far-away places where seeking enforcement may be prohibitively complex or expensive". (p. 248) These authors further this idea by saying that

given two environments – a weak IP regime and a strong IP regime – we have argued that the weak IP regime is evolutionarily superior, in that it advances operational value over: (1) the prospects of global value added; (2) over the incentive to reuse ideas; and (3) business model adaptation (p. 256).

They, thus, conclude that

the 'creative industries' in theory, as illustrated with supporting evidence from China, have far less reliance on intellectual property than hitherto assumed. For empirical reasons, we reject the hypothesis that stronger IP is the pathway to economic growth. Instead, we argue that weaker IP is a much-overlooked source of evolutionary development (p. 257).

Montgomery and Potts (p. 248) also "believe that a better definition follows from the set of industries involved in *social network markets* (Potts *et al* 2008)".

2.3.9 Chang (2008)

Chang (2008:266) refers that “the Chinese government prefers the term ‘cultural industries’, emphasizing ‘culture’, or *wenhua*, over ‘creativity’”. “In terms of political economy, cultural industries in China can be understood as a combination of cultural nationalism and a form of nascent cultural imperialism” (Chang 2007, cited by Chang, 2008:266).

Chang (p. 271) states that “the Chinese government’s mission is to create a ‘harmonious society’ and construct ‘an innovation nation’ with economic growth from the information technology industry”.

2.3.10 Chapain and De Propis (2009)

Chapain and De Propis (2009:10) recall Hartley's (2005) words to state that

the idea of the ‘creative industries’ seeks to describe the conceptual and practical convergence of the creative arts (individual talent) with cultural industries (mass scale), in the context of new media technologies (ICT’s) within a new knowledge economy for the use of newly interactive citizen-consumers.

Regarding the DCMS's 1998 definition of creative industries, these authors say that

such a definition was purposefully meant to steer policy strategies and actions towards a set of industries that were seen as embodying both creative content and knowledge/technology content. Indeed, the emphasis is on those creative industries that embody, to different extents, knowledge, innovation, technology and creativity (p. 11).

Chapain and De Propis (p. 11) quote Chapain and Comunian (2009) to

find that firms’ and individuals’ trajectories, their relation to the wider local environment (e.g., personal links to a place; personal networks), together with the presence of specific business support at the local and regional level, all play a role in shaping the development of creative industries in specific places. This has implications in terms of policy as it means that policymaking has to both address firms’ and individuals’ needs to support the development of the creative industries.

Chapain and De Propis (p. 13) also agree that “agglomeration” brings “relevant benefits” such as “knowledge and innovation spillovers” and, using Lorenzen and Frederiksen's (2008) and well as Belussi and Sedita's (2008) words, “reduction in transaction costs associated with the build up and management of the ‘projects’ that often underpin creative activities”.

2.3.11 Comunian (2009)

Comunian (2009:58) speaks of CCIs (Cultural Creative Industries) and says “Garnham (2005) suggests that the move from cultural to creative industries was motivated by the

necessity to include this high-growth economic sector within the more traditional and slow growing cultural sector”.

Comunian (p. 58) also states that “some authors (Creigh-Tyte 2005; Oakley 2006) have criticized the inclusion of the software, computer games and electronic publishing sector in the ‘creative industries’ definition of the DCMS (1998)”.

2.3.12 Martin-Brelot (2009)

Martin-Brelot (2009:92) notes that

current studies on creative and knowledge activities all stress the dramatic changes that have occurred in the economy over the past forty years, namely: information and communication technology (ICT), globalization, individualism, *flexibilization*.

The author also mentions the “importance of good social networks” (p. 100).

“To effectively support these sectors means recognizing the knowledge and technical bases that are mobilized in these industries. Their markets go beyond regional borders and definitely beyond sector boundaries”. (p. 101)

2.3.13 Lutz & Karra (2009)

Lutz's (2009:117) review of Karra's (2008) report⁶ states that the

broad conceptualization of the creative industries as ‘those that are based on individual creativity, skill and talent...(with) the potential to create wealth and jobs through developing and exploiting intellectual property’ (DCMS, 1998) does not provide any systematic, persuasive or logical explanation of what precisely its clump of thirteen subsectors (advertising, architecture, art and antiques, crafts, design, designer fashion, software, film and video, music, performing arts, publishing, television and radio) share.

Lutz & Karra (p. 117) add that “a critical issue is pinpointing precisely which bits work within the sector and which ones do not”, for “not all of the creative industries function in the same way”.

2.3.14 Chossat (2009)

Chossat (2009:130) focuses on gastronomy and says that the “functioning of the gastronomic market is embedded in the rise of creativity in cultural industries” and adds that

⁶ Karra, N. (2008), The UK Designer Fashion Economy Value relationships – identifying barriers and creating opportunities for business growth, London, NESTA, December 2008 (available from www.nesta.org.uk)

the “evolution of gastronomy follows the development of other creative industries such as fashion or haute couture”.

Chossat (p. 130) also raises the need to “introduce the question of remuneration for creation via the author’s right mechanism” due to the “recognizing first-class chefs as actors of cultural and creative industries” as well as “art creators”. To sustain this, Chossat (p. 131) recalls that “creation and innovation are still a force in gastronomy and maybe more than ever before” and that “the food service has become a creative service with an intellectual content that individualizes its author in the minds of consumers and experts”. Chossat (p. 132) finds support from the “market actors (cooks, consumers, and experts)”, as they all consider gastronomy as “a cultural discipline, and many of them define it as an artistic activity”.

Chossat (p. 133) remembers Barrère and Chossat (2004) to state that “gastronomy, like the wine industry, is both a creative and a cultural industry, subtly mixing creativity and heritage”.

2.3.15 Henry (2009)

Henry (2009:144) uses the British Council's (2003) words to say that the ‘creative industries’

include, but not exclusively so, arts and crafts; designer fashion, film, theatre and the performing arts; advertising; architecture and design; publishing; broadcast media and recorded music. Software development, computer services, digital media, communications and a range of activities within the heritage sector also feature strongly within the creative industries, resulting in an extremely broad economic spectrum that potentially overlaps with the culture, lifestyle and non-profit sectors.

Henry also mentions the 'cultural industries' and the 'creative industries' concepts and says that the “former can actually be regarded as a subset of the latter, relating to a more specific range of industries”. Using UNESCO's (2000) definition, Henry states that

‘cultural industries’ are defined as industries that combine the creation, production and commercialization of contents that are intangible and cultural in nature; these contents are typically protected by copyright and can take the form of a good or a service.

