CREATIVE INDUSTRIES AS A REGIONAL FACTOR

Gertraud Leimüller
President of creativ wirtschaft austria

Workshop in Brussels, June 24 2013

Content

1. Who we are and what we do
2. Significance of creative industries outside urban areas
3. Four location-oriented types of CI firms
4. How CI firms choose their location
5. What are the policy implications?
   - Why CI?
   - How to approach?
6. Summary

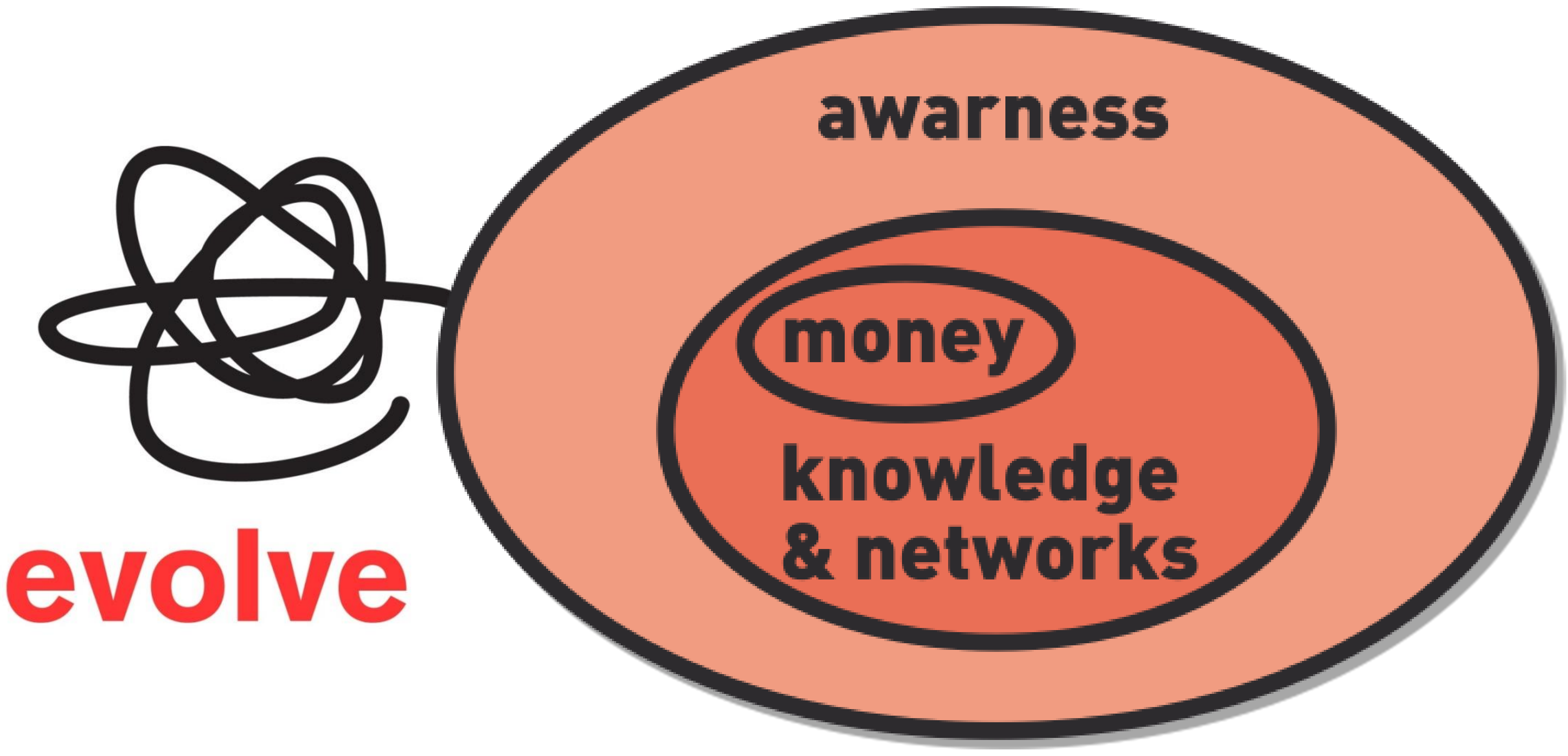
1. Who we are and what we do

CREATIVE INDUSTRIES SUPPORT IN AUSTRIA

creativ wirtschaft austria

- Competence centre for entrepreneurs and individuals in creative industries
- Represents the interests of the Austrian creative economy country-wide since 2003
  - 1. Active shaping of economic framework conditions
  - 2. Providing reports and studies about CI in Austria
  - 3. Delivering concrete services for CI firms - publications, hotline, „creative depot“ online, etc.
  - 4. Developing new instruments for CI such as „Choch3“ (Education und networking)
  - 5. Building cross-sectorial networks: networking events such as „Exchange“, platform for experts

