Entrepreneurial Strategies for a "Positive Economy"

Which strategies do artists and designers pursue in search of a "positive economy"? How do they interlink contents and contexts in different entrepreneurial settings? What characterises the creative economies in Switzerland? How are the country's creative industry submarkets developing?

This report explores the dynamics of Switzerland's creative economies. Based on analyses, facts and figures, portraits and mappings, it presents a multi-faceted picture of this industry complex beyond buzzwords like "business" and "creativity." It thus contributes to understanding new emerging business models.

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3rd Creative Economies Report
Switzerland 2018

CreativeEconomies research venture

Entrepreneurial Strategies for a "Positive Economy"
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Introduction

Context and Looking Back at the 2nd Report

This is the 3rd Creative Economies Report Switzerland to be published by the CreativeEconomies research venture (Department of Cultural Analysis, Zurich University of the Arts). We see this biennial publication as an opportunity to take stock of different discussion threads and research fields and to make these accessible to a wider circle of interested parties outside the international research community. These include representatives of various political fields, associations and actors in the creative industries.

By way of a reminder: Published in 2016, the 2nd Swiss Creative Industries Report was subtitled "From the Creative Industry to the Creative Economies." It presented a concept that no longer structured the creative industry along various submarkets such as the design industry, the software and games industry or the art market, but instead focused on the interrelations between a "creative core," an "extended sphere" and a "collocated sphere." → Fig. 1 p. 4

Our model marked a response to a malaise in the discussions on the creative industries. In times of a "mainstreamed" concept of creativity, an approach based on the dichotomy "creative versus non-creative"

increasingly treads water. In response to whether an industry is creative, there is only one answer today: yes, of course! Any industry unable to claim this is not believed to have sustainable products and services. The discussion on the creative industries has become superfluous at the latest when every industry is compelled to define itself as "creative." Instead of external attributions and international conventions, our approach to the creative economies concentrates on attitudes and strategies: Which processes and practices are crucial for organisations or actors to position themselves in the "creative core"? Our observations—which have attracted various reactions—suggest that projections into the future play a major role in the "creative core," i.e., a practice of asking how things or states could be. We therefore speak of a "what-if mode."

We also pointed out in the second report that an isolated focus on the "creative core" is inappropriate. Further, we emphasised the central importance of exchanges and interactions between this core area and diverse framework conditions ("collocated sphere"), for instance, in terms of infrastructure, financing mechanisms, political conditions or demand structures.

Fig.1 The Creative Economies Model
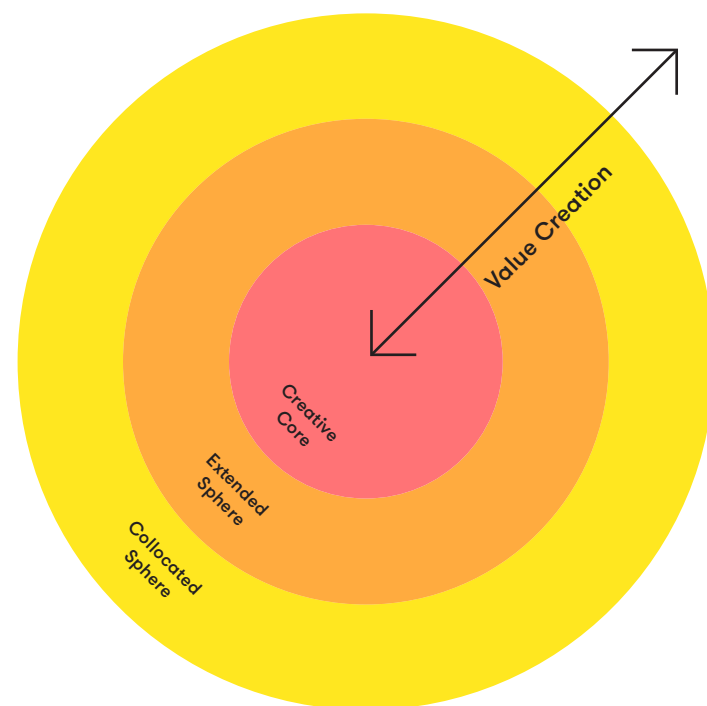
The illustration shows the three spheres of creative economies—creative core, extended sphere, collocated sphere—and defines value creation as a transversal process.

3rd Report: Focus and Insights

The focus and title of this 3rd report are: "Entrepreneurial Strategies for a 'Positive Economy'." Thus, it not only continues the line sketched so far, in terms of methodology and presentation, but also follows the call to move from an omnipresent and universalistic concept of creativity to a more precise examination of the most diverse value creation constellations. Consequently, the topic of values or evaluation is clarified by explicitly addressing the associated evaluation mechanisms and its always also political components.

This core theme is examined by means of different approaches. In his study "'Positive Economy'—Towards New Business Models for Artists," → p.7 Frédéric Martel summarises an extensive series of interviews he conducted at various locations around the world, and evaluates these with a view to different dimensions of value creation. His analysis focuses on the question of how actors in the creative economies—whether individuals or small and medium-sized organisations—can develop sustainable business models under the conditions of digitisation. It is revealing that one of his central terms goes back to the French poet Arthur Rimbaud. As early as the 19th century, Rimbaud had demanded a "positive economy" for himself, thus anticipating key dimensions of this third report: Developing

strategies for the creative economies always means reflecting on suitable framework conditions that enable value creation beyond the individual case. Accordingly, Martel's analyses and suggested options for action refer both to actors themselves and to the surrounding systems. Associated therewith is a new understanding of governance. The quantitative section of the present report include Roman Page's statistical analyses and enables comparison with the figures presented in 2016 and thus, for the first time for Switzerland, to also comment on development trends. Page achieves this through adducing official statistics in terms of the established continental European discussion → p.47. His chapter thus makes an important contribution to Switzerland's ability to connect with the international debate. At the same time, it is oriented towards an Anglo-Saxon approach, which considers the field not from an industry perspective but from an occupational perspective → p.79 and thus provides further insights. These additional approaches reveal in which direction statistical data analyses in the area of the creative economies are developing in order to capture the most diverse dimensions of value creation. We do justice to the need for topicality by regularly updating statistical analyses at → www.creative-economies.com and proposing new, more experimental statistics approaches to selected topics.

Roman Page's quantitative analysis and Frédéric Martel's qualitative analysis (based on qualitative interviews) are two very different perspectives from which we look at the creative economies: On the one hand are official data, gathered according to international standards, which enable comparability and time series. At the same time, the analytical grid is relatively coarse and poorly suited to certain small-scale structures of the creative economies; moreover, such data are always available at the earliest with a delay of one year. Conversely, a journalistic approach and a qualitative series of interviews are suited to questioning this compartmentalisation and its specific approaches in greater detail, "in real time" so to speak, not only nationally, but also from an integrated international perspective. While this approach readily opens up new perspectives, it does not, as qualitative research, pretend to be representative or generalisable: Rather, it presents another side of the picture. As a third approach, which adds a complementary perspective, Fabienne Schmuki presents a selection of quotations → p.52 from professional associations, trade media and the daily press. This collated material reveals the public perception of the current debates and the agenda-setting of diverse interest groups.

Finally, Simon Grand and Christoph Weckerle attempt to synthesise and reflect on the contents → p.85 of the 3rd report on a more general level. They identify two black boxes and four research questions, which deserve further exploration. They seek to illustrate its findings with selected references and formulate prospects for the future research agenda of the CreativeEconomies research venture. They show that organisations in the creative economies are successful when content initiatives and structural development engage in ongoing and constructive exchange. For the expert organisations of the creative economies, linear approaches, in terms of the principle "structure follows strategy," are just as unsuitable as the one-sided primacy of content, which reduces questions of entrepreneurship to the dimension of self-management.

Value creation and Entrepreneurial Strategies as promising reference points

The debate that we aim to initiate with the 3rd report for the context of the creative economies revolves around value creation, a central narrative of the creative industries. It assumes that multiple forms of value creation emerge at the interface of business and creativity. The so-called "creative economies" are described as a field in which two otherwise separate worlds come together: economy / entrepreneurship + art / creativity = value creation.

As indicated, such a simplified formula is problematic because the question of who or what is creative must be discussed anew in every context and cannot be delegated to selected industries. We have also suggested that neither "art" nor "the economy" can be negotiated in the singular. On the contrary: different strategic motives and business models need to be distinguished. It is barely surprising if the outcome arising from such an interface of creativity and economy is not really sustainable.

The pair of terms "value creation" must also be further explored in various respects. Thus, the term "value" is understood too one-dimensionally, either in an economic sense (as money), or in a moral one, as what has value and therefore deserves protection (against economic influence). In short: these two approaches neutralise each other. "Creation" is usually described in terms of innovation or creativity. One explanatory approach that on the one hand is based on the current hype surrounding these terms, and on the other hand amounts to an unproductive circular conclusion: the combination of creativity and economy leads to (even more) creativity.

This report on the creative economies therefore aims to understand the manifold connections between input and output as value-creating processes. While we understand by input a multitude of resources—advice, money, infrastructure, etc.—the dimension of output is concerned with the question which values ought to be created in or by the creative economies—be they economic, cultural, scientific, social or political. Closely linked to this is the question for whom these values are relevant and how the effect of such values is discussed and assessed. It goes without saying that the most diverse criteria in terms of success, effectiveness, meaningfulness or sustainability need to be examined more closely. It will also have to be borne in mind that the valuation mechanisms for a field that is less concerned with how things are than with how things might be are complex. It is therefore necessary to deal intensively with questions of evaluation and with different dimensions of values.

The above-mentioned aspects always also raise the question from which perspective the topic should be illuminated—from a governance perspective, which takes into account the most diverse framework conditions, or rather from an actor perspective, which makes far more specific distinctions. Between these poles stands a multitude of possible entrepreneurial strategies.

Not taking value creation for granted, but seeing it as a link between input and output seems to us to be an important step towards a new discussion of the concept. This will, however, only become truly substantial if the different strategic dimensions between a governance perspective and an actor perspective are accounted for.

The structure of this report reflects a basic principle of the research concept of the CreativeEconomies research venture: a multi-dimensional approach to the complex field of the creative economies. Our curatorial approach brings together various authors and positions and attempts to classify and comment on the results of this exchange. It is precisely in this complexity and through collaborating with alternating actors that we see a key opportunity for analysing the heterogeneity of the creative economies and to open up this dimension for debates in science, art, education or management.

This multi-dimensionality will never amount to a one-dimensional picture. Rather, it is a matter of addressing the inherent heterogeneity of perspectives and approaches. While this picture is becoming more complex, it is also opening up opportunities for more in-depth analysis of the field.

Even more than the second report, the third one combines macro-approaches and micro-analyses. The permanent interplay between zooming-in and zooming-out is another central research principle of the CreativeEconomies research venture. It enables one to verify general observations on a specific case with a view to establishing new points of reference in the multifaceted environment of the creative economies. Vice versa, it enables one to consider the individual case within a larger context. Similarly, we regard the combination of qualitative and quantitative approaches as partly complementary, partly contradictory perspectives on the creative economies in all their dynamics.

It is not simply a matter of juxtaposing different approaches, but of bringing them into constructive exchange. This leads to another principle of our understanding of research. For researchers, engaging with one another in terms of content and method means leaving their "safe haven." It implies that established research traditions and more experimental approaches are given equal importance.

Such exchange requires a common language in two senses: first, relations must be established between different disciplines and forms of knowledge, e.g., in the form of mappings; this may also serve as a viable starting point for the above-mentioned experimental approaches from a global perspective. Second, our research venture is concerned on a conceptual level with developing a new language for discussing the creative economies. Too often, ex negativo and dualistic arguments are used in this field. Yet neither a "non-technological" concept of innovation nor a "non-monetary" understanding of value creation is able to understand the complex, multi-layered references and practices in a differentiated way.

In sum, the approaches presented here—the interplay between macro and micro, qualitative and quantitative, established and experimental, the curated exchange between constantly different actors, the development of mappings and models—aim to initiate debates, to raise questions, to continue offering new methods of analysis and to open up possible perspectives. At the same time, this research approach always depends on a counterpart who takes up and continues weaving the thread. Our interlocutors need to identify those answers that are relevant to them and to develop entrepreneurial strategies, promotion models, training formats… for themselves.

Christoph Weckerle, Simon Grand

"POSITIVE ECONOMY"

Towards New Business Models for Artists

"Positive Economy"—Towards New Business Models for Artists

"I want to work freely […]. I would ask you to point me towards unabsorbing occupations, because thought requires a great deal of time. I am in Paris: I need a positive economy!" This famous letter dates from 1871. Its author, a young poet, is only 17 years old. He was writing poems, which remained unpublished at the time, and searching for his business model. Four years later, now aged 20, perhaps because he had been neither published nor recognised, or because he had found no publisher or journalist who would defend him, he finally abandoned poetry and left France to do business in Arabia and Africa. He would not write any more poems until he died at the age of 37. Largely unpublished or unknown during his lifetime, his work became one of the most important bodies of French literature in the 20th century and Arthur Rimbaud—the author of this letter—the greatest French poet of all time.

It is difficult to know why a writer or artist creates, and even more difficult to understand those who hamper creative spirits or prevent them from dreaming. We may, however, assume that Rimbaud did not find the "positive economy" he was looking for. We also know that Leonardo da Vinci battled with his patrons all his life to find a sustainable business model, sometimes insulting them by rejecting their offers with the words: "I am not a penny-painter." Shakespeare had to add scenes of "entertainment" in his plays to ensure their success, before he decided to go into real estate; Balzac, finally, serialised his novels to increase his income and improve his livelihood. The life of artists has always been both: art *and* business.

Historically, "artists"—I use the word in its broad sense of "creators" or "smart creatives"—have always had to solve the conundrum of squaring the circle. They have had to find lasting or temporary solutions to four major problems: 1) Having time to create while having something to eat; 2) doing one's experimentation, research and development (R&D), taking risks, "trying out," having the right to fail and to leave one's "comfort zone"; 3) being both a generalist and a specialist in finding one's own voice; 4) not losing one's artistic freedom due to the search for money, and thus developing a sustainable business model and a "positive economy."

Today, as yesterday, the problems faced by artists persist. Yet—and this is my hypothesis—the digital revolution is changing the game by transforming business models. Its unusual effects force artists to adjust to new costs and to imagine new models, in order to find a "positive economy."

This essay sets out to describe this situation and to explore these new business models. To this end, I interviewed 125 "artists" under the age of 40 during a two-year qualitative survey conducted in eighteen countries → see living chart.

Throughout, I have sought to understand how artists live today, how they "fend for themselves" and which new business models are currently emerging. Thus, I attempt to highlight new trends and to imagine avenues that might prove useful for cultural policy actors and all those who love artists enough not to tell them how they should create, but instead seek to help them live better lives in order to create better works.

Disruptions

The arts in the "digital age"

We are living in the digital age. All aspects of artistic life are affected. Culture, and especially music, was one of the first sectors to be disrupted by digital technology. It even serves as a model for other industries that are now observing the digital cultural transition to embrace (and cope with) their own transformation.

Some traditional business models of culture, such as the sale of records or CDs in the music industry or DVDs in cinema, are in sharp decline (Source: WTO, Nielsen SoundScan, Billboard). Book sales are stagnating in the United States and Europe, while the number of books published is increasing with the number of authors—which inevitably contributes to slowly impoverishing the majority of writers (Source: Nielsen BookScan). Production costs in the live performing arts, especially theatre, dance, opera and classical music, continue to rise while audience numbers remain stable; subsidies are eroding everywhere whereas ticket prices cannot be increased proportionally—which seems to spell an impasse (and confirm Baumol's famous law). As for publishing, sales of (physical) hard copies are collapsing abruptly or more slowly, even though digital sales are not—yet—sufficiently high to offset losses; forecasts for the next five years seem to confirm this trend (Source: PriceWaterHouseCoopers).

This bleak picture probably needs to be nuanced for the plastic arts, whose sales are increasing, and for video games, which have also grown significantly in recent years (Source: PriceWaterHouseCoopers). In any event, however, success should not make us forget the inequalities between independent contractors and multinationals, between subcultures and the "mainstream." Young visual artists and game makers also face intense difficulties at the outset of their careers.

Yet this picture also contains a paradox: the "creative apocalypse" and the disappearance of creators announced during the 2000s, at the time of the great debates on peer-to-peer sites such as Napster, Kazaa, eMule, BitTorrent, The Pirate Bay or MegaUpload, has not happened. An empirical study by Steven Johnson for the *New York Times*, based on data from the U.S.

David Simon
slash/artist
Switzerland

While many of the artists I met belong to a hybrid and interdisciplinary category, David Simon is the archetypal "slash/artist." "I'm an artist/writer/entrepreneur/designer/speaker," he says. By dividing up his activities and schedule, he can dedicate part of his time to his personal work and another to his start-ups. The latter are all "related" to his artistic activities; and they are micro-enterprises in themselves: interactive design, installations, virtual reality, creative coding or blockchain innovations. The latter start-up, named 0×F, is both a consultancy agency on blockchain and its security, a support structure for investment in cryptocurrencies and a study structure on the interactions between blockchain and art. Ultimately, David Simon's business model and artistic R&D are closely linked.

"At the moment, my artistic life occupies about 30% of my time and my start-ups 70%. But in terms of revenue, start-ups ensure 100% of my revenue! If we are at 10/90, the arts suffocate; at 30/70, it is better; the ideal equilibrium would be 50/50, but not more! I need to devote more time to art and experience new, still unknown possibilities."

David Simon manages to make three exhibitions and produce about ten works of art on average each year (in his studio in Zurich West, which is a real co-working space for artists). Beyond his own model, this artist "at large" imagines future economic models for artists who would rely on blockchain and the principles of decentralised organisations or CAD. For him, the blockchain is a new "commune," or a kind of neo-hippie egalitarian movement that will upset all hierarchies. And David Simon, dreaming about the unlimited possibilities of the blockchain, surmised: "We will be able to fund or subsidise arts organisations in a decentralised way, without gatekeepers or tastemakers!"
→ www.davidsimon.ch
→ p.11

Gabriel Flückiger's
performances
Switzerland

Gabriel Flückiger is a theatre, performance and installations artist in whose work videos play a central role and whose priority is to maintain his artistic independence. "I am always looking for stable, creative activities that allow me to safeguard my freedom for my art," he told me in Zurich. These "stable" activities are essentially conferences, teaching or research projects for a university in Lucerne, which afford him a certain artistic visibility. "My artistic projects have no special financial needs. I do not wish to make my artistic freedom depend on fundraising. I know other artists who spend too much time raising funds; conversely, there are artists who prefer to live in squats to avoid fundraising, but they spend more time finding ways to survive and feed themselves than creating. My mixed model balances these two extremes."
→ p.11

Department of Labor and the U.S. federal censuses between 1999 and 2014, revealed that there are more musicians, writers and actors in the United States today than before the advent of the Internet, and that, on average, they were even making a slightly better living! (Source: National Endowment for the Arts / U.S. Bureau of Labor Statistics / American Community Survey).

For instance, the number of musicians in the United States increased by 15% in the period 1999–2014, their income by 60%. This data disguises inequalities among musicians, of course, particularly between full-time professionals and part-timers; moreover, nothing is known about the new distribution of cultural income and how this has evolved. If we cannot optimistically conclude, at least not at this stage, that the economic situation of artists has improved nor that, pessimistically, their purchasing power has deteriorated, it is clear that major changes are taking place as a result of the digital revolution. What are these developments? Which fundamental transformations are related to digital technology? Which new business models are emerging?

"Slash/artist"

One feature common to the artists I interviewed while conducting this survey is their economic insecurity. Some live precariously, if not in poverty; others earn a good living—yet very few have economic stability or a sustainable business model. Whether they were struggling financially or felt "comfortable," they all described the need to diversify their income. Thus, in what follows, I discuss a new model: that of the "slash/artist."

"Slash/artists" are hybrid artists who define themselves in relation to several artistic categories and who have several business models. I often heard my interviewees say: "I'm a poet/writer/visual/video artist"; or "I'm a visual/digital/new media artist"; or "I'm an artist/start-upper/web graphic designer/community manager," etc. Some define themselves as "hybrid" or as "interdisciplinary" artists → David Simon p.10; → Gabriel Flückiger p.10 and → Jacob Bromberg p.12.

The "slash" in the slash/artist may either be horizontal, when an artist is active on several fronts, or vertical, when these activities are consecutive. Following the same logic, the business models for the slash/artist may also be horizontal or vertical. And sometimes everything intertwines, inextricably → Veli & Amos p.12.

Contrary to other times, when artists tended to focus on a single activity, defining themselves, for instance, as a painter, actor or director, today's artists often construct their identity in a plural way by exploding artistic categories and boundaries. This trend is evident at arts universities → MIT Media Lab p.14; and → MFA p.14.

It can be hypothesised that this broadened definition of the identity of artists corresponds not only to an evolution of creation itself, which is increasingly hybrid and transmedia, but also to the necessary multiplication of activities involved in finding a business model. The contemporary artist has several strings (i.e., arts) to his or her bow and aggregates various sources of income.

The slash/artist is employed ("on payroll") less frequently than his predecessors. "Freelance is the new employed," as artist Marco Raaphorst asserts ironically on the image-sharing network Flickr (which now belongs to Yahoo); Raaphorst is both a visual artist and a musician.

American statistics capture this fundamental evolution of the artistic world fairly accurately. Specialists now speak of the "gig economy," that is, an economy constituted by people who have occasional, temporary or work-for-hire contracts via their company, and who are no longer employees on permanent or unlimited contracts. Once privy to jazz, all artists are now starting to do "gigs"!

One-third of American artists belongs to this "gig economy." According to available data, at least 50% of visual artists, and 40% of writers, do gigs. Comparing these figures with the average population, where the proportion of the workforce having this "gig" status barely exceeds 9%, reveals the great uniqueness of artists. To this we must add, in the United States as elsewhere, that self-employed artists must contribute to health-, unemployment- or old-age insurance schemes and do their own accounts. A significant portion of a freelancer's salary is therefore reduced compared to an employee's (Source: National Endowment for the Arts / U.S. Bureau of Labor Statistics / American Community Survey).

While these data might be viewed critically, some of the interviewed artists look at them rather positively. For these slash/artists, gig contracts grant them greater independence and flexibility than employment. Flexibility, in their eyes, corresponds to a lifestyle appropriate to the creative life and ensures freedom. Other artists, on the other hand, consider their standard of living and creativity constrained by the significant financial instability of the artist's life.

This generalisation of a freelance contract model for slash/artists is probably linked to the need to earn a living by multiplying one's sources of income. Here, too, the music industry has set the tone with its so-called "360°" model. For labels or musicians, this involves pursuing remuneration in multiple directions (the term "360° deal" is also used when a label or manager claims a percentage of an artist's remunerated activities).
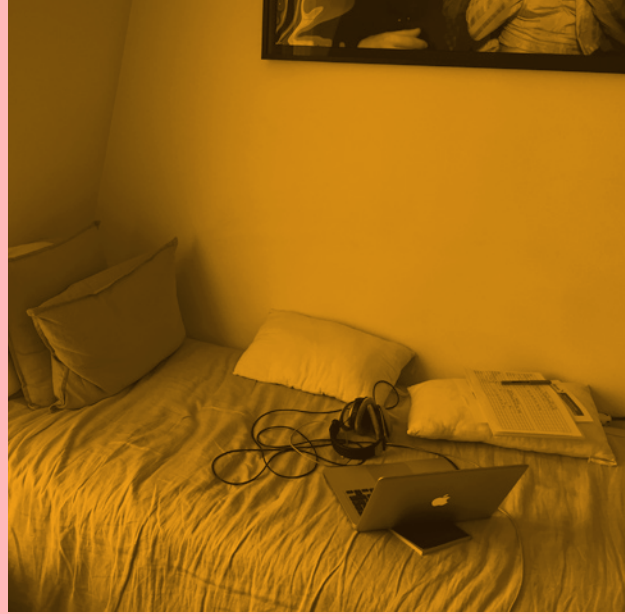
Jacob Bromberg
or the future of poetry
United States

American poet Jacob Bromberg never hoped to live one day from his art! Yet, at 34, he is close to reaching his goal, without ever wanting it! For a long time he lived from English lessons, translations and highly precarious one-off projects. Today, he divides his life between his personal writings—which are not necessarily lucrative—writing film scripts, interviews for *The White Review*, translations and more collective work, while reserving time for three or four mornings a week for reflection/imagination/thinking (which constitutes his R&D). As a solo artist, Bromberg concentrates on writing: be it poems, scripts or slideshow video poetry ("videos deeply rooted in poetry"). Collectively, he works with the artist Camille Henrot, notably as part of her exhibition at the Palais de Tokyo, or with the American photographer Nan Goldin, whom he is close to. Taken together, his artistic life makes him a slash/artist, one who multiplies projects, collaborations, and, little by little, business models. "Collective activities also allow me to advance my personal career because they make me known. But, of course, the most important thing is to keep time for yourself, to write. Finding time for yourself is the key," Bromberg tells me. English translations remain the adjustment variable that allows him to round off his monthly earnings when necessary. Over the past few years, the share of his creative writings has become increasingly important in his working time and business model. In the long term, he would like to dedicate himself more fully to it.
→ Twitter: @diggingforearth
→ p.11

Veli & Amos, a Slovenian-Swiss artist duo, has made a name for itself as music video producers (*I'm Your Man; Jamake*) or as storytellers (Style Wars 2), broadcast on YouTube. Ironic or serious, the two artists try to innovate in multiple directions and, along the way, have found their business model. Slash/artists by definition, Veli & Amos produce videos, music, visual arts and much more, both horizontally and vertically (and vice versa). Their business models are upside down. They have performance fees as artists, sell advertising space on their canvases (a sort of crowdfunding or advertising placement on the canvases themselves) or exhibit in galleries in Berlin. "We also charge for interviews...," they tell me during a meeting in their workshop. Currently, they are working on creating a new currency, which will in itself be a work of art, original and philanthropic. This Coin Good will evolve and live freely thereafter. "Our favourite painter is Monet," the two artists concluded—without any irony.
→ YouTube Channel: Veli & Amos
→ p.11

Veli & Amos
artists
Slovenia/Switzerland

A complementary feature of contemporary artistic life is its organisation into "projects." In Michelangelo's day or Rimbaud's, artists were presumably already organising their lives as projects in one way or another: at least the meticulous planning of the *Last Judgement* or the serialised writing of *A Season in Hell* attest to this. Nevertheless, both the scale and the systematisation of contemporary project-based organisation in the arts seem to be new developments. By strictly dividing their artistic life, slash/artists assign to their various projects a duration, an objective and human or financial means. To keep to schedule and to avoid indecision, they sometimes use collaborative tools such as Slack, which permits collective work, or Trello, which plays the role of Post-it walls in the digital age, as well as dematerialised To Do Lists or apps like Wunderlist → The Constitute p.14.

Welcome to the new life of artists in the digital century!

The artist as entrepreneur or "artrepreneur": the "start-up artist"

A further characteristic shared by many artists today, which goes hand-in-hand with the slash/artist project mode, is the evolution towards an entrepreneurial model—to the point that they might even be coined "artrepreneurs." Whether they are micro-entrepreneurs or entrepreneurs (or classified otherwise according to one of the many similar fiscal statutes existing in the countries that I visited), a majority of the interviewed artists have created a legal structure that, in one way or another, makes them start-uppers. The legal status of these businesses varies greatly from one country to another. Not, however, their nature: whether it is a real company (SAS or SARL in France, "Private Limited Company" or GmbH in Switzerland, Gesellschaft mit beschränkter Haftung or GmbH in Germany, etc.), a non-profit association, a collective or a micro-enterprise, these structures enable artists to invoice their activities, to be remunerated and to deduct their expenses for tax purposes. To receive subsidies, artists are sometimes even encouraged by public authorities to create their own legal structure! These various elements are becoming increasingly essential for creators.

One element that has made this change possible is the "democratisation" of entrepreneurship. It is easier for artists to create a start-up today than in the past: the United States and most European countries have introduced flexible legal and fiscal systems to encourage the creation of start-ups. It is much easier than before to find offices (co-working spaces, etc.) and, if need be, also easier to recruit freelance employees. Finally, it is futile to invest in powerful IT systems:

software is available "as a service" (SaaS), thus curbing equipment costs, permitting scalability and frequent updates while data (images, videos) can be stored in clouds at lower prices than self-storage. Startupper-artists can do everything themselves without using expensive computer systems.

In this respect, my impression is that artists are emerging not only from a subsidy-only state model, and what this entails in terms of protection, comfort and influence (due to the fairly general decline in European cultural subsidies), but also from the long-prevailing model of wild "self employment," which lacks any real tax status or business model. Today, art as a profession seems to be tipping—in what appears to be a fundamental trend—towards entrepreneurship, both for better and for worse. Everyone is now an artrepreneur!

Is this entrepreneurial model chosen or surrendered to? This is the overriding question—and it is not an easy one to answer. For the artists I met, it is not only about "earning money" or "earning a living"—which has always been the case—but about building a sustainable business model: that is, a "positive economy."

The interviewed slash/artists often referred proudly to their "start-up," "brand," "own venture," and "project"; they also maintained that through operating their own "business," they "regain control of their art or music," whereas they were previously "dispossessed" by industry or the state. These terms of reference might seem shocking, but they are widespread among artists today.

In trying to remain "non-judgmental" about these terms and tendencies, it seems to me that this evolution is profoundly new over against the cultural world in which I grew up, whose codes were those of the state or the market, with an impenetrable barrier inbetween. I should, however, point out that I have met many artists, particularly in creative theatre, artistic experimentation or independent music, who clearly reject this evolution and position themselves (as we will see) in radical opposition to the artist-entrepreneur. Sometimes they work with this status, but tell me that they have been forced to: they have surrendered to rather than chosen entrepreneurship.

Does the transition from the artist as an *individual* to the artist as an *entrepreneur* affect the nature or the quality of art? My interviews suggest that this evolution is essentially legal and fiscal. It permits artists to adapt to the new situation (slash/artist, project model, 360°, disintermediation, disruption, multiplication of income sources). And yet some artists fear the effects of these short-term economic changes on their work and, perhaps, on their artistic production in the long run.

The MIT Media Lab Boston

The mythical, famous yet ultimately little-known Media Lab is the interdisciplinary research space of the Massachusetts Institute of Technology (MIT), near Boston. Founded in 1984 by Nicholas Negroponte, it is housed in its celebrated I.M. Pei-designed building. From the outset, this place of experimentation and creativity sought to bring together engineers, artists, coders and entrepreneurs in order to encourage cross-fertilisation.

Located next to the List Visual Art Center, the Media Lab has always built bridges between engineers and artists, to the point of inscribing this capillarity in the genes of the institution (for details, please consult the bibliography for some of the works that tell the fascinating and complex history of the Medialab).

→ media.mit.edu
→ listart.mit.edu
→ p. 11

© Alex Healing, Flickr

The Master of Fine Arts is becoming the official degree for artists in the United States. Like the MBA, recognised universally as the indispensable degree for the world of high-level business, it may be difficult in a few years to pretend to be an artist without holding an MFA. According to a ranking published by the leading magazine US News, the top 5 MFAs in 2017 were Yale; UCLA; Virginia Commonwealth University; RISD; School of the Art Institute of Chicago. Only American universities, of course...
→ usnews.com/best-graduate-schools/top-fine-arts-schools/fine-arts-rankings
→ p. 11

MFA: Towards an MFA as a universal degree for artists?

The Constitute Berlin

Together with his partners, "new media artist" Christian Zollner has created a "collective media art" to manage his artistic activities. By defining itself as an "Outlet for augmented situationism," this collective, founded in 2009, multiplies its projects. The Constitute is organised as a commercial enterprise, which makes it easier to charge for artistic services: "It is sometimes difficult for an artist to get paid when he or she intervenes individually; as a company, it is easier to do so," explains Zollner. The start-up is organised into projects (each with a code name preceded by the symbol #). Each project is allocated an R&D budget and a take-off period. After a certain time, which may vary, the project must become "sustainable," or is abandoned.

According to Zollner, The Constitute invests a lot of money in R&D and experimentation, called "ADD" for Art Design and Development. Currently, one of its particular "ADD" interests is developing arts and crafts produced by 3D printers, in clay or ceramic, aimed at heritage protection. The Constitute's income comes from its own projects (40%) and from research budgets allocated by organisations (e.g., Fraunhofer-Gesellschaft, a German institute specialising in applied science research). Other sources of income are teaching activities, showcases, artist fees and lecture fees (which account for the remaining 60%). According to Zollner, The Constitute's artists are systematically remunerated by artist fees when participating in a workshop, talk or conference. "We can't sell products, but we can do conferences," concludes Zollner.
→ http://theconstitute.org
→ p. 13

Like all entrepreneurs, these artists also face many practical difficulties: management, accounting, tax and social security issues, employment contracts, etc. They receive precious little assistance and are poorly prepared for these administrative tasks, which are often considered a waste of time. Moreover, (specialised) start-ups are also set up to support artists in handling these tasks (e.g., so-called "service labels").

Nevertheless, they consider this evolution towards entrepreneurship necessary because this status goes hand in hand with the "slash/artist" model. Willingly and unwillingly, they are forced to adapt, by becoming entrepreneurs, to be able to multiply their sources of income. For some of the artists I met, entrepreneurship is less a necessity than a choice to "maintain independence from the state" (as a Berlin-based artist, born in East Germany, told me). Others fail to share this "far too optimistic" view.

Adapting to digital technology; imagining new places

During the 2000s, artists began to "adapt" to the digital age. As this emerged as a lasting revolution, and as a major transformation that was set to continue, they began imagining new business models. And how creative they were!

"Live" events

Today, when we interview musicians, we discover, not surprisingly, that one of their main sources of income is "live" events. Record and CD sales have slumped, as confirmed by the sharp decline in CD sales, from $60 billion to less than $15 billion worldwide, between 1999 and 2014 (declining sales of recorded music have since continued). Many of my interviewees believe that the CD will soon become a mere promotional tool—if CD players still exist. Moreover, digital sales, at least for artists still largely unacclaimed, like those interviewed, are negligible.

