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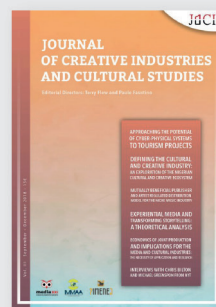
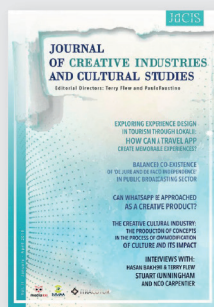




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Journal of Creative Industries and Cultural Studies – JOCIS

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Co-directed by Terry Flew and Paulo Faustino, JOCIS is created, designed and peer-reviewed by a highly qualified international team of academic researchers and publishers with years of experience.

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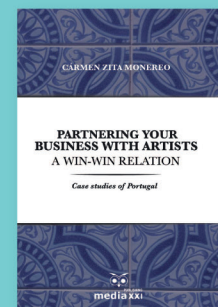
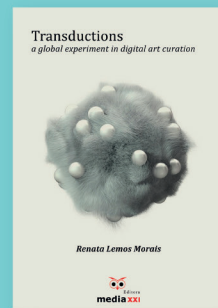
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Co-directed by Terry Flew and Paulo Faustino, JOCIS is created, designed, and peer-reviewed by a highly qualified international team of academic researchers and scholars with years of experience. Each issue of the journal is published in print (ISSN: 2184-0466) and open-access electronic format (e-ISSN: 2795-5540), made available on JOCIS website: <https://jocis.org> (DOI <https://doi.org/10.56140/JOCIS>), every six months.

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JOCIS follows the classic model of a scientific journal, including original papers, reports on studies, literature reviews, and interviews with world-renowned authors. It is handled by a highly qualified Editorial team that has earned its respect through years of experience. JOCIS is designed to propose an innovative editorial initiative, of international reputation, aiming to boost the production, exchange, and dissemination of knowledge on creative and cultural activities. The papers undergo a double-blind peer review by respected and renowned scholars and experts in the field of creative and cultural industries for approval. The articles are published in English, however, articles in other languages (French, Spanish, Portuguese, and German) are also accepted to be evaluated by the scientific committee. The publisher will arrange the translations of those works accepted. The translation has an associated payment.

Including topics related to the transdisciplinary perspective of the Creative and Cultural issues, the core subjects accepted are: Creative and cultural industries, Arts and cultural economy, Marketing in creative and cultural industries, Creative and cultural industries' management, Communication, Visual communication, and interactive media, Design and social innovation, Culture and development, Public policies, Creative clusters, Entrepreneurship, Cultural events.

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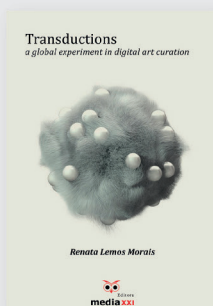
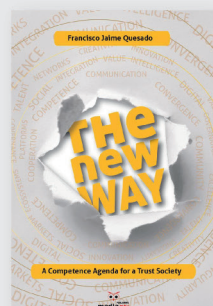
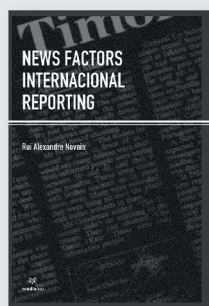
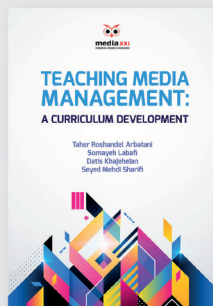
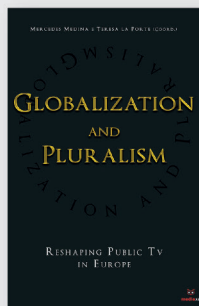
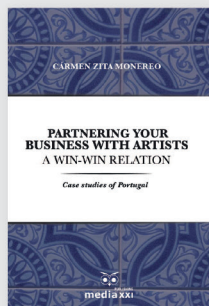
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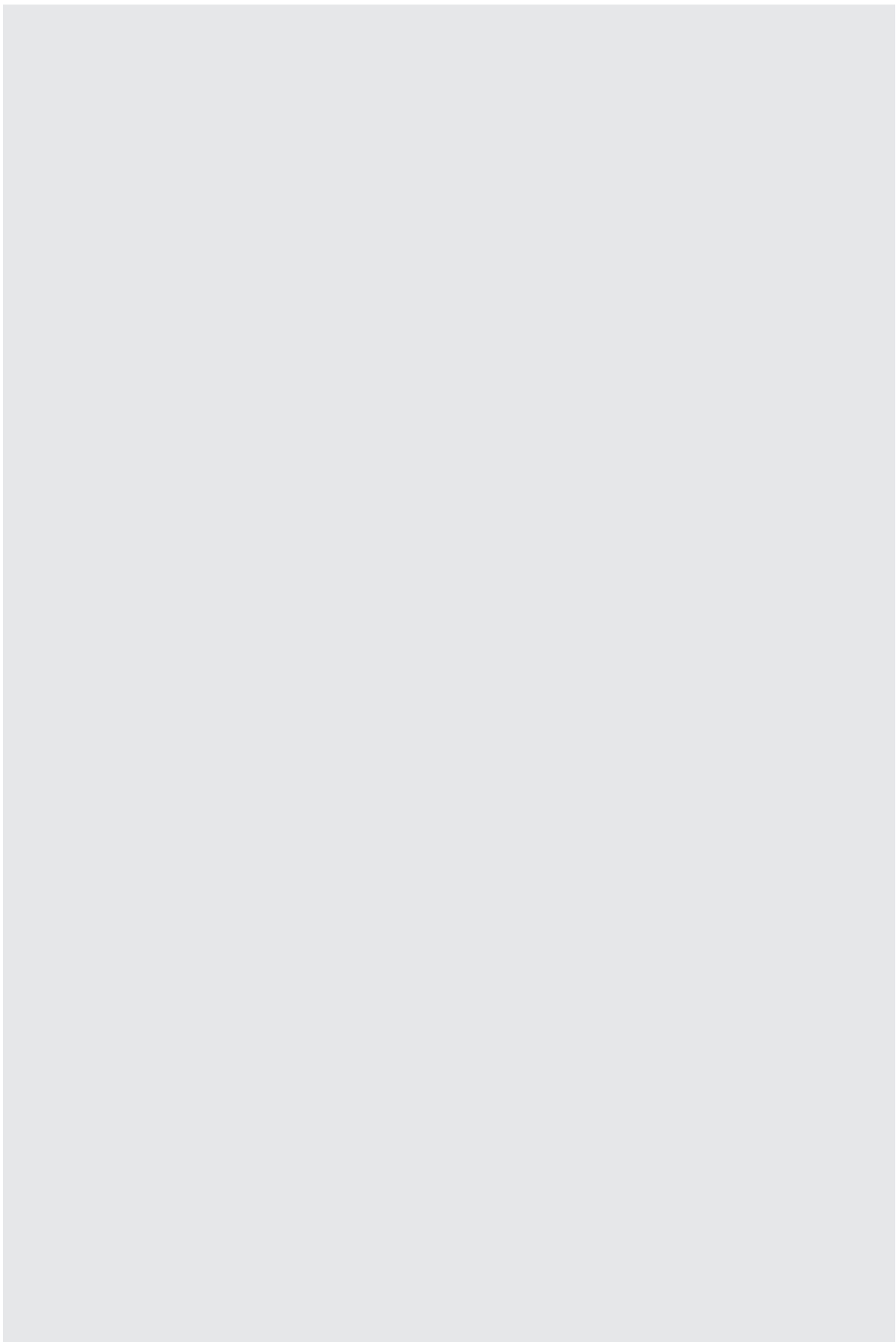


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Foreword

Scientific Standout



BY PAULO FAUSTINO

JOCIS: GROWTH AND RECOGNITION IN THE ACADEMIC AND SCIENTIFIC COMMUNITY

The Journal of Creative Industries and Cultural Studies (JOCIS), published by Media XXI, is attracting increasing interest on the academic scene. This is clearly reflected in the significant number of manuscript submissions that the journal has been receiving since the beginning of the year, obtaining double the number of submissions compared to previous years. This is an indicator that the journal is gaining recognition and attracting the attention of the academic community. Researchers and academics are seeing JOCIS as a vehicle for sharing and publicising their work. This is certainly an important milestone in the progress of JOCIS and reflects its relevance in the scientific community.

This rise in the number of submissions brings with it a number of advantages.

Firstly, it demonstrates that JOCIS is consolidating itself as a platform of choice for researchers wishing to share their work and findings in the fields of Media, and Creative and Cultural Industries. This also contributes to enriching the body of knowledge and the exchange of ideas within the academic community.

Another point to note is that all the articles submitted for publication in JOCIS are subject to peer-review, which guarantees the quality and reliability of its publications.

Finally, JOCIS has an editorial board made up of renowned specialists. This committee plays a key role in guiding and making editorial decisions, contributing to the excellence of the journal.

THE ARTICLES IN THIS 10TH JOCIS ISSUE

TRENDS AND CHALLENGES IN ARTS AND MEDIA

The landscape of the media and entertainment industries is constantly evolving, driven by digital innovations and technological advances. Of the articles submitted to our prestigious journal, five were approved for this issue of JOCIS. Some present different perspectives on the digital revolution and its ramifications for the creative and cultural industries. Through them it is possible to travel different facets of this digital revolution, each offering unique insights into the intricate web of change and adaptation. The economic and financial sustainability of the newspaper industry is also represented.

The studies range from the untapped opportunities in Nigeria's creative industry to the challenges contemporary visual artists face in their careers. In addition, these articles highlight the digital transformations driving the evolution of the entertainment and arts industries, reshaping the way the public interacts with and consumes creative content. While some delve into video streaming in the Middle East and North Africa region, others examine the financial health of newspaper publishers in Portugal, in the context of digital migration and structural changes in the newspaper industry.

In the article *Towards a Prosperous Creative Industry in Nigeria: Perspective and Policy Imperatives*, Kizito Ogedi Alakwe discusses about the immense potential of the Nigerian cultural and creative sector in contributing to economic growth. The author offers insights into the creative industry in Nigeria and explores the cultural and creative industry sector in that country, emphasizing its immense potential and the impact of digital technology and globalization on its development. While acknowledging the contributions of sectors such as film, music and fashion, the article also addresses significant challenges that need to be overcome for Nigeria to fully capitalize on the growth opportunities presented by the industry.

The article *Precarious Careers: A Longitudinal Study with Contemporary Visual Artists from Emerging to Established Career Stages* takes us on a journey through the careers of contemporary visual artists, revealing the complexities of "precariousness" in their professional lives. In her longitudinal study, Emma Duester follows the careers of fifteen artists over eight years and reveals the changes, the challenges and the dynamic nature of their careers, marked by a persistent sense of precariousness. The article investigates how precariousness is experienced both tangibly and mentally by artists throughout their careers. This approach enriches the discourse on precarious work and work in the creative industries by shedding light on the nature of artists' careers and the strategies they develop to deal with precariousness.

Robert DeFillippi explores the digital transformations that are shaping arts and entertainment, highlighting technological innovations and trends that are redefining these industries. His paper *Digital Transformations in Arts and Entertainment* explores the profound impact of digital innovations on various creative industries, from television and recorded music to live concerts, museums and computer games. Robert DeFillippi discusses how advances in semiconductor technology have led to innovations in digital devices and how advances in semiconductor technology have not only revolutionised these industries, but also paved the way for innovative digital products and methods of audience engagement. The author highlights six main transformations, from the digitisation of television to the rise of eSports, and explores their effects on the digitised and analogue elements of these industries. He also identifies trends shaping the future of these sectors.

Ilhem Allagui and Abenezer Bekele, affiliated with Northwestern University in Qatar, investigate the growing video streaming market in the Middle East and North Africa (MENA) region. Their study *The rising business of video streaming in MENA* meticulously examines the opportunities and challenges facing streaming services in this dynamic environment. By drawing parallels with the historical evolution of pan-Arab broadcasting, the authors shed light on key strategies for success and obstacles to sustainability in this growing sector. The conclusions highlight strategies for growth, such as localising content and building partnerships, while also addressing limitations related to infrastructure and the political context in the region.

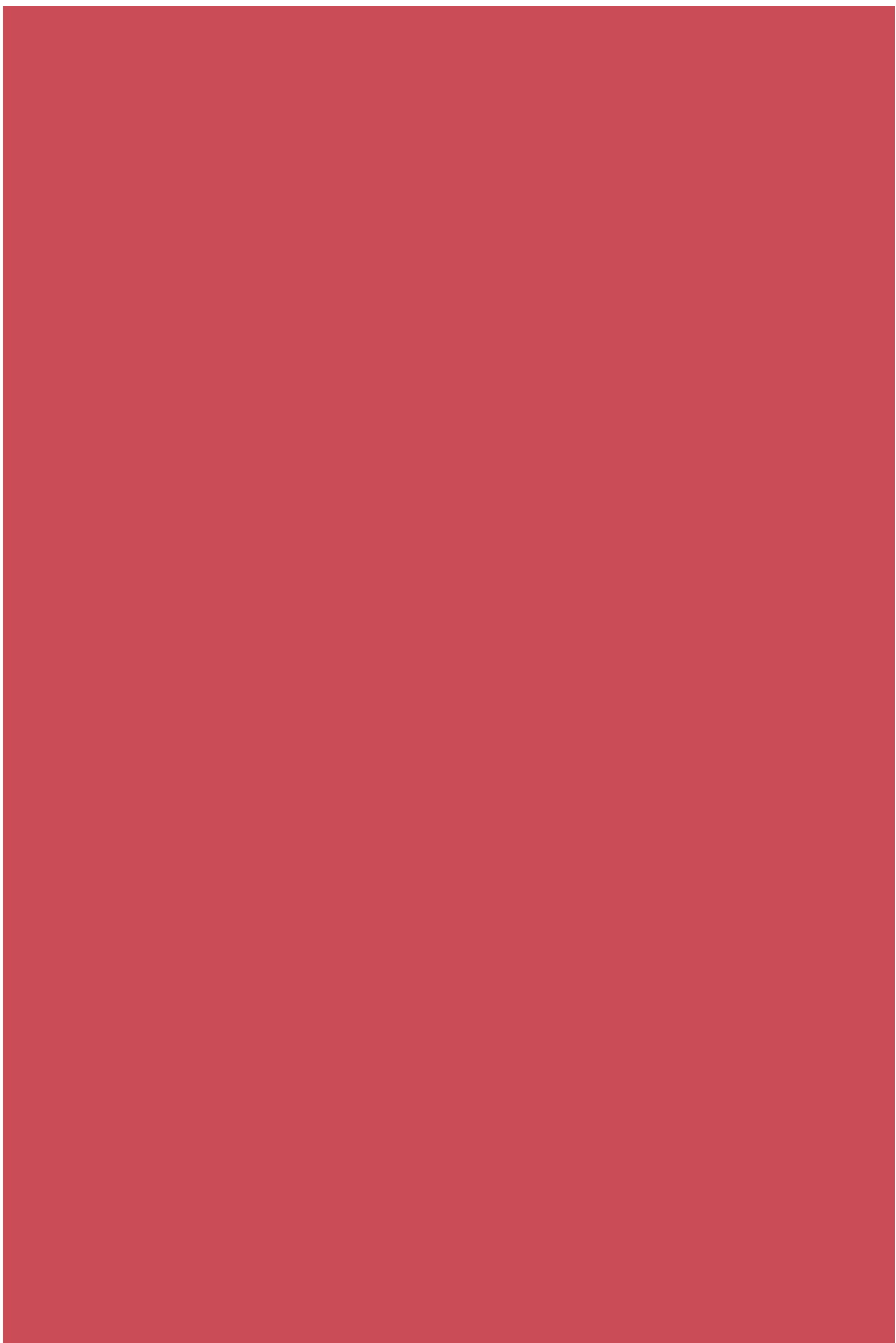
By analysing the finances of newspaper publishers in Portugal, Raul Rios-Rodríguez, David RodeiroPazos, Paulo Faustino and Sara Fernández-López discuss the challenges of economic sustainability in the newspaper industry, especially during periods of transformation as we see in the media business, which is characterised by various levels of disruption. According to their article *Leverage and profitability of newspaper publishers: a financial analysis of the Portuguese industry (2008-2019)*, problems include difficulties with traditional financing models (such as revenues from readers and advertisers), as well as changes in product distribution (such as physical support and declining newspaper banks). The transition to digital media requires new management strategies to reduce costs and to diversify revenues. In addition, the authors examine the financial profitability of newspaper publishers in Portugal. This profitability depends on both economic profitability and financial structure, including leverage. Due to the crisis in the sector, many newspaper companies have accumulated high levels of debt. The study shows that almost half of the publishers had higher financial profitability than economic profitability due to positive leverage effects.

In conclusion, this selection of articles offers a comprehensive overview of the everevolving dynamics in the cultural, creative and entertainment sectors, as well as in the journalism industry. Each one highlights unique aspects of these industries and their transformations over time. Together, these studies illustrate the diversity and the complexity of the creative and media industries and reveal the relevance of the topics and the diversity of the authors' contributions, allowing JOCIS readers to get a broad view of trends and challenges in the creative industries, while also considering financial aspects related to the media.

In dynamic, multi-faceted sectors where change is a constant, finding reliable resources for guidance and leadership is essential. This is particularly evident in the constantly evolving landscape of marketing and advertising. It is in this context that the book "Management Handbook for Advertising Agencies", written by Pablo Medina Aguerrebere and Ignasi Ferrer Lorenzo, emerges as an invaluable tool. In order to provide an overview of the main ideas and practices presented in this book, Professor Zvezdan Vukanovic, affiliated with Canadian University Dubai in the United Arab Emirates, has written a summary for this issue of JOCIS. For Vukanovic, this book is an opportunity to learn the secrets of success in modern advertising agency management.

This volume of JOCIS comes to a close with the highlights of the conference *By the Book8*, organized by the European Publishing Studies Association (EuroPub), which took place at the prestigious Faculty of Arts and Humanities of the University of Porto, in Portugal, on June, 21-22. The topics discussed were extremely relevant to the contemporary book trade and the publishing industry in general.





Articles

1

*Towards a
Prosperous Creative
Industry in Nigeria:
Perspective and
Policy Imperatives*



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BIOGRAPHY: Alakwe holds a doctorate degree in media and communication from the School of Media and Communication, Pan-Atlantic University, Lagos – Nigeria. His primary research areas of interests are in Development communication, Knowledge management, Cultural and creative industries, and Community engagement. His industry experience spans over two decades working in the telecommunication, maritime, professional services, and marketing communication sector. He is currently an Adjunct Faculty at the School of Media and Communication where he teaches Advanced Communication Research Methods.

ABSTRACT

Globally, the cultural and creative industries have evolved to become a critical sector that contributes significantly to the growth and development of economies. Whereas most western nations have long identified the potentials inherent in the cultural and creative industries, nations in the global south still grapple with strategies that will facilitate the harnessing of the prospects in the creative industries. This paper seeks to explore the Nigerian Cultural and Creative industry sector and its contributory potential to the growth and

development of the economy. Leveraging a critical analysis of extant literature, the paper highlights the immense potential inherent in the industry and how these have been facilitated by the evolution in digital technology and globalisation. While acknowledging the contribution of the film, music, fashion and other sectors to the industry, the paper argues that significant challenges must be addressed if the nation must achieve the desired growth from the industry.

KEYWORDS: Creative economy; Cultural Industry; Creative Industry; Nollywood; Intellectual property

INTRODUCTION

Nigeria, and indeed all of Africa, possesses a rich but largely untapped creative potential with the capacity to enhance growth, development, and competitiveness in the global space. Though the rate of development in the cultural and creative sector has not been encouraging, evidence exists that links Africa to a long history of dynamism and creativity (Kwanashie, Aremu, Okoi, & Oladukun, 2009). However, the African creative capacity has been facing still global competition, owing to a large extent, to sustained marginalisation and globalisation where nations with access to advanced means of distributing creative products always outcompete those from the developing countries. Analysts have affirmed that modernisation, even with its advantages, leads to the erosion of local creativity by subjugating traditional cultures to western culture and thinking (Kwanashie et al., 2009). At variance with this belief, the Nigerian cultural and creative industries have boomed within the past decade. This growth is exemplified by the global attraction to the fashion industry, the heightened collaboration between music artists in Nigeria and others from Africa, Europe and the United States, and, of course, the global attention to Nollywood (the Nigerian film industry).

Furthermore, myriads of Africa's cultural and creative works in several museums in America and Europe is a clear indicator of how popular and vibrant the African creative industries have become. These creative products do not just contribute to the Nigerian economy but also contribute immensely to the economies of the countries where they are being exported to and indeed to the global creative economy. Thus, Nigerian music, fashion, arts and crafts, architectural designs have exhibited a quality that is obtainable in more developed nations.

In industrialised and developing societies, the importance of the creative economy, with specific reference to the economic values inherent in intellectual property, has gained popularity over the years. The ability to harness the economic potential of creativity has many positive effects – the creation of wealth, the establishment of creative capital, the cultivation of creative talents, the enhancement of export potentials and an increase in competitiveness. Consequently, the creative industries are gradually receiving the desired attention from the governments in developing nations. There is high optimism that the creative industries can assist these nations in leapfrogging to the level of development already attained by developed societies.

Because of the long cultural history of many societies like Nigeria, creating products for the marketplace is both constrained and aided by tradition (Cunningham, Ryan, Keane, & Ordonez, 2004). While it is evident that traditional culture facilitates creativity and contribute to the industry, maintaining

those traditional aesthetic forms frequently require that the code of aesthetics remain intact. Again, for many Third World countries, the growth and development of the creative industries have been hindered by weak political and institutional support, poor entrepreneurial capacity, the overbearing influence of foreign establishments and the incidence of piracy. When properly organised, working conditions, employment and the income accruing from the creative industry are all enhanced.

In Nigeria, the cultural and creative industries represent an ever-expanding complex of different economic sectors. The sector incorporates the creation, production, marketing and distribution of products that emanate from individual creativity (United Nations, 2011). According to a report by UNCTAD, the creative industry is concerned with the relationship between the diverse knowledge-based economic activities, which comprise products and services that possess both cultural and economic value (UNCTAD, 2011). They include the film and recording sectors, the performing arts, broadcasting, photography, music, software, games and publishing sectors. The importance of the creative economy lies in its ability to stimulate competitiveness, create jobs and boost the economy. More importantly, creativity has been proven to facilitate quick integration in the global economic space.

The creative industries, especially the film and music industries in Nigeria, contributed significantly to the emergence of the country as the largest economy in Africa after the 2014 rebasing exercise. This is an indicator and pointer to the contributory potential of the creative industry towards economic growth and development. However, the optimism that the creative industries will be the key driver of economic growth is dampened by the fact that creative cities and, by extension, the industries are usually located in urban cities. This is because the rural areas constitute a more significant percentage of the population in developing nations, and the output from the urban areas might not be substantial enough to affect the entire population positively. Hence, in most developing countries, the creative industries are barely taken into reckoning regarding national productivity. Often, funds are channelled towards sectors assumed to have more pressing needs like education, health, poverty reduction and agriculture. Likewise, the optimism that developing countries can leapfrog into a neo-classical economic paradigm needs to be evaluated from the perspective of geography, social institutions, and lack of effective innovation systems (Sachs, 2000).

For any sector to grow and prosper, there must be some sort of attention from the government. A critical question here is the following: is it the duty of the government to provide funding for private ventures even though they involve culture and creativity? The answer could be yes or no. The essence

of this paper, therefore, is to highlight the current state of the cultural and creative industry in Nigeria and analyse the role of government in facilitating the growth and development of the industry as an integral component of the broader economy.

CREATIVE INDUSTRIES AND ECONOMIC DEVELOPMENT

In recent years, the cultural and creative industry has become an increasingly important sector contributing significantly to economic growth (Deloitte, 2021). The UN General Assembly, supported by 27 countries, set aside the year 2021 as the International Year of the Creative Economy for Sustainable Development emphasised the contributory potential of culture to the global economy and sustainable development (UNESCO, 2021). According to Yousou N'Dour:

“Supporting the cultural sectors and the creative economy as a way to diversify economic activities is a key issue. The media, museums, theatres, cinema, all these infrastructures have a positive impact on society because they allow economic development, the proliferation of ideas and innovation that lead to progress” (UNESCO, 2021).

Studies have indicated that creativity is not the privilege of rich countries but is embedded in every nation's cultural context much more than labour and capital (Daubaraitė & Startienė, 2017). Thus, with adequate nurturing, these sources of creativity inherent in our societies can facilitate new opportunities for developing nations. This will, in turn, increase their shares of world trade and wealth creation. What makes the creative industries unique and attractive to both public and private enterprises is their ability to drive job creation and economic growth, engendering resilience to an economic crisis and their potential to draw from individual creativity (UNCTAD, 2004).

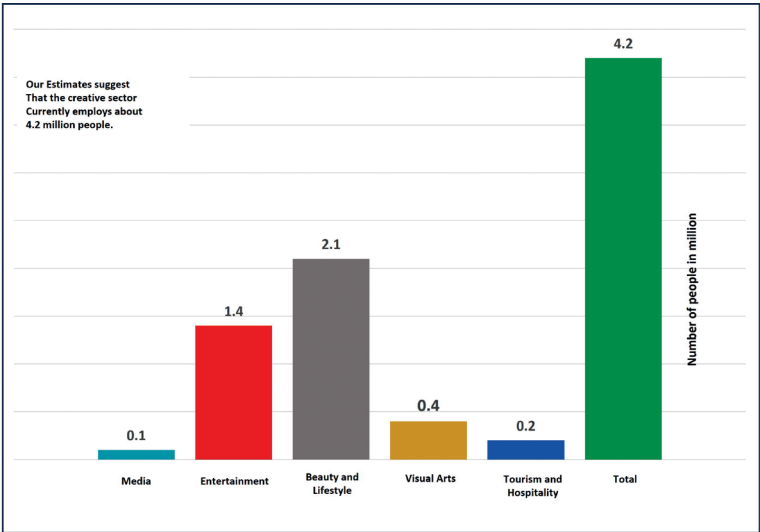
As a concept, the creative economy is not new nor novel. When you listen to radio broadcasts online, buy newspapers from newsstands, subscribe to online video streaming service, visit a cinema to watch a movie, buy clothes, purchase furniture, read a book, or listen to a favourite song, you are consuming a creative product or service. These works are conceptualised and produced by individuals, and they get paid for it. While this sound similar to every other product or service we consume, it differs in a very significant way: the primary input emanates from an original and copyrightable intellectual property (UNCTAD, 2021). Thus, the creative economy encompasses all knowledge-based economic activities on which the creative industries stand.