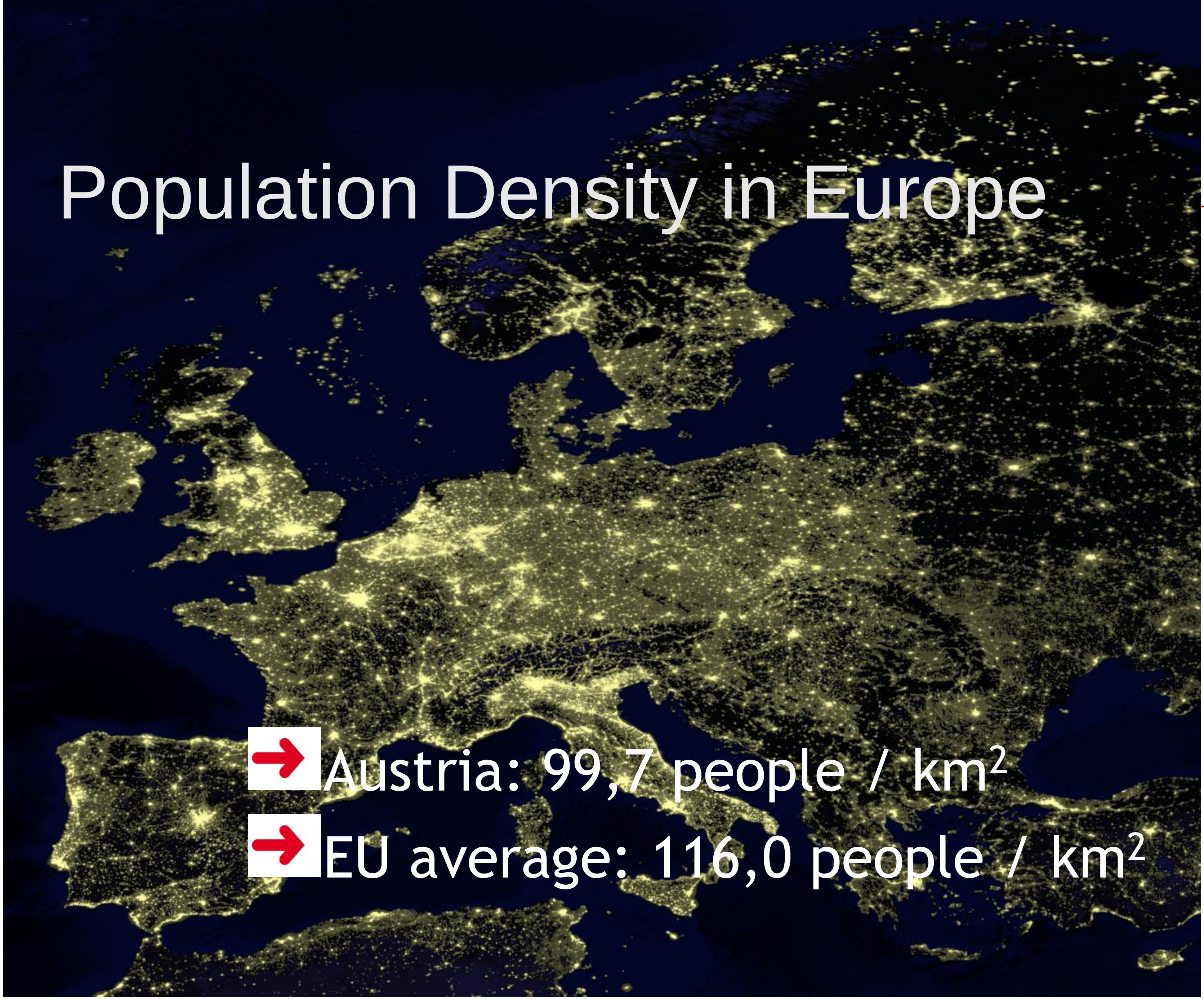
evolve – Austrian initiative for promoting innovation in creative industries



