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REGIONAL ECONOMIC DEVELOPMENT THROUGH CREATIVE INDUSTRIES

A research project and partnership between Townsville City Council and James Cook University

Photograph: Clare Powell


Gulf of Alaska
Hudson Bay
NEWFOUNDLAND AND LABRADOR
Prince George
ALBERTA
Edmonton
CANADA
BRITISH COLUMBIA
MANITOBA
QUÉBEC
Vancouver
Calgary
Regina
ONTARIO
N.B.
Charlottetown
Seattle
SASKATCHEWAN
Winnipeg
WASHINGTON
MONT.
Thunder Bay
Halifax
Portland
Montréal
MINN.
Helena
N. DAK.
Duluth
MAINE
Ottawa
UNITED STATES
Concord
Boston
OREGON
Boise
Minneapolis
WISCONSIN
MICHIGAN
NEW YORK
Sheridan
SOUTH DAKOTA
IDAHO
WYOMING
Milwaukee
Detroit
New York
Pacific Ocean
Sioux Falls
Reno
IOWA
Chicago
OHIO
PA.
Philadelphia
NEVADA
Salt Lake City
NEBR.
Des Moines
San Francisco
UTAH
Indianapolis
MO.
Columbus
Washington, D.C.
ILLINOIS
IND.
Denver
Cincinnati
Virginia Beach
COLORADO
KANSAS
St. George
St. Louis
KENTUCKY
Wichita
CALIFORNIA
Atlantic Ocean
Las Vegas
TENN.
Charlotte
Santa Fe
OKLA.
Nashville
Memphis
Los Angeles
ARIZONA
Oklahoma City
San Diego
Phoenix
NEW MEXICO
ARKANSAS
Atlanta
MISS.
ALABAMA
GA.
Savannah
MEXICO
Dallas
Jacksonville
TEXAS
Hermosillo
Austin
LOUISIANA
Mobile
Tallahassee
Chihuahua
Houston
Tampa
San Antonio
FLA.
Gulf of Mexico
Ciudad Obregón
Hidalgo del Parral
Miami
Nassau
Culiacán
Saltillo
Monterrey
THE BAHAMAS


Finland
Norway
Sweden
Estonia
Scotland
Denmark
Latvia
Lithuania
Russia
Ireland
Netherlands
Belarus
Wales
England
Poland
Belgium
Germany
Ukraine
France
Austria
Switzerland
Hungary
Romania
Italy
Croatia
Bosnia-Herzegovina
Yugoslavia
Bulgaria
Greece
Portugal
Spain
Turkey
Sicily
Algeria
Tunisia
Morocco
Libya
Egypt

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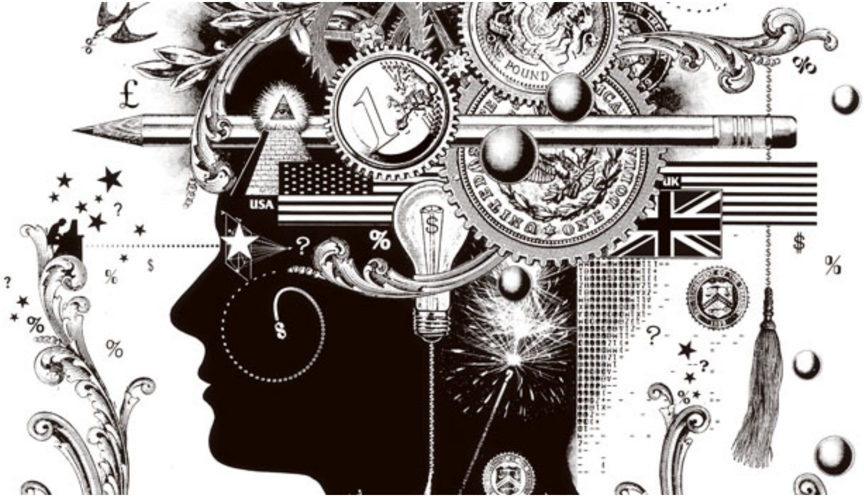
https://www.youtube.com/watch?v=wX32vr_rLxM

THE RISE OF THE REGIONAL BOHEMIANS

Australia’s cultural and creative hubs are reasonably widespread.

Economic need for Creative Industries in Australia



- Low Infrastructure costs
- Decline in manufacturing
- Competitive globally

Context issues

- CI have the potential to grow economies
- CI do not require major infrastructure (roads, dams)
- Australian Gov’t invests in CI
- Many states have pursued CI strategies (e.g. WA, Victoria)
- Problem of adopting ‘templates’ (e.g. Landry, Florida)
- ‘Place’ needs to be considered
- Townsville – key to the vision for northern Australia

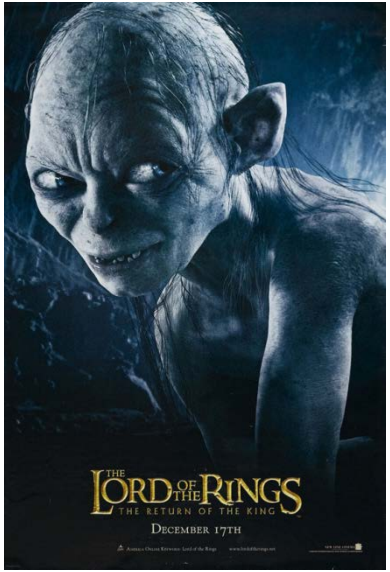
Innovative / Hubs and Precincts

Place making

City of Townsville

JAMES COOK UNIVERSITY AUSTRALIA

Global companies even from New Zealand



Film Industry

https://www.youtube.com/watch?time_continue=101&v=Wcl-V2wYuQk

THE CREATIVE INDUSTRIES

"…those industries which have their origin in individual creativity, skill and talent and which have potential for wealth and job creation through the generation and exploitation of intellectual property."

(Dep't of Culture, Media and Sport - UK, 2001)

Tropical Marine Research Facility Project – North Wing
Townsville Architecture: Neil Carter
Photograph: TSA

City of Townsville

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THE CREATIVE INDUSTRIES

- Architecture
- Design
- Advertising and Marketing
- Software and Digital Content
- Film
- Radio and Television
- Writing and Publishing
- Visual Arts
- Music
- Performing Arts

Fashion Photography
Matthew Gianoulis: Fashion Photographer
Ruth Groundwater: Fashion Designer
Kristin Martin: Makeup Artist
Rhiannon Jeffrey: Hair Stylist

THE CREATIVE INDUSTRIES

- 6.2% of national workforce
- $32 billion to GDP

Data from SGS Economics (2013)

Townsville Publications - employing local creatives
Food Magazine, Bulletin, Ruffles and Cake, DUO
Photograph: Clare Powell

Project impetus

- This project has a direct relationship to the following key plans:
- “Townsville Futures plan”, namely to **“…recognise and support creative industry as an economic driver of the future that is an integral element of Townsville’s development by including it in economic development strategies for the city”** (Townsville Futures Taskforce 2011, p. 38).
- Regional Development Australia “Regional Roadmap” for Townsville. Creative industries have significant capacity to **“…attract investment into Service and Knowledge-based industries”** (Regional Development Australia 2011, p. vi).