According to EY (2015), the creative economy has a contributory potential of 3% of the global GDP, and according to UNCTAD, the global market value for creative goods as of 2015 was said to be a significant US\$509 (Henderson & Shelver, 2021).

Globally, the creative industries have evolved to become one of the most dynamic sectors of economies. Available data have laid credence to the fact that creative industries have impacted positively on the social, economic and cultural development across Europe and America through employment and promotion of trade. Indeed, the creative industries have opened up a whole new vista of opportunity for developing nations to achieve developmental goals hitherto witnessed among developed countries. However, Africa still struggles to rise above the low position it occupies in the global space as a result of undocumented creative outputs primarily due to the informal structures that exist within the industry. This makes most of the outputs go unrecognised and thus do not feature much in terms of export.

At the heart of innovation, which drives sustainable growth and prosperity, is creativity. In Nigeria, creative innovation emanates from diverse sources: the sciences, arts, technology, business, research and development and, more importantly, our communities. These aggregate to enrich Nigeria's cultural capital. For there to be a creative business, creative innovations must find a place in the marketplace. It is this economic potential that makes creativity critical in the development of economies. The Nigerian creative industry draws on the enormous creative talents and skills of the Nigerian populace, and other industry sectors are employing creative methods as a strategy to improve productivity. As an emerging sector contributing significantly to the economy in terms of output, revenue, and employment, the Nigerian creative industry attracts due attention locally and internationally. The Nigerian Creative sector has evolved to become a vital contributor to the economy. It is the second-largest employer of labour in Nigeria (after agriculture), with about 4.2 million employees and the potential for an additional 2.7 million jobs by 2025 (Oluwole, 2021).

Figure 1: Creative Industry Employment Capacity by Sector.



Source: Business Insider Africa

According to Godwin Emefiele, the Central Bank Governor, as cited in Babatunde (2021), the Creative industry is worth US\$4.5 billion and accounted for a total of about US\$1.8 billion of the country’s GDP for the year 2020 (Sasu, 2022).

A significant concern for Nigeria and most African nation-states is that of development. Globally, there is a consensus on the need to harness resources towards achieving growth in Third World countries. This concern has led to the provision of grants and financial aid for developed nations. However, the success recorded has not been commensurate to the assistance on offer, simply because a greater percentage of Africans live in the rural areas and thrive on subsistent agriculture (Kwanashie, Aremu, Okoi, & Oladukun, 2009). This is the case in Nigeria, where the considerable oil wealth has not helped in ameliorating the conditions of these rural dwellers. Thus, the need for accelerated development is imperative. With its rich cultural heritage and creative potential, there is a need to refocus on diversifying the economy from the predominant dependence on oil. To achieve this, the nation has deployed quite some strategies ranging from import substitution for the industrial sector to the promotion of exports and privatisation and commercialisation of public enterprise. While these strategies have yielded some results, the current focus is on mobilising the creative potential of the people for economic growth. This is based on the belief that the creative industries possess a more significant potential for economic advancement in a liberalised economy (Kwanashie, Aremu, Okoi, & Oladukun, 2009).

ADVANCES IN THE NIGERIAN CREATIVE SECTORS

A mapping exercise carried out by the British Council in 2013 identified ten key sectors within the creative industries (Dandaura, 2013). The contributory capacity of each of these sectors differs, with the film industry being the most significant contributor to the Nigerian economy. Consequently, the level of interest and investment depends on the profitability of the industry sector.

FILM

The Nigerian film industry comprises Nollywood, subsectors like Kannywood and other segments that cater to Igbo and Yoruba speaking audiences. A turning point for the industry was the transition to the direct-to-video system that was facilitated by the VHS, VCD, and DVD. The success in the film industry can be linked to the rich cultural diversity, which forms a ready source of creative scripts and storylines for practitioners (actors, scriptwriters, producers and others). Predominant themes range from religion to topical issues in society. In terms of output, Nollywood is the second largest film industry, with products in high demand across different nations of the world. At the global box office, revenues from Nollywood trail those of Bollywood and Hollywood, with the industry worth a whopping US\$6.4 billion in 2021, which happens to be the largest for the African continent in terms of value, number of films produced annually, revenue and popularity (Igbinadolor, 2022). The sector produces about 2,500 films annually and contributes about 2.3%, which translates to nearly US\$660 million to the nation's GDP and is projected to exceed the US\$1 billion mark in a few years (International Trade Administration, 2021). This vast economic potential has sustained interest from investors and the government. Opportunities here will include the opening of cinemas across the major cities and sub-urban areas, leveraging digital technology in streaming of videos, training and capacity building, especially in the area of cinematography, scriptwriting, directing, and equipment leasing (International Trade Administration, 2021).

MUSIC

The Nigerian music industry has evolved over the years to become a vibrant industry, with its popularity extending beyond the shores of Nigeria. This is evident with some of the local musicians collaborating with renowned western artists like Jay-Z, R Kelly, Rick Ross, 50 Cents and many others. Some Nigerian artists have received awards for their exemplary performance: Femi Kuti and Peter and Paul Okoye (P-Square) won the KORA Music Awards, while 2 Face Idibia won the World Music Awards and the BET Awards. Ayodeji Balogun (Wizkid) won the Grammy for collaborative work with the American singer Beyonce and her daughter, Blue Ivy Carter, for the "Best Music Video" for the song, Brown Skin

Girl. Damini Ogulu, aka Burna Boy, won the Grammy in 2021 for the “Best Global Music Album” award for his album ‘Twice as Tall’. Total revenue accruing to the music industry in 2021 rose to US\$73 million, and this translates to a 13.4% compounded annual growth rate (CAGR) for that period.

CREATIVE ARTS

Historically, Nigeria has always had a thriving art sector, with most of the nations’ prized artworks decorating museums, galleries and private collections across Europe and America. The art sector of the creative industry is made up of collectors, galleries, annual auctions both locally and internationally and myriads of painting from amateurs and professionals. Renowned artists include Ben Enwonwu, Uzo Egonu, Uche Okeke, and El Anatsui. “Bush Babies” by Njideka Akunyili holds the record for the most expensive Nigerian Art piece sold. Her mixed media art sold for US\$3.4 million at Sotheby’s New York in 2017. This is followed by Ben Enwonwu’s “Tutu”, which sold for US\$1.6 million in 2018. Other famous works of art that attracted immense value include Njideka Akunyili’s “Drown”, which was sold for US\$1 million, and Toyin Odutola’s “Compound Leaf”, which was auctioned at Sotheby’s for US\$597,335.00 in 2019 (Memeh, 2021). These achievements have contributed to making the sector more attractive to budding artists.

FASHION

In recent years, Nigeria has witnessed phenomenal growth in the fashion industry, which represents another significant stimulant for the employment and economic development of the nation. Nigerian designers have gained a strong foothold in European and American markets through fashion weeks and other fashion fairs. This boom can be attributed to the emergence of social and new media that have made it possible to showcase Nigerian designs across a wider audience worldwide. Since 2010, the fashion sector has achieved a steady growth rate of 17%, driven by increased demand and unprecedented initiatives that continually push the industry towards global consciousness (Akinsola, 2019). Some of these initiatives include the Lagos Fashion Week. Kenneth Eze, a designer for menswear, recently won the Fashion Focus prize and is one of the first Nigerian designers to be stocked at Brown’s, a luxury fashion retailer in the United Kingdom (Akinsola, 2019). This is in addition to the hosting of two prominent Nigerian designers: Eki Orleans and Nkwo Onwuka, by the Prince of Wales, Prince Charles, in 2018. Though the Nigerian Fashion industry accounts for 15% of the Sub-Saharan fashion market, which translates to about US\$4.7 billion, many still believe the pace of growth is slow given the huge population of Nigeria (Akinsola, 2019).

PUBLISHING

Publishing and advertising have a very long history in Nigeria, with the first printing press established in Calabar in 1846 by the Presbyterian mission (Oyeyinka, Aganbi, & Atewolara-Odule, 2016) and the West African Publicity Limited set up in 1928 as the first advertising company in Nigeria. The publishing sector has been affected by the boom in digital technology, with Nigerian publishers struggling to tap into the opportunities presented by digital media, and the industry still retains some potential. Furthermore, the state of the publishing industry in Nigeria has been impacted negatively by the emergence of author-publishers, who has contributed to eroding the quality of published materials. According to the National Bureau of Statistics, the publishing industry contracted by -6.79% (NBS, 2021) and contributed a paltry US\$47,000 to GDP.

Since the establishment of the West African Publicity Limited by UAC in 1928, the advertising industry has grown to a huge sector aptly classified under the creative industry (Alakwe, 2019). Right from its launch into the Nigerian market, the advertising industry has experienced steady growth and has evolved to become a flourishing business sector valued at an impressive US\$425 million as of 2017 (Tinubu, 2021). Whilst many industries are struggling to recover from the devastating effect of the COVID-19 pandemic, and the advertising sector has always remained on an upward trajectory, thanks to the boom in digital technology. This is evident from the fact that the industry relies strongly on mobile telecommunications. A common practice in the advertising sector is the engagement of foreign partners and affiliations to secure more juicy briefs locally.

TOWARDS A THRIVING CREATIVE SECTOR: KEY CHALLENGES

From Nollywood to music and fashion, Nigerians have turned what was hitherto referred to as informal work into a vibrant economic activity through which its culture is exported to a global market. With the launch of the first-ever Netflix original Nigerian movie, the emergence of internationally acknowledged fashion brands, and the winning of the Grammy by Nigerian music artists, the Nigerian Cultural and Creative Industry is consolidating its position on the global stage. However, Available data and critical observation indicate that the full economic potential of the Nigerian Creative Industry is yet to be achieved. This delay can be attributable to several factors that impinge on the growth and development of the industry and affect the contributory potential of the sector to the Nigerian economy.

Some significant setbacks include lack of proper coordination of the creative sector, lack of relevant cultural statistics and capabilities of researchers in

the industry, sub-optimal level of monitoring and evaluation to unearth the developments and challenges in the sector and the consequent difficulty in measuring the contributory potential of the entire sector (due to the informal nature) to national development. Also contributing to the challenge is the poor level of collaboration amongst the government agencies that operate within the sector.

Other issues impinging on the fast development of the industry are the skills gap, especially in the movie, music and fashion industries, low level of investments in skills development and slow pace of upgrading the academic curriculum to address the current and future needs of the industry. There is also a lack of adequate mapping of the internship structures, provision for mentorship and career development for young talents (Agbakosi, 2021). Of greater importance is the lack of requisite infrastructure and industry-friendly regulatory framework to drive growth and development. Finally, funding is a major challenge. The difficulty in securing loans and grants also contribute to the myriads of challenges facing the sector.

DEVELOPING THE CREATIVE INDUSTRY IN NIGERIA: STRATEGIES AND POLICY IMPERATIVES

With the rebasing of the Nigerian economy in 2013, Nigeria leapfrogged South Africa to emerge as the largest economy in Africa – a position it has retained to date. The nation's GDP was at US\$31 billion in 1990, increasing to US\$514.05 billion in 2021 (Kamer, 2022). Increasingly, Nigeria is becoming more integrated into the regional and world economy, as evidenced by the increase in foreign direct investments (UNCTAD, 2014). This development can be attributed to a noticeable shift in sources of revenue to the service sector.

In the contemporary globalised world, creativity and knowledge have evolved to become principal drivers of economic growth with profound implications for trade and development. In consonance with technology, creativity and knowledge have opened up the massive potential for many Third World nations to identify and develop new avenues for wealth creation and employment in line with global trends. However, one significant prerequisite is carefully articulated policy strategies by the governments at different levels to facilitate the conversion of creativity and knowledge to wealth and trade cooperation at the global level.

Most often, development is triggered by changes in the structure of production driven by government policies. This is because decisions taken by governments in the cultural and creative industries have the potential to impact the socio-economic and political status of societies directly. However, there is a need to ascertain the impact government's contribution will have

on the civil, social and cultural values of the society, how such support will encourage skills development and employment, and how it will influence world views, behaviours, values, and attitudes. Diverse strategies are available to governments in their quest to boost the creative economy and create a strong link between the economic, social, technological and cultural aspects of the economy.

In Nigeria, the government has put in place some structures and devised strategies to promote the cultural and creative industries. While these might not be adequate in addressing the needs of the industry, more areas of intervention are being advocated. These are in regulations, grants, creating an enabling environment, which include creative cities and clusters, training and education and tax incentive. This section of the paper, therefore, focuses on analysing what the Nigerian government should be doing concerning the policy direction and strategies highlighted above.

PROVISION OF INFRASTRUCTURE

One of the fundamental roles of governments across the world is to provide an enabling environment where the social, economic and cultural life of the citizenry can grow and prosper. This is evident in the provision of tangible and intangible infrastructure to stimulate economic development. The focus, therefore, ought to be on those infrastructures that are prerequisites to the effective functioning of the markets as well as for promoting and protecting the public interest. The infrastructural needs of the creative industries are evident at every point in the value chain – from the point of initial production through marketing and retail.

One critical but often overlooked infrastructural need of the creative industry is accommodation. This involves office spaces, factories, and homes for the creative workers. Lack of accommodation can be a deterrent to creative output. As Nigerians migrate from the rural areas to the urban areas, a principal challenge facing them is where to live. With the high cost of accommodation in cities like Lagos, Abuja, and many others, startups find it difficult to afford spaces for business.

Businesses, especially those in the creative sector, require power to thrive. Power generation and distribution have been a major challenge in Nigeria for decades, irrespective of the huge amount of resources expended so far in that sector. This has forced most businesses to depend on generating sets with the attendant cost of fuel to power their businesses. Whether in the music recording studios, film production studios, photography, fashion, or even in the creative arts, the need for electricity is paramount. The resultant effect of low or non-existent power is the high cost of creative output and the

erosion of margins. As a follow up to the unbundling of NEPA by the previous administration, the present administration of Muhammadu Buhari has made a significant effort to rejuvenate the industry. The effects, however, are yet to be felt by the business environment. Their efforts are also being thwarted by the activities of militants in the Niger Delta, where the gas that powers the power turbines are generated and pipeline vandals.

Access to information and communication technologies is also critical for the growth and development of the creative industry. With globalisation, there is a need to access information across the globe as well as share information across diverse nations of the world. There is no doubt, however, that access to ICT, in terms of identification of market opportunities, training, innovations, networking, and sales, is a significant factor in the development of the viability of small business units (UNCTAD, 2008). However, without a robust ICT framework, this will be difficult. Currently, teledensity in Nigeria is 102.40 million, with about 305.38 million connected lines and 195.46 active lines (NCC, 2022). To boost connectivity, the Nigerian government recently auctioned licenses for the 5G broadband internet. This promises to close the gap in interconnectivity and usher in efficiency in the sector. With the distribution and sales of music, films and even published works gaining popularity on digital media, a fast network will not only enhance streaming but also facilitate access to information that might form an essential component of the creative activity.

Finally, transportation is equally another critical necessity to the creative industry. Cheap and efficient means of transport will engender movement of raw materials, workers and creative goods across the country. The recent revamping of the railway system in Nigeria and the plan to establish a national carrier are steps in the right direction. While waiting for these plans to materialise, the industry will continue to grapple with transport and logistics challenges.

PROVISION OF FINANCE AND INVESTMENT

Provision of financing and investments come in the form of grants which is a more direct form of investment in the creative industries. With the private sector shying away from investments in a risky sector such as music and film, the responsibility for shoring up avenues for sourcing of funds has shifted to governments and multilateral agencies. This shift can be attributed to the fact that many entrepreneurs in the creative sector struggle to develop a convincing business model and business plan, and most sectors within the industry, such as dancing, editing, weaving, and choreography, are not seen as profitable businesses. Thus, these sectors have not actualised their full potential due to a lack of required capital to scale up their activities and operate as profitable businesses.

While changes are taking place in response to success stories from creative workers, many professions and skills within the creative economy are yet to be recognised as business categories in strictly legal terms. Consequently, many of them cannot access funds to drive viability and growth. However, funding is critical in boosting the creative economy. Such funds can come in different forms: public funds, investments from the private sector, public-private ventures and grants from multilateral agencies.

In response to the significant contribution of the creative industries, especially the music and film industry, to the growth of the economy, some agencies and the government have made available funds that operators within the creative industries can access. While these funds were available in principle, accessing them is a huge challenge for the practitioners. This was the case with the US\$200 million government grant to the film industry. The Nigerian Bank of Industry (BoI) also instituted the NollyFund to provide funding for the film production value chain. This initiative was expected to create a minimum of 7,000 direct and indirect jobs (Abulude, 2016). Access to the funds is restricted to limited liability companies. The NollyFund initially was worth N1billion with a debt limit of about N50 million per individual loan. Some of the establishments that have accessed the loan in the past are Silverbird Distribution Company, G-Media, Genesis Deluxe Distribution company, Kingsley Ogoro Productions Limited, 4Screams International Limited, among others (Abulude, 2016). The bank has also financed several creative projects in the film industry like *Flower Girl* (2013), *Half of a Yellow Sun* (2013) and the digitisation of several film houses.

While these interventions have increased the level of attention and interest in the creative industry, the core target still struggles to access the funds. And restricting access to only limited liability companies puts creative individuals who do not have the wherewithal to set up a limited liability enterprise at a disadvantage. The approach, therefore, should be all-encompassing, and efforts must be made to educate these individuals on the advantages of working as a corporate entity while streamlining the company registration process to make it more seamless and attractive.

CREATION OF INSTITUTIONAL MECHANISMS AND DEVELOPMENT OF EXPORT MARKETS

Collaboration among ministries is a strategy that the Nigerian government has not explored to the fullest. As culture and creativity is a link between ministries of technology, culture, tourism and youth development, it is imperative to have a flexible and workable institutional process for cross-cutting policies across these diverse ministries. Through the ministries of culture,

funding should extend beyond the pure cultural sector and involve ministries in charge of technology and industrial development. This facilitates a more comprehensive approach to developing the cultural sector as it aligns the objectives of the ministry to those of allied ministry for mutual growth.

It is expected that the government should institute strategies that will encourage the sourcing of funds from outside the shores of Nigeria through targeted foreign direct investments. While the fashion, film and music sectors of the creative industry have done well in reaching out to the global market, the government must support such moves by signing bilateral trade agreements with select countries across the world and facilitating the participation of Nigerians in international trade shows. The government can offer some form of tax rebates and tax holidays for new entrants in the creative sector. This will reduce the initial pressure on capital requirements for the business. While these have been made available to operators in the telecommunication sector (with emphasis on GSM), the film and music industries, it is yet to be extended to other sectors of the creative industry, especially fashion, architecture, photography and others.

REGULATORY AND PROTECTION OF CREATORS' RIGHTS

Intellectual property encompasses a wide array of legal frameworks that include trademarks, patents, and copyrights. Whereas copyright laws facilitate the preservation of the rights to creative works such as musical and literary arts, trademarks protect and regulate brand identities. Patents deal with protecting the rights to technological and scientific inventions from copying. Because of the intellectual property inherent in creative works, there is a need for a robust legislative framework aimed at safeguarding creative output and enforcing intellectual property rights. In Nigeria, the adoption of strong intellectual property rights protection is becoming popular in response to the realisation that the creative industries contribute significantly to economic development. However, enforcement is weak or simply non-existent, primarily due to the lack of a robust and transparent collection and management of intellectual property rights. The result of poor monitoring and weak enforcement is piracy, which is the bane of the creative industry in Nigeria.

Furthermore, the legal framework for intellectual property protection is founded on three critical laws: the Copyright Act of 2004; The Patents and Designs Act of 1990, and the Trademarks Act of 1990. These laws aim at encouraging individual creativity, protecting creative outputs and enforcing infringements. Irrespective of the existence of these laws, piracy is still a huge challenge facing the creative industries in Nigeria. It makes the development of a viable career in the creative sector near impossible and impinging on the

optimal performance of the creative industries. In the music industry, pirates have a competitive advantage over the intellectual property owners because of lower cost and lower capital investment requirements with strong links to highly informal but very efficient distribution networks. Corruption has made practitioners in the industry question the veracity of the government agencies and extant laws in fighting piracy.

One of the ways through which Nigeria can address this issue is by instituting a collection society or agencies. Their duty will be to monitor physical distribution and consumption in the media (with reference to film and music) with the intention of collecting royalties on behalf of the intellectual property owners. Thus, the Copyright Society of Nigeria (COSON) and the Audio Visual Rights Society of Nigeria (AVRS) are bodies established to assist in this case. However, the major challenge is the lack of a legal framework, proper structure, data, and capacity to track and monitor usage within and outside Nigeria. While it is relatively easy for foreign collection agents to monitor usage on radio and television in Nigeria, the same cannot be said for the monitoring of locally produced creative works abroad. Thus, the enactment of the relevant laws is clearly not enough to address the issues of intellectual property infringement. It must be backed by the will to enforce such laws.

EDUCATION, TRAINING, AND RESEARCH

At the primary, secondary and tertiary levels of education, there exist some attention on creativity, arts, and entrepreneurship. A number of training institutions have also been established by both the government and private sector organisations that cater to these subject areas. We have the Musical Society of Nigeria, The Nigerian Film Institute, and technical colleges. The neglect and subsequent decay in the educational sector by the government have resulted in the emergence of many private educational institutions. Even though the government still regulates these schools, most of their curriculum is not localised, especially in primary and secondary schools. Since primary and secondary schools represent an arena where creative talents are identified and nurtured, there is a need to pay more attention to these levels of education. Special focus should go to the curriculum, incorporating subjects that stimulate creativity. Aside from music courses offered at the university level, there is virtually no government-owned professional institution where musical skills can be developed. The existing ones – Tenstrings music Institute, Peter King College of Music and the Musical Society of Nigeria and many others - are private establishments. Though universities represent a critical pathway to careers in the creative industries, there is a need to set up special institutions that will cater for the needs of the creative industries and provide a pipeline of creative workers that will form the core of

the creative economy. There is also a need to re-jig the academic curriculum to place more emphasis on subjects and courses that will elicit individual creativity.

The availability of research institutions is also critical. Aside from facilitating the development of the creative industries, carrying out research and applying the same is necessary for the growth of all economic sectors. The humanities, arts, and social sciences all produce quality research papers that can be leveraged upon by the creative industries. Though the government has funded a number of these initiatives, many of them are not targeted at the cultural and creative industries. There is a need to explore more efficient means in fashion design and even more creative ways in identifying raw materials in the painting and creative arts. The ministries of culture, tourism, science, technology and education should shift their attention towards research and leverage results to boost the creative sector.

INSTITUTION OF EFFECTIVE DATA COLLECTION MEASURES

The bane of Nigerias' creative industry is the lack of adequate data to drive sound decisions. Both the government and practitioners in the creative industry work blind with regard to requisite data. Aside from the film industry, it is difficult to know the volume of trade in the creative industries or the number of times a particular song is played on radio or television. Lack of requisite data makes it challenging to calculate royalties due to intellectual property owners. The National Bureau of Statistics can help by setting up structures through which data on creative activities can be collated and accessed by practitioners and investors alike. There is no gainsaying that adequate investment and policy will positively impact the growth potential of the creative industries. Still, until the economic values of the outputs from these sectors can be measured and benchmarked, the efforts will be in futility.

CREATIVE CITIES AND CLUSTERS

According to Flew (2002), a critical element in developing the cultural and creative industry is locational geography or the formation of creative cities and clusters. Clusters emerge from a conglomeration of specialised suppliers, necessary infrastructure, producers of complementary products, specialised customers and academic and research institutions that promise specialist knowledge, information, and training, technical and educational support. Popular examples include the Aba leather industry, the Lagos and Aba fashion hub, the Asaba film village and many others. Clusters facilitate the generation of substantial competitive advantage within them. This happens in three different ways: access to specialist input in terms of labour, technology and knowledge; promoting innovation through capacity enhancement and facilitating quick and flexible response to new

opportunities; and, finally, promoting the formation of new business by encouraging access to requisite labour, capital, skills, and technology (Alakwe, 2019).

Governments can stimulate the establishment of clusters through tax rebates, the establishment of training and research institutions and the provision of funding which is a huge requirement in the cultural and creative industry. Furthermore, efforts should be intensified towards creating markets for creative products. Some state governments have initiated plans to develop their creative and cultural industries through private initiatives, public interventions, and government policies. For instance, the creation of Tinapa by the Cross River State government was to drive the establishment of a film industry cluster in that region.

CONCLUSION

In most developed nations, the cultural and creative industries account for a significant percentage of the overall economy. The rebasing of the Nigerian economy has brought to the fore the significance of the cultural and creative industries in the growth and development of the Nigerian economy. The emergence of the new media, increase in digitisation and the rise in demand for licensed streaming of Nigerian videos from foreign countries all point to the fact that the industry is set for exponential growth. ROK Tv reports an audience of millions of viewers across 178 countries and the Nigerian fashion is being represented at various fashion shows in major cities of the world, and Netflix has been active in the Nigerian film industry.

The ability of the creative sector to contribute optimally to national growth and development is seriously marred by several factors. Critical are continued loss of revenue because of informal marketing and sales, which encourages piracy and reduce interest from investors. The incidence of weak enforcement of intellectual property rights using ambiguous and outdated laws must be addressed. Poor infrastructure, as seen in the power sector and the telecommunication sectors that contribute to minimising the contribution of the creative industries to the economy, should be investigated.

Though governments are not expected to shoulder those responsibilities that the private sector can handle, the onus lies in providing the enabling environment where creativity thrives. This can be done by enacting the requisite copyright laws, updating the educational curriculum, and setting up a specialised training institute for the creative industries. There is also a need to build up people's confidence in the government to protect their works while making the registration process of copyrights and patents a smooth and seamless one devoid of ambiguity. Creating creative clusters has also proven to be a good strategy in growing the creative industry. Governments should engage more

with practitioners and operators in the creative industries to better understand their needs. Attracting operators will be of mutual benefit to both parties as the activities of these operators will form a source of internally generated revenue.

