

# The Future of the Creative Economy as an Economic Driver

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Creative Economy and the Southeastern United States

October 3, 2011

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# Context

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- Understanding economic drivers- ED 101
- Creative economy influences on place based branding
- The changing context of the economy- the “next new normal”
- Recent efforts...
- What is the magic to being successful?

# The Relationship Between Local and Traded Jobs

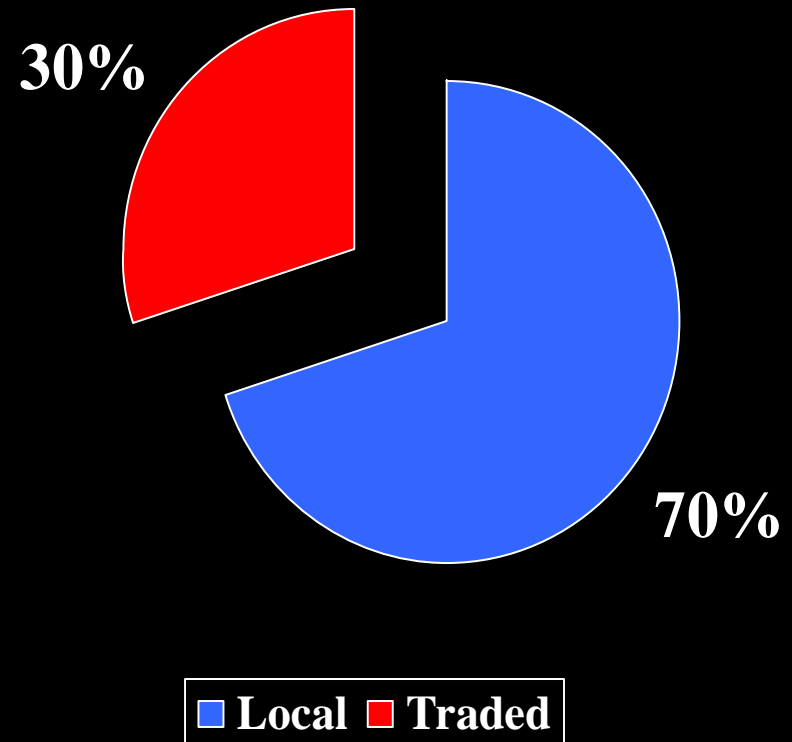
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## Local Industries

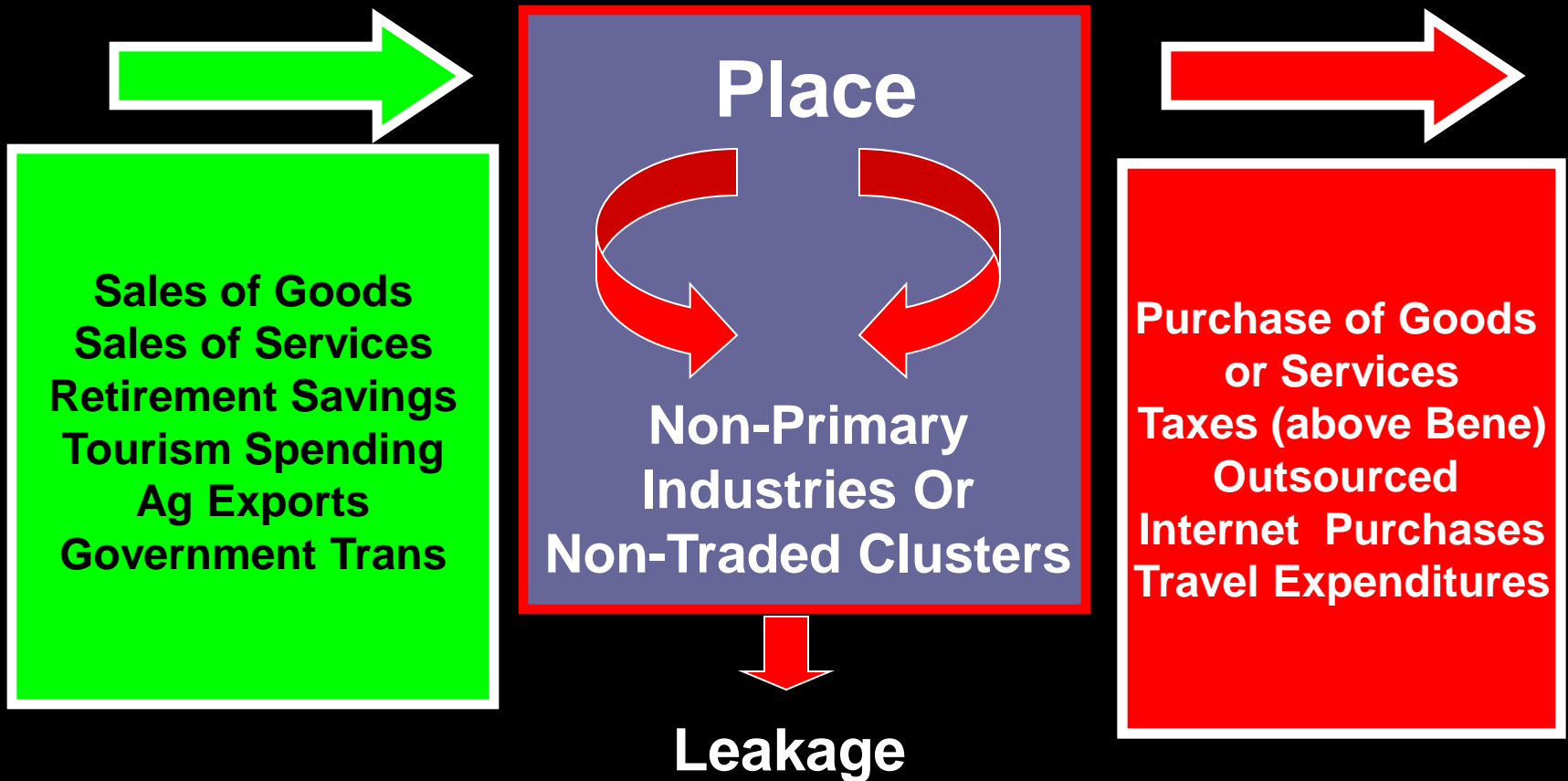
Local industries provide goods and services almost exclusively for the area in which they are located.

