
CREATIVE INDUSTRIES KNOWLEDGE TRANSFER NETWORK CREATIVE CONSUMER BEACON FINAL REPORT

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Golant Media Ventures
Creators of convergent media enterprises

transform
Strategy delivered.

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Executive summary

We are living through a period of unprecedented economic, social and technical change. In amongst this change, the ubiquity of data and the adoption of newly collaborative ways of working and living are two ‘memes’ that impact strongly on the creative industries. And because our products and services are interwoven with people’s increasingly tracked cultural lives, the two are connected.

The volumes of data and content held digitally are expanding exponentially. But so, fortunately, are our ways of accessing, filtering and making sense of this information. This is as true for creative enterprises as their audiences, customers and users. As it shapes our users’ expectations we need to keep up by changing the way we work, the way we create and the way we engage them.

Whilst the UK remains a strong exporter of creative products and services, the maturity of the creative industries in developing markets increases – as does their reach into other markets and even the UK. We cannot rely on exporting Britishness or a perceived Anglophone advantage. Our international connectedness and multi-cultural populace *are* a significant benefit, here, though.

Dealing with the complexities of shifting business models, multiple platforms and hybrid creative forms requires new attitudes, approaches and specific methods. These combine the structured use of data with emotionally intelligent collaboration with a wide range of customers, end users and suppliers from the first twinkle in the eye to a full launch and beyond of new products and services.

To remain competitive, market research data and performance data need now to be combined with both data profiling users’ tastes, behaviours and habits and metadata about a whole range of creative works – beyond the conventional conception of what content is. And yet such ‘co-design’ and data-savvy ways of working are not commonplace in the UK’s creative industries.

Creative enterprises wishing to use data-savvy approaches to launch new products and services need to overcome some barriers. Leadership and executive sponsorship – and often investment – are pre-requisites to the changed ways of working, enhanced skills, restructured teams and new tools required. The potential for the Higher Education sector to help here is significant.

The adoption of co-design has similar barriers but also suffers from being seen as challenging conventional wisdom on authorship and craft expertise in many sectors of the creative industries. It threatens the creative process with what seems to be a marketing - or numbers-led approach. It also gets confused with more traditional market research.

However, many sectors in the creative industries have excellent use of data and exemplary collaboration with stakeholders and users alike. What is required is cross-fertilisation across the sectors – and beyond to other customer-focused and data-driven businesses and social enterprises to take the best from them and tailor it for our particular and peculiar requirements.

We identify four areas of innovation: on demand availability, mass personalisation, design beyond your experience and living in the information age. They are variously driven and/or enabled by the ubiquity of data and the culture and methods of co-design. Each of these areas of innovation gives rise to a number of opportunities for creative enterprises.

Each opportunity is then positioned as being – to a lesser or greater extent – about users' needs or wants. And for each the relationship between the person in the role of product or service designer is categorised as: designing for me; designing for myself and my community or colleagues ('us'); or designing for people who I feel are different to me ('others').

The opportunities of personal manufacturing, co-creating experiences and making entertainment richer all speak to an 'any colour as long as its mine' mentality of the empowered consumer. Sharing physical assets or human skills – or providing the brokerage services to enable others to – is a modern and social media- and data-enabled twist on an ancient communitarian principle.

Meanwhile, services in the cloud can provide a range of data-savvy and/or co-design ways of living and ways of working. Creative enterprises can both take advantage of these as well as be at the vanguard of launching new such services. Privacy and anonymity can be seen as a requirement additional to media and publishing services or as a whole new area where creative thinking can add value.

Co-design methods are at the key enabler of opportunities that address foreign markets or underserved minority interest or minority culture home market segments. Whilst the dominant theme of opportunities around media literacy services and co-design of policy and public services is that these are made necessary by data ubiquity and expectations of collaboration.

However, to take advantage of these opportunities, the creative industries – and those who invest in, support or create policy for them – need to resist the temptation to separate the sector out from the wider consumer, technology or cultural spheres. They also need to make collaboration across different sectors within the creative industries the default rather than the exception.

Successfully applying new methods to product and service innovation requires a clear idea of what innovation is – and recognition of the fact that successful products and services are strategically and proactively managed throughout a defined development lifecycle. This can be different in different enterprises and sectors – but no concept of product management will result in no meaningful or valuable product.

Once this key idea is in place, creative enterprises can work out how to best and most appropriately apply data-savvy techniques and co-methods (co-ideation, co-design, co-creation, co-delivery) at all stages of the production development process. They can even work with their staff, partners and customers to gather data to inform what to do and design together how to do it.

Introduction

This report is the final output from the Creative Industries Beacon project commissioned by the Creative Industries Knowledge Transfer Network, funded by the Technology Strategy Board and delivered by Transform and Golant Media Ventures.