As for the 'creative industries', Henry mentions Hesmondhalgh (2002), to say these are also seen as 'entertainment industries' and as UNCTAD (2004) said, the ‘creative industries’ are considered as “lying at the crossroads between the arts, business and technology”. Henry refers Henry and Johnston (2007) to add that

for some commentators the ‘creative industries’ simply represent a re-categorization of existing industries into a new industry cluster that downplays the more aesthetic elements of the sector and, in some cases, pushes the technological aspects to the fore.

2.3.16 Joel (2009)

Joel (2009:193) disagrees with the DCMS 2007 definition as he says that “it is still unclear what ‘creativity, skill and talent’ mean” and “if a model of classification for the CIs is rooted in innovation, then perhaps other models are more appropriate”. As for the models, Joel (p. 193-195) “looks at five models put forward by Cunningham and Potts, namely welfare, competition, growth, innovation (Potts *et al* 2008a⁷) and a social model, which Potts *et al* (2008b⁸) refer to as a social network market model”.

Henry (p. 195) uses Potts *et al* (2008b) to mention the social network model's understanding of the CI which states that

the ‘creative industries’ are the set of economic activities that involve the creation and maintenance of social networks and the generation of value through production and consumption of network-valourised choices in these networks.

2.3.17 Clark (2009)

Clark (2009:221) collected several differing definitions of creative and cultural industries and placed them in a table, as follows:

	Approach	Scope	Examples
Creative industries	Economic	Advertising, architecture, the arts and antique market, crafts, design, designer fashion, film and video, interactive leisure software, music, performing arts, publishing, software and computer services, radio and television	United Kingdom Austria Latvia
Cultural industries	Economic/ Statistical	Publishing, trade in books, sound recordings, press. Audio-visual activities including production and distribution of films, television, sound and video. Other directly related activities (press agencies, multimedia, advertising)	France

⁷ Potts, J. and Cunningham, S. (2008a), ‘Four models of the creative industries’, *International Journal of Cultural Policy*, 14: 3, pp. 233–47

⁸ Potts, J., Cunningham, S., Hartley, J., Ormerod, P. (2008b), ‘Social network markets: A new definition of the creative industries’, *Journal of Cultural Economics*, 32: 3, pp. 167–85.

Experience economy	Economic	Fashion, visual arts, music, toys and amusement, tourism, books, theatre, radio and television, architecture, sports industries, design, printed media, film and video, advertising, edutainment, content production, events, cultural institutions.	Denmark and Sweden
Content industries	Technology driven	Definition not fully agreed but based in industries that produce information content products including electronic and digital content.	OECD
Copyright industries	Economic	Press and literature, music, theatrical productions, opera, radio and television, photography, software and databases, visual and graphic arts, advertising services, copyright and collective management societies.	Norway Hungary
LEG-Culture Delimitation	Statistical	Artistic and monumental heritage, archives, libraries, books and press, visual arts, architecture, performing arts, audio and audio-visual media/multimedia	EU Eurostat
KEA proposed delimitation	Statistical	Architecture, design (graphic, fashion, interior and product), crafts, visual arts (paintings, sculpture, photography), performing arts (theatre, dance, circus) Audio-visual (film and video, radio and television, software publishing including games), music, books and press, heritage	

Source: Clark (2009)

Table 2: *Differing definitions of cultural and creative activity*

Referring to the Frontier Economics (2007) work, Clark (p. 222) mentions “five layers in the generic supply chain leading up to core creative activities”, which are:

- Layer one, the core, represents the most creative activities that lie at the top of the supply chain. These activities include composition of music, programming computer games and writing;
- Layer two contains activities that directly support layer one activities in the supply chain, such as casting for a play;
- Layer three includes activities such as manufacturing hardware used in the creative process, for example manufacturing television cameras and other hardware directly used in making television programmes;
- Layer four includes the manufacture and wholesale of raw materials and hardware that is used in the consumption of creative industry products such as arcade machines for the computer games industry;
- Layer five represents the least creative activity in the industry. This includes retail to the final consumer of a product, such as the sale of DVD players for the music industry, and games consoles for the computer games industry.

Clark (p. 225) concludes that the “DCMS definition of creativity has reached the end of its usefulness”.

2.3.18 Trimarchi (2009)

Trimarchi (2009:232) states that “the measurement and evaluation of the creative sector strongly depend on the definition adopted”.

The author (p. 233) recalls Santagata's (2009) table to order some known creative subsectors:

Cultural heritage and the arts	Built heritage and museums
	Live performing arts
	Architecture
	Contemporary art
Content industries	Cinema
	Publishing
	Broadcasting
	Advertising
	Software
Material culture	Industrial design
	Handicrafts
	Fashion design

	Food and Wine
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Source: Santagata (2009, used by Trimarchi, 2009)

Table 3: *Macro-areas of creativity*

Trimarchi (p. 241) creates a table where the subsectors are distributed through several categories under two main groups: 'intangible values' and 'tangible values'. The table is as follows:

		Type	Sectors
Intangible values	1.	Expression	Visual arts, performing arts
	2.	Vision	Architecture, street art, urban design
	3.	Relation	Broadcasting, advertising, social communication
	4.	Quality of life	Urban life, sustainable projects, multiculturalism
Tangible values	1.	Senses	Food and wine, high and creative cuisine
	2.	Style	Industrial, fashion and food design, homeware
	3.	Function	High-quality handicrafts, technical tools
	4.	Industrial research	Bio- and nano-technologies, aerospace

Source: Trimarchi (2009)

Table 4: *A taxonomy of creativity*

2.3.19 Trott (2009)

Trott (2009:298) highlights the importance of technology by saying that

the information and communication technology (ICT) revolution has transformed the ways in which business is conducted. Moreover, the new technologies have provided opportunities for cultural institutions to rethink their fundamental objectives.

Trott (p. 298) also mentions innovation as key and identifies “four aspects of innovation”:

1. Innovation in extending audience reach;
2. Innovation in art form development
3. Innovation in value creation

4. Innovation in business management

Innovation is also changing how technologies are used 'in art galleries, museums and the theatre' (p. 299).

Trott (p. 301) states that technologies

facilitate creativity, technologies that facilitate communication and technologies that facilitate manufacturing. Globalization and technological advances are driving organizations to extend the boundaries of R&D teams from traditional co-located settings to dispersed or virtual settings. Virtual R&D teams have a wide array of ICTs at their disposal.

The author mentions Montoya *et al* (2009) to add that "ICTs allow team members to communicate and collaborate as they cope with the opportunities and challenges of cross-boundary work".

2.3.20 Crabbe (2009)

Crabbe (2009:305) mentions another subsector very important in China: ceramics. The author quotes Wei (2009) to say that

the ceramic industry in China is an example of one of the oldest creative industries, and continues today, along with advertising, architecture, arts, computer and video games, designer fashion, film and video, music, performing arts, publishing, software, television and radio.