## Traded Cluster

Traded industries sell products and services across economic areas, so they are concentrated in the specific regions where they choose to locate production.



# Understanding the Movement of Money From Outside to Inside



**Why Does This  
Matter?**

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# Creative Economy Jobs Can Have Different Impacts

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- Walt Disney World or the Bowling Alley
- CNN or the small town newspaper
- **Scotty McCreery in 2010 or 2011**

# Non-direct Impacts or more than math

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- Branding

# Branding CEOs for Cities

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“Branding is a strategic process for developing a long-term vision for a place that is relevant and compelling to key audiences. Ultimately it influences and shapes positive perceptions of a place.”

“ A brand is the DNA of a place...It is authentic and indicates what makes a place different from others.”

# Branding CEOs for Cities

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A brand...

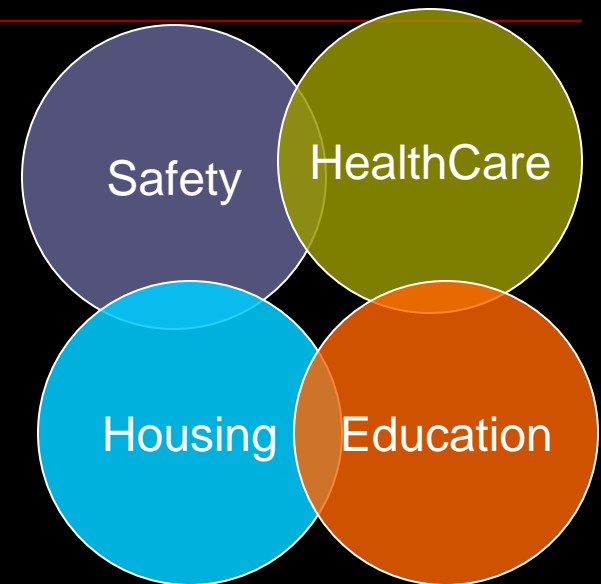
- Creates a common vision for the future of a place and its potential
- Enhances its local, regional, and/or global awareness and position.
- Sheds unfavorable stereotypes associated with a place and makes it more appealing



# Site Selection Factors

## % of QOL Factors Rating as Very Important

1. Low Crime Rate 85%
2. Healthcare Facilities 72%
3. Housing Costs 68%
4. Housing Availability 66%
5. Ratings of Public Schools 61%

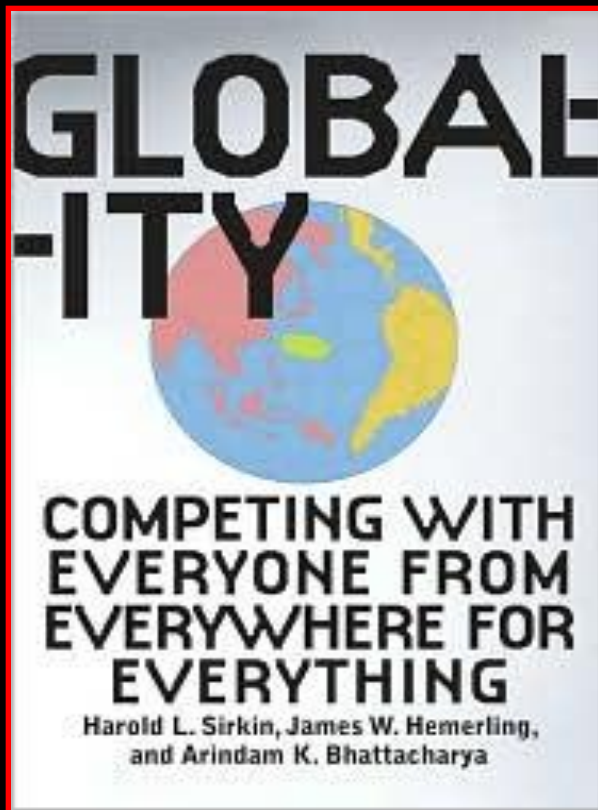


# Clusters

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- A cluster is a geographically proximate group of interconnected companies and associated institutions in a particular field, including product producers, service providers, suppliers, universities, and trade associations. Clusters arise out of the linkages or externalities that span across industries in a particular location.