It is intended to be a starting point for people leading, managing, funding or otherwise supporting creative enterprises to find the best ways to incorporate data and co-design into their leadership, management, strategy and policy.



The project set out to:

- Establish a baseline of how UK creative enterprises currently use data and co-design to drive innovation
- Map out future scenarios of ways that this kind of innovation could create new opportunities over the next 5-7 years.

We tried to walk the talk – co-creating the project with all the stakeholders we engaged with and using the data they generated and sourced to drive our findings.

As a consequence, we are grateful to the numerous organisations and individuals who gave their time to this project and who inspired us with their enthusiasm, ideas and focus on making the UK's creative industries more vibrant, competitive and sustainable and the UK a more pleasant place to live. Our co-conspirators and co-authors are listed in the Appendix.

The wider context

People, creativity, business and technology sit in a tangled web of interdependencies. They are all drivers of change. They are all enablers of change.

Societal changes drive technology to provide solutions to a particular class of problems – such as products for an ageing population. Technological innovations such as social media shift our whole concept of what a ‘friend’ is. Artistic expression reflects an engagement with or distance from mainstream culture and then influencing that culture as with rap or street art. The ubiquity of mobiles and openness of the Internet make government censorship impractical. Businesses exploit our data because their other revenues are going, because the technology allows it – and because we let them.

Out of this tangle, the Creative Consumer Beacon pulls two strands. One is about the ubiquity – the pervasiveness – of data. The other is about an approach, attitude or set of methods around co-design. And because the goal of the Creative Industries Knowledge Transfer Network and its funding by the Technology Strategy Board is to foster innovation in the creative industries, this is the context of our consideration of these two themes.

In the creative industries, our products and services aren’t just normal ‘goods’ of value exchange: entertainment, information and cultural experiences are more than that. They’re part of people’s cultural lives, informing their identities. This makes it hard to predict the futures of these sectors with classical economic modelling or market research. Future-gazing in this environment requires the consideration of multiple scenarios and the acceptance that ability of ‘experts’ to predict the future is no better than the man in the street.

The ubiquity of data is due to many factors working in concert. Many people are connected at home, at work and on the move. Their devices are creating data about them and the environment. People are creating ever more information and content. We’re expecting more information about everything. Businesses are springing up to capture, aggregate, process and visualise this data as information. All this creates more – and more – data.

But look underneath the bonnet and it isn’t just the interconnectedness of devices but the interoperability of systems that is enabling the *flows* of data. It is the detailed specifications in common data standards – created by standards bodies, researchers and innovators

across the world – that enable the exchange of emails, multimedia, web pages, personal data, credit card details in a way which has become invisible to us now. And yet this frictionless flow was unthinkable even 20 years ago. The multi-lateral politics and power games around the creation of these standards – for anything from cinema and HD video disks to syndicated news feeds or login credentials – are not visible to us. And yet with its history of leading standards going back to the industrial revolution and days of empire, the UK should be peculiarly well suited to use the standards making process for its competitive advantage.

Meanwhile, in creative production and consumption we’re seeing significant shifts in political, linguistic and cultural balance. With the current dominance of Anglo-Saxon culture and language, many foreign markets will continue to buy the UK’s creative products and services. The risk is that, as developing markets develop both more sophisticated consumers and local production, imported products won’t meet their cultural needs. Local producers are well positioned to capitalise on their market-specific insight, which poses a threat to UK exports.

Fortunately, the UK is well set up to be a centre of exchange and ideas for creative products and services. With vibrant immigrant and international student populations and world class Higher Education and creative industries sectors we're well positioned to work with consumers and organisations in key foreign markets (including the EU, BRIC and South Asia). We can combine our expertise with local knowledge of media and entertainment tastes in other territories. And this isn't limited to overseas markets – it will also work for underserved segments outside the UK's cultural mainstream.

Traditional, top-down product development and marketing won't work, though. Cultural differences magnify misunderstandings and assumptions around people's needs, so we should look to processes that take into account user expectations and habits around entertainment, information and culture. Collaborative models help to reduce the risk of cultural *faux pas* that upset cultural or age-specific expectations.

UK creative businesses can find new opportunities with customers they perceive as being different to themselves – at home and abroad – without assuming that they know what they want. And – by the end of the design process – the designers and the 'others' they're designing for may feel that much closer.

Finally, our home market is in revolution. Economic, demographic and environmental pressures are radically transforming our expectations, habits and needs. Traditional business models for creative business – especially content businesses are collapsing with new ones not maturing fast enough to fill the gap. Additional pressure is coming from new players from outside the traditional creative industries sector – from the social media, telecoms and retail sectors – inserting themselves into the value chains of publishing, television and media distribution and taking margin and customers from the incumbents.