Project focus

Outrigger on the Lagoon in Fiji: Townsville Architecture Neil Carter
Photograph: Eason Creative Photography

- **Architecture**
- **Design**
- **Advertising and Marketing**
- **Software and Digital Content**
- **Film**
- Radio and Television
- Writing and Publishing
- Visual Arts
- Music
- Performing Arts

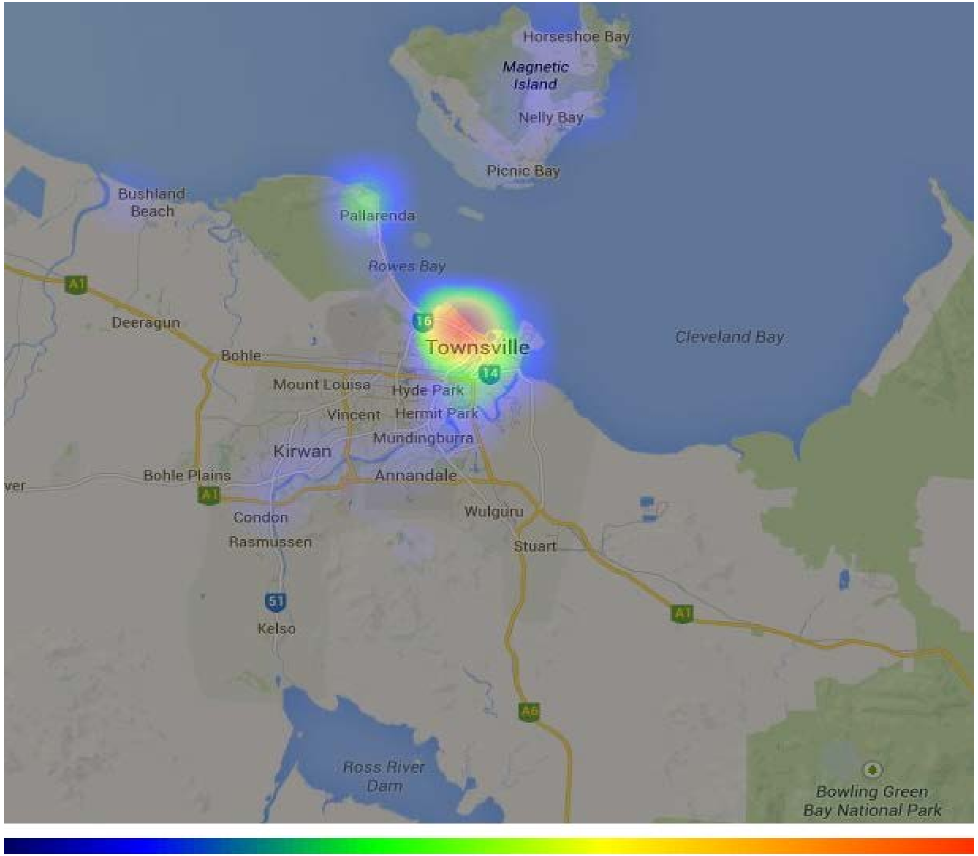
Project phases

- **SUPPLY** – survey with follow up interviews
- **DEMAND** – survey with follow up interviews

Supply of CI in TSV

Key points – CI supply

- 151 businesses agreed to receive survey (44% response rate)
- Businesses are typical of CI: sole traders, SMEs
- Most specialist skills available
- Some areas missing: industrial design, specialist printing
- Digital revolution: photography, design, film
- Competition issues: graduates, oversupply of labour



Creative inspiration – TSV sites

Professional Development

- Distance and cost are issues
- Overcome by:
  - Online learning
  - Networking (physical, virtual)
  - Selective travel
  - Sharing of equipment and resources

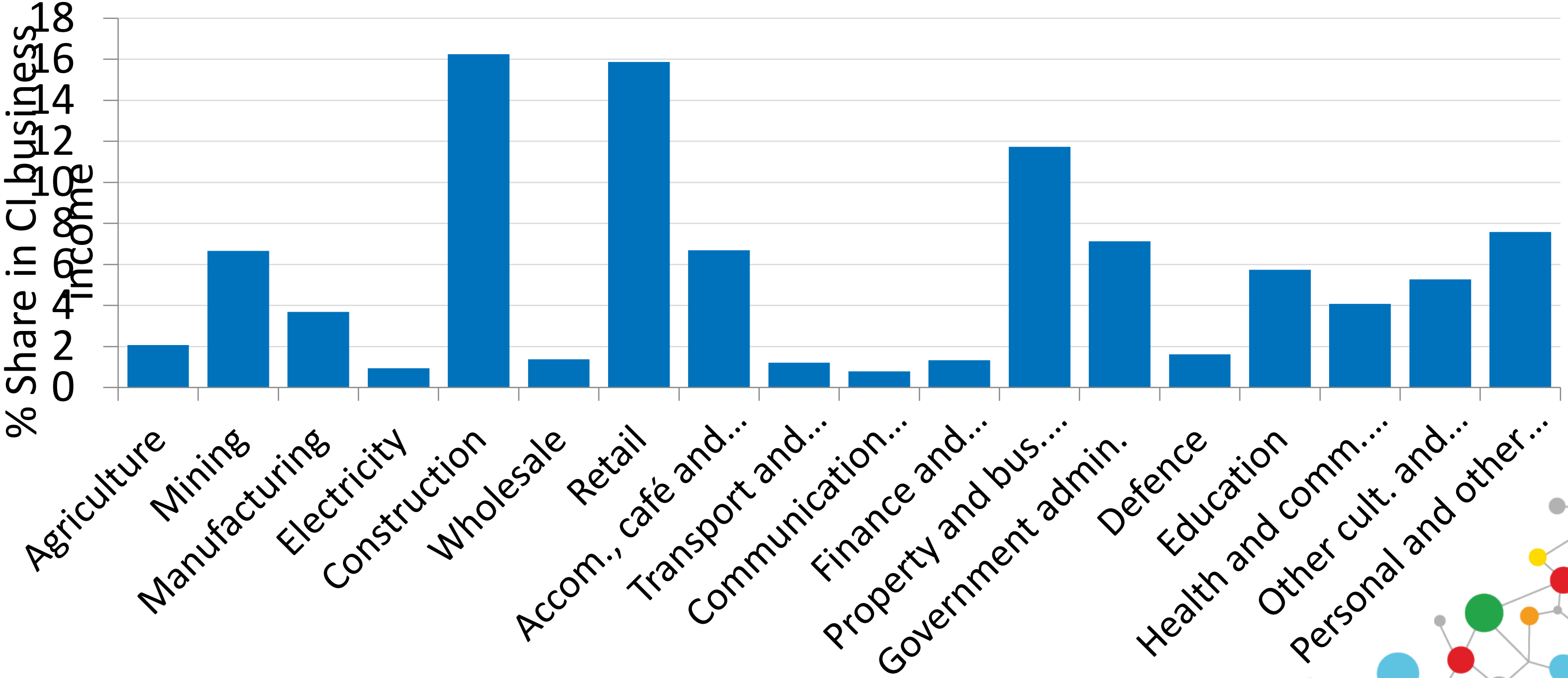
The 'critical mass' that you have in capitals is much bigger. For example in Brisbane or Sydney, you have meet ups all the time, you have events, you have conferences.

Most of our professional development is done online so we do a lot of webinars, reading, short courses hosted online through sites like 'Skillshare' and 'Coursera'.