The increase in "live" revenues is confirmed both by my interviews and by the data available: between 1999 and 2014, "live" revenues at least tripled, climbing from $10 billion to $30 billion in the United States. Unsurprisingly, ticket prices also soared (+150% between 1997 and 2012 according to Songkick, a live music analysis agency in the United States). Interestingly, musicians also confirm that, as far as "live" events are concerned, social networks reduce promotion and distribution costs, thus helping to decrease expenses.

This explosion of the "live" phenomenon has several aspects. Besides major mainstream tours, where ticket prices have risen sharply, there has been a huge increase in the number of stages, festivals and concerts. Small basement halls, café-concerts or open-mic stages have mushroomed everywhere. The remuneration of artists, even beginners, even at small independent venues, seems to have become the rule, even if fees are not always significant → Brett Gleason p. 16; → Jim Henderson p. 16.

Since music was the first model of digital disruption, the ongoing evolution towards the "live" event in this sector is interesting for other artistic sectors. Surprisingly, some of the non-musician artists interviewed reported that "live" was becoming a business model for them as well.

For writers, "live" takes the form of lectures, readings and book signings. I was surprised at the number of writers now living more from their lectures than from book sales. Readings and signings are generally paid in the United States, Germany or Switzerland, yet less frequently in France, Italy or Spain. This is a new business model for writers and may help to curb their impoverishment. Better still, it will ensure that they can earn a living from their work, not only through grants, fellowships, scholarships or other types of assistance—other forms of funding, both traditional and paternalistic, widespread in cultural policy → Conference fees p. 18; → Collection rights for public lectures and readings p. 18.

Fellowships, artist residencies and literary awards

Artist and author residencies, which have multiplied everywhere, are another solution, albeit incomplete or unsatisfactory, to a real problem. While they provide support to artists thus accommodated, they do little else than "drip-feed" beneficiaries or recipients. In some cases, temporary residencies are accompanied by a monthly fee, which covers food and accommodation (such arrangements are, however, sometimes insufficient to cover the rental costs of one's principal residence or travel expenses incurred by visiting family or friends at weekends). In other cases, residencies lack significant remuneration, or involve hefty quid pro quos (teaching, lecturing), making them almost useless for the artist's creative process. This model is therefore very imperfect and rather anachronistic, creating limited added value for the artist. In some cases, residencies are simple operations to promote a foundation, a public authority or an enterprise—with no positive effect on creativity.

Such residencies, even when they prove beneficial, do not allow artists to gain autonomy. On the other hand, remunerated lectures make the artist or writer genuinely independent, allowing him or her to discover a virtuous business model.

A "DIY artist" in his own words, Brett Gleason is an independent musician part of the Brooklyn underground scene. Having studied at the New School, he has for a long time racked up small jobs and gigs: bartending in Chelsea, working as a personal trainer at a fitness centre, giving private music lessons. But in the evenings, when he is not working, he blossoms in Brooklyn's counter-cultural scene, where I followed him for several nights. A strange world, by the way, made up of small more or less shady cabarets of hybrid rock, Off-Off-Broadway theatres, experimental showcases announced on alternative sites, off-campus art galleries, urban night trash and all that one can call New York's "underground" scene. Brett is constantly moving from one party to the next, from one neighbourhood to another, staying in Brooklyn all the time. Transvestite bars, arty clubs, Chinese vegetarian restaurants hosting "open-mic session" in their basement, where alternative artists can freely take the microphone.
→ brettgleason.com
→ p. 15

Brett Gleason
DIY artist or the
"Brooklyn model"

After performing solo or in groups, this 25-year-old Belgian electro artist decided to launch a new project he code-named "Jim Henderson." Jim Herderson is not really him: he will do other projects with other names; and yet, it is under this name that I meet him, among his doubles. It was at the heart of the Belgian electro-pop scene that Jim Henderson found his first business model: a dozen concerts per month, a few endorsements (his videos sometimes mention brands), music for the cinema or for other artists and conferences, all systematically paying him an "artist fee." Even the small underground bars agree to pay him a micro-wage for his performance (300 euros for the evening in the small café where I meet him).

"I use the stage as one of the spaces where I experiment and do R&D," he tells me. Now signed under the motto "development" by the independent label Anteprima, Jim Henderson relies mainly on playlists, both editorialised and algorithmic, which allow him to broadcast his music widely. According to him, we can expect, as with payola, that labels will pay to increase the visibility of their artists on the playlists of subscription streaming services.
→ Spotify: Jim Henderson.
→ Label: http://hyperurl.co/tiy2ge
→ p. 15

Jim Henderson
musician
Belgium

I was equally surprised that film directors and actors, stage artists, visual artists and cultural journalists find significant sources of income through lectures, workshops, panels, "brown bag lunches" and "breakfasts." It seems self-evident today, when an artist is invited to speak, to envisage "lecture fees" or "artist's fees." On all accounts, music has therefore shown the way towards a fundamental evolution able to transform several artistic professions in the long term.

Some of those interviewed, however, including booksellers and librarians, are concerned about the costs that these lectures and readings impose on their small businesses. Their concern is legitimate. On the one hand, the smallest restaurant or café finds the means to pay live musicians, even, and especially, when they are promoting (since there is a profit for the artist as well as for the café). On the other hand, bookshops are beginning to understand that they must become living spaces if they want to survive in the face of giants like Amazon: by properly remunerating authors—the only actors in the book chain who cannot be digitised, and the only ones whose words are sought after—they will be more likely to come, and more likely to deliver serious performances: it is a win-win situation for all → Monocle p. 18.

Thus, the model of paid readings and lectures that is taking root everywhere would belie the American writer Jonathan Littell, who once summed up the stakes of today's battle in a phrase extendable to many countries and to various artistic disciplines: "In France, virtually no author can earn a living; the whole book chain lives on books, except for the writer."

Teaching

"Live" also includes the—innumerable—teaching activities pursued by artists! This is not a new phenomenon: artist-teachers are as old as art history. On several occasions, the poets Rimbaud and Verlaine placed classified ads in London newspapers to find English people willing to take French and Latin classes! It can be assumed, however, that these teaching activities are increasing strongly today and reach most cultural sectors. Besides individual lessons in music, singing or drawing, countless further education courses require artists.

The rapidly growing number of Master of Fine Arts degrees in the United States and their European equivalents have been well studied by ELIA, an association of more than 250 art schools in 49 countries. For actors and film directors, theatre classes appear to be an increasingly substantial source of remuneration while many writers and journalists are contributing to the growing number of creative writing classes in the

United States and elsewhere. It is also worth noting the surge in online classes, which enable artists to teach individual or group lessons at a distance. For instance, platforms like imusic-school are hugely successful. Many of the interviewed artists also live from such online courses → Hanspeter Krüsi p. 20.

Finally, the multiplication of MOOCs, online teaching tools and educational apps enables many artists to teach and produce content, including images, videos, sound or texts, which are also sources of remuneration → Click p. 20.

Arts incubators

Nurtured by the Silicon Valley "incubation" model, most of the countries and cities I visited have developed spaces for artists and smart creatives: so-called "art incubators," "hacker spaces," "accelerators," "fab labs," "co-working spaces," etc. Whatever the name and the differences regarding their terms and conditions, objectives or business model, these spaces are similar in several ways. They generally aim to offer smart creatives a collective framework where they can create, benefit from interactions and synergies with other creators, enjoy great flexibility regarding the lifespan and size of these workspaces, and pay less rent. If they are successful, and must suddenly put together a larger team of other freelancers, for instance, to shoot a documentary or to initiate an architectural project that has just been "green-lighted," these spaces enable them to quickly ramp up and multiply the number of workstations—a phenomenon known as "scalability" → Bernard Dubois p. 22; and → Blindflug Studios p. 22.

While researching this essay, I visited about twenty such sites (Lacuna Lab in Berlin, The Family, Station F, Numa and Le Tank in Paris, Impact Hub in Zurich, etc.). They may be commercial, communal, non-profit-making or government-supported. In the latter case, elected governments representatives tend to assess these places, which are subsequently hailed the alpha and omega of a cultural and digital policy; they hope that such spaces of innovation will transform their city, almost miraculously, into a "smart city" (underestimating the fact that such places exist everywhere nowadays and that co-working spaces and incubators have become very commonplace). Many artists, particularly visual artists and architects, have joined these spaces, which match the spirit of independence and collective work animating them. They generally defend these spaces of collaborative creation even if they may express reservations about a very strong tendency of cultural policy to, once again, privilege "places" and "sites" over "individuals." Several of the interviewed artists pointed out that

Conference and reading fees

The remuneration of readings and lectures given by writers, but also by all those involved in culture—actors, artists, directors, etc.—has been a long-standing question. After several reports and debates, the French Ministry of Culture, through the National Book Centre, now imposes remuneration for authors on publicly funded structures. They must be paid at the minimum rate of 226 euros net per half day, 375 euros per day, travelling time included; book signings without taking the floor are remunerated at 50% of these amounts; transport and accommodation costs are also covered.

(On this subject, see the official report "L'écrivain social, la condition de l'écrivain à l'âge numérique," Martel, CNL 2015).
→ p. 15

Collection rights for public lectures and readings

When a musician performs in a coffee shop or when a group publicly performs a composer's song, the event organiser must pay royalties to rights holders via collecting societies (Performing Right Society in the United Kingdom, BMI in the United States, Gema in Germany, SACEM in France, etc.). Given the current difficulties in the publishing sector, regardless of trade (publishers, authors, translators, etc.), it has emerged as legitimate practice in recent years that texts read publicly receive similar remuneration. This battle was waged in France by the Société civile des éditeurs de langue française (Scelf), which proposed levying a tax on the right of representation on public readings, particularly in libraries. If the introduction of this type of rights raises the question of the cost of collection and the legitimacy of the collection structure, it seems that this model could provide a new source of revenue for the various players in the publishing industry.
→ scelf.fr
→ p. 15

Monocle London

Established ten years ago in London, *Monocle* is an international magazine dedicated to travel, cultural modes, design and the "art of globalisation." Its founder, Tyler Brûlé, had previously founded *Wallpaper*.

"The newspaper is our flagship product and the one on which we base our brand," says Steve Bloomfield, *Monocle's* executive director, in an interview in London. From this "brand," the publishing company produces *Monocle* travel guides, books and a webradio that includes some forty programmes (some of which are sponsored by brands such as UBS). Monocle Shop is the online extension of the newspaper and an online shop. There is also a café in London, and mini-corners in the 25 Hours hotels in Germany and Switzerland or in some high-end shops in Japan or Germany. In these "physical" places, we find magazine racks, sweatshirts, bags, shampoos, notebooks, designer glasses, stationery, clothes co-branded with the brand Comme des garçons, and all sorts of goodies (more than 17 pages on the online site). Although *Monocle's* business model is still largely based on magazine sales and advertising, the brand is available in all forms to ensure 360° revenues. And if the magazine's budget is not balanced, the rest of its business model can offset the losses!
→ monocle.com
→ p. 17

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applications for artist or author residencies, fellowships, or having an application or project accepted in co-working or incubation spaces, may require heavy administrative work. Such arrangements may also involve restrictive conditions or involve commitments (teaching load, outreach assignments, training sessions, conference participation, lecturing duties, etc.) potentially incompatible with creative work. Too many foundations, companies or public authorities lay down detailed and sometimes even abusive regulations barely corresponding to the constraints of actors. They claim to be implementing an innovative cultural policy when, in fact, they are only advertising their own venture at the expense of artists.

In addition, some artists are very "formatted" for this type of application, easily convincing others, a fact acknowledged by African-American artist Sanford Biggers, who has been awarded multiple fellowships ("I've gotten really, really good at applying for those things," he explained in a recent interview with the *New Yorker*). Others, however, told me that they were wasting a considerable amount of time applying for grants, fellowships or incubator places that they were never awarded because they did not "fit in."

This is also true of literary and artistic prizes, which have mushroomed in recent years. In France, for example, there are more than a hundred literary prizes awarded by various juries, which tend to reward the same categories of authors (an author sometimes receives up to ten prizes for a single book). Several authors told me that applications for these prizes are sometimes a little cumbersome and that publishers are forced to send specimen copies to jury members free of charge, sometimes as many as twenty free copies. Finally, awards are often limited to unrecompensed "recognition." For example, a literary prize like that awarded by the multinational Manpower (Group Manpower Foundation Prize) in France comes with no other gratification for the author than honorific; moreover, the laureate is compelled to give several video interviews, to travel, to lose long hours when receiving the prize, without earning a penny in return! Since the prize is awarded by the foundation of a very large multinational corporation, it is paradoxical to advertise oneself "on the back" of writers without rewarding them (and generally without such prizes significantly boosting sales). Authors and artists may be expected to systematically reject such "scrooges," which also exist in the art sector, in the future.

Generally speaking, cultural policies privileging "places" over artists now appear to be incomplete and also counter-productive solutions, even if, based on good intentions, they sincerely intend to help those in need.

Artist collectives or the "Berlin Model"

The innumerable models of artist collectives can be linked to the debate on "places." These alternative examples aim to organise a collective life, generally in non-profit settings, to reduce the costs of creative places or residencies. Thus, artists collectively rent (or squat) a house or apartment for the purposes of creation.

Such movements are quite common in Brooklyn, San Francisco, Zurich and, of course, Berlin, where a veritable → "Berlin Model" p. 24 can be observed. For a long time, and pre-1989, the local authorities encouraged artists to come to live in the besieged city; since the 1990s and 2000s, artists have been attracted in large numbers by Berlin's low-cost housing and its many empty, abandoned or vacated buildings. The illegal form of this movement, squatting, is now tending to dry up, but remains vibrant in Berlin in the form of shared creative spaces and not-for-profit collectives. Today, Berlin has become a real "start-up city," where artists and start-ups mingle and where the digital arts and electronic music are very dynamic.

Inventing the future

Unlimited subscription

While the physical sales of cultural products are declining in the fields of music, press, cinema and, to a lesser extent, in book publishing, a new model of "streaming," based on unlimited subscription, seems to be emerging in all cultural sectors.

Here, too, music has shown the way. While the iTunes model—selling music by the unit—now seems doomed, → Spotify's p. 24 appears to be more sustainable. Moreover, it is a complex model, consisting of a free, ad-supported offer, a "premium" pay-to-use model, as well as several other sub-models: "bundles" (consolidated offers, for instance, with a telephone subscription) or "family" offers (for several users hosted at the same address) and so on.

Apple, which long anticipated the fragility of iTunes, has been offering Apple Music to compete with Spotify since 2015. Other players, such as Tidal (USA), Deezer (France), SoundCloud (a Swedish-German company which recently experienced a difficult phase and now offers the subscription-based SoundCloud Go), China's Kugou or QQ Music (the latter now belongs to the Chinese giant Tencent), Naver (South Korea) or → Anghami p. 26 (Arab countries) attest to the universality of this model. These are all unlimited music subscription services featuring local variables (live concerts in China, the karaoke format in Japan and

By creating his YouTube channel, Swiss musician Hanspeter Krüsi wanted both to broadcast his music and to find a business model. A composer and guitarist, Krüsi multiplies concerts, broadcasts his CDs and tries to increase his presence on social networks and several streaming sites (he is on Spotify and Apple Music). "My priority is to remain independent. And in the long run, the goal is to live off my music. For the moment, everything I try, all the tools or means that I experiment with, are dedicated to this unique goal: to make a living from my music. I tried everything—even playing at weddings! But for the moment, my current model works best," he tells me.

This business model is based on four main streams: private guitar lessons, often online (50%); concerts (28%); music, TV or cinema rights (18%); streaming on Spotify and Apple Music (2%); and product placements for guitar brands (2%). His CD sales are negligible these days: they serve more as a communication product than as a commercial one. On the other hand, his YouTube channel's advertising revenues are growing strongly, albeit still insufficiently. "My YouTube channel serves 'branding' purposes. It brings me clients for my music lessons, introduces me to the music community and could even contribute to my remuneration in terms of advertising, for example, for guitar brands like Gibson. But to do so, I would have to reach one million subscribers, which is what I am working on."

Krüsi plans to start broadcasting concerts online on YouTube. To retain his online students, to whom he gives private tuition via YouTube, which is well paid at 80 CHF (84 $) per hour, he awards them diplomas to certify their level. His site also makes it possible to make donations via Patreon and especially on Paypal (he received US$ 3,687 in donations in 2016, from a hundred donors, which enabled him to buy new cameras and a computer to switch from HD to 4K). The online guitarist concludes: "I tried to do without YouTube, to leave. But so far I haven't been able to; it's not economically feasible."
→ gitarrist.ch

Hanspeter Krüsi
online guitarist
Switzerland

Click is a young independent publishing house in Bogota that specialises in educational content and whose themes include the memory of the Colombian conflict, the peace process, civic education and the environment. Click's vision is to build tools that enable teachers in public and private schools in Colombia to conduct teaching processes through which they can discuss the major issues of our time: living together, corruption, public goods and environmental conservation, among others.

Having noticed the change in the consumption of information by today's young people, Click, which started out as a real book business, has gradually become an "agency for transmedia education," according to Emmanuel Neisa, its co-founder, whom I interviewed in Bogota. This is how the content created by this agency quickly evolved towards games, films, videos, TV series, web content and apps. By creating these universes of transmedia learning, the agency intends to capture the attention of young people and to encourage them to reflect on the world around them. According to Emmanuel Neisa, "our competitors, in terms of educational content, are not traditional textbook publishers, but rather producers of entertainment." The agency, which employs many artists, graphic designers, writers, videographers, uses storytelling and the creation of powerful fiction to create unusual learning universes that not only interest young people, but also allow them to ask questions and form their own judgment.
→ clickarte.co

Click
Colombia

Korea, etc.). The Pandora model in the United States, currently facing difficulties, is a mixture of Spotify and web radio; as for the YouTube model (which belongs to Google) and also exists in Chinese (Youku), it is free and ad-supported. Finally, specialised platforms cater to specific needs: Qobuz for classical music (purchased by Xandrie, specialised in video games) or → Jamendo p. 26 for shops or hairdressing salons.

The Spotify model has also been developed for film and TV series with Netflix, now by far the market leader with over 100 million subscribers. Netflix recommendations are generated by an algorithm based on 78,000 microgenres (as revealed in a survey conducted by *The Atlantic*). Competing offers exist, among others, with Hulu, which is supported by several studios, Disney's streaming entertainment projects, or → Shahid p. 26 in the Arab world or Alibaba's streaming offer in China. This evolution is also evident in video games; see, for instance, the two streaming sites Steam and Twitch (now owned by Amazon and specialising in observing other gamers online).

Like the "live" event, the model of unlimited subscription created by the field of music can become a business model for other sectors. For example, the start-up → Bright p. 26 offers streaming digital arts content on a subscription basis: this B2B offer, designed for hotels, companies or individuals, might also be a new business model for visual artists. This idea can be found on the SeditionArt platform, which offers an "art stream" that can be followed on all connected screens: televisions, tablets, smartphones, etc.

In the book sector, many similar projects exist, ranging from Amazon Prime to Glose (a "social reading platform") or YouBoox (a French-language reading site), Hooked (an app that targets young readers), or Oyster (a start-up bought by Google and merged with the Google Play Books project). To date, none of these projects has yet found a sustainable business model, but analysts are forecasting developments in this sector.

Still anecdotally, albeit on a near-model basis, "niche" sites offer access to stage plays (such as digitaltheaterplus.com, for educational purposes, which offers subscription viewing of more than 900 plays in English) or classical music → Keeping Score p. 28 of the San Francisco Symphony.

Rights distribution key

The remuneration of artists and rights holders varies greatly depending on the subscription streaming service. It also depends heavily on the revenue-sharing agreements negotiated between, for example, label and artist, writer and publisher.

Thus, between the *pay-to-use* Spotify model and the *free* YouTube model, rights holders are not paid the same at all (the *free* Spotify model is very similar to YouTube in terms of remuneration, which is extraordinarily low in both cases). Moreover, serious distributional inequalities exist between music majors and artists, which prompted me to tell one of my interviewees: "The majors and their labels are asphyxiating streaming platforms like Spotify while depriving their artists with distribution keys inherited from the analog age!"

According to different sources, given data, and despite the great secrecy maintained by all actors in the sector, the artist's label may be estimated to receive 4.4 dollars on average for 1,000 Spotify pay streams ($ 19 with Napster, $ 12 with Tidal, $ 7.3 with Apple Music, $ 6.4 with Deezer, $ 1.3 with Pandora and $ 0.7 with YouTube; always for 1,000 streams).

These amounts may strike us as meagre, or even as "ridiculously small," as one artist told me, especially since musicians and composers receive only a part of this income under the agreements signed with their label. It should be remembered, however, that this remuneration is paid for a piece of music played only once; compared to albums purchased in the past, where all tracks could be played hundreds of times, this puts into perspective the low remuneration (if a song was listened to on CD, this was much less well remunerated than 1,000 Spotify streams); similarly, while artists were barely paid for radio appearances, remuneration for streaming is much better.

Nevertheless, many artists and professionals believe that these distribution keys must now be renegotiated, especially for Pandora and YouTube, as well as for the free versions of Spotify or Deezer, to achieve "fair streaming." (The European Union is currently overturning these distribution keys under a directive, still being negotiated, designed to establish greater transparency and economic justice.)

The most acute problem remains YouTube: Google's video hosting platform, with its billion users, is the number one music distribution site in terms of audience. And yet it has less direct revenues for artists than those generated by the vinyl industry to this day! In fact, an intense battle is being waged in the United States, as in Europe, to change the YouTube model for transferring rights to rights holders (or even their status from "hosts" to "content publishers").

Google's attempts to make music "pay" seem to have failed for the moment: like Apple Music, Google Play Music has never really taken off. As for YouTube Red, a paid version of YouTube, it has found neither its audience nor its business model yet; finally, Vevo, a joint venture between several music majors and YouTube, aims to monetise music in HD, yet barely succeeds

The young Belgian architect Bernard Dubois is already renowned for designing the Italian Valextra headquarters in Milan and his corner in the Galeries Lafayette in Paris. He has created stores in Korea and China, notably for the fashion brand Nicolas Andreas Taralis, and is currently preparing the new Zadig & Voltaire flagship. A graduate of the Institut supérieur d'architecture de la Communauté française de Belgique, known as La Cambre (ISACF), he was appointed in 2014 as co-commissioner of the Belgian pavilion of the Venice Architecture Biennale.

"Freelancers are essential in architectural offices because they enable us to cope with rapidly increasing workloads," Dubois told me during an interview in Brussels. "Architecture involves very long waiting times, where we are on stand-by, and suddenly, when we have the green light, we spring into intense activity: we function like a start-up." He says that a "freelance" tradition exists in the creative professions in Belgium because it "is more rewarding than being an employee."

"Essentially, I work with a computer, a phone and a camera," adds Dubois, whose profession is first of all that of a "designer" (rather than that of a "project manager"). To do his R&D, Bernard Dubois multiplies calls for tenders and applications, where five projects are generally pre-selected (and paid only a few thousand euros). Thierry Gillier, founder of Zadig & Voltaire, believes that if his project has not been selected, those operating as "real proposal-makers" will nevertheless have spent time imagining new forms and multiplying ideas and concepts—almost life-size experimentation that is priceless.
→ bernarddubois.com
→ p. 17

© Damien Nossowicz

Bernard Dubois architects Brussels

Blindflug Studios Switzerland

The game design studio Blindflug is already well known for its innovation and serious games. "We do not necessarily define ourselves in terms of 'serious games' because we do not necessarily seek authenticity or reality. Instead, we produce fascinating games on interesting topics," says Jeremy Spillmann, co-founder of Blindflug. Among the games developed, the studio has focused on migrants (Cloud Chasers, iOS/android), drugs, nuclear warfare (First Strike, multi-platform), the Israeli-Palestinian peace process, digital security and plenty more. Blindflug's business model is mixed: about 50% are independent productions, available for a fee on iOS and Android and a Freemium version on Steam/PC and Mac; 50% are production for clients, often NGOs or public bodies. "We choose our clients with great care: we want brands that we can be proud of. And generally, clients also want to be seen with us!" Blindflug realises its projects by calling upon several freelance artists, writers and musicians, which allows maintaining a minimum wage bill throughout the year but to quickly gain momentum during the design and production phases of a new game.
→ blindflugstudios.com
→ p. 17
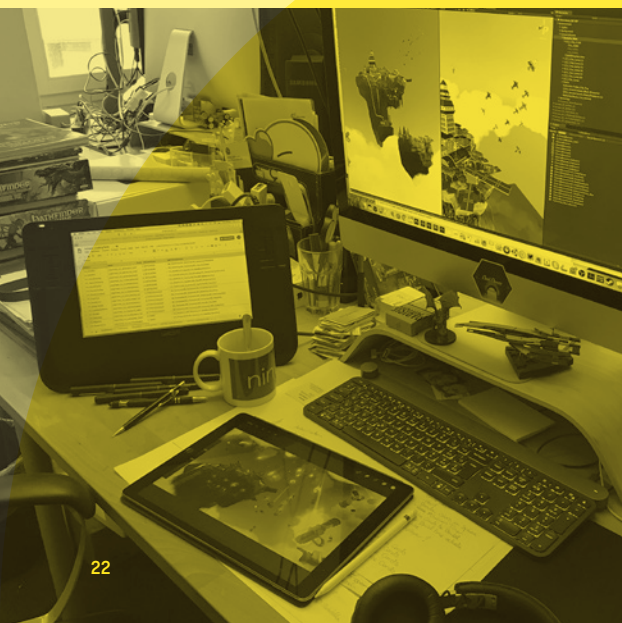
in the market. This might lead one to surmise that Google and YouTube, whose model is essentially free of charge, may not really have wanted to succeed in the pay-per-view sector, only committing themselves subsequently, perhaps in an attempt to give the music industry assurances. Given the fierce competition from Apple Music and Amazon Music Unlimited, neither offering a free version, a new attempt by Google to stream paid music should nevertheless soon be made in the form of a service called YouTube Remix, which would mix YouTube Red and Google Play Music. YouTube would then need to slowly evolve towards a hybrid and a premium model, whose monetisation would come from subscriptions for "heavy" users and advertising for "light" users. Yet all these failed attempts leave the music industry skeptical. (In contrast, the automated system for fighting illegal content, called Content ID, which limits copyright infringement on YouTube, seems to satisfy the industry.)

Finally, I must point out a new trend among streaming sites that barely lacks audacity: "sponsored tracks." Set up in particular by Deezer, this trend involves inciting artists or their labels to pay for songs to be broadcast and integrated into their recommendations in the form of "sponsored tracks." This practice, currently being experimented with by Deezer (according to documents sent to labels that I managed to obtain), is reminiscent of the famous "payola." This illegal system, also called "pay-for-play," was set up in the United States by record labels in the 1950s and involved paying radio stations to broadcast particular records.

In the 1990s, Clear Channel's radio network was still using this practice and was accused of contributing to homogenising music programming until New York Attorney General Eliot Spitzer handed down harsh sanctions against this system of large-scale bribery, in the 2000s, condemning the major record labels to fines totalling tens of millions of dollars. Today, Deezer is embarking on a similar practice while Spotify is probably also considering it. When questioned, Deezer, acknowledging the existence of a sponsored track format, told me that these will only involve "traditional advertising audio spots," restricted to the discovery mode (flow, mix, radios, etc.), and "will not concern playlists." Deezer also stated that "this format is addressed only to free users since it is an advertising format"; it will be clearly "identified visually by a 'sponsored' sticker on screens and preceded by a jingle." Finally, Deezer considers that this marketing ploy is not comparable to payola because the "format is identifiable as an advertisement, is played in a random context and has no impact on the charts."

Ultimately, these new remuneration channels, via unlimited subscription streaming, while not yet able to replace the loss of revenue from CDs or DVDs, appear to be sustainable and perhaps also lasting models. Let me, however, mention two drawbacks: first, these models offer freelance or non-mainstream artists very low remuneration; very few of my interviewees receive significant remuneration from these services. Second, this sector is undergoing rapid change, with fundamental changes likely to occur in the coming years. Thus, Amazon, which is not yet a major player in music streaming, aspires to this status by strengthening Amazon Music Unlimited, a service that is inexpensive when coupled with Prime or Prime Jeunes, its premium offers. The Seattle giant has not only the financial means to meet its ambitions but also the technical means because it has the world's first cloud—Amazon Web Services (AWS)—on which Netflix is hosted. AWS alone, with its millions of servers interconnected around the world, is probably the greatest tool of cultural power the world has ever known. And it would be disastrous if such projects, launched with a smile, made billions of dollars in profits yet failed to commit themselves to paying artists and writers better.

360°, synchro, voice-over, etc.

Digital technology has also produced a large number of complementary micro-models, all of which contribute to multiplying, if not revenues themselves, then at least their sources. Indeed, what were once considered "ancillary" or "derivative" contractual rights may nowadays become central.

Thus, "synchro," a general term including all the techniques for using music in images, is an interesting model. Given the exploding number of media outlets, television channels, advertisements (divided into micro and targeted ads), video games and websites, brands often hire musicians to create original music for their products. Retail chains also "design" their sound ambience. This is the field of advertising and sponsored content, whose number is growing rapidly. Many of the musicians I talked to told me that they have such contracts, yet observed that this sector is highly unequal: brands tend to favour certain musical genres such as electro, chill-out, E.D.M (Electronic Dance Music), lounge or smooth jazz, over heavy metal for example. Indeed, "synchro" artists, some of whom live very comfortably, often belong to a particular "niche." Some musicians, who have sincerely believed in "synchro," sometimes bitterly realise that remuneration from this genre remains paltry, because they do not "fit in" either.

In the field of theatre, one interviewed artist mentioned the requests he receives from companies for his expertise in helping their directors "make their

Today, Berlin is one of the capitals of the digital arts, electro music, start-ups and hackers. Boosted by transmediale, a digital arts festival established in 1988 and promoting "the non-utilitarian beauty of technology," and by the TechOpenAir festival, Berlin is also the city of digital music (CTM Festival) and hackers. The latter have created dozens of innovative sites (Chaos Computer Club or CCC, c-base e.V., etc.) and multiplied hackathons. Berlin is also the seat of major start-ups, including SoundCloud (a Swedish company but based in Berlin where it relies on independent music), Juniqe (monetisation of visual arts), EyeEm (an Instagram-like image bank), as well as Rocket Internet, a start-up acceleration ecosystem.

The "Berlin model"

Berlin remains a city where rents are low (compared to other major European capitals, although rising sharply in recent years), where start-ups are king and where the "DIY" (Do It Yourself) spirit continues to dominate. While authentic squats and places where crazy people were doing crazy crazy stuff are disappearing, there are still many collectives and alternative places.

For instance, the Lacuna Lab is a "collaborative co-creation space" located near the Kreuzberg district. It currently brings together eighteen artists, four of whom I met. As they put it: "We are driven by imagination, playfulness, and experimentation. We love partnering with others on projects and collaborations, and sharing what we learn through public exhibitions, classes, and workshops." The Lacuna Lab is a mixture of a non-profit co-working space and an artist collective.

Another example, very popular with musicians, is the Hard Wax shop, located on the third floor of an arty building, also in Kreuzberg. The store, a flagship of alternative currents, offers a wide selection of vinyls, in particular of the most hardcore currents of electro music (early electronic, versatile, warm up, downwards, etc.).
→ http://lacunalab.org
→ https://hardwax.com
→ p.19

Spotify
Sweden

The world leader in unlimited music subscriptions, the Swedish giant claims 70 million paying subscribers (140 million in total including free subscribers). Today, it is twice as powerful as its direct competitor, Apple Music, which launched in 2015 with colossal means yet claims only 30 million subscribers. Despite the continued increase in the number of subscribers and its IPO flotation in the form of a direct IPO in 2018, Spotify has not yet achieved a net profit in its eleven years of existence (its turnover is growing strongly, at around 3 billion euros in 2016, but net losses ran to 539 million).

As regards prescription, Spotify is leading the way. "The important thing is to find the right equation between the algorithmic and the human. The more we listen to Spotify, the more precise the algorithm will be; it will be enriched by all the data you share and we will be able to recommend music that suits you. Obviously, we also run curation sessions with publishers who offer playlists based on the moods of the day and artists or influencers who will be able to share their music," says Yann Thébault, Spotify's managing director for Southern Europe. To meet this demand for curation, Spotify is currently very active in its development and has acquired several companies such as Sonalytic (a kind of Shazam that analyses songs in "depth"), Media Chain (a start-up specialised in blockchain), or Niland (a company that works on human curation "to make computers listen to music in a human way").
→ spotify.com
→ sonalytic.com
→ mediachain.io
→ niland.io
→ p.19

mark" or, more frequently, to organise their "public events" (scenery, lighting, sets, etc.). Companies like HnC Agency (hnc.agency) specialise in commissioning "performances" and "live art" for institutions, organisations or individuals; productions take place in unusual and non-artistic spaces, such as a gala evening, an annual company conference, a wedding, a prestigious dinner, each occasion "requiring its own performance." In the same vein, other companies offer enterprises or public administrations "expertise for live events," as well as expert training in speaking and public debating. These micro-models even concern professional dancers, who perform at private events alongside their exclusive contracts, to better their monthly income (a professional dancer from the Paris Opera whom I interviewed even claimed to earn substantial income from such appearances).

The "social" and reputation

Social networks

The current transformation of the arts, as we have seen, is affecting the creation, modes of production and business models for artists. The latter are also embracing, even more directly, the digital tools at their disposal, be these social networks, YouTube or podcasts, and are thus building their own "brand."

As far as social networks are concerned, artists are employing these tools for production and curation, yet even more to enhance their public exposure (media coverage). The vast majority of my interviewees use these tools (mainly Facebook, Instagram, YouTube, Twitter, Snapchat) to publicise and promote their work.

