

ABSTRACTS

The 20th International Conference
on Cultural Economics

Melbourne, Australia
26-29 June, 2018

ACEI, Association for Cultural
Economics International



Programme arranged by the Scientific Programme Committee
and the School of Economics, Finance and Marketing RMIT University

1A

Is it important to differentiate economic and cultural/social rationale for and outcomes from creative industries, or converge them around the so-called ‘triple bottom line’?

Stuart Cunningham

Abstract

Debates about cultural and creative industries have often been regularly and probably constitutively confusing. This has been helped along by the not untoward but constant focus on triple bottom lines - cultural, social as well as economic value - which is understandable but hedges bets all the time. As well, there are inherent limitations in both neoclassical economic cases for culture (based on endemic market failure and moral appeals about underpaid artists) and the focus of critical political economy on very large, preferably multinational, firms and their assumed capacity to exert untoward influence as captains of our consciousness.

In the UK, probably the only jurisdiction where there has been sustained depth of policy engagement, the creative industries has achieved the status of one of five key sectors considered for a ‘sector deal’ in the UK government’s national industrial strategy. There, sustained and innovative policy research has established that creative industries play an integral role in the digital economy and the measurement of their economic contributions has become robust and defensible. Additionally, the sector has organised itself to interface effectively with government. Given twenty years of intensive policy-focused research in that jurisdiction, perhaps only in the UK has the case¹ be made to distinguish more systematically between the economic case for creative industries, on the one hand, and cultural and social policy supporting them, on the other.

However, establishing such a research base for the economic case for the creative industries is an ongoing challenge in and for numerous jurisdictions. Few jurisdictions outside the UK and western Europe have an established history of grappling with the definitional, policy and

¹ Bakhshi, Hasan and Cunningham, Stuart (2016), *Cultural policy in the time of the creative industries*, NESTA Provocation, <http://www.nesta.org.uk/publications/cultural-policy-time-creative-industries>.

ultimately political issues raised by the creative industries as an economic category. Most cultural policy research devotes itself to establishing or critiquing a ‘triple bottom line’ approach wherein the claims for social and cultural flourishing are systematically blurred with, or asserted over, the economic case. But researchers can contribute to avoiding this being seen as a case of a Hobson’s choice. More rigorous methods for more forensic research into social and cultural value (accrual of benefit to the ‘reflective individual’, to civic agency and engagement, community vitality, arts-based learning in formal education, the value of volunteerism) are equally important² to address concerns that ‘when it is simply a question of ‘creativity’ any tension between cultural and economic logics disappears’.³

What research approaches and methodological innovations are required in developing a forward research agenda for creative industries?

Terry Flew

Abstract

The concept of creative industries received a different reception in cultural economics to that of the critical humanities, which has continued to frame research and research methodologies to the present day. For cultural economics, the rise of creative industries in cultural policy discourse, alongside related debates about creative cities and the creative economy, presented three distinctive methodological questions:

1. What were the implications of shifting the analytical lens of cultural economics from the subsidised arts to the profit-making areas of culture? In particular, what implications arose from the explicit introduction of copyright and intellectual property questions into cultural economics?
2. How could claims about the macroeconomic ‘spillover’ benefits of investment in culture be adequately quantified and assessed? Was this a field in which the rhetoric

² Crossick, Geoffrey and Kaszynska, Patrycja (2016), *Understanding the value of arts & culture: The AHRC Cultural Value Project*. Swindon: Arts and Humanities Research Council.
<http://www.ahrc.ac.uk/documents/publications/cultural-value-project-final-report>

³ Oakley, Kate and O’Connor, Justin (2015) Cultural Industries: An Introduction, in Oakley, K. and O’Connor, J. (2015) (eds.) *The Routledge Companion to the Cultural Industries*, London: Taylor and Francis. pp. 1-32.

of cultural ‘boosterism’ over-ran the empirical evidence available on the benefits of public support for creative activities?

3. What did it mean for culture to bring discourses of creativity closer to the field of innovation economics, and innovation questions into cultural economics?

By contrast, in the humanities in general, and in cultural studies in particular, creative industries was perceived to be a neoliberal ‘trojan horse’, shifting the analytical lens away from critical political economy and questions of power, hegemony and resistance, to a more economic discourse that would be more directly of service to policy-makers. These authors demanded greater weight be given to the ‘down sides’ of these industries, including precarious labour, exploitation, and inequality, and questioned whether the promotion of creative industries simply accelerated the commodification of culture foretold by the Frankfurt School of neo-Marxists. Some authors critiqued the definitions of creative industries, and the breadth of the sectors included within this framework, but it is notable that other alternative terms, such as ‘cultural economy’ and ‘creative economy’ have proven to be no less definitionally intractable, without the policy purchase that creative industries has retained, particularly in countries such as the UK and China.

Given that research into creative industries has run across the arts, humanities and social sciences spectrum, involving geographers, management theorists, psychologists, sociologists, and media and cultural studies theorists, as well as economists, there is a need to think about how to transcend the disciplinary oppositions between the critical humanities and the more applied social sciences. I will draw upon recent debates around the ‘Culture Counts’ initiative to apply quantitative performance benchmarks to evaluate public funding for the arts to indicate why it is necessary to address this question.

Creative Industries and Education: What evidence, what curriculum, what impact?

Ruth Bridgstock

Abstract

It has been twenty years since the initial creative industries policies were published in the United Kingdom. In that time, while some educational scholars (including myself) have

contributed to the question of what an effective creative industries curriculum might involve, remarkably little has been done to explore the impact of the creative industries movement on formal education. Still less has been done to examine the effects of creative industries-based educational changes on creative students and practitioners, the creative workforce, and the economy more broadly.

Many of the conceptual, policy and disciplinary tensions that are endemic to creative industries discourse seem to play out in practical and concrete ways in formal education. These tensions overlay and interact with various ideological, performative and pedagogic challenges and debates that exist in education, resulting in a complex, and under-investigated, picture. For instance, the 21st century skills discourse is now ubiquitous in schools and universities, resulting in both generic ‘how to be creative’ and enterprise curricula across nearly all disciplinary programs. However, there continues to be profound discomfort in some areas of creative disciplinary learning around preparing learners for commercial, non-subsidised practice. Further, an untested assumption continues that generic creativity is implicit in disciplinary creative curricula, and is by definition done well in all disciplinary creative programs.

One key challenge for creative industries educators is that the fundamental creative industries argument around positive career outcomes for creative practitioners (particularly those in certain fields and sectors of the economy) has yet to be fully joined up with the graduate experience. Workforce studies reveal a fairly consistent story across countries where creative occupations and industries can be measured, and yet university graduate destination data collection reveals comparatively poor, albeit uneven, outcomes. In Australia and the UK, these graduate outcomes are declining.

Another vexed question for educators in higher education is whether students are acquiring the ‘right’ mix of capabilities during study, and indeed, what the right mix is. In most creative disciplinary areas, there is no professional accrediting body. The curriculum is therefore determined by the educational institution, and often in practice by the individual disciplinary educators who are responsible for the program. The extent and type of industry input varies, as does the extent and type of Faculty/School institutional policy input. Thus, mirroring the wider debates, the ideological and disciplinary perspectives, content and student learning experiences can vary widely across disciplines within the same School, and subjects within

the same program, as well as between institutions. Thus, even though an institution may adopt a Creative Industries perspective overall, the curriculum and balance of programs may not consistently reflect this.

In exploring the above issues and others, I will draw on empirical comparative work examining creative-disciplinary higher education curricula across the United Kingdom and Australia, to start to examine the extent to which, and ways in which, creative industries concepts have been adopted, including the disciplinary composition of academic areas, and curriculum content. I will also present selected workforce-level and graduate destinations data to piece together some ways forward for research in creative industries education.

1B

Artistic movement membership and the career profiles of Canadian painters

Douglas J Hodgson and John W. Galbraith

Abstract

Psychologists and economists have studied many aspects of the effects on human creativity, especially that of artists, of the social setting in which creative activity takes place. In the last hundred and fifty years or so, the field of advanced creation in visual art has been heavily characterized by the existence of artistic movements, small groupings of artists having aesthetic or programmatic similarities and using the group to further their collective programme, and, one would suppose, their individual careers and creative trajectories. Certainly this is true of Canadian painting, and such movements as the Group of Seven or the Automatistes are at least as well-known to the general public as the individual artists belonging to them. We econometrically investigate the effect on career dynamics of artists as represented by the life-cycle pattern of prices obtained by their works at auction, in estimating a hedonic regression, pooled over a large sample of Canadian painters, in which variables representing the effect of a number of specific movements on the career price profiles of the members of the movements are included. These pooled movement effects are then compared with individual profiles obtained from individual-level models (applying methods introduced to this literature by the authors, Galbraith and Hodgson (EER, 2012) to gauge the degree to which these latter are influenced by movement membership.

From afternoon to evening: price dynamics and bidding behaviour in evening auctions for fine art

Moritz Burckhardt, Roland Füss and Christiane Hellmanzik

Abstract

The global auction market continues to deliver extraordinarily high prices for Post-War and Contemporary Art which might be indicative of sentiment-driven behaviour rather than rational investment motives. In order to test this hypothesis, we exploit variation in the

timing of auctions to investigate whether an 'Evening Auction effect' exists. Such an effect captures the tendency of auction participants to condition their price expectations during day auction on the relative price level of preceding evening auctions. Although only weak evidence has been observed of record prices positively affecting subsequent auction results, bidders do perceive a high share of bought-in items as negative pricing signal.

Individual Death Effects on Art Prices

Heinrich Ursprung and Katarina Zigova

Abstract

In this paper we study how an artist's death influences the price of her artwork. We focus on 68 visual artists who died between 1985 and 2010 and estimate the individual death effects of these artists in auction prices. Using art auction data prior to and after the artist's death, we estimate the role of the artist's eminence and age at death on the individual death effects with the help of a difference in differences approach. The heterogeneity in death effects turns out to be mainly determined by age and eminence at death. This result is robust to various specifications and measures of eminence.

IC

Preferential Treatment on Cultural Exports for Developing Countries: A case study of Argentina and Chile in the context of UNESCO Convention 2005

Matias Muñoz–Hernandez

Abstract

The unequal reality of cultural trade between the Global North and the Global South is the motivation to develop this study. Moreover, this research focuses on the UNESCO Convention 2005 on Cultural Diversity and Promotion, and the results of the binding obligation of Article 16 in preferential treatment, which compromise developed countries to support and promote the exports of cultural goods and services of developing countries.

Specifically, the investigation focuses on the main results of the preferential treatment in developing countries by exploring case studies of Chile and Argentina. This research incorporates literature analysis of previous international reports on cultural trade, critical literature on the theme. Moreover, the methodology applied on both countries is semi-structured interviews to capture testimonies of relevant authorities of public institutions, such as art councils, the ministry of culture, foreign affair departments and exports and imports departments of the ministry of commerce and economy. Additionally, this research considers the testimonies of two UNESCO Convention experts, one in charge of the regional situation of South America for cultural exports and a contributor of the UNESCO global report 'Re-Shaping Cultural Policies'.

The findings show that the validation of the UNESCO Convention 2005 and the effectiveness of the preferential treatment for Chile and Argentina are significantly affected by other international agreements, internal cultural policies, statistical registration systems, civil society participation, and technological contingencies. This study proffers that the collaborative work between the countries of the Global South, specifically the Latin American region, is the most crucial variable to increase the market share of the cultural exports of developing countries. Additionally, collaboration seems to help share best practices between nations, constructs a regional block and builds a long-term strategy to improve the negotiation terms with the Global North.

Measuring the asymmetric effects of cultural relations on music trade using a sample selection model with additive and interactive fixed effects

Yuki Takara and Shingo Takagi

Abstract

Cultural relations between two countries are important determinants in the international trade of cultural goods. The familiarity with and approval of one country's cultural goods by consumers in another country represents a positive relation, which could promote the import and the domestic consumption of the other country's cultural goods.

This study measures the effect of cultural relations on trade in cultural goods, specifically, recorded media of music. To introduce cultural relations to our econometric model of trade, we include multiple interactive terms of fixed effects as proxies for unobserved cultural relations. Each interaction term is a multiplicative one of fixed effects specific to an importer and an exporter after controlling traditional variables and factors used in the trade literature that successfully account for the economic statuses of two countries and trading costs between them.

We interpret the estimated interactive fixed effects as quantitative cultural relations, referring to the results based on ethnomusicology and political science (Takara, 2017, *Journal of Cultural Economics*) and other sources of cross cultural surveys such as the World Values Survey. The major unexplained part of the cultural goods trade in the traditional econometric model of trade is attributable to cultural relations between the countries, and the interactive terms in our model can reflect the effect of the relations on trade.

One feature of our framework is in the asymmetry of the effect of the relation on trade: the effect of cultural factors on the export of country A to another country B could differ from that of B to A. Although such asymmetry in trade is commonly observed, most existing literature on the cultural effects on trade do not refer to it. The asymmetry helps to explain the differences in trading volumes between two economically comparable countries in terms of cultural relations. Additionally, we identify "port of entry" countries, such as South Africa and Singapore, for a certain area, which import from a wide range of countries and export to countries in the area. Our interactive terms help explain the unequal trading volumes between two equipollent countries and the trading volumes of the "port of entry" country, which

traditional variables or factors from the empirical trade literature cannot explain fully. Our study offers several contributions. First, we develop a statistical model that incorporates additive and interactive terms of fixed effects with sample selectivity to consider the presence of zero trade paths. Second, we measure asymmetric cultural relations between countries empirically. Finally, we visualize a novel world map of cultural relations based on the estimated interactive terms. Our estimation result for the traditional economic determinants is also consistent with international trade theories and empirical evidence from previous research (for example, Helpman et al., 2008, *Quarterly Journal of Economics*). Therefore, our interaction terms capture asymmetric cultural relations between countries successfully.

Compositional data analysis of international trade with cultural goods: application to the UNCTAD database

Tim Fry, Andrej Srakar

Abstract

In today's globalised world, export and import play an important role in the country's economic situation. As emphasized in Rodrik (2006) and Hausmann, Hwang, and Rodrik (2007), it is no longer important how much a country exports, but what it exports. The tasks requiring low-skilled labour are off-shored to developing countries or countries with lower labour costs which contributes significantly to the amount of exports while the value added to the product in developing countries may be small. Consequently, much more interest in the part is devoted to relative structure of export rather than to its amount in absolute numbers (Miroudot, Lanz, and Ragoussis, 2009). In our analysis, we will apply and extend the existing analysis of Hřůzová, Rypka, and Hron (2017) which applied compositional data methods to international trade, to the analysis of international trade with cultural goods. Hřůzová, Rypka, and Hron (2017) applied logratio methodology, using basic »perturbation-subtraction« of x and y , representing the relative difference between both compositions, and transformation to centred logratio (clr) coefficients (applied in a regression setting by e.g. Hron, Filzmozer, and Thompson, 2009), to analyze the composition of trade flows structure. Yet, to analyze international trade, the dependence between the compositional vectors of export and import has to be taken into account. In our analysis, we will use UNCTAD database, which contains

information on the detailed structure of trade with cultural goods under several categories for all world countries, to analyze a) the groupings of countries, using multivariate analysis, e.g. compositional biplots and parallel factor analysis, as in Hrůzová, Rypka, and Hron (2017); and b) the determinants of trade with cultural goods. The results will be put in light with comparison to results from more commonly used gravity models of international trade (used in culture in e.g. Marvasti and Canterbury, 1992; 2005; Disdier et al., 2009) applied to the same dataset. Main contributions of the article are the following: a) the first application of compositional data analysis in cultural economics and to international trade with cultural goods; b) development of methodology of Hrůzová, Rypka, and Hron (2017) to regression with compositional explanatory variables and statistical development of the methodology to analyze international trade with compositional data; c) comparison with the results of the gravity models (which hasn't been done so far in the literature on compositional data regressions); d) study of the determinants of the structure of trade flows with cultural goods and comparison with more general results on this topic from gravity modelling.

1D

A culture-centred approach to sustainable development in Australia: the relationship between arts, new income streams, and the sustainability of culture

Helene George, Kate Grosser & Gavin Jack

Abstract

Our paper contributes to an interdisciplinary debate on cultural economics through an exploration of the relationship between culture, the arts, and sustainable development (SD). The Post-2015 UN Development Agenda includes an exhortation to the international community to take steps to understand the role of culture in sustainable development (UNESCO/UNDP 2013, p.184 (see also Thorsby, 2005)). Our contribution is based on empirical evidence of SD practice involving an indigenous arts-based organization - the Tjanpi desert weavers social enterprise of Ngaanyatjarra, Pitjantjatjara and Yankunytjatjara women's council, and the SD consultancy 'Creative Economy' in Australia. We conceive of culture as "a complex system of ideas, values, beliefs and customs that reflects and sustains a particular way of life" (Mitra 2015, p.1814). This includes, but is not limited to, cultural artistic products, extending also the cultural context in which they are produced. We reveal how placing culture at the centre of SD practice facilitates the development of new streams of economic income for Tjanpi weavers, at the same time as it helps to sustain local cultural meanings and values.

We theorize our case study through the lens of the culture-centered approach (CCA) emerging in management/organization studies (Mitra, 2015, 2012; Dutta 2008, 2012). As a concept rooted in postcolonial theory, CCA explores the interplay of structure, culture and agency (Dutta, 2008, 2011). Here the focus is on "the 'doing' of culture through everyday communicative practices and the complex agencies at stake – especially the voices and actions of marginalized or subaltern groups." (Mitra, 2015, p.1814). In particular CCA explores ways in which marginalized actors may "resist hegemonic knowledge structures through their communicatively enacted cultural practices" (Dutta 2009, p. 291), and articulate alternative concerns and logics (Mitra, 2012). Such an approach allows us to highlight how indigenous subaltern groups in Australia contest the neocolonial and limited view of

economic value found within much 'Western' dominated SD practice. As 'the arts' become an increasing focus in the SD debate our paper reveals a cultural centred approach to be integral to the maintenance and sustainability of cultural diversity as well as economic livelihoods in marginalized communities.

The lessons from SD practice are less about the economics of arts and culture, and more about the culture in economics. SD goes beyond the simple commercialisation of creativity, often referred to as creative industries. Creative Economy's work with the Tjanpi weavers, and other indigenous communities in Australia, reveals the role culture can play as a transformative force to create a more inclusive, diverse and innovative economy.

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Can culture and sustainable development be achieved in an African Context: Case study of Uganda

Deogratias Musoke and Henry Masaakwa

Abstract

Culture is all about who we are and shapes our identity; no development can be realized without including culture. Sub-Saharan Africa includes countries located south of the Sahara Desert, 48 countries of the 53 countries in Africa includes Sudan belong to this region; most of them fall in the low Human Development Rank.

This Sub region is blessed with enormous cultural, mineral and natural resources but largely depends on foreign companies for their exploitation and transformation (UNDP2014), Despite of this richness, Africa is not a favorable destination for Direct Investment (FDI), we are chiefly pre-occupied with the issue of sustainable development and this calls for a need for Africans to focus their attention on their ecological, social-economic, political connections and their cultural set-ups.

Culture is a contested phenomenon which is understood to mean different groups ,it is an integrated pattern of human knowledge ,belief and behavior ,it entails language,ideas,beliefs customs, taboos codes ,institutions ,tools, techniques ,works of ART and rituals(DMFA2013).

Culture consists of shared values ,beliefs ,knowledge ,skills and practices that underpin behavior by members of a social group at a particular point of time, it is generally accepted that culture determines the way humans live with and the way they treat each other and how they develop or react to changes in their environments.

Raymond Ndhlovu and Jen Snowball

Developing a Regional Cultural Policy: Guidelines for Areas without Big Cities

Abstract

The Cultural and Creative Industries (CCIs) have the potential to aid in physical, social and economic renewal and regeneration of towns and cities, hence their importance when dealing with regional development. The CCIs can act as a catalyst for activity and investment in an area because the ‘consumption’ of cultural activities in a place fuels the activities and use of other non-cultural activities, for example, hospitality development including restaurants and bars, as well as public transport. 'Consumption' of cultural activities also leads to employment creation and diversification.

CCIs, however, tend to be clustered around large cities. There is, moreover, a case for development of CCIs around smaller towns and cities, because they do not rely on high technology inputs, and long supply chains, and, their direct link to rural and isolated places makes them vital in regional development. However, there is currently little research on how to craft cultural policy for regions with smaller towns and cities.

Using the Sarah Baartman District Municipality (SBDM) in South Africa as an example, this paper describes the process of developing cultural policy for a region that has potential, and existing, cultural clusters, but currently no one, coherent policy relating to CCI development. The SBDM was chosen as a case study because it has no large cities, but has some CCI clusters, and has identified them as potential drivers of local economic development.

The process of developing cultural policy is discussed in stages: Identification of what resources are present, including human resources, soft and hard infrastructure; Identification of clusters; Analysis of CCI labour markets and ownership patterns; Opportunities and challenges from the point of view of CCIs and other key stakeholders; Alignment of regional policy aims with provincial and national policy objectives; and finally, Design and implementation of a regional cultural policy.

Where are we now in cultural economics version 2.0: A bibliometric survey**Christian Handke, Carolina Dalla Chiesa and Alina Pavlova****Abstract**

The late Mark Blaug's literature review on 'Where are we now in cultural economics' has been published seventeen years ago and remains one of the most cited articles on cultural economics to date. This paper develops a new approach to surveying cultural economics and related fields, using the major digital databases for academic research, Web of Science (WoS) and Scopus. We identify relevant articles on the economics and business of the arts and culture since 1979, analyse their content and thus produce an up-to-date and comprehensive description of the development of cultural economics.

We employ a systematic process to identify research on the economics of arts and culture as well as cultural industries. This entails several stages. In the first stage we define core aspects of the cultural sector – such as the visual arts, the performing arts, the music industry, the film industry – and lists of relevant closely related terms. In the second stage, we run Boolean searches on WoS and Scopus to identify articles that prominently feature these search terms. We check for omission error by comparing search results with other lists of the relevant literature. In a third stage, we check for inclusion error by establishing the share of articles in the search results that do actually focus on aspects of the cultural sector. We aim for rates of omission and inclusion error in the range of 90 to 95% within the databases. This creates a reasonably comprehensive and precise corpus of relevant publications.

We proceed to analyse this corpus to answer the following questions:

- Has economic research on the arts and culture expanded over time – in absolute terms and in proportion to research output at large?
- What aspects of the cultural sector, from the visual and performing arts to film and literature, have received most attention?
- Which countries, institutions, journals and individuals have published most articles and have been cited most?
- What are the major economic topics of research, for instance demand formation, intrinsic

motivation or the full social value of cultural activities?

- What are new trends in economic research on the arts and culture over recent years?

Overall, we thus produce a much better overview of the development of cultural economics and closely related field than has been available so far. This paper illustrates growth in economic research on the arts and culture. It helps any researcher active in the field to get a comprehensive overview of relevant academic publications, institutions and individuals dealing with related topics. It also offers inspirational insights on new trends in this area of research as well as remaining gaps.

Cultural Economics Reviewed: The potential for textual analysis in the economics of culture

David C. Broadstock

Abstract

The objective of this study is to offer an account of the potential for ‘new’ textual analysis methods to be applied to problems in cultural economics. To motivate and illustrate the techniques, the study will initiate with a reflection on the back-catalogue of papers published within the Journal of Cultural Economics (J. Cult. Econ.), starting from page 1, issue 1, through to the latest articles available at the time of drafting this abstract (Jan 2018). Several methodologies/approaches are used, including relatively simpler tag/word-cloud classification, topic modeling and prediction via latent Dirichlet allocation (a variant of machine learning) and sentiment/fogginess classification tools. Some of these tools are not new per se, but have largely eluded the economic sciences. However with the advances in computer technologies and progressive digitization of historic literature, the scope for their application is stronger now than ever before.

Cultural Economics further serves as an ideal testing ground for the application of textual analytical tools. The economics of the cultural sector covers a vast array of topics, albeit with central themes pertaining to films/movies, theater, music, museums, wider performing arts

and much more besides. The variety of topical content presents some difficulty towards the application of this class of methods since most of the related methods draw upon systematic instances of words and phrases that can be observed over large corpus's of text. However, with more than 900 articles , averaging some 20 pages in length, the Journal of Cultural Economics does contain sufficient depth of literature to permit insightful application.

Using these tools I present a structured review of the content of the journal. However in itself, this presents an intriguing but perhaps marginal contribution. Therefore, to add tension to the discussion, topic summaries will be presented on the literature published before and after the global financial crisis (GFC). The GFC serves as an interesting point of reflection owing to the undeniable and far reaching influence (in both the social and geographical sense) it had on the economic status, and consumption behaviors of economic agents. Evidence of this is clearly reflect in the focus of topics with a decline in research that reflected on government/policy support from 20% of all papers down to less than 9% (on the basis of LDA topic modeling), and an almost equally large increase in the share of studies on the demand for music and wider performing arts.

In completing this primarily review based article, the work will also (i) provide a detailed summary of the existing studies that have applied textual analysis tools of various types to cultural economic problems, and further (ii) present insights on applications yet to be addressed in cultural economics such as the expanded use of online messaging platforms and various other unstructured data sources.

Intellectual Mapping in Cultural Economics: Themes, Theories, and Transdisciplinary Connections

Brea M. Heidelberg

Abstract

This paper examines the subject matter and theories used in articles in *The Journal of Cultural Economics* from 2007 to 2017. Through the use of qualitative content analysis and discourse analysis, this paper will identify both the theories and disciplinary foci present in the journal during the decade under review. This paper will provide insight into contemporary investigations and future research trends in the field of cultural economics. Finally, connections to other fields of study that share the interdisciplinarity of cultural economics, such as arts and cultural management, will be explored for areas where further collaborative investigation may prove beneficial.

IF

A Contract Theory of Ancient Artefacts

Chris Berg, Sinclair Davidson and Jason Potts

Abstract

Ancient societies invested enormous resources into the production of art. Yet we know these ancient societies to have been energy poor, resource poor, and time poor. In this paper we develop a contracting theory of ancient art. Art is normally considered to have aesthetic, decorative and representational purposes. We argue that in preliterate societies these artefacts that are now identified as art have an economic function. Our theory is based on Williamson's transaction cost economic model that argues that contracts need to be secured monitored and maintained. Artefacts (tokens) that are now described as being art, we argue, were contractual devices designed to establish and maintain contracts and overcoming information and transport costs. Our theory makes the following predictions. One: the existences of these artefacts are a leading indicator of economic development (contrary to the social surplus model of artistic production). Second: we expect a relationship between the quality of the artefacts and the length of the contractual relationship. At one limit, we observe spot contracts, and at the other limit we observe tombs (intergenerational contracts between the dead the living and the yet to be born). Three: standard economic contracts generate small artefacts. Fourth: a literate society tends to generate large artefacts for substitution reasons. Fifth: as literacy develop part loses its economic function. Sixth: artefact theft is disproportionately punished as it is seen as desecrating contracts rather than aesthetic or historical art. We will present a theoretical economic model and evidence supporting our hypothesis assembled from Museum exhibits.

Regulatory issues and concerns in on-line trading markets for antique and craft goods sourced from illegal ivory: Some empirical evidence from eBay.

Alan Collins and Caroline Cox

Abstract

The global trade in illegal wildlife is estimated to be collectively worth US\$7-23 billion a year (UNEP, 2016). These figures put wildlife crime on a par with human trafficking, illegal arms and drugs in terms of the illicit profits it creates (United Nations Office on Drugs and Crime, 2017). Of equal concern is that the illegal wildlife trade is estimated to have increased by 26% between 2014 and 2016 (UNEP, 2016). However, the illegal wildlife trade does not only exist in the corporeal commercial world. Commentators, conservation groups and researchers have argued that there has been a substantial increase in the amount of on-line trade online (Shirley and Lamberti, 2011) (Beardsley, 2007). It is contended that the internet presents a perfect platform for dealers in illegal goods being easily and cheaply accessible on the one hand and notoriously difficult to regulate on the other (INTERPOL, 2013). It is therefore not a surprise that the illegal wildlife trade has thrived on-line. The so-called Dark Web (the term used to describe the collection of websites that exist on an encrypted network and cannot be found by using traditional search engines or visited by using traditional browsers) has been identified as an illicit market place for the sale and purchase of endangered species (Lavorgna, 2014). However, commentators have been increasingly pointing to the use of on-line auction sites such as eBay as a sales platform for illegal wildlife products (Fleming, 2013). This phenomenon has been noted by wildlife monitoring network TRAFFIC, which in a press release stated that: "Ivory is coming off the shelves in the US, which is a win for elephants...But as state and federal law enforcement crack down on illegal sellers, trade is apt to move online and into back rooms" (TRAFFIC, 2017).

As the sales of ivory on-line rise, this study empirically explores the contradiction between eBay's strict policy against the sale of ivory and the apparent ease with which ivory can be purchased on its sites. By systematically tracking the on-line sales of ivory products over the course of xxx months, we identify not only how eBay's own regulations are being circumnavigated by sellers, but also provide calculation estimates of the value of these illegal sales to eBay's profit streams. In addition, given the new position of the British government (currently consulting on a ban of almost all sales of ivory in the U.K.) we consider the

regulatory implications and role that on-line auction sites can play in seeing the trade move, as TRAFFIC put it, “off the shelves” and on to the web.

Ownership of Cultural Goods

Maija Halonen-Akatwijuka and Evangelos Pafilis

Abstract

We apply the property rights theory of Grossman-Hart-Moore as extended by Besley and Ghatak (2001) to public goods, to analyze ownership of cultural goods. We show that the optimal ownership structure of cultural goods depends on technology - the choice of separation versus unification of the cultural good (e.g. a manuscript collection or broken sculpture) - and the nature of human capital. We show that it can be optimal to separate a cultural good even if it is not efficient. We find that spin-off (separating ownership and location) and high-valuation ownership is optimal if both agents' investments are largely sunk in the project, low-valuation agent is dispensable and the main part of the cultural good is dependent on the spin-off. It is optimal to also transfer ownership of the spin-off to the host party if the main part of the good is independent of the spin-off (while the spin-off is dependent on the main part) and the high-valuation agent is key investor. Our results are applied to encyclopaedic museums and issue of restitution of cultural goods to the country of origin.

2A

A latent class analysis of visual artists' living conditions

Trine Bille and Andrea Baldin

Abstract

Artists' living conditions have been the subject of several studies (e.g. Alper and Wassall, 2006, Menger, 2006). Across countries and artists groups, all studies come to the same overall conclusions, such as that the average income of artists is very low compared to other groups in society, while at the same time there are large variations in income, so quite a few earn huge sums, while the clear majority earns little. Abbing (2002) has shown why the skewed income distribution is inevitable and an inherent tendency in the labor market for artists. Another important contribution is Throsby's (1994) work preference model, which shows how artists will act when the work itself is an important factor in artists' utility (see Bille, Løyland and Holm, 2017). This paper will build on this literature, but take a new approach in explaining artists' behavior and living conditions.