Finally, there is a need to map the industry and institute a mechanism through which data on creative outputs can be collated, measured and used to benchmark on expectations. For the potential investor, this will be critical in decision making.

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*Precarious Careers:
A Longitudinal
Study with
Contemporary
Visual Artists
from Emerging
to Established
Career Stages*



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ABSTRACT

This paper explores the nature of artists' careers over eight years. It investigates artists' career paths including developments, highlights, challenges, and stasis over eight years. This is a longitudinal study that comprises two sets of interviews conducted with the same fifteen artists in 2013 and 2021. It analyses artists' reflections on their careers as emerging artists in 2013 and as established artists in 2021. It exposes how these artists' experience changes and shifts along their career paths, yet, how the one continuity throughout their careers is precarity. Together, this longitudinal study uncovers new knowledge on the nature of artists' careers by exposing how precarity is experienced over the course of their careers. This also develops existing discourse on precarious work and labour. Together, this expands understandings on 'precarity' in the creative industries by showing how it is experienced in artists' careers as something that is tangible and mental, how it is experienced across their careers, and how strategies are found to cope with this precarious career. Addressing this can shed new light on the nature of artists' careers and the nature of work in the creative industries today.

KEYWORDS: Artists, Careers, Precarity, Work, Creative Industries, Baltic States, Europe.

INTRODUCTION

This paper explores the nature of artists' careers over eight years. It exposes the persistent precarities from emerging to established stages across artists' careers. While these artists' experience career developments and shifts, the one continuity throughout their careers is precarity. This longitudinal study investigates artists' career paths and examines how they withstand precarities over eight years of their career, drawing on two sets of interviews conducted with the same fifteen artists in 2013 and 2021. This study provides an analysis of artists' reflections on the starting point in their career in 2013 alongside their reflections mid-career in 2021. Together, this longitudinal study uncovers new knowledge on the nature of artists' careers and how precarity is experienced over the course of their careers.

This paper explores how precarities persist across artists' careers in order to develop existing understandings on precarity. The precarities of artists' work are generally understood and widely discussed in literature on the precarities of *work* in the creative industries (Bain & MacLean, 2013; Banks, Gill & Taylor, 2013; Lindström, 2016; Mahon et al., 2018; McRobbie, 2009). Precarious *work* is commonly conceptualized as being unpredictable, unstable and insecure (Michael, 2015; Bain & MacLean, 2013). This shows a need to explore *precarious careers* in order to expand the literature on precarious work (Serafini and Banks, 2020; Lingo & Tepper, 2012; Prosser 2016; Standing 2011), in order to show how professionals experience and cope with precarity throughout their careers. Moreover, while this is relevant to apply to the *careers* of artists, there is not yet much about artists within this field. Hence, this paper relates to progression through career stages and the (un)changing nature of careers over time (Sullivan, 1999; Shipper & Dillard, 2000; Pogson et al. 2003)

In addition to the more commonly understood precarities like financial struggles and self-sustained working style, there are other uncovered precarities that surface after a sustained amount of time in this lifestyle as well as strategies used to overcome precarities to survive this lifestyle long-term. Hence, in order to expand existing scholarship that covers only tangible precarities of work (Hewison 2016, Kalleberg 2009; Neilson & Rossiter 2005; Prosser 2016), this paper discusses both tangible and mental aspects of precarity. It discusses the practicalities of a career that includes unpredictable income, self-sustaining and do-it-yourself (DIY) style, and having to continuously find work. It also discusses the mental precarities of learning how to cope with this uncertain and self-sustained career. It is important to include both aspects to expand existing literature that often

considers the practical, tangible precarities of work (ibid.) but leaves out the mental precarities that are also a part of work in the creative industries.

Together, this paper expands this definition of precarity by exposing how artists are affected by precarities along their career, how precarities are both tangible and mental, and how strategies are used to cope with this type of precarious career. With this in mind, this paper asks: How do artists' careers change, develop or remain the same over the course of eight years from emerging to established stages? Addressing such a question is important to reveal new insight about the nature of artists' careers. This paper focuses on a group of artists who are originally from the Baltic States of Lithuania, Latvia and Estonia, but who are now living across Europe. For this group of artists, out-migration and regular mobilities are a necessity for getting international recognition and for progressing their career. These artists' opportunities to work across the European Union (EU) have changed dramatically since the end of the Soviet Union in 1991 and the EU-27 accession in 2004, which included Lithuania, Latvia and Estonia.¹ Since then, the freedom of movement and right to work in any EU member-state makes the EU a conducive space for transnational practices.² Hence, these artists can use the nature of the EU in order to increase their opportunities and places to work. However, while the EU is a transnational space and a united 'European community', it is still in part dependent on decisions made by individual nation-states. In addition, there are political differences and economic disparities between Eastern and Western Europe that creates power relations and inequalities in funding and access to resources. EU member states have varying economic, political, and cultural circumstances, which creates necessity for relocation of artists from eastern Europe, and specifically the Baltic States. This means that precarities are influenced by multiple factors,

¹ An EU national or resident is entitled to work in any EU member-state without needing a work permit. They have the same rights as a national of that country with regards to access to employment, pay, and benefits. This makes it possible to work across the EU. This overarching integration, interconnection and free movement are due to the founding principles of the EU, which include the freedom of movement and the ability to work in any EU member state for EU citizens and residents. This is key for those who have transnational work practices. This is most clearly evident with passport- and border-free movement for EU citizens and residents within the Schengen Area, of which the Baltic States are a part. Additionally, there are also policies on cooperation between member states and for work that takes place across borders, such as the Interreg programme that encourages cross-cultural collaborations, travel and work. Transnational work practices across Europe have been more feasible for artists from Lithuania, Latvia and Estonia since the accession of the EU-27 countries in 2004, due to ease of travel and work, cheaper travel costs, and improved currency exchange rates. Hence, population movements across Europe have changed since the end of the Soviet Union (Ardittis 1994; King 2002; Rhode 1993).

² The most favorable space for artists is the EU because it is based on the principle of free movement. Since WWII, the EU has evolved from one of the most fragmented and divided areas in the world into the most integrated transnational space. Additionally, the EU has taken comprehensive measures to increase the mobility of artists by integrating this issue prominently into its cultural policy agenda, notably the framework of its Work Plan for Culture 2008–2010 and 2011–2014 (Lipphardt 2012: 112).

including geopolitics and geoeconomics, as well as the more personal physical and mental precarities they face in their careers.³

Many artists experience a 'glass ceiling' whilst working in the Baltic States, which makes it essential to work elsewhere in Europe.⁴ Hence, there is an added precariousness of geopolitics and geoeconomics for artists from Lithuania, Latvia and Estonia. Therefore, Europe's inequalities and the politics of the art world in terms of 'centers' and 'peripheries' can increase precarities for some artists from eastern Europe. This heightens financial precarities and means many artists feel pressure to hold other jobs at the start of their careers and leave their homeland for another place in Europe to work. This is a little-spoken-about precarity that intersects all aspects of their careers. This means that for these artists there are added geopolitical precarities in addition to the other precarities for artists. Hence, it is important to include these artists because it highlights different types of precarities and updates understandings on 'precarity' in careers in the creative industries.

METHOD

This is a longitudinal study including interviews with the same fifteen artists at emerging and established stages in their career. The interviews were carried out with contemporary visual artists in 2013 and in 2021. All fifteen artists originally come from the Baltic States of Estonia, Latvia, and Lithuania, although, many are now living across Europe. They are all aged between 30-55 years old. The first interviews in 2013 covered topics of movement, home, how they started their career, their use of digital technologies for work across Europe, and their perspectives on the European art world. The same artists were interviewed again in 2021 in order to find out their

³ The political and economic situation in the EU also affects artists' work. In 2013, artists were affected by anti-immigration rhetoric and protectionist policies in western Europe that were at odds with nationals from Eastern Europe living in Western Europe as well as being at odds with workers undertaking transnational practices. The current political and economic situation in Europe, including Brexit and other far-right politics, go against transnational working practices and are slowly changing the open nature of the EU. Russia's aggression in Ukraine is (from a Western gaze) psychologically pushing this region more towards the periphery due to the proximity to the war zone. Russia's aggression in Ukraine has also made materials more expensive and has led to the cancellation of exhibitions in this region. Additionally, the covid-19 pandemic has exacerbated inequalities in funding and opportunities across Europe as well as pushing more practices and content to online.

⁴ This 'glass ceiling' is due to a lack of local art markets, few dealers buying art, and governments providing less funding in comparison to Western Europe. In the broader historical context, the Baltic States' art scenes had to be re-built during the 1990s due to the collapse of the Soviet Union, which means these art scenes have had relatively little time to develop as independent capitalist art scenes in comparison to established art scenes such as Paris or Vienna. This results in relatively less flows of 'art traffic' including art, curators, dealers coming into Tallinn, Riga and Vilnius art scenes. There are fewer collectors or dealers who are buying artwork, relatively fewer international curators and less funding available, government budgets are lower than in Western Europe, and the pricing of artwork is lower than in Western Europe. Money flows are also still not equal and are more concentrated in Western Europe.

career paths, shifts in their roles, career highlights, and new challenges. The second interviews allowed the artists to reflect on their career over the past 8 years since the previous interview as well as reflecting on their current career situation. This time duration was chosen to reflect the timeframe between emerging and established stages in their careers. The second interviews include reflection because the respondents knew that it was an '8 years on' interview.

The time that the second interviews were conducted was also an important moment of hiatus and reflection and a time of global change. This meant that they were more keen to reflect on their career. Furthermore, this sample have all remained artists or, at least, remained within the art field. This meant they were keen to be interviewed again. However, others who were interviewed 8 years ago have left the art world and did not want to be interviewed. In addition, others declined the second interview because they were too busy. This longitudinal approach was chosen to comprehensively assess artists' careers over a longer timeframe instead of at one moment. This paper draws on the experiences of 15 artists. It is about these individual artists and, therefore, cannot be generalized.

This paper highlights an important aspect of longitudinal research in that it can benefit participants. This method can instigate participant reflection. This fills a gap in the literature that includes only a small amount on the importance of participant reflection (Lewis et al., 2005; Fitt, 2018; Osmond & Darlington, 2005). Participant reflection on their careers is vital for career progression, so the interviews were useful for them too. This paper intervenes in literature on reflective interviews (Roulston, 2010; Legard et al., 2003; Doody & Noonan, 2013) as participants reflected on their careers in interviews. This literature needs to be applied to participants' reflections in interviews. Instead, most literature is about how the researcher can reflect upon interviews (Kvale, 2012) or reflect on the research process (Bourke, 2014). Hence, this paper fills a gap by showing how artists use the interviews to reflect on their career.

PRECARIOUS WORK

In the last few decades, 'precarity' has been increasingly understood as a central aspect of the nature of work (Hewison 2016, Kalleberg 2009; Neilson & Rossiter 2005; Prosser 2016; Standing 2011; Vosko 2010). Precarious work is generally defined as work that includes "uncertainty, instability, vulnerability, and insecurity" (Hewison 2016: 428). In particular, precarity has become associated with work in the creative industries (Wilson & Ebert, 2023; Morgan, Wood & Nelligan, 2013; Bain & McLean 2012; Banks, Gill & Taylor 2013;

Lindström 2016; Mahon et al., 2018). For instance, Oakley (2009) states that precarious work refers to the unpredictable, unstable, and insecure working conditions shared by many who are self-employed in the creative industries.

Artistic work is seen to rely on short-term, project-based work, including creative briefs or commissions and continuously moving onto the next project (Eikhof & Warhurst 2013, Mahon et al 2018). While pay and rewards can sometimes be high, more often they tend to be low, and are frequently irregular, intermittent or unevenly distributed (Lingo & Tepper, 2013). Artistic work is characterised by a high degree of ‘uncertainty’ (Pasquinelli & Sjöholm, 2015: 75). For instance, as Serafini and Banks (2020) state, precarity is acutely felt by artists because “the artist is an independent and self-realising figure”. As Michael (2015) argues, underemployment and continual income self-generation are central in the practices of artists’ everyday work, exposing how much resilience and adaptability are necessary for their work. Michael (2015) discusses the “precarious working conditions of unpredictable art markets, low incomes, and unregulated employment conditions[...]Precarity and precarious working are everyday features across the creative industries but are particularly evident in the everyday work of established artists.”

However, some studies argue that artists enjoy this type of work because they can be ‘passionate’ and ‘creative’ (Banks 2017; McRobbie 2016). Also, Florida (2002) argues that the positives for this type of work is that it includes flexible, freelance hours, itinerant and adaptable modes of working, control over creative outputs, flexible income levels, and freedom from career structures. Yet, the opposing argument is that these feelings of autonomy and independence are simply illusions (Menger, 1999) and the words ‘flexibility’ and ‘freedom’ are purposefully used to disguise the unstable nature of work in the creative industries.

Although precarity has always been a characteristic feature of artistic labour, some claim it is increasingly becoming much more widespread, embedded and ingrained in their work today (Banks, Gill & Taylor 2013; Lindstrom 2016; Throsby & Zednik 2010). McRobbie (2009) notices that creative professionals have much fewer entitlements and security than previous generations, due to the political and economic situation in Europe. Serafini and Banks (2020) argue that the current shifts in the European economy mean the ‘artistic career’ is now marked by an even greater sense of uncertainty, contingency and multiplicity than previously experienced in the mid-to-late twentieth century. Serafini and Banks (2020) argue these issues have become more pronounced across Europe and are affecting artists’ stability and ability to plan for the future. Lingo and Tepper (2012) also argue that artistic careers have become more unstable, with precarity now “requiring artists to shift

and adapt to diverse opportunities and to work in multiple roles". As well as economic and political factors, the covid-19 pandemic has also increased precarities, with recent work that explores increased precarity for artists during the covid-19 pandemic (Comunian & England, 2020; Caust, 2021; Howard, Bennet & Green, 2021).

RESULTS

PRECARITIES AS EMERGING ARTISTS

In 2013, precarities included financial insecurities, DIY working style, solitary working style, and multi-tasking. Additionally, there were geopolitical and geoeconomic issues that increased the precarities for these artists working in Western Europe, including having to leave their homeland to progress their career, less funding opportunities due to being from the Baltic States, and experiencing barriers with being accepted in new art scenes, and being labelled as 'post-soviet artists' when working in Western Europe.

Financial uncertainty was noticeable with selling artworks at exhibitions. There is pressure to sell during exhibition periods as this is the most likely time to sell. There is also pressure for artists to sell so that gallerists can pay for the costs associated with the exhibition. Laura Pold says "I want this to be sold" (Laura Pold, personal interview, 2013). However, there is no guarantee of sales even after six months of work for an exhibition. Laura Pold also shared the financial precarities around selling art at exhibitions because, even if an artwork is sold during an exhibition, 50% of the revenue goes to the gallery. As a result, Laura Pold says that she has to "leave my heart far away" when working out prices of her artworks (Laura Pold, personal interview, 2013). Laura Pold also mentioned buyers' way of buying artworks and how they will say "'well I think this is worth only so much' or 'I want this for my office and I only want to pay so much'", showing the artist's vulnerability around artwork sales (Laura Pold, personal interview, 2013).

There are other financial precarities in terms of funding and project work. Laura Pold said there was a fund for Eastern European artists in Vienna where she was living in 2013, though, it was not eligible for artists from Estonia (Laura Pold, personal interview, 2013). Laura Pold says "they [Austrians] think we are more Nordic" (Laura Pold, personal interview, 2013). This makes it precarious for artists from the Baltic States because there is not much available funding; they often do not qualify for funding from Western Europe and sometimes are not eligible for funding for artists from Eastern Europe or Scandinavia. Instead, Laura used the *Estonian Ministry of Culture* or *Estonian Cultural Endowment* to fund her project. However, as exhibition coordinator at *Tallinn Art Hall*

Tamara Luuk says, these grants “allow you to survive, not thrive” (Tamara Luuk, personal interview, 2013). Moreover, artists cannot repeatedly apply for this grant as each artist can only receive a certain amount of funding per year.

This links to another precarity concerning cultural politics in the Baltic States and how much value and support is placed on the culture sector. For Laura Pold (personal interview, 2021), she says the change in Estonian cultural politics has stayed same between 2013 and 2021: “in Estonian cultural politics, there’s a lot of discussion on the value of cultural work or art work, like artists work, but the outcomes are not visible. It ends up that they still cannot support much. 8 years ago the problem was the same.” Similarly, Tiina Soot says “the pragmatic reasons are most challenging [for surviving as an emerging artist]. It’s very difficult to make living from making art in Estonia. The general attitude towards contemporary art is also quite strongly negative” (Tiina Soot, personal interview, 2013). There were struggles and barriers specifically for Latvian artists trying to establish themselves in their career. Vineta Kaulaca says “there were a lot of funding issues but that didn’t stop me from becoming an artist[...]I have to admit that the peculiarities of economic development of my home country actually made me experience difficulties of solving funding issues as there were very limited possibilities for the state support for artists and the art market in Latvia was developing at its own pace” (Vineta Kaulaca, personal interview, 2013).

In 2013, many were struggling with the DIY and self-sustained work style. In 2013, a challenge was self-promotion on social media. This was a precarity they felt as emerging artists, as it meant they were multi-tasking, doing a job they were not trained in, and taking time away from producing artworks, which was important at the start of their career. As Zygimantas Augustinas says, “I don’t have enough time for painting as half my day is emailing” (Zygimantas Augustinas, personal interview, 2013). As Laura Pold says, “I need an assistant for this work[...]I can’t do it all by myself” (Laura Pold, personal interview, 2013).

In 2013, they were also doing other jobs to survive and make money. As Simona Zemaityte says, “it takes time to build. You have to support yourself somehow. I feel I am not yet established, but it’s not a hobby either. I have had a few shows of my work” (Simona Zemaityte, personal interview, 2013). Margus Tamm was a graphic designer in 2013; Margus says “I’m not sure about being professional artist. I’m quite sure that I’m professional graphic designer[...]I work full-time in office, so I have some financial independence but more limited time resource, so I adapt more project-based and temporary artistic practice” (Margus Tamm, personal interview, 2013). Also, Arnas Anskaitis was an architect and Zygimantas Augustinas was a designer.

This also affected their feeling of whether they were ‘professional artists’. In 2013, these artists were questioning if they are professional yet or not. Kaido Ole shared about the long journey to become professional when he started his career and the importance of recognition by galleries or institutions in feeling ‘professional’ and to gain this (self-proscribed) label: “It came slowly. At the beginning I just tried to survive. I had one good show – my graduation show. Then I showed in my first private gallery, my first exhibition, at Vaal Gallery. They asked me to come and show there” (Kaido Ole, personal interview, 2013). Zygimantas Augustinas also questioned if he was a professional artist saying “I never felt that I am a professional artist. I am still in doubt. After graduating academy I used to work as a designer and to paint only in the morning before going to job. My first sales, prizes and scholarships came about 10 to 12 years ago but I continued to work as a designer till 2006[...]Only in 2009 the first signs of professional life appeared and that feeling grows every year” (Žygimantas Augustinas, personal interview, 2013).

PERSISTENT PRECARITIES ACROSS ARTISTS’ CAREERS

The artists refer to their career developments and milestones over the past eight years. These career developments and milestones have culminated in their transition from emerging to established artists. They talk about important ‘change moments’ or ‘career highlights’. For example, Merike Estna talks about one landmark as “having the first institutional show in 2014” (Merika Estna, personal interview, 2021). She notes the difference from the previous stage in her career that was characterized by “much smaller projects” (Merika Estna, personal interview, 2021). This chapter in her career, since 2014, has also been characterized by gallery representation and gallery representation. Kristi Kongi also says about change years and career highlights: “8 years [since last interview] is a long time and things are changing a lot[...]2014 was a change year for me, I participated in a huge show[...]I made big installations for exhibitions[...]the Kohler Prize exhibition in 2016, that was one of my highlights” (Kristi Kongi, personal interview, 2021).

Some artists say the most important shift in their career has been gaining gallery representation. This reduced their precarious working conditions as gallery representatives are responsible for their promotion and representation as well as more opportunities to participate in art fairs and to sell artwork. This gives the artists more work security, sense of professionalism, and less multi-tasking. They state this is a big change in their careers and a lessening of vulnerability when comparing and reflecting on the chaotic stage in their careers as emerging artists as, in 2013, a lot of their work was about multi-tasking and self-promotion. Today, galleries are responsible for promotion and

international exposure. Subsequently, some artists say that, today, they feel less pressure because they do not deal with social media. For example, Jaanus Saama says “one of biggest changes [over the past 8 years] is that I started to work with a gallery. Before this I didn’t sell my artworks. This wasn’t how I earnt my money. But since 2014 with the gallery my artworks take part regularly in art fairs[...]all sales go through my gallery, who knows a lot more details about taxes and so on” (Jaanus Saama, personal interview, 2021).

However, for some, giving up their stable job to go freelance has progressed their career from emerging to established. However, this switch to full-time means their careers are now more precarious and unstable. This is a paradox as success and career development comes with increased precarity. Kaido Ole says, “my biggest change happened when I quit my teaching job and a career as a professor to try the freelance life” (Kaido Ole, personal interview, 2021). A new challenge as a full-time, established artist is having too much work as there is no upper limit to the workload. This is a “paradox” as Edith Karlson says, as they are successful but many are now more stressed and have less time (Edith Karlson, personal interview, 2021). Edith Karlson says, “I’m basically like 24 hours busy all the time[...]I’m overbooked[...]there are too many things I have to do all the time[...]I don’t like it this way. I have to do, do, do, do, produce and produce” (Edith Karlson, personal interview, 2021). Kristi Kongi says “I have to be honest, for the past 8 years I have been constantly working and there has always been this date, the exhibition date” (Kristi Kongi, personal interview, 2021).

These artists still experience unpredictable pay even after career developments and milestones. Margus Tamm says “freelance creative workers are in especially vulnerable situation” (Margus Tamm, personal interview, 2021). Going freelance increases precarities because there is little job security; as Tiina Soot says, “my worry today is about getting health, social, and unemployment insurance” (Tiina Soot, personal interview, 2021). Arnas Anskaitis mentions low pay and how this makes him consider whether other jobs would be more stable (Arnas Anskaitis, personal interview, 2021). However, he feels more precarious now because there is no other option. As Arnas Anskaitis says “it’s very hard [to survive]. I heard visual artists are the poorest but this is my way to live. I can’t clean my shelf, I have my shelf and I can’t clean it and leave with blank paper” (Arnas Anskaitis, personal interview, 2021). Kristi Kongi calls her work “mission work” and mentions the unpredictable pay that is up-and-down and never the same (Kristi Kongi, personal interview, 2021). Kristi Kongi also says how she was warned away from becoming freelance because she would always be poor; Kristi says “it’s really mission work. I need to survive so I need different projects, I need different system to survive,

so I think I'm quite used to working like that, there are times where there is no money and there are times where there is more money than I want, but overall quite equal. Older generation artists were warning me when I went freelance, you always have to collect money, you have to have little money always" (Kristi Kongi, personal interview, 2021). For Jaanus Saama, who represented Estonia at the Venice Biennial in 2014, also still has uneven and unpredictable pay: "some years I don't sell anything and some years I sell more, so I can't expect this" (Jaanus Saama, personal interview, 2021). The precarity is that, even now as established artists, some do not earn much money but, more importantly, the pay is unpredictable throughout their careers.

MENTAL PRECARITIES AS ESTABLISHED ARTISTS

There are two main mental precarities these artists face as established artists:

1. Lack of energy and enthusiasm to keep going and to keep being creative in self-sustained work.
2. Becoming an aging artist and not part of the new generation anymore.

These artists are struggling with whether they should continue in this career, even though they are now 'established'. By contrast, eight years ago, they were questioning how they should become a 'professional artist' and make a name for themselves; eight years on, they are still struggling with whether they are a 'professional artist'. Laura Pold says "you have to keep on going for decades without feeling much of a change[...]I'm always struggling with proving that I am an artist" (Laura Pold, personal interview, 2021). As Kiwa Noid says, "I keep updating my identity as an artist. I am questioning it every day" (Kiwa Noid, personal interview, 2021). Similarly, Eva Vevere says "to keep going and have projects and exhibitions you need to either keep the relations alive or you have to find new things you want to do, new partners, and every year I pose the question 'what do I want to do now'" (Eva Vevere, personal interview, 2021). As Arnas Anskaitis says, "I'm still figuring out what to do next" (Arnas Anskaitis, personal interview, 2021).

They say a new mental challenge is becoming an aging artist. As Eva Vevere says, "what to do in your art career when you're aging, and how do you handle these things, when you're not the young and promising anymore[...]I see the new generation coming in and doing the same things" (Eva Vevere, personal interview, 2021). Laura Pold says "I didn't realise that I'm not a super young artist anymore. But today they published the Estonian contemporary art center publication, an article about young artists and, oh, I was thinking who are these young artists, I didn't know any of them. And then I realized I'm not that young artist anymore" (Laura Pold, personal interview, 2021).

Some now feel tired and lacking energy to keep on making work and jobs for themselves. They have been doing this self-sustained work for so long that now it is more difficult to find energy to start new project after one finishes. Four artists mentioned lack of energy and enthusiasm to find ideas for new projects. As Merike Estna says, the new challenge at this stage of her career is “it’s harder to find enthusiasm and the new thing” (Merika Estna, personal interview, 2021).

LEARNING TO SURVIVE PRECARITY

There are four ways of surviving the precarity that these artists have learnt along their career and apply today:

1. being resourceful and working cheaply but still being productive and creative.
2. expanding to curator, writer, or publisher.
3. working in collaborations.
4. working with archives.

Six artists use the word “survive” to show how they (have to) find strategies to cope with the precarities. These artists must keep producing artwork using their creativity and continuously create new ideas for projects. Additionally, they also have to find creative ways to overcome precarious working conditions. Arnas Anskaitis says he finds ways of surviving by being clever with buying cheap materials and being resourceful. Kristi Kongi says you have to learn how to survive by learning how to buy materials cheaply and be resourceful. Kristi Kongi says this precarity has not changed or gone away even though she is an established artist, Kristi Kongi says “it hasn’t changed unfortunately. This feeling of you don’t know what will happen after six months or a year is quite common but I think this is how art life is” (Kristi, personal interview, 2021). Vytautas Virzbickas also says “my works are now bigger but I have to find a way to buy materials with little money[...]you have to find a way to live very cheaply but still be productive in the art world[...] I’m dreaming of getting rich someday, so its balancing between self-courage and productive creativity” (Vytautas Virzbickas, personal interview, 2021). They need courage to go through this precarious vulnerable career and have to learn how to survive in this lifestyle.

