

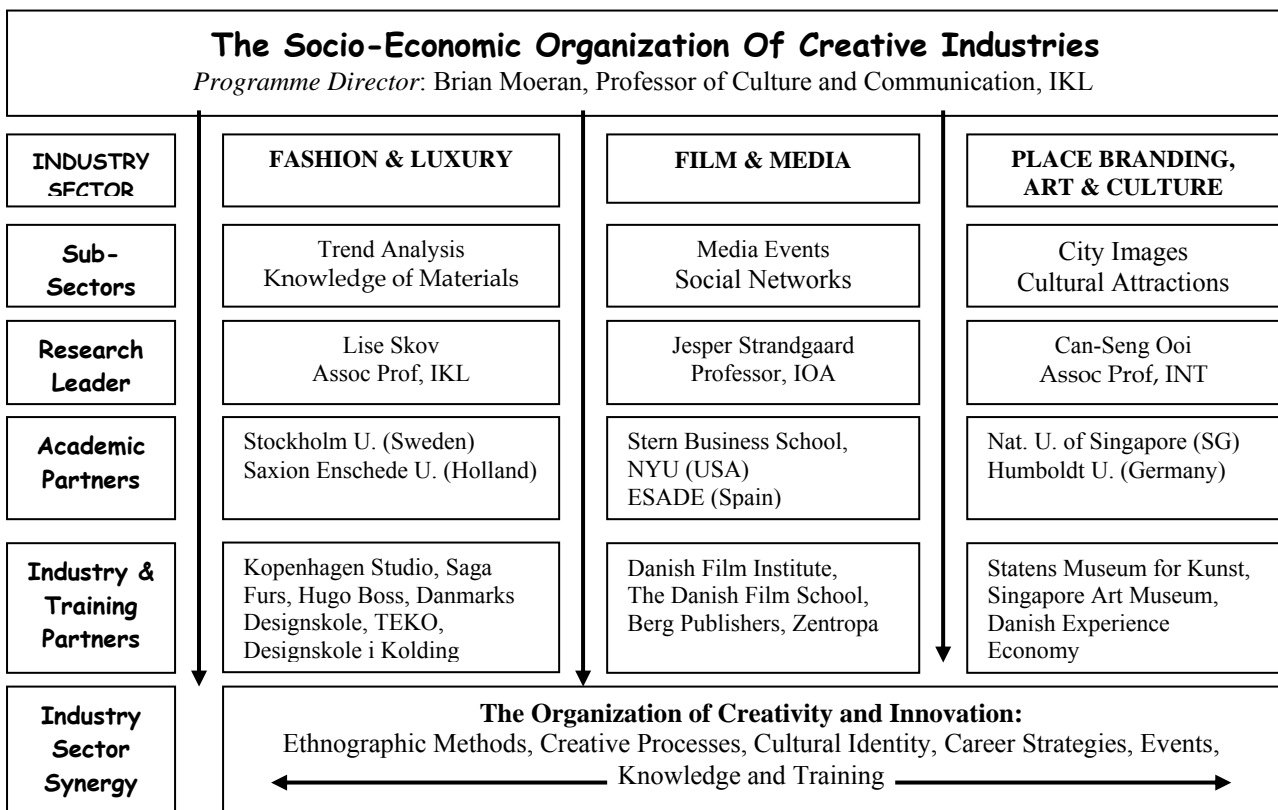
THE SOCIO-ECONOMIC ORGANIZATION OF CREATIVE INDUSTRIES

It is now widely recognized that different forms of innovation and creativity are driving new production forms that give rise to goods and services with an added value: experience. For Denmark to operate as a high growth, competitive, global leader in the experience – or creative – economy, its government and business organizations need to develop a highly interconnected fabric of cultural and creative infrastructure.

The purpose of the proposed research programme is to redress the fact that, although the creative economy is seen to be *the* key to future competitiveness, few people *really* understand its organizational dynamics. To this end, it examines the socio-economic organization of creative industries (CI) in a global context. This will be analysed at the level of business practices, professions, and organizations, and incorporates both micro and macro perspectives. The programme seeks to understand the complex interplay – sometimes conflicting, sometimes harmonious – between economic and cultural forces. It is guided by three basic questions affecting the development of a creative economy in Denmark:

- How to achieve and maintain **global competitiveness** in a changing world market. This is the economic framework within we will conduct our research;
- How to build effective links between different CI and different parts of the value chain across traditional, sectoral, institutional and locational boundaries. It is in such **convergences** that ideas are shared, technology meets content, and commerce engages with culture;
- How to position a cultural and creative infrastructure at the heart of every place and community, providing **stimulation** for creative people whose activities enable whole cities to flourish as creative hubs that work together. Our contribution is to these two questions.