The dataset consists of a combination of register data from Statistics Denmark and data collected in a survey to 3,028 visual artists in Denmark. Based on the personal identification number the two datasets have been merged. The combination of register data and survey data offers several advantages. Firstly, register data from Statistics Denmark provides a wide range of variables, which provide concrete information about, e.g. income and demographic data. On the other hand, a questionnaire allows for a more detailed examination of the living conditions and working conditions of visual artists than those available from Statistics Denmark. Secondly, merging the two sets of data provides special options for analyzes of drop-outs, since data from Statistics Denmark also provides information for those who have not answered the questionnaire.

Visual artists are defined as: members of one or both the main arts organizations in Denmark, persons with an artistic education form an arts academy, and/or artists who have received grants from the public arts foundation from 2006-2016. These 3,028 visual artists have

received the questionnaire, with a response rate of 35%, and the sample is deemed representative.

Based on these data a latent class analysis has been conducted with the aim to identify a set of discrete and mutually exclusive classes, or categories, of artists based on their response to a set of questions. The latent class analysis identifies different segments of artists each of which are characterized by a different pattern of answers that reveals a particular living condition. The development of the latent class analysis includes a membership function, which is estimated through a logistic regression, that allows to predict the probability for an individual to belong to each latent class, given his/her socio-economic characteristics. The preliminary results show that neither the education, nor the gender differ significantly among latent classes, suggesting that these variables have not an impact on the artists' living condition. The visual artists can be segmented into 6 classes: Aspiring artists (10%), poor professional artists (19%), workers related to arts (13%), subsidized artists (26%), arts as a hobby or secondary activity (18%), and professional artist (14%). The latent classes make it possible to interpret the artists living conditions based on a more nuanced analysis of different groups of artists. This is a new contribution to literature.

How objective and subjective career success shapes the early career trajectories of Creative Arts graduates

Ellen Nielsen and Ruth Bridgstock

Abstract

Career success is often measured in objective terms, by whether a person is employed, the number of hours they work and the incomes they earn from that work. Career success for Higher Education (HE) graduates is similarly measured, particularly in large graduate surveys. These measures alone are not particularly compatible with work and careers in the Creative Arts (CA) however, as these labour markets are known to be highly precarious and many people who pursue creative careers are more intrinsically than extrinsically motivated to do so.

In debates around career success, subjective measures such as satisfaction are often overlooked or considered as secondary to objective measures. As a result, few studies consider how objective and subjective measures of career success interrelate to shape the early career trajectories and experiences of graduates. This paper seeks to address this gap by using a combination of descriptive and non-parametric statistical testing to explore the relationships between measures of objective (e.g. income, hours) and subjective (e.g. self-rated satisfaction) career success within the early careers of Australian CA HE graduates.

The analysis showed that, during their early careers, the graduates were more satisfied and felt more successful and employable when they were (1) employed in some capacity and (2) when their jobs were creatively engaging. Other objective measures of career success, such as income earned and hours worked, were less important to the graduates during their early careers. These findings are significant in that the graduates were largely concerned with their current employment situation, which could be problematic if the graduates do not also become more future-focused as they move further through their careers.

Who financially supports Japanese performing artists within their household: Parents or spouse?

Setsuo Suoh and Sadanori Nagayama

Abstract

Since 1986 we have been working on the analyses on Japanese artists including professional performing artists of non-popular music, drama and dancing. At ACEI2010 we published our paper entitled 'the Analysis on Income Distribution and its Sources of Japanese Artists by Household Patterns' using the micro data created from Japanese Artists Survey conducted five times by our group almost every five years from 1986 to 2007.

Since the sampling method for the survey is not necessarily systematic because of the Japanese artists directories available to us, we also used micro data of Japan Censuses (conducted every five years) available to us during 2010-2011 period to grasp the overall distribution of artists of every genre living in Japan. They cover all households in Japan together with relationships among all household members, marital status, gender, age, occupation, industry classification etc.

In the present paper we will focus on some of the results concerning both financial support for artists and encouraging them to engage into artistic activities in terms of inter affects among parent-child-grandchild and between household head-his/her spouse within art-related households by analysing micro data extracted from the 2005 Japan Census, as follows:

- (1) Extract all art-related households containing household member(s) engaging in art-related occupations.
- (2) Classify them by a reasonable number of categories of occupation such as musicians, actors/actresses, dancers, other performing artists, non-performing artists, teachers and others.
- (3) Further select only households with musicians. The resulting households include at least one musician, but may include some other art-related member(s) of household.

Cultural Innovation and Creativity among Cultural/Creative Professionals in London and Tokyo: Discourse and Practice

Grace Gonzalez

Abstract

Cultural and creative industries (CCI, henceforth) are increasingly employed in both, the Global North and South as an all-around engine for socio-cultural innovation and socioeconomic revitalization. Coupled with cultural (re)branding and event-led (e.g., The Olympic and Paralympic Games) regeneration strategies, initiatives fostering the cultural/creative ‘capital’ of a nation/city represent the zeitgeist of current public policy agendas. In this vein, ‘global’ cities like London and Tokyo strive to become unrivaled (or retain a top rank as) milieux for culture and creativity. Notwithstanding the above, everyday practices and inner workings of the (re)remaking of cultural/creative ecosystems by CCI professionals are still under-reported and untapped by national and/or local mainstream policy circles.

The purpose of the paper is to examine discourse(s) and practice(s) of culture innovation and creativity among CCI professionals in London and Tokyo. In doing so, it casts light onto the dynamics, ‘cognitive paths’, and emergent processes ingrained in CCI ecosystems (i.e., derived from day-to-day socialization). Against this background, the paper seeks to deepen and further develop analyses related to the interpretation of cultural innovation, creativity, and cultural/creative work practices (by CCI professionals) vis-à-vis policy-making in Japan/Tokyo. Post-Brexit prospects are sketched for London.

The paper findings draw on qualitative empirical data (comprised mainly of semi-structured in-depth interviews) collected between October 2013 and September 2016 in London and Tokyo. Informants include CCI professionals in commercial and non-profit organizations, academia, and government who lead or are directly involved in CCI (and CCI initiatives and programs) in London and Tokyo.

The market for meaning: A new theory of cultural entrepreneurship

Yu-Yu Chang, Jason Potts, Hui-Yu Shih

Abstract

Recent scholarship has argued that the cultural and creative industries are a driver of economic growth and dynamics (Potts 2011). This paper proposes a new market mechanism based on the entrepreneurial discovery of meaning by which this evolutionary process occurs (Chang 2015). We argue that the economic creation of cultural value is a process that begins with an initial phase of private cultural production and consumption from which a cultural entrepreneur discovers or judges meaning (à la Kirzner 1973, Foss and Klein 2012). By distinguishing between cultural production and entrepreneurial judgment we are able to isolate the factor—entrepreneurial discovery of meaning—that drives the cultural innovation trajectory. A cultural trajectory then unfolds through a second phase as meanings refined, tested, developed and become shared experience through the interaction between producers, entrepreneurs, and consumers in cultural market of value construction, value shaping, and value diffusion. The third phase in our three-phase evolutionary model occurs when the concept of meaning, now organized into an economic and cultural form, becomes a new element that feeds back into cultural production. We set out a schematic representation of this evolutionary process and discuss its implications for both existing theories of entrepreneurial process and for models of cultural and creative industry dynamics.

David Calås and Lars Lindkvist

Cultural Entrepreneurship: The growing private art exhibition landscape in Sweden

Abstract

In recent years, private art exhibition organisations are emerging out of the private sector, indicating an entrepreneurial approach to cultural production. In this paper, we examine the emergence of the private art exhibition landscape in Sweden. The effects of cultural investments at local and regional levels has previously been studied in the Scandinavian context and were found to stimulate regional development and drive processes of social

change (Lindeborg & Lindkvist, 2014). However, literature on how private cultural organisations are achieved and affirmed is sparse. On this basis, we seek to understand cultural entrepreneurship from an organisation-creation perspective.

Our research questions are: How do founders of private art exhibition ventures engage in the creation and legitimization of cultural organisations? What are the driving forces behind cultural entrepreneurship in the private art exhibition sector?

We base our empirical material on the stories told by the founders of 16 private art exhibition organisations, collected during a longitudinal study between 2014 and 2017. Using storytelling as method, the founders describe their past experiences. In this process, they construct and re-construct meaning, and assign meaning to actions in ways that make out the practices.

Our findings are fourfold. Firstly, we find that the creation of private art exhibition organisations is typically preceded by their founders' long-term presence in the art world. In this sense, cultural entrepreneurship-as-practice extends beyond the realization of a cultural project. This is further demonstrated by the founders' life-long involvement in arts and culture which enable close and long-lasting relationships to emerge that are critical to the creation and legitimization of private art ventures. Secondly, we identify voluntary contributions towards cultural production extending beyond individual cultural ventures. Here, individuals who are established in the art world act as catalysators for multiple cultural organisations within the private art exhibition landscape. These findings contribute to previous literature on contributions to cultural production in the space between the market and the state. In addition, these findings resonates with previous research on entrepreneurship and reflect the social embeddedness of cultural entrepreneurship. Thirdly, we find that philanthropic incentives, such as founders' intention to give something back to their region, or increasing the cultural offering made available to the public, are factors determining the location of private art exhibition ventures. Fourthly, we address that the founders of private art exhibition organisations figures in constellations of 'entrepreneurial pairs', varying from spouses, brothers, close friends and father and son/daughter.

The practical implications of this study include that entrepreneurial ventures in the art exhibition landscape should not be regarded as an alternative to public institutions, but as a

complement to increasing the quality and the accessibility to cultural offerings. In addition, the cultural policy in Scandinavia does not currently allow for deductible donations towards culture, which currently obstruct the funding process of cultural entrepreneurship in the private sector.

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Creative milieus at the periphery of the metropolis: From the massification of the city centre of Lisbon to the liveliness of “Margem Sul”

Pedro Costa and Ricardo Lopes

Abstract

Creative industries have been an eye-catching object of study in several areas of knowledge in the last 30 years. Post-industrial spaces, brownfield areas and cultural quarters have been widely studied, both in the Global North and the Global South, due to their socio-economic importance and their role in territorial development. Areas characterized by having specific creative ambiances and particular local milieus, therefore propitious to the development of creativity and cultural liveliness, have been particularly studied. Despite the huge emphasis on urban central areas, some research work has been done on the importance of these dynamics on small cities and low density areas, on rural areas, and on metropolitan peripheries, which may also surely be, in certain conditions, a fertile ground for such dynamics.

This paper takes this perspective, discussing the contemporary relevance of creative industries in the Lisbon Metropolitan Area (LMA) by looking into creative dynamics that exist in the outskirts of this territory, at a time when LMA goes through deep socio-economic restructuring. The analysis focuses on the dynamics of creative activities and the way entrepreneurship of creative people functions as a source to co-produce knowledge, considering the ways it can be mobilized to promote local development. This paper is framed within a broader research project - ARTSBANK , which is examining the “Margem Sul” area, i.e. the South Bank of Tagus River – and will specifically focus on Barreiro. This city is one of the main ex-industrial centers of the metropolitan area, now marked by an interesting agglomeration of alternative art spaces and a set of endogenous-based creative dynamics, which shows interesting signs of territorial re-vitalization based on creative industries.

Bohemian Clusters - Residential Choices

Sveta Angelopoulos and Ashton De Silva

Abstract

The creative contribution to regional development, where creative people and industries choose to position themselves and how to attract and retain them, continues to be debated. There are many occupations that comprise 'creatives' ranging from managerial, sales, marketing and human resources to the arts, entertainment, publishing and broadcasting. Each of these occupational groups is unlikely to have the same locational opportunities and preferences or effect on regional development. The particular focus of this paper is the bohemian class, a group of creatives that is of particular interest, given the unique and well-documented contribution they can make to an economy both economically and socially. Although bohemians are similar in the broad sense that creativity is a fundamental element to their work, they are a heterogeneous group of people. Housing and working requirements of various cohorts are likely to be different. Some will be particularly sensitive to customer and market access while others may be well suited to being situated well away from their customer base. Career stage is also likely to impact their decisions-whether they are emerging or developed artists. Cluster analysis is applied to bohemian occupations (arts, media and design) at a local government area level (LGA) to establish clusters where the differences within each cluster is minimised while the differences between each cluster is maximised. The study examines the concentration of each occupation and the location of the LGA within each cluster. The association between the clusters and various economic and demographic characteristics are tested to determine whether specific regional characteristics attract particular occupations to regions or whether it is simply a preference for co-location to benefit from agglomeration.

Using GIS mapping to explore regional development and the Cultural and Creative Industries: Rural development in South Africa
Fiona Drummond and Jen Snowball

Abstract

It is increasingly recognized that the cultural and creative industries (CCIs) can play an important role in economic growth and development through their considerable contributions to national production, exports, income, employment, innovation and spillover effects. Governments around the world, including South Africa, are implementing culture-led economic growth and development strategies on national and regional scales in an attempt to reap the rewards associated with CCI production and consumption. Accordingly, for effective regional cultural policy to be designed and implemented, cultural and creative precincts, hotspots or clusters need to be identified. These CCI clusters usually form in cities because of existing hard and soft infrastructure such as networking advantages and access to skilled labour, however, much less is known about the potential of the CCIs to drive rural development. While developed countries like Britain and Australia have begun to conduct research into the CCIs in small towns and rural areas, there has been little interest from many of the less developed countries like South Africa.

The Sarah Baartman District (SBD) of South Africa's Eastern Cape has identified culture as a potential new economic driver. Establishing a new development path is necessary as the former economic mainstay, agriculture, has declined in the region creating poverty and unemployment problems. However, the SBD has only small towns which, according to the literature, are not suited to CCI clustering. Despite this, there is evidence of cultural clustering in some of the SBD's small towns like Nieu Bethesda and Bathurst as some CCIs like arts and crafts do not require long supply chains, specialist equipment, high technology inputs, extensive networks or highly skilled and educated labour. This research therefore used geographic information systems (GIS) to map the locations of the CCIs within the district by UNESCO cultural domains to determine the extent to which clustering has occurred in a small town setting. GIS is a little used tool in CCI studies yet it has great potential for both analysis and visualization of results. Where clusters exist or the potential for cluster formation is present, the town has a competitive advantage in that particular domain and so should pursue local economic development (LED) strategies to expand the domain.

Theory suggests that the presence of CCIs is linked to higher levels of socio-economic development as the creative class is more likely to be attracted to developed areas, and spillovers from cultural activity promotes further development. To investigate the relationship between CCI clusters and socio-economic development, the locational data is overlaid with a regional development indicator, based on census data, which includes economic and social components. Results show that CCI clusters do exist in small towns and that they are associated with better economic and social development.

2D

How do Imported TV Formats Influence the Popularity of TV Shows: Evidences from China

Libin Luo and Yaoyao Liu

Abstract

Based on a theoretical analysis on the influence mechanisms of imported TV formats on the popularity of TV shows, this paper uses a dataset of 341 Chinese entertainment TV shows broadcasted from year 2014 to 2017 to empirically test whether the imported TV formats help increase quantity of views of TV shows on internet. We find shows with imported TV formats have significantly more viewers, even when we have controlled other variables, including broadcasters, TV stars, sources of imported formats, program types, whether sequel or not, time of broadcast, weekends, year of broadcast. The effect is robust when we further control the 71 imitation shows with no copyrighted imported formats but very similar to certain foreign shows, and when samples of each individual year are separately regressed. We conclude the paper with comments on the policies of Chinese government to limit the importation of TV formats in recent years.

How has the introduction of Subscription Video on Demand impacted legal and illegal consumption behaviour of television and films in Australia?

Alan Collins, Joe Cox, Paul Crosby and Jordi McKenzie

Abstract

Australians are among the world's most prolific illegal downloaders of television and films. This has been attributed to relatively high content prices and issues relating to accessibility. The recent arrival of Netflix and other subscription on demand services to Australia has dramatically changed the legal market; once the virtual monopoly of Australia's largest pay-TV provider Foxtel. Consequently, consumers have likely substituted both pay-TV and illegal downloading with cheaper subscription services. This proposition is investigated using

stated-preference experiments on a sample of university students. This will allow measurement of consumer preferences over alternatives that will inform industry and policy makers alike.

Disentangling Spanish TV audience: Traditional and digital TV viewing trends and contents

Nela Filimon

Abstract

Most studies focused on cultural audiences coincide in highlighting TV viewing as one of the activities with the highest percentage of participation among the elicited individuals. In this line, research evidence allows identifying several research streams such as 1) the relationship between cultural participation and well-being or happiness (TV viewing having, for example, the lowest impact on perceived well-being), and explanatory factors (e.g., the distinction between active and passive (such as TV) cultural activities, the latter ones with a lower impact on well-being); 2) socioeconomic patterns of TV viewing, with a focus on the explanatory role of factors like gender, age, income, education level, etc.; and, 3) motives for watching TV with a special attention to the emotional side (lowliness, depression, binge-watching behaviour etc.), among others.

Beyond the various approaches to the analysis of TV audiences, there is general agreement that this is a rather complex phenomenon which has also much to do with the TV viewing formats (traditional, digital); contents (types of programs) and, not in the last place, TV viewers' preferences. We set here to analyse the actual trends in traditional and digital TV viewing in Spain with several objectives: first, to offer recent evidence on Spain and compare it to existing evidence on other countries; second, to analyse the preferences of TV audiences with respect to the type of programs viewed, the time allocated to watch TV and the type of format chosen for this cultural activity; third, to derive potential implications for the business strategies of mass-media companies (producers and distributors of audio-visual contents), marketers and policy makers.

The data come from the Survey on Cultural Habits and Practices 2014-2015, run by the Spanish Ministry of Education, Culture and Sports, and includes 15,515 individuals, all Spanish residents of 16 years of age or older. The data were analysed with multivariate quantitative techniques and preliminary findings show that: more than 95% of the Spaniards interviewed are TV viewers, and moreover, basically all of them are watching TV on a daily basis; on average, the time dedicated to watch TV is higher at the week-end compared to weekdays; concerning the contents most viewed, news are the top preference among the twenty types of programs analysed (78% of the TV viewers), followed by movies (68%); serials (61%); and sports (33%), documentaries and cultural programs (30%), and entertainment, interviews, debates (around 25%) come closely; contests (musical, cultural or not) are preferred by more than 20% of the TV viewers while highbrow cultural activities (opera, ballet, classical music concerts) exhibited low percentages (ranging from 1 to 3% of the TV audience). Other studies that focused on leading Spanish TV channels, in terms of audience ratings, have shown that popular TV channels are the main factor that triggers TV audiences with independence of the contents they programed. Our findings, so far, point in this direction, given the profile of the contents of the main Spanish TV channels.

Mapping tourist consumption behavior from destination card data: what do sequences of activities reveal?

Chiara Dalle Nogare and Raffaele Scuderi

Abstract

Tourist cards are a quite widespread marketing tool for destinations. However, research has employed the data they generate only occasionally. Here we investigate tourists' preferences through their behavior as recorded by a destination card called "Trentino Guest Card" (TGC) over the time span April-November 2015. The area under investigation is Val di Non, a mountainous rural area of Trentino, a famous Alpine tourist destination in North Italy. TGC allows free or discounted access to more than 190 diverse activities, visits, etc. We may well say that the card covers almost the whole of the consumption space for a tourist at the destination. TGC is included in the local tourist tax and therefore distributed to every individual, household or group of friends staying at any accommodation facility at the destination. Our sample comprises the 3,679 cards recording two or more activities. The use we make of this rich database is quite novel. First, we classify activities according to their type, where types are identified as values of a distribution support along the indoors-intellectual engagement/outdoors-physical engagement and leisure dimensions. These categories are meant to translate the distinction between highbrow culture and popular culture, coming from the sociological literature on cultural participation, to the domain of tourism studies.

A second novel aspect of our approach is that, unlike other studies that derive preferences from behavior, we do not primarily consider the frequency of the different types of activities, but their ordering. What we do here is to cluster the sequence of types of activities by the use of recent methodological research results in the field of pattern recognition. The ordering may be indicative of preferences. After pointing out the most frequent sequences of types of activities, we regress socio-demographic and economic variables on the dummies standing for cluster membership to see if the differently behaving groups have distinct characteristics. In particular, we contribute to the debate on the profile of cultural tourists and on omnivorous behavior.

Evidence shows that most tourists prioritize outdoors moderately engaging activities; that there is a love for variety; and that cultural tourists are the only relevant group characterized by choosing activities belonging to the same type (“indoors-intellectual engagement”) along the engagement-leisure scale.

The policy implications are straightforward as far as the marketing strategies of the destination in question are concerned. As for a public investment in attractions, instead, it would be simplistic to just recommend to adopt a strategy of diversification. In fact, we cannot rule out the case of reverse causation: precisely the absence of a major attraction may be the factor inducing variety-lovers to choose a destination such as the one we consider here. Rather, what we can infer from our evidence is that variety-lovers exist and that therefore it makes no sense for every destination to specialize.

Whose culture, whose heritage? Missed opportunities in the Ngaka Modiri Molema District of the North West Province, South Africa

James Drummond

Abstract

Mahikeng, the provincial capital of the North West Province, South Africa, was formerly the extra territorial capital of the Bechuanaland Protectorate (now Botswana) from the 1890s to 1966. As such, it was a British colonial capital, replete with High Commissioner and an expatriate British Civil Service. The colonial town was very different from its neighbouring Afrikaans dorps or towns. The original settlement was founded by Africans, making Mahikeng fairly unique in South Africa. The town is probably best known throughout the Commonwealth for the siege of the town by Boer forces during the Anglo Boer War. The result of the siege of Mafeking gave rise to jingoistic celebrations throughout the United Kingdom. The historical origins of the boy scout movement arose during the siege. The role of the Scottish missionary and explorer, David Livingstone was also central to the introduction of irrigation techniques and new crops to the area. Prior to the end of apartheid, this heritage was celebrated by extensive displays in the Mahikeng Museum. However, in the post-apartheid era, there has been an explicit government focus on the need to promote

efforts to decolonise South Africa's cultural heritage. In Mahikeng, this has resulted in colonial heritage being airbrushed. Museum displays of the siege and founding of the boy scouts are absent while the role of Livingstone is ignored. They have been replaced by a focus on indigenous culture. This paper does not call for a celebration of British colonialism but it does suggest a critical engagement with the historical experience. For example the African role in the siege was documented by Sol Plaatje over a hundred years ago. Opportunities to develop cultural heritage tourism are not being pursued due to an attempt to ignore the time and legacy of British colonial rule. Military battlefield tourism is significant in other parts of South Africa. Visitors come to Mahikeng in search of a similar experience but do not find it. This is also true for the boy scouts where there are no museum displays. A missed opportunity has been the failure to develop a heritage trail which would critically engage with the impact of Livingstone and other missionaries on Batswana society. This is evidently counterproductive in terms of lost economic tourism potential.

Does the British Royal Family Attract Cultural Tourism?

Imad A. Moosa

Abstract

Three explanations for the ability of the royal family to attract tourists to Britain are evaluated by using intuition, counterfactual propositions, anecdotal evidence and formal empirical evidence. According to these explanations, foreign tourists are attracted by the royal persona, the desire to witness royal events, and the urge to visit royal landmarks. The three explanations do not seem to stand the test of reality. The formal empirical evidence shows insignificant contribution from royal events and that, like any normal good, inbound tourism in Britain can be determined adequately by price and income. Numerous reasons can be suggested for visiting Britain that have nothing to do with the royal family.

2F

Arts-led regeneration in a time of austerity

William Rossiter

Abstract

This paper explores the experience of arts led regeneration initiatives in four second tier ‘old manufacturing towns’ in the English Midlands: Nottingham, Derby, Leicester and Northampton. Exactly the kind of ‘unlikely places’ that Scott (2008) noted ‘selectively blooming as sites of cultural production’ in his seminal *Social Economy of the Metropolis*. All of the initiatives assessed here were conceived in the first decade of the century. Their conception was influenced in part by the writings Richard Florida (2005). All involved significant publicly funded capital investment in arts venues that were intended to catalyse wider regeneration and economic development in their localities, while also enhancing cultural amenities available to local residents and workers. In three of the four locations, this investment led to the construction of major new regional arts venues – a theatre, a contemporary art gallery and a digital arts centre. In the fourth, existing theatres were developed and extended.

The strategic rationale for these investments varied, but all were intended to contribute to the realisation of wider cultural or creative quarter initiatives. The extent to which these spatially targeted regeneration and economic development initiatives exhibit the characteristics of ‘fully formed’ creative quarters as conceptualised by researchers such as Montgomery (2003) varies – reflecting different stages of maturity and differing concentrations of the kinds of local assets and capabilities often seen as characteristic of such quarters. Very much projects of their times, all four cases reviewed here emerged from an urban policy milieu within which culture had assumed remarkable prominence (Miles & Paddison 2005). The problematic nature of this policy discourse and associated evidence base has been highlighted (Lee & Mellish 2015). This paper contributes to this debate by evaluating four projects that may be seen as practical manifestations of this policy rhetoric.

Completion of these regeneration projects coincided with the onset of the Global Financial Crisis and subsequent Great Recession. We assess the experience of these initiatives in times

very different to those in which they had been conceived and identify the ways in which recession and subsequent austerity policies affected the venues themselves and the wider regeneration initiatives of which they were part.

This study draws on secondary analysis of local economic data, primary data collected from venue managers, staff, local authority officers and stakeholders. Use is also made of documentary sources such as local development plans and strategies to establish the policy context and strategic rationale for the investments made. Contrasting strategic rationales for investment are explored. The extent of optimism bias in initial planning is considered.

This paper extends our understanding of the extent to which arts-led regeneration can contribute to the development of positive post-industrial futures in traditional manufacturing areas. It also explores the manner in which recession and subsequent austerity policies have affected the implementation and impact of arts-led regeneration initiatives in the English Midlands.

A political economy of art with instrumental value to the state, with case studies from the New Deal

Cameron M. Weber

Abstract

Weber (2017, *Research in the History of Economic Thought and Methodology*) proposes that the cultural economics research program has not adequately addressed a self-interested state using art production to grow the state's discretionary power. Although cultural economists have focused on art as a public good deserving state-funding and other values beyond exchange in the research program, instrumental value in use by the state can be better articulated in the literature. This paper contributes towards this research by modeling how a self-interested state might behave (e.g., Wagner 2009, *Fiscal Sociology and the Theory of Public Finance*), and then how the state might use art towards creating preferences for a larger role for the state in society. This model for socially-formed preference creation addresses Throsby (2001, *Economics and Culture*) and Potts (2014, *Handbook of the*

Economics of Art and Culture, Vol. II) on shared preference creation. After presenting this model of “art-statism” we give examples from the archives illustrating how the Public Art Project under the New Deal in the United States uses art instrumentally. It is hoped that this research might motivate other cultural economists to explore the nexus between the state and art’s instrumental value in socially-formed preference creation.

Values of culture: A view from political economy

Andrej Srakar and Bogomir Kovac

Abstract

Values of culture are one of the most discussed topics in cultural economics. In general (see e.g. Klamer, 2011), they can encompass economic (use and non-use) values, social values (related to social capital) and cultural values (again, related to cultural capital, although in cultural economics the term is understood differently than e.g. in sociology). Many works of recent two decades (among best known are Klamer, 1996; Klamer and Throsby, 2000; Throsby, 2001; Frey, 2005; Hutter and Shusterman, 2006; Hutter and Throsby, 2008; Hutter and Frey, 2010) have explored different aspects of this debate, in particular related to cultural values. What is argued is that a cultural "good" (object, event) has both economic and cultural values (where the latter are multidimensional, see e.g. Klamer and Throsby, 2000; Throsby, 2001) which significantly influence its "valuation, evaluation and valorisation" (Klamer, 2011). On the other hand, valuation debate, in particular related to labour theory of value, is a constant topic of economic discussions, with some notable works of Sraffa (1960), Samuelson (1971), Dobb (1973), Lippi (1979), Pasinetti (1981, 1988, 1993, 2007), Steedman (1981), Henry (1990), Kurz and Salvadori (2000), Ravagnani (2001), Bellino (2004), Baldone (2006), Trigg (2006), Flaschel (2010), Shaikh (2003; 2005; 2014; 2016) and Wright (2016). The article consists of three parts. In the first, we provide an overview of valuation debates in both political economy and cultural economics. In the second, we reflect on the importance of contemporary political economy concepts (e.g. labour value as a field property – Mirowski, 1989; general law of value – Wright, 2016) from different strands of valuation debates in political economy (e.g. labour theory of value; subjective and use value theory;

power theory of value) for the valuation of culture and the reasons for present diversity in the debates on cultural values. In particular, we try to provide the concept of cultural values with a stronger meaning in an economic (political economy) framework. Finally, we reflect the concept of cultural values also in light of emerging debate on culture and institutions in economics (Akerlof and Kranton, 2000; Greif, 1994; Guiso, Sapienza, and Zingales, 2008; 2013; Roland Benabou, 2008; Luttmer and Singhal, 2011; Fogli and Veldkamp, 2011; Fernandez, 2013; Alesina, Giuliano, and Nunn, 2013; Alesina and Giuliano, 2015) which finally brings culture to the forefront of discussion in the mainstream of economic thought. The article is important as an overview on the contested topic and an aim to provide the often discussed concepts like cultural values and cultural capital with a stronger place in the cultural economic framework.

Aggrandising in the music industry: establishing legitimacy and improving credibility through identity construction

David Schreiber

Abstract

In this paper we explore how aggrandisement is used as a means of altering the perceptions of status and legitimacy of individuals and their organizations in the popular music industry. (Verreynne et al., 2014; Jansen, et al. 2013; Jansen 2011; Howkins 2002). The packaging and selling of a product in which creativity is a major component, characterized by high levels of risk and a probability of low success, influences the way in which cultural producers (Foster et al., 2011) access and interpret the environment, analyse data and allocate resources. Our paper focuses on the extent to which such individuals are willing to portray themselves as having achieved greater success than they might yet have achieved, whether this is on behalf of themselves or their organizations.

Our empirical data, obtained from observation and interviews with CEOs of music firms, provided evidence that self-aggrandisement, of the individual or the firm, played an important role in the industry. We could identify a number of different underlying motives for this: 1) to construct an identity that the individual can use to convince themselves that they are a competent player, paralleling the findings from sports psychology field where an identity of self-belief can become a self-fulfilling prophecy of ability (Merton 1948; Jussim, 1986; Weaver et al., 2016; Fantoni et al., 2016); 2) to strengthen an insecure identity in an industry where there are numerous opportunities for self-worth to be undermined; 3) as a mechanism for portraying cultural relevance and expertise, when this is key to the mutual success of potential industry partners, given the importance of building legitimacy and reputation as the forerunner to the accumulation of symbolic power in the industry.