# Building Competitive Regional Clusters



- Build strong knowledge infrastructure
- Attract research & development
- Educate and train citizens
- **Develop a high quality of life to attract & retain talent**
- Enable entrepreneurship
- **Encourage innovation & creativity with specific actions**
- **Promote interaction between groups and individuals**

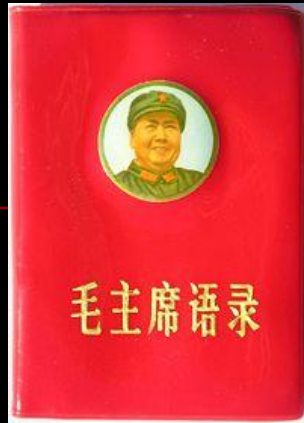
# What Is the New Normal?

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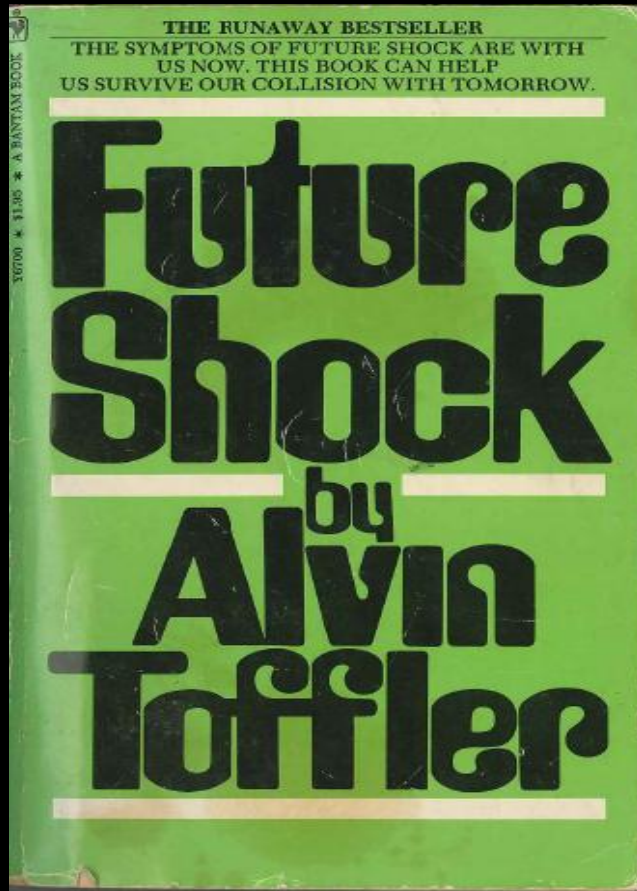
“The future is not some place we are going to, but one we are creating.”

John Schaar






# 40 Years Ago Toffler Had a Few Thoughts



- 1970- Pre-internet, pre-personal computer, pre-Microsoft, pre-ATMs pre light beer, video games, universal remotes, luggage with wheels and 24 hour cable news
- Durational expectancy
- Transience
- Novelty

# Expect Accelerating Change

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Normal

The average American will move 11.7 times & change jobs every 3.8 years

# Shaping Future Change

- ❑ **Urbanization**
- ❑ **Globalization**
- ❑ **The Talent Imperative**
- ❑ **The “elites”**