2.3.21 Champion (2010)

For the CI to appear and grow, location should respond with certain elements. Champion (2010:12) considers connectivity, public sector support, labor market, institutional support and consumer demand essential for the CI and reminds Rantisi *et al* (2006) to state that "large urban areas offer a range of supporting and complementary services and institutions related to training, research and finance". Champion (2010:14) adds that "intensive networks, social and cultural, that contribute to the buzz of urban areas and serendipitous meeting, are often associated with particular localities".

2.3.22 Brandellero and Kloosterman (2010)

Also for Brandellero and Kloosterman (2010:66), innovation is a key attribute for the creative industries. Through Miles and Green (2008), they mention the concept of 'hidden innovation' to refer "innovation that fails to be picked up by traditional measurements and indicators" and adding that these "innovations include R&D of new prototypes and products, changes to business models and organizational set-ups, the original combination of technologies for new purposes, and on-the-job innovation, with a recognition of lower levels

of innovation in the distributive phases of production”. This means innovation can be seen as well along the value chain. As Brandellero and Kloosterman (2010:62) recall, innovation is part of “such high-concept activities as producer services, consumer services and, of course, ‘cultural industries’”.

These authors also pay special attention to Information and Communication Technologies (ICT), considering these as game changers, for they “fundamentally changed the ways of production, distribution and consumption” and adding that

the valuation of creativity, particularly in the recognition and remuneration of intellectual property rights, has been altered in many of these cultural industries. Inputs, processes of distribution and outputs changed many cultural industries almost beyond recognition.

Globalization also had a strong impact on markets. Brandellero and Kloosterman (2010:71) mention that globalization made the many niche markets (consequence of an '*individualization* that helped to break up mainstream consumer markets into almost countless niche markets') go global

thereby weakening the link between the locally clustered production and the presence of a local critical mass of consumers. Tastemakers and intermediaries, the actors who link innovations to wider markets, also had to *upscale* to be able to maintain these linkages.

2.3.23 Pareja-Eastaway and Pradel i Miquel (2010)

A “new economy, services oriented, driven by key sectors with a deep penetration of digital technologies and with a noticeable change towards flexibility and adaptation in labor relations, is currently predominant in the BMR” (Barcelona Metropolitan Region) (2010:30). Although these two authors are referring to a specific region and to local clusters, it's certain that technologies have come to change the economy. Lever (2002) is even quoted to say that “access to knowledge seems to positively contribute to the economic performance of cities and regions” (2010:31).

Also for Pareja-Eastaway and Pradel i Miquel, networking is key to ensure the creative industries development, as they state that there should be “collaborative mechanisms based on the networking of actors” to “favour the transmission of information and simultaneously support innovation by stimulating competition through collaboration and the sharing of knowledge” (2010:31).

2.3.24 Granger and Hamilton (2010)

Granger and Hamilton (2010:49) agree that a lot is yet to be learned about the ‘creative industries’ as they say that “as a broad area of economic activity comparatively little is still known about them other than as economic inputs (e.g. tacit knowledge and skills) and outputs (innovation, patents, intellectual property)”. They also agree that the SIC as well as the SOC (Standard Occupational Classification), “seem utterly unsuitable for the features of a contemporary creative economy”, adding that “the industrial (SIC) codes applied to tax

returns of registered companies provide a useful overview of the economy, but raise reliability concerns”.

Also for these authors, networking is essential. They quote Murphy (2003) to indicate that “networks as a social space can contribute significantly to the creative process by providing a social infrastructure through which creativity is facilitated” (2010:51).

2.3.25 White (2010)

White (2010:82) mentions a definition from the Western Region of Ireland, for which the creative industries are “occupations and industries centered on creativity, for the production and distribution of original goods and services”.

White (2010:82) considered “three broad creative categories, composed of twelve ‘creative industries’”, according to the following table:

Creative category	Creative industries
<p>Creative application: industries that develop products or services primarily based on meeting a market demand.</p>	<ul style="list-style-type: none"> • Art/Antiques trade • Architecture • Fashion • Publishing • Advertising • Crafts
<p>Creative expression: industries where products or services are developed for audiences with an expressive story in mind.</p>	<ul style="list-style-type: none"> • Music, visual and performing arts • Video, film and photography • Radio and TV broadcasting
<p>Creative technology: industries that rely most on technology and digital media, particularly for their core functions.</p>	<ul style="list-style-type: none"> • Internet and software • Digital media • Design

Source: Adapted from White

Table 5: *Creative categories and constituent industries*

2.3.26 Jisun (2010)

For Jisun (2010:126), innovation plays an important role and uses Gassmann (2006) to state that “the term ‘co-development’ is often synonymous with open innovation, an idea that refers to firms sharing knowledge resources in pursuit of innovation”. Jisun adds that “‘co-development’ is a type of geographically dispersed R&D function that goes beyond spatial boundaries of nations”.

Jisun (p. 126) quotes Bagwell (2008) to say that “‘creative industries’ are regarded as different from most other types of businesses”. The author also quotes Choi *et al* (2007) to add that

innovation patterns in ‘creative industries’ are differentiated from traditional technological products; for example, innovation of creative products is more reliant on non-technological ‘soft’ innovation associated with creating new ideas or recombining existing ideas in new ways.

Jisun (p. 134) suggests that

a key to opening up the innovation process where there is sensitive and confidential knowledge is to find ways to sustain the relationship and knowledge exchange while effectively protecting businesses secrets.

2.3.27 Fourmentaux (2010)

For Fourmentaux (2010:138), “quality of artistic productions and their influence in the arts environment”, along with an “effective and profitable introduction of technological applications and procedures, stemming directly from artistic research and the production of cultural works” as well as “new interfaces between artistic production, research & development, and industrial innovation are all part of the expansion of an ‘art world’ where those culturally involved, along with academics and economists, all interact”. The author says that this

clash between the cultural field and the economic market, between people belonging to these two social worlds and between the two conceptions of art circulating therein: the one based on cultural eternity, typical of classical works of art, and the other based on the ‘perpetual whirlwind of innovation’ defines ‘the economy of contemporary creation’.

Fourmentaux (2010:139) also encourages “artistic innovation with I.C.T.”.

2.3.28 Harper (2011)

Harper (2011:12) also supports universities' role and states that

universities are involved in the exploration and development of knowledge, then any research that produces usable critical knowledge of creative artifacts might have the ability to feed into the thinking of those involved in the ‘creative industries’.

Harper (p. 13) adds that “a stronger engagement between the HE sector supporting practice-led research and the development and evolution of the creative industries” should be developed, for the Higher Education has been “here and there, already recognized and embraced by the ‘creative industries’” (p. 15).

