

Determining the potential role of the creative economy to reduce unemployment

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requirements for the degree *Master of Business Administration*
at the Potchefstroom Campus of the North-West University

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November 2016

It all starts here [™]



NORTH-WEST UNIVERSITY
YUNIBESITHI YA BOKONE-BOPHIRIMA
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I thank God that I have finally reached this milestone.
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My daughter, my ray of sunshine and my cheerleader, you are a star!

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ABSTRACT

At present South Africa is the most developed country in Africa and it had the highest GDP growth rate until 2014, when it was overtaken by Nigeria. In April of 2016, South Africa's largest economic sector remained the services industry, which accounts for approximately 73 percent of the national GDP. Within the overall service industry sector, the greatest contributions are made by the financial, real estate and business services sectors, which account for 21.6 percent. Government services account for 1.7 percent of the GDP, while wholesale and retail trading, the motor trade, catering and accommodation account for 15 percent and transport, storage and communication for 9.3 percent. The GDP growth rate of South Africa is now the third highest in Africa, after Egypt.

Although it was reassuring to observe that the number of employed people rose by an encouraging 198,000 in the second quarter of 2015, after an increase of 139,000 in the first quarter of 2015 and a massive overall gain of 563,000 for the past year, this optimistic assessment stands in sharp contrast with the findings of the Quarterly Employment Survey (QES), which indicated that South Africa had lost 44,000 jobs in the formal sector during the first quarter of 2015 and that employment in the formal sector had declined by 43,000 jobs during the past year.

Although a burgeoning creative economy in South Africa would contribute significantly towards counteracting the high levels of unemployment, the challenges which are faced by a very large portion of the population, who are still experiencing the effects of being effectively excluded from the economy, in gaining access to income-generating opportunities, need to be identified and an awareness of the opportunities which are available to this sector of the population needs to be fostered.

The value of consistently creating awareness is of crucial importance for any sustainable initiatives which may be implemented. Key role players in creative economic initiatives will need to dedicate resources in order to assess specific requirements with respect to information and to develop the information which is

required, in order to help decision makers to use the information to generate and validate actionable insights concerning customers and markets.

The research study which forms the basis for this thesis found that responses concerning the level of awareness among the target population were significantly positive, ranging from 'neutral' to 'strongly agree'. However, it was also evident that more awareness drives are needed, as the rating of this variable could have been significantly higher. Increased levels of awareness would enable steadily increasing numbers of people to be in a greatly improved position to engage in creative business enterprises in order to take advantage of the growth in the global market within a creative economy.

KEY WORDS

Creative

Industry

Awareness

Unemployment

Sustainable initiatives

Black Economic Empowerment

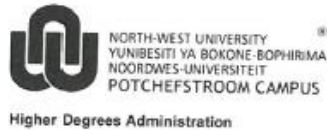
Income generation

Entrepreneur

Opportunities

Economic growth.

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CHAPTER 1: INTRODUCTION AND OVERVIEW

1.1. Introduction

Governments worldwide are awakening to the true economic value of Creative Cultural Industries (CCI), in which of the order of 29,507,000 jobs were created and US\$2,250 billion of revenue was generated throughout the world in 2013 (Ernst & Young et al., 2015:15). However, the share of these enormous gains of Africa and the Middle East amounted to only 3 percent of the total revenue which had been generated and 8 percent of the total number of jobs which had been created (Ernst & Young et al., 2015:16).

From the miniscule share of 3 percent of the revenue which was generated by CCI which is shared by Africa and the Middle East, it is abundantly obvious that these regions stand to make enormous gains by increasing their sales of commodities produced by this sector of their economies. Consequently, the extent of the awareness and the understanding of the opportunities which are afforded by the creative economy to creative entrepreneurs and workers in South Africa needs to be accurately assessed and evaluated, as this sector has great potential for boosting the overall growth of industry in South Africa.

1.2. Background to the research problem

At present South Africa is the most developed country in Africa and it had the highest GDP growth rate until 2014, when it was overtaken by Nigeria. Its GDP growth rate has since been surpassed by that of Egypt, thereby relegating South Africa to third place on the African continent in this respect. In April of 2016, the services industry constituted the country's principal economic sector by accounting for approximately 73 percent of its overall GDP. Within the service industry sector, the most important sectors are those of finance, real estate and business services, which together contribute 21.6 percent of the GDP, with government services contributing 1.7 percent, wholesale and retail trading, the motor trade, catering and

accommodation 15 percent and transport, storage and communication 9.3 percent (Trading Economics, 2016).

The other chief sectors which contribute to the GDP are the manufacturing industry, which accounts for 13.9 percent, with mining and quarrying accounting for 8.3 percent and agriculture a mere 2.6 percent, (Trading Economics, 2016).

The contribution to the South African GDP made by the creative industries is not of the order of even the small percentage contribution made by the sectors which have been mentioned, which attests to the historical lack of attention which has been given to the creative industry, owing to the fact that its descriptor is a partial one and as a result of the true potential of the sector being either misunderstood or undervalued (Ernst & Young *et al.*, 2015:11).

From the broadest global perspective, the creative economy has grown at an annual rate which is more than twice that of the services industries and more than four times that of the manufacturing industries, among countries belonging to the Organisation for Economic Co-operation and Development (OECD) (Joffe & Newton, 2008:3). In 2001 Howkins estimated that the creative economy would grow annually at 5 percent per annum, with the possibility of tripling in size globally by 2020 (Howkins, 2001:2).

The forecast which Howkins made is now becoming evident in the increased creation of employment and, as a consequence, wealth in the developed countries, which have seen rates of employment increase by an average of between 3 and 5 percent and over 5 percent in the case of the USA in the cultural industries. Worldwide the cultural industries are considered to be the fifth largest economic sector in terms of turnover, after financial services, information technology, pharmaceuticals and bio-engineering and tourism. It is a sector which has a substantial degree of scope, scale, size and significance (Cultural & Group, 1998:16). By taking cognisance of the positive developments which are evident in international trends, South Africa should accelerate its efforts towards opening avenues for its own creative economy to thrive and to grow globally.

Although an optimistic outlook was provided by the number of employed people rising by 198,000 in the second quarter of 2015, after an increase of 139,000 during the first quarter and an impressive gain of 563,000 during the course of the year, the figures which were supplied by the Quarterly Employment Survey (QES) presented an altogether more dismal prognosis by showing that 44,000 jobs in the formal sector had been lost during the first quarter of 2015 and that employment in the formal sector had declined by 43,000 jobs during the previous year (Biznews, 2015).

In the three months leading up to March of 2016, unemployment levels in South Africa increased above the anticipated level for the labour market of 25.5 percent, from 24.5 percent to 26.7 percent, making for the highest level since September of 2005 (Trading Economics, 2016). In order to reduce the present catastrophic levels of unemployment, the National Development Plan of the government aims to attain a rate of unemployment of 14 percent by 2020 and one of 6 percent by 2030 (Biznews, 2015).

As it has been acknowledged through the studying of international trends that a rapidly growing creative economy in South Africa has the potential to accelerate the rate at which people who are at present unemployed are able to become economically active, attention needs to be given to identifying the challenges which members of previously disadvantaged populations encounter in gaining access to income-generating opportunities and to promoting awareness of existing opportunities.

Some of these challenges have been articulated by communities in a bid to obtain access to information which would enable young developing entrepreneurs to generate thriving livelihoods through the sale of creative services and products. There is a great need to make a comprehensive evaluation of the potential of the creative industry as avenue means of enabling creative and enterprising people to intensify their efforts to start sustainable businesses, through the gaining of an in-depth understanding of the workings of the creative economy, in order to facilitate trade, both locally and internationally (www.southafrica.info/, 2016).

In a world which experiences frequent disruptions and upheavals, economic, social, political, technological, creative and cultural contexts have provided a common link throughout history, knitting together our past, present and future (Ernst & Young *et al.*, 2015:7) Consequently, the creative industries will always have a significant role to play in promoting the vibrancy of societies and creative people will always be needed, in one guise or another.

In addition to contributing to economic growth, the creative economy also contributes towards the cultural development of societies, as it provides leeway for artistic and creative self-expression, the growth and development of self-esteem and self-reliance, emotional and intellectual stimulation, confidence building, creative thinking and innovation and an enquiry into the human condition (Gauteng Provincial Government, 2006). It also contributes to the development of societies through encouraging participation by communities, promoting the involvement of the youth in the confronting and resolving of problems and injustices pertaining to gender and contributing to democracy through creative dialogue and expression, social inclusion, social cohesion and the building of social capital (Gauteng Provincial Government, 2006).

Creative art forms such as music have been used effectively to promote agendas ranging from awareness campaigns pertaining to diseases which afflict societies, such as cancer and HIV and AIDS to political stands (Ernst & Young *et al.*, 2015:107), which, in turn, generate opportunities for employment, as the related forms of communication are designed by people who work in the creative economy.

Artists play an important role in creating awareness of political issues and contributing to improved social cohesion, in the interests of sustaining the economies of countries. In the words of Fernando Trueba, “In Europe, culture brings more wealth, including economic wealth, than any other industry. Art, culture, the ability to debate are Europe’s main assets, although our politicians sometimes forget it” (Ernst & Young *et al.*, 2015:112). In this context, ‘political’ art is understood in the broadest sense, and includes music, street theatre and all forms of visual representation. Artistic expression has an undisputed place in contemporary social activism, as it can be used to challenge the status quo (Eyerman, 2013).By

constantly re-inventing the role of activist-artist, at least some artists aim to create a type of political art which is not propaganda, but which rather acts to evoke and stimulate a critical stance towards the world. This endeavour is of crucial importance to contributing to the creating of free economies, in which ideas can be shared, thereby enabling the free movement of creative cultural works in a viable creative economy (Eyerman, 2013). Consequently, the extent to which art can be used in political discourse should also be understood by emerging creative talents operating in the various creative industries, in order to take advantage of the economic opportunities which this sphere has the potential to generate.

Apart from the indispensable role which the creative industry plays in other spheres of life, it also makes a significant contribution to the development of technology. The leading internet giants of the world have emerged through and as a result of the creative content of their endeavours (Ernst & Young *et al.*, 2015:7). Although some may have feared that the digital economy would standardise culture and creativity, the digital economy has actually taken the opposite direction. The convergence of the digital economy with the creative economy has accelerated the diversity of culture and creativity and generated US\$200 billion in revenue throughout the world in 2013 (Ernst & Young *et al.*, 2015:7). Creative industries have been the focus of technological convergence, simply because they provide rich forms of content, creativity and relevant skills.

Digital players such as online retailers and streaming platforms are fuelled by CCI content. This content takes the form of physical goods which are sold through the internet, such as books, music, games and videos, and it can also take the form of digital cultural content, such as e-books, music, video, games and online media advertising, through free streaming services such as digital advertising (Ernst & Young *et al.*, 2015:13). Entrepreneurs and workers in the creative economy need to be aware of and to understand the relevant communication media, transacting facilities and the logistical and design tools which need to be employed in order to thrive in the domain which it has created.

The global trends which have resulted from a migration from knowledge economies to creative economies have been characterised as a move away from the

Information Age to the Conceptual Age. The levels of production of various specific types of goods have increased exponentially, which has resulted in most goods being functionally satisfactory and realistically priced, resulting in markets in which consumers are spoiled for choice. As a consequence, consumers have tended to become more perceptive, hard to satisfy and demanding. As their expectations have grown, producers and manufacturers have needed to ensure that their products have pleasing aesthetic features, communicate a certain level of class, resonate with particular paradigms of societies and set those consumers who choose them apart. The production of products which meet these criteria requires an ever-increasing creative component.

A trend in which manufacturing which entails automated processes would be concentrated in the least expensive regions of the world is also evident in various fields in the knowledge industry, such as computer programming, engineering, accounting, copy-editing and law. As the means of overcoming the effects of trends of this sort appears to lie in developing the ability to differentiate a particular product or a service from another, it becomes increasingly apparent that the creative industry is indispensable to a growing economy.

1.3. Problem statement

A lack of awareness of the opportunities which the creative economy affords could be a significant factor for South Africa and the rest of the African continent not having an optimal share of the global market for creative services and products. Other possible exacerbating factors could include widespread low levels of educational achievement and high rates of unemployment. These two factors alone could effectively preclude people from having the necessary resources to explore other avenues for employment or starting their own businesses, which would inevitably retard the growth of the creative industry.

The shrinking job market and the slow increase in levels of education in South Africa together constitute one of the greatest threats to the country's ambition to achieve a stable growing economy with a correspondingly stable socio-political environment.

If rates of employment and levels of education are to be considered as reliable indices for the prospects of the future adult population of South Africa, the outlook is not very bright, despite the improvement in the education profile of employed youth for the period between 2008 and 2015. In 2015, 44,5 percent had left school without matriculating, while an additional 36,9 percent had terminated their education at the matriculation level (Statistics South Africa, 2013:1). A relatively small percentage of 21,2 percent of employed young adults had received education at the tertiary level. Large differences in the education profiles of the various population groups resulted in only 13,1 percent of black African young adults and 10,5 percent of coloured young adults having skilled occupations, while one in every three Indian and Asian young adults (36,2%) and 53,4 percent of white young adults worked in skilled professions (Statistics South Africa, 2015:1)

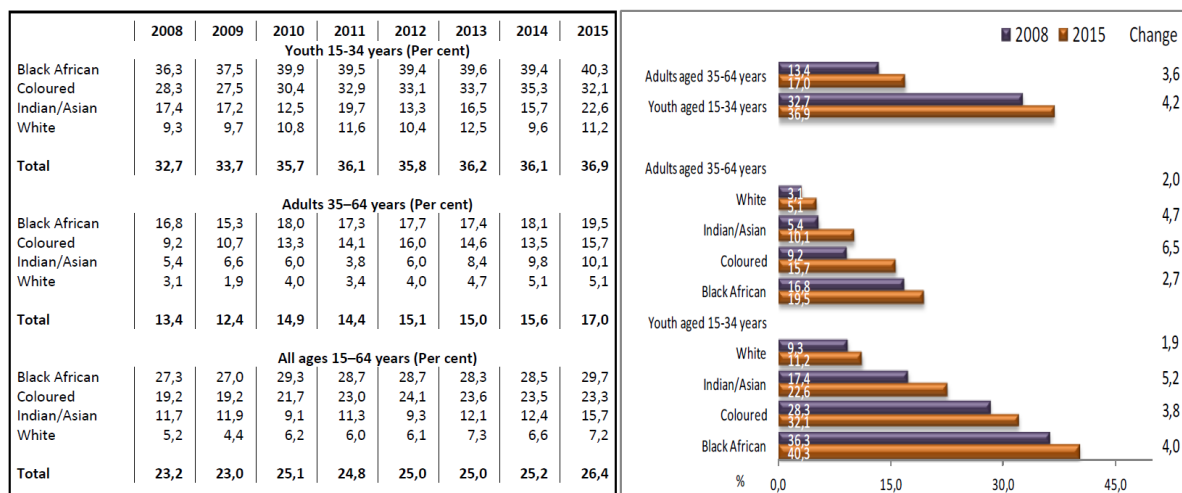


Table 1: Rates of unemployment

Table 1 above provides an overview of the rates of unemployment among the various population groups. It is obvious from the figures that a great many young adults encounter severe difficulties in finding employment, as a staggering 55,0 percent of the young people who are actively seeking employment have attained levels of education which are below the matriculation level, while an additional 36,4 percent have only a matriculation qualification (Statistics South Africa, 2015:1).

The sustained existence of entrepreneurial start-ups in South Africa is also threatened by adverse trends. The graph above from Statistics South Africa shows that the levels of staff employment and profits from turnover of small and medium-

sized enterprises (SMEs) are declining, which contrasts sharply with global trends, as SMEs constitute the largest employers in the economies of both the developed and the developing countries (Business Environment Specialists, 2015:1). As the global creative economy is growing annually by more than 5 percent, South Africa would almost certainly fare a great deal better if concerted efforts were made to focus on increasing the development of skills, levels of employment and entrepreneurial start-ups within the creative economy, which can be achieved only through an increased awareness of the opportunities which exist in the creative economy, both locally and internationally.

1.4. Research questions

The in-depth elucidation of the problem statement yielded the following research questions:

- What is the role of creative institutions?
- How may full advantage be taken of the Black Economic Empowerment programmes which are being implemented at present?
- How are entrepreneurial principles applied by entrepreneurs operating in the creative economy?
- What are the game changers of which creative entrepreneurs need to be aware, in order to adapt and survive in the creative economy?

1.5. Anticipated contribution to be made by this research study

This research study seeks to add to the body of available knowledge pertaining to the creative economy, in order to promote an improved understanding of it as a potential economic tool for reducing unemployment and equipping creative entrepreneurs with the knowledge which they need to survive in the domain of the creative industries. A comprehensive understanding of the creative economy has the potential to contribute towards building a creative economy which is sustainable and able to provide a significant economic impetus to the economy of South African as a whole.

1.6. Objectives of the research study

The objectives of the study comprise a single general objective and a number of specific objectives.

1.6.1. General objective

The general objective of this research study is to acquire an understanding of the extent of the general awareness and understanding, at present, of the opportunities which are afforded by the creative economy to entrepreneurs, in order to generate sustainable employment in the creative industries.

1.6.2. Specific objectives

The specific objectives are:

- To understand the role of creative institutions.
- To understand how full advantage may be taken of the Black Economic Empowerment programmes which are being implemented at present.
- To understand how entrepreneurial principles are applied by entrepreneurs operating in the creative industries.
- To determine the game changers in the creative industries.

1.7. Research hypotheses

This study makes use of the null hypothesis (H_0) that the extent of the awareness and understanding of the opportunities which are afforded by the creative economy to entrepreneurs, makes no difference to the creating of employment and businesses in the creative sector. Conversely, the alternate hypothesis (H_1) holds that the extent of the awareness and understanding of the opportunities which are afforded by the creative economy to entrepreneurs results in the creating of more employment and businesses in the creative sector.

1.8. Scope of the study

This study will be conducted mainly in Johannesburg, with a target population which will consist of individual people who participate in the various creative sectors. The main discipline which will be investigated will be that of entrepreneurship, at the business and organisational levels.

1.9. Research design

1.9.1. Approach to conducting the research study

According to Welman, Kruger and Mitchell (2005:2), “research is a process that involves getting scientific knowledge, by means of various objective methods and procedures”. The objective nature of the methods and procedures entails the removal of the subjective opinions of researchers from the observations which they make. Welman *et al.* (2005:2) explain that these methods and procedures together comprise the methodology of a research study and provide it with its underlying logic. They also discuss sources of knowledge, which they classify into two categories, namely, scientific and non-scientific knowledge. Sources of non-scientific knowledge include institutions and figures of authority, the opinions of others, traditions, debating, accidental observations and so on, while scientific knowledge can be classified using three core features, namely, systematic observation, control and replication (Welman *et al.*, 2005:5).

Welman *et al.* (2005:6) go on to explain that there are two main approaches to research. The positivist approach, which entails a quantitative approach, limits the scope of research to phenomena which can be observed and objectively measured.

1.9.2. Summary of the phases of the literature review and the empirical study

This research study was preceded by a comprehensive review of the relevant literature, which consisted mainly of secondary information.

1.9.3.Literature review

In order to obtain a detailed overview of the research topic, a comprehensive review of the available relevant literature was carried out, using literature which had been written and presented during the course of the previous 6 years. However, there were exceptions, as literature which was believed to be of significance to the research study which dated from before the stipulated cut-off point of 6 years was also used. Literature of this sort would not normally be regularly updated, as its focus is global and it results from partnerships between various global organisations. This category of information would normally be updated only after a decade, as extensive resources and global partnerships need to be committed to compiling it.

A review of the relevant related literature provides both the researcher and the reader with information which is pertinent to the research topic and background information to place it in an appropriate overall context. A review of this nature also affords the researcher an opportunity to discover whether similar research studies have already have been conducted, thereby eliminating the possibility of superfluously duplicating existing studies (Welman *et al.*, 2005:39).

1.9.4.Sources of information for the conducting of this research study

The first phase of the study entailed a comprehensive review of the literature related to the research topic, by consulting the following categories of sources:

- Articles in journals
- Textbooks
- Academic papers and articles which are available from the internet through using databases such as EBSCOhost, JSTOR, Emerald and GOOGLE Scholar
- Academic papers which have been presented at conferences
- Global reports
- Reports of companies or organisations in instances in which they are applicable

1.9.5.Key words

Key words which will be used in this dissertation are:

Creative industry, awareness, Black Economic Empowerment, income generation, entrepreneur, opportunities, economic growth.

1.9.6.Sampling

A target population is the full set of cases from which a research sample is taken Welman *et al.*, (2005:53). Wild and Diggins (2013:183,186) define a target population as “the aggregate of all the units of the analysis, as determined by the problem that is being investigated or the total group of people from whom information is needed”.

A research sample is a representative portion of the population which is being studied. The criterion that a sample should be representative of the larger population from which it has been drawn implies that its members should possess the exact characteristics in which a researcher may be interested, but in smaller numbers, (Welman *et al.*, 2005:55).

The basic premise upon which the practice of sampling is founded is that by choosing some of the units of a population, inferences can be drawn from the sample with respect to the population as a whole (Cooper &Schindler, 2013:163), as a sample can provide a true depiction and an accurate understanding of the population concerning which inferences are drawn.

All of the participants in the study worked in the creative sector within the Greater Johannesburg Metropolitan Area, although they were not necessarily required to live in the area, as a small minority of the participants were from other provinces. The categories of participants consisted of self-employed creative entrepreneurs, creatives in training and creatives working in creative organisations and entities. The list of participants was obtained through referrals, direct calls and walk ins.

Research instrument used to collect data

A structured self-administered questionnaire was used to collect the data from the participants, which consisted of two sections. Section A comprised the socio-demographic characteristics of the participants, while section B focused on obtaining information relating to the general and specific objectives of the research study which were outlined earlier. The surveys consisted of statements which were measured on a five-point Likert scale, from "strongly agree" to "strongly disagree", "yes" and "no" answers and descriptive information.

1.9.7. Ethical considerations

In order to respect the ethical considerations which are mandatory for all research which involves human participants, the questionnaire made the following stipulations:

- Participation in the form of completing the questionnaire was strictly voluntary, without any implied prejudice or penalties for refusing to participate.
- The utmost care would be taken to protect the privacy and the dignity of the participants.
- No indications needed to be given concerning the identity of the employers or employees who participated in the study.
- Permission from the relevant authorities would be obtained to conduct the study in those instances in which it was necessary to do so.
- The information which was provided in confidence by the participants would not be disclosed to anyone.
- No participant would be identified by his or her name on the questionnaire.
- All participants would be required to sign informed consent forms before participating in the study.
- Participants who wished to do so could withdraw from participating in the study at any time.

1.9.8. The collecting of the data

The data was collected during a period of 6 weeks, between the months of July and August of 2016. The researcher was personally responsible for the distribution and collection of all questionnaires. The capturing of the data was performed electronically for the purpose of analysing it, in order to meet the objectives of the study.

According to Welman *et al.* (2005:9), the criterion of validity requires that a study should be representative of what the researcher is investigating and the criterion of reliability ascertains the extent to which the study has measured its data in a consistent and stable manner and whether it could be replicated. The researcher took particular care to ensure that the procedures which were employed to conduct this study could be replicated.

Cooper and Schindler (2014:257) classify validity according to two categories, namely, internal and external validity. External validity pertains to the ability of the data to be generalised to the rest of the population from which the research sample was drawn, while internal validity concerns the ability of the research instrument to measure what it had been intended to measure. They go on to explain that validity can be assessed in terms of three principal variants, namely, content, criterion-related and construct validity.

“(The) content validity of a measuring tool is the extent to which it provides adequate coverage of the investigative questions guiding the study”, (Cooper & Schindler, 2014:257). The extent to which a sample is representative of the target population of a research study also affects the validity of the content of a study, as does the judgement of individual researchers. Content validity is increased through the careful definition of a research topic, the items to be scaled and the scales which are to be used (Cooper and Schindler, 2014:258). All reasonable measures were taken in order to ensure that this research study possessed both internal and external validity.

By following the advice which was provided by Welman *et al.* (2005:146) during the conducting of this research study, great care was taken to ensure that the measuring instrument was able to yield consistent results each time it was applied,

fluctuating only when there were variations in the variable which was being measured.

1.9.9. Statistical analysis

The data was analysed using quantitative methods. Descriptive statistics were used to analyse the results and to establish trends. Measurements of central tendency which were used in the analysis of the data included the mean, the median, the range and the mode. To measure variations in the data, the statistical techniques which were used included coefficients of variation, a t-test and coefficients of correlation and covariance.

1.9.10. Limitations of the study

The target population for this study was limited to creatives who either worked in or owned a business in the creative sector and to those who were in training, with a specific focus on meeting the general and specific objectives of the study as they were elucidated previously in this chapter.

1.10. Chapter outline

This dissertation will be presented in the following Chapters:

- Chapter 1: Introduction and problem statement
- Chapter 2: Literature review and key concepts employed to conduct the research study
- Chapter 3: Research methodology
- Chapter 4: Results and discussion
- Chapter 5: Conclusions and recommendations

1.11. Conclusion

Although the Department of Arts and Culture has made a substantial commitment by implementing measures to help artists to create sustainable businesses and to provide an understanding of the creative industry in terms of how it operates, the industry remains an elusive arena for prospective creative entrepreneurs. Creative entrepreneurs will need to acquire a sound and in-depth understanding of the creative industry environment, how creative institutions operate, how they procure creative products and services and how to take the fullest possible advantage of the Black Economic Empowerment programmes which are being implemented at present, in order to enable black people in the creative sector to match the achievements of their white counterparts in producing products and services which are of sufficient excellence and which are generated on a scale which will make a significant contribution to the economy. It is only when excellence is attained in the conceptualisation and production of creative products and services, with by-products which are of sufficient quality to be sold both locally and internationally, that economic benefits will be realised and a significant contribution will be made to the economy of the country.

CHAPTER 2: LITERATURE REVIEW AND KEY CONCEPTS EMPLOYED TO CONDUCT THE RESEARCH STUDY

2.1. Introduction

This chapter will be divided into four sections in order to give adequate coverage to each of its focal concerns:

- The first section will focus on providing a comprehensive overview of the nature of the creative industry and endeavour to identify its main role players.
- The second section will be devoted to endeavouring to provide an outline of the role which the creative industry can play in the national economy.
- The third section will be devoted to the topic of awareness and understanding the opportunities which are afforded to entrepreneurs in the context of the creative economy.
- The fourth section will investigate key functional strategies to build awareness, through the effective harnessing of resources and capabilities.

2.2. The creative economy

There is no single definition of the creative economy and neither is there general consensus concerning the set of knowledge-based economic activities on which the creative industries are based (Creative Economy Report, 2008:5). According to the Creative Economy Report (2008:5), a high-level inclusive definition defines the creative industries as those industries which are at the crossroads of the arts, culture, business and technology and are made up of the cycle of creation, production and distribution of goods and services which use intellectual capital as their primary input. These industries range from an array of traditional arts, festivals, music, books, creative activities such as painting and the performing arts to the more technology-intensive subsectors such as the film industry, broadcasting, digital and video games and service-oriented fields such as architecture and advertising.

UNESCO defines cultural and creative industries as activities “whose principal purpose is the production or reproduction, promotion, distribution or commercialisation of goods, services and activities of a cultural, artistic or heritage-related nature (Ernst & Young *et al.*, 2015:11).

Potts *et al.* (2008:2) have questioned the narrow perspective which is entailed by considering the ‘creative industries’ as a sector of the economy; instead they make a case for an ‘innovation model’ of the creative industries, in terms of which creative industries are considered a part of the broader innovation system, contributing to the generation of ideas and technology (Chapain& Comunian, 2010:347).

An analysis of 11 sectors of the creative industries in 5 global regions which was conducted by UNESCO is shown in Table 2.1 below (Ernst & Young *et al.*, 2015:11).The table provides a clear graphic representation of the various creative sectors in the creative economy. From the table it is quite evident that the creative economy cuts across several industries, which indicates that the role which it plays in the broader economy is sufficiently significant to attract the attention of both business and governments and to emphasise, in both spheres, the need to promote awareness of the opportunities which are offered within its broad and vibrant ambit.

Advertising	Advertising agencies	Music	Sound recording and music publishing industry, live music	Radio	Radio broadcasting activities
Architecture	Architectural firms	Movie	Motion picture production, post-production and distribution	TV	TV programming, production and broadcasting including cable and satellite
Books	Physical and digital books sales (including scientific, technical and medical books)	Newspapers and magazines	Newspapers and magazine publishing industry (B2C and B2B, news agencies)	Visual arts	Visual arts creation, museums, photographic and design activities
Gaming	Video game publishers, developers and retailers; equipment sales	Performing Arts	Performing arts activities: dance, theatre, live music, opera, ballet, etc.		

Table 2.1: Sectors on the CCI (Ernst & Young *et al.*, 2015:11)

From the various definitions which have been offered, the working definition of the creative economy which will be adopted for the purposes of this research study is an economy which is driven by people who have creative ideas which can be translated into services and goods, using various forms of knowledge, media and

technological innovations, which will be of value to a certain group of people who constitute either a local or a global market, either at present or else in the future.

2.3. The local and global roles of the CI

Governments throughout the world recognise that the creative industries constitute a significant force in modern economies and, as a result, many governments have formulated national strategies which target their creative businesses and workforces (Creative Industries, Office for the Arts, 2011:6). African governments have tended to pay little attention to CCI, either as a result of a lack of understanding of their economic potential or because their governance and economies were too weak to support them. However, they are recognising the value of cultural development to a steadily increasing extent (Ernst & Young *et al.*, 2015:73).

From a global perspective, the role of the creative economy in the national economies of countries has increased to the extent that it has generated US\$2,250 billion in revenue, thereby enabling the creation of nearly 30 million jobs throughout the world, which accounts for almost one percent of the world's active population. The top three employers in order of magnitude are in the visual arts, books and music sectors, with the top three industries associated with the television sector generating an estimated US\$477 billion, the top three in the visual arts sector an estimated US\$391 billion and the top three in the newspapers and magazines sector an estimated US\$354 billion (Ernst & Young *et al.*, 2015:1). According to Joffe & Newton (2008:5), CCI revenues throughout the world exceed those of telecom services (US\$1,570 billion), and surpass the GDP of India (US\$1,900 billion). The cultural and creative industries now constitute the most rapidly growing sector of industry and play a correspondingly increasing role in driving the economies of both the developed and the developing countries (Ernst & Young *et al.*, 2015:5).

From a regional perspective, Asia-Pacific represents the world's largest CCI market, generating a third of its total revenues, followed closely by Europe and North America, with Latin America and Africa and the Middle East ranking fourth and fifth respectively (Ernst & Young *et al.*, 2015:7). The Middle East has plans to

expand its creative economy through the Dubai Art Season, an initiative which has been launched by the Dubai Culture and Arts Authority, in order to showcase the full breadth of its fine arts events, including Art Dubai and the Sikka Art Fair, and to foster and nurture a home-grown arts scene. The Dubai International Film Festival and the creation of Dubai Studio City and the establishing of the Dubai Film and TV Commission have served to fast-track the growth of the city's film industry (Gulf News, 2015).

The Unctad Mumbai Report (2014) confirms these statistics, as Asia was the leading region for both exports and imports of creative industry products during the period between 2002 and 2012, while Asian countries remained in the leading position among the developing countries in 2012. The top 5 exporters were China, the United States, Hong Kong (China), Germany and India, whose combined exports of creative goods amounted to US\$277 billion for 2012.

