# Exploring the Phenomenon of Creative Hubs – Summary of the Study Report

To help understand creative ecosystems in business and the arts

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This report was prepared with the financial participation of Telefilm Canada. The authors would like to thank this funding agency.

Version published March 4, 2019

## Summary of the Summary

In the context of the <u>Creative Canada Policy</u> to support the creative industries, one initiative is to invest in cultural spaces dedicated to "artists, cultural entrepreneurs and organizations" that are conducive to development and collaboration. According to this policy, such places are called creative hubs and aims to foster the development of entrepreneurial skills, creation, collaboration and innovation.

This exploratory study investigates the emerging organizational trend of creative hubs in order to capture their potential positive impact on the industry and potential policy opportunities. The development of a data bank identified 55 organizations, mainly in Quebec, considered to belong to the creative ecosystems. The observed trends reveal stakeholder networks that are distinguished according to their commercial, social, artistic and cultural vocation.

Through this typology, a definition of the creative hub emerges. Its added value is revealed on the one hand, in its strategic positioning, at the junction of the commercial, social and artistic spheres. On the other hand, it reveals itself in its structural capacity to capitalize on positive externalities in order to enhance the market value of cultural and artistic products.



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### 1. Summary

#### 1.1. Context and research objectives

The Creative Canada Policy unveiled in September 2017 by the previous Minister of Canadian Heritage, Mélanie Joly, aims to support the creative industries in the digital age. One of the proposed initiatives is to invest in cultural spaces that encourage development and collaboration between "*artists, cultural entrepreneurs and organizations*" (source: point 1.4 of the Policy Framework). These places, which the Policy calls creative hubs, are intended to help creative talent build their entrepreneurial skills and create, collaborate and innovate.

The authors therefore wanted to explore what a creative hub is in order to understand its potential positive impact on the industry and the strategic opportunities it could offer.

#### 1.2. Approach

Since the apparent paradigms regarding creative hubs involve collaboration and collective intelligence, the authors opted for an iterative/collaborative approach for conducting this research. They decided to open up this study to the community from the outset in order to interact with the milieu, to enrich the research process in a participatory way and to accelerate the sharing of knowledge. With this in mind, the Facebook group "Hubs Créatifs / Creative Hubs (Recherche Collaborative Research") was created to enable players in the audiovisual and creative sector to interact during the research process. Recognizing that inventorying and categorizing creative hubs and analyzing their practices is necessarily an ongoing, constantly evolving process, the authors also decided to make this document available to the public under a Creative Commons CC BY-SA licence. The intention is to allow the community to enrich the reflections and proposals in this "study report" by giving them permission to use and adapt it.

#### 1.3. Theoretical concepts and conceptual framework

This section illustrates the concept of creative hub, based on theory, in order to lay the foundation for a common language whose resulting implications will spark reflection on the phenomenon. The section starts by presenting a "holistic" definition of creative hub, constructed in a collective and iterative way with community stakeholders in the industry. Secondly, theoretical concepts, such as those related to creativity, innovation and innovative processes, are used to establish a typology of creative hubs based on whether they are passive or active. The authors particularly emphasize the positive impact of <u>active</u> hubs, owing to the proactive and selective role they play in developing the projects and products they host. Thirdly, theoretical concepts such as inputs/outputs and their tangible/intangible value highlight the particular dynamic of creative hubs, i.e. their synergetic effect. According to the authors, a creative hub has a structure that permits the production of "outputs" whose market value capitalizes on both the tangible and intangible values of the "inputs." The section thus ends with the added value of creative hubs through the concept of mutualization of value.

#### 1.4. Methodology and sampling

To understand the concrete reality of the phenomenon, the authors first drew up a list of a hundred organizations considered as being a part of the creative hub ecosystem in Montreal, Quebec and around the world. At the same time, they also conducted exploratory field research to survey the views of industry players through interviews and qualitative questionnaires. These accounts then inspired a classification method leading to the development of a database. A total of 55 organizations from the initial list were classified in the database. These organizations constitute a sample that, while not exhaustive, presents a brief portrait of inspiring creative hubs across Canada, with an emphasis on those in Quebec, along with a general look at a few inspiring players on the international scene. Of the 55 organizations, 62% are from the greater Montreal area, 24% from the province of Quebec, and 16% from the national and international



scene. To help visualize the results, the organizations in the database are presented in the form of an interactive map.

#### 1.5. Analysis

A study of similarities among the database's classification categories points up certain trends. For one thing, it was observed that the organizations are described by a combination of stakeholders. It was further observed that different combinations of stakeholders reveal ecosystems that are distinguished according to the type of purpose they pursue. Three ecosystems of <u>active</u> creative hubs were thus identified:

- 1. commercial purpose hubs
- 2. social purpose hubs
- 3. artistic and cultural purpose hubs

#### 1.6. Findings

#### 1.6.1. What have we learned about creative hub ecosystems?

According to the authors, a creative hub is characterized both by the production of goods and/or services and by its ecosystem. The authors suggest that a creative ecosystem exists where the business, social and artistic sectors intersect. It is at this intersection that an idea can inspire other ideas by reaching beyond its usual ecosystem, collectively resulting in the creation of new and unexpected creative activities.

#### 1.6.2. How do these environments offer opportunities and economic benefits?

According to the authors, the phenomenon of creative hubs permits the internalization of positive externalities, to the benefit of all stakeholders in the hub. As mentioned, this is reflected in the production of tangible products from the integration of both tangible and intangible inputs. In other words, the creative hub capitalizes on the potential market value of intangible inputs, which do not at first glance seem profitable on their own. For example, a cultural content whose potential market traction has not yet been exploited can, in a creative hub, become a means of valorizing something else or be intrinsically enhanced by its association with something else. The cultural content can thus become an added value for an industrial sector with significant market traction.

#### 1.7. Recommendations

Generally, our recommendations suggest how funding agencies can take creative hubs into account and incorporate them into their cultural funding activities. The authors' proposal in this regard primarily consists in establishing a <u>non-restrictive</u> incentive policy.

In making all expenses for joining an <u>active</u> creative hub eligible within a project application, the funding agencies would encourage the implementation of conditions favouring innovation, an entrepreneurial approach, private and philanthropic complementary funding, and export networking. This would allow a content creation, production or marketing project to be supported by a network of resources.

#### 1.8. Conclusion

From this research, we understand that the concept of creative hub is vast and constantly changing. Although creative hubs are clearly a vector of innovation, the concept remains porous. The research also shows that the quality of innovation will always depend on the quality of the freedom in which it takes place.



In the context of public funding, just trying to categorize, delimit and define creative hubs would create conditions that would hinder innovation.

From this research, we also learn that the nature of a hub is to provide a space for adding value and we understand that, regardless of the individual value of its tangible or intangible "inputs," the creative hub would invariably result in an "output" whose value is higher than the sum of its inputs.

