De-mystifying the UK's Creative Industries

Introductions & Outline

➢ Lee Hornsby, Lead Partnerships & Development Manager, Creative UK

➢ About Creative UK

"We're a group of diverse and inclusive professionals who believe in the power of creativity and the creative industries to change lives, placing creativity at the heart of the UK's culture, economy, and education system. Creative England and the Creative Industries Federation joined forces to coalesce our collective capabilities, using creativity to shape the UK's social, cultural, and economic future. By merging the industry insights and advocacy work of the Federation, with the practical support and investment work of Creative England, we are now perfectly positioned to have visible impact and drive real change."

Creative UK – Dare To Imagine

What we'll cover:

➢ What are the Creative Industries?

➢ Why can we seem difficult to pin down compared to some other sectors?

➢ The bigger picture; greater than the sum of its parts

➢ We're not going anywhere; resilience, innovation and growth

➢ Creative skills for now, and for the future

➢ Staying 'de-mystified'

- **9 creative sub-sectors,** as defined by DCMS.

- Games need digital artists, writers and music composers as much as coders and programmers.

- Television and film productions need accountants, stylists and designers as much as actors and directors.

- Musicians need marketing and advertising with visual content creators as much as brilliant songs.

- Fashion needs photographers and graphic branding and identity professionals.

- Artists can be Graphic Designers, Graphic Designers work across different visual mediums.

- Photographers work with still **and** moving images.

- Digital proficiency is an absolute necessity, and technology will continue to mould the future of the creative industries, and all other sectors.

- *Almost all other sectors require creatives and creative skills.*
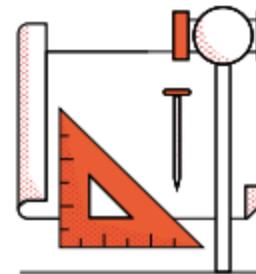
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Advertising	Architecture	Crafts
Design (product, graphic, fashion)	Film, TV, video, radio + photography	IT, software, computer services + video games
Publishing	Museums, galleries + libraries	Music, performing + visual arts
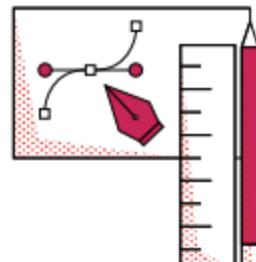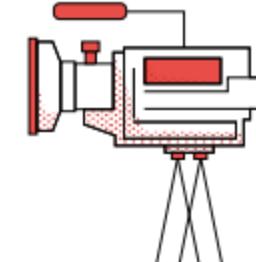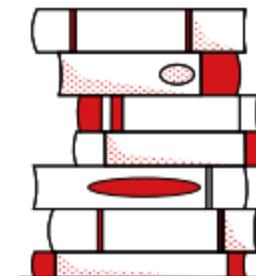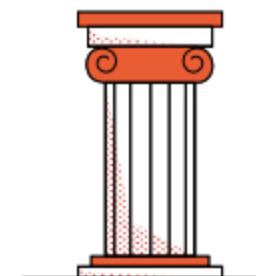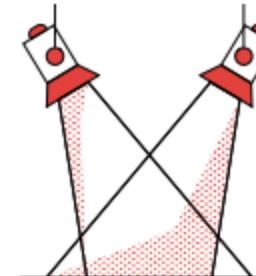
What are the Creative Industries?
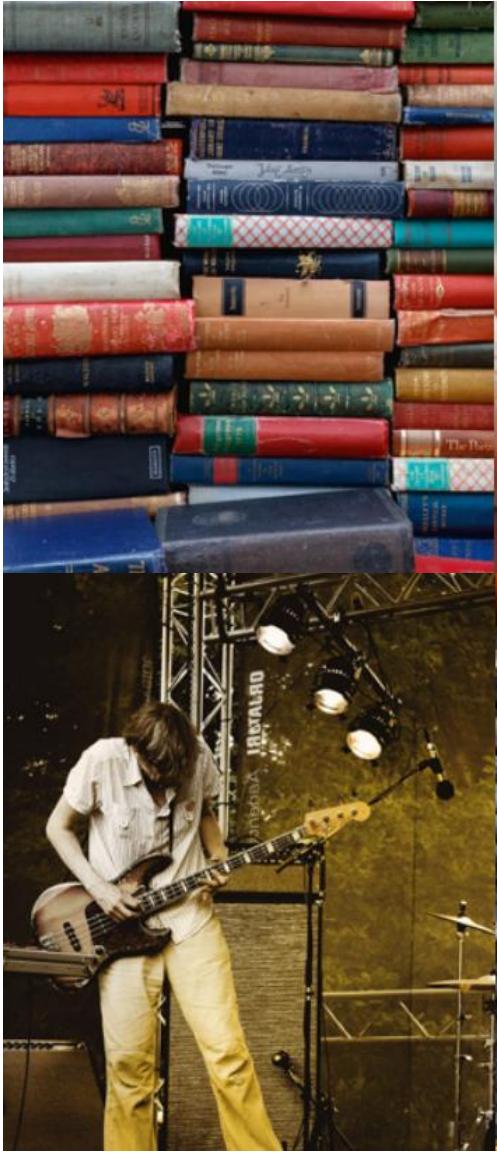
- ➢ **1/3** of our workforce is self-employed.
- ➢ Up to **70%** in Music, Performing and Visual Arts.
- ➢ Up to **60%** in Design and Designer Fashion.
- ➢ **50%** in Film and Video Production.
- ➢ **1 in 7** self-employed people in the UK work in the creative industries.
- ➢ **90%** of creative businesses employ 9 people or fewer.
- ➢ **1 in 10** new start-ups are creative businesses. In 2019 alone, **40,000** new creative businesses were born (that's more than digital).
- ➢ Unique creative career pathways; portfolio careers, self employment from the get-go; Creative graduates are over **three times more likely** to be self-employed, freelance or running their own business than non-creative graduates and **over a quarter** of all creative graduates who work in the creative industries are engaged in this type of work.