Irina Bokova, the Director-General of UNESCO, maintains that the creative economy not only contributes to generating income for various countries, but that it also provides other non-financial benefits. These benefits include the encouraging of people-centred, inclusive and sustainable developments through the unlocking of the potential of the cultural and creative industries, the promoting of the overall creativity of societies, the affirming of the distinctive identities of the places where the creative industries flourish, the improving of the quality of life of the people in whose communities the creative industries flourish and the providing of resources for imagining diverse new futures (Ernst & Young *et al.*, 2015:5).

Where the local creative economy is concerned, South Africa has the potential to generate great economic growth and to promote employment and trade through enabling the creative economy to play an important and decisive role in the country's economy, as has occurred in many advanced economies (Department of Arts and Culture Annual Report, 2014:35). The province of Gauteng has put forward a business case for the arts and other cultural activities, maintaining that they make a social and economic contribution to the province by providing opportunities for self-employment, the creation of employment and urban

regeneration, and that they have the potential to become one of the key drivers of the economy of Gauteng (Gauteng Online, 2016).

A mapping study which was conducted in 2014 reveals that the sector contributed over R90,5 billion to the South African economy, or 2,9 percent of the GDP, during the 2013/14 financial year and created employment for over 560 000 people, the majority of whom were below the age of 35 years. The sector also contributed over R24 billion in taxes to the fiscal income of South Africa. The study confirmed the significant role played by the sector in the empowerment of black South Africans, women and young people, with over 50 percent of the enterprises being owned by black South Africans, 40 percent by women and over 30 percent by young people (Department of Arts and Culture Annual Report, 2015:7)

2.4. The role of art institutions

Of vital importance for understanding the employment and business opportunities which are available in any industry to a great many South African citizens is the role played by academic and government institutions to create awareness of opportunities for self-actualisation which require a highly developed level of imagination. In this context, imagination and understanding entail the ability to go beyond the limitations which are imposed by physical objects, stereotyped thinking and literal concepts, in order to become motivated to investigate associations, the development of ideas and broader formulations of concepts, to perceive deeper and richer meanings in occurrences and phenomena, to create original artefacts and to engage in any of a host of other activities which constitute human endeavour (Van Alphen, 2011:2).

However, before delving further into the subject of the role which institutions should play in creating awareness, the concepts of understanding, awareness and education should first be defined in this specific context. According to Webster's Dictionary, awareness is defined in terms of particular perceptions or knowledge, while the Cambridge Dictionary defines understanding in terms of . In the context of the focus of this research study, the two words could in most instances be used interchangeably. The Cambridge Dictionary defines education as the action or

process of educating or being educated, and the process of becoming educated is defined in terms of the knowledge, skills and development which are gained from studying or training.

By showing how these definitions are interrelated, it may be suggested that creating awareness or understanding, which is the acquisition of knowledge of a particular subject, phenomenon or state of affairs, entails learning, gaining knowledge and skills and perhaps integrating the content or subject matter of that newly acquired knowledge into those existing repositories of knowledge which may reside within an individual person, in the form of information which has been acquired either through socialisation or through the possession of specific talents.

According to the GEM South Africa Report of 2015/16 (2016:6), the weakest entrepreneurial conditions which contribute to the awareness of business opportunities in South Africa cluster around the areas of government programmes and policies, school-level education and training in entrepreneurship, the transfer of research and development and cultural and social norms. The report goes on to point out that although primary and higher training and entrepreneurial education are some of the basic structures which contribute towards having a stable economy, it appears that South Africa is lagging behind with respect to these basic requirements (Herrington & Kew, 2015:12).

Herrington & Kew (2015:24) also explain that opportunities, or even the perception of good opportunities, play an important role in determining whether an individual will even consider starting a business. Accordingly, it appears that the extent and quality of the opportunities which people perceive to be available to them and their belief in their own capabilities may well be influenced by various factors in their environment, such as economic growth, culture and education (Herrington & Kew, 2015:25).

The educational component is of particular interest in this assessment, as it suggests that there may be a definite correlation between awareness, in terms of perceptions, and entrepreneurial opportunities. This point is further borne out by Herrington & Kew (2015:36), when they show that there is a strongly positive

correlation between perceived capabilities in terms of skills and Total Early-Stage Entrepreneurial Activity (TEA), which serves to reinforce the contention that all forms of education, whether they are formal, informal or non-formal are important for the development of entrepreneurial competences. This point once again underlines the fact that if the government does not play an appropriate and effective role in ensuring that all citizens receive the prerequisite primary and high school education, a great many people will not be in a position to create employment for themselves and neither will they be in a position to take advantage of the employment opportunities which could have been available to them, had they been able to develop the level of awareness which is needed to do so. According to the global ranking for standards of primary education in 140 countries, South Africa was ranked at a lowly 127th position. This assessment of the country's standard of primary education implies that the first stages of education, the building blocks of the awareness of the need to formulate strategies for survival, have been jeopardised for a great many South Africans, effectively condemning them to lives which are cocooned in ignorance and characterised by poverty so abject that a sense of utter futility will be almost inescapable.

	2001	2005	2009	2013	2014	2015
None	0.0	0.0	13.2	5.1	5.8	4.4
Some secondary	45.5*	42.5	29.9	33.4	34.2	28.2
Secondary degree	43.2	44.6	42.5	48.2	43.4	47.6
Post-secondary	11.3	12.9	14.4	13.3	16.6	19.8

**Read as 45.5% of early-stage entrepreneurs in 2001 had some secondary education*

Table 3: Education levels of early-stage entrepreneurs in South Africa, 2001 to 2015

It is possible that individual people, and particularly young people, who did not receive primary, secondary or higher education may find alternative means of assimilating skills and knowledge which enable them to live lives of dignity, either by obtaining employment or becoming self-employed. However, there is no simple solution to the enormous range of problems caused by the high rates of unemployment among the youth and the under-employment of the youth, as they constitute a large sector of the population which remains effectively disenfranchised (Herrington & Kew, 2015:34). Consequently, it is of crucial importance to identify

those factors which have the potential to contribute to the formulation of strategies which enable economies to benefit from the talents, energy and ideas which young people bring to the labour market (Herrington & Kew, 2015:34). Herrington and Kew (2015:34), emphasise that the crucial strategic elements for enabling young people to enter the labour market include education and the development of skills and entrepreneurship.

Initiatives to intensify the acquisition of relevant knowledge could stimulate the growth of the creative economy if the government were to secure the services of talented people from the creative industries in forms of alternative education, for the benefit of those who have not had the means to acquire the relevant knowledge which is essential for becoming self-employed or finding employment. These initiatives could take the form of transfer programmes for various relevant skills, in order to create pools of artisans, and the implementation and coordination of apprentice programmes in various creative trades.

At present the educational system of South Africa has three education quality councils. Umalusi is responsible for the certification of the National Senior Certificate at the matriculation level for high schools, the National Technical Certificate N3, which is obtained at further education and training (FET) colleges and the National Certificate: Vocational (NCV) (Umalusi, 2016). The Council on Higher Education (CHE) is an independent statutory authority which functions as the Quality Council for Higher Education and the Quality Council for Trades and Occupations (QCTO) oversees the designing, implementation, assessment and certification of occupational qualifications in accordance with the requirements of the Occupational Qualifications Sub-Framework (Umalusi, 2016). One of the chief functions of the QCTO is to facilitate workplace-based education for post-school learners, in order to contribute to the social, cultural and economic development of South Africa and to provide occupational qualifications which can be credibly benchmarked against similar international occupational qualifications.

At present the principal focus of all three quality assurance bodies is on the attainment of a national certificate, which contributes to the shortage of relevant skills which are being acquired through the present education system. Only learners

who possess the particular academic capabilities which enable them to matriculate and become eligible to enter either university or other tertiary education institutions tend to thrive in the mainstream education system. The mainstream education system in its present form tends to favour those learners whose capabilities are developed through formal academic disciplines, as opposed to those whose capabilities lie in more creative directions. At present a matriculation endorsement is required to enter a university, usually with a minimum of three subjects passed on the higher grade, although some universities set additional academic requirements (Southafrica.info, 2015). A standard school-leaving South African senior certificate is sufficient only for technical qualifications and diplomas (Southafrica.info, 2015), a state of affairs which all three of the education quality councils serve to perpetuate.

The question which begs to be answered concerns those who may not have received very much primary or secondary education who, although they may have great potential to contribute constructively towards the growth of the South African economy, are left behind by the system, as they cannot enrol in institutions which are accredited by the OQSF or the CHE because they do not have one of the certificates which are issued by Umalusi, owing to circumstances which were beyond their control and their means of assimilating knowledge and information was incompatible with the present primary and secondary education curricula.

The portion of the population of South Africa without primary education consists of 52.9 percent of an estimated 41 million black people, 52.5 percent of an estimated 4 615 401 coloured people, 16.8 of an estimated 1 286 930 Indian people and 10.1 percent of an estimated 4 586 838 white people (Statistics South Africa, 2011 Census). These statistics imply that an estimated 21.69 million black people, 2.4 million coloured people, 0.463 million white people, and 0.216 million Indian people have not received primary education, making for an estimated total of 24.769 million people of a population of 51 770 560, or 47.84 percent of the South African population.

From the insights which the literature review has provided, it is abundantly obvious that South Africa is faced with an educational crisis. The large sector of the population which is marginalised through being educationally disenfranchised can

be represented by two broad groupings, namely, those who are now adults who do not have a national certificate and the children who will be left behind by the present educational system, because they cannot cope with the subjects and the methods which are used to teach at the conventional schools or their socio-economic circumstances are not conducive towards attending school.

According to the Bill of Rights which is contained in the Constitution of South Africa (1996), all citizens have “a right to a basic education, including adult basic education and to further education, which the state, through reasonable measures, must make progressively available and accessible”. Both Egan and Steiner maintain that imagination is a heightened form of cognition, which is capable of transforming the knowledge and skills which can be learned into more profound experiences. These experiences stimulate creativity in thinking and involve the emotions of the learners, through which a more meaningful relationship is established with the learning material (Van Alphen, 2011:2). From this perspective and with particular respect to those learners whose aptitudes are inclined more towards creative and imaginative thinking than the assimilation of formal academic disciplines, it could be suggested that policy interventions and systems need to be formulated and implemented to prioritise the assimilation of the two groups which have been identified in the educationally disenfranchised sector of the population, in order to provide them with relevant and understandable information pertaining to all facets of the creative economy.

The CATHSSETA Sector Skills Plan report concerning the age profile for the 1975 creative employees shows that a majority of 53 percent of these employees fell within the under 35 years age bracket, with a further 43 percent falling in the 35 to 55 years age range and that only 4 percent were over the age of 55 years (Skillset, 2011:23). These age categories align closely with the groups which Statistics South Africa has identified as being in particular need of empowerment, which confirms that concerted attention needs to be given to creating awareness of opportunities for starting up businesses and becoming employable. An increased general awareness of the opportunities which are available to this sector of the population should stimulate the initiatives which have been launched to promote the growth

and development of skills to ensure a high quality of output and high performance within the creative industry.

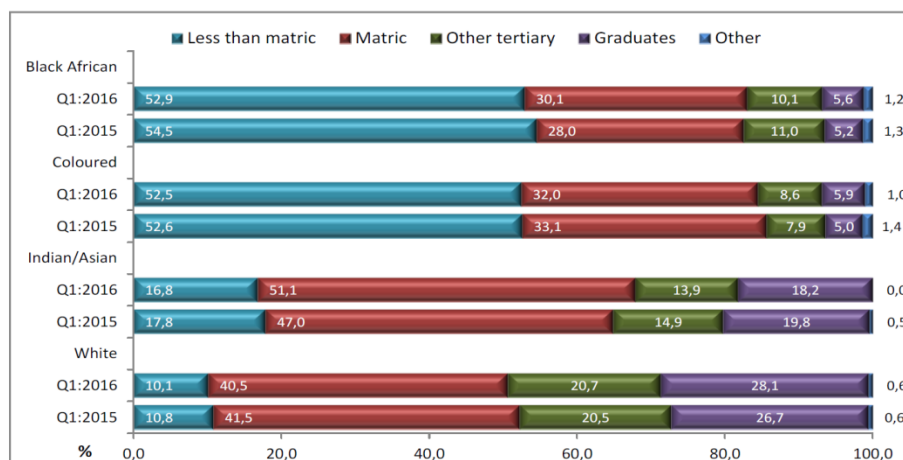


Figure 1: Percentages of employed people according to educational and racial classifications (Statistics South Africa, 2016:12)

According to Statistics South Africa (2016:12), the highest proportions of employed people who had tertiary qualifications, either from universities or other tertiary institutions, were found among the white and Indian population groups. In Q1 of 2016 it was found that 48,8 percent of employed white persons and 32,1 percent of employed Indians have tertiary qualifications. Statistics South Africa (2016:12) has shown that in the same period the proportions of employed black and coloured South Africans who had tertiary qualifications were 15,7 percent and 14,5 percent respectively and that more than half of employed black and coloured people had attained a level of education which was lower than the matriculation level.

At present, even those who are marginalised through being educationally disenfranchised who do manage to acquire a level of awareness of their environment and the opportunities which it can offer through the little education which they would have received are likely to find that an adequate basic education may not enable them to find work because they do not possess the skills which are needed to meet the entry standards of industry today and, more importantly, of tomorrow's employers (Statistics South Africa, 2015:15).

Despite the widespread unemployment among young people, employers who are surveyed frequently complain that they are unable to find enough workers who

possess the skills which they need for their businesses to grow. Of principal concern in this respect is the fact that most young people lack the technical skills which they need in order to become productive immediately (Statistics South Africa, 2015:15). It is acknowledged in the National Development Plan that this situation is a cause for grave concern (Statistics South Africa, 2013:15). Universities have an important role to play in attracting, developing and retaining talent. For their own benefit, they seek to attract the best students and postgraduate researchers (Ernst & Young *et al.*, 2015:86). By collaborating with companies, universities can help to add value and to attract creative industries (Cultural Times, 2015:86), but they also play a more subtle role, by helping to build audiences of a sufficient size to support artists and groups pursuing creative endeavours (Ernst & Young *et al.*, 2015:86).

Since the late 1990s, regional and urban development strategies have also sought to harness the growth potential of the cultural and creative industries in regional and urban economic development. However, although the regional and urban planning literature has examined the growth-promoting potential of universities very closely, their possible role in relation to regional and urban creative economic development has received less attention (Comunian, Taylor and Smith, 2012:1). However, it could reasonably be maintained that even if the universities were to become the primary point of creating awareness of the opportunities which are to be found within the creative economy, the vast majority of unemployed young people who could not enter university would, in all probability, never be exposed to those opportunities, even those which require only entry level skills.

The Strategic Plan of the Department of Arts and Culture includes an initiative to continue expediting the pace of transformation in the arts sector by encouraging and supporting pro-poor innovations which are necessary to equip citizens, particularly the youth, with theoretical and experiential knowledge (Arts & Culture Annual Report, 2014/2015). In order to achieve this objective, the department has piloted several creative arts incubators across the country, in order to ensure that local content is created to unleash the economic potential of the creative economy (Arts & Culture Annual Report, 2014/2015:7).

Through its Artists in Schools Programme the Department of Arts and Culture has begun placing artists at schools throughout the country as a part of an initiative to integrate arts and culture into the school experience of learners. Through this project, it is hoped that interest in and awareness of the arts will be stimulated, in order to promote the building of cultural and social values which will increase creativity and inclusivity (Arts & Culture Annual Report, 2014/2015:9). At present the Department of Arts and Culture supports institutions such as VANSAs, Artist Proof, Imbali, Bag Factory, Vuyani Dance and Moving into Dance, all of which contribute to raising awareness of the arts and the development of creative skills, but significantly more extensive support is needed in order to reach to more people.

2.5. Awareness and understanding of the opportunities which are afforded by the creative economy

The Cambridge Dictionary defines awareness in terms of the knowledge that something exists or an understanding of a situation or a subject at the present time, based on information or experience. The concept of awareness is of crucial importance to this research study, as it endeavours to examine and determine awareness in a very specific context, with respect to employment and business opportunities in the creative industry. By making use of the Cambridge Dictionary definition the study seeks to gauge the extent of the knowledge which creative people have of the existence of opportunities in the creative sector and their understanding of the creative milieu in which they operate at present, in terms of their perceptions of opportunities for employment and business, on the basis of the knowledge and experience which they possess.

This research study focuses on awareness in the context of the marketing initiatives which are being implemented at present, which generates the question “How well are the marketing and communication strategies which are being employed at present working in terms of creating awareness of the opportunities which are available in the creative economy?” This question will be answered by analysing both the effectiveness of those initiatives which are being employed at present and the effectiveness of a broad range of similar initiatives in the international arena.

Figure 2 below provides a graphic representation of how the information will be structured, (Hough, Thompson Strickland & Gamble, 2011:109).

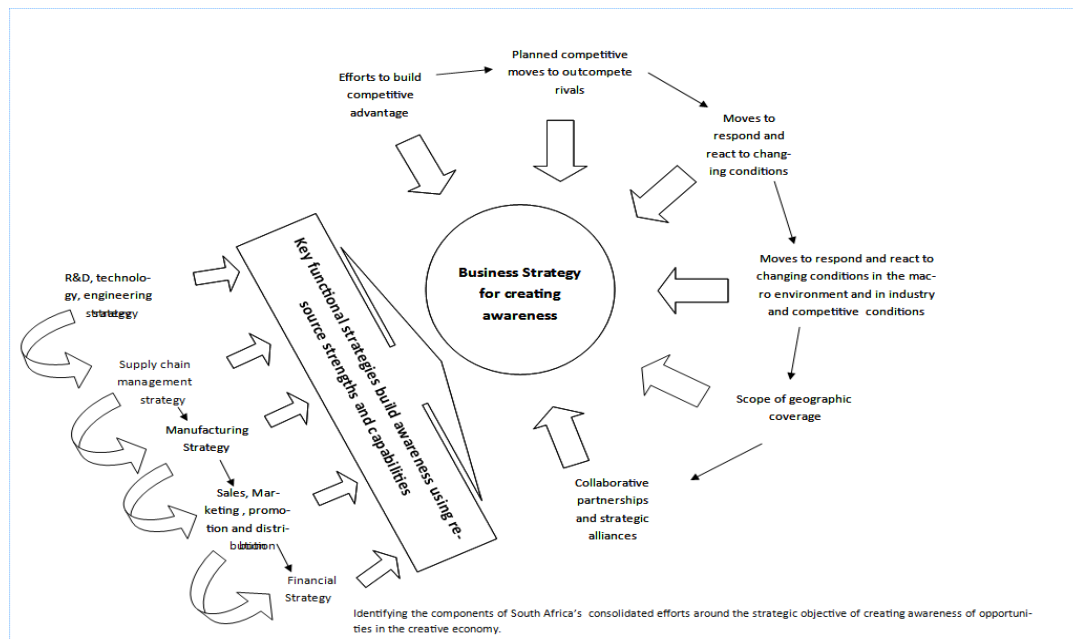


Figure 2: A consolidated depiction of business strategies for creating awareness

2.5.1. Efforts to build competitive advantage and awareness of the need to do so

Smit (2010:106) explains that in order to maintain a particular standard of living in a global economy, nations are required to compete in an increasingly competitive and demanding world market place, with productivity and quality of products being essential inputs for moving the economy into high-value sectors which will generate employment for the future. If the potential of South Africa as a player in the creative economy is to be assessed from this perspective, the question which needs to be asked and answered is "Does South Africa have a competitive advantage in the creative economy with respect to other countries which it is capable of sustaining?" A more precise question which could have been posed by Smit (2010:106) would be "Can South Africa, as a country, build its prosperity if it specialises in producing goods and services in which it has an absolute cost advantage over other countries and imports those goods and services in which it has an absolute cost disadvantage?"

According to the law of comparative advantage, a country needs to specialise in producing those products which it can produce relatively more efficiently than other countries (Smit, 2010:109). According to Porter (1990:5), the home base is the first priority for creating a sustainable competitive advantage, as it provides the foundation for companies, for the purposes of this study, those in the creative economy, to innovate rapidly in technology and methods and to do so in the most efficient directions. Porter (1990:5) goes on to explain that the most crucial sources of national advantage need to be sought proactively, through struggling with rivals and by protecting the hard-won competitive advantages.

Accordingly, a sound education system is one of the key imperatives for a competitive country, as it is reasonable to believe that an education system which provides a high standard of education will have a positive influence on the self-efficacy and self-confidence of individual citizens, thereby increasing the likelihood of their not only starting successful businesses, but also of their being able to navigate successfully in the competitive and changing business environments (GEM South Africa Report, 2016:36).

As an example, Korean students who happen to belong to the Organisation for Economic Co-operation and Development (OECD) regularly rank among the best performers in the Programme for International Student Assessment (PISA) tests, while the country is a world leader in investment in research and development. At the same time, Korea has not been afflicted by the curse of rising inequality which has affected most other countries which are members of the OECD adversely over the past decade, as the level of income inequality of the country remains slightly below the OECD average (Better Policy Series, 2015). It is clear that in the case of Korea, education holds the key to having a competitive advantage in the global economic arena.

A question which frequently arises, and which is sometimes the source of confusion with respect to the law of comparative advantage, is “How is it possible for a country which is less efficient in the production of all products to export any of these products to another country which is more efficient in the production of all of these

products?” The answer lies in the self-equilibrating nature of the trade balance between countries (Smit, 2010:106): in a state of equilibrium, if the input cost is sufficiently lower in one country than another country, the price of the product will be lower in the low input cost country, even if that country is less efficient as a producer of the product (Smit, 2010:109). From this explanation it is clear that in those instances in which South Africa is able to produce creative products and services at a low cost, it should focus its efforts on increasing specialisation in those areas, in order to create a competitive advantage. The ability to make decisions concerning specific areas of specialisation entails an increased awareness of international trends in the creative economy, which should be communicated to the local creative industries through the appropriate platforms, in order to identify and exploit those areas of specialisation which generate the greatest gains in the global market.

Porter's National Diamond framework can be used to determine South Africa's competitiveness in the global market. The framework identifies four classes of attributes of countries which provide the underlying conditions or the platform for the determination of the national competitive advantage of a nation (Smit, 2010:107). These attributes are illustrated in the diagram Figure 2 .below:

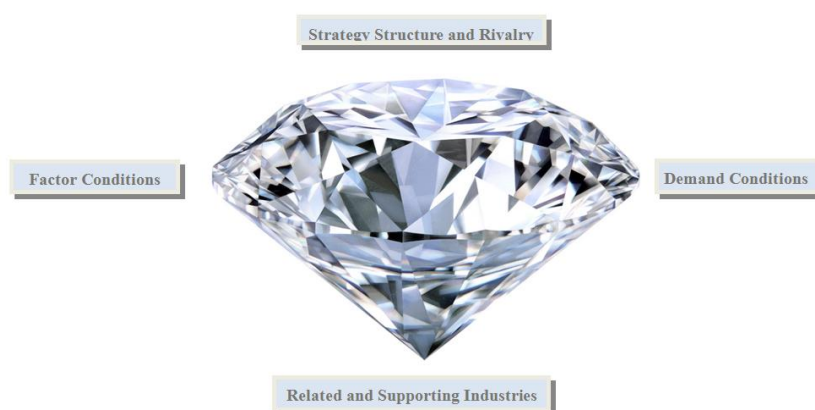


Figure 3 Porter's National Diamond framework (Smit, 2010:107)

The factor conditions or inputs which are present in South Africa and which shape the country's global competitiveness are inefficient. Skills constitute an input whose widespread lack severely undermines South Africa's endeavour to become

competitive in the global market (Cox, 2016). There are shortages of skills in almost all South African socio-economic sectors, including the cultural industries. Knowledge is increasingly becoming an important factor in the global economy, as it is a defining attribute of all skilled individuals and also drives innovation and creativity Cox (2016). By investing in people a country is directly investing in its economy, and consequently, the shortages of many skills and skilled people in South Africa frustrates efforts to develop the economy.

The demand conditions, which represent the extent of the quality which is demanded by local customers for creative goods, will determine the level of readiness of the local industry to compete globally. In South Africa, the demand conditions are frequently compromised by stiff competition from well-priced high quality imported goods and an inability to meet the standards for production and quality which are needed to maximise the competitiveness of the sector (Mzansi's Golden Economy, 2011:8).

Related and support industries, such as the information and communication sector, the knowledge-based economy and strategic economic infrastructure investments, are all needed to support the growth of the creative industries, which is related to the extent to which domestic suppliers and complementary industries are developed, which, in turn, determines the degree of leverage which a country has to compete globally (Gauteng Online, 2016).

The strategy of the South African government with respect to its fiscal policy, which, owing to the present decline in the economy of the country, will entail a reduction in the ceiling for expenditure, the increasing of tax revenues, the active management of the fiscal risks emanating from state-owned companies and sharply restricting the growth of compensation budgets over the next three years (National Treasury, 2016). This state of affairs may suggest that the creative industry will be negatively impacted by reduced government spending and reduced demand from local consumers for non-essential goods, as their levels of disposable income would inevitably be reduced as a result of these measures.

South Africa is ranked the 45th in the world for attributes such as technology in the form of research and development and innovation, talent in the form of human capital and education and tolerance in terms of attitudes towards diversity (Britten, 2012), which suggests that the actions and policies of the government with respect to the creative industry need to be better structured, in order for the local economy to become competitive in the context of the global market.

Finally, chance breakthroughs, in the form of exogenous shocks, should be allowed to thrive and flourish in idea-nurturing environments which Britten (2012) maintains are possible to create. At a session which was convened in Johannesburg in 2012 under the auspices of Culture Shift, an ideation and mentorship programme which is sponsored by the British Council, she said “It is not possible to compete with the Far East on price or productivity; it’s in the quality of the ideas we conceive and execute that economic freedom lies” (Mail & Guardian, 2012). Disruptive ideas are not the sole preserve of the developed countries, but rather of those who can come up with ideas which serve an existing need, in a manner which had not been thought of before, and continue on this trajectory of generating ideas as the preceding ideas become the common means of addressing needs, and do not necessarily create a lasting competitive advantage (Smit, 2010:115).

According to the Heckscher-Ohlin (H-O) theory (Salvatore 2002), countries differ with respect to their factor intensities, namely, the labour and capital factors which are used in the production of goods and services (Smit, 2010:110). Applying the theory to the South African context would entail creating increased awareness of the skills and the capital which are required to exploit local and global opportunities, and in those instances in which there is a shortage of either or both of these inputs, the government needs to formulate interventions to create an environment which is conducive to growth. This assessment resonates with the assertion of Smit (2010:113) that countries, like companies, compete for their fair share of world markets and that governments have a major role to play in this competitive game. To date the development of necessary skills in the creative industries sector has been limited (CATHSSETA Sector Skills Plan, 2015:22), which has resulted in the identifying of a need for the “provision of a coordinated skills development and

training initiative as part of upskilling local arts and organisations” (CATHSSETA Sector Skills Plan, 2015:25).

By linking information pertaining to these concerns the state will be in an improved position to package information to create an increased level of awareness of their significance to the creative economy.

However, apart from the single minded pursuit of competitive advantage, which is characterised by intense rivalry, there have been initiatives which have been forged with other countries to improve the cultural economy of South Africa and to create greater awareness of concerns which pertain to the creative economy. Evidence of partnerships of this sort may be found in the engagement with the British Council through the British Council Connect ZA programme, in which creative people are given the opportunity to interact with one another, to obtain information about creative opportunities and creative ideas in the UK, the partnership with the British Council to assist South Africa in the mapping of its creative industries in 2007, the African Cultural Renaissance Campaign for Southern Africa, with its aim of popularising the Plan of Action on the Cultural and Creative Industries, among other objectives for Southern African countries (African Union, 2010), the Charter For African Cultural Renaissance (2011) and the BRICS cultural agreement which establishes a framework for co-operation in the fields of arts, culture and heritage (SA GOV, 2015).

2.5.2. Planned competitive moves to outcompete rivals

According to Chi, Ravichandran, and Andrevski, (2010:543) there is demonstrable evidence that businesses that carry out well planned intense, complex, and mixed competitive actions tend to perform better. In this section various elements to increasing competitive advantage are discussed, starting with the SWOT analysis to understanding the creative environment better.

2.5.3. SWOT Analysis

According to Dudovskiy (2016), a “SWOT analysis is a strategic analytical tool that facilitates the analysis of strengths, weaknesses, opportunities and threats related to the business”. A successful SWOT analysis of the creative economy of South Africa in both the local and global markets would enable people who work in the creative industries to have an improved understanding of the realities which the sector entails for businesses and to be able to make informed decisions in order to take advantage of employment and business opportunities within the creative economy. The following summary endeavours to present a comprehensive analysis of the strengths, weaknesses and threats which prevail in the creative environment at present:

Strengths

- The present creative environment is characterised by high levels of diversity and an abundance of local creative talent.
- Creative entrepreneurship within a free market system: The free market system within which the global market allows for opportunities to create innovative products and services, has low barriers with respect to entry, offers incentives to those who work hard, enables the restrictions imposed by bureaucracy to be bypassed in some respects and tends to encourage those who display an entrepreneurial spirit.
- Quality: Pockets of high quality work have been identified, although these appear to be cyclical in nature and not necessarily consistent.
- Festivals: The festivals and festival circuits encourage the development of new work and expose it to existing customer bases.
- Networks: The networks which exist at present are an effective means of distributing information and encouraging collaboration.
- Funding and government policy play a more active and significant role in the promoting of this sector than before.
- Multinational recording companies are involved in the domestic music market, there is a well-established retail and broadcasting network and there are also several energetic agencies in the local music industry.

- There has been a considerable amount of growth in community radio broadcasting for the music industry, as a result of the increase in local content.
- There is a significant amount of cooperation among musicians, among local musicians and between local and international musicians.
- There has been significant growth in the recording, marketing and sales of domestic releases.

Weaknesses

- There is a severe lack of statistics and research in the film industry, particularly of economic impact studies.
- Inconsistent production in the film industry has resulted in the maintaining of standards of quality in the industry, rather than growth.
- Financing in the creative sector has been limited.
- There has been limited investment in and promotion of local artists.
- There are high levels of piracy in the music industry.
- The creative sector lacks a coordinated strategy.
- There is a shortage of competent administrators in the field of the arts, of administrative skills and a lack of development of competent administrators, managers and entrepreneurs.
- The dissemination of information and the sharing of databases for mutual gain have been inadequate and a lack of coordinated sharing of information has resulted in an uncoordinated distribution of creative products
- There is a general shortage of relevant and necessary skills in creative disciplines.
- Artists tend to be poorly supported: Once a career has been established, limited support is provided to maintain it, in the sense of continued education and support in the form of medical aids and other types of support to enable artists to continue to be productive.
- Education and qualifications in the arts: Resources tend to be poorly managed and not used to best effect.

Opportunities

- Opportunities can be identified through the use of a policy of continued flexibility, which entails a can-do attitude and creative flexibility.
- Corporate enterprises need to find new strategies to market their brands effectively.
- Pools of expertise: There is a pool of eager and enthusiastic graduates entering the industry annually and also a pool of experienced practitioners available for mentoring, should the right mechanisms be identified.
- New media have great potential for giving widespread exposure to creative products and for providing revolutionary marketing platforms.
- The growth of the international music industry entails increased opportunities for the local music industry.
- The local music industry has received a great deal of exposure in the global market and can increase its uptake.
-

Threats

- There is a lack of necessary commitment by relevant stakeholders in several creative industries.
- There is also a lack of resources from several key players within the music industry
- Censorship and artistic freedom: Political correctness, perceived or real threats to limit artistic freedom and a lack of understanding concerning the arts can result in intolerance and political censorship or interference.
- Sponsorship of success: Sponsors tend to support successful projects, thereby denying opportunities to nascent or struggling projects.
- Industry and social divisions: The divided culture of South Africa could exacerbate the weaknesses which threaten its position in the global economy.
- Dysfunctional education in the arts: The continuing dysfunctional nature of education in the arts, combined with the great emphasis which is placed on numeracy, literacy and the sciences by the present education system could force the arts and cultural activities and pursuits out of the system, prevent the development of new audiences and downplay the value of the arts in social growth.