Some of the interviewed musicians also use streaming sites such as Spotify or SoundCloud, and of course YouTube, as means of public exposure. These sites, especially Spotify, have a strategy to see themselves as a social network of the interactions between artists and their fans (App Spotify for artists; concert tour info on Spotify; artist pick etc.). Spotify grants a certain freedom with editorialising artist pages, unlike Apple Music or Deezer, where modifications must go through the distributor. (These "social" functions are less developed on Deezer and non-existent on Apple Music, Google Play or Amazon Music Unlimited.)

Thanks to these "social" functions, platforms like Spotify, YouTube or SoundCloud become social networks for artists. This in turn enables artists to gather fans, share playlists and try to build a business model. Thus, ultimately, the "playlist" is becoming the new "album" in the music sector.

Photographers use Instagram (which belongs to Facebook); Instapoets, poets who post their poems on Instagram, have also found, however paradoxical this may seem, an outlet for their writing. Poetry is one of those content categories to have emerged in a very unexpected way on Instagram, such as luxury watches, grouped under the hashtag #watchporn, photographs of doors under #doortraits and of course food under #foodporn. Generally speaking, Instagram is becoming the platform of the creative class whenever images, videos or "beautiful things" are involved. Instagram also has a "behind-the-scene" dimension, which can seduce artists and their fans.

Writers and journalists can also publish their texts on social networks such as Medium, which remunerates contributors in dribs and drabs. The platform (established by a former co-founder of Twitter) has set up the "Medium Partner Program": remuneration is based on the number of claps (applause) reaped by a story. The more "claps" an article receives, the more it is remunerated (the Medium algorithm also takes into account the profile of those "applauding" and the time spent reading a story to evaluate the remuneration). A slightly different and more academic model is The Conversation.

The Pinterest network, whose users are mostly women, is also interesting in certain creative sectors, especially for telling stories without information or for making one's art known (Pinterest has so far hardly presented itself as a pure social network but rather as a search engine that allows users to find interesting contents seen on the web and which are then saved and shared by being "pinned"). Other examples include Tumblr, a micro-blogging platform, or Reddit, a peer-to-peer content sharing site, both social networks used by journalists and authors to disseminate written content. Finally, in other parts of the world, artists also use countless other social networks, such as Vkontakte in Russia (equivalent to Facebook), Renren and Weibo in China (equivalent to Facebook and Twitter), or → Taringa! p.28 in Argentina (a mixture of Tumblr and MySpace).

The importance of social networks is even more crucial as they are increasingly monopolising access to online cultural content. Today, if we take the data available for the United States, Americans access the Internet mainly via their smartphone (almost 70% of the time spent online), and much less via a computer (30%). Besides, this online time is essentially spent on apps (60%). Finally, if about thirty apps are downloaded on average per smartphone—an infinitesimal number compared to those offered on AppStore or Google Play—Americans use only about ten apps 80% of their time, mainly Facebook, Messenger, WhatsApp and Instagram (four apps belonging to Facebook). As well as: Google, GoogleMaps, GoogleTraduction, Waze and YouTube (which all belong to Google).

Anghami and Shahid
Lebanon/Dubai

In the Arab world, Anghami is the equivalent of YouTube, Shahid that of Netflix. The former is independent and has its headquarters in Beirut, while the latter is owned by the Saudi group MBC, the leading television producer in the Arab world. Both offer a vast amount of Arab music or video content, as well as international mainstream culture. Based on a VoD model (Video on Demand), and even AVoD (Advertising Video on Demand), Anghami offers the essentials of Arab music produced by the principal labels Rotana, Melody, Mazzika, Platinum Records, as well as those of the great majors (Universal, Warner and Sony). Based on a SVoD model, Shahid operates as catch-up television, with a free offer and a premium paid offer (Shahid Plus).

Both target the MENA area (Middle East North Africa) and have the same competitors: sales of counterfeit CDs and DVDs and widespread illegal downloading in the Arab world. According to Mazen Hayek, the spokesman for the MBC group, to which Shahid belongs, and whom I interviewed in Dubai: "We believe in the Shahid model because it is a way of getting the Arab public used to accessing legal quality content and, in the long run, to desist from illegal downloading. The only way to combat piracy is to offer a richly faceted and lawful service, technically easily accessible and affordable."
→ anghami.com
→ p. 19
→ shahid.mbc.net/ar
→ p. 21

When shops broadcast ambient music, even from their own CDs, they are required to pay broadcasting rights to collecting societies acting on behalf of rights holders (Performing Right Society in the United Kingdom, BMI in the United States, Gema in Germany, SACEM in France etc.). The only alternative is to place an order with a particular artist and to manage the rights with him or her, which is difficult for shops, which cannot play the same music all the time.

After a long conflict between hairdressing salons and SACEM, Jamendo created a dedicated platform, a kind of Spotify for commercial use, which negotiates rights directly with labels. Based on a monthly subscription that depends on the size of the business, Jamendo offers legal playlists with tens of thousands of tracks, available for shops in dozens of countries.
→ licensing.jamendo.com
→ p. 21

Jamendo, the Spotify of hairdressing salons

With Bright, Abdel Bounane came up with the idea of giving digital arts access to businesses, shops, administrations, cultural venues or associations. The start-up has signed a contract with JC Decaux to bring to life its street furniture, or with Chanel, Nike, LVMH, Twitter… Instead of selling the works, the platform distributes these via a subscription system comparable to Spotify's and pays back 50% of the proceeds to artists. Bright is therefore a subscription streaming service that offers digital arts content on an ongoing basis. "We want to become the essential technological intermediary between digital artists and the brands or spaces that need them," says Abdel Bounane.

By positioning itself as an intermediary between clients and artists, the start-up aims to reduce the barrier to digital art and to offer exhibition opportunities to digital artists (video, data or interactive artists). This B2B offer also appears as a new business model for visual artists and as an original idea to monetise their works.
→ https://brig.ht
→ p. 21

Bright
France

YouTubers

YouTubers, persons who post their videos on YouTube, can find a very comfortable business model for the most popular among them. YouTubers like Norman, Squeezie or Cyprien have even become rich thanks to YouTube, which pays an average of 1,000 euros for a video viewed a million times. (Figures vary considerably according to numerous criteria as they are RTB, or Real-Time Bidding, i.e., auctioned advertisements, "targeted," which depend on the country, the date, the audience and finally the price paid by the advertiser: → Norman p. 30).

YouTube has created studios open to the most popular YouTubers in many major cities to support and train them. When I visited these YouTube Spaces in New York and London, I could see how much the most popular YouTubers were pampered: during three-day workshops, they are taught how to make viral videos in terms of audience and how to develop their branding; they are advised to ensure regularity in their programming, with success built over time, even in the YouTube age; finally, they are encouraged to cross-promote with other YouTube channels and their own social networks. These workshops are free of charge, but YouTube's support depends mainly on the number of subscribers to YouTuber channels: below 10,000, YouTube is of little interest and sends Tubers back to online tutorials; between 10,000 and 100,000, you enter the first "supported" category; over 100,000, you have a good following; over a million, you are pampered. These rules vary of course according to other criteria that YouTube hardly ever discloses. (The two people responsible for YouTube Spaces that I interviewed cannot be cited here, in accordance with YouTube's privacy policy; I also met several artists in those YouTube Spaces who provided me with information, among others → Jackson Bird p. 30).

Podcasts

If the YouTube model disrupts the TV model, the podcast model disrupts the radio model. Benefitting from strong acceleration due to the widespread use of smartphones and 3G (which allow listening to mobile podcasts), the phenomenon has accelerated since 2010. On iTunes, but also on Spotify, Deezer or YouTube, and now on any smartphone podcast application, it is possible to listen to tens of thousands of shows, programmes or audio creations, mostly for free. You can subscribe regularly to a particular podcast, stream it, or download it. A whole podcasting economy is developing that allows the recruitment of generalist or cultural journalists, animators, actors and musicians; writers are particularly sought after because, for all innovative podcasts, original scripts must be imagined and written by real authors → Serial p. 30.

Art MOOCs

Another significant technical development that is transforming the arts education sector is the "Art MOOC." Such Massive Open Online Courses are offered, usually free of charge, by universities on a dedicated platform; their proliferation in the arts sector is relatively recent. Some are based on a non-profit model (EdX, Open Yale Courses), others are commercial (Coursera, Udacity). Many versions of MOOCs exist: some prefer top-down training, others co-create content with participants; some are live online classes held at fixed times (webinars), others are offered on demand and so on.

The artist as "brand"

As distinct as these "social" evolutions may be, they belong to the same trend: the artist becomes a brand! We need not consider this "branding" of artists negative or strictly novel. Artists have always had to make themselves known and sell themselves. Yet, once again, digital technology is profoundly changing things, because it democratises both these tools, making them accessible free of charge to all artists, and because it changes the scope of such communication. It also enables artists to create their "community" and, by bypassing intermediaries, to become influence themselves. Besides, the new business models for artists depend increasingly on such branding. This development touches on two essential issues: the monetising of reputation and the derivative revenue generated by notoriety.

YouTubers, for instance, make their videos known via social networks, which helps to increase their audience and hence their remuneration. On the other hand, an Instapoet seldom earns a living from Instagram. He or she will, however, sell more books because of the initial exposure on this particular social network (as evidenced by the success, for example, of the Instapoets Tyler Knott or Lang Leav, who became "bankable" authors based on their Instagram reputation and audience).

Instagram offers other economic opportunities. Indeed, principal "influencers" are often remunerated by brands to make their products known, in what is called "Influencer placement" or "Influencer marketing." Specialised companies have been created to connect these influencers to brands; they assume the role

Visiting the San Francisco Symphony "in real life," I was especially struck by its "online" presence. It is paradoxical, after all, to visit an online site when visiting an orchestra! Yet this one is worth the detour! The very innovative site not only sells concert tickets or presents the orchestra's programme: it is a truly global platform for classical music, featuring videos, television shows, two dedicated web radios, podcasts and numerous musical news articles. More interestingly, the San Francisco Symphony has developed a dedicated website: Keeping Score. It aims to support music lovers in enhancing their knowledge of classical music. For instance, the site enables visitors to follow the score of Mahler's First Symphony and to listen to each instrument separately, to see how it intervenes alone in the ensemble, or to listen to the explanatory comments of conductor Michael Tilson Thomas (MTT), the famous conductor of the San Francisco Symphony, who is a digital enthusiast. It must be said that from the windows of the orchestra, MTT's right hand points out the headquarters of Uber, Airbnb, Pinterest, GoPro or Dropbox—all located in the same block, at SOMA, or South of Market Street. Just a stone's throw from the orchestra, Twitter, which has just moved, also had its HQ. "Several Silicon Valley bosses are on the orchestra's board of directors," concludes MTT's right hand.
→ sfsymphony.org
→ keepingscore.org
→ p.21

Keeping Score
San Francisco

Taringa!
Argentina

Taringa! is a Latino social network and content platform. It is 100% UGC (User Generated Content). Its baseline is: "Taringa! Inteligencia colectiva" *(collective intelligence)*. During a lunch in Buenos Aires in the autumn of 2017, Gino Cingolani, the spokesperson for the Argentine platform told me: "You have your professional life on LinkedIn, your show life on Instagram, your social life on Facebook, but your interests, your passions, on Taringa!" A mix of Reddit and Tumblr, with a strong musical dimension reminiscent of MySpace or today's SoundCloud, Taringa! is based on thematic content. "Taringa! can be seen as an aggregation of about a hundred community sites," adds Cingolani. Beyond the content exchanged, the platform also functions as a genuine social network with its tweets, called "shouts," which must not exceed 256 characters, just like the reshouts.

"On Facebook, the important thing is your off-line life that you put online. On Taringa!, content is key. People follow you because of the content you post or produce," explains Hernan Botbol, Taringa's co-founder. The site has developed a very efficient music streaming function to stimulate conversations between users. "The new business model for culture will not come from digital sales, which could replace analog sales, but from unlimited subscriptions. The purchase of music, even individually, even on iTunes, has no future. We won't buy music anymore; that's the way it is. CDs, DVDs are dead, but so is downloading. I believe in unlimited streaming subscriptions. But this also involves new forms of curation and copyright," explains Hernan Botbol.

Taringa's business model is based on advertising but, like SoundCloud, Botbol believes in the creative power of the web. "The creative industries think of the Internet as a distribution tool for their products," he says, "but it is also, and perhaps first of all, a place for the production of new content and a new culture." The site aims to expand from Argentina throughout Latin America and, of course, to the Hispanic market in the United States. But competition is difficult, even in Argentina, due to Facebook, Spotify or YouTube. Whatever its future, the Taringa! experience has at least highlighted several key elements of culture in the digital age: recommendation, algorithm, conversation, new forms of copyright and the quality of content. More clearly, this site shows that culture, which used to be a "cultural product," is becoming a "service."
→ taringa.net
→ p.25

of advertising agencies (for instance, MuseFind, UP Influence, Instabrand, joined by the giants in the talent or advertising agencies sector, such as CAA, WME/IMG or Publicis). If the amounts generated by these advertising operations are rarely disclosed, and if the U.S. Federal Trade Commission has reminded about fifty stars who had "forgotten" their legal obligation to "disclose" all advertisements broadcast on their social networks, it seems that a single photo posted by an Instagram star can earn hundreds of thousands of euros (for example, for Beyoncé and her 110 million subscribers or Kim Kardashian at 106 million). Brands are prepared to pay significant sums of money even for more modest "influencers," like Egyptian fashion specialist → Hady elHady p.32, to promote their products in Instagram niches.

The development of "stories," initially on Snapchat, and now also on Instagram, is reflected in complementary remuneration models, even if these are currently reserved for content producers accredited by these social networks.

Thus, social networks lie at the heart of future business models, both through their own remuneration, which they can bring to bear directly (although this is often limited as long as no strong reputation is achieved), but also through generating indirect income: notoriety can yield derivative income. Finally, crowdfunding sites, or platforms like Patreon, work even better as artists using such sites have a large fanbase ("followers") on Facebook, YouTube, Twitter or Instagram.

Criticism, recommendation, algorithms and "Smart Curation"

One interesting development to emerge from digital technology is the multiplication of cultural recommendation tools. While traditional forms of criticism are tending to disappear or are losing influence, and while gatekeepers are increasingly criticised, the number of "curation" sites and tools is growing, according to different formats and models. Many models exist alongside the hugely successful Rotten Tomatoes, the American film review aggregation site: Nachtkritik for the theatre (reviews are done after shows, at night, hence its name); Ain't it cool News or Deadline Hollywood for the cinema; Babelio or Goodreads (purchased by Amazon) for books, and so on. Sometimes, sites limit themselves to posting comments or to launching forums (IMDb, Allociné); other times, they see themselves as real social networks (Letterboxd for cinema). Also evident is the rapid improvement of recommendation algorithms: will algorithms become the new curators or the future gatekeepers?

Elsewhere, I have developed the idea that the

future of these tools should combine an algorithmic approach ("smart") with a human dimension ("curation"). This algorithmic or "smart curation," which can also be called "e-curation," "intelligent curation" or "data-curation" → Smart Curation p.39, is increasingly a double or multiple filter that adds the power of big data and the singularity of human intervention. By associating machines and people, engineers and "artists," smart curation is a form of intelligent editorialisation, automated and then humanised selection, which enables sorting, selecting and recommending content on social networks, sites or platforms.

Spotify's personalised (i.e., customised) recommendations, such as "Discover Weekly," are based on "smart curation," as is YouTube's algorithmic media coverage of booktubers' book review videos.

A considerable number of new "tastemakers," "cool hunters" and "curators" have also sprung up in recent years. With the weakening of traditional dictates, we may even be said to be moving from criticism to influence—another major trend. Although analysing these influencers lies beyond my present scope, it is interesting to note that they are often "smart creatives" themselves. They redefine, mainly through social networks, the old "word of mouth" model as a "buzz." Sometimes, in the absence of a business model, they must innovate → Boston Globe p.32.

The main point here is that "smart curation" contributes to nurturing, developing or creating new business models. Thus, for example, a platform like → SoundsGood p.34 allows emerging artists to make themselves known and to be broadcast on all streaming platforms at once, thanks to the playlists of "influencers," potentially increasing their revenues tenfold. The playlists of "Work Hard Playlist Hard" go in the same direction.

Primarily aimed at professionals, the start-up Soundcharts uses data from social networks to analyse value: it compiles charts from 50 countries in real time, processes the information published on two million social network profiles, analyses radio airplay tracks in 15 countries, and aggregates several million Spotify and Deezer playlists. Thanks to this huge database, which combines algorithms, data and curation, SoundCharts offers its 250 B2B customers, including labels, tour organisers, majors and artists in particular, a sort of "unified dashboard," which analyses, hour by hour, the trends of the musical market for all genres and for a large number of countries. (The start-up Linkfire also aggregates data for artists).

More broadly, forms of recommendations, whether algorithmic or human, or those blending various smart curation filters, can contribute to better remuneration for artists. If works are better known and more widely disseminated, artists' physical or digital income increases.

**Norman
YouTuber
France**

Norman Thavaud is a YouTuber: he tells stories on YouTube, where he became famous. His channel has more than 10 million subscribers and already over a billion views. Beyond the quality of his videos, which enjoy massive "organic" diffusion, multiplied tenfold by the YouTube algorithm, which gives them greater virality, Norman also makes his content known through his Facebook (4 million likes), Twitter (7.1 million subscribers) or Instagram accounts (5 million subscribers). Social networks feed his YouTube channel, and vice versa.

His business model is essentially based on his YouTube fees. "I'm a freelancer and thanks to its Partner functionality, YouTube pays me by the number of views," he tells me. This remuneration fluctuates heavily because for 1,000 views remuneration varies greatly according to the number of advertisements broadcast and their auction-based prices (average remuneration is around 1,000 euros for 1 million views, whatever the duration of the video). Norman also earns a living from MeetUps or brand sponsorship actions in his videos (for example, a video sponsored by Ubisoft obtained over 20 million views).
→ YouTube Channel: Norman fait des vidéos

**Jackson Bird
Booktuber
New York**

With 32K subscribers to her YouTube channel, Jackson Bird is not among the most popular booktubers. But when I meet her at New York's YouTube Space in Chelsea, near Google's premises, she explained how to produce videos about Harry Potter for political purposes. For example, her "Harry Potter and the Dark Lord Waldemart" got more than 2.4 million views.

Jackson Bird was approached by YouTube to join the YouTube Space, where she can use free quality technology and benefit from training sessions and recommendations.

Her YouTube channel feeds her Patreon account. In view of her highly engaged videos, she has succeeded in mobilising a small community of "patrons" (currently 38) who are funding her every month with up to $ 200–300.
→ YouTube Channel: Jackson Bird

**Serial
podcast**

Serial, an audio series produced independently by the creators of *This American Life*, has been broadcast as podcasts since 2014. Designed by Sarah Koenig, Season 1 was an international success: it is based on both a real story and a continuing plot, an intrigue that continues from episode to episode. Season 2 was also a great success.

Serial is a genuine creation whose credits are apportioned to dozens of creators: it has several authors, artists, musicians, researchers, publishers, technicians, as well as a factchecker, a web designer, etc. (all credited on the site). The business model remains fragile, partly based on advertising, sponsorship (through MailChimp for Season I) and partnerships with "Page I," the company that produces the series. A major donation campaign was also launched through WBEZ, the Chicago public radio station that co-funds *Serial*.

The series marked a turning point. And if, from now on, this model already appears to be old, it marked the starting point of a new kind of podcasts, in which innovation and creativity are privileged. Since then, hundreds of independent producers have created podcasts while print media and radio stations, such as NPR, National Public Radio, have also embarked on the adventure.
→ serialpodcast.org

And what is true of the mainstream is also true of freelancers. Indeed, curation may in some cases make it possible to contribute to a "long-tail" model: old pieces of music are, for example, reintroduced into playlists and, given their new lease, keep remunerating ("paying off"). We are thus witnessing the birth of a genuine model of "long-tail curation."

Finally, and more specifically, it seems (according to the testimonies of several entrepreneurs I interviewed) that curation and editorialisation can contribute to the transition towards the premium models of free sites. For example, the curation work of Spotify (playlists, Discover Weekly, Daily Mix, etc.) or the *New York Times* (breaking news, thematic newsletters, Louder, *New York Times Book Review*, alerts etc.) would appear to be contributing significantly to transforming users of the free model into paying subscribers. Thus, curation brings meaning to a world of data that has none itself, and which is now far too important to comprehend in its entirety. "Smart curation" could therefore also prove to be a business model.

Crowdfunding

Building a community can also help establish a "fan base" as a means of financial support. Many platforms, using highly articulated business models, therefore propose to revive the principle of donations, thus enabling patrons to help the artists they love. This applies to all crowdfunding platforms, as fundraising tools, or to sites like Patreon. What is new here, though, is the incredible democratisation of these tools, which are far removed from the traditional philanthropic model—that of Michelangelo, Leonardo da Vinci, or the one beautifully described by David Hockney in *American Collectors* as recently as 1968. Today, you no longer need to know one of the few rich philanthropists to ask for help. Millions of "small" philanthropists are ready to help the artists they love.

By appealing to the "masses," especially to fans, the model of participatory funding, or crowdfunding, is now well established. These can be generalist platforms such as Ulule, Kisskissbankbank or Kickstarter, or specialised, sector-specific ones: music (→ My Major Company p. 34), cinema (→ People for Cinema p. 34, which belongs to Ulule, or Movies Angels), video games (Digital Coproductions or gamesplanetlab, which also belongs to Ulule), etc.

The techniques, methods, models and objectives vary greatly from one platform to another. They may involve unselfish, "disinterested" donations (without expectation or recompense), ones involving "rewards" or "recompense" or, for example, "interested" coproductions (investors are interested in profit-making).

Other formats also exist, for instance, Famebit, devised by YouTube, a kind of sponsorship for content producers, inspired by Patreon.

One of the most unique and successful models is → Patreon p. 36. Dedicated to creators, this platform offers to help artists and originators set up their projects starting from regular micro-payments made by their community of "patrons." By "following" or "subscribing" to an artist, patrons fund him or her regularly, not just for a single project, as on Kickstarter. More than 50,000 creators are currently supported by Patreon with an annual budget of about $ 150 million.

Finally, countless artists are organising their patronage directly by posting "donation buttons" on their sites; these fulfil the same function as dedicated sites but seem less profitable, according to several interviews, in terms of donations, unless one is already recognised.

Cultural philanthropy is changing dramatically and the innovations in this sector are astounding → Ideas Box p. 36.

Merchandising and product tie-ins

A major presence on social networks can also enable some artists to develop merchandising for their works. Of course, many artists are reluctant to "sell themselves" in this way; others, however, are taking the plunge. Some stars are even managing their own products live, circumnavigating their labels and the music industry! → Daft Punk p. 38.

Several sites have specialised in marketing works of art, either directly, for ones that can be sold as originals, or by reproducing and printing originals on posters, clothing, accessories and everything known as "mass customisation," in what makes a strange oxymoron.

Juniqe, a site located in Berlin's Kreuzberg district, has made a name for itself in the visual arts by offering such a model, like the start-up Society 6. The latter is very innovative in terms of printed products and goodies made from uploaded designs: from throw blankets to coffee mugs, cushions, duvets, bath mats, shower curtains and of course smartphone covers and sleeves. It's a real business and Society 6 helps to keep many artists alive by selling countless original products. We can also cite all those examples where art is now used as a simple commercial "magnet" to turn a mass consumer object into a high-end object destined to become a "collector's item" → Moleskine p. 38.

Once more, having a strong fan community can encourage the sales of all these by-products → Yazan Halwani p. 40.

Hady elHady
Instagrammer
Egypt

Hady elHady, a 24-year-old Egyptian, is an influencer on Instagram. Specialising in fashion, food and music, he regularly works with fashion brands. When I met him in Dubai, he didn't tell me so much about his personal account (10K subscribers), but about the brands he deals with, some of which have millions of followers. He likes to promote his clients. He is their "content creator": he produces countless photos, videos and text; he writes blogs, newsletters, etc. He is constantly learning new tools for editing videos, sound, images. A "smart creative" par excellence, he belongs to the category of slash/artists who multiply their activities in order to live while keeping, "on the side," more personal creative projects that he patiently develops, even if they have no business model yet.
→ Instagram: @hadyelhady

In 2016, the *Boston Globe* launched a new model to finance music critics like Zoë Madonna or Jeremy Eichler. Unable to continue paying its critics due to ongoing budgetary constraints, the *Globe* agreed for the post to be funded by a foundation. Since 2016, one of the critics has been paid by the Rubin Institute for Music Criticism, the San Francisco Conservatory of Music and the Ann and Gordon Getty Foundation. This temporary experiment, which allowed the newspaper to retain a classical music critic, while remaining independent of the Boston Symphony Orchestra and Boston Lyric Opera (which would not have been the case had these major institutions covered the critic's salary), may appear to be a new, not-for-profit model of funding cultural criticism in the future.

Boston Globe
Classical Music Critic

Non-profit ventures

By exploring all the avenues and potential pathways potentially leading to new business models, artists have also returned to old mechanisms rethought in and for the digital age. Many artists oppose the commodification of art, yet without rejecting social networks.

Consequently, they tend to prefer the non-profit sector → Jean-Jacques Rousseau Readings p. 40; → The Umbrella Movement p. 42. It is also the gamble involved in the model, similar to that of hackathon, for instance, of → École 42's "swimming pools" p. 42 in Paris.

Other ventures, more established or institutionalised, seek to open up access to art for all, true to a very old logic of cultural democratisation in Europe or outreach in the United States → DeviantArt p. 42; and → Connecting Audiences p. 43.

Still others have invented mixed models that, since the artistic activity itself is not profitable, are backed by economically more profitable projects, as I discovered with → Horizontal magazine p. 43 in Mexico City or → Gaîté-Lyrique p. 44 in Paris. With some variations, French economist → Julia Cagé p. 44 has also devised non profit models of funding the media and press.

The Internet has a large number of platforms or non-commercial sites, be they gathered around Wikipedia, Firefox, Linux, the open-source software sector or public sites managed by countless administrations, universities, state agencies or associations around the world, which are not intended to be profitable. Artists are among the most active to adopt and nurture these non-commercial platforms.

The quintessence of this model, although neither perennial nor lucrative, is the → Burning Man p. 45 festival in the United States. Based on donations and gratuities, this great artistic and musical adventure, which lasts only one week a year, allows thousands of artists to express themselves. "No artist tolerates reality," Nietzsche used to say. Outside the real world, Burning Man has neither a business model nor real potential for media coverage, but it is nevertheless a great way of renewing the free nature of art. It is not a bubble but a sum of multiple micro-niches driven by a neo-hippie spirit in the electronic era that revives Woodstock. Burning Man thus appears as a clear antithesis to the commodification of culture and to the growing influence of technologies and social networks on art.

Related and unrelated activities

Before concluding, let me briefly comment on the "other" activities that artists engage in to "earn a living"

and that have always played an important role in balancing their business model. They are not new: one of Leonardo's recent biographers, Walter Isaacson, tells us that the artist multiplied his remunerated activities in the commercial, urban and military spheres of his time, sometimes at the expense of completing his works (e.g., *St. Jerome* or the *Last Supper*), devoting much time and effort to creating fairground shows (pageants), inventing special effects and firearms, being a theatre impresario or consultant for church events, hoarding bottles of wine or writing job applications to raise money—to "live" and to keep his group of assistants alive.

At all times, and notably prior to recognition and consecration, artists have therefore been obliged to undertake activities beyond their core activity: art. Two principal and well-established trends can be distinguished in this respect: "related" and "unrelated" activities.

The first category comprises teaching, private tutoring linked to one's art, "restaurant gigs," ghostwriting, podcasts, guided museum tours, that is, all trades practised beyond producing works of art, yet related to these either professionally or technically. In terms of scheduling, these activities are often "compatible" with and adaptable to pursuing artistic activity. They can even nurture inspiration.

On the other hand, all activities unrelated to art, and whose schedules are not always compatible with artistic life, should be classified as "non-" or "unrelated." For example, it is a (well known) fact that Hollywood actors are waiters in Los Angeles cafés, that actors give language classes or that musicians work as gym instructors. Some also invest in Blockchain. All these examples are real and come from my interviews.

Nevertheless, one interesting evolution today is that it seems easier for artists not yet living from their art to find "related" activities. The multiplication of cultural curricula, as we have seen, offers many artists professional opportunities; web design and website creation provide many graphic designers and architects work; and most of the artists I interviewed possess digital skills that they know how to monetise as community managers for brands on Facebook, Twitter, Instagram or YouTube, as TED Talks speakers, as Artificial Intelligence experts, or as "virologists"—to quote the title of a *New Yorker* article on the art of virality or how to render viral content on social networks.

The digital thus allows artists, perhaps more easily than previously, to discover parallel business models, ones that are "related" to their art. It must be said that creators have been at the heart of profound digital innovations: many start-ups, most notably Airbnb, have been created by artists and designers, as well as by

Soundsgood

The start-up Soundgood specialises in "influence through the playlist." According to Louis Viallet, co-founder of Soundsgood, a large majority of people who listen to online music trust playlists. Faced with the multiplication of streaming platforms, Soundsgood therefore suggests that influencers, whether journalists, DJs, producers of labels or simple music lovers, create their playlists on Soundsgood and then upload them automatically on all the platforms available on the market (Spotify, SoundCloud, Deezer, Apple Music, Pandora and dozens of others). Soundsgood already has 17,000 influencers who manage over 45,000 playlists. "We believe in influencers, who are at the heart of future models for music," Louis Viallet tells me. The Soundsgood model is based on smart curation using a triple filter that combines personal data, influencers and algorithms. In addition to algorithms or mainstream diffusion, the the start-up's model is to improve recommendation accuracy by bringing to bear influencers' human filter. Soundsgood therefore develops communities of "curators" who play a role in promoting artists or their own media coverage: they can be media, festivals, cultural venues or brands.

Soundsgood's business model is twofold: streaming platforms pay the start-up for its uploaded playlists, while influencers who use it for free can have additional features and data if they have a premium subscription.

In a different yet related model, the start-up Work Hard Play List Hard wants to help artists, their managers or their labels, to be distributed on all platforms, just like the start-up Linkfire. As for Wyker, these types of recommendation are not individual but collective and social: we go to a concert with friends or as a couple and Wyker, a start-up focused on "live" events, is interested in these forms of influencing large numbers of people.

→ soundsgood.co
→ workhardplaylisthard.com
→ linkfire.com
→ wyker-app.com
→ p.29

My Major Company and People for Cinema France

As different as crowdfunding sites for producing music or making movies can possibly be, My Major Company and People for Cinema are similar. It must be said that both were conceived and launched by serial entrepreneur Simon Istolainen. He now lives in Israel, where I interviewed him. These two fundraising platforms differ from the major players in the sector, such as Kickstarter or Ulule, because they are specialised while the latter are generalist. The philosophy that prevailed for their launch was that players in the same sector prefer to come together and that funders feel more comfortable when they are in their chosen sector. In addition, the amounts involved and the means of production are not comparable for a film as for music. The transformation of My Major Company into a simple label and the recent takeover of People for Cinema by Ulule may cast doubt on these companies' business model.

→ mymajorcompany.com
→ peopleforcinema.com
→ p.31

coders or engineers (if one believes Leigh Gallagher's *The Airbnb Story*). Steve Jobs, the founder of Apple, often repeated that innovation lies at the intersection of art and technology and that we should avoid thinking in narrow, enclosed silos. Art stands at the heart of the innovation process

Conclusion

We are currently experiencing a radical transformation of art, and of the lives of artists and their business models. The most positive aspect of this genuine revolution is that it is the source of an inconceivable number of innovations and experiments long unknown to art. This fantastic "disruption" translates, perhaps more than ever, into failure and outcasting. It is, as such, a very Schumpeterian evolution, one of creative destruction, which reshuffles all existing maps and models, and perhaps leaves many of today's Rimbauds by the wayside. (Conversely, we might also hypothesise that there would no longer be an unknown Rimbaud today, who would have been recognised as an Instapoet or BookTuber!)

We can speak of a "digital renaissance," to use a somewhat fashionable term, or of a "digital century," as I have done elsewhere, albeit merely on condition that we never forget the lost or impoverished artists, nor all the losers of this system. Those who fail—or who have been "uberised," yet another buzzword—are not necessarily the least talented.

These innovations almost inseparably combine the creation and the diffusion of works. They affect all established business models for artists, the tools for disseminating works, the ways in which they are critiqued—and henceforth "influenced." We may thus speak of a total revolution: one that profoundly changes the game.

For artists caught up in the midst of this revolution, this is a period of great instability and uncertainty. The fragmentation of artists' business models is staggering. We are witnessing the multiplication of slash/artists, start-up artists and, perhaps above all, entrepreneurs.

On the one hand, being an artist is a more difficult profession than ever before: one must look after one's reputation, one's start-up, one's curation, even if the lines between the public and private sectors, between subsidies and the market, between the state and business, are blurred. Not to mention that art is becoming more and more hybrid: it now reaches beyond categories, blends knowledge, techniques and skills and is becoming increasingly—dare I say—sophisticated.

I wish to emphasise this point. While creativity, creative experimentation and quality were long believed to exist (and to be found) in the purity of art, or in formalism, today we may gather that this wealth is now found in the interactions and articulations between art and the digital.

This makes it difficult to devise a new model or to renew cultural policy, which is reaching the point of exhaustion everywhere. Besides, in times when everyone can become, if not an artist, then at least a producer of content, and gain influence via social networks, it is important to be wary of overly final verdicts and all too rash public policy solutions.

And yet, reviewing the many fascinating talks and the many trips writing this essay has involved, I do not recall hearing increasing calls for subsidies—this debate seems to have ended in the 2000s—but rather a desire for "empowerment." Creators want to regain the pride of "being an artist"; they want to feel safe and secure as artists; they hope to earn a living from pursuing their work, and to be able to say, like one of my interviewees: "I love my life as an artist."

It is up to us to help artists earn a decent living, to regulate the digital industries to ensure creators are paid at their true value and, through multi-format, multi-remuneration and multi-arts models, to finally trust them—so that they can invent the colour of vowels, become a fabulous opera and salute beauty.

