

# Reader on the Creative Industries & Social Innovation

By Fontys ACI

## Inspiration

Reading tips, inspiration, introduction in the creative industries and social innovation.

## Project

Collection of research conducted by the research group.



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# Who we are: A brief introduction

## The Members of the Research Group



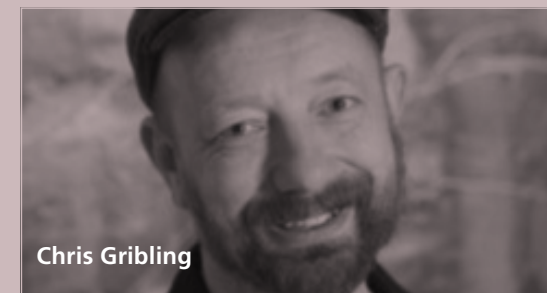
Arjo Klamer

Lector



Bertan Selim

Research Manager



Chris Gribling

Researcher / Member of the Research Group



Paul Schreuder

Researcher / Member of the Research Group



John Verhoeven

Researcher / Member of the Research Group



Marlin de Bresser

Researcher / Member of the Research Group



Ferry van de Mosselaer

Researcher / Member of the Research Group

# Table of contents

<b>1. Foreword by Bertan Selim.....</b>	<b>06</b>
<b>2. Introduction by Arjo Klamer.....</b>	<b>08</b>
<b>3. Creativity.....</b>	<b>14</b>
3.1. Introduction to Creativity by Chris Gribling.....	14
3.2. Articles by our Team on Creativity.....	18
- Creativity and its Origins by Bertan Selim	
- Fontys ACI Hotspots: Maximizing Serendipity by Marlin de Bresser	
- The role of the Government Supporting Creativity by Paul Schreuder	
3.3. Our Reading Tips Regarding Creativity.....	22
<b>4. Cultural Economics.....</b>	<b>24</b>
4.1. Introduction to Cultural Economics by John Verhoeven.....	24
4.2. Articles by our Team on Cultural Economics.....	28
- The Destructive Value of Digital Technology within the Creative Industry by John Verhoeven	
- Online Event Experience: Could You Take a Break? Can You Lower the Volume? by Paul Schreuder	
- Are You Fit to Plan? 5 Ways to Bring Value to Your Event by Paul Schreuder	
- Four Criteria to Measure Emotional Value by Paul Schreuder	
- Culture Looking to Express its Right Value by Bertan Selim	
4.3. Our Reading Tips Regarding Cultural Economics.....	36

<b>6. Social Innovation.....</b>	<b>38</b>
6.1. Introduction to Social Innovation by Ferry van de Mosselaer.....	38
6.2. Articles by our Team on Social Innovation.....	44
- Making Room for the Creative Thinker by Marlin de Bresser	
- Events are a Designed Reality & We Need Less Events, More Reality by Paul Schreuder	
- Storytelling in Leadership by Marlin de Bresser	
- (Un)organizing Innovation in SMEs in the Creative Industries and the Role of Creative Leaders by Marlin de Bresser	
- Now on Stage: "Social Innovation, the Impossible, but Perfect Love Between Romeo and Juliet" by John Verhoeven	
6.3. Our Reading Tips Regarding Social Innovation.....	50
<b>7. Conclusion by Bertan Selim.....</b>	<b>52</b>
<b>8. Colophon.....</b>	<b>54</b>



# Foreword.

## By

# Bertan Selim.

*“The work you see in this book would have not come to light if it was not for the hard work, dedication, curiosity and motivation of a number of enthusiasts and lovers of research within the teaching staff of the Fontys Academy for Creative Industries.”*

### Foreword

The book in front of you is the result of the hard work of many committed staff members of the Tilburg based Fontys Academy for Creative Industries (University of Applied Arts and Sciences) teaching faculty who have been engaged in the Research Group/Lectureship (Dutch: lectoraat) on Creative Industries and Social Innovation in the past four years.

The Research Group, established in September of 2012, has been devoted to conducting research, exploring developments, questioning theoretical approaches and contributing to the overall thinking on creativity, social innovation and cultural economics within the Fontys Academy for Creative Industries (hence Fontys ACI). The content of the work has very much been based on the overall curriculum specification of Fontys on the one hand, and on the other hand, on the work, expertise and interests of the participants of the Research Group. Thus the research developed through the Research Group has always been aligned to the needs of the educational curriculum of the Fontys ACI. Its main purpose therefore has been to strengthen the outputs and effectiveness of the teaching staff by offering practice-lead, empirical research, with the purpose of subsequently incorporating this into the Fontys ACI teaching curriculum and methodology.

This work has been strengthened and directed thanks to the guidance of Prof. Dr. Arjo Klamer who has served as Reader (Lector) of the Research Group. It has been an honor and a pleasure to work alongside Klamer in giving shape to the work produced throughout these four years.

However, the work you see in this book would have not come to light if it was not for the hard work, dedication, curiosity and motivation of a number of enthusiasts and lovers of research within the teaching staff of the Fontys Academy for Creative Industries. I would like here to give special mention to those who worked mostly on making this publication possible: **Marlin de Bresser, Chris Gribling, Ferry Van de Mosselaer, Paul Schreuder, and John Verhoeven** including two outstanding students who were part of this venture: **Maartje Ramakers and Janka Waeijen**.

In addition to this, there have been many Fontys ACI staff members who in one way or the other were involved in the Research Group. Here I would like to mention and thank them all for their inputs and contributions no matter how long, or intensive their commitment to the Research Group: **Pieter Bon, Anja Sparidaans, Nick Welman, Marion Andringa, Remco Langeler, Jakob Suttmüller, Lotte Bouhuijzen, Petra Tenbült, Laura van Hinthum-Angenendt, Sanne Knitel, Rudy van Belkom, Olga van Merendonk, Sabine Meiling, and Wendalin Giessen** including the students who were part of Research Group: **Max van der Heijden and Jeffrey van Hest**.

The book in front of you is meant to serve as a general introduction and orientation for newcomers to the Fontys Academy for Creative Industries, whether as new incoming teaching staff, or as new student; as well as for the student alumni of the Fontys Academy for Creative Industries. In fact, this publication has been designed as a resource and toolkit for all those interested to understand the basic literature and schools of thought relative to the Creative Industries, and its impact on social development through (Social) Innovation. Having said this, with this publication we do not suggest or imply to give an overarching account of all literature relevant to (academic) reading in relation to the creative industries and social innovation. This publication is intended as a reader aggregating some of the relevant literature related to this domain. This publication is therefore a resource and starting point, which is intended to be further complemented by additional research into Creativity, Social Innovation and Cultural Economics – all essential parts of the Creative Industries today.

Finally I would like to thank the management of Fontys Academy for Creative Industries for making our work in the past four years possible, including this publication. Without their support and trust in our work this publication would have not become a reality.

# Introduction.

## By

# Arjo Klamer.

## The Creative Economy and Social Innovation

For all those studying the creative economy and social innovation, I have an important advice: change your picture of the economy.

The standard picture that informs most economic policies is that of the market, or a system of markets. We are made to see markets with suppliers and buyers, products and prices. The focus is on the transactions between buyers and suppliers. The prices of such transactions get recorded and the result in the form of Gross Domestic Product is taken to represent economic performance. As a consequence the economic policy that the standard picture informs, is focusing on increasing the number of transactions, and thus, to improve conditions of supply and the willingness to buy.

That picture works well for an industrial economy and may still do a pretty good job for a service based economy, but it is misleading for the creative economy. For our program at the creative academy we are in need of another picture. (For an elaborate motivation see my "Doing the Right Thing: A Value Based Economy, 2016).

The **creative economy** is an emerging concept about to replace the popular notions of the information and the knowledge economy. With the introduction of computer technology information was believed to be the key to progress. Access to information was the desired good. After the information economy came the knowledge economy as the awareness grew that information does not mean much without knowledge. Where the information economy inspired investment in information technology and the development of information gathering services, the knowledge economy focuses on research and development, on education and on so-called knowledge workers. In such an economy knowledge is the scarce good. The creative economy is believed to be the next stage.

A creative economy is about ideas and images. It is about meanings. Music is an example (that John Verhoeven likes to use). Music is sound and as such intangible and difficult to grasp. Music has to be meaningful to be heard. Once it is heard, it may attract more and more attention. The music involves transactions of all kinds, but is about so much more. The same is true for design, architecture, fashion, games, art, the internet, knowledge, communities, religion and so much more. All these goods acquire their value beyond the economic transactions. GDP does not account for that value. Even though creativity will generate financial revenue, goods like music, clothes, movies, iPhones, and shoes are creative because they generate mainly creative value.

The direct costs of production (think of material, input of machines, and labor) constitute only a fraction of their price; people pay mainly for the image that they represent, the label, their meanings. The value added is mainly imaginary, that is, in the minds of people. That is why Paul Schreuder writes about emotional values, Marlin Bresser about conversations in the coffee corner, and Bertan Selim about experiences, among other topics. We all need to break from the confines of traditional economic thinking.

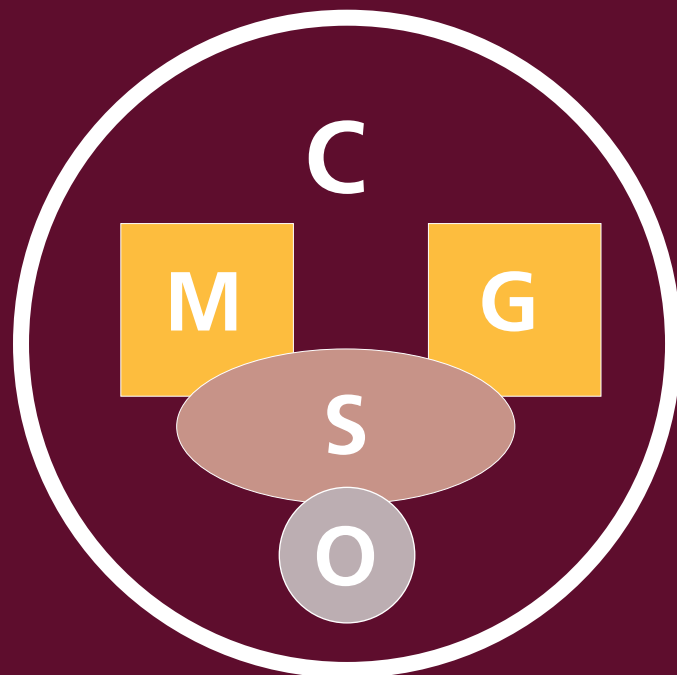
By speaking in terms of a creative economy, the discussion will inevitably focus on the conditions that stimulate creative work. After all, a creative economy represents creative work. Creative work requires creative workers. Creativity is its driving force. How then does creativity come about? It is a question that preoccupies us in this research group as you will learn in this publication. In a standard perspective creativity might be considered a force of production that is needed besides capital, labor and other inputs to generate creative products and services. The general assumption is that individuals are creative so creativity works by way of creative workers. New insights render such a perspective obsolete and false.

As numerous researchers have shown creativity comes about in a creative environment. No matter how creative individuals may be, their efforts will become little to nothing if they do not find the right response to their ideas. That is why cultural economists have embraced the notion of the **creative commons**. The commons refers to a shared space to which people and organizations have access if they participate in the practices that make up the commons. The usual association is with the commons that surround villages to which all villagers have access for example to let their sheep graze. The creative commons consist of creative practices.

A creative commons exists because people and organizations participate, contribute and benefit. A commons, therefore, requires a practice that constitutes it. Contributions are critical as without them the commons will be depleted. Contributions are elements of the practice; in case of creative commons they often are creative contributions. But equally important is the interest of others for what the commons brings about. The commons must generate goods that benefit others to survive. The benefits usually will be such that others are willing to pay for the goods thus providing the means that are necessary to sustain the commons.

The practice of a creative commons is a shared practice. That means that within its context people interact in all kinds of ways, do things together, share contributions without the intervention of monetary transactions and governmental procedures. The interactions are social in kind. Csikszentmihalyi, who has studied creative processes extensively, has concluded that creativity is not so much the outcome of individual efforts (as by a genius), but the reflection of a creative environment. Individuals may be creative any time, but if their creative contributions are not recognized and received as such, they will go to waste (see for example (Csikszentmihalyi, 1996).

The realization of a creative commons is not what standard economics foresees, or for which it provides a clue. It is not enough to have a government with a program and a budget; a commercial company may get something going but usually is unable to generate an sustainable commons. Would the company leave, it usually means the end of the commons that it brought about. Accordingly, identifying the creative commons calls for another picture of the economy, that is, a picture that shows more than markets and governments as in the standard economic picture. The following is the picture that the value based approach provides:



The M stands for the market sphere. This is the sphere of exchange, of products and their prices, of demand and supply. This is the sphere to which standard economics pays most attention. It is the sphere of private property and of the willingness to pay.

G stands for the sphere of governance, that is, of organizations, of rules and regulations, of laws and directives, of taxes and subsidies. In the standard economic picture G is the sphere that we need to correct imperfections of M. It is also the sphere of organization, including the organization of commercial activities in the form of companies. And it is the sphere of the collective, of public goods.

New in this picture are O, S, and C. O stands for the oikos or home. This is the sphere in which people realize their home, their family life. In this sphere parents raise their children and children take care of their ageing parents. M and G are usually at great distance from the O. The logic of the O is different, too, as it involves the sharing of goods and requires community. In this essay the O operates in the background.