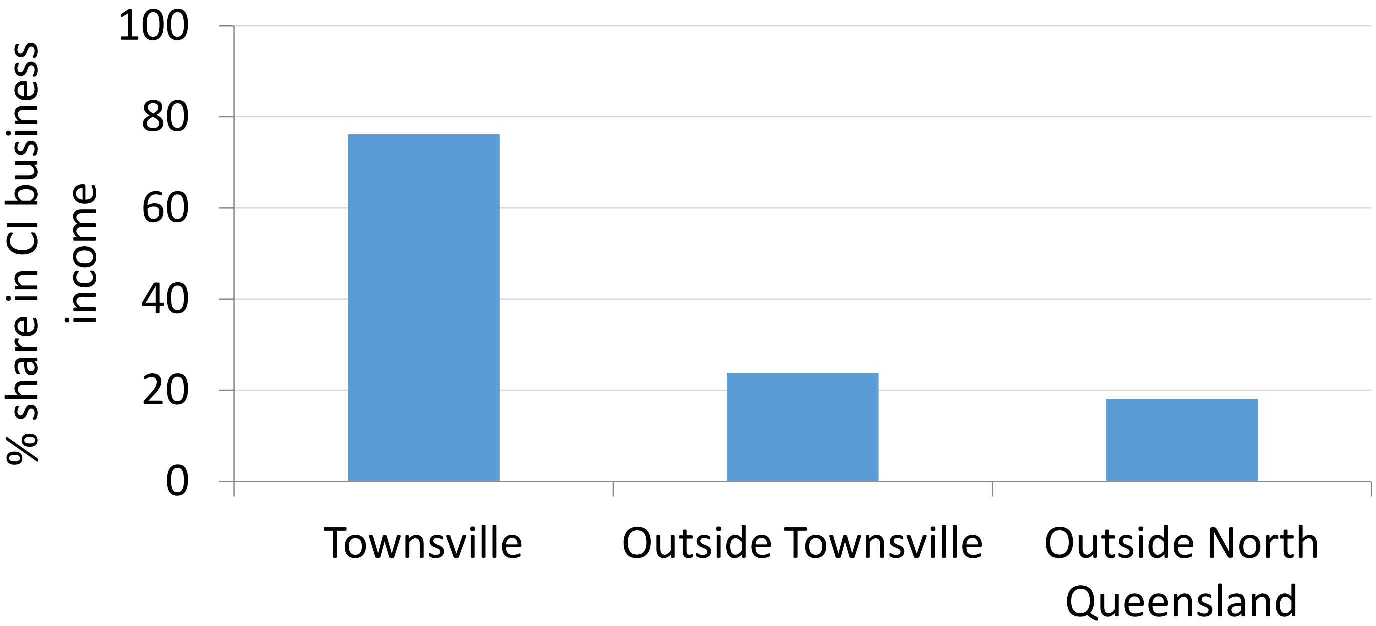
I think we have more time here. We don't have to spend so much time in traffic. We have more access to people, it's easier to meet and do what you have to do.

Business performance & outlook

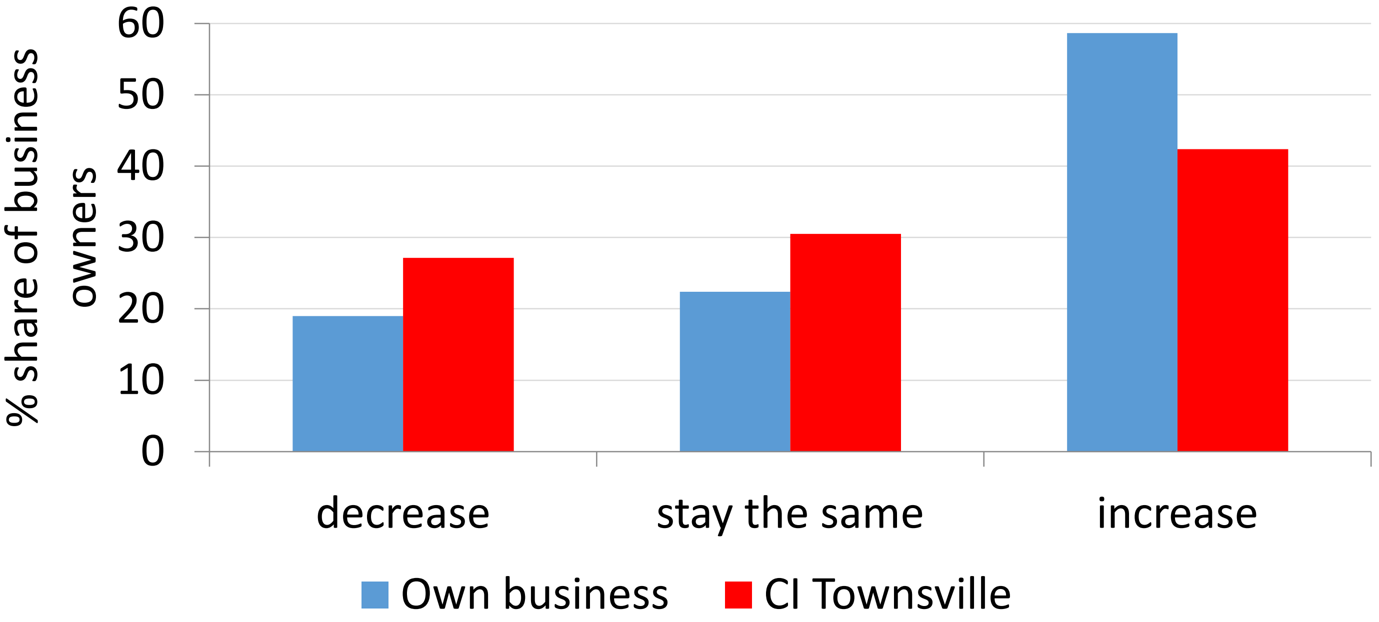
Clients Creative Industries (13/14 financial year)



Clients location (13/14 financial year)