This paper is structured as follows. First, we review the literature on the construction of identity and the role that positive illusions play in developing psychological well-being and a confident and hopeful sense of self. One form of positive illusion, aggrandisement or self-

aggrandisement, is especially relevant in the music industry context that we examine here, given that an individual's attempt to inflate his or her's perceived stature or reputation appears to serve as a coping mechanism in the music industry. We then describe our choice of research design and methods based on interview data with owner-managers and senior executives involved in the marketing and distribution of music. Finally we present our findings and draw out implications for both theory and practice.

The difficult case of digital convergence in the music industries

Daniel Nordgård

Abstract

Few of the creative industries have experienced as dramatic turmoil following digitalisation, as the music industries - and in particular the recorded music industry (Hesmondhalgh, 2013; Nordgård, 2017; Tessler, 2016), Tschmuck, 2016). And, being early in having to adjust to new digital frameworks, the record industry has become a well-used case of the problems and potentials following digitalisation, which has again offset difficult and contradictory academic debates on how to interpret current changes. Central in these debates is the nature of interference and /or cooperation with companies considered to be "outside" of the traditional music industry, in particular tech- and ICT-companies. In particular, these debates have built on an assumption of convergence of fields/industries that seems less apparent than a few decades ago (Burnett, 1996; Wikström, 2009). In the late 80s and early 90s, the recorded music industry was owned and controlled by international tech-conglomerates, such as Sony Corporation, Warner Communications, Philips, Siemens, Thorn Electrical Industries and Matsushita Electric Industrial (at the time the worlds' largest consumer electronics company and today operating under the name Panasonic).

Technological progress and digitization have indeed been part of the recorded music industry long before Napster and Spotify, however, the degree of convergence between the industries or sectors seem less apparent today than in earlier cases.

Building on data from the annual Kristiansand Roundtable Conferences, and adding to findings in the recent doctoral dissertation (Nordgård, 2017), this paper will discuss the degree of convergence during the music industries' adaptations to a digital online era. The paper will explore the differences between the convergence of electronics-giants and music companies seen in the late 80s and early 90s and discuss differences to today's situation - particularly with regards to three companies; Google, Apple and Spotify.

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The visual side of the music business: Music, design, video

Guy Morrow

Abstract

Musical and visual creativities drive growth in the music business. This paper is of benefit to practitioners, scholars and students within the music business because it addresses a neglect of visual creativities and content, and how these are commercialised, in this field. The paucity of literature relating to the visual side of the music business is significant given that the production of meaning and value within the music business occurs across a number of textual sites.

Popular music is a multimedia, discursive, fluid, and expansive cultural form that, in addition to the music itself, includes album covers, gig and tour posters, music videos, set, stage and lighting designs, live concert footage, websites, virtual reality media, merchandise designs, and other forms of visual content. The implication of this for music business studies is that it becomes impossible to understand the meaning and value of music without considering its relation to these visual components, and to the interrelationships between these components. I will begin this paper by locating myself in the topic by outlining my experience of working in the music business as the manager of a visual creative, and as a music video producer. The research methods I will use in this book include autoethnography and participant observation. In addition to qualitative semi-structured interviews with musicians, artist managers, graphic designers, video directors and producers, set designers and other visual creatives, I will also be analysing various musician's visual artefacts using visual methodology (Pink, 2012), as well as digital ethnography (Pink, Horst, Postill, Hjorth, Lewis, Tacchi, 2015) and sensory ethnography (Pink, 2015). This will provide a fuller and richer understanding of the visual side of the music business and of how the visual artefacts that are produced by these industries function.

My collaboration with visual creative Jefferton James will form a centrepiece of this paper. James produces everything visual relating to music: album cover designs, gig posters, set designs, music videos, merchandise designs, and website designs. As his manager since 2012, I have a unique perspective of the field of music and design, particularly with regard to the interrelationship between these visual components and how they are used to help build the careers of many musicians. Jefferton James Design's business model will also form the first case study to be presented in this paper.

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A political economy of rights aggregation for recorded music

Phil Graham

Abstract

This paper presents a political economic perspective on the logic of aggregation in recorded music. The term “recorded” is used here in the broadest sense and includes textual records of music in the form of scores as well as digital streams. I argue that current problems experienced by musicians and composers in respect of streaming economy incomes can be traced to the earliest technical and political assumptions “built into” copyright laws during the mediaeval period in which they were first developed. At the centre of the problem is the issue of what might now be called “patronage” in the political realm and “capital outlays” in the economic realm, and the seeming inability for copyright law to account for fundamental changes in those two principles over time. The paper draws its data from a 5-year study of new recorded music called Indie100, which was run in Brisbane between 2011 and 2016, and synthesises those data with historical and legal perspectives on copyright as they relate to the composing musician and the logic of rights aggregation.

3B

Immigrant artists: Enrichment or displacement?

Kathry Graddy and Karol Jan Borowiecki

Abstract

In order to investigate the role of immigrant artists on the development of artistic clusters in U.S. cities, we use the US Census and American Community Survey, collected every 10 years since 1850. We identify artists and art teachers, authors, musicians and music teachers, actors and actresses, architects, and journalists, their geographical location and their status as a native or an immigrant. We look at the relative growth rate of the immigrant population in these occupations over a ten year period and how it affects the relative growth rate of native-born individuals in these artistic occupations. We find that cities that experienced immigrant artist inflows, also see a greater inflow of native artists by about 40%.

Peer Effects in Art Prices

Maria Marchenko

Abstract

Art is receiving an increased attention in recent years as a possible investment. Art is often attributed to the category of so-called passion investment, which also includes jewellery, antiques, classic car, wine, etc. However, the prices for some of the pieces are not easy to predict. The reputation of the artists and their social connections can play a significant role in determining the prices of their work. This paper explores one important determinant of the art price formation that is potentially missing in the existing analysis, namely the artists' connections. I believe that connections can influence in two ways. First of all, following the classical peer effect logic, artists' links are influencing the development of artists' style and quality of the works. But also the prices of the work of one artist may be driven by the prices of the connected artists. If the artists worked together or were connected by the same movement, it is likely that their works will resemble some similarities and may get similar

prices on the market. Alternatively, the demand for some artist's works may increase, increasing the price, if the works of connected to them artist are not available or too expensive. I base my results on the network of the abstract artist, for which it is sometimes too difficult to distinguish between good and bad work, and the prices of their works in the last 15 years at Sotheby's auctions. The preliminary results suggest that the consumers are willing to pay more for a particular artist's work, once this artist is connected to a more valuable set of peers. The auctioneer predictions exhibit opposite trend, suggesting possible substitutability of the works of connected artists. The discussed setting can also be applied to the broader set of professions with flexible monetary rewards that might be dependent on the reputation of the specialists.

Heterogeneity in auction price distributions for Australian Indigenous artists

Tim R.L. Fry

Abstract

Studies of auction prices for artworks typically employ regression models that associate the hammer price with either characteristics of the artist, the artwork and the auction or with pre-sale information. Such an approach relates the conditional moments of a single realised price distribution to these other factors. In this paper, we look at alternative ways to understand heterogeneity in auction prices. Our data is taken from the Australian Art Sales Digest for the one hundred top selling Australian Indigenous artists over the period 1987 to 2014. We model this data in two ways. First, we model the determinants of a summary measure of price heterogeneity at the artist level, the Gini index. Second, we use finite mixture (latent class) models to model the data as a combination of realised price distributions. Our analysis of the Gini index finds two sets of factors associated with price distribution: artist characteristics and market conditions. The finite mixture modelling identifies three distinct price distributions with artist characteristics and auction house effects associated with group membership. Our results complement the existing literature by identifying new ways in which factors used in the literature may be related to price heterogeneity.

Pricing an Artwork

Boram Lee, Ian Fraser and Ian Fillis

Abstract

The pricing of artworks is often challenging for even established artists but is even more so for emerging artists at early stages of their careers with no prior experience of selling their works and with perhaps no identified market for it. In this paper, we investigate how recent art college graduates price their work and cope with their initial market exposure as well as other pressing concerns. Newly graduated artists find the transition to self-employment as professional artists to be challenging. Such artists find pricing their own artworks particularly difficult, although sagacious pricing decisions may prove crucial to their sustainable economic survival. We investigate how such artists approach their pricing decision by means of a case study, looking at the 2014 New Contemporaries Exhibition at the Royal Scottish Academy in Scotland. We undertake a series of interviews involving 37 individuals including both exhibiting and non-exhibiting artists and other key stakeholders, as well as undertaking a survey with 675 visitors at the exhibition. We find that young artists struggle to value their own works and that only very few make sales. We find that most artists are confused as to how to approach the issue on pricing. Pricing decisions are often made with scant regard to market realities including when these are made on the basis of costs incurred. This lack of realism is tempered in some cases by reference to the prices charged by other artists. Regardless of commercial considerations, some artists appear to price their work on the basis of self-perceived values, thus reflecting the emotional function of artwork prices. Pricing decisions for this particular market segment also appear to be partially reflective of Bourdieu's (1983, 1992) categorisation of the art market into 'avant-garde' and 'traditional' circuits. Stressing the financial fragility of recent art college graduates, we also discuss the role of art colleges, galleries and cultural institutions in guiding and facilitating the commercial activities of emerging artists. We identify a clear need for more proactive advice on pricing to assist graduating artists. We argue that a system which enables them to prepare themselves for self-employment or independent operation within the art market and which incorporates business and entrepreneurship in undergraduate art curricula should form part of artists' education and training.

Factors of economic success in the Catalan film production, 2008-2014**Ramon Castells and Lluís Bonet****Abstract**

The analysis of the economic characteristics and the business structure of the film industry has counted with numerous studies from the beginnings of the development of cultural economics as an academic discipline. One of the aspects that has aroused more interest has been the analysis of the factors that influence the economic success of a film and, ultimately, to fight the famous sentence "nobody knows anything" (Goldman, 1983) enunciated with reference to the results of the cinematographic business. The worldwide importance of American movie industry explains the large number of studies, from the 80's of the last century, focused on the results produced by this country (Smith & Smith, 1986; Prag & Casavant, 1994; Albert, 1998; Litman & Ahn, 1998; De Vany & Walls, 1999; Ravid, 1999; Eliashberg et al., 2006; Brewer et al., 2009; or Ginsburgh & Weyers, 2014). Research on the success factors of film production at European level focuses particularly on some of its main markets: Italy (Bagella & Becchetti, 1999), Germany (Jansen, 2005), or Spain (Aganani & Aray, 2010; Fernandez & Prieto, 2003). In this case, the smaller size of the domestic market and the existence of explicit systems of government support, directly or indirectly (for example, with the regulations that oblige television channels to invest in film production), modify the context and the results obtained. Most of these works use econometric models, mainly statistical methods of regression or linear adjustment, to model the relationship between market success, the dependent variable, and different independent variables and randomized terms to obtain the needed parameters to evaluate the hypotheses raised. The main challenge of this proposal is to adapt to the reality of the Catalan film industry, a quite special small domestic market as a subsystem of the Spanish market, with a multilevel complementary public support scheme, the analysis models used in other film industries research, in particularly the American. The disparity between the European and the American industrial systems predicted significantly different results. For this reason, the research presented is inspired by the analytical model used by Jansen for the German case (a federal country). The main conclusions obtained after analyzing all the films produced in Catalonia

with a minimum box office performance in the 2008-2014 period indicate that the budgetary and business aspects are the ones that most influence the success of a Catalan film, followed by the recognition generated by the main awards of the Spanish and Catalan film industry (Goya and Gaudí awards, respectively). On the contrary, the presence in festivals does not have a significant influence on the internal success of a film, but is decisive in the internationalization of the film. With regard to artistic factors, only a direct relationship was found between the language used for filming and the results obtained at the box office. The rest of the factors that have been introduced in the analysis (level of government subsidy, co-production, Star System, received reviews, qualification by age or release date) have not presented significant information to the model.

The Effect of Film Adaptation on Box-Office Performance: Empirical Analysis of SF Films in Hollywood

Sunghan Ryu

Abstract

Film adaptation, the changeover of a written work to a feature film in whole or in part, is an important source of producing films across the world. The written work includes comics and non-fictions, but the most representative form of film adaptation is the use of fictions. From the beginning, film industry has heavily relies on fictions for reducing uncertainty and ease of marketing because the films which of theme, storyline, or characters are familiar to the public have a considerable advantage over those that start from the scratch. While a strand of studies has examined the relationship between film performance and related factors, however, there is lack of research focusing on the context of film adaptation. This study aims to identify factors influencing performance of the film adaptation. For the objective, we focus on the science fiction (SF) genre and collected 204 samples produced in Hollywood and control samples matching to them. The results show that film adaptation has a significant positive relationship with film performance and the role of several moderating variables is examined. Further analysis with the film adaptation cases shows that quality and scale of the films have significant impact on film performance. Production factors such as special effect and MPAA

rating also have considerable influence on the performance. Finally, we examined the effect of film adaptation-related factors. The result verified that title adaptation has the most significant impact on the performance. But, author power, director experience, and remake/sequel production show limited effects.

Is Theatrical Release Still the Dominant Hollywood Strategy?

Tylor Orme

Abstract

In the past 20 years, digital distribution channels have emerged as a key source of revenue for film studios. These revenue streams have become so significant that a number of small independent studios have begun to eschew traditional release schedules in favor of video on demand releases, simultaneous digital releases and shortening the window between theatrical and digital release. Despite these innovations by small studios, the major studios continue to rely on a traditional theatrical release window, hoping to maximize revenues by keeping their films in the highest margin distribution platform for the longest amount of time.

Despite this divergence in strategy, little economic research has directly evaluated digital release strategies as a viable alternative to a theatrical release. This paper seeks to directly test whether a traditional theatrical release schedule for films generates significant revenue above that available with a simultaneous digital release, or a digital exclusive release. Past economic research on this issue has struggled with identification issues, as traditional release films tend to differ significantly from digital releases. This paper utilizes a novel identification strategy, propensity score matching, to statistically identify similar films with different release schedules generate different revenues. Results of this analysis will be useful for economic forecasting, enhance strategic decision making by film studios, and will enhance economic understanding of revenue dynamics.

'Alternative' film exhibition and cultural policies in Portugal: challenges and opportunities of digitization

Lúisa Barbosa and Helena Santos

Abstract

Film exhibition is a core issue within the cultural field, related to cultural accessibilities through the multimedia and audio-visual arena under the globalized information and communication trends. Several international organisations and countries (and the European Union as a whole) are granting more and more attention to film distribution and exhibition, and there is a growing recognition from national governments in face of the commercial exhibition dominance. In fact, several subjects are being researched, discussed and implemented, such as the digitization of screens and archives, several incentives towards non- and semi-commercial film distribution and exhibition, and the reduction of territorial inequalities concerning cinema access. Despite these trends, and the apparent success of some of them, non-commercial exhibition remains poorly studied within the EU.

Portugal is not an exception. Although it is a small country and has good cultural venues throughout its territory, these have been underused, especially concerning cinema. This leads to desertification in the geographical access to cinema (particularly in rural areas), all the while remaining a huge concentration in the two most important urbanized cities: Lisbon and Porto.

In this context, non-commercial film exhibition plays a key role. It often ensures the only connection of local inhabitants (and sometimes only schools) to cinema, or even culture and arts in general. Moreover, events such as film festivals generate, over time and regular editions, new relationships with cinema and, through it, culture. By helping to mitigate the disparities in the access to this form of culture, non-commercial exhibition also provides diversification through more selected, alternative and independent choices, in many cases different from commercial exhibition.

In Portugal, non-commercial film exhibition is mainly driven by municipalities and non-profit organizations (such as film societies), that play a crucial role toward an alternative to commercial exhibition (or even no exhibition at all). However, they tend to be rather unstructured organizations, geographically disperse and based on voluntary work and

informal practices. In addition to the underuse of cultural venues concerning cinema, the consolidation of a "real" alternative circuit is a difficult goal, although essential to cultural offer and diversity.

The Portuguese government recognizes the need to support the development of an alternative exhibition circuit, given its (supposed) importance in the dissemination of alternative films to the public (world cinema), particularly in locations with less access to cinema; and, also, in helping to "form new film audiences". However, the creation of an alternative film circuit has not been a priority in terms of public policy on cinema.

We will present some of the results of a study about non-commercial film exhibition in Portugal. Our research goals are dual: we aim to generate knowledge about the 'alternative' exhibition and distribution circuit(s), as well as to contribute to the reflection on film policies within the EU cultural policies, especially in terms of their possible (and desired) reconfiguration through digitization. Indeed, that has been the path along which some countries are re-dedicating themselves to the local aspects of cinema exhibition (for example, UK, Norway, Australia).

Measuring deaccessioning in American museums: A structural equation model / MIMIC approach

Andrej Srakar, Marilena Vecco and Miroslav Verbič

Abstract

The removal of objects from a museum's collection, i.e., deaccessioning, is one of the most debated topics in the professional and scholarly literature on museum management. In contexts, where there is no strong tradition of donorship, and private institutions are viewed by the public as market-driven, deaccessioning represents a capitulation of culture before pragmatic demands (Acidini Luchinat, 1999; Settis, 2003; 2004; 2007). Indeed, museums are by nature opposed to market forces (Grampp, 1989); managers are generally risk-averse (Throsby, 2003); and the protection of elitist interests is also likely to play a role (O'Hagan, 1998). Although some studies have been published in the past years the issue of the measurement of deaccessioning still remains a mystery. In our article, we use SEM (Structural Equation Modeling) technique of MIMIC (Multiple Indicators and Multiple Causes) to model the actual extent of »adverse« deaccessioning as a latent construct. We define »adverse« deaccessioning as deaccessioning not being focused on improving the collection (but, e.g., to the new facilities, solving financial issues of the museum, etc.). By nature of their construction, MIMIC models provide a quantitative measure of how well the conceptual domain is captured via the formative components that a formatively modelled construct by itself cannot. Thus, this approach is a powerful technique to obtain a quantitative measure of a phenomenon that has traditionally been assessed only by qualitative means. In the article, firstly, we present an updated (compared to Srakar, 2015; Di Gaetano and Mazza, 2016) mathematical principal-agent-based modelling of the management situation of deaccessioning, taking into account the asymmetric information problem in an innovative way. Next, we use Detect.MIMIC algorithm recently developed and proposed by Murray-Watters (see Murray-Watters, 2013), to model deaccessioning on micro level. We manage to control for the endogeneity (reverse causality and measurement error problems) in the model, done very rarely in the existing MIMIC literature, using a general ("one-stage") IV estimator and shortly presenting its properties in a MIMIC econometric context. Results enable us to

estimate the relative extent of »adverse« deaccessioning and study its features. We demonstrate that deaccessioning is dependent upon the size of the museum, does not depend significantly on the geographical dimension (US state), and, finally, that it is adversely related to macroeconomic conditions of a country. We also find deaccessioning has not risen in the US in times of the financial crisis, which is an interesting result to be explored in further analysis. As MIMIC models have been used extremely seldom in cultural economics and management, and the actual extent of "adverse" deaccessioning has never been modelled empirically, our article represents a significant step ahead in gaining knowledge on this phenomenon within the museum sector.

Museums on social media: a typology of their leaders' attitudes, behaviors, and strategies

Peter Booth

Abstract

Museums have multiple and compelling reasons for embracing social media. Its participatory potential aligns with the values of 'new museology' and the rise of participatory culture more generally (Kidd 2011). It is considered to be a cost-effective marketing channel (DesRoches 2015), it broadens the museums capabilities to communicate and educate (Drotner and Schröder 2013), and it can be used to deepen the users experience with cultural objects physically encountered. Furthermore, social media aligns with cultural policy objectives of inclusion, access, and the promotion of user, product and channel-based diversity (Kidd 2011; Laws 2015).

Despite these benefits, through the decade that museums have grown a presence on social media, museum leaders have needed to navigate potential trade-offs that arise in connection with the demands of social media. Museums may lack resources to keep pace with the multi-platform and more technologically sophisticated social media strategies employed by other museums, and so face the challenge of developing a modest but value-adding social media presence. The democratic and utilitarian values expected on social media potentially conflict

with other sources of value, such as the museum as cultural authority (McCall and Gray 2014). In spite of its participatory potential, social media has the potential to encourage a type of posting activity that masks a deeper passivity on the part of its users (Delwiche and Henderson 2013), and creates an activity bias which undermines the quieter aspects of participation such as reflection (Crawford 2009). Museum leaders also have to resolve tensions between their ambitions for social media and, amongst other things, stakeholder appetite for risk, internal competencies, and the degree of ideological buy-in from co-workers.

While several studies have examined museum and social media's in the context of participatory culture, and a smaller number of case-based studies have examined the impact of social media strategies within a particular museum context, there is currently little research on how the museum leaders perceive and manage the conflicts and trade-offs that often accompany social media engagement. Utilizing data from a 2017 survey of 81 leaders of Norwegian museums (representing approximately 62% of all Norwegian museums leaders), this study is structured as a response to the following questions:

- 1) Based on conflicts that may arise in connection with social media engagement, can we identify distinct clusters of attitudes, behaviors and strategy (formal or informal) with respect to social media?
- 2) If distinct clusters can be identified, can they be associated with characteristics of museums or museum leaders such that we can develop a typology of museum leaders' relative to social media.
- 3) What do the findings say about the economic and non-economic challenges of social media facing categories of museum leaders?

This empirical exploratory study will combine factor analysis and clustering techniques in evaluating evidence of museum leader types. The empirical results will be contextualized within recent theories of museology, social media theory, as well as studies of museum economics. As the findings are assumed to reflect the funding arrangements and cultural priorities in Norway, the paper will also contextualize the results within Norwegian cultural policy.

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Getting top pieces: museum loans and social networks

Trilce Navarrete

Abstract

Museums exhibit a small portion of their collections and have changing exhibits to attract a larger number of visitors, locals as well as foreign. Exhibits with top pieces can determine public reception of an exhibit, so acquiring top pieces is of essence. Museums have developed a loan system based on personal relationships. In the Netherlands, art museums reported receiving a small amount of loans nationally (2%) and internationally (3%) (Erfgoedmonitor, 2018). Curators and directors develop long term relationships with other museums and curators, as well as with private collectors, that may eventually provide a significant loan.

Acquiring top pieces from a prestigious institution or collection may contribute to increase the reputation of the exhibiting museum, and organizing curator and director. Reputation mechanisms rely on feedback after interaction, but can also be determined by the position of each member of a community within the corresponding social network (Sabater and Sierra,

2002). Museums that have a long-term relationship with prestigious sources will be regarded as having greater quality of exhibits.

How do smaller museums, younger curators, and lesser known collections join in the top pieces network of loans? Key to developing social networks, for provision of goods or exchange of information, rely on trust (Buskens, 1998).

In this paper, we look at the historic archive of five Dutch museums to compare the development of the social network, at institutional and at personal level. We follow the typology proposed by Bidart, Devenne and Grossetti (2018). We identify directors and curators as main actors in the museum, and map the loan history for the past 50 years, identifying source of loan. From preliminary results, we note that the institutional position in the network is greatly dependent on location and size (budget and visitor numbers) as well as the relation established with private collectors. We also note that smaller museums holding important works can develop relationships with larger museums. Social capital seems to cause certain peaks on getting top pieces by certain individuals.

This research is novel in that it proposes the application of social network analysis to understand the museum loan system. Results will contribute to the understanding of reputation and trust around exchange of complex goods.

Özgun Özcaki, Anna Mignosa and A. Guliz Bilgin Altinoz

The inevitability of post regeneration rent increases in heritage places: The assessment of two urban renewal projects from Turkey

Abstract

Cultural heritage places embody socio-cultural and economic values and as a result of which, heritage places become the subject of renewal interventions. It is evident that every renewal intervention is alteration to its values, then interventions will change the values that heritage places involve. Economic values, mostly the rent value of heritage referring to the real estate value, will also be effected by the renewal interventions. This cause and effect relationship between the renewal and real estate values has raised an interest in heritage, both from the conservation and the economic point of view. Investigating this relationship in close-up, this study aims to illustrate the changing real estate values of heritage places after the urban renewal projects by comparing two renewal projects from two metropolitan cities of Turkey: Tarlabası (İstanbul) and Konak (İzmir). The significance of these projects originates from the opposing renewal strategies in terms of approaching to real estate values and the existing ownership. Tarlabası was built in the late-nineteenth and early-twentieth centuries as a primarily middle-income, non-Muslim neighborhood. At the time being, the district lost its original population, then it became a dilapidated area. Due to the decrease in rent, the buildings became an attractive housing area for rural migrants with low-income. The renewal project in Tarlabası – entitled Taksim 360 – aims at constructing a brand new luxurious mixed-use complex to provide “economic benefit” for private investor by displacing inhabitants from their original location. This is followed by the expropriation of the buildings before the implementations have been initiated.

As a counter example to Taksim 360 project, renewal project in Konak – entitled İzmir History Project – considers different values of cultural heritage and the needs of residents for “sustainable conservation”. Konak Renewal Area is a multi-layered and composite heritage place with residential, commercial, administrative and religious buildings belonging to different time periods. Currently, the heritage place is mostly occupied by immigrants from

eastern cities of Turkey and war-torn Syria. In İzmir History Project, strategies have been defined by local authority for preventing changes in ownership and increases in rent values. Considering the initial aims of Taksim 360 and İzmir History Project which are totally different, an increase in real estate value following the implementation of the renewal projects has been observed in both cases. The change in real estate value is extremely drastic in Tarlabası comparing to Konak due to the economic potential of the site and the profit oriented interventions throughout the project. In Konak case, although the precautions are taken to prevent the risk of rent increase, there is still a rise in real estate values which may also lead the residents to leave the area in near future.

By examining these two contrasting cases, the paper aims to illustrate the (potential) effects of renewal projects to the socio-cultural and economic values of heritage places by emphasizing inevitable increase in real estate prices regardless of the initial intentions; either in the name “economic benefit” or “sustainable conservation”.

The Change of Urban Space in the Close Alleys of Jingu-Mae Shibuya Ward Tokyo: From the standpoints of the Cultural Production and the Global Investment Company

Tomomi Mita

Abstract

The purpose of this paper is as follows. The first one is discovering the social process that the investment companies have raised the exchange value of commercial property in the close alleys of Jingu-Mae Shibuya Tokyo. And the second one, we are discussing this case study with fastening the cultural production, the urban growth and the global economy.

The case study of this paper is the close alleys in the Jingu-Mae Shibuya Ward Tokyo. The close alleys were residential streets until the 1980's. However, from the 1990's, these close

alleys changed from the residential streets to the global hub of upscale clothing design. The change of the close alleys generated fashionable image of the close alleys in the Jingu-Mae with the magazine exclusively for fashion. The fashionable image of the close alleys in the Jingu-Mae attracted many investment companies.

From the 2000's, the investment companies are buying the commercial property in the close alleys of Jingu-Mae with operating as the Real Estate Investment Trust. The investment companies are making renovation of these building and select the fashionable tenants. As a result, the prices of commercial property in the close alleys of Jingu-Mae district are raised slowly until now. Also, the land price is rising slowly by investors.

On case study of this paper, we will make a new finding. The new finding is that by the global investment companies producing or renewing the fashionable image of urban space, the economic value of urban space would be raised. Also, the new investment companies for the design of clothing and the retail of the clothing control the conditions of the urban space. The global economy from the 1980's is proceeding with the securities investment trust (Sassen, 2001). Also, from the 2000's, by easing of regulation of investment, the companies for investment in the real estate are inaugurated by the sector of global finance (Yabe, 2008). Especially, these companies are inaugurated on New York, Sydney, Paris, Tokyo, and so on (Yabe, 2008).

This paper describes that the companies for investment in the real estate began to trade the building in the fashionable street of the global city. Because the investment companies think the cultural production and the aesthetic urban space make the economic resources. If these companies for investment may do so, they could get the economic resources and dis-tributes the margin to the clients around the world. Also, we will know that the cultural production is grasped not only as the power of urban growth, but also the target of derivative financial instruments.

So we will understand that the urban sociology should discuss the cultural production and the urban growth from a standpoint of the global economy that the investment companies lead. The significance of discussing the cultural production, the urban growth and the global economy has confirmed again. Especially, this paper indicates the knowledge production on the global city controls the design of the clothing, manufacturing of the upscale clothing,

retailing of the upscale clothing and the trend of fads that means consumer culture of the clothing.

The Price of Free: The Rise of Public Arts Programming as Placemaking in Singapore

Su Fern Hoe

Abstract

All across the globe, people and governments have recognised the power of the arts to rejuvenate cities and uplift communities. Singapore is no exception. Over the last 10 years, the Singapore government has been engaged in a concerted effort to placemake Singapore into a culturally-vibrant cityscape with "heart and soul".

Consequently, there has been a greater emphasis by cultural policies on placemaking as a strategic means to activate arts spaces into vibrant public spaces bustling with activities and visitors. This has translated into the propagation of free and/or low-cost public arts programmes by national institutions, including free entry to museums, urban arts festivals with "Instagram-worthy exhibits" such as the Singapore Night Festival, and community outreach initiatives like the "Arts in Your Neighbourhood" series. Arts organisations and institutions have also been strongly encouraged to offer free and/or low-cost programmes, or participate in state-organised free programming in the name of placemaking, community engagement and social inclusion.

This paper is a critical consideration of the Singapore government's expectation of free arts programming to activate arts spaces into busy public spaces. Through a grounded analysis of ethnographic and visual material, this paper will examine the nature, extent and implications of this top-down expectation, particularly on arts practitioners and organisations. Of particular interest are the possible disparities between the perceived benefits and actual opportunity costs of state-initiated placemaking efforts. Ultimately, this paper is part of a continuous effort to map the impact and interplay of policy on the

3E

Gatekeeping, reputation building and value creation in art worlds: insights from an European network project bringing photography to public space

Pedro Costa

Abstract

Drawing upon the analysis of a wide project recently developed throughout several European cities (“Flâneur – New urban narratives”) which endeavored new approaches to the relation between art, public sphere and local communities through the way creative processes and exhibition devices on public space were displayed, this paper aims to analyze the processes of cultural mediation and the relation with the structuring of photography art world which emerge from this network project, exploring particularly the gatekeeping processes and reputation building mechanisms settled, and the way the artists, curators and producers involved deal with them in the structuring of their personal and institutional projects and in value creation.

“Flâneur – New Urban Narratives” was a network project, coordinated by Procur.arte and funded by UNESCO (International Fund for Promotion of Culture) and the European Commission (Creative Europe Cooperation Program), which was held between 2015 and 2017. Designed as an international partnership that involved 20 organizations from 11 different countries, the project was based on artistic interventions within public spaces, challenging contemporary photography. The Project encouraged artists to create new interpretations of urban territories, taking the concept of flâneur as their starting point, and considering the physical context of the city as a social construct in a state of constant flux and change. A transversal perspective on the social dynamics that configure urban space was pursued, created by a large and diverse group of artists who, drawing from a common theme, rendered a new look upon the plural realities that compose public space - a look that was then shared with a wide audience, who was invited to drift and stroll around the city, rediscovering it. The project comprised several parallel dimensions, such as workshops, masterclasses, artistic residencies, creative camps and conferences, initiatives intended to foster a critical

analysis of contemporary photography and contribute to a reflection on the relationship between art practices and the city.