Five artists have started working in collaborations or artist duos in order to overcome struggles with finding new ideas and energy on their own and to overcome the precarity of solitary work. For instance, Kriss Salmanis says that recently “I have collaborated more” (Kriss Salmanis, personal interview,

2021). Liina Siib similarly says that “collaboration is a very important part” of her career now (Liina Siib, personal interview, 2021). As Kaido Ole says, “my last two exhibitions already were made together with German and Lithuanian artist and now it looks like following the same cooperation pattern” (Kaido Ole, personal interview, 2021). Merika Estna shares about how she now relishes collaborations at this stage in her career: “I have tried to make collaborations more recently, which is difficult but really excites me now. I can take a bit of distance and also open my mind to completely different and do something new” (Merika Estna, personal interview, 2021). Eva Vevere says “my latest thing is that I have a new collaboration. A duo with a Danish artist. For 3 years now[...] I like when my work is in some kind of dialogue. I like this creative sparring. So we have support and challenges” (Eva Vevere, personal interview, 2021). For Eva Vevere, “the collaboration network has broadened” over the past 8 years (Eva Vevere, personal interview, 2021).

Four artists have shifted to research and archival work because it answers their desire for longer projects. They now wish for longer projects so they have more time and less stressful deadlines. As Laura Pold says, “I’m considering bigger projects where there is more time” (Laura Pold, personal interview, 2021). Several artists have started using archives, combining production of new art and using existing archives. Liina Siib says she tries to include different points of view in her artworks and she wants to work with more context and discourse. As Zygimantas Augustinas says, “my works have changed a little bit. During past seven years I was focused on the relation between epistemology and visual material[...]The reason for these changes is that I am influenced by the concept of artistic research” (Zygimantas Augustinas, personal interview, 2021). As Arnas Anskaitis says, “I am now more focused on artistic research, especially the last 5 or 6 years” (Arnas Anskaitis, personal interview, 2021). For Jaanus Saama, it has become more sustainable to combine new artworks with research work and sourcing archives: “I’m more and more working with history and different museum collections. I then combine my work with older works from archives” (Jaanus Saama, personal interview, 2021). This is resourceful because it is less costly and more efficient than producing all entirely new artworks.

Some refer to shifts and expansion in their role, as with Kristi Kongi, Laura Pold, and Simona Zeimaityte, who started curating by inviting others to participate in shows. For example, Simona Zeimaityte has recently started “curating a few shows” (Simona Zeimaityte, personal interview, 2021). Laura Pold also “began in 2017 to invite people to show with me. Little step by step changing[...]before I would always wait for something to happen to me. So now I’ve been initiating things on my own[...]if you have a clear vision and

you know who would fit in this project, I guess now I have the knowledge to start things on my own as well” (Laura Pold, personal interview, 2021).

Others have also gone into different avenues of work or expanded their roles. As with Margus Tamm, “the last solo show was already five years ago and at the moment I have no further plans in this direction. Instead, I have become more involved as a cultural critic, contributing to numerous publications” (Margus Tamm, personal interview, 2021). Kiwa Noid has also expanded his roles to writer and publisher. Kiwa Noid talks about the past ten years with this as a focal point in his work: “In 2014 I founded Paranoia Publishing and have been mainly busy with this, so far over 50 books have been published. Collaborations with over 200 international artists” (Kiwa Noid, personal interview, 2021).

DISCUSSION

The main finding from both sets of interviews is about the persistence of precarities across these artists’ careers. While these artists have gone through career developments and milestones over 8 years, the persistent factor throughout their careers is precarity. The findings from the first set of interviews in 2013 highlight the precarities these artists were experiencing at the emerging stage of their career. These included working out how to go full-time, how to become a ‘professional artist’, how to get funding and earn enough money, and how to work in a DIY style. Many started part-time and had a stable job. However, this meant they also struggled with having to demarcate themselves as ‘professional artist’. The added precarity they faced from the beginning of their careers was the added geopolitics of coming from a ‘periphery’, where not a lot of money is put into the arts as compared to western Europe. This meant most migrated to another location in Europe, such as Vienna, Berlin, and Brussels, with more work opportunities. Yet, they still faced issues with not qualifying for funding.

Another main finding from the interviews is how precarity can be tangible and mental. There are tangible forms of precarity, such as lack of and unpredictable income. However, there are also mental precarities, such as becoming an aging artist, no longer being a part of the new generation of artists, and lacking energy to keep being creative and continuously coming up with ideas for new projects. Mid-career, these artists experience new challenges or new types of precarities that were not present as emerging artists. This includes dealing with being an aging artist and struggling to maintain energy. Today, some have become tired of the precariousness of extreme workload and unstable pay. There is a mental challenge of getting older and not being ‘cool’ anymore. Seeing the new generation is coming in and going through the same process as they did makes them more reflective of their own career

and what they have been through and how far they have come, yet, how they are still making the same mistakes and how their lifestyle is still as unsettled. Their mental precarities are more pronounced now than in 2013 when they were fresh and excited as now they have withstood this lifestyle for 8 years and not much has changed in terms of stability. The past two-three years seems to have made these artists even more questioning about their career choice and the sustainability of this kind of career for their future. In fact, therefore, later on in their career arc they experience more types of precarity. This is in contrast to stable contract careers where mid-career is often associated with more stability and settledness.

They also struggle with always having to prove themselves because their work is self-made and self-sustaining. For instance, they must keep proving themselves as a 'professional artist'. The artist career includes mental precarities because their work is largely self-made, in that it is all done and made by themselves. They are the ones who state themselves as 'artist' and then have to always prove to others this, as there is no-one or no big institution to demarcate them as 'professional artists'. In 2013, they struggled with not knowing if they were 'professional artists'. This was a more mental precarity, which they felt they were not because of this and because it is self-determined work. They are still experiencing this as established artists. They found it difficult to know if they were 'professional artist' in 2013 but this is still an issue; this is partly because there is no clear outside demarcation of being a 'professional artist'. This makes them feel unstable and unsettled in their career as there is no official to say they are professional. This shows a need for more standards for the artists' freelance career.

A third main finding is that these artists face new types of challenges in this stage of their career. As a result, these artists focus more on finding ways to cope with precarities. They say openly how they need courage to go through this precarious, vulnerable career and they must learn how to survive. They must learn to cope mentally and practically with this kind of uncertainty. For example, career survival strategies include working in collaborations, starting longer research projects, expanding their roles, and being resourceful. Some work in collaborations to overcome financial insecurities, to cope better emotionally with solo work, to overcome unprotected DIY and multi-tasking working conditions. They form protective alliances by coming together and forming partnerships. Some try to resist the precarious project-after-project-based working style by doing longer art archive projects. Some have gone into new roles, like curator, to provide a bit more stability and provide another revenue stream. Moreover, going into other roles and expanding their roles allows them to take some control in their job by creating jobs for themselves.

CONCLUSION

This paper has analysed these artists' career developments and milestones over 8 years, which demarcate the transition between emerging to established stage in their career. Yet, this analysis has illuminated one consistency throughout their careers, which is persistent precarities. This was shown through this paper by looking at artists' reflections at the start of their career as well as at mid-career about career instability, freelance struggles, financial problems, self-sustained and DIY style. Together, this has revealed a lot of new knowledge about the nature of their careers. The artist profession is innately precarious because it is self-made and self-sustaining; this is not a new phenomenon. However, this paper has provided a more nuanced account of the nature of precarity across artists' careers. This highlights the complex and multifaceted nature of precarity in artists' careers. It has shown this by exposing the tangible aspects like being unstable in terms of income and having to continuously find work for themselves. In addition, this paper has found how artists' careers include mental precarities like having to always prove themselves as a 'professional artist' and dealing with uncertainty throughout their career.

This study has highlighted how success and career progression in fact means more instability. This is because these artists have to be freelance as a full-time artist with little job security. They face persistent issues of low and irregular pay and always having to find funding sources, and create their own work opportunities. Moreover, some have shifted back into more stable roles at the so-called 'established' stage in their career, such as publisher. This means that later in their career they (have to) go back into stable jobs again. Therefore, the career arc for some artists starts from having to be a part-time artist with a stable job, to then experiencing the most severe precarities and instabilities when they decide to go full-time. They are then the most 'successful' but this is the time of most unpredictability. After a period in these circumstances, they then start to shift in their roles in order to find more stability, as with becoming curator or publisher.

Overall, the paper has shown this is a precarious career because it is work that is self-made and self-determined. Moreover, they must keep on building their career by themselves throughout their lives. Hence, this career does not allow stasis nor stabilization; this means they always have to think about their next move and how to create their next opportunity. As a result, many still do not know where they are going or doing next month even though they are 'established' artists. This is important to consider for a better understanding of the artist's career, in terms of how they have to rely on their self-made network that is always needs effort to be sustained continuously throughout their career and this does not stop once they are established.

This longitudinal study has been important to show how these challenges and precarities are experienced across their careers, rather than only at the start. It has also shown how these artists have to continue to get work and make opportunities throughout their careers.

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3

*Digital
Transformations
in Arts and
Entertainment*



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ABSTRACT

This paper examines a series of digital transformations in arts and entertainment focused creative industries (television, recorded music, live concerts, museums, computer games) impacted by digital innovations arising within these industries. Our paper demonstrates how continuous improvement in semiconductor technology (based on the doubling of chip density every two years as predicted by Moore's law) has fostered advances in digital device capabilities, speed, portability, cost reduction and device integration that has made possible an array of innovative digital products, services and methods of engaging arts and entertainment audiences. Our analysis focuses on six innovative transformations: the digitization of the television set and transformation of television viewing and services, MP3 sound compression transformation of the recorded music industry, video streaming transformation of television programming, 3 D holography and hologram transformation of live concerts, multimedia, augmented reality (AR) and virtual reality (VR) transformation of museum audience engagement, and eSports transformation of video game industry participation and audience engagement. We also note the creative destructive impacts on non-digitized (analog) elements of some of these industries and identify transformational trends shaping the futures of these industries.

KEYWORDS: Moore's law, digital technology, transformational innovation, industry disruption, MP3, video streaming, holograms, multimedia, augmented reality, virtual reality, eSports.

INTRODUCTION

This paper examines a series of transformations in a subset of creative industries (music, film, television, performing arts, computer games) impacted by digital innovations arising within these industries. Insofar as our selected industries are engaged in providing an artistic and /or entertainment experience to their audiences, we characterize them as comprising an arts and entertainment subsector of the creative industries. In particular we will examine how digitalization of formerly analog technology based industries created the possibility for innovative products, services and methods of engaging arts and entertainment audiences. We also note the creative destructive impacts on non-digitized (analog) elements of these industries and identify transformations recently emerging in these industries.

HOW DIGITALIZATION AND MOORE’S LAW ENABLED SMARTER, FASTER, SMALLER, CHEAPER AND INTEGRATED DIGITAL ENTERTAINMENT DEVICES

Digitalization refers to the process of converting analog information into digital format, enabling the representation, storage, manipulation and transmission of data using electronic devices and storage systems (Mettler, 2017). In the context of arts and entertainment, digitalization has revolutionized the way we consume and interact with media, such as music, movies, games, and other forms of digital content.

One of the key driving forces behind the rapid advancement of digital entertainment devices is Moore’s Law (1965), which is a term used to refer to the observation made by the late Gordon Moore in 1965 that the number of transistors in a dense integrated circuit (IC) doubles about every two years. Empirical support for Moore’s law has held true during the succeeding years since its 1965 formulation and this sustained growth in semiconductor transistor density has been a driving force in the development of digital technologies that are smarter, faster, smaller, cheaper and more functionally integrated than their analog predecessors.

1. **Computing Power (Smarter):** Moore’s Law has driven the continuous increase in the number of transistors on microchips, leading to exponential growth in computing power. As a result, subsequent generations of entertainment products and services, such as gaming consoles, multimedia devices, and streaming platforms, have become significantly more powerful. This has enabled complex graphics rendering, realistic physics simulations, and advanced artificial intelligence algorithms, enhancing the overall user experience and enabling smarter and more immersive entertainment offerings.

2. **Data Compression and Transfer (Faster)** With the increased computing power resulting from Moore's Law, data compression algorithms have improved significantly. This has enabled the efficient compression and decompression of multimedia files, such as video and audio, without significant loss in quality. Additionally, Moore's Law has facilitated faster data transfer rates through the development of faster network interfaces and storage technologies. This has enabled the seamless streaming of high-definition videos, fast downloads of games and media content, and smooth online multiplayer experiences in entertainment products and services.
3. **Miniaturization (Smaller)** Moreover, Moore's Law has contributed to the miniaturization of digital entertainment devices. As the size of transistors shrinks, manufacturers can pack more functionality into smaller devices. This has resulted in the development of portable devices, such as smartphones, tablets, and wearables (e.g. smart watches), which have become ubiquitous in our daily lives. These compact devices offer a wide range of entertainment options on-the-go, making it convenient for users to access their favorite content anytime, anywhere.
4. **Cost reductions (Cheaper)** Additionally, the cost reductions arising from innovations in semiconductor design and manufacture have made digital entertainment devices more affordable and accessible to a broader population. As the manufacturing processes become more efficient and economies of scale are achieved, the production costs of digital devices decrease, resulting in lower purchase prices for consumers. This has led to the democratization of digital entertainment, allowing individuals from various socioeconomic backgrounds to enjoy the benefits of cutting-edge technology at affordable prices.
5. **Convergence (Integrated)** Technology convergence (defined as the tendency for digital technologies that were originally unrelated to become more closely integrated as they evolve) has amplified the capabilities of entertainment devices. Previously distinct devices, such as televisions, music players, gaming consoles, telephones, cameras and computers, have converged into multifunctional devices capable of delivering a diverse range of entertainment experiences. This convergence has been made possible by the integration of various components, including processors, memory, storage, and connectivity options, into

a single device. The result is a seamless and interconnected ecosystem where users can stream movies, listen to music, play games, browse the internet, communicate by text and phone messaging, take and share photographs and engage with social media, all from a single device.

The fusion of art and technology has given birth to awe-inspiring immersive experiences that captivate audiences like never before. Virtual and augmented reality have become powerful tools in the hands of artists, enabling them to create immersive worlds and interactive narratives. Audiences can now step into virtual realms, engaging with art in ways previously unimaginable.

Moreover, advancements in computer-generated imagery (CGI) and motion-capture technology have revolutionized filmmaking and animation, bringing both animated characters and breathtaking landscapes to life with astonishing realism. Additionally, streaming platforms and on-demand services have disrupted traditional models of content consumption, granting artists greater creative freedom and allowing diverse voices to reach global audiences. The rise of social media has also democratized the arts, enabling artists to showcase their work, build communities, and collaborate with like-minded individuals across the globe. This era of transformational innovation has not only expanded the possibilities of artistic expression but also provided unparalleled access to diverse forms of entertainment, enriching and inspiring audiences worldwide.

CREATIVE DESTRUCTION OF TRANSFORMATIONAL INNOVATION

Transformational innovations both create new possibilities and destroy earlier industrial orders. Schumpeter (1948) refers to certain types of innovation that contribute to *creative destruction*, by which the creation of an innovation based new industrial order occurs while hastening the decline of a predecessor industrial order.

For example, physical media, such as CDs and DVDs, (not to mention their previously obsoleted vinyl records ancestors } have been largely replaced by digital formats, allowing for instant access to movies, music, and books through streaming services, online stores, and e-books. One consequence of these physical media transformations is the decline of retail distribution outlets for analog (physical) movies, music and books.

However, it is also possible for transformational innovation to enable the coexistence of both analog and digital forms of industry practice. For example, traditional brick-and-mortar stores have expanded their reach through online platforms, while new digital-native companies (digital only distribution outlets) have emerged.

The Covid pandemic spurred innovation by prompting live audience cultural producers (museums, live music, theater and other performing arts) to seek virtual alternatives for their audiences. Many of these institutions, such as museums, initially offered virtual tours of their galleries, and festival organizers, such as the Sundance Film Festival, initially converted to virtual festivals (Webster, 2021). As the COVID pandemic threat receded and physical proximity to live performing arts entertainment were reintroduced, some of the virtual event technologies and platforms remained and were incorporated in hybrid offerings. This is illustrated by the development of hybrid music and other performing arts festivals in which both live performances and livestreaming or simulcasting of these performances co-exist and often are experienced by separate physical and virtual audiences (Mistek, 2021).

Our forthcoming transformational innovation industry cases will feature both the successful introductions of digital innovations and the opportunities and threats by these innovations to the established order of these industries.

TELEVISION: HOW THE SEMICONDUCTOR TRANSFORMED THE TELEVISION SET

The transformation of television sets through the use of semiconductors has revolutionized the industry, resulting in significant advancements in size and weight reduction, complexity, expanded services, voice commands and smart capabilities, audio quality and localization and cost reduction (Bellis, 2023; Raposo, 2021; Wilson, 2020). Here is specific evidence showcasing the impact of semiconductors on television:

1. **Size and Weight Reduction:** The transition from analog cathode ray tube (CRT) televisions to digital television sets, which utilize semiconductors, has led to a significant reduction in size and weight. Analog CRT TVs required a substantial amount of space due to the bulky cathode ray tubes and associated components, whereas digital TVs are much slimmer and lighter. This reduction in size has allowed for the development of portable televisions that can replace or supplement larger living room-type television systems. Portable digital TVs are now commonly available, providing viewers with the flexibility to enjoy their favorite programs on the go.
2. **Increase in Complexity and Services:** The introduction of semiconductors in television sets has facilitated the integration of advanced features and services. With digitalization, televisions have become more than just display devices. They now incorporate complex projection capabilities,

allowing for the transformation of black and white screens into color displays. Digital devices have also enabled convenient functions like on-off switches, channel changes, scheduled timed recordings, and the ability to save and replay saved program content. These advancements have enhanced the overall user experience and provided viewers with greater control and flexibility in managing their TV content.

3. **Voice Commands and Smart Capabilities:** Semiconductors have played a significant role in making televisions smarter. The integration of voice recognition technology has allowed viewers to control their televisions using voice commands, supplementing and eventually replacing traditional handheld remote devices. This smart functionality extends beyond basic commands, enabling features like personalized recommendations based on viewing habits and preferences. The increasing intelligence of televisions has transformed the way viewers interact with their devices, enhancing convenience and customization.
4. **Audio Quality and Localization:** The digitization of television has also had a positive impact on audio quality and localization. With digitalization, televisions can support high-quality audio formats, providing viewers with a more immersive audio experience. Additionally, the use of semiconductors has enabled the localization of audio within the television, allowing viewers to customize their audio experience based on their preferences. This localization feature ensures that viewers can enjoy audio in their preferred language or adjust the audio balance to suit their individual needs.
5. **Cost Reduction:** Over time, the cost of digital television devices has decreased significantly. As semiconductor technology has advanced, the cost of manufacturing televisions has declined. This cost reduction has made digital television sets more accessible to a broader audience, allowing more households to enjoy the benefits of digital entertainment.

While the impact of semiconductors on television has been substantial, future challenges remain. One such challenge is the exploration of wearable technology as a potential replacement or complement to traditional visual displays. Although previous attempts like Google Goggles did not achieve commercial success, the emergence of wearable visual technologies like Apple visors and competitor products holds the potential for reshaping the television experience.

In conclusion, the utilization of semiconductors in television sets has brought about transformative changes, including size and weight reduction, increased complexity and services, smarter capabilities, improved audio quality, and cost reduction. These advancements have personalized the television viewing experience and made digital television devices more accessible to a wider audience. The ongoing development of wearable technology poses an intriguing question for the future of television displays and further enhancements in the industry.

HOW MP3 TRANSFORMED MUSIC LISTENING AND DISRUPTED THE RECORDING INDUSTRY

The MP3 format revolutionized the way people listen to music and caused a significant disruption in the recording industry (Rose and Ganz, 2003). The advent of MP3 sound compression technology made it possible to create digital music files that could be easily stored, transferred, and played on various devices. This breakthrough, coupled with the rise of the internet and web technologies, facilitated the widespread sharing of music files among producers and consumers.

The transformation brought about by MP3 and digital music files had a profound impact on the business models of the music recording and music entertainment industries. Traditional models of producing, distributing, and consuming music faced disruption as the ease of creating and sharing digital music files bypassed traditional channels. This gave rise to a direct relationship between artists or producers and their audience, with fewer intermediaries involved.

The recording industry experienced significant challenges and had to adapt to the new digital landscape. With the ability to create and distribute music files independently, artists and smaller labels gained more control over their work. Conversely, new centers of online music distribution arose, as companies such as Spotify, Apple Music and Amazon Music grew their franchises and developed more user friendly relationships with music enthusiasts while simultaneously weakening the control of recording companies over their music artists. The traditional power dynamics between music producers, distributors, and consumers shifted, causing a reconfiguration of relationships within the industry (Tschmuck, 2016).

Furthermore, the rise of file sharing platforms and peer-to-peer networks enabled consumers to share and download music easily. This posed a major challenge for the recording industry, as it struggled to find effective ways to monetize digital music in the face of widespread piracy. The industry had to adapt its strategies and explore new revenue streams, such as digital music

sales, streaming services, and licensing agreements, to cope with the changing landscape.

The disruption caused by MP3 and digital music extended beyond the recording industry. It had a ripple effect on various aspects of the music ecosystem, including concert ticket sales, merchandise, and artist-fan interactions. Artists and musicians had to explore new avenues for revenue generation, such as live performances, merchandise sales, and partnerships with brands (Rieple, DeFillippi and Schreiber, 2023).

While the transformation brought about by MP3 and digital music files led to significant challenges for the recording industry, it also opened up new opportunities for artists and consumers alike. It allowed for greater accessibility to music, increased exposure for independent artists, and enabled music enthusiasts to curate their own digital libraries. The digitization of the music industry continues to evolve, with streaming services becoming the primary mode of music consumption and new technologies like blockchain offering potential solutions for artists' rights and fair compensation (Conway and Mansa, 2021).

In summary, the emergence of MP3 sound compression technology and the subsequent disruption caused by digital music files and internet-based sharing transformed the music industry. It reshaped business models, altered the relationships between producers, distributors, and consumers, and posed challenges for traditional revenue streams. While the recording industry had to adapt to the new digital landscape, the digitalization of music also brought new opportunities for artists and listeners alike, ushering in a new era of music consumption and distribution.

HOW VIDEO STREAMING TRANSFORMED VISUAL ENTERTAINMENT CHOICES AND ACCESS

Video streaming has had a transformative impact on visual entertainment choices and access, revolutionizing the way we consume and enjoy movies, TV shows, and other video content (Alsin, 2018). Here are the key ways in which video streaming has brought about this transformation:

1. **Expanded Choice of Content:** Video streaming platforms have significantly expanded the choices available to viewers. Instead of relying on traditional cable or satellite TV channels with limited programming options, streaming services offer vast libraries of movies, TV series, documentaries, and original content. Viewers now have the freedom to explore a wide range of genres, niche content, and international productions that may not have been easily accessible before.

2. **On-Demand Access:** One of the most significant transformations brought about by video streaming is the shift from scheduled programming to on-demand access. With streaming services, viewers can watch their favorite shows and movies whenever they want, eliminating the need to adhere to fixed broadcast schedules. This flexibility has empowered viewers to customize their entertainment experience and watch content at their convenience.
3. **Personalized Recommendations:** Video streaming platforms leverage sophisticated algorithms and user data to offer personalized content recommendations. By analyzing a viewer's watch history, preferences, and viewing patterns, streaming services can suggest relevant and tailored content. This personalized recommendation system enhances the viewing experience, introducing viewers to new shows and movies they may enjoy, and helping them discover hidden gems.
4. **Accessibility and Portability:** Video streaming has made visual entertainment more accessible than ever before. With internet connectivity and compatible devices, viewers can stream content on smartphones, tablets, smart TVs, and laptops from anywhere with an internet connection. This accessibility has democratized visual entertainment, breaking down barriers of geography and providing a global audience with access to diverse content.
5. **Cord-Cutting and Disruption of Traditional TV:** Video streaming has disrupted the traditional television industry by encouraging cord-cutting, where viewers opt to cancel their cable or satellite TV subscriptions in favor of streaming services. This shift has challenged the dominance of traditional TV networks and forced them to adapt by launching their own streaming platforms or partnering with existing services. The streaming revolution has given viewers greater control over their entertainment choices and led to a more competitive and dynamic landscape.
6. **Original Content and Creative Freedom:** Video streaming platforms have become major players in content production, investing heavily in original programming. This has allowed for the creation of innovative and high-quality shows and movies that may have struggled to find a home in the traditional TV or film industry. Streaming services have provided artists, writers, and directors with new avenues for creative expression and have given viewers access to a diverse range of original content.

In summary, video streaming has transformed visual entertainment choices and access by expanding content options, providing on-demand access, offering personalized recommendations, increasing accessibility and portability, disrupting traditional TV models, and fostering the production of original content. The availability of streaming services has fundamentally changed how we consume visual entertainment, giving viewers greater freedom, control, and diversity in their viewing experiences.

HOW HOLOGRAMS TRANSFORMED CONCERTS BY DISTANT AND EVEN DEAD ARTISTS

Holography is a technique for projecting a recorded image (whether static or dynamic) onto a space. The resulting holograms are freestanding 3D light structures. They aren't projected onto a surface (that would make them 2D). Typically, holograms are created with the aid of laser technology. The resulting image can be a representation of art or artists and the power of the enabling technology can render this image varying degrees of realism to the human eye. Holograms (3 D holography) have brought about a remarkable transformation in the world of concerts, enabling performances by distant and even deceased artists (Grow, 2019). Here are the key ways in which holograms have impacted the concert industry:

1. **Virtual Presence of Distant Artists:** Holographic technology allows artists to deliver live performances to audiences in different locations simultaneously. By capturing the artist's movements, gestures, and vocals through advanced imaging techniques, a realistic holographic representation can be projected onto a stage or screen. This has opened up new possibilities for concerts, as artists can connect with fans around the world without physically being present in each location.
2. **Resurrection of Deceased Artists:** Holograms have made it possible to bring back deceased artists for live performances. By utilizing archival footage, audio recordings, and detailed recreations, holographic representations of iconic musicians can be created. These holographic performances allow fans to experience the magic of seeing their favorite artists perform, even years after their passing. It brings a sense of nostalgia and creates an emotional connection between the audience and the artist's legacy.
3. **Enhanced Visual Spectacle:** Holograms add a new dimension of visual spectacle to concerts. The technology allows for stunning and immersive

visual effects, transforming the stage into a dynamic and interactive environment. Holograms can be combined with lighting, projection mapping, and other visual elements to create captivating and awe-inspiring performances. This not only enhances the overall concert experience but also pushes the boundaries of creativity in stage design and production.