**“Reality is merely an illusion, albeit a very persistent one.”**

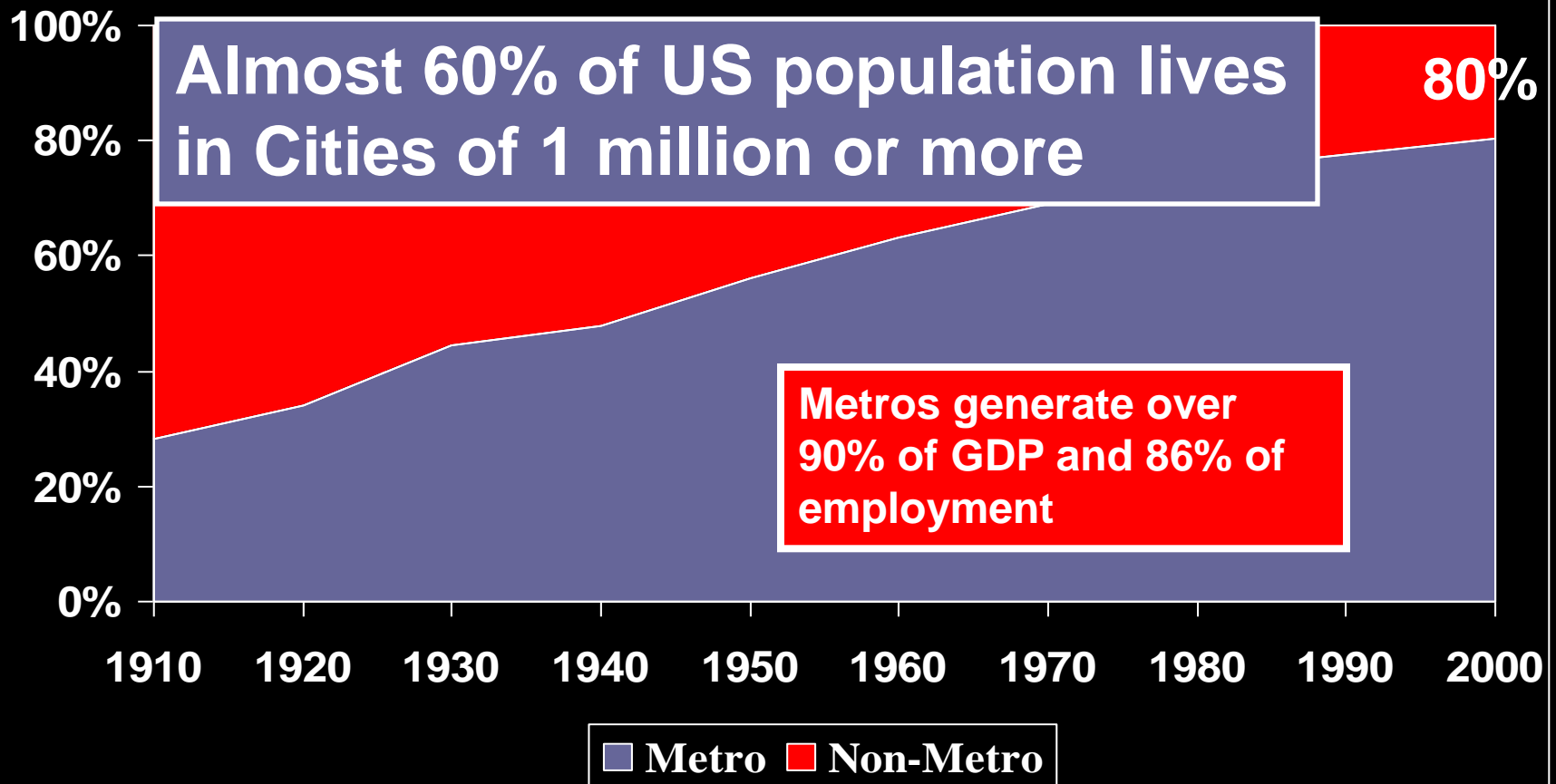
**Albert Einstein**

# Urbanization

**We Are Becoming A World Where  
People Live in Urban Regions**

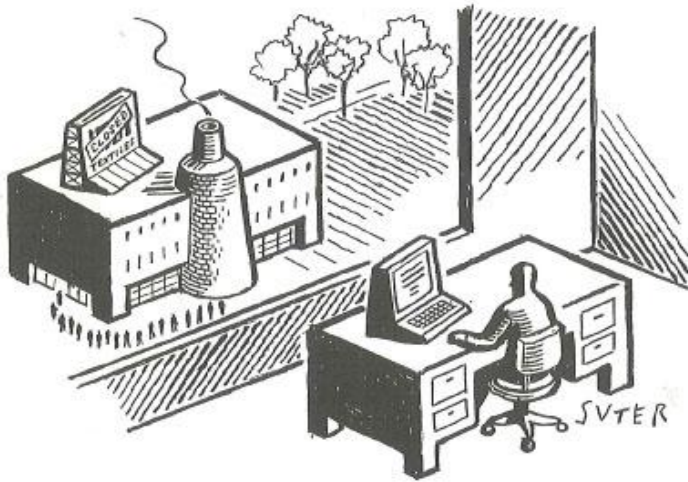


# U.S. Population Concentration Metro-Non-Metro



# AFTER THE FACTORIES

CHANGING EMPLOYMENT PATTERNS  
IN THE RURAL SOUTH



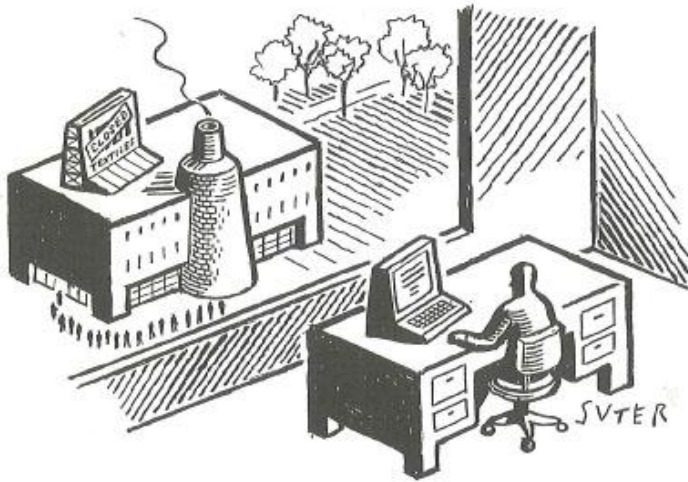
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“The global competition and automation are unlikely to abate, and new industries favor large cities.”

