BYP GROUP

YARRA RANGES COUNCIL CREATIVE SECTOR STUDY

Authors: Yen Yang, Jackie Bailey and Rachel Smithies

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Authors: Yen Yang, Jackie Bailey and Rachel Smithies, BYP Group, http://bypgroup.com

Disclaimer: Some of the information contained in this report is derived from interviews. The authors advise that while every effort has been taken to ensure the accuracy of information on the following pages, the authors do not accept responsibility for the information contained or views expressed in this report.

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1. Executive Summary

1.1 Background

In 2019 Yarra Ranges Council commissioned BYP Group to deliver a report on the Yarra Ranges creative and cultural sector. The report provides:

- a statistical overview of the size of the Yarra Ranges creative industries;
- BYP Group's insights regarding relevant trends in the creative industries;
- An analysis of stakeholder consultations regarding the key issues and opportunities for growth; and
- examples of how other LGAs have sought to develop community vibrancy and economic value of their creative and cultural sector.

1.2 The Yarra Ranges creative industries

Creative industries are defined as "those industries which have their origin in individual creativity, skill and talent, and that have a potential for wealth and job creation through the generation and exploitation of intellectual property".

The Yarra Ranges Local Government Area (LGA) is home to an established, engaged and growing creative community. In 2017, the Yarra Ranges creative industries directly employed an estimated 1,452 people, which accounted for 3.5% of employment in the area.[1] In the Yarra Ranges, creative industries employment rose by 2.5% from 2016 to 2017, outstripping the general LGA employment growth rate of -0.3%.

More than half (59.7%) of Yarra Ranges creative industry workers are designers (28.0%), media (7.7%) or people working in software development (24.0%).

Based on ABS data, we estimate that there are approximately 750 creative industries businesses in the Yarra Ranges, comprising about 5.5% of all Yarra Ranges businesses. In 2018, the creative industries contributed:

- $483.5 million in economic output
- $124.3 million in local expenditure
- $51.5 million in regional exports
- $163.1 million in value added to the LGA's economy

1.3 The broader creative industries context

[1] The most recently available REMPLAN dataset is labelled 2018, release 1. The employment data in this dataset was last updated in 2017. As such, we have labelled this as 2017 data. The technical appendix gives details on the time trend data in REMPLAN.

Based on what we know about the Australian creative industries, combined with stakeholder feedback, it is likely that many of the Yarra Ranges creative industry workers:

- work as sole traders and freelancers; and
- commute to Greater Melbourne; or
- ‘tele-commute’ (work from home).

Many of these creative professionals[2] may also have their own artistic practice which they conduct locally: for example, we know that artists earn an estimated 36.7% of their income from non-arts work.[3] Since most artists earn less income than other Australian sectors,[4] they are disproportionately negatively affected by cost of living issues such as rising real estate prices in peri-urban regions like the Yarra Ranges.

However, technological disruption creates the opportunity for Yarra Ranges creatives to create rich digital content which ‘cuts through the noise’ of the Internet to find its niche audience and convert these people into visitors and buyers of unique products and experiences. Ways local councils can support artists and creatives to access this consumer market include:

- Developing and promoting a unifying ‘brand’ for local artists
- Aggregating content as part of this unifying ‘brand’
- Providing support for the development of rich media content to ‘cut through the noise’

1.4 Key stakeholder themes

Stakeholders identified aspects of Yarra Ranges’ indigenous heritage as unique. Additionally, First Nations and other stakeholders described the unmet and growing demand for Aboriginal cultural experiences and education. Stakeholders identified key opportunities for growth as:

- Unique arts and cultural experiences as a drawcard for cultural tourists
- Yarra Ranges to meet the demand for Aboriginal cultural experiences and education
- Collaborations and partnerships to leverage the local creative community and Yarra Ranges’ strengths
- Artists becoming entrepreneurs, deriving greater income from their practices
- Yarra Ranges to become an arts ‘hotspot’

The key steps stakeholders felt Council and the community need to undertake in the next five years to achieve its vision of a prosperous and vibrant community are:

- Leverage and support the local creative community
- Infrastructure to support the local creative community

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[2] ‘Creative professionals’ refers to people who earn their primary income from creative and creative-related work. Please see section 3.1: “Defining the creative industries.”

[3] Throsby, D. and Petetskaya, K. (2017) *Making Art Work: An Economic Study of Professional Artists in Australia,* Sydney: Australia Council for the Arts. Data based on median income figures for artists in 2014-15.

[4] Median total income of $42,200 (including creative income and creative and arts-related income), which is 15.7% less than the general workforce Australian employee’s median income; 42.5% less than the Australian professional employee’s median income: Ibid.

- Prioritise and invest in First Nations initiatives
- Creative branding for the region
- Leadership support for the value of the creative community
- Retain and attract creative professionals to the region

1.5 BYP recommendations

We reviewed the suggestions offered by stakeholders, along with the data, the wider context of the creative industries, learnings from the case studies, and the specific features of the Yarra Ranges creative industries and considered these findings in light of Council's goals. We make the following recommendations for the Council in order to deliver on "Goal 2: Increase the economic size of the creative industries and expand its impact on both the local economy and vibrancy of our communities." In summary, we recommend that Council work with the local creative and cultural sector to:

- stimulate the local arts community, and support grassroots activity and niche strengths, in particular First Nations unique cultural experiences;
- differentiate and develop a cultural and creative brand for the Yarra Ranges to attract and retain creative professionals, creative businesses and cultural tourism spend;
- develop signature and blockbuster events, with a focus on First Nations initiatives because of their unique economic and cultural value; and
- invest in being heard above the noise of the creative and cultural marketplace in order to attract high-spend cultural tourists and creative professionals.

1.6 Conclusion

The Yarra Ranges already has a strong and vibrant creative and cultural sector, as well as a number of distinctive creative and cultural selling points with which to grow its creative industries by attracting and retaining creative professionals, businesses and visitors to the region. Combined with its proximity to Greater Melbourne and its beautiful natural environment, the LGA has all the ingredients to grow its creative and cultural sector's contribution to the local economy and the community's wellbeing.

2. Introduction

This is a report on the Yarra Ranges creative and cultural sector. Yarra Ranges Council commissioned this report to inform Council's *Creative Communities Strategy*, in particular "Goal 2: Increase the economic size of the creative industries and expand its impact on both the local economy and vibrancy of our communities."

This report includes:

- An estimate of the size and growth trends for the Yarra Ranges creative industries compared to other similar regional LGAs in Victoria
- A discussion of the key drivers and constraints of the creative industries in the Yarra Ranges
- Comparative examples of creative industries economic growth and community vibrancy in LGA's
- Key opportunities for the Yarra Ranges creative industries' contribution to the local economy and community vibrancy

2.1 Methodology

BYP set out to answer the following question:

"How do we increase the economic size of the creative industries and expand its impact on both the local economy and vibrancy of our communities?"

To answer this question, BYP Group has:

- Developed a statistical picture of the creative industries in the Yarra Ranges
- Synthesised relevant insights about the general context affecting the creative industries in the Yarra Ranges and elsewhere
- Conducted twelve, one-hour conversations with stakeholders selected in consultation with Yarra Ranges Council. Of these, five (5) were discussion groups with 3 or more people, and 7 were telephone interviews and provided thematic analysis which takes into account the broader context.
- Developed five (5) case studies of projects with a significant local community component.

The questions asked in the stakeholder conversations were framed around a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis. The full workshop agenda can be seen in Appendix A. Telephone interview guides were aligned with the workshop agenda for consistency. Case Study discussion guides can be seen in Appendix B.

3. Yarra Ranges Creative Industries Statistics

3.1 Defining the creative industries

Creative industries are defined as "those industries which have their origin in individual creativity, skill and talent, and that have a potential for wealth and job creation through the generation and exploitation of intellectual property".[5]

This analysis aims to match the Victorian government's definition of the 'Creative and cultural industries'.[6] However, economic data is not always available at the level of detail required by the Victorian government's definition. This analysis therefore uses a modified version of the Victorian definition (see the technical appendix, Appendix D for details).

The creative industries are grouped into the following domains:

- Fashion
- Literature, print, software and recorded media production
- Broadcasting, electronic or digital media, and film
- Design
- Computer system design
- Performing and visual arts including museums
- Libraries and archives
- Supporting activities.

3.2 Data sources

This analysis uses data from REMPLAN Economy. The REMPLAN data is modified, based on more detailed data from the Census 2016. The technical appendix gives details.

3.3 Employment

In 2017, the Yarra Ranges creative industries directly employed an estimated 1,452 people, which accounted for 3.5% of employment in the area.[7] The Yarra Ranges make up about 1.1% of the creative industries employment in the Greater Melbourne area.

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[5] UK Department of Culture, Media and Sport (DCMS) (2001) *Creative industries mapping document 2001* (2nd ed) London: DCMS.

[6] As used in the Victorian Government's Creative Industries Strategy 2016-2020. Statistical detail in Boston Consulting Group (2015) *Victoria's creative and cultural economy – fact pack* Melbourne: Creative Victoria.

[7] The most recently available REMPLAN dataset is labelled 2018, release 1. The employment data in this dataset was last updated in 2017. As such, we have labelled this as 2017 data. The technical appendix gives details on the time trend data in REMPLAN.

Table 1: Employment proportions: Yarra Ranges, Greater Melbourne, Victoria - 2017

Location	Total CI employment	Total employment	CI as % of total employment
Yarra Ranges	1,452	41,700	3.5%
Greater Melbourne	134,350	2,134,014	6.3%
Victoria	148,751	2,730,332	3.8%

Table 2 shows how the Yarra Ranges creative and cultural industries employment breaks down by domain of activity. The biggest employment areas are:

- Design
- Computer system design
- Performing and visual arts including museums

We have also offered a comparison to Greater Melbourne and Victoria as a whole. Compared to the Greater Melbourne area creative industries, the Yarra Ranges creative industries are relatively more specialised in several domains:

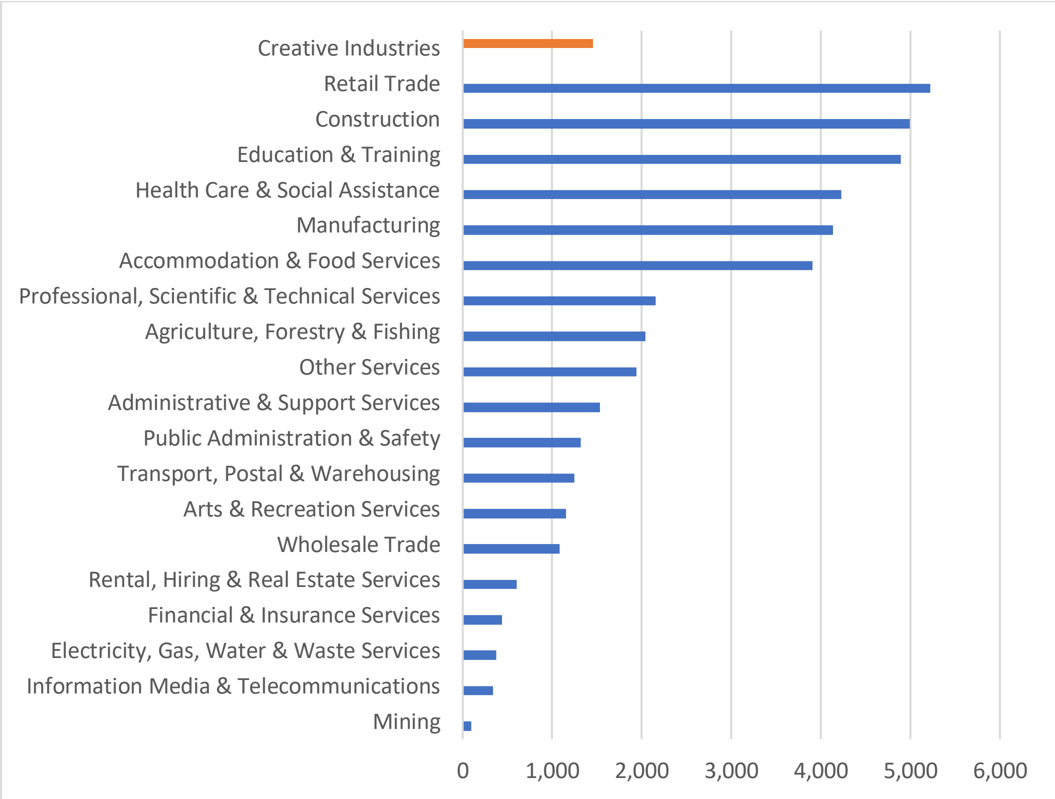
- Design
- Performing and visual arts
- Libraries and archives
- Supporting activities

Table 2: Creative and cultural industries employment: Yarra Ranges, Greater Melbourne, Victoria – 2017

Domain	Yarra Ranges		Greater Melbourne		Victoria	
	Count	*%*	*Count*	*%*	*Count*	*%*
Fashion	35	2.4%	3720	2.8%	4,263	2.9%
Literature, print, software and electronic media production	178	12.3%	19,382	14.4%	22,075	14.8%
Broadcasting, electronic or digital media, and film	112	7.7%	12,176	9.1%	13,594	9.1%
Design	407	28.0%	31,666	23.6%	35,130	23.6%
Computer system design	349	24.0%	50,047	37.3%	52,893	35.6%
Performing and visual arts including museums	225	15.5%	11,223	8.4%	13,211	8.9%
Libraries and archives	31	2.1%	1,801	1.3%	2,376	1.6%
Supporting activities	116	8.0%	4,336	3.2%	5,208	3.5%
Total	**1,452**	**100.0%**	**134,350**	**100%**	**148,751**	**100%**

Figure 1 compares Yarra Ranges employment in creative industries to other industry categories. used by the ABS.

Figure 1: Yarra Ranges estimated employment by industry, 2017



Note: The Creative Industries figure includes components from other industries included in this chart.

Tables 3 and 4 show trends in creative industries employment since 2016. In the Yarra Ranges, creative industries employment has risen by 2.5%, outstripping the general LGA employment growth rate of -0.3%.

Greater Melbourne and Victoria show quite different trends to the Yarra Ranges. Both have higher creative industries employment growth rates than Yarra Ranges. However, Greater Melbourne and Victoria's creative industries employment growth rates lag slightly behind their overall area employment growth rate.