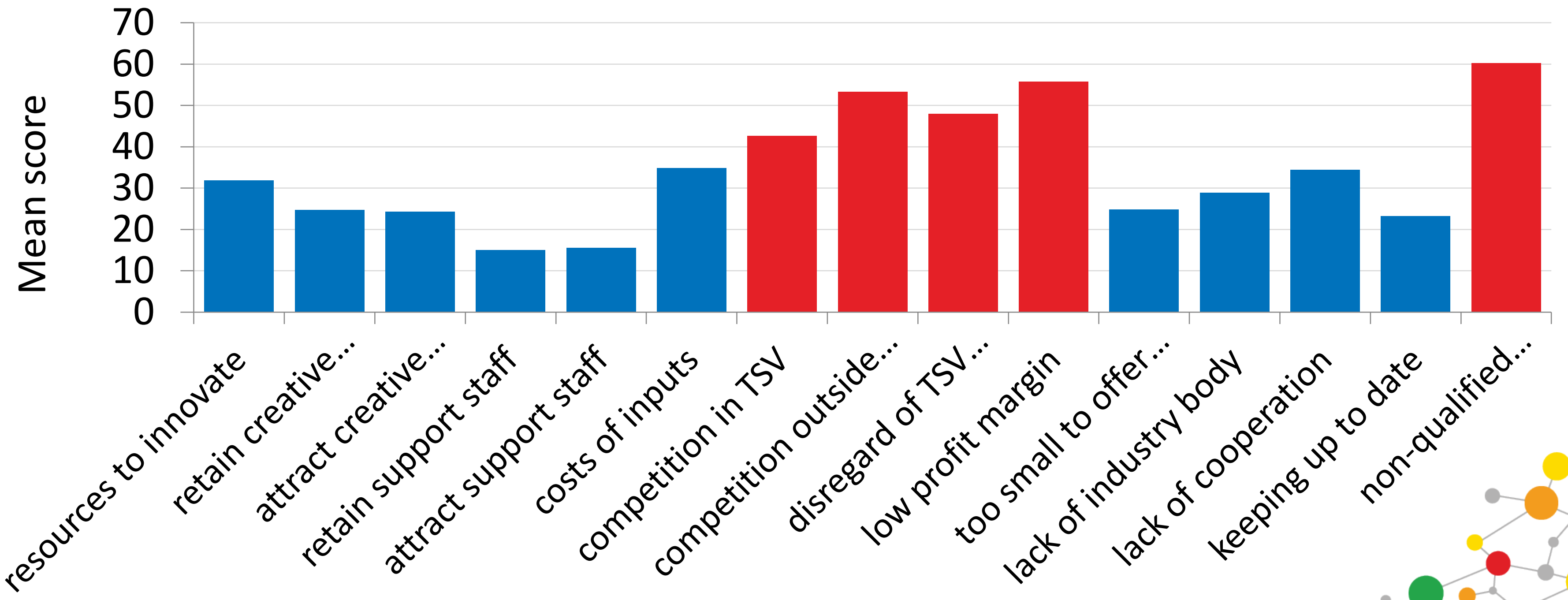


Business income prospect (next 3 years)




Employment prospect (next 3 years)
% share of business owners
60
50
40
30
20
10
0
decrease
stay the same
increase
Own business
CI Townsville

Risk to business growth (next 3 years)



Innovation

Innovation Capacity
of the Townsville Creative Industries

Innovation is difficult to measure.

We looked at **indicators** that facilitate innovation processes

- Collaboration (multidisciplinary)
- Design Thinking
- Co-creation

The creative industries sector has been particularly successful in facilitating innovation by ‘**exporting’ creative methodologies** into other industries.

Findings: Innovation Capacity of the Townsville Creative Industries

Survey

- **High familiarity** with creative methodologies that support innovation activities such as *Multidisciplinary Collaboration*, *Design Thinking* and *Co-creation*
- **Explained usage** is much lower
- Self-reporting **concerns**

Interview findings - innovation

Use of Design Thinking (24 comments) and Co-Creation (19 comments)

- *Heard of the term Design Thinking > Yes (7, 29%) No (17, 71%)*
- *Use it > Yes (3, 13%), No (13, 57%) I don’t know (7, 30%)*

- *Heard of the term Co-Creation > Yes (11, 58%) No (8, 42%)*
- *Use it > Yes (10, 53%), No (6, 32%) I don’t know (3, 15 %)*

Interview findings - innovation

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Interview findings - innovation

Advantage of location to be innovative/facilitate innovation

- Large amount of talented people (11)
- Beautiful location (3)
- It is not very competitive (2)

"You have lots and lots of talented people. Musicians and artists, the whole story, everything is here."

"There is less competition. You can push the boundaries here on a smaller scale because you have that freedom. [But] it's hard to get people to sign off on those ideas..."

Interview findings - innovation

Disadvantage of location

- No one has the budget for creativity and that stifles creativity (7)
- Equipment is difficult to access or expensive (2)
- Clients/people are set in their own ways (2)
- There is a lack of training around innovation (2)

"We try our best to be innovative, but there are projects [where] we can't do all the facets. Collaborating with others to produce really high level of work is what others do in Melbourne. We can only go so far in terms of design, print and web but it's kind of getting to that next stage to produce bigger and better projects to expand our creativity."

Interview findings - innovation

Collaboration amongst creative businesses

- Yes (18, 75%); No (6, 25%)

"We collaborate locally wherever possible. We get opportunities to outsource all over the world, [but] we have always maintained the local connection."

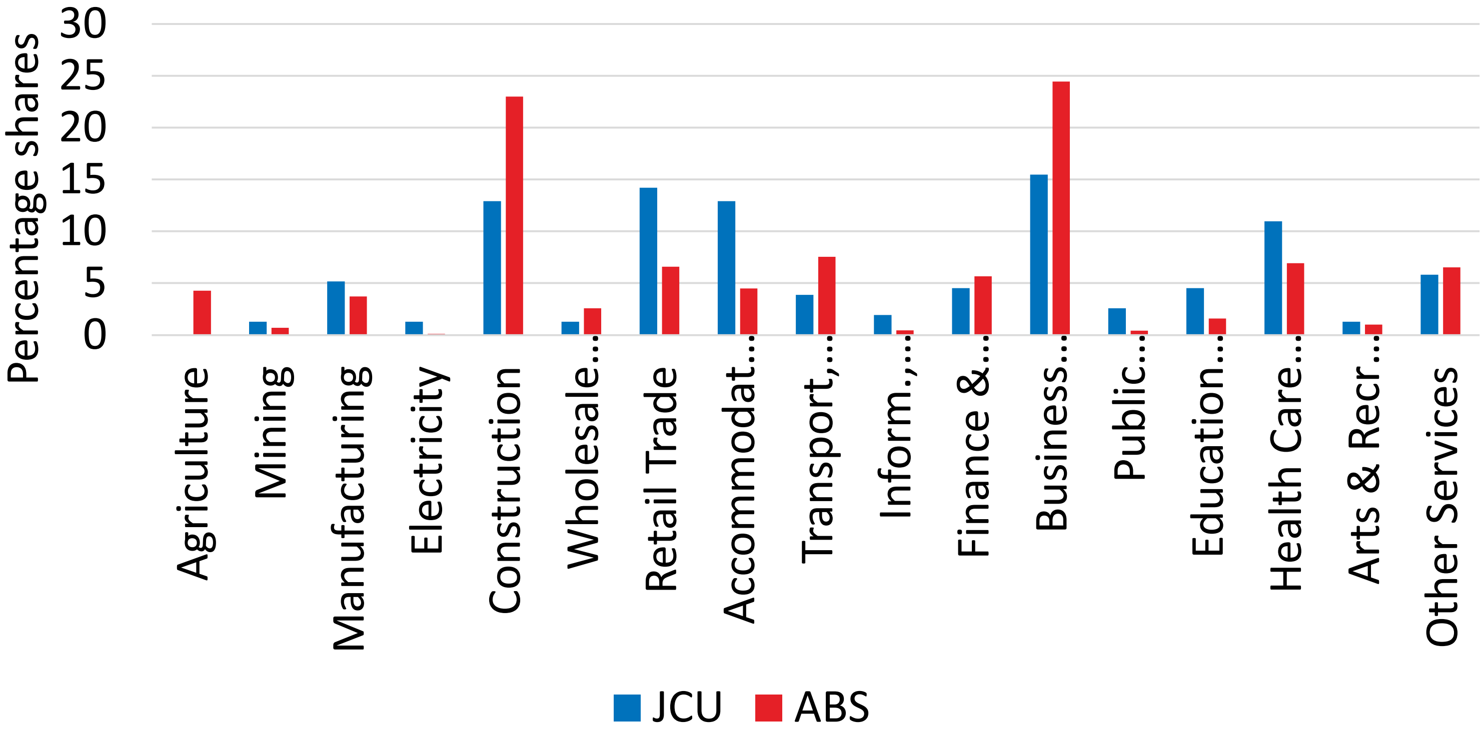
"We try to keep ourselves relatively connected. ... It'd be fantastic if they were all co-located. We can work much more fluidly. But, it's getting somewhere that's going to be cheap enough because in the CBD things are quite expensive. That cost factor is an issue."