During its two year span, “Flâneur” was being developed and presented in 18 cities, producing a juxtaposition between internal and external perspectives. resulting from the participation of invited photographers, who were asked to develop artistic residencies in those cities. In addition, a complementary work was conducted within workshops that target the local population. The result of these various contributions was displayed in public space, bringing to the squares, parks and streets artworks which would conventionally be enclosed in museums and galleries - therefore, contributing to a process of deconstruction, and to the “democratization” of the access to art, by sharing it with an heterogeneous audience. Replicating the city, open and accessible 24 hours a day, the exhibition displays are configured as modular backlit structures, which are adapted to each specific site.

Drawing upon empirical work based on direct observation and interviews to the 24 selected international photographers as well to some of the curators and producers involved in the network of festivals and cultural institutions that were gathered around this project, interesting data about the structuring and reputation-building process in this art world is explored, shedding some light to the complex gatekeeping mechanisms behind the structuring of the legitimizations on this field and the networks construction in the art world itself.

3F

Does remuneration influence the output of cultural production in a planned economy? Empirical research on the production of novels in China

Zhengbing Zhou and Xiji Zhou

Abstract

Research for this paper began with the question “Does remuneration have any influence on cultural production?” Cultural economists generally take it for granted that remuneration has a positive effect on cultural production, and many researches have been done to confirm this hypothesis in the western world. However, is that valid in a socialist system? Frankly speaking, there is no research on this question, especially no empirical study on whether the artists’ monetary motive has any impact on cultural production. In light of this research gap, this paper investigates the effect of remuneration of authors in China where remuneration for cultural production is (well) planned by the central government and complete data on both remuneration and book production are available. More specifically, using archival data from the Chinese government we test the impact of remuneration on the production of novels in China. The result of our study shows that remuneration has a positive impact on cultural production in a planned economy, which is against China’s socialist political control system of culture. This result furthermore implies that remuneration as a planning tool, trying to put everything under strict control in the cultural field, has no economic justification nor is it feasible.

Assessing the Economic Impact of Amateur Arts: Methodological Challenges

Baiba Tjarve, Ieva Zemite and Kristine Freiberga

Abstract

Amateur arts, although in their essence should be considered as grassroots activities, at least in the post-Soviet countries are the participatory activities that are financed by public authorities (Tjarve et al. 2017). For two years the authors have been working for the national research program “Habitus” trying to scrutinize the economic dimension of the amateur arts. The first conclusions show that although the funding for amateur arts in Latvia is decentralized, the role of individual contributions and the initiative of the participants themselves are insufficient; amateur arts in Latvia are being strictly regulated by laws and publicly funded, instead of participant-driven, bottom-up process. The authors continue the research aiming to evaluate the socio-economic impact of the amateur arts in Latvia, analyzing the impact forming factors and developing index for comparing economic impact of amateur arts in several regions.

Usually the amateur arts are being analyzed in the discourse of its social functions and as a tool to increase social and cultural capital (Bourdieu 1986; Matarasso 1997, Daugavietis 2015). Financial aspects of amateur arts are less often in the centre of academic discussions (Tjarve et al. 2017). Along with the growing significance of participation in arts in Europe, it is timely and meaningful to analyse all the factors that stimulate impact of the amateur arts on the society and regional or economic developments. The aim of this study is to analyse possible risks, challenges and problems in assessing the economic impact of the amateur arts and to develop the methodology that would be applicable for the further empirical research. The research questions are: 1) which (if any) of the existing economic impact assessment approaches are appropriate for evaluating the impact of amateur arts; and 2) which are the necessary steps and milestones to be taken when planning a field study in a specific municipality? The methodology of this study includes literature analysis and analysis of the secondary data. In 2017, the authors have conducted the survey about the individual contributions of the amateur art group participants (Latvian Academy of Culture, 2017), so the practical challenges in data collection will be analysed as well. The final outcome of the proposed study will be a developed methodology for a case study-field work in two cities in

Latvia where economic impact of the amateur arts will be assessed during the fall 2018. The results show that none of the existing economic impact assessment approaches is directly applicable to analyse the economic impact of amateur arts - there are several approaches which should be combined: economic impact assessment, social network analysis, descriptive research method and sector mapping model (Reeves 2002; Throsby 2004; Bille, Schulze 2006; Towse 2010; BOP Consulting 2012). Moreover, apart from the economic impact, social effects should be taken into account. The novelty of the overall research will be developing methodology for socio-economic impact assessment of the amateur arts in the region that can be used internationally.

Investigating the issue of hypothetical bias in Contingent Valuation studies. Evidence from built heritage evaluation, in favor of CVM's validity

Stella Giannakopoulou, Dimitris Damigos and Dimitris Kaliampakos

Abstract

Contingent Valuation Method is the most widely used method for the estimation of cultural goods due to its ability to capture their non-market value. However, the method's reliability receives, usually, criticism for a variety of biases, among which, the hypothetical bias remains the most controversial one. As relevant literature shows, respondents report higher wtp than they would actually pay. In view of examining the core nature of hypothetical bias we conducted a meta-analysis of several CV surveys that we conducted in Greece, regarding the evaluation of the built heritage of traditional settlements. The results of the meta-analysis reveal that respondents give reasonable and repeatable answers throughout the questionnaires, even at the most sensitive questions. Findings that show this derive from answers regarding income, wtp as income's percentage, wtp amount in comparison to respondents' views on the preservation of built heritage, etc. Several findings of the meta-analysis show consistency of certain results, in the CV surveys, with the economic theory, i.e. the wtp amount in comparison to the offered quality of the cultural good. In addition, wtp estimations proved to be sensitive to a variety of external parameters, i.e. economic crisis. We argue, in this paper, that revealed and documented reliability throughout the surveys is

not lost when it comes to the wtp amount statement; the core question of the CV survey. Therefore, although hypothetical bias remains, always, a controversial issue CVM is able to give, to a great extent, realistic results. Hence, in view of the elimination of hypothetical bias questionnaires' structure should enable for testing respondents' reliability throughout the survey. The paper is aiming at adding knowledge to the ongoing issue of hypothetical bias of CVM in further support of the method's validity on the evaluation of cultural goods.

Beyond economic effects: The cultural and social impact of arts festivals. A proposal for measurement indicators and application to a puppet festival

María Devesa and Ana Roitvan

Abstract

The last few years have seen a major increase in the number of cultural events and festivals in many parts of the world. Such festivals tend to have an economic impact –in terms of production, income and employment– in the places where they are held, basically as a result of their capacity to attract tourism. Yet the effects of festivals go beyond just the economic benefits. Festivals generate other effects of a social, cultural and environmental nature, and can even impact on the area's urban development and welfare. Such effects are as important, if indeed not more important than the economic effects. Cultural events may thus contribute to forge a social identity and civic pride, to create audiences, provide cultural enrichment or the physical transformation of an area.

The main aim of the present work is to explore the socio-cultural impact of events and arts festivals. Specifically, we pursue two related goals: on the one hand, putting forward a theoretical proposal to systematically measure the socio-cultural impact of festivals, with particular reference to theatre/puppet festivals, and on the other to apply the set of indicators created to a specific case study: the Segovia International Puppet Festival (Titirimundi), the main puppet festival in Spain and one of the leading festivals of its kind in Europe.

To achieve this, we create a theoretical evaluation framework with the types of impact (organised in four major categories: cultural, social, urban and environmental), their

objectives and meaning, the aspects or variables to be measured in each category and the measurement indicators which reflect these impacts and effects. The indicators aim to be robust, flexible, meaningful and practical, as well as easy to apply and replicate in order to gauge effects over time.

In addition, an application will be developed for a puppet festival based, on the one hand, on the festival programme and, on the other, on the data provided by the festival organisers (attendance, activities, budget). The results, spanning a three-year period, will not only allow us to gain an insight into the festival's socio-cultural impact on factors such as improvements and cultural diversity, social inclusion, audience satisfaction or social identity, but also to examine their progress over time.

Beyond what is merely the economic repercussion, measuring and evaluating the socio-cultural impact of festivals first allows for a wider and more multidimensional approach to events, as well as one which adapts more readily to the reality of many arts festivals which pursue mainly social objectives. Analysing this impact also helps festival managers, the city's cultural authorities, and sponsors to devise strategies that can ensure an event's success and, in sum, its viability and long-term sustainability.

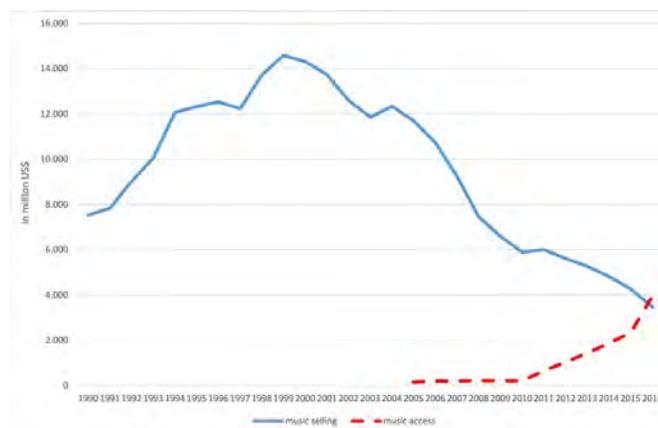
Recording Companies in the Music Streaming Economy – an Institutional Perspective

Peter Tschmuck

Abstract

In 2016, for the first time US music consumers paid more for music access by way of ad-supported and paid streaming services (US\$ 3.9bn) than for CDs, music downloads and ringtones (US\$ 3.5bn). This trends continued in 2017 (RIAA 2017).

Figure 1: Selling and accessing music in the US, 1990-2016



Source: RIAA Year-End Industry Shipment and Revenue Statistics, reports 1990-2016

Thus, the US market predominantly became a music streaming economy last year following other countries that have predominantly embraced this consumption method such as South Korea and Scandinavian countries, especially Sweden and Norway. However, the question of who benefits from the music streaming boom has to be answered. Streaming services such as Spotify struggle with rising costs that are not at this stage being compensated by their (albeit fast increasing) revenues. Spotify, therefore, reported an operating loss of EUR 349.4m in 2016 and will be more in the red in 2017.

The economic pressure on music streaming services comes from the recording companies. Since sound recording rights are usually controlled by the recording companies, Spotify and other streaming services have to licence these rights directly from the labels. This is always the case for the major recording companies Universal Music Group, Sony Music Entertainment and Warner Music Group. Indie labels, however, usually do not directly licence their recorded music catalogues to the streaming services but through so-called content aggregators such as The Orchard, Believe Digital and Rebeat, or via a music licensing agency such as MERLIN.

However, on-demand streaming services have to make upfront payments or otherwise guarantee payments to the major record labels but also to the indie licensing agency MERLIN in order to get access to the sound recording catalogues. A leaked Sony-Spotify 2011 contract teaches us that the Swedish music streaming company had to pay advances of US \$42.5m to Sony Music in three years. Exhibit 4(a) of the contract stipulates advance payments of US \$9m for the first year, US \$16m for the second year and US \$17.5m for an optional third year (The Verge 2011).

It is called a "breakage" if an advance payment from a streaming service to a record label exceeds royalty payments in a given period. Record labels are being criticized for not sharing this "breakage" money with artists. Since no streaming service has operated at a profit yet, it is difficult for them to licence the majors' music catalogues at a market rate. Therefore, labels accept a sub-market rate in exchange for an equity share in the music streaming company.

A look into the record labels' balance sheets unveils a healthy business performance in the past few years. Thanks to increasing music streaming revenues, major labels such as Universal Music Group are set to receive increasing revenues in their recorded music business segments.

This does not mean, however, that all recorded music companies benefit from the music streaming economy. A recent study on the economic relevance of music streaming for Austrian independent record companies highlights that just a few labels with large sound recording catalogues earn considerable income from music streaming.

The figures highlight that just three Austrian record labels earned more than EUR 40,000 from streaming services in 2016, whereas the rest of about 1,000 other labels each pocketed less than EUR 4,000. The data also shows that companies with larger back catalogues benefit more from music streaming than labels with smaller ones. Thus, we can conclude that quantity – in the sense of back catalogue size – has become the main factor of economic success in the music streaming economy making the hit driven recorded music business less relevant.

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Entrepreneurial nations: The contemporary music export scheme

Shane Homan and Tracy Redhead

Abstract

Contemporary music export schemes – strategies, funding and related industry and government mechanisms designed to bring artists to new markets and territories – have become a feature of international music trade and governmental landscapes. While (piecemeal) export assistance has been evident in various countries since the 1970s, the ongoing shift to their proper consideration as part of broader “promotional states” (Cloonan

1999) provide a useful mechanism to evaluate national industries and government partnerships. This paper offers a case study of Canada's music export ecosystem to explore (i) existing/changing relationships between the music industries and the federal government; (ii) the challenges confronting digital media/cultural platforms and international market mechanisms; and (iii) competing visions of cultural and economic value. We are particularly interested here in the strategies of a medium-sized music nation in competing with larger nation-states; and inter-related partnerships across cultural industry and arts infrastructure. Export strategies also provide a means for evaluating how the nation-state retains importance in more complex political economies of culture and globalization.

This presentation draws upon a current Australian Research Council Linkage project, *The cultural and economic value of the music export*, hosted by the University of Newcastle (Australia): Professor Richard Vella, Professor Stephen Chen, Tracy Redhead, Scott Saunders (University of Newcastle); Associate Professor Shane Homan (Monash University); and Millie Millgate (Sounds Australia).

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Factors determining consumers' awareness on cultural supply: the case of music festivals

Juan D. Montoro-Pons and Manuel Cuadrado-García

Abstract

The cultural industries rely on a steady and diversified flow of contents in a market characterized by an unpredictable demand, oversupply and a short product life cycle. Altogether, this means that only a small fraction of all releases generate the necessary consumer awareness to achieve a significant commercial success. How (and what)

information about contents is spread among consumers is key to understand market outcomes.

The case of the music industry provides a good illustration, with promotion and live performances standing out as the main avenues through which artists raise their awareness and that of their releases. A special case is that of certain events, such as some music festivals, where the association with a specific brand and lineup could amplify the impact, measured in terms of raised public awareness, that some participating artists receive. To these, the value of the performance extends beyond the impact on actual audiences of the festival through the spread of information via social networks and other Internet sites.

Research question

This paper aims at identifying whether participating in an established music festival increases the public awareness of artists and bands. To this end we measure public awareness of an artist using an index of Internet searches, and quantitatively evaluate the effect of performing at the festival on this search index.

The measurement of such an effect raises additional considerations with regards to the qualification of this impact. First, we assume this increase in public awareness to be transient. Second, as one would expect given the heterogeneous nature of cultural supply, this impact is asymmetric for the different bands/artists participating in the festival. Third, we consider the increased awareness in this type of events to be, on average, larger than the one live performances could generate. This is so as the effect captures not only the interest on the band but also cross-effects such as those linked with the association with other bands (bundling) and the brand value and reputation of the festival.

Finally, we consider that this impact might imply specific external-effects, such as the expansion of the fan-base of artists participating at music festivals (which could increase future interest) and the monetization of this raised awareness through means such as sales of merchandise, digital downloads or playback of streaming contents to mention some.

Methodology and preliminary results

To test the research hypothesis a dataset is collected for 19 bands or artists playing in the *Primavera Sound* music festival that took place in 1-5 June 2016 in Barcelona. Weekly data on Internet searches in Spain have been obtained for each band/artist using Google trends. The dataset covers from February 2012 to February 2017.

We undertake the empirical analysis by using alternative methods. First, a panel data model is setup to analyze the determinants of web searches. Next, a Bayesian time series approach is used to estimate the difference between observed and predicted searches. Here we estimate the indirect value that a performance in the festival adds to a band as the difference between actual searches and what would have been observed should the band/artist not participated in the festival.

Preliminary findings support the hypothesis of a significant but temporary surge in awareness after the festival took place. A related question, namely how this increased awareness is monetized, is directly related to the outcomes of this paper although at this point beyond its scope.

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May I have your attention? Demand for popular songs in the age of endless choice

Ola Haampland

Abstract

The recorded music industry is in the midst of yet another paradigm change, transforming from being a sector serving a traditional transaction market where vinyl records, cassettes, CDs, mp3s, etc. change hands ultimately for a one-time charge—into an “all-you-can-eat” business where consumers simply pay for access to an entire music catalogue via a monthly subscription. These music consumers typically transact with so-called streaming service providers like e.g., Spotify, which already has well over 30 million songs on offer. As the resulting revenue pool is distributed to the various rights holders based on their market share within the service, it is now often said that the agents of the recording industry—in the daily grind—no longer explicitly compete for the music consumers’ money—but rather for their attention. Moreover, the music industry is a quintessential “winner-take-all” economy—an environment of stark inequality where a select few popular artist and songs take home the lion’s share of the proceeds. It has been enthusiastically prognosticated that—as consumer search costs are lowered by internet features such as search, recommendation and filtering tools—the new digital platform will benefit lesser known and newer artists and therefore may even erode the reign of the “superstar” artist and songs (e.g., Brynjolfsson, Hu, & Simester, 2011)—an assertion that may seem intuitively self-evident. However, according to e.g., Elberse (2013), sales data from the digital music services do not support this assumption—in fact, they exhibit a trend that is the opposite; the concentration is increasing, i.e., the most popular songs hold an even larger share of the market than before (p. 116). Similarly, it may also seem equally self-evident that an “all-you-can-eat” subscription model will bring further equality, as streaming users’ marginal cost of listening to any song is zero. In support of this presumption, recent research has found that consumers play substantially more—and more diverse—music after adopting a streaming service (Datta, Knox, & Bronnenberg, 2017). We posit that said paradigm shift offers great opportunity for inquiry into the market behaviour of the popular music mainstream and seek to undertake a “supply and demand” study utilising data from U.S. music industry. The general objectives include assessing the repercussions of the “all-you-can-eat” business model on the demand distribution for popular songs, and to ascertain which theoretical model best explains this process.

What makes an artist a superstar?**Roland Füss and Christiane Hellmanzik****Abstract**

In this paper, we examine the factors that influence the success of a superstar artist over his lifetime. Using a novel sample of 6,400 sales of Gerhard Richter's paintings as collected in his comprehensive online catalogue, we estimate Richter's price-age-profile based on all sales in both the secondary and primary market using a hedonic regression model with a semi-parametric estimation technique with dimension reduction. This new data source allows us to utilize information on paintings' exhibition history, press releases, art catalogues, record prices etc. to detect the key determinants of success of an artist along his career path. In addition, Richter's artistic style, characterized by changes in art styles, allows us to study his strategic behavior as a reaction to emerging trends at the art market.

Moreover, we compare age-price profiles obtained from all of Richter's sales to those based on auction results as is typically done in the literature. This allows us to understand how representative auction results are of an artists' entire career's oeuvre. Lastly, we benchmark these results against a German comparison group in order to test for any Richter-specific career factors. In so doing, we estimate two different methodologies using an aggregated as well as an artist-specific sample of auction prices

Coloristic parities and disparities in Hollywood films

Juan Prieto-Rodriguez, Fernanda Gutierrez-Navratil and Manuel Hermosilla

Abstract

In this paper we analyze the racial diversity of the stars of the movies produced by the Hollywood studios in recent years. More specifically, we study the relationship between the skin color of actors and actresses and their popularity. The analysis is done at two different levels; namely, the supply side of casts (stars) and the demand side (roles) for films produced in USA. Obviously, differences will be due to the disparities in the number of times each actor or actresses is hired since they can vary systematically with the skin color.

Although skin color distribution of cast could be understood as a result of racial and skin preferences of film producers this is not so simple. As pointed out by Hermosilla et al (2018), skin color of stars performing in a film could be the result of internalizing consumers' preferences to attract moviegoers to cinema theatres. While we are not analyzing causality in this research, we present some facts that can be controversial, especially because fame is linked with the stars' skin color but, also, this relationship is not the same for actors and actresses.

Prejudices based on skin color, or colorism, is the result of a cultural bias consisting mainly in considering a skin color hierarchy with, usually, white people on the top of the pyramid. This is not exactly racism because discriminatory differences, in this case, can also be defined within racial groups. Skin color preferences and how they may influence social results is a general problem that, however, is now starting to be analyzed by different social sciences. In fact, there are some papers for different countries, analyzing the effect of skin color on education, income and other outcomes. For instance, Loury's (2009) on the relationship between skin tone and years of schooling over time among the black community or Ryabov's (2016) that analyses the effects on the educational attainment of Asian Americans of their skin lightness. Viglione (2011) and King and Johnson (2016) assess the impact of skin tone on sanctions and prison time for black offenders proving that, *ceteris paribus*, black people with lighter skin tones received more merciful sentences. At the US labor market, not just race but skin color make a difference for black workers compared to

white since earning gaps increase with tenure for darker ones but remain stable for lightest-skinned workers (Kreisman & Rangel, 2014). Also in Israel, Rubinstein and Brenner (2014) prove that skin tone is more important than surnames to discriminate against in the labor market.

Also, there is a long literature on the relation between skin color and attractiveness and how it changes regarding men and women (Hill, 2002; Kleisner, et al., 2017; Stepanova & Strube, 2017; Stephen, et al., 2012). Therefore, there could be a genetic basis for the differences in the skin color of actors and actresses that we observe among the stars of films especially when we use films as the observational units and we analyse the main roles played in them.

A simple instrument for enhancing talent diversity

Luc Champarnaud

Abstract

In 1979, Pierre Bourdieu escaped from an essentialist conception of culture and demonstrated the socially classifying nature of cultural practices by focusing on manners and specific know-how that precondition the cultural consumption. More precisely, he stated that, beside the economic capital, there were standing a cultural capital. He was supported by descriptive statistics, exhibiting a strong evidence that cultural consumption was adding a significant axis of social distinction, as the second most important factor of social differentiation.

For obvious reasons, too large a differentiation is not a desirable trait of modern societies and welfare states implement public policies in order to mitigate cultural distinctions among populations. The merit good argument for subsidizing cultural consumption consists of allowing the poorly equipped with transmitted culture to recover an open access to higher levels of social distinction.

On the other hand, Superstars phenomenon, as shown by S. Rosen, is rather fair since it is

logically consistent with the strong demand addressed to them by the untitled. That is a good social feature of superstars system : that is the cross-mating of lower connoisseurship to high artistic talents, that seems to have very good social mixing properties in regards to access to distinction.

Unequal talent could be acceptable if every agent would have a chance to be generously equipped with high level of talent, at his turn, at a period of history. Thus we enlarge the economic model of superstars, by S. Rosen, by assuming that talent is determined endogenously by the sequence of previous matching. We assume that suppliers and consumers are drawn respectively from the same distribution of talent and, before meeting on the market, are split between the artists from the top, and the consumers from the bottom, of that distribution. Such a sequential market living at period $k=1,2,\dots$ works as a social cards shuffle and thus have good social properties. Indeed, they give opportunity to individuals, drawn from the bottom, to be matched to the top of distribution, typically what happens on superstars markets, and thus to improve their level of talent that allow them to an access to higher distinction.

Defining an equitable shuffle as a random mix that makes any talent ranking evenly probable, a market shuffle is not completely fair, since, as a deterministic shuffle, a given set of ranking, rather small compared to the complete set of possible rankings, recurs periodically.

A simple instrument that would disrupt the marriage of consumers and artists by a random method, a public lottery for attending a given level of talent, for instance, would drunk near an ideal shuffling, and give any individual an equal chance to be set in any possible ranking of the distribution of talent.

Gender differences in Australian Indigenous artwork at auction

Lisa Farrell, Jane M. Fry and Tim R.L. Fry

Abstract

This paper uses data on all artworks offered for sale at auction from 1995 to 2014 to examine gender differences in artworks by the top one hundred Australian Indigenous artists. Our analysis shows that male and female artists work in different media and mediums and that both sale price and clearance rate differ by the gender of the artist. Building on a descriptive analysis the statistical analysis of the data using sample selectivity models and a Blinder-Oaxaca decomposition shows clear differences between the price of artwork between the genders. Accounting for differences in the characteristics of artworks and artists our analysis shows that the price of artworks by male Australian Indigenous artists is lower than that of female artists. We further break down this difference into that attributable to differing characteristics, the return on those characteristics and the interaction of those components.

Public film funding in Australia: An analysis of funding governance and public film performance 1997-2017

Jordi McKenzie, Craig Rossiter and Sunny Shin

Abstract

This paper investigates publicly-funded film performance in Australia over the years 1997-2017. Performance is measured using box office revenue, international festival screenings, as well as industry and festival awards. Particular attention is given to the change of the Australian film funding governance during the period: Film Finance Corporation (1997-2007) and Screen Australia (2008-2017). This paper also examines the ‘two-door’ scheme under the Film Finance Corporation in the years 2004-2007, in which financial criteria applied for one door (Marketplace) and expert panel assessment for the other (Evaluation).

The myth of subsidies in the film industry: A comparative analysis on European and the US approaches

Jimmy Parc and Patrick Messerlin

Abstract

Many countries are becoming interested in developing their film industries as a way of promoting their national culture and increasing their soft power. They also see such efforts as a way to drive further economic development. With the continued global dominance of Hollywood films, policy makers in various countries around the world are increasingly turning to government subsidies as an essential tool to promote and strengthen their national film industries. Notably, these countries often believe that Hollywood films are in fact heavily subsidized. Thus, there have been strong calls advocating for an increase in subsidies

in Europe while many countries outside of the region have benchmarked the European subsidy policies, notably those in France.

Despite all this interest, the actual effectiveness of subsidies in promoting a film industry remains debatable. In fact, directly applying such policies from other countries without in-depth understanding and criticism could bring about unexpected results which then may harm the industry. In order to better address this issue, this paper compares and analyzes the experiences of subsidy policies in Europe and the United States. Furthermore, this paper evaluates the consequences of these subsidy policies and analyzes why there have been differences in their outcome.

The European subsidy policies were developed in order to protect its film industries from Hollywood films. First, the subsidy regimes were developed to increase the number of film produced in competition with US films after World War II. This approach though resulted in a degradation in the quality of films produced. Later, international co-production among European countries was initially developed to reduce the financial burden of film production costs. However, this policy has often been utilized by business in order to avoid screen quotas which a system that controls the number of screenings of foreign films in Europe.

The US subsidy policies, on the other hand, have been developed by local state governments in order to maximize the economic benefits from movie shootings. In this regard, each state has developed more attractive subsidy policies for business in order to draw in more studios in competition with other states. This explains why Hollywood studios have become more mobile so that they can seek favorable subsidies from the providing states. This behavior has been further extended internationally. As such, Hollywood studios are actually benefitting from other countries' subsidy policies, particularly those in Europe. From this perspective, it should be understood that the reasoning behind the subsidy policies of the United States are very different from that of Europe and this difference should be clearly distinguished. This paper reveals the importance regarding the solid understanding of the background and effect of each subsidy. This is an important lesson for countries that want to develop their film industry and to promote their culture by designing effective film policies.

Media trade beyond country borders: Identifying five types of international film distribution through cluster analysis

Vejune Zemaityte

Abstract

This study analyses international cinema distribution by examining screening records of 3,424 movies across 40 countries. It uses cluster analysis together with multiple regression to identify and then explore five distinct types of global film dissemination.

International country-to-country cinema trade has been studied extensively. A number of empirical accounts examined the performance of American movies in a single foreign market (Lee, 2006; Zemaityte, Verhoeven, & Coate, 2018) or a few specific markets (Lee, 2008; Walls & McKenzie, 2012), often discussing Hollywood's dominance in those countries. In addition, the demand for American movie imports has been contrasted with the demand for domestic productions in larger country samples, testing cultural and linguistic effects on media consumption (Jayakar & Waterman, 2000; Oh, 2001). The exports from a few other production origins have also been investigated by examining the source diversity of cinema import profiles in a worldwide sample of countries (Fu & Sim, 2010; Fu, 2006). Finally, recent studies employed network analysis to explore international film trade among a large number of production origins and importing countries (Arrowsmith, Coate, Palmer, & Verhoeven, 2016; Chung, 2011). No work to date has examined global cinema distribution beyond country borders.

Instead of exploring media flows from production origins to importing markets, this paper analyses the shape of each film's international theatrical run, which is characterised by three main factors. First, the volume of the run is described through the number of screenings a movie receives internationally. Second, the duration of the run is defined as the number of days a film stays in theatres internationally. Finally, the spread of the run stands for the number of countries a movie reaches. With the aid of cluster analysis, this study identifies five distinct types of international cinema distribution based on the three proposed distribution factors and groups the sample films accordingly. It then uses multiple regressions

to model the relationship between international screenings and movie characteristics such as genre, running time, origin, etc. to compare and contrast the five clusters.

The discussion in this paper is informed by a large dataset of global film screenings from the Kinomatics Project. The sub-sample used in this study tracks international theatrical runs of 3,424 films from 124 production origins that were released in 2013 and screened in at least 2 of the 40 countries anytime between 2013 and 2015, amounting to a total of 130,455,277 screenings. This paper applies a transdisciplinary Digital Humanities approach and Cultural Economics methods to studying cinema industry at an international scale. This paper applies a transdisciplinary Digital Humanities approach and Cultural Economics methods to studying cinema industry at an international scale.

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A de-clustered cluster? The non-economic factors of the sustainable film industry in Hong Kong

Shih Chien Chang

Abstract

What is the social and cultural ground for the relatively unprofitable film production in Hong Kong, a so-called utilitarian society?

As Potts (2009, 2011) indicates that the creative industries would facilitate economic evolution, how and why the autonomous/independent cultural workers cluster would be a critical subject for creative industry study. Also, it is critical for regional development when more and more cross-border productions proceed in cultural fields (Pratt, 2004, 2008). Among the creative industries, audiovisual sector is the typical case for such concern that there are many studies focus on it to investigate the source of creativity or innovation (e.g. Vang & Chaminade, 2007). The economic reasons, including lower transaction cost and knowledge spillover effect, are usually employed to justify the prosperous cluster, such as Vancouver (Scott & Pope, 2007), Leipzig (Bathelt, 2005), or Shanghai (Xin & Mossig, 2017), especially when cultures collide for more creative results in the globalized film industry today (Lorenzen, 2007). The understandings about creative cluster are generated from successful stories.