2.6. Entrepreneurship

According to Fernandes (2016), an entrepreneur is a person that is able to identify a problem that the world has and be able to resolve it by exchanging the identified value in the solution for enough monetary compensation to achieve their dreams. In this section we discuss entrepreneurship as a critical element to a thriving creative economy.

2.6.1. Increasing competitive advantage by promoting entrepreneurship

According to research which has been released by the Global Entrepreneurship Monitor at the University of Cape Town's Graduate School of Business, Total Early-Stage Entrepreneurial Activity (TEA) in South Africa dropped to 7.3 percent from a high of 9.1 percent, a drop of almost 20 percent from the previous year and the lowest in four years (Newsline, 2013).

This disturbing trend indicates a pressing need to increase the number of successful entrepreneurs. Effectual reasoning, could contribute significantly towards promoting entrepreneurship by creating a culture in which potential entrepreneurs start with what they have to create something, even if there is no clear goal in mind. This strategy would help to reduce the inertia which precludes the starting of businesses at present. When effectual reasoning is employed, an entrepreneur does not begin with a specific goal, but instead begins with a given set of means which are at his or her disposal and allows goals to emerge contingently over time, from the varied imaginations and diverse aspirations of the other people with whom he or she interacts (Sarasvathy, 2001).

Apart from creating a culture of effectual reasoning, "The industry needs to invest in supporting black entrepreneurs in the industry, establish their businesses and transfer skills. Mentorship is absolutely key in this regard, to ensure fledgling companies are given the best chance to succeed. You find a lot of small agencies starting up and fizzling out a year or two later because of lack of experience in business management" (Oved, 2016). An entrepreneurial environment which is conducive to success needs to be nurtured in the manner of the example which is provided by Korea, where start-up platforms and systems have been

employed to enable a proliferation of business ideas to generate successful business models (Business Korea, 2016).

2.6.2. Game changers: Opportunities in alternative industries

According to the Merriam-Webster dictionary, a game changer is a newly introduced aspect to the current environment that changes the status quo in a significant manner. Below we discuss some of the game changers that are evident on the creative economy.

2.6.2.1. Food security and green business

The National Development Plan (NDP) places great emphasis on job creation in the green economy. The NDP envisages a potential employment target of 300,000 direct jobs being created through the green economy by 2020 (DHET News, 2015). The Department of Higher Education and Training, through the National Skills Fund (NSF) and its social partners, needs to ensure that Sector Education and Training Authorities (SETAs) prioritise the skills which are needed by the green economy in their annual strategic plans, by incorporating the creative economy, as this sector tends to provide innovative solutions for almost any industry.

Green economy practices require increased levels of knowledge in farming and skills which are linked to developing and implementing green technologies, in order to improve energy efficiency, reduce carbon emissions and advance the sustainability of resources. However, the activities which these practices entail are not likely to generate successful results without the involvement of the creative economy. According to the South African Department of Arts and Culture (2006:1), international and regional studies have highlighted the integral relationship between culture and sustainable development, which could be extended to include the relationship between the arts and culture and food security. The South African Department of Arts and Culture (2006:5) maintains that the relationship between arts and culture and tourism is a pivotal one for building the value of cultural and ethno-tourism, which has the potential to generate income, strengthen cultural

identity and to encourage the development of existing monuments, environments, infrastructure, art and cultural genres.

As the development of creative skills contributes to all other sectors of industry (South African Department of Arts and Culture, 2006:4), it is essential to integrate sustainable development and environmental awareness into education and training at all levels and to incorporate the contributions of the creative economy. Awareness of the opportunities which combine creative ideas and endeavours with food security initiatives offers can be initiated from the stage of early childhood education. Accordingly, systems for developing skills need to go beyond matching training to specific needs of the labour market: they need to act as a catalyst for future economic growth and resilience, by enabling enterprises and entrepreneurs to adapt technologies, to be creative in the development of innovative solutions, to compete in new markets, to diversify economies and, as a consequence, to accelerate the growth of employment. This conclusion indicates that there is an urgent need to structure linkages between the cultural and the education sectors, through initiatives such as the promotion of art in the formal school system and through training in the cultural industries (South African Department of Arts and Culture, 2006).

2.6.3. Moves to respond and react to changing conditions

According to Chi *et al* (2010:543), the capacity to recognise business opportunities and to rally or develop resources for effective pursuit of those opportunities is an crucial criterion for gaining competitive advantage.

2.6.3.1. Partner relationships

Partner relationships have served to increase the efficiency with which business entities and other entities, ranging from the government, corporate and academic institutions and businesses, are able to function, by working closely with others both inside and outside of a particular organisation, creates value for the end user of the product or service (Kotler & Armstrong, 2014:41). Through partner relationships,

marketers and communicators in organisations improve their ability to take advantage of any opportunities which may arise, as they form an effective value chain, and with external partners they can form an external value delivery network (Kotler & Armstrong, 2014:70). This concept has been applied extensively in the automobile industry, and can be adapted to the creative economy. To illustrate how it is implemented in the automobile industry, an example of the performance of the Toyota Company against that of the Ford Company within the USA context is given. Even if it could be convincingly demonstrated that Toyota makes the best cars, the manufacturer could still lose in the market if the sales and service which Fords' dealer network provides give greater satisfaction to customers (Kotler & Armstrong (2014:70). Consequently, for Toyota to succeed, it needs to have a competitive edge with respect to all aspects of its value chain, as does Ford. Overall the market is improved as a result of the localised competition, which enables the automobile companies to have an improved competitive edge in the global market.

In essence, the lesson which this example provides is that the total value delivery network of each creative entity, organisation or business will be improved if the value delivery network concept is applied. This would result in the improvement of the total local creative economy, enabling it to be well positioned to take advantage of both local and international opportunities. Consequently, increased awareness of all of the different activities in the creative industry is required of those who participate in the creative economy and those who are anticipating participating in it. Players in the creative economy will need to dedicate resources consistently to assessing their needs with respect to information, developing the information which is needed and helping decision makers to use the information to generate and validate actionable insights with respect to customers and the market (Kotler & Armstrong, 2014:125).

This information needs to be able to identify the groups which have the highest probability of benefiting the creative economy by contributing significantly towards its expansion. As has already been noted, Statistics South Africa has identified the youth and those who have been historically disadvantaged as the groups which most need to be empowered (Statistics South Africa, 2015:38). Initiatives to empower these groups by increasing their awareness of the opportunities which are

offered by the creative economy have very great potential to expand the South African economy significantly.

As recently as 2014, women comprised 17 percent of all directors, writers, producers, executive producers, editors and cinematographers working on the top 250 films in the US in terms of the revenue which they earned in the domestic market. Ernst & Young *et al.* (2015:18) The percentage of women working in these roles has not changed since 1998 Ernst & Young *et al.* (2015:18). Significant contributory factors which have been identified include the access which women have, for participating in the cultural and economic life of their societies, the access which they have to credit and investment capital for their projects and their access to property rights (Ernst & Young *et al.*, 2015:18). It is suggested that the gender inequalities which have been identified in terms of finance and opportunities could be remedied through interventions which are implemented by individual governments.

Besides the lack of access to funding by women, Berger *et al.* (2014:7) indicate that there is generally a great shortage of knowledge and awareness among owners and prospective owners of creative businesses with respect to obtaining access to external financing.

2.6.3.2. Alternative funding models

Most small businesses which typically rely on bank loans and bank lending, particularly in the UK, has shrunk every year since 2009 (Berger *et al.*, 2014:7). As a result of this trend alternative funding models have emerged. A popular recent alternative source of funding is crowdfunding, which creates a market for financing ideas and is increasingly used by budget filmmakers, artists and authors to finance projects, a group which often struggles to secure bank loans (Ernst & Young *et al.*, 2015:83).

Crowdfunding began as an online extension of traditional financing by friends and family, whereby communities collectively funded members who had business ideas (The World Bank, 2013:4). It is an internet-enabled means of funding for

businesses or other organisations, in the form of contributions or investments from multiple individuals. This innovative funding model emerged in the wake of the 2008 financial crisis, largely owing to the difficulties which were faced by artisans, entrepreneurs and early-stage enterprises in the raising of funds (The World Bank, 2013:4).

Of the various platforms for crowdfunding, the best platform for creative ventures is Kickstarter, an American-based crowdfunding platform which has a strong track record of success for creative projects. To date their fundraising product has been an “all-or-none”, which means that if 100 percent of the initial funding goal is not raised, the applicant does not keep the funds which backers have pledged (Forbes, 2013). There are similar local platforms, such as Startme, which has a track record for funding local creative initiatives. Startme was created by a group of South African entrepreneurs who had founded the South African Investors Network, (Startme, 2016). They started the online crowd funding platform as a result of their frustration by the lack of funding which was available to promising entrepreneurs (Startme, 2016).

With the ever-increasing access to technology, crowdfunding is clearly becoming an effective tool for enabling good ideas to receive the funding which they deserve, even in the remotest of locations. According to the The World Bank (2013:3), to date one third of the world’s population has access to the internet and approximately 85 percent have access to a mobile phone, with a high probability that 40 percent of people living in Africa will have access to a smartphone within five years. This development has the potential to open up connectivity and new and larger markets for goods and services are being pioneered by talented entrepreneurs who have the ability to develop innovative solutions to meet the changing needs of customers, to create employment at a time when unemployment and poverty are undermining societies and to drive economic and social stability. Gone will be the days when finance is obtained mainly through bureaucratic structures which have often failed to respond positively to the plight of those who are able and willing to start businesses, but who have been precluded from doing so owing to a lack of funding, which obliged them to abandon their ideas. However, it needs to be emphasised that it will be the awareness of opportunities of this sort

which will enable potential creative business owners to be in a position to take advantage of them.

Although a growing body of literature has emphasised the importance of growth in the creative economy, it is equally important to ask how to promote and finance innovation in the creative industries, which play a central role in the growth of the creative economy (Bae and Yoo, 2015:109).

In addition, Berger *et al.* (2014:7) have identified three principal players in the access to finance equation: the creative industries themselves, the financial community and the government. They go on to explain that solutions to the difficulties which are encountered in gaining access to finance can be achieved only by all three actors working together in a cooperative manner. They recommend that particular support should be given to those 'scale-up' businesses in which access to finance will make it possible for them to grow into sustainable employers and intellectual property creators for the UK. This assessment recognises that there is not necessarily a need for more grants or subsidies for the sector, but instead it advocates action in areas in which support or policy changes can support an expansion of private financing (Berger *et al.*, 2014:7).

Other factors which are associated with the creative industries include local development, globalisation, sustainability and public policy regarding how technological innovation in the creative industries should be financed. The obstacles which many firms encounter, particularly start-ups and early-stage businesses in the creative industries, are a lack of material evidence or collateral to receive loans and being precluded by their small size from entering equity markets (Bae and Yoo, 2015:2). These factors exclude them from having access to financial resources, as the firms are often not able to verify their true innovative abilities, as information pertaining to them tends to be anecdotal (Bae & Yoo, 2015:2). The banks, on the other hand, are often reluctant to approve loans in these instances, as they are wary of partnering with firms which may strategically choose to renege on their undertakings and choose not to develop innovative technology after receiving a loan, a phenomenon which is often referred to as a hidden action or a moral hazard problem.

Berger *et al.* (2014:8) recommend that the development of information and practical resources for creative businesses concerning the sources of funding which are available and the associated requirements from potential financiers should be made accessible, through the establishing of a specialised bank which is dedicated to the creative industries, as a viable avenue for creating a financing environment which is conducive to encouraging the development of innovative businesses in the creative sector.

The continued availability of finance to support investment in skills is vital in the creative and cultural industries, where 94 percent of organisations are micro-businesses (Skillset, 2010:107). Ensuring that sufficient financing mechanisms are available to support all forms of creative endeavour can be challenging, as the vast majority of the businesses (94%) have neither an internal training budget nor any record of obtaining funding for external training (89%) (Skillset, 2011:48).

Obtaining seed financing can be difficult, as employers in the creative and cultural industries generally tend not to think strategically with respect to the specific skills which they need at present or in the future, or with respect to potential economic changes. As a result, their ability to formulate realistic business plans which can be accurately assessed in order to establish the practicality of any envisaged course of action is often inadequate. Many people who work in the creative sector receive training only as and when immediate needs arise, as opposed to staff development being planned in advance of upcoming business requirements (Skillset, 2010:107).

2.7. Moves to respond and react to changing conditions in the macro environment, in industry and in competitive conditions

As dramatic changes are occurring every day in the marketplace, the future no longer bears a great deal of resemblance to the past or even the present, and those who wish to serve in the future also need to change and adapt for the future (Kotler & Armstrong, 2014:44). A good example of adapting to changing circumstances in a positive manner is provided by Korea. The country has established 17 Centres for Creative Economy and Innovation (CCEIs), which have assisted in the starting up of 920 businesses by the end of March of 2016, attracting

investments of 143.6 billion Korean won in total. In addition, the firms have increased their sales by 76.9 billion won and resulted in 750 people being employed in the CCEIs. This staggering economic growth represents an attempt by the government to give a second chance to as many start-ups as possible. To this end, simpler corporate rehabilitation processes have been introduced and start-up owners have been allowed to be exempted from joint surety by the Korea Technology Finance Corporation and the Korea Credit Guarantee Fund has provided start-ups which are five years old or less with immediate removal of their bad credit records if the credit is recovered successfully (Business Korea, 2016).

With the higher education system moving toward a consumer choice model of supply, increasing tuition fees and significant cuts being made to university funding, and to arts-based courses in particular, the decisions which students and potential practitioners in the creative and cultural industries make in terms of their education are becoming increasingly crucial. Information, advice and guidance (IAG) for those who are planning a career in the sector, those who are mid-career and those who need to develop leadership skills are of crucial importance to ensure the continued health of the sector. Sector-led IAG is of particular importance and impartial information which is relevant to each specific industry should be made available to all, in order to overcome specific weaknesses in particular skills or sets of skills (Skillset, 2011:37).

2.7.1. Scope of geographic coverage

Geographic coverage can be pre-established. A case in point can be provided by the regulation-free zones of Korea, which were created in order to eliminate the unnecessary regulations for the 27 strategic industries which were selected by 14 cities and provinces across the country. “The idea is to enhance the competitiveness of those industries while attracting more investment from the private sector. Companies in the zones will be able to work on innovative technologies more freely and their outcomes will result in the creation of new markets, based on customised financial assistance and tax incentives. A special act was tabled in March this year to this end and it is expected to be passed by the

National Assembly soon” (Business Korea, 2016). This subject will be discussed further in section 2.4.3.

2.7.2. Collaborative partnerships and strategic alliances

According to Heizer and Render (2014:205), when new products are central to a particular mission but substantial resources are required and a sizable risk is entailed, then alliances may constitute a good strategy for the development of products or services. They define alliances as co-operative agreements which allow entities to remain separate but to use complementary strengths from each other while retaining individual strategic objectives (Heizer & Render, 2014:205). They go on to explain that alliances can be used particularly effectively in those instances in which the products or services which are to be developed have convergent technologies, in which there are technological unknowns, capital demands and risks are high, as in the instance in which Microsoft established strategic alliance companies to deal with the convergence of technology in the areas of computing, internet, television and broadcasting (Heizer & Render, 2014:205). Consequently, it is evident that through the formulation of strategic partnerships, creative entrepreneurs and creative entities can leverage each other through the increased awareness which has been attained by the collective alliance. An appropriate role for the state to play in an instance of this sort would be to create appropriate platforms to which creative entrepreneurs and creative entities have access, in order to gain access to potential partner alliances.

2.7.3. Intellectual property and copyright

The focus of the creative entrepreneur differs from that of the typical business entrepreneur in that he or she is concerned first and foremost with the creation and exploitation of creative or intellectual capital (European Cluster Observatory Creative Industries, 2013). In many developing countries and transition economies, female creative personnel are mainly in crafts and the visual art sectors (Ernst & Young *et al.*, 2015:18). It has been found that many countries, especially those with a fragile intellectual property framework, have a creative sector which is the least likely to have a functioning system of registered copyrights or designs, or strong

institutional support (Cultural Times, 2015). The likely consequence of a state of affairs of this sort is usually an inconsistent source of revenue and an inability to claim attribution when works are sold by third parties (Ernst & Young *et al.*, 2015:18).

2.8. Key functional strategies to build awareness using resource strengths and capabilities

According to Hough *et al.* (2011:101), managers who fail to study their competitors closely risk being caught napping when rivals make fresh and, perhaps, bold strategic moves. Identifying the key success factors such as product attributes, competencies, competitive capabilities and market achievements which have the greatest impact on future competitive success in the market is of crucial importance and is a necessity for the sustained profitability of any business. The key factors for success in industry have been identified by Hough *et al.* (2011:101) as:

- Research and development, technology and engineering strategy
- Supply chain management strategy
- Manufacturing strategy
- Marketing and communication
- Financial strategy
-

These will be discussed in the sections which follow within the context of the need to create increased awareness within the creative economy.

2.8.1. Research and development, technology and engineering strategy

The intrinsic use of digital technology is a key factor driving most of the sectors of contemporary economies, but it is said to play a fundamental role in the creative industries (Comunian *et al.*, 2015:347). It has also been pointed out that industries in which technological advances are exploited in a creative manner have a positive impact on the increased perceived value of the related products or services which could be architectural, art, crafts, cultural items, ornaments, decorations or any of

an almost infinite number of products and services generated by the creative sector (European Commission, 2012:7).

A creative economy depends on a range of reforms, such as exploiting science and technology for innovation and growth, which can be improved by tapping successfully into global science and innovation networks, increasing the role of start-ups and SMEs in innovation, strengthening and reorienting public research and development and improving transfers of technology.

In his writings Porter (1990:5) explains that the long-term challenge for any firm is to put itself in a position in which it is most likely to perceive and best able to address the imperatives of competitive advantage. One challenge is to expose a firm to new markets and technological opportunities which may be difficult to perceive.

This conclusion has resulted in a broader policy argument for innovation and new technologies to be embedded across different sectors of the creative and cultural industries (Comunian *et al.*, 2015:351). The findings of this research study confirmed that the application of IT provides several kinds of competitive advantage, such as efficiency, which results in competent companies constituting a threat to their rivals, higher functionalities, the ability of a creative entrepreneur or a creative entity to attack and the ability to provide a platform for the integration of ideas and functions (Sung, 2015:118).

Owing to the ability of IT to add intrinsic value, research suggests that firms in creative industries should seriously consider the IT traits of efficiency and threat (Sung, 2015:118). Over and above exploiting digital technology for the benefit of the creative economy, the generation and exploitation of intellectual property for the benefit of the creative economy has great potential for the creation of both wealth and employment (Felaza, 2016:5). This assertion suggests that research should form an integral component of the strategic objectives which aim to develop the creative economy in South Africa. Research into and the use of indigenous processes for creating art works and services could further bolster the creative economy. In the research which he conducted in Indonesia, Felaza (2016:6) found that the use of indigenous technology and natural inputs in the fashion design

industry, which is at present dominated largely by SMEs, could result in the increased potential and marketability of a region's products in the global market. In addition to adapting global technological practices, South Africa should also improve and develop its indigenous technological practices, in order to give the country a competitive edge by offering products which are unique in both the local and the global markets. Doing so would entail structuring the curriculum with the prerequisite knowledge for the relevant industries.

2.8.2. Supply chain management strategy

Building a critical mass of creative supply chain actors can help to establish creative industries within a particular region. However, policy measures which are aimed at attracting supply chain actors should take into account the spatial preferences of actors within subsectors, in order to provide an environment for them which is conducive to thriving. Incentives such as lower barriers of entry, affordable office units or shared spaces would also attract relevant supply chain actors who would create the web for sustaining a creative hub on an increased scale within an economy. Policy makers have the ability to attract this critical mass by providing services and facilitating the establishment of SMEs, by speeding up their registration processes, facilitating licenses, avoiding redundancies and so on (Dervojeva *et al.*, 2013:8).

The clustering together of subsectors of the creative economy can contribute to creating an environment in which role players are aware of what is happening in their immediate and extended environments, in order to take advantage of the opportunities which arise in the creative economy, as these clusters evolve into communities in which the exchanging of information takes place spontaneously. In this setting, knowledge is transferred among partners in the network, thereby increasing the importance of partnerships in the chain, as they allow the transfer of knowledge to maximise value and to overcome business challenges in an optimal manner. By identifying value-adding components of the chain and ensuring an optimal fit and collaboration between partners in the chain, common higher gains are expected for the whole supply chain and also for its individual partners (Dervojeva *et al.*, 2013:35).

The conglomeration of creative supply chain actors can help to bring about unique creative industries within a region. The trend which has been observed across Europe is that the publishing of games, recorded media and film and television activities tend to form successful creative hubs (Dervojeva *et al.*, 2013:36). As there is evidence of a trend in the emergence of creative hubs, policy makers who intend to attract relevant supply chain actors should consider taking into account the spatial preferences of actors for the various subsectors of the creative economy, as was noted earlier. Incentives such as lowered entry barriers for various supply chain actors can be introduced by a strong organising entity which all of the stakeholders support (Dervojeva *et al.*, 2013:36). In the long run the conglomeration of similar creative sectors will result in a more efficient information system, as related creative businesses disseminate information through the various available means of communication, such as face-to-face communication, newsletters, letters and sector gatherings.

According to Skillset (2011:18), many of the SMEs in the creative industries sector continue to rely on ad hoc training and work-based learning to transfer supply chain management skills. Skillset (2011:18) goes on to point out that by developing a more robust supply chain system in the creative industries, specific requirements need to be met, which entail the government providing additional resources at a time when the public purse is more constrained than ever, and that as a result, the creative industries will require an even higher degree of self-reliance throughout the creative sector than was previously the case. The implications of this assertion are that the information which is needed will not be readily available to people in the creative sector who are not connected to the informal information communication web, which would have been created through formal and informal networks which have been built over time by individual members of the creative industries' community. Creative people and entities which are capable of producing outstanding creative products and services are likely to be left out in the cold as a result of not being connected to relevant networks. In order to boost the creative economy by disseminating relevant information to a wider community of creative industries, the state needs to play a proactive role for the benefit of the economy of the country. A relevant example could be provided by the clothing industry in South Africa. During the 1970s the industry exhibited signs of stagnation and decline,

which continued until the late 1980s, as a result of the insulation of the industry through sanctions and protective tariffs, which resulted in strategies such as marketing, operational changes and the development of skills not being pursued (Ramdass & Kruger, 2011:1).

2.8.3. Manufacturing strategy

Formulating a successful manufacturing strategy entails several factors, of which management and marketing are of particular importance and significance. As was suggested earlier, the government needs to ensure that the environment for the creative economy is conducive to thriving. Other countries throughout the world are successfully formulating strategies for the local manufacturing of creative goods. A good example could be provided by the government of Australia. As the Book Industry Strategy Group Report (2012:20) explains, the Australian government has recognised that economic conditions need to be created in order to allow various creative industries to continue to prosper. In order to meet this objective it has implemented policies and programmes which provide the economic environment which is needed for Australian business to grow, innovate and become sustainable, by considering how best to exploit and coordinate existing Commonwealth and state government policies and programmes to benefit manufacturing in Australia. In the case of the book manufacturing industry, the Australian government has demonstrated its willingness to facilitate the creating of a creative manufacturing environment which is conducive to success by considering what would be beneficial to both the book industry and libraries if a consistent business model for the use of e-books in libraries were to be developed and adopted by industry, which would also offer fair remuneration to the authors of books through appropriate multi-use provisions.

Skillset provides insights into the flexibility which the government of the UK has shown by supporting established industries in the fashion and textiles sector, whose trajectory over the past 15 years has been one of losing manufacturing employment to cheaper overseas producers. The liberalisation of the supply chain for fashion and textiles, in the form of the reduction of state regulations and constraints, in exchange for greater participation by private entities, has been helped by a more

liberal trade regime. This change of direction has meant that as a result of increased access to information, the manufacturing industries, particularly in the fashion and textile sector, can now engage in value and quality-adding activities in which margins and profitability can be sustained (Skillset, 2011:18). It is evident that with globalisation, increased awareness of opportunities through the acquisition of information, even by means of opening up protected industries in order to increase manufacturing productivity, is necessary.

Accordingly, apparel manufacturers in the UK have moved increasingly towards balanced sourcing, concentrating on design and finishing activities and finding high value niche markets, while textiles firms have increasingly moved into technical textiles. As a result of these changes, wholesaling activities in fashion and textiles have increased employment in this period (Skillset (2011:25). The depreciation of sterling and the reputation of the British designer brands for high quality overseas also serve to offer the fashion and textiles sector significant export opportunities. Sales to overseas markets represent in the region of 20 percent of turnover and sales to the emerging economies of Russia, the United Arab Emirates and China, all of which continue to grow (Skillset, 2011:25). The total contribution of the fashion industry to the UK economy via indirect support for supply chain industries and induced spending of the wage income of employees is estimated to have risen to over £46 billion (Berger *et al.*, 2014; 2012:4).

Having an open market system with close working relationships between suppliers and manufacturers provides an advantage over competitors. Suppliers help organisations to gain quick access to information, to new technologies and perceived new methods and opportunities (Ramdass & Kruger, 2011:2569). Suppliers are also a means for transmitting information and innovations from organisation to organisation. On the other hand, organisations have the opportunity to influence the technical efforts of suppliers and also to serve as test sites for development work (Ramdass & Kruger, 2011:2569).

In addition, Ramdass and Kruger (2011:2570) maintain that managers frequently fail to recognise the innovative potential of the workforce in the manufacturing sector by not creating and implementing training initiatives which are based on best

practice improvement initiatives which would promote the sharing of information. Firms which adopt a flexible manufacturing strategy develop manufacturing processes which can be easily customised to fit ever-changing market conditions. These strategies emphasise the ability of the processes to allow modifications to products to be made quickly and to adapt to changes in the volumes of goods which are to be produced. Manufacturers which employ strategies of this sort endeavour to remain competitive by allowing for small-run batches and the ability to customise their products cheaply for clients in order to gain an advantage (Schnotz, 2016).

2.8.4. Marketing and communication

The marketing and communication environment of a company consists of the actors and forces outside of marketing which affect the ability of the management of marketing and communication to build and maintain a relationship with targeted customers or stakeholders. By carefully studying the environment marketers can successfully adapt their strategies to meet new challenges and opportunities (Kotler & Armstrong, 2014:92). In light of this statement, in this section the literature review will expand further on the concept of awareness as a subtopic of the management of marketing and communication.

In the process of creating awareness in any particular situation the communicator needs to understand the micro and macro environments in which his or her business is operating. In the context of the focus of this research study, the government and creative entities and businesses need to consider and define the environment in which they operate. At present it is not possible to define the environment, as the economic contribution which the creative industries sector makes to the GDP of South Africa is not listed among the even the smallest percentage contributions which are made by the various sectors, which attests to the historical lack of attention which is given to the creative industry, owing to the fact that it has a partial descriptor and that the contribution which the sector makes tends to be either misunderstood or undervalued (Ernst & Young *et al.*, 2015:11).

Once the operational environment has been defined, it should be relatively easy to define the relevant stakeholders and their capacity and willingness to contribute to the delivery of the product or service to the target group (Kotler & Armstrong, 2014:92). In this instance the stakeholders would consist of the public and any group which has the ability to exert either a positive or a negative influence on the ability of the sector to achieve its objectives (Kotler & Armstrong, 2014:92). The clients or the target group constitute the most important stakeholder, as the aim of the entire value delivery network is to serve clients and target groups (Kotler & Armstrong, 2014:92).

Moreover, when they consider the macro environment, communicators will need also to consider the demographic environment and factors such as the age structure of the population, geographic shifts in the population, levels of education, diversity and income distribution (Kotler & Armstrong, 2014:92). In addition, an accurate assessment of the natural environment needs to be made, which would entail an assessment of the natural resources which are needed as inputs by the creative industries and of the legal and cultural environments, as these tend to guide and inform what can and cannot be done, (Kotler & Armstrong, 2014:92).

Once the micro and macro environments are understood, a clear understanding of who the target audience is needs to be established. "It's important to clearly identify [who comprises the target audience] both demographic and psychographic (attitudes, interests and behaviours), to help develop key messages and to identify the best communication channels to reach them" (Pophal, 2016).

Inasmuch as the main responsibility for creating awareness of the opportunities which the creative industries offer lies with the government and other relevant entities, Brandpost (2016) maintains that in normal marketing and communication contexts it is important to know who comprises the target group, what their motivations are and to understand how they like to be communicated with, as a sound understanding of these elements will assist in the developing of an integrated marketing strategy. In addition, in order to communicate effectively within the creative economy, channels of communication and their strengths need to be

determined and choices need to be made on the basis of those channels which maximise communication (Brandpost, 2016).

In Gauteng, the directorate of arts, culture and heritage is responsible for the identification, preservation and promotion of arts, culture and heritage. The arts programme has identified dance, crafts, music and theatre as its core areas of focus. With respect to promoting awareness of opportunities, the principal aims of the programme concern the identifying of talent and capacity building through grants in aid, training and development programmes and the promotion of artists and arts organisations (Gauteng Online, 2016). The strategy of the Gauteng Department of Sport, Arts, Culture and Recreation is to increase awareness in communities of the developmental, economic and educational value of arts and culture. Training is of crucial importance for the development of arts and culture and to achieve both the developmental and economic potential of the sector (Gauteng Online, 2016).

The department has identified five major areas of focus in the form of legacy projects which will best assist in not only positioning the province nationally, but also in terms of the global economy. These include dance, jazz, choral, craft and theatre projects (Gauteng Online, 2016). Talent is identified through mass participation in regional craft fairs, auditions or through showcases which are held in community halls, church halls, theatres and civic centres, from Cullinan to Sebokeng. The events are marketed and promoted on a regional level as mini festivals (Gauteng Online, 2016).

Apart from the findings of the mapping study which were discussed earlier, it is also evident that there is still a great deal of scope to increase the contribution which the sector makes to the economy. Consequently, the Department of Arts and Culture continues to introduce large-scale, high-impact programmes which aim to reposition the Arts, Culture and Heritage (ACH) sector as one of the leading sectors in the generating of economic growth and employment opportunities. The programmes aim to develop and increase both the supply and demand components of the sector, in order to increase the share of the ACH sector in the economy and the contribution which it makes to it (Arts & Culture Annual Report, 2014/2015:35).

Create UK (2012:3) maintains that it has identified three components which are fundamental to the future success of the creative economy, namely, data, cultural environment and innovation. According to Create UK (2012:3), these are acknowledged by the creative industries of the UK and they all link to the element of creating awareness. In order to increase awareness of and access to the creative economy, government entities such as the Australian Information Technology Industry Innovation Council are increasing the extent to which they exploit their the national broadband network, championing cross-sectoral innovation and are focusing to an increasing extent on areas such as education, skills, training, government procurement and commercialisation of research.

Some awareness programmes are implemented through a wide-ranging calendar of activities during the United Arab Emirates (UAE) Innovation Week, from inspiring children to embrace their creativity through workshops, to bringing together stakeholders in the art industry at Art Lab, where communities are engaged through meetings to encourage them to think and develop ideas which can bring significant progress to the cultural scene of the UAE (Golf News, 2015).

Other means of creating awareness are possible when creative people are provided with access to internet services which enable them to create online profiles to showcase their work and which also serve as a platform for the exchange of ideas and the development of skills, while ensuring the ease of conducting business transactions within the creative industry through unparalleled access to creative solutions (Golf News, 2015). Another initiative which has been introduced in Dubai is Creatopia, an event which is underpinned by the goals of Dubai Plan 2021, which calls for greater inclusivity, happiness and sustainability (Golf News, 2015).