2. Significance of creative industries outside urban areas

Results from the Fifth Austrian Creative Industries Report, 2013

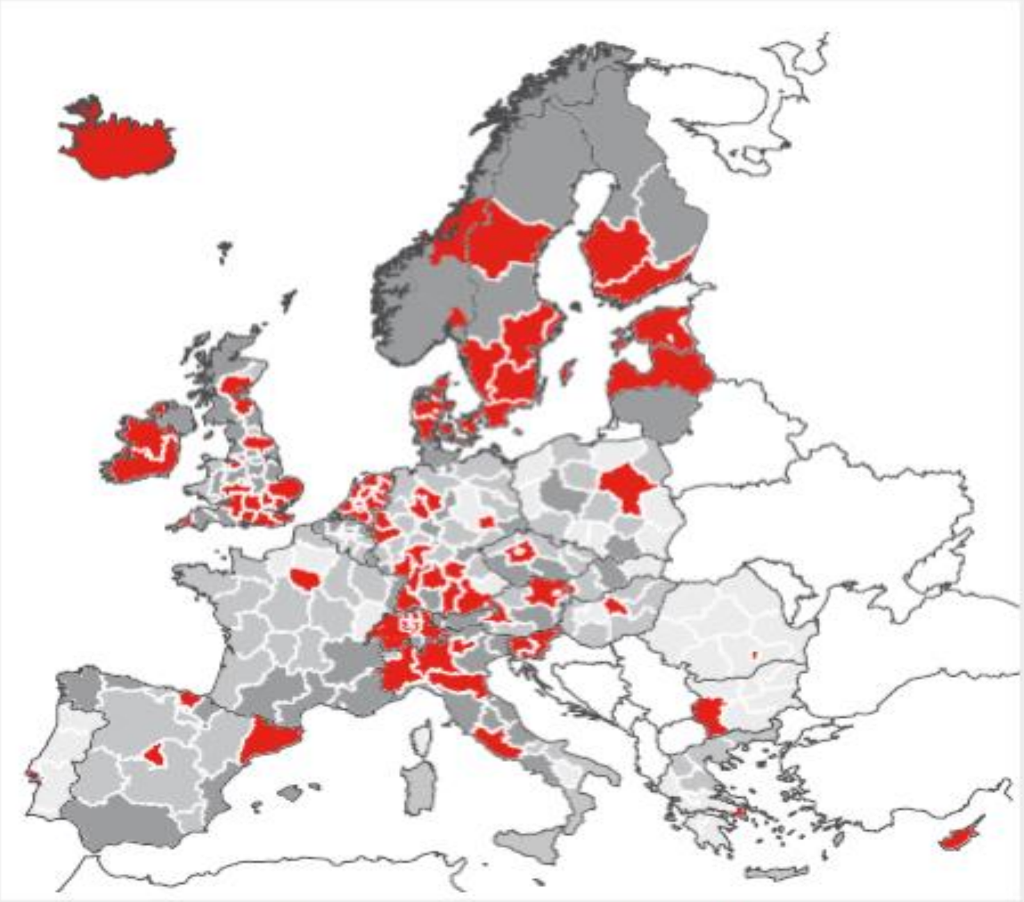
Population Density in Europe



- ➔ Austria: 99,7 people / km²
- ➔ EU average: 116,0 people / km²

Previous studies have heavy focus on CI as an “urban” phenomenon

Chart 27: Employees in the creative industries in Europe



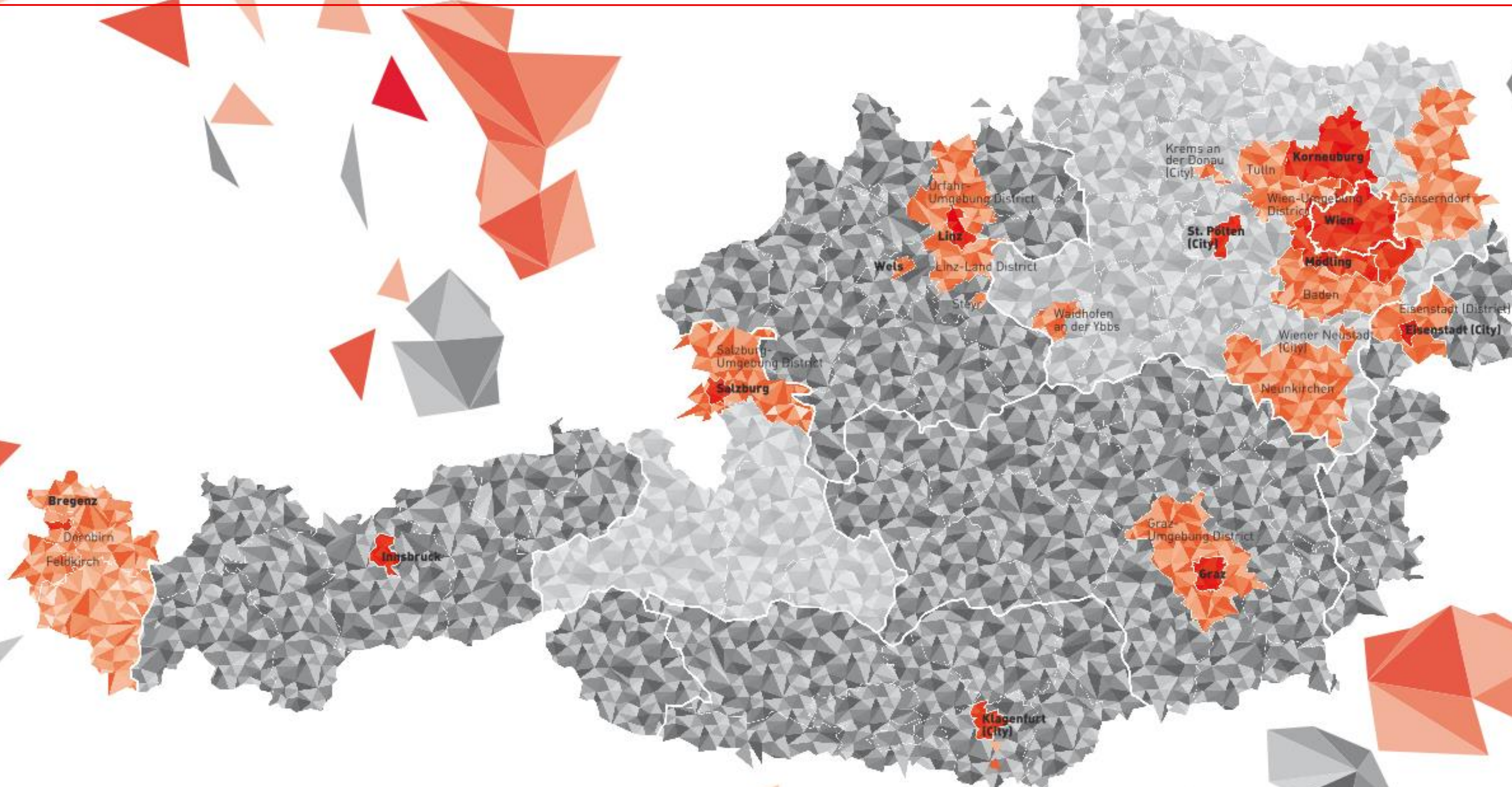
☐ less than 1.5% ☐ 1.5% to less than 2% ☐ 2% to less than 2.5% ■ more than 2.5%