Important are the spheres of C and S. In C, the cultural sphere, artistic, religious and symbolic values come about. When John makes music, the music has to resonate and for that it needs a cultural practice, a creative commons, that renders such music meaningful. Playing Bach for an isolated Indian tribe will most likely not resonate by lack of a shared practice. Traditional Korean music requires ongoing practices in order to survive. John needs his scene in order to develop his music. Without C, the cultural sphere, artistic, religious and symbolic values won't be able to survive. They would be rendered meaningless.

The social sphere, S, is where people interact, socialize, and entertain relationships, communities, clubs and societies. Enjoying music usually is social as much as it is cultural. People share certain music, they join each other in going to concerts and festivals. Fashion, too, is social in the sense that it is shared by people. The creative commons are social because they involve people working together and sharing creative expressions and activities.

Why is the distinction of these five spheres important for people interested in the creative economy? Because the picture makes clear that the creative economy is not about producing products and selling them on the market for a good price (in the M sphere) with or without governmental support (the G factor), but requires the realization of, or participation in creative commons. Practices in C, the cultural sphere are needed to render the goods meaningful; they need to be in the relevant conversation, in order to be discussed, judged to be meaningful and interesting. Producers will have to seduce people to participate in or contribute to that commons. The participation is social and therefore takes place in the social sphere.

Creative goods require a social environment of people able to appreciate them, to share them and to applaud them to others. New goods require different environments and hence social innovations. Other than the standard picture suggests, creative goods need a social innovation in order to flourish before they make a chance in the market sphere. To understand all that is what motivates our research program.

### So What is Needed for a Creative Economy?

Because the social and cultural spheres are so important for the emergence and functioning of a creative economy, creative people and creative organizations tend to cluster physically. Their presence in a town or region tends to attract others to that town or region. Creative people need each other for their creativity to blossom, as Richard Florida has been able to show (Florida, 2002). It is just what Csikszentmihalyi had observed.

It is less clear what attracts creative people to certain areas, other than the presence of creative people. It could be the attractiveness of a town or city. But that is not a sufficient factor as many attractive city without a strong creative sector can attest.

The cases of Hilversum and Eindhoven provide some clues. What Eindhoven has, and what Hilversum lacks, are institutions of higher education. Both a technical university and an academy of design have contributed to a social environment that inspires innovative practices. Hilversum lacks such institutions of higher education, and does not, therefore, attract young creatives and does not experience an annual influx of well-trained creatives as Eindhoven does.

The presence of research facilities, starting with the famous labs of Phillips and continued with the research environment of companies like ASML, is responsible for an innovative and creative environment in Eindhoven. The technical university of Eindhoven is a strong support of such an environment. As we learned in the Silicon Valley, researchers do not just work in their own working environment but they socialize in all kinds of settings and develop dense networks that constitute the innovative environment. It is the kind of social innovation that is characteristic of an emerging creative economy. The cultural facilities of the town Eindhoven facilitate and stimulate the informal interactions. They function as meeting places, as generators of serendipitous moments. Recall the notion of the creative commons; it is what a community of creative e people generates.

Hilversum is lacking such a strong innovative environment and is too small and too close to Amsterdam and Utrecht to generate a dense cultural life, or a rich creative commons, in which the creatives can mingle and flourish. They prefer to do the mingling in Amsterdam and do the work in the media campus in Hilversum.

Eindhoven also more than Hilversum has been able to transform old and abandoned industrial sites into creative spaces where creative companies gather and creative activities take place. Here we see another important factor and that is a responsive government. Even though the governors of Hilversum are eager to support the media industry in their town, they lack the means and the endurance to collaborate with private companies to realize such transformations of old industrial sites. In Eindhoven the government has been active in stimulating, supporting and facilitating those industrial sites. All kinds of other cases attest to the importance of the collaboration between governments and the private sector for the generation of innovative environment.

This is not to say, that these factors are conclusive. Hilversum continues to be a creative town in spite of the lack of higher education. Its creative sector came about in an accidental way, as it usually does. The presence of the media continue to attract creative activities, although it is not clear how the city of Hilversum benefits from them. They provide employment for production workers; some creative people with a family prefer Hilversum above Amsterdam, but most travel back and forth. The cultural infrastructure of the town continues to be modest because of the rich offerings in Amsterdam and Utrecht nearby; tourism is all but absent. Eindhoven benefits a great deal more from its creative sector. Its downtown got a facelift, it has a rich array of cultural offerings, and the transformed industrial sites significantly increased the cultural capital of the city. The creative people tend to live in Eindhoven or in the near neighborhood thus adding to a lively climate. Amsterdam is too far away, at least according to Dutch standards.

Strangely maybe, the take-off of a creative sector is hardly ever the result of a concerted governmental effort. It has not been in Eindhoven and it certainly was not in Hilversum. Even an entrepreneurial government in Eindhoven would not have been able to accomplish a great deal without spontaneous private initiatives and situations that it cannot control or influence. Collaboration is the key as it may generate the kind of social innovation that is called for.



A good government is responsive. Governments do better taking into account the local sources, including social and cultural sources, and work with the acting forces rather than organizing and imposing entirely new activities. Starting an activity all anew, founding a sector that has no roots whatsoever in the local area, such governmental interventions are bound to fail. The presence of local craft traditions, for example, can be exploited. However, no matter what governments do, without cultural entrepreneurs, that is people who are willing to take risks, have the ability to mobilize other people, and do so with a keen eye for local strength, they stand little chance. As the government of Eindhoven did, they should identify such entrepreneurial types and work closely with them to facilitate and support them whenever possible.

Therefore:

- 1) Step outside the boundaries of standard economics. Change your picture of the economy
- 2) Picture an economy with different spheres and focus especially on the social sphere when you try to understand the creative economy.
- 3) Watch for social innovations that bring about new practices, and generate a new (creative) commons.
- 4) Understand that a big part of the creative economy is imaginary; it is about ideas, images, experiences and values.
- 5) When you are a practitioner yourself, be aware of the social practices that make up a creative economy and look for the vital clusters and brooding spaces.
- 6) When you want to work for governments or organizations, be aware of the limited influence these have on the development of the creative economy, including social innovations. You may be able to facilitate, stimulate and support such developments but will make little chance if you want to initiate them. You will have even less of a chance to control and direct creative processes.

Having noted this all, I should point out that these are principles and directives for action. They are no formulas for success. For that, endurance and creativity are required, and a dose of luck.

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# CHAPTER ONE.

Introduction to

## Creativity

By Chris Gribling

*(Article originally written in Dutch)*

## The Meaning of Creativity to the Creative Industry.

The creative industry is an industry with more than just creativity in its name. The creative industry is driven by creativity. The word creativity is often interpreted in different ways. In this introduction will attempt to give a wider account of the various definitions of the concept of creativity. My intention is to enable within Fontys Academy for Creative Industries that one can use a conform language when speaking of creativity and the creative industries.

### The Myths of Creativity

The confusion surrounding the concept of creativity started already with the ancient Greek myths and legends. To explain the concept of creativity it is important to remind ourselves of some of these myths. Some are mentioned in the popular book *The Myths of Creativity* by David Burkus (2014). The ancient Greek mythologies speak of nine Gods that served as inspiration for the visual arts. Clio for example, was the Muse of history and the discoverer of the guitar; Thalia the protector of comedy; Erato the protector of love and lyrical poetry. The Muses had their own place within the Ancient World. If one were to narrate stories my involving different Muses within the narrative, then one would have been punished, back in those times. In the Legend of Thamyris, Thamyris played the lyre and wrote poetry. Out of anger at this forbidden mixture of creative forms, the Gods blinded him as a punishment. The Muses reaffirmed that the ability to create was given by the Gods and that it would be the Gods only who could decide on the form of creativity. Equally, in Christianity God is the only source of creation and creativity in the universe (Burkus, p. 3).

The cult of the Nine Muses was again reinforced during the Enlightenment period. Thus creativity quickly became associated to the arts. Values and meaningful content were symbolized in the form of images, text, sound and theatre. Original ideas were developed, translated and visualized. Later this division of the arts was also appropriated by the Australian cultural economist, David Throsby. In his book, *Economics and Culture* (2001), Throsby discusses the current cultural economy. Thorsby's Concentric Circle model (2008, Throsby) identifies the arts as core of creativity. This category is illustrated within his model, under the circle of music, literature, visual arts and performing arts. He claims that the creative industries go beyond the domain of the arts. These four art forms lead to all creative content referred to as the creative industries.



### The Creative Industry

In the Creative Industry report from 2008 issued by the Dutch organisation, TNO (*De Nederlandse Organisatie voor toegepast-natuurwetenschappelijk onderzoek*), the creative industry is described as “an industry where economic and cultural value of meaning is central... and floats on creation and the creative ability from individuals, groups, companies and organizations” (Rutten, Koops & Roso, 2010). In the report Monitor Crossovers Creative Industries TNO enforces this definition. The creative industry is described as:

*“A specific form of activity that produces goods and services that are the result of individual or collective, creative work and entrepreneurship. Content and symbolism are the key elements of such products and services. They are purchased by consumers and business customers because they recall to have meaning, which creates an experience.” (2015, van der Giessen, Koops, Nieuwenhuis of Nuenen, P.12).*

Some words stand out in this definition: value of meaning, creating and creative ability, creative work, content and symbolism. These concepts are closely related to creativity and are key terms in understanding the definition of creativity.

### The Work Field as a Stage

The definition of TNO (2015) (*De Nederlandse Organisatie voor toegepast-natuurwetenschappelijk onderzoek*), speaks of the “activity that develops products and services... content and symbolism are the main elements of these products and services”. So ideas are manifested by a product or service and this materialization is a result of applied imagination. Educational innovator Ken Robinson defines creativity as a form of applied imagination (Robinson, 2009, P. 73). Arjan van den Born, professor of entrepreneurship in the creative industries at the University of Tilburg qualifies creativity in a simple way: “Creativity is nothing more than the production of new ideas” (Born, 2013, p. 6). Born and Robinson agree that creativity only exists when something concrete can be seen and heard as an outcome. Something can only be perceived as creative when it is performed for an audience within a field or domain.

“A creaking tree is not heard in a forest where there is no listening ear” (Csikszentmihalyi 1999 pp. 14-16). Csikszentmihalyi, author of “Creativity: Flow and Psychology of Discovery and Invention”(1999), refers to the fact that without a stage creativity cannot exist. In this context the word stage is rather literal. It is a stage or platform, unlike for example a stage for the performing arts. The word stage is in this context refers literally to a stage for the arts in general.

The stage stands for a place within the discipline or domain where the outcome of a creative process is seen, manifested, heard and appreciated.

### Applied Creative Content

Creative content is used within the creative industries. Creative content, also called ideas, are used in images, text, music and in performing arts. A new meaning is created when authentic images, text, music and performing arts are used in a different, novel way within the work field or domain. The creative content is illustrated through application. This way the production, distribution and implementation of ideas as products or services is no longer exclusive to the art domain.

### A Creative Product

But when is a product or service qualified as creative? In her book Creativity in Context (Amabile, 1996) Theresa Amabile defines a creative product as “A product or response that can only be called creative when experts call it both original and useful for the domain” (p. 35). Here too we find that a product has to be useful for the domain in order to be seen as creative. Distributors or producers that are willing to invest in an idea are an example of experts that determine whether something is indeed useful. The concept of originality is multifaceted and may be interpreted in different ways or be seen as subjective. Therefore in this definition, the concept of originality is difficult to define. Yet Amabile identifies the experts of the domain as a main driver to define whether something is original or not. These experts are professionals in a certain field or domain, have a certain status and acknowledge innovation within an area or work field. For example, in the arts these experts are seen as gatekeepers. Think of museum directors, programmers, etc., who make important decisions related to how the discipline develops. It is harder to name these experts generically for the entire creative industry.

### Establishing New Connections

From this definition Amabile adds on to argue that: “The generation of originals and appropriate solutions, whereby the task becomes one of heuristic than than algorithmic considerations” (1996, Amabile. P.35). In an algorithmic task the process to the solution is already clear and has only to be carried out. In a heuristic task the process towards the solution remains unclear and unknown from the onset. In this case, more use of imagination is necessary. Herein new processes and ways for problem solving are explored, where thinking out of the box is stimulated. The economist, Igor Bytsebier, describes creative thinking as: “Breaking patterns and making new connections” (2002 Bytsebier). And this is where the core of creativity lies.

And this is where the core of creativity lies. In this case, the creator must be able to use and combine existing knowledge to create something novel for creativity to take place. This ability is therefore not granted only to great artists or scientific geniuses. Combining existing products, services or technologies in a simple way often result in a new product that receives a place in the work field or domain. These ‘Neue Kombinationen’ as Joseph Schumpeter, the founder of the concept of creativity, calls it (van der Duin, 2009), are often the foundation of innovation, or in other words of novel products and their successful implementations.

### Knowledge Leads to Creativity

Creativity is necessary in order to make original ideas applicable for new markets. In order to generate creative products in a creative industry, creative people are needed. Sharing knowledge on, for example: creative thinking and the creative process is a first step towards speaking a shared, common language when speaking about creativity. This way we intend to make creative people acquainted and more familiar with the definitions related to the concept of creativity. This is relevant as creativity is vital for the industry that carries its name: the creative industry.

