



**WESTERN
DEVELOPMENT
COMMISSION**



**NUI Galway
OÉ Gaillimh**

Measuring the Creative Sector in the Galway, Mayo and Roscommon Region

a consideration of the
impacts of COVID 19

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Cover images: *Two by Two Overboard!*, produced in Galway by Moetion Films and backed by the WRAP Fund and Éamonn O'Sullivan of HEWN makes wooden homewares from locally foraged hardwoods

Introduction

The creative economy in the Western Region is one of Ireland's best understood creative economies. Starting with the Creative West Report in 2008 (and its follow up, Creative West 2.0), and the Western Development Commission's involvement in a number of key European projects (Creative Edge, Creative Momentum) and allied with some academic insights such as (White, 2014, Collins 2017, 2018, 2020; Collins and Cunningham, 2017; Collins and Power, 2019), no other region in Ireland has the same level of insight. All of these reports highlight the vibrancy of a sector that struggles, survives and strives on the West Coast of Ireland.

The sector is broad, but the common traits that define it are its unique relationship with its place; a global outlook married to a geographic embeddedness in place. For the purposes of clarity, we use the definition of the sector most recently used by Collins and Murtagh in their 2018 social economic impact assessment (figure 1). Identifying the creative economy as comprising of three separate, but overlapping sectors (Craft, Cultural and Creative) is seen as best practice in international research. The term creativity evokes many images, the creative economy can be identified as work carried out in high tech spaces, opera houses and laboratories, but equally, it is identified by produce emanating from kitchen tables, side rooms in public houses and street spaces.

Creative Economy

Figure 1

Craft

Traditional Craft
Print & Recorded Media Production
Electronic manufacture
Other manufacturing

NACE Code Groups: 1_3_5_6

Cultural

Performing Arts & Education
Publishing
Film & TV

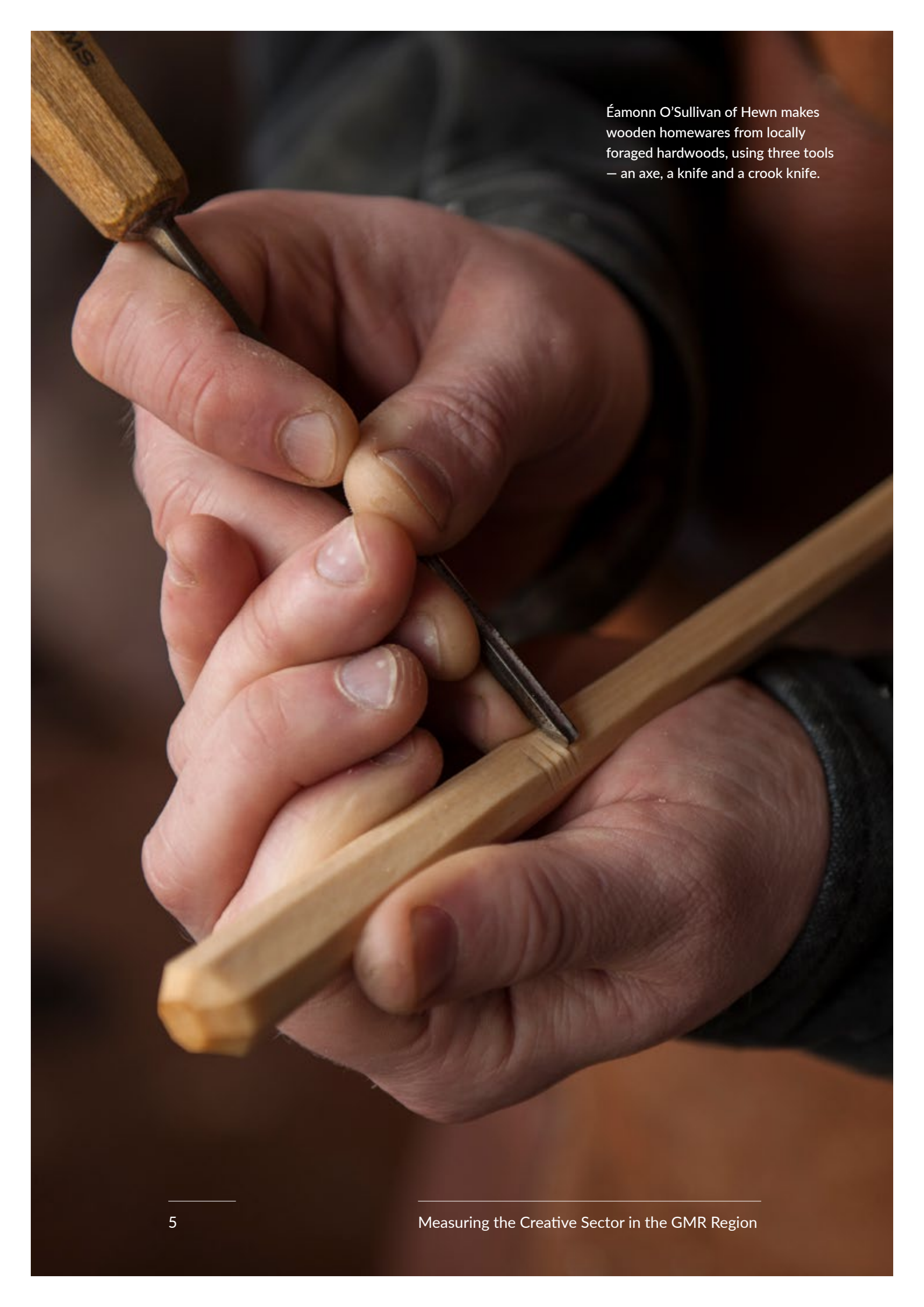
NACE Code Groups: 9_10_16

Creative

Media/advertising
Architecture/Design
R&D
Prof Services
Software & App Development

NACE Code Groups: 11_12_13_14_15

Fibín performing *Pléasc*. The play is based on a tragedy that happened 100 years ago when a leftover WW1 mine exploded on a beach in Loughaun Beg, killing nine local men.



Éamonn O'Sullivan of Hewn makes wooden homewares from locally foraged hardwoods, using three tools — an axe, a knife and a crook knife.

The Data

A number of different data sources were used to compile this report. The most up to date information results from a special request to the CSO for detailed information on their Business Demography database. This data gives the number of enterprises in each sector in each county. An enterprise is assigned to the county where it is registered with the Revenue Commissioners. Therefore, a business with multiple locations e.g. a large accountancy firm, is only counted once where it is headquartered (often Dublin), individual branches are not counted. As this data measures enterprises registered in a county, they may have stronger ties to the area. This data also provided numbers of employees at the sectoral level necessary to identify performance in the creative economy of the Galway, Mayo, Roscommon region.

Use is also made of previous work carried out by the author, notable here is work carried out as part of the Creative Edge and Creative Momentum projects. Funded under the Northern Periphery and Arctic Programme, these ran from 2010 to 2017.

The Creative Economy of the West of Ireland (2016)

From the outset, it must be stated that this report was compiled in the midst of tumultuous change. What follows acts as a preliminary report. Much has changed since this project was originally conceived by the WDC, and this change will be reflected on. Answers as to the best route forward for the sector need a context to draw from. Prior to the advent of Covid 19, this sector had enjoyed an overall growth level that was built on the ingenuity of the people in the sector with some help from supporting agencies. The goal of this project will be to provide the context upon which a more thorough response to COVID and ancillary restrictions can be built.

In their analysis of the creative economy of the West of Ireland Collins and Murtagh (2017) mapped a total of 4,884 creative economy enterprises across the region. It is a sector dominated by micro and small enterprises, but with up to 12% of all enterprises in the West of Ireland, it is a significant one.

Official statistics from the CSO indicate that a total of approx. 13,000 (12,871) people were employed in creative, cultural and craft enterprises in the western region in 2016. A greater proportion of employment is concentrated in creative (57.3%, 7,380) rather than cultural and craft industries (30%, 3,847; 12.7%, 1,644 respectively). Geographically, employment is concentrated in counties Galway (22%), and Donegal (18%). Craft industries are the most geographically diffuse. The results of the survey suggest that employment in the overall economy has experienced healthy growth in recent years. With variations at the county level, employment in cultural industries increased by 2.3% in the western region from 2013 to 2016. There was a greater increase in creative industry employment in the western region with a 15.8% increase from 2013 to 2016, figures for craft industries showed no significant change.

Making use of a survey of 273 of these enterprises this work identified a total direct sales of craft, cultural and creative produce that amounted to €486.2 million in 2016. Making use of a multiplier to derive the total value of the sector to the region they saw the value of the creative sector to the west of Ireland as €729.2 million. Average company sales differ across the subsectors. Perhaps, not surprisingly, the creative sector report average sales close to twice that of their craft and cultural counterparts. 46% of survey respondents derived a portion of their sales from exports. Across the sector this accounts for 18% of direct sales or €87.4million. Again, there are differences across the

sectors, but more notable is the difference in organisation size with smaller and younger companies least likely to export their produce. When questioned as to the main reasons for not exporting respondents referred to the issues of scale and stage of product development.



Little Gem Puppets based
in Kilkelly, East Mayo

Creative Economy of the West of Ireland, updated

Making use of the most recent CSO figures we see an economy that has performed well over the intervening period. (Pre pandemic) The sector employs 14,217, an increase of over 1,500 since 2016. Close to two thirds of this increase was accounted for by the creative sector, with the craft sector showing a steady increase, while the cultural sector shows a more erratic trend. 2018 saw the establishment of 300 new enterprises in the creative economy in the west of Ireland. This is a new company formation rate witnessed in few other sectors in the region.

Using 2017 sales figures as reported by Collins and Murtagh the most recent valuation of the sector in the west is €535.6 million in terms of total direct sales. Application of the same multiplier brings the overall value of the economy to €803.4 million in the region. Similarly, the most recent figures for exports from the region of creative, cultural and craft produce is valued at €95.5 million.