Demand

155 completed surveys

All figures refer to the 13/14 financial year

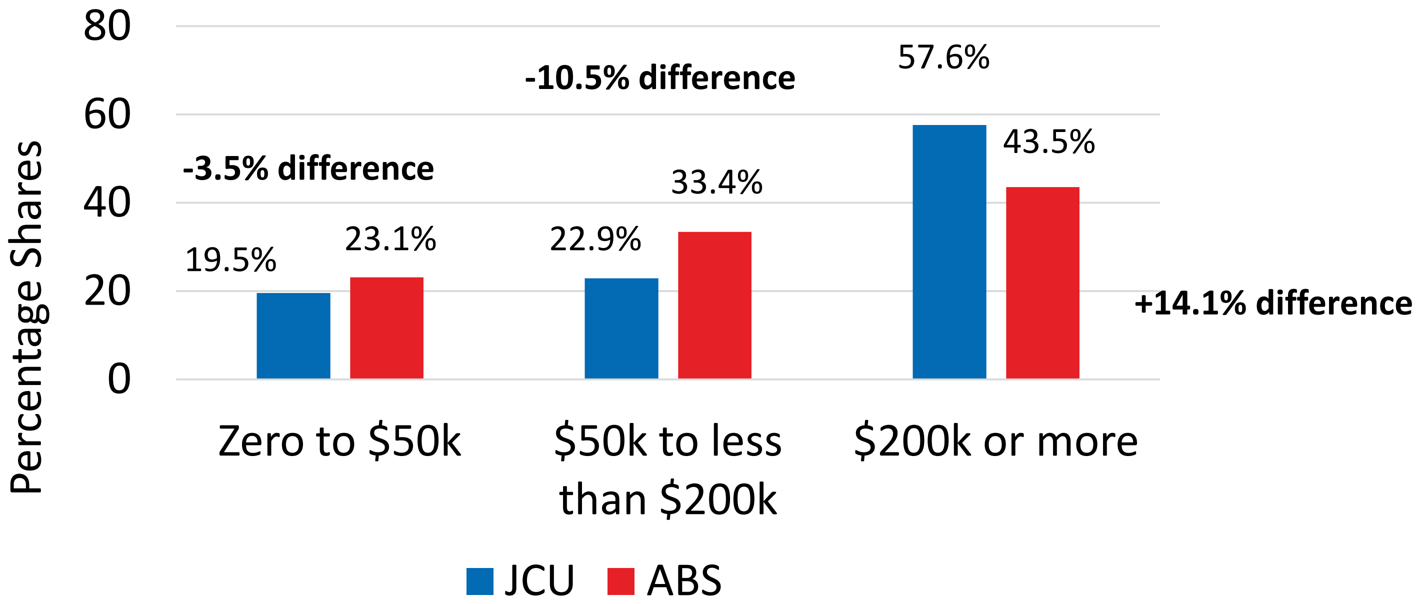
Data representativeness



Source: ABS Business counts, 81650

Data representativeness

Gross income of businesses during 2013/14 financial year – comparison with ABS data



Source: ABS Business counts, 81650

Business Overview

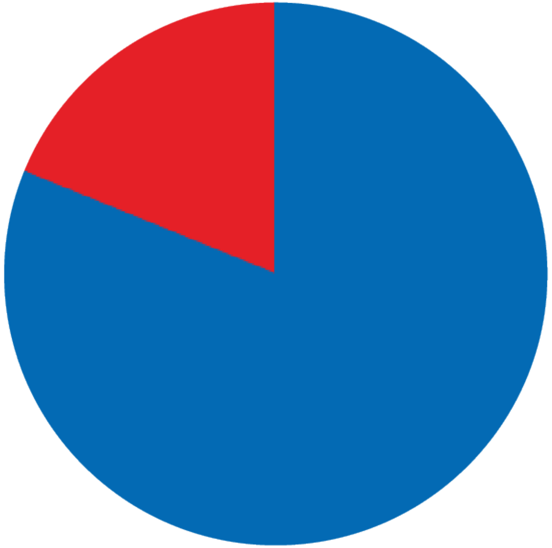
Gross income of businesses during 2013/14 financial year

- $5, 000 or less – 4%
- $5, 000 - $9, 999 – 5%
- $10, 000 - $24, 999 – 4%
- $25, 000 - $49, 999 – 5%
- $50, 000 - $99, 999 – 10%
- $100, 000 - $199, 999 – 12%
- $200, 000 - $249, 999 – 4%
- $250, 000 - $499, 999 – 10%
- $500, 000 - $999, 999 – 15%
- $1, 000, 000 or more – 31%

% represents 154 respondents

Creative industries services used

Townsville businesses that used creative industry (CI) services in 2013/14



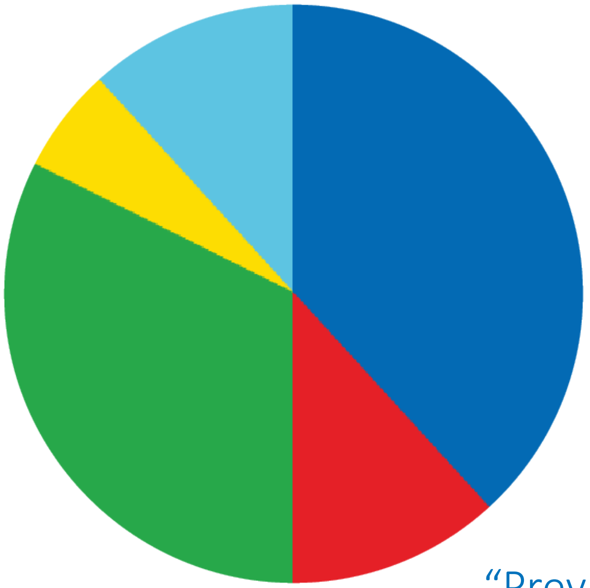
Businesses that use CI services – 81% (124)

Businesses that did not use CI services – 19% (30)

% represents 154 respondents

Those who did not use creative industries services…

Reasons why CI services were not used during 2013/14 financial year



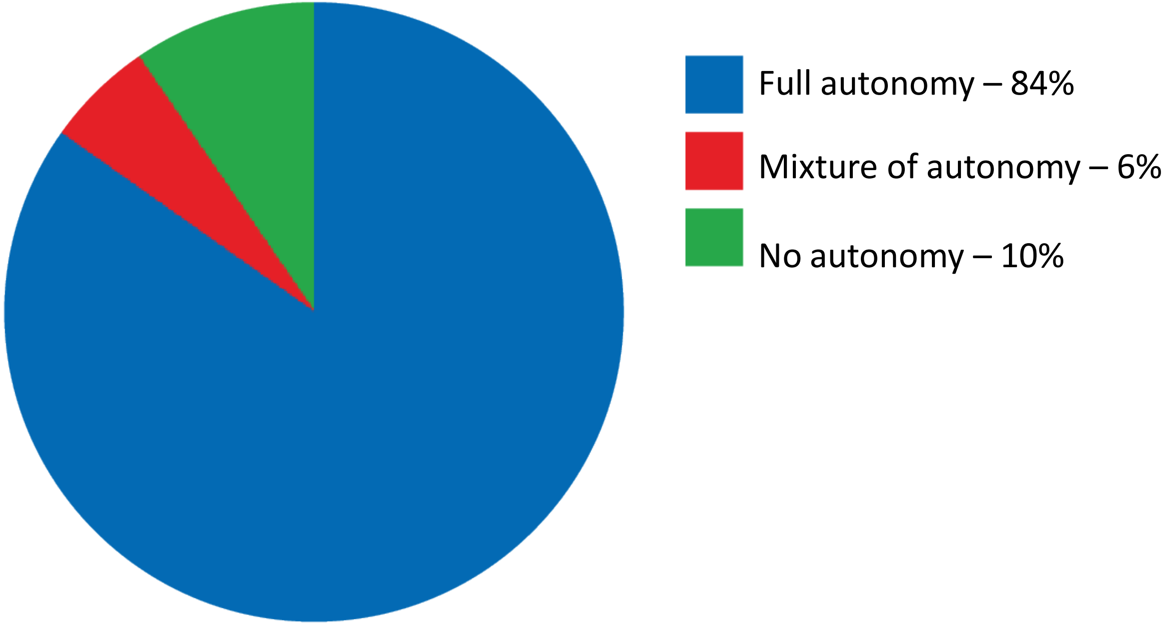
- No budget for these services – 38%
- No need during 2013/14 but there will be a need in the future – 12%
- Do not need creative services – 32%
- Not important enough to invest in – 6%
- Other – 12%
- Disappointed in previous results– 0%