We in the creative industries may wish for the 'silver bullet' new business model – but we are coming to the uncomfortable realisation that there isn't one. Profitable businesses or sustainable social enterprises will need to run multiple models simultaneously for different products, channels and sets of users. And these models will be hybrid, combining different sources of revenue and having users pay with combinations of their attention, data and money. They'll have to continually evolve as consumer expectations shift and substitutes and competitors bump up alongside us. And to make money they'll need to be dynamically optimised – and that means more than once a month.

All of which requires data. And since no one individual or internal team can deal with this complexity on their own, it requires a new style of collaboration with suppliers, intermediaries, channels and end users. Co-design, in fact.

What are co-design and data-driven innovation?

Co-design

What is co-design?

Co-design is the involvement of users, beneficiaries and other stakeholders in the design of a product or service – valuing their views alongside those of design and technical specialists, clients and funders.

Co-design is emerging as a management approach which accommodates shifts in our expectations as consumers and users, agile development processes, the complexity of weaving together business, aesthetic and technical change and the speed and ubiquity of digital technologies.

It can be applied by creative businesses through tools and methods supported by changes in culture and leadership.

“Co-design is the orchestration of stakeholder insight throughout the whole product development process”

What do we mean by design?

Design is defined here as an iterative process through which a product or service is created to achieve certain goals and to be fit for a purpose, in a specified environment and within certain constraints.

It includes everything from the analysis of needs analysis and identifying of requirements through developing propositions, prototyping, pre-launch and user testing to post-launch evolution.

It isn't just making the things aesthetically attractive. Nor is it about unquestioningly accepting someone else's brief and delivering just to that.

“Customers know certain things better”

“To do co-design you need to have a ‘co-’ culture across the whole organisation”

How is co-design different to other consumer research and engagement?

Marketing professionals and designers often disagree about this. We started with the following hypotheses.

Co-design tends to treat consumers and other users as co-authors within the creative process (in terms of acknowledgement, level of commitment and the authority and respect accorded them) – it is done ‘with’, not done ‘to’.

Co-design uses different research and facilitation techniques to most marketing research and testing, focusing on what people do and how they behave, rather than their conscious opinions or preferences.

It is allied to the recent shifts towards behavioural economic models that take into account consumers' more irrational motivations for purchasing and consumption – particularly relevant to entertainment, cultural and lifestyle products.

Co-design is about engaging users and beneficiaries of potential new products and services across the whole design process, and engages them with requirements analysis and brief setting, not just prototypes or near-market piloting.

Data-driven innovation

What is data-driven innovation?

Here, we're considering data which:

- profiles users and their behaviour
- describes creative content ('metadata')
- sizes and represents the dynamics of a market
- captures the performance and processes of an organisation or supply chain.

In the development lifecycle of products and services we have the choice to use combinations of these types of data to do either or both of:

- informing the functionality, aesthetic and editorial choices about the product or service prior to launch
- being an active component of the product or service once it is live and running.

Market and performance data are familiar concepts to most professionals, and common to many business sectors. User profiling and metadata have particular relevance to the creative industries and are described in greater detail below.

User profiling

Having a good understanding of users is important to any creative service to help us offer relevant content. It helps us understand:

- How to reach them in a consistent way – through digital and physical touchpoints
- How they influence and are influenced by their friends
- Their attitude to sharing information about themselves and their network
- Their tastes and interests
- Their geo-location tracked over time

“Where creatives struggle is being taken seriously – figures and data back up your business case”



This is in addition to traditional market research data about:

- Buying habits
- Demographic analysis of spending
- Preferred ways of paying
- Most valued modes of consumption
- Age
- Gender

“It isn't just about asking what people want – they tend to talk about the stuff they already know about”

Data about creative content

Data about creative works is often called metadata. It can:

- Deal with housekeeping issues like formats and length
- Address business issues like intellectual property rights
- Factually describe content
- Make connections out to potential uses or related ideas.

Some ways that metadata creates value are through:

- Automating of business processes internally and across supply chains
- Improving customer experience
- Extending reach
- Targeting.

It can be generated by:

- Content producers
- Publishers
- Distributors
- Specialised metadata aggregators
- Passive end user consumption
- Collaborative filtering platforms
- Pro-active linking and tagging of content in social media.



“Data can help identify the monetisable components of products.”

Key findings of our baseline research

As part of this study, we undertook research to establish a 'baseline' of the current state of innovation driven by both data ubiquity and co-design approaches. This is the 'as is' model against which are set the future 'to be' opportunities outlined later in this report. The baseline findings are set out in detail in the [Creative Consumer Beacon Baseline Report](#) but are summarised below for convenience.

We found that different organisations have wildly varying levels of maturity of their processes for idea generation and product development – ranging from random conversations in the kitchen to planned innovation days. The level of structure and priority put on these processes appears to depend on the culture and leadership of individual organisations rather than being a factor of their size, stage or sub-sector.