4. **Collaborations Beyond Time and Space:** Holograms have enabled unique collaborations between artists from different eras. For example, a living artist can perform alongside a holographic representation of a deceased artist, creating a virtual duet or ensemble. These collaborations transcend the limitations of time and space, fostering artistic connections that would otherwise be impossible. It allows for the reimagining of musical collaborations and the celebration of artistic legacies.
5. **Preservation of Cultural Heritage:** Holograms have the potential to preserve and celebrate cultural heritage through music. By recreating performances of influential artists from the past, holograms can introduce younger generations to their music and legacy. It becomes a means of honoring and keeping the cultural heritage alive, ensuring that the impact of these artists continues to resonate with audiences for years to come.

However, it is important to note that the use of holograms in concerts has sparked debates and raised ethical considerations (Farde, 2019). Some argue that it can be seen as exploitative or disrespectful to the memory of deceased artists. Others express concerns about the authenticity and integrity of holographic performances. These discussions reflect the complex and evolving nature of hologram technology in the concert industry.

In summary, holograms have transformed concerts by enabling performances by distant artists and reviving the presence of deceased musicians. The technology has expanded the possibilities for live performances, enhanced visual spectacle, facilitated unique collaborations, and preserved cultural heritage. While holograms have sparked ethical debates, their impact on the concert industry is undeniable, offering new ways for artists to connect with audiences and creating memorable and immersive concert experiences.

HOW MUSEUMS BECAME MULTI MEDIA AND AUGMENTED REALITY AND VIRTUAL REALITY EXPERIENCES

Museums have undergone a remarkable transformation, embracing multimedia, augmented reality (AR), and virtual reality (VR) technologies to

enhance visitor experiences (Agyeman, 2019; Coates, 2021). Here are the key ways in which museums have become multimedia and AR/VR experiences:

1. **Interactive Exhibits:** Museums now integrate multimedia elements into their exhibits, offering interactive displays that engage visitors in a dynamic and immersive way. These exhibits may include touchscreens, interactive projections, audio guides, and video presentations. Visitors can access additional information, listen to audio commentary, watch videos, and participate in interactive activities, allowing for a more engaging and educational experience.
2. **Augmented Reality (AR):** Museums have embraced AR technology to provide visitors with enhanced experiences. By using smartphones or tablets, visitors can access AR applications that overlay digital content onto real-world exhibits. This can include virtual reconstructions of historical artifacts or environments, 3D models, animations, or additional contextual information. AR enables visitors to see artifacts in a new light and offers a deeper understanding of the objects on display.
3. **Virtual Reality (VR):** VR has revolutionized the museum experience by immersing visitors in virtual environments that transport them to different times, places, or narratives. VR headsets provide a fully immersive and interactive experience, allowing visitors to explore virtual exhibits, walk through ancient ruins, or witness historical events. VR can recreate inaccessible or destroyed artifacts, bringing them back to life and providing a unique and immersive perspective.
4. **Virtual Tours and Online Exhibitions:** Museums have expanded their reach by offering virtual tours and online exhibitions. Through 360-degree panoramic views, visitors can explore museum spaces, view high-resolution images of artifacts, and access curated content online. This accessibility allows people from around the world to engage with museum collections and exhibitions, overcoming limitations of distance and travel.
5. **Gamification and Interactive Learning:** Museums have embraced gamification techniques to make learning more enjoyable and interactive. Through the use of gamified elements, such as quizzes, challenges, and interactive games, visitors can actively participate in the learning process. This approach appeals to a broader audience, including

younger visitors, and encourages a deeper engagement with the museum's content.

6. Collaborative Experiences and Social Sharing: Multimedia and AR/VR (Augmented Reality/Virtual Reality) technologies have also facilitated collaborative experiences within museums. Visitors can engage in group activities, share their experiences on social media, and participate in interactive installations that encourage social interaction. This social dimension adds an element of shared discovery and encourages dialogue among visitors.

The integration of multimedia, AR, and VR technologies in museums has expanded the possibilities for engagement, learning, and accessibility. These technologies offer immersive and interactive experiences, bringing artifacts and historical narratives to life in new and captivating ways. By embracing these technologies, museums continue to evolve, appealing to a broader range of visitors and enriching the overall museum experience.

ESPORTS AS A TRANSFORMATIVE BUSINESS MODEL FOR AUDIENCE ENGAGEMENT

eSports has brought about a profound transformation in video game participation and audience engagement, and it continues to shape the future of digitally immersive entertainment. Here are the key ways in which eSports has made an impact:

1. Competitive Gaming on a Global Scale: eSports has elevated video gaming from a casual hobby to a highly competitive and organized sport. Professional eSports teams and players compete in tournaments and leagues at regional, national, and international levels. This shift has created a new avenue for gamers to showcase their skills, pursue careers in gaming, and gain recognition on a global stage (Geysen, 2021).
2. Increased Audience Engagement: eSports has cultivated a dedicated and passionate audience base. Millions of viewers tune in to watch eSports events, either attending live tournaments or streaming matches online. The interactive nature of eSports allows spectators to engage with the gameplay, follow the narratives of teams and players, and even interact with their favorite competitors through chat platforms. This level of audience engagement has turned eSports into a spectator sport, comparable to traditional sports like football or basketball (Morrison, 2018).

3. **Emergence of Professional Gaming Industry:** The rise of eSports has given birth to a thriving professional gaming industry. Sponsorship deals, advertising, and media rights have become significant revenue streams for eSports organizations, teams, and players. Major brands and companies have recognized the immense market potential of eSports and have invested in partnerships, endorsements, and sponsorships. This has further solidified eSports as a legitimate and financially viable industry (Geyser, 2021).
4. **Technological Advancements and Innovation:** eSports has driven technological advancements and innovation in the gaming industry. Game developers and hardware manufacturers are constantly striving to improve the gaming experience for competitive players and spectators. This includes developing high-performance gaming equipment, optimizing network infrastructure for gameplay, and integrating streaming capabilities into gaming platforms. These advancements benefit not only eSports but also the broader gaming community.
5. **Community Building and Social Interaction:** eSports has fostered a strong sense of community among gamers. Online forums, social media platforms, and dedicated eSports websites provide spaces for fans to discuss, share, and connect with others who share their passion. Local eSports events bring gamers together in physical spaces, fostering social interactions and networking opportunities. eSports has created a sense of belonging and camaraderie within the gaming community.

Looking ahead, the future of digitally immersive entertainment is likely to be heavily influenced by eSports. Here are some potential developments:

1. **Continued Growth and Mainstream Recognition:** eSports is expected to continue its upward trajectory, gaining even more mainstream recognition and acceptance. As the audience base expands and revenues increase, eSports will likely attract larger investments from media networks, advertisers, and investors (Geyser, 2021).
2. **Integration of Virtual Reality (VR) and Augmented Reality (AR):** The integration of VR and AR technologies into eSports holds significant potential. These immersive technologies can enhance the viewing experience, allowing spectators to feel more immersed in the game and interact with virtual elements. VR and AR may also introduce new

gameplay mechanics and challenges, further pushing the boundaries of eSports.

3. **Cross-Platform and Cross-Title Competitions:** With the advancement of cross-platform play and the increasing popularity of mobile gaming, eSports could see more cross-platform and cross-title competitions. This would enable players from different devices and games to compete against each other, creating larger and more diverse eSports ecosystems.
4. **Expansion of eSports into Non-Traditional Games:** While eSports has primarily focused on competitive multiplayer video games, there is potential for its expansion into non-traditional gaming experiences. This could include eSports tournaments and leagues centered around virtual reality experiences, mobile games, or even board games, broadening the scope of competitive gaming.
5. **Inclusion of Interactive Elements for Spectators:** eSports may further incorporate interactive elements for spectators, allowing them to have a more active role in the viewing experience. This could include voting systems, real-time predictions, and interactive overlays that virtually incorporate spectators into eSport competitions.

CONCLUSIONS

The above examples of transformational innovation across a half dozen arts and entertainment industries are further detailed in a co authored culture industry text (Rieple, DeFillippi and Schreiber, 2023), where we examine more than twenty five examples of transformational innovation in more than a dozen cultural industries. This article does not duplicate the content of our book but instead employs the analytic perspective of Moore's law to examine how advances in semiconductor technology have transformed digital entertainment by employing smarter, smaller, faster less expensive and more integrated digital tools.

An emergent technology game changer in digital entertainment is interactive artificial intelligence, where the ability of widely available interactive AI tools such as ChatGPT to generate creative content in all sectors of arts and entertainment pose both challenges and opportunities to creative authors and publisher alike.

Who owns the intellectual property of content produced by GPT? How is such content to be moderated by traditional gatekeepers of creative content? How will the expected proliferation of such content pose challenges to arts and

entertainment professionals ? How can labor contracts be revised to provide employment protections to arts and entertainment content creators. Will new models of human and AI co created content become dominant? These questions deserve new scholarship as our foundational models for content creation are challenged by interactive AI.

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4

The Rising Business of Video Streaming in Mena



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ABSTRACT

This study examines how the video streaming business is developing in the Arab region. It delineates the video streaming ecosystem and discusses the opportunities for video streamers, local and global, to operate and grow in the Arabian market. Similarly, the study discusses video streamers' challenges in a complex and changing media environment. Using computer-aided analysis software (QSR NVIVO 12), the research analyzes semi-structured interviews with streaming services' top executives operating in MENA. It found that video streamers capitalize on the sizeable Arab market to grow, the way broadcasters developed the pan-Arab market in the 1990s. Localizing content, developing talent, investing in marketing and analytics, building partnerships, and diversifying memberships and payment models are essential factors in growing the streaming business. Similarly, infrastructure limitations, political context, and underdeveloped markets in the region hinder the sustainability of the streaming business.

KEYWORDS: Video streaming; OTT streaming; Streaming business; Middle East; Video streaming in the Arab region.



INTRODUCTION

In the Middle East, the entertainment business has been predominantly about broadcasting (Allagui, 2019). The household television penetration rate has been more than 90% since the adoption of satellite channels in the late 1990s (Dennis et al., 2019), but with the increasing adoption of the Internet, smart-phone, and other digital technologies, streaming is attracting new audiences in the MENA (Middle East and North Africa) region (Khalil & Zayani, 2022).

The MENA region includes more than 20 countries in North Africa (e.g., Morocco, Algeria, Tunisia, and Egypt) and Asia (with Levantine countries that include Lebanon, Jordan, Syria, and Palestine; and the six Gulf Cooperation Council (GCC) countries: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates). They share socio-cultural features, including a common language, culture, and religion. Despite the countries' various dialects, Arabic cultural production has circulated widely across the region on free-to-air satellite channels, stimulating the business of regional media organizations. Historically, Egyptian dramas and, more recently, Lebanese and Syrian TV series and entertainment shows have had the lion's share of the pan-Arab media market (Mellor et al., 2011). Since adopting digital media, audiences have become fragmented and begun migrating to digital platforms, leading to transformations in their entertainment habits, including the adoption of video streaming viewing (Allagui, 2019).

The entertainment media streaming business involves broadcasters, telecom operators, entertainment companies, content creators, regulators, and audiences. The combination of increased internet penetration, ownership of smart devices, and new mechanisms of internationalization (Lotz & Sanson, 2021) has enabled new forms of entertainment, including video-on-demand (VOD) streaming. The video streaming industry relies on partnerships with telecommunication operators who make online distribution advantageous through bundles and special promotions, benefiting both the video streamer and the telecom operator (Noam, 2019). Video streaming services either produce their content or secure content from the more prominent media and entertainment industry companies (Kung, 2017). When this happens, they become content aggregators, collecting video content from creators and distributing access to viewers (Noam, 2019). However, some aggregators also become producers, such as in the case of Netflix.

This study examines the 'Over The Top' (OTT) entertainment business practices in the Middle East. OTT is video content distributed through Internet protocol via service providers and over public networks. OTT services are delivered through Internet broadband and mobile connections. OTT entertainment offers the advantage of flexibility, including viewing options at any time,

anywhere, and on any device viewing options, be it a TV monitor, smartphone, laptop, or game console (Kim et al., 2021). OTT providers like Netflix, the leading global OTT provider, have been expanding internationally, transforming the media production and consumption landscape globally (Gimpel, 2015).

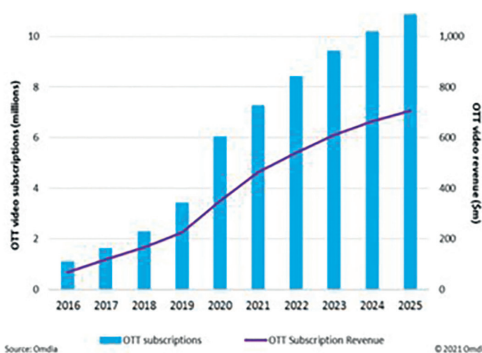
This study examines the attributes for developing a video streaming business in the Middle East while looking at the local-global dynamics of content production and distribution in the Arabian context.

VIDEO STREAMING IN MENA MARKETS

Streaming services are developing at different paces in different regions, banking on partnerships in complex ecosystems (Joshi, 2015). In addition to alliances and partnerships that enable synergy gains and win-wins (Dwyer et al., 2018; Lobato & Lotz, 2020), the countries' politics, economics, and socio-cultural factors contribute to and affect the development and success of the video streaming business. Allam & Chan-Olmsted (2021) confirm that the environment plays a key role in the streaming business in Egypt, where the dominant video streaming business model is subscription-based video-on-demand (SVOD) (Allam & Chan-Olmsted, 2021).

Free-to-air satellite television continues to be the most popular entertainment viewing platform among audiences in MENA (Dennis et al., 2019). However, since 2016 there has been a steady growth in OTT viewership, reflected in the subscription revenues highlighted below (Graph1 MENA: OTT video paid subscriptions and revenue, 2016- 2025) (Papavassilopoulos & Signorelli, 2021). In 2020, the OTT video paid subscriptions reached US\$6 million, almost double compared to 2019, partly due to the COVID-19 pandemic crisis of 2019- 20 that kept people home. The OTT subscription revenues are in a steady growth phase and are expected to reach US\$700 million by 2025 (Papavassilopoulos & Signorelli, 2021).

MENA: OTT video paid subscriptions and revenue, 2016-25



Early video streaming businesses include Starzplay Arabia and Netflix. Both lost market share in the OTT market between 2019 and 2020, from 35% to 22%, and 24% to 19%, respectively. The market share of Jawwy—an Integral Platform owned by Saudi STC—also dropped from 10% to 8% (Papavassilopoulos & Signorelli, 2021). In contrast, OSN and Amazon Prime witnessed market share growth from 2% to 8% and 5% to 6%, respectively (Papavassilopoulos & Signorelli, 2021). Shahid VIP—the streaming service of leading Saudi broadcaster MBC that started as a “free catch-up service” in 2011 (Sakr, 2023, n.d.)—reshuffled in 2020 and since then has become a significant player, witnessing a 15% market share increase between 2019 and 2022 (from 7% to 22%). Shahid VIP offers local and global content: Its growth is also mainly due to the COVID-19 pandemic and audiences’ readiness to pay for entertainment content, as discussed below.

In the wealthy GCC countries, video streaming industry is particularly prosperous because of consumers’ affordance and digital infrastructure. It witnessed an 11% growth in 2021 and is now valued at US\$1.9 billion (“GCC Video to Reach US\$2.1 Billion by 2026”). SVOD and advertising-based video-on-demand (AVOD) currently contribute 23% and 26%, respectively, to the GCC video industry and are expected to reach 31% and 34% by 2026. In 2021, the SVOD business reached US\$ 453 million in revenues, a 29% growth rate from the previous year. SVOD revenues are expected to reach US\$ 667 million, with a Compound Annual Growth Rate (CAGR) of 8%. This growth is driven by an increase in Average Revenue Per User (ARPU) as users shift from low-ARPU wholesale deals to direct-to-consumer companies and an increase in the availability of sports content online. Similarly, online advertising revenues reached US\$521 million in 2021, with a year-on-year growth rate of 54%. On the other hand, the pay-tv revenue has declined by 10%, with a current valuation of US\$631 million. Thus, it is reasonable to believe that both subscription and advertising models of video-on-demand are growing in the GCC market and shifting online.

OTT is not new to MENA; 90% of Internet subscribers already watch OTT videos, and about half are paid subscribers of at least one video streaming service (“Belgium-based media company,” 2021). Aside from subscription deals with telecoms, the monthly subscription prices to OTT services vary from US\$ 3 to US\$ 30, with local and regional streamers costing more than global video streamers. For instance, a beIN Connect subscription costs about US\$ 30 per month, Disney Plus costs US\$ 8, and Amazon Prime video US\$ 4. Starzplay Arabia and OSN+ cost about US\$ 10 per month, while Viu or Apple TV cost about US\$ 5 (based on monthly subscription prices in the UAE) (“Popular video streaming services,” n.d.).

Streaming thrives on the spread of broadband and mobile networks, bandwidths, and speeds. Thus, internet affordability and, consequently, subscriptions to streaming services vary significantly across the MENA countries: while wealthy Gulf states moved to 5G in 2019, most Arab countries still operate 2G and 3G technologies, and many areas lack basic coverage (Tomás, 2022). One must be mindful of these variations in technological readiness and capability to understand how regional streaming companies develop core capabilities and gain traction in this sector.

LITERATURE REVIEW

The entertainment industry has witnessed growth in screen time, particularly for video (Bentley et al., 2019). Streaming services provide “a large menu of audio-visual content available immediately on demand over a data network” (Fagerjord & Kueng, 2019, p. 2). OTT services have significantly changed global media consumption patterns (Gimpel, 2015). In audience studies, scholars explore audiences’ motivations for using OTT services and their willingness to pay for them (Lim & Lee, 2013; Cha, 2013; Kim et al., 2017). For instance, Fagerjord & Kueng (2019) found that streaming services present two main advantages to users: they are easy to use and enable binge-watching. On the other hand, from a production and distribution perspective, authors studied the impact of the operators’ origin on the streaming business (Kim, 2015; Lee, 2012 as cited in Kim et al., 2017), the effect of the video streaming business on the entertainment industry (Kim et al., 2016), and the new trends that emerge with OTT services (Banerjee et al., 2014; Kim, 2015). This study adds to this body of literature and investigates the video streaming business models, trends, sustainability, and challenges in the Middle East media environment.

THE STREAMING BUSINESS: WHAT DRIVES SUCCESS?

Streaming includes content producers, distributors, aggregators, and internet providers. Creating efficient ecosystems through alliances and partnerships helps video streamers perform better in the industry (Noam, 2019). Studying the development of the OTT video streaming environments, Fagerjord & Kueng (2019) and Gimpel (2015) note that the most successful competitive model is when content providers partner with an internet provider to offer valuable bundles.

Studies show that differentiation between OTT players through specialized content contributes to video streamers’ success (Wada et al., 2014). Additionally, incremental innovation leads to the growth of inventive firms and those imitating them, leading to the development of the industry (Lee et al., 2017 a; Lee et al., 2017 b). For instance, the introduction into the domestic market of YouTube (with new advertising formats allowing a wide distribution of content)

and Netflix (with a novel subscription model of content) shifted the content distribution industry, creating new growth opportunities for all parties involved (Shon et al., 2021).

Sakr (2023) notes that MENA independent producers benefited from foreign streamers in terms of professional development. She points to extended traces of foreign content in Gulf countries' TV and video productions (e.g., UAE, Saudi Arabia, or Qatar) either through the workforce of Westerners hired for local work or through US partnerships with talent and expertise to nurture and mentor the local industry (Sakr, 2023). Global streamers are interested in the GCC market not only because of its wealth but also because it is home to a sizeable expatriate population—global content consumers. This market has served as a pilot for quality content and production for the global market. Additionally, pay-TV channels, mainly housed in the GCC, found an opportunity with OTTs to expand their paid services to online platforms (Khalil, 2020).

While the environment and business models are important factors, Kim et al. (2017) note that consumers' intentions to subscribe to and pay for OTT services are the most critical factors in sustaining a company's OTT business. In studying Chinese and Korean markets, the authors also found that "recommendation system, resolution, and viewing options are important attributes" to growing a streaming business (Kim et al., 2017, p. 205). Therefore, no one factor can be agreed upon as driving the success of streaming businesses. Additionally, these factors might differ depending on their geographic markets. This leads to the first research question, which concerns understanding the sustainability and success of Arab-based video streamers.

RQ1 What factors enable the growth and success of video streamers, particularly in the MENA region?

MONETIZATION MODELS AND WILLINGNESS TO PAY

Streaming services' monetization models include subscription fees, SVOD (which is the most common model), advertising (Advertising-based Video on Demand), or a hybrid model of subscription fees and advertising, SVOD and AVOD (Fagerjord & Kueng, 2019). Subscription fees enable unlimited viewing during the subscription period (typically monthly but also yearly), during which subscribers can access unlimited library content. Thus, premium unlimited streaming is offered either ad-supported, with no subscription fees, with optional ads and monthly fees, or with no ads and monthly fees. The transactional model, or transaction-based video-on-demand (TVOD), enables consumers to pay per viewing piece. This model was inspired by videotape rental decades ago and the pay-per-view commonly used in hotels and for sports games on

cable. Content bundles can be interesting both to the users and the streamers: The former see value in the offered proposition, and the latter(s) “do not have to estimate precisely the user’s perceived value of every single item, but can predict average value across consumers.” (Colbjornsen et al., 2021, p.151). As video streamers continue experimenting with a combination of possible models, monetization is not always straightforward: Kim et al. (2017, 199) note that in China, streaming monetization is based on a combination of free and premium services, yet it “remains obscure.”

Although audiences are increasingly willing to pay for video content, as witnessed during the COVID-19 pandemic, viewing freely downloadable content, sometimes pirated, remains common (Nagaraj et al., 2021). This is the case in Korea, where “illegal downloading of video content is prevalent” (Kim et al., 2017, p. 199)—those who cannot access or pay for premium content resort to consuming its pirated versions.

Nagaraj et al. (2021) studied the factors affecting the willingness to pay for video content. They found that, compared to viewers with no subscriptions, consumers with OTT service subscriptions were more concerned with access (unlimited, all-time, all-device), content (local, original, and global), and features to expand and upgrade their viewing experience constantly. Moreover, OTT users noted that the main reason for their subscription was an ad-free experience, unencumbered by the persistent interruptions endured on cable channels. Nagaraj et al. (2021) found that ongoing cable connection, a perception that little value was offered by SVOD services, and expensive OTT subscriptions on top of the cost of internet connectivity, were possible causes of resistance towards OTT subscriptions. Additional causes included a busy schedule and the adverse effects of OTT programs, such as binge-watching.

This leads to the second research question, which explores the monetization models of video streamers in MENA and the region’s peculiarities regarding paying for streaming content.

RQ2 What monetization models are streamers adopting in the MENA markets?

CONTENT MODEL: DOMESTIC VS. GLOBAL

The globalization of cultural products has often generated a vivid debate between liberalism and protectionism: the former advocates free world trade values, including the support for international flows of cultural goods, while the latter tends to limit consumption of global content and prioritize domestic cultural production and consumption for socio-cultural, political, and economic reasons. From a conservative perspective, it is believed that overseas content distribution platforms will eventually reduce the size of the domestic content

distribution industry (Arsenault & Castells, 2008; Warf, 2007) and prioritize homogenization.

The video streaming market has also generated a protectionist vs. liberal debate: Opening domestic markets to global platforms like Netflix can threaten the domestic industry either because it is not competitive regarding quality and economy or because the local culture and socio-political norms can be threatened; “Digital distribution does not come ‘over the top’ of culture; it must negotiate the rough terrain of markets characterized by fundamental differences in tastes, values, cultural norms, viewing habits, income levels, and connectivity” (Lobato, 2019, as cited in Sakr, 2023, p.2). In contrast, some argue that introducing global platforms can improve domestic products and leverage the industry by enhancing quality—through imitation or even by offering opportunities to distribute domestic products globally (Picard et al., 2016; Ganuza & Vicens, 2013). For instance, a study by Kenney and Zysman (2015) shows that global OTT platforms have positive effects, as they enable domestic content producers to reduce the barriers and costs incurred when entering overseas markets.

Global OTT platforms enable content distribution companies to implement smoother distribution, greater economies of scale, and interactive technologies (Doyle, 2010; Bennett & Strange, 2008; Roscoe, 2004). OTT platforms could expand the star system globally, and enable users to discover and consume other cultures, leading to overall growth (Cunningham & Craig, 2016; Broughton et al., 2020, as cited in Shon et al., 2021). Shon et al. (2021) studied the impact of introducing global OTTs on the domestic industry. They found that OTT platforms have made it easy for competitive domestic-content companies to enter overseas markets. These authors noted that the presence of global OTT platforms in the local market led to growth in the local content industry, and they pointed out that the impact of this growth varies depending on the platforms involved. Thus, the third research question will explore how the global networks have developed so far in the Arab markets, continuing earlier debates about media flows and protectionism against foreign content.

RQ3 What content strategies have video streamers adopted to optimize their businesses in the MENA markets?

METHODOLOGICAL APPROACH

This research adopts a qualitative approach. It analyzes the content of in-depth interviews with eleven video streaming experts operating in the Middle East. The interviews are semi-structured and conducted during the Asia Pacific Pay-TV Operators Summit (APOS), a yearly event organized by Media Partners-Asia, a research and consulting firm specializing in media and telecommunications in

the Asia-Pacific region (see Table 1: Names, roles, and affiliations of interviewees). The interviewers are media consultants and organizers of the Summit and hold the President and Vice-President positions at Media Partners-Asia.