3 The Creative Industries impact on other industries

For Müller *et al* (2008), the ‘creative industries’ have three roles:

1. ‘Creative Industries’ are a major source of innovative ideas and thus contribute to an economy’s innovative potential and the generation of new products and services;
2. They offer services which may be inputs to innovative activities of other enterprises and organizations within and outside the ‘creative industries’;
3. ‘Creative Industries’ are intensive users of technology and often demand adaptations and new developments of technology, providing innovation impulses to technology producers.

The authors add that the ‘creative industries’

are not only - by definition - a source of creativity, but they also show a strong performance in technological innovation and thus directly contribute to the level of industrial innovation in the economy in terms of technologically new products, new processes and results of own R&D efforts.

“Being a cross-sectional industry which serves a large number of other sectors as well as public organisations and consumers, the ‘creative industries’ profit from a diversified mix of customers and may stimulate growth in a variety of other sectors by providing creative inputs”. (Müller *et al*, 2008:3) “These inputs can either be *downstream*, i.e. creativity produced in the ‘Creative Industries’ is used by customers in their innovative efforts, or *upstream*, i.e. the ‘Creative Industries’ demand innovative inputs from their suppliers (e.g. technology producers)”. (Müller *et al*, 2008:4)

Panfilo (2011:32) says that

if the creative sector is attached to science and technology-based innovation cycle it can contribute to innovation by redeploying creative professionals and their creative skills to other sectors of economies. Creative sector can also play important role in marketing and diffusing science and technology –based innovations, goals and activities and add aesthetic qualities for products to differentiate them from competitors and make them attractive to consumers.

For Kimpeler and Georgieff (2008:209) the ‘Creative Industries’

comprise of particularly innovative lines of businesses which produce a multitude of new products and services; secondly, they are also important suppliers of ideas and new approaches for other companies. They play a special role as creative input providers in the innovation system.

They also add that “the use of Information and Communications Technology (ICT) plays a prominent role in ‘Creative Industries’. Their competitiveness is thereby closely linked to the innovative dynamics of this technology sector”.

Reid *et al* (2010:13) say that the term 'spill-over' "is often used to refer to these positive economic 'externalities' which are created from the production and commercialization of knowledge", and describes six ways in which the spill-over can occur:

- Organizational knowledge and creativity spill-over – fostering creativity and innovation outside the creative industries;
- Experiential knowledge spill-over – Firms in the wider economy draw on creative business models to provide experiential services;
- Interdisciplinary knowledge spill-over – Creative industries have a culture of interdisciplinary working which can be passed onto firms in the wider economy: "Clearly, they have a strong interdisciplinary tradition which in some cases is driving innovations of social significance";
- Entrepreneurial knowledge spill-over – the creative industries have a very high proportion of small firms. This is consistent with high levels of entrepreneurialism and spill-over happen if they inspire risk-taking and entrepreneurial culture;
- Job mobility spill-over – Professionals carry over ideas and knowledge into other sectors on moving jobs – an important way of transferring tacit knowledge;
- Demand spill-over – Demand spill-over for complementary products in other industries.

Reid *et al* (2010:26,27) also specify the spill-over effect on innovation stating that "creative businesses play a significant role in increasing innovation in organizations in other sectors", and characterize the 'creative industries' contribution to innovation in 'three main ways':

- Firstly, through producing ideas: a key characteristic of creative industries. The commercialization of these ideas contributes – directly or indirectly – to the broader economy's innovative potential and the generation of new products and services. These kinds of innovations are difficult to pick up with economic analysis, leading some to describe them as 'hidden' innovation.
- Secondly, creative industries offer services which may be inputs to innovative activities of other enterprises and organizations within and outside the creative industries. A major study of noncreative industry organizations' connections with creative businesses found that UK businesses which invest twice as much as the average firm in creative services (as a proportion of their output) are 25 percent more likely to introduce product innovations, since 'supply chain linkages to the creative industries are positively related to innovation elsewhere in the economy.'
- Thirdly, creative industries are intensive users of technology and often demand adaptations and new developments of technology, providing innovation impulses to technology producers. As the concentration of knowledge intensive services in the economy increases, the barriers between traditional industries and sectors tends to break down – this cross-fertilization combines ideas of technology 'convergence' and their innovative deployment.

4 METHODOLOGY

4.1 Introduction

The research method developed during this study was based on a literature review. Denyer and Tranfield (2009:671, quoting Tranfield *et al*, 2003) state that literature reviewing has a 'critical role' in “doctoral theses and journal publications” as well as a 'potential role' in “creating and building bodies of knowledge and informing policy and practice”. The same authors mention a 'systematic review', which is a

specific methodology that locates existing studies, selects and evaluates contributions, analyses and synthesizes data, and reports the evidence in such a way that allows reasonably clear conclusions to be reached about what is and is not known.

Danyer and Tranfield (p. 672) also add that a

systematic review has been argued to bring replicate, scientific, and transparent approach, which seeks to minimize bias (NHS Centre for Reviews and Dissemination, 2001) and requires reviewers to summarize all existing information about a phenomenon in a thorough and unbiased manner. More widely, systematic reviews have been argued also to have value in collating and synthesizing existing evidence across a wide range of settings (including the social sciences) and empirical methods (Petticrew, 2001).

Tranfield *et al*. (2003:209) also talk about minimizing bias

through exhaustive literature searches of published and unpublished studies and by providing and audit trail of the reviewers decisions, procedures and conclusions (Cook, Mulrow and Haynes, 1997).

These authors quote (p. 215) Mulrow (1994) to add that “systematic review has been argued to provide the most efficient and highquality method for identifying and evaluating extensive literatures”. Danyer and Tranfield quote (p. 674) Petticrew (2001) once more to say that

...systematic review is an efficient technique for hypothesis testing, for summarizing the results of existing studies, and for assessing the consistency among previous studies.

Costa (2008:70), uses Yin (2003) to state that

a basic categorization of the types of questions is the common series: “who”, “what”, “where”, “how”, and “why”. The research questions, per se, determine the purpose or phase of the investigation: a) exploratory, b) descriptive, and c) explanatory. For example, “what” questions are usually exploratory, whereas “how” and “why” questions are likely to be more explanatory. Empirical research also requires planning research designs, relying on data-gathering techniques, and choosing methods for data analysis and validation.

As mentioned earlier in this study, the main goal is to contribute with answers to the following questions:

1. What are creative industries?
2. Which streams of thought can we identify?
3. Which criteria distinguish creative industries?
4. Which typology of subsectors results from such criteria?

Given the type of questions, the nature of the research gap can only be approached from a theoretical stance.