“Long-term economic restructuring is occurring both industrially and geographically.”

# AFTER THE FACTORIES

CHANGING EMPLOYMENT PATTERNS  
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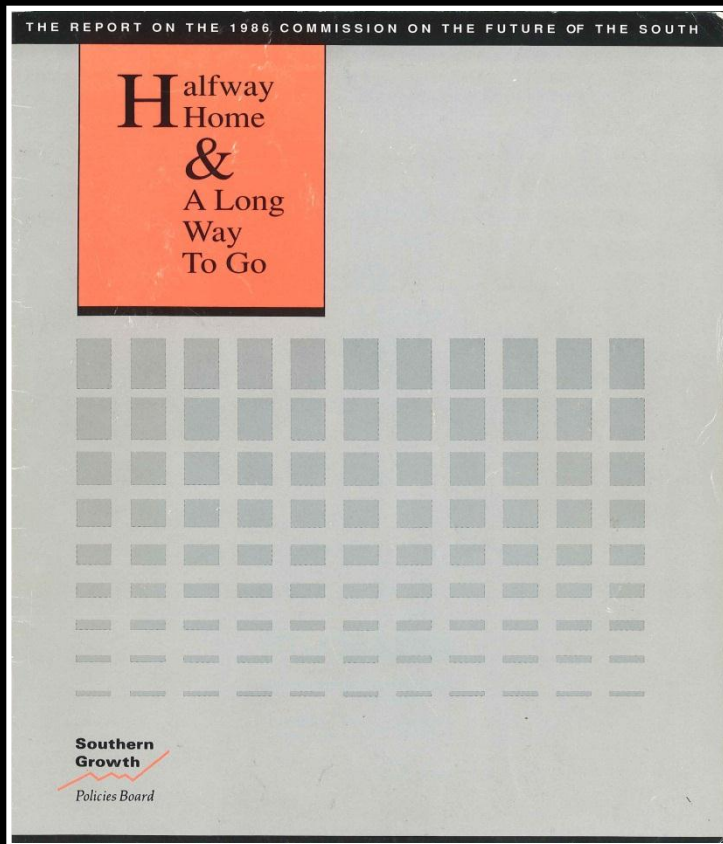


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“What we begin to notice in 1983 was an alarming economic decline in the non-metropolitan South.”

“The impacts of industrial restructuring.”

# Halfway Home & A Long way To Go



- “The sunshine in sunbelt has proved to be a narrow beam of light.”
- “The opportunity offered by world markets is balanced by the challenge of world competition.”

# Globalization

Marco Polo  
East India Trading Company  
Silk Road or Amber Road  
Columbus



# Mobility

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- **Human Infrastructure (Global Talent)**
- **Fiscal Infrastructure (Global Capital)**
- **Physical Infrastructure (Airplanes, Data)**
- **Innovation Infrastructure (Higher Education, Intellectual Property, Patents)**
- **Corporate Infrastructure**
- **Creative Industries...?**

# The Talent Imperative



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**“97% of CEOs surveyed say having the right talent is the most critical factor for their business growth”**

# Ability to Attract Talent



**1) Economic Opportunity  
(Depth of Market)**

**2) Quality of Place**

**-Housing Availability &  
Affordability**

**-Education Quality & Cost**

**-Quality Health Care**

**-Safety**

**3) Amenities & Choice**

# Preparation for the Millennials

(They May Change all the Rules)



# Multi-generational workforce

Traditionalist



Born 1928-1945

Boomer



Born 1946-1964

Generation X



Born 1965-1979

Millennials



Born 1980-2000

- Each generation has different assumptions, motivations and expectations about work and makes different choices about where, when and how they work
- Later marriages, less children, small spaces, urban, **experiences** over stuff, global, technological, novel ...

# Think About This Year's College Graduates...

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- There has always been an internet to find everything
- Rap has always been mainstream
- Rock tours have always had corporate sponsors
- MTV has never shown music videos
- They get more news from John Stewart and Stephen Colbert than newspapers

# Think About This Year's College Graduates...

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- And today,
- Movie reviews are tweeted
- Opera is at the movies
- Books, music, video games, are all in your pocket
- Anyone can publish or perform on Youtube or online

# Millennials- Their world is...

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- **More work-life balance**
- **Balance through integration**
- **Continuous feedback**
- **Multi-task**
- **Team oriented**
- **Immediacy**
- **Flexible, tech-savvy, open minded**
- **Easily distracted**
- **New, new , new**

# Fragmentation of Cultural Reference Points

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- News
- Books
- Music
- Movies
- Experiences
- What “community” means