Other means of creating awareness can be observed in the activities of the New England Foundation for the Arts (NEFA), which has a history of more than 30 years of providing arts organisations with data-driven research to be used for advocacy to their local governments, thereby strengthening and informing local, state-wide, and regional efforts to build New England's creative economy (New England Foundation for the Arts, 2016). NEFA research models, network resources and online tools can

be used by anyone in the US to quantify and develop their own creative community (New England Foundation for the Arts, 2016).

It hardly needs to be stressed that creativity is a vital component of the cultural cycle or value chain of arts and culture. Improving the creative capacity of the sector should logically translate to improved cultural products and services (Arts & Culture Annual Report, 2014/2015:35). As people are central to the creation of arts and culture products and services, the development of artists, including the provision of tools of trade for artists, are of crucial importance (Arts & Culture Annual Report, 2014/2015:35). Moreover, the creative capacity of the sector can be enhanced further through joint ventures in which creative minds collaborate and share their creative ideas to improve the quality of their products (Arts & Culture Annual Report, 2014/2015:35).

In India trade promotion networks such as World Telecommunication/Information and Communication Technology Policy Forum (WTPF) play a key role in providing visibility to local creative sectors through Trade Point offices and by establishing connections with other international markets for economic cooperation (Unctad Mumbai report, 2014). Its summit of 2014 brought together nearly 500 leaders from Asia and beyond, offering various networking opportunities which included plenaries, panel discussions, exhibitions, B2B meetings, visits to industries and cultural events over a 3-day period (Unctad Mumbai report, 2014).

Aswan hosts an International Symposium for Sculpture to sustain a sculptural tradition which dates back nearly 5,000 years, to which artists from all over the world are invited. By emphasising its past and working to improve its present, the town uses its public art institutions to promote an ancient art form and to encourage museums to proliferate this art form. This initiative aims to help local people to achieve sustainable development and mutual understanding, and to fight poverty and illiteracy (Cultural Times, 2015:75).

As a result of a lack of awareness, exposure or education, young men and women today face increasing uncertainty with respect to their hopes of achieving a satisfactory entry to the labour market and this uncertainty, with the disillusionment which inevitably accompanies it, can, in turn, have damaging effects on individuals,

communities, economies and society at large. Unemployed or underemployed young are, for all intents and purposes, unable to contribute effectively to national development and have fewer opportunities to exercise their rights as citizens, as they have less money to spend as consumers, less to invest as savers and often have no “voice” to bring about change in their lives and communities (Key Indicators of the Labour Market, 2016:97).

With respect to these concerns, the DAC acknowledges the challenges which are faced by crafters in South Africa, particularly by those who reside in the rural areas. In response they have coordinated eight provincial izimbizos for crafters in partnership with the Departments of Small Business Development and Trade and Industry, in order to obtain an improved understanding of the challenges of crafters and to work on a plan to address these challenges (Arts & Culture Annual Report, 2014/2015:10).

The many events which are intended to make the visual arts available to all include First Thursdays, which was launched in Cape Town in 2012 and extended to Johannesburg. The event provides a free cultural experience in which art galleries and other cultural attractions stay open late on the first Thursday of every month, in order to attract younger audiences (Cultural Times, 2015:78).

In addition, radio in South Africa has grown tremendously, with revenues rising by as much as 50 percent between 2009 and 2013. Whether public, commercial, or community-run, radio stations are listened to everywhere and at any time, capturing a large audience of 87 percent of all South Africans. According to the South African Research Foundation, South Africans spent an average of 3.5 hours a day listening to radio in 2014 (Cultural Times, 2015:78). In radio, support businesses in the creative economy such as advertisers and language translators are presented with an opportunity to flourish and radio also offers a wide variety of specialised careers to presenters, translators, sound engineers and many other specialists.

2.9. Conclusion

This chapter has reviewed the existing literature pertaining to the creative economy, in order to identify the main role players and to discuss in detail the role which the creative sector can play in the national economy. It also focused on identifying the unique opportunities which the sector affords to entrepreneurs. Functional strategies were also investigated in an effort to build awareness through harnessing resources and capabilities.

According to the Creative Economy Report (2008:5), an inclusive definition defines the creative industries as those industries which are at the crossroads of the arts, culture, business and technology. These industries range from an array of traditional arts, festivals, music, books, creative activities such as painting and the performing arts to the more technology-intensive subsectors such as the film industry, broadcasting, digital and video games and service-oriented fields such as architecture and advertising. It is evident from Table 2.1 on page 34, that the creative economy cuts across several industries, which emphasises the important role which it plays in the broader economy.

South Africa has the potential to generate great economic growth and to promote employment and trade through enabling the creative economy to play an important and decisive role in the country's economy, as has occurred in many advanced economies (Department of Arts and Culture Annual Report, 2014:35). The province of Gauteng has put forward a business case for the arts and other cultural activities, maintaining that they make a social and economic contribution to the province by providing opportunities for self-employment, the creation of employment and urban regeneration, and that they have the potential to become one of the key drivers of the economy of Gauteng (Gauteng Online, 2016).

Herrington & Kew (2015:24) explain that opportunities, or even the perception of good opportunities, play an important role in determining whether an individual will even consider starting a business. It is also of crucial importance to identify those factors which have the potential to contribute to the formulation of strategies which enable economies to benefit from the talents, energy and ideas which young people

bring to the labour market (Herrington & Kew, 2015:34). Herrington and Kew (2015:34) emphasise that the crucial strategic elements for enabling young people to enter the labour market include education and the development of skills and entrepreneurship. However, from the insights which the literature review has provided, it is abundantly obvious that South Africa is faced with an educational crisis which creates barriers to entering the creative economy.

This research study focuses on awareness in the context of the marketing initiatives which are being implemented at present, which generates the question “How well are the marketing and communication strategies which are being employed at present working in terms of creating awareness of the opportunities which are available in the creative economy?” This question was answered by analysing the effectiveness of those initiatives which are being employed at present and by analysing the effectiveness of a broad range of similar initiatives in the international arena.

Apart from the single minded pursuit of competitive advantage, which is characterised by intense rivalry, there have been initiatives which have been forged with other countries to improve the cultural economy of South Africa and to create greater awareness of concerns which pertain to the creative economy. These planned competitive moves were discussed in detail in section 2.2.3.

As the development of creative skills contributes to all other sectors of industry (South African Department of Arts and Culture, 2006:4), it is essential to integrate sustainable development and environmental awareness into education and training at all levels and to incorporate the contributions of the creative economy. It also became evident in the course of conducting the research that by forming strategic partnerships, creative entrepreneurs and creative entities can both assist and benefit from each other through the increased awareness which has been attained by collective alliances.

Chapter 2 concludes with a section which discusses the importance of marketing and communication in order to build and maintain a relationship with targeted stakeholders.

CHAPTER 3: RESEARCH METHODOLOGY

3.1. Introduction

This chapter will be devoted to a discussion of the methodology and the processes which were employed to conduct the research study, in order to meet the objectives which were articulated in paragraph 1.6 of Chapter 1.

3.2. Empirical and quantitative research design

This study took the form of an empirical study, in which measurements were made with the aim of establishing an understanding of the research topic from the actual experiences of creative people who were working in the creative industries, rather than through an interpretation of findings on the basis of a specific theory or belief.

3.2.1. Research design

A quantitative, non-experimental research design which made use of a cross sectional study was employed, with the primary aim of investigating the problem statement, namely, determining the potential role of the creative economy to reduce unemployment, through making an accurate assessment of the perceptions and the experiences of creative people who work in the creative economy.

This research method was chosen because it allowed for the inclusion of different age groups in the research sample and the analysis of correlational relationships between more than two variables. Secondly, it was selected because the costs which conducting the study would entail were minimal and, thirdly, it provided the most practical and effective means of gathering data from the sample which had been selected, as it could be adapted to suit the treatment and the analysis of data in a manner which consumed relatively little time. A fourth consideration was that this method would ensure high levels of reliability for the findings which were established from the data which had been gathered. A final consideration was the

ability of the method to establish correlations between given variables and outcomes and to allow for comparisons to be made.

3.2.2. Research instruments which were employed to collect data

Research instruments such as questionnaires or scales are tools which are designed to enable measurements to be made in order to obtain data pertaining to a topic of interest from research subjects (EBSCOhost, 2016). This study made use of a self-administered questionnaire which contained questions which had been formulated to obtain a comprehensive assessment of the understanding of people who work in the creative industries of the creative economy as a potential economic tool to reduce unemployment.

3.2.2.1. Self-administered questionnaire

The structured questionnaire was considered to provide a reliable means of collecting biographical details and insights pertaining to typical behaviour, opinions, beliefs and attitudes from the respondents, which could then be interpreted statistically. These interpretations would then be used to make generalised inferences about the target population as a whole (Welman *et al.*, 2005:152). The questionnaires were constructed and administered according to the standardised procedures for collecting data and proved to be the best strategy for this study, as most of the people who were interviewed were pressed for time.

3.1.1.1. Composition of the questionnaire

The questionnaire was divided into two sections. The focus of the first was on the following biographical details of the participants:

- Age
- Gender
- Employment status
- Racial profile of respondents
- Number of years for which respondents have worked in their respective fields

- Number of years practised as a creative practitioner
- Duration of working in present position or career
- Highest level of education
- Present annual salary or income
- Reasons for choosing the creative sector

The second section was made up of 48 questions, which sought to provide data pertaining to the following constructs:

- Information concerning income-generating opportunities
- Collaboration
- Access to information concerning the creative industry
- Entrepreneurial and work-related opportunities
- Copyrighting
- Access to technology
- Funding
- Location

A 5-point Likert scale was used with values between 1 and 5, in which 1 = strongly Disagree; 2 = Disagree; 3 = Neutral view; 4 = Agree and 5 = Strongly Agree.

3.3. Research population and sample

The target population consisted of creative people who were either working or studying within the Greater Johannesburg Metropolitan Area. Owing to a number of factors, such as distance, time constraints, the accessibility of the participants and the costs which were involved, a convenience sampling method was used. Welman *et al.* (2005:153) explain that convenience sampling refers to those instances in which a subgroup which has variables which are similar to those of the population group which is represented is chosen, on the basis of the fact that the potential respondents are more accessible than others and the method is inexpensive and quick to administer, Welman *et al.* (2005:153) point out that delivering questionnaires in person can increase costs, as opposed to posting

questionnaires to respondents. However, with the advent of the e-mail system and the ability to complete surveys online, questionnaires can be administered at minimal cost, although, a greater rate of response is likely when they are delivered in-person. Owing to the fact that the researcher was able to locate a significant number of potential creative respondents in one city, it was considered to be best to deliver the questionnaires in person and to collect them within the shortest period which was needed by the participants to complete them. In most cases the completed questionnaires could be collected within an hour of distributing them, with the longest waiting period being a week. The greatest potential limitation which using the empirical research method which had been chosen appeared to entail was that a sample size of 135 respondents might not necessarily be sufficient to yield results which could be generalised and applied across the whole population of all of the people who worked in the creative industries in the Greater Johannesburg Metropolitan Area.

The target population was based mainly in five different creative institutions, namely, Moving Into Dance, Artist Proof, Imbali, Mandy's Art and the Artshub Institute and the research sample was augmented by those people from other institutions who were in close proximity and willing to complete the questionnaire. The potential respondents were chosen on the basis of their geographical location, as it allowed the researcher easy access to them. A total of 160 creative people were non-randomly selected to complete the questionnaires and a final number of 135 ($n = 135$) usable questionnaires were returned by 84 male and 51 female respondents, yielding a response rate of 84.38 percent.

3.3.1. Pilot study

The pilot study was conducted among 5 creative people who were not members of the research sample for the final study. After they had completed the questionnaire, the researcher discussed the questionnaire content with the respondents, in order to clarify any potential misunderstandings and uncertainties which they may have encountered. After this exercise had been concluded, the questionnaire was adjusted and finalised before being delivered to the respondents who comprised the research sample.

3.3.2. Collection of data

The people in charge of the institutions which had been selected allocated some time to the researcher to explain the purpose of the research, the nature of the questionnaires and to clarify any points about which the potential respondents may have been uncertain. In two of the institutions the people in charge of the training programmes assumed this role and assisted the researcher by administering the questionnaires in her absence. As a response rate of 60 percent can be used as a threshold of acceptability (Johnson & Wilsmar, 2012:1805), the actual response rate of 85.38% was considered to be acceptable.

3.4. Analysis and interpretation of data

The researcher captured, cleaned, edited and analysed the data which had been obtained from the respondents. Simple statistical analysis was initially undertaken by the researcher, in order to establish the underlying trends of the various factors at face value, using concepts such as the mean of the highest two sets of scores for each question, to eliminate the lower scoring values to focus on the higher significant values. This procedure enabled the researcher to track trends in terms of the responses which had been given to the questions.

For the exploratory factor analysis of the data the researcher used Statistic Consultant Services, which is based on the Potchefstroom campus of North-West University, with the help of the Statistical Package for the Social Sciences (SPSS). The exploratory factor analysis (EFA) was used as a technique to reduce the data, in order to determine the dimensions or factors underlying the construct, followed by a confirmatory factor analysis (CFA). A reliability analysis was subsequently undertaken in order to determine the reliability of the five factors which had been extracted through the exploratory factor analysis, after which the descriptive results for the individual statements measuring the different factors were reported. The reporting of the inferential statistics used the Spearman rho correlation coefficients for each pair of variables and was based on all of the cases of valid data for the pair.

The Kaiser-Meyer-Olkin (KMO) Test for Sampling Adequacy was chosen by the researcher to measure the sampling adequacy of the research (El-Housseiny, 2016). It is held that the KMO coefficient should have a value which is greater than 0.5 to be of significant correlation and that the closer it is to a value of 1, the more the variables will have a correlative pattern. The guidelines for the values of KMO coefficients are shown in Table 3.1 below (Bair, 2007:134):

0.5 - 0.7	Considered to be mediocre
0.7 – 0.8	Considered to be good
0.8 – 0.9	Considered to be excellent
Above 0.9	Considered to be superb

Table 4: KMO values

The following analyses of the data were carried out:

- Frequency analysis of all the data collected by the self-administered structured questionnaire
- Means analysis was also incorporated into the analysis
- The validity of the measuring instrument was investigated in terms of:
 - construct validity on the basis of confirmatory factor analysis and
 - content validity
- Reliability was determined by calculating Cronbach alpha coefficients
- Ellis and Steyn (2003) effect size (d value) was used to study the effect which different properties of a population have on each other. Cohen (1988) gives the following guidelines, which are shown in Table 3.2 below, for the interpretation of the size effect in the present case:

$d > 0.15$	Small effect
$d = 0.15 - 0.35$	Medium effect
$d < 0.35$	Large effect

Table 5: Size of effect (d)

The Spearman Rank Test (correlation coefficient r) was used to determine the statistical relationship between the five factors which were assessed by the

questionnaire. The p-value criterion for statistical significance which was used is shown in Table 3.3 below:

p < 0.1	Small correlation
p < 0.3	Medium correlation
p < 0.5	Large correlation.

Table 6: The p-value

To investigate the properties of the instrument, validity was determined in terms of content and construct validity, while reliability was investigated by computing alpha coefficients (Delport & Roestenburg, 2011:173-177). The findings will be reported under results in Chapter 4.

3.5. Validity and reliability of research instruments

3.5.1. Validity and reliability

According to Welman *et al.* (2005:9), validity requires that a study should be representative of what the researcher is investigating, while reliability ascertains the extent to which the research study has measured its data in a consistent and stable manner which enables the study to be replicated.

3.5.2. Content validity

“Content validity of a measuring tool is the extent to which it provides adequate coverage of the investigative questions guiding the study”, (Cooper & Schindler, 2014:257). The extent to which the sample is representative of the research population also influences the validity of the content. As the judgement of the researcher is a significant variable, content validity is increased through the careful definition of the research topic, the items which are to be scaled and the scales which are to be used (Cooper & Schindler, 2014:258). Punch (2013:239) suggests that content validity should focus on the full content of the conceptual definition which is represented in the measure.

As has already been explained, the questionnaire was tested prior to the conducting of the survey, in order to test the clarity and objectivity of the questions. People from the creative industries were used to ensure the validity and the usability of the questions and the responses which they received, as they matched the characteristics of the members of the research sample in the aspects in which the researcher was interested. (See Annexure A for an example of the questionnaire.)

Most of the test items seemed to measure the construct which appeared as the heading for each factor. In addition, the total set of behaviours in this section was appropriate for measuring the characteristic behaviour of the specific respondents in this study, which is another requirement for content validity. Consequently, the research instrument was deemed to possess content validity.

3.5.2.1. Construct validity

Construct validity was assessed by means of an exploratory factor analysis (EFA) and five factors were identified, namely:

- Informed collaborative partnerships
- Access to information and collaboration
- Copyright and sustainability
- Awareness and opportunities
- Entrepreneurship

A few items which were not consistent with the main factors were eliminated, after which a confirmatory factor analysis (CFA) was performed. The five factors which had been identified in the EFA together explained a total variance of 37.328 percent for the factors which were analysed. Communalities among individual items varied between 0.48 and 0.88 in this study. The communality for each statement for the most part comprised more than half of the total variance for most of the statements. The construct validity of this instrument was consequently found to be satisfactory.

3.5.3. Reliability

The UCLA Institute of Digital Research and Education (2016) explains that the Cronbach alpha (α) is a measure of internal consistency, which determines how closely related a set of items are as a group. According to the University of Virginia Library, the “resulting α coefficient of reliability ranges from 0 to 1, in providing this overall assessment of a measure’s reliability” and “if all of the scale items are entirely independent from one another then $\alpha = 0$; and, if all of the items have high co-variances, then α will approach 1 as the number of items in the scale approaches infinity” (UCLA Institute of Digital Research and Education, 2016).

Cohen *et al.* (2007:506) explain that a value greater than 0.7 indicates that an instrument is reliable, although smaller values (0.5 and higher) can also be considered reliable. In this study most of the five factors displayed a generally high α . The instrument, with the corresponding values, are accounted for as follows: proactive and informed at $\alpha = 0.803$, competitive at $\alpha = 0.557$, Intellectual property protection and access to information $\alpha = 0.74$, up and coming creative people - aware of opportunities but lack the resources to start business $\alpha = 0.657$ and empowerment of BEE entrepreneurs $\alpha = 0.737$. The overall Cronbach alpha averaged $\alpha = 0.7$. Consequently, this measuring instrument was deemed to be reliable.

3.6. Administration of the research instrument

The survey questionnaires were administered to creative people in training and owners of creative businesses during times which were convenient for them to participate in the research study. At all times the respondents had someone to attend to their queries while they were completing the questionnaires. Problems which the respondents encountered while completing the questionnaires were resolved. The completed questionnaires were handed to the person who was in charge of each particular session, who, in turn, handed them back to the researcher. Each questionnaire was accompanied by a brief résumé of the background of the study and an information sheet which explained that the

research was being conducted in strict accordance with the ethical standards for professional research in the social sciences.

No application to any higher authority was required, as all of the potential respondents were over 18 years of age. Verbal permission was given to conduct the research during training sessions.

3.7. Confidentiality

The questionnaires included a section on the front page which assured the respondents of their anonymity and indicated that the decision to participate in the study was entirely voluntary. It also explained that the respondents had the right not to answer any question in the questionnaire if they chose not to do so.

3.8. Conclusion

This chapter endeavoured to provide a comprehensive discussion of all the relevant aspects concerning the carrying out of an empirical research study. The adoption of a quantitative approach to the conducting of the study enabled organised systematic procedures to be used to reduce the incidence of the mistakes which can occur where large quantities of data are collected and analysed and enabled the researcher to collect large quantities of data in the most efficient and cost-effective manner.

The reliability and the validity of the data were also tested and the EFA and the Cronbach alpha values confirmed that the study had measured what it had intended to measure.

In all instances prior permission and consent were sought from relevant authorities and the research was conducted in strict accordance with the requirements of the NWU Research Ethics Committee.

The data which was obtained through the application of the research methodology which has been described and discussed in detail in this chapter will be presented and analysed in Chapter 4.

CHAPTER 4: RESULTS AND DISCUSSION

4.1. Introduction

This chapter will be devoted to a presentation and a systematic analysis of the quantitative data which was collected through the administration of the questionnaires. The quantitative data was augmented with qualitative data (see Annexure D), which was obtained from a series of in-depth one-on-one interviews, in order to establish trends and to corroborate key findings. This chapter will focus specifically on the core concerns of the research questions which were posed in Chapter 1, namely:

- The role of creative institutions
- The Black Economic Empowerment programmes which are being implemented in the creative sector at present
- The entrepreneurial principles which are applied by entrepreneurs operating in the creative sector
- The game changers of which creative entrepreneurs need to be aware in order to adapt and survive in the creative economy

In order to ensure a logical flow of the discussion, the data will be presented under the following headings:

4.2. Biographical information of the respondents:

- Age
- Gender
- Employment status
- Racial profile of respondents
- Number of years for which the respondents have worked in their respective fields
- Number of years practised as a creative practitioner
- Duration of working in present position or career

- Highest level of education
- Present annual salary or income
- Reasons for choosing the creative sector

4.3. Factors contributing to levels of awareness among people in the creative sector with respect to employment and business opportunities in the creative environment

- Information concerning income-generating opportunities
- Collaboration
- Access to information concerning the creative industry
- Entrepreneurship
- Copyrighting
- Access to technology
- Funding
- Location

4.4. Biographical information of the respondents

The respondents were requested to enter their personal details, which are listed in section 4.1 above. This information was used to assist the researcher to make comparisons between the responses of the various participants with respect to the elements which may comprise or contribute towards their understanding of the creative economy as a potential economic tool to reduce unemployment, in order to try to establish whether a specific biographical pattern influenced their responses.

4.4.1. Age

An analysis of the ages of the participants (see Table 7 and Figure 4) indicates that the age group between 20 and 30 years was most representative of the research sample. The data showed that young people comprised 81.8 percent of the sample, while the older age groups in total comprised only 18.2 percent.

Age Profile		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	1. 20-30 years	108	81.8	81.8	81.8
	2. 31-40 years	16	12.1	12.1	93.9
	3. 41-50 years	1	0.8	.8	94.7
	4. >51years	7	5.3	5.3	100.0
	Total	132	100.0	100.0	
Missing	System	273	67.4		
Total		405	100.0		

Table 7: Age profile of respondents

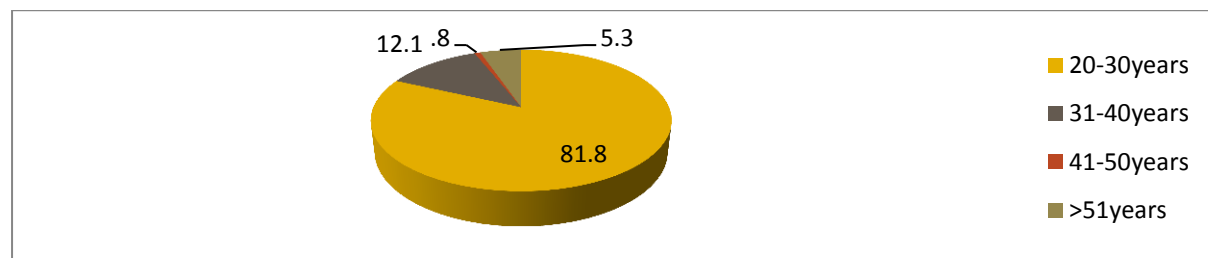


Figure 4: Pie Chart for the age profile of the respondents

4.4.2. Gender

An analysis of the genders of the participants (see Table 8 and Figure 5) showed that males predominated quite significantly in the sample, as they comprised 62.4 percent of it, as opposed to 37.6 percent for female respondents.

Gender		Frequency	Percentage	Valid percentage
Valid	1. Male	83	61.0	62.4
	2. Female	50	36.8	37.6
	Total	133	97.8	100.0
Missing	System	3	2.2	
Total		136	100.0	

Table 8: Gender profile of respondents

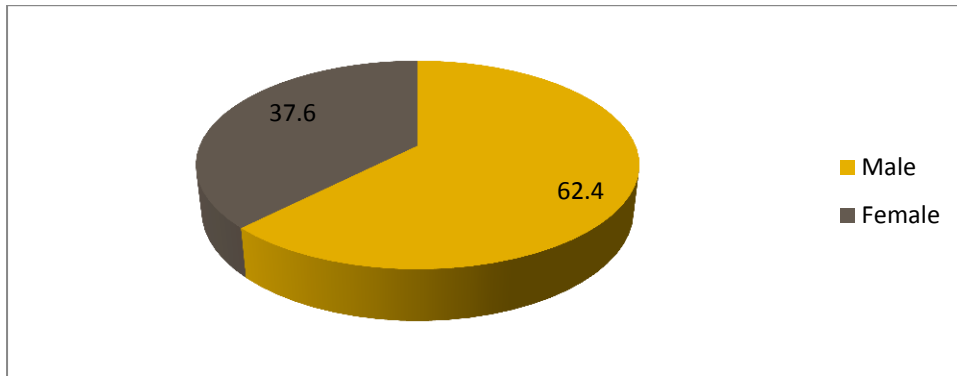


Figure 5 Pie Chart for the gender profile of the respondents

4.4.3. Employment status

An analysis of the employment status of the participants (see Table 9 and Figure 6) revealed that students predominated in the sample, as they comprised 84.5 percent of it, while the other groups, who were engaging in income-generating activities, comprised 15.5 percent.

Employment status		Frequency	Percentage	Valid percentage	Cumulative percentage
Valid	1. Student	82	60.3	84.5	84.5
	2. Self-employed	12	8.8	12.4	96.9
	3. Employed by other	1	.7	1.0	97.9
	4. Part-time	2	1.5	2.1	100.0
	Total	97	71.3	100.0	
Missing	System	39	28.7		
Total		136	100.0		

Table 9: Employment profile of respond

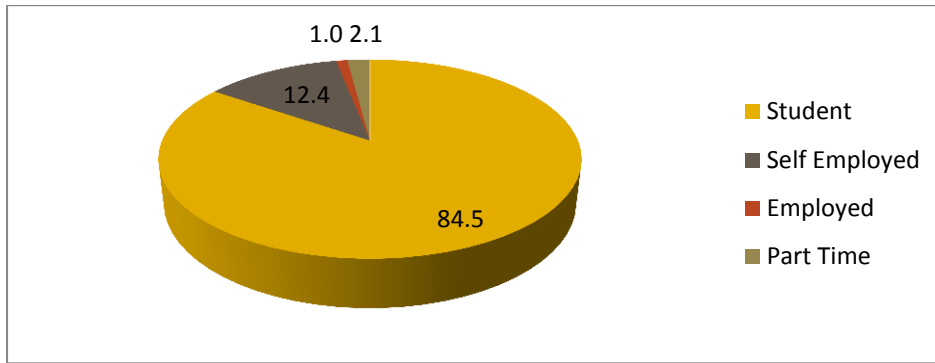


Figure 6 Pie Chart for the employment profile of the respondents

4.4.4. Racial profile of respondents

An analysis of the racial profile of the respondents (see Table 10 and Figure 7) showed that a majority of 80.6 percent of the respondents were black South Africans, while all of the other groupings, including non-South Africans, together comprised 19.3 percent.

Race		Frequency	Percentage	Valid percentage	Cumulative percentage
Valid	1. Black	108	79.4	80.6	80.6
	2. White	17	12.5	12.7	93.3
	3. Coloured	2	1.5	1.5	94.8
	4. Indian	4	2.9	3.0	97.8
	5. Non-South African	3	2.2	2.2	100.0
	Total	134	98.5	100.0	
Missing	System	2	1.5		
Total		136	100.0		

Table 10: Racial profile of respondents

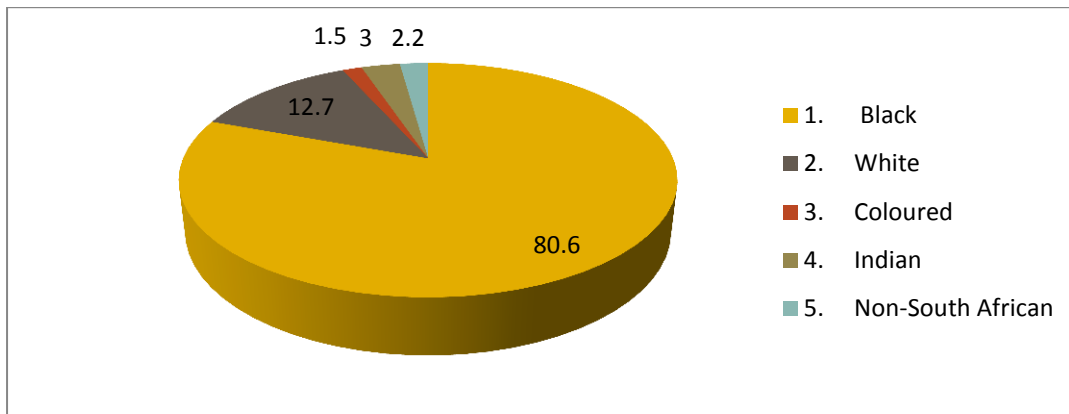


Figure 7 Pie Chart for the racial profile of the respondents

4.4.5. The number of years for which the respondents have been working in their respective fields

An analysis of the periods for which the respondents had been working in their various respective fields (see Table 11 and Figure 8) showed that a significant majority had been working for relatively short periods, with most (51.0%) having worked for 3 years or less, followed by a group which comprised 33 percent of the sample which had worked more than 5 years and 15.6 percent who had worked for 4 years.

Years working in the creative field		Frequency	Percentage	Valid percentage	Cumulative percentage
Valid	1. 3 years	49	36.0	51.0	51.0
	2. 4 years	15	11.0	15.6	66.7
	3. More than 5 years	32	23.5	33.3	100.0
	Total	96	70.6	100.0	
Missing	System	40	29.4		
Total		136	100.0		

Table 11: The number of years for which the respondents have worked in their respective fields

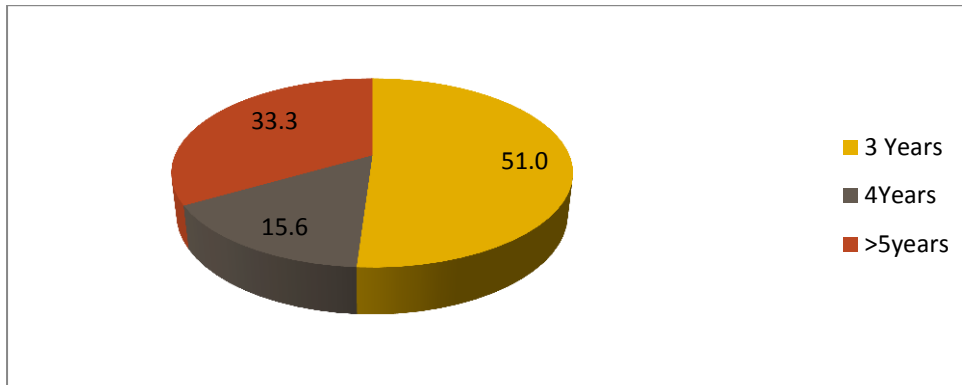


Figure 8 Pie Chart for the number of years for which the respondents have been working in their respective fields

4.4.6. Number of years practised as a creative practitioner

An analysis of the number of years for which the respondents had practised as creative practitioners (see Table 12 and Figure 9) showed that a majority of 58.3 percent had practised their specific creative craft or skill for at least 1 year, followed by a group of 17.4 percent who had practised for more than 15 years and a group of 16.5 percent who had practised for between 6 and 10 years.