Composed of nine dedicated senior researchers at the Copenhagen Business School, plus post-doctoral researchers and Ph.D. students, the programme examines at both macro- and micro-levels of analysis three CI sectors: *Fashion & Luxury*; *Film & Media*; and *Place Branding, Art & Culture*.



Each of the three research streams focuses on a selected CI sector that appears very different from the other two in terms of organizational structure, creative processes and consumer images. Everyday material products from the fashion industry, for example, are still based on manufacturing in cheap labour markets, but in Europe the industry is almost exclusively geared to the branding and design of *immaterial* production. Film, too, is an old industry that is part of a global production process which is now undergoing digitalization. This is radically altering consumer practices as well as the conception of the industry as a whole. Like film, art museums are actively interested in place branding, but top-down packaging clashes with the kind of bottom-up energy and creative chaos that have typically characterised the art world.

This vertical stream-centred approach to the study of CI will be complemented by thematic comparative projects designed to create synergy across the three research streams. The aim is to arrive at an overall understanding of the organization of creativity and innovation, in order to learn what kind of education and knowledge will be needed by those working in the creative economy in future. This is not simply a theoretical exercise. By working closely with industry and educational institutions, we should contribute directly to change within creative sectors themselves.

Social Relevance

It is not generally known how creative industries function; nor why they do so in the ways that they do. In the UK, CI tend to be marked by a lack of appropriate management education, by poor access to business information, and by generally weak networks along which management information can be shared and best practice identified.¹ These issues limit competitiveness and need to be redressed. There is no *a priori* reason to believe that CI in Denmark are that different from the UK situation. This means that we need to take particular account of the following:

- **The creative milieu** in which CI function. This will be examined by means of fairs and festivals, on the one hand, and place branding, on the other.
- **Education and training needs.** These will become clearer through intensive workshops with industry and academic partners, as well as through fieldwork research on the social organization of selected CI, social networks and individual career trajectories.
- **Creative processes.** The meaning of ‘creativity’ itself, together with the constraints that are imposed upon creative firms, will be studied through micro-level studies.
- The potential competitiveness of Danish CI in the **global experience economy.** This will be assessed by means of cross-cultural comparative studies of particular institutions (art museums, fur auctions, film fairs etc.) and places (Copenhagen, Berlin, Singapore).

The proposed research programme will thus contribute to a better understanding of the logic of CI vis-à-vis their geographical location. This in turn will create knowledge about what skills and qualifications are required for Danish CI to be competitive, and will help sector-based training institutions such as the Institute of Education in Fashion and Lifestyle (TEKO), the Danish Film School, and Kolding Design School upgrade their education programmes.

At the same time, CI are connected to the global economy through production processes and consumer trends. Creative inputs in fashion production, for example, are being reinterpreted as suppliers take over more and more tasks relating to the design, manufacture, and financing of fashion and clothing. What, then, should be the core competences of a Danish fashion company – now and in the future? How is it to adapt when its production depends on trends in emerging markets in Russia and China? What kind of education and knowledge will those working in creative industries need in the next generation? How can those who have been highly educated, primarily in the humanities and the soft end of the social sciences, contribute to the creative economy? The proposed research programme seeks to answer such long-term, practical questions

¹ Creative Economy Programme, Working Group Reports. Department of Culture, Media and Sport, August 2006. <http://www.cep.culture.gov.uk>

for industry partners. Broadly phrased, our concern is with **creative encounters** between people, materials, products, places, organizations, industries, nations, and research methodologies.

Research programme

This research programme regards the empirical world of CI as an enmeshment of economic, social, cultural and material processes. The only way to fully understand these processes is by means of **in-depth industry studies**. These give rise to the following emphases:

- **Ethnographic research methods:** The basic assumption behind the phrase ‘socio-economic organization’ is that, in real life, CI are densely patterned in a manner that cannot be captured by a single disciplinary perspective (for example economics or sociology), but must be understood in their rich empirical contexts, even (or perhaps especially) when such contexts undermine current theoretical models and call established approaches into question. We intend to use a combination of quantitative and qualitative methods, but believe that the methodology which most richly captures the multiple aspects of the socio-economic reality of CI, together with their internal patterning, is that of ethnography. Ethnographic research methods are particularly useful because fieldwork demands of the researcher an intensive participant observation, a (near) total social immersion and intimacy between researcher and informant not provided by other research methods.²
- **Inter-disciplinary approach:** While the research team is committed to developing ethnography as a research methodology in the study of CI, members do not hold it up as a dogma to be religiously adhered to. Rather, we believe that it should be put to the test and developed in tandem with other methods of conducting research. It is our empirical focus and commitment to empirical richness that leads us to adopt what might be termed a multi-disciplinary perspective on the socio-economic processes at work in different CI sectors. However, our aim is to move beyond the merely arithmetical basis of multi-disciplinary studies and engage in a truly inter-disciplinary research where the individual approaches amount to more than their sum.
- The strength of the empirical research forms the basis of **industry partnerships**. We do not hold with the notion that academic researchers are ‘experts’ who can force general theoretical models and received truths onto (generally unsuspecting) companies. Rather, we believe that researchers and industry partners should engage in a process of mutual learning that is open and empirical enough to take account of variation and specificity at the level of industries, firms and individuals in different CI sectors. This is what we mean by ‘knowledge-producing partnerships’.