**“If you can dream  
it, you can do it”**

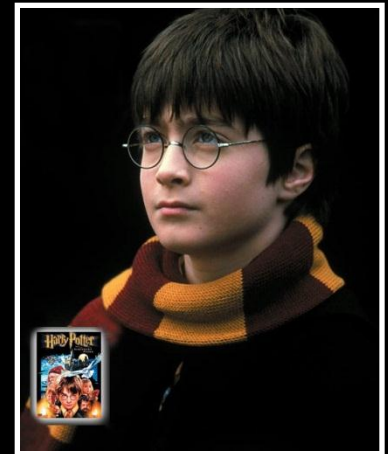
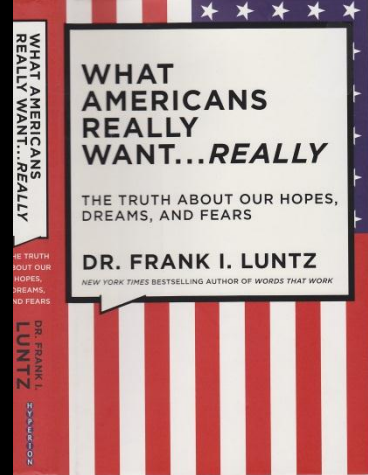
**Walt Disney**



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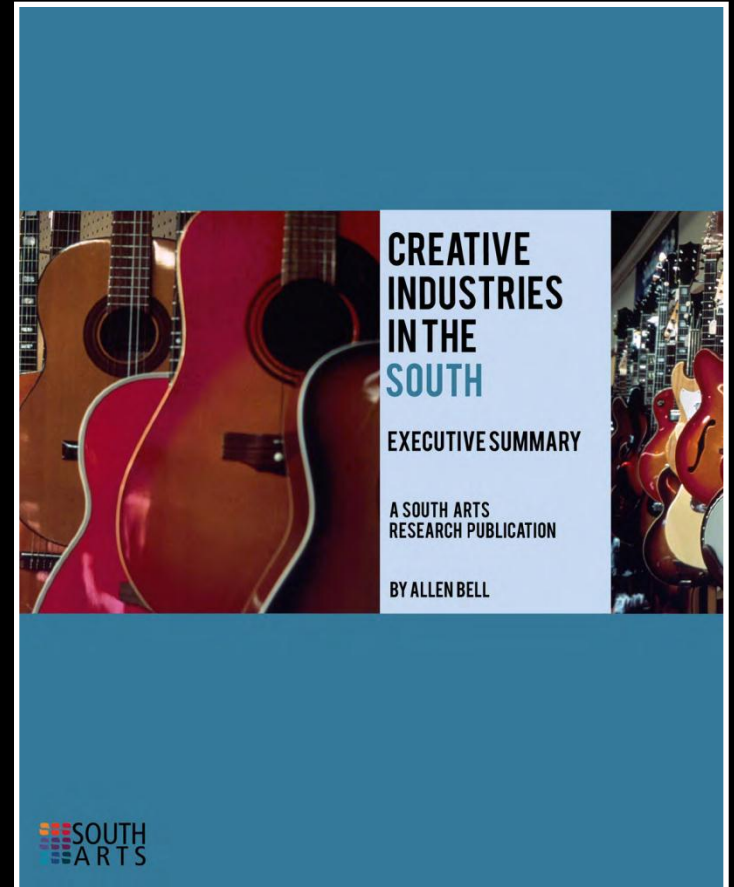
**What is the American Dream for  
2020 or 2050?**

