



CRAFTING CREATIVE CLUSTERS

How can we shape places for thriving
creative & innovative communities?

WHAT ARE CREATIVE CLUSTERS?

A creative cluster, also known as a creative hub or creative precinct, is a geographic concentration of economic, physical and social assets that come together as a creative industry ecosystem. Within a creative cluster, diverse creative activities and cultural assets combine to generate benefits that extend well beyond financial returns.ⁱ

WHY CREATIVE CLUSTERS?

The creative industries – a diverse industry grouping spanning the arts, design, and technology – are important economic contributors as well as some of the world's fastest-growing sectors. Globally, the creative industries are estimated to generate nearly 50 million jobs. In Australia, the creative industries employ over 700,000 people and are experiencing employment growth that outpaces the overall workforce growth rate by more than 50 per cent.ⁱⁱ This is prominent in sectors such as film and television production (4.8 per cent growth per annum since 2016), marketing (6.9 per cent) and industrial design (8.3 per cent).ⁱⁱⁱ

The creative industries promote innovation in support of the knowledge economy, where information and knowledge are at the centre of economic growth and development. By creating and enhancing avenues for self-expression, the creative industries also contribute to the achievement of numerous United Nations Sustainable Development Goals, including reducing poverty, reducing inequality, and promoting inclusion.

Through investment in place-based infrastructure, public spaces, and community-focused activities, creative clusters can help to create and capture value for economies and communities through:

- Increasing the visibility of the value of arts and culture
- Supporting the growth of small businesses and practitioners in the creative industries, including art, design, publishing, screen, digital games etc.
- Encouraging community participation and cohesion
- Generating new intellectual property and novel ideas
- Boosting engagement and participation from local and domestic audiences
- Strengthening local supply chains
- Catalysing innovation
- Showcasing and renewing heritage
- Generating employment in other industries^{iv}

ⁱ Granger, R., 2020. Exploring value in the creative and cultural industries. Value construction in the creative economy: Negotiating innovation and transformation, pp.3-18. Vancouver

ⁱⁱ McCutcheon, M, and Cunningham, Stuart, 2022, The Creative Economy in Australia – What Census 2021 Tells Us, Canberra, Available at: <https://www.canberra.edu.au/research/faculty-research-centres/nmrc/major-projects/tabs/current-funded-projects/Briefing-paper-1-20221122.pdf>

ⁱⁱⁱ McCutcheon, M, and Cunningham, Stuart, 2022, The Creative Economy in Australia – What Census 2021 Tells Us, Canberra, Available at: <https://www.canberra.edu.au/research/faculty-research-centres/nmrc/major-projects/tabs/current-funded-projects/Briefing-paper-1-20221122.pdf>

^{iv} Gutierrez Posada, D., Kitsos, T., Nathan, M. and Massimiliano, N. (2021) Do creative industries generate multiplier effects? Evidence from UK cities 1997 - 2018. Multiple: Creative Industries Policy and Evidence Centre; City-REDI, the University of Birmingham; University College London. Available from: <https://www.pec.ac.uk/discussion-papers/do-creative-industries-generate-multiplier-effects>



FIVE KEY SUCCESS FACTORS

There are certain factors that contribute to successful clusters and enable their multidisciplinary benefits to be unlocked. We've identified five key factors to support successful clusters all while generating employment and activity in the creative economy:



SUCCESS FACTOR 1



A DIVERSIFIED, YET COMPLEMENTARY AND INTEGRATED, CREATIVE ECOSYSTEM

Creative industries thrive when they form part of mixed-use environments. Integrating creative tenants with other industries such as technology, manufacturing, and education provides a holistic experience for end users and provide the basis of a self-sustaining creative economy. Furthermore, adding complementary commercial lifestyle uses such as hospitality and retail venues can help fund creative tenants using the profits of other tenants. This dynamic blend of various industries in one space attracts footfall that benefits creative tenants, and supports the economic, social, and cultural sustainability of a creative cluster.

ALSERKAL AVENUE ESTIMATED NET LETTABLE AREA DISTRIBUTION (2022)

CREATIVE INDUSTRIES	40%-50%
RETAIL AND F&B	25%-30%
OTHER	25%-30%

CASE STUDY: ALSERKAL AVENUE, AL QUOZ, DUBAI

Alserkal Avenue, located within the Al Quoz district of Dubai, is recognised as one of the leading creative clusters in the Middle East. Yet less than half of its built floor area is estimated to accommodate creative industry uses. Retail, food, and beverage (F&B) services and even corporate office tenants feature prominently in the tenant mix; many of which were added in the expansion phase after the initial development started with the art galleries.