Source: Power, D./T. Nielsen 2010. Priority Sector Report: Creative and Cultural Industries. Brussels: European Commission.

- ➜ Regional creative and cultural industries specialisation is not limited to the largest urban areas but capital city regions and certain of the largest cities exhibit strong CCI Focuses.
- ➜ London, Paris, Milan and Amsterdam are Europe’s main creative heartlands

Source: Fourth Austrian Creative Industries Report

Regional distribution
of CI companies in Austria



The number of creative industries as a percentage of the total number of companies in the market-oriented economy, percentages by district, 2010

less than 5,0 % **5,1–7,4 %** **7,5–10,0 %** **more than 10,0 %** **District borders**

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

Austria investigated the geographical distribution of CI

- 42 % of the Austrian CI companies are located in the capital Vienna (2 mill. inhabitants) | 17,5 % share of local economy
- 58 % are located outside the capital – in rural areas and small cities
- 18 % of the overall number are located in rural areas

BUT:

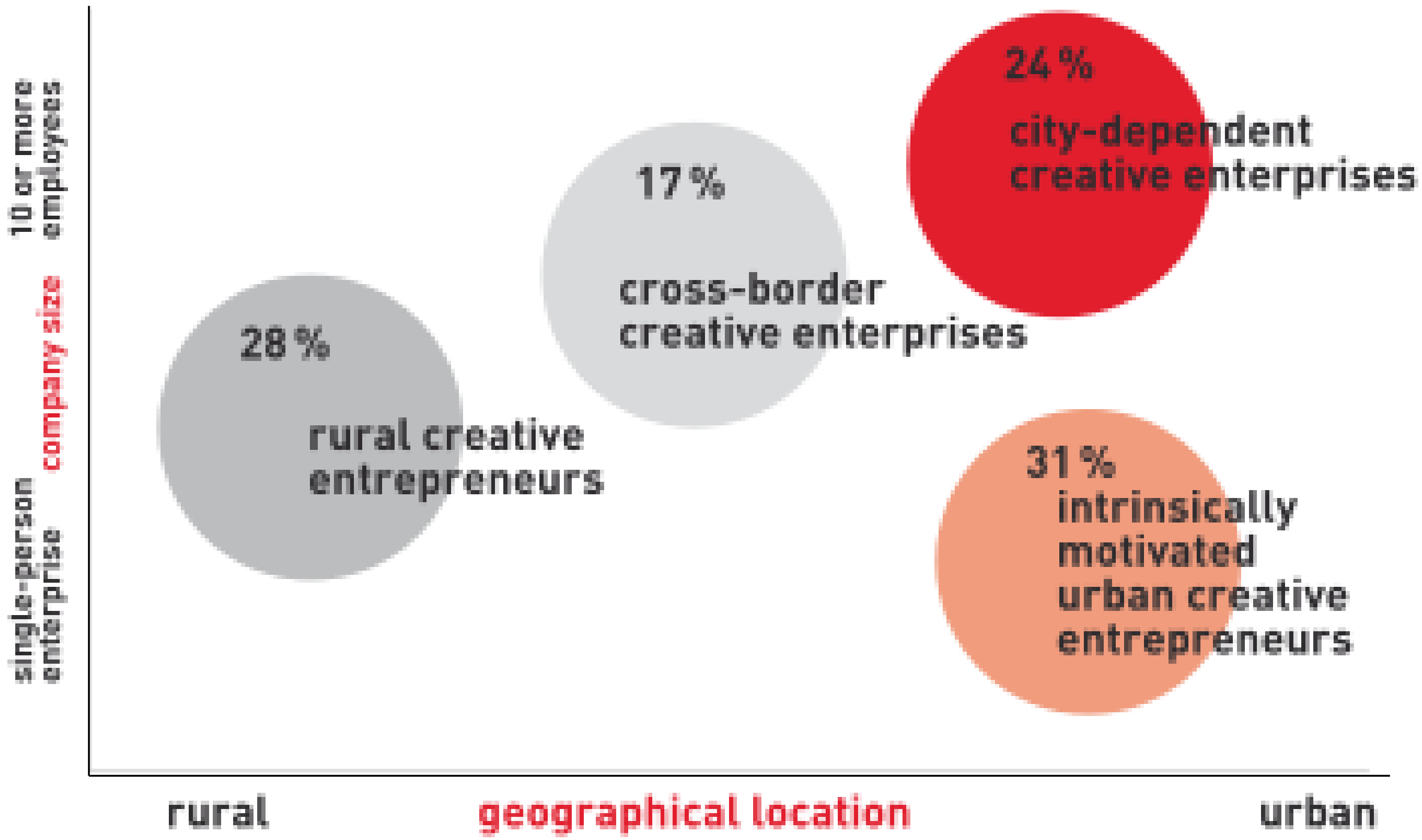
Growth is higher in rural (+10 % CI companies) than in urban areas (+6 % between 2008 and 2010)