Table 3: Trend in creative and cultural industries employment, Yarra Ranges, 2016 to 2017

Domain	Yarra Ranges		
	2017	*2016*	*Growth rate*
Fashion	35	36	-2.8%
Literature, print, software and electronic media production	178	207	-14.1%
Broadcasting, electronic or digital media, and film	112	110	1.6%
Design	407	382	6.3%
Computer system design	349	305	14.4%
Performing and visual arts including museums	225	199	13.4%
Libraries and archives	31	42	-25.6%
Supporting activities	116	135	-14.6%
Total – creative industries	**1,452**	**1,416**	**2.5%**
Total – all industries	**41,700**	**41,823**	**-0.3%**

Table 4: Trend in creative and cultural industries employment, Greater Melbourne and Victoria, 2016 to 2017

Domain	Greater Melbourne			Victoria		
	2017	*2016*	*Growth rate*	*2017*	*2016*	*Growth rate*
Fashion	3720	6,012	-38.1%	4,263	6712	-36.5%
Literature, print, software and electronic media production	19,382	22,475	-13.8%	22,075	25,749	-14.3%
Broadcasting, electronic or digital media, and film	12,176	10,250	18.8%	13,594	11,659	16.6%
Design	31,666	28,129	12.6%	35,130	31,127	12.9%
Computer system design	50,047	39,061	28.1%	52,893	41,488	27.5%
Performing and visual arts including museums	11,223	9,624	16.6%	13,211	11,144	18.5%
Libraries and archives	1,801	1,713	5.1%	2,376	2,166	9.7%
Supporting activities	4,336	3,703	17.1%	5,208	4,634	12.4%
Total – creative industries	**134,350**	**120,967**	**11.1%**	**148,751**	**134,679**	**10.4%**
Total – all industries	**2,134,014**	**1,896,511**	**12.5%**	**2,730,332**	**2,451,896**	**11.4%**

3.4 Key economic indicators

Table 3 shows how the Yarra Ranges creative and cultural industries estimated key economic indicators break down by domain of activity.

Table 5: Creative and cultural industries key economic indicators, Yarra Ranges, 2018 ($ million)

Domain	Output	Local Expenditure	Regional Exports	Value added
Fashion	$19.2	$0.3	$0.5	$0.9
Literature, print, software and electronic media production	$57.9	$15.7	$8.5	$23.8
Broadcasting, electronic or digital media, and film	$51.1	$21.7	$14.5	$14.1
Design	$103.6	$36.9	$5.1	$49.0
Computer system design	$104.3	$35.7	$10.4	$53.9
Performing and visual arts including museums	$34.8	$10.8	$11.5	$13.4
Libraries and archives	$4.8	$0.9	$0.3	$3.5
Supporting activities	$7.8	$2.3	$0.7	$4.4
Total – creative and cultural industries	**$383.5**	**$124.3**	**$51.5**	**$163.1**
Total – Yarra Ranges	**$12,698.5**	**$3,856.3**	**$3,089.2**	**$5,577**
Creative and cultural industries as % of total – Yarra Ranges	**3.0%**	**3.2%**	**1.7%**	**3.0%**

Tables 4 and 5 show the same key economic indicators for Greater Melbourne, and Victoria.

Table 6: Creative and cultural industries key economic indicators, Greater Melbourne, 2018 ($ million)

Domain	Output	Local Expenditure	Regional Exports	Value added
Fashion	$2,271	$67	$344	$113
Literature, print, software and electronic media production	$6,020	$2,033	$1,228	$2,475
Broadcasting, electronic or digital media, and film	$5,746	$2,774	$1,157	$2,059
Design	$8,066	$3,643	$889	$3,818
Computer system design	$14,957	$6,275	$3,002	$7,736
Performing and visual arts including museums	$1,925	$669	$217	$679
Libraries and archives	$277	$68	$15	$202
Supporting activities	$293	$116	$44	$166
Total – creative and cultural industries	**$39,555**	**$15,646**	**$6,895**	**$17,248**
Total – Greater Melbourne	**$700,583**	**$274,012**	**$121,013**	**$319,757**
Creative and cultural industries as % of total - Greater Melbourne	**5.6%**	**5.7%**	**5.7%**	**5.4%**

Table 7: Creative and cultural industries key economic indicators, Victoria, 2018 ($ million)

Domain	Output	Local Expenditure	Regional Exports	Value added
Fashion	$2,623	$81	$92	$130
Literature, print, software and electronic media production	$7,046	$2,486	$1,058	$2,894
Broadcasting, electronic or digital media, and film	$6,409	$3,126	$844	$2,299
Design	$8,948	$4,102	$441	$4,236
Computer system design	$15,808	$6,704	$1,577	$8,176
Performing and visual arts including museums	$2,248	$800	$133	$798
Libraries and archives	$366	$90	$20	$267
Supporting activities	$352	$142	$24	$200
Total – creative and cultural industries	**$43,800**	**$17,531**	**$4,189**	**$18,999**
Total – Victoria	**$881,709**	**$361,111**	**$109,425**	**$401,188**
Creative and cultural industries as % of total – Victoria	**5.0%**	**4.9%**	**3.8%**	**4.7%**

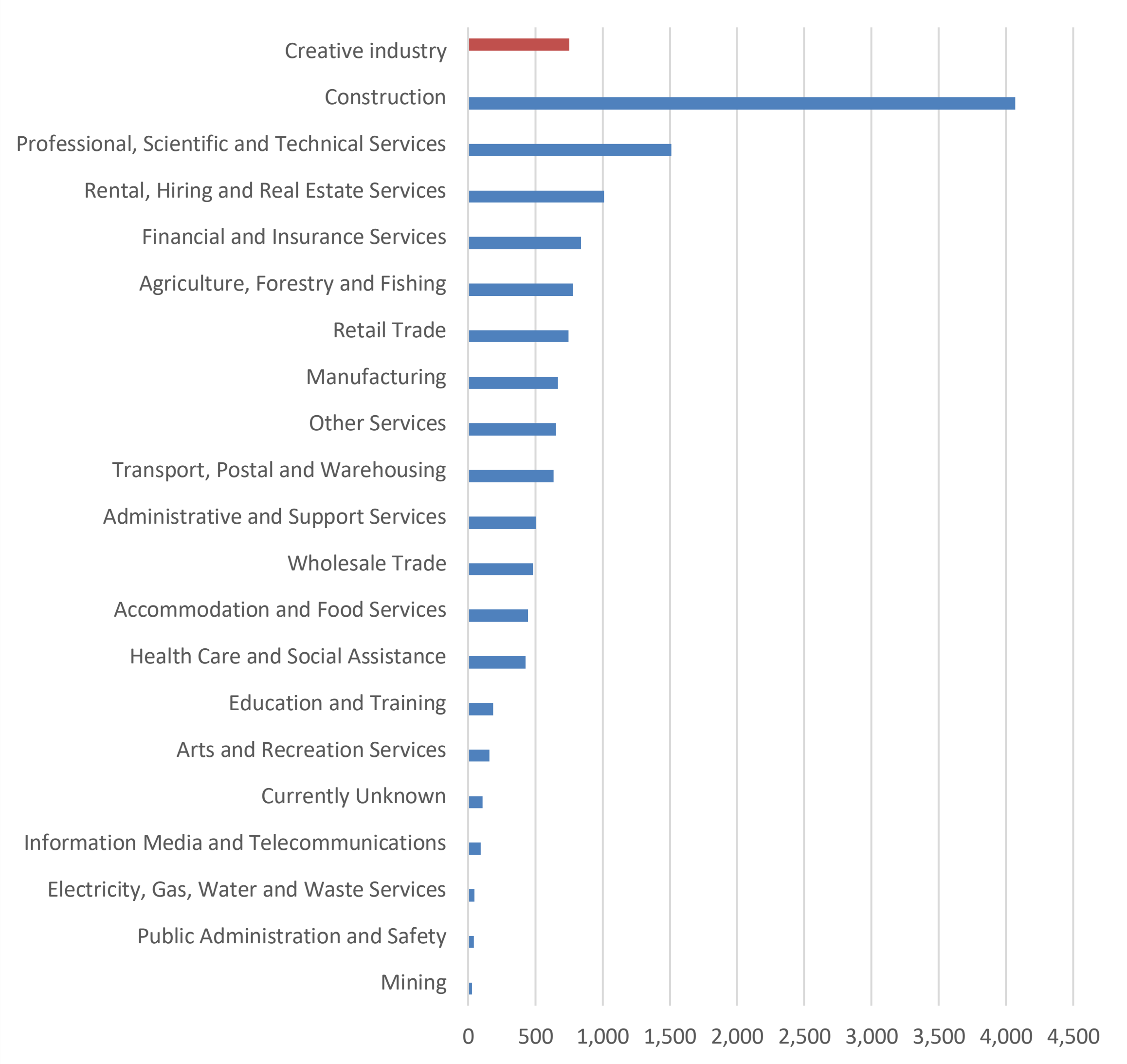
3.5 Business numbers

It is only possible to calculate a rough estimate of the number of creative industry businesses in the Yarra Ranges. This is because the data on businesses at a Local Government Area is only available for very broad industry groupings, so that we cannot pick out the specific industries that make up the Victorian definition of creative and cultural industries. (See the Technical appendix for details on estimation techniques.)

We estimate that there are about 750 creative industries businesses in the Yarra Ranges, or about 5.5% of all Yarra Ranges businesses (of which there are 13,428 in total). Figure 2 below compares the number of creative industries businesses to other industry categories. This means that creative industries comprise the sixth largest sector in terms of the number of businesses in the Yarra Ranges.

By far the majority of these – some 530 businesses – fall in the broad industry grouping of 'Professional, Scientific and Technical Services'. This covers both Design businesses and Computer Design businesses.

Figure 2: Yarra Ranges estimated business numbers by industry, 2018



Note: The Creative Industries figure includes components from other industries included in this chart.

4. Creative Industries Context

The Yarra Ranges creative sector operates within a broader context of the creative industries in Victoria, Australia and the global economy. There are larger trends which impact the local industries, as well as specific strengths and opportunities unique to the Yarra Ranges.

In this section, we set out:

- Drivers and trends in the creative industries as they pertain to the Yarra Ranges
- Key themes which arose from stakeholder consultations regarding opportunities and issues specific to the Yarra Ranges

4.1 Drivers of the creative industries

The key drivers of the Yarra Ranges creative industries include:

- The attractiveness of the Yarra Ranges as a home for creative professionals and as a place to start and conduct creative businesses
- The issues facing small businesses, particularly freelancers
- Consumer demand and business models for niche content and experiences

4.1.1 Creatives living locally, commuting and/or working remotely

Creative industries comprise 3.5% of employment in the Yarra Ranges, compared to 3.8% of Victorian employment and 6.3% of Greater Melbourne employment.[8] This reflects the tendency for creative businesses to "cluster" around major markets in capital cities. For example, the screen industry in Australia is clustered in Greater Sydney, whilst the games industry has developed scale in Melbourne. Creative service businesses (such as advertising, marketing, design) also cluster around major domestic markets such as Sydney and Melbourne which have greater demand. This supports growth and leads to economies of scale which allow these creative businesses to grow further in a virtuous cycle.

This is also reflected in the proportion of creative industry workers living in and near the major urban centres: as noted above, Greater Melbourne has a disproportionate share of creative industries employees compared to the rest of Victoria.[9] This correlates with Yarra Ranges stakeholders experiences: in consultations, they reported that Yarra Ranges-based creative industry workers tends to live in the more urbanised areas of the LGA which one stakeholder described as "80% of the population concentrated in 5% of the land mass".

[8] The most recently available REMPLAN dataset is labelled 2018, release 1. The employment data in this dataset was last updated in 2017. As such, we have labelled this as 2017 data. The technical appendix gives details on the time trend data in REMPLAN.
[9] Methodological differences used in this study as compared to NSW Dept. of Industry report.

More than half (59.7%) of Yarra Ranges creative industry workers are designers (28.0%), media (7.7%) or people working in software development (24.0%). Frequently dubbed 'digerati',[10] these groups have benefited from 'tele-commuting' and/or the 'gig' economy enabling many to work remotely or commute to Melbourne for their work, using the Yarra Ranges as a 'dormitory' suburb for work in Greater Melbourne.

Many of these creative professionals may also have their own artistic practice which they conduct locally: we know that artists earn an estimated 36.7% of their income from non-arts work.[11] There may be an opportunity to expand these Yarra Ranges community members' impact on the local economy and increase vibrancy within the Yarra Ranges, which we discuss later in this report.

However, since most artists earn less income than other Australian sectors,[12] they are disproportionately negatively affected by cost of living issues. Real estate prices and the size of markets are a major driver of the movement of creative professionals. For example:

- real estate prices in Australian major capital cities push creative businesses into peri-urban locations; and
- real estate prices in peri-urban areas rise as a result of creative regeneration and resultant gentrification, which may push creative businesses interstate or to locations with incentives for creatives to live, work and start businesses.

Property prices have risen in concentric circles emanating from Melbourne and Sydney's CBD's. This can be clearly seen in mapping data provided by CoreLogic.[13] In Melbourne, this 'donut' effect is skewed more to the east-north-east, in the direction of the Yarra Ranges.

Whilst Council may not be able to influence the broader effects of property price rises due to substantial global and national forces, it may wish to take steps to ameliorate its impact through measures described by stakeholders in this report.

4.1.2 Australian creative industry businesses are small

The Australian economy is dominated by small businesses, and the creative industries are no exception.[14] The average Australian creative business is very small,[15] with 60% of businesses having no employees, and 39% having fewer than 20 employees.

Some of the advantages which large companies used to have in economies of scale are being eroded by new technologies that level the playing field for small businesses.[16] The Internet has enabled new business models favouring small businesses, in particular the 'X as a service' model, where 'X' can

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[10] Source: Wikipedia, 'digerati'. Accessed 29th of August, 2019.
[11] Throsby, D. and Petetskaya, K. (2017) *Making Art Work: An Economic Study of Professional Artists in Australia,* Sydney: Australia Council for the Arts. Data based on median income figures for artists in 2014-15.
[12] Median total income of $42,200 (including creative income and creative and arts-related income), which is 15.7% less than the general workforce Australian employee's median income; 42.5% less than the Australian professional employee's median income: Ibid.
[13] Source: CoreLogic website at https://www.corelogic.com.au/mapping-market
[14] ABS Counts of Australian Businesses, including Entries and Exits, Jun 2012 to Jun 2016.
[15] ABS Counts of Australian Businesses, including Entries and Exits, Jun 2012 to Jun 2016.
[16] Bond Capital, Meeker, M., *2019 Internet Trends Report*

represent software (e.g. Xero accounting software), or technology infrastructure (e.g. Squarespace providing website support, Amazon Web Services and Dropbox providing Cloud services, Stripe providing payment services et al), or other expanding categories such as transport (e.g. Uber, Lyft).

These changes have helped enable a ‘gig’ economy to arise,[17] with lean, talented and niche sole traders, potentially able to freelance, frequently from their own home, across interstate and international borders. Stakeholders report some artists within the LGA are already doing this. It should be noted that there is a corollary threat from international artists who are able to do the same into Australia and the Yarra Ranges region from lower-cost areas such as India and Nigeria.

4.1.3 The value of unique experiences and products

The Internet is very effective at distributing digital content and has ‘disrupted’ traditional media industries as a result. However, it is difficult for small-scale creators of content to earn money for their digital content due to the enormous amount of content that has been created as a result of the Internet and other technological advances. Large aggregators of content such as Netflix or YouTube are able to monetise distribution but this tends not to extend to small-scale content producers, who make up the bulk of Australian creatives.

The orthodox business approach for a small business facing a market glut is to identify a niche in which one has a unique selling point (USP) and focus one’s resources upon this point to be ‘heard above the (digital) noise’. Nowadays, businesses need to become aggregators (which may be outside a creative professional’s interests, passion and economic reach) or a niche provider of content. This latter approach may suit many micro-creative businesses in the Yarra Ranges.