The retail and F&B tenants generate additional rental income to cross-subsidise the lower-renting arts uses that establish the brand of the cluster. F&B and services tenants also help to generate additional footfall into the cluster overall throughout the year. Urbis Australia's international business, Cistri, provided economic advice for the Al Quoz Creative Zone masterplan surrounding Alserkal Avenue, recommending the optimal land use mix, creative ecosystem and economic model to sustain a thriving and financially viable creative cluster.

SUCCESS FACTOR 2



A STRONG NARRATIVE BUILT ON UNIQUE PLACE CHARACTERISTICS

Creative clusters – their programs, venues, and built form – must be embedded into their environment, community, and city. They must match the area's DNA.

Local place characteristics (the environment, culture, local industries) should be leveraged to provide a setting for unique creative and cultural results that would not be possible anywhere else. Copying and pasting creative economies from one place to another without accounting for the local environment can limit their impact.

The success of a creative cluster will be further advanced by a connecting public realm that enables the cluster's purpose, allows for creative placemaking, and strengthens a distinctive character and sense of place.

Despite a focus on urban centres, remote places can provide fertile ground for creative activities. They can serve as inspiring settings for creative workers, attract creatives with affordable rents, and give users a diversified experience. Indigenous creative enterprise is a critical component of the creative economy in Australia as people look for uniquely Australian cultural experiences, through creative programming, strategy, and placemaking.

CASE STUDY: ARALUEN CULTURAL PRECINCT, AUSTRALIA

The Araluen Cultural Precinct in Central Australia's Mparntwe (Alice Springs) is a hub of entertainment, art, film, exhibitions, performances, and unique cultural experiences with Indigenous events featuring strongly throughout. The precinct represents a 'keeping place of stories' set between sacred sites significant to local Arrernte people and has hosted the annual Desert Mob festival since 1991, drawing international tourists, national visitors, and desert communities and families together to celebrate enduring desert culture.



Source: araluenartscentre.nt.gov.au/

CASE STUDY: POS BLOC JAKARTA, INDONESIA

The creative cluster at Pos Bloc, Indonesia, has emerged within the Jakarta Philatelic Building, a former post office during the Dutch colonial era. Its central feature is the Great Hall, a flexible events space with high ceilings that is well-positioned to host performance-based creative activities such as music concerts, fashion shows and talks by local creative industry practitioners. The Great Hall and its cultural events programme provide a good example of leveraging the unique characteristics of precinct built form to support suitable and distinctive creative industry activities.



Source: Pos Bloc Jakarta



Pos Bloc Jakarta. Source: Urbis/Cistri

SUCCESS FACTOR 3



AN ACTIVE AND ENGAGED CREATIVE COMMUNITY

Creative clusters and cultural hubs should fulfill the needs of one or more user groups. The creation of multiuse and flexible spaces and ensuring the purpose of the cluster suits the needs of multiple user groups is pivotal to success. This requires deeper research and engagement with community, including pilot testing and creating flexible goals that can be adjusted over time.

Care should be taken to earn local support, as creative clusters will contribute to community vitality and resilience when they are both materially and intangibly valuable. Cultivating an active community can be supported by ceding some control and providing easier access to smaller amounts of money directly to community groups, rather than requiring complicated, “creativity killing” grant applications.

CASE STUDY: COLLINGWOOD YARDS, MELBOURNE, AUSTRALIA



Source: https://collingwoodyards.org/wp-content/uploads/2023/03/IMG_0622-1.jpg

The State Government's investment into Collingwood Yards has helped to create a recognisable visual identity for Melbourne. Collingwood Yards is a valued public amenity, with three reworked heritage buildings, and provides affordable spaces to more than 50 organisations and artists across a multitude of art forms.

Collingwood Yards' funding and operating model is creative, with the site using a mix of \$15 million in philanthropic support, government, and commercial partners, and managed by Contemporary Arts Precincts Ltd, a charitable social enterprise. By offering rents at roughly 50 per cent of market value, Collingwood Yards has been able to revitalise the site and the surrounding neighbourhood. The creation of a multiuse and flexible space, with both private and public realms to cater for a wide range of users, highlights an innovative solution to supporting the creative industries.