Number of years practised as a creative practitioner		Frequency	Percentage	Valid percentage	Cumulative percentage
Valid	1. 0-5 years	67	49.3	58.3	58.3
	2. 6-10 years	19	14.0	16.5	74.8
	3. 11- 15 years	9	6.6	7.8	82.6
	4. more than 15 years	20	14.7	17.4	100.0
	Total	115	84.6	100.0	
Missing	System	21	15.4		
Total		136	100.0		

Table 12: Number of years practised as a creative practitioner

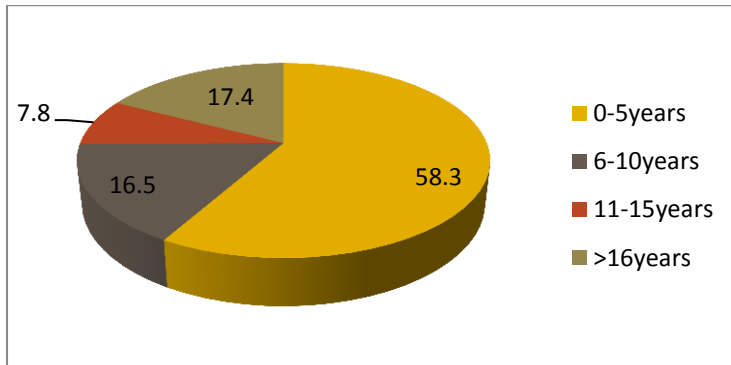


Figure 9 Number of years practised as a creative practitioner

4.4.7. Duration of working in present position or career

An analysis of the periods for which the respondents had been working in their present positions or careers (see Table 13 and Figure 10) showed that a majority of 46.15 percent had been working for longer than 5 years, followed by 38.46 percent who had been working between 1 and 2 years and two small groups of 7.7 percent each which had been working- between 3 and 4 years and between 5 and 6 years (7.7%).

Duration of working in present position or career	
1 - 2 Years	38.46154
3 -4 Years	7.692308
5 -6 Years	7.692308
>5 Years	46.15385

Table 13: Duration of working in present position or career

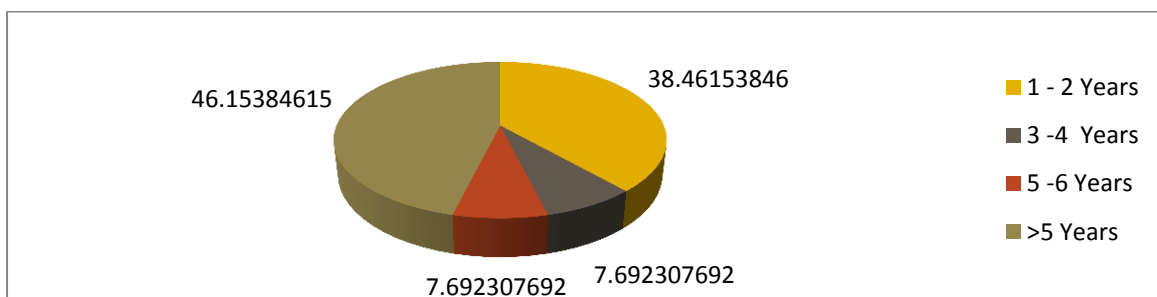


Figure 10: Pie Chart for the duration of working in present position or career

4.4.8. Highest level of education

An analysis of the highest levels of education which the respondents had attained (see Table 14 and Figure 11) showed that a majority of 51.2 percent had only a matriculation qualification, followed by a group of 20.3 percent who had not matriculated, a further group of 16.5% who had diplomas, 11 percent who had bachelor's degrees and two minorities of 0.8 percent each who had a master's degree and a doctorate, respectively.

Highest level of education		Frequency	Percentage	Valid percentage	Cumulative percentage
Valid	1. Not matriculated	25	18.4	20.3	20.3
	2. Matriculation	63	46.3	51.2	71.5
	3. Diploma	18	13.2	14.6	86.2
	4. Bachelor's degree	15	11.0	12.2	98.4
	5. Master's degree	1	.7	.8	99.2
	6. Doctorate	1	.7	.8	100.0
	Total	123	90.4	100.0	
Missing	System	13	9.6		
Total		136	100.0		

Table 14: Highest level of education

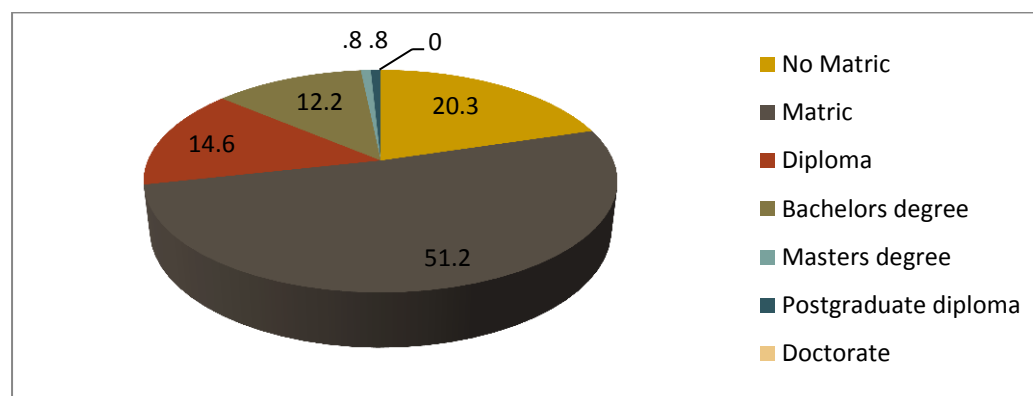


Figure 11: Highest level of education

4.4.9. Present annual salary or income

An analysis of the present annual salary or income of the respondents (see Table 15 and Figure 12) showed that very significant majority of 83.9 percent earned less

than R200 000.00 per year, followed by 4.8 percent who earned between R400 000.00 and R449 999.00, with the remaining four groups whose incomes fell within the four ranges between R200 000.00 and R399 999 comprising 11.2% of the sample.

Present annual salary or income		Frequency	Percentage	Valid percentage	Cumulative percentage
Valid	1. Less than R200k	52	38.2	83.9	83.9
	2. R200k – R249k	2	1.5	3.2	87.1
	3. R250k 0 R299k	2	1.5	3.2	90.3
	5. R300k – R349 999	1	.7	1.6	91.9
	6. R350k – R399 999	2	1.5	3.2	95.2
	7. R400k – R449 999	3	2.2	4.8	100.0
	Total	62	45.6	100.0	
Missing	System	74	54.4		
Total		136	100.0		

Table 15: Present annual salary or income

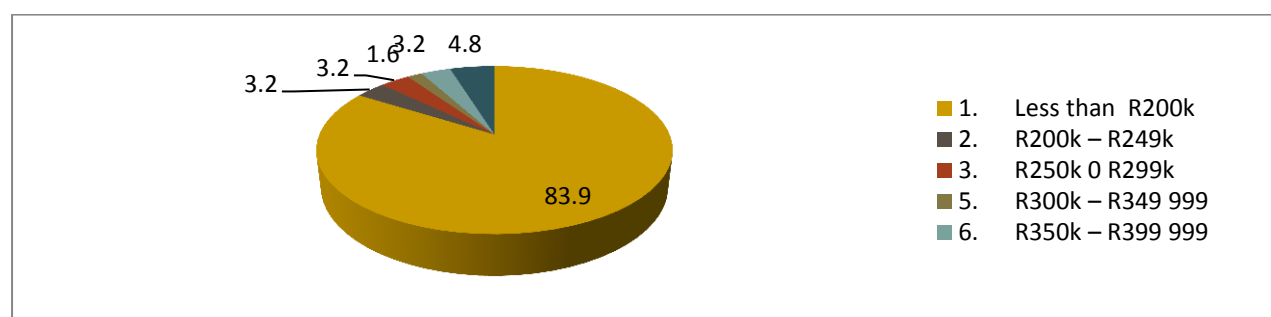


Figure 12: Present annual salary or income

4.4.10. Reasons for choosing the creative sector

An analysis of the reasons for choosing the creative sector (see Table 16 and Figure 13) showed that a majority of 42.31 percent chose it as a result of their perceptions of the opportunities which the sector offers, followed by a second significantly large group of 30.77 percent who reported that they worked in the sector because they felt passionate about their chosen fields and a third group of 26.92 percent whose principal motivation for entering the sector concerned the fact

that they were either particularly gifted or had acquired the necessary skills for their particular fields of specialisation. It was interesting to note that none of the respondents cited money as the reason for being in this sector.

Passion	Money	Gifted or skilled	Opportunities
30.7692308	0	26.92308	42.30769

Table 16: Reasons for choosing the creative sector

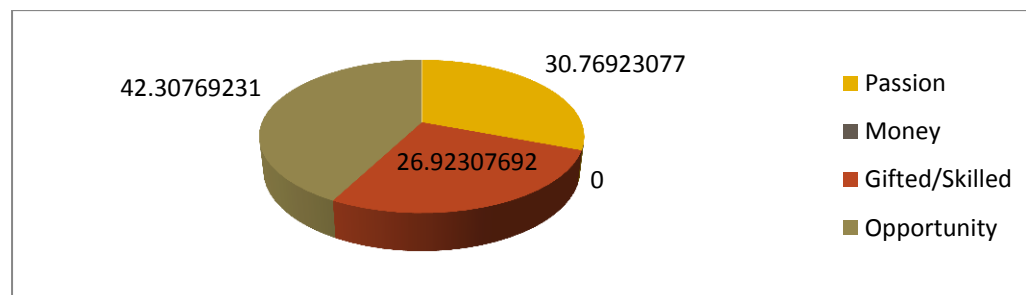


Figure 13: Reasons for choosing the creative sector

4.5. Further analysis

Further analysis and interpretation of the data concerning the factors which contribute to levels of awareness among people working in the creative sector of the employment and business opportunities which the creative economy offers

The questions were answered according to a 5-point Likert scale which made use of the following indications: 1 = Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree and 5 = Strongly Agree.

4.5.1. Information concerning income-generating opportunities

Question	Table A: Information on income opportunities 1. Information on income opportunities	1.Strongly disagree		2. Disagree		3. Neutral		4. Agree		5. Strongly agree	
		Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
1	I am aware of the income generation opportunities in the creative industry	15	11.4	11	8.3	36	27.3	48	37.1	22	15.9
15	I believe that I can have a sustainable income from providing my services in the field of my specialisation	8	6.1	8	6.1	25	18.8	49	37.1	42	31.8
4	I know where I can get information on opportunities to create a sustainable income for myself	3	2.3	27	20.5	42	31.8	45	34.1	15	11.4
5	I believe that information on opportunities to create a sustainable income for myself is readily available	4	3.3	21	17.2	31	25.4	47	38.5	19	15.6
6	I struggle to get information on income generating opportunities in the creative industry	6	4.5	29	21.8	48	36.1	34	25.6	16	12.0

Table 17: Information on income opportunities

The mean for the highest two sets of scores for each question was 42.2. This mean was used as a selection criterion for eliminating the lower scoring values in order to focus on the higher significant values. Generally, the responses concerning the level of awareness were positive, ranging from neutral to strongly agree. The overall conclusion which could be drawn was that the respondents appear to be aware of income-generating opportunities which the creative industries offer. They believed that they could earn sustainable incomes from providing services in their fields of specialisation, and, secondly, they indicated that they knew where they could obtain information concerning opportunities to create sustainable incomes, as they were aware of the income-generating opportunities which are to be found in the creative sector.

Question 15: I believe that I can have a sustainable income from providing my services in the field of my specialisation

For question 15 rating the highest scores using the two highest sets of scores generated a frequency of 91 out of 132 frequencies, with a combined average valid percentage of 34.45 percent for the two scores.

Question 4: I know where I can obtain information concerning opportunities to create a sustainable income for myself

For question 4 rating the second highest scores using the two highest sets of scores generated a frequency of 87 out of 132 frequencies, with a combined average valid percentage of 32.85 percent for the two scores.

Question 1: I am aware of the income-generating opportunities in the creative industries

For question 1 rating the third highest scores using the two highest sets of scores generated a frequency of 84 out of 133 frequencies, with a combined average valid percentage of 62.4 percent for the two scores.

4.5.2. Collaboration

Question	Table B: Collaboration 2. Collaboration	1. Strongly disagree		2. Disagree		3. Neutral		4. Agree		5. Strongly agree	
		Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
7	I work with other creative artists from other creative industries	7	5.2	25	18.7	22	16.4	60	44.8	20	4.9
8	I do collaborate with other creative in my industry	4	3.0	20	15.0	35	26.3	44	33.1	30	22.6
9	I do collaborate with other creative from other creative industries	9	6.9	26	20.0	30	23.1	48	36.9	17	13.1
10	I do collaborate with other creative institutions	9	6.8	28	21.2	40	30.3	40	30.3	15	11.4
2	I am aware of training opportunities in the creative industry	4	3.0	11	8.3	23	17.4	66	50.0	28	21.2
3	I know where I can get information to be trained in my specific field of interest in the creative industry	3	2.3	14	10.5	27	20.3	69	51.9	20	15.0
16	I know how to work with other creatives in my field of specialisation in taking advantage of the income generating opportunities offered by the creative industry	4	3.1	20	15.3	43	32.8	44	33.6	20	15.3
17	I know how to work with other creatives in other fields of specialisation in taking advantage of the income generating opportunities offered by the industry	2	1.5	21	15.8	49	36.8	42	31.6	19	14.3

Table 18: Collaboration

The mean for the highest two sets of scores for each question was 43.125. This mean was used as a selection criterion for eliminating the lower scoring values in

order to focus on the higher significant values. Generally the responses concerning levels of collaboration were positive, ranging from neutral to strongly agree. Overall it appeared that the respondents were aware of the value of collaborating in the creative industries, with 35.06 percent agreeing. A further 27.62 percent gave a neutral response, which could possibly be interpreted as an expression of indifference, with 22.06 percent disagreeing.

Collaborative efforts	% Frequency Strongly Disagree	% Frequency Disagree	% Frequency Neutral	% Frequency Agree	% Frequency Strongly Agree
	4.4136192	17.65448	27.61665	35.05675	15.25851

Table 19: Sum of frequencies on collaboration

Question 20: I know how to work with other creatives in other fields of specialisation in order to take advantage of the income-generating opportunities which are offered by the creative industries

For question 20 rating the highest using the two highest sets of scores generated a frequency of 91 out of 133 frequencies, with a combined valid percentage of 68.4 percent for the two scores.

Question 19: I know how to work with other creatives in my field of specialisation in order to take advantage of the income-generating opportunities which are offered by the creative industries

For question 19 rating the second highest scores using the two highest sets of scores generated a frequency of 87 out of 131 frequencies, with a combined valid percentage of 66.4 percent for the two scores.

Question 15: I work with other creative artists from other creative industries

For question 15 rating the third highest using the two highest sets of scores generated a frequency of 85 out of 134 frequencies, with a combined valid percentage of 63.5 percent for the two scores.

4.5.3. Access to information concerning the creative industries

Table C: Access to information about the creative industry		1. Strongly disagree		2. Disagree		3. Neutral		4. Agree		5. Strongly agree	
3. Access to information about the creative industry		Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
11	I am aware of the growth opportunities in the local creative industry	8	6.0	19	14.3	34	25.6	51	38.3	21	15.8
12	I understand how the local creative industry operates in my field of specialisation as an artist	8	6.0	18	13.4	41	30.6	47	35.1	20	14.9
13	I understand how the African creative industry operates in my field of specialisation as an artist	10	7.7	22	16.9	40	30.8	42	32.3	16	12.3
14	I understand how the international creative industry operates in my field of specialisation as an artist	12	9.1	28	21.2	39	29.5	38	28.8	15	11.4
18	3 I understand the operations of the creative institutions relevant to my area of creative work	3	2.3	13	13.8	34	26.2	55	42.3	20	15.4
19	2 Information about the operational processes of creative institutions is readily available	2	1.6	23	18.1	57	44.9	35	27.6	10	7.9
20	I know where to get the information about the operational processes of creative institutions	5	3.9	22	17.3	45	35.4	40	31.5	15	11.8
21	I need information to understand how the procurement process of creative institutions work	4	3.2	10	8.0	24	19.2	52	41.6	35	28.0
22	1 I need information to understand the employment opportunities that are available within the established creative institutions	5	3.8	10	7.6	16	12.2	53	40.5	47	35.9
23	I am aware of the opportunities that are there for BEE service providers in the creative economy that I am operating in	13	9.9	32	24.4	32	24.4	42	32.1	12	9.2
24	I am aware of the incentives of promoting BEE services providers	10	7.8	38	29.5	38	29.5	32	24.8	11	8.5
25	I believe there is enough information on how BEE programmes work in redistributing wealth in the creative economy	15	11.5	31	23.8	36	27.7	32	24.6	16	12.3

Table 20: Access to information

The mean for the highest two sets of score for each question was 41.79. This mean was used as a selection criterion, for eliminating the lower scoring values in order to focus on the higher significant values. Generally the responses to access to information concerning the creative industries were positive, ranging from neutral to strongly agree.

	1. Strongly disagree	2. Disagree	3. Neutral	4. Agree	5. Strongly agree
	% Frequency Strongly disagree	% Frequency Disagree	% Frequency Neutral	% Frequency Agree	% Frequency Strongly disagree
Sum of the frequencies	102	291	486	654	286

Table 21: Sum of frequencies for access to information concerning the creative industries responses

The respondents showed the greatest need for information to understand the employment opportunities which are available within the established creative institutions, although they were generally more aware of training opportunities.

From the table above it is evident that there is room for improvement in this area, as 25.64 percent of the respondents did not agree that they were aware of the income-generating opportunities which the creative industries offer. The empirical evidence to substantiate these findings is provided below.

Question 22: I need information to understand the employment opportunities which are available within the established creative institutions

For question 22 rating the highest scores using the two highest sets of positive scores generated a frequency of 100 out of 131 frequencies, with a combined valid percentage of 76.42 percent for the two scores.

Question 3: I know where I can obtain information to be trained in my specific field of interest in the creative industry

For question 3 rating the second highest scores using the two highest sets of scores generated a frequency of 94 out of 127 frequencies, with a combined valid percentage of 71.2 percent for the two scores.

Question 2: I am aware of training opportunities in the creative industry

For question 2 rating the third highest scores using the two highest sets of scores generated a frequency of 96 out of 133 frequencies, with a combined valid percentage of 72.2 percent for the two scores.

4.5.4. Entrepreneurship

Table D: Entrepreneur		1.Strongly disagree		2. Disagree		3. Neutral		4. Agree		5. Strongly agree	
4. Entrepreneur		Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
26	I believe there are entry barriers for black entrepreneurs in the creative economy	13	10.1	15	11.6	34	26.4	42	32.6	26	19.4
27	I believe most black entrepreneurs are taking advantage of the income generating opportunities that are offered by the creative economy	10	7.8	24	18.6	43	33.3	27	20.9	25	19.4
28	Artists can be entrepreneurs in their area of specialisation in South Africa	1	.8	5	3.8	16	12.1	52	39.4	58	43.9
29	Most creative entrepreneurs succeed in their start-up businesses even if they only operate in South Africa	11	8.3	23	17.4	29	22.0	48	36.4	21	15.9
30	Most creative entrepreneurs succeed in their start-up businesses when they expand internationally	6	4.7	14	11.0	42	33.1	39	30.7	26	20.5
31	It is better for an artist to be employed by someone, that way they are guaranteed of a stable income	16	12.7	29	23.0	25	19.8	33	26.2	23	18.3
32	I need more information on how to start up my business in the creative industry	6	4.8	5	4.0	16	12.7	46	36.5	53	42.1
33	I am aware of the opportunities to start up my own creative business	8	6.2	23	17.7	35	26.9	36	27.7	28	21.5
42	As an artist I am equipped to compete with other artists in South Africa	5	6.7	11	14.7	13	17.3	26	34.7	20	26.7
43	As an artist I am equipped to compete with other artists internationally	4	5.3	11	14.5	15	19.7	28	36.8	18	23.7

Table 22: Entrepreneurship

The mean for the highest two sets of score for each question was 29.95 for the descriptor entrepreneurship. This mean was used as a selection criterion for eliminating the lower scoring values in order to focus on the higher significant values. Generally the responses towards entrepreneurial drives were positive, ranging from neutral to strongly agree in support of entrepreneurial initiatives. Generally, it seems that the respondents preferred being self-employed to being employed by someone else, as they have a strong belief that artists can be entrepreneurs in their area of specialisation in South Africa. Although they were found to be aware of the opportunities which are available for starting their own creative businesses, they showed a need for more information concerning how they could go about starting their own businesses in the creative economy. The empirical evidence to substantiate these findings is provided below:

Question 28: Artists can be entrepreneurs in their area of specialisation in South Africa

For question 28 rating the highest scores using the two highest sets of scores generated a frequency of 110 out of 132 frequencies, with a combined average valid percentage of 37 percent for the two scores.

Question 32: It better for to start my business in the creative industries

For question 32 rating the second highest scores using the two highest sets of scores generated a frequency of 99 out of 126 frequencies, with a combined average valid percentage of 39.3 percent for the two scores.

Question 33: I am aware of the opportunities to start my own creative business

For question 33 rating the second highest scores using the two highest sets of scores generated a frequency of 71 out of 130 frequencies, with a combined average valid percentage of 27.3 percent for the two scores.

4.5.5. Copyrighting

Table E: Copyrighting 5. Copyrighting		1. Strongly disagree		2. Disagree		3. Neutral		4. Agree		5. Strongly agree	
		Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
34	Copyrighting my work is important for protecting my future financial income	2	2.6	2	2.6	7	9.2	32	42.1	33	43.4
35	Copyrighting is important for protecting an artists' art work in whichever form it is created	4	5.2	3	3.9	12	15.6	20	26.0	38	49.4
36	I know what channels to use to copyrighting my work	6	7.9	24	31.6	24	31.6	15	19.7	7	9.2
37	I have copyrighting on some of my work	11	14.3	21	27.3	20	26.0	14	18.2	11	14.3
38	I would consider copyrighting my work	5	6.5	6	7.8	14	18.2	25	32.5	28	35.1
39	I do not have the resources to copy right my work	6	8.0	17	22.7	17	22.7	22	29.3	13	17.3
40	I have the capacity (finance to) copyrighting my work	12	15.8	29	38.2	20	26.3	13	17.1	2	2.6
41	I know which institutions to contact when I do copyrighting to my work	16	21.3	21	28.0	11	14.7	19	25.3	8	10.7

Table 23: Copyrighting

The mean for the highest two sets of score for each question is 15.25 for the descriptor copyrighting. This mean was used as a selection criterion for eliminating the lower scoring values in order to focus on the higher significant values. Generally the responses towards copyrighting indicate that people in the creative sector consider it as an important means of protecting their future financial income and that they would strongly consider copyrighting their work to protect their work in whatever form it may be created. Although they considered copyrighting to be of great importance for protecting their work and their incomes, they indicated that their present financial capacity to copyright their work was low and that their knowledge of the channels through which they could copyright their work was limited. The empirical evidence to substantiate these findings is provided below:

Question 34: Copyrighting my work is important for protecting my future financial income

For question 34 rating the highest scores using the two highest sets of scores generated a frequency of 65 out of 76 frequencies, with a combined average valid percentage of 42.75 percent for the two scores.

Question 38: I would consider copyrighting my work

For question 38 rating the second highest scores using the two highest sets of scores generated a frequency of 53 out of 78 frequencies, with a combined average valid percentage of 33.8 percent for the two scores.

Question 35: Copyrighting is important for protecting an artists' work in whatever form it may be created

For question 35 rating the third highest scores using the two highest sets of scores generated a frequency of 58 out of 77 frequencies, with a combined average valid percentage of 37.7 percent for the two scores.

Question 40: I have the financial capacity to copyright my work

For question 40 rating the fourth highest scores on the negative side of the 5-point scale, using the two highest sets of scores generated a frequency of 49 out of 76 frequencies, with a combined average valid percentage of 24.5 percent for the two scores.

Question 36: I know which channels to use to copyright my work

For question 36 rating the fifth highest scores on the negative side of the 5-point, using the two highest sets of scores generated a frequency of 48 out of 76 frequencies, with a combined average valid percentage of 31.6 percent for the two scores. The empirical evidence to substantiate these findings is provided above.

4.5.6. Access to technology

6. Technology		1. Strongly disagree		2. Disagree		3. Neutral		4. Agree		5. Strongly agree	
		Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
44	I am aware of the technological advancement in my art field	4	5.3	12	15.8	13	17.1	32	42.1	15	19.7
45	I have access to the best technology to compete on an international level with artists in the same industry	14	18.4	19	25.0	21	27.6	15	19.7	7	9.2

Table 24: Access to Technology

The mean for the highest two sets of score for each question was 15.2 for the descriptor access to technology. This mean was used as a selection criterion for eliminating the lower scoring values in order to focus on the higher significant values. A total of 45.4 percent of the respondents indicated that they were aware of the technological advancements in their fields, while 44.74 percent, even though they were aware of the advancements, indicated that they were neutral. These participants possibly believed that they were either not personally affected by having access to the best technology to compete at an international level with artists in the same industry or that they did not have access to it, while those who gave a clear indication that they did not have access to the best technology amounted to 40.79 percent.

Question 47: I am aware of the technological advancements in my art field

For question 47 rating the highest scores using the two highest sets of scores generated a frequency of 76 out of 61.8 frequencies, with a combined average valid percentage of 30.9 percent for the two scores.

Question 45: I have access to the best technology to compete at an international level with artists in the same industry

For question 45 rating the second highest using the two highest sets of score generated a frequency of 40 out of 76 frequencies, with a combined average valid percentage of 26.3 percent for the two scores.

4.5.7. Funding

Table G: Funding 7. Funding		1. Strongly disagree		2. Disagree		3. Neutral		4. Agree		5. Strongly agree	
		Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
46	Financial assistance in the form of loans is readily available for creative entrepreneurs	11	14.3	15	19.5	27	35.1	14	18.2	10	13.0
47	I need further financial assistance in order to take my creative work to the next level	1	1.3	6	7.7	14	17.9	27	34.6	30	38.5

Table 25: Funding

The mean for the highest two sets of scores for each question was 15.5 for the descriptor funding. This mean was used as a selection criterion for eliminating the lower scoring values in order to focus on the higher significant values.

Of the respondents who responded to the questions pertaining to funding, 40 percent gave an either neutral response or disagreed that financial assistance was readily available to creative entrepreneurs, while 52.3 percent either agreed or agreed strongly that financial assistance was readily available to enable them to develop their creative enterprises.

Question 47: Financial assistance in the form of loans is readily available to creative entrepreneurs

For question 47 rating the highest scores using the two highest sets of scores generated a frequency of 78 out of 78 frequencies, with a combined average valid percentage of 36.55 percent for the two scores.

Question 46: I need further financial assistance in order to take my creative work to the next level

For question 46 rating the second highest scores using the two highest sets of scores generated a frequency of 42 out of 77 frequencies, with a combined average valid percentage of 27.3 percent for the two scores.

4.5.8. Location

Table H: Location 8. Location		1. Strongly disagree		2. Disagree		3. Neutral		4. Agree		5. Strongly agree	
		Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
48	I believe I am in the right location for me to grow as an artist	2	2.6	4	5.1	18	23.1	23	29.5	31	39.7

Table 26: Location

The mean for the only highest two sets of scores for each question was 15.6 for the descriptor location. This mean was used as a selection criterion for eliminating the lower scoring values in order to focus on the higher significant values. A majority of 39.74 percent of the respondents strongly agreed that they were in the right location for their growth as artists, 29.49 percent simply agreed, while 23.07 percent were neutral and perhaps unsure of the influence which their locations exerted on their growth as artists.

For question 48 rating the one set of scores which had been obtained for the descriptor location using the two highest sets of scores generated a frequency of 54 out of 78 frequencies, with a combined average valid percentage of 34.6 percent.

4.5.9. Validity

By using the valid percentage figure, the researcher was able to obtain an indication of the extent of the missing data, which had been excluded from the calculations, as the valid percentages will pertain to respondents who responded to each question and the researcher would have ignored those questions which had not been answered. In this instance the general percentages were unable to give

an indication of the proportion of the respondents who responded to each question. Consequently, in most cases they were not used and instead the researcher was able to establish the percentage of people who had responded and to base the findings on the proportion of respondents. In most of the findings, the valid percentage was above 60 percent for the two highest combined scores, but if they had not been combined each score would have an average valid percentage of 30 percent.

Construct validity concerns the characteristic or construct which is actually measured by the scale Malhotra (2010:320). It assesses whether the measuring scale does in fact measure what the researcher had intended it to measure (Lacobucci & Churchill, 2010:257). In this case construct validity was assessed by means of an exploratory factor analysis (EFA), in which five different factors were identified.

4.6. Analysis and interpretation of the data

Descriptive statistics were used to compute the mean and the standard deviation, in order to interpret the different constructs which had been identified by the factor analysis. The mean score and standard deviation were calculated for the five factors which had been identified as showing an underlying trend, after which Cronbach's alpha was calculated for each.

4.6.1. Cronbach's alpha

According to the UCLA Institute of Digital Research and Education (2016), Cronbach's alpha is a measure of internal consistency which determines how closely related a set of items are as a group. It is considered to be a measure of the reliability of a scale. After grouping together the factors which showed a close relationship on the basis of the Cronbach's alpha calculations, the researcher then endeavoured to develop an underlying construct.

The Cronbach α coefficient of reliability ranges from 0 to 1 to provide an overall assessment of the reliability of a measure (University of Virginia Library, 2016). If all

of the scale items are entirely independent from one another, in that they are not correlated or share no covariance, then $\alpha = 0$; and, if all of the items have high covariance, then α will approach 1 as the number of items in the scale approaches infinity. The observations which were made on the basis of the responses to the various questions in the questionnaire generally yielded high Cronbach α scores, which indicated that strong underlying relationships were evident.

Five factors or constructs were identified using the Cronbach α model. These factors were used to measure the understanding of the respondents of the creative economy as a potential economic tool to reduce unemployment, using a five-point Likert scale ranging from 'agree strongly' to 'disagree strongly'.

4.6.1.1. The five factors which have been generated from the data are:

4.6.1.1.1. Proactive and informed construct

This construct is of crucial importance for people who work in the creative sector to gain an accurate and comprehensive understanding of the creative economy for the purpose of economically empowering themselves and reducing unemployment, through collaborative work, protecting their intellectual property and positioning themselves in strategic locations. The underlying construct scored a high α 0.83.

1. Proactive and informed:
5. I believe that information on opportunities to create a sustainable income for myself is readily available
8. I do collaborate with other creative in my industry
9. I do collaborate with other creative from other creative industries
11. I am aware of the growth opportunities in the local creative industry
13. I understand how the African creative industry operates in my field of specialisation as an artist
16. I know how to work with other creatives in my field of specialisation in taking advantage of the income generating opportunities offered by the creative industry
17. I know how to work with other creatives in other fields of specialisation in taking advantage of the income generating opportunities offered by the industry
18. I understand the operations of the creative institutions relevant to my area of creative work
37. I have copy rights on some of my work/
48. I believe I am in the right location for me to grow as an artist
Cronbach's Alpha Based on Standardized Items
0.803

Figure 14 Proactive and informed construct

4.6.1.1.2. Competitive construct

This construct is crucial in order for people in the creative sector to maintain their relevance in the creative economy by providing products or services which will be consumed by the market which is targeted by the industry in which they work. It provides a clear indication of the sustainability of a business or the market for the creative products or services which an individual creative person may offer. This underlying construct scored a relatively high α of 0.557.

2. Competitive
36. I know what channels to use to copy right my work
40. I have the capacity (finance) to copy right my work/
45. I have access to the best technology to compete on an international level with artists in the same industry
32. I need more information on how to start up my business in the creative industry
Cronbach's Alpha Based on Standardized Items
0.557

Figure 15 Competitive Construct

4.6.1.1.3. IP and access to information

This construct is vital for enabling creative people to protect their intellectual property and to scan the environment constantly for relevant information and to keep up to date with the technological advancements which are constantly being made. This underlying construct scored high α of 0.741.