4.2 Research Process

The starting point for this study came from the need to comprehend the Sports Industry from the creative industries point-of-view. However, during some research, it became obvious that i could not study the Sports Industry as a 'creative industries' subsector if i did not have a clear definition to work with. Existing definitions do not gather consensus among theorists and a proper one has not been released yet, so that was identified as a research gap.

Literature review was based on key words like 'creative industries', 'cultural industries' (as well as 'culture industries'), 'creativity', 'industry' or 'creative economy'. As most of the articles consulted had been released by governmental agencies, the fear of working with biased definitions lead to working with more rigorous and unbiased sources. The *Creative Industries Journal* (henceforward *CIJ*) became the natural choice (although a thorough analysis of governmental agencies reports did still occur).

Literature was analyzed in order to comprehend what sets the creative industries apart from the other industries. To achieve this, some criteria seen as essential were collected. A list of the subsectors seen as creative was already made, to understand if the criteria reflected the subsectors being pointed out.

After collecting all necessary information, a thorough analysis of each criteria and subsector took place to verify if the criteria really are capable of providing an evident distinction from the other industries or if there is more to the creative industries other then the information collected until that point.

The criteria investigation provided useful concepts with which a matrix was created. The theoretical validity of that matrix was tested using the researched subsectors, in order to validate the organization the creative economy seemed to be missing. That organization supported the definition suggested in the final part of this dissertation.

5 DEFINITIONS ANALYSIS

5.1 Creative industries and cultural industries: criteria and schools of thought

Upon conclusion of the review of literature, it seems difficult to separate the 'creative industries' concept from the one of the 'cultural industries'. For some, the first should be the main group while for others it should be a sub-set of the second. This lack of definition highlighted different streams of thought, contributing with various criteria.

5.1.1 Criteria

As regarding only the distinction between the 'cultural industries' and the 'creative industries', there seems to be a lack of agreement as to whether they are mostly of individual nature, predominantly collective or both.

'Growth' is presented as a differentiator, as the 'creative industries' are seen as sectors with a high-growing rate while the 'cultural industries' are slow. 'Age' and 'target' also provide a division between the concepts in discussion: 'creative industries' are new and aim for a larger public while the 'cultural industries' are traditional and aim for a specific audience.

'Creative industries' are also seen as 'urban', placing themselves in areas with higher population. The 'urban' factor also favors the 'spill-over'. Some authors mention the 'location' criterion to refer to urban areas.

'Intellectual property' is a criteria belonging to both industries, as well as many others, not providing a distinction. The same can be said of technologies, as they can be adapted by both industries.

Even though some criteria were found to separate the concepts, the difference between the 'creative industries' and the 'cultural industries' remains unclear.

5.1.2 Schools of Thought

Starting in Australia in the early 1990s, several streams of thought appeared in order to contribute for a clearer definition of 'creative industries'. On Table 6 we can see the streams of thought identified along the review of literature.

Origin	Stream of Thought
Australian School (early 1990s)	('creative industries') are all industries based on

	creativity that generated intellectual property
UK's Department of Culture, Media and Sport (1998)	Industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property
European Commission (2005)	"'Creative industries' should be seen as a sub-set of the of the 'cultural industries'"
Galloway & Dunlop (2007)	"Absorption of 'cultural industries' within the wider 'creative industries' agenda"
Henry & Johnston (2007)	The 'creative industries' simply represent a re-categorization of existing industries into a new industry
Choi <i>et al</i> (2007)	"Innovation patterns in creative industries are differentiated from traditional technological products; for example, innovation of creative products is more reliant on non-technological 'soft' innovation associated with creating new ideas or recombining existing ideas in new ways"
Lutz & Karra (2009)	DCMS' definition does not provide any systematic, persuasive or logical explanation of what precisely its clump of thirteen subsectors (advertising, architecture, art and antiques, crafts, design, designer fashion, software, film and video, music, performing arts, publishing, television and radio) share
Montgomery & Potts (2008)	Believes that a better definition will set upon industries involved in social network markets. Also defends a weaker IP protection.
Henry (2009)	The 'cultural industries' can be regarded as a subset of the 'creative industries'
Joel (2009)	Rejects the DCMS' definition due the unclear meaning of the 'creativity', 'skill' and 'talent' concepts
Clark (2009)	Also rejects the DCMS' definition, saying it is no longer useful
China	Shanghai (2005) and Beijing School (2006) have their own version of 'cultural' and 'creative industries'
White (2010)	Considers three broad creative categories, composed of twelve 'creative industries'

Table 6: *Different schools of thought*

The existing schools of thought are predominantly from English-speaking countries. Although it started in Australia, most schools come from Great Britain, coming from China and the European Union the remaining streams. UK's DCMS' definition became the reference with its first contribution in 1998. The EU classified the 'cultural industries' as a wider group containing the 'creative industries', a statement refused by the Scottish school, through Galloway and Dunlop (2007), as well as Henry (2009). Henry & Johnston (2007) raised a moderate counter-school by considering the 'creative industries' a "re-categorization of existing industries into a new industry".

The DCMS' definition soon became the target of criticism. A skeptical school of thought emerged as we can see by Karra (2008) and Joel (2009). A counter school is evidenced by Clark (2009), who stated the DCMS' definition is no longer useful. Choi *et al* (2007) provide, however, an argument against the skeptical school. The Chinese Ministry of Culture decided to create their own definitions of 'cultural' and 'creative industries', definitions that caused two internal schools, Shanghai and Beijing, to surge. Despite these two internal schools, the Chinese cultural economy bases itself on a collective endeavour and refuses to highlight only the individual; they also agree on a weaker IP protection to help innovation. Montgomery & Potts (2008) created a different stream of thought: although they share China's opinion over the IP protection, they emphasize the individual by stressing the importance of social network markets. From Ireland, White (2010) suggests a different categorization for the 'creative industries'.

5.2 The concepts analysis

Because creativity is so much more than just having an idea and because creativity expresses itself in different ways, it became important to separate 'creativity' from 'innovation' and 'R&D'. As we've seen, these three concepts are different but intimately related, contributing for a product in different ways and on different points of its conception, whether it's a new one, a new purpose to an old one or whether it's an improvement to an already existing one.

From the definitions given earlier, we can define one concept which connects the whole three: knowledge. Knowledge to give origin to something new (Creativity), knowledge to be gathered and applied (R&D) and knowledge to implement new processes (Innovation). Knowledge is, therefore, key to identify which industries contribute for creative products and/or services.

As for the 'industry' definition, it is important to remind that if it stands for a commercial goal, then all industries/activities inserted on an industry concept must generate income.

From the notion of 'economy of scale' we can extract three important ideas: a good business plan (which will help achieve efficiency of production), innovation (new production methods may increase efficiency) and production chain (a well thought production chain is important to respond to a wider market's needs as well as reduce fixed costs).

