

Working with Freedom: Learning about innovative risk mediation strategies from entrepreneurs in creative industries

Organizers:

Melanie Fasche – HafenCity University Hamburg

Brian J. Hracs – Uppsala University

Abstract:

Operating within a highly competitive and dynamic marketplace, entrepreneurs in local creative industries, including fashion designers, artists, and independent musicians are constantly negotiating risk and freedom. Yet, whereas geographers have examined the 'dark side' of creative labour and the pitfalls of flexibility and enterprise culture, including self-exploitation and economic uncertainty, the possibility of 'actually existing' freedom remains poorly understood. The papers in this session will highlight and unpack innovative spatial, organizational and business strategies that local entrepreneurs employ to mediate risk, realize freedom and compete in the contemporary creative economy. To compare within and across industries and locations the papers feature cases of musicians, artists, filmmakers, bike couriers and policy makers who work in Germany, the U.K., Canada, the U.S., India and China. With an explicit focus on 'local heroes', these cases explore the range of solutions to common challenges such as market saturation and competition, financial and social insecurity, work/life articulation, multi-skilling and what Angela McRobbie calls the 'corrosion of creativity.'

Session I:

Chair: **Brian J. Hracs** - Uppsala University

Jessica R Barnes - The Ohio State University

Cashing in on casual artists: How aspirants provide sustainable livelihoods for established artists

Jenny Sjöholm - Uppsala University

From the studio to the scene: capital, credit and credibility in the process of making art work

Melanie Fasche - HafenCity University Hamburg

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Jaewoo Joo - Kookmin University

Soren Ingomar Petersen - ingomar & ingomar consulting

Learning about innovative risk mediation strategies from entrepreneurs in creative industries

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Patrick Adler - University of California, Los Angeles

'You Just Get Addicted to Moving': Bike Couriers as Precarious and Satisfied Service workers

Suntje Schmidt - Leibniz-Institute for Regional Development and Structural Planning

Multiple Identities, Multi-Jobbing and Network Governance as Entrepreneurial Strategies on volatile Labour Markets. The Case of Musical Actors in Germany

Brian J. Hracs - Uppsala University

Embracing Enterprise? The Professionalization and Competitive Strategies of Local 'Guitar Heroes' in Toronto

Leilei Li - Shenzhen University

Atypical strategies of Risk mediation from Chinese entrepreneurs in cultural and creative industries: utilizing and networking resources from State, market and society

Discussant: **Betsy Donald** - Queens University

Abstracts:

Session I:

Jessica R Barnes - The Ohio State University

Cashing in on casual artists: How aspirants provide sustainable livelihoods for established artists

This research analyzes the relationship between amateur and professional arts practitioners within the mid-sized city of Columbus, Ohio, the self-proclaimed "Indie Art Capital of the World." My focus on aspiring artists acknowledges the transient nature of micro-entrepreneurial work/leisure, highlighting aspects of change and the efforts required for people to move between arts practices as hobby and livelihood. Practicing indie art making can be engaged continually or intermittently with changing degrees of success and failure. How the nexus of casual and professional art making functions in particular places may be an important and under-explored component of creating viable and sustainable arts sectors. The casual artist might be a helpful resource in securing livelihoods for professionals - they have an appreciation of and may serve as a market for art, they may require training that artists could provide (e.g. music lessons), and they may require services that some artists can provide (e.g. recording). Casual engagements with the arts might help foster creative potential in people that could be applicable to their other work in local economies and help drive innovation. However, cities' investment in an infrastructure of casual arts spaces is very limited compared to activities like sports (e.g. public baseball fields). In this paper, I investigate the possibilities for sustainable arts entrepreneurship through aspirational economies in which a vast pool of amateur artists serve as a resource for other artists to earn a living and what spaces might help foster these relationships.

Jenny Sjöholm - Uppsala University

From the studio to the scene: capital, credit and credibility in the process of making art work

Drawing on an ethnographic study of London-based visual artists, this work aims to portray artistic imaginations of scenes of visibility, recognition and credibility, as well as the occupation specific strategies and knowledge needed reaching them. Artists who actively seek diverse markets and venues for their work, face a journey underpinned by particular conditions related to the precarious situation of being a professional artist. A 'completed' art object can be conceived of as not having a definitive status as well as an uncertain future or final destiny, 'it is held in abeyance, waiting, surrounded by irresolution' as Bourriaud (2009) argues. Artists' presence on art scenes is argued to rely on communicative skills and innovative and entrepreneurial thinking, but also on knowledge and an awareness of the particular precarious occupational characteristics. Furthermore artists' visibilities are argued to relate to access to ephemeral networks and on levels of social capital. However, in addition to the importance of social capital (Bourdieu, 1993) matters of credit and credibility will be discussed (Latour and Woolgar, 1979) to. In order to understand artists' careers paths through temporary and flexible labour arrangement and the lack of predictability and security, I mean that the concepts of social capital and recognition benefit from a complementary conceptual discussion. If we suppose that artists are investors in credibility rather than only being

recognition seekers, we can identify other factors in explaining artistic career that will broaden our analysis and understanding of its characteristics and progress.