Why are we difficult to pin down and define?
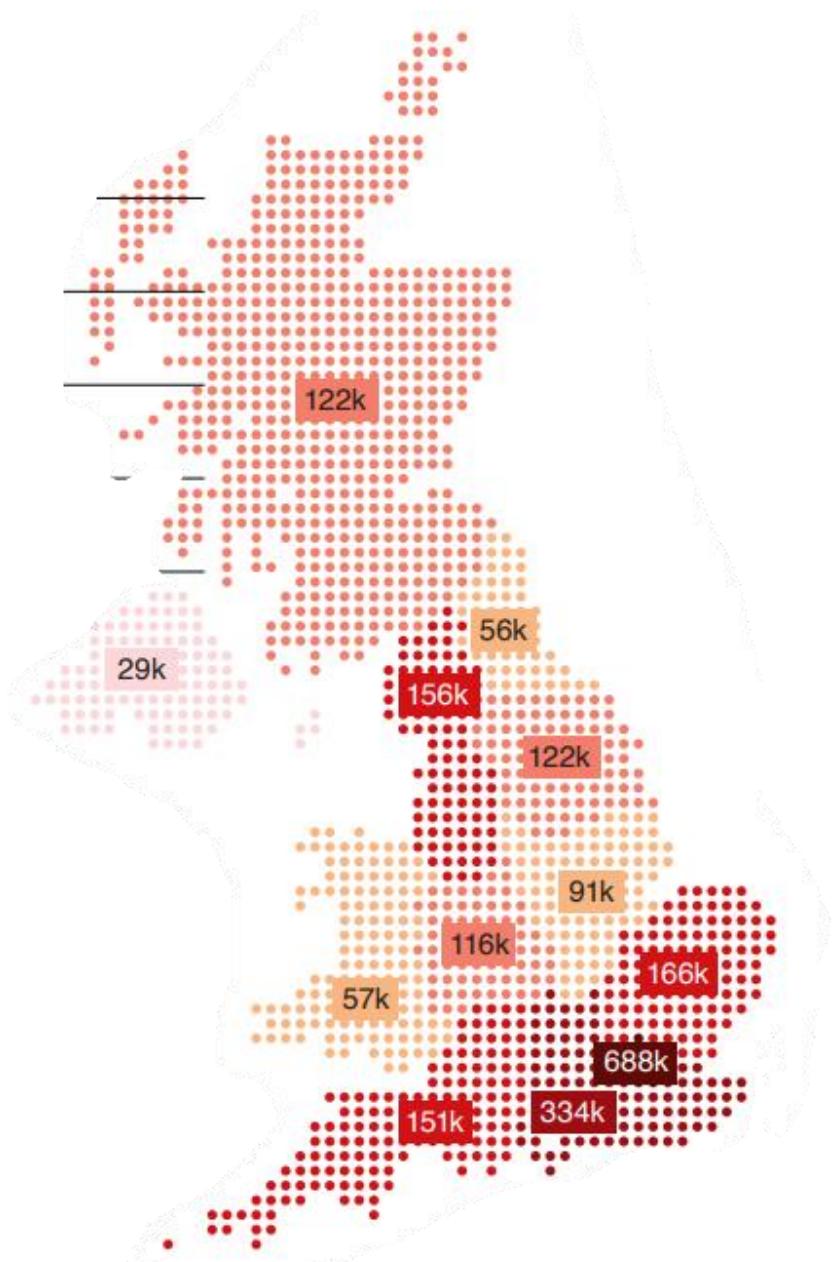
> Although creative jobs have been growing significantly up and down the UK, there is still a prevalence of opportunities and creative jobs in London and the South East. *To the left* is a UK map showing **distribution of employment.**