Frédéric Martel

Patreon

A crowdfunding platform dedicated to artists and smart creatives, Patreon has enjoyed unprecedented success since its establishment in 2013. Unlike platforms like Kickstarter that launch campaigns, Patreon works on regular payments made by patrons who want to sponsor artists they love each month (or each time they produce a new work or content). This service works particularly well as a business model for YouTubers, but also for visual artists, musicians, journalists, documentary filmmakers, writers and podcasters. Based in San Francisco, the site brings together more than one million monthly "bosses" who fund more than 50,000 creators with nearly $ 150 million a year (Patreon, according to its own business model, takes a 5% commission on donations). In exchange for their financial support, creators receive "benefits" from their "boss," for example, preview information or exclusive content. Many of the artists I met receive regular payments from Patreon, while many others help to finance artists they love, for a few euros each month.

Another model similar to Patreon is Tipeee, which is based on the philosophy of the "tip."
→ patreon.com
→ tipeee.com

Ideas Box (by Library Without borders)

This cultural project was conceived by Libraries Without Borders, an NGO present in 25 countries. It involves providing vulnerable populations with tools for reading, creativity, digital access and training. The Ideas Box, created by designer Philippe Starck, is a multimedia library kit consisting of six suitcases that opens in less than twenty minutes to create a cultural space of 100 m². Equipped with a mobile Internet connection and touch pads, electronic and paper books and a mobile cinema, the Ideas Box is aimed primarily at vulnerable populations (migrants, people in rural areas and working-class neighbourhoods).

At the same time, the association is working on innovative pedagogies (with the Khan Academy or Voyageurs du code), the creation of new content, the dematerialisation of knowledge and the problems linked to the connectivity of isolated populations. In this way, BSF sees itself as a facilitator rather than as an operator who comes to "do instead of." The innovative tools, services and methodologies developed by BSF represent a lever for providing in-depth support to public and private stakeholders, strengthening them and encouraging them to change their cultural practices.

Its financing model, called "B2Gov," is hybrid and innovative: it involves bolstering the local capacities of states and local authorities with regard to their cultural and educational activities, and thus to be mandated and remunerated; in addition, it offers merchandise (used books, etc.) and services (training, expertise, logistics), which can also be sold via a private company, BSF Services, whose proceeds go to Bibliothèques Sans Frontières. Intervention and financing methods thus remain very flexible. And, in fact, the association depends very little on public subsidies, which constitute only 12% of its budget.
→ ideas-box.org
→ bibliosansfrontieres.org

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— Social: Readers are invited to share and discuss this study on social networks and to share their comments, corrections and opinions.
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Daft Punk
France

The French duo, one of the symbolic groups of electro around the world, founded by Thomas Bangalter and Guy-Manuel de Homem-Christo, has an original business model. Refusing to join a copyright company such as SACEM (their rights were initially blocked, resulting in lengthy court proceedings), the duo chose to manage its own music 360°. Fully managing their business model without a label, through several companies, the duo is directly involved in its promotion, its derivative products and social networks. This unique model allows Daft Punk to retain all their rights, their artistic freedom, their concerts and to process all their digital "data" themselves regardless of distribution channel (and even for "live" events where they have analytics and data).

From the outset, their "producer-manager" Pedro Winter, alias Busy-P (who also produces the electro group Justice via his label Ed Banger) had a transversal vision of the business, far removed from the constraints imposed by the record majors. By ensuring their own self-promotion and refusing to show their faces, the Daft Punks invented the "decide by yourself" model. In so doing, they upset the music industry, sacrificed intermediaries, realised their own influence on social networks and transformed the star system.
→ daftpunk.com

The world-famous Italian notebook brand Moleskine owes part of its fame to the transformation of a mass object (the "standard" notebook), destined to "become-waste," into a high-end object, destined to become a "collector's item"—which makes it an applied example of Luc Boltanski's sociological theory of "enrichment." A line co-founded in 1997 by Maria Sebregondi within the company Modo and Modo, Moleskine defends the idea, in its communication policy, that its notebooks were used by Bruce Chatwin, Ernest Hemingway, Vincent Van Gogh and even Picasso. "It started simply, a group of friends, on holidays, we talked about trips... Modo and Modo were publishing a range of books on travel and culture. I then suggested reproducing Bruce Chatwin's beloved notebook," Sebregondi tells me. It is obvious that neither Chatwin nor Picasso used the Moleskine notebooks, since they did not exist at the time. However, by suggesting that they used similar notebooks made of moleskin canvas, by adding this "arty" hue to the seemingly banal, the brand has become unavoidable. The artistic "label" now sells more than five million books every year throughout the world, most of them in bookshops.
→ moleskine.com

Moleskine
Milan

Smart Curation

I "coined" this term in 2015 in a series of three articles written for Zurich University of the Arts (Martel, 2015). The word "curation" is very old and, in French, as in English, it has long carried a museum connotation: a curators choose works of art; they are generally exhibition curators. The term subsequently expanded, particularly in the United States, to other cultural sectors, including libraries. Finally, according to a process described by Benjamin Peters (Peters, 2016), this classic term has taken on a new meaning in the digital domain in recent years: "curation" has become a way of organising or offering content online (often referred to as "content curation"), even though a "curator" is organising this "curation." We also speak of "digital curation," a term already dated, which attests to the shift from the classical term "curation" to the web (Rosenbaum, 2011).

However, "curation," which inherently retains an artisanal logic because it is human, quickly appeared inadequate to the needs of the Internet because it does not respond to one of the major digital problems, namely, abundance and what James Gleick calls the "flood" (Gleick, 2011).

"We create as much content online every 48 hours as we created since the birth of humanity until 2003," explained Eric Schmidt, the then Google CEO (Schmidt & Cohen, 2013) in 2013. This "abundance" is truly phenomenal and increases exponentially every day—30 million tracks of music available on Spotify, 400 new hours of video uploaded every minute on YouTube, thousands of films available in one click on Netflix, 5.4 million entries on Wikipedia for the English language alone and a flood of information and news articles that keeps growing on all topics etc. Faced with this abundance, no human "curation" can henceforth account for available production or make it a critical exercise (Anderson, 2006; Martel, 2015; Kelly, 2016).

Thanks to the power of algorithms, it is now possible to process large amounts of data to produce automated recommendations (Mayer-Schönberger & Cukier, 2013; Cardon, 2015). Based on this technological reality, many researchers, journalists and entrepreneurs have defended the idea that the future of criticism and recommendation depends essentially on algorithms. This logic is shared in particular by Netflix, Amazon, Spotify and Apple Music, among others, whose engineers are working hard to develop algorithms capable not only of processing an ever-increasing amount of data, but above all of refining and improving their results. On YouTube, 70% of videos are now watched based on the algorithm's recommendations (data: YouTube).

Within this overall framework, the "personalization" of the digital ("Personalization," Peters, 2016) has become essential. This is called "customisation" and "mass customisation": searches are more and more personalised and adapted to user requests; results are more and more precise. The combined power of big data and algorithms in terms of data processing is remarkable, as illustrated by recommendations in the fields of music (Netflix or Amazon Prime), music (Deezer, Apple Music, SoundCloud or Pandora), publishing (Scribd, Oyster and Amazon Prime), video games (Steam or Twitch) and so many others.

Thanks to powerful algorithms, developed by hundreds of engineers, and constantly refined by user behaviour—so-called collaborative filtering—sites and applications are offering more and more elaborate and refined suggestions based on the famous Amazon model and its famous slogan: "You'll like it too." (Or YouTube's "Watch Next" and Spotify's "automatic playback," which algorithmically recommend new music at the end of a playlist).

However, beyond the problems inherent in algorithms (the attrition of "locked-in algorithms"), newsfeeds (such as Facebook's algorithm despite its hundred thousand criteria) and deliberately commercial and advertising marketing distortions (Packer, 2014), results continue to be disappointing when it comes to predicting behaviour or analysing emotions and sensitivities. If big data and algorithms are unbeatable at analysing mass usage, measuring current performance, displaying consumption statistics, recording purchase histories or comparing prices at a given time (e.g., the price of an airline ticket), they struggle to understand taste and pleasure. Cultural prescription is not an exact science and algorithms struggle to anticipate it.

Of course, we are only at the beginning of the algorithm and considerable progress is expected in this sector (Mayer-Schönberger & Cukier, 2013; Cardon, 2015). Metadata, essential to understanding cultural works, is constantly being improved; the computing power of machines, which enables ever-increasing amounts of data to be processed, is constantly growing; data mining is becoming more refined and significantly improves the relevance of results; machine learning enables algorithms to "learn"; and filtering techniques are being improved considerably each year. However, it seems to me that pure algorithms and traditional criticism alone will not be able to sustainably meet the needs of tomorrow's recommendation. It is necessarily segmented, fragmented, divided into niches, personalised and dependent on factors that are difficult to predict such as timing and location, state of mind and mood, or pleasure.

"Smart curation," which could also have been called e-curation, "intelligent" curation or data-curation,

Yazan Halwani
graffiti artist
Lebanon

Lebanese graffiti artist Yazan Halwani already has a certain international reputation that allows him to "exhibit" his street art in Germany, at the Institut du monde arabe in Paris or in Jordan. His business strategy is not to depend on his art to remain independent. He also works as an engineer and consultant on the side, even if his artistic projects are aimed at financial equilibrium. To do so, he accepts the printing of his graffiti on canvases for sale to collectors or designs for products such as TAG Heuer watches. "I worked with this brand because it made sense for my work: it allowed me to exhibit my graffiti on the wrists of many clients, but I refused to do the same thing for car brands for example. I don't do coffee mugs either," Halwani told me during a meeting at the Urbanista café in Beirut. The artist also refuses commissions for his graffiti, which would seem contradictory to street art. The other side of his marketing work is done on social networks: mainly Facebook and Instagram where he already has a large community of fans.
→ facebook.com/YazanOne
→ instagram.com/yazanhalwani

The actor William della Rocca regularly offers readings of the books of Jean-Jacques Rousseau's *Confessions*. Learning book after book by heart, he has private individuals host him in the form of an apartment theatre and begins to read for the twenty or so people who gather, and who generally reserve their seats. Audience members pay approximately at least 15 euros each (larger sums may be paid by cheque in advance). They can also receive a free PDF copy of the text to be read in advance, unencumbered by rights. After Rousseau, William della Rocca will plunge into the memoires of the Duke de Saint Simon.
→ jeanjacquesetmoi.blogspot.fr

Reading Jean-Jacques Rousseau
Paris

aims to respond to this problem by proposing the combination of an algorithmic approach ("smart") with a human dimension ("curation"). It is therefore a double filter that makes it possible to add the power of big data and the singularity of human intervention, the association of machines and humans, engineers and "artists." Smart curation is therefore a form of intelligent editorialisation ("smart"), an automated and subsequently humanised selection that allows sorting, selecting and recommending content to readers (Martel 2014 and 2015).

This binary theoretical approach to algorithmic curation, however, gives a name to models that have already been tested. For example, Spotify has been developing a mixed "smart" and "curation" model for several years, combining three types of data—or what can be called a "triple filter"—to propose recommendations in its "Discover Weekly." In this way, Spotify engineers add to the mass of listening data (impersonal mainstream data) and the subscriber's specific behaviour (actual listening) the recommendations of "influencers" according to a clever dosage. The playlists of the latter—thousands of DJs, A&R producers, journalists, bloggers, musicians etc.—are cross-checked with personal and mass data to produce an algorithmic recommendation and curation, both quantitative and qualitative (Pasick, 2015).

Other "smart curation" models also exist, for example, through "social listening," developed in radio or applications dedicated to recommendation via "social TV." On the one hand, some recommendations from Facebook, Amazon Prime or sites specialising in suggesting "smart" content such as SoundGoods in France, GoodReads in the United States (which now belongs to Amazon) or Taringa! in Argentina, use smart curation techniques when starting from an individualised recommendation subsequently broadcast massively according to filters and algorithms (Christakis & Fowler, 2009). YouTube works in a similar way by making viral, algorithmically, the contents of its YouTubers that have been strongly "liked," shared or commented on by Internet users.

Beyond the many possible forms and models under development, the most complete version of smart curation ultimately requires three elements. First, it is a recommendation based on a double filter, algorithmic and human, which thus implies an automated processing of data at the same time as personalised treatment by "curators." Second, the "curator(s)" performing the second curation filter need(s) to be external both to the content creator and to the consumer. This "filter" cannot be the content producer, nor the consumer; a mediator and an intermediary remain necessary for the experience to always resemble "curation," even if it were "intelligent." Finally, this smart curation must be part of a conversation. It must be a dialogue, an exchange, promoting the plurality of tastes to break with the "top down" recommendations of traditional criticism.

In short, "smart curation," an expression built on old words reorganised in a new way, does indeed appear to be one of the fundamental evolutions of culture and media in the digital age. In years to come, it can be expected to involve significant technical improvements, to become a source of new business models, to enable start-ups and social networks to find their social purpose and to produce rich and sustainable academic studies. → p. 29

The Umbrella Movement
art projects
Hong Kong

"The Man with the Umbrella" (yellow) remains one of the symbols of the Hong Kong student revolution in autumn 2014—and an original work of art. It illustrated political mobilisation during this "umbrella" movement, which lasted several months, and whose leader, Joshua Wong, aged 18, appeared on the cover of *Time Magazine*. The students fought for Hong Kong's autonomy, for the freedom of the press and assembly and against the one-party model that the Chinese Communist Party wanted to impose. During "Occupy Central," lasting almost three months, countless images, photographs and works of art were created. On a branch of the bypass motorway, a "rue des arts" was also improvised. A "Lennon Wall," in homage to John Lennon, was set up, consisting of thousands of yellow Post-its. Further, artists set up an art gallery where they worked and exhibited their paintings. Famous artists, including filmmakers Shu Kei and Adam Wong, writer Chen Hui, and singers Anthony Wong and Denise Ho, joined forces with a spontaneous organisation called "Hong Kong Shield" to support the students. Their action consisted of systematically filming demonstrations to monitor potential violence and police misconduct. "The revolution was also digital," Joshua Wong told me during several interviews in Hong Kong. And on one of the walls of the official government, I actually saw a "Digital Message Wall," where students posted Internet messages in support of the movement, sent from all over the world.
→ p. 33

École 42 and its "swimming pools" Paris

École 42 was created in 2013 in Paris by Xavier Niel, the founder of Free, a mobile phone company, and a telecom billionaire. Realising that there was a shortage of 100,000 developers in France every year, Niel imagined this school of code, free, open to all, requiring no diploma. To select the 1,000 students that the school trained each year, he also set up a system known as "swimming pools." After online pre-selection, which makes it possible to skim 50% of unsolicited applications, these "pools" again eliminate 65% of applicants. They are kinds of collective hackathons that take place on the spot, at Paris's École 42, for one month, 24 hours a day, 7 days a week. You don't need to know the code to follow the selection process, but just need to be rigorous, scientific or creative. Selected students then follow between one and three years of code training to become experienced developers. In 2017, École 42 was ranked as the best code school in the world in two international rankings. The "swimming pool" model is now being studied by many schools and seems particularly interesting for recruiting artists.
→ www.42.fr
→ p. 33

DeviantArt

DeviantArt is a publication platform and social network serving artists, photographers or smart creatives. DeviantArt wants to create an artistic community and a "movement for the liberation of creative expression." Created in 2000 in Los Angeles (but now owned by the Israeli Wix.com), the start-up aims to help emerging artists (called "deviant") make themselves known to an "art-centred" community and to "find their identity through self-expression."
→ deviantart.com
→ p. 33

Connecting Audiences
New World Symphony
Miami

The "Connecting Audiences" project of Miami's New World Symphony aims to democratise culture. In English we say "outreach" or "reaching out to someone." When the orchestra is performing inside the huge hall built by star architect Frank Gehry, the concert is projected on the front of the building so that the public—a thousand people sitting on the grass in the adjacent park when I was there—can attend for free. This is called "Live Switch"! To make this work a success, a dozen robotic cameras were installed in the symbolic room: they are controlled by a team of video engineers and dozens of computers. "To be sure, people come from all over the world to see what we're experimenting with here," John Kieser, director general of the New World Symphony, tells me. Inside the hall, these technologies also make it possible to follow performances via giant projections on all the walls and staircase ceilings designed by Frank Gehry. This fundamentally changes experiencing a symphony concert, reminiscent of the final scenes of the planned suicide in *Soylent Green,* whose protagonist (Charlton Heston) sees magnificent images on Beethoven's *Pastoral Symphony!* But the "Connecting audience" experience does not stop there: musicians are omnipresent on social networks: they send "pre-concert emails" for the audience (explaining the score they are going to play); they make video presentations; they encourage "post-concert talkbacks" (a sort of post-concert "debriefing" with the audience). In short videos lasting 1 minute 30 seconds, they present their role in the orchestra and their career path. If we add video games, "synchro," gaming, then the New World Symphony strives to engage in conversation with its audience everywhere and at any time. And its director, John Kieser, concludes: "The orchestra must also perform on the digital stage."
→ nws.edu
→ p. 33

Horizontal
Mexico

Horizontal, an online newspaper established in 2015, is a pure web player interested in the political, intellectual and cultural life of Mexico. Intended to be independent, *Horizontal* defends the point of view of the "millenials" and has a strongly digital prism. Lacking its own resources, the magazine has been based on an original and a mixed business model since its launch: on the one hand, it offers training seminars, computer classes, conferences, breakfasts and a co-working space, with its "ancillary" activities providing the core of the newspaper's business model. According to Antonio Martínez Velázquez, co-founder of the site, *"Horizontal* is a media platform that publishes 'long reads.'" It is funded by the activities of a cultural centre called "Centro Horizontal": "We offer educational programmes on journalism, writing and public affairs; a cultural programme with more militant activities or lectures on books; we also have a coffee bar. In addition, we have alliances with international foundations to carry out digital rights and technology projects, and we are currently working with the Ford Foundation."

The revenues of the cultural centre break down as follows: 35% for educational programmes (workshops, courses); 20% for cultural activities with concerts and performances; 35% for the coffee bar; 10% for projects with foundations. Thus, the online magazine generates little revenue, but functions as a "brand" around which the centre's other activities take place and aim to finance the publishing project. The magazine remains the "core" business—without business.
→ horizontal.mx
→ p. 33

The Gaîté-Lyrique
Paris

Built in the 18th century, the Gaîté-Lyrique, a former operetta theatre situated in the heart of Paris, was renovated in 2011 and transformed into a cultural centre dedicated to the digital arts and electronic music. With its "state of the art" concert hall, multiple offices, reading rooms, libraries, cafés and restaurants, the site has seduced the digital arts community, which has appropriated it. A classified public building, the redevelopment of the Gaîté-Lyrique was decided and financed by the city of Paris, which has entrusted its new managers, a "public service delegation," to devise an innovative business model (its co-managers are the record label Naïve and a company called Ineo). By letting its spaces, by hosting conferences and concerts, by multiplying digital training courses for individuals and companies, by offering a fine menu of "fast bistro food" at the "Trois Bis"—the Gaîté-Lyrique seems to have found its way.

→ gaite-lyrique.net

In her little book *Sauver les médias,* 2015 (Save the Media), French economist Julia Cagé devised a new business model for the press: "the non-profit media company." It is a hybrid, yet commercial model, whose status is that of a charitable foundation. Readers, through their donations, journalists, through their work, would be associated with the company through their voting rights as genuine shareholders (Cagé, on the other hand, rejects the models of a society of readers or editors who are no longer able to fight against outside shareholders). Its model is similar to that of the major American universities, which are not-for-profit, "endowed" or based on bequests, yet are commercially active.

In another collective piece of research *L'Information à tout prix,* 2017 (Information at Any Price), Cagé has also analysed how traditional and online media produce information. Using algorithms that she developed with her team and a huge database, she managed to demonstrate that a very important part of the contents published on the Internet were not original (about 64% in the case of hot news). Based on this observation, she analyses the conditions of information production and its economic determinants, the media pressure of breaking news, the necessary speed of the Internet and reveals a great homogenisation of content even though the media have never been so numerous.

→ p. 33

Julia Cagé's model
of the press

Founded in 1986, the Burning Man Festival takes place every year in the arid desert of Black Rock City, Nevada. Despite the difficult living conditions, without electricity, drinking water, roads, cars and Internet connections, participants (almost 70,000 every summer) obey a dozen strict principles and live in "survival mode" in a stubborn alkaline dust. During the one-week event, everything is organised as a big "community," if not as a "commune": money is forbidden and only donations and gratuity are permitted. It is about escaping consumerist society, about emancipating oneself from money and commercial exchanges—a return to the state of Rousseau-ist nature!

The festival is organised by a "501c3"-type association, that is, "not-for-profit" from an American fiscal perspective. And if the entrance fee is about $400, Burning Man cannot make a profit.

In this non-profit setting, the neo-hippie festival is primarily dedicated to radical artistic expression. Hundreds of works of art are created for the occasion and presented, mostly in the desert of the immense Playa (the central square of Burning Man) or, at night, on illuminated art cars and artistic mutant vehicles.

I met about fifteen artists in Burning Man for in-depth interviews during the week of the 2016 festival, dedicated to Leonardo da Vinci. Most of them were American; they liked to dress up to present their works that spat fire or, as DJs, boarded the "art cars" to give concerts all night long (the Burning Man music guide contained 40 pages that year). Jim Ball, a musician who hosted the Root Society at Burning Man, told me: "We are a music camp. In the evening, our camp offers everyone a line up of the best DJs on site. Then, around midnight, our mobile art camp leaves the camp and travels with its DJs all over Burning Man until dawn." On an "art car" baptised BOJON (which read upside-down means NO JOB, "no work") were grafted huge tentacles: the burners then climb aboard as they pass over the playa and dance all night long on a fast electro. The festival is meant to be non-judgmental, feminist, diverse and LGBT friendly. Here, there are no VIPs, no entry tickets, no guest lists, no gauge restrictions, no privileges (and even if Mark Zuckerberg, CEO of Facebook, Jeff Bezos of Amazon or Larry Page and Sergey Brin, the founders of Google came, they would be treated like everyone else: in the dust!). Dusty sand is the sole arbiter of all vanities. It is Woodstock in 2016; it is Bob Dylan's "freewheeling" rediscovered in the 21st century. This is America—large, free, and still burning.

→ burningman.org
→ p. 33

Burning Man Festival
Nevada, United States

Trained in game design, Mario von Rickenbach specialises in transmedia games and short animation films. With his game maker start-up and animation studio, he organises his artistic activities into "projects" and spends a lot of time on R&D to develop new ideas. "We dedicate two or three days each month to imagine, a bit randomly, totally new ideas, 'unrelated' to our previous projects," says Mario, whose artistic life functions like a real start-up. To complete his business model, von Rickenbach teaches and racks up workshops, notably at ECAL, the art school in Lausanne. He also works with museums, both to maintain his independence and to stay in the arts sector.

→ playkids.ch
→ plugplay.ch
→ p. 35

Mario von Rickenbach
game maker
Switzerland

CREATIVE INDUSTRIES SWITZERLAND

In 2015, roughly 284,000 persons were employed in Switzerland's creative industries in around 75,000 businesses. This represented 11% of Swiss businesses and 6% of all employees. The creative industries generated an estimated Gross Value Added (GVA) of CHF 23 billion and an estimated turnover of CHF 60 billion. This corresponded to almost 4% of Switzerland's GVA and 2% of Switzerland's total turnover.

In recent years, growth in the creative industries has been more positive than in the overall economy. This dynamic development is expected to continue. Between 2013 and 2015, the average number of employees in all submarkets increased by 2.4%, the number of businesses by 6.4% and GVA by 5.4%. Thus, the creative industries, a complex of different economic activities, grew significantly more than the overall economy, where growth is roughly one fifth lower for businesses (+1.9%) and about half lower for the number of employees and for GVA (+3.2% and +2.5% respectively).

Employment is highest in the architecture market, the software and games industry, the music industry and the press market. These four submarkets account for more than half of all creative industries professionals.

The number of creative industries businesses, employees and GVA has outperformed the overall economy in recent years. Total turnover, on the other hand, declined as sharply as in the overall economy. Comparing 2013 and 2015 reveals an interesting situation, which deserves closer scrutiny: according to national VAT statistics, total turnover sharply declined both in the creative industries (-12.6%) and in the overall economy (-11.4%). Whereas two of the three highest turnover submarkets declined (software and games industry CHF 15.2 billion /-33.3%; the press market CHF 6.7 billion /-11.4%), architecture (CHF 11.1 billion) grew slightly by 0.9%. Conversely, the advertising market (CHF 6.0 billion) increased by almost 16%. Broadcasting (CHF 4.0 billion /+7.7%), crafts (CHF 1.9 billion /+5.8%), the performing arts (CHF 0.7 billion /+4.4%) and design (CHF 4.6 billion /+3.3%) exhibited positive dynamics. According to national VAT statistics, the greatest slump besides the software and games industry (CHF 15.2 billion /-33.3%) occurred in the book market (CHF 1.7 billion /-18.1%), audio-visual technology market (CHF 2.2 billion /-17.4%), art (CHF 1.7 billion/-17.3%) and film (CHF 2.4 billion /-14.1%). Compared to the number of employees, businesses and GVA, which outperformed corresponding figures for the overall economy, turnover in the creative industries revealed a different picture. Whereas creative industries employment (creative industries +2.4%, overall economy +1.9%), businesses (creative industries +6.4%, overall economy +3.2%) and GVA (creative industries +5.4%,

overall economy +2.5%) grew faster in the period 2013–2015 than the overall Swiss economy, creative industries total turnover declined to a similar extent (creative industries -12.6%, overall economy -11.4%).

Figures for 2015 confirm that the Swiss creative industries are dominated by small businesses. 94% are micro-businesses employing up to 10 persons (FTEs). Three quarters comprise merely one or two persons. Such businesses are known as smallest, i.e., micro-businesses.

Figure 1 shows that more than half of all Swiss creative industries professionals work in micro-businesses, i.e., in businesses with less than 10 employees. Some sectors diverge from this overall picture due to

their production conditions. Thus, the high proportion of large businesses (250+ employees) in broadcasting can be explained by the few businesses active in the small Swiss market and by resource-intensive production. → Fig.1 p.48

Segmentation has advantages and disadvantages. Small means flexible and being able to merge into network-like structures to create new, innovative production and utilisation contexts. Small also means dispersal, barely possessing any flagship enterprises able to shape public perception or able and willing to conduct professional lobbying.

Roman Page, Christoph Weckerle

Fig.1 Employees by Submarkets and Business Size Switzerland 2015

0%   ■ <2 ■ 2–9 ■ 10–49 ■ 50–249 ■ 250+   100%
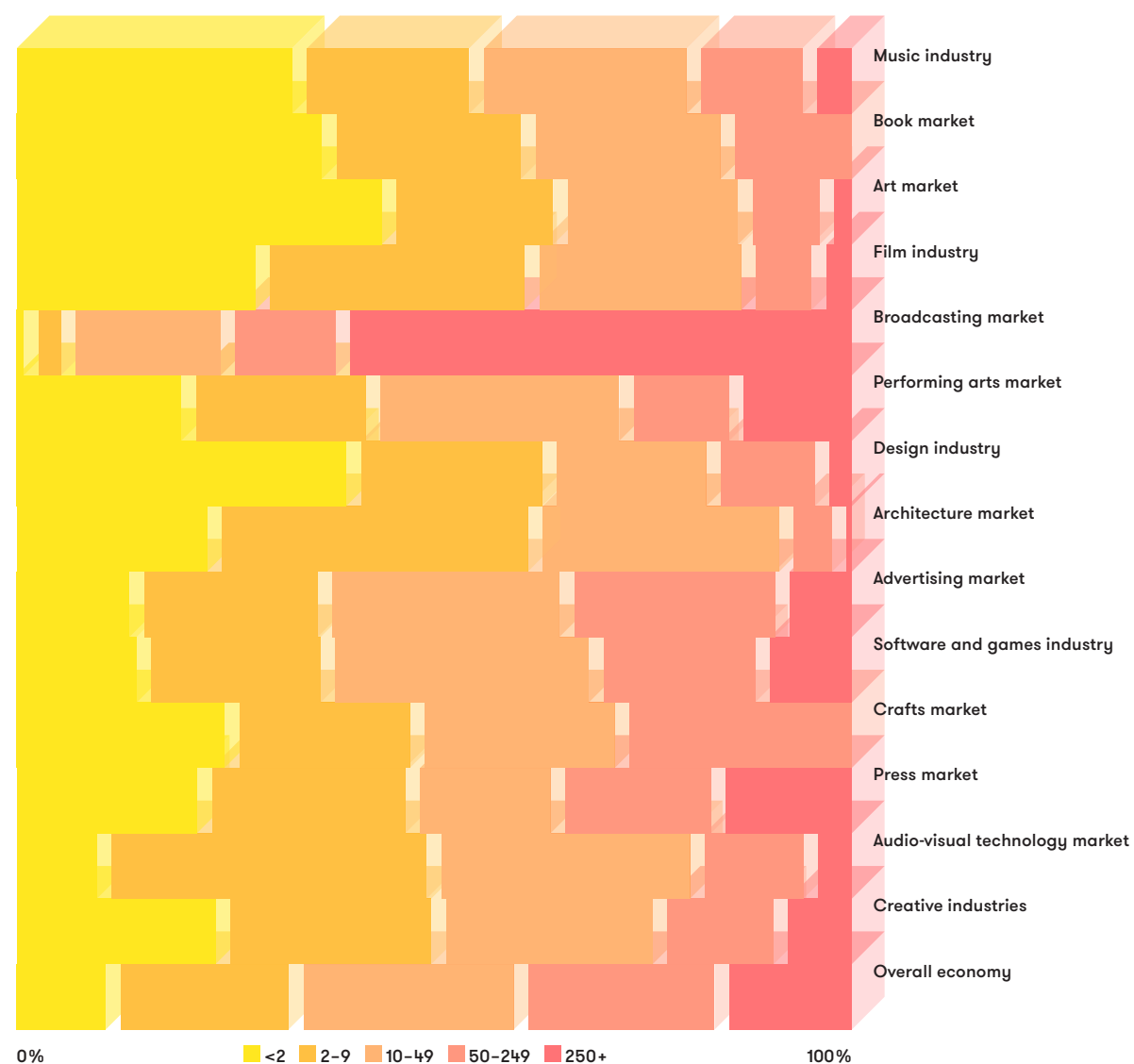
A Note on Methodology: Based on official statistics, this report attempts to capture the complex creation, production, dissemination and exploitation processes of the creative industries and their submarkets. This approach has undisputed advantages such as independent and professional data collection, updating and international comparability. At the same time, it is challenging to map relatively coarse grid of official statistics onto the slender structures of the creative industries. This is especially true when the dynamics of the market are ahead of the statistical system. Moreover, official statistics may lag behind current developments due to the established survey methods and the defined quality standards. We have therefore supplemented statistical materials with a selection of brief statements from actors and organisations. These are up-to-date, coloured, merely represent a specific section and lay no claim to represent the creative industries and their submarkets as a whole. This comparative reading sharpens one's view of matters.

Overview: Creative Industries Switzerland 2015

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Music industry	10682	31849	16493	1056	1698
Book market	4965	13468	8802	726	1710
Art market	6091	13850	7065	358	1694
Film industry	2976	10302	6283	711	2381
Broadcasting market	171	9990	7706	966	4002
Performing arts market	3089	15962	8445	418	699
Design industry	10897	25468	17921	1335	4557
Architecture market	15701	56128	45684	5998	11145
Advertising market	3251	19308	13401	1039	5964
Software and games industry	8739	48503	41477	7223	15192
Crafts market	1194	4387	3750	538	1915
Press market	5996	26640	18598	2170	6679
Audio-visual technology market	1319	7806	6816	734	2249
Creative industries	75071	283660	202442	23271	59886
Overall economy	675506	5078915	3999207	630615	3019380
Share of overall economy	11.1%	5.6%	5.1%	3.7%	2.0%

■ Businesses ■ Employees

** Estimates based on National Accounts NA *** Estimates based on national Value Added Tax VAT
Source: FSO, STATENT, NA; FTA, VAT; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

Creative Industries
Switzerland

The aggregated presentation of the Swiss creative industries is not surprising: the Zurich region is definitely the hotspot. The Basel region also stands out. Relative concentrations are also evident in Lausanne, southern Ticino and Zug.