Melanie Fasche - HafenCity University Hamburg

"Art for the people" - Learning from the fabulous career of the street artist Thierry Guetta alias Mr. Brainwash

This paper focuses on the Los Angeles-based filmmaker Thierry Guetta who invented himself as the street artist Mr. Brainwash and became a local hero with his very first art show "Life is Beautiful" in 2008. By now Thierry Guetta is well known to a wider audience through his appearance in Banksy's street art documentary "Exit through the Gift Shop". Since his inaugural art show Thierry Guetta has put on two major successful solo art shows in New York City and Miami. He was invited to create the cover art for Madonna's Celebration album and recently collaborated with the Red Hot Chili Peppers to promote their new album. Moreover, his artworks have already been sold well above estimates at contemporary art auctions.

Why has Thierry Guetta's Mr. Brainwash become an instant success with his very first art show while most artists remain unacknowledged? What is his recipe for enduring success and what can we learn from this case? The paper traces and unpacks his spatial, organizational and marketing strategies before it assesses the broader context of his success: the role of his previous career steps, Los Angeles as street art capital, recent developments in street art more generally as well as the legacy of Pop artists such as Andy Warhol and Basquiat. It is argued that analyzing Thierry Guetta's short but successful career as Mr. Brainwash provides very valuable insight into the complexities of making value of artworks and building art careers.

Jaewoo Joo - Kookmin University

Soren Ingomar Petersen - ingomar & ingomar consulting

Learning about innovative risk mediation strategies from entrepreneurs in creative industries

Creative entrepreneurial ventures are characterized by uniquely personal branded offerings with enormous potential for profit, combined with huge market and execution risk. What differentiate creative entrepreneurial ventures from that of technology ventures are their dependency on a few individuals' intangible breakthrough ideas. The absence of process control and metrics for evaluating cost, risk and required time commitment makes Return On Investment (ROI) impossible to assess. Consequently, private investments are virtually unattainable. The subsequent extreme financial pressure combined with ineffective processes leads to destructive behaviors.

Traditionally, three independent and mutually supportive approaches exist to mitigate risk and increase profit in creative ventures. These are: (1) Education: Providing market and executions knowledge and experiences through schooling, internships and apprenticeships, (2) Funding: Government and/or trade association backed with coaching and financing, and (3) Collaboration: Pooling of resources and creative talent to leverage individual talents and mitigating risk.

We propose using Design Research, Design Thinking and technology venture insights to develop methods and tools for sustainably running creative entrepreneurial ventures. First, we will identify best practices, by qualitative research within the creative fields of design, music, game, movie and

art in the cultural settings of Los Angeles, Copenhagen and Seoul. Secondly, we identify knowledge transfer opportunities and conduct brainstorming sessions to synthesize new methods and tools. The outcome will be a creative portfolio management matrix, outlining how to best take ideas from concept to commercialization as a function of market and execution risk for the examined creative disciplines.

Session 2:

Christian Catalini - University of Toronto

Social Frictions in a Flat World: The Geography of Crowdfunding

The internet facilitates rich yet inexpensive communication across large distances. Thus it may not be surprising that a striking feature of online “crowdfunding” is the geographic dispersion of financiers of small, early-stage projects. This contrasts with existing theories that predict early-stage investors and their investments will tend to be co-located due to distance-sensitive costs such as face-to-face meetings for conducting due diligence, monitoring progress, and providing input. We examine a crowdfunding setting that connects unsigned artists with investors over the internet for financing the production of recorded music. The average distance between artists and their investors is about 5,000 km, suggesting a reduced role for spatial proximity. Still, distance does play a role. Within a single round of financing, local investors invest relatively early and appear less responsive to the cumulative amount the artist has already raised. We show this geography effect is driven by investors who likely have a personal connection with the artist (“family and friends”). However, many individuals invest more than once during a project’s funding cycle, but the timing difference only persists for the first investment. Thus, the online platform seems to eliminate most distance-related economic frictions, but not the social-related frictions (search costs) related to establishing the consideration set.