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# Articles by our Team on Creativity

## Creativity and its Origins

By Bertan Selim

I do not agree with some of the mainstream claims that creativity materializes through an interaction of the individual and society (Csikszentmihalyi). Rather, I believe in one's creative capabilities which interact with one's understanding of the creative domain – and that this takes place within the mental framework. Hence, it is the individual who gives creativity an expression. Subsequently, it is our social context where creativity is manifested and therefore where it is given recognition and legitimacy. In other words, society objectifies creativity and classifies it within the general taxonomy. It is, of course, a matter of social understanding and development of the domain that determines the social reaction to creativity. However I maintain that creativity is initiated with the individual who is creative, who themselves enable the production of creativity. The varying degrees of these two categories – subjective intent and objective circumstance – help measure the 'genius-ness' of a person's ability to bring out creativity which then in turn is put to a greater social service. Put simply, I would compare creativity to an epiphany of ideas, taking place in an individual's mental matrix, which is articulated in a fashion that is also temporally determined and contextually bound. The level of this epiphany, with its immediate objective originality and relevance, might not be immediately recognized within the social context; and its timing (time of manifestation) serves to define the taxonomy of the creativity produced.

To support this view, I would also have to disagree with the many statements regarding the external nature how creativity is recognized. Instead, I would argue that external recognition is necessary for subjective creative phenomena to be validated and assessed. I would argue further that most manifestations of ideas maybe creative but are not also original.

I would emphasize that an individual articulation to a certain extent is creative in itself, akin to what Madden and Bloom would call Soft Creativity, yet it is clearly not unprecedented. Conversely, I propose to link creativity to objective originality, which means that originality is the social driver that inspires and becomes recognized in society and therefore is deemed to be creative.

Creativity is a personal predilection based on inspiration, experience, and knowledge.

Here I use two examples as a thought provoking case study to think along in how and where creativity initiates. In my discussion with Prof. Dr. Arjo Klamer regarding my PhD research I was asked to provide an intellectual bio, stating themes and issues that have inspired me. The logic of the exercise was serendipity. To generate insight and understanding by looking at my own intellectual inspirations and base my future research on inspirations and relevant knowledge/experience of my own past. It follows that in order for my work to be profound and relevant, it needs to shed light on relevant issues and bring about certain novelties; thus entailing a great amount of creativity in tackling the issues related to my dissertation. This goes to say that if I were to produce something creative and meaningful in my research, I would also need to be inspired by the themes I would be researching. Subsequently, my ultimate goal would be to inspire others in my field and hopefully transform the domain of research or in some ways add to it intellectually.

Another example could be human speech. When speech was first articulated by Homo Sapiens in the evolutionary process, would this have also been seen as creative? Is speech today and how it is used, an expression of individual creativity? It speech then also original enough? Perhaps this is what Csikszentmihalyi has us believing by arguing: "whereas some of the people who have had the greatest impact on history did not show any originality or brilliance in their behaviors, except for the accomplishments they left behind".

In conclusion, problematizing the creation and materialization of creativity is a crucial part to studying Creativity and the Creative Industries. Therefore, providing a universal definition and account of creativity is at the minimum a daunting task, and at the maximum, perhaps an impossible one.

## Fontys ACI Hotspots: Maximizing Serendipity

By Marlin de Bresser

A vibrant innovation cluster is a place where people from different backgrounds such as students, teachers, practitioners, researchers and entrepreneurs meet. Staged meetings or accidentally developed encounters (serendipity) play a major role in the innovation process. Because innovation is a clash of different ideas, it is an encounter between different perspectives. It is therefore important in our network society to build, maintain and use networks. Serendipity is: "the accidental, unplanned encounter which can lead to a better than intended outcome (Kakko & Inkinen, 2007, Inkinen 2006).

As contact with other cultures is extremely valuable (offering a different perspective!) Fontys ACI has designated a number of hubs throughout the world: in Cape Town, London, New York and Seoul. What we try to enable in these cities is not so much different than serendipity a free hand. As students work at their "favourite meeting places" in city centres for four years long, they are directly linked to a network of locals and fellow students. From thereon serendipity takes over.

The encounters between different cultures provide a constructive friction between backgrounds, perspectives and opinions. Also called creative abrasion by Hill et al (2014). This same point can be generalized to life: maximize the serendipity around you – Nassim Nicholas Taleb (2007, 204)

## The Role of the Government in Supporting Creativity

By Paul Schreuder

The writers of the article A Manifesto for the Creative Economy (Bakhshi, Hargreaves and Mateos-Garcia – 2013) argue that policy needs to have a clear definition of the creative industries and a reliable statistical account of this industry.

To what extent should the government support the creative industries? To what extent should the government support creativity? In my view, these are two completely different questions. The first question will always support any attempt

to improve the conventional handling concepts related to the creative industry; To those parts where creativity is at the heart of the activities. An example is "ClickNL" the knowledge and innovation network of the creative industry in the Netherlands (see also [www.clicknl.nl](http://www.clicknl.nl)). ClickNL encompasses the following sub-sectors: Design, Media & ICT, Next Fashion, Games, Built Environment and Cultural Heritage. These are the sectors where creativity is at the heart of their activities.

In the event that government would support creativity (the second question), this support would be found in all sectors. Because all sectors make use of "creativity" in order to improve processes and products.

Unfortunately, most discussions focus on the first question, which typically means that a large part of the added value of creativity is overlooked. If the government were to support creativity on a broader scale, or at least would encourage more directly the integration of the creative industries in other sectors (crossovers), then the added value of these creative skills could be exponentially greater.

In what way would such support need to be designed? It seems obvious that this would take form of financial support. However, if creativity is assumed to have value for other sectors, it would not seem illogical to assume that this added value would have to be at least as great as the values that come out of that creativity, and that both aspect should manage to commercially operate independently.

In my view, the role of government support to creativity would therefore especially be applied to other areas. Namely in those areas where the role of the government in general should be focused on 'industries' such as: education and legislation. Allow therefore the relevant industry to commercially prove itself, by support its educational components (making available therefore skilled personnel) and sound regulations (thereby making it possible to function properly). In my view, we should not make an exception on this issue for the creative industries.

At present, there is no profile within the Dutch secondary school system for creativity; and creativity is barely listed within existing curriculum profiles. If the Dutch



government would like to ensure that the Netherlands maintains a frontrunner's role in the field of creativity then one must ensure that future generations of employees become proficient in skills pertaining to creativity.

At the same time, the government must ensure that new initiatives are encouraged and not hampered in their entrepreneurial nature. Start ups that arise from creative ideas and novel services are still often facing governments that lag behind in terms of providing adequate laws and regulations on the matter. Examples are the lawsuits that several municipal governments (not only in The Netherlands) have been brought against new companies like Uber (within the mobility industry) and Airbnb (hotel and bed and breakfast industries), simply because national laws cannot keep up with the pace of developments within the (creative) industries. Technological developments make it possible to come up with many new creative solutions, including in the area of new business models.

In my view, governments can best support certain skills by ensuring that they are embedded in society in an adequate way. Rather than doing so in a forced manner, it is important to offer some definitions, to frame the particular industry in question and offer sufficient financial resources, but by not formally facilitating the industry in question. This would lead to actions based on ad hoc policy or at most four-year policy plans, and where a true social insertion would provide a more sustainable solution.

*“A large part of the added value of creativity is overlooked”*





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# CHAPTER TWO.

Introduction to

## Cultural Economics

By John Verhoeven

*(Article originally written in Dutch)*

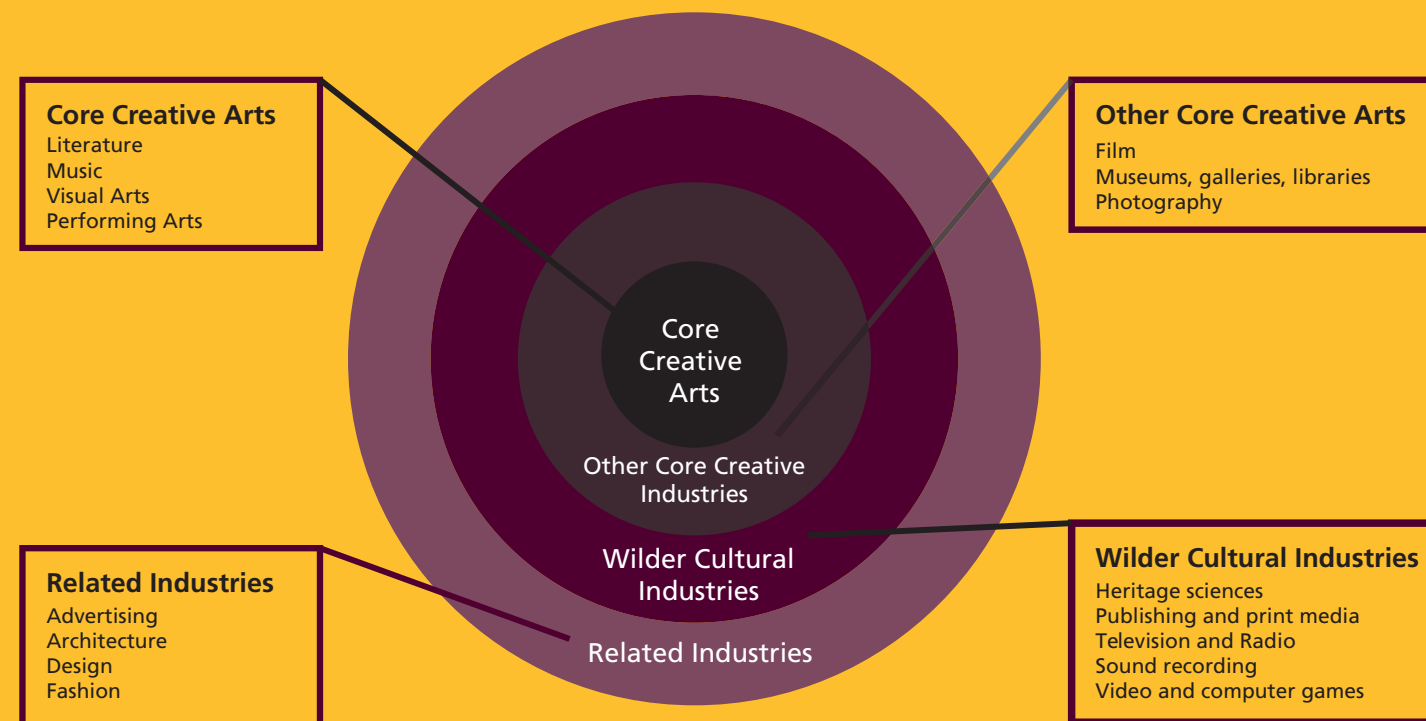
*“Creativity is  
an engine for  
innovations”*

A subject that has clearly received more attention over the past years is the economy of creative products. Creativity manifests itself through a wide number of products that are placed in the market by commercial as well as non-commercial organisations. Creativity is an engine for innovations, a development which within the Dutch economy has had many positive results over the past years. In some cases a distinction is made between creativity in the form of cultural products (for example: theatre), entertainment products (such as: TV, festivals) and even communication products (for example: blogs, social media). The line between cultural products and entertainment products is almost invisible. Where traditional high-culture and art products such as opera and ballet clearly seem to fit in the domain of culture products, the question remains whether for example musicals or pop concerts also fit into the domain of entertainment products.

It is surely an on-going discussion. The fact is that all the previously mentioned domains fit within the so-called creative industry. Moreover, these products consist of some similar characteristics that make them fascinating research subjects from an economic perspective.

The creative economy has generated a lot of heated debate within the politic and economic discourses. The Netherlands, with its strategic policy refocus in 2013 decided to specifically support the creative industry through its Top-sector taxonomy. This policy has been paramount to establishing and defining the creative economy in the country. Researchers in the country have ever since been keen to investigate the specific economic regulations, taxonomy and circumstances related to cultural production within disciplines such as: (performing) arts, heritage, and so on. This specific research domain is called: “Cultural Economics”. Creativity is crucial within this domain. It is an important driver for the economy at large and is seen to create jobs for the future. Researchers who have embarked on studying the arts and their role in the future of the global economy are known as cultural economists. Two important names in the domain are: David Throsby and Arjo Klamer.

Throsby in his work has developed a model wherein the (performing) arts are clearly placed in the centre of the circular model in his article ‘The Concentric Circles Model of the Cultural Industries’ (2008). (See next page, *The concentric model of the cultural industries based on Throsby’s research*).



Throsby (2008) rightfully questions how the creative economy precisely separates itself from concepts such as the cultural economy and the (performing) arts.

The previously mentioned model obviously raises a number of questions. Do the arts indeed form the heart of our creative industry? And does that mean that the future of the creative industry lies within the arts? Throsby chooses to place certain disciplines with highest cultural value within the heart of this model. These are usually disciplines that define the arts and are often generate products that are a clear result of the creativity of an artist, assuming these would contribute to (Dutch) culture in a meaningful way. The more one looks at the peripheries of the model, the bigger the commercial value the model depicts. Research within cultural economics has therefore always focused on the relationship and correlation between social, cultural and economic value generated through these disciplines.

#### Economical Policies and Regulations

The question is: do cultural and other creative products have the same properties within the market? People commonly believe that cultural products have their own economic logic and properties. An example of this is the so called 'Baumol's cost disease' (Baumol and Bowen, 1965): the performing arts are seen to be especially labour-intensive.