However, how can a de-clustered cluster contribute to the understanding? In addition to the economic reasons, what could be the else that maintain the creative cluster which could be exploited for business still? The film industry in Hong Kong is an ideal case for exploring this question since there are many filmmakers have stayed locally when even more talents and big names moved northward for profitable joint-production projects in mainland China. Interestingly, recent film studies demonstrate that Hong Kong cinema has been in speedy transition, which could be the evidence of more innovative results when compared to the earlier commercial formulas and the current blockbusters in mainland. Within a riskier and less-profitable situation which was abandoned by some talents, how and why the local film workers still clustered for more innovations. This could be neglected by the study of

successful cases on the one hand and by the film study of changing genres in Hong Kong cinema today on the other. Therefore, this research will employ Pierre Bourdieu's conceptual frame of capital conversion to study the cultural and social ground for current cluster when it lost the economic base increasingly. Besides, through social network analysis to elaborate the relationship structure of local cluster, this research will collect self-descriptions from film workers in different career ladders, rather than from the leading ones via convenient sampling. Based on systematical analysis of the data for illustration of local workers' social capital and cultural capital and the conversion logic between the capital, it is possible to propose the social ground of condensed innovation cycle for Hong Kong film industry and for the creative industry as a whole

Should they stay or should they go? How local authority make decisions about museum services in an era of austerity

Bethany Rex

Abstract

This paper focuses on decisions taken by in local authorities in response to the severe budget cuts following the 2008 financial crisis with regard to spending on museum services. Through selected empirical materials from two local authorities engaged in deciding where to allocate cultural spending, specifically deciding which museums would continue to receive regular funding to the concomitant withdrawal of funding from others, the paper proposes the notions of ‘knowledge events and non-events’ and ‘knowledge potency’ as a means of investigating how and based on what considerations these decisions are made. My interest is as much if not more in the processes by which decisions are made than the products of decisions. This means my investigation considers the mechanisms and techniques involved in decision making just as much as it does the people in order to address the limited agency of the knowledge claims made by stakeholders beyond local authorities to influence decisions or to unsettle the bases on which decisions are routinely made. However, the paper is not a simple account of purposive local authority dominance informed by individual machinations. Rather, the paper is firstly an illustration of the influence of routine ways of working on decisions and the limitations thereof. Secondly, the paper explores how relatively mundane information about individual museums becomes significant in determining their future when local authorities are enveloped by austerity. Underpinning the paper is an argument for austerity to be considered as more than a set of financial constraints and instead as an atmosphere that forecloses local authorities from taking decisions based on long-term considerations or concerns with type of benefit from local authority museums ought to generate, occupied as they are with crisis management and a loss of expectation that future financial conditions might be otherwise.

Exhibition evaluation: A model to assess the impact of an exhibition on visitors thinking process

Chloé Mougenot, Marie Ballarini and Marek Prokupek

Abstract

Evaluation of an exhibition is an equilibrium between visitors' experience and the museum mission and revenue. It is a process to answer the question: "what is the visitor gaining from an exhibition". Exhibitions are a form of communication and evaluation is a method to analyze the communication of an exhibition. Therefore, evaluation is a crucial activity for museums and deserve an appropriate attention. Museums need to prove their efficiency and accountability and a correct evaluation represents a useful tool to do so.

The research project proposes a model to evaluate the impact of an exhibition on visitors thinking process and examines this model through the case study of the solo exhibition DeTermination of an artist Daniel Pesta that takes place at DOX from 26th January until 7th May 2018. Daniel Pesta is a multimedia artist, who works with a number of symbolic parables, but his critique often focuses on specific targets such as the absurdity of politics, the stigmatization of social minorities, gender stereotypes and other issues.

DOX Centre for Contemporary Art was created in 2008 thanks to a private initiative through the reconstruction of a former factory in Prague. Through its dramaturgy DOX aim to develop a critical reflection and discussion of current social topics and issues, and to support and present art projects and programmes based on their exploration.

Through the case study, we will analyze how the exhibition encourages visitors to change their thinking processes and how it shapes the thinking process. Doing so, we will use narrative theory to frame the process. Using Greimas' actantial model (Greimas 1966, Gertsen and Sodeberg 2011), the action of the exhibition will be break down into six actants (subject, object, sender, receiver, helper, opponent). The subject represents someone, who is trying to reach a goal, in our case it is the artist. Its goal, the object, in the case study is to make the visitor feel or think. A sender gives tasks, initiates, or enables the event, in our scenario it is the museum itself, or the curator. A receiver is what benefits from the action,

represents by the visitors of the exhibition. Helper(s)/opponent(s) support or oppose the quest of the hero, here, we suggest the mediation, scenography and other elements that can change the visitor experience. A narrative analysis allows us to gain a deeper understanding of the ways in which the exhibition creates impact on visitors' thinking process.

Interviews with curator, artist, educators and the museum director will be conducted to consolidate our model(s) and will explicit what the supposedly induced thinking process is. To go further, a questionnaire will be administrated to the visitors to find out if the artist's quest is successful.

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Economic capital of museum 'soft power': Measuring museum impacts through economic activity

Natalia Grincheva

Abstract

“Soft power” is the term first coined by the American Professor of International Relations, Joseph Nye to describe the ability of a country to influence behaviour of others through persuasion, attraction, or agenda setting (Nye 2004). Within Nye's power typologies, ranging from the hard power of military might to the multilateral diplomacy of institutional structuration, “soft power” is understood as a more advanced and sophisticated tool for achieving foreign policy objectives by simply “seducing” other actors or influencing “others

to get the outcomes one wants.” In the recent years the term “soft power” has been widely employed to refer not only to an ability of a country to influence the behaviour of other states, but to a capacity of institutional actors to generate the power of attractiveness to achieve their goals and interests in a broader international environment.

Most recently, museums studies scholars started to look at contemporary museums as key actors in the international arena that are capable of exerting significant economic, cultural, and social impacts within and beyond national borders. Historically, museums have been important vehicles of “soft power,” building cultural bridges across borders whether by developing cultural tourism or by organizing traveling exhibitions and international programming overseas. Lord and Blankenberg in their book, *Museums, Cities and Soft Power*, specifically stress that in the 21st century museums are experiencing a new transformation turning them from “sites of branded experience to places of soft power.” Defining museum “soft power” as an institutional ability to mobilized global publics, generate economic capital and develop international partnerships, this research looks at museums as key actors in a growing competition among cities for talent, tourism, and investment. Specifically, my research aims to develop a conceptual framework for defining and understanding museums’ “soft power” by exploring specific components which constitute the driving forces of museums to generate cultural, social and economic capitals advancing their position in the international arena. I draw on the Bourdieu’s theory of fields and capitals which helps to articulate in more precise terms what exact museum resources generate “soft power”.

Identifying specific “measurable” indicators which can help to assess a “soft power” potential of museums, in my work I argue that cultural, social and symbolic capitals of museum “soft power” could be directly transferred into an institutional capacity to generate economic income. The work draws on numerous empirical examples and practical case studies (including the Guggenheim franchises, Louvre Abu Dhabi, the British Museum and others) to illustrate how exactly cultural, social and symbolic capitals of museums could be measured either through economic gains generated by a museum or through economic impacts upon local communities at home and abroad. My research significantly contributes to the field of cultural economics by proposing and justifying a reliable evaluation framework that can be applied to museums to assess their urban impacts and contributions to local creative economy.

Quantitative evaluation of the museum sector in the Czech Republic

Marek Prokupek

Abstract

Over the last two decades a combination of increased public accountability, the growing cost of sustaining collections and decrease in public funding has forced museum evaluation to come under close scrutiny. Various monitoring systems have been implemented to demonstrate the museum activities justify public funding. Evaluation of museum activities is a complex and challenging issue. Museum activities are wide-ranging and many of the services provided by museums are non-market in nature. Museums produce goods and services that are different to those exchanged in regular market, they are often publicly owned and freely accessible.

The development of museums on the territory of today's Czech Republic started at the end of the 18th and beginning of the 19th century. Since then museum sector has undergone significant changes, especially after 2001 museums have changed in terms of organization, funding and status, largely in response to a changing external environment. There are 485 museums in the Czech Republic of different kinds.

This research represents an attempt to use quantitative approach to evaluate the museum sector in the Czech Republic. The aim of the research is to develop and examine a comprehensive model of economic museum evaluation using quantitative approach based on the architecture of the tools Balanced Scorecard and Data Envelopment Analysis. In this research, museums are evaluated in the clusters based on the focus of their collections and ownership and data for quantitative analyses has been collected in the cooperation with The National Information and Consulting Centre for Culture. For each of four perspectives (Public Perspective, Internal Perspective, Learning and Growth Perspective, Financial Perspective) of the Balanced Scorecard, the set of quantitative indicators has been selected and after these indicators have been analyzed through the method Data Envelopment Analysis. The combination of Balanced Scorecard and Data Envelopment Analysis allows both methods to make up for each other's weaknesses, and creating more complete and powerful evaluation system.

The research findings provide the overview of the museum sector in the Czech Republic and benchmarking of the museums. It shows strengths and weaknesses of the museum sector and relative efficiency of each museum. Therefore it is a set of useful information for different stakeholders, mostly funding bodies and museums themselves.

Digital cultural consumption: Paintings in Wikipedia

Trilce Navarrete

Abstract

Cultural participation is closely related to taste, cultural capital, and general knowledge and understanding of the art form. Individuals will derive a greater joy from museum objects when equipped with greater cultural competence, acquired through accumulated education, experience, and critical judgement (Throsby, 2001; Hutter and Schusterman, 2006; Katz-Gerro, 2017). Consumption is not always conscious and directed towards learning, but can also include 'accidental' encounters. One example can be found in marketing, which allows accidental encounters, for instance with a painting, as in the case of the Rijksmuseum's 16 top paintings printed in milk and yogurt cartons as part of the campaign "Rijks at the table". An alternative place for accidental encounters is Wikipedia. The online encyclopedia is frequently accessed by people (ranked top 10 most visited websites by Alexa) and by machines (e.g. knowledge graph, Siri), representing an important source of (cultural) information. Increasingly, paintings have been adopted as quality illustrations for articles in a number of ways. We argue that access to paintings in Wikipedia is part of an individual's digital cultural consumption and that accidental access contributes to an individual's taste formation, particularly when paintings are used in categories not related to art.

In this paper, we analyse the use of paintings as illustrations to articles in the English version of Wikipedia. We identified 10,054 paintings present in Wikidata with an image that serve to illustrate a Wikipedia article in English. The paintings were ranked based on presence frequency in articles. The top two paintings were a portrait of William Shakespeare and the Mona Lisa. The paintings illustrate a total of 13,841 articles of which we selected a random sample of 2,706 articles containing at least one painting to measure the number of average monthly views. These pages were categorized based on the ontology proposed by Spoerri (2007). Not surprising, the use of paintings in non-art related topics amounted to 20% of the Wikipedia articles, while the majority of articles containing paintings were categorized as art

related (80%). The number of views to non-art related topics amounted to a surprisingly 79%, while views to art related articles received only 20% of views.

Our results show that publication of museum collections can reach those who may not be seeking to consume cultural content (art-related articles), supporting accidental encounters with high cultural content, and hence increase cultural capital of Wikipedia users. Our investigation serves to explore an emerging form of digital cultural consumption.

The advent of the sharing culture and its effect on product pricing

Maryam Razeghian and Thomas A. Weber

Abstract

Empirical evidence suggests that consumers' propensity towards sharing varies with culture and the individuals' socio-demographic characteristics. In an economy with overlapping generations of heterogeneous consumers, we study optimal dynamic selling by a durable-goods monopolist in equilibrium. Feasible dynamic pricing strategies include second-degree price discrimination offering intertemporal consumption bundles in the form of rental and/or purchase options. We find that as the population's peer-trade propensity increases, possibly due to a cultural shift from private ownership to collective consumption, the durable-goods monopolist's optimal strategy shifts from unbundling (offering exclusively rentals), via mixed bundling (offering the options of rental and purchase side-by-side), to pure bundling (offering purchase only). We find that an increase in peer-trade propensity has an ambiguous effect on the firm's profit. Cultural shifts from low to high peer-trade propensity may be delayed by a firm's attempts to artificially disable sharing markets by offering overly low rental rates. However, beyond a certain threshold of peer-trade propensity, the firm actually prefers a faster cultural transition to an access-based economy. The underlying reason is that the asset base of a sharing economy ultimately depends on the firm's output, so that a portion of the available rents can be captured by the durable-goods monopolist.

Externalities and significance of derivative works in the art market: Analysis of consumer behaviour transferred from artistic sports products to the art market

Tatsuki Machida

Abstract

A work of art, created by the hand of an artist, is an independent subject of appreciation by its own intrinsic value. However, artistic activity is not only the creation of original works. For example, *Romeo and Juliet* of William Shakespeare has been adapted to different genres, such as movies, music, ballet, and theater. The adaptation of literary works into movies and the use of musical works in dance choreographies can all be classified as derivative works based on original works. Moreover, derivation has become a creative technique that everyone is now familiar with, as original works can be easily digitally processed, duplicated and edited. However, if the creator has not obtained the copyright of the original work, the creation of a derivative work is generally an act of copyright infringement and, because of this, it cannot be made public. As a result, it can be said that derivative works that require dealing with copyrights of original works are difficult to produce or duplicate.

However, surprisingly, derivative works are actively being used in the sports world. In figure skating, performances are carried out as derivative works, regardless of genre, inspired by excellent pieces of music, movies, and theater. In fact, it is reported that figure skating spectators are more focused on "harmony with music" and "choreography," rather than on the outcome of the competition. In this study, I surveyed large-scale consumption behavior for spectators of figure skating, which is a sports genre in which numerous derivative works have been developed. As a result, it became clear that many spectators are inspired by skaters' performances and experience consuming the works of various genres (music, movies, theater, and literature) related to that performance. In other words, I found out that, for example, after watching a skater performing based on the music of *Don Quixote* by Léon Minkus, consumption behavior drives further access to the music CD, ballet, Cervantes's novel, etc. This means that the experience of enjoying derivative works has a considerable influence on consumption behavior toward original works. In this study, the phenomenon where people's access to original works is triggered by the enjoyment of derivative works is defined as "inter-genre transfer." Additionally, in this study, I analyze this "inter-genre transfer" from an

economic viewpoint, and I would like to consider the significance and economic externalities of the existence of derivative works in the art market.

Conventionally, regarding the reproduction and stage performance of original works (primary works), many researchers, from Adam Smith to W. J. Baumol and W. G. Bowen, and Alan T. Peacock and Ruth Towse, have attempted multilateral analyses from the viewpoint of economics and copyright law. However, in the field of cultural economics, adaptations and derivative works have never been analyzed from an economic viewpoint. This study, which economically analyzes derivative works that can be considered a chain of creations, eventually leads to reexamining the structure of the art market and the state of the copyright system.

Temporary exhibitions: How effective are their advertising posters?

Ana Bedate Centeno, José Ángel Sanz Lara and Elena Martín Guerra

Abstract

Temporary exhibitions are an important element in any cultural institution's supply although particularly in museums, since the latter are especially suited to staging such events, given their enormous capacity to attract tourists and the educational role they play. They also play an important role in the development of cities since they enhance their competitive position from the standpoint of tourism, help to boost visitor numbers. In the long run, this dynamic powers itself by generating an improved supply of culture in the city.

For these reasons, temporary exhibitions require well-thought out and effective advertising coupled with a carefully prepared project. Poster designs for announcing exhibitions tend to display appealing images that point to the content of the exhibits in an effort to capture the public's attention and draw them to the exhibition. The success of an exhibition measured as the number of visitors does not depend solely on the poster but is also determined by other factors such as the exhibition's artistic and documentary content, its symbolism and

aesthetics, duration, etc., although it would seem reasonable to assume that the right poster should reach the target audience and attract more visitors to the exhibition.

The goal of the present article is to examine the advertising posters used to promote such exhibitions, comparing different advertising posters for exhibitions in the city of Valladolid (Spain) employing a novel approach which allows their effectiveness to be measured using neuromarketing techniques applying the technology patented by Sociograph Neuromarketing. Measured readings of the electrodermal activity of a representative sample of monitored individuals, exposed as a group to said advertising stimulus, objectively determine which posters have the greatest impact in terms of attention and excitement, as well as their shared characteristics. Collecting participants' sociodemographic data will also enable the response of different groups of interest to be analysed.

The system of Kagai performance

Itsuro Nakahara

Abstract

1. Preface

Kagai communities are districts of wining and dining where artists like geigi (traditional Japanese dancers) and maiko (trainees of geigi) entertain their guests with dance and conversation.

The geigi and maiko are thought to be essential components of “Omotenashi” culture, which embodies the Japanese spirit of hospitality and services. This culture is important for keeping the divergence of the valuable cultural creation in the subsequent generations.

There were more than 500 Kagai communities in the 1950s all over Japan, but currently in the 2010s, the number has decreased to 20. In response to the disappearance of Kagai communities, the Japanese government is taking steps to preserve the remaining districts. However, even under such preservation and protection, these communities face challenges of their authenticity from the foreign tourists who don't know the Kagai culture (Nakahara, 2016).

In the backdrop of this situation, there is a lack of enough consideration of the Omotenashi culture for the long survived Kagai performances, so the author has studied a representative Kagai community, from the viewpoint of geigi who has a professional identity.

2. Outline of Investigation

The author choses a community that continued since the end of the Edo period (the19th century): Kamishichiken (Kamigyō district in Kyoto City) where developed spontaneously near Kitano shrine. Yet at the end of the Taisho period (1911 to 26), Shinozuka sect went out with the succession problem, and the geigi of Kamishichiken changed their dance performances to the style of the Hanayagi sect of Tokyo, in order to preserve the arts.

3. Banquets and hospitality in Kagai society.

In Kamishichiken, the spiritual ethos of the town, is analyzed from the three angles: “Yosooi”, “Furumai” and “Sitsurai” in the hint of Isao Kumakura (Kumakura, 1999). The houses used for teahouses are similar in structure to a tearoom. The main room is decorated with flowers and the pictures with calligraphy hanging in an alcove that is related to the season or sometimes the festivity of the guest who is well known by the Hostess.

4. The government support for “Omotenashi-culture”

The Kyoto city government, Kyoto prefectural government and Kyoto city government both give subsidies and grants to The Kagai community of Kyoto. The total planning section of Kyoto City Government selected to the area to be preserved in 2012, the interior renovations also began in the Kitano Kaikan Theater of Kamishichiken. Ground wire was added to the area beginning in 1998.

5. Value co-creation in “Omotenashi” service

The author tries to see the interview from the standpoint of the Cultural Economy. Kamishichike, the area of “Omotenashi” is a place such as a teahouse, where the guests and the workers have the same contextual understanding.

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Cost disease in the performing arts industry and the solution methods in China

Hui Li

Abstract

William J. Baumol believes that the performing arts industry take labor service as purposes and means, and are unable to enjoy the benefits of technological progress. As labor costs

continuing to increase, the performing arts industry eventually led to costs far higher than income and the cost disease will occur. In order to solve the cost disease, the governments have to change public nature of performing arts groups into market-oriented organizations. Performing arts groups should strengthen internal management and control rising costs. They also should change thinking methods, make full use of media technologies, extend the value chains, update business models, multiple ways to increase revenue, develop flexible price policies according to market demand. The governments should increase the income of consumers, enhance the culture of consumer spending power in the depressed markets. The governments also need to change the ways of funding, and stimulate the vivacity of performing arts troupes with flexible styles.

A study of dance sector performance: The public dance circuit in Spain

María José Del Barrio Tellado and Luis César Herrero Prieto

Abstract

Dance has received scant attention in economic literature perhaps because it is an activity that appears under a number of legal forms and diverse formats and due to the fact that –in many instances- it is affected by a high degree of instability time-wise, thus making it difficult to have the necessary data available required for economic analysis. Nevertheless, this sector's dependence on public funding provides grounds for it to be the subject of performance related studies. Dance embraces a wide range of activities which include training, research and dissemination or its actual performing. As regards the latter, it can be said that performing arts in Spain in the area of dance remain confined to a small number of high quality publicly owned companies together with a larger number of private companies who receive much of their backing through public funds. Some of these companies have achieved the status of “resident companies”, allowing them to engage in their activity on a fixed basis in facilities that tend to be publicly owned. A larger number of private companies are engaged in promoting or exhibiting due to their involvement in the artistic dance circuit endorsed by the Ministry of Culture through the National Institute of Performing Arts and Music (INAEM). This is run by the Spanish Network of Theatres, Concert Halls, Circuits and

Festivals, which is publicly owned, and which in general seeks to boost the presence and visibility of dance. Using Data Envelopment Analysis (DEA) to construct a dynamic model spanning the period between 2010 and 2016, our study aims to examine how efficient these various areas involved in the network are in terms of publicising dance. By including Malmquist indices, we can evaluate changes in efficiency levels in the units examined between the two periods, and explain the reasons underlying changes in performance. The results to emerge from the research show –starting from mean efficiency levels-substantial improvements in performance for the period studied.

Passive-use value and merit attributes of performing arts

Aleksandra Wiśniewska

Abstract

There are two streams of reflection in the field of performing arts economics that never seem to intersect: the passive-use value estimation and the merit characteristics determination of demand. Public-good component of the performing arts creates a bridge between them. In theoretical introduction I make a proposition of a study design within the frame of non-market valuation that would bring together the recognition of merit characteristics of performing arts and passive-use value that they generate to the society. The study design offers a simple and meaningful expression of merit attributes of performing arts: their typology. Previous studies developed the understanding of merit determinants of performances' valuation by society, however most of variables used to capture them leave much to be desired. The significance of measurements created on the basis of supply-side data is vague; the most important (in significance and value) characteristics (reviews, words of mouth, recognition of artists) are based on indicators of quality rather than merit characteristics themselves and are not under theater or public organizer's control; drama classification that seems to be the most influential merit characteristic of a performance serves only as an indicator of preferences towards sad or happy content. In the lack of comprehensive taxonomy of theater plays either in the theatrical studies, or in statistics, only taxonomies that exist already in the society under question can be used. There is also no well-

established list of benefits that theater brings to viewers, society and art itself, both, in cultural economics and theater studies. The reason is, for sure, the fact that it's a very delicate matter, but also heterogeneity of theater itself. Once formulated and never exploited fully the list of benefits of performing arts created by Throsby (1983) is employed to deepen understanding of how different types of performances contribute in use and passive-use value generation.

In the second part of the paper I present the results of the application of the described analysis tool used for non-market valuation of theatres in Poland run in the manner of the discrete choice experiment. The valuation reveal what kind of benefits mostly influence passive-use value and, therefore, what the public-good component of performing arts is about. Working with the data for theatrical preferences of Polish society, I employ typology of plays that is easy to understand and distinguish between by respondents of nation-wide survey (entertainment, drama, children's and experimental). The use of this typology has already brought fruitful results in previous study devoted to non-market valuation of theatres in Poland (Wiśniewska and Czajkowski, 2017). I make the use of Throsby's list of benefits divided into three categories: benefits to audience and benefits to the society and to the art form. The empirical investigation addresses following questions:

- How does the recognition of Throsby's benefits of performing arts corresponds with private and public consumption of performing arts?
- How does the society value performing arts with different merit characteristics?
- What is the share of passive-use value in total value of performing arts with different merit characteristics?

5A

Street carnival in Rio: Economic system and its importance to the creative economy of the city

Cristina Lohmann Couri

Abstract

Carnival in Rio de Janeiro generate an estimated income of 3,2 (BRL) billions to the city according to the official tourism agency. Since the establishment of a public-private partnership model to organize the event in 2009, street carnival has been growing exponentially in the number of street bands and tourists. The paper aims to describe street carnival in Rio de Janeiro and its importance to the creative and cultural economy of the city, exploring especially the growth of percussion workshops directed to middle classes and its role on carnival production and economy. A field research was conducted with the main characters of carnival and workshop organizers and revealed the importance of these workshops to the revitalization of Rio street carnival and to the creation of a market niche based on the consumption of diverse cultural products related to carnival.

Understanding the determinants of festival attendees' expenditure: The role of cultural capital

Maria Devesa and Andrea Baez

Abstract

The last few years have witnessed a substantial increase in the number of cultural festivals and events. Overall, cultural festivals tend to have an economic impact in terms of production, income and employment in the places where they are held, which is mainly determined by the amount of money attendees spend and, more specifically, outside visitors

drawn to the event.

The main aim of this paper is to gain an insight into which factors shape spending at a cultural festival, and more specifically, to investigate the influence of attendees' cultural capital on expenditure. In that sense, cultural capital is defined as a set of tastes, skills, knowledge and practices distinctive of an individual or a society. It exists in a variety of forms, including the embodied (experiences), objectified (interests), institutionalized (qualification) and familial (family) cultural capital acquired over time (Bourdieu, 1986).

The analysis is applied to a specific case study: the Valdivia International Film Festival, the second most important film festival in Chile and one of the most well-known in South America. To do this, data are used from a sample conducted amongst a representative sample of attendees at the festival (384 surveys). When analysing the spending and its determinant factors, various statistical techniques are applied which allow us to examine the relevance of cultural capital in spending, as well as other variables of interest.

The results provide a better understanding of the factors driving festival attendees' level of expenditure and, therefore, of one of the key elements shaping the economic impact of events in the areas where they are held. Such information proves useful not only for scholars and researchers but also for festival organisers, who need to apply strategic management techniques to regular events in order to maximise their contribution to the local economy. The findings also prove useful to cultural and tourist policy managers in such destinations since they provide a clearer understanding of consumption patterns. The results are also valuable to the authorities responsible for education policy as a means of gaining a deeper insight into how investment in education and cultural capital can later turn into production and activity.

Do small creative cities thrive through festivals? A first approach to 'Valdivia (Chile), city of festivals'

Guillermo Olivares

Abstract

Valdivia is a city located in the south of Chile, and has 170,000 inhabitants, which in the last 10 years has started to foster its development as a creative economy pole, recognizing in festivals a way to boost the city image and the strengthening of the creative ecosystem by their potential to attract creative talent and their attraction for the development of cultural tourism.

As a first step, it was conducted an initial survey to identify and characterize the existing festivals in the city. This study aimed to understand the different economic, social, cultural and territorial dynamics involved in its management. It was carried out a cadastre of events held in the city of Valdivia during the year 2016, which totalled 95, which after a series of filters generated a list of 36 that have an established schedule, are open to the general public and correspond to certain categories.

This group of events was consulted through an online survey and some interviews with a questionnaire of open-ended questions, obtaining 29 responses that allowed to analyze their growth potential, good practices and main production difficulties. In this way, it was possible to obtain an overview of the current situation in the development of festivals in the city. In this context, it was carried out a bibliographic review to ascertain the importance of cultural events and festivals as drivers of local economy, in addition to considering their contribution to the construction of a territory's identity.

Based on the results obtained, it was estimated that 116 thousand people attended the events in the city of Valdivia, involving a USD 2.650 million of direct expense, excluding indirect expenses for audience attendance and other expenses induced by the same events. Among the findings of the study, it was found that - with exceptions -, events and festivals involve an investment of less than 50 million pesos and the most of them, around 97%, register an less than 10 thousand spectators average attendance, which is consistent with the size of the city

and the institutional capacity of providers and professional teams available in the territory.

Festivals are mostly free of charge and dependent on few sources of funding, mainly state, posing a risk to their economic sustainability. In addition, it was noted that a high percentage of festivals show a lack of planning, as they have no clear objectives, audiences or stakeholders, so there is no defined value proposition. We conclude that as they fail in having a strategic vision, many events do not succeed in overcoming the entrepreneurial death valley and do not pass beyond the second version.

Deep rooted culture and economic development: Taking the seven deadly sins for building a wellbeing composite indicator

Luis César Herrero Prieto*, Ivan Boal and Mafalda Gomez

Abstract

This work involves undertaking a reappraisal of the “Seven Deadly Sins” in order to construct synthetic indicators of wellbeing aimed at measuring spatial economic disparities and their link to economic development. The Seven Deadly Sins constitute a way of describing vices vis-à-vis Christian moral education. Yet they might also be viewed as general norms of social behaviour and interpreted today as notions related to the concept of wellbeing. For example, the level of concentration of wealth (greed), sustainability of resources and health indicators (gluttony), safety index (wrath), problems adapting to the labour market or workplace absenteeism (sloth), etc. The Seven Deadly Sins have also yielded emblematic examples of artistic iconography and cultural production. How they are perceived and expressed may also differ depending on each group’s cultural idiosyncrasy, in the sense of a series of beliefs and attitudes, forged over the centuries. Based on these premises, the current work first seeks to compile variables that reflect each conceptual dimension so as to later construct a synthetic indicator of wellbeing with territorial disaggregation. This enables us to explore spatial disparities and the extent to which they relate to economic development. This is applied to a disperse group of countries in the European Union with NUTS 2 territorial disaggregation (regions). The sources of information are basically Eurostat and ESS (European Social Survey). The method involves applying multivariate techniques to summarise information, Data Envelopment Analysis to construct the synthetic indicator, and spatial econometrics to pinpoint spatial dependence effects.

Breadth of externally and internally orientated arts consumption and well-being

Meg Elkins, Bronwyn Coate and Jane Fry

Abstract

The aim of this project is to understand the relationship between cultural engagement and well-being. This project will focus on understanding how breadth and frequency of activity in highbrow and lowbrow cultural engagement contributes to an individual's overall well-being. Highbrow cultural engagement includes activities such as playing a musical instrument, creating art, visiting an art gallery or museum, attending educational lectures, writing, and attending theatre, movies and concerts. Lowbrow cultural activities includes cultural engagements such as the frequency of watching, television or movies, playing board games and electronic games, reading books, reading newspapers and magazines, and spending time on puzzles and crosswords. We use the Household, Income and Labour Dynamics in Australia (HILDA) data in 2016 for the cultural activities as well as provide insight into a range of factors which have been shown in other studies to influence well-being such as health, income and major life events. In the research we explore how overall cultural engagement across a range of indicator variables contributes to well-being as well as explore the variables separately. The data will enable insight to determine whether evidence of cultural omnivorousness where cultural engagement is diverse across a number of different activities, contributes to higher levels of overall well-being.

MOOC for people with disabilities in creative industries

Shalini Garg and Shipra Sharma

Abstract

Creative Industry has evolved from cultural industries and it is associated with two terms - Innovation and Creativity. Organizations have started creating inclusive workplace with special reference to people with disabilities, as organizations have started believing that such employees have strong loyalty, appropriate skills and low rate of absenteeism (Von Schrader et al, 2014). Organizations have started looking at facilitated artistic collaboration between employees with disabilities and employees without disabilities. They have started using digital platforms to facilitate cross-cultural flows in the form of information, labours and goods (The Centre for Internet and Society, RAW, 2016). This paper thereby tends to explore work culture in reference to people with disabilities (PwD). The research will be conducted in two phases using focused interview approach. The responses will be obtained from the employee with disabilities in Hospitality Industry. In the first phase, PwDs will be exposed to conventional training program and later their feedback will be recorded for the same. The feedback will also be taken from the supervisors, course developers and employees with disabilities. In the second phase, the same group of PwDs will be exposed to e-content using MOOC cloud and the feedback for the same will be recorded at the end. The paper thereby, tries to investigate whether digital platform is able to facilitate collaboration between employees with and without disabilities to create culturally inclusive organizations.