% represents 30 respondents who did not use CI services in 2013/14

"Previous owner did not do any of this"
"[Our business was] not operating in 13/14"

Creative industries services used

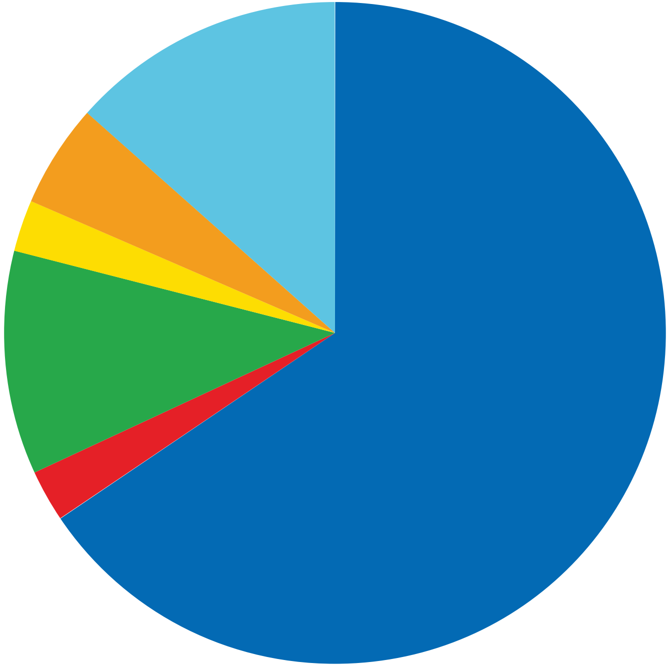
Who decided whether or not these CI services would be used