This specific discipline depends largely on grants to be supported. It is argued that the amount of products generated within this discipline is exceptionally high in comparison to other disciplines in the domain. It is, however, not the entire creative industry that suffers from such so-called 'cost disease'. In fact, many commercial organizations have succeeded in distributing creative products in an affordable and efficient way – for example by employing digital technologies.

Yet, there is another problem: The digitalisation of the end product (music, film, and so on) makes it easier for various stakeholders in the production chain to distribute outside legal channels. And thus the concept of copyright, which is of paramount importance within the industry, has been put under a tremendous amount of pressure. Another shortcoming of digitalization is the lack of experience from the end user's point of view. Technological developments such as the development of the Oculus Rift and Google Glass have clearly focused on solving this problem.

It is clear therefore that the existing rational economic laws seem insufficient when applied within the domain of the creative industry. The way creative products react to price changes and the disproportionality of cost alterations regarding demand are only a few examples of this.

#### Cultural Value

Culture is more than just the products it produces. Culture is the base of our existence. Culture is the thing that helps us, consciously or not, distinguish ourselves from other cultures. Culture is a compilation of attitudes, beliefs, customs, norms and values – which is crucial in defining people.

The exact value of a cultural product is an interesting subject. It is an interesting topic to further research within Fontys Academy for Creative Industries (Fontys ACI). Especially because profound research on the value of cultural products will eventually lead to insights into the value of something as elusive as creativity. Certainly throughout the economic perspective further research is necessary. Why exactly does a consumer buy a ticket for the theatre or a festival?

In general we have assumed that the value of culture has multiple dimensions. Some of these are more direct, like for example: artistic value, symbolical value, social value and ethical value that culture generates. In this case culture, as a product to be found in the market, surely has economic, or at least, commercial value. It is important to find out how these values are marketed and what eventually is the determined value of creative input and output.



# Articles by our Team on Cultural Economics

## The Destructive Value of Digital Technology Within the Creative Industry

By John Verhoeven

This article will discuss the influence of the developments of digital technology and its impact on the creative industry. In most cases positive words are spoken when speaking of this subject. Yet, in this article, I will use serious, less positive words regarding the subject.

### Digital Technology and the Creative Industry

Technology, in all its forms plays an important role in the daily lives within Western societies. Rifkin (2011) even speaks of a 'Third Industrial Revolution' that is taking place at this moment in time: A revolution that represents a transformation of energy, economy and society. It is generally believed that the creative industry is an important pillar on which this transformation rests. However, a more important question is how the rise of digital technology itself relates to the creative industry. This begs the question: does digital technology make the creative industry more creative? Or at least better and/or stronger?

### Changing Consumptions Patterns

As a result to the far-reaching digitalization within our societies, the demand as well as the need for information and content has increased enormously over the years. To give an example: the development of the music streaming platform Spotify, an application that can be transported anywhere by anyone on a mobile phone, has shown us how tremendously consumption patterns have changed. While people used to listen to the radio only at home, in the car or at work, it is now easy to access radio everywhere with special, personally selected, music. This changing consumption pattern requires a change in content. It especially demands a change in the size and accessibility of that content. Fortunately, both supply and demand benefit from the advances in digital technology. To use the example of Spotify, musicians have been granted the opportunity to provide more content in a simple way thanks to the advances in digital technology. One could say the 'music label industry', as a part of the creative industry, has taken a big step forward.

### The More Creative Industry?

However, there is another side to the story. Technology and internet related technological innovations have ensured

that our economy has changed from a property economy to an access economy. Thanks to this development numerous revenue models within the creative industry have become inefficient, or even useless. The creative industry will have to move together with this shift, otherwise there is a risk that its role will be taken over by (large) technology corporations. And so the creative industry will have to become creative itself in order to appreciate the content that it itself offers.

This certainly also applies to the producers that stand at the end of the consumer's channels within the creative industry. That is where the real creativity can be found. The authors, composers, designers, artists and architects, concept developers and musicians, will all feel the digitalization of society. Why? Because the advances in technology have ensured that others can approach and enhance their talents through technical aid. Whether these technical means are called Protocols, Illustrator or Premiere, the fact is that the true creativity is likely to be hidden behind the technique. It is undeniable to conclude that technological advance is a threat, when true creativity can be hidden behind personal talents.

### Anti-Social Media

I want to call into question whether the development of digital technology is advantageous for the creative industry. Without romanticizing creative individuals; it remains questionable whether creative technological progress actually makes man more creative. Various studies have shown that physical proximity is crucial for the creative process (Knudsen, 2009). However, where the digitalization has brought us in touch with people, it is physical presence that has decreased. In many cases, we have seen how city centres have become ghost towns as interaction happens increasingly through e-mail, Facebook messenger, and even more conveniently through group messages on Whatsapp. The social process, that underlies creative processes and eventually should lead to innovations, is seriously undermined by the simple fact that we can no longer have conversations - the exchange of real emotions or making real contact. What will the future look like? That is the question. As well as if we will continue walking along this one-way digital road.

### The Future of the Creative Industry

At this point in time it is hard to make a valid judgement on the future of the creative industry, as we know it now.

I believe that technological developments have ensured that the creative industry is expanding rapidly. All types of related industries (such as logistics, retail and software) will be intertwined with the creative industry. In my opinion, this will ultimately result in an industry that will no longer be recognizable as the creative industries. When actual creativity hides behind websites as 'design your own logo', or 'create your own painting', where does true craftsmanship remain?

## Musical Entrepreneurship: On the Value of Music and the Future of Outlaw Musicians of the Virtual Street'

By John Verhoeven

Listening to music on your iPod, iPhone and iPad is at your own convenience, any place and any time through Spotify or an iTunes Match subscription. Downloading music for free through torrents or listening to a song on Youtube - all this has become the most usual practice in the world. All music is easily accessible in no time. Music has become an integral part of our lives and it seems as if we listen to it more than ever before. At the same time it is very hard to substantiate as the music consumption mostly takes place in a grey area that is invisible to the industry and research. Figures show that the retail of music carriers is at its lowest point.

### Change

Technological developments and social innovation have hit the music industry year after year, and so it is lying on the ground waiting for the final blow that will forever shut down that light. It is remarkable how an industry that at its peak in the United States had revenues of 14,3 billion dollars (source: RIAA), has not been sufficiently able to benefit off of technological developments (internet, mp3, smartphone, tablets, streaming and so on) and social innovations (social media, peer-to-peer networks, platforms, blogs and so on) in order to make use of the technological changes in the industry.

Turnover in the music industry has declined worldwide since the introduction of Napster back in June 1999. Besides illegal music providers, a number of legal competitors have also appeared. New (music) companies with new business models seem to have been able to take the benefits of technological developments and transform into viable enterprises. Examples are: music companies such as Spotify and Deezer, but also

technology companies such as Google, Sony and Apple.

### Pop Music vs. Commercial Music

Music exists in various forms, genres and performances. The difference in popularity of the different types of music is creating a big distinction between the different types of music. It is generally assumed that the most popular music types are also the most commercial types of music. And so the terms pop music and commercial music are often confused and interchanged. Not all pop music is commercial and surely not all pop music is popular. An interesting question is why has pop music become so popular within such a short period. Dolfsma (1999) seeks to find the answer on the popularity of pop music in several developments. In his article he mentions: disposable income and technological developments are rapidly changing the production and consumption of music.

According to Dolfsma the main reason for the rapid rise of pop music is the great dissatisfaction among a large section of the audiences. Social inequality, economic insecurity and a lack of trust in politics have certainly made pop music popular, according to Dolfsma. He claims that mainstream economics are unable to explain the success of pop music. The fact that people use pop music to express their social values explains its success and is, according to him, the reason why pop music has become institutionalized in a short period of time. The question is, what happens in a time when little money is made available for grants for public institutions (music venues, theatres and so on). What if technological developments make commercial institutions such as a record labels or distributors irrelevant? Is this the beginning of the end of pop music? Will this lead to the emergence of another popular genre?

### 'The Lone Ranger'

While it is interesting to examine the impact of these developments and the future of the music industry, my interest primarily focuses on one, undermined subject in this discussion. Namely: the impact of these developments on the musician, artist, composer or writer (hereafter "the musician"). The music industry, which became institutionalized during its rise has quietly lost momentum. Where up to a few years ago it was a blessing for any musician to be signed by a record label, this at present no longer guarantees any success for the musician. Only one in eight signed artists can sell enough records to recoup the investment by a company (Nathaus, 2011). The musician has become more and more

reliant on oneself when it comes to production, distribution, marketing and promotion of music products; And so the musician becomes a “lone ranger” that amid the toppling music industry, is laboriously fighting off its downfall. The evil that in this case can best be described as an on-going violation of the musicians rights.

#### Cultural Entrepreneurship

There is hardly any adequate definition of what we today would permit to call the music industry. Where once the production, sale and distribution of music carriers clearly played out in a market atmosphere; now it seems these have shifted to a social atmosphere in which it is crucial to build a network of fans and especially maintain a conversation around one’s own music (Klamer, 2013). In the Dutch case, Dutch artists can no longer depend on government support through grants for music funding bodies (Music Centre Grant for the Performing Arts, diverse music venues and so on) as they were used to before the Global Economical Crisis in 2008. This public sphere, where musicians traditionally in the past could barely function, seems to have now shifted its perception of (pop) music – and this same public sphere no longer considers this genre to be culture. Musicians and other artists have to develop themselves as cultural entrepreneurs with all the consequences that that might entail (Klamer, 2006).

The term ‘music entrepreneur’ is used as a metaphor that refers to a person that should be able to make a living through one’s music. Where the concept of entrepreneurship and profit in many sectors is perceived as a positive development, this view does often not apply to musicians. Musicians usually do not strive for an increase in the economic value of their music. They believe that artistic, expressive and socio-cultural value is often more important (Goldman, 1992). Entrepreneurship as a musician often means that the focus and attention on creating music gradually shifts to the running of a business, something that will harm the earlier mentioned values of a musician.

#### The Value of Music

Imagine that the music entrepreneur would actually be a seasoned marketer that would be capable of connecting his product to the needs of a target audience, with the help of market research. According to marketing literature one would have to look through value-based marketing for the ideal value proposition, combined with a good marketing mix and strategy; to communicate this to one’s target audience. So the marketing literature basically assumes that: 1. Music entrepreneurs must let their target groups (audience) decide on the value proposition and 2. Music entrepreneurs must have plenty of opportunities in order to be able to change this value proposition.

#### Music and Value Based Marketing

Value based marketing is a meaningful concept when an operator is in possession of the required means to change the different values that are combined in a product. In addition to their instrumental value (utility value) goods also represent symbolic value; perhaps even social value and emotional value; Where the instrumental and physical value can easily be altered through product development and (often) technical innovation.

When looking at music as a product it is quickly clear that the instrumental as well as the physical value of music are not determining factors in the value proposition. There are other important values: the symbolic, aesthetic and expressive value, relaxation and escape value as well as the socio-cultural value (Graham, 1995). These values are much harder and less likely to be influenced. Essentially the music entrepreneur is not a marketer who resists the best possible value proposition within the frameworks of a marketable product. The music entrepreneur rather focuses on intrinsic motivations in order to maximize specific expressive and emotional values. This is the reason why musicians and music entrepreneurs do not abide by the basic principles of the market economy.

#### The Musician as Entrepreneur

A musician is not an entrepreneur. Why? Simply because they do not fit the characteristics of an entrepreneur, as defined in the literature, or, for example, by the Dutch tax authorities and the Dutch Chamber of Commerce. An entrepreneur is someone who pursues market opportunities, trying to maximize profits, and according to Schumpeter (1942) the disruptive force that has markets from their dormant equilibrium.

Yet, entrepreneurship and music are two entities that converge with each other at some point. Let us take as an example, one of the oldest forms of music: street music. Street music takes place in a space which is very interesting for economists: the street. The musicians perform alone on the street, they determine what, how, when and where they will perform. Street music is characterized by the fact that there is no set stage and no agreement on a fixed price. There is no timetable and no guarantee of payment (Kushner & Brooks, 2000). In essence one could argue that paying street music listeners never pays too much for the music they listen to as they decide how much they want to donate. Kusher & Brooks describe various reasons why listeners give money to a street musician. Naturally 1. Charity is an important reason - listeners are willing to give money out of compassion. But also because 2. They think the music is of good quality – which is basically the same as a regular concert visit, only this payment will take place afterwards. According to Kushner & Brooks the payment of a street musician fits into the so-called ‘bandwagon’ effect and the ‘crowding out’ effect. Some street musicians succeed in attracting large groups of listeners for quite some time. In such moments a crowding out effect might occur. This may have a positive impact: ‘Several people are starting to pay for the street musician, and so I will too.’ Or it might have a negative impact: ‘Nobody pays the street musician, and neither will I’. A large audience is therefore still no guarantee for success.

In short, it is clear that the street musician moves in a different sphere than the standard musician, who tries to get acknowledgement for his music through various music institutions such as music venues, theatres, radio, TV, record labels and other traditional media. In a completely deinstitutionalized environment street musicians try to turn the value of their music into income without any government support. Thus they are largely dependent on the social reaction of the audiences that could pay because of compassion. That a street musician has an entrepreneurial spirit is evident through a number of tricks they possess and their good sense of time, place and content (Harrison-Pepper, 1990). Seasonal street musicians

know that they must get money on the table and that they must watch out that they do not fall victim to the bandwagon effect. They must ensure that their surprise element remains one of their strongest weapons. They understand that they operate in the public domain and that their location, time and timing are crucial in order to achieve success. Above all, they know that it is important to express their enjoyment and love for what they do, even if many retailers, merchants residents and some shoppers would prefer to see them disappear.