Regulating copyright contracts: Economics and fair remuneration**Ruth Towse****Abstract**

The EC proposes to regulate contracts in the cultural and media industries in order to achieve harmonized fair remuneration in Member States (2016 Directive on Copyright in the Digital Single Market). Fair remuneration is an ambiguous concept for economists: some EC documents imply that regulation is required for efficiency purposes, in others purely for equity reasons. Copyright to an extent attempts to deal with both and also at times confuses the two. This paper tries to disentangle these issues and discusses work that has been done in the economics of copyright dealing with copyright contracts.

Research commissioned by the EU prior to the proposals does not refer to recent work in law and economics and by economists on reversionary (termination) rights nor to a well-established body of research in cultural economics on labour markets of authors and performers in the cultural and media industries, which shows both the variety of influences on motivation, incentives and contracts for creators as well as the difficulties of empirical research in this area. This paper considers the contribution these studies could make to the policy proposals on fair remuneration for creators and performers.

Entitlement index in cultural products**Jai Jeffrey Kim and Joo H. Lee****Abstract**

As all value chain such as production, marketing and distribution of contents are being transferred from analogue to digital, new ethical and economical problems have emerged.

Especially, the issue of whether music file sharing through P2P service infringes intellectual property right has raised a court battle. This question is not just limited to the music industry, but is related to a variety of forms of information and contents that can be digitalized as well. This study investigates the attitude of free cultural contents users on the infringement of intellectual property rights and the intention of use after the initiation of subscription fees in the field of music and movies from entitlement perspectives. Our empirical survey revealed that respondents considered the use of free services as infringement of intellectual property in the order of movie and music. Meanwhile, regarding the limits on free service, respondents answered that it is an infringement of consumer right in the order of music and movie. Especially, for music, the entitlement index (infringement of intellectual property – invasion of consumer right) was negative. This shows that free music service users tend to consider free service use as an entitlement or a consumer right rather than as an infringement of intellectual property right. Therefore, the service provider of free music should not merely consider the business model after the initiation of subscription fees, but also to increase the contents users' level of understanding on intellectual property.

Semi-legal semi-substitutes: The impact of "let's play" on videogame revenues

Tylor Orme and Stephanie Orme

Abstract

This research project seeks to investigate the impact of video game streaming on game revenue. In recent years, sites such as Twitch have begun the distribution of “Let’s Play” videos. These videos, which depict a player completing a game, often with commentary, sit in a legal grey area for content producers. While some studios see these videos as infringing upon their IP rights, others see the videos as a form of pseudo advertising. Utilizing data on sales and applying a novel statistical approach, this research project will break new ground in addressing the impact of digitization in the gaming industry. In particular, by determining the relative size of the “substitution effect” and the “indirect advertising effect” this paper will provide unique insight into the impact of digital semi substitutes in all digital industries, as well as providing practical value to the gaming industry.

How should cultural and economic policies be integrated to stimulate traditional craft?

A case study of Japan

Kazuko Goto

Abstract

Cultural economics has typically focused on the arts rather than crafts. What is the difference between the two? Both have cultural and economic dimensions: Artists are involved in the arts, and artisans in crafts. What, then, is the difference between artists and artisans? Art is assumed to be important for creativity and innovation. What role do crafts play the knowledge economy? This paper will reassess the structure of craftsmanship and explore the possible integration of cultural and economic policies for crafts to address the question of how crafts can be sustained culturally and economically in the globalized market.

Traditional crafts are considered an intangible cultural heritage according to the 2003 Convention for the Safeguarding of the Intangible Cultural Heritage. The objective behind safeguarding intangible cultural heritage is to respect human rights, promote sustainable development, and create employment. Cominelli and Greffe (2013) point out that a “manipulator of symbols,” such as a craftsman or designer, can be expected to become a key player in the knowledge economy and the global economy.

The mechanisms for protecting tangible heritage generally relate to public support, including tax incentives for the conservation and maintenance of tangible objects. In contrast, intangible cultural heritage is a living entity, and the key issue in safeguarding it pertains to the transmission of the relevant knowledge and skills to future generations. Therefore, the policy for safeguarding intangible heritage is quite different from that for tangible heritage.

Cominelli and Greffe (2013) discuss the structure of traditional craftsmanship. They draw a line between the tangible and intangible and between common and private resources. Craftsmanship entails intangible/common, intangible/private, tangible/private, and tangible/common components. These researchers also advocate a possible policy for

transmitting the skills and identifying the challenges therein, suggesting the principle behind the 'Living National Treasure' in Asian countries. The Living National Treasure system was established in Japan in 1954. Japan, therefore, has a far longer history of safeguarding its intangible heritage than the West.

The Living National Treasure is an effective means of passing on craft skills to future generations in Japan. However, these skills depend on the endurance of the crafts industry. If the crafts industry is not sustainable, it will be difficult for such skills to survive. In 1975, an industrial and economic policy for traditional crafts began in Japan to promote economic aspects of crafts. However, the quantity of traditional craft products has declined since 1975.

Targeting crafts involves a certain overlap of Japan's cultural and economic policies. However, the two policies are handled by different ministries. The economic policy focuses on the private aspects of crafts, including intellectual property, clustering, and industrial organization. This paper will redefine the structure of craftsmanship based on a case study of Japan, arguing for possible integration of the cultural and economic policies. It will also address how crafts find new markets that evaluate their cultural value at the regional, national, and global levels. The paper concludes by discussing what kinds of policies are meaningful.

The cultural economist perspective on the crafts

Anna Mignosa, Priyatej Kottipalli and Arjo Klamer

Abstract

Craft and craftsmanship have traditionally been identified with objects and capacities related to a specific culture and its habits, traditions, skills, and folklore. This view has characterised the Western approach to craft, putting it in a subordinate position with respect to the arts. This difference has not necessarily characterised the vision of craft and craftsmanship in Eastern countries, where craft occupies an important position next to the arts (especially in Japan). The perception about crafts also varies within Western and Eastern societies as well.

The position of craft in Japan is not the same as in Malaysia or Vietnam. Analogously, the way of conceiving craft and dealing with it presents a lot of differences across Western countries (e.g. US vs. UK or Italy vs. Germany).

Research on craft has been conducted in different fields, though the bulk of works come from cultural studies where books like Sennet's *The craftsman* or Dormer's *The culture of craft* provide a thorough recount of the main features of the sector and its evolution. Economists, instead, have given attention to specific aspects of the craft sector, namely job organisation and the impact of the sector on the overall economy of a country. The economic approach risks focussing on measuring the sector and/or its impact, overlooking its specific features. This paper intends to overcome this limitation using cultural economics. The vantage point of this perspective is that it could imply a different approach bringing into the analysis those characteristics that differentiate cultural objects from industrial products.

In fact, within cultural economics not much attention has been devoted to craft except for some studies looking at the connection with intangible heritage or the cultural industries (Grefe and Cominelli, 2013, Goto, 2013, Kottipalli, 2017, Jiang, 2017), or making international comparisons (Klamer et al. 2012 and 2013). This has meant that the advancements made in cultural economics in general have not been applied to the specific context of the economics of crafts. This paper intends to overcome this gap, providing a thorough analysis of craft using cultural economics, and, somehow bringing together the separate approaches that have so far characterised the sector. Using the results of a comparative analysis as a reference, this work will offer a different analysis using cultural economics. There is, often, a misunderstanding about cultural economics, which is considered to focus on profitability and economic return. However, the paper will show the capacity of cultural economics of considering the specific features of craft. These characteristics distinguish it from other manufacture sectors and call for a different approach that would include the creative element of craft. It will highlight the economic features, the importance of policies and of the tools used to avoid short-term effects and, instead, make the craft sector effective for sustainable development.

Does the cultural economy discourse overlook rural craft-economies in the global south?

Sri Rohana Rathnayake, Carl Grodach and Paul Donehue

Abstract

A growing body of research calls for emphasis on overlooked and diverse geographies in cultural-creative economy research. Existing studies predominately focus on the North American and European urban context without consideration of regions in the global south, particularly rural areas. This paper intends to explore (i) how appropriate are the concepts and measures of the current script of cultural economy when we apply them to rural-global south, and (ii) what lessons can we impart from the rural-global south rather than simply accepting what comes from the global north. The conclusions are based on a review of literature and preliminary findings of a case study carried out in a rural brassware community in Sri Lanka. The paper concludes that studying rural-global south allows researchers to explore new dimensions of cultural economy concepts and measures related to clustering, networking and identity creation. In addition, it suggests that local knowledge, skills and values embedded in these economies have the potential to guide local development in unique directions.

Mapping diversity on the contemporary art market

Elisabetta Lazzaro and Nathalie Moureau

Abstract

In the last decade new national powers, such as China, Russia and Brazil, have emerged on the international market for contemporary art. At the same time, this market looks increasingly globalised, with the same art galleries and the same artists being apparently showcased at different art fairs. For instance, between 2008 and 2015 the number of the same art galleries at both FIAC and Art Basel has increased remarkably, namely from 37% in 2007 to 75% in 2015. In our paper we address questions such as: What is the chance of a given art gallery or a given artist of a given country of being represented in another country or at international level? Can we observe any trends in the last decade? What are the underlying implications? By applying cluster analysis to unique data on art fairs we map the contemporary art market and highlight corresponding trends of the degree of diversity in terms of represented art galleries and artists at international and national level.

Questioning the link between market structure and content diversity

Jonathan Hendrickx, Heritiana Ranaivoson, Miriam van der Burg and Hilde Van den Bulck

Abstract

Between 1950 and 2016, the number of Flemish daily newspaper titles has fallen from 18 to just 7, and the number of newspaper publishers went down drastically from 7 to just 2. Research by Beckers et al. (2017) on the content of Flemish newspapers between 1983 and 2013 shows that newspapers belonging to the same media group are more similar than those in the hands of a different media publisher, even if they have different profiles. These results

can be seen as a confirmation of the commonly accepted consensus existing amongst many media scholars, which agrees on a negative impact of enhanced market concentration on media output. Analysing over 50 relevant papers we find that over the last years, the on-going debate about this topic has been rendered increasingly convoluted, with various existing studies providing a host of different results, either confirming or denying the very existence of the alleged negative impact. Hence, we also find that in contradiction with the said existing consensus, there is no such thing as a clear-cut agreement which accurately and widely enough proves that higher concentration inevitably leads to an imminent decline in content diversity.

Therefore, the purpose of this paper is to fulfil three needs. Firstly, it aims to critically tackle a host of relevant and recent studies, findings and developments in the debate about market concentration and news diversity, and ultimately finds that the situation is far less black and white as commonly seen, and that some existing studies go as far as proving that media diversity for users can actually increase as a direct result of increased concentration in media markets from around the world. Secondly, this paper attempts to portray a clear and succinct overview and provide unambiguous definitions of existing key terms often used in the (academic) debate, but which have seen a myriad of definitions, such as diversity, mergers, consolidation, concentration and competition. Thirdly, and ultimately, this paper wants to inject the notion of distinctiveness into the debate. Using a self-developed theoretical model inspired by Van der Wurff (2005), we gauge that as a result of the concentration era the media currently live in, media diversity will ultimately increase at the cost of distinctiveness, or vice versa. In this paper, the model is presented in terms of public and commercial television channels, though it can be expanded for as many other media products as one wishes. We believe that the incorporation of distinctiveness into the debate can give the flow of thought as well as future research a new impulse, especially when opposing diversity and distinctiveness against one another. At the time of finishing this article, no recent, comprehensive article, report or study exists on the effect of enhanced market concentration on the distinctiveness of media across entire media landscapes for a specific medium. Based on Van der Wurff's (2005) definition, we can even directly put up diversity and distinctiveness against each other, as in his study, increases in diversity of TV channels' programming are cancelled out by declines in channel distinctiveness.

Acoustic diversity of Western Popular music during a period of digital transformation

Patrik Wikstrom, François Moreau and Marc Bourreau

Abstract

The impact of digitization on the diversity of popular music is a topic that has been frequently studied and debated during the past two decades. Previous studies have focused on different subsections of this period and on different specific diversity metrics; primarily metrics based on geographic characteristics of a set of songs, artists or composers (e.g. Ferreria & Waldfogel, 2013; George & Peukert, 2014; Serrà, et al, 2012). These studies have made considerable contributions to the understanding of how music diversity evolves of time, but at the same time, they are fraught with a number of methodological challenges that make the findings subject to considerable debate. This paper contributes to this literature on music diversity by focusing on a neglected and essential dimension of music diversity and by analysing the dynamics of this diversity measure during a period of sustained digital transformation (1990-2015). The measure we have developed is "Acoustic Diversity", which captures to what degree songs in a set sound differently or if they sound very similar - without taking into regards who, where or how the songs were composed, recorded, published or released.

We calculate Acoustic Diversity by using a well-established algorithm developed and commercialised by EchoNest (later acquired by Spotify) that analyses and assigns values to a song based on its properties, such as rhythm stability, timbre, dynamic range, general entropy, etc. These low-level properties are then transformed into the higher-level measures used in this study: Danceability, Speechiness, Valence, Liveness, Acousticness, Energy, and Instrumentalness.

We rely on data from weekly charts (806,000 chart positions) in ten countries (55% of the total global market for recorded music) from 1990 to 2015. The analysis is able to capture different types of impact from digital transformation structured into four periods, starting with (1) the decade prior to the emergence of mainstream online piracy (1990-2000); (2) the period characterized by unsanctioned music distribution via filesharing networks (2000-2006); (3) the emergence of social network services as powerful tastemakers (2006-2010);

and (4) the emergence of global streaming services, such as Spotify, as the dominant model for online music distribution (2010-).

Our main result is that while a decreasing trend in Acoustic Diversity exists in the era of unsanctioned music distribution via filesharing networks as well as in the previous period. However, it significantly accelerates with the emergence of social network services (such as YouTube). Conversely, the streaming period displays an increasing trend for Acoustic Diversity. We also argue that both supply-side and demand-side factors are at work to explain these trends.

An empirical analysis of cultural demand and the structure of household expenditure**Masaki Katsuura, Noriko Hashimoto and Takaharu Araki****Abstract**

In many empirical studies of cultural economics, various demand function for cultural demands are specified, and are estimated for cultural goods and services. In most cases, cultural demands or cultural expenditure, as dependent variables, can be explained by income, price, and other effective household and social variables. However, cultural demands are usually assumed to be determined either by stage of consumption or independently. The purpose of this research was to explore the relationship between cultural and other expenditure, and to establish the structure of household expenditure, using Bayesian networks, for the Family Income and Expenditure Survey in Japan.

We obtained relatively stable results for the various types of household and levels of expenditure classification. For the most part, the necessary expenditures of food and fuel, and light and water charges tend to be the start nodes of structures. We also observed a close relationship between cultural expenditures, some of which were located near end nodes. These results imply that cultural demands have the characteristics of luxury goods, although the structure of household expenditure is complicated.

Cultural consumption determinants in São Paulo**Mariana Castellani and Davi Noboru Nakano****Abstract**

The article analyzes cultural consumption determinants in Brazilian state of São Paulo. Cultural consumption depends on accumulation of cultural capital, the more cultural capital

accumulated, the greater the propensity to consume artistic-cultural goods and services (RIZZO and THROSBY, 2006). Stock of cultural capital is a resource accumulated by consumption or prior exposure to artistic-cultural goods, and the greater its amount, the more efficient one becomes in meeting his/her cultural needs (ATECA-AMESTOY, 2008). There is, therefore, an intertemporal relationship between previous experiences and present and future consumption (BECKER and MURPHY, 1988).

In a study of demand for cultural goods and services in Brazil, Diniz and Machado (2011) indicate education and income as main determinants of cultural consumption, highlighting regional disparities among high consuming individuals. The region of residence of high consuming families is more relevant than consumers' individual characteristics, emphasizing the importance of regional differences in the accumulation of human capital and historical and cultural inequalities that still prevail Brazil.

Data about cultural habits of 7,939 respondents, from 21 municipalities in state of São Paulo with more than 100,000 inhabitants, from 2014, was analyzed. This dataset is broader than previous ones used in cultural consumption surveys in Brazil, as they present data on preferences and consumption and not only on cultural expenditures (DINIZ E MACHADO, 2011).

Initial analyzes indicate no major differences between the capital city, São Paulo, and the remaining cities in the State. Moreover, consumption seems to be actually lower in the capital city, against the idea that the higher cultural supply in São Paulo city would lead to higher consumption. The study also analyses different characteristics of music consumers, focusing on a popular musical genre, country music, which is the preferred music genre of 44% of those interviewed and represents a large part of the cultural consumption. The general determinants of cultural consumption, such as gender, color, income, education, age and children (UPRIGHT, 2004; DEWON AND WEST, 1989; LEWIS AND SEAMAN, 2004) are compared to the determinants of country music consumers. Results indicate that country music, one of the most consumed cultural goods in the state, has a negative relation with the educational level of both the consumer and the head of the family, and with specific cultural capital. Further analysis of the data are being held to better understand the cultural consumption in major cities and medium sized cities, its differences and similarities.

Sunk cost fallacy and cultural consumption: Evidence from a quasi-experiment with an ‘all-you-can-visit’ pricing model

Enrico Bertacchini, Marco Guerzoni and Massimiliano Nuccio

Abstract

The sunk cost fallacy has been often considered in economics one of the main intellectual and empirical challenges to rational decision making. Yet, outside experimental settings, it has been very difficult to isolate the effect of sunk cost on individual behavior.

The paper aims to explore the sunk cost fallacy in consumer behavior related to museum visits.

We analyze a rich dataset of individual visits from a regional museum card that provides to subscribers free access to all the museums in Piedmont (Italy) without restrictions. Through a quasi-experimental setting, we test whether the difference in price of the card influences the number of visits performed by subscribers. Furthermore, we test the relationship between museum visiting patterns and the expiry of the subscription. The paper contributes to the analysis of rational consumer behavior and provides policy implications as to the design of pricing models by cultural institutions.

The Value-Based Approach (VBA): An innovative method to evaluate the social and cultural impact

Arjo Klamer, Lyudmila Petrova and Dorottya Kiss

Abstract

The times are changing. The new economy that many people see emerging, calls for a different way of thinking. We follow this movement and will argue that after years of focusing on the quantities of (economic) life, the time has arrived that we need to consider the qualities of life. Organizations need to reconsider the way they evaluate results and achievements. In the new economy, they need to know what they contribute to various social and cultural qualities.

The social qualities of societies, neighbourhoods and organisations have always been relevant. Recently, the awareness of their relevance is growing. Societies all around the world, are in need of more cohesion, more solidarity, more trust, and more identity.

To capture their importance for the community and society, we need to find measures which assess adequately their contributions. We follow in this well-established institutions like the World Bank, OECD and European Union which all have concluded that there is a need of new measures that adequately capture the vast diversity of contributions to the well-being of the citizens. For example, convinced that the traditional measures of impact as GDP, employment rates, etc. fail to capture sustainable economic and social development, the Organisation for Economic Co-operation and Development (OECD) launched in 2011 a “Better life index”. The latter includes measures which are difficult to measure such as life satisfaction and social belonging, quality of the built environment, physical and mental health, education, recreation and leisure time, and social belonging (Gregory, D. et al., 2009).

Most of these variables represent certain values. Their assessment requires, therefore, a process of valuation. Following Vatin (2013), we distinguish between valuation as evaluation and valuation as valorization. Evaluation is about judging on the basis of certain criteria. This

process doesn't create a value but reaffirms or rejects already existing values. Valorization is a process of value production through which goods gain a worth. This process is uncertain and dynamic and requires deliberation (Klamer, 2003). Such social processes of valorization are no part of the standard economic analysis, yet constitute the core of the value-based approach.

Acknowledging this need we propose a method, called Value-Based Approach (VBA), which can evaluate/assess in a systematic way the social and cultural impact of the organization, project, sector, etc. While conventional measurements of impact tend to focus on instrumental values, the Value-Based Approach focuses on the goal values of an organisation/a project/a sector, or in other words the range of qualities that an organisation/a project/a sector aims to achieve. The impact is assessed through the affirmation, strengthening or change of such values, in relation to the stakeholders that the evaluated organization identifies (Klamer, 2016).

This approach is applied concretely in an evaluation of the Rotterdam Unlimited Festival. In the paper we report the findings, point out limitations and do suggestions for improvements.

Measuring cultural value: Sector-led metrics driving big data decisions

Georgia Moore

Abstract

Arts and cultural organisations are achieving important outcomes across a diverse range of areas. They are supporting mental health and wellbeing, enhancing appreciation for cultural diversity, stimulating new ideas and connecting people to communities - however this often goes unmeasured. Outputs (such as attendance figures and tickets sales) were previously considered the way to measure success in the arts. Increasingly cultural managers and practitioners seek to understand and report on the value and impact of their projects across a range of outcome areas.

This presentation will outline how arts organisations are using a standard outcomes framework and consistent digital data collection methods to measure the value they create for their communities. As desired outcomes vary for every organisation, evaluations are built around key strategic objectives to find out how audiences or participants are impacted by their cultural experiences. Evaluating outcomes and the quality of artistic programming, and comparing the results with an internal and peer assessment, generates hard evidence the arts can utilise to attract investment, grow audiences and make programming decisions. This makes the evaluation process meaningful for the whole organisation and the sector.

The presentation will also demonstrate how when a common language is used to measure quality and outcomes, sector-wide insights emerge. These learnings form the basis of a holistic value story for the arts. The presentation will include sector specific insights and case studies from the Culture Counts big data set, including trends by artform categories and demographics.

Creative cities require creative commons

Arjo Klammer and Youn Sun (Rose) Won

Abstract

The last ten years many (local) policy makers and quite a few social scientists have been fascinated with the possibilities of so-called creative and smart cities. This fascination was stirred by the conviction that creativity boosts the (local) economy. And because the urban economy is good for 70 percent of global GDP, and more than half of the total world's population lives in cities, this intriguing factor of creativity appeared to have also a broad economic impact. So, scientific and political practices began to focus on the regeneration of urban environments, based on principles of generating creative attractors in city centres, stimulating the creative class, fostering creative communities, and developing creative centres in local neighbourhoods.

An important force in all this has been the contribution of Richard Florida with his work on the economic impact of the creative class. Policymakers across the globe are trying to make their jurisdiction a place where young creatives and high tech workers want to be. They do so by means of developing cultural amenities of cities or local areas. Following what they thought Florida's message to be, they assumed that the congregation of creatives would bring about in a spontaneous way local economic prosperity and an improvement of social qualities. Accordingly, many towns hastened to construct, for instance, a creative centre and innovation hub in order to encourage local creativity and attract creatives. Then what happened in cities? Did cities produce more businesses? Did people get affordable housing? How about the quality of the urban environment?

Even when the urban landscape has been nicely improved and a great influx of creatives contributed to the local economy, it is dubious that the changes benefit all the inhabitants. In spite of the innovative shift of their neighbourhood, many people may leave their town. Why do they do so?

Apparently, the increase of tourism, a possible economic effect of a creative policy, can be at the expense of the local identity. More inequality may be the effect. It appears that the sweeping doctrine about creative cities doesn't turn out as planned. Something has been missed.

In order to discover the missing clue, it is needed to build a new framework that enables to distinguish the omission from the generic discourse. This article, therefore, explores a new frame work in a cultural economics perspective, with empirical studies of the Netherlands and South Korea, in order to analyse what makes cities alive. This perspective draws its inspiration from the so-called value based approach. A central notion is the creative commons.

We will work with "big data" to sort out the existence of creative commons in Dutch and Korean cities and to determine their social and creative qualities. In studying the social qualities we will try to see whether we can discern the extent and the severity of the resistance that political support of the creative commons may generate.

Re-addressing the question of value: A schema of measurable economic outcomes of cultural activity

Kim Dunphy and John Smithies

Abstract

The effectiveness and efficiency of public policy and related activity is increasingly a focus for governments around the world. This imperative is impacting the cultural sector more frequently, with agencies expected to report on the value of their investment in cultural infrastructure and activities. However, this provides the cultural sector with a particular challenge, as outcomes have not been a strong focus of measurement and evaluation practices to date.

This presentation addresses these issues in offering a schema of measurable outcomes for cultural activity. While the schema includes outcomes of cultural activity across five domains of public policy (cultural, social, economic, environmental and governance), this workshop focusses on outcomes that have been developed to assess the economic impact of cultural engagement. These outcomes are: Cultural industries strengthened (Diversity); Economic complexity supported (Complexity); Individual economic wellbeing increased (Participation).

These outcomes and associated measures have been developed after an extensive literature review of theoretical and empirical research on culture and economy, including many reports from cultural agencies that ostensibly measure the value of their contribution. They have been further refined through consultation with experts from government cultural agencies at three levels in Australia, including the National Local Government Cultural Forum; philanthropic funding bodies; and cultural professionals, from artists to producers and managers.

Application of such a schema shifts the emphasis of evaluation from the type of measures that are commonly used by agencies and organisations funding and delivering cultural activity: input (amount of investment), output (how much activity has taken place, how many people have participated), and quality measures (how highly the activity is rated, how much a

person would pay for it). Through this schema, the significant emphasis is shifted to outcomes (what difference this engagement makes to people who are participating, and others in their communities). Thus, it is possible utilising this schema of outcomes, to understand what contribution cultural activity and the engagement it stimulates makes to the economic wellbeing of communities in which it occurs.

An example of the utilisation of these outcomes and their measures will be presented, in a case example of the cultural development plan and evaluation strategy from an Australian local government agency. Audience members will be invited to respond to ideas presented, thus contributing a further level of input from those with expertise in cultural economics.

Measuring technical efficiency and marginal costs in the performing arts: The case of the municipal**Víctor Fernández-Blanco, Ana Rodríguez-Álvarez and Aleksandra Wiśniewska****Abstract**

The aim of this paper is to bring new contributions to the analysis of efficiency and productivity in the performing arts. Measuring technical efficiency is a relatively frequent task in performing arts in general and theatres in particular. First, we consider that the behavior of a performing arts company can be analyzed under a multi-output technology of production, since they offer different products in terms of quantity and quality. Second, and for the first time to the best of our knowledge, we propose a procedure to measure the marginal costs associated with the production of performing arts firms. We have chosen our outputs coming from the supply side: number of performances, number of new titles and number of titles that have been staged previously. To achieve our goals, we estimate a stochastic input distance function to a set of nineteen public municipal theatres in Warsaw during the period 2000-2012. It confirms the hypothesis of multi-output technology of production. Additionally, we calculate the technical efficiency indices for the theatres and characterize some determinants of their efficiency, paying special attention to the effect of public grants. Our findings suggest that those municipal theatres in Warsaw could have used 7% less inputs to achieve the same level of outputs. At the same time, the presence of public grants improves efficiency and, so, contributes to extend novelty and diversity. The marginal cost of a new performance is around 7,149 PLN; and introducing a new title costs up to 3.33 times more than staging one title already established in the repertoire. The policy implications driven from the research has been formulated.

Patrons or investors? The hybrid motivation of the new owners of the Château de la Mothe-Chandeniers

Marie Ballarini

Abstract

Crowdfunding is a form of finance that allows creators to fund their projects thanks to a large number of individuals online (Agrawal, Catalini, and Goldfarb 2015, Schwienbacher 2012, Mollick 2014). According to a widely accepted typology, there are four types of crowdfunding, donations, reward based crowdfunding, crowd-lending and crowd-investing (often referred to as equity crowdfunding) in which the contributor acquires shares in the hope of a financial return. Typically, cultural projects are launched on reward-based platforms and entrepreneurial ventures on lending or equity. We propose to study a specific campaign from fall 2017 in France on the platform Dartagnans, also the co-creator of the project.

In September 2017, the Adopte un Château association and the platform specializing in heritage projects acquired the château and create a simplified joint-stock company to manage the estate. They then launched a fundraising campaign on the platform that offers Internet users the opportunity to donate or invest in the company by acquiring shares. This campaign therefore proposes to all interested persons to become the owner of a “bit of the castle” and “to decide of its future”. The project reached 1.6 million euros on December 25 with 18,568 contributors from 155 countries (about 8,000 contributors are domiciled abroad).

Dartagnans model of creating a company and therefore a long-term investment is at the crossroads between financial and real estate investments and philanthropic contributions. Beyond the explanation of an unprecedented success, we analyse what could possibly become a new model of financing and safeguarding heritage by questioning the motivation of its contributors, are they philanthropists looking for saving a piece of the French heritage or investors hoping for a financial return?

The literature considers that individuals on reward-based platforms are primarily motivated by intrinsic motivations while individuals on equity platforms are motivated by extrinsic

motivations (Collins and Pierrakis 2012). However, this seems quite restrictive, especially in a context of cultural equity.

In partnership with Dartagnan, we administer a questionnaire to the new owners of the castle. This online questionnaire will seek to achieve a clustering of contributors and to refine the knowledge on the motivations of these philanthropic investors.

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Accurate or fuzzy? On the predicament of internet media spread in the background of artificial intelligence

Longfei Li and Shilian Shan

Abstract

The choice of media content has a direct impact on the information received for the public. From the way of the original media chief editor in charge to the current algorithm recommended by the rise of artificial intelligence, the sources of media have changed. The classic "5W" principle (Harold Lasswell) of communication can no longer adequately explain the current innovation of the media. The fieryness of artificial intelligence is mainly based on the accurate positioning of machine learning algorithms. Under a trend of singing, this paper, however, argues that the dilemma of the spread of Internet media is being

synthesized, and the algorithm based interest distribution and social distribution needs to be combined. Internet media, on the one hand, attaches various types of tags to users based on user behavior data streams and then disseminates media content through interest distribution. On the other hand, this interest-based distribution does not broaden people's horizons. Users are confined to a limited space of interest, contrary to the nature of the Internet decentralization. Taking the Today's Headlines and Tencent News in China as an example, this paper proposes that different media, user behaviors and dissemination scenarios need to use different media content distribution modes. First of all, based on Today's Headlines and Tencent News, we analyze the current situation and content distribution mode of the current Chinese media. Secondly, we review the history of media dissemination, and understand the changes of the mode of communication and user behavior. We use the analysis of data and the establishment of measurement models to explore the behavioral logic behind today's algorithm-based interest distribution and the behavioral logic based on social distribution. Finally, I put forward my suggestions and improvement methods.

Media innovation and business models: The case of 360 video distribution platforms

Heritiana Ranaivoson and Simon Delaere

Abstract

Immersive audiovisual services - characterised by features such as omnidirectional video, interactivity and multi-screen output- have been around for quite some time. However, recent technological advances have been at the basis of a market surge which, beyond the hype cycle, could prove to be a disruptive factor in the way audiovisual content is produced, distributed and consumed. Virtual Reality (VR) now has the potential to become one of the next big computing platforms, as we saw with the PC and smartphone (Goldman Sachs, 2016). As with many of these evolutions, new players try to enter the market while established majors choose between focusing on the traditional business model and product line, fully engaging with the new technologies or choosing a hybrid model by entering into strategic partnerships. Innovation is crucial for all these players to succeed but will take various forms depending on the type of player.

