

## **ChIMERA**

### **Innovative cultural and creative clusters in MED area**

P.A. 1: Promoting Mediterranean innovation capacity to develop smart and sustainable growth

Obj. 1.1: To increase transnational activity of innovative clusters and networks of key sectors of the MED area

<https://chimera.interreg-med.eu/>

#### **D.3.4.2 Comparative analysis**

##### **WP 3. Studying**

#### **act. 3.4 Capacity building of innovation key actors for the cultural and creative industries**

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INNOVATIVE CULTURAL  
AND CREATIVE CLUSTERS  
IN THE MEDITERRANEAN AREA

## COMPARATIVE ANALYSIS

PP5 Chamber of Commerce Industry  
and services of Terrassa

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Regional capacity building took place on the 27<sup>th</sup> June 2017 at the Chamber of Commerce Industry and services of Terrassa headquarters in Terrassa. The capacity building was gathering members of Regional Working Group (RWG) together with Frontrunners showing best practices as benchmark to the sector and in order to learn how to fill the gaps detected by SWOT analysis.

Title of the workshop was “Best practices and action plan for creative sector”, after an introduction of best practices held by Audiovisual Park of Catalonia and Audiovisual Cluster of Catalonia, participants discussed on the gaps and solutions to be found to solve them.

20 stakeholders of creative sector confirmed attendance but at the end the session started with 10 participants due to unexpected reasons of the rest of participants. The capacity building counted with the participation of 3 business support representatives, 2 frontrunners, 1 Education sector, 2 SMEs and 3 public administration representatives, so the representation of all actors involved in creative industries was well balanced.

## CONTEXT

By the study conducted in previous phases of the Chimera project, Regional Working Group, SWOT analysis and Regional analysis, it was identified two frontrunners as most innovative organizations in the promotion of creative industries:

### 1. **The Catalan Institute of Cultural Enterprises**

The Catalan Institute of Cultural Industries (ICEC) is a public agency of the Department of Culture of the Government of Catalonia created in 2000 with the aim of promoting artistic creativity and production, distribution and dissemination of cultural content through the development of cultural enterprises, and promotes cultural consumption and expanding markets for Catalan culture industry.

ICEC is the main public driver of the sector in Catalonia Region and has many best practices in the field of international promotion of Catalan creative and cultural sector.

### 2. **Audiovisual Cluster**

The Audiovisual Cluster of Catalonia is a private grouping of companies and institutions in the audiovisual and multimedia sector that collaborates for the growth of its members.

The Cluster is made up of production companies, production services, post-production, VFX (Visual effects), distribution, exhibition, radio and television operators, audiovisual ICT (Information Communication Technology), telecommunications, photography, virtual reality, video games and advertising.

The main role of this privately driven initiative is the connection between the different partners, but also linking public and private actors in the sector, as well as bridging the gap between education and industry, both at the national and international level.

The current situation of CCI in Catalonia region is quite positive due to the dynamic nature of the sector, the high quality of their professionals, the existence of specialized schools

and training programs in CCI, the existence of regional clusters that bring together industry, training and research, but still there is a need for increasing sectorial and inter-sectorial cooperation and public and private cooperation in the field of the promotion of the creative and cultural industry.

## GAPS

### **G1: Great concern of intellectual property protection of the CCI sector.**

One of the main concerns of CCIs is how to protect intellectual property in a such a sensitive sector as CCIs. In Spain, "hacking" is a structural issue. It is widespread in all CCIs subsectors but specially in audiovisual sector (films and video games) . Although the CCI sector is claiming for more protection to intellectual property rights to policy makers, it is proven that piracy fighting laws are ineffective.

On the other side, platforms like Netflix have facilitated a change in consumer habits and have contributed very much to the fight against piracy. To reach easily to online contents is what consumers are needing, and they are paying for it, changing the concept of free contents in consumers' minds.

In addition, the new online distribution platforms have opened new opportunities and new distribution channels for small producers, that can be as competitive in online markets as the big producers at a low distribution cost.

### **G2: Scarce digitalization of CCIs companies.**

CCIs SMEs doesn't have the capacity to follow the trends in marketing and can't keep updated to the new consumer habits and new online marketing techniques.

The digitization process of a company should be "started from the beginning". Currently there are still many companies that do not have a website and other companies having one, they would need to update it and make it more appealing and modern to reach target consumers.

CCIs companies are mostly SMEs, and they have not enough dimension to reach traditional distribution channels. In addition, most companies in this sector doesn't have a strategy on digital marketing that would increase their chances to reach the markets. The digital marketing strategy will depend on the sector and should always be advised by a specialist. distribution channels. In addition, the new consumer habits should also be taken into account in order to access information: mobile phone.

### **G3: Difficult internationalization of the sector.**

Expanding to international markets is still difficult to most CCIs companies, considering the internationalization process as one that must be driven by a strategic plan, but not by a number of isolated marketing or sales actions. It also highlights the convenience of planning internationalization actions well in advance to achieve good contacts and good results.

