

Developing local policies for initiating and implementing creative-sector based cross-innovations.

Findings from the Amsterdam-region

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The problem

- Transformation from a 'innovation economy' to a 'creative society'
- Requires changes of local governmental innovation policy
- Integrating 'grand societal challenges'
- Boosting our economy again....

Research approach

- Interviews with 5 experts on creative industry
- A workshop with innovation-experts from the Amsterdam-region
- Visits of European cities to exchange experiences and best practices
- Analysis of several governmental documents on innovation policy in the Amsterdam-region
 - In the framework of the Interreg IVC-project 'Promoting Cross-Innovation in European Cities and Regions'

Defining crossinnovation: what is innovation *in general*?

- Newness & change:
 - from incremental to radical, and impact
- Process:
 - ‘an innovation journey’
- Implementation:
 - available and has an impact on market/society
- Broad view
 - New business models, ‘gay marriage’
- Interconnection
 - ‘system innovations’: electric car, 3G
- Uncertainty & creativity:
 - Innovation is not a project....

Defining innovation (in general)

“Innovation is the multi-stage process whereby organizations transform ideas into new/improved products, service or process, in order to advance, compete and differentiate successfully in their marketplace”

(Baregheh, Rowley & Sambrook, 2009)

Defining *cross-innovation*:

“The process and implementation of new products, services, processes, organizations, and business models developed in close cooperation by various organizations (profit and/or non-profit) from the creative industry and other types of industries, and that addresses one or more societal challenges.”

'SmartGate'



Figure 3: the 'SmartGate'.

Innovation between and across industries: innovation from different industries

- Google was not invented by *Yellowpages*
- Videogames were not invented and developed by *Mattel* (but by *Nintendo* that already in 1889 produced playing cards....)
- Digital watches were developed by classical watch makers (i.e., the Swiss) but introduced into the market by others (i.e., the Japanese)
- Applying numberportability in banking?....

Innovation between and across industries: various possible functions of *cross-innovations*

1. Cross-innovation as an output or application:
 - to be used/applied
 2. Cross-innovation as a process innovation:
 - Used in a company's 'production' process
 3. Cross-innovation as an enabler:
 - as a tool in an innovation process
 4. *'True'* cross-innovation:
 - Cooperation/merging of the creative industry and other industries
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- Classical supplier-buyer relationship (can make a company more innovative)
- Towards networked innovation

Innovation across industries: towards more (networked) cooperation: 'Neue Kombinationen'

- Energy + ICT= 'smart metering'
- Senseo: coffeemachine + pads
- Beertender:



Innovation between and across industries

- Cross-overs:
 - New product consists of existing products: e.g., mobile phone + camera
 - Product in industry A is taken over by industry B: e.g., gas stations selling flowers, food etc.
- Transsectoral innovations:
 - “Risky, deliberate, often technological innovation in companies, based on the ideas gathered from outside its own industry, developed with the support of organizations which are not part of the daily business, and which lead to a new paradigm with regard to production and doing business in this industry” (EIM, 2005, p.8)
- Spill-overs:
 - Positive (negative) effects of industry A on Industry B: using innovations makes you more innovative (e.g., process innovations)
- Enabling technology (also: general purpose technology):
 - For instance, ICT is an enabling technology for many industries (e.g., finance, logistics, entertainment)

Current 'creative industry'-innovation system of the Amsterdam-region

Type of innovation actor:	Actors:
Education	University of Amsterdam, Free University of Amsterdam, Gerrit Rietveld Academy, Universities of Applied Science in Amsterdam (both on business and arts), Various schools involved with new media and design
Multinationals	Endemol, Spilgames, MTV Networks, LBI, Sanoma, Microsoft, Wolters Kluwer, Eyeworks, RTL
SMEs	Marcel Wanders Studio, Guerila Games, Fabirque, Frog Design, Unstudio, Droog, Mojo
Events	IDFA, Holland Festival, Picnic, Cinekid, IBC, ADE
Art and culture	Stedelijk Museum, Rijksmuseum, Van Gogh Museum, Hermitage, FOAM, Carré, Concertgebouw

Table 1: Important actors in the creative industry in the Amsterdam region.