What does the tension between urban and rural areas mean for Switzerland's creative industries? The following submarket portraits reveal a more differentiated picture for the individual sectors. Analyses based on such mappings need to be deepened.
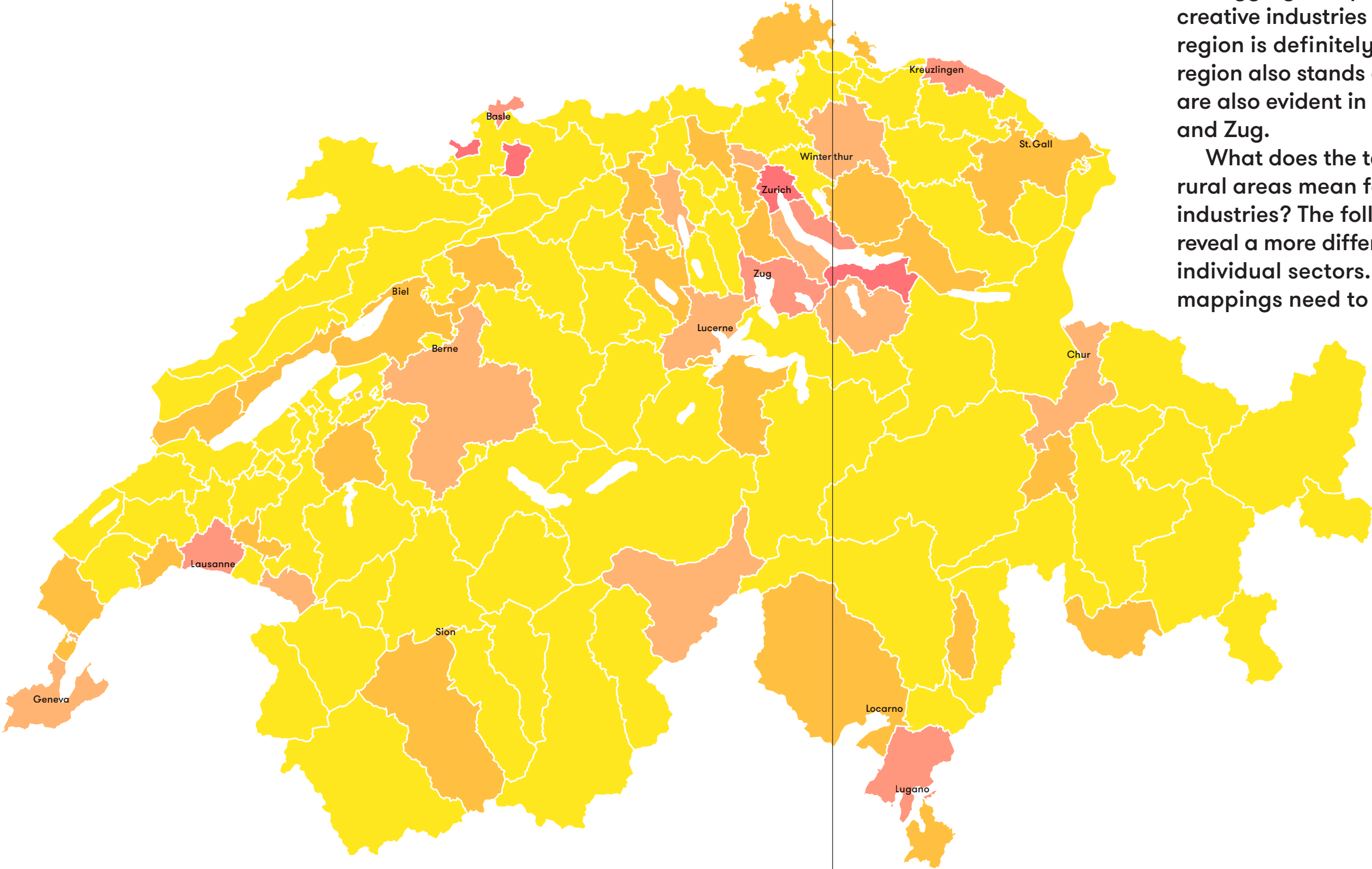
Location quotient ■ 0–0.8 ■ 0.8–1 ■ 1–1.2 ■ 1.2–1.4 ■ 1.4+

A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

Music Industry 2015 Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Reproduction of recorded media	33	114	91	9	22
Manufacture of musical instruments	265	652	512	73	75
Retail sales of musical instruments	377	1271	959	102	217
Retail sales of music and video recordings in specialised stores (share)*	104	430	322	34	162
Discos, dance halls, night clubs	376	3890	2165	121	345
Sound recording and music publishing activities (share)*	738	1648	1030	129	168
Other reservation services and related activities (share)*	241	2435	1647	128	392
Cultural education (share)*	1372	6357	2446	42	10
Orchestras, choirs, musicians	6793	11319	5006	285	83
Support activities in the performing arts (share)*	228	736	490	28	77
Operation of arts facilities (share)*	155	2998	1826	104	147
Music industry	10682	31849	16493	1056	1698

■ Businesses ■ Employees

* Single economic branches assigned to different submarkets; counted once overall.
** Estimates based on National Accounts NA *** Estimates based on national Value Added Tax VAT
Source: FSO, STATENT, NA; FTA, VAT; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

Turnover from audio and video streaming increased by 50% to CHF 34.4 million and thus contributed 39% to the total market. On the other hand, the decline in the download business, which still amounted to CHF 18.1 million (-17%), continued and thus already fell well short of the streaming segment.

"It's impressive how fast the digital market is taking over: While streaming generated hardly any revenue five years ago, in 2017 it was practically the same as downloading in 2012, its best year"
(Ivo Sacchi, President IFPI Switzerland and Managing Director Universal Music Switzerland).
Source: Press Release, IFPI Schweiz; Date: 9 March 2018

International organisers are pushing into the market and increasing regulatory requirements are a concern for SMPA members.
Source: Press Release, SMPA Schweiz; Date: 23 May 2017

Last year, SUISA earned CHF 6.1 million from online music usage, 10.7% more than in the previous year (CHF 5.6 million). In 2016, streaming revenues overtook download revenues for the first time. SUISA still has a lot to do in terms of fair remuneration for originators on the Internet.
Source: Press Release, SUISA Schweiz; Date: 27 May 2017

But the new driving force is streaming. Listening to music online via a streaming app like Spotify or Apple Music has become so popular that it in turn ousts the downloading of songs.
Source: SDA/ATS; Date: 9 March 2018

It is no longer about selling an album, but about playing individual tracks as often as possible. To do this, they must be added to the playlists of streaming services such as Apple Music or Spotify, which are particularly popular with younger users.
Source: srf.ch; Date: 4 February 2018

Music streaming, popularised by Spotify, has been instrumental in the recovery of the music industry, subject to long chronic shrinkage. While sales of music downloads and CDs are falling rapidly, the streaming market is soaring: in 2016 it expanded globally by 60%, accounting for around 30% of the global recording business.
Source: Frankfurter Allgemeine Zeitung, Spotify macht ernst mit der Börse; Date: 5 January 2018

"The larger the digital share, however, the more important the refinancing of content in the digital sphere, i.e., every form of online use must be linked to licenses that are negotiated in the market."
(Dr. Florian Drücke, Chairman, BVMI Board)
Source: Pressemitteilung: Deutscher Musikmarkt 2017, IFPI Deutschland; Date: 1 March 2018

The global recording industry is seeing modest growth after more than a decade of significant decline. Years of investment and innovation have begun to reward an industry that has shifted from adapting to the digital age, to driving it.
Source: Global Music Report 2017, IFPI International; Date: 2017

Music Industry

Switzerland as a country with both richly faceted and lived traditions in the field of music.
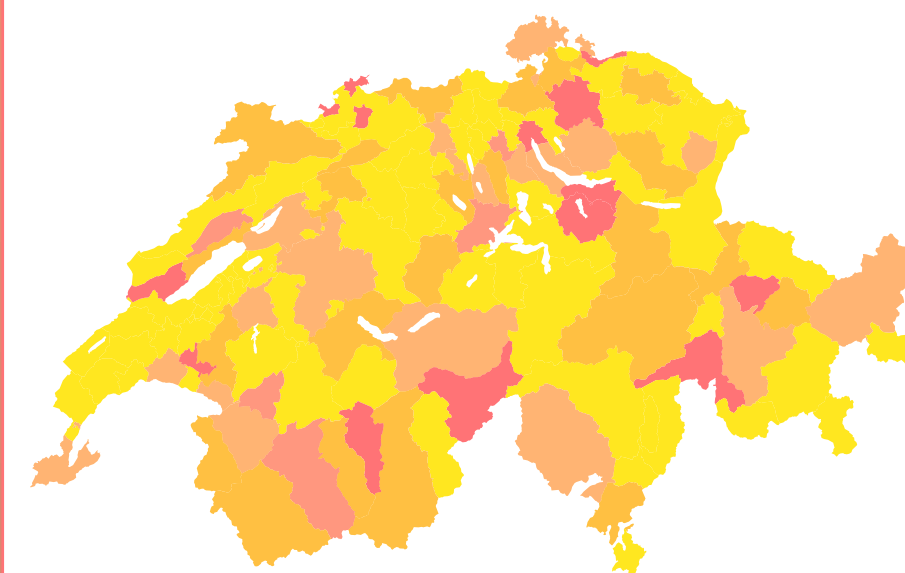
Location quotient ■ 0–0.8 ■ 0.8–1 ■ 1–1.2 ■ 1.2–1.4 ■ 1.4+

A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

In 2015, the Swiss music industry had around 32,000 employees, who were employed in around 11,000 businesses. With a share of over 11% of the Swiss creative industries, the music industry is one of the most important submarkets in terms of employment.

While the number of businesses and employees increased over the two-year period 2013/2015, gross value added and total turnover declined. The question of sustainable business models and exploitation models remains relevant. Digitisation is a key driver in this sector.

Book Market 2015
Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Retail sales in specialised stores	492	2889	2087	223	637
Book publishing	492	2690	1799	226	707
Sound recording and music publishing activities (share)*	39	87	54	7	9
Translation and interpretation activities	2493	3507	2231	173	266
Other artistic and literary activities (share)*	1123	1358	792	45	35
Library and archives activities (share)*	326	2938	1838	52	56
Book market	4965	13468	8802	726	1710

■ Businesses ■ Employees

* Single economic branches assigned to different submarkets; counted once overall.
** Estimates based on National Accounts NA *** Estimates based on national Value Added Tax VAT
Source: FSO, STATENT, NA; FTA, VAT; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

The ongoing negative trend in book sales since 2014 slowed somewhat in 2017: according to GfK Entertainment, overall turnover in German-speaking Switzerland declined by 2.9% in 2017 compared to the previous year. This is the result of fewer books sold at a slightly lower price. In contrast to other retail sectors, the decline in turnover is not due to the market shifting to (foreign) online trade—according to the SBC, the book trade has already undergone this structural change.

The share of books imported into Switzerland from the Eurozone is over 80%; moreover, unlike many other Swiss industries, the book market is completely liberalised (…) Compared to 2008, books are now almost 20% cheaper in Switzerland.
Source: SBV: Deutschschweizer Buchmarkt: Marktreport 2017; Date: February 2018

"We should stop considering reading as something strenuous, and come to terms with the fact that all the other influences with which we supposedly make our lives easier are, on balance, much more strenuous than any book. I wish for myself and the market that we will manage to refresh the perhaps somewhat antiquated image of our profession with a dose of irony and verve." (Philipp Keel, Publisher-in-Chief, Diogenes, Zurich)
Source: Frankfurter Allgemeine: Worüber geschwiegen wird; Date: 13 October 2017

Since 2014, reading frequency has steadily declined; the gap between readers and non-readers is widening increasingly.
This much is certain: the book, this time-honoured key medium, is currently losing ground, a development whose consequences are as yet unforseeable.
Source: Frankfurter Allgemeine: Zur Krise des Lesens; Date: 20 January 2018

According to GfK, the book trade lost 6.1 million buyers between 2012 and 2016. Buyer reach—the proportion of the population buying books—fell from 54.5% in 2012 to 45.6% in 2016, i.e., by almost 9%.
In terms of the population, this means that a decreasing number of premium buyers are offset by a growing number of consumers who do not buy books.
Source: https://www.boersenblatt.net/ artikel-studie_des_boersenvereins.1422566. html; Date: 18 January 2018

Jörg Sundermeier (Verbecher Verlag) admitted that the book industry could of course not solve all its problems alone, because it is a social problem if young people no longer dare to enter a bookshop or can no longer find one nearby, or if they can no longer manage to free themselves, even temporarily, from their smartphones and screens.
Source: Süddeutsche Zeitung: Klage, wo bist du?; Date: 13 December 2017

Bookshops and publishers are still doing stable business in times of major media upheaval. The book market finished last year with an increase in sales: at 9.28 billion Euro, the book industry generated 1% more sales than in the previous year.

"The e-book will certainly continue to gain in importance. Publishers are working intensively on new digital formats and user-friendly distribution forms. There is a pronounced spirit of innovation in the industry. Start-ups are becoming more and more natural partners in developing new business models."
Source: Matthias Heinrich, Vorstandsmitglied des Börsenvereins in: Wirtschaftspressekonferenz 2017. Börsenverein des Deutschen Buchhandels e.V.; Date: 8 June 2017

Book Market

The book market seems to be most important in German and French-speaking Switzerland.
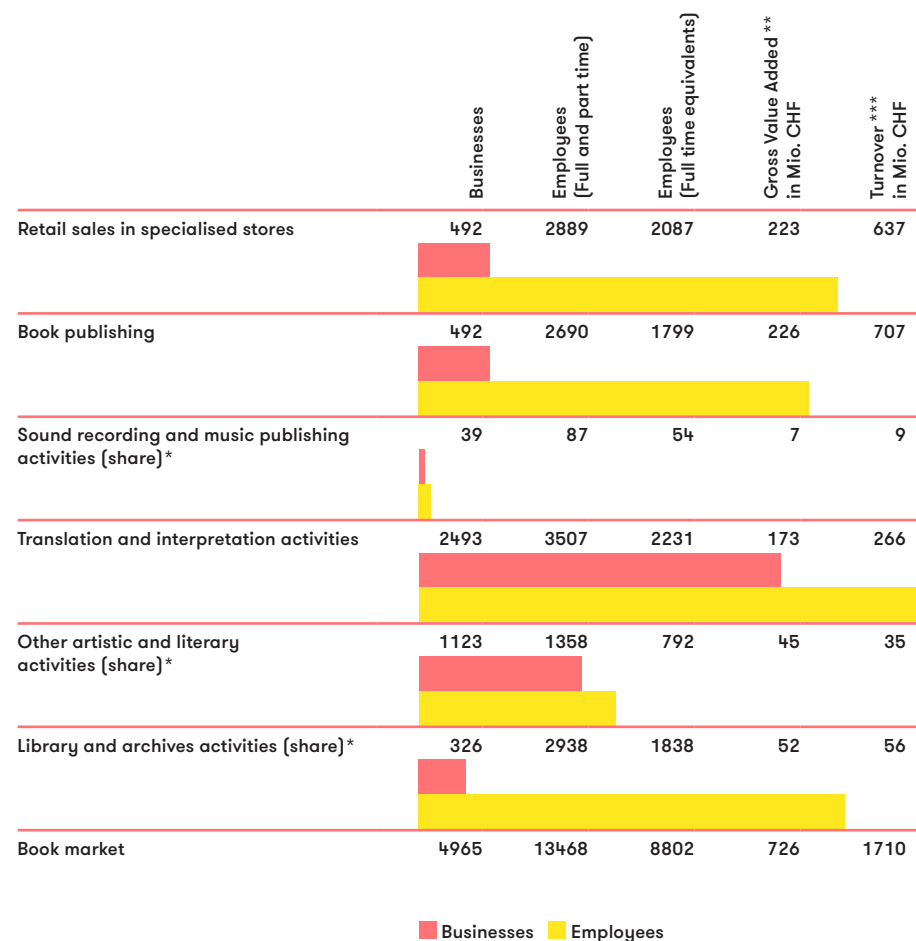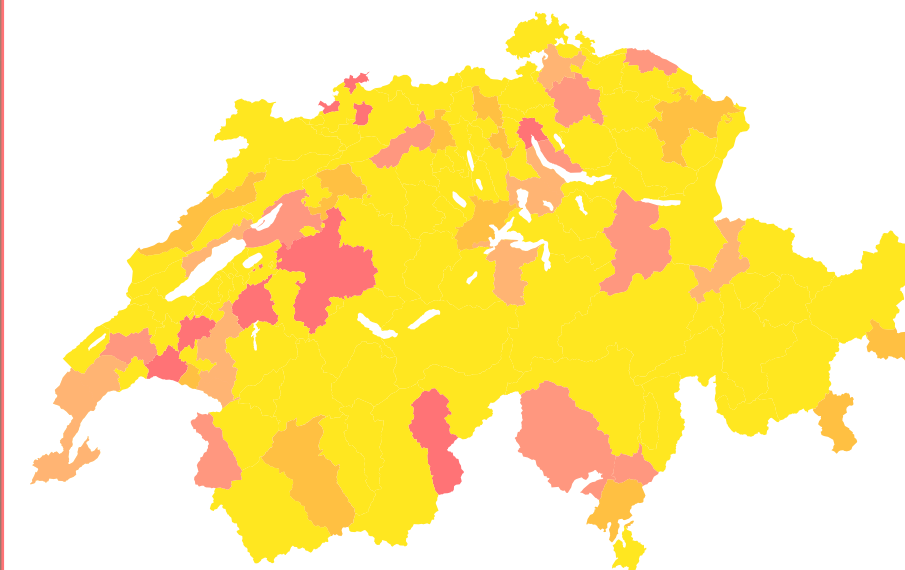

Location quotient ■ 0–0.8 ■ 0.8–1 ■ 1–1.2 ■ 1.2–1.4 ■ 1.4+

A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

The Swiss book market (excluding the press market) employed over 13,000 people in just over 5,000 businesses in 2015. Its share of the entire creative industries workforce is 5%.
Consequently, the book market is one of the smaller submarkets in terms of employment.
While the number of businesses (+4.0%) and employees (+0.2%) developed positively, gross value added (-1.6%) and total turnover (-18.1%) declined, which suggests progressive structural adjustment. Reading behaviour (e-books versus conventional books), Amazon's algorithm and the future role of libraries are just three of the many challenges facing this industry.

Art Market 2015
Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Art trade	788	1714	1196	128	1317
Retail sales of antiques	363	713	520	56	262
Cultural education (share)*	1372	6357	2446	42	10
Painters, sculptors and other self-employed artists	3364	3721	2100	119	59
Other artistic and literary activities (share)*	125	151	88	5	4
Museums activities (share)	79	1185	709	8	42
Operation of historical sites and buildings and similar visitor attractions (share)	1	9	6	0.0	0.1
Art market	6091	13850	7065	358	1694

■ Businesses   ■ Employees

* Single economic branches assigned to different submarkets; counted once overall.
** Estimates based on National Accounts NA *** Estimates based on national Value Added Tax VAT
Source: FSO, STATENT, NA; FTA, VAT; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

Resale rights do not achieve the objectives set, bring almost nothing (financially) to living artists, but burden the market, prices and market participants; furthermore, a massive imbalance exists between expenditure and profit.
Source: Flyer Folgerecht. Verband Kunstmarkt Schweiz (VKMS); Date: 2016

Art Basel positions itself as an incubator for marketing ideas. This is because digitisation is making it increasingly unnecessary to travel only to view art objects.

"Despite the dazzling figures, many galleries are not doing well."
(Kuno Fischer, Swiss Auctioneers Association)

30% of galleries are running at a loss. In Switzerland, the hammer rarely falls at prices above 500,000 francs.
Source: Schweiz am Wochenende, Ausgabe National: Die Jagd nach Trophäen; Date: 10 June 2017

The Swiss market is an extremely important point of exchange for a large number of dealers and collectors in the art trade.

Interestingly, to note that on average per dealership, art and antique dealers in Switzerland are, alongside those based in London, and Austria, the highest revenue generating art and antique dealer markets in the world.
Source: TEFAF Art Market Report 2017; Date: 2017

Sales in the global art market reached $ 63.7 billion in 2017, up 12% from 2016.

While the ratio of gallery openings to closures in 2007 was 5:1, this has declined rapidly since then, dropping to 0.9:1 in 2017, that is, more closures than openings.

According to the dealer survey, the three biggest issues facing dealers in 2018 are: finding new buyers; the economy / demand for art and antiques; and participation at fairs.

The global online art and antiques market was estimated to have reached a new high of $ 5.4 billion in 2017, up 10% year-on-year and accounting for 8% of the value of global sales.

Most of the traditional offline dealers and auction houses surveyed in 2017 recognized the online channel as a key area of growth over the next five years.
Source: The Art Market 2018 published by Art Basel and UBS; Date: 2018

"Since it is difficult to get collectors into galleries, the dependency on trade fairs is growing. Today's collectors have much less time than the leisure class of the past."

"Good regional fairs are important for building galleries and collectors' scenes."
(Marc Spiegler, Director, Art Basel)
Source: Süddeutsche Zeitung: Gross sein genügt nicht; Date: 14 October 2017

Art Market

Developments are also evident beyond urban centres and in tourist regions.
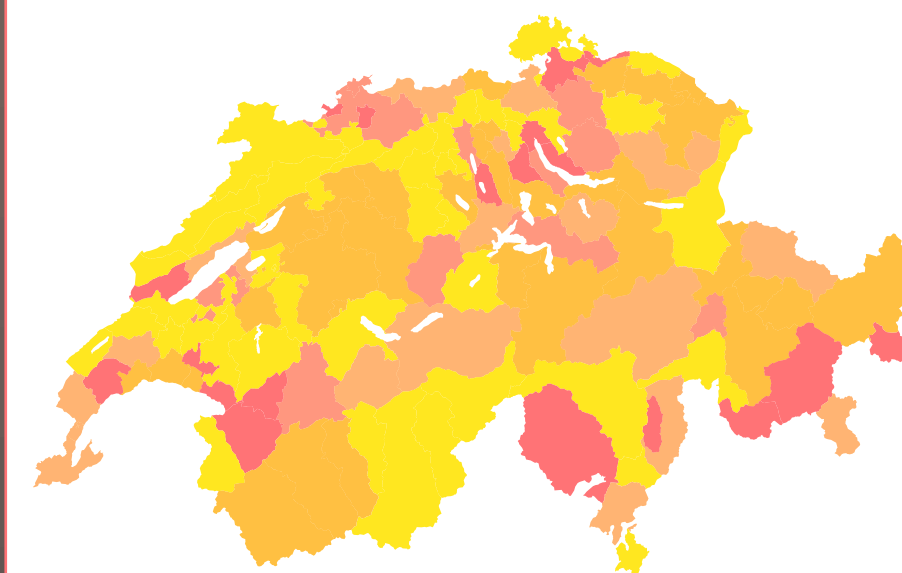
Location quotient ■ 0–0.8 ■ 0.8–1 ■ 1–1.2 ■ 1.2–1.4 ■ 1.4+

A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

The Swiss art market employs around 14,000 people in over 6,000 businesses. With a share of just under 5% of the entire creative industries, the art market is one of the smaller submarkets in terms of employment. Its sales are close to those of the book market. Growth rates in a two-year comparison 2013/2015 are ambivalent. While the number of businesses (+6.2%) and employees (+5.3%) is at least comparable to the overall economy, gross value added (-2.8%) and total turnover (-17.3%) are declining. In an increasingly globalised market, Switzerland seems to be able to maintain its important position as a business location.

Film Industry 2015
Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Retail sales of music and video recordings in specialised stores (share)*	104	430	322	34	162
Motion picture, video and television programme production activities	1923	4784	3144	394	560
Motion picture, video and television programme post-production activities	120	174	109	14	10
Motion picture, video and television programme distribution activities	54	493	420	53	1249
Motion picture projection activities	254	2789	1264	159	299
Renting of video tapes and discs (share)	20	38	25	1	5
Theatre and ballet companies (share)*	273	859	509	29	18
Support activities in the performing arts (share)*	228	736	490	28	77
Film industry	2976	10302	6283	711	2381

■ Businesses ■ Employees

* Single economic branches assigned to different submarkets; counted once overall.
** Estimates based on National Accounts NA *** Estimates based on national Value Added Tax VAT
Source: FSO, STATENT, NA; FTA, VAT; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

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"For me, films are still the focus, but I don't think festivals today can just screen films. You have to offer something around that core."

"The task of a festival is to expand the market." (Carlo Chatrian, Artistic Director, Locarno Film Festival)
Source: Neue Zürcher Zeitung: Author: Susanne Ostwald; Date: 2 August 2017

With an increase of 1.02% and a total of 13,873,847 visitors, Swiss cinemas finished 2017 slightly better than the previous year. Gross sales rose to CHF 209,905,399 (+0.96%).
Source: ProCinema. Facts & Figures 2017; Published by: Verband für Kino und Filmverleih; Date: 2018

In 2017, Swiss films achieved a market share of 6.6% in domestic cinemas.
The number of cinemas has decreased again to currently 271. Thanks to new cinema complexes, the number of cinemas has remained more or less constant at 581.
Source: srf.ch, Zunahme der Kinoeintritte – Schweizer Filme 2017 beliebt wie seit langem nicht mehr; Date: 1 March 2018

"Today's cinema-goer is much more event-oriented than before." (René Gerber, Director, Procinema)
"A vibrant city centre needs cinemas as much as restaurants, bars and shopping facilities." (Edna Epelbaum, Director, Quinnie Cinemas)
Source: Der Bund: Das Imperium schlägt zurück; Author: Andres Marti; Date: 3 February 2018

"Films financed by crowdfunding are the only films produced truly independently in Switzerland" (Mirko Bischofberger)
Source: srf.ch. 70. Filmfestival Locarno Crowdfunding führt zu radikaleren Filmen; Author: Lukas Keller; Date: 10 August 2017

"Figures suggest that the commercial exploitation of films no longer requires the cinema." (Lars Henrik Gass)
At a time when the cinema is disappearing, festivals are beginning to restage cinema-going even more glamorously.
Source: Tages-Anzeiger: Der seltsame Boom der Festivals; Author: Pascal Blum; Date: 26 September 2017

Technology often determines a cinema's future viability. In 2016, almost all cinemas were equipped with digital technology. Hardly any cinemas still have analog technology, but about half of the 548 auditoriums have upgraded to 3D technology.
Source: NZZ online: Warum es immer mehr Kinosäle und immer weniger Kinos gibt; Author: Alexandra Kohler; Date: 7 April 2017

"The cinema market is not expanding. The construction of new cinemas is an expression of structural change. Traditional cinemas with individual screens that were not converted early enough are end-of-range." (Frank Braun, Managing Director, Riffraff Cinema)
Source: Zürcher Oberländer: Author: Lina Giusto; Date: 19 September 2017

Television stations and streaming platforms such as Netflix are also seeking the proximity of festivals and want to show their productions.
Source: Süddeutsche Zeitung: Hollywood am Lido; Author: Susan Vahabzadeh; Date: 30 August 2017

Elsewhere, for example in Sweden, it has long been understood that cinema can only be saved if cinematographic practice is also saved (and not only films) and if film laboratories are taken over by the state.
Source: Frankfurter Allgemeine Sonntagszeitung: Monument des Stillstands; Authors: Jascha Alleyne and Lars Henrik Gass; Date: 4 March 2018

Between 2007 and 2016, more than 18,000 films were produced in Europe; total production increased from 1,444 to 2,124 feature films, an increase of 47%.
Source: Film production in Europe – Production volume, co-production and worldwide circulation; Published by: European Audiovisual Observatory; Date: November 2017

Film Industry

Despite increasing digitisation in production, the industry is characterised by strong clusters.
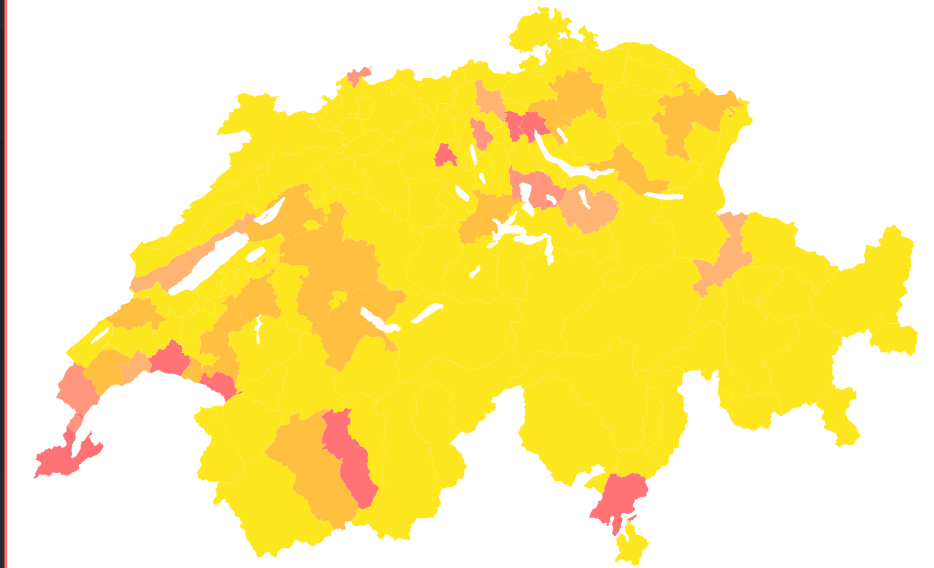
Location quotient ■ 0–0.8 ■ 0.8–1 ■ 1–1.2 ■ 1.2–1.4 ■ 1.4+

A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.
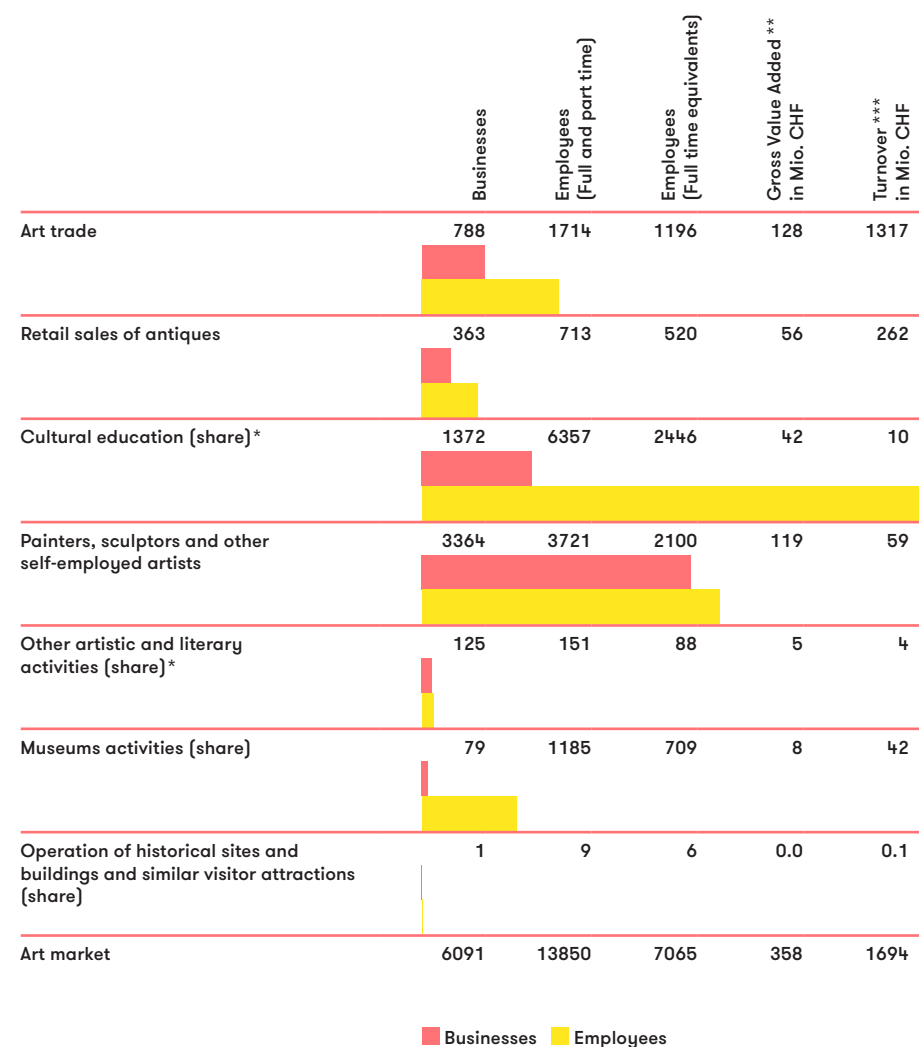
The Swiss film industry employs around 10,000 people in 3,000 businesses. With a share of around 4% of the Swiss creative industries employment, the film industry is rather a smaller submarket. In terms of total turnover (CHF 2.4 billion), however, the film industry positions itself ahead of the art or book market, which both have more employees. In a two-year comparison 2013/2015, the film industry declined with regard to all indicators, except for the number of businesses, where it grew strongly (+10.1%). The force field between global mainstream and local content will demand a manageable Swiss market.

Broadcasting Market 2015
Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Radio broadcasting	104	3791	2875	361	158
Television programming and broadcasting activities	67	6199	4831	606	3844
Broadcasting market	171	9990	7706	966	4002

■ Businesses ■ Employees

On average, only 50% of regional television stations and regional radios outside the large conurbations can be financed by the market.

Source: Medienmitteilung der Schweizer Regionalradios und –fernsehen. «No Billag-Initiative bedeutet das Ende des regionalen Service Public»; Date: 12 January 2018

Public service media make us measurably smarter. And public service media promote trust in the media system—and in social institutions as a whole.

Positive media system confidence correlates with users' willingness to pay for news or to accept advertising, i.e., not to use "ad blocker" software. Because trust is fostered through the use of public service media, one can conclude that public broadcasting strengthens the entire media system and thus also private media.

Source: Republik: Warum die SRG Ihnen nützt, selbst wenn Sie sie nicht nutzen; Authors: Mark Eisenegger and Linards Udris; Date: 15 February 2018

5.9 million people aged 15 years and over are reached in Switzerland on an average day by radio. This corresponds to a population share of just under 84%.

Source: Medienmitteilung_Mediapulse, Bern, Radio usage figures, Q2 2017; Date: 22 January 2018

Compared to the previous year, SRG services in all three language regions had to accept a loss of market share. Local private radio stations in particular can benefit from this. Their cumulative market share is currently 32% in German-speaking Switzerland, 25% in French-speaking Switzerland and 17% in Italian-speaking Switzerland.

Source: Medienmitteilung_Mediapulse, Bern, Radio usage figures, Q1 2017; Date: 20 July 2018

In German-speaking Switzerland, television reaches almost two out of three people aged 3 and older on an average day. The average viewing time per day for all persons (television users and non-users) is two hours.

TV households in all parts of the country make active use of time-delayed or time-shifted television viewing. Nevertheless, the majority of TV usage takes place live, i.e., programmes are viewed when broadcast.

Source: Medienmitteilung_Mediapulse, Bern / TV usage figures, Q2 2017; Date: 12 January 2018

Broadcasting in Germany needs a new social contract. Switzerland already has its own.