The hyper-competitive ecosystem formed by aggregators such as YouTube has seen digital content makers reliant upon these aggregators lead the way in business model evolution for niche providers. Most content providers eventually turn to a model that involves:

1. Producing large amounts of ‘freemium’ distinctive content to attract and build a loyal audience following.[18] Content must be distinctive, differentiated content, often achieved by creating a unique and ‘authentic’ voice or style of content that may include narratives and characters.
2. Monetisation is then based on offering digitally non-replicable products and/or services such as live shows and/or ‘live streaming’; and merchandise related to the voice/theme of the content.

The Internet gives rise to a key opportunity for Australian creatives: to deploy free digital content via the Internet to attract buyers of specialised, non-digitally replicable experiences or products in niche areas of interest. ‘Experiences’ can also generate social and communal value, such as those described by stakeholders as being a key trend, which lead to ‘a sense of belonging’, ‘meaning’, and ‘authenticity’ from being ‘grass roots’ or ‘community led’.

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[17] Kleiner Perkins, Meeker, M., *2018 Internet Trends Report*

[18] Key performance indicators (KPI’s) include ‘views’ and ‘subscribers’.

4.1.4 Subscription and 'direct-to-audience' business models

Niche content providers are also adopting subscription models in order to counteract the effects of aggregation, where profits from ad-roll advertising are frequently too small to support content creators, who need to generate subscribers in the tens of thousands to be sustainable from ad-roll revenue. As a result, some content creators who have generated large followings via aggregators such as YouTube are moving to direct-to-audience business models, using Patreon (a micro-donations platform) and crowdfunding platforms such as Kickstarter to monetise their content creation. In many cases, the content creator remains on YouTube, Instagram or Facebook to continue to help drive awareness thus leveraging the inherent strengths of the Internet – digital distribution and eventual discovery by a dedicated niche audience.

This business model has important implications for any niche business, which is almost all of the Yarra Ranges creative businesses, and potentially the Yarra Ranges creative community should it decide to operate under a unified brand.

4.1.5 Consumers in other sectors also seeking unique and niche experiences

We can also see the consumer emphasis on high-value, unique and niche experiences spread beyond the Internet to non-digital industries. For example, the United Nations World Tourism Organisation (UNWTO) forecast cultural tourism to increase 15% year-on-year identifying six categories leading this growth:[19]

- Handicrafts and visual arts
- Gastronomy and culinary
- Social practices, rituals, and festive events
- Music and performing arts
- Oral traditions and expressions
- Knowledge and practices concerning nature

These areas fall into our definition of 'non-digitisable, unique, niche and specialised' experiences. They have at their core something experiential, tangible or have authenticity and provenance.

[19] United Nations World Tourism Organisation (UNWTO), Annual Report 2012. Accessed 29th of August, 2019.

5. Key Stakeholder Themes

5.1 Key drivers, opportunities and strengths

The main opportunities identified by stakeholders followed five main themes:

- Unique arts and cultural experiences as a drawcard for cultural tourists
- Yarra Ranges to meet the demand for Aboriginal cultural experiences and education
- Collaborations and partnerships to leverage the local creative community
- Artists becoming entrepreneurs, deriving greater income from their practices
- Yarra Ranges to become an arts 'hotspot'

Stakeholders consistently responded that the strengths and key drivers of the creative and cultural sector in the Yarra Ranges LGA came from its creative 'capital', consisting of its:

- Reputation as a retreat for creative people with a supportive creative community
- Natural and built heritage, including its unique Aboriginal heritage
- A proactive creative community
- Good relationships with First Nations communities – 'good people in the right places'
- Government support for events and programs

Stakeholders also identified several external drivers of the local creative economy:

- Proximity to the large domestic population of Melbourne as well as proximity to the international airport at Tullamarine
- Tourism economic injection from day-trippers
- Ability to host 'name brand' performers, artists, events
- High quality infrastructure

5.2 Unique selling point: First Nations arts, culture and heritage

Aboriginal and other stakeholders described the unmet and growing demand for Aboriginal cultural experiences and education, with many identifying the unique significance of Coranderrk Aboriginal Station.

Indigenous stakeholders we spoke to were well aware of this opportunity but point to a current lack of resources and capacity to meet demand. This signals the need for Council to continue its much-appreciated engagement and consultation with Aboriginal communities within the LGA to date and ensuring that 'right people were in the right places.' In consultation with indigenous stakeholders, Council could consider:

- Investment in co-designed and community-owned capacity-building for First Nations Australians to become cultural entrepreneurs

- Potential for the Yarra Ranges to be early to market in offering training services in community-led First Nations Australians' cultural entrepreneurship

Other distinctive selling points stakeholders felt could be leveraged included:

- Yarra Ranges longstanding reputation as a refuge for artists and 'alternatives'[20]
- Dame Nellie Melba connection
- Heidelberg School connection
- Knox Architecture
- Distinctive fauna, flora and geography
- The community's sense of connection to place
- Arts/Environment connection (from South-Eastern Aboriginal art, Heidelberg School through to the present day)
- Black Saturday Bushfires (2009)
- Healesville Sanctuary especially if combined with Aboriginal cultural and heritage experiences
- Dance Massive
- Tesselaar Tulip Festival
- Open Studios

It was noted by stakeholders that many of the above are not unique to the Yarra Ranges and may require collaboration with other local councils and organisations to help realise their potential and increase scale to aid with marketing. Stakeholders also noted two upcoming YRC projects had the potential to be distinctive, if not unique with cultural investment such as public art:

- Yarra Valley Trail and Warburton Mountain Bike Destination Project
- RidgeWalk

5.3 Issues

Stakeholders also identified a number of issues which are currently barriers to growth for the local creative sector. These include:

- A concern that the real economic and social contribution of the creative industries is not captured in ABS or REMPLAN data, because artists frequently do not declare their art as their primary occupation, and the value of the sector may require non-economic measures such as local wellbeing, social cohesion and cultural vitality.
- The LGA's large size and disparate geography can make it difficult to coordinate unifying initiatives such as regional branding and themed events to draw a critical mass.
- There was insufficient Council investment in cultural and creative sector for tourism outcomes, possibly due to a lack of understanding of the potential of these industries to contribute economically over the long-term to the region.
- Aboriginal stakeholders pointed to a lack of capacity to harness obvious demand for Aboriginal cultural experiences and education.

[20] Note this reputation is considered by stakeholders to be threatened by the other LGA's mentioned e.g. City of Greater Bendigo, City of Ballarat and Castlemaine in the Shire of Mount Alexander.

- A need for greater cooperation between Yarra Ranges Tourism and the creative industries.

5.4 Stakeholder suggestions

The key steps stakeholders felt Council and the community needed to undertake in the next five years to achieve its vision of a prosperous and vibrant community were:

- Leverage and support the local creative community
- Infrastructure to support the local creative community
- Prioritise and invest in First Nations initiatives
- Creative branding for the region
- Leadership support for the value of the creative community
- Retain and attract creative professionals to the region

5.4.1 Leverage and support the local creative community

Supporting bottom-up activity

Many of the case studies illustrate impacts from 'bottom-up' consultation and servicing of community needs, with interviewees frequently stressing the importance of these processes:

> *Start with the grassroots and bring the people together.* ***– Nicole Chaffey, Manager, Baluk Arts***
>
> *Don't see it as the vehicle to economic growth. See it as a vehicle to make places just better places for people to live in and give people a better quality of life in the place that they live in […] I think when people are healthy and happy and enjoy being where they are and feel like they are valued and that their place is valued, then I think the economic stuff grows out of that.*
>
> *I think if you try to skip that bit in pursuit of economic growth and try to see the creative and cultural sector as an answer to economic growth in itself, I think you're on a bit of a hiding to nothing because I think what you'll end up doing is the classic gentrification stuff that actually leaves a whole swag of the population behind and you just end up with more inequality on the whole in society and in communities. There's no point in doing that because that just breeds more discontent and more problems ultimately.* ***– Jenny Rutter, Deputy Director, Super Slow Way***

In addition to consulting with communities, many interviewees spoke of empowering the community and providing them with a sense of ownership of either the process, or the infrastructure:

> *Take for example the City of Warrnambool. They got their creatives together for a World Café evening. They had 40-50 of the biggest movers and shakers in the area, and they sat them at a creative round table. They looked around the table*

> *and realized, "Hey, the people who are able to do something for the creative industries … it's us!"* ***– John-Paul Fischbach, CEO, Auspicious Arts Incubator***

> *…one of the big successes for us was getting opinion leaders in early and engaging them with the process and giving them a sense of ownership.* ***– David Lloyd, Manager, Capital Theatres and Events***

Infrastructure to support economies of scale

Infrastructure investment made in consultation with the community could have considerable beneficial impacts upon the needs identified by stakeholders. For Yarra Ranges, this could include a creative hub, either virtual or virtual and physical.

Stakeholders frequently described the need for some type of creative hub that specialises in providing subsidised services or infrastructure to the creative community. More than just a building, the hub would be aimed at addressing needs identified by stakeholders such as:

- Business skills deficits e.g. through skills workshops
- Overcoming isolation e.g. through collaborative workspaces and networking nights
- Subsidising equipment and facilities to overcome affordability issues
- Providing 'messy' spaces for artists that undertake creative work that involves activities such as welding and pottery

The Hub could also offer services to local micro-businesses such as:

- Shared administration
- Digital content production for social media promotion including AR and VR experiences
- Aggregation to support a Yarra Ranges cultural brand and unified offer
- A single point of contact to work with Yarra Ranges Tourism
- Social media-based communities of practice, providing peer support, collaboration opportunities and bridging the geographical distances across the region
- Integration with an online shop (and physical pop-up shops) to sell and purchase Yarra Ranges art experiences, event tickets, products and tourism packages

> *Tourism connections. There should be a way to capitalise on the strong creative communities we have throughout the region. The art trails are a great start, but is there an online 'update-able' variation that can include upcoming exhibitions, workshops, and creative experiences? A one-stop shop to get all your creative activities from?* ***– Toni Main, Acting Director of Burrinja Cultural Centre***

A rich media presence focused upon a distinctive Yarra Ranges brand is also an important building-block in identifying the more lucrative, higher-value visitor sought by Yarra Ranges Tourism to increase mid-week spend as well as addressing most of the other key challenges described in their 2017/20 strategy:[21]

Key challenges of the region:

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[21] Source: Yarra Ranges Tourism Marketing Strategy 2017/20, p.4. 'Key Challenges'

- Increasing yield through mid-week visits and overnight stays.
- Developing a sustainable and effective servicing model for visitors to source consistently branded information at all stages of their travel journey.
- Delivering multilingual service and product suitability to the growing Asian market.
- Cross-promoting the diversity of brands within the sub-regions.
- Developing product that addresses service supply gaps.
- Growing significant and sustainable events that attract new market segments to the region, particularly in off-peak periods.

Artists as entrepreneurs, deriving greater income from their practices

Another way to increase the economic size of the creative industries, as well as its impact upon local community vibrancy is to increase the sales output of creatives in the LGA and their business headcount. Stakeholders talked about developing creatives who frequently were not financially viable through their creative practice alone, into financially sustainable businesses.

Virtually all stakeholders pointed to the potential for collaborations and partnerships between and within the community and institutions for increasing the economic size of the creative sector as well as increasing community vibrancy.

> *It's all about the sales isn't it? I mean that's what it boils down to.* ***– Stakeholder***

This led some stakeholders to argue for arts 'incubators' and professional skills, especially marketing:

> *Oh, everyone wants an arts incubator. I mean, the number of calls I'm now taking weekly about "How do we create an arts incubator?" or they think it's a building. … The reality is in my experience, the trend you see is skills training is what's needed. The coworking space, maybe. You know, putting all the creatives into a heritage building, yeah okay, but really... marketing. Number one, absolutely, marketing. Second is a fleet of business skills, so legal, business planning. A huge need for business planning.* ***– John-Paul Fischbach, CEO, Auspicious Arts Incubator***

This was supported by research BYP Group did across the creative industries[22] which showed a major shortcoming in sales and/or marketing skills.

Naturally not all artists wish to become businesses. Nevertheless, there are likely a number of artists keen to subsidise their practice and generate greater income from their art so as to have more time to engage in their art.

> *…in 'tech' land or 'start-up' land, incubators can just be a space because people have this idea to create a business. So, they look for a place to go do that, but in the creative industries, you have talent and you have creativity. You don't necessarily have a desire to create a business. It doesn't occur to you (the creative). What occurs to you is, "I have this particular talent; how do I do that*

[22]CIIC Forensic Reports: https://www.creativeplusbusiness.com/ciic-resources/

more?" So, there's always a bridge between educating the artist or the creative entrepreneur to go from talent and hobby to business." ***– John-Paul Fischbach, CEO, Auspicious Arts Incubator***

Initiatives would ideally help creative practitioners grow into sustainable businesses, with some stakeholders pointing to successful artists having tapped an international market as examples of what is possible with the right support. As noted above, initiatives would be community-led and 'grassroots' activities which would offer experiences not easily found in the digital age; 'a sense of belonging', 'deep meaning' and 'authenticity'.

Collaborations and partnerships to leverage the local creative community

The strongest opportunity identified by stakeholders was the potential for simple partnerships and collaborations. The Ulumbarra Theatre case study details a collaboration between an educational institution, council and other government agencies to achieve greater and broader community benefits. They suggested grassroots activities, including:

- Artist collaborations
- Artists and digital professional collaborations e.g. Augmented Reality arts and heritage trails; (see the Ngarandi app for an example)[23]

Other ideas included cross-institutional collaborations such as:

- Box Hill TAFE, Aboriginal culture and heritage school tours[24]
- Healesville Sanctuary environmental, art and Aboriginal cultural experiences
- Working with other councils (e.g. Nillumbik Shire Council's art collection), regional art trails (e.g. Heidelberg School, Knox Architecture, longer periods of themed content etc), and facilities (e.g. music studios)
- Aboriginal agencies & orgs e.g. Wurundjeri Tribe Council; International (e.g. like Bendigo Art Gallery & Victoria & Albert Museum), Baluk Arts (see case study)

Some also suggested tourism collaborations:

- Food, wine and arts experiences
- Themed tourism collaborations e.g. Aboriginal history/heritage trail and art trails e.g. a "William Barak" trail following the journey from Coranderrk to Melbourne (supported by an "app" which could add features over time e.g. language, stories, sound bites, Augmented Reality)
- Website infrastructure e.g. media rich website and social media campaigns, online database/directory

Some stakeholders also suggested a Yarra Ranges 'creative board':

[23] The Ngarandi app is an AR app was developed as a partnership between Cox Inall Ridgeway and Sydney Living Museums for visitors to Bennelong Point in Sydney. Users can hold their smartphones up at various locations on Bennelong Point and "see" what pre-colonisation Bennelong Point might have looked like; read and hear stories of First Nations people and the early colony. See http://www.adnews.com.au/news/australia-first-ar-app-ngarandi-brings-aboriginal-stories-to-life.
[24] See the Ulumbarra Theatre case study in Section 3.