Kristina Vaarst Andersen - Roskilde University

Mark Lorenzen - Copenhagen Business School

Network Position, Family Ties, and Resource Preemption in a Creative Industry: The Case of Bollywood Film Production

Through a mixed-method study of Bollywood film production, we investigate how network position and family ties influence resource access in product development projects in a creative industry. We undertake a social network analysis of 920 Bollywood film development projects with 1277 participants, showing that projects benefit more from network centrality of producers, directors and leading actors when these persons leverage family ties. We find a positive effect of family ties both within projects and across the Bollywood project ecology. We explain this result through a qualitative analysis based on 58 on-site interviews, and show that within projects, family ties lower risk, and across Bollywood, family ties facilitate access to scarce strategic resources at critical points in time. We conclude that in creative industries where network centrality is important for resource access, 1) family ties may have a positive impact on development project performance; and 2) while family ties within projects are valuable given ex-ante risk on consumer

markets, family ties across project ecologies are valuable given need for asset preemption on factor markets.

Amy Cervenak - University of Toronto

Working the Festival: a case study of how independent filmmakers make the most of international film festivals

A film festival is many things to creative workers in the film industry. For some, it is the chance to sell their film, to screen their story, or to pitch their idea; for others, it is the opportunity to secure distribution in foreign territories, to gain industry specific knowledge, or to connect with individuals in a global and mobile industry. Ultimately, a major film festival is a space to work; this paper explores how independent filmmakers work the festival in order to develop their own projects and benefit from the symbolic and functional agglomerations that core international festivals convene.

Even though much public interest and press focuses on celebrity sightings and film reviews, key festivals function as de facto markets and important nodes in the broader film industry and festival circuits. For many emerging and aspiring creative workers – such as directors, writers, producers and programmers -- festival spaces which range through structured/informal, professional/social, and open/exclusive settings are essential moments in achieving their projects and developing a career in this dynamic and highly competitive field.

In this paper I argue that festivals serve an increasingly important role in the successful navigation of a sea of possibilities, especially for emerging independent filmmakers, as this already high-risk industry confronts new waves of co-production, new technology and emerging distribution platforms. Based on extensive interviews and participant observation at two of Toronto's major international film festivals, this research explores how independent filmmakers successfully navigate the spaces and activities of these temporary clusters so that they can perform better than they would have otherwise.

Cheryl Butler - Culture at Eastleigh Borough Council, U.K.

Paul Spencer - Culture at Eastleigh Borough Council, U.K.

Artist Quarters: A new and unique local authority initiated programme supporting start-up local entrepreneurs in the performing arts

The programme was developed following a study of employment and migration patterns of creative people in Hampshire, England. The study recorded a high migration of graduates out of the region due to lack of local opportunities for creative start-ups. It identified a clear demand for local support to help creative people bridge the gap between university and professional practice and address specific industry needs not catered for in traditional business support structures.

The pilot highlighted the need of performing arts businesses to be resident in a functioning creative venue, to have access to peer review and a support network; to have opportunities to curate work; and have artistic mentors. The level of engagement also needed to be flexible to suit both

artist and host venue. The scheme also benefited from broadening its intake to include an emerging digital media company in the mix.

We demonstrated that having the right infrastructure and environment was critical to success and that the presentation of performing arts companies as creative business was critical in gaining support from the traditional economic development sector.

The pilot had a positive impact on the local cultural economy and ecology, the programme has had 0% drop outs and each start-up company has been successful in achieving grants and funding awards, in developing their audiences and improving their professional practice. But in addition the profile of the local region has been raised which has led to other investment and development opportunities linked to its support for the creative sector.

Session 3:

Patrick Adler - University of California, Los Angeles

'You Just Get Addicted to Moving': Bike Couriers as Precarious and Satisfied Service workers

The idea that precarious workers have little to no autonomy over their employment conditions seems to underlie much of the extant literature (e.g. Florida, 2002; Austrin, 1991; Sassen-Koob, 1984). This seems particularly true in the literature on precariousness in low-wage, low-skill, "service class" occupations. Undesirable terms of work are assumed to be the product of a skewed power relationship that allows employers to dictate these. Put more directly, service workers are assumed to not have 'much of a choice' over the job they get to work at or the terms of their work. Within this framework, the notion that service class workers can be proactively loyal to their occupations or employers seems dissonant.