Source: Süddeutsche Zeitung: Auch Deutschland stimmt ab; Author: Claudia Tieschky; Date: 5 March 2018

"This is a real vote of confidence in public service media and its critical role in enriching the cultural, social, economic and democratic life of society." (EBU Director General Noel Curran)

Source: PRESS RELEASE. European Broadcasting Union (EBU); Date: 4 March 2018

Broadcasting Market

The importance of public service is undisputed in Switzerland. Sustainable models between central and decentral regions need to be developed.
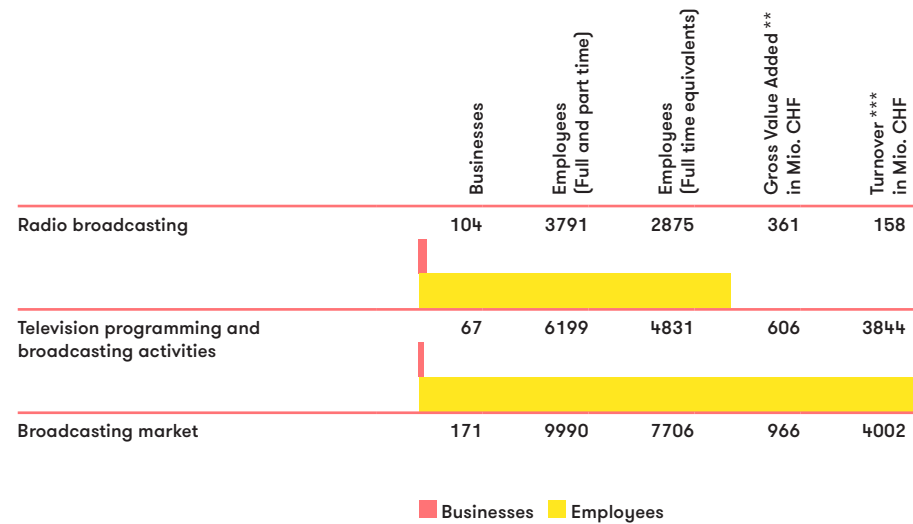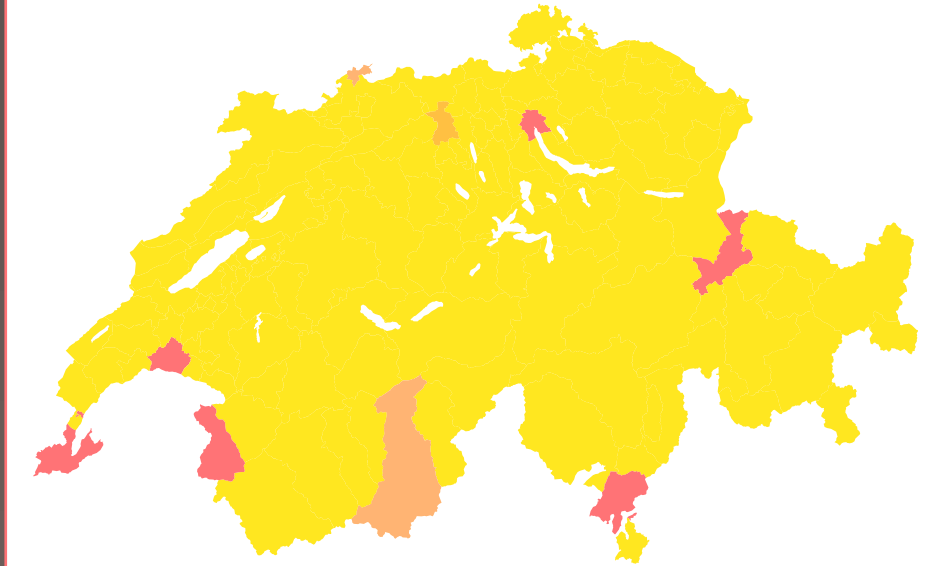

Location quotient ■ 0–0.8 ■ 0.8–1 ■ 1–1.2 ■ 1.2–1.4 ■ 1.4+

A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

The Swiss broadcasting market consists of around 170 businesses with 10,000 employees. This relation is rather atypical for the small-scale creative industries. Figures indicate a tendency towards a few larger businesses. Accordingly, radio and television broadcasters achieved a turnover of CHF 4.0 billion, which is significantly higher than the structurally and content-related film industry.

In a two-year comparison 2013/2015, the broadcasting market, as one of the few submarkets, grew in all indicators.

Performing Arts Market 2015 Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Other reservation services and related activities (share)*	241	2435	1647	128	392
Cultural education (share)*	1372	6357	2446	42	10
Theatre and ballet companies (share)*	1094	3437	2036	116	73
Support activities in the performing arts (share)*	228	736	490	28	77
Operation of arts facilities (share)*	155	2998	1826	104	147
Performing arts market	3089	15962	8445	418	699

■ Businesses ■ Employees

* Single economic branches assigned to different submarkets; counted once overall.
** Estimates based on National Accounts NA *** Estimates based on national Value Added Tax VAT
Source: FSO, STATENT, NA; FTA, VAT; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

Swiss cultural policy has recognised the signs of the times and made "cultural participation" a priority.

In practice, intercultural, postmigrant voices and stories are most likely to be found in the independent scene.

Swiss municipal theatres, on the other hand, convey a largely homogeneous impression—and perform—also for this reason—to an equally homogeneous audience.
Source: srf.ch: Kulturelle Vielfalt am Theater · Schweizer Bühnen müssen bunter werden; Author: Dagmar Walser; Date: 5 July 2017

The crisis of the bourgeois model of theatre is often highlighted today. For good reasons. Society and its values are now experienced and debated individually in every Internet community. What is missing is the agora, the forum for a physical exchange of views. A noble duty when the theatre once again discovers its old role here.
Source: NZZ Online: Geheimakte Schauspielhaus; Author: Daniele Muscionico; Date: 17 June 2017

Theatre is one of the great, living alternatives to the volatilisation of the individual in the Internet society. Theatre is that art form that keeps pace with the revolution in the media and society because it takes people by the scruff of their elementary need for sensuousness.
Source: Neue Zürcher Zeitung, Feuilleton: Die Bühne macht fit fürs Leben; Author: Daniele Muscionico; Date: 20 April 2017

"The UK is currently moving towards over-aestheticised European theatre. All these so-called theatre makers—God help us, what a word!—are coming to us and producing director's theatre" (David Hare)

Source: NZZ Online: Das ganze kontinentale Regie-Zeugs; Author: Marion Löhndorf; Date: 25 July 2017

"Theatres and orchestras want to encourage society to become more committed to democracy and an open society. They achieve this through their artistic, especially participatory projects, but also by opening up discursive spaces" (Ulrich Khuon, President, German Stage Association).
Source: Press Release, Deutscher Bühnenverein; Date: 10 June 2017

"In the last few years, technological developments like Virtual Reality (VR) and Augmented Reality (AR) have been accelerating at an incredible pace, enabling new experiences. I am strongly convinced, not only that theatre has a future, but that it is actually an essential field of experiences in the development of these technologies, especially in its role of exploring their artistic potential and depth as a possible 'new stage.'" (Joris Weijdom)
Source: Mixed Reality and the Theatre of the Future. Fresh Perspectives on Arts and New Technologies; Published by: International Network for Contemporary Performing Arts, Brussels; Author: Joris Weijdom; Date: March 2017

Performing Arts Market

Important impulses are provided by single- and multi-branch enterprises as well as by temporary festivals.
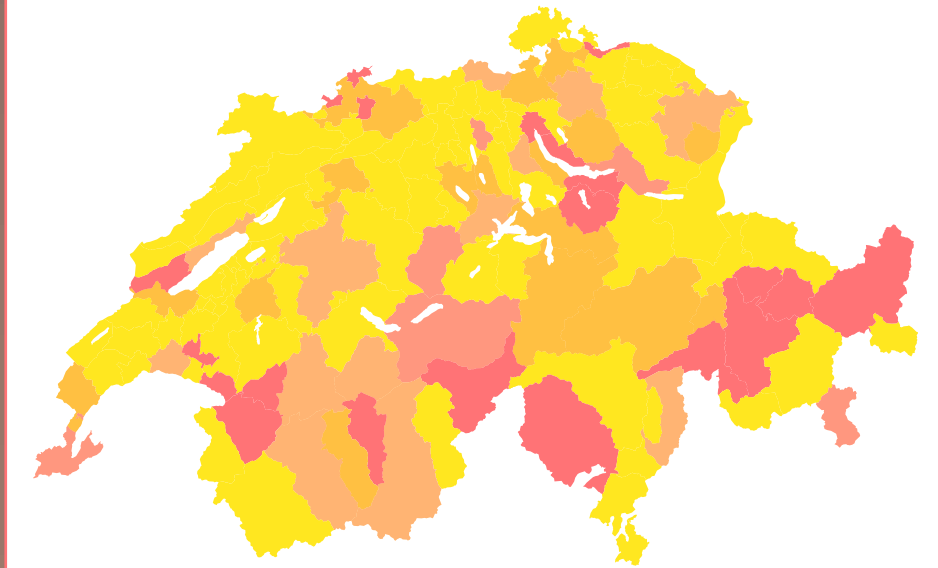
Location quotient ■ 0–0.8 ■ 0.8–1 ■ 1–1.2 ■ 1.2–1.4 ■ 1.4+
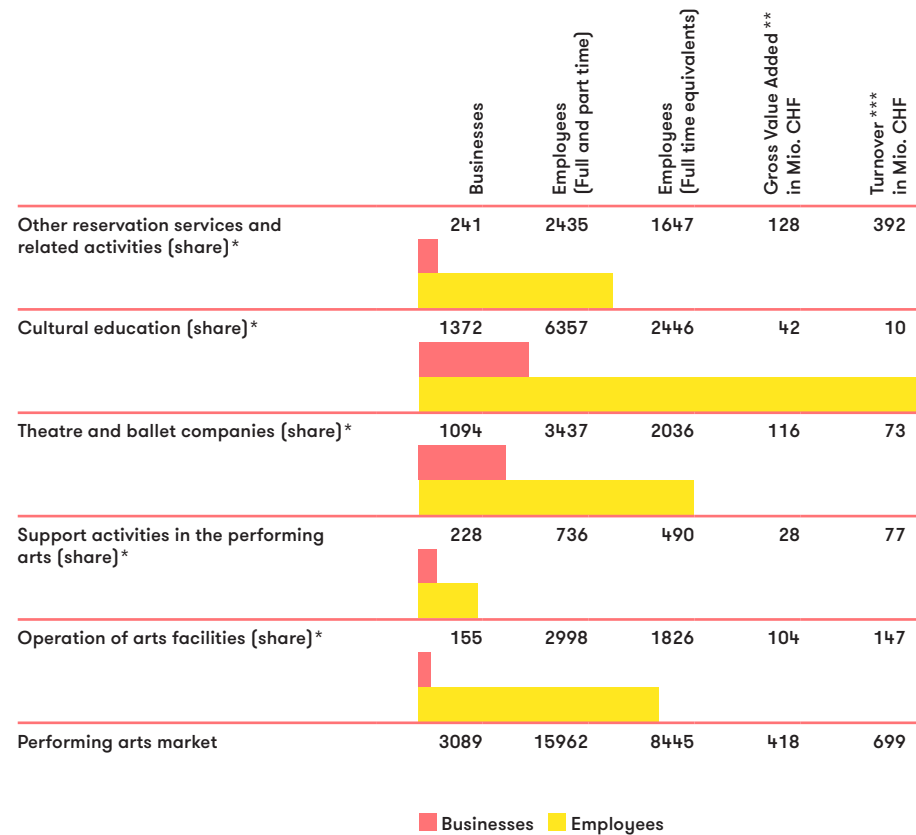
A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

The Swiss performing arts market comprises around 3,100 businesses with almost 16,000 employees. With a share of around 6% of the Swiss creative industries workforce, it is part of a medium-sized submarket. The share of businesses is slightly lower at 4%. This relation points to the dimensions of the major performing arts businesses. In a two-year comparison 2013/2015, the performing arts market exhibited a growth in businesses (+10.1%), employees (+6.2%) and total turnover (+7.7%). However, gross value added fell slightly by 1.6%.

Design Industry 2015 Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added** in Mio. CHF	Turnover*** in Mio. CHF
Public relations and communication activities (share)	209	532	398	5	110
Business and other management consultancy activities (share)	181	500	399	1	147
Advertising agencies (share)*	718	3549	2502	194	808
Industrial and product design	1064	2337	1732	134	744
Graphic design and visual communication	6210	10340	7328	568	847
Photographers (share)*	1725	2167	1384	107	138
Photographic laboratories (share)*	42	213	171	13	67
Organisation of conventions and trade shows	748	5831	4007	312	1696
Design industry	10897	25468	17921	1335	4557

■ Businesses ■ Employees

* Single economic branches assigned to different submarkets; counted once overall.
** Estimates based on National Accounts NA *** Estimates based on national Value Added Tax VAT
Source: FSO, STATENT, NA; FTA, VAT; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

"Designers who care about products are only part of our profession. There are many other questions in the world that are unresolved or need development."

"Thought processes are becoming more important, as is what designers contribute in different areas—whether it is just a product, food or social issues. Design as a research discipline should be taken more seriously." (Sarah Küng)
Source: Hochparterre: Es gibt zu viele Dinge; Author: Lilia Glanzmann; Date: 1 December 2017

In short, design is a major factor wherever advice and service, production and sales take place.
Source: Passagen: Zwischen Pizza und Laptop; Author: Volker Albus; Published by: Pro Helvetia; Date: 2013

"Intelligent design thinking, i.e., understanding complex design and entrepreneurial problems, will always be in demand." (Christian Kaegi)
Source: Passagen: Design im globalen Wettbewerb.; Author: Dominic Sturm; Published by: Pro Helvetia; Date: 2013

When experts from industry, design, architecture and research network, discuss all kinds of questions and drive ideas forward, trends can lead to developments that help everyone move forward instead of merely satisfying market needs.
Source: Hochparterre; Author: Lilia Glanzmann; Date: 1 September 2017

The pace of development in the digital, biological and technological worlds is changing and disrupting the way we work and live. From 3D printed buildings, to self-driving taxis, to vertical farming, every part of the UK economy will be affected by this "fourth industrial revolution." Tomorrow's innovative companies and organisations rely on people who can marry subject expertise with skills and knowledge from out-side their individual specialisms, and who approach projects with creativity.

In short, the companies leading this industrial revolution need design skills.

Modern design is no longer confined to particular sectors or occupations. The skills, principles and practices of design are now widely used across the economy, from banking to retail.
Source: Design Council. Design Skills Report; Date: February 2018

Design Industry

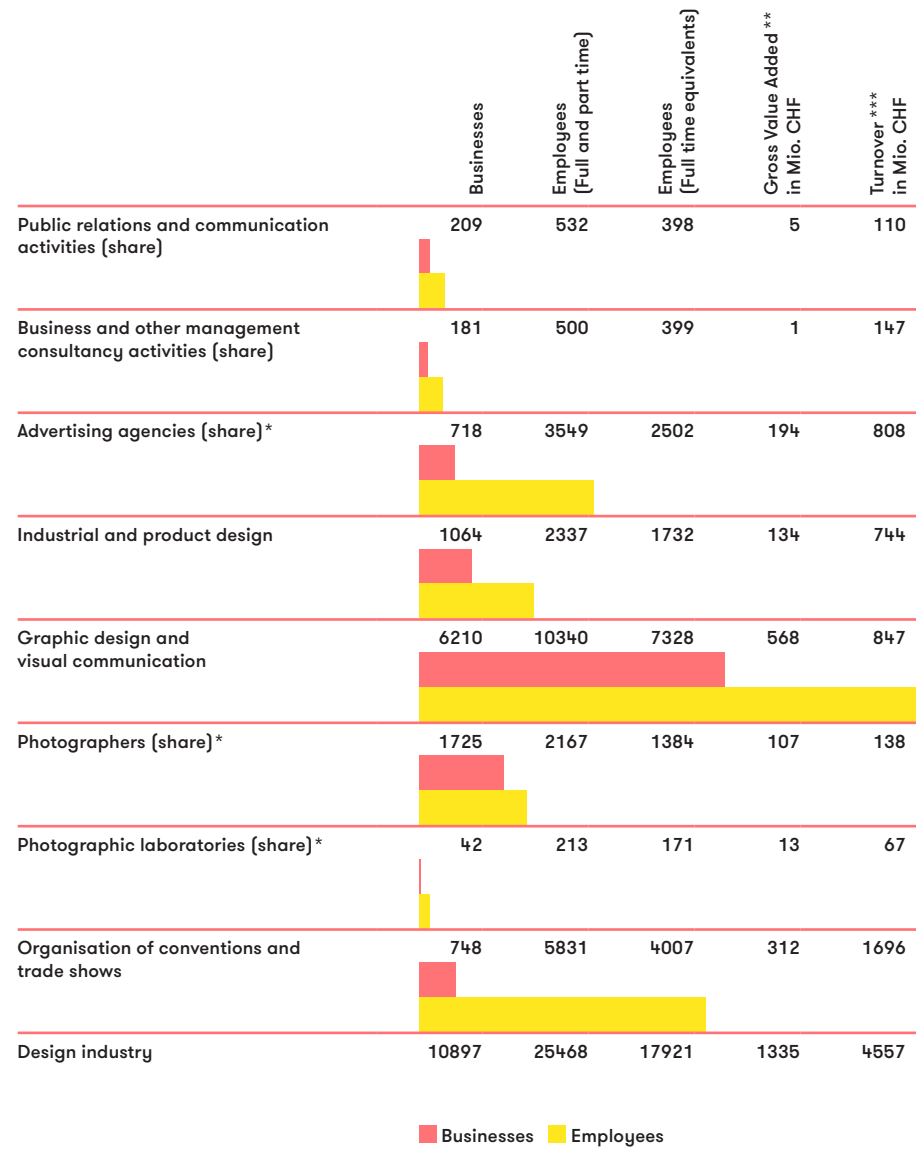Design schools are important industry incubators.
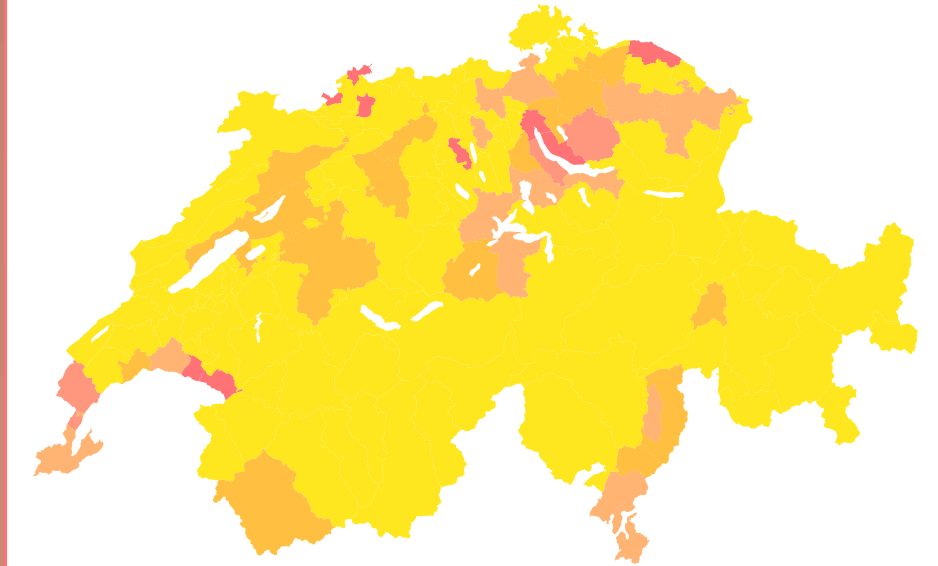
Location quotient ■ 0–0.8 ■ 0.8–1 ■ 1–1.2 ■ 1.2–1.4 ■ 1.4+

A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

With almost 11,000 businesses and around 25,000 employees, the Swiss design industry is one of the largest submarkets in the creative industries. The relation of businesses to employees points to rather small-scale structures.

Changes are positive across all indicators, which can otherwise only be established for the broadcasting market, the architecture market and the advertising market. Businesses +12.2%, employees +5.6%, gross value added +6.3%, total turnover +3.3%: The design industry has positioned itself successfully between local do-it-yourself and international branding.

Architecture Market 2015 Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Architects	12915	48946	40198	5482	9947
Town and country planning (share)	122	769	624	43	128
Landscape architects	548	1998	1642	224	278
Interior and spatial design	2116	4415	3220	250	791
Architecture market	15701	56128	45684	5998	11145

■ Businesses　■ Employees

** Estimates based on National Accounts NA *** Estimates based on national Value Added Tax VAT
Source: FSO, STATENT, NA; FTA, VAT; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

"This recalls the debates on some of the most pressing challenges of our time, such as the decarbonisation of our energy system, the consolidation of our estates or the digitisation of our lives." (Stefan Cadosch)
Source: 2016 SIA Annual Report; Date: 15 July 2017

The construction industry is strongly affected by current issues such as digitisation and energy strategy. Despite differing interests, it is called upon to find joint solutions.
Source: Press release «Swissbau Focus», Swissbau 2018; Date: 28 November 2017

"Reproducing Swiss quality abroad just for the sake of it makes no sense." (Jacques Herzog)
But there are also more concrete reasons for the global success of Swiss architecture: the country's good schools of architecture, the robust building trade or healthy competition, which also gives young offices a chance to get involved.
Source: Newsnet / Der Bund: Die Schweiz ist Architektur-Exportweltmeisterin; Date: 15 July 2017

Swiss architecture is the most outstanding cultural product of our country, which is valued just as highly in Brazil as in Japan and exists without subsidies.
The creative breadth of contemporary Swiss architecture is impressive. What emerges between Geneva and Romanshorn can no longer be determined by trends, materials, forms and themes. Building is characterised by tremendous variety. It is a fire without a face or put differently: the architectural landscape is atomised.
Source: NZZ am Sonntag: Architektur ohne Gesicht, Author: Gerhard Mack, Date: 19. March 2017

"Architects and engineers, overwhelmed by third parties trivialising building culture, by planners being disenfranchised by regulatory madness and increasingly complex standards, and not least by excessive litigation, caused by the high susceptibility to errors due to planning during construction, are currently breathing a sigh of relief. They are finally feeling like creative professionals again and are experiencing social recognition."

"The opposite of building culture is currently the financially driven barbarism of short-term yield optimisation, which elsewhere ultimately leaves behind only a defenceless, disenfranchised citizen as a pure consumer in dying districts and cities." (Dr. Markus Johow)
Source: Verband Deutscher Architekten- und Ingenieurvereine e.V. BAUKULTUR 5_2017; Editorial; Date: 13 August 2017

Architecture Market

The creative economies as an exclusively urban phenomenon? This criterion barely seems to apply to architecture.
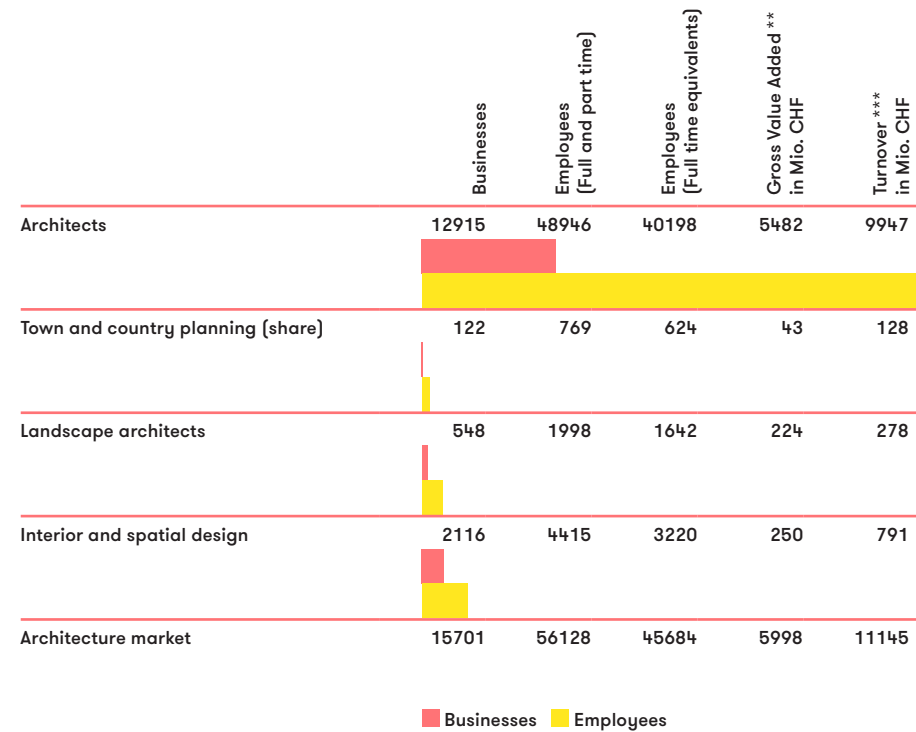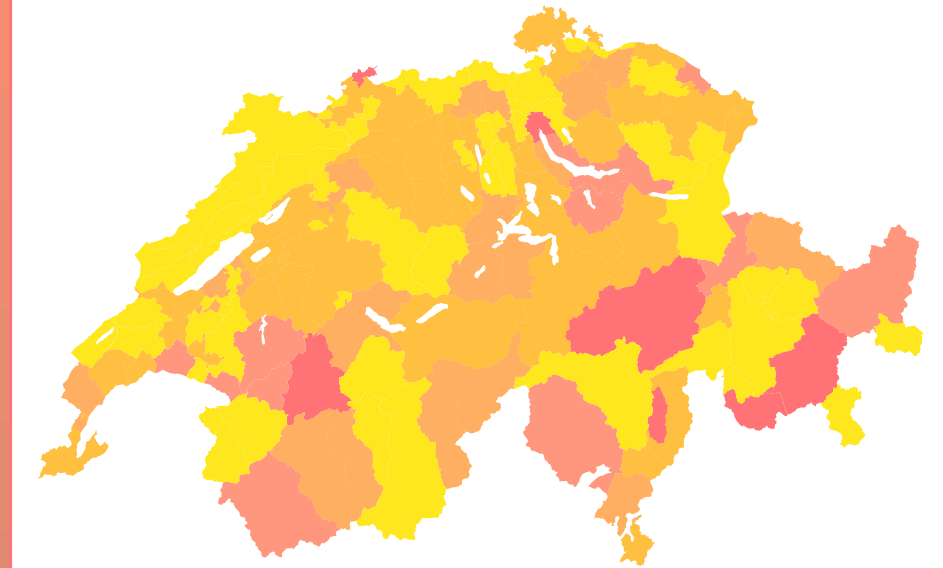

Location quotient ■ 0–0.8 ■ 0.8–1 ■ 1–1.2 ■ 1.2–1.4 ■ 1.4+

A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

The clearly structured architecture market is one of the largest submarkets of the creative industries in Switzerland: almost 16,000 businesses employ over 56,000 people. Equally impressive is the total turnover of CHF 11 billion, which are only exceeded by the software and games industry.

The dynamic development in 2013/2015 reads accordingly, with all figures showing positive growth: Businesses +3.0%, employees +3.3%, gross value added +8.0%, total turnover +0.9%. The largest share is accounted for by architectural offices, followed by interior designers and landscape planners.

Advertising Market 2015 Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Advertising agencies (share)*	2873	14196	10009	776	3230
Media representation	378	5112	3392	263	2734
Advertising market	3251	19308	13401	1039	5964

🟥 Businesses 🟨 Employees

Five trends directly influence the business model of the advertising industry:
1. The fragmentation of the advertising market is persisting, and advertising spending continues to shift towards the online sector.
2. Users are increasingly looking for and consuming media content independent of time and place. (…) The main driver of use is the rapidly growing segment of online videos.
3. Globalisation leads to powerful international advertising platforms.

4. The automation of processes and the longer, the smarter algorithms are leading to profound social and economic changes.

5. The global economic, political and social situation is tense and marked by uncertainty.
Source: WerbeWoche: Die Digitalisierung bietet neue Chancen; Author: Marc Sier (Chief Operating Officer, Admeira and Member of the Board); Date: 14 July 2017

"Classical media but also telecommunications companies such as Swisscom are currently trying to secure a share of the Internet advertising market."

(Manuel Puppis, media economist)
Source: Bilanz online: Schweizer Verlage eifern der Datenkrake Google nach; Date: 15 August 2017

Adjusted organic growth increased by 4.5%.
This adjusted Swiss advertising market has not grown as strongly since 2011 as it did in 2017. Digital media are the key driver behind the increase of 244 million francs gross in advertising revenue.
Source: http://mediafocus.ch/index.php?id=3816L=0; Author: CEO Media Focus Jens Windel; Date: 2018

The transformation of the advertising market in Switzerland is still in its infancy and is also likely to cause increasing hardship for television.

Globally, every second advertising franc will flow into the Internet by 2021.

Source: Neue Zürcher Zeitung: Wolken am Himmel der TV-Werbung; Author: Christoph G. Schmutz; Date: 12 June 2017

With consumers spending 80% of their smartphone time on apps globally, in-app advertising will continue to be the strongest driver of global mobile advertising spending.
Source: SDA/ATS. Smaatos Global Trends in Mobile Advertising Report, Q3 2017: Nutzung von Mobilgeräten verlagert sich immer stärker in den In-App- Bereich – Ausgaben für mobile Videos weltweit nahezu verdoppelt; Date: 19 December 2017

"Commercial communication was an ongoing issue on the political agenda in Germany and at EU level during the current legislative period. It's always been about restrictions, never about liberalisation."

(ZAW President Andreas F. Schubert)
Source: ZAW Pressemitteilung 04/17; Author: Zentralverband der deutschen Werbewirtschaft; Date: 18 May 2017

Advertising Market

The advertising market is under massive pressure to change. Further structural adjustments seem inevitable.
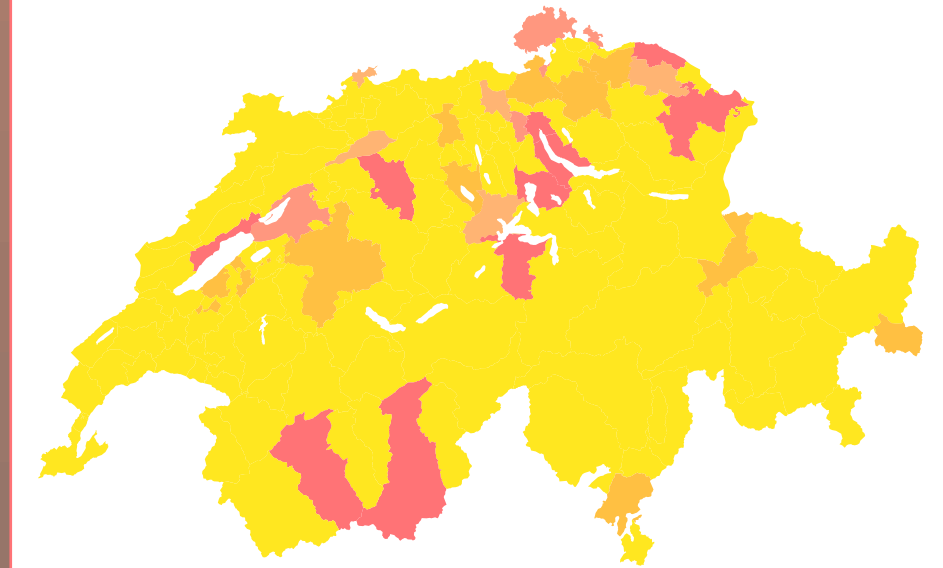
Location quotient 🟨 0–0.8 🟧 0.8–1 🟧 1–1.2 🟥 1.2–1.4 🟥 1.4+
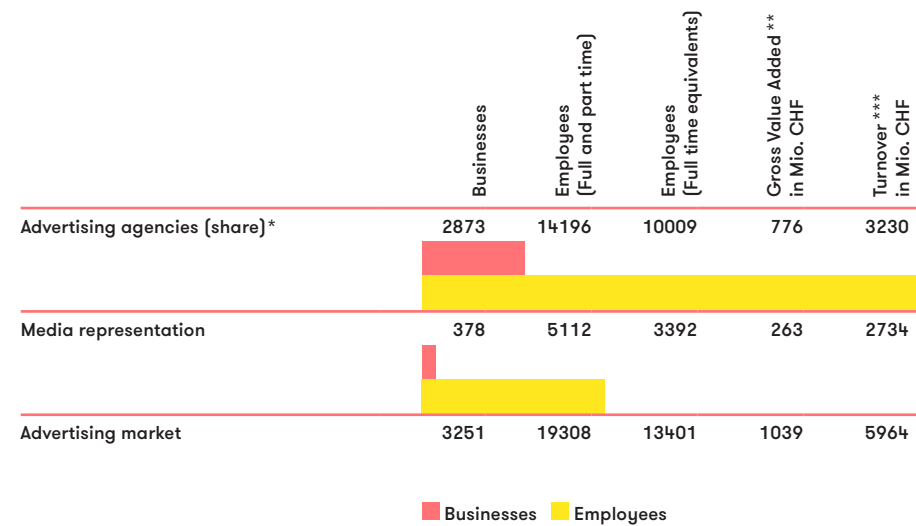
A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

The advertising market, as part of the creative industries, consists of advertising agencies and media representation. In Switzerland, more than 3,200 companies were reported, employing around 19,000 people. Its share of employees (7%) makes the advertising market a medium-size submarket. However, its turnover of almost CHF 6.0 billion positions the industry in the top segment and represents its potential in Switzerland's creative industry. The consistently positive indicators characterising developments between 2013 and 2015 suggest that the advertising market successfully withstands competitive pressure.

Software and Games Industry 2015 Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Other software publishing	50	349	287	36.0	226.1
Computer programming activities	8142	42959	36701	6403	12065
Web portals	547	5195	4489	783	2901
Software and games industry	8739	48503	41477	7223	15192

■ Businesses ■ Employees

** Estimates based on National Accounts NA *** Estimates based on national Value Added Tax VAT
Source: FSO, STATENT, NA; FTA, VAT; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

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The development of video games uniquely combines creativity, innovation and technological know-how, which can and will increasingly flow into other sectors of the economy.