Table 1. Names, roles, and affiliations of interviewees

Name	Role	Company
Danny Bates (P1)	Chief Operating Officer & co-founder	Starzplay (a subscription VOD streamer)
Mohammed Soliman (P2)	Senior Associate	McLarty Associates (International strategic advisory firm)
Rohit D'Silva (P3)	Chief Business Officer	Viu (pan-regional video streaming service from Viu International)
Ziad Khammar (P4)	Chief Operating Officer	DMS (Digital Media Services, a digital subsidiary owned by the Choueiri Group, an advertising media service)
Tony Saab (P5)	Vice President, Content Production	Intigral (Digital entertainment subsidiary owned by Saudi telecoms)
Nicolas Torloting (P6)	Chief Operating Officer	Front Row Filmed Entertainment (MENA independent film-distribution company)
Peter MrKic (P7)	Vice-President, Corporate Strategy & Governance	Intigral (Digital entertainment subsidiary owned by Saudi telecoms)
Olivier Bramly (P8)	Chief Executive Officer	E-vision (media and entertainment subsidiary of UAE telecom group Etisalat)
Hans Fraikin (P9)	Commissioner	Abu Dhabi Film Commission (government agency to support the Abu Dhabi film and TV industry)
Abraham Mathew Manoj (P10)	Executive Vice-President & Territory Head	Zee Network (Indian media conglomerate)
Sudhir Nagpal (P11)	Senior Vice-President & Lead International Distribution	Star & Disney India (Indian media conglomerate owned by Walt Disney Company India)

All interviews are part of the virtual series that discuss the GCC/MENA region media sector, primarily pay-TV and online video. The interviews were streamed online during the summit from September 7- 9, 2020. A recording was made available to the summit participants for six weeks post-conference. Each interview lasted at least 40 minutes. The researcher's students transcribed the interviews and uploaded the transcribed Word document files to NVIVO 12 software.

The coding was completed by a single person and started with detailed, line-by-line coding of the first four transcripts until there was no need to create new codes, as the existing codes covered the remaining transcript. Before coding the data from the subsequent interviews, these codes were scrutinized to reduce their number. All coded interviews were reviewed and read several times to ensure that the created codes accurately described the coded data and that there were no duplicates. The process of analysis happens as the researcher completes the coding. One strength of NVIVO is "its ability to allow the researchers to assign meaning to the data during the coding stage rather than after lexical analysis" (Wilk et al., 2019, online).

First, these descriptive codes were organized hierarchically into a 'parent-child' relationship (QSR international, no date), a term used in NVIVO to refer to the hierarchical organization of codes. For example, a mentoring node (code) can have two child nodes: a positive experience and a negative experience. Mentoring is the broader, first-level node identified as a parent node, and 'positive experience' and 'negative experience' are the child nodes.

After the hierarchical organization was completed, each code was read. The duplicates were eliminated by merging two or more codes into one, and these codes were used to code the subsequent interviews.

Through merging, the codes were gradually transformed from line-by-line, descriptive codes into more conceptual ones to categorize the existing coding framework further. At the same time, the processes of merging and re-naming the codes were also constantly taking place to reveal a final set of themes (codes) and sub-themes. Through these processes, the number of codes was reduced to 129 thematic frameworks: 70 relating to the business growth factors, 42 to the trends in the streaming business, and 17 to the challenges that streamers face in today's markets.

The quantitative output generated by NVIVO (e.g., the number of times a theme was discussed) does not imply that one theme is more important than another. As qualitative research, what matters in the analysis is to detect the ideas that emerge from the informants rather than how much those ideas weigh compared to each other. One limitation of this methodological approach is that the researcher is driven and limited by their epistemological position, which makes the researcher bias possible (Wilk et al., 2019).

RESEARCH FINDINGS

The study aims to understand the video streaming business in the MENA markets. In addition to providing a “helicopter view” (Wayne, 2019, online) of this business, the study aims to identify this industry’s opportunities, growth factors, and challenges. The analysis of the interview transcripts produced the following thematic framework (Table 1: Emerging themes & sub-themes from video streaming interviews).

Table 2. Emerging themes & sub-themes from video streaming interviews

Theme	Files (N participants discussed the theme)	References (N times the theme was mentioned)
Factors contributing to growth and success of the video streaming business	7	70
Internal factors		
Content strategies	6	20
Produce diverse, relevant, and relatable content	6	14
Have unique and exclusive content	2	3
Optimize recommendations by family and friends	1	3
Audience strategies	4	17
Consider and understand the audiences of different generations, habits, and preferences	4	8
Focus on optimizing user experience	2	7
Retain current customers and gain new ones	1	2
Management Strategies	3	16
Invest in Marketing decisions (invest in marketing; use analytics; differentiate your brand)	2	7
Hiring decisions (local and workforce from abroad)	3	5
Integrate payment methods across the region	1	4

<i>External factors</i>		
Possibility of partnerships and collaborations	3	10
Political landscape that facilitates growth	1	3
Covid-19 new possibilities	2	2
Common language in the region	1	1
Competition accelerates growth	1	1
Adopted models and trends in the video streaming business	8	42
Brand positioning	4	14
Balance re: linear TV and streaming	5	9
Geographic expansion	3	6
Content aggregation from various platforms and providers	4	5
Diversification of membership models	4	4
Viewing across devices experience	2	3
Sports streaming	1	1
Challenges faced in the video streaming business	5	17
Advertising and marketing opportunities are limited	3	9
Infrastructure specific to MENA	2	3
Competition	1	1
Long-term planning and forecast	1	1
The habit of consuming free content	1	1
Political landscape that hinders development	1	1
Underdeveloped markets in the region: limited market	1	1

THEME 1: FACTORS CONTRIBUTING TO THE GROWTH AND SUCCESS OF THE VIDEO STREAMING BUSINESS

The experts interviewed unveiled their strategies to grow their OTT businesses. Factors contributing to the growth of the video streaming business were coded 70 times across seven interviews. The success factors are internal and external: They are internal when the decision-making is taken within the organization and external when the growth factors are tied to the environment and out of the organization's control.

INTERNAL FACTORS

The most discussed business growth factor is producing diverse, relevant, and relatable content (coded 14 times across six interviews). The interviewees described how important and worthwhile it is to offer local content that resonates well with audiences; according to the Starzplay co-founder (Participant P1), it "provides extra engagement and extra satisfaction for customers." The OTT video experts noted the following factors as the main parameters for creating local content: first, invest in research to find insights, understand the local context, and know the audience, their media habits, and viewing preferences; and second, identify relevance to both consumers and advertisers who can participate in the content creation process and convey the brand message. Producing local content "pays off in the short and long term," says P2, and provides growth opportunities, as confirmed by P3 from Viu.

While several streamers became interested in distributing local content, exclusive content, whether movies or series and licensing opportunities, ensure differentiation and positioning through their unique selling points, says P5. Having differentiated attributes and selling proposition(s) enables the brand positioning of the video streamers and secures a clear and unique position in the media and entertainment content ecosystem. For instance, Etisalat's E-vision claims to "offer the best kids' content in the UAE" and unique in-house Indian movie channels, while Starzplay sees itself as "the hub and content hypermarket of the region," bringing different content providers to its customers. Intigral perceives its uniqueness in offering exclusive content through licensing localized originals.

According to the experts, optimizing recommendations by family and friends (coded three times) is another internal strategy contributing to business growth. Speaking about Etisalat's experience, Bramly notes, "In the UAE and the region, there are key trends similar to global trends: video now is watched on all devices, and the content viewed by users is increasingly pushed by recommendation whether by friends and family. Our data shows that almost 50% of viewers discover new content through recommendations by friends and family."

Developing strategies relevant to the audiences is another critical factor in growing the streaming business (coded 17 times across four interviews). First, researching the audience was coded eight times across four interviews. The video streamers highlighted that their audiences are not homogeneous, but they manifest different interests, tastes, and viewing habits; they also belong to different age groups. Thus, conducting audience research and appreciating each segment's attributes is important to offer relevant content for each group. For instance, P3 from Viu spoke about content personalization based on consumers' preferences and interests: "About 95% of our customers are Saudis; over the last 3- 4 years, we have added more Arabic content to our customers who prefer local content. We keep experimenting to understand what Arabic content works and where we can invest more money. Secondly, we have added Turkish content over time to meet the consumers' expectations. We also found that Turkish series dubbed in Arabic work very well in the region. "

Then, optimizing the user experience is coded seven times. For instance, users want "a smooth, intuitive, and seamless experience," said P8, and they want to watch their content "anytime, anywhere, and on any device; we have to offer that, " said P7.

Finally, developing strategies to retain customers and gain new ones was coded twice. P1 from Starzplay said that a well-established brand name earns organic growth. He added, "We have done much work on our CLM (Customer Lifestyle Management) strategies, retaining those customers, automating what happens when a customer churns, when they request the churn when we do not see a successful payment on a card, so all these attention activities helped improve our retention rate. "

According to the MENA streaming experts, other internal factors that contribute to the growth of the streaming business are mainly managerial (coded 16 times). Experts spoke about the importance of investing in marketing, identifying a unique positioning of their brand to differentiate one video streamer from another, and using new technology to understand the audiences and their behavioral patterns to attract both audiences and advertisers; P8 pointed to the poor audience measurement in MENA: "I must admit that MENA still is lacking behind the rest of the world in audience measurement for the TV advertising industry; we launched our new rating system TAM, and we believe that it provides excellent analysis for TV programming, acquisition, and content syndication, " he says. Another key managerial decision concerns hiring. The experts discussed the insufficient expertise available locally and the need to hire a foreign workforce. However, this should be balanced by hiring local people familiar with the local and regional context.

Finally, payment methods have facilitated business growth. Not long ago, credit cards were barely used in the region; now, with the integration of payment methods across the region, through carrier billing, applications like Apple Pay, and, more generally, credit cards have proven crucial to the sustainability of the business.

EXTERNAL FACTORS

Partnerships and collaborations with third-party providers and telecoms (coded ten times) are crucial growth factors for MENA's local and global video streamers. During the interviews, experts pointed to their efforts “to partner with telecoms in prospective markets as the preferred option to enter new markets,” says P7. They also spoke about the importance of collaborations “with third-party providers to ensure connectivity with the end-user through a payment method,” as audiences are still reluctant to pay for media content and often have no credit cards to pay online. Additionally, experts spoke about the value of partnerships in aggregating content and building their catalogs.

The political environment can be decisive in video-streaming business sustainability. For instance, investment in building and improving the infrastructure creates new opportunities. P8 explains that “with Saudi Arabia's new cultural strategy that includes spreading cinemas and other cultural venues, new growth opportunities have emerged for content producers, actors, and production companies.” Similarly, the GCC governments are driving their economies off oil, speaking to a genuine desire for diversification, says P2. The experts see this as a supportive political landscape for business growth in the Gulf states. Egypt remains the largest media hub in the region. The Egyptian government maintains media as one of its growth pillars. It sponsors the largest media company in the country, continuously engaging with and committing to the historical role of Egyptian media but also using it as a tool to control freedom of speech. When infrastructure is strategically built, it supports growth. Having studios with cutting-edge technology and facilities to support customer service, whether by location, production services, or client servicing, producers can find such infrastructure helpful, notes P9.

With the COVID-19 pandemic, the experts unanimously confirmed that their audiences turned to OTT consumption during the lockdown and cinema closure across the region, amplifying audiences' migration to digital and their adoption of OTT video streaming. P8 notes, “User experience increased greatly during the COVID-19 lockdown. We also witnessed organic growth – what was set to happen over a couple of years, all happened in a year. VOD consumption has increased substantially – by 40% in the MENA region.”

OTT streamers agree that distributing content across a large market such as the Middle East optimizes monetization. While so far, subscription to English content is common; the opportunity lies in offering content for the local audience. “It is the right time to write the local content for the local audience,” says P6. Producing originals with a pan-Arab cast helps productions to work in multiple markets and reach more than 350 million Arabs. With the Arabic language common across MENA facilitating access to a populous region, “it is easy to monetize,” notes P4.

According to the streaming experts, competition is the final external factor that can generate growth in the video streaming business; it “pushes global streamers to success,” according to P9. While the Arab region has not reached a high level of competition, a scenario similar to the one in “Canada, [...] brought up by competition between Montreal, Toronto, and Vancouver” would be healthy for the region, notes P9.

THEME 2: ADOPTED MODELS AND TRENDS IN THE VIDEO STREAMING BUSINESS

The adopted models and trends theme was coded 42 times across eight interviews.

The video streamers spoke about brand differentiation and positioning as a trend in the business (coded 14 times) to a great extent. They said it became crucial to find unique attributes specific to their brands and to differentiate themselves from competing brands. They cited this not only as a growth factor but also as an adopted practice they cited as ongoing and important to embrace.

The second most discussed trend is balancing linear and streamed TV (coded nine times across five interviews). Free-to-air TV remains a large market in MENA and a prime location for providing advertisers with high reach, mainly thanks to Saudi Arabia and Egypt’s populous markets. P8 says the MENA market is quite similar to many other competitive markets facing new challenges with the rise of OTT and changing media habits. However, it is unique regarding sustainable and still-growing linear-TV consumption; “the consumption of e-life has not been impacted by the rise of OTT,” he notes. Similarly, P6 said that people still want a relaxed viewing mode. On their linear channel, audiences will see whatever is running. However, the shift is happening: Users are adopting streaming, though the library in streaming is still not as massive as Netflix’s, he adds. Thus, linear still complements OTT and streaming in MENA. This is the case for pay-TV like Shahid or Starz, which offer both OTT and streaming on their platforms.

Interest in content aggregation is another trend: aggregating content was coded five times across four interviews. P7 describes Intigral’s business as an

aggregator and a major content supplier intending to become the main movie hub in the region. Similarly, StarzPlay aims to become the content hypermarket of the region, offering deals from multiple content providers to its consumers: “We want to be a multichannel video programming distributor (MVPD¹) where we basically bring everybody on board, and we are able to offer that to our consumers”, says P1. DiscoveryPlus is the first StarzPlay aggregator partner to which Paramount Plus, HBO, and Peacock were added. They offer on-demand and live TV streaming services for channel-specific streaming.

The geographic stretch is another trend discussed by the streamers, as they want to take advantage of the spread-out MENA region and visit different countries within it. Some hubs remain important, and Abu Dhabi aims to become the media and entertainment production hub. According to P6, Abu Dhabi started owning this positioning with the economic and industrial development of the media and entertainment sector witnessed in the city. As for P1, he notes that the need to scale is necessary. He mentions plans to continue investing in the business and expanding aggressively in the MENA market while capitalizing on the organic search for platforms and content consumption growth.

With the diversification of membership models (coded four times across four interviews), streamers increasingly offer paid memberships to consumers. TV (and, along with it, free-to-air advertising FTA) still has a high reach, but AVOD is growing, and consumers are becoming more receptive to AVOD. AVOD is believed to positively impact the brand, according to P4. So far, the main way entertainment content is monetized is through advertising, yet “advertising is shifting from traditional to digital,” notes P3.

While Arab audiences are still migrating to video streaming, they have become interested in viewing across devices. Speaking about the Jawwy TV experience (Intigral), P7 says,

“We’re trying to move away from having devices in the home. When we initially launched Jawwy TV, there were two different versions: the Jawwy TV app version, which was targeted at smartphone and mobile customers, and the Jawwy TV home, which is more of a fixed offering for residential customers. But what we found out is that customers are very mobile, and they are viewing their content irrespective of the device. So, we decided to do away with the devices altogether. And we have recently launched a suite of applications that

¹ MVPD is a streaming service that provides multiple linear video content to the consumers that delivers high-quality broadcasting.

are available across not only your mobile device but also your smart TV. So, for example, we've got an Android TV version that's been recently launched. We have a Samsung TV, GTV, and we've recently made it available on Apple TV. So, customers can view their content anywhere, anytime, without having to view it through a device. "

Finally, in addition to entertainment content, another trend area is found in sports, P1 says. P8 notes that the future is moving beyond video and toward "Content with a big C"—all kinds of quality beyond video, including gaming, e-sports, and e-learning.

THEME 3: CHALLENGES FACED IN THE MENA VIDEO STREAMING BUSINESS

Video streamers face numerous challenges in the Middle East (coded 17 times across five files). First, they spoke about limited advertising and marketing opportunities (coded seven times across five interviews). For instance, P4 wonders if there is enough money for all media players, "especially since MENA is one of the world's lowest advertising-per-capita markets, and it has never been sufficient to please everyone. " Launching marketing campaigns and engaging in raising awareness can be challenging for new entrants, thus the advantage of partnering with local telecom operators. Also, the participants noted that measuring and evaluating engagement can be challenging, as the metrics may not reflect the active time of viewership owing to unattended viewership and archaic survey methods to capture audiences.

MENA's infrastructure proved to be a challenge. Video streamers spoke about the region lacking both hard and soft infrastructure. The hard structure includes purpose-built studios with soundstages with their own production offices and warehouse. These are important "especially in the summer months; you don't want those who just had their makeup done to walk in 40-degree heat, their makeup running by the time they get to set; so everything needs to be contained, and we built about a dozen units of those in Abu Dhabi, " says P9. The soft infrastructure includes client service, production services, and assistance with finding production amenities such as affordable hotels, etc. In addition to the UAE, P2 spoke about how Egypt and Morocco are also heavily engaged in improving their infrastructures compared to the rest of the countries.

While streamers have invested in digital and diversified content, the market is contracting, and there is not enough money for all players. Several countries in the region suffer from challenging political environments that push away businesses. Similarly, app payment is unavailable in some countries, and connecting with the end-user through a payment remains challenging. Because of the complex MENA environment, especially after the uprisings, long-term

planning has been challenging, if not deficient. Since the COVID-19 pandemic, the use of credit cards to pay for entertainment content has increased. However, some users still do not see the need to pay for media content.

DISCUSSION

This study aimed to examine the video streaming business as it develops in the MENA region and raise awareness among academics and practitioners of the emerging opportunities, practices, and trends in the region as they unfold.

The high Internet connectivity in the region, combined with the improved infrastructure (i.e., high speed) and high smartphone ownership, particularly in the wealthy GCC region, make video streaming a natural entertainment option for connected audiences (Khalil, 2016). At the same time as the adoption of video streaming soared during the COVID-19 lockdown, people, hitherto “immersed in long-standing sociocultural practices (e.g., expectations for free access to services and preference for cash transactions)” (Khalil and Zayani, 2022, 1534) became more comfortable paying for digital content online and using credit cards thanks to the momentum conjuncture of the coronavirus (Allagui, 2020). This shift in audiences’ behavior, combined with the advancement in digital technologies and improved infrastructure, has set the ground for a growing video streaming business in MENA.

While there is no unique golden rule or recipe, the factors discussed by the experts/interviewees provide material to understand the peculiarities of the Arab market and a down-to-earth perspective of operating a VOD business in MENA. The study’s results, which indicate how video streamers have transformed the entertainment industry in MENA, are of crucial implications to regional and global media managers interested in the Middle East.

ARAB AUDIENCES AND THE SIZABLE, UNEVEN MENA STREAMING MARKET

The advent of streaming is reconfiguring audience viewership patterns in the region. The Arab audience is primarily a broadcast audience, but streaming has become an attractive option as they turn to digital platforms (Allagui, 2019). Video streamers compete for the viewers’ airtime: they must innovate while simplifying and enhancing their customers’ experiences, such as offering auxiliary services on the platform. Wang et al. (2019) argue that only a few studies explored streaming audiences’ motivations, and most of these studies found either adoption of online behavior or addiction as motivation to watch streaming content. The authors add that understanding the audiences’ behavior and preferences is crucial to understanding the market status. This study’s results show that conducting audience research and investing in understanding the streamers’ audience data enables businesses to retain

customers, attract new ones, offer relevant content, improve product offerings, and optimize customer lifetime management, all of which lead to growing businesses. However, the region continues to struggle to provide reliable audience data to media professionals and advertisers: Audience measurement has been a consistent and recurrent problem in MENA (Allagui, 2019; Sakr, 2020; Khalil, 2016) that extends to the video streaming age. Etisalat's E-vision said they turned this limitation into an opportunity and launched their own rating system, TAM. As the streaming experts noted, technology is both enabling and challenging in MENA. While it might be possible for big players like Etisalat to innovate and create innovative solutions, this is hardly the case for smaller organizations in less advanced countries of the Middle Eastern, as the gap has been only deepening between most and least advanced countries of MENA (Chroufa & Chtourou, 2023).

Equipped with the best infrastructure for OTT content production and home to the major video streamers, the Arabian Gulf (i.e., GCC countries) is the natural streaming hub in the region and the most profitable for video streaming businesses (Khalil, 2020). Despite a persistent digital divide among Arab countries and a lack of affordability, the study shows that expanding to populous MENA countries other than the GCC represents a growth opportunity for video streamers: The experts spoke about partnerships and collaboration opportunities between streamers and local telecoms, licensing deals, and sale agreements to be made among video streamers that are currently located in the prime and highly concentrated business space of the UAE, KSA, Bahrain, and Kuwait (Khalil, 2020).

In the past, the GCC countries' geographic concentration helped develop the pan-Arab broadcasting and advertising business (Allagui, 2019). Today, it is remarkable that the streaming business is developing along the same pattern: The major streamers operate from the Gulf (Dubai particularly) and have access to the same advanced infrastructure, including major media actors and tech talent, media technologies, and production firms. Supported by open cultural policies (Ayish, 2021), telecommunications and studios' infrastructure, content creators, production teams, talent, brands, and advertisers continue to be concentrated in the GCC countries.

The expansion perspective that involves penetrating other countries is merely about reaching mass audiences in those markets and creating bundles with telecom operators and their partners who (most often) turn out to be GCC operators, like UAE's Etisalat or Qatar's Ooredoo.

However, as the streamers' libraries develop and new content is envisioned, it is important that global or regional streamers look beyond the GCC hubs, Dubai, Abu Dhabi, or Jeddah/Riyadh, for expansion opportunities. Khalil

(2020) notes that the streamers went north and west early on when they were building their libraries and taking advantage of a time when no regulation and almost no competition existed, but now developing their libraries requires considering a broader geographic scope. For Sakr (2023, n.a.), the introduction of and access to foreign streamers offers new alternatives to local producers short of local funds and public support. She writes, “Independent producers, denied outlets by governments and their allies, have turned instead to Netflix for commissions and overseas entities for professional development.” Sakr (2023, p.10). This is less true for the wealthy GCC countries, where the Arab OTT market is concentrated: GCC governments have been supporting local cultural production and distribution as a new source of the creative economy. If companies turned to foreign streamers, it was not because of a funding shortage but mainly to enhance skills and professional development.

LOCALIZING CONTENT AND STRATEGIES

Localizing content- shooting in local places and including local stars- can expand to new markets in the region. Audiences can relate to local originals close to their interests and cultures. In fact, in the Arab region, this is déjà vu since Arab countries consume mainly local content (although typically of lower quality and less bold than Netflix productions, for instance).

Global streamers like Netflix that consider localization strategies aim to include a pan-Arab cast, celebrities of different Arab nationalities who are admired across the region, topics relatable across Arab countries, and in a language accessible to the potential audience of 350 million Arabs. A recent example is Netflix’s original, *Ass’hab wela Azaz*, a remake of *Perfect Strangers*, produced by New York-based Empire Entertainment and shot in Lebanon. The comedy-drama targets a pan-Arab audience through a cast of celebrities across the region, including Lebanese, Jordanian, and Egyptian actors. Another notable example of video streaming productions targeting Arabs across the region through a mixed-nationality cast is *Aroos Beirut*, produced by Saudi broadcaster MBC—a video streamer through its platform shahid.net. The series is launched exclusively on the paid platform first, then is made available (or recycled) for free on the satellite channel. Although the cast is almost exclusively Lebanese, the star protagonist is the Tunisian-Egyptian actor Dhafer Al-Abidine, who has millions of fans across the region (e.g., more than four million followers on Instagram). *Aroos Beirut* is an adaptation of the popular Turkish television series *İstanbul Gelin* (*The Bride of Istanbul*). As Turkish drama is still prevalent in the region, another strategic extension is dubbing content that the streaming experts in the study concur to find attractive to Arab audiences (Berg, 2023), despite their exposure to local and international content.

While producing content attractive to local audiences is natural and inevitable, one cannot overlook that the video streamers' strategies mirror the ongoing practices of pan-Arab broadcasters, which revolve around featuring Arabs of various nationalities speaking familiar Arabic and collecting fans across the region. Video streamers are using a geographic expansion strategy, capitalizing on the Arab talent across the region in entertainment shows like MBC's *The Voice*, with famous pan-Arab singers; religious and historical movies; and teleseries specially made for the Ramadan season.

As the streaming experts acknowledged, audiences in Arab countries still rely primarily on free-to-air, linear television first, even if this means exposure to advertising. The predominance of satellite television in the region, accessible to almost every household, is not disappearing any time soon, especially as most audiences still suffer from the aftermath of political, social, and economic crises. The wealthy Arabian Gulf market, with its highest expatriate population, is an exception: It is home to global OTTs and the highest concentration of VOD audiences, particularly among the young and very tech-savvy who spend more time on screens and are willing to pay for subscriptions to avoid advertisement distraction. AVOD remains a major monetization method for streamers in the region, as audiences still do not mind advertisements. However, some have noticed that SVOD is also growing, thanks to the lockdown under the COVID-19 pandemic and an increasing willingness to pay for content, especially as credit card usage grows within the region. Partnerships remain crucial to diversify payment methods as audiences begin considering payment for content. MBC's *Shahid*, for instance, enacted a partnership agreement with carrier billing Ooredoo to integrate the *Shahid* subscription fees into Ooredoo mobile data-usage billing.

It is fair to say that today's streamers replicate the strategies used for years by broadcasters, advertisers, filmmakers, and producers. They capitalize on pan-Arabism to grow, but a pan-Arabism that speaks to identity and culture. Discussing various movies produced in the 1990s in Tunisia, Lebanon, Egypt, and Syria, Khoury (2005, 10) notes: "All these films tackle the dilemmas of searching for national identity through foregrounding marginalized social elements and lives in the streets and alleyways of major Arab metropolises. Instead of claiming national 'universalities,' these films depict social and cultural settings, characters, and materiality, which offer complex renderings of a rapidly changing society struggling to reclaim its national identity." As the global circulation of Arabic productions flourishes across the region and beyond (including the diaspora's productions in the West and the participation of Arabic productions and co-productions in global film festivals), cultural diversity fostering Arab identity(ies) is increasingly integrated into

the globalization of flows. The streaming platforms present opportunities for local and regional content to be showcased among streamers' libraries in MENA and globally.