This paper considers the seemingly paradoxical concept of service class loyalty through a case study of Toronto's bike couriers. On one hand, bike couriers are employed in a highly contingent, flexible and precarious way. Material benefits are low and all costs of doing the job are shouldered by couriers themselves. In spite of this, respondents report high levels of job satisfaction that translate into an unmistakable loyalty. Couriers generally characterize their job as desirable and are willing to accept lower material rewards to stay in the labor market. They also report anxiety about leaving the labor market, and seem very likely to return once they have left. Their loyalty to their job is much more similar to the paradigmatic "creative" occupations than to most service work. This article discusses the role that a strong messenger subculture might play in explaining courier loyalty. It also explains how Toronto's strong local messenger community has developed a system of informal institutions that allow workers to cope with precariousness.

Suntje Schmidt - Leibniz-Institute for Regional Development and Structural Planning

Multiple Identities, Multi-Jobbing and Network Governance as Entrepreneurial Strategies on volatile Labour Markets. The Case of Musical Actors in Germany

This presentation reconstructs from the perspective of musical actors in Germany what kinds of uncertainties and risks are perceived, how these are interpreted and what strategies are developed to reduce them. The empirical evidence will illustrate that both – vulnerability and resilience on volatile labour markets – are socially constructed. We understand vulnerability as a concept used in social practices in which specific units (that can be either a subject or a group) are positioned in a relational field that contains sources of uncertainty as well as stability. At the same time, resilience denotes strategies to handle and manage the pitfalls within this relational field. Spatial categories, such as proximity/distance or territories are inherent to these construction processes. On the basis of qualitative data from a range of interviews with musical actors we explore the actors' constructions of labour-market related uncertainties, mainly caused by labour market dynamics as well as institutional and territorial mismatches. As there are hardly any formal or institutional strategies available against these uncertainties, musical actors apply entrepreneurial strategies to increase resilience: First, these actors construct multiple identities from their bodies and talents targeting different segments of the labour market. Second, they distribute risk by multi-jobbing and continuous shifting between self-employment and employment. Finally, they foster informal networks to further attenuate some negative effects on the labour market. From a spatial viewpoint, these entrepreneurial practices of increasing labour market resilience enact volatile, multi-local activity spaces that are effectively used from a comparably stable home base.

Brian J. Hracz - Uppsala University

Embracing Enterprise? The Professionalization and Competitive Strategies of Local 'Guitar Heroes' in Toronto

The working lives of contemporary independent musicians are fraught with risk and uncertainty. These individuals are responsible for a complex range of tasks, earn low incomes, experience forms of spatial and temporal fragmentation and face fierce competition from local and global firms. Yet, the psychic rewards associated with creative employment compel musicians to remain in the labor market, practice self-exploitation and develop innovative strategies to compete and survive. To date, however, little is known about these risk mediation strategies and how they may differ from those used by their counterparts in other industries. Drawing on 65 interviews with independent musicians and key informants in Toronto, this presentation will outline a set of interrelated organizational, spatial and business strategies. In particular, it will demonstrate that independent musicians are exchanging their bohemian identities and spatial preferences for professional personas and banal live/work spaces in the suburbs. By extension, the presentation will examine how musicians are reworking the ways in which they value and practice networking. Examples of how musicians 'get help' from skilled collaborators to overcome the demands of independent music production and what McRobbie calls the 'corrosion of creativity' will also be provided. Finally, this presentation will highlight some of the innovative marketing strategies that independent musicians

use to differentiate and sell their products in a hyper-competitive and alternative-laden marketplace.

Leilei Li - Shenzhen University

Atypical strategies of Risk mediation from Chinese entrepreneurs in cultural and creative industries: utilizing and networking resources from State, market and society

This paper attempts to illustrate some atypical risk mediation strategies of Chinese cultural and creative enterprises utilizing and networking resources from State, market and society in current special social and economic context of the transforming China with a feature of so called socialist market economy. The term of 'atypical' here means that these strategies are atypical only from the perspective of western world which is based on free market environment, though they are not atypical in China at all.

9The main findings include three main points. Firstly, some important players in cultural and creative enterprises are actually the result of collusion of government and businessmen or 'red top trader'(Hongdingshangren in Pinyin).The 'red top trader' in cultural and creative industries can easily control risk just by getting a lot of tangible and intangible resources from different levels of government. Secondly, the new generation of Confucian entrepreneurs and businessmen who have gained a lot of wealth beyond cultural and creative field such as in real estate and stock market after Chinese government's open door policy started to support cultural and creative industries in finance and contracts helping them get rid of risks. Thirdly, the burgeoning of civil society and NGOs pushes forward the development of some grass-roots social groups as distributors and supporters for cultural and creative product creation,exhibition and distribution beyond the mainstreaming political and commercial ideology.