#### An Uncommon Parallel

The earlier discussed developments in technology and social innovations have had a large impact on the music industry and thereby also on musicians. Technology has ensured that hardly any money can be earned through copyright. Physical music carriers are sold in a lesser degree and the revenue that the musicians get is mainly achieved through performances. Although the above aspects cannot be regarded as very favourable for the musician, some believe that technological developments have had a positive impact on musicians. It is much easier to make, distribute, promote and sell music by oneself. The Internet and social media are thereby represent new possibilities - to indicate that every musician has the world at their own feet. However, what is often forgotten is that the number of musicians (producers, composers, and so on) and the amount of available music has increased exponentially thanks to these technological developments. Thanks to platforms like Spotify, Soundcloud and torrent sites like the Pirate Bay, musicians have to compete with one other to get the scarce attention that the music lover can provide (Lanham, 2006).

With the development of the music industry more and more an uncommon parallel is made with the life of the street musician. Except that for contemporary musicians what were before the streets have now become the Internet and everything which occurs ‘online’. The freedom and creativity required to operate online, the dependence on hand-outs and charity, the scarcity of attention to the line ‘passing’ public and above all the importance of elements of surprise, seem both important for street musicians and for internet musicians. Perhaps internet musicians might learn from the knowledge and cunning possessed by street musicians. Street musicians have for long been put to the test for attention and have successfully achieved to make a living this way.

Following the above parallel I see an interesting possibility for further study and research. I am particularly interested in the extent to which this parallel will be in the rise in the period to come. Firstly, the exact reasons why audiences are or are not willing to give money to street musicians. Secondly, understanding the factors that might influence these reasons - whether or not it is within their power to adapt to these new changes. Thirdly, which of these reasons and factors are applicable to the online environment.

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#### Online Event Experience: Could You Take a Break? Can You Lower the Volume?

By Paul Schreuder

Are you an experienced event visitor? Have you been visiting multiple exhibitions, congresses and symposia for years? Then you will surely recognize a few of the following situations described in this article.

Situation 1: halfway through the presentation of the ‘keynote speaker’ someone asks the speaker “Could you please take a break? I would first like to further explore the subject, so that I can fully profit from your presentation.” The speaker feels obligated to agree to the proposal and takes a break, which means that the rest of the room would also have to wait. Situation 2: during a festival (because even in private time you visit events), in the middle of the set of your favourite artist someone in the audience gets on stage to ask the DJ if he can lower the volume. The DJ honours the request and lowers the volume. But that is not what you wanted: you just entered a goof glow and now the entire setting has transformed into a tea party with music as wallpaper because one of your fellow festival goers would like to have conversation at the festival.

What? You have never experienced such a thing? That is remarkable, because chances are that one of your fellow event visitors - or perhaps you yourself - have had the need for a short break during a presentation (in order to update your knowledge) or just wanted the volume for a moment to be lowered (so you can carry out a good conversation with a fellow festival goer). Yet it does not happen in real life. Why not? Because it simply cannot take place! Events are not suitable for adaption to everyone’s individual wishes and needs. Events can be characterised as a get together of people. That is where its power lies, the most important being that people visit events: to meet other people



(nowadays called networking), being aware or being on is the basis of contingency (nowadays called serendipity). But this togetherness with others also means that we all have to make concessions to our individual wishes and needs. We must find a common denominator for the group as a starting point. And that means that every individual must give something up in return.

The fact that we have to make concessions to our own ideal program means that our experience is not ideal and perhaps even does not reach our objectives in the first place, or at least less than if we would have been able to compile and condition the program ourselves. We take these losses of value for granted in hopes that meeting others will provide us with more value than the substantive concessions we have undertaken.

If we were able to build our own individual, ideal program; a different speaker would be added (or dismissed); more or less breaks and so on - Imagine that you would be able to have full control over the event you visited. You would decide how long a speaker would talk, in fact, you could insert breaks whenever you wanted during the presentations. You decide when you contact who, and you are no longer dependent on accidental encounters. You decide when you eat, what you eat, the volume of the music and so on. You would even be able to visit acts that take place at the same time (because you would simply plan one after the other). Now that would be amazing! You would be able to create your ultimate experience and make most out of the events because it would exactly meet your personal needs and wishes.

Nowadays technological developments make it possible to visit events from a distance, it is called online event-visits. It appears based on research MPI that the reasons for people to visit an event online instead of live are mostly pragmatic. Online event visits cost less time and money. But if time and money would not play a role, we would prefer to visit events live (offline).

This difference is where the opportunities lie for the event industry! Making sure that besides the practical advantages, the intrinsic values of online events also increase. But the question is how? In my opinion, you would need to facilitate the online event visitor to carry as much control as possible over his event visit. Nowadays consumers are no longer just satisfied with only the ability to participate in decisions (co-creation), but want to especially take the wheel in their own hands. This is called self-direction.

At an online event visit the visitor can push the pause button and lower the volume of the act based on personal preferences. These events do not only grant opportunities to watch presentations at one's own convenience (live or on-demand), but also give one the opportunity to ask questions when desired. Why should that only be possible on the day of the event itself? As an event organization you could agree with a speaker that they remain available online for an x-number of weeks in order to answer any remaining questions by online visitors.

In order to enable change for a new mind-set in the industry, it is required for both event organizers and visitors to re-evaluate events. Organizers are already more aware of the fact that you cannot facilitate an online event visit at the last minute, but that this must be a parallel process that has to be present from the start of the organization process. However, while organisations

still have the idea that visitors prefer to visit their events live and only when unable to do so, will proceed to online visits.

That is the reason that the promotion of online visits often starts later than the promotion of the live events (and of course also because until now more profit has been generated through live visit). It makes sense that when the provider of the online event-visit is positioned this way, the target audience will also look at it in the same way. Only when the event organizers include the substantial added value of online event visits to their system, flesh out and communicate this to potential visitor in a convincing way, only then will event visitors consciously choose the way they want to visit the event based on substantive grounds: how do I get the best experience and how do I reach my goals for this event: live or online?

Hopefully in the future event visitors will be offered better options for an optimized personal experience. Whether online or offline (the combination of both is referred to as inline) it does not really matter; As long as we keep improving at fulfilling the wishes of visitors and offering the possibility of online event-visits. This is an additional service where events might profit from. But this extra service may (and might have to) make more use of the benefits that distinguishes the online event visits from the live event visits. For example, allowing the visitor to take control over their own event! Increase the degree of self-direction that a visitor would experience. Only then the online event-visitor would no longer be seen as a "surrogate", "a second best" alternative, but rather as a meaningful (and sometimes even more valuable) opportunity to visit an event.

N.B. Maybe now from the position of event organiser you will be able to ask for money for an online event visit.

## Are You Fit to Plan? 5 Ways to Bring Value to Your Event

By Paul Schreuder

If you want to still be an event company in the future you should start thinking about yourself as a company that facilitates value creation. But how do you do this? How can you survive as a value facilitator? Is it a whole new ballgame or just the next level within our event industry?

It can be helpful to remember that there are still basically two elements in every event (or potential value creation situations): the content (or message) and the way this is presented. Only event companies that are able to fit both elements for future audiences will survive. And the key element of this would be the 'fitting' part. Facilitating value creation for future audiences will be a Survival of the Fittest. Survival of the Fittest? Survival of the Fittest you mean? No, I mean survival of the Fittest: the value-fit and the format-fit!

### Value-Fit

As we all know there is a shift taking place where our audiences are looking for more meaningful experiences. What is important to them is that experiences contribute

to their 'quality of life'. The experience should help them to create (realise) personal emotional values. Which makes it a necessity to have the experience relate to whatever it is that is important to them. Relate to what they consider valuable. And since people have different values we have to make experiences as personal as possible. To maximise this value-fit we have started working with empathy-maps, value propositions etc.

### Format-Fit

Besides this shift from experiences to value creation (meaningful experiences) there is another development taking place; consumers want more control over the experiences. No longer do they 'surrender' themselves to the staged experimental environments where everything is already decided for them; where they find themselves stuck within a given framework. They want to play an active role and create their own experiences. In this generation of experiences 'self-direction' is a key element. So consumers are not only looking for content that is of personal value to them, they also want this content to be presented according to their personal preferences. For our current audiences this format-fit is of great importance. This is why we have seen the rise of Meeting Design including formats like 'unconferencing', 'corporate festivals' etc. More and more room for audiences to create their own experiences.

### Survival-Kit

So we need tools that help us to create meaningful experiences, related to the personal values of our audiences. And we need tools that help us to create formats that allow for a higher level of control by the audiences. Both types of tools will facilitate our audiences to create value. We need value facilitators!

Some value facilitators can optimize the value-fit, others relate to the format-fit. Or, some tools help audiences to understand what it is, other tools help audiences to get the most out of it.

There are 5 value facilitators:

#### 1. Transparency

The more openly you communicate the better chance audiences have to know what values you are (really) about. A better recognition and understanding of each other's values opens up the opportunity for a true value fit and therefore transparency facilitates value creation. So for instance a short introduction before the event on the subject of the keynote speaker can help your audiences to prepare themselves and therefore get more out of the presentation?

#### 2. Authenticity

The difference between transparency and authenticity is that "transparency is how much you share and authenticity is the truth of your words and actions." (Pam Moore, 2013) Authenticity is the quality or condition of being genuine, trustworthy. Being authentic as an organisation will also help your audiences to truly know what (value) it is you stand for. This improves chances of a true value fit and therefore authenticity can be used as a value facilitator. So for instance make sure your audiences understand the reasons and goals of your event before they have to sign up. This prevents both sides from mutual disappointments (wrong audiences at the wrong event).

### 3. Participation

Participation is about the level of taking part in something. If you really want to understand the content, you should work with it, apply it (to your personal situation). This requires an active level of participation by your audiences. Improving the format-fit by using a format that allows for active participation by each attendee facilitates to create more value.

### 4. Interaction

Interaction in the context of events means people communicating with or reacting out to each other. Interaction has an active aspect to it and therefore works in the same way as participation. However, the difference between interaction and participation is that interaction is about an active mode of behaviour in regards to other people. Events have one specific element: they bring people together (whether it is face-to-face or virtual). Event formats should fully facilitate this extraordinary characteristic!

### 5. Self-Direction

Self-direction is a special value facilitator because it relates to both the value-fit and the format-fit. Self-direction is about personal independence: freedom from control or influence of another or others. In the context of events this means that your audiences should be allowed to behave in the way that serves them best in order to create value. In other words, the event (organizer) should try to maximise the say of each attendee regarding the content as well as regarding the format. This will improve their value-fit and the format-fit with the event and therefore facilitate each attendee in creating more (impactful) value.

So value facilitators can focus on improving either the value-fit and/or the format-fit. Supposing a lack of value-fit can be partially compensated by an excellent format-fit and vice versa. Obviously we should try to maximise both fits!

It is important to realise that maximising these fits is a very personal matter. Some audiences want lots of interaction, others do not. Some audiences want all the information, whereas others want you to filter it for them. Every attendee has an optimal level for each value facilitator. Perhaps this is the most difficult part of facilitating value creation as the most crucial characteristic of events is that they bring people together. This characteristic is the beauty and power of events, but at the same time makes it very hard to optimize the level of value facilitators according to each attendee's preference. Having to make concessions to these personal preferences implies an automatic fall back in the value-fit and/or the format-fit. And therefore in a loss of potential value creation.

### In Conclusion

Audiences are looking for meaningful experiences. And they want a more active role in these experiences. Therefore events should maximise the value-fit and format-fit for each attendee. The value-fit can be described as the level of importance of the content to the attendee. The format-fit is about the level of suitability of the way this content is presented to each attendee.

Value facilitators that can help improve these fits are transparency, authenticity, participation, interaction and self-direction. Being able to implement these value facilitators

in your events will ensure a higher impact in terms of value creation for your audiences.

#### Four Criteria to Measure Emotional Value

By Paul Schreuder

Audiences are looking for more meaningful experiences. Audiences are looking for experiences that can help them to create personal emotional value. Values that could contribute to their 'quality of life'. But how can we measure this emotional value? How can we know if we have succeeded and if our event has indeed been valuable to our audiences? What is the measuring unit of this emotional value creation?

This measurement does not have to be quantitative. However, if we were to identify some qualitative criteria for emotional value creation this might enable us to get at least to an indication of the amount of such emotional value. And perhaps these criteria could also function as a tool to design events for the best possible outcome pertaining to emotional value for audiences.

#### Impact

In her book 'For the Love of Experience - Changing the Experience Economy Discourse' (2011) author Anna Snel states that the meaning an experience has for an individual depends on the impact the experience has on the life of the individual (James, 1902; Saane, 1998). This relates to what is nowadays often referred to as *Quality of Life*. Within the shift towards meaningful experiences audiences want experiences that contribute to their Quality of Life.

Snel hits the nail on the head by stating that impact should be the 'measuring unit' for emotional value creation. To determine if we have been successful in facilitating emotional value creation by our audiences we should ask them if and if so how much impact the event has had on them and the quality of their lives. This phenomenon of impact should be our guide towards developing criteria for emotional value.