We intend to take our in-depth industry studies in two directions:

1. **Micro-level analyses** of creative business and production processes. These will include:
 - The interplay between **creative and support personnel**. Creative products – a fashion collection, art exhibition or film – are produced as a result of close collaboration between creative (e.g. designers, artists, or directors) and humdrum supporting personnel. Both are essential for the completion of a creative product, and the complex interplay between the two (e.g. between director and producer, artist and curator, and so on) therefore needs to be understood in their organizational contexts. Very little empirical research has been done in this field.
 - **Creative workers** – their social networks, individual career paths, and self-identity. It is generally accepted that careers in CI are patchy, unpredictable and poorly defined. Some successful artists have no formal training; others with all the necessary educational qualifications are not successful. Some personnel cross over from creative

² Brian Moeran, *Ethnography at Work*, Berg, Oxford, 2006, pp. 116-120.

to support employment; others move the other way. Some are employed in firms; others are free-lance; yet others start up their own companies. Many ‘wannabes’ never make it at all. As the creative sector of the experience economy comes to be seen as more important, it becomes imperative to develop a systematic in-depth understanding of career patterns, and the motivations behind them. These will be studied as part of the ethnographic research method outlined above.

2. **Macro-level analyses** of how different CI define and enforce creative standards and business models through interaction. Here a number of different themes emerge:
 - **Trade fairs and festivals.** It is essential that we do not see a creative industry as operating within a given structure, but as an evolving collectivity. This means that the macro-level of analysis is also characterised by processes and social interaction, which can be studied by means of ethnographic research methods. The questions asked here are: How does an industry define, celebrate and reproduce itself? How does its market function? By way of answer, we will conduct individual and joint research projects relating to a variety of trade fairs, festivals and similar industry events (the Cannes Film Festival, Copenhagen International Fashion Fair, the Frankfurt Book Fair, and so on). We consider this to be the most original contribution to our proposed research programme since it makes use of ethnographic methods and a multi-disciplinary theoretical approach³ to examine, through a single event, the economic, social, cultural and material processes that underpin a whole industry.
 - **The comparative element** of the programme emerges from our original orientation concerning convergences between traditional, sectoral, institutional and locational boundaries. It addresses two questions in particular: How are creative processes organized? And, how are different CI organized? These questions lead us to look at the similarities and differences that exist between different CI, firms and individuals.
 - **A trans-national perspective** is also important for two reasons. Firstly, there is a danger of parochialism if we focus exclusively on CI organized at the national level in Denmark. Secondly, increasing economic globalization and the development of IT are having an impact of one sort or another on many CI sectors: for example, on the manufacturing base in the case of the fashion and luxury industries, and on distribution profits in the case of film. This enquiry into global flows brings us to the issue of how:
 - **National cultural identity** is constructed and embedded in CI. This question is repeatedly posed – firstly, because CI are affected by globalization processes which change the conditions under which a national economy as a whole functions; secondly, because creativity is associated with the making of something ‘new’, whereas cultural identity is defined by the repetition of established patterns. This paradox emerges in the ‘invention of tradition’ as an ongoing process in many CI, which actually wish to construct images that contradict the cultural identity in which they find themselves.

Research environment

To carry out successfully the tasks outlined above, the programme needs to build up and sustain a dynamic research environment. This will be achieved by means of:

- A **satellite structure** – comprising a core research environment consisting of nine dedicated researchers from the Copenhagen Business School, and satellites composed of academic partners, educational institutions, companies and industry associations. We envision many core researchers working in a dedicated physical space. This would allow for a living and dynamic research environment, including Ph.D. students and postdoctoral

³ Disciplines represented by the Research Team include anthropology, cognitive psychology, consumer studies, economic geography, industrial economics, marketing, and (cultural and economic) sociology.

research fellows, and should include facilities that permit industry practitioners, as well as visiting academic partners, to work in a research environment for shorter or longer terms (which might include participation in executive Masters and Ph.D. programmes). The latter would thereby not only contribute to the dynamism of the research environment, but also take the benefits and qualities they experience there back into their own working environments.