- **this indicates a catching up process outside urban areas!**

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

3. The four location-oriented types of CI firms

CI firms — 4 types
according to their location



Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

Company Type
intrinsically motivated urban creative

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

Company Type
city-dependent creative enterprises

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

Company Type
rural creative enterprises

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

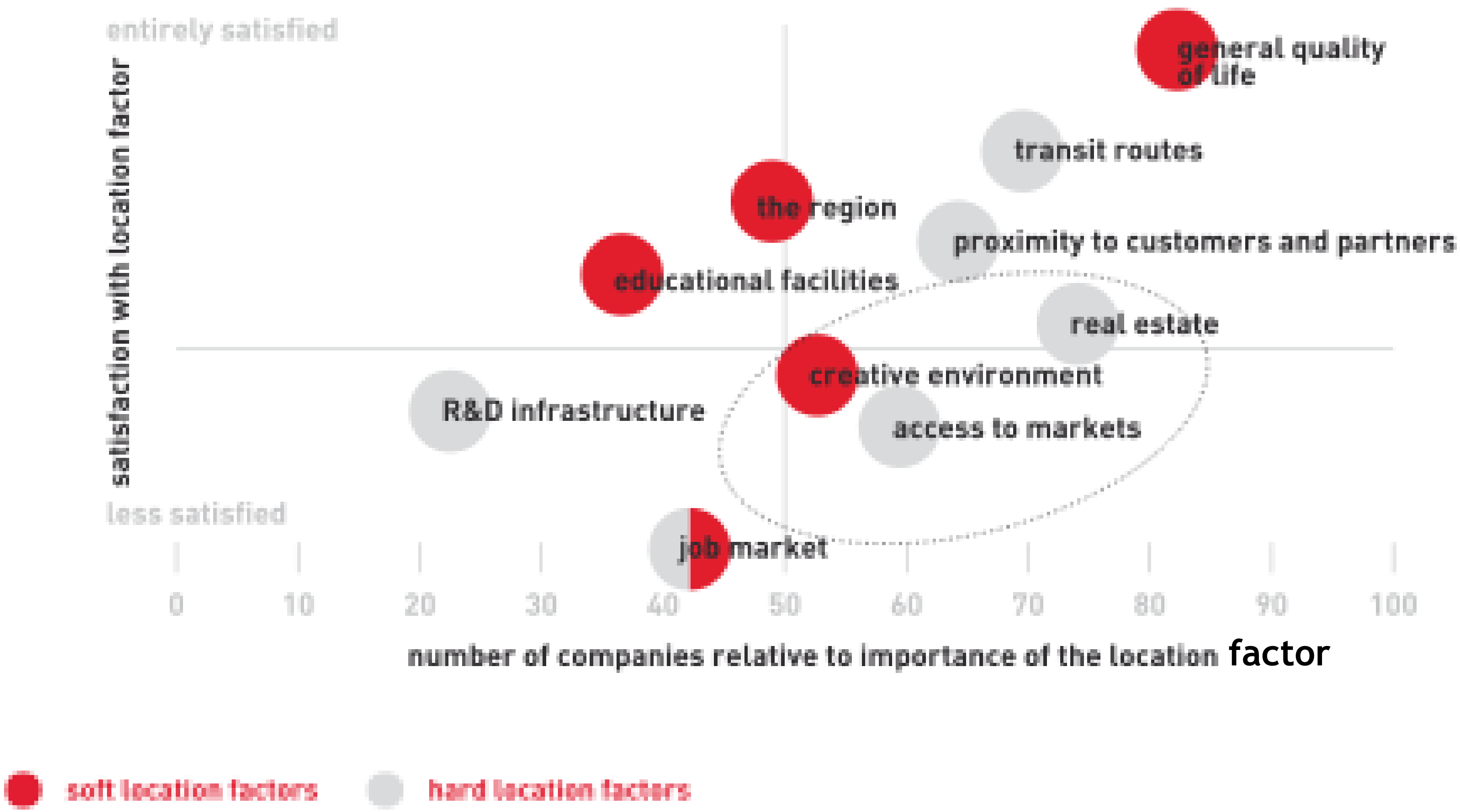
Company Type
cross boarder creative enterprises