Table 1. Galway, Mayo and Roscommon (GMR) Region CSO; WDC (2019)

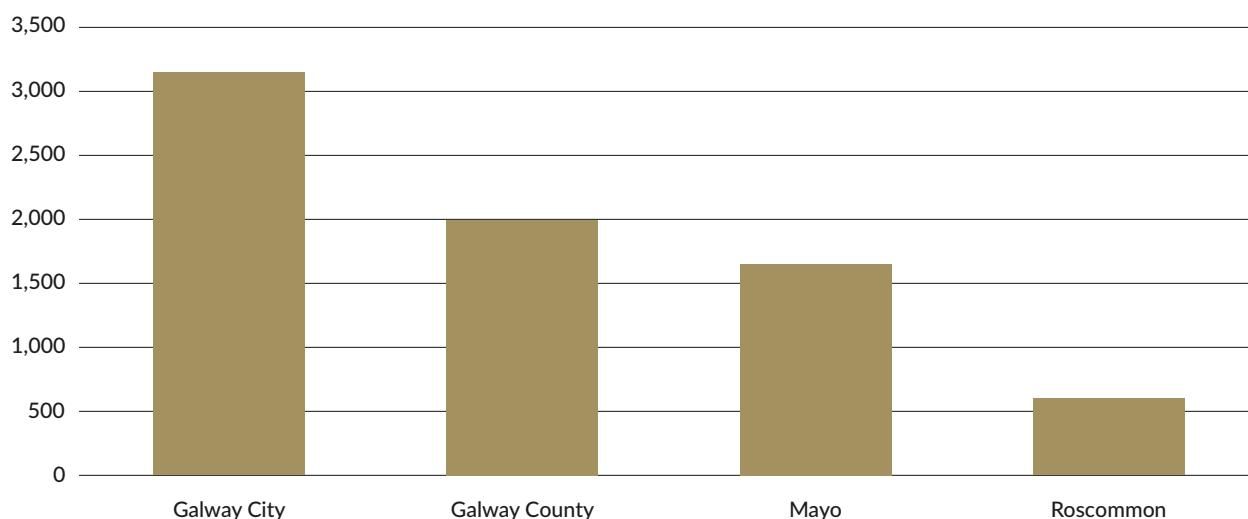
	Galway	Mayo	Roscommon
2016 Population (change)	258,552 (3%)	130,507 (-0.01%)	64,544 (0.7%)
Density	42 per sq/km	23.5 per sq/km	25 per sq/km
Third level attainment	45.3%	34.8%	35%
Numbers employed	110,067	51,439	25,819
% Agriculture	5	8.5	9
% Industry and Construction	21	20.5	18.6
Services	69.5	66.8	69
Tourists Numbers (2017)	1.67 million	324,000	54,000
Tourist Revenues	€589m	€78 million	€27 million
Number of Enterprises	18,727	9,185	3,983
Change 2015 – 2017	7.5%	7%	13.3%

Employment in the Creative Economy in the GMR region

Making use of the most recent CSO figures (2019), we see that a total of 7,413 people work in the creative economy in the region. County Galway dominates, the city and county together accounting for 70% of the creative economy workforce in the region.

Figure 2

Predicted employment growth next 3 to 5 years



7,413 represents 3.9% of the total workforce in the region. Comparing this to the national average of 5.6% we see the region as a whole lagging behind the rest of the country. Galway city exceeds the national average while Mayo at 3.2% and Roscommon at 2.3% find themselves further behind.

Creative Economy Sectors

Yet, the overall picture obscures some interesting trends at the sectoral level. County Galway has the lowest percentage of employees working in the creative sector. Unsurprisingly, Galway city dominates with over 2/3 of its creative economy employees working in the creative sector (more than half of which are engaged in software and App development work). Roscommon follows the city, over half of its creative economy employees reside in the creative industries sub sector, of which more than two thirds are engaged in the software and App development work. Other notable subsectors in the region are architecture and design, in 2018 close to 1,000 people were employed in this subsector.

Of the 2,378 employed in Cultural enterprises in the region, 70% are employed in Galway. These figures are dominated by workers in performing arts (city based) and film and television (county based). In this we see evidence of the film and TV cluster identified in previous work by Collins and Power (2019).

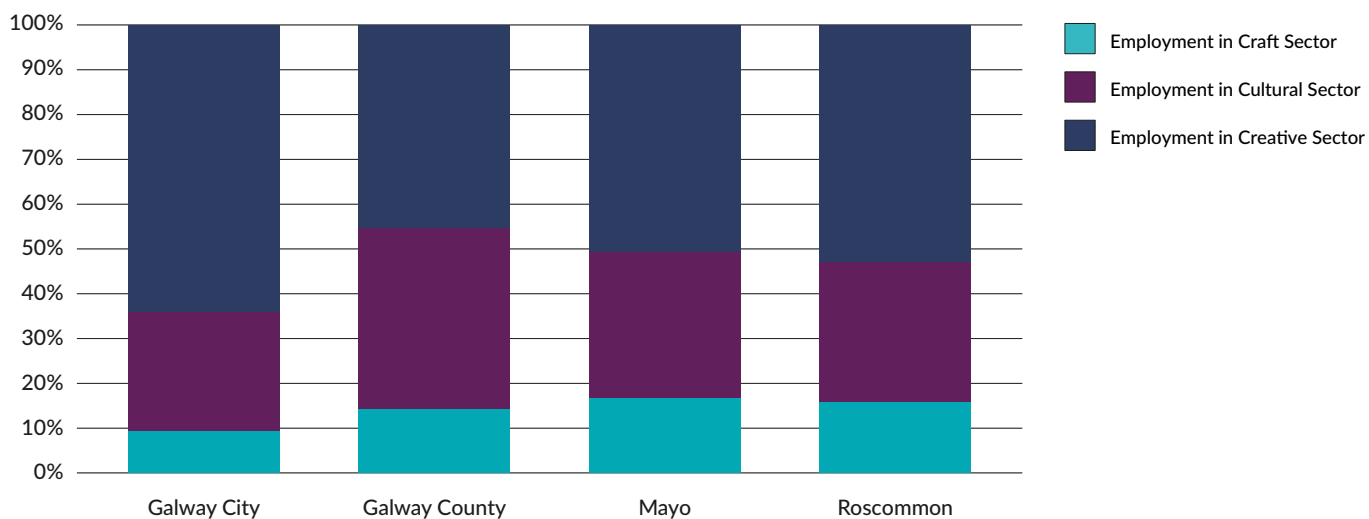
Mayo has the highest percentage of their workforce residing in the craft sector. Traditional craft is the largest subsector here, with over 100 persons employed in 2018. The county also has the largest contingent of employees in print and recorded materials in the region.

Geographically, the trend of higher tech towards the larger urban centres, with the a more dispersed pattern for the more traditional sectors, craft and cultural. That said, the highest number of craft employees is found in Galway city. We will speak later about the crossover between the craft sectors and the tourism sector, something that helps explain this statistic.

Creative Economy Sectors

Figure 3

Creative Economy Employment by Sector



Frances Crowe is Tapestry
Artist Based in Roscommon.

Change in employment in the GMR region

Considering these figures dynamically highlights some interesting trends at both the sub sectoral and county level. Between 2013 and 2018, employment in the creative economy in the GMR region grew from 5,122 to 7,413. This equates to an increase of 44.7% in five years. While this figure coincides with a national picture of economic recovery, it remains significant.

All three counties benefitted from the increase in employment. In absolute terms the Galway county absorbed the biggest increase, close to 1,100. In relative terms, Roscommon is the clear winner. Employment in the creative economy here increased by 125% in the five years. Similarly, Mayo also saw a more than doubling of their workforce, increasing 105% from 810 in 2013 to 1654 in 2018.

Table 2

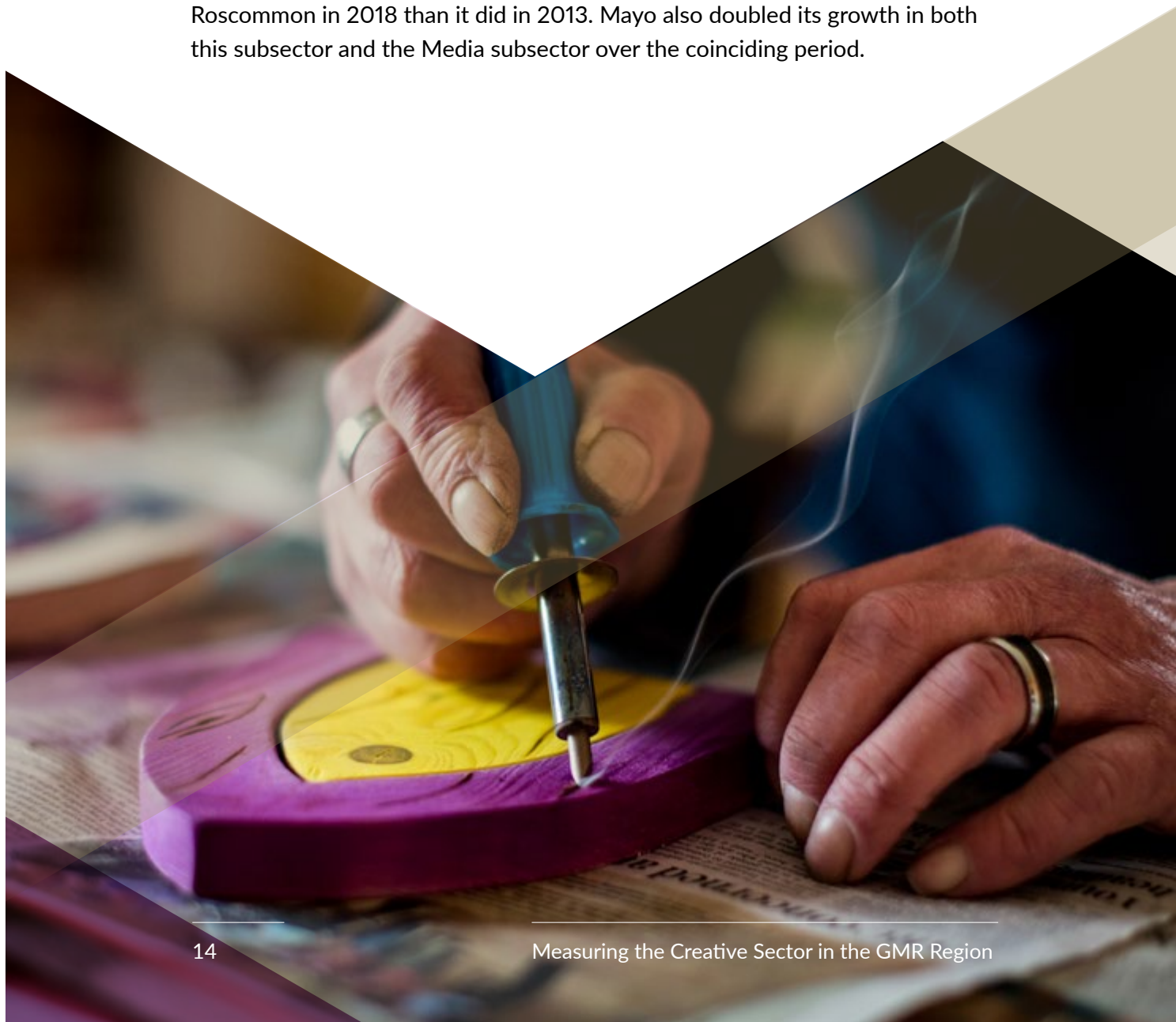
	2013	2018	Change	2013	2018	Change	2013	2018	Change
Galway City	28	37	33.7%	298	334	12.1%	536	589	9.9%
Galway County	90	101	12.0%	383	478	24.8%	545	570	4.7%
Mayo	62	73	17.3%	222	271	22.1%	377	416	10.1%
Roscommon	35	35	0%	61	71	16.4%	128	158	22.8%
	215	245	13.9%	964	1154	19.7%	1587	1733	9.2%

Similar to the geographic trend, employment across the three broad sectors that comprise the creative economy also varied. All sectors witnessed positive growth with the creative sector growing most, 55.6%, followed by the craft sector at 42.9% and the cultural sector growing by 29.8%. Again, this level of growth is significant and given international trends, we can expect some growth in the more technology related creative fields, but the level of growth in craft is particularly noteworthy.