3. IP and access to information
15. I know how to work with other creatives in my field of specialisation in taking advantage of the income generating opportunities offered by the creative industry
20. I know where to get the information about the operational processes of creative institutions
34. Copy writing my work is important for protecting my future financial income
35. Copy writing is important for protecting an artists' art work in whichever form it is created
38. I would consider copy righting my workd
44. I am aware of the technological advancement in my art field
Cronbach's Alpha Based on Standardized Items
0.741

Figure 16 IP and access to information

4.6.1.1.4. Up and coming creative people are aware of opportunities but lack the resources to start businesses

This construct has been expressed in this manner as many of the questions appear to focus on training, rather than on entrepreneurial drives and the resources which are needed to copyright work in order to generate sustainable incomes. This underlying construct scored high α of 0.667.

4. Upcoming creatives - aware of opportunities but don't have the resources to start business
1. I am aware of the income generation opportunities in the creative industry
2. I am aware of training opportunities in the creative industry
3. I know where I can get information to be trained in my specific field of interest in the creative industry
23. I am aware of the opportunities that are there for BEE service providers in the creative economy that I am operating in
39. I do not have the resources to copy right my work
Cronbach's Alpha Based on Standardized Items
.657

Figure 17 Upcoming creatives – opportunities and resources

4.6.1.1.5. Empowerment of BEE entrepreneurs

This construct alludes to the promotion of BEE as a positive means of creating access to employment and business opportunities. This underlying construct scored high α of 0.74.

5. Empowerment of BEE Entrepreneurs
24. I am aware of the incentives of promoting BEE services providers
25. I believe there is enough information on how BEE programmes work in redistributing wealth in the creative economy
26. I believe there are entry barriers for black entrepreneurs in the creative economy
27. I believe most black entrepreneurs are taking advantage of the income generating opportunities that are offered by the creative economy
28. Artists can be entrepreneurs in their area of specialisation in South Africa
29. Most creative entrepreneurs succeed in their start-up businesses even if they only operate in South Africa
30. Most creative entrepreneurs succeed in their start-up businesses when they expand internationally.
31. It is better for an artist to be employed by someone, that way they are guaranteed of a stable income
41. I know which institutions to contact when I do copy rights to my work
46. Financial assistance in the form of loans is readily available for creative entrepreneurs
47. I need further financial assistance in order to take my creative work to the next level
Cronbach's Alpha Based on Standardized Items
0.737

Figure 18 Empowerment of BEE entrepreneurs

4.6.2. Correlations

The calculation of correlations is a commonly used method in statistics to describe the degree of relationship between two variables (Social Research Methods, 2016). The interpretation of a correlation can be explained in terms of negative values being indicative of an inverse relationship between the variables which are being observed and a positive correlation value being indicative of a positive relationship. The correlation value is always between -1.0 and +1.0 (Social Research Methods, 2016). This research study made use of Spearman's rho correlation, in terms of which a value of 0.1 indicates that there is a small correlation, a value of 0.3 represents a medium correlation and a value of 0.5 represents a significant correlation (Steyn, 2009).

Spearman's rho correlation was used to analyse the responses to all of the questions in the questionnaire (included as Appendix B) and the calculations are shown in Table 4.11 below. The values which are marked with asterisks can be interpreted as showing correlations between the data and indicating that this data is statistically and practically significant, while the sections without asterisks indicate that there were no statistically significant correlations from which to make practical interpretations. One asterisk indicates that the correlation between the data is a statistically insignificant one and two asterisks indicate a correlation which may range between being of medium significance to highly significant.

Spearman rho Correlations		1. I am aware of the income generation opportunities in the creative industry	2. I believe that information on opportunities to create a sustainable income for myself is readily available	3. I struggle to get information on income generating opportunities in the creative industry	4. I work with other creative artists from other creative industries	5. I understand how the local creative industry operates in my field of specialisation	Informed collaborative partnerships	Access info, collaboration	Copywrite sustainability	Aware opportunities	Entrepreneurship
		1	2	3	4	5	6	7	8	9	10
Informed_collaborative_partnerships	Correlation	-.212 ^{**}	.072	.075	-.092	-.288 ^{**}	1.000	.019	.403 ^{**}	.394 ^{**}	.336 ^{**}
	Sig. (2-tailed)	.015	.487	.425	.313	.023		.833	.000	.000	.000
	N	131	95	114	123	62	135	129	135	135	133
Access_info_collaboration	Correlation	.206 ^{**}	.061	.055	.214 ^{**}	.154	.019	1.000	.055	.022	-.007
	Sig. (2-tailed)	.021	.566	.571	.020	.239	.833		.539	.804	.933
	N	125	91	109	119	60	129	129	129	129	129
Copywrite_sustainability	Correlation	-.219 ^{**}	-.003	.005	-.077	-.242 ^{**}	.403 ^{**}	.055	1.000	.298 ^{**}	.386 ^{**}
	Sig. (2-tailed)	.012	.980	.961	.399	.058	.000	.539		.000	.000
	N	131	95	114	123	62	135	129	135	135	133
Aware_opportunities	Correlation	-.062	-.196	.022	-.093	-.170	.394 ^{**}	.022	.298 ^{**}	1.000	.363 ^{**}
	Sig. (2-tailed)	.483	.057	.814	.307	.187	.000	.804	.000		.000
	N	131	95	114	123	62	135	129	135	135	133
Entrepreneurship	Correlation	-.282 ^{**}	-.138	.048	-.205 ^{**}	-.324 ^{**}	.336 ^{**}	-.007	.386 ^{**}	.363 ^{**}	1.000
	Sig. (2-tailed)	.001	.186	.614	.023	.010	.000	.933	.000	.000	
	N	129	94	112	122	62	133	129	133	133	133

Table 27: Spearman rho

4.6.2.1. Intersection of Section A1

The data indicates that Section A (information/collaboration/partnerships), $\rho = -0.212$ has a slightly negative correlation with Section 1 (I am aware of the income-generating opportunities in the creative industries). This correlation indicates that the influence of having information and being in collaborative relationships and partnerships on understanding of the creative economy as a potential economic tool has an inverse relationship with being aware of the income-generating opportunities in the creative industries.

4.6.2.2. Intersection of Section A5

The data indicates that Section A (information/collaboration/partnerships), $\rho = -0.288$ has a slightly negative correlation with Section 5 (I understand how the local creative industry operates in my field of specialisation as an artist). This correlation indicates that the influence of having information and being in collaborative relationships and partnerships on understanding of the creative economy as a potential economic tool has an inverse relationship with creative people believing that they understand how the local creative industry operates in their fields of specialisation as artists.

4.6.2.3. Intersection of Section A8

The data indicates that Section A (information/collaboration/partnerships), $p = 0.403$ has a positive medium to significant correlation with Section 8 (copyright and sustainability). This correlation indicates that the influence of having information and being in collaborative relationships and partnerships on understanding the creative economy as a potential economic tool has a direct medium positive relationship with understanding the importance of protecting intellectual property for sustainable incomes.

4.6.2.4. Intersection of Section A9

The data indicates that Section A (information/collaboration/partnerships), $p = 0.394$ has a positive small to medium correlation with Section 9 (awareness of opportunities). This correlation indicates that the influence of having information and being in collaborative relationships and partnerships on understanding the creative economy as a potential economic tool has a direct small to medium relationship with the extent of awareness of opportunities in the creative environment.

Determining the potential role of the creative economy to reduce unemployment

4.6.2.5. Intersection of Section A10

The data indicates that Section A (information/collaboration/partnerships), $p = 0.336$ has a positive small to medium correlation with Section 10 (entrepreneurship). This correlation indicates that the influence of having information and being in collaborative relationships and partnerships on understanding the creative economy as a potential economic tool has a direct small to medium positive relationship with entrepreneurship.

4.6.2.6. Intersection of Section B1

The data indicates that Section B (access to information and collaboration), $\rho = 0.206$ has a positive small to medium correlation with Section 1 (I am aware of the income-generating opportunities in the creative industries). This correlation indicates that the influence of having information and being in collaborative relationships and partnerships on understanding the creative economy as a potential economic tool has a direct small to medium positive relationship with understanding the importance of protecting intellectual property for sustainable incomes.

4.6.2.7. Intersection of Section B4

The data indicates that Section B (access to information and collaboration), $\rho = 0.214$ has a positive small to medium correlation with Section 4 (I work with other creative artists from other creative industries). This correlation indicates that the influence of having information and being in collaborative relationships and partnerships on understanding the creative economy as a potential economic tool has a direct small to medium positive relationship with being aware of the income-generating opportunities in the creative industry.

4.6.2.8. Intersection of Section C1

The data indicates that Section C (copyright and sustainability), $\rho = -0.219$ has a negative small to medium correlation with Section 1 (I am aware of the income-generating opportunities in the creative industries). This correlation indicates that the influence of understanding the importance of protecting intellectual property for sustainable incomes on understanding the creative economy as a potential economic tool has a direct small to medium inverse relationship with being aware of the income-generating opportunities in the creative industries.

4.6.2.9. Intersection of Section C5

The data indicates that Section C (copyright and sustainability), $\rho = -0.242$ has a negative small to medium correlation with Section 5 (I understand how the local creative industry operates in my field of specialisation as an artist). This correlation

indicates that the influence of understanding the importance of protecting intellectual property for sustainable incomes on understanding the creative economy as a potential economic tool has a direct small to medium inverse relationship with the understanding of people who work in the creative sector of how the local creative industry operates in their fields of specialisation as artists.

4.6.2.10. Intersection of Section C6

The data indicates that Section C (copyright and sustainability), $p = 0.403$ has a positive medium to significant correlation with Section 6 (Informed collaborative partnerships). This correlation indicates that the influence of understanding the importance of protecting intellectual property for sustainable incomes on understanding the creative economy as a potential economic tool has a positive medium to significant relationship with having information and being in collaborative relationships and partnerships in the creative sector.

4.6.2.11. Intersection of Section C9

The data indicates that Section C (copyright and sustainability), $p = 0.298$ has a positive medium correlation with Section 9 (awareness of opportunities). This correlation indicates that the influence of understanding the importance of protecting intellectual property for sustainable incomes on understanding the creative economy as a potential economic tool has a positive medium relationship with the extent of awareness of opportunities in the creative sector.

4.6.2.12. Intersection of Section C10

The data indicates that Section C (copyright and sustainability), $p = 0.386$ has a positive medium to significant correlation with Section 10 (entrepreneurship). This correlation indicates that the influence of understanding the importance of protecting intellectual property for sustainable incomes on understanding the creative economy as a potential economic tool has a positive medium to significant relationship with entrepreneurship.

4.6.2.13. Intersection of Section D6

The data indicates that Section D (awareness of opportunities), $p = 0.394$ has a positive medium to significant correlation with Section 6 (informed collaborative partnerships). This correlation indicates that the influence of awareness of opportunities in the creative environment on understanding the creative economy as a potential economic tool has a positive medium to significant relationship with having information and being in collaborative relationships and partnerships in the creative sector.

4.6.2.14. Intersection of Section D8

The data indicates that Section D (awareness of opportunities), $p = 0.298$ has a positive medium correlation with Section 8 (copyright and sustainability). This correlation indicates that the influence of awareness of opportunities in the creative environment on understanding the creative economy as a potential economic tool has a positive medium relationship with understanding the importance of protecting intellectual property for sustainable incomes.

4.6.2.15. Intersection of Section D10

The data indicates that Section D (awareness of opportunities), $p = 0.363$ has a positive medium to significant correlation with Section 10 (entrepreneurship). This correlation indicates that the influence of awareness of opportunities in the creative environment on understanding the creative economy as a potential economic tool has a positive medium to significant relationship with entrepreneurship.

4.6.2.16. Intersection of Section E1

The data indicates that Section E (entrepreneurship), $p = -0.282$ has a negative small to medium correlation with Section 1 (Information/collaboration/partnerships). This correlation indicates that the influence which entrepreneurship has on

understanding the creative economy as a potential economic tool has a negative small to medium relationship with having information and being in collaborative relationships and partnerships in the creative sector.

4.6.2.17. Intersection of Section E4

The data indicates that Section E (entrepreneurship), $p = -0.205$ has a negative small to medium correlation with Section 4 (I work with other creative artists from other creative industries). This correlation indicates that the influence of entrepreneurship on understanding the creative economy as a potential economic tool has a negative small to medium relationship with collaborating with other creative people in other creative industries.

4.6.2.18. Intersection of Section E5

The data indicates that Section E (entrepreneurship), $p = -0.324$ has a negative medium correlation with Section 5 (I understand how the local creative industry operates in my field of specialisation as an artist). This correlation indicates that the influence of entrepreneurship on understanding the creative economy as a potential economic tool has a negative medium relationship with the understanding which creative people have of how the local creative economy operates in their fields of specialisation as artists.

4.6.2.19. Intersection of Section E8

The data indicates that Section E (entrepreneurship), $p = 0.386$ has a positive medium to significant correlation with Section 8 (copyright and sustainability). This correlation indicates that the influence of entrepreneurship on understanding the creative economy as a potential economic tool has a positive medium to significant relationship with understanding the importance of protecting intellectual property for sustainable incomes.

4.6.2.20. Intersection of Section E9

The data indicates that Section E (entrepreneurship), $p = .363$ has a positive medium to significant correlation with Section 9 (awareness of opportunities). This correlation indicates that the influence of entrepreneurship on understanding the creative economy as a potential economic tool has a positive medium to significant relationship with the extent of awareness of opportunities in the creative sector.

4.7. Analysis and interpretation of data: Comparison between biographical information and sections A – E, A1, B1 AND B2

In this section the researcher will compare the biographical information which was collected from the respondents and analyse the responses of the respondents with respect to each descriptor. The p-values and effect sizes were used to make comparisons between the biographical information of the different groups, through factor analysis. As three questions, A6, B1 and B6, influenced the reliability of the findings, they were excluded from the calculation of the Cronbach's alpha values, and, consequently, they will be discussed separately.

The researcher is of the opinion that each biographical descriptor contributes significantly towards determining the various answers which the respondents gave and also to how understanding the creative economy as a potential economic tool to reduce unemployment is perceived by the respondents.

The researcher wishes to emphasise that as the sampling method entailed the selection of a relatively small sample group ($n=135$) of people to whom it was convenient to gain access, the results of the research could not be generalised with great certainty to the entire population of creative people across the country, as the respondents were mainly based in Johannesburg.

Apart from making use of the Spearman rho coefficient of correlation and Cronbach's alpha in order to confirm the usefulness of the research, the researcher also made use of effect size to determine the practical significance of the various descriptors in order to establish whether the underlying relationship which was identified had a large enough difference to have an effect in practice.

For the purpose of reporting these results, the researcher used the difference between the means of two populations. Table 4.12, which was based on the recommendations of Ellis and Steyn (2003), was used as a yardstick to compare the results which had been obtained and to gauge whether they were practically significant or not. This table will be used as a reference for the discussion below.

Effect size (f^2)	Effect	Values of R^2	Conclusions on R^2
Smaller than 0.15	Small	Smaller than 0.13	Non-significant
0.15-0.35	Medium	0.13-0.25	Significant
Larger than 0.35	Large	Larger than 0.25	Practically important

Table 28: Effect size yardstick based on Elis and Steyn recommendations (2003)

In Table 4.13 below the (f^2) value for Section A (0.44) is larger than 0.35, which indicates that the effect size by gender for information/collaboration/partnerships is significant and that consequently the relationship is practically important. This finding confirms that gender does have a practical influence on having information and being in collaborative relationships and partnerships. The remaining underlying relationships were not sufficiently significant to exert any appreciable practical influence.

8.Current Employment State			N	Mean	Std. Deviation	Effect sizes
A	Informed_collaborative_partnerships	1,0 Full Time	64	3.3806	.73593	0.42
		2,0 Part Time	29	3.6879	.55189	
B	Access_info_collaboration	1,0 Full Time	60	2.3111	.95852	0.25
		2,0 Part Time	29	2.0690	.79528	
C	Copywrite_sustainability	1,0 Full Time	64	3.7229	.87222	0.08
		2,0 Part Time	29	3.7897	.76672	
D	Aware_opurtunities	1,0 Full Time	64	3.3232	.73052	0.23
		2,0 Part Time	29	3.4885	.50881	
E	Entrepreneurship	1,0 Full Time	63	3.2324	.65363	0.46
		2,0 Part Time	29	3.5342	.59785	

Table 29: Current Employment State

In Table 4.13 above the (f^2) value for Section A for present employment status (0.42) is greater than 0.35, which indicates that the effect size for present

employment status with respect to information and collaborative partnerships is significant and that the relationship is consequently of practical importance. The conclusion which may be drawn is that present employment status does contribute significantly to having information and to being in collaborative relationships and partnerships.

The (f^2) value for Section E, entrepreneurship (0.46) is also greater than 0.35, which indicates that the effect size for present employment status with respect to entrepreneurship is very significant and that the relationship is consequently of practical importance. The conclusion which may be drawn is that present employment status does exert a significant and discernible influence on entrepreneurship.

The remaining underlying relationships were not sufficiently significant to exert any appreciable degree of influence.

Table 4.14

4 Nationality			N	Mean	Std. Deviation	Effect sizes
A	Innformed_collaborative_partnerships	1,0	107	3.5192	.63883	0.49
		2,0	17	3.0353	.98101	
B	Access_info_collaboration	1,0	103	2.1521	.95282	0.70
		2,0	15	2.8222	.68419	
C	Copywrite_sustainability	1,0	107	3.8523	.83578	0.74
		2,0	17	3.2373	.69421	
D	Aware_opurtunities	1,0	107	3.4894	.65659	0.20
		2,0	17	3.3314	.79848	
E	Enterpreneurship	1,0	106	3.4487	.62650	0.85
		2,0	16	2.9189	.36383	

Table 30: Nationality

In Table 4.14 above the (f^2) value for Sections A,B,C and E has an average of 0.69, which is greater than 0.35 and indicates that the effect size for race with respect to access to information, collaborative partnerships, the protecting of intellectual property and entrepreneurship is significant and that the relationships are consequently of practical importance. The conclusion which may be drawn is that race is a significant factor for understanding the creative economy as a potential

economic tool to reduce unemployment in terms of access to information and collaborative partnerships, protecting intellectual property and entrepreneurship.

3 Employment Status			N	Mean	Std. Deviation	Effect sizes
A	Informed_collaborative_partnerships	1,0 Student	82	3.4999	.66268	0.10
		2,0 Self Employed	12	3.4343	.66995	
B	Access_info_collaboration	1,0 Student	79	2.0390	1.01965	0.81
		2,0 Self Employed	12	2.8611	.67545	
C	Copywrite_sustainability	1,0 Student	82	3.8642	.88173	0.01
		2,0 Self Employed	12	3.8556	.75107	
D	Aware_opurtunities	1,0 Student	82	3.5898	.64385	0.09
		2,0 Self Employed	12	3.6500	.50543	
E	Enterpreneurship	1,0 Student	81	3.4567	.64356	0.10
		2,0 Self Employed	12	3.3911	.36700	

Table 31: Employment Status

In Table 4.15 above the (r^2) value for Section B (0.81) is greater than 0.35, which indicates that the effect size for employment status with respect to access to information and collaborative partnerships is very significant and that the relationships are consequently of practical importance. The conclusion which may be drawn is that employment status does exert a practical influence on understanding the creative economy as a potential economic tool to reduce unemployment in terms of access to information and forming collaborative partnerships.

4.6. Conclusion

It is evident from the analysis of the results that to a significant extent people who work in the creative industries do have access to the information which is needed to understand the creative economy as a potential economic tool to reduce unemployment. However, this conclusion is based on an analysis which was performed by using simple analytical tools such as the means and frequencies of responses. Using more complex analytical tools such as effect sizes, Cronbach's alpha and the Spearman rho correlation yielded a number of significant correlations among many of the variables.

The underlying relationships which were established through using the various analytic techniques indicated that gender, present employment, employment status and race all have an influence on understanding the creative economy as a potential economic tool to reduce unemployment.

It is also evident that the relatively high correlations between the descriptors

- information, being in collaborative relationships and partnerships
- access to information and collaboration
- understanding the importance of protecting intellectual property for sustainable incomes
- awareness of opportunities in the creative environment
- entrepreneurship

are indicative of the influence which they exert on understanding the creative economy as a potential economic tool to reduce unemployment.

As the validity of the research study has been established, the findings will be discussed in Chapter 5 and recommendations will be made on the basis of the conclusions which were drawn from them.

CHAPTER 5: SUMMARY OF FINDINGS AND RECOMMENDATIONS

5.1. Introduction

The main purpose of this chapter is to revisit the objectives of this study, in order to determine whether they have been achieved. As it was explained in Chapter 1, the general objective of this study was to gain an understanding of the extent of the awareness and understanding of people who work in the creative sector of the opportunities which are afforded by the creative economy in order to create sustainable employment in the creative industries.

The specific objectives were:

- To understand the operations of creative institutions
- To understand the procurement of art works by business and art institutions
- To understand the implications of the Black Economic Empowerment programmes which are being implemented at present for the creative sector
- To understand artists as entrepreneurs in the creative economy
- To investigate and identify game changers in the creative industries

The researcher made use of various sources of information, ranging from local to international reports, the opinions of leaders in the various creative fields and relevant secondary sources of information. This strategy was intended to provide a holistic understanding of the subject matter, with respect to both the general and the specific research objectives.

Through the use of questionnaires the researcher was able to collect sufficient data in order to extrapolate trends pertaining to the research topic. This chapter will endeavour to integrate the information which was obtained from the literature review with the data which was collected, in order to place the research problem within an appropriate overall context.

In order to unpack this discussion in a logical manner, the following sequence will be followed:

- Summary of the study
- Findings from the literature review
- Findings from the empirical research
- Findings in relation to the objectives of the study
- Recommendations
- Conclusion

5.2. Summary of the study

In order to provide an adequate synopsis of the study, each chapter will be briefly summarised, with particular reference to the objectives of the study.

5.2.1. Chapter 1

The purpose of the first chapter was to introduce the problem statement, by providing a background concerning the research topic, in order to contextualise and to narrow the problem down to a concise elucidation of the problem statement. The problem was identified as a lack of awareness of opportunities which are to be found in the creative economy, which was a principal factor which contributed to South Africa and the rest of Africa not performing at an optimal level in the global creative economy.

The shrinking job market and the slow rate at which levels of education are rising in South Africa together constitute one of the greatest threats to the ambition of the country to have a stable growing economy with a stable socio-political environment. As the global creative economy is growing by more than 5 percent annually, South Africa would undoubtedly fare better if concerted efforts were made to increase the development skills, levels of employment and the numbers of entrepreneurial start-ups within the creative economy. These objectives can be achieved only through a heightened awareness of the opportunities which exist in the creative economy, at both the local and the international levels.

5.2.2. Chapter 2

Chapter 2 was devoted to a presentation of the literature review, which covered both information which had been derived from the observations of leaders in the creative industries and the findings of various relevant research studies. The literature review was conducted before the data was collected in order to confirm that the problem which had been identified did actually exist and that it was of sufficient significance to make it worthy of being the subject of an intensive research endeavour.

The chapter studied the problem from various angles, with the first section focusing on providing an introduction to explain what the creative economy is and who the main role players are, while the second provided an outline of the role of the creative economy. The third section was devoted to an examination of the topic of awareness and understanding the opportunities which are afforded within the context of creative economy and the last section surveyed key functional strategies to build awareness using resource strengths and capabilities.

5.2.3. Chapter 3

Chapter 3 explained the research methodology in terms of how the research was designed and conducted and how the data would be analysed. A comprehensive explanation and description of the methods which the researcher would use to collect the data and to analyse it using the appropriate statistical methods was provided. Owing to the quantitative nature of the study, sufficient data would need to be collected through the distribution of self-administered questionnaires to the targeted sample group, which consisted of creative people who were either working or studying within the Greater Johannesburg Metropolitan Area.

5.2.4. Chapter 4

This chapter covered the analysis of the data by the department of statistics of North-West University, in which underlying trends were discovered. The data was

sufficiently large to perform a factor analysis and it was discovered that five factors could be reported on. In addition, the researcher performed a simplified analysis of the data, in order to establish a trend in terms of the responses which the respondents provided in the questionnaire.

By establishing the underlying relationships it became evident from the data that gender, present employment, race and employment status have an influence on the potential role of the economy to reduce unemployment. It was also evident from the relatively high correlations between the descriptors

- information, being in collaborative relationships and partnerships
- access to information and collaboration
- understanding the importance of protecting intellectual property for sustainable incomes
- awareness of opportunities in the creative environment
- entrepreneurship

that they exert a significant influence on understanding the creative economy as a potential economic tool to reduce unemployment.

5.3. Findings from the literature review

The findings of previous studies which were generated by the literature review in Chapter 2 will be summarised below.

5.3.1. Specific objectives

The specific objectives of this study were generated from the main general objective, namely, to understand the extent of awareness of opportunities in the creative economy. The related findings will be discussed in the sections which follow.

5.3.2. The role of creative institutions

Before proceeding to a discussion of the role and the operations of creative institutions, it is necessary to define the creative industries. According to the Cultural Times report of UNESCO (2015:11), cultural and creative industries consist of activities whose principal purpose is the production or reproduction, the promotion, the distribution or the commercialisation of goods, services and activities of a cultural, artistic or heritage-related nature (Cultural Times, 2015:11).

From a global perspective, the role of the creative economy has increased and expanded to the extent that the revenue which has been generated by it amounts to US\$2,250 billion, during the course of which nearly 30 million jobs could be created throughout the world, which accounts for almost one percent of the world's active population. The top three employers in the creative industries in order of magnitude are in the fields of the visual arts, books and music and the top three industries associated with the television sector have generated an estimated US\$477 billion, the visual arts sector an estimated US\$391 billion and the newspaper and magazine sector an estimated US\$354 billion (CISAC Executive Report, 2015:1). According to the Creative Economy Report (2008:5), CCI revenues worldwide exceed those of telecom services (US\$1,570 billion worldwide) and surpass India's GDP (US\$1,900 billion). This astounding rate of growth and productivity has promoted the cultural and creative industries to the position of being the most rapidly growing sector and a major driver of the economies of both the developed and the developing countries (Cultural Times, 2015:5).

The analysis of 11 creative industries sectors in 5 global regions which was conducted by UNESCO is depicted in Table 5 below (Cultural Times, 2015:11), which provides a detailed summary of the domains of the various creative sectors. From the table it can be seen that the creative economy cuts across several industries and it may be concluded that its role is of sufficient significance to attract the attention of both business and governments with respect to the need for creating increased awareness of the opportunities which are offered by the creative economy, for the benefit of their respective economies.

Advertising	Advertising agencies	Music	Sound recording and music publishing industry, live music	Radio	Radio broadcasting activities
Architecture	Architectural firms	Movie	Motion picture production, post-production and distribution	TV	TV programming, production and broadcasting including cable and satellite
Books	Physical and digital books sales (including scientific, technical and medical books)	Newspapers and magazines	Newspapers and magazine publishing industry (B2C and B2B, news agencies)	Visual arts	Visual arts creation, museums, photographic and design activities
Gaming	Video game publishers, developers and retailers; equipment sales	Performing Arts	Performing arts activities: dance, theatre, live music, opera, ballet, etc.		

Table 32: Sectors of the Creative and Cultural Industries (Ernst & Young et al., 2015:11)

5.3.3. To understand the Black Economic Empowerment component of the creative economy

The 2014 mapping study reveals that the creative sector contributed over R90,5 billion to the South African economy, which is 2,9 percent of the GDP, and created employment for over 560 000 people, the majority of whom are below the age of 35, during the 2013/14 financial year. The sector also contributed over R24 billion in taxes to the country's fiscal income. The study also confirmed the significant role played by the sector in the empowerment of black South Africans, women and young people, with over 50 percent of enterprises being owned by black South Africans, 40 percent by women and over 30 percent by young people (Department of Arts and Culture Annual Report, 2015:7).

Despite the traction which has been gained in the empowerment of Black South Africans, particularly of women and young people, it seems there is still room for improvement. According to Oved (2016), "The industry needs to invest in supporting black entrepreneurs in the industry to establish their businesses and transfer skills. Mentorship is absolutely key in this regard, to ensure that fledgling companies are given the best chance to succeed. You find a lot of small agencies starting up and fizzling out a year or two later because of lack of experience in business management."

5.3.4. To understand artists as entrepreneurs in the creative economy

According to the GEM South Africa Report of 2015/16 (2016:6), the weakest entrepreneurial conditions which contribute to increased awareness of business opportunities in South Africa cluster around the areas of government programmes and policies, school-level education and training in entrepreneurship, the transferring of research and development and cultural and social norms. In addition, although primary and higher training and entrepreneurial education are some of the basic factors which contribute towards having a stable economy, it seems that South Africa is lagging behind with respect to these basic requirements (GEM South Africa Report 2015/16, 2016:12).

Of particular significance is the educational element, as it suggests a clear correlation between perceptions, in the form of awareness, and entrepreneurial opportunities. This correlation is supported by the GEM South Africa Report of 2015/16 (2016:36), which shows that there is a very positive correlation between perceived capabilities, in the form of skills, and Total Early-Stage Entrepreneurial Activity (TEA), which reinforces the contention that all forms of education, whether they are formal, informal or non-formal, contribute to the development of entrepreneurial competences. Consequently, if the government does not play a sufficiently effective role to ensure that all citizens receive the prerequisite primary and higher education, most of the population will not be in a position to create employment for themselves and neither will they be in a position to take advantage of the employment opportunities which could have been available to them, had they been able to develop the level of awareness to do so. According to McCann (2014), the South African school system is in crisis, which implies that for the vast majority of

South Africans the fundamental building blocks of the cognitive abilities which are needed to develop awareness have been jeopardised, if not fatally compromised, thereby effectively precluding a great many South Africans from having access to the economic opportunities which are needed to better their lives.

However, it is possible that among those who did not receive primary, secondary and higher education, and particularly among young people, there may be

individual people who may have found alternative means of assimilating skills and knowledge to enable them to live lives of dignity, either by obtaining employment or by becoming self-employed. However, there is no simple solution to the enormous socio-economic problems which the unemployment and the underemployment of the youth entail for the future of South Africa (GEM South Africa Report 2015/16, 2016:34). Consequently, it is of crucial importance to identify the factors which are likely to contribute to strategies which enable economies to benefit from the talents, energy and ideas which young people bring to the labour market (GEM South Africa Report 2015/16, 2016:34). The report emphasises that the vital elements of these strategies include education, the development of skills and entrepreneurship.

5.4. To identify and exploit game changers in the creative economy

The National Development Plan (NDP) has placed particular emphasis on the creation of employment in the green economy by setting a target for the creation of 300,000 in this sector of the economy by 2020 (DHET News, 2015). The South African Department of Arts and Culture (2006:1) explains that international and regional studies have identified the integral relationship between culture and sustainable development, which can be extended in order to develop the relationship between arts and culture and food security. The department (2006:5) stresses that arts and culture and tourism play a vital role in developing and increasing the value of ethno-tourism and cultural tourism, which has great potential for generating income and strengthening cultural identity and for developing existing monuments, environments, infrastructure and art and culture genres.

5.5. Findings from the empirical study

The data which was collected was analysed by the researcher and was also sent to the department of statistics of North-West University for further analysis. The analysis generated some significant findings, which will be discussed in the sections below.

5.5.1. Findings in relation to the objectives of the study

5.5.1.1. Primary objective

The general objective of this research was to understand the extent of awareness and understanding of the opportunities which are afforded by the creative economy to creative entrepreneurs, in order to create sustainable employment in the creative industries.