THE REGULATION OF THE STREAMING MARKET

While regulation of the video streaming business is still in its early stages, MENA countries must clarify their local content regulations and protection strategies. While some markets provide quotas for international content to protect the local industry (or do not allow foreign media services like China, or more recently Russia, to operate in their countries), little is done in the region to raise questions about local vs. international content. The UAE has set a limit for foreign content in streamers' libraries, but none of the other countries has clear quotas, especially as consumers access the services through VPN.

One should also remember the high piracy level, whether by illegally sharing customer accounts with relatives or manipulating OTT television subscriptions—even though none of the participants mentioned piracy as a serious problem in MENA. The streamers themselves took advantage of low regulation early on when they built their libraries through acquisition. Khalil notes, “The promises of lucrative revenues from OTT services have attracted several regional entrepreneurs who benefited from a first mover strategy to establish services without a legal structure and foreign competition. Working from Beirut, Dubai, Cairo, or Saudi Arabia, these entrepreneurs amassed a large portfolio of old movies and series and started investing in exclusive content” (Khalil, 2020, p. 458).

Lastly, conducting almost any kind of business in the region is conditional on a stable and positive political environment, and the streaming business is no exception. Participants spoke about political environments that could represent both challenges and opportunities. Governments that develop a cultural vision support creativity and facilitate cultural production because they see culture as an economic diversification enabling a competitive edge. *Certes*, Egypt, and Saudi Arabia have very large populations, which enable economies of scale, but also their governments have made entertainment one of the economic pillars for diversifying the economy (Allam & Chan-Olmsted, 2021; Saudi Vision 2030, n.d.). Video streamer Intigral prides itself on supporting Saudi Arabia's political vision when diversifying its portfolio, connecting and bonding with the local audience while taking advantage of the cultural opportunities offered and supported by the government.

While in some countries, the introduction of global OTT streamers and the lack of regulation toward them may threaten national broadcasters (as in Canada or Europe, with the establishment of quotas for video streamers), in MENA, there is little or no protection for national broadcasters yet, for reasons that include

the pre-eminence of the free-satellite system, which creates little regulatory tension between broadcasters and OTTs. If there is any cultural tension, it is often driven by audiences, not regulators; such is the case of Netflix's Arabic remake of *Perfect Strangers*, *Ass'hab wela A3az*, which provoked reactions from Arab audiences rather than from the authorities (Allagui, 2022). The regulators continue to scan content and ban any that is anti-political or against the countries' religion or cultures.

CONCLUSION AND LIMITATIONS

This research fills scholarly gaps in the Global South's media management field and contributes to the literature on the video streaming industry in MENA. It aims to provide an overview of the streaming ecosystem in MENA and unveil successful business practices. While literature has developed in the West and Asia about OTT global platforms such as Netflix (Frade et al., 2021), almost no scholarship has emerged from the Arab region (Allam & Chan-Olmsted, 2021).

The current study reveals that multiple factors contribute to the growth of the VOD business in MENA. They include audience analysis, customer management systems, hiring local and regional talent, building libraries, developing know-how through partnerships and collaborations, and geographic expansion across the region. The challenges include an underdeveloped infrastructure, an unstable political environment, and a need for more technical and marketing competencies (e.g., big data analysis, audience measurement tools, etc.).

This study analyzes semi-structured interviews with video streaming experts who hold top executive positions in their respective global and regional businesses. The participants self-reported their positions and spoke about their experiences in a public forum that included their competitors; their responses are subjective and might not reflect the reality in its totality but selectively consider the forum environment. In addition to their self-reporting, the similarity between these high-profile speakers at this APOS event may represent another study limitation: the majority are males, CEOs, and COOs; all are based in the Gulf (eight based in the UAE and two in Saudi Arabia)—although this does reflect the reality of the business as discussed above. Although they are competitors, the streamers' perspectives were quite similar, despite their attempts to sound unique and differentiated. This made it convenient to identify themes and sub-themes, but additional perspectives from local agents or partners based in non-GCC countries could have pointed to alternative issues. Alternatively, understanding what live streamers provide to their audiences from an analysis of their programming and media can help appreciate the gap between supply and demand and the regional gap discussed above. Further research in these directions will complement this study.

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*Leverage and
Profitability
of Newspaper
Publishers a
Financial Analysis
of the Portuguese
Industry
(2008-2019)*



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ABSTRACT

As is the case with any economic activity, the challenge of guaranteeing the economic and financial sustainability of the newspaper industry is recurrent, and the challenge is redoubled in periods of industry transformation, as has occurred in the media business, where there are various levels of disruption, particularly in terms of the financing model (insufficient traditional sources of revenue: reader revenue and advertiser revenue) and forms of product access and distribution (insufficient physical support and newsstands). The migration to digital media necessarily implies new management strategies and practices in order to optimize costs and diversify the revenues that can be earned by newspaper companies. In this context, this article examines the recent evolution of the financial profitability of the newspaper publishers in Portugal. Financial profitability depends on both the economic profitability and the financial structure (i.e., leverage) of companies. Newspaper companies accumulated very high levels of debt because of the sector crisis. The financial analysis in this article reveals that almost a half of newspaper publishers benefited from positive leverage effects, recording higher financial profitability than economic profitability. Companies that benefited from positive leverage effects were the more leveraged. High leverage was positive for those newspaper companies that made investments whose returns offset their debt costs.

KEYWORDS: Profitability, profit, business model, newspapers, management and diversification.

INTRODUCTION

In the last two decades, the newspaper publishing sector experienced two crises. First, the crisis caused by digitalization, which undermined the foundations of the legacy business model of the industry. Second, the economic crisis that followed the financial crash of 2008. Both crises led to a significant drop in revenues for newspaper publishing companies (Björkroth & Grönlund, 2018; Doyle, 2013; Kind et al., 2009); some went bankrupt and many others survived for several years with negative returns while struggling to adapt to digitalization (Cawley, 2019; Faustino, 2022). While most of the academic literature has made a pessimistic reading of the newspaper crisis (Ferrier et al., 2016; Siles & Boczkowski, 2012; Starr, 2012), some relatively recent studies have focused on newspaper companies that managed to maintain positive returns or even reported that the sector as a whole was able to recover by adapting to new market conditions (Edge, 2014, 2019; Rios-Rodríguez et al., 2022; Van der Burg & Van den Bulck, 2017).

These works analyze newspaper companies' performance by focusing on economic profitability but overlooking financial profitability. Indeed, economic profitability is key to business success as it indicates a company's ability to generate operating profits from its total assets, regardless of how these have been financed. The most common indicator to measure it is Return on Assets (ROA), calculated as the ratio of Earnings Before Interest and Taxes (EBIT) to total assets. However, financial profitability is even more relevant because it measures the ability of the company's equity to generate profits for shareholders, who ultimately invest in the company. It is measured by Return on Equity (ROE), calculated as the ratio of net income (i.e., net of interest and taxes) to the company's net equity. Thus, ROE is conditioned by both the operating results and the financial results of the companies.

LITERATURE REVIEW

In Portugal, the property concentration titles issue has been more focused on the daily press of general information. In effect, the high concentration level revealed by the daily press industry of national circulation it is not a novelty. In fact, given the small dimension of the Portuguese market and the specific features of the press industry (where the learning economies, scale economies and scope economies are very frequent), we can expect the existence of an endogenous trend for the emergence of market concentration in the daily national press. Despite the existence of concentration levels, as it was proved in this study, one should emphasize that these groups can hardly exploit their dominant position in the market of the national daily press. The obstacles against the entrance in the press are relatively limited; in contrast with the radio

or TV areas, which operators need licenses, in the press case there is freedom of entrance, whether because licenses are not needed or the dynamics of the market itself allow the creation of alternatives and replacement products. In this way, one can affirm that the legal possibility of free entrance without the need to have a license to work limits the arbitrary power of the incumbent companies (already established in the market), (Faustino, 2012).

According to Wallez (2017:172), “in the real life of the newspaper business, the advertiser has sometimes felt frustrated due to the lack of tangible data on how many readers have been exposed to the ad”. The rate has been calculated by total circulation, but the numbers of people who look at an ad a few seconds are forever unknown. Wallez (2017: 105) also mentions that “many publishers consider their product as just a business, forgetting the other dimensions that have shaped the press in previous centuries. A new management system has emerged, based on differentiated units, each with a specialized role and function: (1) pressroom, collation and editing, (2) production (typesetting, printing, folding), (3) distribution and circulation, (4) advertising, (5) accounting.”

The combination of increasing convergence, automation and standardization of business and creative processes, on the one hand, and the disruption of consumer and business models, market fragmentation, and the entry of new companies from other sectors (technology and telecommunications, for example) on the other, has contributed to the adoption of management methods and practices that are more oriented towards market demand perspectives. However, none of these market approaches are easy, nor do they guarantee economic and financial success; these practices challenge the conventional cultures of media companies and pose significant challenges for the sustainability of the newspaper industry. In Table 2, through the general classification, we can observe some aspects that reflect characteristics associated with traditional media management versus a contemporary approach to media management.

Table 1: Aspects associated with traditional and modern media management

Traditional management approach	Contemporary management approach
Cultural products	Economical products
Single-media products	Multimedia products
Low-tech products	High-tech products
Products with a limited investment portfolio	Products with large investment portfolios
Products with clear barriers or limits	Products without clear barriers or limits

Single-use products	Reusable products
Journalistic products	Journalistic and marketing products
Single-media management	Multimedia management
Limited areas of knowledge required	Broad areas of necessary knowledge

Source: Faustino, Paulo & Ribeiro, Luísa, 2016

Although there are specific differences inherent in the media business, in general these organizations tend to adopt management practices applied in other industries and adopt a more market-oriented approach. This also reflects the tendency for media products to be seen more and more as a commodity, rather than a primarily symbolic good or the result of a creative process with intrinsic value. Thus, the management practices adopted by media companies increasingly approximate those of other industries.

According to Doyle (2013), the overall performance of the economy has a tremendous impact on production in all sectors, including the media. The reason is obvious: newspapers depend on advertising as one of their two main sources of income or dual funding model: selling editorial content and selling advertising content. Despite recent divergences and uncertainties regarding the sustainability of newspaper publishers' business models, analysis of long-term trends in advertising suggests that there is a strong correlation between the performance of the economy as a whole and the levels of investment and development of advertising activity. Many jobs have been cut at newspapers, without improving current results and without generating cash flow to repay operations and financial commitments; many newspaper publishers are closing down, others are increasing their debt and few have prospered solidly after the turn of the millennium.

In the 1970s, integration between sectors of the technology industry initially took place with a growing technical overlap of computer and telecommunications devices and components. In the 1980s, the growing integration of technology also extended - and overlapped - to consumer electronics and office equipment. In the 1990s, integration affected almost all sectors of industrial technology - for example, smartphones combine the technologies of telecommunications, computers, information providers, consumer electronics, television, video games, calculators, cameras, music players and recorders, navigation devices, and many more.

The implications of these transformations are visible in that industries and companies that used to comfortably fill their separate niches are now facing more and more competition from each other. Social media platforms and online

consumer access have become challenges for the publishing industry. The old methods of advertising and subscription in the publishing industry seem to be failing in the age of digital transformation. The online advertising industry has faced serious challenges, and the number of people installing ad blockers on their mobile devices has grown.

In the new context, the attitude towards innovation and reorganization of the publishing industry has been supported by the development of business models based on cost reduction strategies and the generation of new revenue streams, including the provision of services adjacent to journalistic activity, such as: organizing seminars, conferences, events, selling content to other organizations - customer publishing and content marketing - among other associated services and products. The media and the journalism industry are largely influenced by the convergence impacted by the digital age and new technologies.

Over the last two decades, newspaper publishers have gone through two main crises. Firstly, the crisis caused by digitalization, which changed the paradigms and foundations of the centuries-old business model based on revenue from product sales and advertising investment. Secondly, the economic crisis that followed the financial collapse of 2008 (also known as the “subprime crisis”)¹, which affected the entire economy and, of course, advertising investment, which from this period onwards, except for slight fluctuations in the market and the year, never returned to the performance achieved until the end of the first years of the millennium.

For its part, the newspaper companies accumulated large debts over the last decades in an attempt to survive the industry downturn, using the liabilities to grow in size (at least before 2008), to cover losses and to make investments in their digital transformation (Almirón & Segovia, 2012; Casero-Ripollés & Izquierdo-Castillo, 2013; Cawley, 2017; Doyle, 2013; Soloski, 2013). High leverage can result in companies’ financial profitability deviating sharply from economic profitability. When the return on assets is higher than the cost of the debt used to finance those assets, leverage has a positive effect on financial profitability. However, if the return on assets is lower than the cost of the debt, leverage has a negative effect on financial profitability. Theoretically, the latter is most likely in highly leveraged companies, which is the case for newspaper publishing industry, as lenders will consider their lending riskier and impose higher interest rates. In extreme cases, a company could report a positive ROA but a negative ROE. Therefore, to have a complete diagnosis of the economic situation of the newspaper

¹ This crisis resulted from a very adverse global economic climate, caused by the bankruptcy of the traditional US investment bank Lehman Brothers. This bankruptcy had a contagion effect on other large financial institutions, which also closed in a very weak situation.

industry, it is also necessary to consider the effects of leverage on financial profitability, which is the aim of this work.

The article is organized as follows: the materials and method employed in the empirical analysis are described in the next section. Then, the findings of the study are presented and discussed. Conclusions and some managerial implications are provided to conclude the study.

MATERIALS AND METHOD

To analyze the effects of leverage on newspaper publishers' performance we carried out an economic and financial analysis of the companies in the Portuguese newspaper industry. The period of study was 2008-2019, considering both the economic recession following the 2008 financial crash and the subsequent economic recovery. In Portugal, the economic recession ended in 2013, Q3 and the economic recovery has gone from 2013, Q4 onwards. The data were obtained from SABI, Bureau van Dijk's database, which includes the financial statements of thousands of Portuguese companies. The selection of companies was made using the primary NACE code 5813, corresponding to newspaper publishing activity. After excluding companies with data inconsistent from an accounting perspective, the sample consisted of 375 companies.

Also, a high percentage of the observations (26%) reported negative net equity - "If ROE is calculated for a firm which has negative equity, ROE takes on the inverse ordinal properties that we would wish for it to display" (Thornblad et al, 2018, p. 3). However, the authors recognize that this option of excluding companies with negative results is not without its critics - as the conclusions state - insofar as, in theory, a company (with negative results) may be able to change the situation for the better in the medium term, through restructuring, innovation and the adoption of good management practices, and manage to be more competitive in the following years. In any case, this circumstance (analyze the ROE of companies with negative performance) could distort the results of the analysis: since ROE is calculated as the ratio of net income to equity; a firm with negative net income and negative equity would show a positive ROE. In this sense, it is inconsistent to analyze the ROE of one sample including firms with positive equity and firms with negative equity. For this reason, we excluded from the sample the observations with negative net equity.

Therefore, considering that ROE (Return on Investment) is an indicator that measures a company's ability to generate value for the business from the assets available, the calculation uses net profit, the amount left for the company after expenses have been written off, and shareholders' equity, the total of assets and rights minus the company's liabilities. The companies must be in the same sector, otherwise the results would not be comparable.

Thus, the final sample consisted of an unbalanced panel of 282 unique firms and 1,629 observations over the period 2008-2019. It should be noted that the number of observations can vary each year due to the entry of firms in the dataset after 2008 and/or its exit before 2019 (Table 1).

Table 1: N° of observations per year

Year	N° of firms
2008	140
2009	146
2010	151
2011	135
2012	145
2013	137
2014	129
2015	133
2016	122
2017	129
2018	131
2019	131

Source: Own elaboration

The sample is robust, representing 42% of the newspaper publishing companies in Portugal (Eurostat, 2022). It includes the main national newspaper publishing companies, which capture more than 70% of advertising investment in the sector, and regional and local newspaper publishers, both large and small companies. However, those newspapers belonging to the Catholic Church could not be included, because they are not legally required to report their financial accounts. On the other hand, companies with legal forms different than public limited company or limited liability company also do not have to file accounts and are therefore not included in the sample. On the other hand, some of the companies considered also publish magazines, although their impact on the companies' overall economic activity is residual. In this respect, it should be noted that the companies followed a strategy of revenue diversification, so that their sales do not only come from the

business of printed newspapers and news websites, but also from activities such as organizing events, selling associated products (e.g.: books, household utensils) or producing publications for other organizations (custom publishing) (de-Lima-Santos et al., 2022; Vara-Miguel et al., 2021).

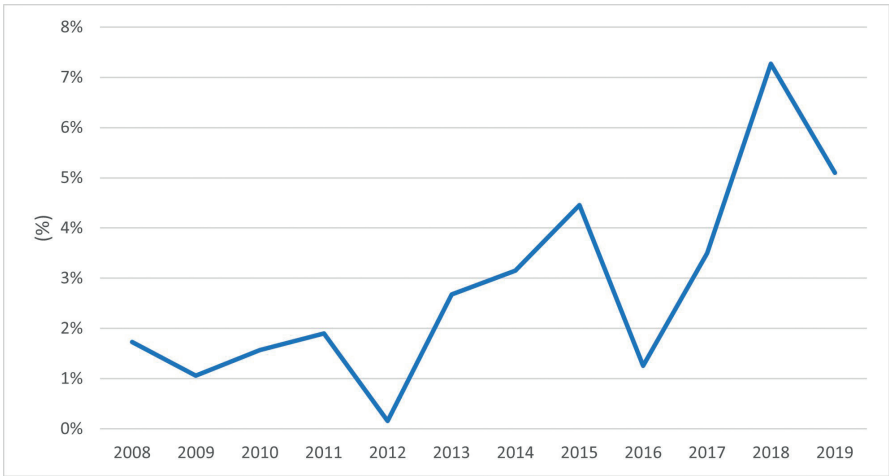
After obtaining the financial statements of these companies, we calculated the variables of interest for financial analysis. In detail, the key variables are the Return on Assets (ROA), as a measure of economic profitability, and the Return on Equity (ROE), as a measure of financial profitability. ROA is calculated as the ratio of operating profits or Earnings Before Interest and Taxes (EBIT) to total assets, indicating how many euros of operating profit the companies bring for each one euro of asset that has been invested. ROE is calculated as the ratio of net income, that is, profits after interest and taxes, to equity, indicating how many euros of profit the shareholders obtain for each one euro invested to the company.

EMPIRICAL RESULTS

THE ECONOMIC PROFITABILITY

The evolution of the economic profitability, measured by the ROA, shows that Portuguese newspaper publishers managed to recover their levels of the economic profitability after the crisis. As we can see in Figure 1, the average ROA fell from 2% to 0% between 2008 and 2012, recovering since that year and reaching values of 7% in 2018 and 5% in 2019.

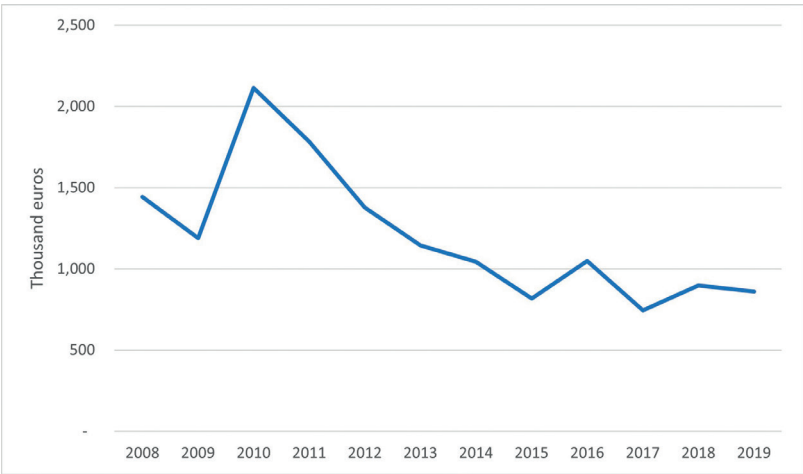
Figure 1: Average ROA (%) of Portuguese newspaper companies (2008-2019)



Source: Own elaboration

To understand the reasons for this evolution of the firms' economic profitability levels, it is necessary to look at some of its determinants. Thus, average company revenues fell over the whole study period; in 2019 they only represented 60% of their 2008 value (Figure 2). The economic recovery of the Portuguese economy from 2013 Q4 was not accompanied by a recovery in newspaper companies' revenues, which reflects the structural crisis of the sector, i.e. the decline of incomes from both readers and advertisers. Nevertheless, it is noteworthy that the level of company revenues remained stable from 2014 onwards.

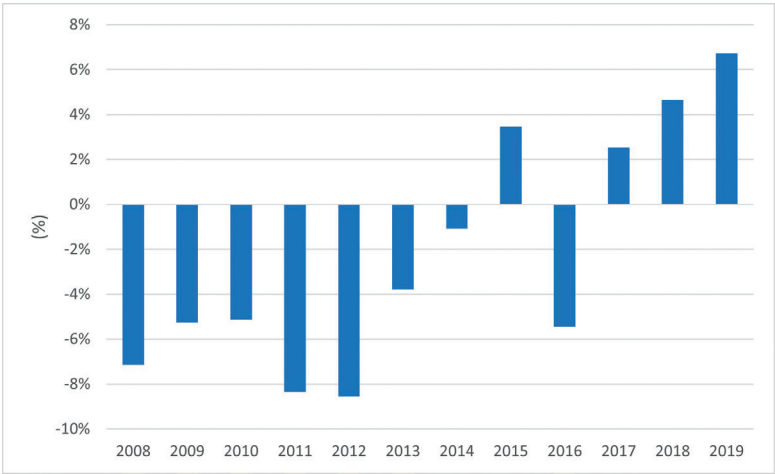
Figure 2: Average revenues (thousand euros) of Portuguese newspaper companies (2008-2019)



Source: Own elaboration

Considering this drop in revenues, the observed recovery of ROA was only possible because of the adjustment of operating costs carried out by newspaper publishing companies. While revenues dropped 60% on average over the study period, operating costs dropped 70%, allowing companies to improve their operating margins, especially after 2014. Figure 3 represents the evolution of the average gross profit margin, calculated as the ratio of EBIT to sales. It is important to note that, on average, until 2015, companies in the sector had an operating loss of approximately 4 euros for each 100 euros of revenue.

Figure 3: Average gross profit margin (%) of Portuguese newspaper companies (2008-2019)



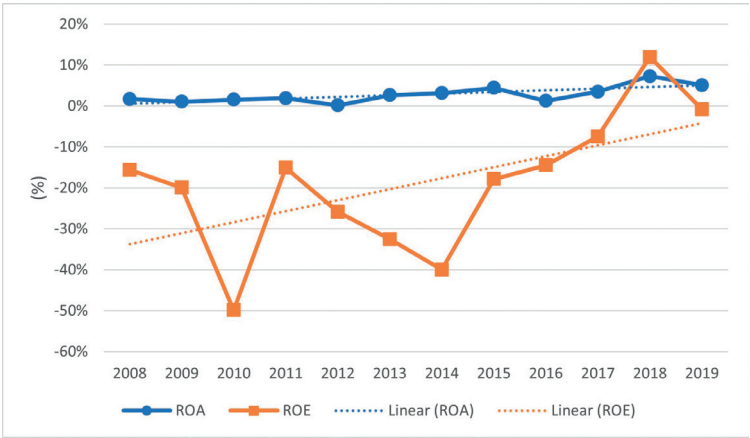
Source: Own elaboration

In summary, Portuguese newspaper publishing companies managed to recover their levels of economic profitability ratios from 2012 onwards. This was possible thanks to an even more severe cost adjustment than the fall in revenues which, in turn, remained stable from 2014 onwards.

THE FINANCIAL PROFITABILITY

The second part of the empirical analysis focuses on the evolution of the financial profitability of newspapers publishers. As we can see in Figure 4, the average ROE of the sample companies recorded negative values for almost the entire series. After fluctuating between values of -50% and -15% from 2010 to 2015, a recovery path was observed from 2014 onwards. In 2018 the ROE recorded a positive value (12%), although in 2019 it would fall back below zero (-1%). These figures mean that, on average, the shareholders of the Portuguese newspaper publishing companies have lost money during the sample period, i.e., there are no profits available to the companies' shareholders. It can also be seen that the financial profitability of the Portuguese newspaper publishing companies followed a similar recovery path that of the economic profitability, although the recovery was not sufficient to reach positive average values.

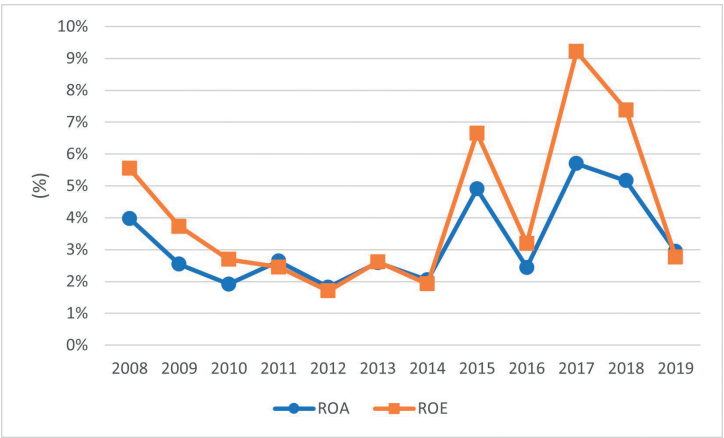
Figure 4: Average ROA (%) and ROE (%) of Portuguese newspaper companies (2008-2019)



Source: Own elaboration

In order to get a clearer picture of the industry’s performance, we calculated the median values of ROA and ROE, represented in Figure 5. The results show that at least 50% of the companies maintain positive financial profitability levels over the entire study period. By comparing these data with those of the Figure 4, we can conclude that there is a relatively small group of companies with extremely negative values of financial profitability that distorted the average value of the industry’s performance.