There are four criteria to the impact of emotional value:

##### 1. Importance

Whether or not the created value has the potential to have an impact on the audiences' lives first of all depends on how important the (subject of the) created value is to the individual. This basically corresponds to the value fit. In my previous article 'Are You Fit to Plan? 5 Ways to Bring Value to Your Event' (see above) you can read about how to improve this value fit. The better value fit in our events (the more important the subject is to the audiences), the better chances for an impactful event.

##### 2. Range of Application

Snel makes a distinction between experiences that have an isolated impact on one specific context and experiences that show a 'boiling over' effect and cause a change in the individual's interpretive framework or life-horizon: "The life context on which the experience has an impact, for which the experience has meaning, can vary from a very

small part of life to life as a whole." One of the important criteria for the impact of emotional value is the Range of Application. If we organise an event for our account managers and train their negotiation skills the event has potentially more value to them because they may be able to use these skills in their personal lives as well, rather than if we inform them about very specific internal procedures.

##### 3. Urgency

In his Value Proposition Canvas, Alex Osterwalder describes another aspect of the value we want to create: is the 'job-to-be-done' that we want to address with the event crucial or trivial?

A training event is perceived as more valuable by the attendees when it is offered right before the upcoming exam than when it is just another periodical training event (even if the content would be exactly the same). When audiences sense the urgency of the value that the event will create for them, then the event will have a higher level of impact for them.

##### 4. Duration

In their Experience Model (2005) Van Gool & Van Wijngaarden name three levels of experiences: basic experiences, memorable experiences and transformative experiences. This distinction clearly also has a temporary aspect to it. Events should try to create value with a more lasting character. Learning how to swim when you are young is something you can use for the rest of your life and therefore has a great impact on your (quality of) life. Learning how to use certain computer software that you know will be replaced in a couple of months with different software probably will not be considered valuable.

#### Value Creation Formula

If we were to put these four criteria for the impact of emotional value in a formula this would be:

$$\text{Impact} = \text{Value Importance} \times \text{Value Range of Application} \times \text{Value Urgency} \times \text{Value Duration}$$

As said before, this does not mean we are or should be able to quantify the amount of impact, but what I like about formulas like this is that they make it very clear that if one of these criteria gets close to 0 (zero) the total (impact) also gets close to 0 (zero). Therefore, always consider to what extent we meet each of these criteria if we want to create valuable events.

#### Value Creation vs Sacrifice

There is one more thing we need to take into account when trying to design for valuable events. This has to do with the fact that eventually audiences will compare the amount of created emotional value to the sacrifice they have had to put in to create this (amount of) value. Was it worth it? Was the created emotional value worth buying the ticket, travelling to the event, being away from home or office, etc.

You could consider this as an attendee's judgement of one's personal Return On Investment (ROI); Where the return is formulated in terms of emotional value, using personal impact as a measuring unit.

Make no mistake that this comparison (ROI) is always as rational as the ROI calculated from an economic point of

view. According to economical 'rules' one would try to get a maximum amount of return on a minimum amount of investment. It is very interesting to notice that sometimes the balance between 'emotional return' can benefit from a higher level of investment. Think of initiating rituals within students' corps; Or within the event industry adventure or teambuilding programs. Events like these may have a bigger impact on the lives of the attendees just because of the fact that they had to put in a great amount of effort (sacrifice).

#### In Conclusion

The ability to create meaningful experiences that create personal emotional value becomes more and more important to event organisers. But how can we measure this emotional value?

The answer to this question lies in the phenomenon of 'impact': the meaning or emotional value an experience has for an attendee depends on the impact the experience has on the life of the attendee. There are four aspects to impact: importance (value fit), range of application, urgency and duration. If we use these criteria as a guideline we will not only be able to measure (in a qualitative way) the impact of our events to the audiences. It will also help us to design impactful events, events that really matter to our attendees.

#### Culture Looking to Express its Right Value

By Bertan Selim

Contextual developments within local communities has necessitated cultural organisations to work harder to understand local contexts, and communities to predict the needs of their stakeholders thus better face challenges in the future and shape how they promote cultural values.

A study recently published by McKinsey & Co (2013) on "How to Make a City Great" (McKinsey Cities Special Initiative) highlights that by 2030 60% of the world's population will be living in urban centres. This statistic puts pressure on cultural institutions operating in urban contexts to redefine their focus and modus of work. One no longer simply thinks of working within an urban context, but the changing composition of the demographics of that context.

Values are linked primarily to three major aspects of behaviors and self-identification within local communities in their contexts. These values are: Cultural - artistic in nature and primarily manifesting itself on an individual level; Social-related to the engagement and participation of local communities, and are manifested in a collective manner; and finally Economic - considering the extent to which there is economic benefit for both individuals and the community where it be through direct economic development or spillover effects on the wider local economy. In some cases this last value is also used as a basis for innovation within this domain. N.B. there are also other values relevant to consider beyond the above-mentioned taxonomy, but these are not discussed in this article.

The challenge currently facing many cultural organisations has been to counteract the global economic crises and the overall lack of funding for culture and the arts. This has practically meant finding new legitimacy for cultural support and its potential impact within a local context. Many organisations have had to practically articulate values by identifying and motivating systematic programming choices without fully taking into account the actual context where such programming is applied.

There has been a lot of criticism within the cultural sector in The Netherlands, as to which values are key and urgent. This begs the question whether at all one can speak of prevalence or saliency of the above mentioned taxonomy. We have seen how many organisations resort to social value though developing participative programming within local contents. This in many cases seems as most instrumental and perhaps most relevant for direct visibility purposes. Others have chosen cultural and artistic values (what many will argue is the true mission of cultural organisations generally) focusing on the sound artistic quality of the programming (flagship projects), which in some cases has had an impact on visitor numbers.

This discussion on values in arts programming is intriguing, especially given the choices that cultural organisations pursue. It seems in many cases this dilemma has lead organizations to reevaluating their core businesses and identify new methods of engagement in the arts. What should an arts institution of the future look like? How are values therefore optimized to meet the demands of the local communities and the abilities of the cultural organisations? How could different values reinforce each other, not only for economic value purposes, but to amplify artistic merits and impact in society.

There have been some great examples: think of Toneelgroep Amsterdam and their Roman Tragedies production - an interactive play where the audience is placed on the stage and is made to interact with the plot and actors of the play in a very direct manner; or the Opera Company of Philadelphia that performed several famous Opera pieces outside their traditional setting (context), and held a cultural event in the Reading Terminal Market in Philadelphia - a campaign that came to be known as "Random Act of Culture" to create awareness among city dwellers of the value of culture).

Why did these succeed? And why do many others fail?



## Our Reading

# Tips.

Regarding Cultural Economics

## Practical research

*Measuring the economic contribution of cultural industries: A review and assessment of current methodological approaches*  
ENESCO institute for statistics - 2009

*The economic contribution of Australia's Copyright Industries 2002-2014*  
PWC - 2014

*Contribution of the arts and culture industry to the national economy*  
Art Council England - 2015

*Cultural Creative Economy*  
CIND - 2015

*Creating growth: Measuring cultural and creative markets in the European Union*  
European Grouping of Societies of Authors and Composers - 2014

*The cultural survey*  
Raad Voor Cultuur - 2014



*United nations creative economy report 2013*  
United Nations - 2013

*The Value of Arts and Culture to Society*  
Arts Council - 2014

*Official Statistics measuring the contribution made by the Creative Industries to the UK Economy, including Employment, GVA and Exports of Services*  
UK Statistics - 2015

*Surprising findings in three new NEA reports on the arts*  
NEA - 2015



*OECD Report on Tourism and the Creative Economy*  
OECD - 2014

*Opportunities for CCSs to Access Finance in the EU – Short Analytical Report*  
European Expert Network on Culture - 2014

*The World Cities Culture Forum Report*  
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Asia- Europe Foundation - 2013

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ARC Centre of Excellence for Creative Industries and Innovation (CCI). - 2013

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# CHAPTER THREE.

Introduction to

## Social Innovation

By Ferry van de Mosselaer

*“The concept of innovation is most commonly referred to as new ideas that work in meeting social goals”*

### Background

In the context of complex global challenges, or ‘wicked problems’ such as climate change, environmental destruction, youth unemployment and social exclusion, the concept of social innovation is increasingly advanced as offering both new means and ends to address these issues (Howaldt, Kopp, & Schwarz, 2015). In fact, the growing importance of the idea reflects wide and profound frustration with the established systems and models that have failed to deliver proper and fair solutions (Nicholls, Simon, & Gabriel, 2015), as well as a distrust in the dominant innovation agendas in technology, markets, policy and governance systems to tackle these problems in the future (Moulaert, MacCallum, Mehmood, & Hamdouch, 2013).

The optimism surrounding the potential of social innovation is generally supported by case-based evidence. The examples range from microfinance, to popular education, from slow food movements to car-sharing schemes, and from community-care-cooperatives to local energy production (Moulaert, MacCallum, Mehmood, & Hamdouch, 2013) (Manzini, 2014) (Manzini, 2015). The diversity of the cases reflect both the wide dimensions of the word ‘social’ as well as the ambiguity of the concept of innovation in this context. Nicholls et al. (2015) attribute this to the ‘liability of newness’. Yet, there is no universal definition of the concept of social innovation and very little research has been conducted into the subject compared to the vast amount of research into innovation in business, technology and science (Mulgan, 2007).

Notwithstanding the infancy of research and practice into social innovation, including its growing pains, there seems to be a growing consensus that there is a need for socio-technical transformation driven by and geared towards social change (Manzini, 2015), supported by the premise that humans hold the potential to govern individual lives and design the world accordingly (Mulgan, 2015). In order to understand how societies can make the most of that potential Manzini (2015, p. 31) argues that we will need to switch on the ‘design mode’, harmonising three human gifts; critical sense (the ability to look at the state of things and recognize what cannot, or should not be, acceptable), creativity (the ability to imagine something that does not yet exist), and practical sense (the ability to recognize feasible ways of getting things to happen). Before moving on to unravel the potentiality of social innovation, the concept of social innovation itself needs to be understood first.

### Social Innovation: Concept and Definitions

The concept of social innovation is most commonly referred to as ‘new ideas that work in meeting social



goals, differentiating from business innovation in its primary motivation and the way it is diffused' (Mulgan, 2007). This short definition resonates the pragmatic context in which the concept has generally been adopted over the last years. Nicholls et al. (2015) build on the differentiation from business innovation and explicitly distinguish between two interlinked conceptualisations of social innovation, focused on either new social processes or new social outputs and outcomes. In their view, the first stresses changes in social relations and often has a focus on rebalancing power disparities of economic inequalities in society (e.g. Moulaert, MacCallum, Mehmood, & Hamdouch, 2013)). In the second case, social innovation is regarded as the answer to social market failures in the provision of vital public goods. (Nicholls, Simon, & Gabriel, 2015).

The study of social innovation has drawn on many existing disciplines in academia, from regional studies to economics, and from sociology to psychology. The diffuse (and sometimes ambiguous) perspectives and methodologies demonstrate the lack of an established paradigm of social innovation both in science and in practice (Nicholls, Simon, & Gabriel, 2015). However, the fundamental pragmatism inherent to its current use and application suggest that it should be understood as a praxis, a body of knowledge closely tied into evolving practice (Menand, 1997 in (Mulgan, 2015)), rather than a new topic or a new theme. It is at this intersection that the domains of research and design need to seek for common ground and continue to deliver evidence of both successes and failures in order to feed the debate, subject the cases and concepts to (academic) scrutiny, and iterate and replicate ideas and interventions in a continuous transformation toward social change. As such social innovation research and design should always take into account that it is not a panacea for social change, since social benefit is always contingent (there will always be winners and losers). This consideration follows Schumpeter's notion of 'creative destruction' in innovation studies, suggesting that innovation will create value for some and destroy it for others (Nicholls, Simon, & Gabriel, 2015).

Manzini (2015) acknowledges the contingency and contextuality of the social in stating that the aim of social innovation is to achieve 'socially recognized goals'. In addition he disentangles the concept of innovation from its absolute sense and emphasizes that social innovation entails a 'process of change emerging from the creative re-combination of existing assets (from social capital to historical heritage, from traditional craftsmanship to accessible advanced technology)'.

### Drivers and dimensions

As argued, the recent growing attention into the field of social innovation is mainly attributed to the flaws in conventional institutional arrangements and outcomes in all three 'classical' sectors of society. In general, markets are primarily concerned with efficiency rather than equality; the public sector is tamed by bureaucracy and adapts slowly, and civil society initiatives lack scale and coherence. (Moulaert, MacCallum, Mehmood, & Hamdouch, 2013) (Nicholls, Simon, & Gabriel, 2015). Although social innovation is often linked to the latter, the non-profit sector, it is certainly not unique to it. Led by example, social innovation practices are increasingly initiated from all corners of society, from politics and government, to markets, and from public movements to academia. Considering the very diverse domains of practice it becomes clear that social innovation is a multi-dimensional space. (Nicholls, Simon, & Gabriel, 2015). However, common trait to most of the initiatives is that they take place across the boundaries between the traditional sectors. A notable example is the new, and blossoming, branch of social enterprises; enterprises driven by societal goals and premised on a business logic (i.e. Social Enterprise NL).