Change in employment in the GMR region

The cultural sector displayed the greatest variety in terms of performance. Indeed, the only subsector that showed negative growth in this time period was publishing. The decrease in 40 employees in Galway city was negated by the sixfold increase in employment in the same subsector in Roscommon (with a threefold increase in Mayo). Also of note is the increase of 216% in employment in Film and TV in Mayo, the county growing its employment here by 65, while employment elsewhere remained relatively stable. Performing Arts employment also witnessed a significant bounce with both Roscommon and Mayo doubling their workforce in the subsector.

Software and App development employed three times more people in Roscommon in 2018 than it did in 2013. Mayo also doubled its growth in both this subsector and the Media subsector over the coinciding period.



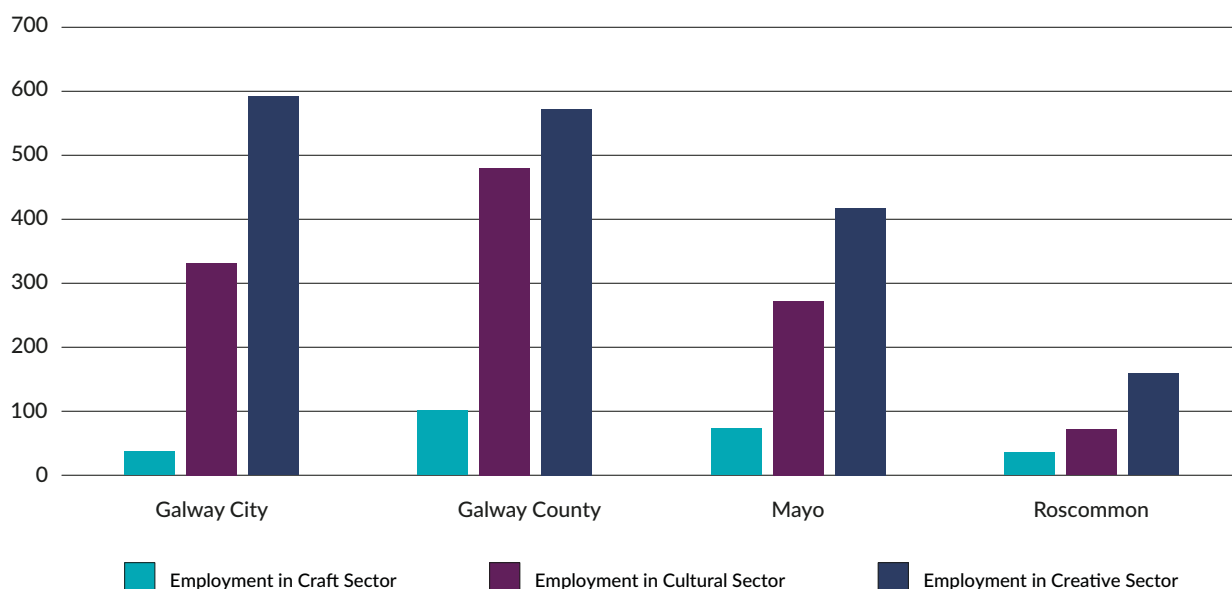
Number of enterprises

A total of 3,132 enterprises make up the creative economy of the GMR region. The distribution of these follow a similar pattern to that of employees. Galway (city and county) accounts for two thirds of these companies. The micro enterprise nature of the economy is demonstrated by the total average employee per enterprise of 2.8 persons. This is evidence of a slightly larger enterprise size than that rest of the West of Ireland (2.6 persons per enterprise), both are considerably lower than the national average (3.9 persons).

Craft enterprises are the largest with an average number of workers nearing 4 persons. Creative enterprises, have an average of 2.4 persons, while the cultural enterprises are the lowest with just over 2 persons per average operation. The nature of work (short-term and project based) is reflected in these figures.

Figure 4

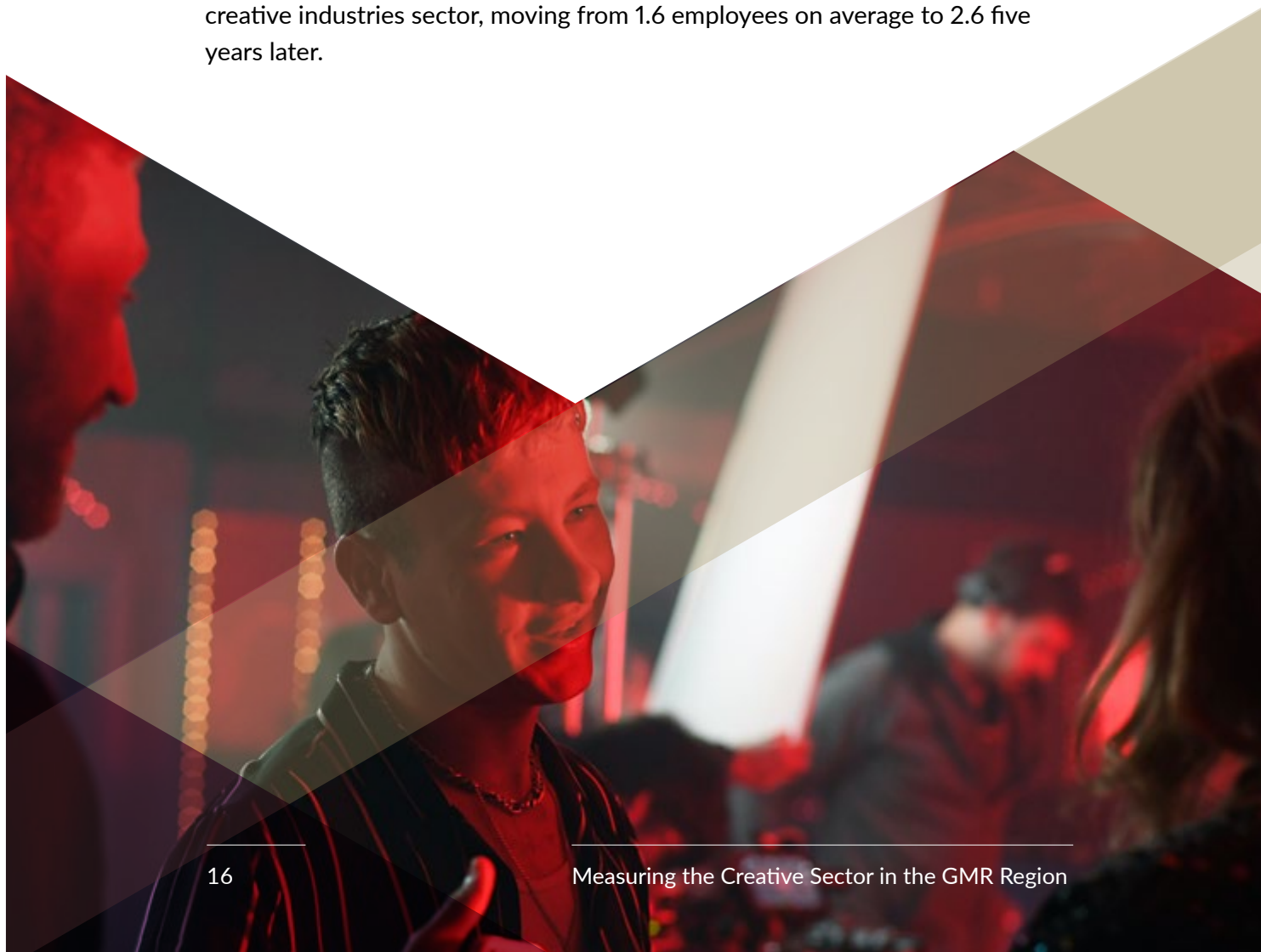
Types of enterprise by county



Number of enterprises

The change in numbers of enterprises from 2013 to 2018 offers some further insights. An overall increase from 2,766 enterprises reflects positive growth. All counties witnessed a healthy increase in the number of enterprises registered. In all cases, growth of creative economy enterprises outstripped that of general enterprise increase over the corresponding period. Galway increased by 12%, Mayo by 14.8% while creative companies formed at a rate of 17.1% in Roscommon.

The biggest growth at the sectoral level was witnessed in Galway city, craft enterprises grew by 33%, while cultural enterprises formation averaged close to 23% in county Galway and Mayo. The highest rate of creative enterprise formation was in Roscommon at 22.8%. Finally, company size has also changed slightly over the 5 years. On average, companies in the GMR region are now bigger. The average number of employees per enterprise was 2.2 in 2013, while the sector that witnessed the biggest increase in employee average was the creative industries sector, moving from 1.6 employees on average to 2.6 five years later.



Turnover and economic impact

We make use of the same methodology as Collins and Murtagh 2018 to devise updated economic impact figures for the creative economy and the GMR region level. Total direct sales of craft, cultural and creative produce amounted to €319.2 million in 2018. Making use of a multiplier to derive the total value of the sector to the region we see the value of the creative sector to the west of Ireland as €478.8 million. Average company sales differ across the sectors. The creative industries report average sales close to twice that of their craft and cultural counterparts. Using exporting patterns from 2018 we deduce a value of exports as equal to €57.3 million. Again, there are differences across the sectors, but more notable is the difference in organisation size with smaller and younger companies least likely to export their produce.

Figure 5

**Creative
Economy
GMR Region
2018**

Value

€478M

Sales

€319M

Exports

€57M

Workers

7,413

Companies

3,132

Strength Weaknesses and Challenges

The following graphic relies on a number of previous studies undertaken in relation to the creative economy of the west of Ireland. It is a simple SWOT analysis of the sector. This will be added to with the help of the next round of investigation but proves important in grounding the conversation on future support needs for the economy over the next 5 years. Data relies on surveys carried out in 2014 and 2017 as well as 30 interviews with creatives from the west of Ireland over the same time period.

Figure 6

Strengths

Weaknesses

Place Authenticity Attractiveness Collaboration	Environment Openness Urban/Rural Quality of Life	Physical Infrastructure Coherence Space Digital Infrastructure	Representation
Collaboration & Co-production Digital Environment	Exports Experience Cross Sector	Tastes Housing Digital	Support Place Finance

Opportunities

Threats

Strength Weaknesses and Challenges

Geographic attributes are referred to under a number of guises. Taken together, place, environment and attractiveness count as reflections on the uniqueness of the region. The world-renowned landscape as well as the mix of urban and rural dimensions to the region add to its offering. This is considered as a strength in the internal and external sense. The former referencing elements related to higher quality of life, the latter to attractiveness; attractive to visitors and attractive as a location for cultural / creative production. Two other features that are seen as added strengths of the region are the degree of openness and the potential for collaboration and co-productive practice. These are vital features for a strong creative economy at any scale.

