REPORT

Overview of CCI research gaps

Authors
Robert C. Kloosterman
Marianna d'Ovidio
Lidia Greco
Andy Pratt
Thomas Borén
Joris de Vries

May 2019

This project has received funding from the European Union's Horizon 2020 research and innovation programme.

Overview of CCI research gaps

Authors
Robert C. Kloosterman, Marianna d'Ovidio, Lidia Greco, Andy Pratt, Thomas Borén, Joris de Vries

Document identifier
D1.2 Overview of CCI research gaps

Submission date
31 May 2019

Work package
WP 1 "Setting the Scene"

Lead beneficiary
University of Amsterdam

The CICERONE project is coordinated by the Amsterdam Institute for Social Science Research (AISSR) of the University of Amsterdam, which is located at:

Nieuwe Achtergracht 166
1018 WV Amsterdam
The Netherlands

info@cicerone-project.eu
www.cicerone-project.eu

CONTENT

INTRODUCTION 3

1. SOCIO-ECONOMIC STATISTICAL DATA 4

2. STRATEGIES FOR GATHERING DATA THROUGH CASE STUDIES 6

REFERENCES 8

Introduction

The CICERONE project aims at understanding how value is created and captured in Creative and Cultural Industries (CCIs), how these activities impact on labour conditions and local and regional economic growth, and, in addition, how they may contribute to fostering expressions of (sub)cultures in concrete cases. To address these issues, we depart from a Global Network Perspective which traces the flows through the value chain from Creation through Production, Distribution/Circulation, Exchange and Archiving and which links different the phases to the broader local and national context in which the specific activities take place (see also WP1 D1.1. and D1.3). The GPN approach has so far been mainly applied to manufacturing (Coe, 2015). These studies are first and foremost *qualitative* case studies combining different case-specific data sources – from year reports from firms to interviews – while using more quantitative data to sketch the wider context. Case studies are intended to deal with situations where there are a large number of potentially relevant variables, the context (embeddedness) is crucial, and where here is no clear distinction between context and object of study. Case studies are thus useful to uncover mechanisms and patterns of relationships in complex social phenomena (Yin, 2003; Baxter and Jack, 2008). Given the inherent focus on the role of the context, a case study methodology lends itself well to the GPN approach and much less to a rigid statistical approach given its complexity and its emphasis on hard to quantify variables such as embeddedness. The CICERONE project will also do case studies to uncover the crucial mechanisms in GPNs of CCIs and look at complex phenomena in their contexts and using a variety of data sources. These data sources will partly be quite local and/or idiosyncratic thereby defying ex ante description.

We do need, however, more general contextual data to sketch the backdrop of the CCIs in the EU members states. As already stated by Allen Scott in his pioneering study *The Cultural Economy of Cities* (2000: 8), "the cultural economy is represented by an extremely wide variety of manufacturing and service activities". The categories of standard statistical classifications are rarely fully informative in general and "this is especially true in the case of the cultural economy" (bid.: 7). The EU has already embarked on an extensive project to refine and harmonise data on CCIs and significant efforts have been made at the European level to improve statistics (KEA, 2015). Notably the 2012 publication *European Statistical System Network on Culture; Final Report* by the ESSnet-CULTURE has provided a very thorough and comprehensive statistical framework for harmonising, mapping and, subsequently, analysing CCIs in the EU.

There are, however, still serious shortcomings in the availability of relevant data. In their 2015 *Feasibility Study on Data Collection and Analysis in the Cultural and Creative Sectors in the EU*, KEA (2015: 9) suggest an ambitious scenario which "recommends establishing a CCS Observatory with the mission of improving the collection and comparability of alternative data as well as developing new 'big data' methodologies to measure the creative economy". The CICERONE project aims contributing to this challenging scenario on the basis of extensive fieldwork looking at case studies from the GPN lens. The study by the European Commission (2017) *Mapping the Creative Value Chains; A Study on the Economy of Culture in the Digital Age* has looked at CCIs applying the value chain approach which is closely related to the GPN approach of the CICERONE project.

This study, however, was not based on extensive empirical research. Our project will comprise a series of in-depth case studies and, thereby, not only uncover new data gaps but also explore new strategies of data gathering.