5.3 Creative industries definitions

Even though some authors do not have an associated 'creative industries' definition, their contribution is significant for they mention some criteria which, for them, are essential for any creative business. Different opinions and streams of thought were presented regarding some criteria that should be taken into account to define the 'creative industries' as well as separate them from the 'cultural industries'.

However, despite the several contributions identified by the literature review, it is still unclear which criteria can contribute to divide and define the concepts.

The following table will show the authors, respective definitions (proposed or only mentioned by them), respective identified subsectors and the criteria, which can also be seen as contributions for a better understanding of the 'creative industries' concept:

Authors	Definitions	Subsectors	Criteria
Higgs and Cunningham (2008)	'Those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property'	Advertising, Architecture, Art & Antiques Market , Crafts, Design, Designer Fashion, Film & Video, Interactive Leisure, Software, Music, Performing Arts, Publishing, Software & Computer Services, Television & Radio	Standard Industrial Codes (SIC) are not accurate to measure the industry
Foord (2008)	'The significant interface between commercial cultural activity and the emerging new media driven by technological change'	Entertainment software, film and television, music, publishing, book publishing, audio-visual and multimedia	Innovation, Creation of Intellectual Property (IP) ⁹ , technology
Lange (2008)			Innovation, Network, Entrepreneurship
Mould, Vorley and Roodhouse (2008)		Higher education Institutions	Commercialization Technology transfer

⁹ For the author, IP is mostly seen on 'core activities' such as software, multimedia, video games, industrial design, fashion, publishing, and research and development (R&D)

			Intellectual Property
Harper (2008)			Knowledge transfer, R&D, Innovation, 'arts-based'
Keane (2008)		Broadcasting, TV and film, Cultural activities and performing arts, Media and publishing, Software, Internet and IT services, Advertising and exhibition, Arts and crafts market, Design services, Tourism, Fashion, Recreation and Entertainment, Scientific Research and Education	Spillover, Innovation, individual/collective (CI can be the result of both individual and collective endeavours), Age, Target, Urban
Liu (2008)		Advertising, Architecture, Art and Antiques Markets, Computer and Video Games, Crafts, Design, Designer Fashion, Film and Video, Music, Performing Arts, Publishing, Software, Television and Radio, Animation and Interactive Games, Trading, Creative Design, Cultural Tourism, Consultancy	
Montgomery and Potts (2008)	those industries based on individual creativity, skill and talent that have the potential to create wealth and jobs through developing and exploiting intellectual property' (DCMS 2008)	Film, Television, Music, Publishing, Computer Software and Interactive Games,	Weak Intellectual Property is key to economic growth
Chang (2008)			Innovation, ICTs
Chapain and De Propis (2009)	the creative industries seeks to describe the		Knowledge, Innovation,

	conceptual and practical convergence of the creative arts (individual talent) with cultural industries (mass scale), in the context of new media technologies (ICT's) within a new knowledge economy for the use of newly interactive citizen-consumers' (Hartley, 2005)		Technology, Creativity, Personal Networks, Knowledge and Innovation Spillovers
Comunian (2009)		Inclusion of software, computer games and electronic publishing sector is criticized by some authors	
Martin-Brelot (2009)			ICTs, Social Networks, Individualism, Flexibilization
Lutz & Karra (2009)	Mentions the DCMS (1998) definition to state that it doesn't justify the thirteen selected subsectors		
Chossat (2009)		Gastronomy, Fashion, Haute Couture, Wine Industry	Innovation, Intellectual Property
Henry (2009)	The creative industries are considered as lying at the crossroads between the arts, business and technology (UNCTAD, 2004)	Arts and crafts, Designer fashion, Film, Theatre and the Performing arts, Advertising, Architecture and Design, Publishing, Broadcast Media and recorded music, Software development, Computer services, Digital media, Communications	
Joel (2009)			Innovation, Social networks
Clark (2009)		(See table 2)	

Trimarchi (2009)		(See tables 3 and 4)	
Trott (2009)			Technology, ICTs, Innovation
Crabbe (2009)		Ceramics, advertising, architecture, arts, computer and video games, designer fashion, film and video, music, performing arts, publishing, software, television and radio	
Champion (2010)			Connectivity, Public sector support, Institutional support, Intensive networks (social and cultural), Location
Brandellero and Kloosterman (2010)			Innovation, Production chain adds value for it also contributes for innovation, Product differentiation ¹⁰ , Information and Communication Technologies (ICT)
Pareja-Eastaway & Pradel i Miquel (2010)			Technology, Networking, Innovation, Knowledge sharing
Granger & Hamilton (2010)	The Creative Industries create economic inputs (e.g. tacit knowledge and skills) and outputs (innovation, patents, intellectual property)		SIC and SOC (Standard Occupational Classification) are not useful to measure the creative industries Networking
White (2010)	'Occupations and industries	Art/Antiques trade.	

¹⁰ Due to countless niche markets and increasing competitiveness as consequence of globalization

	centered on creativity, for the production and distribution of original goods and services ¹¹	Architecture. Fashion. Publishing. Advertising. Crafts. Music, visual and performing arts. Video, film and photography. Radio and TV broadcasting. Internet and software. Digital media. Design	
Jisun (2010)			Open innovation (or co-development), co-creation
Fourmentaux (2010)			Technologies, R&D, Innovation, ICTs
Harper (2011)			Connection with the High Education sector

Table 7: Authors, definitions, subsectors and criteria

5.3.1 Criteria and subsectors

From Table 7 we can take out all the criteria and subsectors mentioned in the Creative Industries Journal. The 19 criteria and the 49 subsectors are listed in the following table:

Criteria	Subsectors
<ul style="list-style-type: none"> • 'Arts-based' • Innovation and co-development • Intellectual Property (IP) (strong or weak) • Intensive networks (social and cultural) • Value added in the production chain • Location • Product differentiation • Information and Communication Technologies (ICT) • Technology • Knowledge sharing/transfer • Connection with HEIs (Higher Education Institutions) 	<ul style="list-style-type: none"> • Advertising and exhibition • Aerospace • Animation • Architecture • Archives • Arts and Antiques trade • Bio and nano-technologies • Built heritage and museums • Ceramics • Computer and video games • Communications • Consultancy and planning • Copyright and collective management

¹¹ White sets three categories through which the subsectors are organized (see Table 1)

<ul style="list-style-type: none"> • Spillover (innovation or otherwise) • Entrepreneurship • Flexibilization • Age • Target • Individual and Collective • Co-creation • SIC (Standard Industrial Codes) and SOC (Standard Occupational Classification) are not useful to measure the creative industries 	<p>societies</p> <ul style="list-style-type: none"> • Crafts • Cultural institutions • Cultural tourism • Design (industrial, urban, graphic, fashion, interior, product) • Digital media • Edutainment • Events • Fashion and Haute Couture • Gastronomy • Homeware • Interactive leisure • Internet and software • Libraries • Music, visual and performing arts (live and otherwise) • Opera • Press agencies • Production and distribution of films • Public relations • Publishing • Publishing and Trading of IP • Radio and TV broadcasting • Recreation and entertainment and associated services • Scientific research and education • Social communication • Software and databases • Sports industries • Sound recordings • Street art • Sustainable projects • Technical tools • Theatre • Toys and amusement • Trade in books • Trading • Video, film and photography • Wine Industry
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Table 8: *List of criteria and subsectors*

5.3.1.1 Criteria analysis

The list of criteria seen on table 8 are seen as key for the creative industries, helping these to stand out from the other industries. So, can we say that all creative industries must respect these criteria?