…there are more people who are retiring out to this area who have got amazing skills and experience in all sorts of things - policy, management, marketing, strategy, all sorts of things, and they need to be welcomed and encouraged to participate in a greater way in management decisions. ***– Jan Cochrane-Harry***

Integrating tourism more closely with the creative community

Stakeholders frequently mentioned that a key issue was a current lack of integration and coordination between the creative community and the main tourism body, Yarra Ranges Tourism. Many pointed to the City of Greater Bendigo having a unified strategy, in which tourism and creative and cultural industries departments were integrated.

Stakeholders felt that there were great opportunities in cultural experiences that could only be realised through better integration and co-ordination between the creative community and Yarra Ranges Tourism. See for example, the case study of the Super Slow Way which outlines how cooperation between the community and key institutions can lead to an enormous sense of pride and wellbeing.

Engaging the 'digerati'

As noted earlier in this report, more than half (59.7%) of Yarra Ranges creative industry workers are designers (28.0%), media (7.7%) or people working in software development (24.0%). Frequently dubbed 'digerati',[25] many are likely to be commuting or 'tele-commuting' to other areas of Greater Melbourne, suggesting this segment of the population is at risk of having less community engagement.

We recommend that Council consider developing a program to help the local digerati add value to the local community and become more embedded locally. A program could be similar to the 'Geeks-in-Residence' program run by the Australia Council for the Arts.[26] The community may identify projects requiring expertise from digerati practitioners, who may be compensated for their time by Council and/or through any return directly arising from their work.

Other programs to engage the commuting creatives could include encouraging local designers to produce work that celebrates unique features of the Yarra Ranges. These unique features would preferably be identified through a thorough and consultative branding exercise.

5.4.2 Prioritise and invest in First Nations initiatives

…we're trying … to develop a social enterprise that will provide more of an opportunity for our community to do (Aboriginal cultural heritage experiences and education). … but it's just having the proper space and the facilities to be able to provide that kind of experience and that interaction.… ***– Anne Jenkins, CEO, Healesville Indigenous Community Services Association (HICSA)***

[25] Source: Wikipedia, 'digerati'. Accessed 29th of August, 2019.
[26] Source: https://www.australiacouncil.gov.au/news/media-centre/media-releases/new-geeks-in-residence-for-arts-organisations/

First Nations and non-First Nations stakeholders identified significant demand for education about Aboriginal history, culture and bush tucker, as well as cultural experiences related to these topics.

So, from an Aboriginal point of view that certainly would be a trend that I have noticed. More and more people are engaging and accepting of Aboriginal culture. … where I am here in Bayswater, all the teachers and all the principals want to include more Aboriginal content and want to educate and want to be more connected, but they don't have the funds to do it. ***– Andrew Peters, Swinburne University.***

However, First Nations stakeholders identified the key constraint as limited capacity of both soft (skills) and hard infrastructure:

I get hundreds of phone calls from schools or groups wanting to come here and bring groups here or wanting us to go and do talks around Aboriginal culture and education. (F)or us we're very limited as to what we can do here. It's not our core … business. So, we have to … work out … is it at all possible first and foremost and if it is, what capacity do we have to do that because … to bring like 75 kids out here is pretty impossible to try and manage that […] we're always saying sorry we can't (accommodate demand for Aboriginal education and cultural experiences).

We just recently catered for some bush tucker; catering for a Vic Pol (Victoria Police) event which was here in NAIDOC week which we had 180 people attend […] we're trying to build up the skills of community to be able to take on these things. ***– Anne Jenkins, CEO, Healesville Indigenous Community Services Association (HICSA)***

Ms. Jenkins believes the present support Council is providing for their Belonging Place will go some way to address this issue:

"Council are supporting us to build the Belonging Place, so that will go a long way in helping us to do the things that we're trying to do, to build up our facilities and to give us more space to run the programs and services that we need to do for community."

In addition to the space and facilities for accommodating the unmet demand for large group educational and experiential events, there is demand for training facilities for skilling First Nations workers to run these events as well as training First Nations arts professionals in general:

(W)e're trying to build up the skills of community to be able to take on these things." ***– Anne Jenkins, CEO, Healesville Indigenous Community Services Association (HICSA)***

(The main constraint is) the numbers of staff for the level of work done and the staff in place to capacity-build, … your young art professionals, art educators, art technicians, arts administrators and all the other people required to run the workshops (and support Aboriginal artists at the highest level). ***– Nicole Chaffey, Manager, Baluk Arts***

Ms. Chaffey and Ms. Jenkins both identify opportunities for collaboration and partnerships between First Nations and non-First Nations organisations, through sensitive consultation and engagement with their communities:

> *(T)he thing that we want to do more and more of is actually work collaboratively with all Aboriginal organisations, no matter what expertise they have or what their main purpose is…"* ***– Nicole Chaffey, Manager, Baluk Arts***

> *(I)f we go to the Healesville Sanctuary and participate out there … there's much more open space and capacity to be able to do that and engage with larger groups* ***– Anne Jenkins, CEO, Healesville Indigenous Community Services Association (HICSA)***

Council is already consulting with the Aboriginal communities in the region about the First Nations experiences as a key opportunity for the Yarra Ranges, because of the highly localised and unique nature of every First Nation's cultural knowledge. This is supported by previous BYP Group and Australia Council for the Arts research into the demand for First Nations arts engagement.[27]

We recommend Council continue working with First Nations stakeholders including the descendants of the Coranderrk Station founders, Wurundjeri Tribe Council and educational stakeholders, such as Box Hill TAFE, to identify skills development pathways including, for example, infrastructure and professional development. Many stakeholders also suggested the recent handover of Galeena Beek to the Wurundjeri people presents a new opportunity, but one to be progressed mindfully.[28]

5.4.3 Creative branding for the region

One of the most popular suggestions by stakeholders was to create a brand that attracts creative industry professionals, creative businesses and cultural tourists. Stakeholders felt that the City of Bendigo, City of Ballarat and Castlemaine in the Shire of Mount Alexander had achieved a significant lead, but that there were still opportunities for the Yarra Ranges to build its local niche brand.

> *"[There is] a tradition of people wanting to sometimes escape, to really just be that hidden artist, sort of get that studio that's out in the trees and the ferns and not be pestered by the everyday and be a practicing artist. You know, that part of it still exists in terms of attracting people to the region."* ***– Dr Ross Farnell, former Director of Burrinja Cultural Centre***

We recommend Yarra Ranges identify areas that it may do uniquely well or at least has a strong differentiator. Such a branding exercise should take into account strengths identified by stakeholders such as 'a distinct sense of place' shared by First Nations and non-First Nations community members and should remain a consultative process throughout which the community is engaged.

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[27] Source: https://www.australiacouncil.gov.au/research/showcasing-creativity-programming-and-presenting-first-nations-performing-arts/

[28] Source: Port Phillip & Westernport CMA at https://www.ppwcma.vic.gov.au/galeena-beek-returned-to-wurundjeri-people/. Accessed 5th of September, 2019.

For an example of a similar LGA that has made progress in this regard, we refer you to the case study in this report on the 'MTNS MADE' branding and retail initiatives in the Blue Mountains of NSW.

One means of developing a brand would be to crowdsource it through social media (e.g. asking people to contribute their favourite photographs or stories about the region). Although cheaper, such a process would still require management from a social media community manager and should still be conducted in collaboration with Yarra Ranges Tourism, Council and other key stakeholders.

Invest in Yarra Ranges as a cultural hotspot

Many stakeholders felt that Yarra Ranges could exercise 'boldness' to carve out a reputation as a cultural 'hotspot', rivalling Bendigo, Ballarat and Castlemaine. These other regions were most commonly pointed to by stakeholders as LGAs to emulate, or learn from, with the City of Greater Bendigo's frequently cited as having demonstrated the effect of investing in signature arts exhibitions and having adopted a creative industries policy that successfully integrated tourism with its cultural sector.

Invest in 'signature' infrastructure

Some stakeholders called for significant investment in cultural infrastructure to match that of other LGAs, in particular the City of Greater Bendigo, City of Greater Shepparton, Narre Warren in the City of Casey, Nillumbik Shire Council and the City of Ballarat.

Signature infrastructure can have significant economic impact. For example:

> *"We have great interest from the commercial sector as well […] for example, we had Mercedes Benz come on as a sponsor for the writer's festival, so that was a cash contribution (of $20,000) as well as six vehicles that supported the event over that period […] We have La Trobe University as a sponsor. We have Bendigo Bank as a major sponsor, plus we get significant philanthropic support and donations from the community, including significant bequests […] in our first year in terms of sponsorships and bequests and donations, we raised $1.2 million."* ***– David Lloyd, Manager, Capital Theatres and Events (City of Greater Bendigo)***

However, Trevor Budge, Manager of Regional Sustainable Development of the City of Greater Bendigo in which the Ulumbarra Theatre resides, argues that signature *events* are more important than signature infrastructure.

> *"(Bendigo Art Gallery's success) opened the eyes to other regional cities of what can be done if you have … you don't need an iconic building, but you do need an iconic product."* ***– Trevor Budge, Manager, Regional Sustainable Development, City of Greater Bendigo***

Whilst investment in signature cultural infrastructure has been shown to increase brand awareness, as well as bluntly increasing economic measures (potentially through debt), we caution against this type of investment without significant community consultation and research into its future viability. The picture painted by stakeholders suggests a more competitive landscape. With increasing competition there is generally a corresponding diminishing return, unless focusing upon a defensible niche, as outlined above. Trevor Budge notes:

> *"(N)ow Bendigo Art Gallery and other regional galleries are going to find it extremely difficult to pull those (international exhibition) contacts."* ***– Trevor Budge, Manager, Regional Sustainable Development, City of Greater Bendigo***

Our research indicates one of the issues for the proposed Bendigo Creative Industries Hub was a top-down approach with insufficient consultation as to the specific need the infrastructure was meant to address (See Bendigo Creative Industries Hub Case Study).

Also, despite the success of the Bendigo Art Gallery, many in the creative community appear to have missed out on the boon that so many others have received. Trevor Budge describes it thus:

> *…there was an underlying feeling: "How can we broaden the [Bendigo] Art Gallery?" The Art Gallery had been so successful it almost became … a personification of everything about art and culture in the city [of Bendigo] to some people, and if you mentioned art and culture, all people thought about was the Art Gallery. And it was held up, quite rightly, as a major achievement, but it was almost distorting the view of arts and culture. So anyone who was in the arts and culture space who wasn't connected to the Art Gallery almost felt like a second-rate citizen."* ***– Trevor Budge, Manager, Regional Sustainable Development, City of Greater Bendigo***

Invest in 'signature' events

Another popular suggestion from stakeholders was for Council to support 'signature' or 'blockbuster' events. Many pointed to investment by the City of Greater Bendigo in international exhibitions as being key to winning the region its reputation as an arts hotspot. Additionally, TarraWarra Museum of Art's successful bids for the Archibald Prize has seen a positive impact on the local economy according to stakeholders.

The example of Greater Bendigo suggests that a successful exhibition can bring high expenditure for local businesses aligning with the exhibition's theme, and further flow on effects for the broader economy:

> *…we do the estimates of how much money a very successful exhibition brings to a city, you know the amounts that were calculated to be 10-15-20 million dollars, of economic activity, that's really because of the exposure brought to the city. To give you an example, especially the exhibitions the (Bendigo) art gallery put on, like anything to do with clothing, especially women's clothing, the story is that many of the businesses in the city who did anything to do with that, had 40% increase in takings, during that time the exhibition was on […] the guy that I know runs a Turkish takeaway place, I was talking to him one day, and I said, "Those art exhibitions wouldn't be much value to you." He said, "My business goes through the roof when we have an art exhibition!" So it was attracting people of all sorts … who came to Bendigo, and a tourist traditionally had the cobwebs out of their wallet and are inclined to spend a bit more. It did change a lot of people's*

*perceptions for us as a tourist attraction." **– Trevor Budge, Manager – Regional Sustainable Development, City of Greater Bendigo***

We recommend that Yarra Ranges identify its own strengths rather than competing directly with the Bendigo Art Gallery, which appears to have carved out a niche in fashion, attracting a particular wealthy female demographic.

> *[Success is] really around Council knowing what its strengths are and having a focus on what it wants to develop and support, which could be a completely different thing for the Yarra Ranges [compared to other LGAs]. **– Sue Doyle, Regional Manager, Creative Victoria***

Significant opportunities exist for Yarra Ranges to carve out its own brand in other areas. We recommend looking to areas stakeholders identified as entirely unique to the Yarra Ranges or to events that have already shown promise (see earlier section on 'unique selling points'). Additionally, there may be other definable differentiators that could be developed through collaboration with other institutions.

5.4.4 Leadership support for the value of the creative community

Stakeholders were generally very positive about Council's engagement and support of the creative community, but many called for Council and Councillors to more frequently publicly demonstrate their appreciation for the arts and the contribution of the creative community.

> *Council could do better communicating about the value of creative industries, and how it contributes to some of the community's wellbeing. Not just economic impact (which is more significant than some realise) but also its social impact. **– Dr Ross Farnell, former Director, Burrinja Cultural Centre***

A number of ways this could be done were suggested by stakeholders, including investment in public art, communicating the value of the arts community more frequently in public writings and speeches by Council's political and administrative leadership. It was felt that such moves could assist with branding the region as a cultural hotspot.

5.4.5 Retain and attract creative professionals to the region

One of the key threats identified by stakeholders was the potential to lose its creative population to other LGAs.

The cost of living and working in the region was frequently cited as a barrier to attracting and retaining the LGA's creative population, with more severe consequences for the First Nations population:

> *…affordability … that's something that has impacted our community. **– Anne Jenkins, CEO, Healesville Indigenous Community Services Association (HICSA)***

The affordability and attractiveness of the area relative to inner-Melbourne (the ‘tree-change’ effect) threatens to decrease as gentrification occurs. Some stakeholders pointed to the pressures of gentrification forcing out the creative population and an eventual loss of distinctiveness that attracts visitors.

A potential negative consequence of the type of brand recognition won by signature cultural events can be the increase in real estate prices. The following anecdote by Trevor Budge of the City of Greater Bendigo provides a stark reminder of this:

> *I always remember talking to a real estate agent as one of the very first exhibitions were going on and said, “Oh how are you going in the last month?” He said, “I’ve sold 30 properties.” I said, “Oh that’s good.” He said, ‘Yeah, every one of them was to a person who’d been to the art gallery, because they walked past my store and saw how cheap properties were in Bendigo and they bought an investment property off the back of that.”* ***– Trevor Budge, Manager, Regional Sustainable Development, City of Greater Bendigo***

Measures suggested by stakeholders that may counteract affordability issues mentioned by stakeholders included:

- Council offering subsidised studio space;
- reducing ‘user-pay’ fee systems for creative communities e.g. Yarra Ranges Tourism advertising fee; and
- zoning laws that permit work/live studio arrangements as well as accommodate the ‘messy arts’ that may include activities such as welding and pottery.

Subsidised studio space

BYP Group has evaluated studio space subsidisation in other contexts, and we note that without strong governance, such arrangements tend to benefit ‘the usual suspects’.