Opportunities bear some semblance to the above strengths but refer more to potential growth areas. Again, environment features strongly. While recognised as a strength for the region, it is also considered as something that has the potential to offer more. Here reference is made to place as inspiration, place as an active part of the production of creative produce. Place is seen as underused in terms of access to the environment. Better use of blueways and greenways are seen as part of the software infrastructure that can support the development of the creative economy. Digitisation acts as something of a double-edged sword. Digitising experiences can be seen as an opportunity and a threat. Digitisation as a strength is seen as a vital access point to export markets for the creative economy enterprises.

Weaknesses have been noted in greater depth by Collins et al 2018. Here, they can be considered under the umbrella of access. Access in term of physical and virtual connections refer to the built and digital infrastructure in the region, among Europe's worst. Access also refers to opportunities to connect and collaborate with members of the sector and beyond. Networking opportunities, the happenstance for accidental encounters are all seen as lacking and in need of support in the region. Finally, access also refers to financing opportunities.

The latter features strongly in terms of threats to the region's creative economy. While reference is made to some, region specific initiatives (micro-loan fund, LEO support the Creative Momentum project) many point to the lack of support in terms of accessing markets and networking / mentoring opportunities. Our next round of analysis will likely reflect the turmoil brought about by the advent of Covid 19 and the ancillary effects, economic, social and psychological.

The 2020 Survey

In September 2020, we developed a survey containing a set of questions that sought to shed some light on the creative economy of the GMR region, as it is currently, as well as identifying paths of future development. The survey was compiled over a three-week period, piloted through a number of respondents from a diverse set of subsectors within the CE sector as well as with those that play a supporting role. The survey was launched online on the 28th of September and remained open for three weeks, it comprised of 24 questions arranged under sub sections relating to current performance, COVID 19 impact and future growth reflections.

The survey was engaged with by over 200 members of the creative economy, in all 140 responses are used in the following analysis. Figure 7 gives a general breakdown of the respondents. When we consider this relative to the above, we are confident in a fair representation of the sector, by both geography, sub sector, and company type / size.

Figure 7

	Number	Percent		Percent
Total Craft	245	8	Survey Craft	10
Total Cultural	1154	42	Survey Cultural	50
Total Creative	1733	50	Survey Creative	40
Galway	2109	67	Survey Galway	60
Mayo	760	24	Survey Mayo	20
Roscommon	263	10	Survey Roscommon	15
			Other	5
	Employee per company Region	Employee per company Region		
Craft	2.9	2.1	Self Employed	38
Cultural	2	2.56	Limited Company	37
Creative	2.35	2.67	Charity	9
			Other	15

A Creative Ecosystem

Ecosystem, not Economy.

From the outset it needs to be stated that the term Creative Economy does a disservice to the overall value of cultural and creative production in the region. It is true that there exists a strong and robust creative economy in the GMR region, one with a quantifiable footprint in terms of employment and sales as elucidated above. However, broader work needs to be carried out to fully capture the creative and cultural ecosystem in place. This is where creative activities spur innovation across the economy and contribute to numerous other channels for positive impact - ranging from education and additional tourist offerings to health and well-being.

Valuing creative activity is the subject of much debate and beyond the scope of this report, but it is an important element to consider when studying the economy; likely made more important as the full impact of COVID 19 becomes clear. We know that the Creative Economy in the region is dominated small, often micro (single person) enterprises. At the same time, these enterprises pursue a wide variety of business models, with no one defining the sector as a whole. These can range from non-profit models and creative individuals pursuing project-based work to large scale organisations with global supply chains and branch plant models. One thing that all organisations share is the desire to be creative. Indeed, for many of these micro enterprises, profit making is not always the primary goal; rather, simply remaining a sustainable business producing creative output is the only goal.

With so many members of the creative economy not bound to the basic identifiers of commercial enterprise, they very often miss out on enterprise supports. Creative production often has a noncommercial destiny, preferring to focus on reputational benefits and intangible assets such as skills and expertise. It is the lack of this tangibility that makes it a challenge for creative enterprises (innately innovative) to access business and innovation supports.

The GMR region is home to a vibrant creative economy in all its diversity. Our survey, as mentioned above, has representations from all these models. As we analyse the data, we can do so by considering a better descriptor: Creative Ecosystem. It is a diverse ecosystem with multinational corporations, national cultural institutions, high end innovation, it also comprises of, and indeed, is reliant on a large number of individual professionals and amateurs,

non-profit organisations and part-time venues. Creativity is the pursuit for all, commercial return that of many but they are all connected in a diverse and often fragile ecosystem.

THE ECOSYSTEM

Sales reported by survey respondents are broadly in line with trends highlighted earlier in this report. Again, reflecting on the type and size of operations that are present in the creative economy in the GMR region it is of little surprise that the majority of respondents (as reflected in recent Arts Council surveys) are in receipt of relatively low revenues. More than half of our respondents reported sales in 2019 below €50,000. In reference to the diversity, we see that over 15% of respondents reported sales in excess of €500,000. Average sales differ between creative subsectors. While cultural and creative sector industries reflect the above trend, average sales in the craft sector are considerably lower, with over 60% respondents reporting sales of less than €5,000 in 2019.

Market size and geographical reach also reflect a sector of its size. Above we referred to the nature of supply chains in the sector, they are locally embedded. For many, the same is true for forward linkages, sales for the majority of smaller enterprises are local. Particularly for craft subsector respondents. Creative subsector respondents are selling the most in international markets.

Key identifiers of the sector in the GMR region make it comparable to other international cases. Many of those that comprise the sector have second jobs to support their creative work (Collins, 2018). While the project-based nature of the work in the sector often translates to precariousness, this differs from other gig economy because cultural and creative jobs are generally highly skilled and qualified, require high levels of specific human capital investment (ibid).

In line with many international studies creative enterprises rely on a wide variety of resources for their revenue. This also helps set the sector apart relative to others. Figure 7 here shows the diversity within our survey sample from the GMR region. For the sector as a whole, private sales and commissions are slightly more important than public funding. This differs across the craft,

cultural and creative subsectors. The craft subsector finds itself much more reliant on sales, while both the cultural and creative sector in the region rank public funding as slightly more important. For the overall sector, the next most important factor in revenue is tax breaks. From the above we can see that we have a slight over representation of the Film and TV (housed in the cultural subsector) industries. For these, Tax breaks, most notably section 481 are extremely important for funding productions. That said, close to half of respondents in the Creative subsector also considered tax breaks as either extremely or very important.

CROSSOVER

Wider research has identified creative sector industries, and the skills of creative professionals, as an important source of innovative ideas, as well as distinct qualities such as imagination and intuition. Creative sector workforce mobility is important to increase the innovation potential within the wider economy (Crossick and Kaszynska, 2016; Kimpeler and Georgieff, 2009; KEA European Affairs, 2009).

Businesses operating in the creative economy actively transfer knowledge to others in the region and contribute to skills development. More than half (55%) of respondents of the 2018 survey indicated that they were involved in education, mentoring and training activities. The type of activities most common (46%) were giving talks, training or workshops to the public or students (in schools, colleges or universities). Creative sector enterprises are also engaged with the education sector to help update and shape courses in line with current needs. Based on their findings, 15% are involved in these activities. Entrepreneurs also actively share knowledge with other businesses and emerging talent. According to the survey, 13% had provided mentoring or advice to other businesses and 14% had provided internships. More than 50 hours were devoted to education and training activities in the past year by 44% of respondents.

Culture and creativity are also important to attract tourists to a region and an important factor in supporting tourism growth in recent decades (OECD, 2014). Fáilte Ireland data finds 85% of overseas holidaymakers to Ireland rated interesting history and culture as an important issue in their choice of Ireland as a holiday destination (Fáilte Ireland, 2017).

Iconic parts of our cultural landscapes, as well as wider natural, human and built heritage act as key attractors from the Ceidigh Fields in Mayo, to the Islands of Galway. Visitors generate significant revenue for the local economy. Overseas tourists spend on average €68 per day and domestic travelers on overnight trips €71 per day (Fáilte Ireland, 2017). The strong visitor numbers to cultural tourism sites in the region, alongside wider creative industries can further strengthen revenues generated from tourism in the western region. OECD (2014) find that broader creativity is becoming increasingly important as part of cultural tourism, moving away from more traditional manifestations focused on cultural heritage.

Opportunities exist for creative sector enterprises to directly engage with tourism markets as a revenue stream. Creative content generation, such as literature, film, television and games, with links to the region also have a legacy and spill-over value boosting tourism. For example, film tourism in the western region has and will continue to be boosted by Ireland's Star Wars connection. Star Wars film locations across the Wild Atlantic Way are being leveraged by Tourism Ireland to grow tourism by implementing a global marketing campaign reaching markets such as the US, Nordic countries, Australia, Japan and India (Tourism Ireland, 2018). Further potential to develop screen tourism is also present in the western region. Potential film productions that could be harnessed include the Quiet Man and The Field, more recently The Guard, Calvary and Jimmy's Hall and Normal People. Broader assets also exist, such as Galway's audio-visual production cluster, designation as a UNESCO City of Film and the international film festival the Galway Film Fleadh. (i.e., WRAP fund).

Regression analysis: Correlation Coefficient. There are several types of correlation coefficients, but the one that is most common is the Pearson correlation (r). This measures the strength and direction of the linear relationship between two variables. It cannot capture nonlinear relationships between two variables and cannot differentiate between dependent and independent variables. A value of exactly 1.0 means there is a perfect positive relationship between the two variables. For a positive increase in one variable, there is also a positive increase in the second variable. A value of -1.0 means there is a perfect negative relationship between the two variables. This shows that the variables move in opposite directions - for a positive increase in one variable, there is a decrease in the second variable. If the correlation between two variables is 0, there is no linear relationship between them.

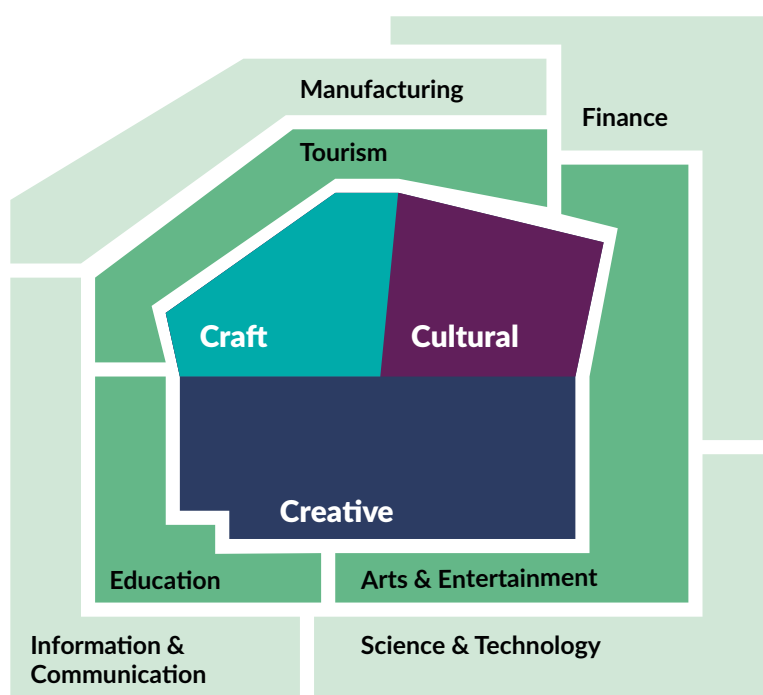
A Creative Ecosystem

The strength of the relationship varies in degree based on the value of the correlation coefficient. For example, a value of 0.2 shows there is a positive correlation between two variables, but it is weak and likely unimportant. Analysts in some fields of study do not consider correlations important until the value surpasses at least 0.8. However, a correlation coefficient with an absolute value of 0.9 or greater would represent a very strong relationship.