Starting by the last, some authors (Higgs and Cunningham, 2008; Granger and Hamilton, 2010) have concluded that Standard Industrial Codes (SIC) and Standard Occupational Classification (SOC) are not useful for identifying subsectors for not being accurate. Entrepreneurship is very common in the creative economy, but it's not an exclusive, for we can witness entrepreneurship in many other economical sectors. Reid *et al* (2010:13) reminded us that Entrepreneurial Spillover occurs, which means it will happen outside the creative industries. The spillover is an effect shared by most of the subsectors, as they all influence each other through creativity. Besides, spillover also occurs coming for other sectors (i.e. managerial methods and business plans). Connection with Higher Education Institutions (HEIs) is an important step for any economical sector, not just for the creative industries. Knowledge sharing/transfer can be seen from the connection with HEIs, for graduates leave universities to work for companies which will benefit from the student's (now worker) knowledge. If that worker is graduated on a different area from the company's, then it may occur a knowledge transfer, as it happens, for instance, when multidisciplinary workgroups are formed. Technology and Information and Communication Technologies (ICTs) are very important for the creative industries. However, ICTs are also essential to most growing businesses, regardless of the sector. As for Technology, one must be careful to state it's important, for it could be related only with retail (i.e. computer commercialization). Product differentiation requires creative endeavors as well as investment on innovation. Yet, stating that product differentiation occurs in the creative industries would be stating that products existing on other sectors are all equal (i.e. banks try to provide different products/services from each other). The same goes for the value added by production chains, for all stages of a product's construction contribute to increase its value and quality (in theory). As for the intensive networks (social), they also exist in many other sectors, as networking has been key for successful business for years, thus not being a creative industries exclusive. As for cultural intensive networks (assuming the word 'cultural' is standing for symbolic and aesthetic values), it's only natural it is a cultural industries' exclusive, as it is natural for other sectors to have their own networks (i.e. philosophy network, art network, engineering network). Intellectual Property (IP) is a rather delicate subject, for it is strongly in line with creation protection. Nevertheless, one may protect one's creation and not take profit from it. Besides, IP can be found in any sector, as many products and services have some sort of protection, so it cannot be a creative industries exclusive. The fact that Montgomery and Potts (2008) mentioned that strong IP protection can hamper the creative economy's growth does weaken the IP criteria. Finally, as for the innovation and co-development criteria, innovation (although in many cases does require knowledge inputs) can be seen in how a company works and how it plans its growth, no matter the sector. As for co-development, it could be a way of sharing knowledge and expenses. Co-development can also be seen as a form of entering a new market, an intention that can come from any company, from any sector. Individual and collective endeavours can be seen, for example, in cultural sectors so it fails to be an exclusive of the creative industries. 'Age' and 'target' were previously analyzed (see 5.1.1, p. 34).

It is safe to say that the collected criteria, although they are present in the creative industries, can also be found on other sectors. This means that, despite of their importance, we cannot rely on them to exclusively identify the creative industries.

So, how can one identify this specific sector? Does it even have any differentiating characteristic?

6 THE CREATIVE INDUSTRIES DIFFERENTIATION

6.1 Alternative criteria

From the DCMS' (2007) analysis (see Figure 1), we can retain two important concepts: 'activity' from 'industry'. Although DCMS blurs the difference by considering them the same thing, they will help us organizing the subsectors, for some are only activities when others have already gained scale.

One other differentiation coming from DCMS (2007), similar to Trimarchi's (2009), is related to 'values'; DCMS mentions the 'expressive value' and the 'functional value' and Trimarchi (2009) speaks of 'intangible values' (inside which some are expressive) and of 'tangible values' (inside which some are functional).

These two criteria, 'scale' (activity/industry) and 'value' (expressive/functional) seem to add organization to the collected subsectors and separate the cultural from the remaining creative.

6.2 The Value/Scale Matrix

To verify the usefulness of these two criteria, a matrix was created. The matrix is as follows:

Value/Scale Matrix		Scale	
		Activity	Industry
Value	Expressive-Functional	Creative Activity	Creative Industry
	Expressive	Cultural Activity	Cultural Industry

Figure 2: Value/Scale Matrix

The 'Value' criteria is important to comprehend the nature of a product and/or service. The 'Expressive Value' is about having impact, causing a reaction, it's about providing an experience. 'Experience', for Dictionary.com, means, from a philosophical stance "the totality of the cognitions given by perception; all that is perceived, understood, and remembered". Shehadi (2010) states on her internet article '*Expressive Value*',

*Commercializing your talent*¹², that "'expressive value' creates new insights, delights and experiences. It adds to our knowledge, stimulates our emotions and enhances our lives". The intensity of the experience depends on our interpretation of its content, but the ability to provide an experience is undeniable. Using once more Foord's (2008:95) words, it's about creating "products and services with social and cultural meaning". 'Expressive Value' provides memorable, significant, meaningful experiences. The 'Expressive-Functional Value' is the value that is recognized to a product and/or service for providing memorable experiences along with a functional component. For Dictionary.com, 'functional' means "having or serving a utilitarian purpose; capable of serving the purpose for which it was designed". The functional component gives just that: a purpose. A purpose that will ensure (in theory) people will want and need them, seeing them as important tools for their daily lives (i.e. a smartphone that ensures people can stay well informed at all times thanks not only to voice/text functions, but mostly thanks to quality internet connection, e-mails, carrying and reading documents, etc.).

The 'Scale' criteria is vital to understand in which stage are the subsectors. Some are only activities, performed by one individual, who can alone contact and sell his creations to the customer. Others are industries, where a more complex chain of activities increase value to a certain creation, thus not being immediately available for the public after it's conception stage is finished. Industries require a different level of market awareness, which leads to a need for becoming more professional as the business grows.

As the Value/Scale Matrix suggests, four great groups can be distinguished: 'cultural activity', 'creative activity', 'cultural industry' and 'creative industry'.