With strong governance, Council may wish to consider artist residencies. Residencies can be targeted to areas of unique strengths in the region or help address issues of high need. In either case, inclusion of international artists who are deeply socially engaged can bring genuine social impact to the Yarra Ranges’ wider population beyond the arts community and can also act as a ‘drawcard’ for themed events. This in turn helps build the brand of the Yarra Ranges. See the ‘Super Slow Way’ case study for more examples.

Remove/reduce user-pay fee systems for creative communities

Stakeholders expressed dissatisfaction with Yarra Ranges Tourism charging creative micro-businesses fees for advertising services.

Yarra Ranges Tourism appears to use mass marketing techniques that benefit from economies of scale and reach a mass audience but are very costly to run and recoup. This makes sense for themed events lasting over the course of weeks. For the creation of dedicated followers/audience/visitors who are more likely to seek deeper ‘experiences’ and engagements with cultural products and services, we recommend supplementing this approach with a rich media presence focused upon a distinctive brand. Such social media techniques take years, not weeks, and the use of social media 'influencers' is a potential cost input.

We do not recommend removing the Yarra Ranges Tourism's user-pays fee system as it provides a useful price signal for Yarra Ranges Tourism's marketing costs. However, we do recommend that Council invest in a deeper, and longer-term social media marketing capability, preferably supplemented through a media-rich destination site. These services could be supported through the 'virtual' or 'physical' creative hub outlined above. Such a site could also have a simple directory database for creatives that is free to use for those from the Yarra Ranges LGA, similar to that employed by Blue Mountains Economic Enterprise's (BMEE) Creative Industries Cluster section described in the case study.

Zoning law flexibility

Many stakeholders suggested Council could make the Yarra Ranges more attractive to new and existing creatives by providing greater flexibility around zoning requirements that frequently restrict creatives. Examples include zoning laws that restrict the 'messy' arts e.g. artforms like sculpture and pottery that may require welding, power tools and messy run-off. In a similar vein, many stakeholders suggested zoning flexibility that allowed easier live/work arrangements.

This could have positive impacts for attracting and retaining creatives, although noise and pollution issues may need to be quarantined to specified areas where occupants are happy to tolerate higher noise and mess, and where pollution can be contained and/or controlled. Environmental conservation and sensitive development are high concerns amongst stakeholders' keen to retain the areas amenity and distinctiveness.

6. Next Steps

We have reviewed the suggestions offered by stakeholders, along with the data, the wider context of the creative industries, learnings from the case studies, and the specific features of the Yarra Ranges creative industries and considered these findings in light of Council's goals.

The following steps may assist Council deliver on "Goal 2: Increase the economic size of the creative industries and expand its impact on both the local economy and vibrancy of our communities." In summary, we suggest that Council work with the local creative and cultural sector to:

- stimulate the local arts community, support grassroots activity and niche strengths, in particular First Nations unique cultural experiences;
- differentiate and develop a cultural and creative brand for the Yarra Ranges to attract and retain creative professionals, creative businesses and 'cultural experience' spend;
- develop signature and blockbuster events, with a focus on First Nations initiatives because of their unique economic and cultural value; and
- invest in being heard above the noise of the creative and cultural marketplace in order to attract high-spend cultural tourists and creative professionals.

We note these suggestions align with many of Council's Creative Communities Strategy commitments. This can be seen as an endorsement of Council's strategy to date and adds specificity in actioning these commitments in light of recent stakeholder consultations. Please see the below table for how these next steps align with existing commitments.

Table 8: Yarra Ranges Creative Communities Strategy and Next Steps Alignment

Yarra Ranges Creative Communities Strategy	Yarra Ranges Council Creative Sector Study: Next Steps			
	Stimulate the local arts and cultural community	Develop the Yarra Ranges brand	Niche, signature and blockbuster events	Market the Yarra Ranges to creatives and visitors
1. Facilitate programming that puts audience experience and their participation at the centre	✓		✓	✓
2. Reflect a deep understanding of local people, history and culture	✓	✓		
3. Engage more broadly with diverse local Indigenous communities and develop broad knowledge of Indigenous history, continuity and culture in Yarra Ranges	✓	✓		
4. Actively engage and develop community leaders to help shape our diverse cultures, infusing creativity, heritage and culture in our key institutions.	✓	✓	✓	
5. Back Yarra Ranges creative talent with specific opportunities and recognise local achievement	✓	✓		✓
6. Raise the profile, reach and impact of Yarra Ranges Indigenous artists and creative professionals	✓	✓	✓	✓
7. Develop the sector by enhancing education pathways, professional development and employment opportunities	✓			
8. Create an environment that fosters thriving creative industries	✓	✓	✓	✓
9. Develop and maintain strategic partnerships with peak organisations that enhance and extend the experience of arts and heritage in Yarra Ranges	✓			
10. Ensure public visibility of contemporary and historical Indigenous culture		✓	✓	✓
11. Make visible the cultural, historical and artistic diversity of the region within townships		✓	✓	✓

6.1 Stimulate the local arts and cultural community

We do not recommend significant investment in infrastructure at this point. This may be a strategy in years to come, but over the next five years we recommend that Yarra Ranges invest in its grassroots scene by:

- investing in First Nations skills and infrastructure to meet areas of high demand;
- leverage existing and proposed differentiators through investment in public art, including digital Augmented Reality (AR) works;
- stimulating more year-round activity;

- aggregating the local creative community into a Yarra Ranges brand with pop-up and online sales opportunities;
- peppering the calendar with annual events which attract niche and loyal followings;
- integrating or better coordinating cultural and creative industries Council activity with Yarra Ranges Tourism to help identify and create scale for themes that justify and benefit from mass marketing;
- supporting a physical and/or virtual Creative Hub to support local arts community achieve scale;
- explore ways of removing red tape to allow for more creative activity;
- support the affordability of space and ameliorate rising costs of gentrification, particularly for Yarra Ranges artists who contribute significant cultural 'capital' to the region e.g. First Nations artists and cultural facilitators, artists whose practice contributes significantly to the Yarra Ranges 'brand'; and
- Council procurement policies supporting local creative businesses and freelancers.

Examples of government interventions which support affordability and remove barriers to increased activity include the following.

- **The City of Seattle Cultural Space Liaison Officer** offers technical help to arts workers with finding space, negotiating for space, getting DAs, renovating and maintaining space. Seattle is also considering the creation of an independent real estate entity to hold cultural space in partnership with the creative community.
- **Community Land Trusts** are non-profit organisations that acquire and take care of land in a 'trust' for the permanent benefit of low-income communities. This avoids the gentrification 'trap' which can force creatives out of a community once low-rent policies cease.[29]
- **Interim use land policies** such as PROXY in the US, which is a 'temporary open space experiment' activating two vacant blocks of land in the middle of San Francisco's struggling Hayes Valley neighbourhood. The project has empowered artists, makers and revitalised the local area.[30]
- **The City of Perth Amboy** developed a plan to enhance quality of life and empower economic development through arts and culture. Strategies include land use policies, legalising street murals, reducing the DA red tape and cost of permits to perform or sell artforms on the street, supporting artists to use empty storefronts, developing a city 'brand', preserving heritage, including an arts and cultural 'anchor' in the heart of the downtown, supporting arts education in schools, and explore formally creating a 'cultural district' downtown.[31]

[29] Sources: https://thenextsystem.org/learn/stories/community-land-trust; https://www.lincolninst.edu/publications/articles/community-land-trusts; for examples of trusts, see https://community-wealth.org/strategies/panel/clts/models.html
[30] http://www.envelopead.com/proj_octaviakl.html
[31] Perth Amboy is a city of approximately 53,000 people in New Jersey, part of the New York metropolitan area. http://ci.perthamboy.nj.us/agendas/nc/arts_plan_2016.pdf

6.2 Develop the Yarra Ranges 'brand'

One of the key drivers for success for the Yarra Ranges creative community in an economic sense is to identify a meaningful differentiator from the abundance of other LGAs seeking to attract:

- More creative professionals to live and work in the Yarra Ranges
- Tourists to spend more on creative and cultural tourism options in the Yarra Ranges
- More creative businesses to set up in the Yarra Ranges

Developing a brand for the Yarra Ranges is beyond the scope of this report. However, we note that stakeholders, both internal and external to the LGA, identified Yarra Ranges as having a long-standing reputation as a retreat for creative people.

We recommend that as part of this process, Yarra Ranges identify areas that it may do uniquely well or at least has a strong differentiator. Such a branding exercise should take into account strengths identified by stakeholders such as 'a distinct sense of place' shared by First Nations and non-First Nations community members and should be conducted as a consultative process throughout which the community is engaged. For an example of a similar LGA that has made progress in this regard, see the case study in this report on the 'MTNS MADE' branding and retail initiatives in the Blue Mountains of NSW.

Yarra Ranges could consider 'crowdsourcing' a local brand through social media (e.g. asking people to contribute their favourite photographs or stories about the region). Such a process would require a social media community manager and would need to be conducted in collaboration with Yarra Ranges Tourism, Council and other key stakeholders.

We also recommend that the Yarra Ranges support a year-round perception that 'there's always something on in Yarra Ranges'. For example, in Bendigo, Trevor Budge explained, "Our mantra (in the City of Greater Bendigo) was 'Something on every weekend'". Ideas include year-round creative activity e.g. creative and cultural pop-up shops, performances and exhibitions placed along regular tourist routes.

6.3 'Signature' or 'blockbuster' events based around defensible niches

We recommend the development of 'signature' events that are informed by and reinforce the Yarra Ranges brand. Targeted festivals and events with a distinctive theme can attract precisely the higher-spending audience that both Yarra Ranges Tourism and the creative community are seeking.

Both Sue Doyle (Bendigo Creative Industries Hub case study) and Trevor Budge note that Bendigo Art Gallery has already carved out its reputation amongst a wealthy female demographic. Clearly Bendigo's cultural brand has been shaped by the introduction of such 'blockbuster' events. However, the Yarra Ranges should avoid competing directly with this brand and any other regional cultural brands identified by stakeholders.

Instead, stakeholders observed that 'niche' events which have driven either economic activity within the Yarra Ranges LGA, or community vibrancy include:

- Coranderrk Festival
- Dance Massive

Ideas for more 'niche' events include:

- Annual event/s which amplify unique Yarra Ranges identifiers e.g. Dame Nellie Melba concerts in conjunction with the strong local community music scene and the local food and wine industry e.g. Coombe Yarra Valley.[32]
- Consider supporting an annual art prize or event in one particular niche which will attract loyal attendees year to year e.g. Wangaratta Contemporary Textile Award or the Darwin Aboriginal Art Fair which attracts an audience of tens of thousands, but also centres around servicing Australia's indigenous owned and incorporated Arts Centres, such as Baluk Arts (see the case study).
- Annual event/s in areas of practice with niche followings. This has to be an area of truly unique local strength. For example, Parkes in regional New South Wales has its Elvis Festival; Wagga Wagga is building its reputation for glass art; and Clunes is doubling down as Booktown.

Yarra Ranges should also consider continuing to support 'blockbuster' events. There was strong consensus amongst stakeholders that one of the rare, clear, occasions where cultural expenditure does occur, is when a 'blockbuster' event occurs, such as the temporary Archibald exhibition held at the TarraWarra Museum of Art or music concerts with 'name' performers. As noted above, Trevor Budge says City of Greater Bendigo research indicated the economic impact of their 'blockbuster' exhibitions can be between \$10-20 million. Note, however, his earlier comments that suggest there can be a skewed expenditure pattern that may leave the smaller creative practitioners feeling like 'second-rate citizens'. The above suggests blockbuster events should be monitored for economic impacts that serve Council's goals, such as regional exports versus regional imports, lest the economic impact be subsidized too heavily by local expenditure leaving the region or not reaching key target groups.

6.4 Marketing the Yarra Ranges

Once Yarra Ranges has identified USP's and developed its cultural brand, Yarra Ranges will need to tailor its marketing and campaign strategy to be 'heard above the noise'. The two main ways of being 'heard above the noise' are:

- Targeted digital marketing e.g. tapping into analytics about segments and marketing directly to potential niche markets via trust networks on social media
- Mass marketing of 'blockbuster' and/or 'signature' events, preferably around defensible selling points

Social media marketing requires the ongoing, year-round production and publication of rich media content, which Council may obtain from the proposed 'Creative Hub.'

[32] We acknowledge considerable collaboration has already been done in this area, but use this as an example.

6.4.1 Attract and retain creative professionals

In addition to developing a cultural brand for the Yarra Ranges, we suggest initiatives put forward by stakeholders to make Yarra Ranges an attractive place for creative professionals to live and work. These could include:

- low or subsidised rent options;
- subsidised co-working spaces with a community manager to facilitate a sense of cohesion and encourage collaboration;
- subsidised and creative approaches to childcare (e.g. co-design between childcare, co-working spaces and aged care providers);
- ultra-fast Internet zones; and
- minimise red tape regulations for creative activity e.g. pop-up shops, performances in non-traditional spaces, simplify the DA process for creative activities, employ a Council officer to support creatives to manage the DA process (e.g. Seattle's Cultural Space Liaison Officer[33])

6.4.2 Attract high-value cultural tourists

As noted above, we recommend that the Yarra Ranges develop a cultural brand which is supported by rich media social marketing and an event calendar that targets high-spend cultural tourists via niche and blockbuster events.

The Yarra Ranges has traditionally benefited from having many tourism assets all within a pleasant 'day-trip' for the large population of Melbourne. However, feedback from numerous stakeholders suggests this tourism does not usually translate to cultural expenditure, with one stakeholder lamenting, "They're more likely to spend money at the local bakery than buy art."

Bendigo Art Gallery focused upon fashion, attracting a well-to-do female demographic. Trevor Budge reports:

> *To give you an example, especially the exhibitions the (Bendigo) art gallery put on, like anything to do with clothing, especially women's clothing, the story is that many of the businesses in the city who did anything to do with that, had 40% increase in takings, during that time the exhibition was on.*

Yarra Ranges can also attract high-value tourists using targeted, rich media digital marketing, and where scale justifies it, traditional mass-marketing techniques such as broadcast radio and television advertising. As described above, this type of investment is best spent on identified niches and requires a more customised approach.

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[33] Source: http://www.seattle.gov/arts/programs/cultural-space/cultural-space-resources-and-reports

7. Conclusion

The Yarra Ranges already has a strong and vibrant creative and cultural sector. It also has a number of distinctive creative and cultural selling points with which to grow its creative industries by attracting and retaining creative professionals, businesses and visitors to the region.

In particular, Yarra Ranges has a unique First Nations heritage and unmet demand for First Nations cultural experiences; a vibrant creative sector willing to contribute to the growth of the local creative and cultural community; high quality existing arts and cultural infrastructure; and a local Council which is committed to supporting the local creative industries.

We recommend investment by Yarra Ranges Council over the next five years in developing the First Nations cultural heritage niche, supporting the local creative community with access to economies of scale, growing the annual calendar of events with a focus on niche/signature events as well as blockbuster events; and developing a Yarra Ranges cultural brand.

Combined with its proximity to Greater Melbourne and its beautiful natural environment, the LGA has all the ingredients for a flourishing creative and cultural sector which further contributes to the local economy and the community’s wellbeing.