The overall finding was that the respondents appear to be generally aware of the income-generating opportunities which are to be found in the creative industries. They clearly believed that they could generate sustainable incomes by working in their fields of specialisation and they indicated that they knew where they could obtain information concerning opportunities for generating sustainable incomes, as they were aware of the opportunities which the creative sector offers. The responses of the respondents indicated that they were aware of the importance of copyrighting for protecting their future financial incomes and that they would strongly consider copyrighting their work.

5.5.2. Secondary objectives

5.5.2.1. What is the role of creative institutions?

From the literature it is apparent that among the many roles which are played by the creative economy, one of its key roles concerns the impetus which it gives to the economies of countries. The economic factors which emerged from the empirical findings will be discussed in the sections which follow.

From Table 4.10 and Figure 4.10 in Chapter 4, which represent an analysis of the reasons for choosing to work in the creative sector, it may be concluded that most of the respondents had chosen the sector as a result of the opportunities which it offered them. A second group cited their passion for their specialised fields as their reason for choosing the sector, while the third and smallest group indicated that

they had chosen the sector as a result of either possessing particular talents or of having acquired specific skills. It was considered to be of great significance that not a single respondent cited money as a principal motivation for entering the sector.

The responses to the questions which concerned funding generally indicated that people in the creatives sector have a great need of financial assistance in order to develop their creative capacities and that they believed that financial assistance in the form of loans was, in most cases, not readily available to them.

The Cronbach alpha value for the construct “up and coming creatives - aware of opportunities but lack the resources to start a business” was 0.66. This construct is expressed in this manner as there appeared to be a trend that the questions had been biased towards training and had not alluded to entrepreneurial drives and the lack of resources for copyrighting work an essential component of creating sustainable incomes.

5.5.2.2. How may maximum advantage be taken of the Black Economic Empowerment programmes which are being implemented at present?

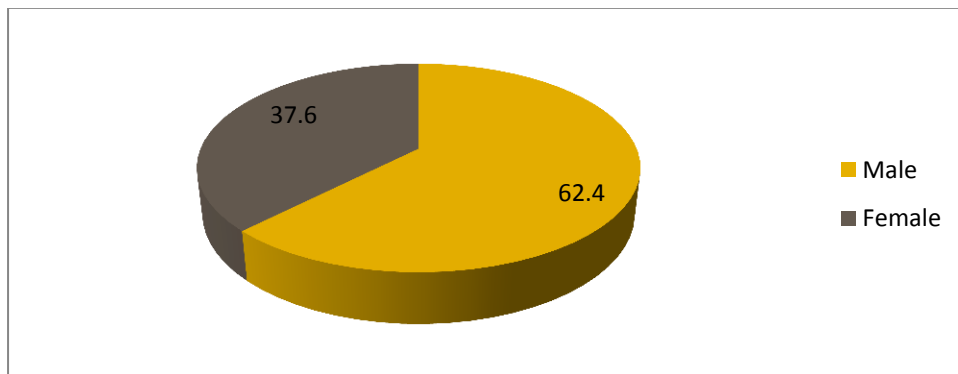


Figure 19 Pie Chart for the gender profile of the respondents

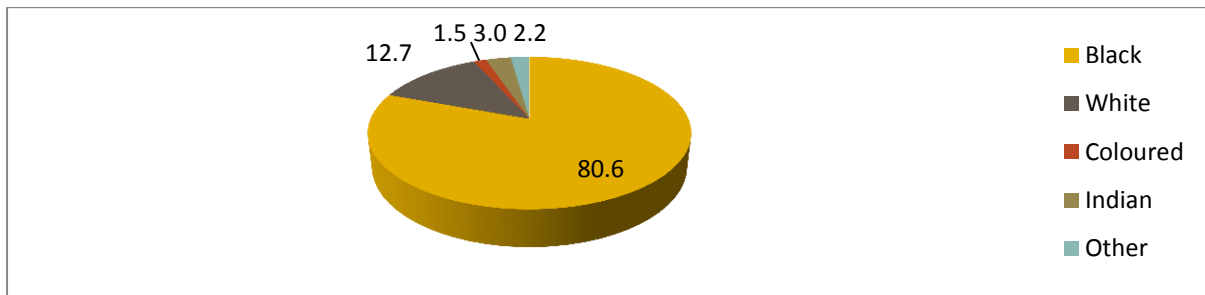


Figure 20 Pie Chart for the racial profile of the respondents

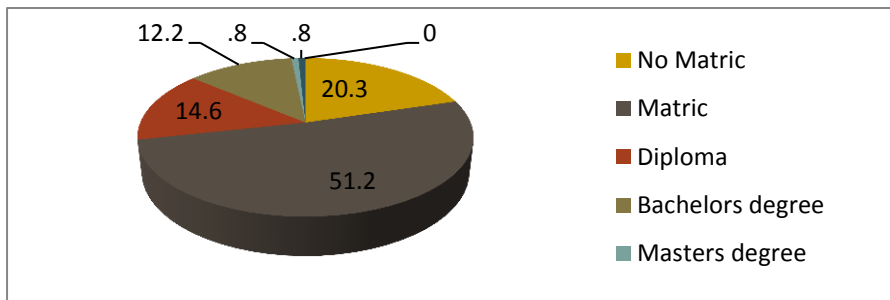


Figure 21 Highest levels of education

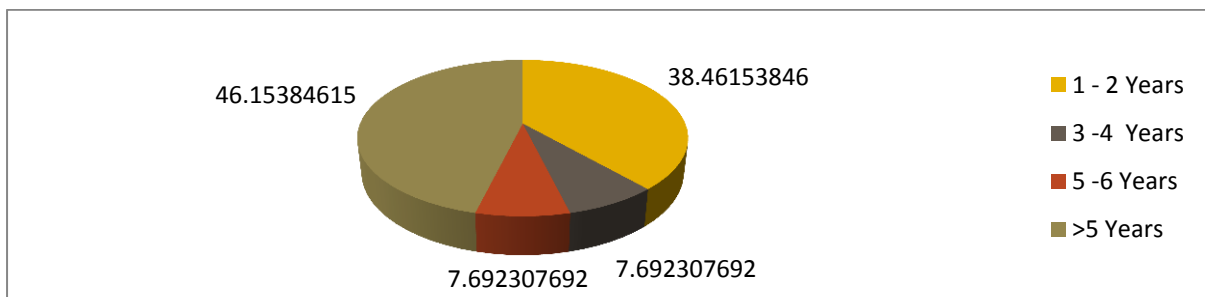


Figure 22 Pie Chart for the duration of working in present position or career

The figures above indicate that the creative sector at the training level comprises mainly black males, who are most likely to have only a matriculation qualification.

In the pie chart for the duration for which the respondents had worked in a particular position it can be seen that the largest groups consist of those who have been in their present positions for more than 5 years (46.15%) and those who have been in them for between 1 and 2 years (38.46%). This finding is indicative of a shortage of knowledge and experience in some instances, which could be remedied through various possible strategies for the transferring of knowledge.

The construct copyrighting and sustainable incomes had an effect size score of 0.74, a value which is significantly greater than 0.35, which indicates that the effect size for race with respect to access to copyrighting and sustainable incomes is very high. This finding indicates that among white entrepreneurs in the creative sector

the likelihood of having access to copyrighting and sustainable incomes as a consequence is high.

5.5.2.3. How are entrepreneurial principles applied by entrepreneurs who operate in the creative sector?

Generally, the responses to questions which concerned entrepreneurial drives were positive, ranging from neutral to strongly agree in support of entrepreneurial initiatives. The overall finding was that the respondents appeared to prefer being self-employed to being employed by someone else, as they tended to have a strong belief that artists can be entrepreneurs in their areas of specialisation in South Africa and were aware of the opportunities which are available to start their own creative businesses, although it was evident that they needed more information pertaining to how to start their own businesses in the creative sector.

The Cronbach alpha value for the construct “proactive and informed” was 0.803, which indicated a high level of understanding among the respondents of the creative economy for the purpose of empowering themselves economically and reducing unemployment, through collaborative work, protecting their intellectual property and positioning themselves in strategic locations.

The Cronbach alpha value for the construct “competitive” was 0.557, which indicated a significant awareness among the respondents of the need to maintain their relevance in their respective industries by providing products or services which will be consumed by their targeted markets.

The p-value of -0.282 indicates the negative small to medium influence which entrepreneurship has on information and being in collaborative relationships and partnerships in the creative sector, which, in turn, indicates that as creative people become more successful as entrepreneurs on a small scale, they tend to have fewer collaborative relationships and partnerships.

The p-value of -0.205 indicates that the influence of entrepreneurship on understanding the creative economy as a potential economic tool has a negative

small to medium influence on being aware of the income-generating opportunities in the creative industry, which suggests that as creative people become more successful as entrepreneurs on a small scale, they tend to become less aware of the income-generating opportunities in the creative sector, as a result of having become complacent.

The p -value of -0.324 indicates that the influence which entrepreneurship exerts on understanding the creative economy as a potential economic tool has a negative medium influence on the understanding of creative people of how the local creative sector operates in their fields of specialisation as artists, which implies that as creative people become more successful as entrepreneurs, they tend to have less understanding of how the local creative sector operates in their fields of specialisation as artists. This finding could suggest that although they may start by specialising in their specific areas, over time they take on varied work, losing focus with respect to their areas of specialisation as a consequence.

The p -value of 0.386 indicates that the influence entrepreneurship on understanding the creative economy as a potential economic tool has a positive medium to significant influence on the awareness of the need to protect intellectual property in the interests of securing a sustainable income. This finding suggests that as creative people become more successful as entrepreneurs, there is an increased likelihood that they will take more precautionary measures to protect their intellectual property in order to ensure the sustainability of their incomes.

The p -value of 0.363 indicates that the influence of entrepreneurship on understanding the creative economy as a potential economic tool has a positive medium to significant influence on the extent of awareness of opportunities in the creative environment. This finding suggests that as creative people become more successful as entrepreneurs, they tend to become more aware of the general opportunities which may be found in the creative environment.

5.5.2.4. What are the game changers of which creative entrepreneurs need to be aware in order to adapt and survive in the creative economy?

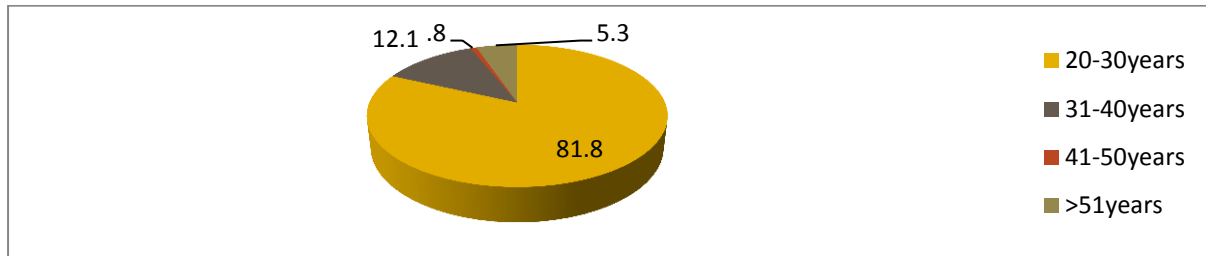


Figure 23 Age profile of the respondents

Generally the responses to questions which concerned levels of collaboration were positive, ranging from neutral to strongly agree, as were the responses to questions concerning access to information about the creative industry, which also ranged from neutral to strongly agree.

Nearly half (45.4%) of the respondents who responded to the questions which were related to technology indicated that they were aware of the technological advancements in their fields, while 44.74 percent, even though they were aware of the advancements, gave a neutral response, possibly as a result of their not being affected by having access to the best and most modern technology in order to compete at the international level with artists in their fields. Those respondents who indicated that they definitely did not have access to the best and most modern technology comprised 40.79 percent of the sample.

5.6. Recommendations offered on the basis of the findings of the study

As has already been noted, throughout the world the cultural and creative industries constitute a very rapidly growing economic sector and are becoming important drivers of the economies of both the developed and the developing countries. The fact that South Africa does not play a role which is of any appreciable significance

in the global creative economy indicates that effective initiatives are needed if the country is to keep pace with significant shifts in global markets.

South Africa needs to equip its creative people to ensure that they have all the relevant skills for the effective production, reproduction, promotion, distribution and commercialisation of creative products and services for the global market.

As creative people are often driven by a passionate interest in their individual fields of creative endeavour, they need to undergo a paradigm shift and to view their creative skills as constituting avenues for economic empowerment. In order to bring about the necessary paradigm shift, the sector needs to invest in supporting black entrepreneurs in the creative industries to establish their businesses and to transfer skills to them. Mentorship is of the greatest importance to an endeavour of this nature, in order to ensure that fledgling companies are given the best possible chance to succeed.

In order to stimulate the growth of the creative sector, various funding models need to be evaluated and implemented more effectively than existing programmes are being implemented. More accessible means of protecting intellectual property and networks which allow for collaboration and the possibility of forming partnerships need to be developed.

The ability to increase levels of awareness continuously remains of crucial importance to any sustainable initiatives which are implemented. Key players in the creative economy will need to dedicate resources consistently in order to assess the nature of the information which is needed, to develop the information and to help decision makers to use the information to generate and validate actionable insights concerning customers and markets (Kotler & Armstrong, 2014:125).

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5.7. Conclusion

Various factors contribute to the perceptions of creative people with respect to their understanding of the potential role of the creative economy to reduce unemployment. This study managed to confirm its alternate hypothesis ($H_{1,}$) which holds that the extent of awareness and understanding of the opportunities which are afforded by the creative economy to creative entrepreneurs results in significantly increased levels of employment being created and businesses being started in the creative sector.

Generally the responses to questions pertaining to awareness were positive, ranging from neutral to strongly agree. In order to increase the level of awareness further and, consequently, to increase employment and entrepreneurial initiatives, two approaches are proposed.

The first entails proactive action on the part of creative people and the second approach entails intensified action on the part of those stakeholders who have vested interests in the growth of the South African creative economy. These stakeholders include the government and donors who supply resources in order to enable emerging creative entrepreneurs to become positioned to sustain themselves and to employ other creative people.

A strength which was identified by the SWOT analysis asserted that present networks are effective in distributing information, in encouraging collaboration and are also inclusive. All emerging creative people and entrepreneurs, regardless of their backgrounds in terms of race, income or gender, need to ensure that they are able to tap into these collaborative networks in order to flourish.

It was also apparent that white people generally had more access to information and collaborated to a greater extent than their black counterparts. This finding signifies the need for black people in the creative sector to increase their levels of awareness of information and to collaborate more with other creative people from different creative backgrounds in order to develop the role which they play in the creative economy.

It was also apparent from the findings that a significant number of the respondents were students. These same respondents showed great belief in themselves as potential entrepreneurs, as opposed to feeling resigned to being employed by someone else. In the training and mentorship programmes which are implemented by government entities and donors, the training content needs to impart the principles of effectual reasoning, in terms of which potential entrepreneurs start with what they have to create something, even if there is no clear goal in mind. This approach has the potential to help to reduce the inertia which needs to be overcome in order to start a business, as it enables aspiring entrepreneurs to focus on what they have and to allow goals to emerge contingently over time, from the varied imaginations and diverse aspirations of the other people with whom they interact (Sarasvathy, 2001).

The concept of 'pay it back' also needs to be imparted. The creative people who had the opportunity to improve on their skills, by having access to creative non-profit based institutions funded by government and or by private donors, need to adapt a culture of "paying it back". The inculcation of such a culture will help nurture a local creative ecosystem that will one day attain levels at which it is able to sustain itself without relying on funding from external donors, thereby creating more awareness and economic opportunities for upcoming creative people.

Governments throughout the world have mobilised themselves to take advantage of the growing creative economy (Creative Industries, Office for the Arts, 2011:6) and South Africa has the potential to develop its creative economy to enable it to become one of its leading sectors for generating economic growth, employment and trade, as is the case in many advanced economies (Department of Arts and Culture Annual Report, 2014:35).

As has already been noted, the GEM South Africa report of 2015/16 explains that although primary and higher training and entrepreneurial education comprise some of the basic building blocks which contribute towards having a stable economy, it appears that South Africa is lagging behind with respect to these basic requirements (GEM South Africa Report 2015/16, 2016:12). In the light of this assessment, in order to develop and to increase the robustness of the creative

economy, more formalised educational platforms for creative people need to be established in order to sustain the sector and to position it to compete with the rest of the world.

5.8. Limitations of the study

As the researcher used convenience sampling to select the research sample, to apply the findings which were obtained to the larger creative community or population of South Africa with any degree of confidence and certainty would require a similar research study to be conducted, using a significantly broader sample. Although the sample which was used for the purposes of this research study was considered to be sufficiently large, it is conceded that more participants could contribute towards an improved understanding of the research problem. In addition, the possibility that some of the respondents may not have been completely honest in the answers which they gave in the questionnaire, as a result of fear of being linked to the questionnaire or because they knew that the findings of the study would not have any consequences for them, cannot be discounted.

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ANNEXURES A: RESEARCH COVER LETTER



School of Business & Governance

Cover letter for the survey questionnaire

Primary Investigator: NZ Xabana

Study leader: Karolien Nell – NWU Lecturer

Dear respondent,

You are invited to complete a survey questionnaire that forms part of my formal Masters of Business Administration (MBA) qualification. In advance I would like to thank you for the time you will take to complete the survey. Below is a brief description of what the survey is all about.

Background information

Research Title: Understanding the extent of awareness of work and business opportunities in the creative economy.

This research project is undertaken as part of the requirements for the fulfilment of my MBA studies with the University of the North West School of Business and Governance. It was prompted by the need to understand the work and business opportunities that are available/can be created from the creative economy in order to create work opportunities in an economic environment that is characterised by high unemployment due to the decline in South Africa's economic growth.

Your contribution towards the study will add value to understanding the factors related to creating awareness of work and business opportunities in the creative economy. The completion of the survey should only take 20 minutes.

NB: All the information gathered will be kept in confidants and will not be traceable to you.

Instructions:

- Please do not write your name or any information pertaining to your identification.
- Please answer all questions as honestly as possible.
- Please do not leave out any questions.
- Use a pen to indicate your answers.
- Indicate your answers with an “X” in the appropriate space(s)

ANNEXURES B: QUANTITATIVE INPUT

Research Questions

	Please answer the following questions by putting an X next to the response that best describes your situation	1. Strongly disagree	2. Disagree	3. Neutral	4. Agree	5. Strongly agree
1	I am aware of the income generation opportunities in the creative industry					
2	I am aware of training opportunities in the creative industry					
3	I know where I can get information to be trained in my specific field of interest in the creative industry					
4	I know where I can get information on opportunities to create a sustainable income for myself					
5	I believe that information on opportunities to create a sustainable income for myself is readily available					
6	I struggle to get information on income generating opportunities in the creative industry					
7	I work with other creative artists from other creative industries					
8	I do collaborate with other creative in my industry					
9	I do collaborate with other creative from other creative industries					
10	I do collaborate with other creative institutions					

11	I am aware of the growth opportunities in the local creative industry					
12	I understand how the local creative industry operates in my field of specialisation as an artist					
13	I understand how the African creative industry operates in my field of specialisation as an artist					
14	I understand how the international creative industry operates in my field of specialisation as an artist					
15	I believe that I can have a sustainable income from providing my services in the field of my specialisation					
16	I know how to work with other creatives in my field of specialisation in taking advantage of the income generating opportunities offered by the creative industry					
17	I know how to work with other creatives in other fields of specialisation in taking advantage of the income generating opportunities offered by the industry					
18	I understand the operations of the creative institutions relevant to my area of creative work					
19	Information about the operational processes of creative institutions is readily available					
20	I know where to get the information about the operational processes of creative institutions					
21	I need information to understand how the procurement process of creative institutions work					
22	I need information to understand the employment opportunities that are available within the established creative institutions					

23	I am aware of the opportunities that are there for BEE service providers in the creative economy that I am operating in					
24	I am aware of the incentives of promoting BEE services providers					
25	I believe there is enough information on how BEE programmes work in redistributing wealth in the creative economy					
26	I believe there are entry barriers for black entrepreneurs in the creative economy					
27	I believe most black entrepreneurs are taking advantage of the income generating opportunities that are offered by the creative economy					
28	Artists can be entrepreneurs in their area of specialisation in South Africa					
29	Most creative entrepreneurs succeed in their start-up businesses even if they only operate in South Africa					
30	Most creative entrepreneurs succeed in their start-up businesses when they expand internationally					
31	It is better for an artist to be employed by someone, that way they are guaranteed of a stable income					
32	I need more information on how to start up my business in the creative industry					
33	I am aware of the opportunities to start up my own creative business					

	Please answer the following questions by putting an X next to the response that best describes your situation	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
34	Copy writing my work is important for protecting my future financial income					
35	Copy writing is important for protecting an artists' art work in whichever form it is created					
36	I know what channels to use to copy right my work					
37	I have copy rights on some of my work					
38	I would consider copy righting my work					
39	I do not have the resources to copy right my work					
40	I have the capacity (finance to copy right my work					
41	I know which institutions to contact when I do copy rights to my work					
42	As an artist I am equipped to compete with other artists in South Africa					
43	As an artist I am equipped to compete with other artists internationally					
	Please answer the following questions by putting an X next to the response that best describes your situation	Strongly	Disagree	Neutral	Agree	trongly agree

		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
	Please answer the following questions by putting an X next to the response that best describes your situation					
44	I am aware of the technological advancement in my art field					
45	I have access to the best technology to compete on an international level with artists in the same industry					
46	Financial assistance in the form of loans is readily available for creative entrepreneurs					
47	I need further financial assistance in order to take my creative work to the next level					
48	I believe I am in the right location for me to grow as an artist					

Demographic Questionnaire

Please answer the following questions by encircling the relevant number or as indicated otherwise.

1	AGE	<table border="1"> <tr><td>1</td></tr> <tr><td>2</td></tr> <tr><td>3</td></tr> <tr><td>4</td></tr> </table>	1	2	3	4	20-30years 31-40years 41-50years >51years			
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3	STATUS	<table border="1"> <tr><td>1</td></tr> <tr><td>2</td></tr> <tr><td>3</td></tr> <tr><td>4</td></tr> <tr><td>5</td></tr> </table>	1	2	3	4	5	Student Self Employed Employed Part Time Unemployed		
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5	YEARS WORKING IN THE CREATIVE FIELD	<table border="1"> <tr><td>1</td></tr> <tr><td>2</td></tr> <tr><td>3</td></tr> </table>	1	2	3	3 Years 4Years >5years				
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6	YEARS PRACTISED AS A CREATIVE	<table border="1"> <tr><td>1</td></tr> <tr><td>2</td></tr> <tr><td>3</td></tr> <tr><td>4</td></tr> </table>	1	2	3	4	0-5years 6-10years 11-15years >16years			
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7	HIGHEST LEVEL OF EDUCATION	<table border="1"> <tr><td>1</td></tr> <tr><td>2</td></tr> <tr><td>3</td></tr> <tr><td>4</td></tr> <tr><td>5</td></tr> <tr><td>6</td></tr> <tr><td>7</td></tr> </table>	1	2	3	4	5	6	7	No Matric Matric Diploma Bachelors degree Masters degree Postgraduate diploma Doctorate
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8	YOUR CURRENT EMPLOYEMENT STATE	<table border="1"> <tr><td>1</td></tr> <tr><td>2</td></tr> </table>	1	2	Full-time Part-time					
1										
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9	STATE YOUR CURRENT BUSINESS									
10	SECTOR CURRENTLY IN									
11	HOW LONG ARE YOU IN YOUR CURRENT JOB									
12	WHAT IS YOUR CURRENT ANNUAL SALARY/INCOME (SAR)	<table border="1"> <tr><td>1</td></tr> <tr><td>2</td></tr> <tr><td>3</td></tr> <tr><td>4</td></tr> <tr><td>5</td></tr> <tr><td>6</td></tr> <tr><td>7</td></tr> </table>	1	2	3	4	5	6	7	Lees than R200 000 R200 000-R249 000 R250 000-299 999 R300 000-R349 999 R350 000-R399 999 R400 000- R449 999 More than R450 000
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13	REASON FOR CHOOSING THE CURRENT SECTOR									
										

ANNEXURES C: QUALITATIVE INPUT

Responses to the questions:

Introduction:

Annexure C consists of a collation of a series of interviews. These interviews were held with various creative people who have been in the industry for at least a period that is not less than 10 years. The interviews were conducted with the purpose of supplementing the quantitative information gathered to add a further towards the understanding of the research topic.

Nine interviews were held. In this research document seven of these interviews are documented by the researcher. The basic structure of the interviews followed the questions provided at the end of this interview response section. It is to be noted from the responses of some of the questions, that some of the questions were omitted in some instances and additional ones depending on the direction that interview was taking, questions were added. Hence the responses from the various respondents will not necessarily follow the same structure of responses. The interviews are documented as below:

Interview 1

Interview with Steven Sack the Director of the Wits Origins Centre

Steven Sack has lived his entire life in Johannesburg and, over a period of more than 40 years, he has worked in many areas within the heritage, museums, culture and arts sectors and economies. He has worked as a teacher, a lecturer, an artist, a civil servant and a museum director and he is at present the director of the Origins Centre at the University of the Witwatersrand. His undying passions lie in the field of the arts and, to an increasing extent, in that of archaeology.

Recently he has been working with Dr. Chris Henshilwood on ideas for a new museum in the De Hoop Nature Reserve. He has experience in policy formulation, governance and infrastructure development within the arts, culture and heritage sectors. In his present position he has been confronted with a significant challenge in the development of a new

business plan for a university-based museum, the Origins Centre at the University of the Witwatersrand. In the process he has unearthed an environment which is characterised by extreme contrasts, in the form of failing city-run museums, national and provincial governments which throw money at large and unsustainable museum and heritage projects, a gambling board which requires the provision of social programmes which are required to mitigate the negative impacts of gambling, the awarding of tenders to companies which are required to subsidise museums and attractions, decreasing resources and increasing competition for the leisure in Johannesburg. He has an interest in the state of museums in South Africa, and specifically in developing and documenting models of sustainable development for institutions and their management within the museum sector (Attractions Management in South Africa, 2016).

To the question of the role which the creative sector, institution or business in which he worked played in terms of creating opportunities for employment and business opportunities and whether or not people were aware of the opportunities, Sack replied that the role of the

Origins Centre lay in dealing with deep history, as opposed to the present culture of living people. He explained that the centre had been opened in order to help to explore and to celebrate the history of modern humankind, by narrating the story of its development over the centuries in southern Africa, and particularly in acting as the custodian of the San culture.

In terms of creating work, Sack indicated that they had an inclusionary policy of accepting work from artists from all walks of life, provided that the work met the criteria of being of exceptional quality, exhibiting a high level of integrity and being aligned to the thematic ambiance of the museum. He explained that the museum has taken a particular interest in young artists and that, sometimes, space is provided free of charge.

He went on to explain that although many young black artists produce excellent work, they struggled to hold exhibitions because they lack the resources which are needed to stage exhibitions. As a consequence, the arena tends to be dominated by white males who have the necessary resources to exhibit, as the staging of an exhibition of any significance would cost an artist in the region of at least R30 000.00.

In addition to exhibitions, book launches, fashion shows and performances of plays are held at the museum, which bring in some revenue and also provide an opportunity for artists to reach a targeted group which has both the interest and the finances to buy the

artworks or books which are displayed. Sack felt that they could extend the hours during which the museums remain open to hold more events in the evenings, although doing so would incur additional costs. The annual costs of running the various operations of the museum run to R4 million, which is lower than the costs for running the Wits Art Museum, which amount to R5 million.

Sack explained that although the setting up of museums does entail the creating of opportunities, it would be advisable before venturing into this territory to study other museums and to adapt their methods in the interests of having efficiently run and successful museums. Museums at an entry level with lower overheads which could be studied include the museum which is devoted to Dumile Feni and the Satyagraha House, which incorporates a museum which celebrates Mahatma Gandhi's stay in South Africa. Sack emphasised the need to realise that a museum is a product and that for a new museum to be established, it must be appropriately packaged and should be able to compete with other tourist attractions, as private museums generally cater for wealthy people: if a private museum is not backed by considerable financial resources, it would need to be attached to a reliable donor, such as a casino, an endowment or a hotel.

Other opportunities for generating income which could be investigated for a museum space would be the sale of music recordings, musical instruments, ceramics, books and creatively crafted items which can be bought as memorabilia or gifts. At present, in Johannesburg alone, there is shortage of people who install exhibitions, as there are only 3 or 4 exhibition installation companies to meet the needs of the whole city.

What enables the Origins Centre to remain competitive and continue to draw funds and tourists is the fact that it has unique exhibitions which cannot be found anywhere else in the world, the exhibits include, rock art, paleoanthropological, archaeological and genetic materials charting the origins of humankind, eleven appliqué tapestries which were commissioned from five world-renowned artists and the ambiance of the rooms and the quality of the spaces are completely unique.

Sack conceded that technology could present a hindrance with respect to the sustained competitive edge of the museum, as it is usually imported and very costly to maintain. The IT infrastructure of the centre which was procured ten years ago is now not in a good state of repair in many instances. This means that some of the museum's displays cannot be made available to the public. Also affected in this way are the Apartheid Museum in Johannesburg, the Hector Petersen museum in Soweto and the Jewish museum in Cape

Town, all of which rely on film for their content. For these museums maintenance will be extremely costly, as every 10 years the technology will need to be upgraded. The easiest and most cost-effective means of exhibiting is through the use of static artefacts, as opposed to exhibits which have audio visual components.

The business model of the Origins Centre is partly commercial, in that all services are paid for by visitors, an instance of the user pays principle, as opposed to that of the Wits Museum of Art, where entry is free. Venue hire and seminars generate 20 percent of the museum's income, which is augmented by the significant amount of revenue which the gift shop generates. The other 50 percent of the revenue of the museum comes in the form of the funding which is received from the University of the Witwatersrand. It had initially been envisaged that the museum would eventually fund itself.

The principal employment opportunities which the museum generates at present are available to archaeologists and palaeontologists who are graduates from the University of the Witwatersrand. The museum creates other opportunities for artists by providing them with space to exhibit in the temporary gallery, on the understanding that the content of the art works, plays or seminars needs first to be evaluated, using predetermined criteria such as the integrity of the work and ensuring that it is not offensive or distasteful and that it is relevant to the theme of the museum. As an example, the influence of Bushman art on the work of Walter Battiss, made Battiss an ideal artist to be exhibited at the at Origins Centre, which offers a rich source of ideas for artists and enables to them study the museum artefacts and extrapolate ideas for further use in varied range of different mediums, such as books, plays and architecture. A case in point could be provided by the collaboration with the Department of Architecture, in which the centre is developing the building concept of the origins of modern architecture as being influenced by the structures which were employed by the early cave dwellers.

Interview 2

Interview with Molemo Moilola the Director for the Visual Arts Network of South Africa (VANSA)

VANSA is an NPO which relies largely on grants from international donors. Additional funding comes from consultancy work, which makes up 8 percent of its revenue. The consultancy work consists of research and project management work. Some of the

research work is used to advise the government on policy issues impacting the creative industry and the project management aspect would, for instance, entail implementing a project on behalf of another agency, such as the French Institute.

VANSA produces a range of tools such as information about jobs. Moilola indicated that VANSA also has the task of arming artists with information to help to improve their chances of gaining access to professional opportunities. "We are well known for connecting the right people with the right jobs". We have an internship toolkit which aims to transfer skills from skilled people to those who need to improve their creative skills. We have also launched a local initiative called Artwrite, which equips artists with the skills to manage their businesses. We also study shifts and trends in the creative landscape in terms of exports and trade and we work at improving and increasing sales in our local art market" states Moilola. Lastly, VANSA's work is mainly in the developing of the skills sets of the local pool of artists through the platforms which it creates. Moilola points out that, in terms of awareness, it is mainly organisations in the creative sector which are aware of VANSA and the work which it does, although its reach is limited, because of limited funds to conduct a country-wide wide PR campaign to create awareness of the opportunities in the creative sector. Moilola pointed out that VANSA's communication is predominantly technologically-driven and its services are professionally run, with the result that most communication regarding awareness of its services comes from word of mouth communication.