This paper analyses how innovation and business models are related in the case of immersive audiovisual services, with a focus on three of the main distribution platforms: Steam and HTC's Viveport, Facebook's Oculus Home and Google's YouTube VR. To do so, it first briefly discusses the issues at stake in terms of media innovation, in particular the fact that content innovation is often neglected or misunderstood. It then applies the Business Model Matrix (Ballon, 2009) to these three cases. In particular, the cases are compared in terms of vertical integration, interoperability, revenue model, positioning, user involvement, and the role of content innovation. The paper concludes with a comparison of the cases. It expands the rapidly growing literature on media innovation by using a business model methodology, providing the first instance of an in-depth, structured comparison of immersive audiovisual services from a business point of view. It aims to fill a knowledge gap by dealing with a sector almost ignored by business or economic academic literature.

Playing a play: Online and live performing arts consumption and the role of supply constraints

Pablo De La Vega Suarez, Juan Prieto-Rodriguez, Sara Suarez-Fernandez and David Boto-Garcia

Abstract

The digital era brings us new opportunities to access culture. The purpose of this paper is to study the differences between online and live consumption of performing arts, distinguishing theatre from others such as ballet, opera and zarzuela. This distinction is based on the differences in online consumption among them. When an individual wishes to enjoy a theatre play online, (given that its meaning is complete) she will usually watch it fully, as one might watch a film. On the contrary, when enjoying other performing arts, individuals might watch parts of a performance; for instance, there is no need to watch a full opera to enjoy an aria. First, we compare the socioeconomic profile of attendants to live and online performances. Since the typical live cultural attendant is a female, highly educated and mature, whereas the profile of an internet user is a young man without high education, we expect differences in the profile of online and live cultural consumers. In addition, we analyze the complementary or substitution pattern between online and live participation, and whether or not this pattern is similar in theatre and in other performing arts. We study if digital participation could help those live-performing-art consumers who would like to attend more performances but suffer from supply constraints. That is, could online performances satisfy unfulfilled live performing arts' demand?

To this end, we use the Survey on Cultural Habits and Practices (SCHP) collected by the Spanish Ministry of Culture and Sports for the period 2014-2015 as a database. This survey is representative of the Spanish population older than 15 years of age and it gathers information about socio-economic characteristics such as gender, age, education level, employment status, family responsibilities and region of residence as well as, regarding performing arts, both online and live consumptions. To analyze online and live participation in the performing arts, we estimate bivariate probit models.

Digitalization in small and micro businesses in the cultural sector: A case study on perceived benefits and challenges of implementing a collaborative audience development technology

Emma Lind, Tom Roar Eikebrokk and Dag Håkon Olsen

Abstract

What motivates a small group of cultural organisations in south east Norway to engage in a process to collaborate on tickets sales, audience data collection, data analytics and marketing strategies, and do they share a mutual understanding about the outcome of the collaboration? Are there discrepancies between participants' definition of success and what they expect to have to contribute themselves? Does this collaboration represent a significant change for participants, and how will it affect audiences?

This paper presents a case from an ongoing R&D project in Østfold called “Ny samarbeidsmodell for publikumsutvikling i Østfold”. The project owners are Østfold Kulturutvikling, a cultural production department within Østfold County Council, and Arena Magica, a creative industry cluster, also located in Østfold. The R&D project's main objective was, and still is, to develop a new collaborative model for audience data collection and strategic data driven audience development between public and private partnerships in the creative industry sector. The objective of this collaboration is to engage in sales of tickets to performances, as well execute communication- and marketing services through strategic data collection, analysis and statistics, and develop an aggregated (‘Big data’) picture of audiences across an entire region. The model for this collaboration has been influenced by similar international consortiums from other industries such as tourism. Together with researchers and expert business consultants, the project participants attempt to re-structure the value- chain of collection and ownership of audience data, by challenging current business models for ticket sales and distribution in Norway. The paper presents both a discussion on the perceived benefits and barriers experienced by the consortium participants as they attempt to implement a new business model, as well as a discussion on their learning process towards understanding the role of ticket agencies (Ticketmaster etc.) in business models in the cultural sector.

This paper hopes to contribute to the discussion of co-working/ collaborating through digitalization of audience development tools.

Facebook monitoring metrics: Applications in museology

Ana Bedate Centeno and Celia González-Carballo

Abstract

Social networks are a key medium for any institution's communication nowadays. Assessing the performance of social networks requires some reflection and systematic work both in the short as well as the long term. Yet such an investment may prove to be extremely profitable for the museums' communication departments, since it helps improve the content of the posts adapting them to the target audience, fostering interaction and, in sum, improving the way the institution is run.

Today, free monitoring tools are available that provide account owners with a vast amount of information concerning the use thereof. Yet the metrics used for evaluation in social networks often entail a number of difficulties in their interpretation as a result of their being too generalist and all-embracing since they are aimed at all kinds of users: public authorities, firms, private users, etc. In the case of Facebook, many of these metrics have similar meanings, since both the number of users engaging in a communication of any kind and the number of actions, are quantified.

The present work seeks to summarize and enhance the interpretation of Facebook's metrics using a multivariate technique, the factorial analysis in an attempt to pinpoint which factors best explain communication in said network in the case of three Spanish museums. In addition, we aim to create an online activity indicator with a two-fold purpose in mind, firstly, to pinpoint the days corresponding to the highest values of the index and linking them to the events which occurred on those days, and secondly excluding them in order to assess the mean monthly evolution without the influence of exceptional events. Finally, and in order to achieve a better interpretation of the indicator's development over time, graphic analysis

was used both for the index and for the contributions there to of the factors extracted, excluding outliers.

This research offers a technique that is relatively straightforward to apply and which is suitable for summing up the numerous and varied metrics available when monitoring this social network. Its usefulness is shown in its application to three museums which display extremely different features, providing tailor-made indicators for each that are able to reflect in each case how its online Facebook community behaves.

Digital technology implementations within cultural and creative sector

Kirsti Hjemdahl, Tor Helge Aas, Erik Wästlund, Daniel Nordgard and Elisabeth Drange Tønnessen

Abstract

The decision support within the cultural and creative sector are mainly limited to experience based management, rather straight forward analysis of transaction dates as well as market surveys (Cooper and Edgett 1999, Voss and Zomerdijk 2011) . Due to the growth of low-threshold technology new possibilities opens for the use of advanced databased analysis of heterogenic data to new actors, as the investments costs are relatively low. If small and medium sized businesses manage to implement such data directly as a base for their own development and operation, it could create a new fundament for sustainable value creation. 13 Norwegian small and medium sized businesses within the field of cultural and creative industries co-work with technology companies, consultants in digital innovations and finance, as well as a team of researchers in a project called INSITE (Hjemdahl and Aas, 2018). By using beacons technology, mixed with other heterogenic data such as weather, transaction data from cash register, guest surveys, they develop visualising data panels that allows exploring analysis. The aim is that data driven development and operation management will trigger new growth and value creation by creating databased insight on what triggers good experiences, stimulate will to pay and repurchase intention. The

companies are working towards developing new decision- and managing processes that will provide increased value creation through better investments on a long term and more precise resource disposal and higher income on a short term.

The implementation of data driven visual data panels that allow exploring analysis is new within the cultural and creative sector in Norway, and when the INSITE project started only back in 2015 there is not much research covering this field. However, the research field is fast growing. Within for instance tourism research addressing tracking data such as GPS, mobile positioning, Bluetooth tracking, geocoded social media, Shoval and Ahas (2016) divide different generation of research; 1) the first focusing on methodological dimensions and the potential of tracking data, 2) the second using spatial data and uncovering new aspects of the field, and 3) third made use of the new data sources to challenge fundamental questions on consumer behavior.

Still, there are little focus from the business perspective of challenges on 1) how to implement the fast developing technology, 2) how to lead complex technology implementations, and 3) what competences that are needed in different steps of the implementation. This paper aims at addressing these vital challenges and research questions, in a co-operation between the research team in INSITE together with the head analyst of the leading company of the project.

Claiming that researchers aiming to contribute to innovation processes within service innovation need to become “insiders” to a higher degree than the case is within manufacturing innovations, the researchers and organizational members are to a large extend co-creating relevant knowledge production to contribute to the innovation process (Hjemdahl and Aas, 2018).

6D

Cultural participation: Art for art's sake or a question of money?

Juan Prieto-Rodriguez, Maria Jose Perez-Villadoniga, Sara Suarez-Fernandez

Abstract

According to previous studies, education is the socioeconomic variable with the highest forecasting accuracy on cultural participation. This is due to two effects. First, a direct effect, given that the higher people's education level, the greater the interest and taste for culture. Second, an indirect effect, through people's purchasing power, since more education usually means higher income and therefore, higher consumptions of any luxury goods including culture. This paper analyzes the role of education and tries to distinguish between these two effects. Since the relative importance of these two effects may vary across cultural activities, we analyze cinema, performing arts attendance and visits to monuments and museums.

Methods

In order to study cultural participation in these three activities and the importance of individuals' cultural interests and earnings, we use a Zero Inflated Ordered Probit (ZIOP) model. This is an extension of the basic ordered probit model that allows for the possibility that zeros come from two different Data Generation Processes, and uses a double-hurdle combination of a split probit model and an ordered probit model.

Database

Our database is used the Survey on Life Conditions (SLC) conducted in 2015 by the National Institute of Statistics in Spain, which is conducted harmonized in every country of the European Union to allow cross-country comparisons. This survey is representative of the Spanish population and collects data about sociodemographic features such as gender, age, education level, labor status, income, and regional issues, as well as information regarding cultural participation during the previous year and people's declared reasons of non-attendance.

Results and conclusions

Preliminary results show that the role of participation barriers depends on the activity. For live performances and visits to sites of cultural interest, the main nonattendance reason is lack of interest, which is linked to education level. In these activities, there is polarization between high-demand attendees and absolute non-attendants. In contrast, income seems to explain better cinema attendance. Behind cinema, there is an industry designing its products to fit potential consumers' desires, whereas attending to performing arts and sites of cultural interest requires personal training in taste. It could be concluded that the lack of interest is the first barrier to cultural participation and, only after having taste for culture, economic restrictions become relevant.

Participation framework for people-centred cultural heritage management in the digital age: A systematic literature review

Olufemi Adetunji, Jamie MacKee and Iftekhar Ahmed

Abstract

Administration of cultural heritage with a rigid focus on authenticity and monumentality with little interaction and participation of the people has been the main practice in countries in Africa when compared with other continents. However, the current management practices of cultural heritage in Nigeria needs meaningful engagement with the communities and groups to create a new sense of identity, ownership and continuity that is needed for sustainable conservation of the meanings and values inherent in the heritage places. Community engagement enhanced with digital technologies may help to create vital partnerships between the people, local, state and national governments, private organisations and other key stakeholders thereby furthering social inclusion within the society. The improvement in quality and penetration of internet in many African countries spurring various digital innovations thus create new ways of developing people-centred cultural heritage. To explore this issue this paper applies systematic review process of relevant literature published between 2010 and 2017. A search of keywords was performed in Scopus and Google Scholar using Boolean operators to combine key topic terms – ‘participat*, digital, cultural heritage,

people-centred, community, conserve*'. Articles were selected based on inclusion/exclusion criteria to assess suitability. The study finds that limited study has been conducted focusing on theories, policies and practice of cultural heritage management in Africa. The review identified social media such as Facebook, Twitter and other digital applications could improve people's interaction with cultural heritage places as these tools have been integrated into the management of cultural heritage in developed countries. Based on this, it is clear that digital technologies indeed facilitates communication of heritage values across different groups and communities, but also offers new ways of reflecting upon the past for decisions that are needed to be made in the present and future. Importantly, digital tools are to be deployed as part of the whole process for the development and transformation of the society. As part of an ongoing doctoral study, a people-centred framework is developed to integrate digital technologies with the management of cultural heritage in Nigeria and roles of stakeholders were identified.

Participation in Chinese museums

Fenghua Zhang

Abstract

Based on the data of museum participation in 31 provinces since 1996 to 2015, this paper examines the influencing factors and policy effects of museum participation before and after the free opening of Chinese museums. Research shows that since the implementation of free admission to museums in 2008, the number and size of museums have steadily increased and the number of museum participants has soared. China's financial subsidies to museums have a positive lagged-behind impact on the number of museum participants. The population above junior college in each province has a significant role in promoting museum participation, and income has a positive impact on museum participation, which is not statistically significant. The results further confirm the cultural characteristics of museum participation in the past. Regarding regional environmental effects, The urbanization level of each province has the most significant influence on museum participation, which is a significant phenomenon of urban cultural consumption.

Household expenditure on performing arts: Evidence from a natural experiment in Spain

Victoria Ateca-Amestoy, Javier Gardeazabal and Arantza Ugidos

Abstract

This paper uses Spanish household expenditure survey data to draw inference on the effect of tax changes on household spending on cinema and performing arts. To identify the effect of the change in taxes, we take benefit of an uneven raise in the Value Added Tax (VAT) rate for cultural services that took place in different regions of Spain as of September 2012. We report evidence using a difference-in-differences setup and a matching procedure. In both cases, the average household expenditure on the performing arts did not change significantly as a result of the tax rise. This finding is consistent with a unitary price elasticity of demand whereby, on the aggregate total expenditure does not change, quantity demanded decreases and those households that consume these services increase their expenditure. We find that the tax rise would have reduced overall household attendance to performing arts in nearly ten per cent. Therefore, the effect is heterogeneous. We then restrict the empirical analysis to the sub-population of households that report a positive expenditure. For this sub-population we are able to estimate the average treatment effect on the untreated, that is, the effect of the tax rise on those households that were not affected by the tax rise, had they faced the tax rise. We find that their average expenditure would have increased by nearly 44 euros. This finding is robust to a number of placebo tests which lend some internal validity to our analysis.

Culture a tool for soft diplomacy: The curious case of the ASEAN Cultural Fund and other Northeast Asian interventions in Southeast Asia

David Ocon

Abstract

In the context of World War II, Japan invaded large parts of China, the Peninsula of Korea and Southeast Asia. During the years of occupation, Japan spearheaded the concept of the Greater East Asia Co-Prosperty Sphere, aimed at promoting culture and economic unity in the region, and controversially considered by some authors as the first modern scheme of Asian cooperation (Jones & Smith, 2007). After Japan's surrender, the country undertook fundamental economic reforms and dramatic reconstruction, and by the late 1960s, not only had it risen from the ashes of the war, but it had also achieved an astounding recovery. Events such as the hosting of the 1964 Tokyo Olympic Games and the Osaka International Exposition in 1970 underscored the country's economic development.

Japan's image in Southeast Asia was heavily damaged after the occupation period; mistrust and suspicion were common among governments and citizens in the region (Tōgō, 2010). After the country was back on its feet, Japan initiated a proactive policy of soft diplomacy in the region aimed at reactivating links, improving relations and cleaning up its deteriorated image. In 1972, the Japan Foundation was created to undertake international cultural exchange and several bilateral agreements that fostered cultural cooperation followed. In 1978, in an unprecedented measure in the region, Japan proactively funded with 5 billion yen (\$25USD million) the establishment of an ASEAN Cultural Fund. The Fund was meant to be instrumental in the promotion of cultural activities and cooperation in the region. Four decades since its inception, this initiative remains today as the main source of funding for the promotion of multilateral cultural activities in Southeast Asia. The creation of the ASEAN Cultural Fund was followed by other measures that also targeted the cultural field in Southeast Asia, intended to reinforce the new diplomatic path Japan was undertaking.

This paper aims to reveal how culture has been instrumental in the reconstruction of Japan's

reputation and in re-inventing its image vis-à-vis its Southeast Asian strategic partners. The paper argues that culture has contributed to turning Japan, not only into one of ASEAN's best friends, but also into one of its biggest investors and, until recently, its largest trading partner. At a moment when the impulse for East Asian regionalism is gaining critical momentum, this investigation also aims to bring into the spotlight China's recent 'cultural re-balancing' towards Southeast Asia. This new cultural focus accompanies China's robust economic and political influence in the region, and contrast with Japan's current stagnation in terms of cultural investment. This paradoxical situation is shaping the contemporary race between the two countries to regain influence in the region.

Government quality and world heritage in the regions of Europe

Enrico Bertacchini and Federico Revelli

Abstract

This paper uses panel data on over 200 regions of Europe during the years 2010-2015 to investigate the determinants of the likelihood of a region having its heritage sites included in the UNESCO World Heritage list. Besides exposing and discussing for the first time the spatial distribution of World Heritage sites across the European regions, we focus on two potential determinants of inscription in the World Heritage list that have never been considered before. First, we test whether the location of a region matters for the chances of its sites to be inscribed by controlling for the stock of listed heritage sites that are located in the surrounding regions. Second, we make use of a recently developed European Quality of Governance index at the regional level to verify if low quality governance is an obstacle to inclusion of a region's cultural heritage in the list.

Efficiency and equity in cultural policy: Friends or foes?

Raymond Ndhlovu

Abstract

The success of the cultural sector rests on a cogent cultural policy. As an extension of public policy, cultural policy ought to achieve the objectives of public policy, whilst simultaneously promoting the arts and cultural sector.

Cultural policy must thus consider macroeconomic objectives which are related to the arts. One of government's macroeconomic objective is efficiency: economic and social. Economic efficiency is achieved when the condition of Pareto optimality is met i.e. it is impossible to make someone else better off without making someone else worse off. Social efficiency is achieved when Marginal Social Benefits (i.e. benefits that accrue to the entire society as a result of consuming cultural goods) are equal to the Marginal Social Costs (total cost to society of providing the cultural goods). This point of equilibrium maximises total welfare.

Another macroeconomic objective of government is equity. Equity explores the fairness with which resources are distributed and allocated. Equity has become a very important macroeconomic objective, particularly in developing countries, and more so in countries that suffer from a colonial history. There ought to be fair opportunities, and access, to culture, cultural activities, and cultural employment. Where there is seen to be an unfair allocation to cultural goods, services and resources, government may be obliged to intervene through various other policies to correct this. However, it is possible for the government intervention to leave the situation worse off than it initially was, a case of government failure.

Ultimately, the policy process is considered to only be complete once measures are deemed to be both efficient and equitable. This paper however finds that there is seldom a policy process that maximises both efficiency and equity. There is often a trade-off between the two objectives, as governments and firms seek to allocate cultural resources efficiently, and then ensure that the allocation is equitable as well. Whilst the market is able to self-correct for efficiency (or inefficiency), this may not always be the case for equity.

An overview of “design” public policies: exploring the cases of India, Queensland (Australia) and the European Union

Rui Monteiro, Bruno Giesteira, Anne Boddington and Cristina Farinha

Abstract

This paper aims at providing a comparative analysis overview on a selection of public policies on “Design” within different geographical locations. It is based on the observation that policy makers have been embracing “Design” as an opportunity to promote development in different dimensions (economic, social, environmental, among others), which has led to the research question “How are Design public policies around the globe shaped in regards to their context, aims and structure?”. Within the context of this research it is particularly key to take step back and look into the more fundamental question of how is “Design” understood and how multiple, confusing or simple absent definitions can limit the possibilities it represents for growth and jobs, as the cornerstones of how “Design” is usually presented in public policies. The analysis is focused on the geographical locations of India, Queensland (Australia) and the European Union, which have dedicated public policies on “Design”; these locations are not meant to be exhaustive but a first approach. The following aspects are considered: overall objective, context, definitions, evidences and assumptions, actions, budget and target-group. On a macro level it is interesting to note how “Design” has been spreading over different regions with the main purpose to increase economic competitiveness. The originality of the proposed work lies on the possibility to further understand the expansion of “Design” within public policies, by taking a macro-perspective on this subject, by looking at policy frameworks as opposed to specific programs. Moreover this approach provides the possibility to understand how “Design” policies have been flowing across societies, particularly as “Design” has been more recently integrated within the so called innovation policies, while still being usually considered within the spectrum of the cultural and creative industries policies.

‘Margins and the Arts’: Severe geographic centralization and management of organizations in the arts

Andrej Srakar

Abstract

Inequality has become one of the most researched topics in the social sciences of recent years. In our article, we analyze the inequality in the distribution of the public funds for Slovenian organizations in the arts and culture in the period 2005-2015. We use several methodological tools not used so far in cultural economics (log-linear regression techniques for the analysis of market shares, namely Attraction and Full-Factorial Attraction models) or at least in the study of inequality in the arts (network analysis). We provide some methodological improvements in both methods used: new procedures of taking into account the efficiency in the estimation of the attraction models and a proposal for network centralization measures for weighted affiliation networks. In the article, we test the following set of hypotheses: H1: The distribution of public funds for culture in Slovenia is highly skewed towards Ljubljana and Central Slovenia. H2: The main reasons for the skewedness do not lie only in the difference in the economic development of the regions. H3: The skewedness depends on the characteristics of the non-governmental firms, in particular their size. H4: The skewedness is apparent no matter whether we observe national or local distribution of funds for culture. H5: The behaviour of firms in culture and arts is affected by the level of geographical centralization. Using several broad datasets we are able to show, estimate and analyze the severe level of geographical centralization of public funds in the arts and culture in Slovenia already claimed in the basic literature, analyze and explore its determinants and causes, and determine the consequences for the behaviour of organizations and proposals of correcting policy measures. An interesting result of the paper is that there is no link or even a negative link between inequality of the distribution of the public funds for culture and the level of economic development of the region. We test for this finding with several robustness checks and provide its explanation. Finally, we provide some paths for research in future.

Do creative nest together?

Ashton de Silva and Sveta Angelopoulos

Abstract

Creative (commercial) activity is seen by many (planners, academics, bureaucrats) as a key to local economic sustainability. In Australia there is an ever-increasing focus by local governments on the promotion of creative endeavours with the object to grow economic prosperity. Akin to this objective is the promotion of community cohesion, innovation, as well as identity. In other-words creative (and in particular artistic) endeavours are being (centrally) sponsored as they are believed to enhance the wellbeing of the local community. Australia has a very diverse physical, social and economic landscape. Local endowment of creative human capital also varies considerably. The main aim of this research is to gauge the degree of residential heterogeneity of creatives across local (government) areas. In particular we are interested in understanding the patterns and stylised features of creative dispersions. We gauge artistic human capital by employing a Cluster Technique using Australian Census data. In particular we consider eleven types of creative occupations identified in the 2011 and 2016 Australia Censuses. Our main conclusions include:

- The distribution of creative human capital has a strong idiosyncratic characteristic to it.
- Some stylised features are evident including major city centres having a relatively high concentration of all eleven creative types.
- The dispersion of clusters can change over time.

Our results indicate it is fundamentally important that local governments, when planning creative strategies, have a detailed understanding of their own endowments relative to neighbouring areas. In particular, the insights generated from this investigation will enable local governments to better understand their relative comparative advantages (and synergies) in the quest to maximise the wellbeing of its residents.

Creative Barkly: Mapping creative practice in one of Australia's remotest regions

Sandy O'Sullivan

Abstract

There is increasing recognition that the arts sector plays a crucial role in regional development, but very little is known about how this operates in Australia's remotest regions where the demographics of communities are vastly different from other regional centres. This paper presents the methodology and early findings from a three-year ARC Linkage, 'Creative Barkly: Sustaining the Arts and Culture Sector in Remote Australia' (2016-2019). There is a pressing need for evidence based research that examines how this sector is currently functioning in remote Australia and where its growth potential lies. The paper will draw on preliminary findings of a mapping exercise in one of Australia's largest remote regions, the Barkly NT. It will examine the role leading arts and service organisations play in supporting creative enterprises, industries and practices in a region that is home to a sparsely distributed, multicultural population with diverse needs and priorities.

The Creative Barkly project employs a broad and flexible definition of the "arts and creative sector" in exploring how it operates in the Barkly region. Keeping this level of openness during the mapping phase has enabled the research to be guided by the realities of what arts and creative practices exist in the region, independent of any rigid terms being set out prior to the study. The art forms and creative practices encompassed within the project include those found in state, national and regional arts policy; in the Creative Industries framing of "creative occupations" (CIIC 2013); and in 'everyday' or vernacular forms of creativity and intangible cultural heritage that may sit outside formalised industry or policy contexts (Gibson et al. 2010). In line with current research that examines the value of the arts sector, Creative Barkly aims to capture art forms and creative practices that traverse the spaces between commercial and non-commercial, professional and amateur, elite and popular, public and private, mainstream and fringe, and any other traditional boundaries that may exist in defining the sector.

What has emerged in the early stages of our mapping is the need for an ecological approach, which enables us to respond to the complexity of the sector and its economic and social

value. An ecological approach views the arts sector as an “organism” rather than a “mechanism” (Crossick and Kaszynska 2016:99), and recognises the relationships and patterns between traditionally separated domains such as commercial, amateur and subsidised (Holden 2015). In the Barkly Region this is particularly relevant, given the strong presence of unpaid and hobbyist arts practices; the multiple uses of space and place for arts and non-arts activities; the diversity of arts income models; the large presence of non-arts organisations delivering arts and cultural work; and the heightened need for organisations to use resourcefulness and creativity in accessing funding from programs that often fail to respond to the specific needs of a remote desert context. This paper therefore sets an agenda for the delivery of research resources, and identifies future strategies and initiatives that might strengthen the arts sector in the Barkly and beyond.

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Creative economy potential index for Brazilian states' capitals

Cristina Couri, Diego Santos Vieira de Jesus, Diogo Robaina, João Luiz de Figueiredo and Matheus de Moura Coutinho

Abstract

The article deals with the measurement of the potential dynamism of creative economy in the 26 capitals of Brazilian states and the Federal District. This research is relevant for a greater understanding of the current economic development of creative activities and the formulation of public policies aimed at strengthening these activities. The option for the analysis of the Brazilian states' capitals is justified by two complementary factors. First, Brazil's size and heterogeneity require an analysis at the scale of each city. Second, there is still no available and reliable data for the consideration of 5,570 Brazilian cities. As creative economy activities tend to concentrate at Brazilian main urban centers, our option can bring a good picture of the dynamics of creative economic activities in Brazil and identify the main centers of their potential development.

Cultural and creative industries development in Shenzhen: The role of knowledge exchange between universities and companies

Yi Wang, Greg Hearn and Terry Flew

Abstract

Within the development of creative industries, there has been increasing awareness in the recent years of the economic growth, digital innovation, regional regeneration in China. The paper uses the context of “creative economy” and “smart city” to explore the role of knowledge exchange activities between various actors under creative policy.

Since 1980, Shenzhen has grown in a record-breaking pace to the megacity with increasing economic growth. Shenzhen is backed up by the growing economic integration in Pan-Pearl River Delta zone, which is a rapidly developing as an economic zone in southern coastal China.

Moreover, Shenzhen is a noticeable case in China which has received a lot of attention now as an international knowledge-based city. In recent years, the Shenzhen government shows a strong will to become a globally entrepreneurial and innovative smart city in creative economy. In 2009, the Shenzhen Municipal Government proposed the city slogan “Build a Leading Cultural City” to show the ambition of government’s strong purpose to develop creativity and innovation in Shenzhen. It has embraced the cultural and creative industries(CCIs) as one of the most promising industries for its economic future. In addition, it became a young metropolitan city in less than 30 years and is seen as “Outstanding Developing Knowledge City” in China. The vision of Shenzhen in China is to transfer a manufacture city to a creative city as a regional cultural center and technology innovation base. Furthermore, the creative industries development in Shenzhen may be a significant good example to other cities in China.

The development in Shenzhen is an outstanding case of modernization, industrialization and innovation in China. The innovation of CCIs under smart city has received special attention

as a policy to foster the local economic through entrepreneurial firms, creative start-ups, high-tech companies. The paper will shed light on engagement and knowledge exchange in creative sectors in Shenzhen for example IP, human capital movement, research and educational activities and informal networks. In particular, there is a need to pay attention to a better understanding about how creative spaces such as maker spaces or university incubators significantly influence city based creative industries innovation. The paper will have implications for creative industries development strategies, cultural policy and technology innovation in Shenzhen. In doing so, this paper will provide significant and important implications to the policy-makers of reshaping a smart city goal in CCIs within enterprise dynamics. In particular, how new combinations of knowledge resources generated and synthesized through exchange and interactions will be examined.

In describing this case study, a holistic understanding will be developed of the political, economic, business and social transformation of Shenzhen through the engagement of knowledge exchange process. This paper will use documentary analysis and secondary data as research methods in an effort to practically illustrate and explore the case study. An innovative lens will be provided to better understand the dynamics, mechanisms, roles, and functions of knowledge exchange in the creative industries in Shenzhen.

Financial situation in the European Union audio-visual Sector: A review

José Ángel Sanz Lara, Ana Bedate Centeno and Mariano Durántez Vallejo

Abstract

The motion picture, video and television programs productions are one of the most frequent and popular leisure activities today. This sector comprises 97.2 thousand companies, with around 350 thousand jobs and an added value of over 21,700 million euros in 2012 according to Eurostat data. In addition, the EU is the region of the world with the highest figures for television viewing and demand for video on demand (VoD) services according to the European Audiovisual Observatory 2014.

On the other hand, in the last two decades technological development has changed audiovisual consumption habits, especially in the younger generations, which has led to greater diversification of supply and the emergence of new business models especially in distribution. In order to have a better understanding of this sector, this paper examines a sample of the most important companies of sector in the European Union, focusing on the study of their economic-financial profile. To this purpose, multivariate statistical techniques are used in order to create indicators on the evolution of the main variables and financial ratios of these companies over recent years.

The specific objectives are: to summarise the information in a smaller number of factors, which in turn enable us to construct a robust and reliable synthetic indicator; and investigate the relation between the constructed index and different variables as company age, size and localisation. The changes experienced in this sector are reflected in the results obtained and provide a richer understanding of the cultural industries.

An exploratory study on the power of media in the U.S. music industry in the post-digital era

Ji Kim

Abstract

It has become a cliché to discuss how the media is pivotal in the music market. In addition, it is a common proposition that the New Media has had considerable power from the fourth industrial revolution era through the digital period. This study, however, will discuss how neglected media has gained power through collaborating with new and emerging media outlets.

In order to meet its research goal, this study will examine the Korean boy band group, BTS, also known as the Bangtan Boys. Recently, BTS has been in the spotlight as yet another

globally successful K-Pop artist group; ever since Psy kicked opened the door to the worldwide music industry in 2012 such artists have been allowed easier entrance to this highly sought after industry. Psy is widely referred as the first K-Pop success story in the U.S. music industry, a challenging market in which to gain entry, especially with songs written and performed exclusively in Korean. Since Psy's success, several K-Pop artists have tried to achieve success and gain fame within this industry. However, there have been no outstanding results thus far.

In 2017, BTS was on roll very similar to Psy's in 2012. There are various factors as to why BTS has succeeded in the U.S. music market and even in the worldwide music industry. One of the most salient factors is that BTS's Twitter account reached 10 million followers and they were also the most tweeted-about artist of 2017. Therefore, it is clear that their success has come greatly from using social media to spread their popularity. However, there is still the question of how much of BTS's success was due to the so-called neglected media, which still holds a great amount of power in the U.S. and other countries, and how much of it was due to New Media outlets such as SNS, which are mainly credited for the aforementioned success of the group.