6.3 Verifying the Value/Scale Matrix

In order to analyze this Matrix we will place all subsectors inside their corresponding group:

- Cultural Activity: Crafts, Cultural, Gastronomy, Street Art, Cultural Institutions, Sound Recordings;
- Creative Activity: Architecture, Software, Animation, Homeware;
- Cultural Industry: Music, Visual and Performing Arts (live and otherwise), Video, film and photography, Theatre, Cultural Tourism, Built heritage and Museums, Opera, Sports Industries, Education (apart from 'Scientific Research', it refers to Higher Education Institutions), Wine Industry;
- Creative Industry: Fashion and Haute Couture, Publishing, Advertising and exhibition, Digital Media, Design, Computer and videogames, Interactive Leisure, Toys and amusements, Edutainment.

¹² <http://www.artsgroup.org.uk/2010/01/%E2%80%9Cexpressive-value%E2%80%9D-commercialising-your-talent/>

During this distribution some hybrid activities/industries were found, that is, business that can be both; designers can have their own individual activity or they can be a part of an industry and the same goes for homeware and sound recordings. As for the Sports Industry, it can be seen both from the cultural and creative perspective, as the sports activities are cultural events but the associated services are creative (equipments production, advertising, etc.) so, as for what the Sports Industry is concerned, it should be 'Sports Events' (cultural industry) and 'Sports associated services and products' (creative industry). Education (or, like some authors said, Higher Education Institutions) transmit expressive values to students as well as creative values, which result in practical school works that could later enter the market.

As for the 'Events' subsector, it is quite vague. If they are cultural events, then they have already been stated on the list (music, opera, theatre, etc.). If they are creative events, then they can only be seen as vehicles for promotion, as no 'creative event' will produce goods and services. The same argument can be applied for the 'Recreation and Entertainment and associated services', as this subsector includes many products and services from both the cultural and the creative universe. As for Internet and Software, although they are two related concepts, the first is a service and the second is a product. Internet isn't creative, it's how you use it that may (or not) make the difference, so it's vague. Finally, Software and Databases, Software is definitely creative but Databases are a) one type of software and b) forms of collecting and organizing data.

The remaining subsectors were excluded for different reasons: some are merely commercial activities (Arts and Antiques Trade, Trading, Copyright and Collective Management Societies, Trade In Books, Publishing, Trading of IP and Distribution of Films, as its production is implied), others have only communication purposes (Radio and TV Broadcasting, Communications, Social Communication, Press Agencies, Public Relations) and some are information accessing services (Archives and Libraries). Despite their enormous contribution in terms of knowledge and technology, 'Technical Tools', 'Bio and nano-technologies', 'Aerospace' and 'Scientific Research' (apart from 'Education') are scientific areas with no expressive component, they are 100% functional.

'Sustainable Projects' are based mostly on architecture and design, 'sustainable projects' are a consequence of a joint effort between creative subsectors. 'Consultancy and Planning' are services with no expressive value (although these services could have indirect impact on the expressive element of another service or product).

Despite the existence of hybrid activities/industries (which will depend mostly of how an individual places himself in the market), this Value/Scale Matrix is strong enough to organize the subsectors in four significant groups. 'Activity', 'industry', 'expressive value' and 'expressive-functional value' make significant contributions for the subsectors distribution as well as for the differentiation between the four categories.

7 CONCLUSIONS

7.1 Final Theoretical Framework

The imprecise distinction between the key concepts 'industries' and 'activities' and also between 'creative' and 'cultural' brought to light different streams of thought as well the lack of consensus, as a consequence, on a definition of 'creative industries'.

These two gaps led to the following research gaps:

1. What are creative industries?
2. Which streams of thought can we identify?
3. Which criteria distinguish the creative industries?
4. Which typology of subsectors results from such criteria?

In order to find a solution for these gaps, the 'creative industries' were dissected, to comprehend its background, the currently adopted definition, the several streams of thought as well as the most important contributions.

Along this dissertation it became clear that the subsectors enumerated, not only on DCMS' definition but also on other theorist's contributions, were lacking explicit and consensual criteria, not contributing for a clearer distinction between 'cultural industries' and 'creative industries'. Several criteria were seen as key to comprehend this economical sector, yet, those criteria were somehow vague (i.e. stating that the main input is creativity takes to define what creativity really means or if it can be found everywhere), or they didn't contribute for a clear distinction from the rest of the economical sectors.

The many different opinions allowed us to identify several schools of thought (see Table 6).

Despite the criticism of its definition, DCMS' (2007) (see Figure 1) hints were important to reorganize the subsectors: separating 'activities' from 'industries' and using the concepts 'expressive value' and 'functional value'. These two concepts were also mentioned by Trimarchi (2009) (see table 3). The relevance of these concepts is enormous for they allow us to look at the creative industries from a whole new perspective. To analyze this perspective a matrix was created, the 'Value/Scale Matrix'.

The 'Value/Scale Matrix' (see Figure 2) distinguishes four main categories, through which all subsectors mentioned in the Creative Industries Journal were distributed. Some subsectors were also excluded.

The 'Value/Scale Matrix', thus, becomes a valuable tool to help defining which subsectors can be considered as part of the creative industries. It also made clear that creative industries and cultural industries are different industries, one is not inside of the other, a difference built upon the products and services' value.

As a conclusion, 'creative industries' are industries capable of providing products and services with both expressive and functional value.

7.2 Theoretical Contribution

The theoretical contribution of this study relies on an analytical tool which helps clarifying the concept of 'creative industries' and, as a consequence, of 'cultural industries'. The review of literature, the concepts' definitions and the streams of thought identified are also a contribution.

The most significant contribution is a new definition of 'creative industries', which now refers to only a part of the whole creative economy.

7.3 Implications

A new definition for the 'creative industries' will have impact on its mapping. Future mapping exercises to measure, under this definition, its impact will certainly provide different results from the ones existing nowadays, for the group of subsectors implied is much smaller.

Governments have been shaping the 'creative industries' concept for many years. With our suggestion, the governments' agenda will have to change, for financing the 'creative industries' is now financing private industries.

The fact that we now refer to the 'creative industries' as only a part of the whole creative economy raises the need for coming up with a new definition for this economical sector.

7.4 Suggestions for Further Research

'Creative industries' are only a fourth of the whole creative economical sector so how will we refer to the creative sector from now on? This issue needs to be addressed for it won't make sense to keep calling 'creative industries' to a much wider economical sector.

Future mapping studies should also pay attention to the hybrid activities/industries. The fact that some subsectors can change between categories could generate inaccurate data.

The extensive literature review presented in this dissertation constitutes a useful starting point to map and distinguish the different streams of thought.

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