- **Hotspots workshops** – to be held at least four times a year, involving the entire research team and one or more of its partners. These small-scale intensive events will be hosted by the Copenhagen Business School and by academic and industry partners over the entire period for which funding is requested. They are designed with two purposes in mind: firstly, to engage in intensive discussions of issues of practical concern to our industry and academic partners; secondly, to enable presentations of the ongoing research of each of the research streams to industry practitioners and academic institutions. The workshops are thus designed to bring together individuals working for partner organizations, as well as scholars from abroad, and the aim of the programme is to build on preceding workshop discussions to achieve a high-level overall understanding and analysis of the socio-economic organizations of creative industries.

Programme management

The proposed programme, with its focus on in-depth research, arises out of previous CI mappings conducted under the auspices of *imagine..* Creative Industries Research, at the CBS. It is under the overall leadership of Brian Moeran, Professor of Culture and Communication, at the Copenhagen Business School. As Programme Director, he will be responsible for the overall research strategy and grant budget administration. He will also actively participate in particular research projects in all three CI sector research streams.

The programme is organized into three research streams, each headed by a seasoned researcher with extensive experience of the industry sector concerned. Dr. Lise Skov (Associate Professor of Creative Industries) will have overall direction of the *Fashion & Luxury* industry sector; Jesper Strandgaard (Research Professor of Organization and Industrial Sociology) of *Film & Media*; and Can-Seng Ooi (Associate Professor of International Business) of *Place Branding, Art & Culture*. These research streams have been selected because each of the creative industry sectors concerned is structured rather differently from the others, even though they have common organizational elements. Each consists of at least two full-time CBS research staff at Professorial and/or Associate Professorial levels, together with a minimum of one Ph.D. student and/or Post-doctoral fellow per stream. Each research stream leader will, in liaison with the Programme Director, be responsible for individual research projects and for ongoing liaisons and exchanges with education and industry partners.

Each of the research streams will focus on creative encounters at both micro- and macro-levels of analysis: the organization of innovation and creativity in a particular industry sector, and accompanying sub-sectors, as well as on socio-economic organization more generally.

- In **Fashion & Luxury**, sub-sectors include the destabilization of material processes (fur and fragrance), an analysis of luxury, and knowledge processes in trend research. Joint research will be carried out on the Copenhagen International Fashion Fair.
- **Film & Media** focuses on the changing structure of Danish film industry and its place in the world market, by means of film festivals and a comparative study of film industries in India and the USA. A sub-sector is the book publishing industry. Joint research will be carried out on the Copenhagen International Film Festival.
- **Place Branding, Art & Culture** aims to compare the branding of three cities – Copenhagen, Berlin and Singapore – by conducting in-depth research on place branding,

art museum exhibitions and cultural heritage. Joint research will be carried out on Golden Days in Copenhagen.

The programme is supported by an Advisory Board consisting of a blend of industry representatives and internationally renowned scholars from leading foreign research institutions. One purpose of the Board – which was established specifically for the *imagine..* Creative Industries Research group of which many of the research team are members – is to advise researchers on various aspects of their research; a second is to consider possible joint research programmes with members of other academic institutions around the world; and a third is to facilitate collaboration with the industries involved.

Day-to-day financial administration of the programme will be in the hands of the Department of Intercultural Communication and Management (IKL), at the Copenhagen Business School.

Operationalization of Research Programme

A number of issues arise out of this research proposal. Specifically, we are concerned with the following:

- **Partners:** We are in the process of establishing long-term partnerships with representatives from a variety of industries in each research stream, as well as with academic institutions that have an interest in fashion, film and place branding. At the moment, these are evolving, based on individual networks established by researchers, and it has not been possible – in the limited time available – to get final financial commitments from all our partners. By establishing a series of Hotspots Workshops, at which key visiting researchers from partner academic institutions will be invited to present their work, we expect some of our partners to provide more substantial inputs later on in the research programme.
- **Activities:** As has been made clear, the programme involves three sets of activities:
 - Participation in the **Hotspots workshops**;
 - Joint and individual research on **CI events**, including trade fairs and festivals;
 - Individual **research projects** within each research stream relating to the socio-economic organization of creative industries.
- **Publications:** We regard it as very important that the results of the research team's findings be disseminated as widely and as promptly as possible. To this end, we envisage the following specific publication activities:
 - **Journal Articles:** The team will follow established intellectual practice by writing – either individually or together – articles reporting methodological and theoretical issues for publication in international refereed journals. In this respect, it might be noted that Brian Moeran has been asked to act as senior editor of a new international, multi-disciplinary, refereed journal, *The Journal of Creative Industries*, to be published by Berg, Oxford, from August 2009;
 - **Case Studies:** Our intention is to write a number of case studies of the fairs, festivals and events that we study during the programme's duration, as a means towards strengthening teaching and general educational materials;
 - **Book Series:** In addition, members of the research team will be writing up the results of their research on creative industries, and it *may* be advisable to put together a number of edited books that discuss cross-stream findings, reflect upon methodologies, and so on.