# Creative Industry Discussions Can Be Divisive, But ...

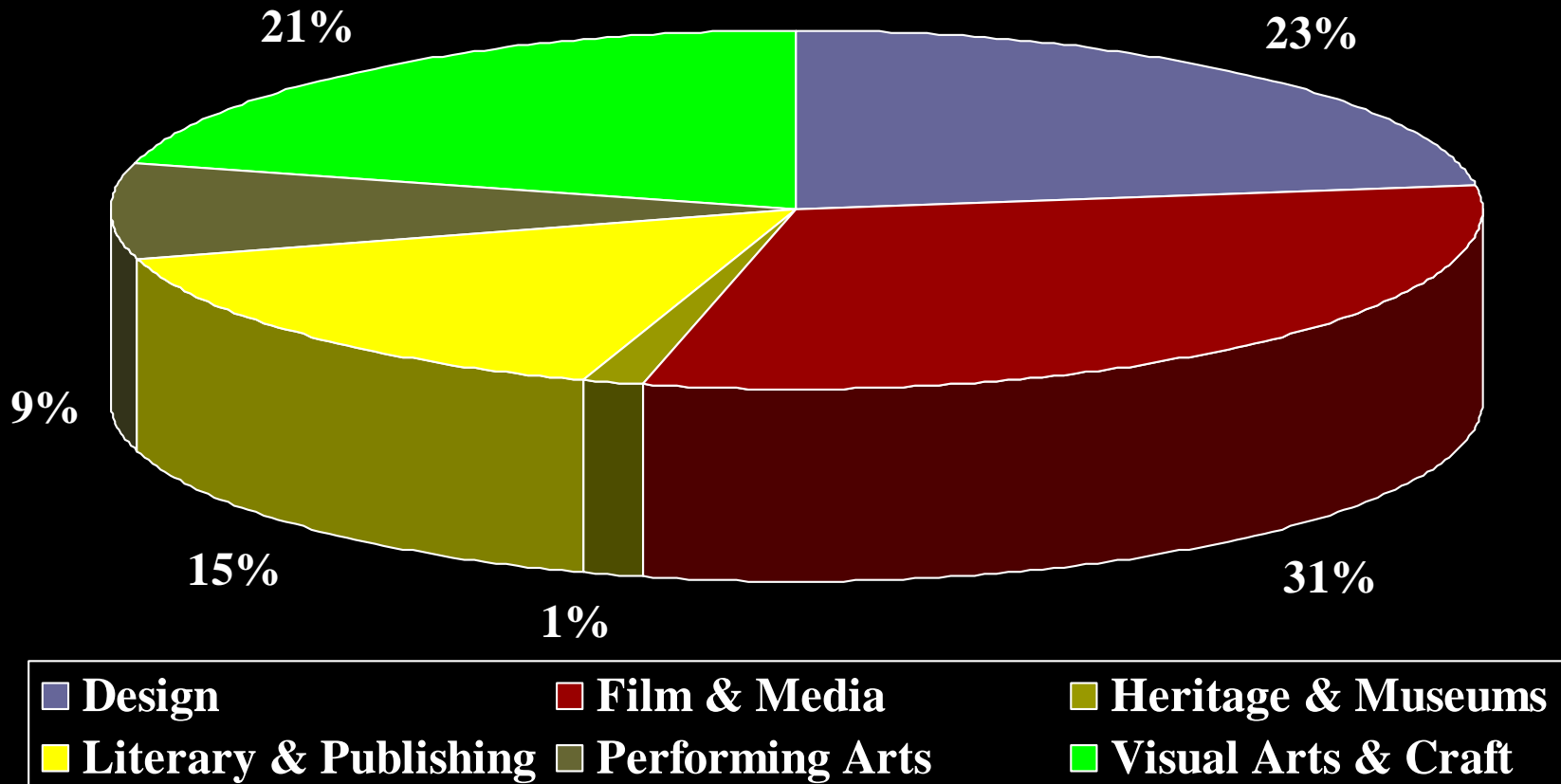


# South Arts Recent Study

- The American South is famous for its artists and their cultural output...