Case Study 1: Grassroots to Galleries – Baluk Arts

Start with the grassroots and bring the people together. – Nicole Chaffey, Manager, Baluk Arts

Baluk Arts is an urban Aboriginal community arts centre situated in Mornington, Victoria. One hundred percent Aboriginal owned and run, it has supported emerging Aboriginal artists from skills development through to international exhibitions.

We spoke to Nicole Chaffey, Manager of Baluk Arts about the Aboriginal Creative Enterprise - Baluk Arts.

The need

Due to the effects of colonisation such as the Stolen Generation, many Aboriginal communities were disrupted and displaced, resulting in a loss of community and sense of identity. Also, despite the success of Aboriginal artists internationally, stereotypes remain of Aboriginal artistic expression as only '2D, dot paintings' which are art forms developed in Central and Northern Australia, and different from the traditional and contemporary practices of Aboriginal artists in South-Eastern Australia.

South-east Aboriginal art is quite unique and not generally the first thing that comes to mind when someone might think about Aboriginal art. You know, our thoughts tend to go directly to those northern communities and dot painting and traditional arts. So, the south-eastern Aboriginal communities are reviving old practices, such things as using possum skin, kelp which was an important resource and had many, many uses for both Tasmanian and south east Victorian and South Australian people. Then contemporising those into art pieces and formulating new ways of using those to express Aboriginality. ***– Nicole Chaffey, Manager, Baluk Arts***

What they did

Baluk Arts was formed by a small cohort of Aboriginal TAFE (VET) art students, including founding manager, Tracey-Lea Smith. It started as, and remains, a 100% owned and operated Aboriginal enterprise. With only 1.4 Full-time Equivalent (FTE) staff including Ms. Chaffey, today Baluk Arts represents 200 Aboriginal members, of whom around 60 are practicing artists.

The centre's operations include providing workshops by skilled educators and materials for free to the Aboriginal community. It also provides workshops to the public.

How they did it

Baluk Arts was formed by Aboriginal artists just over ten years ago to help rebuild community amongst diverse Aboriginal peoples and provide an outlet for their contemporary artistic expressions of Aboriginality. Ms. Chaffey says the organisation received considerable support from Chisholm TAFE.

They extensively collaborate and partnered with other Aboriginal groups, including (but not limited to) HICSA. For groups such as HICSA which do not have the personnel, facilities or infrastructure, Baluk Arts' contributes its premises for activities such as workshops for members and outreach programs for the public.

Baluk Arts also joined the Office of the Registrar of First Nations Corporations' (ORIC) which provides a governance structure, including a strict, ethical way of running First Nations corporations, including a First Nations art code. ORIC also provides them with a structure for how funding applies.

Impacts

Commencing with $20,000-30,000 per annum in turnover and funding, Baluk Arts has grown to $175,000 in funding for operations and organisation ($100,000 from the federal government and $75,000 from Creative Victoria), and over $100,000 p.a. in income earned through sale of art and running workshops. Philanthropy, generally in the form of individual donations adds around $10,000 per annum.

Above and beyond the revenue though, Nicole lists the following as Baluk's key impacts:

- Linking disparate people and providing them with a safe place to reconnect with community

> *Aboriginal people live in a really diasporic environment now, where they're not necessarily living on their country and they're not necessarily connected to their own family groups and language groups…*

- Close links with Mornington Peninsula Naval base Aboriginal personnel: She notes her organisation also provides a place for community for the many First Nations people who hail from all over Australia, stationed at the naval base on the Mornington Peninsula.
- Numerous artists who are members of Baluk Arts have had international exhibitions and nationally including galleries such as the ReDot Fine Art Gallery in Singapore, the NGV and the National Gallery of Australia.

> *Our artists are curated into exhibitions all over Australia and internationally. We have probably 15 who I would consider our top tier artists who are established and exhibiting regularly and have a reputation and a profile.*

Advice to others

For others hoping to start an Aboriginal enterprise, Nicole has advice that is easily said, but not so easily done: "Start with the grassroots and bring the people together. Then help them do anything and everything up to and including navigating the international art market."

When asked what her biggest issues are at Baluk Arts, Ms. Chaffey immediately nominates 'HR' (human resources) as her number one concern:

> *How do we stay 100% Aboriginal owned and run? … It's the numbers of staff for the level of work done and the staff in place to capacity-build, … your young art professionals, art educators, art technicians, arts administrators and all the other people required to run the workshops (and support Aboriginal artists at the highest level).*

Case Study 2: More than a brand – it's a movement: Blue Mountains Economic Enterprise

Blue Mountains Economic Enterprise (BMEE) is the peak regional economic development agency in the Blue Mountains, Australia. BMEE aims to stimulate economic development in the Blue Mountains through advocacy, investment and industry development.[34] It was established in 2012 by the Blue Mountains City Council in response to a collaborative vision for a strong, diversified and sustainable local economy, as articulated at the BMCC 2008 Better Futures Economic Forum. 'Creative industries' is one of BMEE's four strategic pillars. We spoke to Ann Niddrie, Manager, Creative Industries Cluster, BMEE.

The need

BMEE responds to the local community's needs for economic development, diversification and sustainability. Ann Niddrie describes the Blue Mountains local creative industries:

> *Throughout our research we realised that the creative industries are the sixth greatest contributor to the Blue Mountains economy, and 7.4% of local jobs are in the creative industries … almost 60% more than the state average…the Blue Mountains is classed as a creative industries hotspot and we responded to the community which identified that we needed to do industry development to support that sector.*

Local creative industry professionals called for a unifying brand to promote their skills to businesses in the Greater Sydney region. This brand became '**MTNS MADE**'.

The importance of a diverse economy including creative industries was further reinforced after the 2013 bushfires' impact on the local tourism market.

> *The MTNS MADE project was developed in response to industry feedback calling for an initiative to bring the creative professionals in the region together under a shared brand, vision and marketing campaign […] they wanted to have a unified brand that promoted them to areas outside of the region. The industry and professionals wanted to position the region as a creative hub of excellence. – Ann Niddrie, Manager, Creative Industries Cluster, BMEE*

Local retail businesses also wanted authentic, locally made products to appeal to the large number of tourists that passed through the Blue Mountains and wanted to purchase locally made products. This would add value to the tourism segment of the local economy, as well as develop other streams of economic development.

[34] Source: https://bmee.org.au

What they did

The 'MTNS MADE Creative Industries Cluster' is a project of BMEE which facilitates collaboration and aims to position the Blue Mountains as a 'hub of creative excellence.'[35]

What is a Cluster?

While naturally occurring, clusters have existed for centuries, the modern business concept of a cluster is a grass-roots approach to economic development. Clusters are industry sectors or industry geographically clustered together. However, they need intervention to gather momentum – hence, the formation of the Creative Industries Cluster in 2013 – in response to industry demand for a collaborative approach to economic development in this key sector.

The MTNS MADE Creative Industries Cluster undertakes a range of activities which facilitate collaboration across the creative industries in the Blue Mountains, and support the local economy, including:

- Extensive 1:1 meetings and contact with Blue Mountains based creative industries professionals.
- Hosting sector based 'Cluster Musters' to explore opportunities for collaboration within a particular sector of the creative industries
- Staging a creative industries careers expo for local high school students, to encourage students to consider careers within the creative industries
- Producing a two-day industry conference to inform, inspire and connect creative professionals in their business and creative practices
- Building and connecting the creative community through initiatives such as the monthly 'MTNS MADE Salon' networking events, plus Facebook groups
- Commissioning the **MTNS MADE** brand, which creates a cultural identity for creative industries of the Blue Mountains. Local creatives can use the MTNS MADE brand alongside their work as a 'mark of quality and association'[36]
- The MTNS MADE website, which is a content-rich website and directory with which local creative businesses can register their creative business
- Providing a set of tools for 'members' that they can use to leverage the trademarked brand for their own creative business: eg downloadable logo and guidelines around its use.
- The MTNS MADE Broadsheet, a printed publication which promotes the region's brand within and beyond the Blue Mountains region
- Annual 'Reveal' event to launch the publication, maintain engagement with the brand and for creative industries' professionals to connect and network
- Hosting the MTNS MADE showcase of local artisans for local buyers

In addition, Ann Niddrie explains that BMEE also uses traditional communications methods like the local radio stations and MTNS MADE information stalls at markets, to ensure that "people can hear what we're doing and find ways that they can engage that suit them." She notes how using a range of communication techniques is important in a large and diverse LGA like the Blue Mountains.

[35] Source: https://bmee.org.au/category/creative-industries/
[36] Ibid.

How they did it

BMEE and the Creative Industries Cluster consulted extensively with local community stakeholders to identify and ensure that they were responding to needs. For example:

- BMEE consulted with community, identifying the need for the Creative Industries Cluster
- The Creative Industries Cluster consulted with community, which identified the need for a unifying local brand
- The Creative Industries Cluster responded to local retailers' initiatives to connect local creatives and artisans with retailers

Ann Niddrie explains the importance of deep community consultation to ensure the brand reflected the local community and creative industry's values:

> *BMEE had done a lot of preparation in surveying the community to really get an understanding of what the brand would be representing. They asked people what made the Blue Mountains a special place for them; if there was a brand, should it represent one or more different categories of the creative industries; do we even need something like this? The brand would express a set of values which need to be relevant to the people that it's representing. So, BMEE really drilled down into the kinds of people that live here and what attracts them to this place, what they're proud of and what connects them to the mountains. That was a really extensive part of the project. – Ann Niddrie, Manager, MTNS MADE Creative Industries Cluster, BMEE*

Branding took place in consultation with the community, arriving at the **MTNS MADE** logo and style guide. Soon after the brand had been developed, Scenic World, one of the largest retailers in the Blue Mountains LGA, worked with BMEE to present a 'mini expo/showcase' under the MTNS MADE brand to form connections between local artisans and retailers.

Impacts

The impacts of BMEE activities have included:

- A greater sense of confidence and connectedness among local creatives
- Increased collaboration between local businesses and the local creative community
- Increased collaboration between local creative community members, especially filmmakers
- Developed a 'distributed' model for engaging the geographically disparate 27 villages in the Blue Mountains LGA
- At least $450,000 worth of products using the MTNS MADE logo have been sold (based on data from four stores willing to share their data)
- An average of 1,800 unique new visitors to the online directory per month, with over 70% based in Sydney.
- In the 18/19 Financial Year (FY) 19,585 actions were taken on **MTNS MADE** website to engage with Blue Mountains creatives (click to website, email, call, social media).

- Over 300 creative professionals attending MTNS MADE Salons and forming work relationships and collaborations per calendar year
- Invitations for MTNS MADE creative professionals to participate in events and activities in areas outside of the region due to their association with the brand eg. 'The Other Art Fair', Hawkesbury Regional Gallery's 'Hawkesbury Art Fair' for three consecutive years

The MTNS MADE reach beyond the Blue Mountains has attracted creative professionals to the Blue Mountains to live and work.

People have said, " I moved to the Blue Mountains because I picked up a copy of it (the MTNS MADE Broadsheet) in a cafe in Newtown and it made me see that there's culture out there and that there are my kind of people that I will be able to connect with." That was one of the drivers behind the brand, to increase the number of professionals living up here so that it would become an even stronger and more vibrant creative community. – Ann Niddrie, Manager, MTNS MADE Creative Industries Cluster, BMEE

The MTNS MADE showcases have supported artisan and retail income in the region and spurred more activity amongst makers and local retailers looking for a unique selling point.

Since we started the showcase, over $450,000 worth of products using the MTNS MADE logo have been sold in four retail stores. Scenic World has now established an annual makers market exclusively for MTNS MADE makers.

Things like that are really surprising in that we thought, "Yep, this will be great. People are excited. They'll use it in small grass roots ways," but it's actually been taken much more seriously and people are very excited to engage with it and want to support the MTNS MADE creatives in any way they can […]

The Showcase spurred more artisans to become listed on the website. Also, it has retailers constantly returning [to MTNS MADE] to see what new artisans we have. – Ann Niddrie, Manager, MTNS MADE Creative Industries Cluster, BMEE

The MTNS Made directory is also encouraging collaborations amongst the local creative community.

We have anecdotal evidence that creatives have looked for another person to collaborate with on the directory. For example, [a local] writer was looking for an illustrator and she found her illustrator through the MTNS MADE directory, and now they've been published and short-listed for awards.

(In the screen industry) people have collaborated and created films together when previously they would have sourced someone to work on their films from Sydney because they didn't know that there were fellow screen professionals living in the Blue Mountains. – Ann Niddrie, Manager, MTNS MADE Creative Industries Cluster, BMEE

Advice to others

Lessons from BMEE and MTNS MADE Creative Industries Cluster for others include:

- Successful outcomes have stemmed from continuous and deep engagement with the community and industry and responding to their needs
- Social media aggregators such as Facebook have helped bridge the geographical distances between community members
- Realisation that BMEE was working to build more than a ‘brand’, but a movement that inspires community and business agency and engagement
- Know your creative community and their needs – there may be a high percentage of creative people in the LGA but they may not be looking to grow as a business

Other LGAs looking at similar initiatives should take into account:

- Ensuring creative community buy-in to the initiative
- The complexities and benefits of working across distinct and geographically disparate communities
- Long term funding for initiatives
- Identifying and tracking key performance indicators (KPI’s)

Ann Niddrie reflects upon the broader implications for what they have achieved through BMEE’s Creative Industries Cluster initiatives:

> *Strategically it was about creating the momentum for movement - more than just, “We've got a brand.” It’s more, “This is a movement and this is what you can get involved in.”*

Case Study 3: Collaboration between key institutions and the community: Ulumbarra Theatre

The Sandhurst Gaol in Bendigo had closed in the 2000's and was repurposed as a 1000-seat theatre - named the Ulumbarra Theatre - and other facilities for use by Bendigo Senior Secondary College and the broader Bendigo community. We spoke with David Lloyd, Manager, Capital Theatres and Events, which includes the Ulumbarra Theatre.

The need

Bendigo Senior Secondary College (BSSC) wanted to repurpose the Sandhurst Gaol building into an assembly hall and other facilities but lacked the resources to accomplish the entire vision. Simultaneously, the City of Greater Bendigo (CoGB) council had identified a need for a larger theatre.

What they did

Key institutions pooled resources amounting to $31 million. Through this collaboration, the parties built a multi-function centre including:

- a 1000-seat theatre, the Ulumbarra Theatre, within the old gaol
- 'Black box' theatre with 90 seats
- Dance studio with a fully sprung wooden dance floor
- Commercial kitchen for student hospitality VET (Vocational Education and Training), servicing the school and the theatre
- State-of-the-art video technology

How they did it

According to David Lloyd, who manages the Ulumbarra Theatre and other facilities, the school principal of BSSC, Mr. Dale Pearce, suggested the City of Greater Bendigo combine resources with BSSC to achieve a better outcome for the school and the broader community. David Lloyd reports the project was "very much a collaboration between the education department, regional development Victoria, Regional Development Australia and (City of Greater Bendigo) Council."