"A decisive factor for the success of coordinated promotion is that economic and innovation promotion does not begin only after cultural promotion, but that the two work together in a coordinated manner from the outset." (SP Co-Secretary General Flavia Wasserfallen)
Source: NZZ am Sonntag: Kunst oder Kommerz?; Author: Marc Bodmer; Date: 18 February 2018

As digital cultural assets, games are bearers of new forms of creative and technological creation, argues the Federal Council. It credits their great potential for innovation, both culturally and economically.
Source: Newsnet / Berner Zeitung: Bund erkennt Potenzial der Game-Industrie; Date: 21 March 2018

Industry is also a heavyweight in economic terms: according to the report, domestic sales revenue from games will rise to CHF 485 million in 2018.
Source: 20 minuten online: Schweizer Gaming-Szene steht über den Vorurteilen; Author: R. Knecht; Date: 24 March 2018

Video games are much closer to their literary originals than films. Like book readers, gamers must actively interpret what is happening, while film viewers simply follow the director's vision.
Source: NZZ am Sonntag: Gamen ist wie Lesen; Author: Marc Bodmer; Date: 26 November 2017

While the general secretaries of the major political parties in Germany have included game promotion in their election programmes and have recognised the independent status of the interactive entertainment medium, politicians and decision-makers in this country refuse to seriously deal with the leading medium of the present.
Source: NZZ am Sonntag: Das Märchen von den Killergames; Author: Marc Bodmer; Date: 3 September 2017

Today, the games industry provides important impulses to the entire economy, starting with the creative sector, through education and medicine, to mechanical and automotive engineering. Areas such as serious games, gamification or virtual reality are playing an increasingly important role. Games are becoming the key industry for digitisation and thus a decisive factor for Germany's economic success.

In 2016, PlayStation VR, Oculus Rift and HTC Vive launched the virtual reality glasses long awaited by gamers. The "ecosystem" currently emerging around these glasses goes well beyond the games sector and is still in its infancy, so to speak.
Source: Jahresreport der Computer- und Videospielbranche in Deutschland 2017; Published by: BIU – Bundesverband Interaktive Unterhaltungssoftware e.V.; Date: 21 September 2017

The global games industry will generate revenue of an estimated $109 billion in 2017, of which 42% will come from mobile titles. That will rise to as much as $129 billion by 2020, at which point mobile will overtake the combined value of all traditional platforms for games—console and PC—by generating 51% of the total revenue for the industry.

In the last year, we have hit three important milestones:

First, we've seen games break through the $100B barrier. As an industry, it's now worth three times as much as movies worldwide.

Secondly, mobile has taken over, growing to $39B and now officially the largest games segment.

Thirdly, access to games has been democratised by the smartphone and means that they are played by more people than ever across all ages, sexes, nationalities and income groups. Most significantly, we hit 2B+ gamers for the first time last year. That's a breathtaking number.
Source: http://news.atomico.com/europe-meets-china; Author: Tom Wehmeier; Date: 1 June 2017

Software and Games Industry

Software and games are too comprehensive a category for Switzerland. New analytical grids need to be developed.
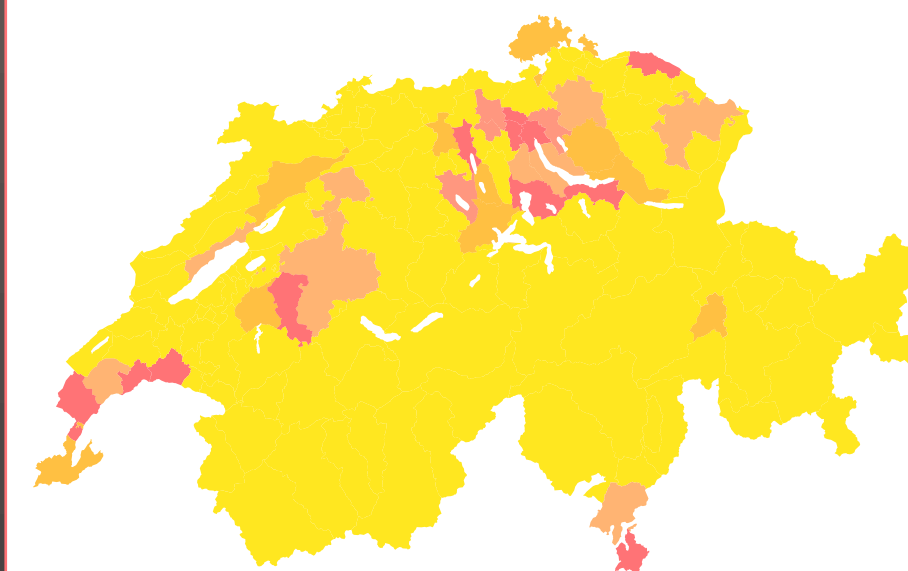
Location quotient ■ 0–0.8 ■ 0.8–1 ■ 1–1.2 ■ 1.2–1.4 ■ 1.4+
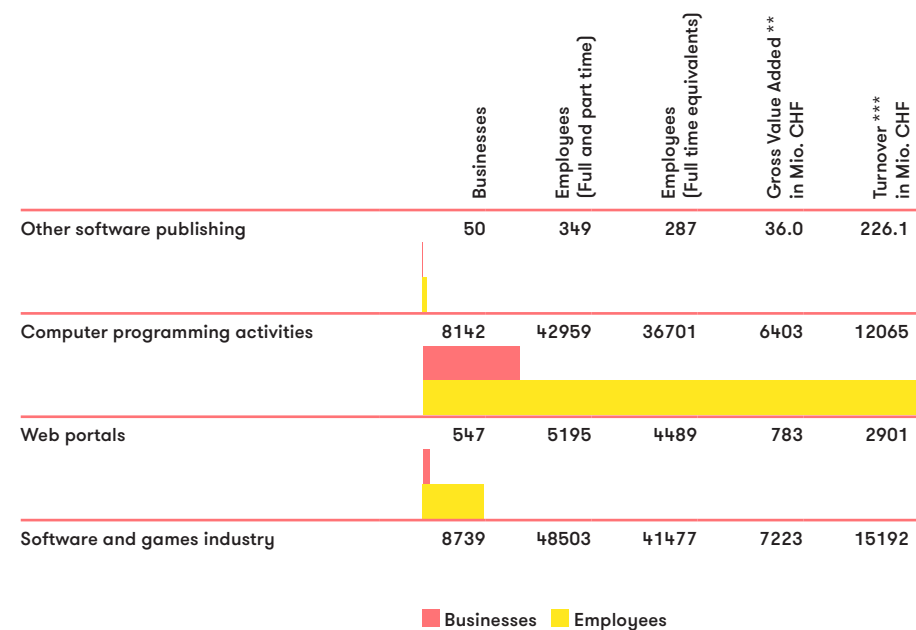
A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

The games industry remains a major challenge for creative industries analysts. On the one hand, The Swiss Arts Council Pro Helvetia and the Federal Office of Culture regularly report on the successes of Swiss game designers at international congresses. The game design projects pursued at Zurich University of the Arts have also met with great interest from renowned research and development organisations. On the other hand, official statistics only provide four categories for analysis. It can therefore be assumed that the vibrant environment of game development lies largely beyond statistical analysis. Accordingly, our analysis concentrates primarily on the software industry.

Crafts Market 2015 Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Manufacture of other ceramic products	22	61	48	7	11
Working of precious and decorative stones	107	892	803	115	226
Manufacture of jewellery, gold and silversmith work n.e.c.	1065	3434	2899	415	1679
Crafts market	1194	4387	3750	538	1915

■ Businesses　■ Employees

** Estimates based on National Accounts NA *** Estimates based on national Value Added Tax VAT
Source: FSO, STATENT, NA; FTA, VAT; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

"In many old trades, products are now industrially manufactured, moreover mostly not in Switzerland. Many arts and crafts have long been catering only to the luxury segment."

"They are unique pieces produced in small quantities. Handicraft leads to a variety of products, to originality. Often high-quality materials are used, which entails longevity." (Wolfgang Wahls)
Source: Landbote: Viele Handwerke bedienen längst nur noch ein Luxussegment; Date: 23 February 2018

"The arts and crafts, art and design are meanwhile merging." (Nadine Vischer Klein)

"Today's handicrafts are as influenced by conceptual ideas as art or design. The difference, in my eyes, is that the material still lies at the heart of the arts and crafts.

"To me, craftspeople have a very intimate knowledge of manufacturing processes. They refer to history and tradition. It's the DNA of their craft." (Brian Kennedy)

"This market hasn't even been properly discovered yet." (Nadine Vischer Klein)
Source: Basler Zeitung: "Viele haben darauf gewartet"; Date: 30.08.2017

While there are signs of saturation in the world's classical art market, interest in the market for applied art is growing diametrically. In the course of this development, certain disciplines within the arts and crafts, in particular ceramics, are prospering. The works of both deceased and contemporary artists are achieving sales prices at well-known auctioneers such as Phillips or Sotheby's that surpass the expected values by a factor of four to five.

The rediscovery of ceramic art as an object of value and as a collector's item stands symbolically for recalling the essentials of the arts and crafts as an anti-digital, material art form. In the wake of this trend, textile-, wood-, glass- and

jewellery artists—all original representatives of the crafts guild—are also experiencing growing interest from art museums, which are including crafts as an interface between art and design in their portfolio and making them accessible to collectors as assets and collectibles.
Source: Der Sammlermarkt der Zukunft. TRESOR Medienmitteilung; Date: August 2017

"TRESOR contemporary craft is conceived as a platform for collectibles of the future. It provides a completely new framework for contemporary craftsmanship and enables direct contact with established artists and up-and-coming talents."
Source: TRESOR Medientext; Date: April 2017

At the new "Tresor" fair in Basel, old traditions encounter modern design. The unique works of international artists on display strike a chord with the times.

"Craftsmanship is gaining in importance worldwide," says Nadine Vischer Klein, co-founder of the "Tresor" fair. "Materiality and techniques are as important to the audience as they are to the designers themselves."
Source: NZZ am Sonntag: Neue Lust auf altes Handwerk; Date: 17 September 2017

Homo Faber: Crafting a more human future
The Michelangelo Foundation for Creativity and Craftsmanship, a Swiss-based organisation dedicated to promoting crafts internationally, will present the first major cultural exhibition on European arts and crafts in Venice next September.

"The exhibition will offer a panoramic view of European handicrafts with an unmistakable undertone: What humans do better than machines."
Source: Michelangelo Foundation. Homo Faber Press Release; Date: 16 November 2017

Crafts Market

Peripheral regions redefined: the arts and crafts are based on local traditions.
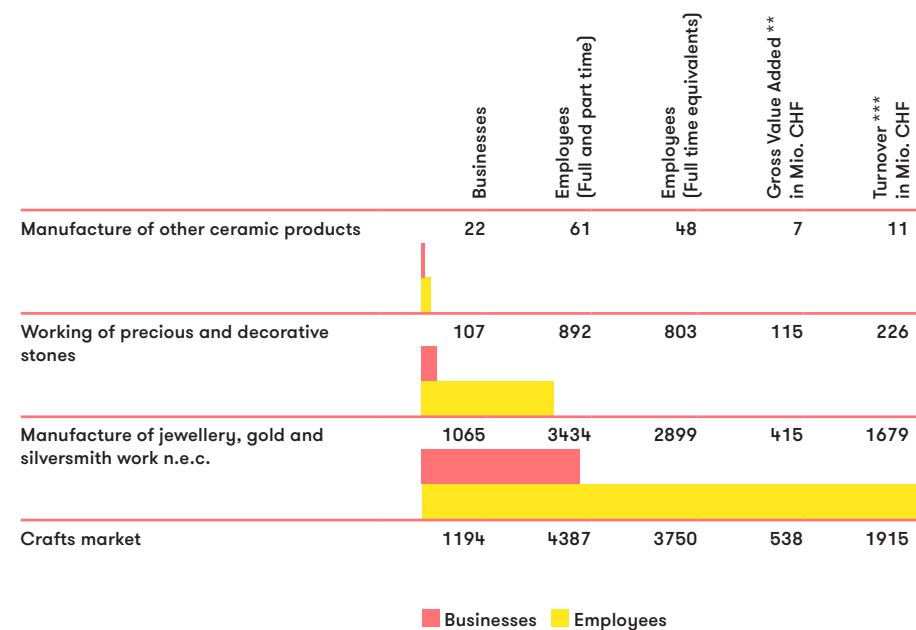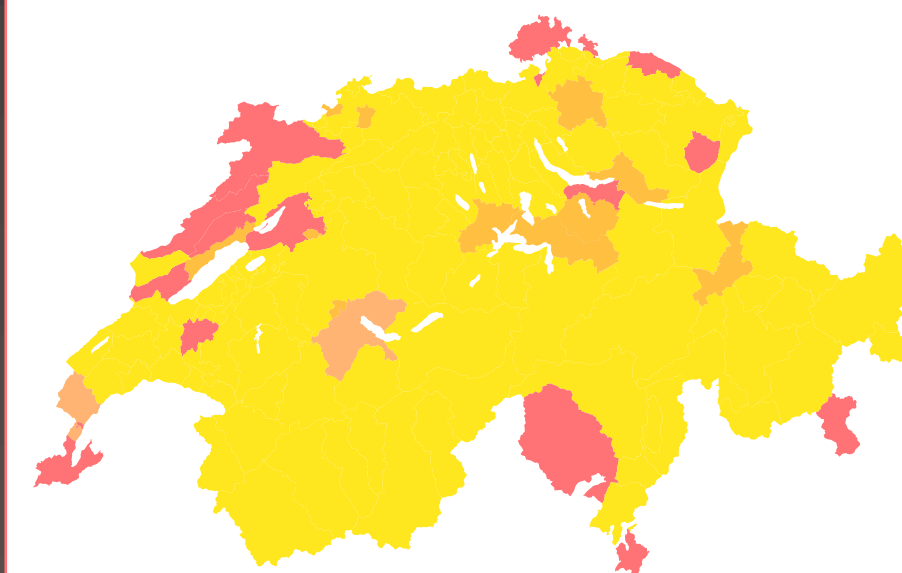

Location quotient ■ 0–0.8 ■ 0.8–1 ■ 1–1.2 ■ 1.2–1.4 ■ 1.4+

A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

With just under 1,200 businesses and just over 4,000 employees, the crafts market is a small submarket in the Swiss creative industries. It is therefore often bracketed with the art market or the design industry in creative industries studies undertaken in other countries. Due to its tradition and also taking into account international trends, which explicitly identify the field of "arts and crafts," it is recorded separately here. According to official statistics, the ambivalent developments between 2013 and 2015 should probably also be understood in the context of an innovative and internationally networked "maker" movement. It will be interesting to observe this scene over the next few years.

Press Market 2015
Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Retail sales of newspapers and magazines, newspaper stands	2169	6742	4289	458	2398
Publishing of newspapers	290	9674	7235	907	2208
Publishing of journals and periodicals	394	4136	2900	364	1257
Other publishing activities	292	1647	1163	146	238
News agency activities	108	943	776	135	345
Photographers (share)*	1725	2167	1384	107	138
Photographic laboratories (share)*	42	213	171	13	67
Freelance journalists	976	1118	679	39	29
Press market	5996	26640	18598	2170	6679

■ Businesses ■ Employees

* Single economic branches assigned to different submarkets; counted once overall.
** Estimates based on National Accounts NA *** Estimates based on national Value Added Tax VAT
Source: FSO, STATENT, NA; FTA, VAT; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

Instead of actual producers, information is increasingly linked to the platforms of tech intermediaries such as Facebook and Google. This "platformisation" exerts great pressure on professional information journalism, both qualitatively and financially.

The frequently invoked new diversity of the Internet proves to be merely apparent.

In Switzerland, too, news consumption is increasingly taking place via digital channels. News sites or social media are already the main source of information for 41% of the Swiss population.

First, this development weakens established media brands. Secondly, the majority of advertising revenues goes to global tech intermediaries, further weakening the already precarious financial basis of Swiss information media.
Source: Press Release: Author: Research Institute for the Public Sphere and Society, University of Zurich; Date: 23 October 2017

A system so far consisting of national mass media is increasingly developing into a global media and communication system.
Source: srf.ch; Hat der Qualitätsjournalismus eine Zukunft?; Author: Philipp Burkhardt; Date: 30 October 2017

Globally operating communication and distribution platforms on the Internet are becoming increasingly important for the distribution of journalistic content.
Source: Press Release; Author: Schweizerische Eidgenossenschaft. Eidgenössische Medienkommission EMEK; Date: 30 October 2017

All producers are now operating in a global marketplace.

The new marketplace is moving toward more non-linear and fragmented viewing across a variety of devices, and across traditional TV platforms such as YouTube, Netflix and Amazon Prime as well as the social media feeds of popular applications such as Facebook, Twitter, Snapchat and Instagram.

Globally, the number of internet users is rapidly approaching four billion. Three billion, or about 40% of the world's population, are social media users, whereas 90% actively use mobile devices to interact on social platforms.
Source: Adjust Your Thinking – The New Realities of Competing in a Global Media Market; Published by: Canada Media Fund; Author: Leora Kornfeld; Date: November 2017

Press Market

Global—national—regional: the map of the media landscape is constantly changing.
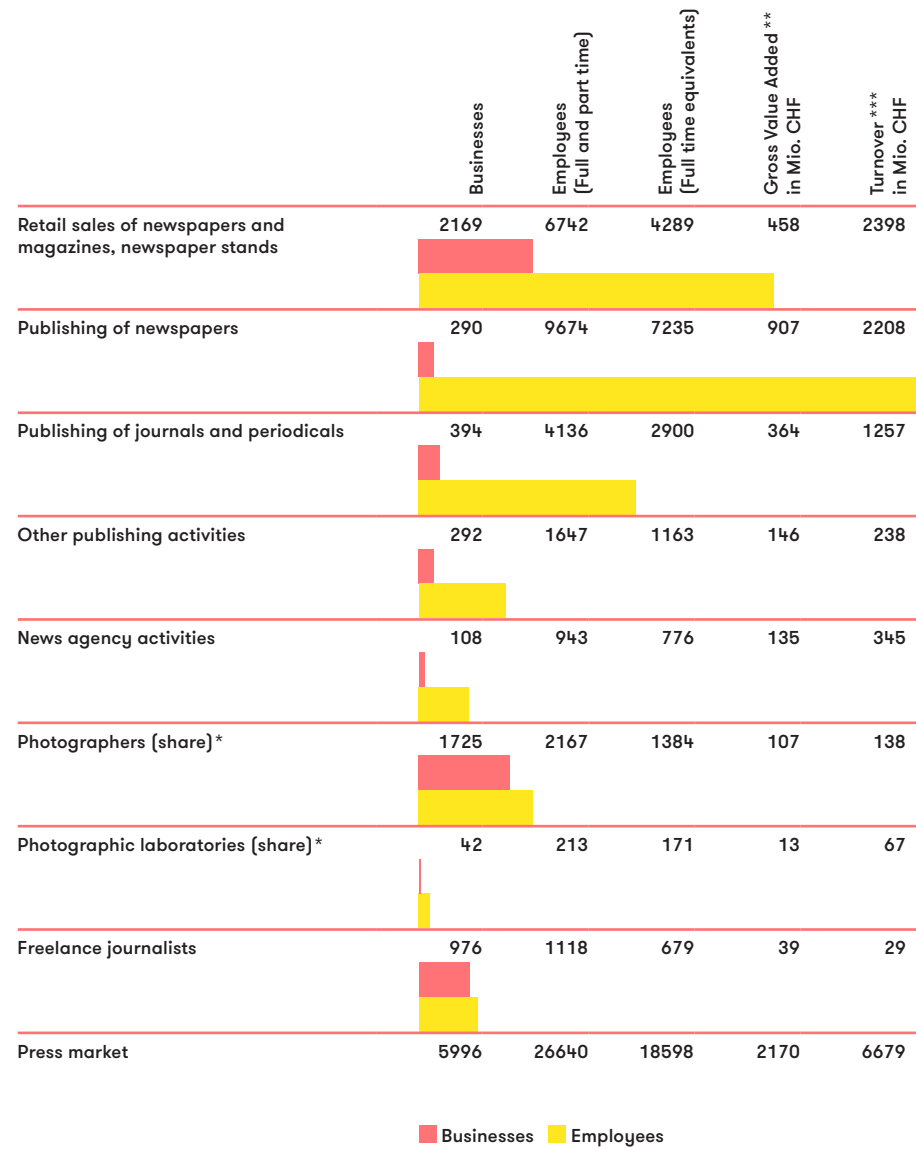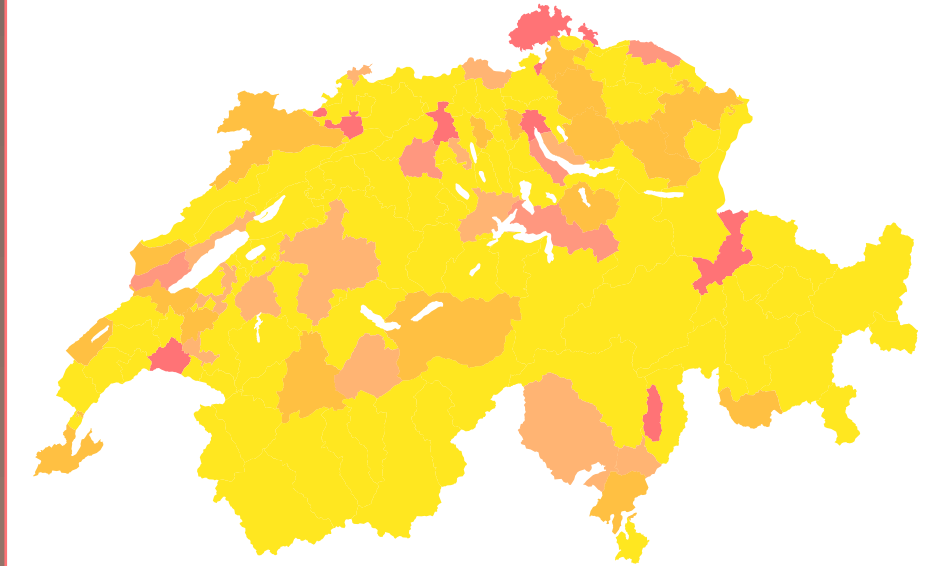

Location quotient ■ 0–0.8 ■ 0.8–1 ■ 1–1.2 ■ 1.2–1.4 ■ 1.4+

A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

Many studies subsume the press market and the book market under publishing. Due to the high (cultural) political relevance of this field, we have decided to continue to report the book and press markets separately. With just under 6,000 businesses and almost 27,000 employees, the Swiss press market is one of the largest creative industries submarkets. However, the almost entirely negative development over the two-year period 2013/2015 points to ongoing structural adjustment. What is needed is the development of new business models between analog and digital channels and between fast-paced and in-depth news.

Audio-Visual Technology Market 2015 Switzerland

	Businesses	Employees (Full and part time)	Employees (Full time equivalents)	Gross Value Added ** in Mio. CHF	Turnover *** in Mio. CHF
Manufacture of communication equipment (share)	36	1121	1056	74	318
Manufacture of consumer electronics	68	476	433	91	148
Retail sales of audio and video equipment in specialised stores	1215	6209	5328	569	1782
Audio-Visual Technology Market	1319	7806	6816	734	2249

🟥 Businesses 🟨 Employees

** Estimates based on National Accounts NA *** Estimates based on national Value Added Tax VAT
Source: FSO, STATENT, NA; FTA, VAT; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

The combination of screen, sound and language is already a central part of life today and will become even more important.
(Arnd Kaldowski, Head of Sonova)
Source: NZZ am Sonntag: Der Technikverliebte; Author: Franziska Pfister; Date: 25 March 2018

The Swiss are keen to spend money on consumer electronics: they spend an average of 486 francs a year on new mobile phones, televisions or computers. This amount is the highest in Europe—only the Dutch are forking out more for the latest tech devices. (…)

Despite rising incomes, it is unlikely that spending on consumer electronics will increase in the future. (…)

Sales have been falling for years. Market researchers are speaking of "saturated demand."

Especially televisions and digital cameras were less popular with consumers in the first half of the year. IT equipment also sold worse. There was strong demand for drones, gaming accessories and Bluetooth headphones.
Source: Handelszeitung: Schweizer öffnen gerne das Portemonnaie für Handys; Date: 19 December 2017

Thanks to high demand for gaming products, drones, notebooks and the launch of new smartphones, the multimedia retail market grew on average by 6.2% in the second half of the year, resulting in a sales volume of 3.66 billion Swiss francs at the end of the year, 0.4% higher than in 2016.

One particular niche set a strikingly positive sign. More and more buyers are enthusiastic about high-quality audio components, classic premium loudspeakers and record players, believed to be extinct for a short time.

Smart Home, for example, is becoming more and more concrete issue, thanks to uncomplicated apps and simpler products at affordable prices.
Source: GfK Switzerland: Durchzogener Heimelektronik Markt 2017 mit Lichtblicken; Author: Luca Giuriato; Date: February 2018

The Global Consumer Electronics Market is predicted to surpass USD 1,500 billion by 2024; according to a new research report by Global Market Insights, Inc. Technological advancements in devices including smartphones, earphones & headphones, speakers and household appliance is anticipated to fuel the consumer electronics market growth.

The professional consumer electronics market segment is projected to exhibit a higher growth during the forecast timeframe as compared to the personal segment.
Source: Global Market Insights, Inc; Date: 29 January 2018

Companies are racing to differentiate themselves in the emerging market for smart speakers and the shaky market for virtual-reality headsets, and to beat their rivals to store shelves with augmented-reality glasses that can overlay information or goofy characters on a wearer's view of the real world.
Source: Bloomberg: The World's Biggest Gadget Show Matters Again; Author: Mark Gurman; Date: 2 January 2018

Press clippings and industry voices collated by Fabienne Schmuki.

Audio-Visual Technology Market

A dynamic development that needs to be analysed in greater depth due to the increasing integration of hardware and software.
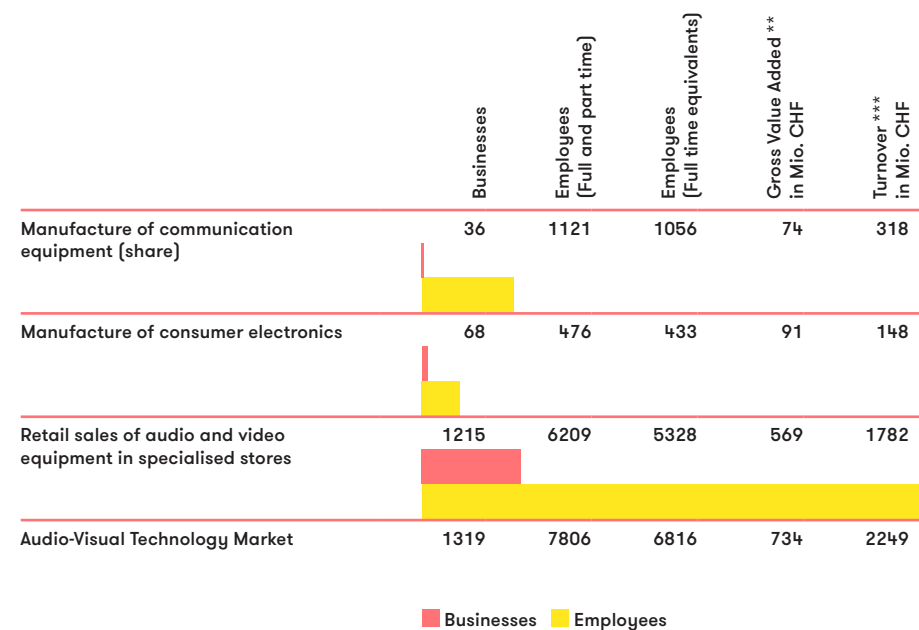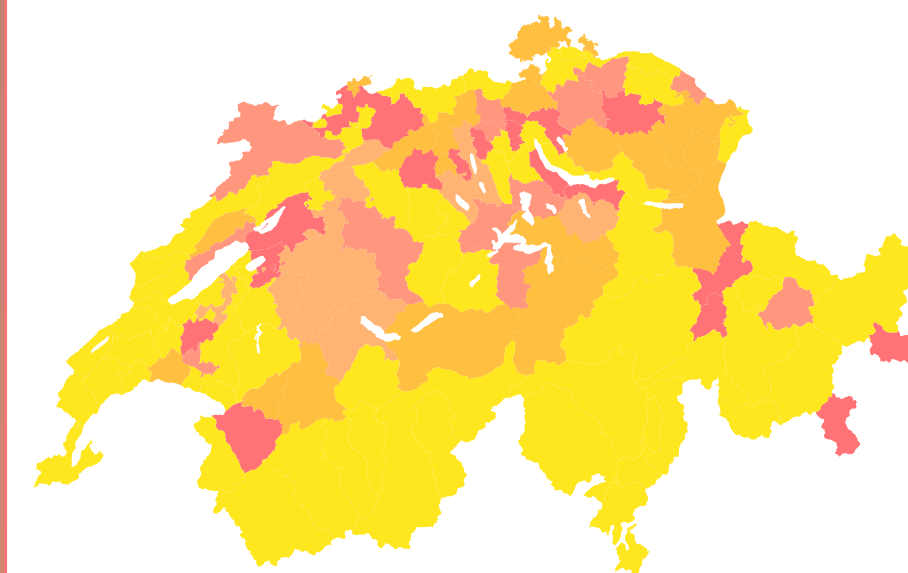

Location quotient 🟨 0–0.8 🟧 0.8–1 🟧 1–1.2 🟥 1.2–1.4 🟥 1.4+

A location quotient >1.0 indicates a concentration of the industry/market in the geographic area relative to Switzerland.

We have decided to continue to present audio-visual technology market separately, for reasons similar to the press market. If this submarket (with around 1,300 businesses and 8,000 employees generating a total turnover worth CHF 2.2 billion), were allocated to the music industry, for instance, the resulting weightings would shift the focus onto this submarket.

The dimension of creation would be shifted massively towards technological dissemination. At the same time, presenting audio-visual technology separately enables one to better monitor the productive interface between technology and content.

CREATIVE ECONOMY SWITZERLAND

The 2016 report approached the Swiss creative industries for the first time from the perspective of professional activities and occupations.[1] This new approach rests on the assumption that creative occupations also exist outside the creative industries: "This methodology is based on the theoretical and empirical argument that the creative industries are 'those industries that specialise in the employment of creative talent for commercial purposes'—that is, have unusually high proportions of their workforce employed in creative occupations ('creative intensity')."[2]

According to "Dynamic Mapping," a methodology developed by the innovation foundation Nesta,[3] a set of creative occupations is first identified. Subsequently, all industries of the economy are analysed for their share of creative occupations ("creative intensity"). Those industries with a certain minimum share of creative occupations and activities are then referred to as "creative," the rest as "non-creative."[4] Finally, creative economy employment is estimated according to the "Creative Trident" approach.[5] Creative economy employment is given by the sum of creative industries employment and all creative jobs in other industries ("embedded" jobs). Following UK's DCMS,[6] this concept can be represented as follows:
→ Fig. 1 p. 80

The creative economy thus consists of three types of employees:
1. Non-specialists (support): employed persons working in a creative industry, but who are not themselves employed in a creative occupation, for instance, a bookkeeper at a publishing company.
2. Specialists: persons working in creative occupations in creative industries, for instance, a dancer in an ensemble or a journalist writing for a daily newspaper.
3. Embedded: persons working in creative occupations outside the creative industries, for instance, a game designer working in financial services.

The Swiss Creative Economy

This report applies this approach to Switzerland for the second time. Based on occupational and industries classifications according to UK's DCMS and Nesta, we estimate the overall size of Swiss creative economy and its three main components (specialist, non-specialist, and embedded employment) using the Swiss Labour Force Survey (SLFS).[7]

Table 1 shows employment in the Swiss creative economy in the period 2014–2016 and the average for these three years. → Tab. 1 p. 81

Fig.1 Employment in The Creative Economy Switzerland, Average 2014–2016

Jobs in the Creative Industries not classified as creative (non-specialists, support)
126,000
1

Creative Jobs in the Creative Industries (specialists)
116,000
2

Creative Jobs outside the Creative Industries (embedded)
236,000
3
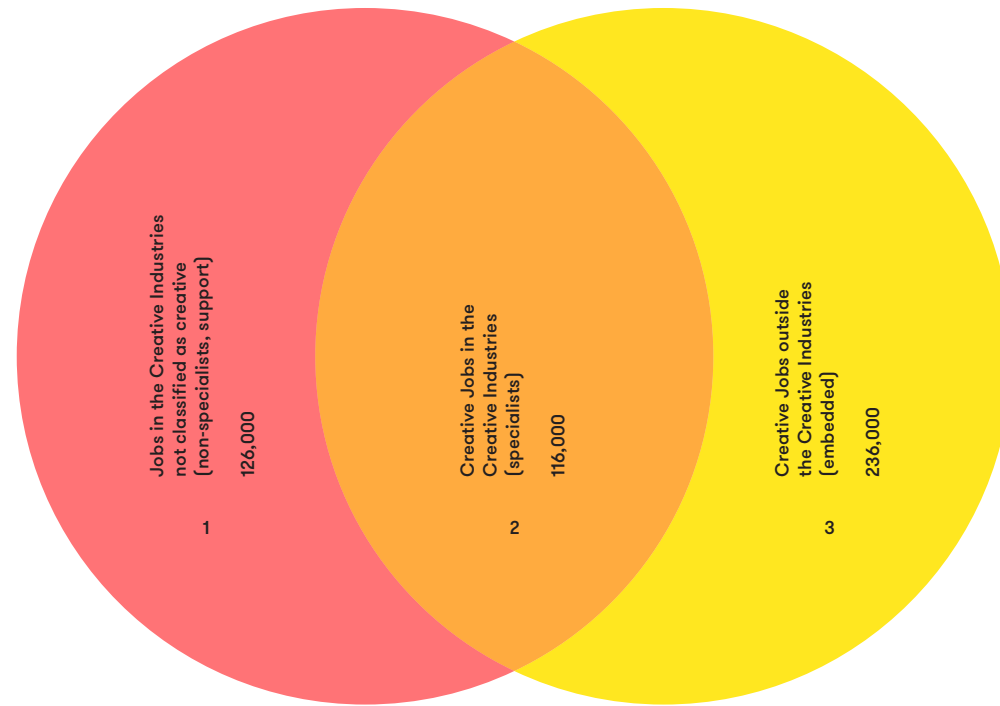
The sum of Jobs in Creative Industries (1 + 2) and the Jobs in Creative Occupations outside the Creative Industries (3) amounts to Creative Economy (1 + 2 + 3).[6]

Creative Economy: 1 + 2 + 3
Creative Industries: 1 + 2
Creative Occupations: 2 + 3

Between 2014 and 2016, about 477,000 people were employed in the Swiss creative economy on average. About one half (241,000) were employed in the creative industries, while the other half (236,000) pursued a creative occupation outside the creative industries ("embedded") in the wider creative economy.