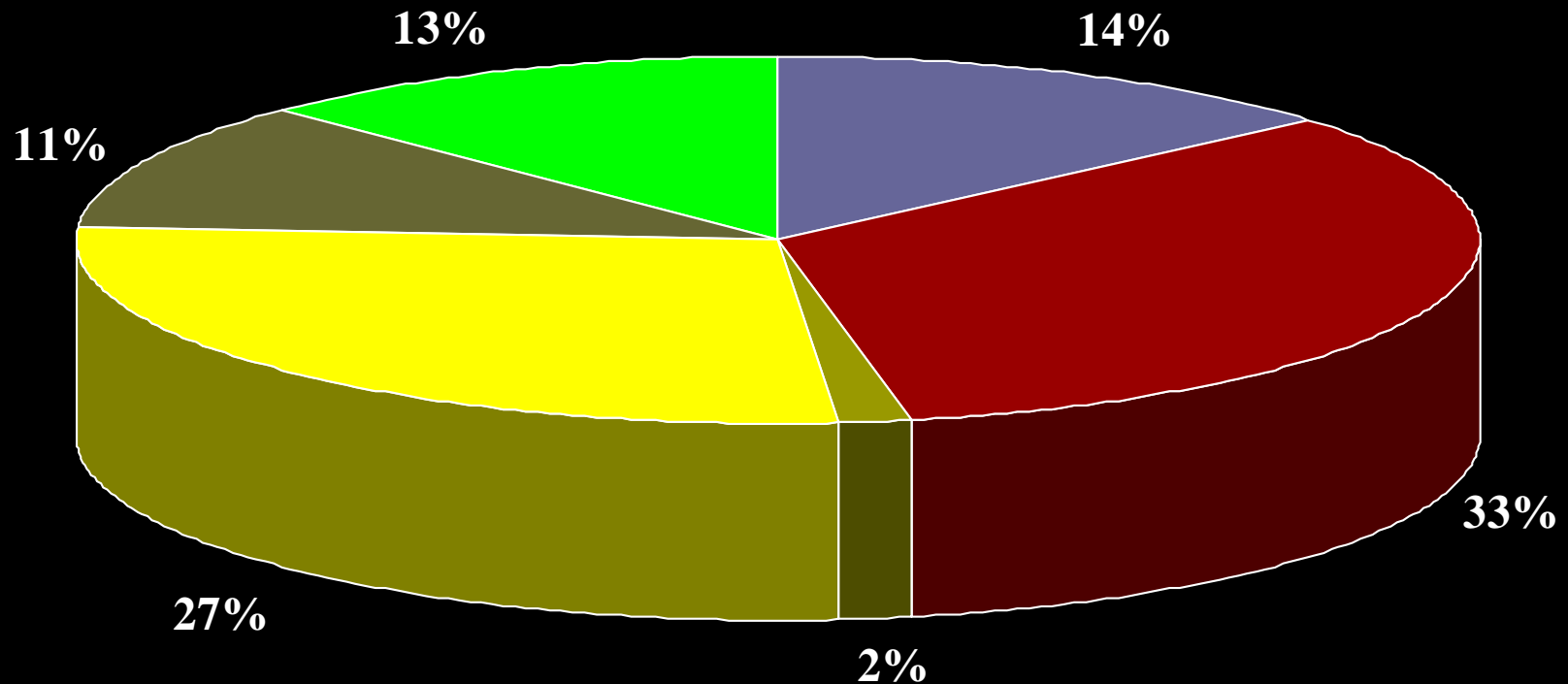


# Creative Industries In the South Arts Region (82,852)



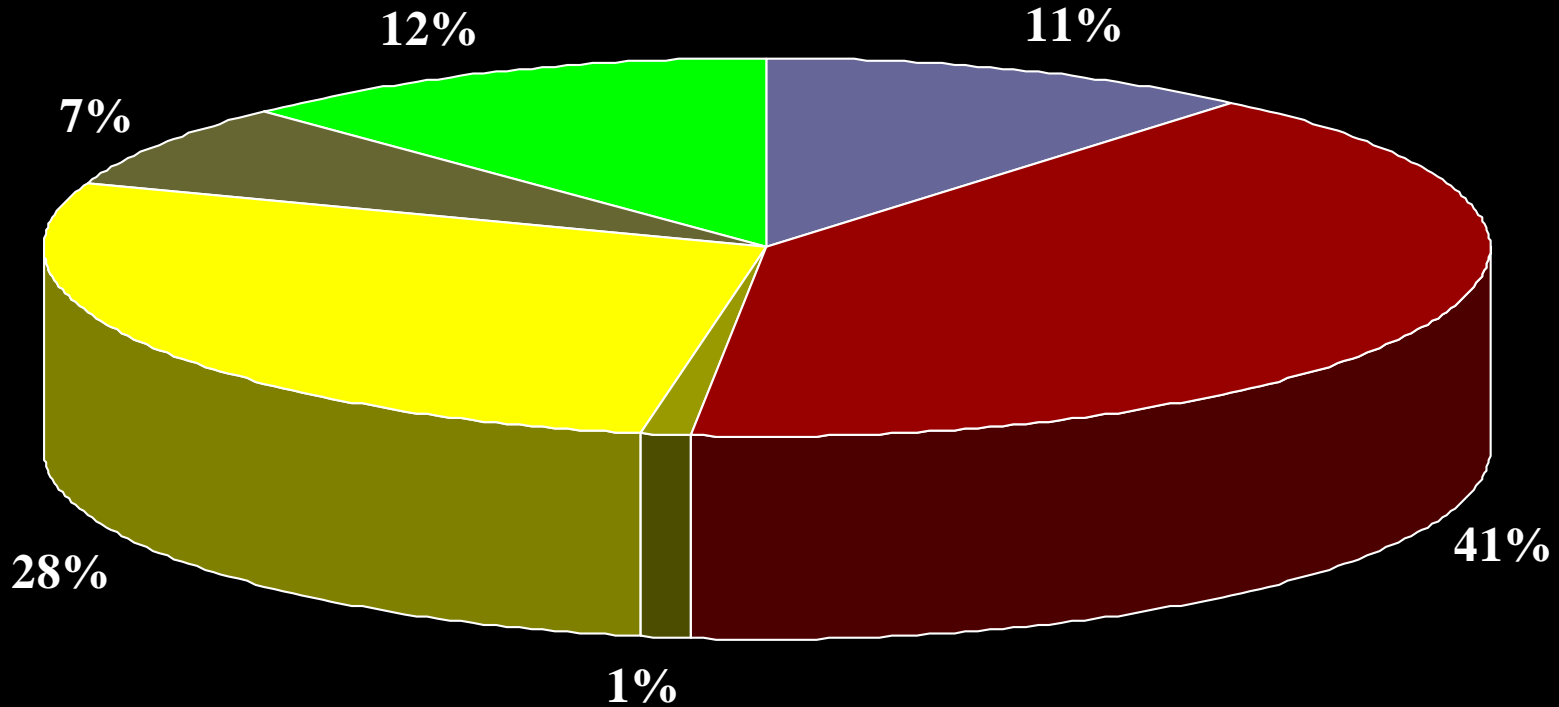
Source: Creative Industries in the South, South Arts, Allen Bell, 2011

# Creative Employment In the South Arts Region (1,167,108)



Source: Creative Industries in the South, South Arts, Allen Bell, 2011

# Creative Industry Revenue In the South Arts Region (\$142.6B)



# The Trend is Global

- “A new development paradigm is emerging that links the economy and culture, embracing economic, cultural, technological and social aspects of development at both the macro and micro level.”



**So some takeaways are...**

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# Southern Growth Policies Board

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- Since 1971, Bringing Together Governors, State Legislative Leaders Business Leaders, Higher Education Leaders, and Citizens
- Help communities understand the changing context of competitiveness

[www.southern.org](http://www.southern.org)

*Public policy is about making choices, Southern Growth informs choice*

**Thank You**  
**Questions?**

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