Current 'creative industry'-innovation eco-system of the Amsterdam-region

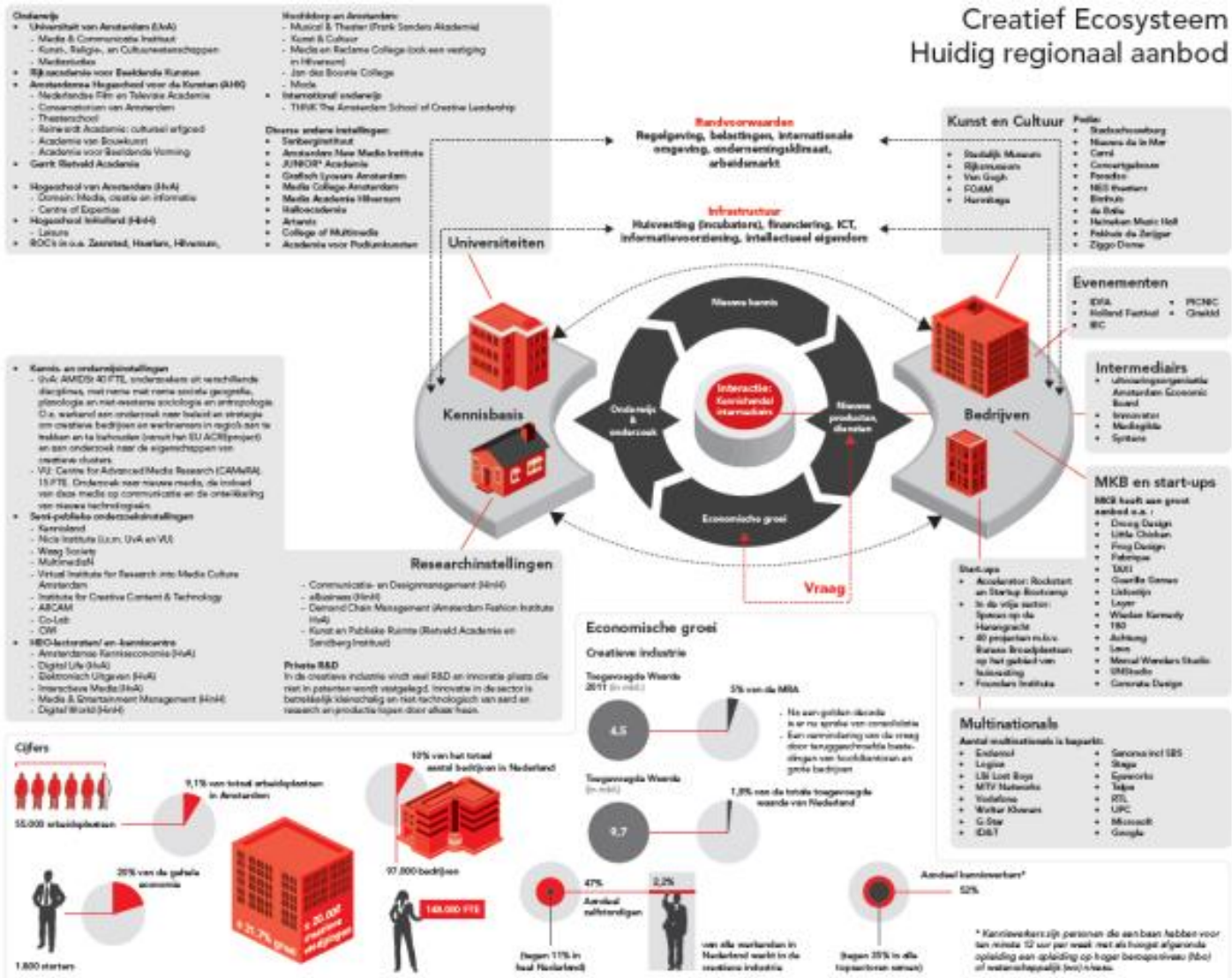


Figure 1: the 'eco-system' of the creative industry in the Amsterdam Metropolitan Region.

Tendencies in the size and scope of the creativity industry in the Amsterdam-region

- Note: creative industry has been assigned a 'top-industry' by the Dutch government
- Is being considered a 'strange' industry, mainly because of its heterogeneity.
- Relative growth in terms of job, companies, turnover.
- Average turnover per employee lower than other industries(labour-intensive).
- From 2012: increase in employment, turnover, added value
- Amsterdam is the 'creative hub' of the Netherlands

More specific analysis of the cross-innovation- infrastructure in the Amsterdam-region

- Brokerage:
 - Open minded culture, heterogenous economy, many efforts and initiatives to connect people & companies
- Finance:
 - Severely damaged by the crisis, especially SMEs are suffering, rise of crowdfunding (?)
- Cultural:
 - Amsterdam 'cultural capital', productivity cultural sector are difficult to prove, potential important role in cross-innovation
- Spaces:
 - well taken care of, although the economic crisis might require additional efforts

Lessons learned from other cities

- Talinn:
 - introduce a design-incubator, national products are not nationalistic...., potential conflict between artistic freedom and commercial interests
- Warsaw:
 - ‘free zones’ could promote entrepreneurship (although a vision is necessary!), Warsaw is much more important for Poland than Amsterdam for the Netherlands
- Lisbon:
 - More policy-attention to business models, difference in ‘business language’ between creative industry and classical industries, creative industries can play a role in developing ‘creative cities’ (instead of boring ‘techno-parks’),

Findings and recommendations (1)

1. Cross-innovation should be really considered as innovation (i.e. implemented change): from input-based policy to output-based policy.
2. Shift the focus and accompanying innovation policy resources to later phases of the cross-innovation process.
3. Focus the limited policy efforts on those initiatives that not only are interesting from a commercial perspective but also address societal goals ('grand societal challenges').

Findings and recommendations (2)

4. Cross-innovation should be considered a sector in itself; i.e. as diametrically opposed to other 'top-industries'.
5. Cross-innovation can be a way for the creative industry to address the problem of finding financial support for their innovation activities.
6. From creative industry to a 'creative society' by means of 'creative workers'.
7. The creative industry as an intermediary between the cultural industry and 'economic' industries to prevent the limitation of the 'artistic freedom' as well as the 'scientific freedom'.