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

4. How are CI enterprises choosing their location?

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

Location Factors
Satisfaction <> Priority



Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

Location Factors

- 82 % of those in the creative sector think quality of life is important when choosing a location.
- 93 % are satisfied with the conditions at their chosen locations.
- 48 % think private and entrepreneurial reasons are equally important when choosing a location.
- 69 % prefer company sites close to their homes.
- 65 % focus on good value for money when deciding on a location.

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

Location Factors
Spatial Mobility

Creative enterprises are highly mobile

51 % entrepreneurial activity-location-independence, but usually at the site > potential for regions

35 % presence at the site primarily required, if business reasons have influenced the choice of location

14 % can work from anywhere location-independent, but in the end regional anchored.

in %

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

5. What are the policy implications?
- Why creative industries?
- How to approach?

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

creative industries…

… makes a contribution to repositioning cities and regions

- ➜ contributes to the competitiveness and branding of a region, and supports the accomplishment of crises and structural change
- ➜ Is base for regional identities within the region and creates reputation outside

… triggers innovation within the regional ecosystem

- ➜ Therefore a tool for regional „intelligent“ specialisation
- ➜ brings creative people into the region developing new approaches and models for the region

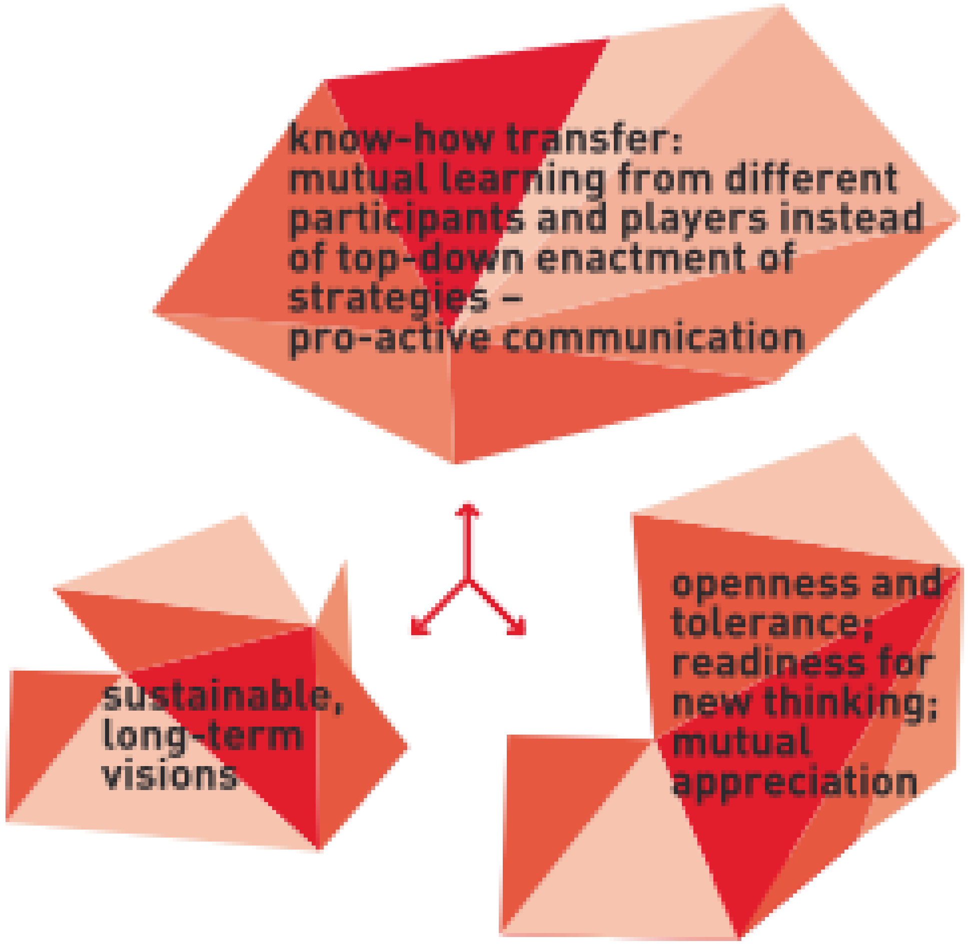
… reinforces regional resilience, sustainability and local supply

- ➜ Creates prospectives for young people — avoids brain drain and contributes to the attractiveness and vitality of a region