The below figure 8 considers creative economy employment as a dependent variable and through the use of correlation coefficients matches employment change across the wider economies of the three-county region between 2013 and 2017. Through this we can identify sectors that best match the creative economy in terms of change. The results chime with much of the international literature that seeks to understand interrelations between different economy types. Our emphasis here is on the relationship between the dependent and independent variables. We are not looking at a predictive relationship, rather highly related ones.

Figure 8

Creative Crossover



Our survey of the sector compliments the above findings. For all sectors, major activity was carved out in education and arts and entertainment sectors. Tourism in 2020, was seen as less important (for reasons discussed below), and in its stead respondent reported increased collaboration with the ICT and Science and Technology sector. This matches international data on creative activity. Increasing trends of fused digital, tech and creative firms which combine creative art and design skills with technology expertise and are often linked to increased growth. The overlap between the visual arts and design sector is well known, less known is how companies of all types are engaging with creatives to better enable them to share their story via traditional and social media. These areas of crossover are lucrative and ripe for growth. Indeed, external demand shocks such as Covid 19 often encourage growth in areas of cross over. Examples range from music performance and video streaming to augmented reality in education. We now turn our attention to what have been the more immediate impact of the virus on the creative economy of the Galway, Mayo and Roscommon region.

COVID Impacts

The OECD estimates jobs at risk across the creative economy to range from 0.8% to 5.5%. The venue based / audience facing sectors are most exposed. Estimates show that in 2020, the music and cultural sector has already lost GBP 50 million in the United Kingdom (during February-March 2020) and USD 10.2 billion in the United States (from the beginning of the year to August 2020). Yet, some cultural and creative sectors, such as online content platforms, have profited from the increased demand for cultural content streaming during lockdown. That said, most of this benefit has accrued to the largest / international firms in the industry (Spotify gaining 6 million paid subscribers in the first quarter of 2020).

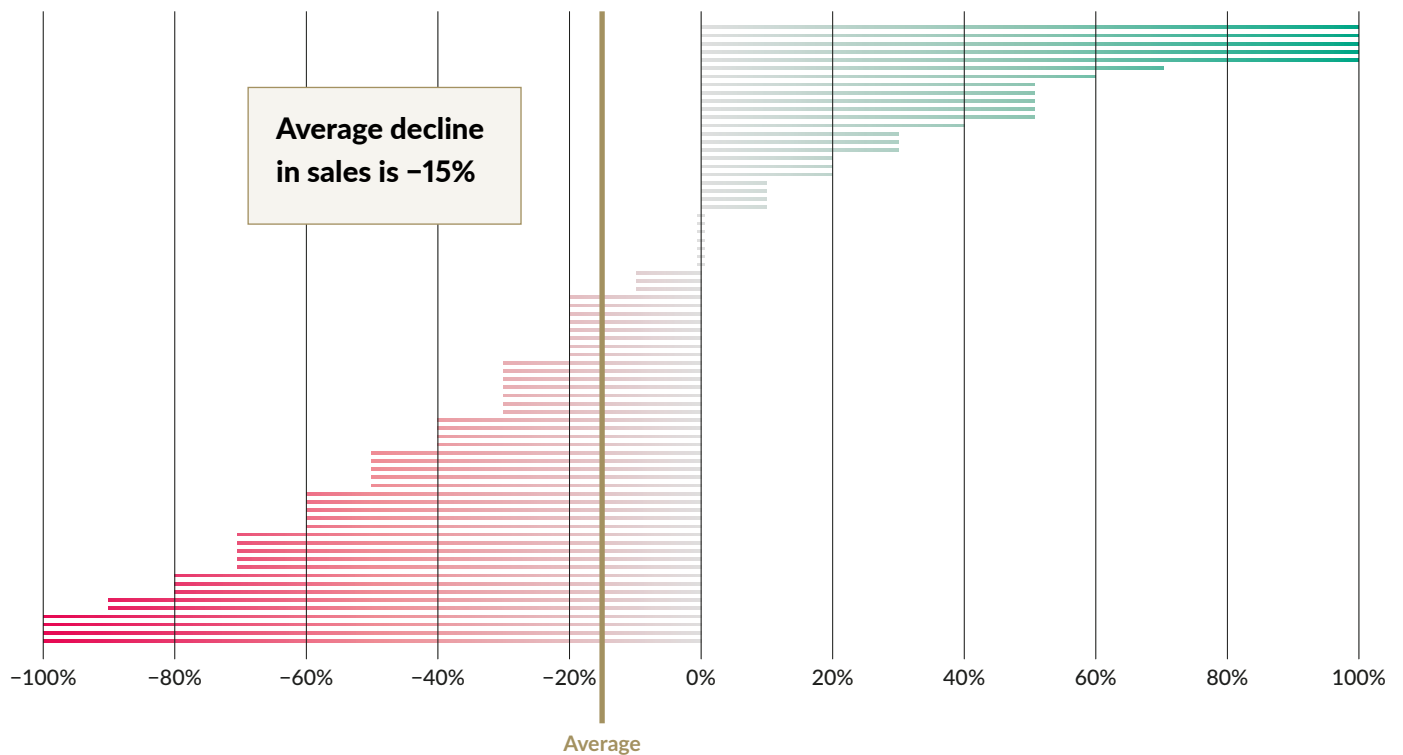
In Ireland, that story is equally mixed. From a national perspective, estimated impacts range from a predicted fall in GDP of between 10 (EY, 2020) and 13% (ESRI, 2020), as many as 220,000 could be lost permanently and the overall economy will bear the brunt in terms of decreased tax take and flattening demand. While the situation is changing rapidly, it is also true that the fundamental fiscal situation in the country is far better than it was prior to the global economic crash of 2008. For this reason and others, it is predicted that the recovery will not take as long once the economy can return to some semblance of normality.

Ernst and Young's report commissioned by the Arts Council in early summer 2020, estimated the loss to the Arts Sector in Ireland as between -34.6% and -42% with an analogous decrease in jobs of between -14.9% and -18% (comparable figure for the rest of Irish economy -7%). The Department of Business, Enterprise and Innovation issued a coinciding report where they highlighted the total collapse in performance opportunities and a dramatic loss of income as a result. They estimated the 800 people in the Audiovisual subsector being laid off as productions ground to a halt, with an estimated loss of earnings of €20 million. The same report also projected a falloff in related industries such as tourism at -€5 billion for 2020. At the same time, they noted the potential positives for the technology sector in Ireland.

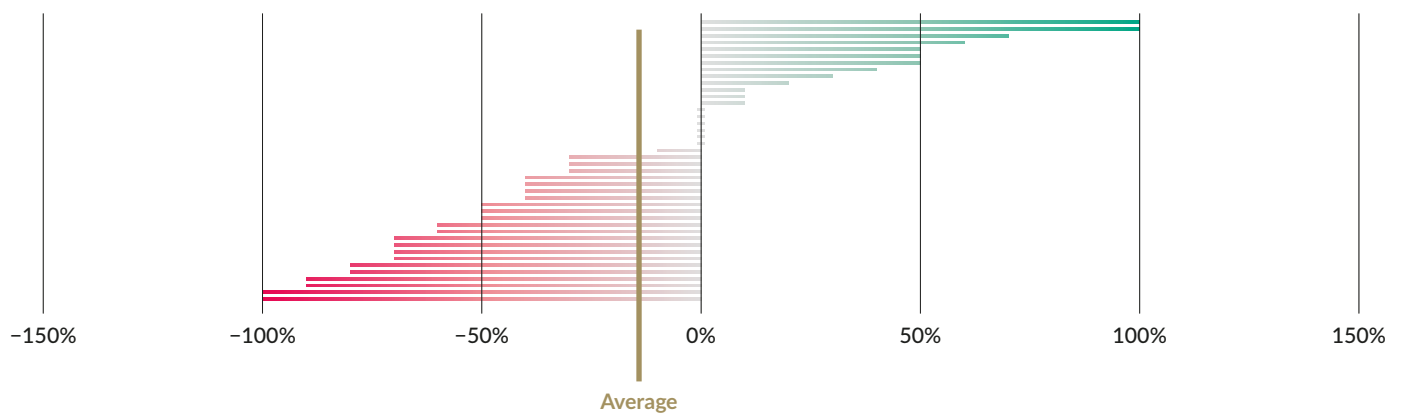
A spatial exposure report published by CIT in September made use of the commercial GeoDirectory dataset. According to the report, coastal and rural counties and towns are more likely to be exposed to significant disruption from the outbreak as their reliance on commercial units generally involved human interaction. This report, together with national profiles of industrial sectors makes for some difficult reading for the creative economy of the GMR region. However, the results of our survey below provide greater insight.

Figure 9

Can you estimate the predicted difference in sales between 2019-2020



Can you estimate the predicted difference in employee numbers between 2019-2020



When asked about the predicted difference in sales for 2020 relative to the previous year, creative enterprises predict a fall off of 18%. The craft sector sees itself as facing the biggest fall off, close to 30%, while those in the creative sector see it closer to 10% with a majority of respondents there predicting an increase in sales. At a subsectoral level, the handmade craft and performance enterprises are reporting the biggest losses (in some cases up to 100% of sales), music and cultural facilities also predict losses in excess of 50%. At the other end of the spectrum, we a small percentage of respondents predicting increase in sales of 100% and above. These respondents are enterprises that define themselves as animation and gaming, with others identifying as design operations.

A similar pattern emerges when we compare predicted changes in employment. Again, the creative economy as a whole predicts a loss of just over 10% of the workforce by the end of 2020. There is also a reported difference between the three sub sectors. Where the predicted biggest loss is reported by the cultural subsector (up to 20% loss of employment) followed by the creative subsector, while all together, the craft sector sees employment remaining steady for the year. An expected correlation in terms of falling sales and falling employment does not arise here. While music and performance venues at the individual level have predicted falling numbers in both and while animation and games have predicted rising numbers in both, the general correlation between sales and employment at the sector level is weak. This is partly explained by the diversity of business models at play here.

Figure 10

Estimated Impact of COVID 19



Figure 10 gives a predicted estimate of the impact of covid 19 on the Creative Economy of the GMR region. Relative to the international and national reporting introduced at the start of this section, we see that while there are obvious negative impacts, the picture might emerge as less negative than at first predicted.