> **For Love or money?** There are considerable differences in the motivations creative and non-creative graduates have for entering work.

Why are we difficult to pin down and define?

THE UK
CREATIVE
INDUSTRIES

Unleashing the power and potential of creativity

2021

- In 2019 (the last year that figures are available), **2.1 million people** worked in the Creative Industries.

- A further **1.4 million jobs** were directly supported by the Creative Industries through their supply chain.

- That's **3.5 million jobs** dependent on the Creative Industries, more than 1 in 10 UK jobs and **4 x the workforce of the five largest UK supermarkets combined.**

- Pre-pandemic, creative jobs were growing at **3 x the UK average.**

The UK's Creative Industries; bigger than the sum of its parts

Creative Industries direct regional GVA contribution
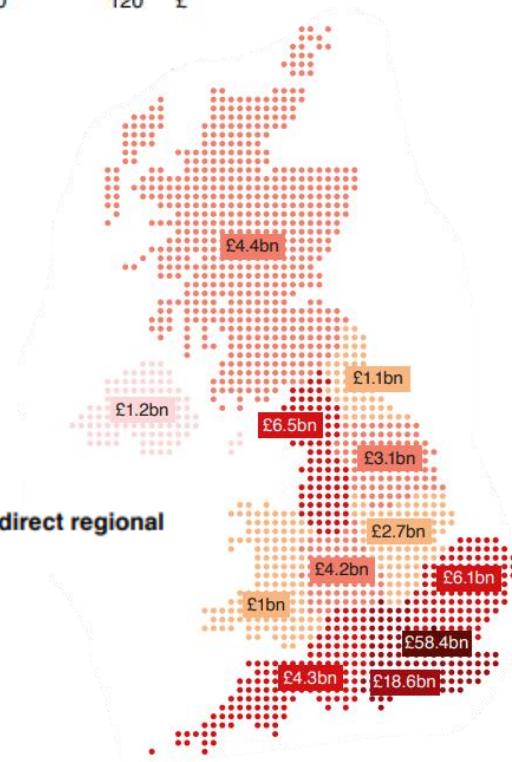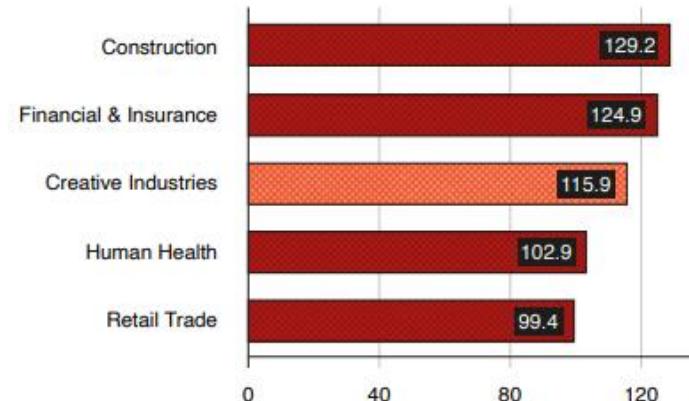
- We were contributing **£116 billion** to the UK economy, that's more than aerospace, automotive, life sciences and oil and gas sectors combined.

- That's equivalent to: **£13.2m** per hour and **6%** of total UK GVA.

- Growing at **4 x the rate** of the wider economy.

- For every £1 the UK Creative Industries contribute directly, a further **50p** is generated in the wider economy.

- This makes a total combined GVA of: **£178bn**, or **9%** of total UK GVA.