Source: https://mpavilion.org/assets/files/2022/11/Mtalk-Fostering-connection-and-collaboration-through-architecture_CR_Tom-Ross.jpg

SUCCESS FACTOR 4



STRATEGIC CULTURAL PLANNING GUIDED BY A CLEAR AND EFFECTIVE VISION

Research on creative hotspots in Australia^v and elsewhere has shown that effective government planning can support high levels of creative economic activity in regions and clusters. Cultural plans can help governments create a vision for developing cultural infrastructure and delivering creative services to supplement various sources of public funding.

CASE STUDY: SINGAPORE ARTS MASTERPLAN, SINGAPORE

Singapore's cultural planning is guided by its arts masterplan "Our SG Arts Plan", led by the National Arts Council. The latest iteration of this plan for 2023-2027 aspires to build A Connected Society, A Distinctive City and A Creative Economy through the arts, all with the vision of making Singapore "A Creative City That Inspires."

The Arts Plan includes strategies for diversifying arts programming as well as effectively and strategically providing infrastructure for arts production and showcase across the island. It aims to promote not only the optimisation of publicly provided arts spaces but also the identification potential arts space in private commercial and industrial properties, as well as public spaces in housing and transit areas, that can be strategically activated for creative programming and placemaking.

EXAMPLES OF ART INFRASTRUCTURE INITIATIVES UNDER THE MASTERPLAN

>5X

Increase in spaces for arts and culture since 1985 to over 88,000 sqm

SINGAPORE ARTS PLAN

Collaboration between National Arts Council, Urban Redevelopment Authority and Housing Development Board to support to communities to create arts projects that invigorate common spaces or organise activities that build bonds among people.

PUBLIC ART MASTERPLAN

To be developed to articulate vision and strategies for developing the public art landscape.

^v Stuart Cunningham, Marion McCutcheon, Greg Hearn, Mark David Ryan, Susan Kerrigan, Phillip McIntyre, and Greg Hearn (2022) 'Creative Hotspots' in the regions: Key thematic insights and findings from across Australia. A White paper from the Australian Research Council Linkage research project Australian Cultural and Creative Activity: A Population and Hotspot Analysis. QUT Digital Media Research Centre, Australia. <https://eprints.qut.edu.au/227753/>



SUCCESS FACTOR 5



A SENSIBLE BUSINESS STRATEGY

Attracting creative industries to clusters can benefit landlords and property developers. Creative industry tenants can include a wide range of users, from community-focused art groups to large design and technology companies that need high quality and unique office spaces. By having this mix of users, it can bring life to an area and create opportunities for financial support for community-oriented and nonprofit creative tenants.

Operating and financial models should reflect the vision of the creative cluster while also considering the target users, available resources, and market conditions. Rigorous financial scenario testing and consideration of long-term operational impacts are critical to strengthening a creative clusters financial sustainability.

CASE STUDY: WEST KOWLOON CULTURAL DISTRICT, HONG KONG



Large creative districts are actively adopting this approach including the West Kowloon Cultural District (WKCD) in Hong Kong, situated along Victoria Harbour, which is set to become one of the world's largest creative cluster. Cistri team members worked with the West Kowloon Cultural District Authority to develop a strategy to attract a diverse mix of creative industry tenants ranging from advertising and design companies in high-quality spaces to studios and lower-grade office spaces for publishing, software, and screen-related firms.

This approach also provides the opportunity to support creative industries that may struggle with high rents. For creative clusters like WKCD, having creative tenants helps to reinforce the cluster's vision and purpose, attract more tenants, and increase visitation.



A HOLISTIC, MULTIDISCIPLINARY APPROACH IS REQUIRED

Creative clusters are multi-dimensional in nature, and their success factors are equally complex. Careful coordination is needed to align the ingredients for success, including in the strategies for planning, governance, real estate and infrastructure, design and placemaking. Cultivating creative clusters is a multi-disciplinary and collaborative effort – one that requires different fields of expertise, stakeholders, and partners working together to optimise economic and social outcomes.

At Urbis Australia and Urbis Australia's international business Cistri, we have the brightest minds in Planning, Policy, Economics and Design working to shape thriving places for creative communities. We bring together deep technical expertise, a collaborative approach, local and global experience to help you shape inspiring places that unlock creativity and innovation.

OUR TEAM

Want to learn more about how we can work with you? Speak to our team today:



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