Figure 11

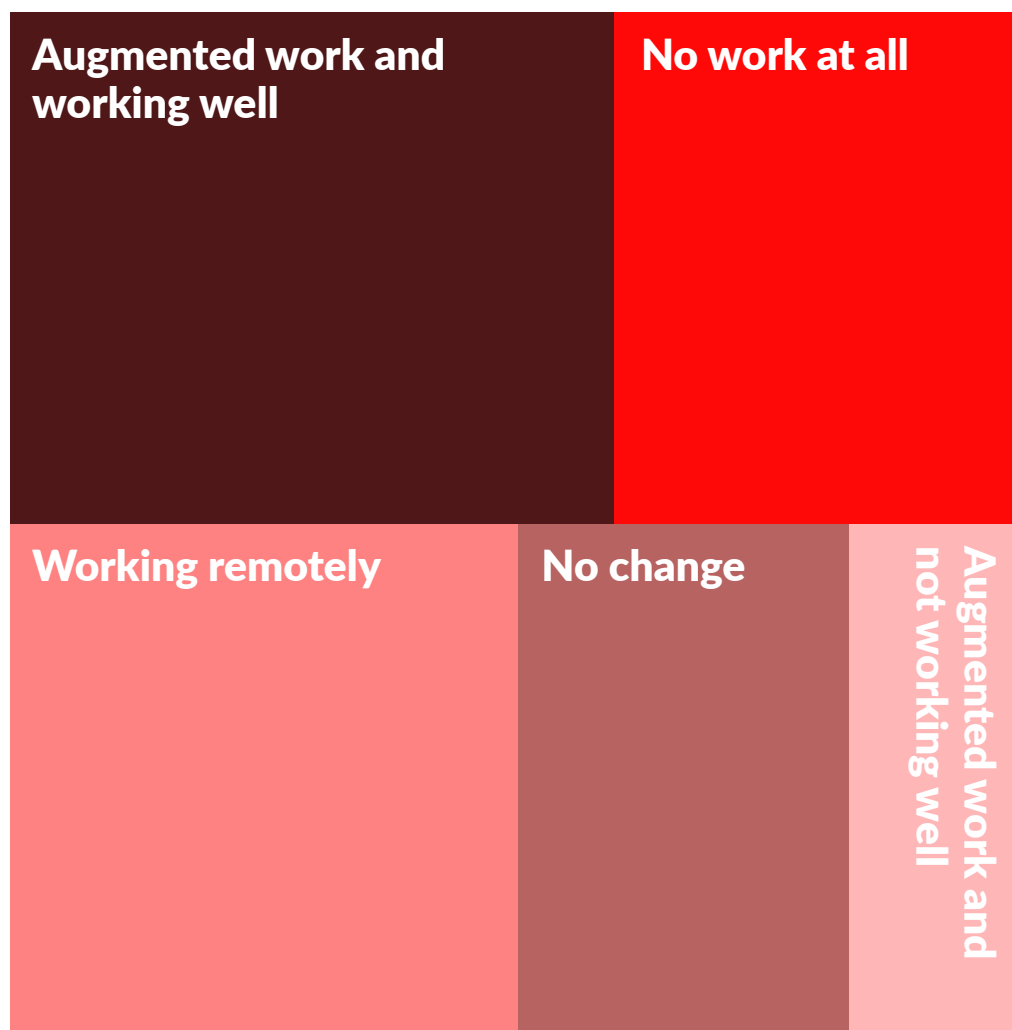


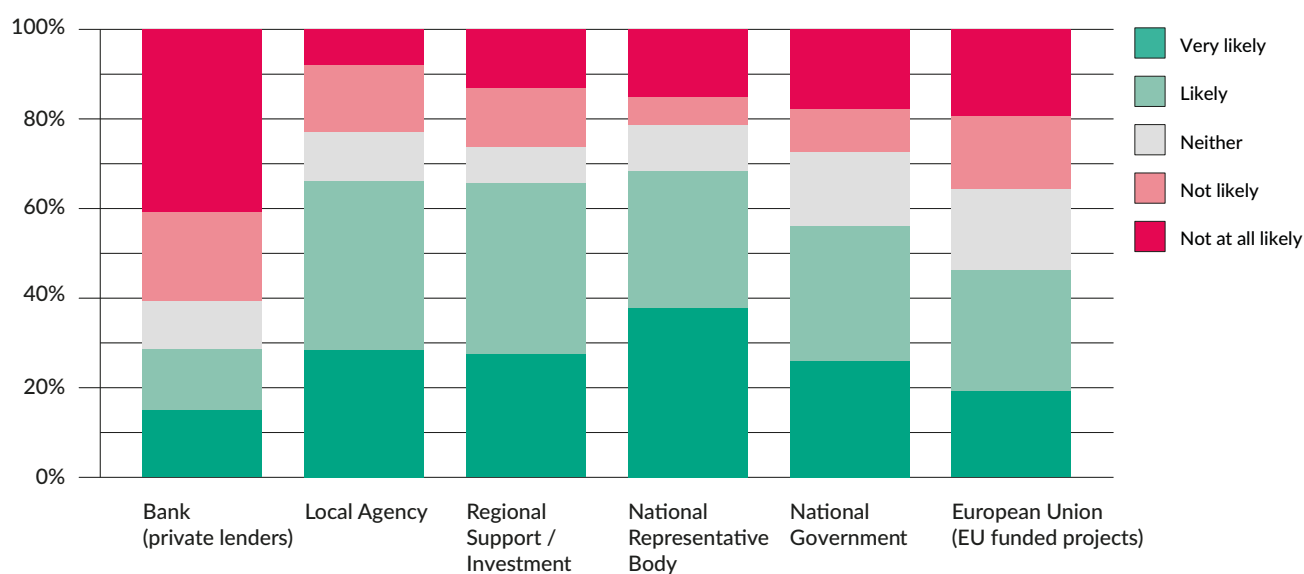
Figure 11 provides some insight into exactly how the pandemic has impacted working practices in the sector. Not all respondents chose to answer the question so there are concerns about the representativeness of this data. That said, from the responses collected we see that a small but significant set of creative economy enterprises were not affected by the onset of COVID 19. For those that were, some have augmented their working practices with varying effects on productivity. Others have been significantly impacted with no work at all resulting from the imposition of restrictions. Most respondents here fear for the longer-term effects of the cessation of work as well as the viability of projects underway prior to the introduction of restrictions.

A number of initiatives and instruments of support have been put in place at the national level to support the economy as it deals with this major demand shock. Respondents were asked to whom they would turn to in search of support. The picture is complicated by the fact that some support trickles down from the national to the local level, and particular support mechanisms feature below. Figure 12 list the institutions / authorities to whom members of the creative economy were most likely to turn for support. For the whole economy it is national institutions (for many primary funders such as the Arts Council or the Broadcasting Authority of Ireland) that the majority are most likely to consult. Second to that are the local authority supports, often Arts Offices and Enterprise offices, who are followed very closely by regional agencies such as Údarás na Gaeltachta or the Western Development Commission. The same hierarchy is matched by the cultural subsector, but the creative subsector would be more inclined to turn first to regional support agencies. Members of the craft subsector value local and national agencies.

Figure 12.

Q14 To whom would you consider turning to for support to help your organisation

Answered: 83 Skipped: 58



	Very likely	Likely	Neither	Not likely	Not at all likely	Total	Weighted Average
Bank (private lenders)	15.15% 10	13.64% 9	10.61% 7	19.70% 13	40.91% 27	66	3.58
Local Agency (Arts Office, Enterprise Office)	28.38% 21	37.84% 28	10.81% 8	14.86% 11	8.11% 6	74	2.36
Regional Support / Investment Údarás na Gaeltachta, Western Development Commission, WRAP	27.63% 21	38.16% 29	7.89% 6	13.16% 10	13.16% 10	76	2.46
National Representative Body (Arts Council, Design and Crafts Council, Screen Ireland etc)	37.97% 30	30.38% 24	10.13% 8	6.33% 5	14.19% 12	79	2.30
National Government (Enterprise Ireland; IDA; Department of Enterprise; Department of Social Welfare; Department of Culture)	26.03% 19	30.14% 22	16.44% 12	9.59% 7	17.81% 13	73	2.63
European Union (EU funded projects; INTERREG, Horizon 2020, Erasmus etc)	19.40% 13	26.87% 18	17.91% 12	16.42% 11	19.40% 13	67	2.90

Regarding specific instruments of support, respondents were asked to rank in terms of importance specific COVID measures alongside established supports for the industry. Increased investment and business grants were seen as the most important forms of support for future growth by creative economy enterprises. The next set of supports most highly ranked refer to the coproduction and collaboration supports such as network opportunities and collaboration incentives. The creative economy is highly reliant on networking a reputation, the impact of restrictions on these areas will need to be addressed. Specific, COVID related supports such as the pandemic unemployment payment and live performance supports were also seen as important to the creative economy as a whole.

Regarding the sectors, some differences do emerge. Overall, increased investment is ranked top by all three subsectors. Differences emerge that can be explained by business model approach and relative size. The pandemic unemployment payment and tax incentives are ranked higher in the craft subsector, owing to the nature of the often singular pursuit witnessed here. For the Cultural and Creative sectors, collaboration opportunities are more highly ranked. Here respondents favoured co-production incentives alongside the provision of coworking spaces. Much of the output in these subsectors from games and animation to film and software, are the result of project-based delivery across a variety of enterprises. Any supports that enable that need to be prioritised.