If only those people with a creative profession, the so-called creative occupations (351,000) are considered, around two thirds (236,000) earn their living outside the creative industries. These figures can also be displayed in a "Creative Trident" format, which presents industries as columns and occupations as rows. → Tab.2 p.81

This table also shows the relationship to the Swiss overall economy. Creative economy employees, calculated as the sum of the three shaded fields, account for about one out of ten jobs in Switzerland.

The figures calculated for Switzerland's total creative economy can be shown for individual industry groups. → Tab.3 p.81

The table shows that the relation between "specialists" and "non-specialists" differs in the creative industries. While the proportion of "specialists" predominates in architecture, it is the opposite in music and in the performing and visual arts, for example. A preliminary interpretation might be that productions in these fields are more staff-intensive and more diversified than the core services of the architecture market.

The relation between the creative industries and "embedded" is similar. While the high value for advertising and marketing (68,000 compared to 21,000) indicates that these occupations are decentralised and can be found strongly outside the advertising industry, the comparatively low value for museums, galleries and libraries (6,000 compared to 15,000) can be

Tab.1 Creative Economy, Switzerland, 2014–2016

	Specialist	Non-Specialist	Creative Industries	Embedded	Creative Occupations	Creative Economy
2014	111,000	124,000	234,000	230,000	341,000	465,000
2015	114,000	125,000	240,000	235,000	349,000	475,000
2016	122,000	128,000	250,000	242,000	364,000	491,000
Average 2014–2016	116,000	126,000	241,000	236,000	351,000	477,000
Share of workforce	2.5	2.8	5.3	5.2	7.7	10.5
Share of creative economy	24.2	26.4	50.6	49.4	73.6	100.0

Tab.2 Creative Trident, Switzerland, Average 2014–2016

	Creative Industries	Non-Creative Industries	All Industries
Creative Occupations	Specialists	Embedded	Creatively-occupied jobs
	116,000	236,000	351,000
Non-Creative Occupations	Non-Specialists	Non-Creative	Non creatively-occupied jobs
	126,000	4,060,000	4,186,000
All Occupations	Working in the Creative Industries	Working outside the Creative Industries	Workforce
	241,000	4,296,000	4,537,000

Tab.3 Employment in the Creative Economy by Industry Group, Switzerland, Average 2014–2016

	Specialist	Non-Specialist	Creative Industries	Embedded	Creative Occupations	Creative Economy
IT, software and computer services	33,000	39,000	72,000	70,000	104,000	143,000
Advertising and marketing	10,000	11,000	21,000	68,000	78,000	90,000
Architecture	27,000	20,000	47,000	22,000	49,000	69,000
Design: product, graphic and fashion design; crafts	9,000	9,000	17,000	49,000	58,000	66,000
Music, performing and visual arts	12,000	18,000	31,000	7,000	20,000	38,000
Publishing	8,000	11,000	19,000	9,000	16,000	27,000
Film, TV, video, radio and photography	12,000	7,000	18,000	5,000	16,000	23,000
Museums, galleries and libraries	5,000	10,000	15,000	6,000	11,000	21,000
Creative Economy	116,000	126,000	241,000	236,000	351,000	477,000

Source figure 1 and tables 1–3: FSO, SLFS; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

interpreted the other way round. However, these are merely preliminary interpretations, which need to be deepened in exchange with industry experts.

Table 4 shows the size and the different relation between "specialist" "non-specialist" and "embedded" workforce for the individual creative economy groups.

Relating the number of "specialists" to overall creative industries figures enables Nesta to calculate so-called "creative intensity." These figures enable statements on whether a large number of specialised workforce are employed in an industry group or if the share of support functions ("non-specialists") is correspondingly larger.

Further analyses on the creative economy are published periodically at www.creativeeconomies.com

Roman Page, Christoph Weckerle

1   Weckerle, Christoph / Page, Roman / Grand, Simon: Kreativ-wirtschaftsbericht Schweiz 2016, 2nd Swiss Creative Industries Report, CreativeEconomies, Zürich, 2016.
2   Bakhshi, Hasan / Hargreaves, Ian / Mateos-Garcia, Juan: A Manifesto for the Creative Economy. Nesta, London 2013.
3   Bakhshi, Hasan / Freeman, Alan / Higgs, Peter: A Dynamic Mapping of the UK's Creative Industries. Nesta, London 2013.
4   For the detailed classification of Creative Occupations (ISCO-Codes) and Creative Industries (NOGA/NACE-Codes), see the methodological details at www.creativeeconomies.com
5   Higgs, Peter / Cunningham, Stuart / Bakhshi, Hasan: Beyond the Creative Industries: Mapping the Creative Economy in the United Kingdom. Nesta, London 2008.
6   Department for Culture Media and Sport: Creative Industries Economic Estimates: January 2015. DCMS, London 2015.
7   Detailed notes on methodology can be found at www.creativeeconomies.com.

Tab. 4 Employment in the Creative Economy by Industry Group, Switzerland, Average 2014–2016

IT, software and computer services
143,000

Advertising and marketing
90,000

Architecture
69,000

Design: product, graphic and fashion design; crafts
66,000

Music, performing and visual arts
38,000

Publishing
27,000

Film, TV, video, radio and photography
23,000

Museums, galleries and libraries
21,000

■ Specialist   ■ Non-Specialist   ■ Embedded

Tab. 5 Creative Intensity by Industry Group, Switzerland, Average 2014–2016

Total Creative Economy
47.9 %

Film, TV, video, radio and photography
63.5 %

Architecture
57.5 %

Design: product, graphic and fashion design; crafts
48.9 %

IT, software and computer services
46.2 %

Advertising and marketing
47.2 %

Publishing
40.9 %

Music, performing and visual arts
40.2 %

Museums, galleries and libraries
31.7 %

Source tables 4–5: FSO, SLFS; own calculations Statistical Office Canton of Zurich and Zurich University of the Arts

Outlook

These clearly reveal that the term creative industries is not taken for granted: what, however, is meant by "creative"; and what by "economy"? And how do we understand the interfaces, the personal or entrepreneurial strategies, in which this relationship is negotiated?

Thinking further the interfaces creativity/economy

For many, the creative industries imply that relevant forms of value creation occur at the interfaces of creativity and the economy. These interfaces are considered highly important for today's world: ideas are developed that can be translated into innovations. Experiments are carried out with technologies possessing commercial potential. New business models and organisational forms are postulated and reviewed. This results in unconventional forms of knowledge in clusters attractive for research and development. Location factors are cultivated that open up potentials for future urban development. The creative industry is seen as a field in which two worlds come together: "business" and "creativity."

On the one hand, this report further develops this view: thus, changes can be shown compared to the 2nd Creative Industries Report Switzerland, for instance, in terms of turnover or the number of jobs It also includes statements on the professional perspectives of actors. On the other, it extends the established approaches with Frédéric Martel's essay This reveals how actors move between business and creativity in many diverse artistic contexts against the background of digitisation. The association and media statements gathered in this 3rd report reflect these dynamics

A creative economies perspective (debates documented at → www.creativeeconomies.com) suggests not only that the most diverse forms and formats of creation matter but also that these appear in different ways in economic, cultural, political, societal and scientific contexts. For instance, the dynamics of digitisation have radically transformed the music industry or journalism, leading to an array of new approaches to creation, production, distribution or commercialisation. They also create completely new possibilities for actors in the game industry, in film or product design, from IoT to mixed reality. Or they multiply the number of new financing, business and interaction models in art.

One of the consequences of the developments associated with digitisation is that established forms of value creation are questioned, deconstructed and transformed, while alternative value creation models can be redefined, enabled and evaluated. Because value creation is repeatedly reduced to a purely economic discussion, some commentators consider the

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term unsuitable. We, however, are convinced that the term value creation has potential for further debate provided that it is not used as an unquestioned black box, but instead reflected on critically and its complexity fathomed even further.

We consider entrepreneurial strategies a second important term and also another black box that must be subjected to critical reflection. We do not understand strategies as ritualised compulsory exercises or as the application of appropriate management tools. Rather, we view them as the dynamic patterns of how actors and organisations move forwards into the future while ensuring, thinking further and enabling their current and future value creation and entrepreneurial development.

Black Box 1:
Critically reflecting on value creation

What is meant by value creation in the individual case and from the actor's perspective should not be taken for granted. The term value is understood not only economically (as a price) or morally (as worth protecting against economic influence). At the same time, creation means more than creativity and innovation and refers not only to outcomes, but also to processes, practices and organisational forms. Based on the different perspectives in this 3rd Creative Economies Report, some central dimensions of value creation can be made out that deserve careful consideration:

— Whenever value creation is involved, one of the key questions is which values—for instance, economic, cultural, scientific, political or societal—are created in or by the creative economies. Or to what extent these values are tangible as artefacts and tradable as goods or not at all. Or which intangibles play a role in the first place; see, for example, the discussion on "soft power," including its fairly palpable consequences in the global competition of cultures.

— Closely associated with this question is another: whom are these values relevant for and how to assess the effect of value creation? Whether we are talking about consumers, customers, viewers, addressees, stakeholders, actors or those concerned… speaking of value creation generates not only very different ideas, but also expectations and correspondingly a range of discourses. In this perspective, value creation can be a pleasure for some, a necessity for others and a nuisance for still others.

— This involves diverse valuation criteria in terms of the success, effectiveness, meaningfulness or

sustainability of value creation. While a dynamics of economisation is evident in many fields (price, profit,… as criteria), the simultaneous culturalisation of many areas of life (aesthetics, identification,…) is indicated, or the moralisation of many topics and debates is discussed.[1]

— Furthermore, the valuation devices with which "value" is assessed are multiplied: prizes (at markets and festivals), positions in rankings and the number of likes or followers on digital platforms are all omnipresent, simultaneously competing with and complementing evaluations by critics, experts, curators and moderators… . Diverse approaches—quantitative and qualitative, human and artificial, analog and digital—all matter (see Frédéric Martel's digression on "smart curation" → p.39).

— These dynamics and heterogeneity render visible the contingency of valuations, which, depending on perspective, experience and context, is seen as liberating or as the weight of expectation, as breaking out of previous institutional dependencies or as entering into digital dependencies. Either way, evaluation bodies and institutions established as a matter of course can quickly lose their authority. Competition among evaluation bodies is clearly evident.

— At the same time, value creation processes and constellations are becoming increasingly complex: the most diverse actors are involved in developing and launching a new film, in realising a festival, and in producing a product. Where the creative contribution is seen (author / actor / director / artistic director versus…), who is remunerated how (artist / gallery owner / art fair / collector /…), which dependencies exist: each of these questions must be discussed critically.

— In some cases, "creation" itself is seen as a value-creating activity, and "creativity" as a value in itself. Some experts speak of an actual creativity dispositif or of a compulsion to innovate. In this regard, creation and innovation always imply re-valuation processes, from contextual shifts through revaluations to "disruptive innovation." This establishes that value creation and its evaluation are inherently political processes.

Crucially, no discussion on the creative economies should take value creation for granted. Thus, value creation can no longer be seen as a black box, but merits consideration as a variety of complex and contingent processes and constellations situated between input and output, between resources and values. This suggests how closely value creation is linked to the processes and

constellations of valuation. And these in turn are related to the competition between the valuation authorities, valuation procedures and valuation devices.

Creativity is a fashionable point of reference, especially nowadays. It operates as a counter-term to the economic, as a process over against the obsession with outcomes, as a condition for innovation and as a value prior to every evaluation. Consequently, intense competition for the attribution of creativity is also clearly evident: where is the creative core in a value creation process (see the considerations in the Introduction → p.3); which organisations are really creative; which forms of creativity are important, good and desirable.

Black Box 2:
Differentiating "entrepreneurial strategies"

Considering current and most of all future value creation, we consider entrepreneurship an attempt to combine creativity and economy in new formats. A real hype is unmistakably evident; in many areas, more entrepreneurship is demanded, just as thinking and acting should be entrepreneurial: institutional entrepreneurship as a means of breaking out of the limitations of established institutions; technology entrepreneurship as a central prerequisite for translating new technological possibilities into commercially viable services; social entrepreneurship as an important form of social change; scientific entrepreneurship as a prerequisite for new forms of research; political entrepreneurship as a perspective for political movements; cultural entrepreneurship, etc. Generally, the importance of entrepreneurship is increasing in SMEs, whether they are medium-sized companies, family businesses or hidden champions.

For several reasons, entrepreneurial approaches are always in the focus of the creative economies and constitute an important field for discussion, as the statistical data, the quoted material and the essay assembled in this report reveal in individual aspects.

— In the creative economies, the share of wholly or partly self-employed persons is high. For many actors in this field, it is always a question of finding new ways of enabling, financing and realising their specific value creation. Obviously, it is not only, not always and often also consciously not about the "economic," but about various value dimensions. Frédéric Martel's essay asks which models of a "positive economy" open up for the artistic field in the context of digitisation and how individual actors bundle different possibilities to suit their own entrepreneurial arrangement.

— Many of these self-employment models should also be understood in the context of precarisation, which is particularly characteristic of the creative economies: at stake therefore are not only innovative initiatives and unconventional models of artistic creation, but also whether it is at all possible to find one's own position in the highly contested artistic-cultural field and to survive on that basis. Controversies about and experiments with new models, from micro-financing for cultural value creation to new forms of support and approaches to an unconditional basic income are highly relevant in this respect. Entrepreneurial independence is often the only attempt to enable and finance one's own artistic and cultural activities.

— In the creative economies, the dynamics of digitisation had an early and fundamental impact, partly because actors from this field significantly influence digitisation. And, on the other hand, because digital business models have deconstructed, transformed and further developed the entire value creation constellation early on, for example in the music or media industry. Accordingly, this field can be seen as a promising context in which sustainable business strategies and models can be developed and reviewed.

— Entrepreneurial strategies imply the assertion of relevant values, the securing of value creation and the corresponding establishment of valuation dimensions and procedures. Looking at the creative economies is productive because value creation is here particularly confronted with uncertainty, ambiguity and contingency: whether and how an artistic assertion will one day prevail (and on which "time scale") is open. The evaluation of cultural processes and artefacts is controversially negotiated, so it is hardly surprising to find a multitude of "valuation devices" in this field: rankings, prizes, critics, curators, collections, festivals, fairs, directors, bi-/tri-/…ennials.

— Projects in the creative economies repeatedly question the institutional contexts in which they are placed and rub against these framework conditions. Put bluntly, one peculiarity of the creative economies is that its actors are constantly reinventing, asserting and realising what this field is all about. The overriding strategic question is: "What if?" This systematically implies attempts to question the self-evident, to criticise the existing, to develop counter-models and to demand "alternative institutions." Developing entrepreneurial strategies means participating in the appropriate evaluation processes and seeing them as a constitutive aspect of one's own value creation, even and especially if this is intended to prevent institutionalisation.

Some of the aspects of entrepreneurial strategies outlined so far are already being negotiated and elaborated on in detail. In our view, four core issues deserve more intensive discussion. They are formulated here as questions for practice and research. We see many actors in the creative economies engaging with these questions and proposing new possible answers. Further, they are concretising, verifying and carrying into practice these answers in the form of diverse experiments, initiatives, companies, experiments, networks, platforms, movements, etc:

1. Transformation processes: Which consequences do transformation processes of value creation constellations have for entrepreneurial strategies? Bringing into view not only the uncertainties and challenges of such transformations, but also their opportunities and perspectives, is essential to an entrepreneurial approach. One finding is crucial in this regard: no transformation happens either automatically or inevitably. Every change, every innovation is inherently controversial and can be viewed critically. Alternative possibilities always exist ("What if?"). Whether or not these have a chance is the result of a multitude of entrepreneurial decisions and initiatives. Actors in the creative economies help to shape many transformations. Just how these are to be evaluated, and whether they are desirable or not, requires critical analysis.

2. Value systems: Which entrepreneurial value creation is postulated, realised and organised by an entrepreneurial strategy? Which value system is referred to? Every value, every value creation, every valuation device implies an assertion that can also be questioned and challenged by alternative assertions. Entrepreneurial initiatives, accordingly, can be seen as attempts to create new values and at the same time to formulate, establish and institutionalise the value system implied therein (e.g., as a brand). It is therefore hardly surprising that many claims are advanced in the creative economies. They are tested, discarded, articulated, concretised, verified, justified and implemented by developing entrepreneurial strategies.

3. Organisational prerequisites: Which organisational prerequisites need to be developed and established so that a postulated value creation can actually succeed, now and in the future? Every creation of value implies an array of prerequisites: resources, partnerships, processes, structures, actors, opportunities. Successful entrepreneurial strategies take effect beyond the start-up stage and aim beyond the incubation period.

They are more than the sum of their projects. Moreover, they evolve over time, as Rei Kawakubo, chief designer of the fashion label "Comme des Garçons," sums up: "My work takes place where creating a new collection and creating a company overlap: there cannot be one or the other." Well-organised creative processes and entrepreneurial initiatives are too often simply taken for granted and not designed explicitly enough.[2]

4. Alternative institutionalisations: Which forms of institutionalisation are required for entrepreneurial strategies if they are to become effective and relevant? Artistic collectives, social movements, political initiatives, new clusters, innovative platforms, scientific labs, technological ventures,... take effect when they succeed in scaling their impact. They move among and amid many force fields: singularity and mainstream, criticism and affirmation, creativity and innovation, openness and focus, process and result. Finding the right forms of institutionalisation is a key challenge for many creative economy actors.[3]

In our view, engaging with these four core questions will be relevant for the agenda of every creative economies discussion. Implicitly and explicitly, they employ many actors and are essential for engaged institutions in the field. Moreover, they are important for research. We see the creative economies as a societal laboratory for developing answers to these questions—with great relevance beyond this field.

A "meta-framework" as a point of reference

Against this background, we propose a simple meta-framework that throws into relief the questions and topics outlined here in context and enables initiating important debates both on the present and on the future of the creative economies[4]:

As a first diagonal, we propose value creation. Importantly, value creation needs to be understood not as a black box, but as a multitude of possible connections and processes interrelating resources and values, in ever new value creation constellations. With a view to the creative economies, we propose to no longer talk primarily about industries and submarkets, and their relationship to actors outside the creative industry, but rather about potentials and models of value creation that affect every societal actor, currently and potentially.

As a second diagonal, we propose entrepreneurial strategies. We regard entrepreneurial strategies as an interplay between a mode of action (actors who design, realise, evaluate,...) and a governance

Fig.1 Creative Economies
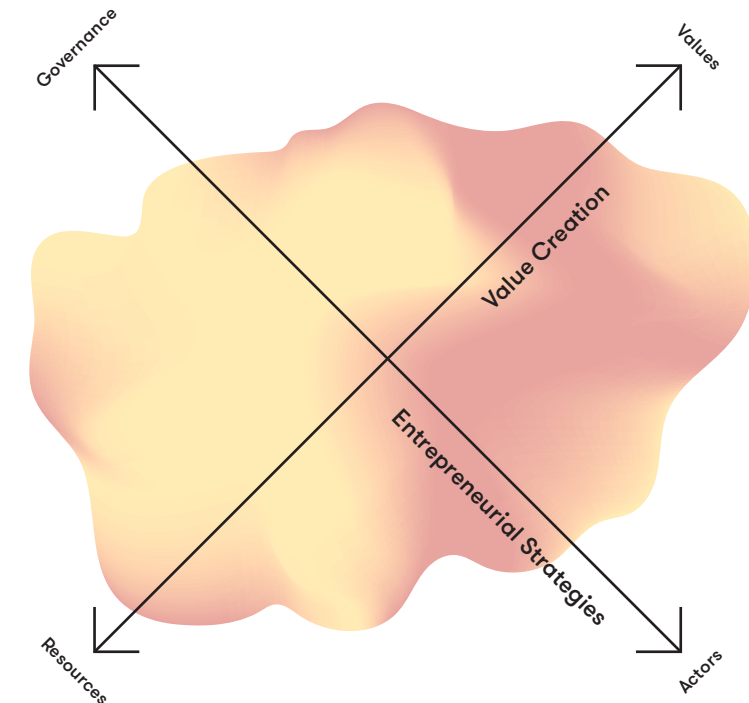
Value creation and entrepreneurial strategies as two central dimensions for analysing creative economies.

mode (creating the organisational and institutional conditions that enable the postulated strategies to be realised and take effect). Every organisation, every collective, every network, every platform, every institution of the creative economies moves within these two modes.

For us, value creation and entrepreneurial strategies are two important dimensions of the creative economies that must be better understood, seen in a new light and whose diversity needs careful reflection. Only this will make it possible to

concretise and realise the idea of a "positive economy," as Frédéric Martel's demands in his essay. This report makes some perspectives on the field accessible. It proposes some key questions for further discussion. And it outlines a meta-framework that illustrates the suggested approach. Much more important, however, are the concrete initiatives of the actors, the further debates on the core questions addressed here, which will help us to shape future opportunities for a "positive economy."

Simon Grand, Christoph Weckerle

References

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2 see also: Grand, Simon; Weckerle, Christoph: A Palaver on Scaling Creative Enterprises; in: Too Big To Scale – On Scaling Space, Numbers, Time and Energy; Dombois, Florian; Harboe, Julie (eds.), 2017
3 see also: Weckerle, Christoph; Grand, Simon: Curating as strategy; in: Nuria Krämer, Patrick Müller (eds), WITH, a bookazine on collaboration between cultures, art forms, and disciplines, Connecting Spaces Hong Kong – Zurich, 2013–2017, 2018
4 see also: Grand, Simon; Weckerle, Christoph: What if – die creative economies als zentrales Forschungsfeld der Zukunft, in: Phase 11, Eine Expedition mit der Kultur und Kreativwirtschaft, Bundesministerium für Wirtschaft und Energie, 2018

The CreativeEconomies research venture by ZHdK's Department Cultural Analysis cooperates with the University of St. Gallen's RISE Management Innovation Lab. It curates experiments, projects and initiatives aimed at conceiving and investigating new value creation opportunities across global networks. It also develops and debates valuation devices for cultural, technological and economic performance. → www.creativeeconomies.com

Terminology and Keywords

Positive economy
A term coined by the poet Arthur Rimbaud in a famous letter of 28 August 1871 to Paul Demeny: "I want to work freely [...]. I would ask you to point me towards unabsorbing occupations, because thought requires a great deal of time. I am in Paris: I need a positive economy!" The term has since been used by some associations and in various reports.

In this report, the term "positive economy" means the models of and the reflections on how artists and designers bundle different possibilities to suit their own entrepreneurial arrangement. The strategic dimension of such activities differs clearly from self-management or freelancing.

Value creation
"Value creation" combines "creation" and "value" and is often addressed as a black box. In our perspective, 1) "value" implies more than economical (as a price) or moral (as worth protecting against economic influence) dimensions. 2) "creation" means more than creativity and innovation and refers not only to outcomes, but also to processes, practices and organisational forms.

In this report, we address several important dimensions and questions which require further consideration and explicit answers.

Entrepreneurial strategies
"Entrepreneurial strategies" must be understood as connecting specific contexts of entrepreneurship with specific understandings of strategy.

In this report, we consider "entrepreneurship" as an attempt to combine creativity and economy in new formats.

Creative economies
This concept no longer structures the creative industry along submarkets, but instead focuses on the interrelations between a creative core, an extended sphere and a collocated sphere. Actors and organisations in the creative core are active in uncertain constellations and develop alternative scenarios, ones not linearly derivable from the status quo. In the collocated sphere, organisations ensure the necessary conditions—technological, infrastructural, financial, etc.—essential for effectively disseminating, implementing or asserting new ideas, designs or claims of the creative core. Between these two spheres lies a broad palette of initiatives and organisations. These act as interfaces and translators between the core and the collocated sphere: the extended sphere.

Creative core
A given element of the "creative core" is a concept of creativity that is closely related to artistic creation and the creative industry, i.e., the creative economies. At the same time, this ascription is too narrow. Other fields and activities would also need to be located in the "core": depending on context, experiments, improvisations, hacking existing systems, critical debates, etc. may all give rise to creative assertions and processes. Here, ascriptions are not made in terms of affiliations with selected disciplines, but are instead defined by specific attitudes, practices, and processes, and ultimately also by how they actually take effect in culture, economics, and science.

Extended sphere
Between the creative core and the extended sphere lies a broad palette of initiatives and organisations. These see themselves neither in the "core" nor in the "collocated sphere," but consciously act inbetween. Depending on context, these initiatives and organisations belong to one or the other sphere and establish, in the "extended sphere," important, independent, and partially extraordinarily creative exchanges between the "core" and the "collocated sphere."

Collocated sphere
In the "collocated sphere," organisations and sectors are active that while not directly linked to the "creative core" nevertheless ensure the necessary conditions—whether technological, infrastructural, financial, or other—essential for the effective dissemination, implementation, or assertion of new ideas, designs, or claims. Such organisations and sectors thus establish important prerequisites for the realisation of new approaches and alternative possibilities

Creative industries (CH)
The following submarkets are covered: music industry, book market, art market, film industry, broadcasting industry, performing arts market, design industry, architecture market, advertising market, software and games industry, crafts market, press market, audio-visual technology market.

Creative industries (UK)
Industries defined as creative by Nesta resp. UK's DCMS.

Creative economy
Those employed in creative industries (either in creative occupations or other roles) and those employed in creative occupations outside the creative industries.

Creative intensity
The proportion of industry employment that is in the set of occupations considered as creative.

Creative non-specialist
Someone employed in the creative industries in an occupation which is not considered as being creative.

Creative occupation
Occupations defined as being creative by Nesta resp. UK's DCMS.

Creative specialist
Someone employed in a creative industry in a creative occupation.

Creative trident
Estimates of national employment in the creative economy and creative industries, separating out creative jobs and non-creative jobs.

Data sources
Federal Statistical Office FSO, National Accounts NA, Structural Business Statistics STATENT, Swiss Labour Force Survey SLFS; Federal Tax Administration FTA, Value Added Tax VAT statistics

Dynamic mapping
The Dynamic Mapping methodology as originally applied by Nesta to classify the creative economy consists of three stages. First, a set of occupations are identified as creative. Second, the workforce intensity of these occupations is calculated for each industry in the economy. Third, based on the distribution of creative intensity across industries, a threshold intensity is identified, above which all industries are determined to be creative for measurement purposes and all those below are not. For our analysis, we first had to crosswalk the set of creative occupations identified by Nesta resp. UK's DCMS to internationally consistent International Standard Classification of Occupations (ISCO) codes.

Location quotient (LQ)
The creative industries employment share of the region relative to the creative industries employment share of the national employment. The maps show how the importance of employment in the creative industries in a region compares with their importance in the country as a whole. Areas that are more darkly shaded in the maps are those where there is a higher proportion of employment in creative industries relative to the Swiss national level (i.e. those with a higher location quotient). An LQ>1 means the regional workforce is more concentrated than the national one, an LQ=1 means that the concentration is the same and an LQ<1 means that it is less concentrated.

General Classification of Economic Activities (NOGA/NACE)

International Standard Classification of Occupations (ISCO)

Authors

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Note

The 3rd Creative Economies Report can be downloaded from www.creativeeconomies.com From autumn 2018, a German and a French version will also be available for download.

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Zurich University of the Arts
Cultural Analysis

"POSITIVE ECONOMY"

A living chart

by Frédéric Martel

This overview consolidates the results of the study based on over 125 interviews and displays the trends for new business models.

In each box, please complete the chart and add new examples of economic models. Feel free to send us your ideas: martel2021@yahoo.com

Methodology: This qualitative study was conducted for Zurich University of the Arts (ZHdK). It is based on an extensive qualitative interviews of 125 artists in 18 countries. All the artists interviewed were between 18 and 40 years of age and not yet "consecrated"; they defined themselves as musicians, visual artists, theatre and film artists, actors or comedians, dancers, writers, screenwriters, YouTubers, playwrights, dramatic advisers, architects, designers, graphic designers, hybrid, digital or new media artists, game makers or cultural journalists.

All interviews took place in situ, face-to-face, in these countries: Argentina, Belgium, Chile, Colombia, Chile, Dubai, France, Germany, Hong Kong, Israel, Italy, Japan, Lebanon, Mexico, Portugal, Spain, Switzerland, United Kingdom and United States.

Besides these artists, I completed these interviews by meeting nearly a hundred content producers, web entrepreneurs, start-uppers, owners of cultural enterprises or public cultural policy actors.

Horizontal: art disciplines

Vertical: Economic models or tools

Column headers (Vertical: Economic models or tools)

- Traditional (core business)
- Digitisation (core business)
- Subscription Model ("all you can eat" models)
- Other Disruptives & New Models
- Social Networks
- Teaching & University
- Moocs, teaching tools, educational apps
- Arts Incubators
- Non profit & Subsidised
- Merchandising tools
- Crowdfunding
- Other related activities
- Other unrelated activities
- Prices & Subsidies
- Smart Curation
- New Models (Foresight)

Row headers (Horizontal: art disciplines)

- Musicians
- Writers
- Visual Artists
- Film / Video Games
- Theatre
- Press

Musicians
- Live
- CD sales
- Streaming
- YouTube
- Vevo
- YouTube
- Streaming with Subscriptions model (Spotify, Deezer, Soundcloud, Oobuz, Tidal, Pandora, Apple Music)
- Connected speakers (agnostic or non)
- Smart speakers
- Bundles (Spotify, Deezer…)
- 360° → p.23
- Synchro (music on image): add/web/video game
- WorkHard PlaylistHard
- Playlists
- SongKick (live curation)
- Individual classes (e.g. guitar lessons) → p.20
- Online classes (Zoom.us)
- Music Moocs
- Keeping Score → p.28
- Connecting Audiences → p.43
- Deviant Art → p.42
- Tax credit
- Orders (classical)
- Daft Punk model → p.38
- Bandcamp
- DVD as simple merchandising
- My majorcompany
- generalists Kickstarter, Ulule etc.
- Patreon → p.36
- Restaurant gigs, hotel lobbies musicians
- Brand CM
- Music prices
- Tax credits for labels
- Discovery Weekly (Spotify)
- Soundgood
- Connected Speakers recommendations

Writers
- Physical book sales
- Books sales online
- Amazon Prime (subscription model)
- Oyster (Google)
- Glose
- YouBoox
- Podcasts
- Self publishing
- Fan fiction
- Café/bookshops
- Producer of content forwebsites
- Instapoets
- Creative writing classes (university)
- Moocs
- Click (Bogota) → p.20
- Grants & scholarships
- community spaces
- generalists Kickstarter, Ulule etc.
- Patreon
- Ghostwriting
- Personal CM
- Literary prizes
- GoodReads
- BookTubers
- Live (readings, lectures, signatures)
- Bundle

Visual Artists
- Sales
- Bright → p.26
- Sedition Art App
- DAOculture: blockchain and bitcoin models
- Instagram
- Art Moocs
- artist residencies
- DIY artists
- ArtNation
- The «Brooklyn» model → p.16
- Burning Man Festival → p.45
- Artist collectives
- Orders
- Politics: Umbrella Mvt. → p.42
- Hacker spaces
- accelerators
- arts incubators
- Society 6 (goods, merchandising)
- iPhone covers
- Patreon
- Donation buttons
- Instagram CM
- Web design
- Museum guides
- Waiters
- Teaching regular classes (if unrelated)
- Visual artists prices
- Instagram
- Streaming
- Live (readings, lectures)

Film / Video Games
- Theater
- Sales
- DVD
- Netflix
- Twitch
- Steam
- Blacknut
- Uplay (Ubisoft)
- Online programming (customizing)
- Instagram stories
- Snapchat stories
- Moocs
- FabLabs
- co-working spaces
- Tax credit
- People for cinema (belongs to Ulule) or Movies Angels
- Video games (Digital Coproductions or gamesplanetlab, belongs to Ulule)
- Patreon
- DVD as simple merchandising
- Web design (if unrelated)
- Readings
- Lectures
- Bundle
- Film Prizes
- Tax credits for video games

Theatre
- Attendance
- Ticket sales
- Costs (Baumol Law)
- Digitaltheaterplus
- Festivals
- Workshops
- Actor readings
- Voice-over
- Rousseau readings → p.40
- Expertise in live events and public speaking tools (MoC Agency)
- Teaching
- third spaces etc. (the Family, Spintank, Station F…)
- Social theatre with sponsors (prisons; the handicapped; hospitals; retirement homes)
- Theatre collectives (Wooster group, Living Theatre…)
- Order
- generalists Kickstarter, Ulule etc.
- Patreon
- Cabaret, drag shows (Hell's Kitchen, Dumbo)
- TV sets designers
- CM (if unrelated)
- Readings
- Lectures
- Prizes

Press
- Newsstand
- Sales
- Facebook Newsfeed
- Phone/subscr.
- Web Radios
- Offre Bundle (SFR etc.) with Phone/subscr.
- Podcasts
- Panels
- Conferences, breakfast, live events (Monocle) → p.18
- Shop related (Sphere, Horizontal/Mexico)
- Moocs
- Horizontal → p.43
- Julia Cagé's press models → p.44
- generalists Kickstarter, Ulule etc.
- Journalism prizes
- Bundle
- Readings
- Animations