Following Mulgan's conceptualisation of social innovation as a praxis, it is essential to draw up to contexts in which social innovation practices evolve. Derived from the diverse contexts in which social innovation practices have been researched Nicholls and Murdock (2012 in (Nicholls, Simon, & Gabriel, 2015)) have distilled three levels of social innovation, addressing different scopes of focus and objectives.

Level	Objective	Focus
Incremental	Address identified market failures more effectively	Products
Institutional	Reconfigure existing market structures and patterns	Markets
Disruptive	Change cognitive frames of reference to alter social systems and structures	Politics

*Adapted from Nicholls and Murdock (2012)*

These levels classify social innovations by their ability to transform and evoke change, measured by their effects and outcomes rather than the processes. This perspective aligns with the notion of innovation predominantly adopted in business and technology, referring to changes that lie within the range of existing ways of thinking (incremental), or outside the range (radical or disruptive) (Manzini, 2014).

Another way to map social innovations is by looking at the initial driver(s). On the one hand, a significant amount of social innovations are ignited from the bottom up, by local communities and grassroots initiatives. They often address everyday life issues for which established systems or solutions often do not deliver adequate collective benefits. Examples include community gardens or farmers associations. On the other hand, social innovations can be catalysed by strategic motives from, for example, governments, expert designers or political activists.

However, a closer observation indicates that social innovation, both in its starting move and in its long-term existence often depends on more complex interactions between very diverse initiatives, where the ones undertaken directly by the people concerned (bottom-up) are often supported by different kinds of intervention provided by institutions, civic organizations, or companies (top-down). These interactions are referred to as *hybrid processes* (Manzini, 2014).

This hybridity underscores the three key dimensions in social innovation outlined in what Mulgan (2007) calls theory of 'connected difference':

- They are usually new combinations or hybrids of existing elements, rather than being wholly new in themselves;
- Putting them into practice involves cutting across organisational, sectoral or disciplinary boundaries;
- They leave behind compelling new social relationships between previously separated individuals and groups, which matter greatly to the people involved, contribute to the diffusion and embedding of the innovation, and fuel a cumulative dynamic whereby each innovation opens up possibility of further innovations.

The hybrid nature of social innovation processes becomes increasingly evident as the scale of change to be achieved increases. (Manzini, 2014). Scaling or reproduction of social innovations is quintessential for realising social change, but up to now this relationship remains underexplored. (Howaldt, Kopp, & Schwarz, 2015).

Creativity is advanced as a crucial factor for making social innovation happen, where creativity can be seen as the human ability to produce new things, or create new situations, rather than the innovative use of available resources and/or of known technologies (Andre, Henriques, & Malheiros, 2009).

For instance Sacco and Tavano Blessi (2005) argue that creativity plays a fundamental role in social innovation as well as in economic and social development since it gives a competitive edge to organizations for the development of new social forms and for knowledge accumulation (2005 in (Tremblay & Pilati, 2013)). Andre, Henriques & Malheiros (2009) claim that it is important to ascertain the role of creativity and the arts in the promotion of social innovation and in the construction of a *socially creative milieu*.

In connection creativity and (social) innovation have been predominantly referred to in the context of urban development, drawing often on the work of Richard Florida with *The Rise of the Creative Class* (2002). Urban spaces provide the dynamic environment where creative industries and the cultural sector can experiment and flourish. As such these urban settings form a good breeding ground, or enabling environment, for initiating and developing social innovations. The success of what Sacco and Tavano Blessi (2005) call the 'pro-active cultural district' is based on a strategic complementarity of three elements: capability, innovation and the right localization and a series of combined bottom-up and top-down elements. (Tremblay & Pilati, 2013).

However, while Florida can be given credit for putting cultural and artistic activities in the forefront of debates on innovation and the development of cities, his views have also been critiqued for not taking into account the social innovation dimension, in the sense that he is not apparently concerned with improving social relations, tackling social problems or meeting social needs (Tremblay & Pilati, 2013). In terms of social innovation physical spaces (such as urban environments) should not only be regarded for having potential in attracting creative talent. Instead creativity should particularly be sought in the potential recombination of social relations and diffusion of assets in a certain geographical context, both urban and rural.

A geographical place is not creative in itself; it provides a physical, cultural and institutional domain that can be both enabling and constraining to creativity and the offspring in (social) innovation. For social innovations to come about in these contexts Manzini (2015, p. 62) puts forward that it requires the personalities and energy of a few 'social heroes' in the early stages. Andre et al. (2009) call them 'change agents'; actors - whether individual or collective - who introduce a new idea into a certain context at a given time. These agents can either introduce a novel 'invention', or import and adapt something from elsewhere. Manzini (2015, p. 67) goes one step further.

He argues that, to become an effective agent of change, one needs to have a specific cultural and operational profile, blending creativity, design knowledge, and dialogic capability.

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# Articles by our Team on Social Innovation

## Making Room for the Creative Thinker

By Marlin de Bresser

This short article lists six useful tips in order to create an innovative organisation culture. Innovation is implementing something that is new within a given context. In order to get to the 'new ingredient' creativity is required. And in order to achieve creativity there has to be space for creative thinkers. Those people that look at things differently and add new perspectives. And that is usually where the problem starts as creative thinkers can only function in a suitable culture, which has to be managed pro-actively.

In daily practise it is finding a balance between freedom and management, between letting go and holding on. Too much freedom leads to chaos and inefficiency, but when there is too much regulation and too little freedom creative thinkers feel inhibited. The challenge for organisations is to create an innovation culture with space for 'thinking differently'.

Six tips for stimulating an innovative organisation culture with one hidden control demand:

### 1. Does an innovation culture suit the vision and structure of an organisation?

How do you control demand? In order to stimulate an innovation culture this plan must connect to the vision of the company. An innovation culture can only be created when there is space for ideas and creative thinkers and when that fits the vision of the organisation. Besides that, the vision must also be represented in words and actions by the management of the organisation. Herein 'the management' is a relative term because in order to really establish an organisational culture, a dominant thinking flow is required.

### 2. Ask questions about the balance between efficiency and creativity

What if you would express it in time? How many hours a day are really available for employees not to be focused

on mandatory tasks and how much time is left to change, improve, or try out something new? How many days a year are you busy with the 'issues of the day' and how many days a year do you take time to look forward? Thinking space, or space to think, is necessary to come to creativity.

### 3. Ensure the freedom to make mistakes

Inventing and implementing new ideas can lead to making mistakes. When failure is punished, it will be hard and risky for employers to innovate. Therefore, freedom of failure must be ensured. There should be a culture with space for experimenting, testing and refining ideas without someone pointing out or passing judgement whether that is right or wrong. The focus should be on the learning experience. Laurin Hill calls this phenomena 'creative agility'.

### 4. Diversity in views and tasks

Some organisations have consciously created a profile of the innovator. The innovator is open-minded, has wide interests and is also interested in disciplines outside of the personal working field. Think of an IT staff member that is also a conceptual artist. You could say that the diversity (of interests, knowledge and ideas) can also exist inside people. Besides that, it is important to hire people with diverse backgrounds and education. It is about creating 'collective creativity'. Innovation is driven by a group of diverse people, not just by one genius.

### 5. Make sure that talent feels at home

You tried your best to find a diverse group of employees, and now the challenge is to make everybody feel at home. Keep in mind that creative thinkers need a different structure than the average employee. Maybe they would like to work at a different location from time to time, or with different time schedules. Besides that it is important to embrace differences in opinions. Constructive differences in opinions are crucial in order to enable and achieve innovation.

### 6. It all happens around the coffee machine

People must be granted the chance to meet each other. Often something new arises throughout the aggregation of different

ideas. Sharing insights is important and therefore you could facilitate networks, preferably outside organisational parameters, that can include people from outside the company. It is also important to create physical meeting spaces. In literature this is called the 'socialization' component.

Inspiration for this article was taken from: 'Where Good Ideas Come From' by Steven Johnson.

## Events are a Designed Reality & We Need Less Events, More Reality

By Paul Schreuder

Real life is natural, authentic. Events are designed, created. Can something that is designed also be natural, authentic? Or is a designed, created situation by definition unnatural, fake, an imitation of the real world? If this is true an event can never be 'real'... Here's why we need to give this a moment's thought.

### Design vs Reality

In their 'Guide to Modern Experiential Marketing: Real World Ideas' Sense Marketing Services Ltd. (2015) explains that "people are now responding increasingly favourably to 'real' content rather than fictional - it's more significant because, ultimately, it actually happened." They say: "What is the Facebook News Feed if not, essentially, a reality 'TV' stream of people you know?"

This shift from 'studio' to 'real life' content can also be recognised in the rise of companies such as AirBnB: people nowadays want to discover the world as real, authentic as possible (within the safety of the AirBnB organisation and their hospitality standards and booking guarantees) rather than in a 'designed holiday' (or hotel) which is sometimes far from local reality.

What may happen if we stick to our 'studio events'? To be able to explain this I first need to explain the difference between an experience and value creation.

### Experience vs Value Creation

When at the end of an experience (or event) nothing has changed in any stakeholder's situation no value has been created. Everything is exactly as before the experience. Value can only occur if something is added to the original setting. Since there are different types of value this 'something' can appear in different forms. The Allport-Vernon-Lindzey Study of Values (1960) outlined six major value types: theoretical, economic, aesthetic, social, political, and religious value. Theoretical value can be shown in a discovery of truth, economic value in a rise of usefulness etc.

In my article Four Criteria to Measure Event Emotional Value at Eventmanagerblog.com I wrote: "Nowadays people are looking for meaningful experiences that help them to create personal emotional value. Value in a way that the experience should contribute to their 'quality of life'." In other words, people want the meaning of the experience to transcend the experience itself and in that way add something to their lives in other contexts as well: emotional value.

### Events vs. Real Life

Until now events usually take people away from their real lives. We ask people to stop doing what they normally do and place them in a designed 'event-situation'. And then we trust them to be able to transfer this 'imitation experience' on to their everyday reality again. It is exactly this ability to transfer knowledge or skills from the event back into reality that decides if the event was valuable. Being unable to put the event experience into practice means the event will eventually have no value. That is why we should make events as real as possible. No more 'studio events', but events that are less designed and more natural, authentic. The smaller the gap between an event and real life the smaller the risk of a loss of value.

Of course we should still be able to guide these 'real life experiences' into the direction of our goals. We need to create events combining both direction (design) and authenticity, real life at the same time. We need to create 'AirBnB-Events'.

### Bridging the Gap

There are some fine examples of brands creating value

for their target groups by meeting (‘eventing’?) them in their personal, real life: NIVEA helps parents when and where they need it in their real lives, Coca Cola helps students when and where they need it in their real lives. Since the value is created in the actual lives of people there is no gap between event and real life. Therefor no loss of value from event to real life.

Even if you feel you have to create a designed experience/event you should try to keep the audience in their natural behaviour as much as you can. I think Adidas gave a perfect example of how authenticity can be implemented in a designed setting that strongly connects to the target group’s real lives.

But what if there is no other way then to take people away from their real life situations? What if your target group needs to get together and therefor needs to leave their own situation? Here are some tips to bridge the gap between an event and real life. Key element is Authenticity (also described in my article Are You Fit to Plan? Five Ways to Bring Value to Your Event at Eventmanagerblog.com, but here specified and explained in terms of a ‘reality booster’).

#### Use raw material

As Anna Snel describes in her book For the Love of Experience (2011) the concept of ‘raw material’ was already written about by John Dewey (1958) “who claims that an important criterion of what may be called an experience is contact of the individual with the raw material.” And: “The meaning of the experience, the raw material, cannot be transferred in any direct way, since it is a personal construction. Telling someone about what one has experienced does not transfer the experience itself to the other person and can cause the loss of meaning.”

And as described before we definitely don’t want a loss of meaning. That is why we should always try to bring the raw material into our events (or the event to the raw material).

How to do this? Sometimes it’s easy, for instance when the goal of the event is (to sell or promote) a product. Bring the product to the event and let them use the product (raw material) themselves. If a test drive doesn’t convince them, other stimulants (e.g. information, TV commercial) probably won’t either. Or bring the event to the product (like what touristic destinations do when they invite tour operators over to their facilities).

But what to do if you don’t have a product, but offer a service? Then what is your ‘raw material’? Recently I came across two very nice examples at Event16 (an annual trade fair on business to-business events in The Netherlands) that prove that even then the solution can be as simple as effective.

#### Example 1

IDEA (Independent Dutch Event Association), an industry association for event companies, hosted a stand at the trade fair. What’s the ‘raw material’ if one - as an (industry) association - connects different parties within an industry, stimulates development of knowledge etc.? Exactly, the ‘connecting’ and ‘development of knowledge’... IDEA organised ‘round table sessions’ at their stand with discussions of key industry issues

every session, involving and connecting different parties and developing knowledge at the same time. And even though they added a little bit of event design to the experience as well (by providing live cooking and brainfood to the sessions) they did bring their ‘reality’ into the trade fair rather than a designed experience that might be far away from what they normally do.

#### Example 2

D&B Eventmarketing is a well-known event company in the Netherlands. What’s your ‘raw material’ if you present yourself as “the leading event partner for the entrepreneurial Netherlands”? Exactly, it’s your advice. Therefor D&B challenged visitors to come up with their hardest event related questions and offered free event consults to visitors as well. This is how they brought their ‘reality’ into the trade fair. And of course they added some design to the event experience as well (by making it look like a consultation with a doctor). It not only created value for their visitors, it provided them with some interesting leads at the same time. And to top it off they won the award for best stand concept!