VANSA is the only organisation in South Africa which has its current functions in the visual art sector, this sets it apart already. This inclination for being proactive is resonated by Moilola, who shows a high level of awareness towards the organisation's environment, as she constantly has to consider changing needs, as change is the only "constant". As a result, she asserts that VANSA's key strength is staying connected to the community which it is serving, by foreseeing key issues before they arise and lobbying the government to look to into the future by encouraging it to put in place required policies that will respond to the situation.

In terms of operational strategy, VANSA is lean in structure, consisting of 3 permanent staff members. It relies mainly on digital communication to reach our 7800 members.

Where R&D, technology and engineering are concerned, as has been indicated, VANSA is highly dependent on digital media such as the website and Facebook, where we it achieved organic growth. The medium reaches more people at a very low cost, compared with costly PR activities, states Moilola. The over reliance on digital platforms has meant that VANSA's

reach to communities in the rural areas is limited, as most people do not have access to the platforms which it is using. She pointed out that there was room for improvement with regards to this, and perhaps in the future VANSAs can look at disseminating hard copies of our content through libraries, although this would be a highly expensive exercise and would depend on funding.

VANSA has small supply chain system that is not strong, as it does not need physical materials which a normal business would need to purchase for its daily operations. VANSAs works on independent projects with varied lifespans, of which none are continuous and as a result it will request services as and when they are needed.

The communication and marketing systems which are in place are mainly based on a low cost/mass reach budget, which entails using the website traffic and good content to maintain VANSAs's profile. The relationships which VANSAs needs to maintain which are crucial for its survival are those with its 7800 members across South Africa, funders and international donors and the government.

The present socio-economic, policy and political environment has meant that the funding framework has needed to focus on increasing the creation of jobs vis-a-vis funding social value-orientated projects. VANSAs's activities are less labour-intensive, but more orientated towards building a pool of highly skilled people. The economic impact of art organisations is perceived as being minimal, compared with labour-intensive activities such as in construction, where more people get jobs as unskilled labourers. The other disadvantage is that because South Africa is perceived as an emerging economy which is in a better economic state than other African countries, international donors are taking their funds to poorer countries. According to Moilola, this will leave a massive funding gap for existing art organisations which are dependent on international funds.

Moilola in sharing the challenges faced by creative people stated, "The challenge with the creative economy is that you get a significantly higher number of people who are trained as artists, and the observation is they can only create artistic work. There is a shortage of people who make things happen as project managers, people who are well versed in terms of logistics and supply chain management with the creative industry. Our artists are not positioned to handle their work as a proper business. The general trend is that you then get your white male artists, who are generally older, filling this gap, as they have the skills".

According to Moiloa, VANSa does not have Black Economic Empowerment programmes, but rather sees itself as a developmental organisation which is there to develop the sector as a whole. The opportunities which it offers along these lines are related to its internship programme, through which it place interns and art administrators across the country.

The strengths of the organisation entail the fact that it serves a common need in the creative sector and it is very inclusive, as there are no mandatory membership fees. Creative people who are unable to pay membership fees are not excluded.

The weakness of the organisation lies in its great dependence on digital media for its communication and marketing drives. Creative people who do not have access to digital communication platforms will not have access to the information which is made available by VANSa. Opportunities would be provided by increasing VANSa's network and reach and increasing collaboration with other similar organisations to improve the South African creative sector as an economically and socially inclusive sector.

The biggest threat which VANSa faces is the withdrawal of funds by donors, as the organisation is highly dependent on international donor funding.

Moiloa indicated that the game changers for this sector would be for artists to have resale rights to their works and for a minimum wage and social security structures to be in place, as the current situation is mainly based on freelance work so artists are not paid on a regular basis, are not on the "shop floor" at the same place as a result it is difficult to organise for artists' issues. Additionally she advised that social security models should be investigated that can make the unemployment insurance fund accessible would be great game changers.

Interview 3

Interview with Laurice Taitz the Director of In Your Pocket City Guides (Pty) Ltd

Laurice Taitz grew up in Benoni. She is a journalist, a mediatrix, a project-builder, a blogger, and now the publisher and editor of the Johannesburg in Your Pocket city guide.

When she moved to Johannesburg she grew tired of hearing people say “There’s nothing to do in Joburg”. As her love of Johannesburg grew, she developed a determination to prove to people that there was indeed a great deal to do in Johannesburg.

Her interest in places and spaces in Johannesburg prompted her to start up a blog site on The Times platform, initially as an exploratory concept, which she called Nothing to do in Joburg Besides..., which subsequently gave birth to Johannesburg in Your Pocket 3 years ago, in response to a perceived gap in the existing market. At that point the inner city of Johannesburg did not perceive itself as a tourist destination, to any significant extent. The revenue which the enterprise generates comes mainly from advertising. The tour guide booklet is published three times a year, with supplementary online access being provided by platforms such as Facebook and Twitter.

The idea to publish the guide was first crystallised when Taitz, recognised the need for a Johannesburg tourist guide during her travels around the world. On one of her trips to Moscow, she came across portable tourist guidebook. On inquiring about the rights to the guidebook, she established that she could start a Johannesburg franchise by buying the rights for its publication in Johannesburg, in order to adapt it to a new context. The franchise gives franchisees unlimited access to the information technology, the information repository and the networks throughout the world of the franchisor. The appearance and format of the guide are standardised throughout the world and only the content is customised for the city which it is used to publicise. Although the initial means of generating revenue was mainly printed advertising, more recently there has been a move towards digital advertising as a growing source of revenue.

Although the printed version of the guide is distributed in guest houses and hotels, a small portion of each printed edition goes to retail outlets and a larger one goes to conferences. Additional services are now also provided, through diversifying editorial services to include the updating of the content of business websites, which has enabled the business to grow organically on various different platforms.

At present Johannesburg in Your Pocket has the status of a small business, in which most of the services are outsourced, as the relevant skills are not available in-house. These outsourced services include the services of photographers, writers and researchers. In terms of creating opportunities for employment or small businesses, the company pays a great deal of attention to emerging entrepreneurs who offer services which are scarce and services which have been refined to such an extent that that the products or services which

they entail cannot easily be replicated by other service providers, as the services of these entrepreneurs are procured mainly on the basis of their quality.

The nature of the business resonates strongly with the idea of empowerment, as it embraces the values of digitalisation, in which ideas are shared and the corresponding sources are shared and acknowledged. The composition of the staff at present includes both white and black employees, all of whom are consistently encouraged to acquire new skills and opportunities within the range of the resources which the business is able to provide to them. Taitz maintains that the concept of empowerment is directly linked to innovation. She explains that innovation can occur only through input being provided by people from diverse backgrounds, as cultural nuances and sensitivities converge to create the innovative solutions which form the DNA of the business.

A lot of drives in this industry are driven by networks. However, the beauty of the networks within the creative economy is that they are not exclusive, as artists tend to open up to each other.

Competitive advantage in this industry is created through being flexible: if a figurative concept could be conjured, it would entail the agility of a speed boat, as opposed to that of the Titanic, being willing to learn and explore ideas, creating a working environment which serves a greater purpose and generally results in more commitment and production. In addition, another competitive advantage lies in the low overheads of the business.

Technology has contributed immensely towards remaining competitive. "At either no cost or minimum cost we are able to create a global network of workers, by using technological tools such as Skype and having access to the Moscow network of publishers in various cities around the world" says Taitz.

An awareness of the current landscape (PESTEL) at both the local and the international levels plays an important role in Taitz's line of business. Of crucial importance to tourism are the perceptions of people and all of the environmental factors which influence them and, consequently, their behaviour. A heightened awareness of the environment in which an entrepreneur works confers a definite competitive edge.

While discussing BEE, Taitz explained that her business relies on diversity and on the quality of inputs, and that in the process of ensuring that these requirements are met, she

finds that she inadvertently has to outsource a great deal of work to a broad range of business including Black Economic Empowerment candidates.

The company's strength is derived from the knowledge that nothing is secure and nothing lasts forever, that integrity in the work which is undertaken ensures the longevity of the business and that, as a result, the structure of the business also needs to be adapted accordingly, in the form of a modern open flat structure. Its weaknesses which are inherent in a small flat structure lie in the tunnel vision which can potentially develop within it.

The threats which come from the external environment emanate from the poor management of programmes by the government and the social problems which can arise as a consequence. Cases in point could be provided by the controversy which has been generated by the requirements for visas for children and Fees Must Fall, which have affected tourism adversely for the city.

The opportunities which are on the horizon are linked to having flexible partnerships and being flexible with respect to those needs which the media business world has traditionally not generally served, but which the company can meet, as a consequence of its pool of skills and access to relevant information.

Taitz indicated that, game changers which could change the present business landscape would be having stability across all spheres of South Africa's micro and macro environments and creating an entrepreneurial or business-orientated culture in all aspects of service delivery. Another consideration would entail service providers in the field of tourism to recognise and to acknowledge that they do not know everything, and to start thinking innovatively with respect to improving the services which they have been offering in essentially the same manner for many years.

Interview 4

Interview with Marcus Desando the Chief Executive officer.

Originally from Pretoria, Marcus Desando, a Naledi awards nominee for best actor in a musical, started his career with PACT in 1989 as a singer, before moving to Cape Town in 1994 to join the Cape Performing Arts Board (CAPAB), where his career as a director and a principal singer started. As a singer Marcus has performed in over 75 operas, musical

theatre productions and concerts in South Africa and abroad. He has travelled the world, singing and directing with New York Harlem Productions, Really Useful Company, Pieter Toerien Productions and Cape Town Opera.

Marcus has had the honour of being invited by the University of Stellenbosch, the Tshwane University of Technology, the South African College of Music at the University of Cape Town and the OCSA of the University of KwaZulu Natal to be a guest lecturer, teaching stagecraft and also directing productions. His production of Rigoletto was recorded and televised by SABC 2. Marcus has already directed over 40 operatic productions, ranging from opera to symphony concerts. He was invited by the Windhoek Symphony Orchestra and the Free State Symphony Orchestra in 2012 to sing in Handel's Messiah and Beethoven's Symphony No. 9, respectively.

At present Marcus is the CEO of Gauteng Opera, which was formerly known as the Black Tie Ensemble, he is also reading for his Master's degree in Business Science with the Da Vinci Institute and is a Chairman of the South African National Opera Association (SANOA).

At present Gauteng Opera is based in Newtown. It is an all-round performing arts and entertainment company which focuses on opera-related productions, concerts and events. With the slogan "Opera for Everyone", it aims to expose opera to the widest possible range of audiences through its various operatic offerings. Driven by excellence in vocal performance and theatre, Gauteng Opera prides itself in being one of the foremost nurturers of experts and proponents for superb quality vocal performance and theatre practitioners in South Africa.

Gauteng Opera is a public benefit trust, which has two specific functions, the first of which is as an academy for training budding opera singers and seeking funding for them. No fees are required of the individual people who participate in the training programmes. The second function is the production of opera concerts. Like any company, Gauteng Opera is run as a proper business and is governed by public benefit statutes.

Where creating employment is concerned, for any production Gauteng Opera hires no less than a 100 people for the various services which are required to construct the stage scenery, to install and regulate the lighting, to create the wardrobe for each production and to serve as makeup artists, production directors and a host of other functions which are required. The overall cost of each of their productions runs in the region of R2 million. The

principal challenge for a business model of this type lies in its extensive reliance on external funding. The cost of the production could never be covered from ticket sales alone, as a minimum of 1000 people would need to attend each performance of the production run if ticket sales were to cover the cost of each production. At present no theatre in Johannesburg is able to hold so many people, and even if it were possible to do so, only 40 percent of the production costs would be recouped if all of the tickets were to be sold. Of the funds which are generated by the productions, 70 percent goes towards the paying of wages.

Gauteng Opera has categorised its products into 3 specific classifications, with each intended to appeal to different paying targeted market groups. The first is Opera to the Core, which caters for opera enthusiasts who appreciate the genre in its original form. Secondly, there is Opera for Fun, which offers concerts and extravaganzas which showcase the lighter side of opera. Finally, there is Opera for One, which targets discerning people who wish to experience the joy of opera in a private setting, in corporate and private functions.

In addition, Gauteng Opera has focused a great deal of its effort on taking opera to ordinary people who generally would not have access to attending an operatic production, mainly through an awareness drive which it calls Opera on the Go, in order to spread the love of opera to outlying areas and to develop new audiences for the future. Fully staged opera shows are presented and used for educational purposes. Schools are the main beneficiaries of these shows, which are usually presented in two different formats. During school sessions, short productions are presented, in which 40 minutes are devoted to singing workshops. The second format consists of complete performances, in which schools are able to experience a full opera live on stage.

Gauteng Opera retains its competitive edge, through its seamlessly and professionally run daily business operations. Like a proper business it has an organogram for each of its various levels, each of which is run by highly competent people. It has a board of trustees, a board of directors, an executive board, an international panel of artistic advisers, an administrative department and an in-house team of artists. What sets it apart from similar institutions is the historical wealth of knowledge and networks which resides with the individual people who have been appointed at each organogram level.

The organisation's flexible response to the changing environment and its needs, adds to its competitive advantage. At present accreditation by the Da Vinci Institute for Technology

Management, a school of management which seeks to contribute towards socio-economic development and transformation, is in the process of being finalised. As the Da Vinci Institute has ties with Warwick University in the USA, this development stands to assist Gauteng Opera, through its connection to a foreign institution, to remain relevant at both the local and the international levels.

The latest technology is used for stage design and construction. The creativity which is to be found in the productions is drawn from a deep-seated appreciation of the rich cultural context of South Africa, combined with a wealth of international experience. The main concern with respect to the supply chain lies in ensuring that a capable pool of relevant artists is available. In this respect, Gauteng Opera enjoys the considerable advantage which is derived from the fact that its pool of alumni and performing artists who are still students have all been individually groomed by the institution.

Gauteng Opera places great emphasis upon awareness and remaining informed about the present landscape and this awareness is of crucial importance to the sustainability of the enterprise. It has identified specific shortages in the domains of skills and entrepreneurship, which it has set about rectifying through the implementation of programmes to assist its trainees to reach their full potentials, by being fully equipped to operate independently in their areas of specialisation within the creative sector. The scheduling of their productions for international viewers is also affected at various levels by the political, economic, social and legal frameworks of the countries in which they are performed. The social, political and economic frameworks also affect the availability of funding, as political unrest could result in the withdrawal of funds as other social needs are prioritised.

Although there are numerous opportunities for entrepreneurs and people seeking employment, great effort needs to be expended to ensure that those who are capable are provided with the holistic training, including business skills, which they require to sustain themselves and remain relevant to their targeted audiences.

At present Gauteng Opera is implementing effective Black Economic Empowerment programmes which focus on training students who come from previously racially disadvantaged backgrounds. It aims to provide them with a certification which will enable them to perform anywhere in the world, as it will be internationally accredited. As Marcus explained, in order to take advantage of the opportunities which are available, the initiative needs to be taken to go out and ask and to find out what is happening, in order to assess how to become involved in the overall endeavour. The initiative needs to be taken by

individual members of the organisation to obtain the information which they need to make progress in their areas of specialisation.

The strengths of Gauteng Opera reside in its intellectual capital, which, in turn, resides with its employees and board members in terms of their skills and networks. Gauteng Opera is a people-driven organisation, which constantly seeks to develop its own people. The move from Pretoria to Johannesburg has meant that the institution is now centrally located and, consequently, accessible to a very large number of people, as it is near a transport hub of which taxis, the Rea Vaya Bus Rapid Transport System and Metro Rail train stations are the principal components.

The weakness which hinders the growth of Gauteng Opera as an industry is to be found in the slow absorption of opera music, in which the interest of the general public has, to a very large extent, been overtaken in South Africa by modern hip hop and R&B music. Greater opportunities exist for the integration of the opera music genre with other performance genres, such as acting and different music forms. In addition, through its awareness drives, Gauteng Opera is slowly but surely building an audience for opera for the future.

As the principal threat to the operatic sector lies in the increasing exposure of the general public to alternative music genres at the expense of opera music, the innovative or even revolutionary integration of opera with genres such as hip hop and kwaito could unleash a radically new music genre with almost limitless possibilities. Another significant potential threat stems from the fact that Gauteng Opera is highly reliant on external funding. The withdrawal of funds would change the nature of the business as it is known at present completely.

Interview 5

Fleur de Bondt is an autodidactic (self-taught) artist that works as freelance artist

Fleur was previously a fashion designer and is at present a self-employed artist. She sells prints, drawings and paintings. In addition, she supplements the income which is generating through the sale of her artwork by providing art therapy, teaching an art class once a week and coordinating peer mentoring programmes, in which up and coming artists work with experienced artists in order to acquire new skills, on behalf of corporate initiatives which include programmes in their social responsibility initiatives. The peer mentoring

programmes are run for 10 weeks, three times each year, by a high profile corporate company.

Fleur regards her role as being very relevant in terms of contributing towards creating opportunities for both employment and business in the creative industries, by facilitating the growth of the production of creative products, the concept of development and the securing of mentors for up and coming black artists. She believes that people in the local creative industries in Johannesburg are aware of the opportunities which are available through platforms such as the social media and websites.

In addition, she explained that there are institutions such as VANSAs, which had been created in order to promote awareness of the opportunities which are offered by the creative industries. The creative institutions and businesses in her line of work promote awareness of opportunities through coming together as multi-disciplinary creative institutions and businesses and through coordinating their efforts to ensure that there is no duplication of specific initiatives, thereby increasing the scope of the opportunities which the sector has to offer and reducing unnecessary competition, as obtaining funding can be difficult.

As a self-employed artist she asserts that she is competitive by nature and that she maintains her competitive edge by surrounding herself with other artists whose talent and competence are at least equal to her own, through the social media and by keeping up to date with trends by going to the openings of exhibitions and also by renting a studio space in Johannesburg-based creative community premises which is known as Assemblage.

As saving on the costs of materials is of great importance to her, developing good relationships with suppliers, has enabled her to stretch her budget. She emphasised that it was of crucial importance to know where to obtain materials at the most affordable prices. She has been able to maintain a particular position through creating her own unique concepts and processes for printmaking. She uses technology to maintain her presence online through measures such as having her own domain name and being active on social platforms, in order to ensure that she is able to sustain the appeal which she has as the face of her business in the various social media.

Where external environmental factors are concerned, she admits that although politics often shape the art which creative people produce, as she has a long-term strategy for remaining relevant to the field of creative endeavour in the visual arts, she chooses not to

allow her subject matter to be influenced by politics. She is of the opinion that there are more interesting subjects and concerns which can serve as sources of inspiration. She recognises that the economic climate of a country does have a very definite effect on the sales of works of art. She maintains that when the economy declines people tend to invest in the work of artists who have attained a significant level of prominence. However, as she has not achieved a degree of recognition which would allow her work to command high prices, she finds that she needs to diversify her sources of income, but she hopes one day to attain a satisfactory level of renown within the creative community of artists and patrons. She indicated that in order to take advantage of the opportunities which are to be found in the creative sector, emerging artists need to diversify their skills and assume the roles of facilitators by conducting workshops and finding alternative uses for their skills, such as through providing art therapy and art lessons.

With respect to Black Economic Empowerment programmes, Fleur maintains that a great deal of funding goes to black artists. She provided an example in the form of the programme which she is due to facilitate in 2017, which requires that all of the participants must be black. She went on to explain that many businesses are required to observe racial quotas, which has meant that even when white people qualify to participate in a programme or are in need of funding they could be disregarded because of their racial background.

She explained that there are many opportunities for training which are being offered to black artists and that Artist's Proof was one of the particularly successful organisations in this respect. The organisation caters only for black artists. Although these artists are usually successful in financial terms after they graduate, as a result of the sudden increase their income which they receive as art students from their second year onwards, many are unable to manage their finances and as result, tend to self-destruct owing to a lack of lack of business acumen

For Fleur, as an independent artist, the most significant game changers would come on the day when colour and gender no longer determine the worth of anyone as an artist. She stated that a development of this sort would change the creative landscape of South Africa dramatically.

Interview 6

Louise Ross is the Director of the Assemblage

Louise Ross was born in 1984 in Pietermaritzburg, Kwa-Zulu Natal. She now lives and works in Johannesburg. She completed her BA Fine Arts degree at the University of the Witwatersrand in 2007. She has exhibited in numerous group exhibitions, including the Ithuba Arts Fund Exhibition in 2011, which was held at the Lister Building, The Art of Assemblage in 2011, a side exhibition at Joburg Fringe, Sites of Memory in 2008, the Thompson Gallery, Collaborations, in 2007, the Wolmarans Street Gallery Space and Work in Progress in 2007, which was held at a Sandton construction site. She worked as the gallery manager of the Stevenson gallery from 2008 to 2010 and gained a great deal of knowledge and experience of the South African art industry.

In 2010 she co-founded and now runs the non-profit organisation Assemblage, which seeks to assist artists in Johannesburg. She works in all forms of paint and loves to create new things (Assemblage, 2016). Louise indicated that assemblage is a shared creative space, which was established for a community of students and professionals. In terms of the funding model, she pointed out that the entity relies heavily on traditional funding. Most of its funding comes from corporate enterprises and some of it is generated internally. The internal sources of funding are derived from subletting the premises to artists, the sales of artwork generated by Assemblage, workshops conducted through Assemblage, sponsored mentorship programmes and printmaking. In order to limit the costs of investment and to empower black artists, Louise structured an agreement with local black artists, in which they funded a portion of the cost of the litho printing machines and have shares in this aspect of the business.

Assemblage plays a vital role in the creating of artworks and business opportunities, by allowing artists to run their businesses from the shared premises. Prospective buyers are able to come to Assemblage to view artworks and, as a result, the artists gain increased exposure to potential buyers. Louise believes that most artists in Johannesburg are aware of the opportunities which have been created by Assemblage, mainly through word of mouth, irrespective of their economic backgrounds.

According to Louise, the real key player is VANSa, which has been instrumental in initiating awareness drives to promote awareness of the opportunities in the creative sector. Louise points out that in this area, the endeavours of Assemblage are limited by a lack of adequate

manpower, to market to a wider community which cannot be reached through word of mouth and the social media, which tends to exclude many people from the network. She qualifies this assessment by adding that WhatsApp could present an opportunity for opening up the present network of creative people to a broader community as more people become active on WhatsApp.

About 7 years ago Assemblage was the only shared creative studio, in the north-west side of Newtown, Johannesburg. Since then several similar studios have been established which operate by employing the same business model as Assemblage.

Louise maintains that her competitive advantage lies in retaining the ownership of Assemblage as a one person business, as she believes that doing so provides the most easily sustainable model. She explains that by not clinging to established practices and by being willing to let go, by being flexible, she has been able to ensure the sustainability of her business. This attitude has helped her make the necessary changes when competition entered her area. She relocated to an area south of Newtown in which she has no competition and now she is able to have access to a broader creative market. She maintains that the effective use of the social media, an accessible website, bi-weekly newsletters and the extensive use of Google applications have all strengthened her business. Assemblage does not need to carry stocks of art materials, as the artists buy their own materials, which relieves her of the responsibility of negotiating with suppliers. However, the relationships which she has with her tenants and funders are of crucial importance and require constant nurturing through consultation and negotiations.

One fundamental input that Louise made was to highlight the difficulties that are frequently encountered in securing funding in the present economic environment, and how she has managed to overcome the obstacles which were presented by environmental factors. She indicated that the most important factor was that creative entrepreneurs needed to have a passionate interest in their particular fields and to have a clear vision of the precise nature of their enterprises. For Louise, having a one person business has proven to provide a self-sustaining model, particularly in those instances in which no additional funding is being received, as she is not required to concern herself with paying employees. She also does not need to concern herself with paying the mortgage of the premises, as the Assemblage venue pays for itself from the rent which the tenants pay.

Louise maintains that there are opportunities for creative entrepreneurs who deal in art who are able to reach the middle class and that there are also plenty of opportunities in the field

of providing art education to all age groups. Further she pointed out that Assemblage contributes towards bringing people from diverse backgrounds to work together in one space over a long period of time, thereby creating a fertile breeding ground for the generation of new ideas. VANSa also contributes to this type of endeavour through the AFRICALIA programme.

In terms of providing opportunities for BEE, corporate enterprises also contribute towards the creative economy, specifically through the targeting of BEE quotas. An example could be provided by the VANSa programme, which targets black creative people and contributes towards their training over a period of 6 months, after which the artwork which they have produced will be exhibited at the Fresh Produce Exhibition at the Turbine Hall Art Fare. This year will mark the fourth year for which the programme has been running.

Louise explained that for Assemblage, game changers could take the form of increased efforts which focus on building a strong art buyer network, through the creation of a comprehensive data base of buyers and increased use of online galleries, which target larger markets.

Interview 7

Interview with Mandy, Director of Mandy's Art

Mandy started Mandy's Art 7 years ago in a garage. Her motivation for starting the business was to enable her to have time to raise her children. She started with one child who was 7 years old, who is still attending classes with her. From this point her classes grew, from a class with 1 child to 6 adults and now it consists of 11 classes split into classes for children and adults. What has made the business sustainable stems from the fact that she allowed her business to grow slowly over time and did not employ staff, as hers was a one person business until it was sufficiently stable to accommodate new staff members. The business now has a staff complement of 3, including herself.

During the day she holds classes for children and during the evenings she holds them for adults. These classes are divided between her and her teachers. At present the main source of income of her business is derived from the fees which are paid by her students for the art lessons. As the business premises at which the classes are held are attached to her house, she has sufficient flexibility to oversee the activities of her children and to run the business at the same time. In addition, she is able to maintain low fixed overheads and

also to contribute towards the payment of her bond, from the rental expense incurred by her business.

She indicated that pertinent to her business success, certain elements had to be in place, which consisted of the following:

- Safe and ample parking inside the yard for students
- Convenient access to the main road
- Tranquil setting for students

Although the business which Mandy runs caters mainly for people who consider art as a hobby, who wish to develop their skills for personal satisfaction, two of her students have been commissioned to produce work. When she was asked about the general awareness of the opportunities for employment and business in the creative industries, she replied that most people were not aware of what the various creative industries had to offer and that she, herself, was only now learning through interactions with other artists in the social media, what the creative industry can offer. As she had always been artistically talented, she studied towards a degree in the arts. She became a teacher, as she had not been aware of the opportunities for sustainable careers in the creative sector. She started giving the classes solely as a result her perceived need to be a full-time mother and her business grew organically from its modest beginnings.

Mandy believes that as opportunities in the creative sector are not adequately communicated, many people are unaware of them, owing to a lack of information. She maintains that there is a common tendency among people who start giving art classes not to lay an adequate foundation before they start teaching the core work. As a consequence, students remain unable to create art works on their own, after completing the relevant art classes owing to not having received sufficient guidance in the acquiring of the foundational skills for independently producing art works. She believes firmly in the importance of teaching the fundamentals.

She does not consider her business to be in competition with others who offer art classes, as she feels that the area in which people live determines to a large extent where people choose to attend art classes, as they are likely to choose those which are either near where they work or where they live. However, she maintains that what differentiates her business from other schools is that she takes a great deal of time to teach the fundamentals of the

art mediums in the different genres which students choose, such as drawing and painting, before proceeding to concentrate on developing the creative talents of individual students.

To a large extent, her business provides a service to adults which enables them to participate in life-affirming recreational activities which take place in a space which is a world away from the tedious one of working with technology in the form of machinery or computers, in which they are able to relax, to socialise with other professionals and to avoid thinking about work by focusing on what they are creating by using their hands.

Another great advantage of her business stems from the fact that she has a reliable supplier for art materials, who sells her the materials which she needs at far lower prices than those which are asked by stores such as Herbert Evans. The supplier also saves her time by delivering to her door. Her relationship with her supplier is in good standing, to the extent that the supplier delivers materials on the understanding that payment will be made a month later, as a result of the trust which they have established between them. Mandy is able to extend the cost advantage to her students who buy the art materials from her, as she does not make a profit from selling them.

Although she has her own inventory system which she uses to manage her stock, as her business is growing, she is considering moving on to more sophisticated accounting systems to make the management of her student's accounts easier. She acknowledges that in some areas her business skills are limited, but explains that they are being supplemented by her husband's strengths, particularly with respect to marketing and communication. Her initial marketing strategy consisted of dropping off pamphlets at houses and advertising in school newsletters. As these methods did not bring even one customer, with the help of her husband, who works in the IT field, she has recently revamped her old website and given it a fresh look. She is now also using the social media, particularly Facebook, as means of marketing. These two approaches have attracted several students and are proving to be inexpensive but effective means of marketing her services.

Her business was started during the recent global recession and has endured through several up and downswings of the economy. She has noticed that the decline in the economy has correlated with a corresponding decline in the numbers of students who enrol for her classes, which indicates to her that the lessons tend to be perceived by students as a luxury which they cannot afford during times of recession. During upswings in the economy she tends to have more students enrolling. Owing to the fact that her business

was grown slowly over time, she has not been unduly adversely affected by changes in the economy.

Mandy is aware of the opportunities for employment and business opportunities in the creative sector and suggested that needs should first be identified before working towards catering for them to create niche markets. The game changer which she identified as having a high probability of changing the landscape of her business would be the introduction of a new art school franchise.

By the end of the discussion with Mandy it had become quite evident that she realised that she had accumulated a wealth of knowledge and experience and had earned a good reputation which she could use to change her present business model to a franchise model.

The basic structure of questions for the interviews:

- 1) What role does the creative sector/institution/business in which you are working play, in terms of creating work and business opportunities, and are people aware of the opportunities which it creates?
- 2) What awareness drives are created concerning opportunities in your sector?
- 3) How do creative institutions/businesses in your line of work operate and are people aware of how they operate?
- 4) How is competitive advantage built in your sector/business/institution in terms of the items below:

Operational strategy

- 4.1. R&D, technology, engineering
- 4.2. Supply chain management - building relations with relevant suppliers, complimentary industries and or stakeholders?
- 4.3. Manufacturing - Creating the requisite input factors
- 4.4. Marketing, sales and communication

4.5. Financing Strategy - What is the present funding model (internal and external) of your institution/business, and, if you had to change and improve it, what would you do?

- 5) What role does awareness of the present landscape (political, economic, social, technological and legal), at both the local and the international levels, play in your business/institution and how can one who is entering this sector build the required awareness in order to operate effectively and profitably?
- 6) What business opportunities are there in your sector/institution for entrepreneurs and work seekers, and are aware people of them?
- 7) What Black Economic Empowerment programmes are being implemented at present in your line of work/industry/institution, and are people aware of them?
- 8) How may best advantage be taken of the Black Economic Empowerment programmes which are being implemented in your sector/institution/line of business at present?
- 9) Please provide 3 points for each SWOT element pertaining to your creative sector, of which people would need to be aware, should they wish to enter the creative sector, either for employment or to start a business.
- 10) About which game changers do creative entrepreneurs need to know in order to adapt and survive in the creative sector?

ANNEXURES D: EDITOR'S LETTER

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TO WHOM IT MAY CONCERN

This is to certify that the thesis titled "Understanding the Creative Economy as a Tool to Reduce Unemployment" by Nomalizo Xabana has been edited by David Masters. Should anyone want to discuss or clarify any points of grammar, I may be contacted by e-mail at gailfrank@nahoonreef.co.za and my telephone number at home is (043) 726 4829

Yours sincerely,

David Masters