% represents 124 respondents who used CI services

Most significant CI service used

Location of provider



A local (Townsville) Provider – 66%

Wider NQ Provider – 3%

Interstate Provider – 11%

International Provider – 3%

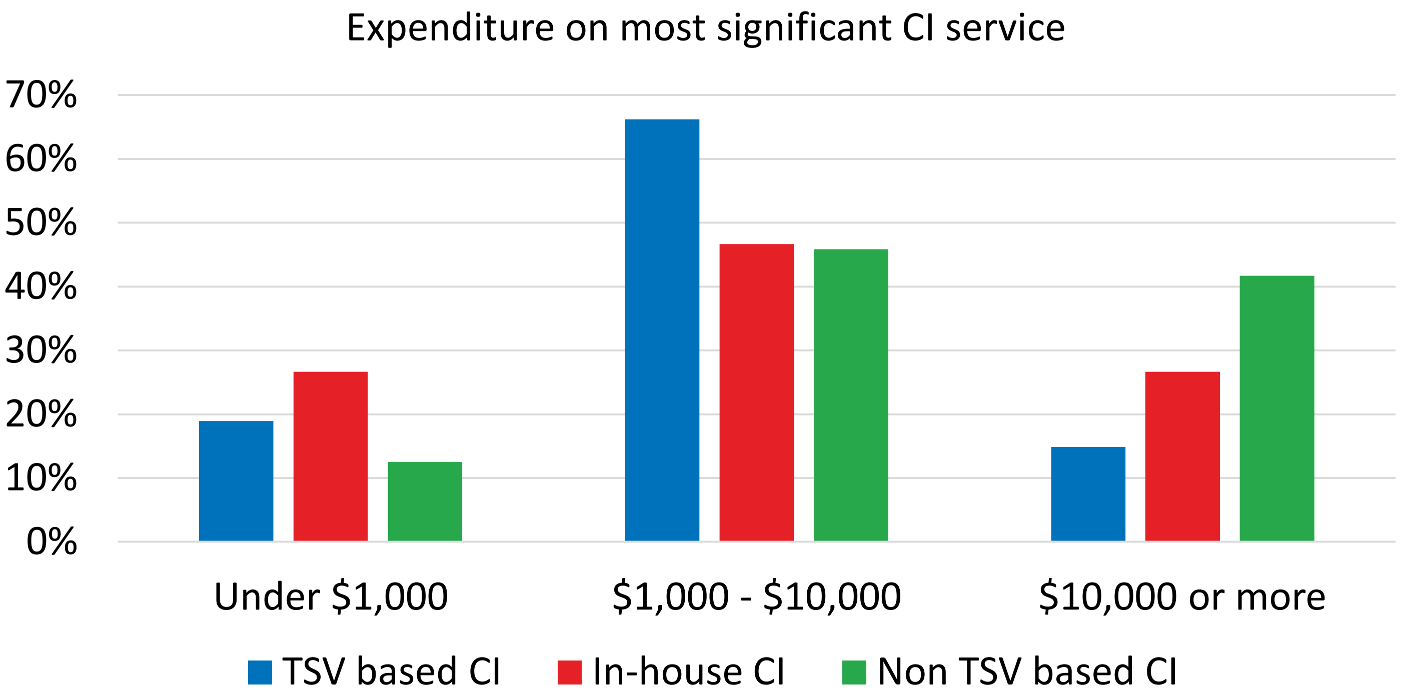
Online Provider – 5%

In-house employee – 13%

22% lost

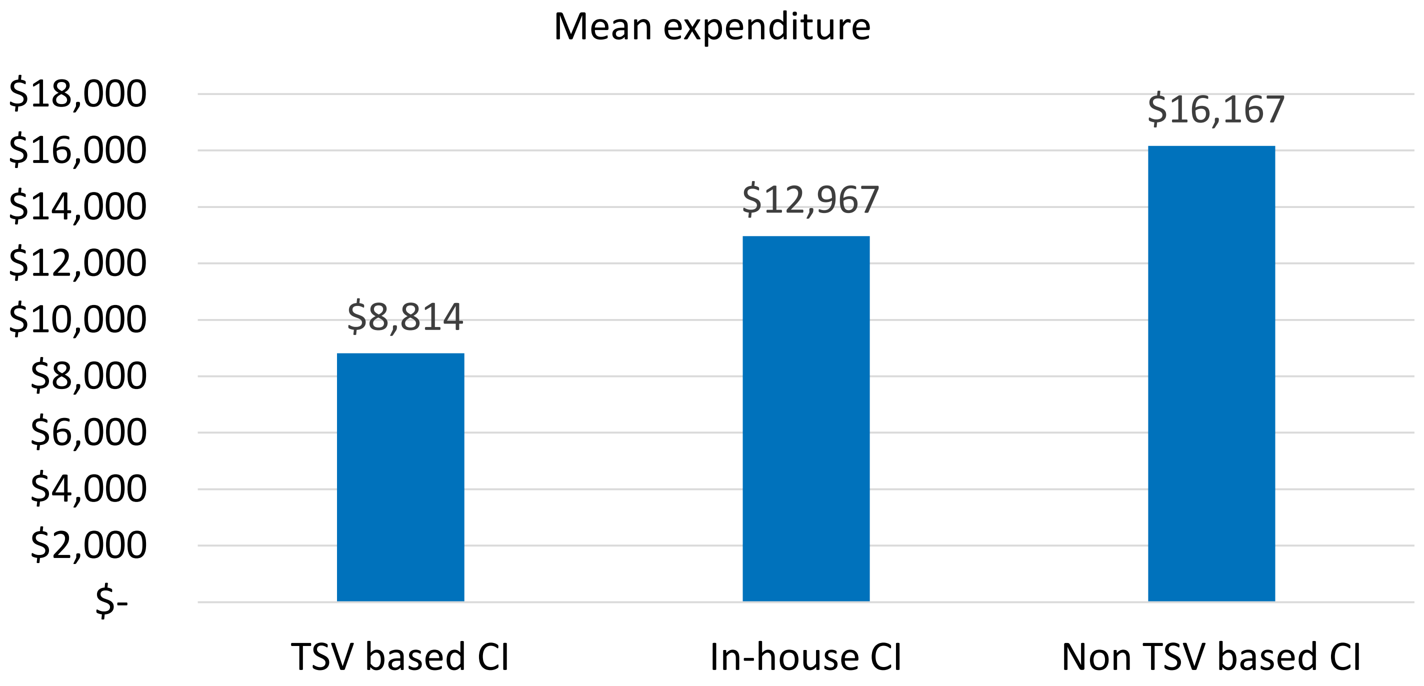
% represents 119 respondents

Most significant CI service used



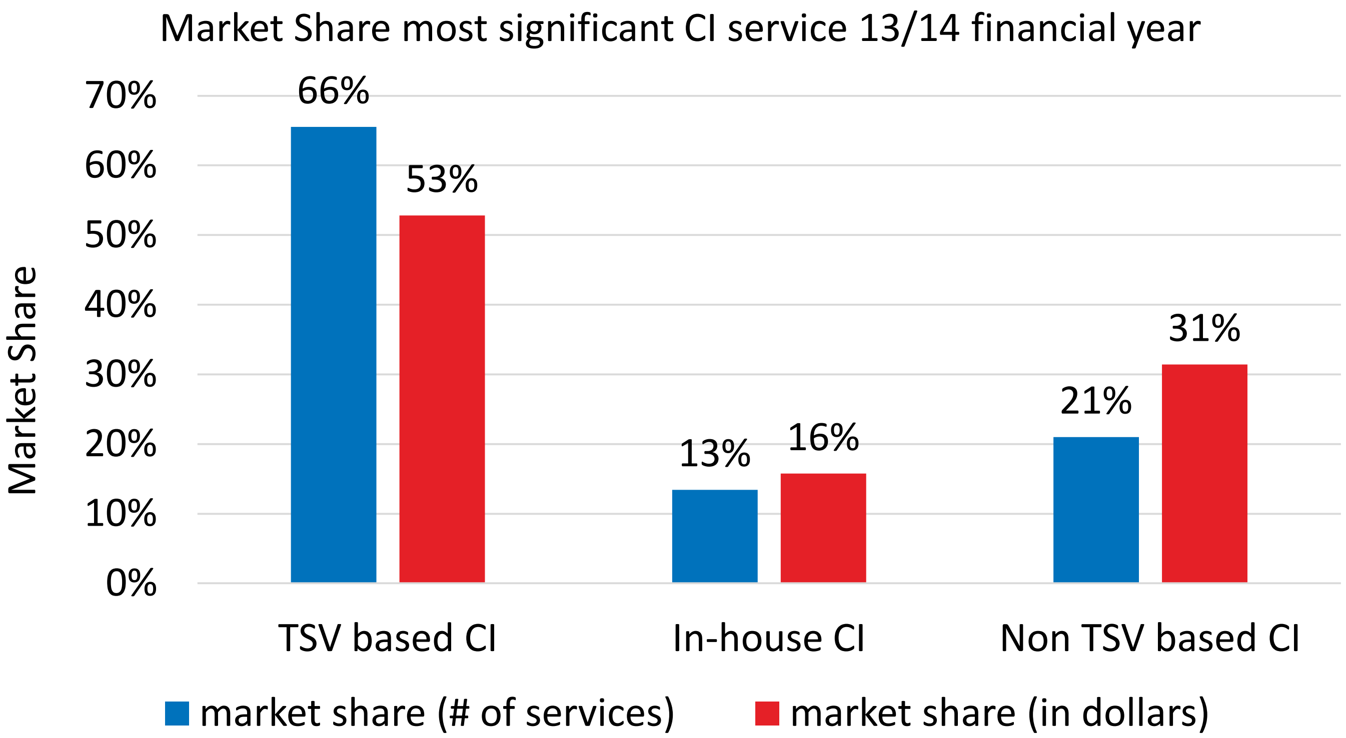
% represents 113 respondents

Most significant CI service used

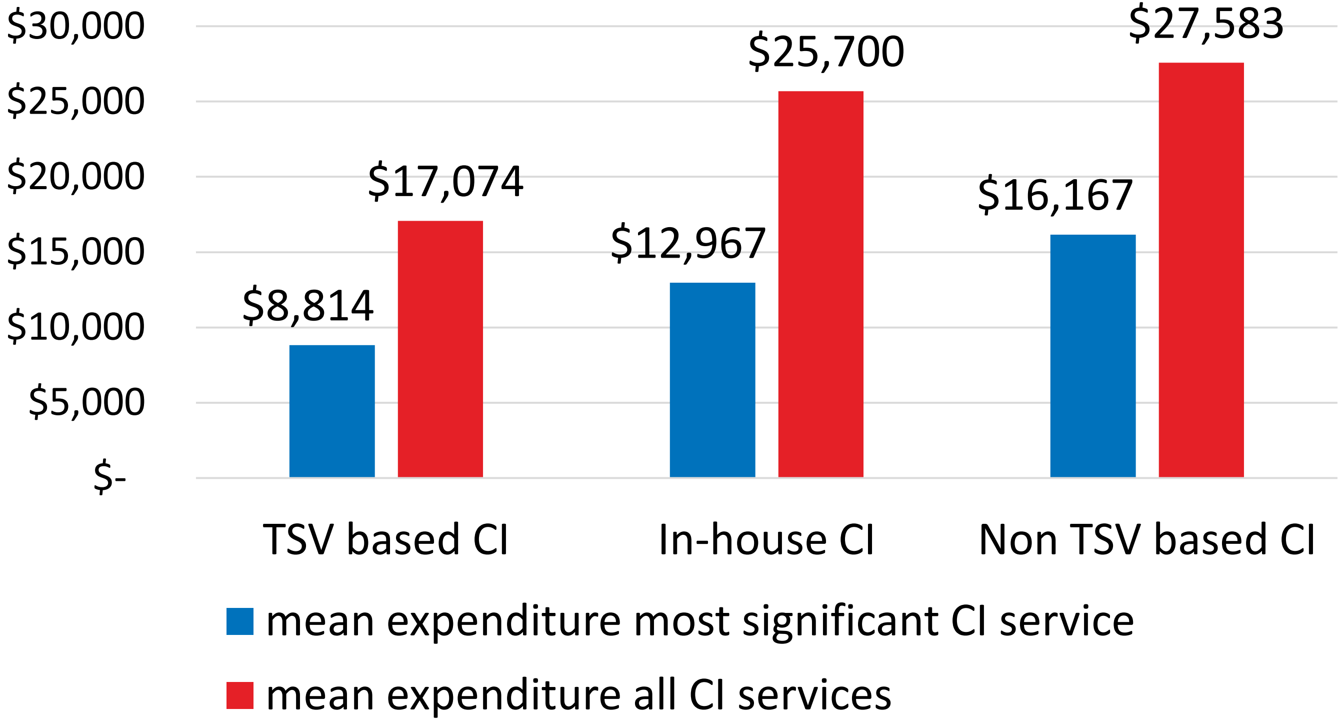


% represents 113 respondents

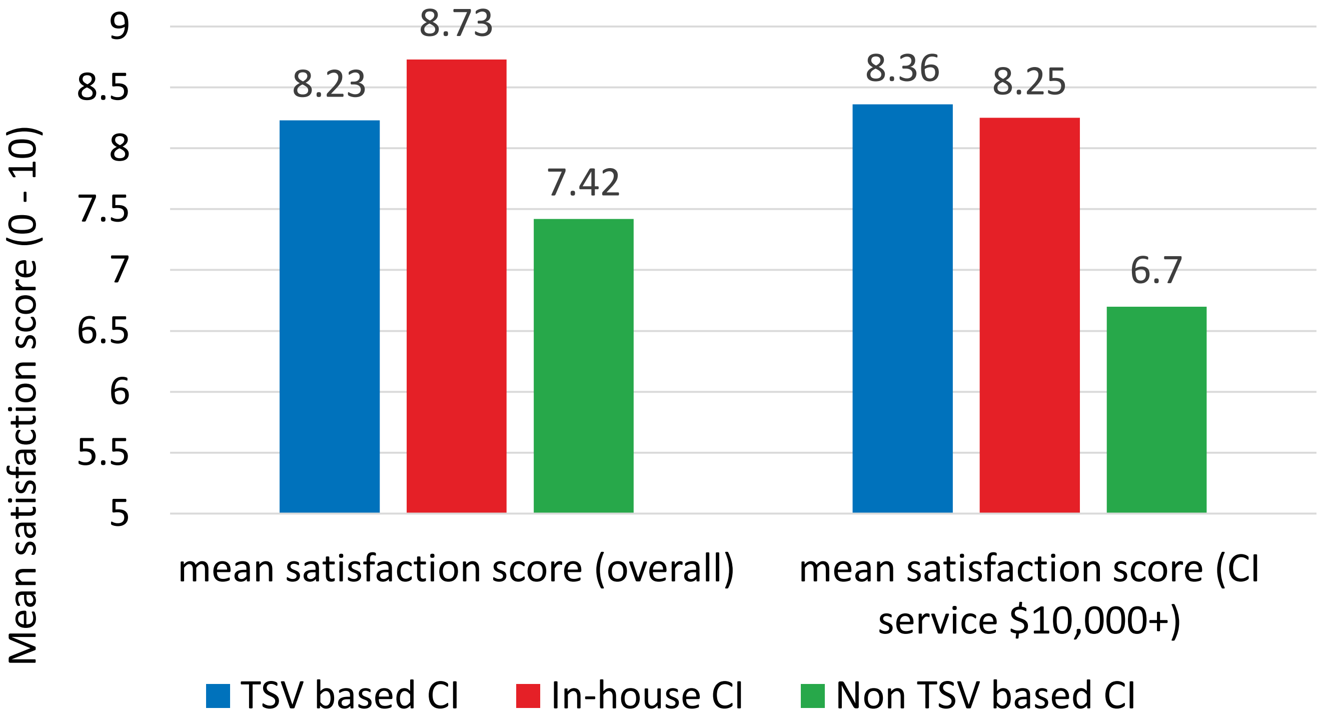
Most significant CI service used



All CI services used



Most significant CI service used



Most significant CI service

TSV based CI service provider	Non TSV based service provider
1. Reputation	1. Significant input
2. Significant input	2. Quality samples
3. Price	3. Broad range
4. Quality samples	4. Quick completion
5. Quick completion	5. Innovation
6. Innovative	6. Reputation
7. Broad range	7. Price

Non TSV based CI providers

Reasons why businesses used non TSV based CI businesses

- Not aware of providers in Townsville – 25%
- Can provide more input – 0%
- Arrangement more price competitive than Townsville providers – 13%
- Quality is better than Townsville providers – 17%
- Range of products is better than Townsville providers – 8%