#### Create (the illusion of) raw material

But what if the raw material is definitely unavailable or what if it’s undesirable to bring the audience in contact with the raw material, because it’s too expensive or may be not safe? Then we should try to make them feel as if they are in contact with the raw material even when they’re not. This is what Anna Snel (2011) describes as a ‘vicarious’ experience: “What distinguishes vicarious experiences is that although there is no direct contact of the individual with the raw material something is done to create the illusion of contact with the raw material in a less filtered and framed way than there would be in a pure secondary experience.”

Personally I’m still a bit doubtful about the potential of these kind of experiences because I’ve seen some good and some maybe not so good examples. How real is the raw material when the Chinese build a replica version of an entire Austrian village? Or: can you honestly say you saw the Eiffel Tower when you visited Las Vegas?

#### Technology and raw material

Technology plays an increasingly important role in creating ‘raw material’, for instance by 3D-printing with a nice example to be found in the ING project The Next Rembrandt. Technology also seems to be rapidly improving on creating illusions of ‘raw material’, for instance by Virtual Reality. Samsung does a great job at this when they make people feel like they’re shark diving in the desert. But did we really see a Rembrandt, did we really go shark diving?

While technology definitely has the potential to create raw material or to create the illusion of raw material the fundamental question remains: is it fake or real (design or reality)? Will people consider this artificial (or illusion of) raw material as real? And therefor maybe even: does technology help us to get in touch with ‘raw material’ or does it in fact remove us from ‘raw material’? I guess the answer to this

question is very personal and contextual at the same time. A good example of this difference between the experience of an illusion (of the raw material) and the experience of reality (of the raw material) is shown in NIVEA’s Second Skin Project: Nivea had developed a new technology that allows people to feel a human touch from anywhere in the world through sensors and a VR headset. A Spanish mother and son living in Paraguay are one of the first to try it out. The goal is a real as can be hug, just in time for Christmas. Watch the video to see the difference in emotional value between the illusion of raw material and the real raw material...

Maybe the more relevant question is: are these kind of experiences capable of creating value? And the answer to this question is: yes, they sure are! Samsung created the illusion of heights and in this way made people get over their fear of heights without them having to go through undesirable moments of contact with the real ‘raw material’: heights! This definitely creates value for these people in their everyday reality!

#### Conclusion

Real life is natural, authentic. Events are designed, created. People are responding increasingly favourably to ‘real’ content rather than ‘studio’ content. The smaller the gap between an event and real life the smaller the risk of a loss of value. Where value is described as something that transcends the experience and adds something to the original setting, whether it’s emotional value or for instance economic value. In an ideal world we can organize our events in our target group’s personal, real life. When there is no gap between an event and real life, there is no risk of a loss of value from event to real life either. If it’s not possible to organize the event in your target group’s reality you should try to keep the event as authentic as possible: by using the raw material. And if this is undesirable or not possible we should create the illusion of the raw material. Technology definitely has the potential to both create raw material and to create the illusion of raw material. In this way technology will play a more and more important role in creating value for our event attendees.

### Making Room for the Creative Thinker

#### By Marlin de Bresser

A story is a binding factor; it brings people together and contributes in making information easier to understand. Some executives (for example Steve Jobs) already experienced that storytelling is a way to inspire and encourage people into taking action. In short, storytelling is an effective tool in leadership; it is innovation within a social environment. According to Peter Guber, writer of ‘The Four Truths of the Storyteller’, storytelling is something one cannot ignore. You can only decide how you would like to tell stories and thereby consider the skills one develops through storytelling. Guber gives four tips to develop the skill of storytelling:

Firstly, a story should concentrate on the situation (truth to

the moment) and regarding good preparation must seem spontaneous. Secondly, a story can only be successful when it is authentic and when it suits the storyteller (truth to teller). Thirdly, a good storyteller considers what are the needs of the audience and make sure not to waste the time of one’s audience (truth to the audience). Last but not least, a good story must be in line with the mission of a corporation (truth to the mission).

### (Un)organizing Innovation in SMEs in the Creative Industries and the Role of Creative Leaders

#### By Marlin de Bresser

Many small and medium-sized enterprises (SMEs) depend on their ability to be innovative in order to achieve and sustain a competitive advantage. However, innovation processes within SMEs should be assessed independently from generic innovation processes within industry. For example, SMEs in the creative industries tend to use less structured approaches in order to innovate. This in turn holds valuable lessons regarding creative leadership and accepting a crucial aspect of innovation: the unexpected outcome.

We propose a more detailed research on the critical points of thinking regarding (un)organizing innovation across SMEs within the creative industry domain. Key questions to be addressed would be: what can be organized; and what should be left as untouched and unorganised as possible? What does creative leadership look like in SMEs within the creative industries?

### Now on Stage: “Social Innovation, the Impossible, but Perfect Love Between Romeo and Juliet”

#### By John Verhoeven

When the concept of social innovation appears on the theatre stage a strange feeling appears. Social innovation can be explained as a new phenomenon, whereas in my eyes is not new at all. More a repletion of what was already known, the perfect performance of a theatre piece. More like another version of Shakespeare’s Romeo and Juliet, only this time by a different theatre troupe. The more concepts and definitions I find on social innovation, the more confusing and weaker the morale. The fact that several scientists throughout different perspectives have a different view on the concept, probably proves the fact that it is an indefinable concept. Something that strengths out this feeling of “old ideas parading as new ones”.

The basis of thinking around social innovation is based on two actors. One actor called social, but let us call her Juliet from now on. The other actor is called ‘innovation’, but this metaphor we will call ‘Romeo’. These two actors are continuously in love with each other; actually they are unable to live without each other. They cannot be without one another, neither on the



scene nor behind the scenes - including in their daily lives. They might as well be the same person; more that one cannot live without the other. But Romeo and Juliet each have their own backgrounds. At home Romeo constantly speaks of products, novelty, technology and practical application. While the parents of Julia are clearly from a different family, to them aesthetics is of higher value. They are looking for love, balance and equality, all values that they have successfully passed on to Juliet. This should create such an imperfect match, but what happened is the contrary: when Juliet arrives on the scene it seems like Juliet and Romeo are made for each other. And the love that seemed to be impossible because of their differences in background turns out to be real after all. More realistic than one ever thought was possible.

A far-fetched comparison is used to make a statement: no innovation without social implications, no innovation without social driven motivation. So, is what we are trying to achieve clear? People are aesthetic by nature and are unable to position themselves outside of a social context. That gives a foundation for Romeo's craving to all that makes Juliet who she is. But human beings also perpetually seek progress and love rationality. We have not evolved to the only self-conscious form of life on this planet for nothing in all these years. Deep within ourselves we want to survive and we know that is can only be done through finding balance and love.

That social innovation as a term is used suitable and unsuitable, may be related to the fact that we have become unbalanced. The problems that we, as an audience, focus on appear to be stronger than ever. More remarkably, they appear to be real! Real problems! Just like that, on our stage. And these problems are huge, so large that we cannot deny them any longer. So vast that we cannot contemplate them in our bedrooms before going to sleep., too big to pass on to our children. Why?; Because our children will most likely experience the negative effects of these problems during their lives. The difference is that we, as parents, and as an older generations, will be present throughout. But problems on a societal level are certainly not new, just like the solutions that are found for these problems. Is it a coincidence that the end of the hundred-year war coincided with the invention of the print press in 1450? Could the printing press be called a ground-breaking social innovation? It could just be that the social conditions in which we lived determined the trouble we were in, and hence the solutions that we could find for those problems. Would one come up with an anti-social innovation in such an era? And perhaps a more relevant question: is there even a possibility that an anti-social innovation would survive?

Juliet is desperate. She sees wars and destruction. She sees natural disasters and desperation. She feels inequality between populations and she sees an unfair distribution of wealth in the world. What does she do? She desires to find a solution. She searches for love and what does she find? – Romeo. And Romeo? Does he also see these problems? Yes, of course. He can no longer deny them. He knows so much about the economy and creativity; about physics, computer science and artificial intelligence. Soon he will have access to all the knowledge acquired on this planet over centuries. But what will he do with all this knowledge? He is almost perfect, but at the same time not at all. He misses the most important thing: love.

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## Our Reading

# Tips.

Regarding Social Innovation



## Practical research

*Social Innovation Safari: A Problem Solving Learning Adventure*  
Social Safari - 201

*Strengthening Social Innovation in Europe*  
Europese Unie - 2012

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S. Tanner - 2012

*A Manifesto for the Creative Economy*  
H. Bakhshi, A. Freeman, P. Higgs

*How digital influences how we shop around the world*  
Nielsen - 2012

*The role of libraries and museums in generating powerful learning experiences for children*  
Institute of Museum and Library Services - 2013

*Museum change lives*  
Museums Association - 2015

*Hidden Innovation: Policy, Industry and the Creative Sector*  
S. Cunningham - 2013

*The Mobile Revolution: How Mobile Technologies Drive a Trillion-Dollar Impact*  
S. Digraude, R. Gulshan, D. Micheal, A. Veras, J. Bezerra, F. Candelon, et al. - 2015

*Protecting Student Data in a Digital World*  
M. Chui, J. Sarakatsannis - 2015

*The Eight Essentials of Innovation*  
J. Baptiste Caumau, V. Fabius, T. Meyer - 2015

*How Discovery keeps innovating*  
A. Gore - 2015

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*Unlocking the future: The keys to making cities great*  
S. Bouton, J. Dearborn, Y. Sergienko, J. Woetzel - 2015

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K. Dörner, D. Edelman - 2015

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# Conclusion.

## By

# Bertan Selim.

*“With the articles and thoughts gathered here we wish to give a diverse view of the many perspectives which have endeavored to define concepts within the Creative Industries and Social Innovation.”*

The publication in front of you is meant to give the reader, specifically all newcomers to the curriculum of the Fontys Academy for Creative Industry (both students and lecturers), as well as other interested in the economy and the Creative Industries – a better understanding of the concepts and schools of thought pertaining to Creativity, Social Innovation and the Creative Industries.

With the articles and thoughts gathered here we wish to give a diverse view of the many perspectives which have endeavored to define concepts within the Creative Industries and Social Innovation. As such this publication is simply an orientation work, to familiarize, to inspire and to inform students and lecturers alike regarding the study of this growing and influential domain.

Furthermore, this collection of articles is the result of the involvement and hard work of numerous enthusiasts, researchers, and lecturers affiliated with the Fontys Academy for Creative Industry. All articles presented here have been appropriately credited to the respective authors. The work in front of you is the result of their curiosity and interest which has enabled this publication to be developed. We thus would like to open up the possibility that others within Fontys (and beyond) pursue in more depth and further detail the many different angles discussed in these chapters.

Additionally, the purpose of this publication is to raise awareness on the relevance of creativity within the economy, society at large, and our everyday lives; and through the illustrations given, to show some inspiring examples how creativity is at the core of proposed solutions and social cohesion. Equally, in the interest of academic discourse, the articles in this compilation offer a view, which also problematizes the creative industries literature. Here questions are asked on the relevance, development and impact of the creative industries. We have also looked into understanding the source of creativity and how it flourishes within different environments, including educational institutions.

In order to develop this insight, many existing and established researchers and research works have been consulted, and have become an integral part of this publication. The purpose of incorporating other opinions and research work within this publication is to enable a diversified, well-rounded and multidimensional approach to discussing the Creative Industries and Social Innovation. Moreover, through some of the additional reading material added within these pages, we offer the possibility to our readers to explore concepts related to this domain which also go beyond one's basic association with the Creative Industries and Social Innovation.

Finally, this publication and the authors behind it have used a number of well-rounded and relevant theoretical frameworks within their own researches. Authors such as Klammer, Csikszentmihalyi, Florida, Throsby, etc., to name but a few, have been a source of inspiration and basis for heated discussion which enrich the contents of this publication.

With this we would like to thank all those who have directly or indirectly contributed to the contents and the inspiration for this publication. We would also like to encourage all interested in practical research, and in the Creative Industries to make full use of these chapters, but also to add to them by generating new thought, and bringing them into the classrooms to discuss with classmates, and challenge lecturers with new ideas. We hope that through this publication Fontys Academy for Creative Industry (ACI) will develop more insight and contribute more knowledge to the global discussion on the Creative Industries and Social Innovation in the future; and contribute to the nurturing of the future international doers and thinkers within this domain who are pursuing an education at Fontys ACI.



# Colophon.

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**Composition of the Fontys Academy for Creative Industries (ACI)  
Research Group (Creative Industries and Social Innovation) in 2016:**

**Lector:**

Arjo Klamer – a.klamer@fontys.nl

**Research Manager:**

Bertan Selim – b.selim@fontys.nl

**Members of the Research Group (also lecturers at Fontys ACI):**

Chris Gribling – c.gribling@fontys.nl

Ferry van de Mosselaer – f.vandemosselaer@fontys.nl

John Verhoeven – j.verhoeven@fontys.nl

Marlin de Bresser – m.debresser@fontys.nl

Paul Schreuder – p.schreuder@fontys.nl

Fontys Academy for Creative Industries  
Prof. Goossenslaan 1-04  
Building P3  
5022 DM Tilburg  
www.fontysaci.nl

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