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

ATTITUDES THAT DEFINE SUCCESS OF CI-STATEGIES

- Recognise **quality of life** as the most attractive location factor for creative entrepreneurs.
- Raise **awareness for creative services** and the creative industries.
- Gain **access to markets for CI.**
- Create an **open mentality** and a creative environment.
- Identify and provide **space(s).**
- Be ready to **co-operate** and to network.
- Improve **training, education** and the job market.
- Retain or bring back **qualified employees.**
- Aspire a **smart positioning** of the region.
- Make **future perspectives and opportunities** of the region **visible.**

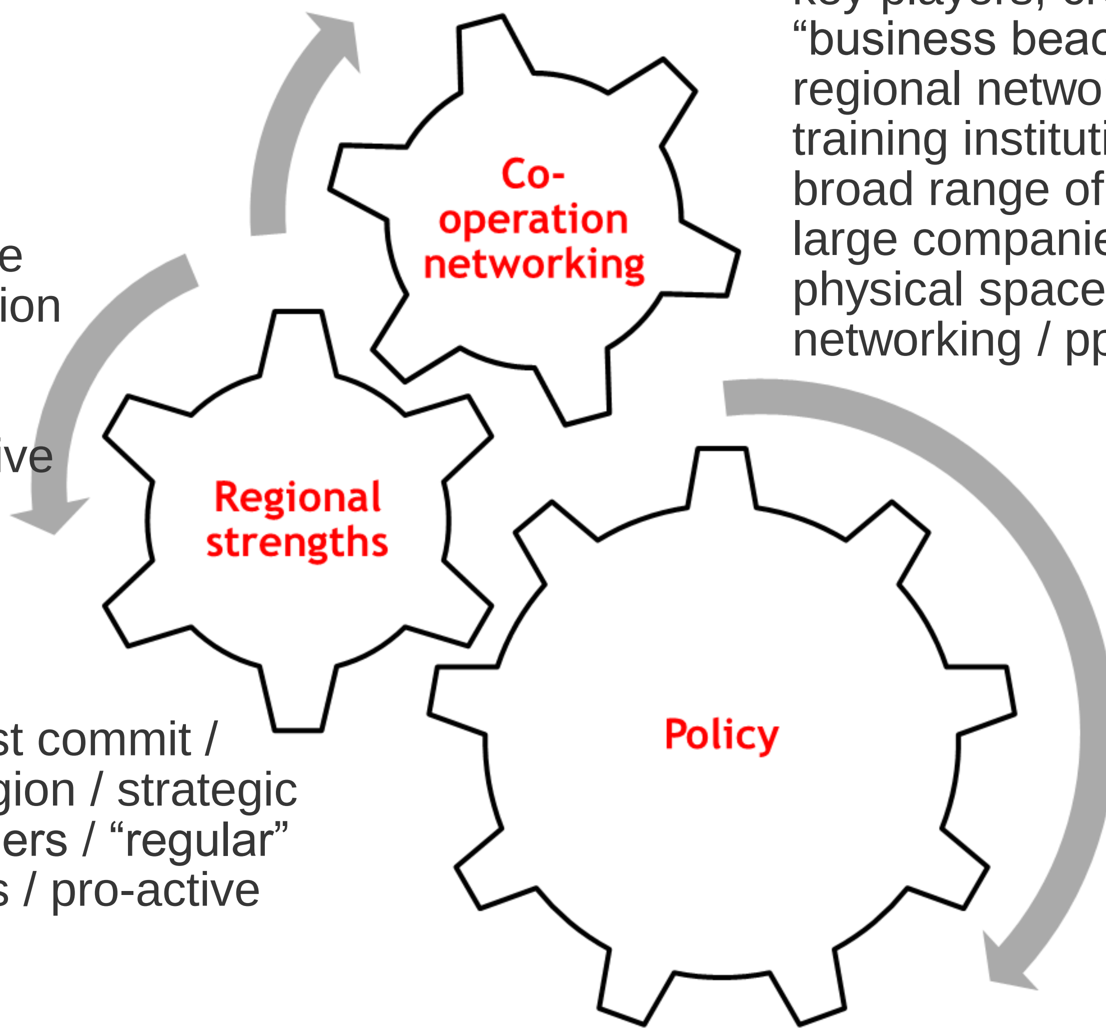


Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

Purchase for regional strategies

key players, creative environments & “business beacons” /
regional networking across sectors & training institutions /
broad range of participants /
large companies & creative SMEs /
physical space used in encouraging networking / ppp models

Visibility of creative industries of a region /
clear, longterm positioning / creative hubs



policy makers must commit / strategies for a region / strategic co-operation partners / “regular” funding institutions / pro-active communication