Impact

David Lloyd listed several benefits resulting from the project, including "the activation of a moribund space" which led to:

- Community pride
- Increased economic activity, in part due to the larger theatre
- 30% year-on-year growth in activity at the Bendigo Writers Festival
- Sponsorships, bequests and donations totalling $1.2 million in their first year, including corporate sector engagement and sponsorship, such as Mercedes-Benz Bendigo providing a

cash contribution of $20,000 and a fleet of six cars for the duration of the Bendigo Writers Festival; support from La Trobe University; and philanthropic support from the community
- Ability to attract premieres from Major Performing Arts (MPA) company Bangarra Dance Theatre Company – one of only four cities, and the only regional non-state capital city.
- Student training and employment in the theatre.

Advice to others

David Lloyd identifies two main learnings from this project:

- Make sure you have enough funding for a large-scale capital project.

  The key problem that we had is that it was probably a $40 million project that was built at $31 (million). So, if I was to give anyone a takeaway, it would be make sure you know what you're building and how much it's going to cost and stick to your guns. ***– David Lloyd, Manager, Capital Theatres and Events.***

- Get the community on board from the early stages. David Lloyd describes how they took considerable steps to ensure community buy-in. For example, during construction, they took 2,000 people through the building site, assisting community advocacy from an early stage.

  If there are any major objections or challenges, what are they? Parking was our biggest one. So, we did a lot of work around that. Engaging with First Nations (communities) from a very early stage was a really important part of making sure that they owned and were part of the process, and that's been a really important thing that we've carried through, so be authentic to that and make sure it doesn't stop at a naming; it follows through to the actions that you do when you open the space…

  So, for example through the building process, we put 2,000 people through the building during the building process, on scheduled tours. They [the people] were opinion leaders, media leaders, people that we wanted to get engaged in the project and own it. That just meant that we had our advocates when we opened the doors and before we opened the doors and that was a really important part of the process…

  One of the big successes for us was getting opinion leaders in early and engaging them with the process and giving them a sense of ownership. ***– David Lloyd, Manager, Capital Theatres and Events.***

Case Study 4: Slow and Visionary wins the Way: Super Slow Way initiative

Super Slow Way (SSW) is a community art project commissioning consortium in East Lancashire, United Kingdom (UK). Originally comprising four district authorities in Lancashire (similar in population to our local councils), the Canal & River Trust (a national charity), Newground, and Arts Partners Pennine Lancashire (APPL), for its latest 3-year round they added the University of Central Lancashire (UCLan) as well as Creative Lancashire. Initially, it secured a total of £2.2 million ($3.94 million) from funders, with £1.9 million ($3.41 million) coming from Arts Council England's Creative People and Places program for a three-year partnership project. It also won second phase funding of £1.4 million across three years and are about to apply for a third round of £500,000.

The SSW organisation consists of four full-time equivalent (FTE) staff, including a Director, Deputy Director, a producer ("almost full-time!"), a social media intern and a community liaison officer who works two days per week. We spoke with Jenny Rutter, Deputy Director of the Super Slow Way.

The need

> *We are working in a post-industrial area, with high unemployment, drug abuse and poor health statistics.* ***– Jenny Rutter, Deputy Director, Super Slow Way***

SSW's main funding came from the Arts Council England's Creative People and Places (CPP) program. According to Ms. Rutter, the CPP program was initiated to address the imbalance in arts spending, with research indicating most occurring in inner-urban areas, addressing only 8% of the population, who themselves were "white, middle-class".

The region of East Lancashire that SSW covers is along the Leeds & Liverpool Canal that helped spawn the Industrial Revolution. Once a bustling centre for manufacturing, according to Rutter, the region had become a depressed rust-belt area "with high unemployment, drug abuse and poor health statistics". Combined with its ethnically diverse population, the region fit well with the targets of the CPP program.

What they did

Aiming to use the canal to become a vehicle for bringing communities together, they embarked upon numerous radical and ambitious art projects. One project was to create culturally 'neutral' spaces, for what are otherwise quite 'segregated communities'. Dubbed the National Festival of Making, it united the diverse communities, many of whom had come to the region over generations, due to its manufacturing heritage.

How they did it

The Super Slow Way initiative has been conducted using an action-research methodology (essentially, 'learning by doing'). In other words, Rutter says, "we were allowed to fail".

Jenny Rutter says the approach adopted by Laurie Peake, the Director of SSW, was to respond to community requests, giving the community what it said it needed, rather than trying a top-down approach.

Impacts

Jenny Rutter says one of the key impacts of the project is the level of confidence and ambition some communities have experienced. For example, the district authority of Blackburn with Darwen (a.k.a. 'Blackburn', pop. est. 150,000) has really grasped culture as a catalyst.

> *I think there's more confidence in that town and … we found some really interesting mutual spaces through culture that brings together what I considered to be quite segregated and separate communities.*

This confidence is also reflected at the County level of government. Subsequent to the SSW project, Lancashire County (equivalent to our State level of government, according to Jenny Rutter, with a population estimated at around 1.5 million) developed its first cultural investment strategy.

Similarly, Rutter has observed the improvement in credibility at the District (local) level. She observes, "Initially, CEO's of the district authorities looked at us blankly. … (but) due to the way we work, we're able to get more of a seat."

In numbers terms, she points to events such as the Burnley Canal Festival, which has grown from attracting 1000-2000 people per year, to now where "15,000 people come to it."

Advice to others

Jenny Rutter noted the importance of "getting the right people" in terms of workers and artists. From her perspective at an organisation that interfaces with numerous partners, including district authorities, Jenny Rutter has been able to observe the best results coming from authorities with dedicated cultural officers: "If you get a good cultural officer that really knows what they're doing, then that makes all the difference."

In terms of artists, Jenny Rutter explains, "…we look for artists that can absolutely work in and with communities and can find ways to work with people that put them at the heart of the process. That for me is the absolute key."

Jenny Rutter also talks about the importance of a visionary leader. "Laurie (the Director of SSW) is really visionary. She had a strong background in placemaking and economic development in the regions, having worked on some big projects"

Jenny Rutter also advises to aim for community benefit, before economic benefit:

> *Don't go straight in for economic benefit … See it as a vehicle to better a place, then the economic stuff comes out of that. … Recognise boundaries are limited but recognise that what they do is more fundamental human stuff.*

Case Study 5: Dealing with isolation: Bendigo Creative Industries Hub

The City of Greater Bendigo Creative Industries Hub (BCIH) received $3 million as part of the Victorian State government's *Creative State* strategy for 2016-2020.

The need

Action number 4 of 5 of the State government's *Creative State* strategy states the aim of "Increasing participation and access" and "Engaging more Victorians in cultural and creative endeavour".

Australian regional creative industries are almost always small, and frequently isolated by geography (our stakeholder consultations confirm this is especially the case in the Yarra Ranges LGA, with 55 villages and townships across a wide area, having been amalgamated from four councils).

Stakeholder consultations conducted subsequent to the BCIH announcement revealed that despite the success of 'blockbuster' art exhibitions in Bendigo, the primary need for most creatives in the City of Bendigo ('Bendigo') LGA were solutions to overcome their lack of size and isolation from larger markets.

What they are doing

According to Sue Doyle, Regional Manager, Creative Victoria, the proposal is to provide pathways to professionalisation for local creatives, through co-working spaces, workshops and other programming / events that enable creatives to network, share, collaborate (especially across disciplines), and generate new income opportunities.

How they are doing it

After the announcement of the funding for the BCIH, studies were commissioned into the needs facing the creative and cultural community in the City of Greater Bendigo LGA.

Impact

At the time of writing, BCIH had not yet commenced operations, with a tender to appoint a local manager for the BCIH recently announced. ACMI-X have been announced as interim operator for the Hub.[37]

Advice to others

Sue Doyle says that the City of Greater Bendigo has done well to capitalise upon its strengths, including:

[37] https://www.premier.vic.gov.au/acmi-to-lead-bendigo-creative-industries-hub/

- 1.5hrs by rail from Melbourne CBD
- Regional airport with flights to Sydney
- Developing international partnerships e.g. with the Victoria & Albert Museum in the UK.
- Knowing their target demographic - many exhibitions centre upon fashion - and attract a wealthy, middle-aged female demographic
- “Great branding, especially with regards to cultural tourism”

However, she urges any local council looking to the example of Bendigo to consider their own strengths and needs before imitating other initiatives.

> *“When you talk about the creative industries, it’s a broad church. (Success is) really around Council knowing what its strengths are and having a focus on what it wants to develop and support, which could be a completely different thing for the Yarra Ranges (compared to other LGA’s).”*

For example, she advocates prior to committing to large initiatives, trialling smaller local programming of events or initiatives, to help understand the needs of each creative community within the LGA, and see what activities have the best response.

Appendix A: Yarra Ranges Council Creative Sector Study Consultation Agenda

The following workshop agenda was used to guide discussion for stakeholder consultation groups.

Stage	Description
Introductions	• Acknowledgement of country • Welcome from Yarra Ranges Council • Introductions around the table • Explain the process and the agenda
Overview of the Study	YRC to explain the creative and cultural industries study and its rationale.
Questions	Opportunity for stakeholders to ask questions about the study and design
Strengths	What do you see as the main strengths of the Yarra Ranges creative and cultural sector? What if anything would you say is unique about the Yarra Ranges? What if anything would you say is unique about the Yarra Ranges as a home for creatives like you / cultural organisations like yours? What does the Yarra Ranges get 'right' when it comes to supporting an environment for creative businesses / cultural activity? What could Yarra Ranges do better to support creatives / cultural organisations like yours?
Key Drivers	What do you see as the key enablers for the local creative sector at present?
Weaknesses	What do you see as the main weaknesses of the Yarra Ranges creative and cultural sector? Prompts: - Converting numerous day-tourists into cultural expenditure in the YRC LGA - Awareness (marketing/branding) - Lack of facilities (if so, please specify) - Red tape (if so, please specify)
Opportunities	What do you see as the main opportunities for the Yarra Ranges creative and cultural sector? Prompts: - Craft workshops and tours - Proximity to Amazon Australia fulfilment centre
Major Trends	From your perspective as someone who lives and works in the Yarra Ranges, what have you observed to be the trends in the local creative sector? Prompts: - Growth? - Demographic profile changes (wealthy/poor/ATSI/CALD?) - Digital or Craft-based changes? - 'Customised' cultural experiences

Stage	Description
Threats	What do you see as the main threats to the Yarra Ranges creative and cultural sector? - Other regions gaining higher profile (please name them) - Lack of infrastructure (if so, please specify e.g. physical/digital infrastructure)
Other relevant LGA initiatives (either here or overseas)	Have you heard of any local government initiatives that are working well to support creative industries in areas like the Yarra Ranges, which you would recommend we take a look at? Prompts: - Creative Hubs - Creative Clusters - Incentives - Policies?
Vision/Future-casting	Let's do a little thought experiment. In five-years time, Yarra Ranges' creative and cultural sectors are a visible and valued driver of the local economy and a vibrant draw-card for the region. When people think of the Yarra Ranges, they think of the region's creative and cultural activity and uniqueness as well as its natural beauty. Yarra Ranges is talked about as a best practice example internationally for a mixed urban/rural local government area. What are the steps Yarra Ranges has taken that have got us there?
Other feedback	Is there anything else people would like to add in relation to the YRC creative and cultural sector and how to improve it?
Wrap up	Sum up and thank you.

Appendix B: Yarra Ranges Council Creative Sector Study Interview Guide

The following interview guide was used for stakeholder interviews.

Interview Guide

Thanks for being involved in this discussion. My name is Yen Yang and I am the Principal of BYP Group, a specialist research and strategy consultancy in the creative industries. We have been commissioned by Yarra Ranges Council to consult with stakeholders for a study into the Yarra Ranges creative and cultural industries. The study is designed to inform the Council's *Creative Communities Strategy*, in particular "Goal 2: Increase the economic size of the creative industries and expand its impact on both the local economy and vibrancy of our communities."

The aim of our discussion today is to gather your insights and ideas to help Council in developing its Creative Communities Strategy. Council welcomes your insights and feedback in this area. Please feel free to tell me whatever you like – there are no right or wrong answers.

The discussion today will go for about 30 minutes.

So I can concentrate on you properly rather than taking notes, do you mind if I record our conversation?

(If 'Yes') Thank you. I'm just going to hit record. This is Yen talking to X on Y date. Can I confirm on the record that you give permission to be recorded?

(If 'No') That's fine. I'll just take notes as we talk.

We may also wish to use your comments as quotes in the report we write for Yarra Ranges Council. It may not be possible however to guarantee your anonymity because of the small number of people we are interviewing. Do you give us permission to include comments attributed to you?

Area of Enquiry	Questions
Introductions	Let's start with you. Can you provide a brief outline of your background and your present role? Can you tell me a little about why you decided to be based in the Yarra Ranges?
Strengths	What do you see as the main strengths of the Yarra Ranges creative and cultural sector? What if anything would you say is unique about the Yarra Ranges? What if anything would you say is unique about the Yarra Ranges as a home for creatives like you / cultural organisations like yours? What does the Yarra Ranges get 'right' when it comes to supporting an environment for creative businesses / cultural activity? What could Yarra Ranges do better to support creatives / cultural organisations like yours?
Key Drivers	What do you see as the key enablers for the local creative sector at present?

Area of Enquiry	Questions
Key Constraints	What do you see as the key barriers to growth for the creative and cultural sectors in Yarra Ranges?
Weaknesses	What do you see as the main weaknesses of the Yarra Ranges creative and cultural sector? Prompts: - Converting numerous day-tourists into cultural expenditure in the YRC LGA - Awareness (marketing/branding) - Lack of facilities (if so, please specify) - Red tape (if so, please specify)
Opportunities	What do you see as the main opportunities for the Yarra Ranges creative and cultural sector? Prompts: - Craft workshops and tours - Proximity to Amazon Australia fulfilment centre
Major Trends	From your perspective as someone who lives and works in the Yarra Ranges, what have you observed to be the trends in the local creative sector? Prompts: - Growth? - Demographic profile changes (wealthy/poor/ATSI/CALD?) - Digital or Craft-based changes?
Threats	What do you see as the main threats to the Yarra Ranges creative and cultural sector? - Other regions gaining higher profile (please name them) - Lack of infrastructure (if so, please specify e.g. physical/digital infrastructure)
Other relevant LGA initiatives (either here or overseas)	Have you heard of any local government initiatives that are working well to support creative industries in areas like the Yarra Ranges, which you would recommend we take a look at? What makes them special? Prompts: - Creative Hubs - Creative Clusters - Incentives - Policies?
Vision/ Future-casting	Let's do a little thought experiment. In five-years' time, Yarra Ranges' creative and cultural sectors are a visible and valued driver of the local economy and a vibrant draw-card for the region. When people think of the Yarra Ranges, they think of the region's creative and cultural activity and uniqueness as well as its natural beauty. Yarra Ranges is talked about as a best practice example internationally for a mixed urban/rural local government area. What are the steps Yarra Ranges has taken that have got us there?

Other feedback?

Is there anything you would like to add?

THANK YOU FOR BEING INVOLVED IN THIS STUDY!

Appendix B

Appendix C: Yarra Ranges Council Creative Sector Case Study Interview Guide

This interview guide was used when talking with people about their potential case study examples.