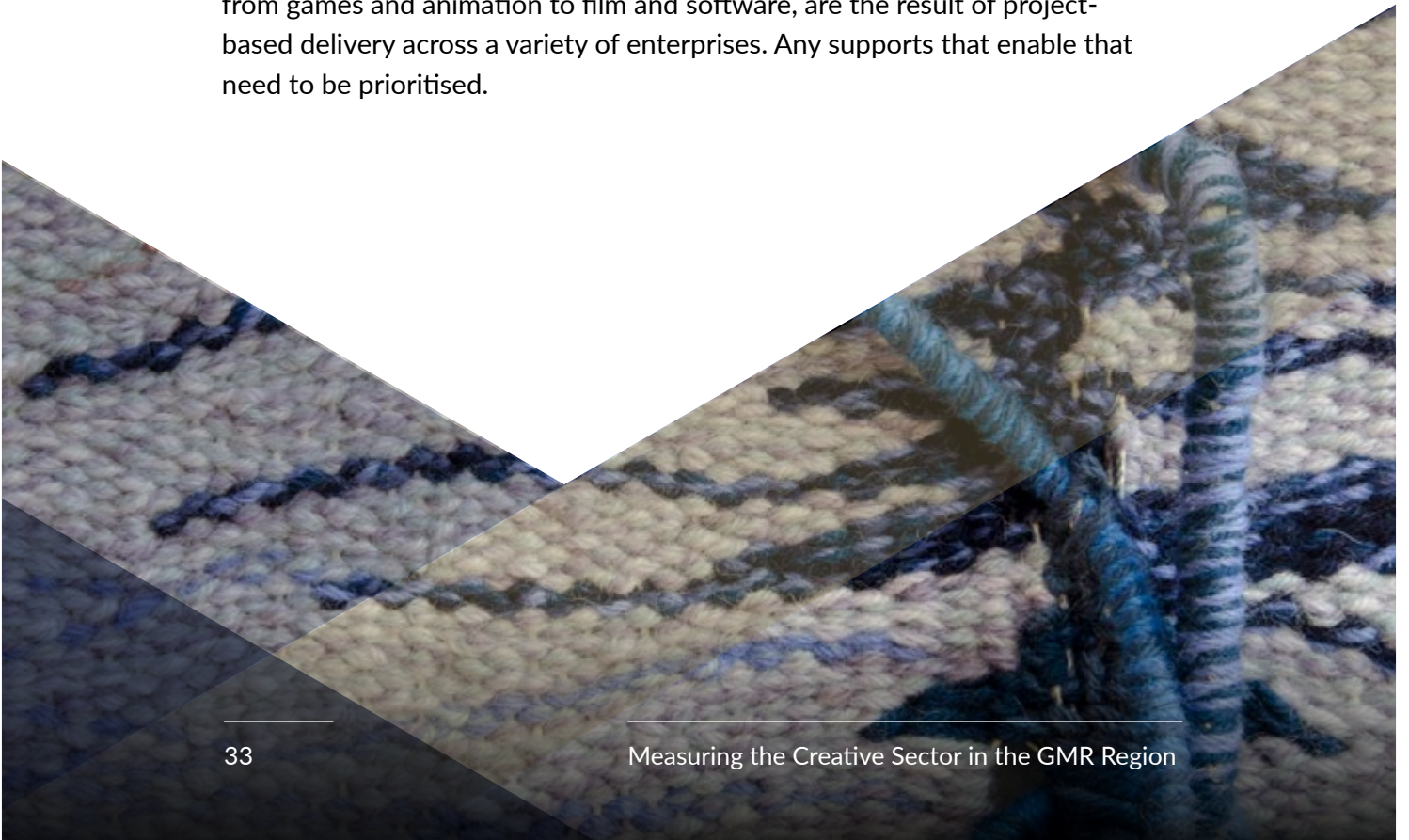
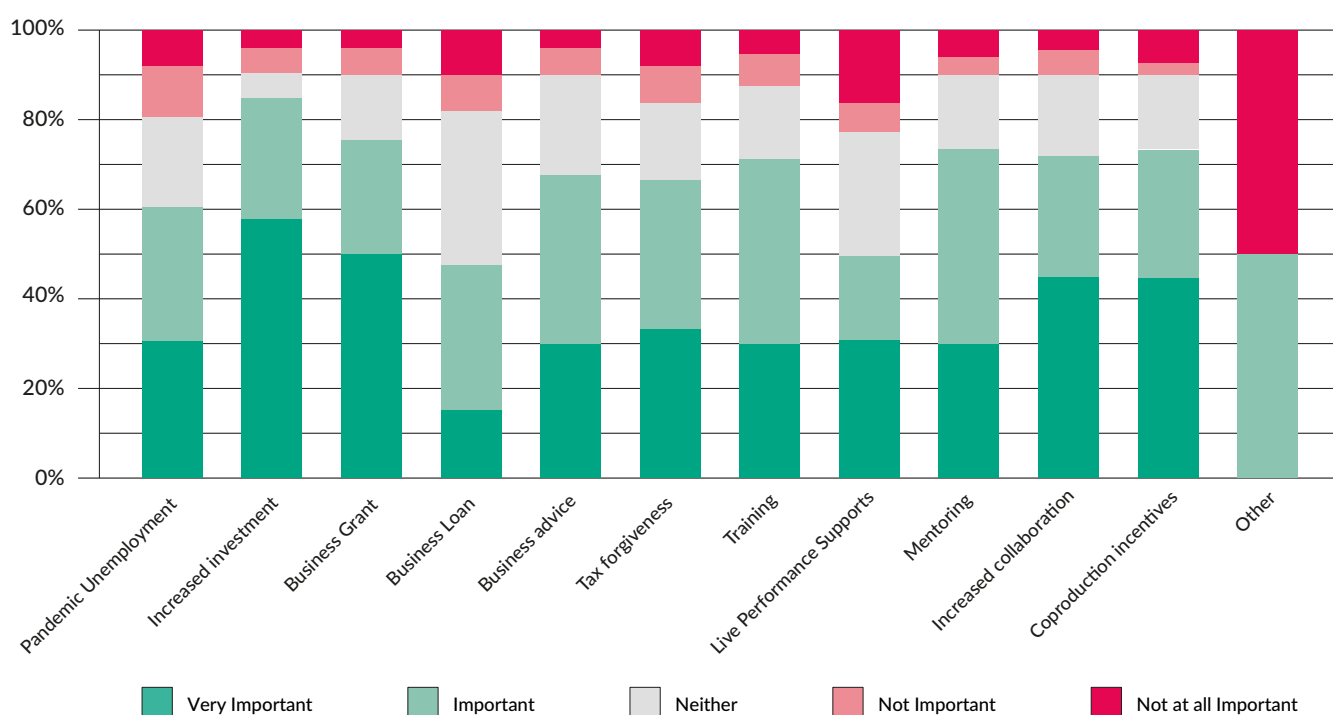


Figure 13.

Q22 Please rank the following in terms of their potential contribution to future growth

Answered: 82 Skipped: 59

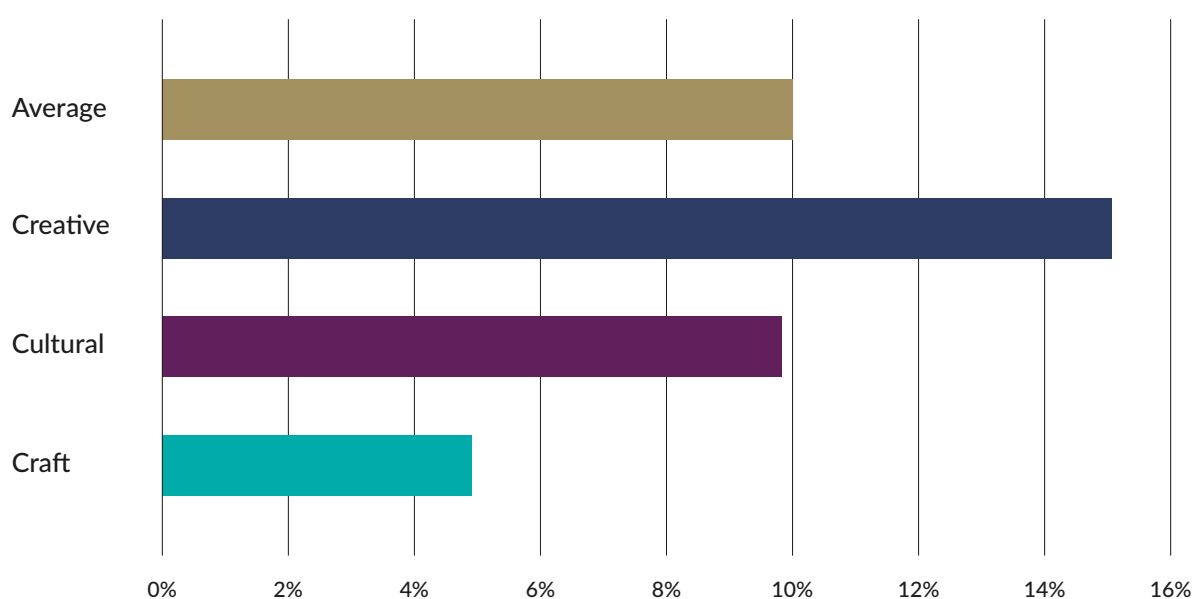


Future

Perhaps the most impactful figure in this report relates to the potential for future development. When asked to consider the medium term (three to five years), and the potential change in the numbers employed, more than two thirds of respondents predicted an increase. For the creative economy as a whole, this averages an increase of 10% in employee numbers. The creative sector is the most optimistic, predicting growth at over 15%, while the cultural sector reported just over 10% and the craft subsector with just less than 5%. A very positive outlook in the medium term.

Figure 13

Predicted employment growth next 3 to 5 years



What needs to be considered is how this growth is enabled by supporting agencies. The survey asked respondents to list what is was that would be most important in enabling that growth. This was an open question and gave the respondents an opportunity to reflect on what exactly would best enable this predicted growth. Figure 13 represents the responses of over 70 respondents. Not surprisingly, funding is uniformly recognised as the best way of supporting the development of creative economy enterprise in the region. Space is

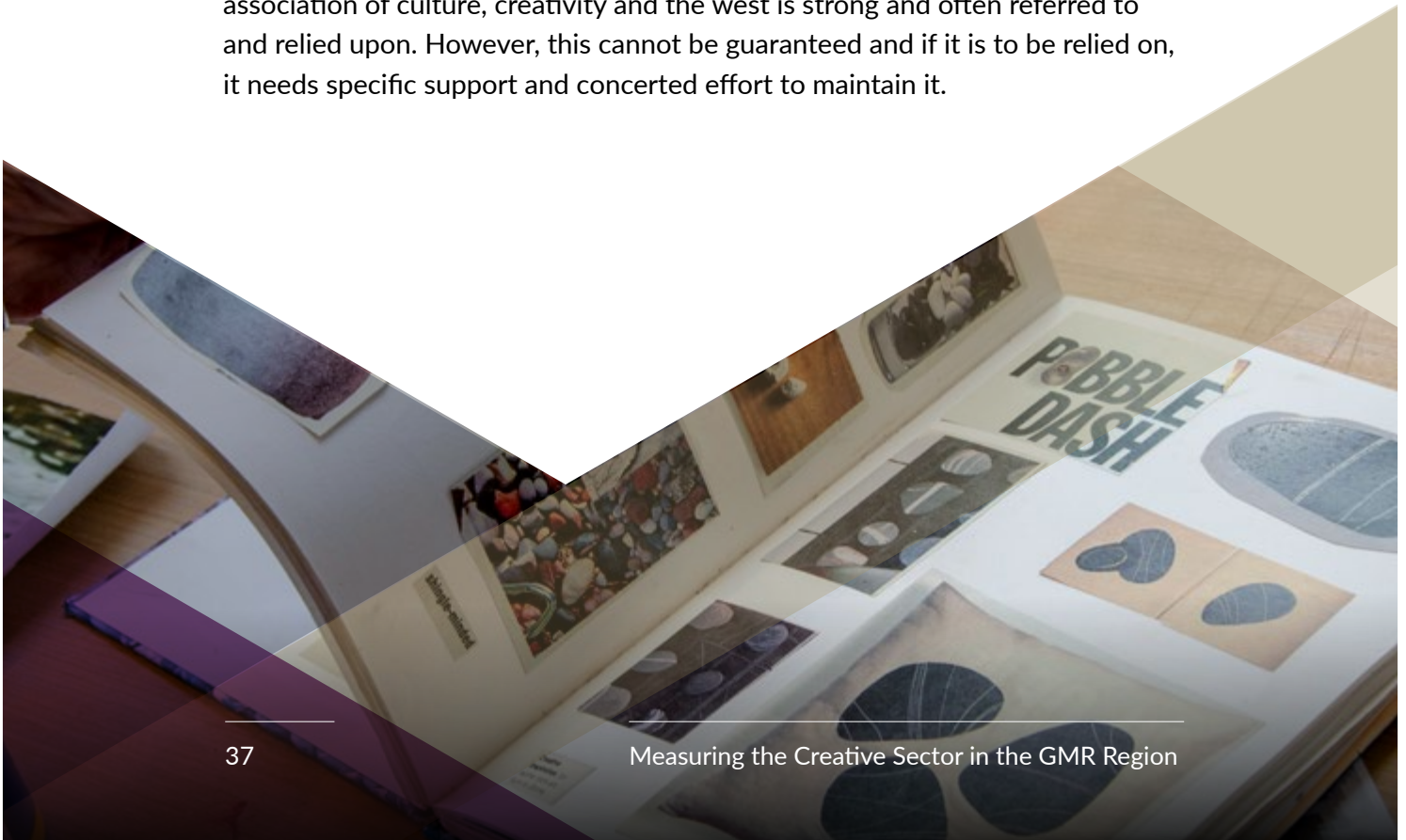
reflected on by many. For some this is an explicit reference to studio space, something that respondents from the AV sector see as particularly lacking in the region. For others, it is space to perform and to produce. This adds to previous work that has highlighted the unique relationship between creative economy enterprises and their space(s).