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria

6. Summary

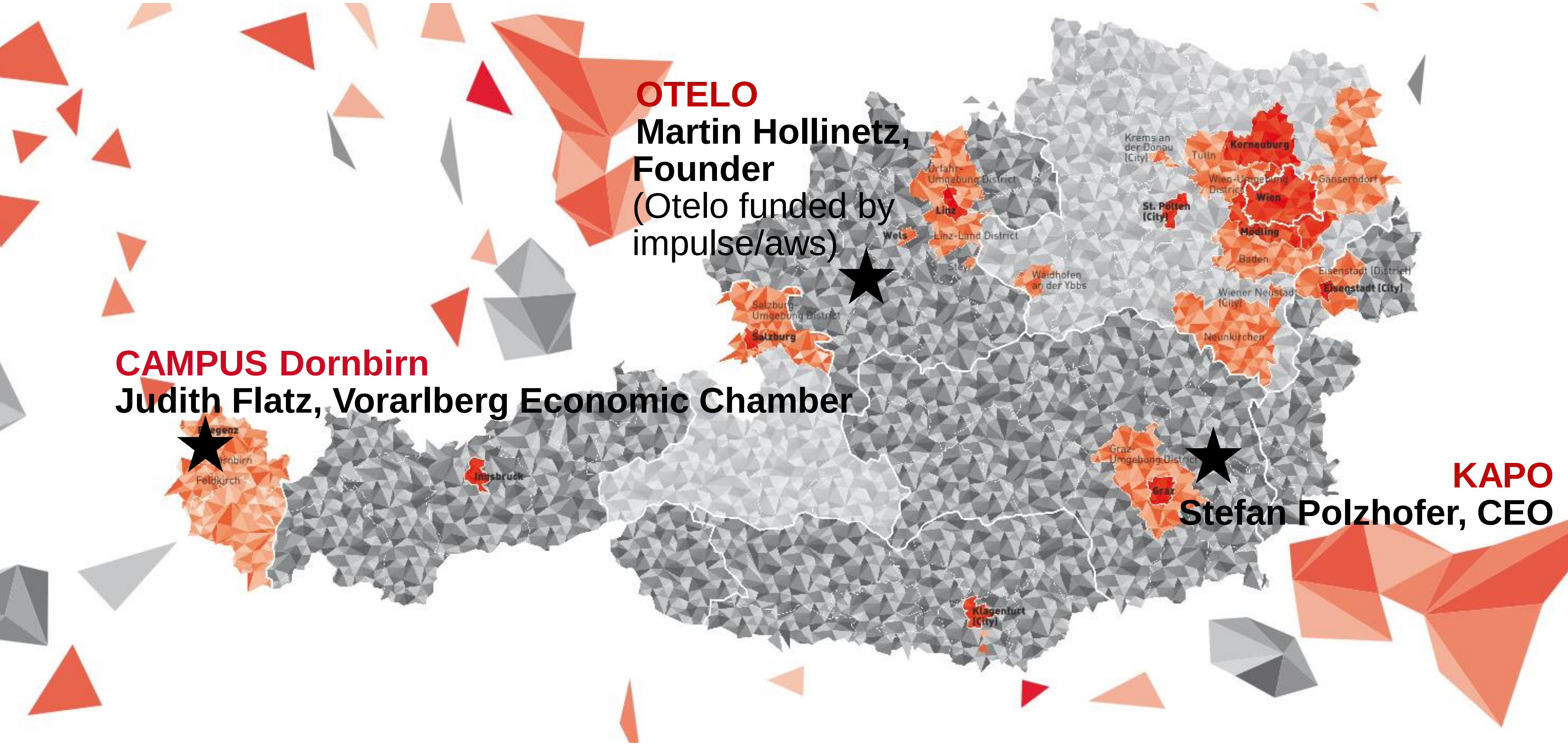
- HIGH GROWTH OF CI OUTSIDE URBAN AREAS

- WORK-LIFE BALANCE IS IMPORTANT WHEN CI ENTERPRISES ARE CHOOSING A LOCATION

- POLICY STRATEGY: MIX TOP-DOWN AND BOTTOM-UP APPROACHES

- CI CAN CREATE SIGNIFICANT SPILLOVERS IN RURAL AREAS

Austrian Show Cases
Role for the region



OTELO
Martin Hollinetz, Founder
(Otelo funded by impulse/aws)

CAMPUS Dornbirn
Judith Flatz, Vorarlberg Economic Chamber

KAPO
Stefan Polzhofer, CEO

WKO
WIRTSCHAFTSKAMMER ÖSTERREICH

Thank you for your attention

WKO WIRTSCHAFTSKAMMER ÖSTERREICH

CI in Austria
Facts & Figures

	Latest figures	Share in total economy percentage overall economy	Changes % within 2 years	
			creative industries	overall economy
companies	38.413	10,4	6,4	2,2
total number of workers	130.471	4,1	2,7	-0,1
dependent employees	93.117	3,2	0,7	-0,7
turnover in million €	18.232	2,7	-1,4	-5,5
cross value added in billion euros	6.998	3,5	-2,8	-2,8

Source: Fifth Austrian Creative Industries Report, 2013, creativ wirtschaft austria