- **1/4** of professional services and **61%** of information and communications services are dependent on the Creative Industries

The UK's Creative Industries; bigger than the sum of its parts

- We export **£46 billion** of creative goods and services each year, and **12%** of all UK services exports.

Advertising	Architecture	Design (product, graphic, fashion)	Film, TV, video, radio + photography
£822.8m United States	£52.0m China	£155.3m United States	£1.92bn United States
£533.4m Ireland	£47.9m Saudi Arabia	£46.2m Switzerland	£581.0m Sweden
£340.3m Switzerland	£52.2m Russia	£38.2m Netherlands	£470.9m Germany

IT, software, computer services + video games	Publishing	Music, performing + visual arts
£7.81bn United States	£1.05bn United States	£352.4m United States
£1.93bn Germany	£295.5m Germany	£86.2m Germany
£1.02bn Ireland	£186.9m France	£79.6m France

The UK's Creative Industries; bigger than the sum of its parts

➢ With the right investment in our sectors, by **2025** the UK's Creative Industries could be **£132.1 billion** and create an additional **300,000** jobs.

➢ Figures published via DCMS last month are showing positive post-COVID bounce back already; an uptick to £104bn GVA for calendar year 2021, compared to £95bn in 2020. And with 2.3 million creative industries jobs in the year to September 2021.

➢ Creative Technology companies in the UK raised nearly **£1bn** in VC investment in 2020, a **22%** increase from 2019. *(Tech Nation CreaTech report)*

➢ UK Film and TV Production spend has increased from £3.4 billion in 2017 to over **£5.64 billion in 2021.**

➢ The UK games industry's total gross value add (GVA) grew **81%** from £2.91bn in 2016 to **£5.26bn** in 2019, and continued to grow **during the pandemic**.

➢ The European XR (extended reality, including virtual reality, augmented reality and mixed reality) industry is expected to reach between **€35 billion and €65 billion by 2025**, representing a gross added value of between €20 billion and €40 billion, and directly creating employment for up to **860,000 people**.

➢ *Growth leads to skills gaps and new career opportunities – that's happening now…*

We're not going anywhere…

- **50%** of all employees will need reskilling by 2025, as adoption of technology increases, according to the World Economic Forum's Future of Jobs Report.
- **Critical thinking** and **problem-solving** top the list of skills employers believe will grow in prominence in the next five years.
- **Creativity, originality and initiative** feature.
- Newly emerging this year are skills in self-management such as active learning, resilience, stress tolerance and flexibility.

Top 10 skills of 2025

Analytical thinking and innovation

Active learning and learning strategies

Complex problem-solving

Critical thinking and analysis

Creativity, originality and initiative

Leadership and social influence

Technology use, monitoring and control

Technology design and programming

Resilience, stress tolerance and flexibility

Reasoning, problem-solving and ideation

Type of skill
- Problem-solving
- Self-management
- Working with people
- Technology use and development

Source: Future of Jobs Report 2020, World Economic Forum.

Skills for the Future

Top 10 Future Skills
As chosen by business

Kingston University + YouGov

Skill	%
Problem-solving	77%
Communication	66%
Critical thinking	64%
Digital skills	64%
Analytical skills	63%
Initiative	62%
Adaptability	60%
Creativity	56%
Relationship building	55%
Questioning mindset	55%

BASE: 2,020 Senior Business Decision Makers

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➢ Interviews with businesses and universities indicated over 20 critical skills that they felt were important in protecting the UK's global competitiveness.

➢ These were put to the YouGov Business panel, consisting of over 2000 top UK businesses, over half of which selected the top 10 skills shown on the left.

➢ Problem-solving/process skills are the single most important skill across all industries. Even when sector specific skills are needed, problem solving/process skills still come top of the list. For example, for those in finance, financial literacy came above communication skills and creativity at 65%, but problem solving and process skills were at 73%.

Skills for the Future

Staying de-mystified

- There are of course challenges associated with entering into our industry, and then sustaining a creative career….

- We're working on it, and need everyone to be pulling in the same direction.

- The UK Creative Industries are missing more than **250,000 working class voices**: a deficit almost equal to the increase in jobs in the sector over the past five years. *(Policy and Evidence Centre, 2021)*

- ***We have an incredibly exciting set of creative sectors, making up a vast creative industry with unlimited potential. But it's increasingly crucial that we do all we can to make it accessible for the next generation of creative talent.***

Final thoughts & wrap-up

Thanks! Questions?