Interview Guide

Thanks for being involved in this discussion. My name is Yen Yang and I am one of the Principals of BYP Group, a specialist research and strategy consultancy in the creative industries. We have been commissioned by Yarra Ranges Council to consult with stakeholders for a study into the Yarra Ranges creative and cultural industries. The study is designed to inform the Council's *Creative Communities Strategy*, in particular "Goal 2: Increase the economic size of the creative industries and expand its impact on both the local economy and vibrancy of our communities."

The aim of our discussion today is to gather your insights and ideas to help Council in developing its Creative Communities Strategy. Council welcomes your insights and feedback especially with regard to the X project/initiative. Please feel free to tell me whatever you like – there are no right or wrong answers.
The discussion today will go for about 30 minutes.

So I can concentrate on you properly rather than taking notes, do you mind if I record our conversation?
(If 'Yes') Thank you. I'm just going to hit record. This is Yen talking to X on Y date. Can I confirm on the record that you give permission to be recorded?
(If 'No') That's fine. I'll just take notes as we talk.

We may also wish to use your comments as quotes in the report we write for Yarra Ranges Council. It may not be possible however to guarantee your anonymity because of the small number of people we are interviewing. Do you give us permission to include comments attributed to you?

Area of Enquiry	**Questions**
Introductions	Let's start with you. Can you provide a brief outline of your background and your present role?
Project Summary and rationale	Can you tell me a short summary of the X project and why your organisation chose to do it? Prompts: What was the specific issue your organisation or community was facing? What was this issue costing your organisation/community ($? #? %?) were it not to be resolved?
What they did	In a bit more detail, can you go into what you and your organisation chose to do?

Area of Enquiry	Questions
How they did it	How did you implement the above project? E.g. Time taken, resources/personnel used ($, #, % etc)
Impact	What did you observe to be the key impacts of the project/initiative? Prompts: - How much revenue do you think it generated/lost? - How many visitors came? - Did the visitors that came as a result of your project spend more? Less? Or about the same? - Are there perhaps other key performance indicators (KPI's) that you used to measure progress of the project? If so, what were they?
Obstacles faced/Advice to others	Every community and cultural project has its own difficulties. What obstacles did you face, and what advice would you have for others to avoid these types of pitfalls? Prompts: - Lack of awareness (marketing/branding) - Lack of resources (if so, what type? E.g. People, infrastructure, $) - Stakeholder buy-in - Keeping everyone on the same page

Other feedback?

Is there anything you would like to add on this topic?

THANK YOU FOR BEING INVOLVED IN THIS STUDY!

Appendix D: Technical Appendix

In order to gather statistics about the creative industries, we have to rely on Australia's national statistical system for classifying industries. This is called the ANZSIC system – the Australian and New Zealand Standard Industrial Classification System.

The ANZSIC system itself does not have a grouping for the creative industries. Therefore, we must pick out those industry segments (classified by ANZSIC within other groupings) that are in fact 'creative'. For example, architecture is generally considered part of the creative industries; in ANZSIC it is grouped in the category of 'professional, scientific and technical services'. Another example is jewellery making, grouped by ANZSIC in the broad 'manufacturing' category.

5.1 Victoria definition of creative and cultural industries

The definition currently in use in Victoria is that of the Victorian Government's Creative Industries Strategy 2016-2020. This definition picks out specific industry segments at the 4-digit ANZSIC code level.

Table 2, below, outlines each of the specific industry segments that are included, and how they are grouped by domains of activity.

Table 9: Creative Victoria definition of the creative and cultural industries

ANZSIC code - Name	Domain	Creative or cultural
1351 - Clothing manufacture	Fashion	Creative
1352 - Footwear manufacture	Fashion	Creative
1611 - Printing	Literature, print, software and recorded media production	Cultural
1612 - Printing support services.	Literature, print, software and recorded media production	Creative
1620 - Reproduction of recorded media	Other culture goods manufacturing and sales	Cultural
2591 - Jewellery and silverware manufacturing	Visual arts and crafts	Both
5411 - Newspaper publishing	Literature, print, software and recorded media production	Both
5412 - Magazine and other periodical publishing	Literature, print, software and recorded media production	Both
5413 - Book publishing	Literature, print, software and recorded media production	Both
5414 - Directory and mail list publishing	Literature, print, software and recorded media production	Both
5419 - Other publishing (except software, music, internet)	Literature, print, software and recorded media production	Creative

ANZSIC code - Name	Domain	Creative or cultural
5420 - Software publishing	Broadcasting, electronic or digital media, and film	Both
5511 - Motion picture and video production	Broadcasting, electronic or digital media, and film	Both
5512 - Motion picture and video distribution	Broadcasting, electronic or digital media, and film	Both
5513 - Motion picture exhibition	Broadcasting, electronic or digital media, and film	Both
5514 - Post-production services & other motion picture and video activities	Broadcasting, electronic or digital media, and film	Both
5521 - Music publishing	Music composition and publishing	Both
5522 - Music and other sound recording activities	Music composition and publishing	Both
5610 - Radio broadcasting	Broadcasting, electronic or digital media, and film	Both
5621 - Free to air television broadcasting	Broadcasting, electronic or digital media, and film	Both
5622 - Cable and other subscription broadcasting	Broadcasting, electronic or digital media, and film	Both
5700 - Internet publishing and broadcasting	Broadcasting, electronic or digital media, and film	Both
6010 - Libraries and archives	Libraries and archives	Both
6632 Video and other electronic media rental and hiring	Broadcasting, electronic or digital media, and film	Cultural
6921 - Architectural services	Design	Both
6924 - Other specialised design services	Design	Both
6940 - Advertising services	Design	Both
6991 - Professional photographic services	Visual arts and crafts	Both
7000 - Computer system design and related services	Design	Creative
8212 - Arts education	Supporting activities	Cultural
8910 - Museum operation	Museums	Both
9001 - Performing arts operations	Performing arts	Both
9002 - Creative artists, musicians, writers and performers	Performing arts	Both
9003 - Performing arts venue operation	Performing arts	Both

5.2 Adapting the Victoria definition of creative and cultural industries to a 114-sectors framework

Data limitations mean we cannot always exactly match the Victoria definition of the creative industries. To match the Victoria definition we would need industry data broken down to the 4-digit level of the ANZSIC code system. However, much economic data is only available at a higher-level grouping, which organizes industries into 114 sectors. While some of the sectors in the 114-sectors framework directly match to single 4-digit level ANZSIC codes, other sectors group together several 4-digit level ANZSIC codes.

REMPLAN Economy, the source of data for this analysis, uses the 114-sector framework. Table 3, below, details how this analysis has matched the Victoria creative and cultural industries definition to the 114-sectors framework.

Table 10: Adapting the Creative Victoria definition to available industry data

ANZSIC code - Name	Creative Victoria Domains	Is this a category in 114 industry sectors framework?	Modified Domains (for use with 114 industries grouping)
1351 - Clothing manufacture	Fashion	Yes.	Fashion
1352 - Footwear manufacture	Fashion	Yes.	Fashion
1611 - Printing	Literature, print, software and recorded media production	Yes – grouped together as 'Printing (including the reproduction of recorded media' category.	Literature, print, software production and recorded media production
1612 - Printing support services.	Literature, print, software and recorded media production		
1620 - Reproduction of recorded media	Other culture goods manufacturing and sales		
2591 - Jewellery and silverware manufacturing	Visual arts and crafts	No – sits within broader 'Other manufactured products' category. Analysis of Census 2016 data for the Yarra Ranges shows that employment in this code accounted for 27% of the broader category	Performing and visual arts including museums
5411 - Newspaper publishing	Literature, print, software and recorded media production	Yes – grouped together as 'Publishing (except internet & music publishing)' category.	Literature, print, software production and recorded media production
5412 - Magazine and other periodical publishing	Literature, print, software and recorded media production		
5413 - Book publishing	Literature, print, software and recorded media production		
5414 - Directory and mail list publishing	Literature, print, software and recorded media production		

ANZSIC code - Name	Creative Victoria Domains	Is this a category in 114 industry sectors framework?	Modified Domains (for use with 114 industries grouping)
5419 - Other publishing (except software, music, internet)	Literature, print, software and recorded media production		
5420 - Software publishing	Broadcasting, electronic or digital media, and film		
5511 - Motion picture and video production	Broadcasting, electronic or digital media, and film	Yes – grouped together as 'Motion picture & sound recording' category.	Broadcasting, electronic or digital media, and film
5512 - Motion picture and video distribution	Broadcasting, electronic or digital media, and film		
5513 - Motion picture exhibition	Broadcasting, electronic or digital media, and film		
5514 - Post-production services & other motion picture and video activities	Broadcasting, electronic or digital media, and film		
5521 - Music publishing	Music composition and publishing		
5522 - Music and other sound recording activities	Music composition and publishing		
5610 - Radio broadcasting	Broadcasting, electronic or digital media, and film	Yes – grouped together as 'Broadcasting (except internet)' category.	Broadcasting, electronic or digital media, and film
5621 - Free to air television broadcasting	Broadcasting, electronic or digital media, and film		
5622 - Cable and other subscription broadcasting	Broadcasting, electronic or digital media, and film		
5700 - Internet publishing and broadcasting	Broadcasting, electronic or digital media, and film	No – sits within broader 'Internet publishing, broadcast, websearch & data serv' category. Analysis of Census 2016 data for the Yarra Ranges shows that employment in this code accounted for 0% of the broader category.	Broadcasting, electronic or digital media, and film
6010 - Libraries and archives	Libraries and archives	No – sits within broader 'Library and other information	Libraries and

ANZSIC code - Name	Creative Victoria Domains	Is this a category in 114 industry sectors framework?	Modified Domains (for use with 114 industries grouping)
		services' category. Analysis of Census 2016 data for the Yarra Ranges shows that employment in this code accounted for 100.0% of the broader category.	archives
6632 Video and other electronic media rental and hiring	Broadcasting, electronic or digital media, and film	No – sits within broader 'Rental & hiring services (except real estate)' category. Analysis of Census 2016 data for the Yarra Ranges shows that employment in this code accounted for 13% of the broader category.	Broadcasting, electronic or digital media, and film
6921 - Architectural services	Design	No – all sit within broader 'Professional, scientific & technical services' category. Analysis of Census 2016 data for the Yarra Ranges shows that employment in this code accounted for 23% of the broader category.	Design
6924 - Other specialised design services	Design		
6940 - Advertising services	Design		
6991 - Professional photographic services	Visual arts and crafts		
7000 - Computer system design and related services	Design	Yes.	Computer system design
8212 - Arts education	Supporting activities	No- sits within broader 'Arts, sports, adult, community and other education' category. Analysis of Census 2016 data for the Yarra Ranges shows that employment in this code accounted for 23% of the broader category.	Supporting activities
8910 - Museum operation	Museums	No – all sit within broader 'Heritage, creative and performing arts' category. Analysis of Census 2016 data for the Yarra Ranges shows that employment in this code accounted accounts for 44% of the broader category.	Performing and visual arts including museums
9001 - Performing arts operations	Performing arts		
9002 - Creative artists, musicians, writers and performers	Performing arts		
9003 - Performing arts venue operation	Performing arts		

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5.3 Time trends data

REMPLAN Economy, the source of data for this analysis, offers historic datasets. They publish an annual dataset, containing the most recently available data; and also release updates of each annual dataset as new underlying data is published by the ABS.

The 2018 data in this report is from the REMPLAN dataset for 2018, release 1. The employment data in this dataset was first released by REMPLAN in the 2017 dataset, release 1. As such it might be more accurately considered data for 2017.

The next earliest dataset with new employment data is 2016, release 2. This is the source for 2016 data in this report.

5.4 Calculating business numbers

We rely on estimation techniques to calculate the number of CI businesses in the Yarra Ranges local authority area. This is because the data on businesses at a Local Government Area is only available for very broad industry groupings, so that we cannot pick out the specific creative and cultural industries.

We have estimated business numbers at approximately 15% higher than employment numbers for the LGA. Relying on employment proportions to calculate business numbers is likely to under-estimate business numbers. This is because, based on our analysis, total business numbers are about 15% higher than relying on a direct employment-to-business count ratio would suggest.

Our estimation approach relies on employment proportions:

- First, data from Census 2016 was used to determine what proportion of employment in each 1-digit industry code was due to creative industries employment (in the Yarra Ranges specifically)
- Second, this proportion was applied to the data on number of businesses in the Yarra Ranges

To check if this is a reasonable estimation approach, we can look at data for Victoria as a whole. We have 4-digit industry and employment data at the state level. This allows us to check whether it is reasonable to assume that employment proportions roughly equal business proportions.

Table 11: BYP estimation method for calculating LGA-level CI business numbers

1-digit industry code	CI employment in this code		CI Businesses in this code		Ratio, Businesses: Employment
	Count	*%*	*Count*	*%*	*%*
C: Manufacturing	15,712	7.4%	3,112	13.2%	1.8
J – Information Media and Telecommunications	21,222	40.7%	4,044	67.7%	1.7
L – Rental, Hiring and	323	0.8%	167	0.3%	0.4

Real Estate Services					
M – Professional, Scientific and Technical Services	83,600	38.5%	28,822	37.6%	1.0
P – Education and Training	4,839	2%	840	10.1%	5.1
R – Arts and Recreation Services	11,592	22.1%	4,354	54%	2.4

Based on the analysis of data for Victoria as a whole, our conclusions are:

- Relying on employment proportions to calculate business numbers is likely to under-estimate business numbers.
- There are 6 1-digit industry codes that have sub-sectors involved in the creative industries. For almost all of these, the creative industries account for a much higher proportion of business numbers than they do employment numbers. This is likely to be because of the relatively high amounts of sole trader businesses in the creative industries.
- The one code where employment and business proportions match almost exactly – Professional, Scientific and Technical Services – is also the code that dominates the results in terms of sheer numbers of employment and businesses. This helps to adjust the overall result back down, so business proportions are only somewhat higher than employment proportions.

BYP Group

BYP Group is a specialist evaluation, research and strategy consulting firm in the creative industries and social impact sectors. We work in Australia and internationally. BYP Group comprises three core principals: Jackie Bailey, Hung-Yen Yang and Sarah Penhall. We also work with a network of professionals on a project needs basis.

Our clients include the USA National Performance Network, Australia Council for the Arts, Diversity Arts Australia, Create NSW, NSW Department of Industry, WA Department of Local Government, Sport and Cultural Industries, Creative Victoria, Film Victoria, Museums & Galleries NSW, Arts Centre Melbourne, The Australian Ballet, Multicultural Arts Victoria, Asialink, Deakin University, Western Sydney University, Macquarie University, Cox Inall Ridgeway, City of Sydney, Penrith City Council, Wollongong City Council, Wagga Wagga City Council and others.

We are professional members of the Australian Social and Market Research Society and the Australasian Evaluation Society. We are also members of the Federal government's select research and evaluation panel, the NSW Government's prequalified supplier list, and the Ian Potter Foundations Evaluation Panel.

Contact Details

Jackie Bailey
Principal
BYP Group
T: 0428 576 372
E: jackie@bypgroup.com
W: http://bypgroup.com