Figure 14.



Two other aspects that arise, in the current and future context are market access and technological development. The former includes reference to Brexit and future trading and supply relationships with UK companies. Creatives, notably those in the service provision end, find the future relationship with the UK to be very "confused" and "lacking the clear support". Regarding the latter, technology and its use has changed dramatically over the past nine months. In the first instance, technology refers to access to market. For many in the performing arts, the pandemic has required a serious pivot in the use of technology to deliver their produce. More help is needed here. The infrastructure needs range from broadband connectivity to AV equipment and streaming expertise. It is likely that the use of technology to engage with audiences will be necessary for the short run and could contribute to shifts in delivery modes and become a more established mode of cultural consumption into the future.

Branding and marketing are important for each individual enterprise and worker in the creative economy of the region. Recognition is arguably more important for creatives than others. At the micro enterprise level marketing and branding are vital in terms of market access, but at the broader level of the region, the importance of branding also needs to be considered. The general association of culture, creativity and the west is strong and often referred to and relied upon. However, this cannot be guaranteed and if it is to be relied on, it needs specific support and concerted effort to maintain it.



Recommendations

Supporting the development of the Creative Economy in the GMR region needs to be considered in two distinct phases. The first is the short term, one mired with difficulty owing to the COVID 19 pandemic and the necessary social distancing measures to deal with it. The second is a more considered future direction for creative economy enterprises.

Short term

- The provision of funding and support for those directly impacted by Covid 19. Ensure the continued support of the Creative economy that has been vital for the international reputation of the region as well as providing immeasurable benefits beyond the economic.
- Continuation of specific supports to the audience facing members of the sector such as the live performance support scheme and others tailored for specific subsectors.
- Support immediate interventions in technological support and provision. A number of initiatives that support online trading as well as live streaming to help members of the sector engage audiences in the short term. (Includes the provision of photography vouchers to data hosting and streaming equipment and expertise).
- Facilitation of a COVID response toolkit. Providing the most up to date information on funding and support packages available. Include the development of a forum for the exchange of views and experiences from those in the sector as they deal with the pandemic.
- Consider a COVID response showcase. This will be an opportunity to develop and host a digital fair of cultural and creative pursuits across the region. Hosted by the supporting agencies across the region, it would be an opportunity for creatives to promote their enterprise through the submission of a short video on their work / produce. Together with the support of some key institutions (TG4 and GFC) in the sector, combined with the right production values, this could also act as a branding and marketing tool for creativity in the west of Ireland and offer a vast audience reach.

Recommendations

- Cultural vouchers: In line with ongoing efforts to encourage spending in the tourism sector (Staycation subsidy) a similar scheme could be developed for the outputs of the creative sector. This can be seen as a positive way to address the demand shock that the sector is experiencing.
- Recognition on behalf of funders that Creative Economy enterprises are disproportionately impacted by the COVID 19 pandemic. International evidence has shown this is the case in cities from New York to Paris, at the smaller scale of the GMR region the impact is likely to be even stronger.
- Obvious gaps exist in recognising different business models and supporting them appropriately. An example is simplifying eligibility criteria and making them accessible to hybrid forms of employment (e.g., those who have “other” jobs, circa 27% of the creative economy enterprises in the region).
- Include non-profit institutions (e.g., museums) in support programmes designed to help small businesses retain employees.

Longer term

Considering the future sustainability of the creative economy in the GMR region is a little more complex. International evidence highlights that the more systemic problems faced by creative economy enterprises in the region are not unique. Across the world, creatives have struggled to properly elucidate the real impact of their work. The fact that such a large percentage of the output of this sector is not economic, makes it difficult to compare and measure relative to other parts of the economy. This does not mean that we should not try.

At a governmental level more progress needs to be made on gauging the non-economic impacts of industrial and entrepreneurial endeavour. One way that creative economy enterprises can help address this is through the development of a coherent voice. At the base of this, is a coherent identity built around the vital contribution that culture and creativity make in every facet of the economy and society. While the weaving of a basket might seem very different to the design of a web experience or production of an international movie, they have a common bond. At their heart they contribute directly to the culture

Recommendations

and identity of the place. They are all stories, told a little differently, stories that we use to locate ourselves and situate a place as distinct from others.

What is needed is the development of a coherent brand for creativity in the west of Ireland. We have had success with this before. The branding of a coastline that included rocky outcrops and coral beaches came together under the moniker Wild Atlantic Way, equally the diversity of talent and creative produce, that shares its unique location can also brand itself to an international audience.

What this does, is it give voice to a diverse collective, and voice translates into representation. For that reason, and in tandem with this exercise is the need for the development of a collective support platform for the creative economy. The term public funding, so important for the development, recovery and future growth of the creative economy, is broad and all encompassing. Public funding is derived from many sources at the national and local level. What is needed is a coordination of funding and supporting institutions at the regional level. A loose collection of these bodies, including local authority, local enterprises, Universities and Institutes of Technology, other agencies (WDC, Údarás na Gaeltachta) and sector specific bodies such as the Galway Film Centre that act to represent the creative economy ecosystem in the region. This is an opportunity to build the brand as well as becoming a go to point for information and support for the region.

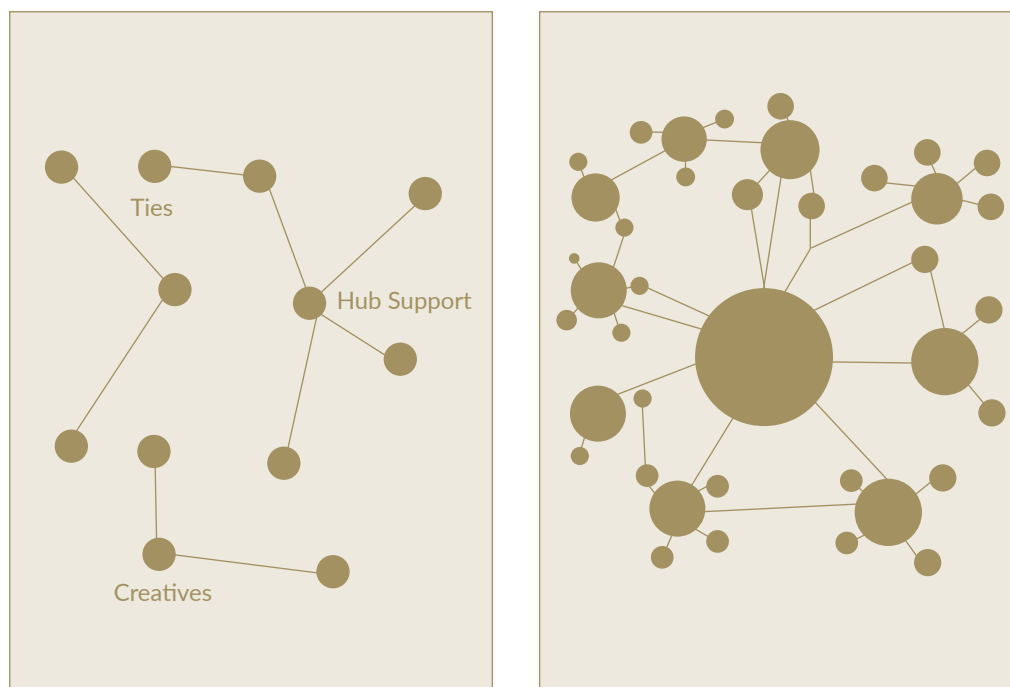
Branding and representation can become more tangible when associated with a space or place. Figure 15 depicts the creative ecosystem in the region. It consists of a variety of actors and agencies that are connected strongly and weakly across the region. The connection of these nodes can be formalised through investment in a central node for the region. A flagship cultural anchor, a place for working, for co-producing, for cultural celebration, a place for learning, a place for sharing would concretise the place of the creative economy in the region. This is important, not just in terms of the optics as laid out below, but a strong central node that acts as a site of information exchange, an opportunity for sharing and co-producing will lay the ground for a step change in the development of the sector.

Boosting the visibility of the sector is important not just or the reason cited above, but for the potential for the future growth in the areas where

Recommendations

the creative economy overlaps with other sectors of the economy and society. A centralised regional node can act as a point of contact, a site of experimentation in the exploiting of these potentially fruitful overlaps. Industry leaders in medical devices and renewable energy will see this node as the place to go to access the creative offering of the whole region. From there, future relations and innovations can blossom.

Figure 15



Weak ties

Strong ties

The final recommendation then relates to this last point. We have shown evidence here of other sectors that the creative sector works with in the region. These can be divided into two separate but not exclusionary categories. The first relates to creativity as a service for the better production of creative output. Locally, notice needs to be taken of the potential overlap between creative economy enterprises and the healthcare industries. This overlap needs to be supported and cultivated. Collaboration can take many forms from something as simple as theatrical performances in campus canteens of major

Recommendations

multinational companies located in the region, to the better rendering of stents and their impacts on the cardiovascular system by an animation company working in augmented reality. What is most important is that the opportunity is given for these avenues to be explored.

The second area relates to the broader social impacts of culture. Again, opportunities must be promoted for the greater exploration of cultural and creative products and practices in social and environmental sustainability. Some of this work is already taking place and such is the nature of many of those involved in the creative economy, the value social impacts over economic ones. The role of fashion design and re/upcycling of waste is an obvious area, other areas range from better support for mental health and social inclusion through cultural production. Key here is the overlap between approaches in the creative sector and circular approaches to the economy. Circular economy principles support local development in a sustainable and environmentally conscious way. Some of this overlap is also dependent on education. Education, at all levels has been forced to consider its main modes of delivery since the onset of the pandemic. Opportunities also exist for the creative imaging of the future of information delivery in the classroom, physically and virtually.



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