Both the ESSnet-CULTURE 2012 and the KEA 2015 study have pointed at the difficulties of gathering (statistical) data for the CCIs. First, it is quite hard to determine to what extent which economic activity or even which profession is "cultural"or "creative". Secondly, notably in the CCIs there is a relatively large group of people which are in and out of paid employment in a short span of time. Many musicians, for instance, are only part of the time officially paid as such. Third, there are many self-employed and small firms which makes capturing their activities often difficult as they tend to fall of the radar of statistical agencies. Fourth, and related to the former three, output and turnover is often difficult to measure (e.g. museums, performing arts). Fifth, digitisation has blurred boundaries between industries – notably in the CCIs – making measurement more difficult as data on digital forms of distribution are not recorded in Eurostat's surveys. Sixth, statistical data are "rarely comparable as EU Member States are still using different definitions of CCS or interpretations of statistical classifications" (KEA, 2015: 84) and Essn 2012 (2012) has observed "that the limits of cultural and/or creative industries remain vague, and vary according to the definitions and approaches used." Things get even more complicated if we want to go beyond mere socio-economic statistics. The contribution to cultural diversity, for instance, is not dealt with in European official statistics.

Below, we will first look at the data needed to construct a cartographic mapping of the CCIs in the EU which can serve as a backdrop for the in-depth case studies. We build on the statistical framework suggested by the ESSnet-CULTURE 2012 and point at the data gaps regarding the basic socio-economic statistics (section 2). We then proceed to sketch the broad outlines for a strategy for using alternative sources of information in the case studies. A more detailed account of the methodology of the case studies will be presented in D.1.3.

1. Socio-economic statistical data

To indicate the EU situation and construct a reference point for the case studies, we need to do a cartographic mapping of the CCIs. This implies that we have to gather data on A) the number of firms; B) employment; and C) added value for the selected CCIs in European regions at preferably 4-digit data referring to both industries (NACE) and occupations (ISCO) at the NUTS 3 level using the cultural matrix proposed by the ESSnet Culture (2012), which brings together cultural occupations and cultural activities. We have to group data on industries and occupations to match as close as possible the selected CCIs. The spatial breakdown is crucial as it will give insights in the geograhic patterns and, especially, forms of clustering of CCIs in the EU. Based on these data, we can construct a cartography which can be also be used to address the issue of impact on local economic development. If these data are not available during the CICERONE project, we have to resort to reconsolidating economic activities to a 2-digit level and/or NUTs 2 levels.

The ESSnet Culture (2012) study has constructed a comprehensive list of indicators referring to different quantitiave aspects of firms, employment, and (national cross-border) import and export flows (see Table 1). That same study also provides references to the relevant databases to construct these indicators. The level of detail - both in terms of NACE and ISCO codes and in terms of NUTs levels - differs per category and per country. We will explore to what extent we will be able to construct fine-grained picture of CCIs.

More specifically, we will aim at producing (for each industry) employment figures (full- time/part-time, male/female, educational level) for the five phases of the production chain and numbers regarding the firm composition of each of these phases. These data are available at the national level, but we have to explore to what extent we can break these down to NUTs level 2 and possibly NUTs level 3 to identify spatial concentrations. Gathering overall statistical value added data on each CCI will be much more difficult and this issue will be dealt with in the case studies.

Table 1. Key indicators of the employment and economic characteristics of the CCI (source: ESSnet-CULTURE, 2012)

1	Enterprises/firms
1.1	Share of the cultural enterprises in the overall economy
1.2	Share of the cultural enterprises in the service sector
1.3	Share of the cultural enterprises' turnover in the overall economy's turnover
1.4	Share of the cultural enterprises' turnover in the service sector's turnover
1.5	Share of the micro-enterprises (by employment size) in the cultural sector
1.6	Share of micro-enterprises (by employment size) in cultural sector compared to share of microenterprises in overall economy
1.7	Share of cultural micro-enterprises (by employment size) in cultural sector compared to the share of micro-enterprises in the service sector
1.8	Share of self-employed without employees in the total employment of cultural sector
1.9	Share of the value added produced by cultural sector compared to the overall economy
1.10	Share of the market oriented ('turnover over 50% earned by selling own products or services' criteria) cultural enterprises compared to the total cultural sector

2	Employment
2.1	Total cultural employment (absolute figures and % of total employment)
2.2	Total employment of the cultural occupations (absolute figures and % of total employment)
2.3.1	Total employment in the cultural sector (absolute figures and % of total employment)
2.3.2	Total employment of the market oriented entrerprises and organisations in the cultural sector (absolute figures and % of total employment)
2.4.1	Percentage of employed in cultural occupations working in cultural sector
2.4.2	Percentage of employed of the cultural occupations working in market oriented enterprises of the cultural sectors
2.5	Share of the employees among the culturally employed persons (employed in cultural sector and employed in cultural occupations in non-cultural sectors)
2.6	Share of persons culturally employed with temporary contract in the cultural sector