- Quicker than Townsville providers – 0%
- Other – 38%

% represents 24 respondents who used non TSV based businesses for most significant CI service

"I am aware of TSV base providers for this service but their costs are prohibitive at this time"

Providers outside of Townsville

Reasons why businesses used providers outside of Townsville

- Chose NQ provider
- Chose interstate provider
- Chose International provider
- Chose Online provider

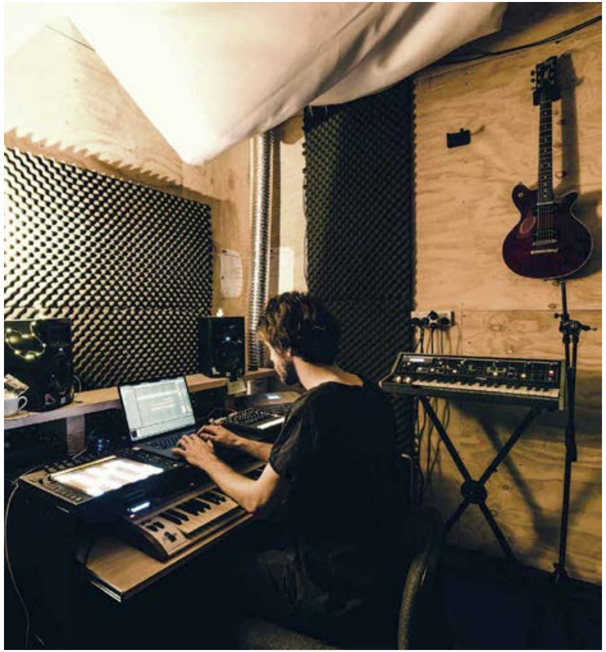
- “Not one local company responded”
- “[Were] recommended by industry partner”
- “I was approached by this business with a good offer”
- “Owners son did the video”
- “[The] Online provider allowed me to make all my own decisions online and order the prints. Quick and easy.”
- “I was able to do most of the set up myself”

Respondents who used CI services outside of Townsville during the 2013/14 financial year

Discussion/conclusions

Numerous overarching issues of relevance:

- Leadership and advocacy
- Fragmentation and diversity
  - Subsidised art forms versus commercial ventures
- Vertical/horizontal power structures (Bourdieu 1993)
- Infrastructure
- Perceptions (local/metropolitan)
- Influence of broader economic conditions



Nauti – Studios Inner Western Sydney

ADX – Portland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MUSICIANS, THE
SELF EMPLOYED,
THE INDIVIDUALS,
THE ARTISANS