In order to carry out an internationalization process it is necessary to act with certainty and, in the long term, results are obtained, but it must be the result of a strategic process, previously planned, which is not currently the case for most CCI's.

The internationalization process is very costly and difficult for a single company, especially when most CCI's are SMEs or micro-companies. In addition, most start ups can be successful only if being global, but they don't have the resources to do this.

#### **G4: Human resources. Talent retention**

Retention of talent is often linked to economic capacity of the company . "Good professionals must be rewarded, and if not, the professionals will look for other professional challenges elsewhere". In addition, it is difficult to follow the new trends and techniques by the professionals working in CCI's. Being state of the art is costly.

### **RECOMMENDATIONS**

#### **R1: Promoting the use of legal CCI's distribution online platforms and prosecuting "hacking" online.**

There is a need to request Policy Makers a more effective set of measures to prevent "hacking" of CCI's contents online. On the other side, aware rising campaigns for the use of legal CCI's contents online distribution platforms is needed.

Aware rising on online distribution channels and online distribution strategies are needed in the CCI's sectors, no matter the size of the companies is. SMEs can specially benefit from these platforms.

#### **R2: Training and rising awareness among CCI's SMEs on how to use online distribution platforms and how take advantage of online marketing.**

CCI's SMEs should know how to assess the existing online distribution portals, which allow to market your products without the need to have a website .These tools are also elements that guide the marketing of CCI's contents based on the habits of the consumers.

CCI's SMEs should know how to take advantage of online marketing tools, techniques and also how to use prescriptors such as youtubers as part of a marketing strategy.

CCI's SMEs should know how to plan a marketing strategy that integrates traditional marketing, online marketing and using the company Website as the basics of this strategy.

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#### **R3: Training and facilitating internationalization plans and cooperation for CCI's SMEs**

SMEs need internationalization plans, as a well structured internationalization strategy. Those internationalization plans must be concreted as an action plan.

It is recommended that CCI's entrepreneurs have the knowledge and the support to draw internationalization strategic plans.

Being internationalization process and time consuming one and always linked to the efforts made, there is a barrier for the smaller CCI companies. Cooperation with other CCIs SMEs should be encouraged and supported, as jointly, the internationalization process could be facilitated in order to penetrate a number of markets. Promotion and marketing actions such as trade fairs, show rooms, advertisements, hiring commercial agents are benefiting from economies of scale. Joint actions are recommended as the way to access markets that would not be reachable without cooperation with other companies. Here the role of clusters become the most important.

It is most convenient to foster cooperation among SMEs , to promote sectorial actions, and to promote collective promotion actions. In this sense, it is recommended that companies "open up their mindset" and forget of local competitors, thinking of a wider strategy and a win win long term cooperation. Contacts with other operators can also be a collaborative way to reach goals and open new business possibilities and markets.

#### **R4: Promoting education and industry links**

CCIs must be in continuous contact with related education word, both with higher education and Vocational Education and Training.

Promoting a continuous link with education allow CCIs to keep state of the art and to be aware of new trends.

Facilitating internships and traineeships at CCIs SMEs allow a new source of future professionals, to keep updated of new techniques and trends as well as giving the opportunity of starting a new career to young students and professionals.

Dual vocational training is a tool that allows students to combine studies with traineeships at companies, as part of their formal education. At the same time, the company can find good professionals, facilitating the recruitment process and increasing the quality of new staff.

Other activities as recruitment fairs and pitching between students and CCIs is most convenient in order talent can access CCIs and vice-versa.

## FINAL CONCLUSIONS

As final conclusions we would like to stress in the first place that most gaps detected are the consequence of the difficulties that SMEs and specially small and micro enterprises are facing. Most CCI sector companies are small sized with the following negative side effects:

- Difficulties to overcome the strong entry barriers in the CC industry. Sometimes there is a string investment in promotion or development that is out of reach for the small sized companies.
- Difficulties of access to the international markets. Accessing international markets requires a 1-2 years of marketing actions that are costly, and many small and medium companies cannot afford.
- Difficult adaptation of the professionals to the new business trends. Technology is changing at a very speed pace, and professionals at SMEs don't have the time or the resources to continually update their staff.
- Difficulties for finding channel to market and promote their products. There is a strong need to have a marketing strategy, but SME often lack of time, knowledge and resources to implement a market strategy. Marketing then becomes a series of small collections of disperse marketing actions that lack of efficiency and it is not oriented to results.

In second place, there are gaps that are related to a lack of cooperation culture that would help to overcome the small size of CCIs. This cooperation culture should be fostered in order to increase:

- Sector and inter sectorial cooperation among CCIs that could take advantage of synergies between companies of different sectors or subsectors.
- Increasing public-private cooperation, should be increased as well, promoting a better awareness of both public and private actions, better matching private sector needs with public sector resources and then increasing effectiveness and efficiency in public support to CCIs. Then a better communication and coordination is needed so that public and private cooperation can reach excellence.

According to the above mentioned conclusions, actions to be taken must be in the sense of increasing information, raising awareness, training and fostering coordination among all stakeholders in creative sector so that CCIs can become more competitive, state of the art, cooperative and international.