2.7	Culturally employed persons by gender (percentage of women in cultural employment)
2.8	Share of persons with tertiary education in cultural employment
2.9	Share of non-nationals in artist occupations
2.10	Quintiles of the net salary of the cultural employment with higher education compared to the quintiles of the net salary of all the overall employment with the higher education

3	**Import and export of the cultural goods**
3.1	Share of cultural goods in total import
3.2	Share of cultural goods in total export
3.3	Share of cultural services in total export

2. Strategies for gathering data through case studies

Given its complexity in terms of number of potential variables and its emphasis on the role of the context, case studies are the main methodological instrument in GPN research. This also holds for the CICERONE project in which case studies form the backbone of the empirical part. With these case studies, we will contribute to the ambitious scenario proposed by KEA which aims at exploring new data sources for investigating CCIs. Doing the case studies, we will be able to construct an explicit methodology for production networks in CCIs grounded in actual research on a broad array of cases in different countries. This methodology will comprise sets of data sources which are included in the Eurostat database. Key issues in the GPN approach – about value capturing and power relationships – do not lend themselves very easily to quantification. In addition, data on flows between different stages of the production network are usually not monitored. Our focus is on the value flow/concentration (value added for the project, as well as looking at 'value added' across the chains). As implied, no secondary data is publicly available. We, therefore, have to devise a new methodology to dissect the GPN in CCIs.

The case studies will make use of more alternative data (cf. KEA, 2015):

- literature reviews;
- secondary analysis of published empirical research;
- annual reports by firms, business organisations from industry, professional and trade associations;
- administrative sources (mainly Ministry records);
- rights management bodies and unions national and local policy documents and studies;
- media (newspapers, magazines);
- business registers;
- big data (notably to trace the distribution/circulation and exchange of digital goods); and
- especially interviews with key actors/privileged informants in the field.

The case studies will generate rich imformation on both the need for and the availability of these different types of data, which will be dependent on the particular case of study in a specific local and national context. Each case will be different and require a customised approach. Still, we will be able to present a more meta-level methodology – which includes what sets of data may be used in what way – and develop new ways to measure the creative economy. We will examine the strengths and weakness of a range of approaches (given that none will be perfect), and evaluate strategically (in relation to our objectives of advising policy) which approaches are most suitable in which cases. We will develop this methodology with the CICERONE partners, including KEA as well as with the stakeholders in the field as part of the co-production component of the project.

CICERONE will also be piloting a Cultural and Creative Industries Global Production Network Observatory. With this observatory, the project will, among others, provide a careful assessment of the data that are needed to measure and capture production networks of the CCI. It will also stipulate how these alternative data can be gathered and their comparability improved. In the run- up to the launching of the observatory, the consortium will reach out to statistical institutes, policymakers and CCI actors by organizing expert sessions to calibrate its ideas on data concepts, measures and taxonomies, as well as on contextual data sets and the curation and dissemination of data (including the liaising with extant data archives and sources).

To this end, the consortium will, during the course of the project, produce a series of data-related briefing and discussion papers. This paper series will provide, among others, a meta-review with a focus on taxonomic and definitional issues; data sources; spatial, temporal and sample limitations; methodologies and comparability. It will also present exemplary methods used by CICERONE for measuring and evaluating of CCI production networks and best practice methodologies, highlighting practical ongoing challenges to data collection and (quantitative and qualitative) analysis.

References

Baxter, P., & Jack, S. (2008). Qualitative Case Study Methodology: Study Design and Implementation for Novice Researchers. *The Qualitative Report*, 13(4), 544-559. Retrieved from https://nsuworks.nova.edu/tqr/vol13/iss4/2

European Commission (2017), *Mapping the Creative Value Chains; A Study on the Economy of Culture in the Digital Age*. Luxembourg: Publications Office of the European Union ESSnet-CULTURE (2012), *European Statistical System Network on Culture; Final Report*. Luxembourg: Publications Office of the European Union.

European Commission (2017), *Mapping the Creative Value Chains; A Study on the Economy of Culture in the Digital Age*. Luxembourg: Publications Office of the European Union.

KEA (2015), *Feasibility Study on Data Collection and Analysis in the Cultural and Creative Sectors in the EU*. Brussels: KEA

Yin, R. K. (2003). *Case Study Research: Design and Methods* (3rd ed.). Thousand Oaks, CA: Sage.