



ICT Technologies triggering business in Creative Industries – 4 main trends identified

Main findings on ICT innovations in Creative Industries across Europe
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Digital technologies empower people (Benkler, 2006) as individuals and as nodes of loosely connected networks. Thanks to cheap content production tools and to the intrinsic multidirectional and non-hierarchical nature of the internet as a communication web, individuals and organizations can easily be either users or producers of content, the difference being merely functional. The emergence of consumer/producer interaction at the supply and demand levels of the value chain – even when this takes place outside the bounds of Creative Industries regular employment – are more than worth to be taken into account (Higgs, Cunningham, Bakhshi, 2008).

GAMES **PRODUCT DESIGN**
ANIMATION **TELEVISION**
MUSIC **INTERACTIVE**
DESIGN **FILM**
ARCHITECTURE
SERIOUS GAMES
ADVERTISING
PUBLISHING **VISUAL**
ARTS

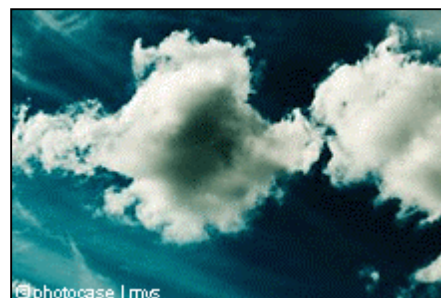
The report studies the impact of information and communication technologies (ICTs) on the development of Creative Industries. Areas of ICT innovation that are – or are expected to be – relevant for the creation, distribution and consumption of Creative Industries products and services are highlighted. Specific emphasis is placed on those technology-driven evolutions that offer opportunities for small and medium enterprises (SMEs) and users to deploy their economic potential.

Information and communication technologies are making the distinction between users and producers of creative content more and more functional rather than real.

ICT innovations triggering business in Creative Industries can be clustered in four main trends, according to the possibilities of fruition for creative content that they enable:

Trend 1 - digital distribution and shareable content

While the paradigm of pre-broadband era was centered on accumulation of data, the competitive factor to date is the amount of data deliverable and sharable in a given time frame. The new paradigm is called cloud computing: no matter of where the information is stored (in servers on the internet and cached temporarily on clients that include desktops, entertainment centers, tablet computers, notebooks, wall computers, handhelds, sensors, monitors etc.), the crucial factor is how it is reachable and how (from technical, organizational, legal and economic points of view) it can be used to generate new, shareable content.



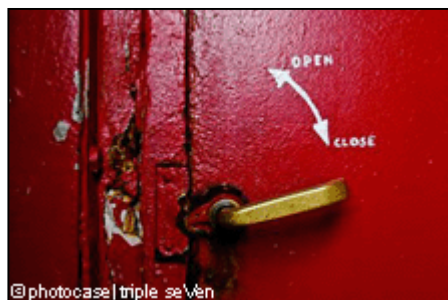
Trend 2 - enhanced visual experiences

Plain access to content is going to be treated and considered as a commodity. Value depends on the usability of content in terms of user experience. The capacity to effectively visualize, experience and navigate the flow of content (data, video, audio) is the key to generate value.

Trend 3 - continuous interfaces

The interface is the entry barrier between the user and the service as well as content. The lower such a barrier is, the easier the user takes advantage of the service and uses the content, i.e. generates and feeds economic opportunities. The alternative paradigm to the desktop model is called ubiquitous computing, which aims at achieving a seamless interface between the user, the device and whatever is delivered through it. Haptic technology and neuro-controllers support continuity between the body of the user and the device, while the handheld wireless devices assure space continuity between multiple private and public environment of fruition.





Trend 4 - distributed and open production facilities

Production facilities are based where production resources are (capital, financial and cultural, human resource capacities). If production resources are shared in a distributed way, production facilities can be virtual and ubiquitous. Organizational capabilities have to adapt. These main innovations are supported by different digital technologies, which sometimes are in a fluid stage of development and it is still uncertain which of them will succeed, become a standard or establish a new dominant design.

The value is then no longer attached to the content through the control of the traditional supply chain, because the technological reasons for old intermediaries to exist no longer apply.

The distribution of protected and encrypted content through the web seems about the past and does not take advantage of the distribution potential offered by the internet. Knowledge and content actually are to be the new capital of postindustrial society, then they have to circulate and be accessible by all. Enterprises have to be ready to take advantage of this new era.

Alternative business models

content vs. data and advertisement

the content is provided for free in exchange for data on users, which in turn are used for advertisement purpose

content vs. donation

the content is provided for free and its up to the user to decide if and how to reward the producer for it

content vs. premium content

the basic version (in terms of quality and materialisation) of the content is provided for free and the advanced and more sophisticated version is offered for payment

content vs. social values

this is the basic economic mechanism at the base of the peer-to-peer content distribution. The content is provided for free to people belonging to a given community in exchange of social values such as reputation, visibility, connections, recognition, networking opportunities and the opportunity to enter a production experience. Communities not only collect content produced and shared by users, but also produce new multimedia content in a peer collaborative way

content vs. interface

the content is provided (almost) for free while the value (and the user expense) is concentrated on the interface appeal and quality

Recommendations to regions interested in supporting Creative Industries

The technological and economic trends in the Creative Industries have generally a global scope. Nevertheless, for regions interested in encouraging new business developments, possibly open to users', respectively citizens' interactions and driven by information and communications technologies should pay particular attention to the following fields of action:

Distribution

Local governments and agencies could sponsor the rise of new business models for content delivery based on exploitation of digital distribution with suitable, flexible, intellectual property rights protection designed to enhance the circulation of the content on the web.

Production

The entry barriers to the production of digital content are less and less a matter of hardware production facilities and more a matter of personal capabilities as education, infrastructure as broad band penetration and network neutrality and open & interoperable platforms. Systematically addressing such three factors with a long term commitment will help flourishing new entrepreneurship and the multiplication of market players.



Fruition

The multiplication and harmonization of content fruition opportunities is a matter of connectivity continuity between private and public spaces. Guaranteeing such continuity is a fundamental asset for the diffusion of ICT driven innovations in every Creative Industries subsector. This is not only a matter of broadband penetration: the diffusion of digital cinema screens are a further example of how the dematerialisation of content can lower the barriers for a collective form of fruition. Creative Industries are extremely important for human wealth, they are a relevant source of employment and they act as fundamental economic organizations to assure a solid and democratic growth process for our society. As such, their development needs to be harmonized with the opportunities offered by technology and considered in political agendas of national and local governments.

Bibliography

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About this paper

Background paper on ICT and Creative Industries

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About the project

CReATE – Creating a Joint Research Agenda for
Promoting ICT-Innovations in Creative Industries across Europe
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Since March 2008, the CReATE project consortium has been developing strategies to improve cooperation at both regional and European levels to enhance the innovative capabilities of small- and medium-sized companies from the creative sector. The CReATE consortium is led by MFG Baden-Württemberg and comprises besides the Steinbeis-Europa-Zentrum (SEZ) from Stuttgart, European partners from Piemonte (CSP, PTO, Regione Piemonte), Rhône-Alpes (Imaginove) and West Midlands (AWM).

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