Based on this scenario, this study aims to examine how BTS's recognition among American music fans has been changed by passing through the complicated gatekeeping process in the U.S. radio industry. This is done specifically by using Ahlqvist and Faulkner's (2002) four types of programming repertoires in commercial radio to show how BTS's airtime success catapulted them to success in the American music market.

This study will shed new light on neglected media and suggest one strategy for increasing the recognition of culturally distant foreign musicians among American music fans through airtime exposure.

The economics and evaluation of the amateur theatre festivals in the Czech Republic

Marek Prokupek, Veronika Ptackova and Mario Kubas

Abstract

The economic importance and evaluation of festivals and events is nowadays widely recognized. It has been proved that festivals have an impact on local, state and national economies through investment, employment and income. Festivals have certainly importance for local communities but are also conceived with the aim of attracting external audiences and particularly, valued tourist markets.

A great number of studies dedicated to the impact of big festivals and special events have been conducted already. But the field of the economics and evaluation of the amateur theatre festivals has received very little of the research interest. We are convinced that this kind of research has a big importance for many stakeholders, for organizers of festivals, funders, artists as well as for festival audience. The crucial question is what to measure and what kind of indicators should be used to assess the amateur theatre festivals. In order to select appropriate indicators and methods we carried out the review of literature as well as conducted interviews with festival organizers and managers.

The aim of the study is to set basics for the development of information for further research into the growing use of festivals and events as a strategy for local economic development in the Czech Republic. The purposes of the research are to offer a summary of the literature relating to methodologies for economic evaluation of festivals and to conduct economic evaluation and present a comparative rating of the amateur theatre festivals in the Czech Republic.

The research reveals 30 amateur theater festivals across the Czech Republic. The evaluation research is focused on improving processes and measuring economic outputs rather than assessing whether socio-cultural objectives are being achieved. Although the evaluation we have conducted are both quantitative and qualitative. We have obtained data through various means, we have conducted an on-site random survey of festival audience, we have sent an e-

mail questionnaire to organizers of festivals and we have conducted semi-structural interviews with managers of festivals. So we have collected numbers as well as narratives. The research project represents first research of its kind in the Czech Republic and will have an important impact for different stakeholders mentioned above. The results of the research will provide us with methodological approach to evaluate festivals and special events and findings will provide insight into the specific field of the amateur theatre festivals in the Czech Republic.

Theatre demand and government subsidies: An analysis of German public theatres**Dario Gödecke and Heike Wetzel****Abstract**

The German public theatre landscape represents a unique cultural offer in the world. In striking contrast to other countries, German public theatres are concentrated not only in a few centralized metropolitan areas but are also present in many small and medium-sized towns. This unique density and distribution can be traced back to the German particularism of the 17th and 18th centuries, during which public theatres were established all across Germany.

Today, there are 143 public theatres in Germany, receiving federal, state and regional subsidies of approximately 2.5 billion Euros per year (as of 2017). Due to this substantial subsidization, German public theatres face continuous public pressure to justify their expenditures. Publicly accepted justifications for theatre subsidies, such as externalities and public goods-related arguments, however, are difficult to quantify. Nonetheless, the economic value of theatre visits can be determined via so called travel cost models. These models assume that the cost of a theatre visit consists of the ticket price plus travel costs, which increase with an increase in the distance to the theatre. Given these costs as well as a number of socio-economic characteristics of the theatre visitors, theatre demand and consequently, consumer surplus of theatre visits can be estimated.

On the optimal level of theatre subsidies

Seppo Suominen

Abstract

The aim of this paper to justify the high share of public subsidies to theatre sector and to show that ticket pricing should be in the inelastic segment on the demand schedule. The theoretical model is tested with Finnish data. The model follows the ideas presented by Prieto-Rodríguez and Fernández-Blanco (2006), however, here they were using a more general functional form while here a more detailed functions are used and therefore the results are more limited and cannot be generalised. The arts and culture policy where we have different transactions between the arts ministry and private theatres are included has recently focused on using a bargaining theory. The principal has a different target, like maximising the number of theatre attendance in relation to subsidises than an individual theatre manager who wants to maximise profit given the subsidies from the ministry.

The optimal subsidy is positive more probably if the price elasticity of theatre performances is inelastic. This result is in line with Prieto-Rodríguez and Fernández-Blanco (2006). Moreover, a more inelastic demand results in higher optimal public subsidy. Indeed most empirical studies report that the price elasticity fall into inelastic region (Seaman 2006, 425). Various explanations have been presented to explain why most studies report inelastic demand. Using a Finnish data covering 58 theatres (subsidised by law) during a five year period from 2007 to 2011 reveals that the price elasticity of theatre performances is inelastic.

The impact of social media activities in theatre demand

Andrea Baldin, Trine Bille, Raghava Rao Mukkamalua and Ravi Vatrappu

Abstract

It is well known how theatre performances, as experiential goods, are subject to the “nobody knows” property (Caves, 2000). A consequence of this phenomenon is the uncertainty in theatre demand: from the supply perspective it becomes difficult to understand why people choose to consume what they do, and hence to predict the attendance of a given show. Similarly, for customers it is difficult to assess the quality and the value of a cultural product before committing to consume it. As such, many studies on theatre demand (for a comprehensive review see Seaman, 2006) have included subjective quality indicator like professional reviews or friends and relatives’ evaluations (word-of-mouth mechanisms), in order to correct a prior misspecification of the theatre demand equation and analyze their impact on the attendance. The overall findings in literature show a low statistical significance for review critics, explained by the fact that their effects are not oriented the same way for different theatregoers (Urrutuagier, 2002). On the other side, Baldin and Bille (2017) show the audience evaluations (collected through surveys) have a positive impact on theatre demand.

Following this stream of literature, this paper considers an emerging resource of information, which is the electronic word of mouth provided by social media. Compared to conventional word of mouth mechanism, social media are endowed with desirable features that may reduce the uncertainty brought by the “nobody knows” property. Indeed social media can be construed as a form of collective wisdom (Asur and Huberman, 2010) as they propagate an enormous, enduring and in real time amount of information and opinions. Data collected from social media can be used both by theatres in understanding consumers’ preference, and by customers in acquiring information. Whereas this perspective has been already analyzed in literature for what concerns the movie industry, to the best of our knowledge there are not studies contextualized in the performing arts sector.

This paper aims to test the potentiality of social media in understanding theatre demand. We combine booking data for the period 2010-2016 from the sale system of the Royal Danish

Theatre with volumetric data extracted by the official Facebook page of the theatre. Unlike previous studies on theatre demand, we adopt a panel data approach and consider as dependent variable the weekly ticket sales for a given performance, instead of the total attendance. This choice is due to the fact that Facebook activities can develop with varying intensities during the sale period. In particular, we adopt the forecast longitudinal data mixed models (Frees and Miller, 2004) that allows for different specification of both the error component and the unobserved time specific effect. We aim to verify whether social media data can be used for forecasting purposes. In addition to this, we aim to distinguish, by fixed and random effects models, between the influencer and predictor role effects model, that is whether the relation between Facebook activity and ticket sale suggest causality or reflect the impact of unobserved production characteristics.

Programming and objective function of a publicly owned theatre

Carlos Casacuberta

Abstract

This paper analyzes the economic nature activity of a publicly owned theatre, which supplies private goods (performances) and public goods such as the preservation of its heritage value, provision a high quality cultural reference center and a contribution to population access to arts. The theatre offers its facilities for rent for privately produced music and theatre, produces shows on its own, and is the venue for the subsidized city theatre company and philharmonic orchestra. A model is proposed for the theater administration decision making. The crucial issue is programming. The theatre utility function depends on quality and attendance (subject to a zero profit constraint) a la Hansmann (1981), but decisions are taken over performance quality, over which demand is dened as in Rosen (1974). Using a micro database of individual performances at the Teatro Sols in Montevideo, Uruguay, a hedonic price schedule is obtained, relating prices to observed performance characteristics. A performance programming function is estimated in which the number of functions staged of a show depends on quality, price, percentage fees charged by the theatre and marginal costs, controlling for performance characteristics (i.e. performer, genre, origin among others). Indicators of quality are estimated to that purpose. The paper provides evidence on the observed programming behavior being consistent with such objective functions and constraints for the theatre management.

Spontaneous versus suggested recall of music genres preferences: An exploratory research with young people

Manuel Cuadrado-Garcia, Juan D. Montoro-Pons and Pablo González-Casal

Abstract

Although people's music genres preferences could be diverse according to demographic variables, social factors or psychographic ones, as literature on consumer behaviour suggests, data reveal quite a standard preference of music in general. The small number of empirical studies aiming at finding out these correlations leads us to undertake this research to analyze if having a music background as well as other variables such as motives, age and gender are possible factors influencing people's preferences on music styles. Specifically, the paper focuses on whether spontaneous versus suggested recall makes a difference on music genres selection. Thus, the objective of this paper is testing the existence of a relationship between music preferences and several factors in the specific case of the youth.

BACKGROUND

Literature on genre preferences, mainly from sociological (Van Eijck, K., & Lievens, J. (2008).) and psychological (Rentfrow & Gosling, 2003) standpoints, note the connection between those preferences and social identity or personality. In this regard, the symbolic nature of music favours self-expression, social identity, status and membership to social spaces (Larsen, Lawson and Todd, 2010). Besides, genres might help identifying preferences that could be useful in clustering individuals (Montoro and Cuadrado, 2016).

RESEARCH QUESTIONS

An exploratory research was conducted to answer the below list of research questions:

1. What's the most favourite types of music among young people?
2. What are the main reason they prefer those music genres?
3. Does age influence the genres individuals select?
4. Does gender influence the genres of music?
5. Do music studies have an impact on music genres preferences?
6. Does spontaneous versus recall makes a difference on music genres preferences?

METHODOLOGY

The research was conducted in the form of self-administered survey using a structured questionnaire, divided in three parts: 1) Habits; 2) Preferences (spontaneous versus suggested recall), and 3) Classification. Convenience sampling was used as the method to select respondents among those studying in an Official School of Music and those taking different university degrees. Data collection took place in May 2017. Then, after producing a dataset univariate and multivariate analysis were calculated to statistically process the information gathered.

CONCLUSIONS

Having in mind the aim of analyzing correlation between music genres preference and music studies as well as habits and other demographic variables, an exploratory descriptive research was undertaken. We got some relevant results. Somehow different to what official reports show, young individuals have selected quite a wide diversity of music genres when recall was suggested (suggested recall results are yet to come). Among them, International and Spanish pop-rock as well as Electro, techno, dance, and Rap hip hop were the most favourites ones. Being joy, pleasure and feelings the most important motives for listening to music. Specifically, having music studies makes a difference regarding genres preferences. So, those with a music background preferred Electronic, House and dance, Jazz and Classic music. The latter two only selected by this group. On the other hand, those not having music studies preferred Rap, Hip-hop and Latin pop-rock in a higher level.

How does family income influence teenage children's consumption of music?

Miyuki Taniguchi

Abstract

This study attempts to investigate how family income influences teenage children's consumption of music. The purpose of this study is to investigate the difference of music consumption between children in high-family-income group and children in low-family-income group.

Since Thomas Piketty's (2014) book *Capital in the Twenty-First Century* became a bestseller, income inequality has become one of the hot issues around the world. Recently, income inequality has also become one of the big issues in Japan. According to the report published by OECD, Japan had the sixth highest relative poverty rate among the OECD countries in 2012. In Japan, the relative child poverty rate is especially serious. For children who fall into relative poverty maintaining a cultured life is difficult.

This study focuses on the impact of family income on the demand for music concerts. Almost all teenagers listen to music in their daily life, but whether a teenager attends any live music concerts depends on their family income.

A logistic regression analysis is conducted to determine the impact of family income on likelihood of teenage children's attending a concert using the individual anonymous microdata from the Survey on Time Use and Leisure Activities conducted by the Japanese Ministry of Internal Affairs and Communications (MIC). Four cross-sections from 1991, 1996, 2001, and 2006 are available. An ordered logistic regression analysis is also conducted to determine the impact of family income on the frequency of teenage children's concert attendance. Family income is divided into four groups: 0 – 2.99 million yen (low family income group); 3 – 5.99 million yen (middle family income group); 6 – 8.99 million yen (high family income group); and over 9 million yen (very high family income group).

The estimated results show that teenagers who belong to the very high family income group were more likely to attend both classical music concerts and that teenagers who belong very high family income group or the high family income group were more likely to attend both classical music concerts. Generally, it is well-known that lower family income groups prefer popular music, while high family income group prefer classical music. However, the estimated results found that children who came from rich family were more likely to attend both classical music concerts and popular music concerts. The estimated results show that recorded music has not been a substitute for live concerts. In fact, children who listened to recorded music were more likely to attend live music concerts. It seems that children who came from rich family can enjoy music more. In contrast, children who belong to the low family income group were less likely to attend any music concerts. Generally, teenagers who had a job and who did not go to school after graduating from junior high school or high school can be related to low family income group. Such children were less likely to attend any music concerts. Moreover, the estimated results show that the parents' behavior towards

music concerts affected whether their children attended both classical and popular music concerts.

Divide and conquer: Price discrimination vs. flat rate in music streaming services

Ramadán José Aly Tovar

Abstract

Streaming platforms have adopted a standard business model. They give the options of using their services for free or paying a subscription fee. In the case of the subscription they all present a flat rate, this is a different approach from other service companies which usually present various prices for different levels of access, times of usage and different range of services provided. In the case of the music streaming services, they all present the same level of access, the same services and the same rate (Shiller and Waldfogel, 2011). This raises the question: why does the streaming platforms do not discriminate prices (Richardson and Stähler, 2016)?

The pros of price discrimination and even the proposal of monthly plans, as in the case of mobile phone providers, are several including the increase in the number of users that pay for the service, increased revenue and a greater demographic that would use and be attracted to the platform. Of course, there are also several cons that can arise as infighting between the labels and the artists, new contractual procedures and negotiations, the cannibalization of the flat rate users between others (Doerr et al. 2010). Even though there are several possible outcomes there has not been a wide range of literature that explores this problem in the music streaming platforms. The present paper examines this situation in a game-theory setting. Consumers are heterogeneous according to their taste for music (monthly time of consumption) and to their aversion for advertisement, assuming of course that individuals are rational (Ellison, 2006). We consider that consumers with low taste for music have a low aversion to advertisement while the consumers with high taste of music have a high aversion to advertisement. Consider this heterogeneity in the consumers we propose a benchmark

case. In the first stage the platform chooses the volume of advertisement, the flat rate is considered as a parameter for the platform. In the second stage consumers choose between not consuming, the flat rate, consuming à la carte (pay-download) at a price p which is a parameter.

With this benchmark we model a new situation so we can understand the impact of a new price plan presented by the platforms. Again, is a two stage game in which the platform chooses the volume of advertisement, the price and the volume of consumption allowed in the restricted plan. In the second stage consumers choose between not consuming, consuming the new plan, consuming at the flat rate, consuming à la carte (flat rate). With both scenarios key variables are compared such as platform profit, content owner profits and consumer surplus. We then deduce if a new plan is beneficial or not for all the actors involved, providing a clearer view on the matters at hand (Shiller and Waldfogel, 2013).

Algorithms at work in the shaping of musical taste in music recommendation ecosystems

Benjamin A Morgan

Abstract

The growing role of the algorithms and recommendation engines within commercial streaming services is a significant and understudied shift in the ontology of taste formation (Beer 2013, Karakayali et al. 2017). This paper will explore the role of algorithms and automation in the formation of popular musical taste and preference, highlighting interview data concerned with reactions to perceived algorithmic influence on the production and distribution of popular recordings. Interview participants - Australian artists and music industry stakeholders - were primarily concerned with discussing Spotify when it came to algorithms, therefore Spotify's algorithmic discovery engine The Echo Nest will be the main topic. The paper will begin with an overview of what algorithms are and their role in the music industries, particularly in cloud-based streaming services. Research into the cultural

analysis of algorithms in general, their current role in shaping musical taste, and the connection between popular musical taste and the forming and organising of social groups (e.g. class, networks, friendships, hierarchies, group formations, connections and divisions) will be reviewed in order to illuminate possible links between these relatively new algorithms, taste formation, and social identity/behaviour. How music discovery algorithms are shaping taste will be the tight focus, and the larger perspective will be the possible impact this has on identity and social formation.

After noting the broad picture of the possible impact on social identity of musical discovery algorithms, we will look at the interview data to focus on how these algorithms are specifically affecting production and distribution of recordings. Since algorithms appear to be shifting the ontology of the infrastructures of taste formation, we will be looking at reactions to this shift in the spectrum of attitudes towards algorithms. We will look closely at how participants are reacting to the growing role of algorithms as automated intermediaries/infomediaries (Morris 2015a). Given the complexity of the relationship between intermediaries, taste, and identity/behaviour, we can expect a wide spectrum between scepticism and enthusiasm as algorithms are increasingly shaping the decision-making process of what songs to listen to. The paper will conclude with observations on how this data speaks to the emerging research on the relation between algorithms, taste, and the social world.

Brace yourselves, pirates are coming! The long-term effects of Game of Thrones leak on TV viewership

Wojciech Hardy

Abstract

As digital markets for cultural goods continue to evolve, file-sharing remains a hot topic for cultural content providers. Several studies showed that access to the unauthorised sources can severely cannibalise the authorised consumption. The lack of an alternative can be an especially strong incentive to switch to the unauthorised channels and even a one-time incentive to download from an unauthorised source could carry long-term effects (Danaher et al., 2010). It is crucial to understand the choices of the culture consumers when the unauthorised sources become more attractive and whether this can lead to a permanent switch of consumers towards unauthorised sources.

On April 11th, 2015 four episodes of the hit TV show Game of Thrones [GoT] were leaked to the web a day before the show's fifth season official premiere. I analyse the effect of the leak on the TV viewership of both GoT and other TV series. I apply a difference-in-difference approach to model the viewership before and after the leak on a set of TV shows aired around the time of the leak. My results suggest that the leak caused a drop in TV viewership of GoT and that the viewership did not recover for the non-leaked episodes. Moreover, I also find evidence of a drop in TV viewership of TV shows potentially sharing some of their audience with GoT. I corroborate these results with an additional difference-in-difference analysis of Google search traffic for phrases including the show names in the sample and the words "watch online" around the time of the leak. The results confirm that the interest in the unauthorized sources for TV shows sharing audience with GoT started growing after the leak of GoT.

My results suggest that even one-time incentives to switch to unauthorized sources of culture – in this case a leak of one of the most popular TV shows in history – might cause some of the consumers to explore the file-sharing alternative and not return to the authorised channel

afterwards. This, in turn, means adverse effects not only for the leaked content, but also for other content sharing its audience (possibly even for other types of digital culture content as well). These outcomes support the hypothesis of one-time costs of switching to unauthorised sources (e.g. the time cost of learning how to search and watch unauthorised content or one-time moral costs) and highlight the importance of preventing even one-time incentives for such switching.

Perceptions of anti-piracy policy: A survey approach

Tylor Orme

Abstract

Economic evaluation of anti-piracy policy has become increasingly difficult in recent years. With the rapid development of technology for illegal downloading and streaming of film and television, identification issues have plagued studies seeking to evaluate the effectiveness of policies that limit piracy. This paper seeks to employ a stated preference model in the form of an experimental survey approach to side step these identification problems. Participants will answer questions about both their current viewing habits and how those habits would change under a hypothetical policy. By introducing different policy changes randomly to different participants, this study hopes to be able to evaluate the relative effectiveness of a variety of policy types.

Crowdfunding cultural projects and public policies logic: Nordic countries versus Spain contexts and trends

Anders Rjkkja and Lluís Bonet

Abstract

Financing cultural projects via presale or patronage, in other words offline crowdfunding campaigns, has a long historical tradition (Hemer, 2011, Matthews *et.al*, 2014). As a basic idea, it is not a new phenomenon (Gierczak *et.al*, 2016). Historically (early nineteenth century up until the middle of the twentieth century) construction of cultural facilities and funding for cultural projects in western societies depended largely on generous contributions from a crowd of citizens. Most Western developed countries, with the notable exception of the USA, replaced this model by implementing large public subsidy programs for projects and funding of venues (Bakke 2001, Zimmer & Toepler, 1999). Some countries, particularly the Anglo Saxon, continued promoting public-private collaborative financing systems, mainly using fiscal incentive mechanisms, to encourage donations as well as maintaining a substantive level of cultural investment from private backers (Cummings & Schuster, 1989). That said, in relative terms, overall participation from individual citizens went down.

The emergence of internet-based crowdfunding platforms, and reported success stories of some projects financed via this model, puts the focus back on this financing mechanism. The most popular crowdfunding model, measured in terms of number of projects promoted, backers and overall monetary contributions, is reward-based crowdfunding (De Voldere & Zeqo, 2017), even though per project volume of financing remains low (*ibid*). Thus, it can be stated that reward-based crowdfunding is becoming popular as a way of financing independent cultural projects with great popular, symbolic or commercial impact (De Buysere *et.al*, 2012, Bennett *et.al*, 2014). From a regulatory perspective, equity and loan-crowdfunding platforms are petitioning governments for updated legislation, with 11 EU member countries implementing national level regulations (Ziegler *et.al*, 2018). Conversely, these financing models are not prevalent in the cultural sector.

Our research project take as starting point an analysis of cultural project financed through crowdfunding platforms in the years 2010-2017 in the northern and southern parts of Europe.

In the Nordic countries, where public funding has been maintained during the long period following the financial crisis, and in Spain, where public expenditure on culture has been reduced by half (Rubio Arostegui & Rius-Ulldemolins, 2018). The article analyzes and discusses logic and motivations that lead to implementation of public policies to support cultural crowdfunding, and cases of matching grant system between regional platforms and authorities.

Crowdfunding in the cultural and creative industries: A biblio-thematic analysis

Carolina Dalla Chiesa, Christian Handke and Alina Pavlova

Abstract

A rapidly increasing number of entrepreneurial initiatives obtain capital through crowdfunding campaigns (Onnee and Renault, 2017). As defined by Belleflamme, Lambert & Schwienbacher (2014), crowdfunding initiatives would involve an open call for the provision of resources (donation or rewards) to support specific purposes. As compared to more traditional funding schemes, crowdfunding provides a dynamic way through which entrepreneurs raise funds due to a rapid - yet laborious – process aided by digital platforms. In line with the digitalization phenomenon in Cultural and Creative Industries, crowdfunding calls featured on an estimated 1,250 websites worldwide had raised \$34 Billion by the end of 2015 (Massolution, 2016). Cultural and creative industries (CCI) have been one of the most important areas for applications of crowdfunding (Mollick, 2014; Belleflamme, Lambert & Schwienbacher, 2014). This paper develops a comprehensive overview of the literature on crowdfunding in the CCI, by discussing it from a perspective of cultural economics, considering for instance motivation to create as well as quality uncertainty and demand interdependence in markets for cultural products and how they affect the application of crowdfunding. First, we employ innovative bibliometric methods based on the major digital databases Web of Science and Scopus. So far we have identified a corpus of 102 articles on crowdfunding in the CCI scope. Second, we conduct a thematic analysis of the articles in this corpus. An initial analysis illustrates that by and large, the empirical literature does not yet

consider specific industry characteristics and how they affect crowdfunding. In this paper, we identify the specific of crowdfunding models and success factors in the CCI compared to other industries. For instance, in the CCI scope, crowdfunding calls offer a specific reward to backers (say a copy of the work produced or symbolic returns) are much more common than lending, donations or offering equity to backers. Third, we relate conceptual and empirical work of crowdfunding to main themes in Cultural Economics literature. For instance, crowdfunding seems to be an effective mean to enable mutually efficient exchanges between creators (who are not able or willing to cover the upfront costs of creation in return for uncertain future returns) and backers (who may value engagement with creators and creative projects in itself). Crowdfunding success may also serve a certification purpose, signalling the promise of creators and creative projects to other investors and cooperation partners or for further users, as well as other features we discuss in the paper. Overall, this article takes stock of the relevant literature on crowdfunding and the CCI, describes what is special about crowdfunding in this sector and extends on the discussion on benefits, risks and “success factors” of crowdfunding on CCI, drawing on the cultural economics literature.

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Valuing Arts and volunteering in a multicultural creative city: Using contingent valuation to measure general public evaluations and propensity to volunteer for a municipal arts program in the City of Melbourne

Meg Elkins, Bronwyn Coate, Ashton De Silva and Mehmet Ozmen

Abstract

In this paper we present results from an investigation exploring the value of City of Melbourne Arts Programs. The City of Melbourne is Australia's second most populated city, arguably Australia's cultural capital as well as the world's most liveable city. Using a survey that included questions focused on use, non-use valuation and willingness to pay, this paper explores different measures of value according to different cohorts within the general population. Importantly we find that regardless of demography the City's Arts programs resonates across all cohorts. Interestingly, in terms of willingness to volunteer and pay we find that some cohorts are more willing than others. In particular, and in contract with usual expectations, we find a higher propensity to volunteer among younger people and among those with non-English speaking backgrounds. These findings are important in demonstrating that such programs are critical to a region's identity even when they are not engaged in the consumption of the arts program. Further, it may also assist local governments to consider how to harness the general public's willingness to contribute and to improve the overall sustainability of programs.

Globalization of Japanese food and the problem of counterfeit

Nobuko Kawashima

Abstract

Although Japanese food is increasingly expected to play a larger role in the Cool Japan strategy, in fact fraud products and counterfeits are widely distributed overseas. Intellectual Property protection of food stuff and processed food is relatively thin, and to bring those organized counterfeiters to lawsuit is extremely difficult and not always cost-effective, particularly to those small- and medium-sized food producers in agriculture. This paper examines Japanese restaurants and eateries in Southeast Asia regarding their use of fraud products to try to understand the economic background and mechanism through which counterfeits are spread. Based on the survey on ‘Japanese’ restaurants and eateries in Indonesia, Thailand and Vietnam and interviews with restaurant managers in these countries, the paper examines the routes through which fake products of Japanese food and seasoning are distributed and the economic effects fake products have on the Japanese government’s policy of increasing food export from Japan. The paper discusses implications for policy and corporate activities for tackling this issue.

Entrepreneurial mindset in creative industries as a resource in addressing societal challenges

Ieva Zemite and Kristine Freiberga

Abstract

The development of the entrepreneurial capacity of European citizens and organizations has been one of the key policy objectives for the EU and Member States for many years. There is a growing awareness that entrepreneurial skills, knowledge and attitudes can be learned and can lead to the widespread development of entrepreneurial mind-sets and culture, which bring benefits to individuals and society as a whole (Bacigalupo et. al, EU, 2016). Europe 2020

strategy shows that identified societal challenges cannot be solved using traditional approaches anymore. Entrepreneurship as the pursuit of novel combinations is seen as the way forward (Felicio et. al. 2013). Entrepreneurial solutions are created by bringing together different ways of thinking by individuals from different institutional levels and professional groups. This has repeatedly been proven of paramount importance to creative industries as well, stimulating a dialogue between different cultural groups and by fostering intercultural dialogue (Fleming, 2015).

For this reason, the issue of developing entrepreneurial mindset in creative industry education is addressed by educators, researchers and practitioners (Bridgstock, 2013, Beckman, 2007). One of the directions is to look for a common definition of entrepreneurship as a competence and the ways of assessing it. The starting point of this study is the EntreComp (Entrepreneurship Competence) Framework, which aims to establish a bridge between the worlds of education and work (Bacigalupo et. al, EU, 2016). It develops a reference framework with learning outcome descriptors in several domains. The authors have selected two domains based on the needs analysis carried out in the pilot project Creative Entrepreneurship Laboratory (CEL) in 2016. CEL is a consortium of 9 institutions from 6 European countries (Latvia, Estonia, Netherlands, Germany, United Kingdom, Spain), which endeavored to provide students with effective employability skills and fast-track their career. The results revealed that students from the world of arts (visual, media, fine and performing) were looking to the entrepreneurship from different angle in comparison to their peers from other sectors. Collaboration among individuals from different backgrounds was a source of conflict and frustration. The project also showed that different ways of communicating and acting, divergent responses to risk and misunderstandings, and mutual mistrust may lead to ineffective solutions. Moreover, we discovered that mutual learning brings to enhanced collaborative skills and allows students to become future leaders and intermediaries who can effectively develop intersectoral innovations for solving societal problems.

The authors use a mixture of qualitative and quantitative methods for the analysis (including the case study carried out in Latvia and Netherlands involving around 60 students). The research question is to identify how the model of international collaboration addressing specific societal challenges can foster entrepreneurial mindset and to build the communication with the partners from different backgrounds. The authors will use the EntreComp Framework and combine it with the model of international collaboration

addressing specific societal challenges in the process overcoming the academical, intercultural, no face-to-face communication, interdisciplinary difficulties in collaboration. The novelty of the research will be the model of international collaboration addressing societal challenges in creative industry education.

Housing as a provider of physical, social and cultural capital in ageing: Conceptualising a measure of value in good design

Sarah Sinclair, Ashton de Silva and Foula Kopanidis

Abstract

Internalized cultural values drive the housing preferences of Australians as they age. Historically Australia has a strong culture of homeownership, coupled with a high value on personal autonomy, both of which are reflected in the stated preferences of older homeowners to age “successfully” while remaining in place in their own homes and communities.

The term “successful” ageing is traditionally defined as the avoidance of disability or illness, maintenance of mental and physical function and active social engagement, yet it is likely that longer lives will go along with years of both good and bad health. . Tesch Romer and Wahl suggest that “The concept of successful aging should be expanded to capture desirable living situations for those who grow old in good health *and* for those who grow old with care needs”. (Tesch Romer and Wahl 2016)

Yet, there is little discussion relating to the “capital” central to the production of desirable living conditions to age in place successfully – i.e. the house or home (and its location). The built asset provides services within the home but its location may also facilitate access to cultural capital (intrinsic to place) and social capital (intrinsic to community engagement).

In this research we consider how the home contributes to desirable living conditions which facilitate successful ageing. In particular we explore how the implicit value of universal

design principles in the home coupled with its relative position to services and amenities might be conceptualised and subsequently measured.

We posit that there are four main testable transmissions mechanisms of value implicit in housing built with universal design principles and incorporating some locational service and amenity attributes.

- 1) Well-designed housing may reduce the need for care as it reduces the likelihood of accidents and falls in the home.
- 2) Good design may reduce the level of care required if capabilities decrease through supporting autonomy in the home
- 3) The home may be perceived as capital in the care giving process and as such can support the ease and efficiency of care provision when required within the home
- 4) Housing location may support the development and maintenance of cultural and social capital

We develop a contingent valuation methodology to be applied to the homeowners, care providers and policy makers to explore the intrinsic value of housing as form of capital to support a culture of successful ageing.