Figure 5: Median ROA (%) and ROE (%) of Portuguese newspaper companies (2008-2019)



Source: Own elaboration

THE FINANCIAL PROFITABILITY AND LEVERAGE

Another conclusion that can be drawn from the Figure 5 is that some firms could take advantage of a positive effect of financial leverage (gearing) on the ROE, since the median ROE is higher than ROA for almost the entire series. Zooming on this relationship between financial profitability and debt, a straightforward and simplified formula that relates two firm features is the following:

$$\text{ROE} = [\text{ROA} + (\text{Debt} / \text{Equity}) (\text{ROA} - \text{cost of debt})] \times (1 - \text{tax rate})$$

(Equation 1)

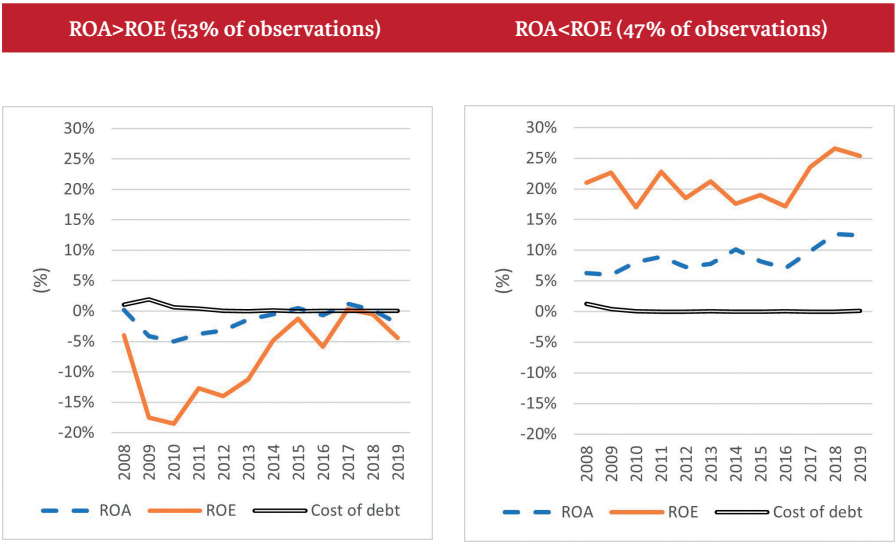
It can be observed that when the ROA is higher than the cost of debt, shareholders will obtain a financial return (ROE) greater than the economic profitability.

To gain a better understanding of how this relationship could have affected the firm's financial profitability over the sample period, we split the sample into two sub-samples depending on whether the observations had the ROA greater than the ROE (868 observations or 53% of the observations) or whether the ROE was greater than the ROA (758 observations or 47% of the observations²). Then, we calculated the median values of the main parameters in Equation 1; namely, ROA, ROE, the cost of debt and the leverage-debt ratio, calculated as the relation of total liabilities to total equity.

The results for the ROA, ROE and cost of debt are presented in Figure 6. The cost of debt was calculated as the ratio of total interests (finance costs) to total liabilities. Some conclusions deserve to be highlighted: First, for companies with ROE below ROA, the median ROA was negative in almost the entire period, with values between -5% and 1%; while for companies with ROE outperforming ROA, the median ROA was positive for the whole period, with values between 6% and 13%. Second, the cost of the debt was very low for the two subsamples, with median values close to zero for both groups of companies. Therefore, it was the negative operating results (i.e., negative or very low ROA), insufficient to cover the cost of debt, which causes ROE to be lower than ROA and negative for a significant part of the observations.

² It should be noted that 3 observations had the ROA equal to the ROE.

Figure 6: Median ROA (%), ROE (%) and cost of debt (%) according to the type of leverage effect on financial profitability



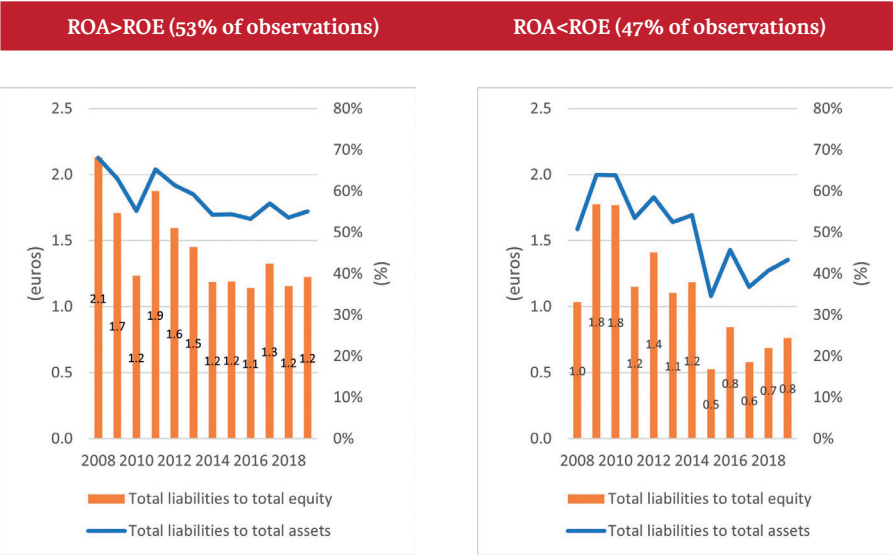
Source: Own elaboration

Considering these results, companies should have modified their capital structure. For those companies operating with a ROA higher than the cost of debt, they could have increased the proportion of debt. However, those companies with a ROA below (or very close to) the cost of debt should have reduced their leverage-debt ratios. These changes in the capital structure are possible as long as the credit availability scenario at the macroeconomic level and the individual company's situation (debt ratio, ability to repay debt at the microeconomic level) allow it.

In this respect, we analyzed the financial strategies followed by the Portuguese newspaper publishing companies during the study period. Figure 7 displays the median of the relation of total liabilities to total equity (Equation 1) and the relation of total liabilities to total assets (or ratio of financial dependence) for the two subsamples. Some trends should be noticed: First, companies operating with negative leverage effects were less indebted than those with ROE higher than ROA and, in addition, have made an effort over the period to decrease their debt levels. The median financial dependence of this subsample ranged from 64% in 2009-2010 to values between 37% and 43% in 2017-2019. This progressive deleveraging, together with the relative improvement in ROA, is what explains the improvement in ROE for this

group of companies over the study period, even maintaining negative figures (Figure 6). Second, companies with ROE higher than ROA, while maintaining a higher financial dependence than those with ROE lower than ROA, also reduced their level of debt over the period, from 68% in 2008 to 55% in 2019. This may seem contradictory at first glance; given that they benefit from positive leverage effects, it might seem logical to take on more debt. However, it should be noted that the levels of financial dependence referred to above are already very high. Increasing debt levels above a certain threshold could compromise the solvency of companies, which in turn would make it more difficult and expensive to access the credit needed to refinance liabilities, putting the business at risk.

Figure 7: Median of the ratios of total liabilities to total equity (% , left axis) and total liabilities to total assets (% , right axis) according to the type of leverage effect on financial profitability



Source: Own elaboration

CONCLUSIONS

ROE is an indicator of management efficiency, in that it shows that the company is “putting to good use” the shareholders’ money. In other words, ROE is a financial indicator capable of measuring a company’s ability to generate value from the resources it initially has - i.e. it shows how much profit is generated in relation to the capital invested. In this sense, in this research,

we analyzed the evolution of the financial performance of the companies in the Portuguese newspaper industry in Portugal. Recent studies have reported that newspaper publishing companies were able to recover their economic profitability after the crisis experienced by this industry. However, it was still unclear if this improvement in the operating performance (ROA) was followed by an improvement of the financial performance (ROE) of newspaper publishing companies. Previous studies have drawn attention to the high leverage of companies in this industry, which in theory could lead to high costs of debt and consequently low financial returns for shareholders.

As a general conclusion, the results of this study indicate that high leverage is not necessarily negative for the financial profitability of companies in newspaper industry. Almost half of the sample companies, 47% of the observations, benefited from positive leverage effects, obtaining a positive financial profitability, even though their debts represented on median between 55% and 70% of their assets. However, the other subsample of companies (53% of observations) with also high debt levels, operated with negative effects of their financial leverage.

Given that debt costs were similar for both groups, and rather low, the source of the different effects of leverage must be sought in the other factor in the equation that relates financial profitability and leverage: economic profitability. The group of companies with lower ROE than ROA recorded very negative figures of operating profit during the study period, insufficient to cover the cost of debt. In contrast, those companies with higher ROE than ROA recorded positive figures of ROA which, together with the low cost of debt during the study period, led them to obtain high financial profitability ratios.

Thus, the main task for companies with negative ROE is to focus on improving their efficiency in asset management and making operating profits that allow them to offset the cost of debt. Additionally, they should reduce their debt to mitigate the negative effects of leverage with which they operate. In fact, the series show that there is a trend towards deleveraging by these companies, which explains the relative improvement in ROE over the period. Maintaining a negative ROE is a disincentive to invest or, conversely, an incentive to divest, which poses a risk for these group of newspaper publishing companies.

The analysis shows that most of the companies in the industry operated with both positive economic and financial profitability over the study period. Moreover, despite fluctuations, there is an improving trend in the last years. Therefore, contrary to the pessimistic views that emerged in the worst years of the crisis, the data indicate that the newspaper publishing business remains viable, at least after adapting to the structural changes brought about by digitalization.

LIMITATIONS AND FUTURE RESEARCH

This method (calculating ROE) has some limitations due to the exclusively quantitative perspective used, so it could be complemented with a more qualitative assessment in terms of management. And because it is an accounting indicator, it does not reflect the market situation of the company and its shares, in the case of listed companies. On the other hand, a company may initially seem attractive because it has a high ROE, but the ROE may not be sustainable in the long term, given the increase in competition, deterioration in the business environment, etc. Regarding the central objective of this article no significant limitations were identified and in fact, as stated and justified in the methodological description, the sample is quite robust in relation to the universe of newspaper publishers in the Portuguese market. However, currently the business model of newspaper publishers is more diversified and for this reason -because in most cases the accounts are aggregated- it is not possible to ascertain the real weight of the provision of other services/products compared to the main activities of publishing newspapers and news websites. In this sense, one of the next lines of research would be to deepen the financial data in order to disaggregate the percentage value of each revenue source.

On the other hand, once data become available, future research should analyze the impact of Covid-19 pandemic on the business model of newspaper publishers and the profitability of their operations.

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Book Summary

Management Handbook for Advertising Agencies¹



¹ Aguerrebere, Pablo Medina; Lorenzo, Ignasi Ferrer. (2023). Management Handbook for Advertising Agencies. Media XXI. ISBN: 978-989-729-254-5.

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SCIENTIFIC COMMITTEE MEMBER OF JOCIS
EXECUTIVE BOARD MEMBER OF THE IMMAA

In their origins, advertising agencies worked for media companies as “commission agents”; they marketed these companies’ advertising space and negotiated with their clients. Over the years, advertising agencies stopped working for media companies and started collaborating with clients or commercial brands. Agencies offered their clients several services: designing advertising campaigns, organizing corporate events, buying media space, etc. Today, advertising agencies are strategic partners of commercial brands, meaning they employ thousands of people, use protocols and key performance indicators, implement business plans, and are on the Stock Exchange. In other words, advertising agencies are considered companies that influence markets and countries. Some agencies have become global groups, such as WPP, Omnicom, Publicis, Interpublic, and Havas.

This book aims to help experts in advertising working in agencies to reinforce their skills in economics, business, and management. The book includes two main parts. The first one includes eleven chapters that focus on some of the most important aspects determining their advertising agencies’ business models: economic system, productivity, entrepreneurship, budget control, growth strategies, financial resources, relationships with stakeholders, business models, income and expenses, profit and loss account, accounting, contracts with clients, client profitability, human resources management, expansion plans, and value chain. Concerning the second part of this book, the authors propose several case studies about business, management, and economics in advertising agencies to help readers apply the theoretical inputs and learn how to solve real-life problems that affect these companies.

This book is essential for advertising experts who want to accelerate their professional growth and become managers in different departments, such as creativity, research, accounts, or media planning. Besides, this book is also useful for experts who leave their companies (advertising agencies, corporate communication departments, marketing departments, etc.) and decide to launch their advertising agency. These experts know how to develop creative ideas; however, when they launch their company, they need new skills: read business plans, interact with lawyers, negotiate with shareholders, write contracts, lead mergers and acquisitions, etc.

In this book, three main conclusions are proposed. First, advertising agencies work for clients and collaborate with external suppliers; however, these agencies are also companies, so they need to develop business plans, achieve economic objectives, and make benefits to pay taxes, employees, and shareholders. Second, the increasingly high economic pressure that affects advertising agencies, as well as their exposure to constant change, lead these companies to implement protocols, maps of roles and responsibilities, key performance indicators, and other management tools that help these companies face complicated situations, such as loss of clients, expansion to other countries, mergers with other organizations, etc. And third, advertising agencies' primary responsibility consists of finding big ideas that solve their clients' business problems, which represents an added value for both organizations.



By the Book8 at the University of Porto



BY JOANA AMARANTE AND MARISA ALDEIAS

BY THE BOOK8 CONFERENCE HIGHLIGHTS: KEY ISSUES IN THE PUBLISHING INDUSTRY

The conference *By the Book8*, focused on “Publishing and the Changing World”, organised by the European Publishing Studies Association (Euro-Pub), was held this year at Arts and Humanities Faculty, University of Porto, in Portugal, on 21st and 22nd June. The conference promoted the exchange of knowledge and ideas between industry professionals, educators and scholars, approaching relevant issues to the contemporary book trade and to the publishing industry in general.

In order to offer a diverse and personalised experience to the attendees, the conference adopted the format of multiple parallel sessions, providing a wide variety of topics and approaches.

OPENING AND WELCOME

The conference was initiated by the members of the organization committee, who then gave Andre Breedt the space for presenting his work to the audience. By talking about book markets and trends driving global book markets, he focused on the Nielsen Book Scan, which tracks point-of-sale print book purchases. For his presentation he chose to analyse numbers of best sellers in some markets, TikTok books, selected trends and so much more topics of everyone's interest.



HIGHLIGHTS OF PARALLEL SESSIONS

The session on **Bibliodiversity** was led by Eben Muse, during which Cat Mitchell, from University of Derby, explored the role of sensitivity readers in the publishing industry, especially in relation to disability. In the second lecture, Sophie Noël, from Université Paris Panthéon-Assas, presented her study of independent bookshops in France and Britain. She highlighted the unique role of independent bookshops in the book industry, emphasising that they offer a personalised experience and a welcoming environment, unlike online platforms and large bookshops chains.

These two presentations approached relevant issues in the context of the publishing industry, including (i) the representation of marginalised voices and (ii) the importance of independent bookshops as distinct cultural spaces.

At the same time, Samantha Miller and Fleur Praal, led by Jaka Gercar, showed the best of their research to those who had an interest in the topic **Institutional change: Publishing research and education**.

Samantha Miller, from the University of Pretoria, talked about her experience in *Conducting research in a minority language*, Afrikaans, the political issues, limitations and joys. After presenting some facts about this language, she mentioned the challenges she faced as political affiliation, limited resources or even extra work. She finished by giving a solution and suggestion: create sources!

After that, it was time for Fleur Praal, from Leiden University, to present her point of view on *Structured debate as a teaching method in Publishing Studies courses*. She started by defining debate as strategized communication event with a semi-structured form and by explaining why it is used in classrooms.

In the session moderated by Anna Muenchrath on **Feminist Politics and the Book Industry**, the role of independent publishers in South Africa was

discussed. Beth Le Roux, from University of Pretoria, presented her study entitled *Independent women publishers in South Africa*. The speaker emphasised the importance of overcoming systemic problems, and highlighted the need for joint action to ensure the support and growth of independent publishers, thus promoting diversity in the publishing field and access to works by marginalised writers.

In the other room the topic **Distribution of ebooks and audiobooks** was discussed by Maciej Liguzinski and Joana De Conti, moderated by Christoph Blasi.

Maciej Liguzinski, P.h.d. researcher, from Oslo Metropolitan University, explored the *Contentions and compromises, Scandinavian publishers' perception of e-lending in public libraries*. By using a qualitative, comparative approach, he compared some opinions about public libraries. His preliminary conclusion was that the technical and business lending friction combined with a direct relation between publishers and libraries is necessary to establish a compromise.

Then, Joana De Conti talked about Brazilian reading numbers, as a large area with almost no books and consequently no publishers. She also presented the 4 phases of distribution flow: production – where you have to let the reader choose – distribution – in which Metadata is fundamental – marketing – where you have to create a connection with readers – analytics – which is important to keep data over time to compare and strategize.

In the session entitled **Publishing Paradigms: Exploring Independent and Historical Shifts**, chaired by David Piovesan, there were two lectures. The first was presented by Jana Klingenberg. She discussed the relationship between african culture and publishing, using the publishing house Nasionale Pers (whose name was later changed to Naspers) as an example. The speaker highlighted the importance of Nasionale Pers/Naspers as an influential South African publishing house throughout its history. In the second lecture, Anna Kiernan approached independent publishing in a post-digital world and how creative digital marketing campaigns offered promotional opportunities for limited edition publications. During the talk, the case studies of two publishers were mentioned – Persephone Books and Galley Beggar –, who were taking advantage of online marketing to promote their books and to connect with a wider audience.

In the parallel session conducted by David Barker, Agata Mrva-Montoya and Anna Cappellotto & Raffaele Cioffi presented their perspectives and studies about **Advancing inclusivity and accessibility in publishing**.

Agata Mrva-Montoya, from the University of Sydney, started by defining Accessible publishing, Inclusive publishing and “Born-accessible” digital publication. Then she mentioned different approaches like the particularist, the universalist, from marker to user-centred and from reactive to proactive. She also talked about the stakeholder model of accessibility and internal stakeholders.

Then, Anna Cappellotto & Raffaele Cioffi discussed *Diversity, inclusivity and accessibility in digital scholarly editing*. The reader as user and coworker and a special case of inclusive editing: the social edition, were some of the questions debated that made them conclude that Web accessibility and inclusivity are crucial topics for Web and digital world.

In the session entitled **Editorial Futures and Open Access: Dynamics & Collaboration**, opened by Caroline Wintersgrill, the future of publishing and open access was discussed, approaching the dynamics and collaboration in the publishing industry. The first presentation was given by Katherine Day and Jocelyn Hargrave, from University of Melbourne and the University of Derby, respectively. They discussed the changes in publishing practices in the 21st century due to digital transformations. The second presentation was given by Christoph Bläsi and Anna Klamet from Johannes Gutenberg University Mainz and the University of the Arts London, respectively. They discussed the importance of transparency in open access publishing. During their dynamic presentation, the speakers approached the challenges faced by young researchers, such as the complexity of copyright. In this regard, they presented the AuROA project as a solution to some of these obstacles. Furthermore, the results obtained by the AuROA project could bring significant benefits to publishers, helping to legitimise their role in academic publishing value chains.



Simultaneously, Beth Le Roux was the chair in a session about **Resources of authorial identity building** where Frania Hall and Madeleine Span showed their contribution to the discussion of the topic.

Frانيا Hall presentation, from the University of the Arts London, was about digital ecosystems in book publishing. She talked over about digital transforma-

tions such as self-publishers being able to buy in services and agents publishing their own works. Then she presented theoretical themes such as ecosystems of creativity and for that, she added 4 examples: Amazon, Wattpad, Academic ecosystem and Ed tech, describing each one of them.

Madeleine Span, from the University of Applied Arts Vienna, had her presentation about *The economics of self-publishing*. She explained to the audience that the characteristics of the project were analysing concepts of contemporary self-publishing authorship having an empirical qualitative study (framework analysis).

The last session of the day was also the most requested by the audience. Gisèle Sapiro from the École des Hautes Études en Sciences Sociales, France, drew everyone's attention by talking about the transformation of the publishing field in the era of late capitalism. Even though she could not be physically present and gave an online presentation, the public were captivated all the time. This discussion had as a topic the structure of the publishing field: large-scale production – “commercial books”, best-sellers, entertainment; and small-scale production – upmarket, literary upmarket, serious books. She also focused on the growing domination of English in translation flows and the role of literature festivals in the building of networks.

In the first parallel session of the second day of the conference, Jaka Gerčar and Helge Ronning & Tore Slaatta presented their studies based on the topic of **Politics of the book industry**. The moderator of this session was Katherine Day.

First, Jaka Gerčar from the University of Ljubljana, Slovenia, talked about the *Book's impact between national and international markets*. For his study, he used some indicators: Sales – imperfect data; Loans: national variations; Prizes- quality over quantity; Translation: market size issues; Media presence: traditional and user-generated content. He also mentioned some famous people with incredible numbers of translations, such as Drago Jancar.

Then, Helge Ronning & Tore Slaatta presented a work about the new Norwegian Book Law – European Event. Starting by defining book law – a combination of juridical and economic measures – they highlighted the weak elements of Norwegian law: structure, aims and definitions, inclusion/exclusion of book types and the fixed price. They admitted that booksellers, authors and publishers are in favour of the law.

Simultaneously, the parallel session **Bookshops: Strategies for Success and Revitalization**, moderated by Sophie Noël, brought together industry professionals and academics interested in exploring strategies to meet the challenges facing bookshops in the current scenario. In the first presentation, Eben Muse, from Prifysgol Bangor University, described how the bookshop business model has evolved significantly over the last century. In the second presentation, David

Piovesan, from Magellan Laboratory at Université Lyon, highlighted the challenges faced by bookshops due to the growth of online sales and the changing role of the agents involved.

In the session **Book Fairs and Cultural Representation**, moderated by Paulo Faustino, there were two presentations: *Spilling creativity. Books fairs and spanish cultural diplomacy*, by Fernando García Naharro, from Universidad Complutense de Madrid; and *Guest of honors or guest of horrors: what works in GOH programs*, conducted by Mihael Kovač, from University of Ljubljana, Slovenia. These presentations explored Spain's presence as Guest of Honour at book fairs around the world, and investigated the objectives and benefits of Guest of Honour programmes at the renowned Frankfurt Book Fair.

The topic **Politics of the Digitizing Book Industry** brought to light the transformation of the book industry with the digital revolution and its impact on readers' consumption habits.

Agata Mrva-Montoya led the session, while researcher David Barker, from University of Derby, presented his findings present in the paper *Exploring, the co-existence of print and digital, scholarly and trade content*, on the co-existence of print and digital formats. As the book industry continues to evolve, the research of Barker and other experts provides valuable insight into the policies and practices needed to ensure a prosperous future for the industry.

In this lecture, Agnieszka Fluda-Krokos, from Jagiellonian University (Poland), and Sara Tanderup Linkis, from Lund University (Sweden), presented their point of view to the audience.

The session moderated by Tore Slaatta had the contribution of Sara Karrholm and Lore De Greve to the topic **Intersections of creativity and literary controversies**.

Sara Kärholm from Lund University talked about Swedish crime fiction as a product for export, giving as an example the export award that the Swedish government has created for cultural and creative industries. She used as method: ethnographic field studies and netnographic analysis of crime writers accounts in social media. A question posed to the material was: Which social networks are viewed as most important? The conclusion was that there is a high degree of competition in the field but is also common to have cooperations and express support between writers and social networking.

After this presentation, Lore De Greve from Ghent University presented *So much for literary democracy: Journalistic Capital and the Purpose of Scandal Surrounding Literary Prizes on social media*. In her work, she mentioned Bourdieu and types of capital to give context to the topic. She also focused on the Not the Booker prize from The Guardian and affirmed that winning a prize contributes to the increase in books sales.



Also interesting was the conference session on **New Technology and the Book Industry**, moderated by Fleur Praal. The speaker Anna Muenchrath, from Florida Institute of Technology, focused on algorithms and their influence on translations, raising political and ethical issues. The second presentation, *Coding the printed page: a year on*, was presented by Oswin Tickler, from University of the Arts London, who explored the potential of creativity in print, with an emphasis on the use of software and discussions on artificial intelligence.

The last parallel session, led by Frania Hall had the presence of Kamila Augustyn, Maciej Liguzinski and Samantha Miller to discuss **Innovative models of cooperation and expansion**.

Kamila Augustyn and Maciej Liguziński explored *Polish public libraries' e-lending cooperation with a commercial aggregator Legimi*. In this presentation, they mentioned streaming services landscape in Poland and the reasons why Polish public libraries decide to cooperate with commercial actors. They also explained the advantages of forming a consortium, such as financial, administrative, image and statutory and technical. The research limitation they found was the lack of systematic data on public access.

Then, Samantha Miller explored another topic, *Afrikaans literature beyond borders: Exploring a coopetition business strategy*. In her research she raised a problem: considering it is a minority language, how do you build or expand a market? The solution was to investigate business strategies of small independent trade publishers. She defined coopetition as two business partners, who usually are competing that collaborate to reach a specific goal. This concept is important to increasing the existent market; improving the competitive position; creating new markets and applying resources effectively.

Louisa Preston, Rita Faire, Caroline Wintersgill & Alastair Horne, from the University of Stirling, were the last researchers to give their perspectives about

Creative and Practice-Based Approaches to Research and Education within Publishing Studies. This last session was led by Jocelyn Hargrave.

They conducted research into learning and teaching in publishing studies – what are the priorities, challenges and opportunities for publishing education. They raised the question: how can we encourage students to explore innovation and creative opportunities for their future profession practice/research? It was affirmed that students are very interested in collaborating on projects that evolve practical work. To motivate students, there should be done more small research projects.

Anne Mangen from the University of Stavanger, Norway, finished the session moderated by Mihael Kovač and discussed *Reading and digitisation: theoretical considerations and empirical research*. Anne did 76 comparisons between paper-based and screen-based reading comprehension (of single text reading, no hyperlinks or interactivity). She found that the overall medium effect indicated better reading outcomes for paper-based reading for informational texts. She finished by talking about the need for more interdisciplinarity and multi-method paradigms, digitisation and sustained attention, understanding reading warrants multi-method paradigms.

FINAL CONSIDERATIONS

By the Book 8 conference was an enriching event that provided important discussions, conversations, exchanges of ideas, exchanges of opinions and reflections on the present and on the future of the publishing industry. With its diverse content and propitious for the exchange of ideas, the conference provided learning moments and the exchange of knowledge, helping participants to adapt to the transformations in the sector and to explore new approaches to the production and consumption of books.





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