What is common to many creative enterprises is the user or customer often not being embedded in these creative processes that take ideas through to being economically viable products or services. This contrasts the majority of respondents from all the focus sectors – except for publishing – saying that the views of the customer counted ahead of those of 'our experts'.

Similarly, the purposeful and organised use of data to inform new product development is – in general – rare. Again, this contrasts with the vast majority of respondents from all the focus sectors expressing the view that data was 'business critical', 'very valuable' or a 'useful asset'. Anecdotal evidence points to data primarily being used to evaluate the success or otherwise of existing products or test them at late stages of development rather than to steer decision making about the key attributes of products while in development.

However, the potential for data and co-design to add value to users' experiences and ultimately the sustainability of creative enterprises is recognised by many. Leadership and executive sponsorship are seen as vital to secure both investment of time and money and changes to working methods. The necessary capacity to integrate these new ways of working was seen to require additional skills and tools on the one hand and oftentimes new people and different organisational and team structures on the other.

Specific barriers to using data to drive innovation cited by creative enterprises included:

- A lack of knowledge of where to obtain data specific to their market, products and customers
- A lack of skills to first analyse this data and then synthesise it into insight to support decision making around product strategy
- Where this knowledge and skills is absent, a lack of experience of procuring or commissioning this kind of research from others.

Businesses and social enterprises were both open to the idea of higher education organisations and current and recent students helping them in all these areas.

Whilst there are similar logistical barriers to the adoption of co-design methods, there are more conceptual objections to their use:

- Users and customers having power over the creative process challenges many sectors' conventional models of authorship and craft expertise.
- Creativity is in part seen as a mysterious process that is not amenable to the kind of fitness-for-purpose testing that other categories of product undergo.

In addition, there are unhelpfully limited ways of engaging users that are habits adopted from the more traditional and marketing and communications world:

- Engagement with users or consumers being seen as research to be conducted at arms length from the people developing new products
- The preference – in all focus sectors except film, video and publishing – to ask people their opinions (eliciting wants) rather than observe their behaviours (eliciting needs).

And yet there is much best and emerging practice within the creative industries that can be appropriated by different sectors:

- Through a history of civic participation in urban design, architecture has established ways of involving users in the co-design of the built environment.
- Cultural organisations lead practice in co-creating 'watch talk and do experiences' with local people and artists.
- Both local and business-to-business publishing and related events businesses are highly antennae to the constantly shifting demands of their customers.
- Social, casual and browser-based gaming confidently deploy user-centred design methods and 'continual beta' product management.
- Many traditional and games publishers run significant portions of their business off 'the numbers' (both about money and user behaviour)
- Mobile and social platforms and apps have co-creation and co-curation both as standard functionality and cultural norms.



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Mapping the opportunities

We're looking at the opportunities in terms of four main innovation areas:

- Mass personalisation
- On-demand availability
- Design beyond your experience
- Living in the information age

Each of these areas includes opportunities for creative businesses to develop new products and services. The areas also have relationships to the major trends of co-design culture and data ubiquity.

These trends can act as both drivers and enablers:

Innovation area	Relationship to data ubiquity	Relationship to co-design culture
Mass personalisation	Enabler - interoperable, open systems now handle and match complex product options, semantically rich descriptive metadata and users' taste profiles.	Driver - people expect physical and digital, lifestyle and entertainment products and services to be unique, authentic and personally meaningful.
On-demand availability	Enabler - brokerage and collaboration requires data-to-real world linkage, aggregation and syndication to multiple touchpoints.	Driver - people want to collaborate more with their geographical and common interest communities in their personal and vocational lives.
Design beyond your experience	Enabler - multi-faceted and live insight into people who are beyond the direct knowledge of those designing products and services is essential.	Enabler - new products and services are born of the interactions between their potential users and beneficiaries and those shaping news services.
Living in the information age	Driver - data, content and social media ubiquity is putting requirements on people's lives which were not there even 10 years ago.	Driver - people think they should be able to co-manage data about them; people routinely produce as well as consume media.

On-demand availability is driven by our expectations of immediacy and connectedness. The germ of mass personalisation is our desire for products and services to fulfill higher order goals about our identity and self-actualisation – rather than just performing a practical function. Designing for people who are beyond our direct day-to-day experience has always given rise to many opportunities – data and co-design just increase the likelihood of successful product or service launches. Finally, living in the information age, on the other hand, is driven by both the ubiquity of data and people’s desire to produce and control content and data about and from them.

The reason why we emphasise the dual roles that data ubiquity and co-design culture can play is because it is easy to think of ‘technology’ – or changes resulting from technology – as being the driver of all of these innovation areas. And when you think that way, the temptation is to let technology drive the process of designing new products and services.



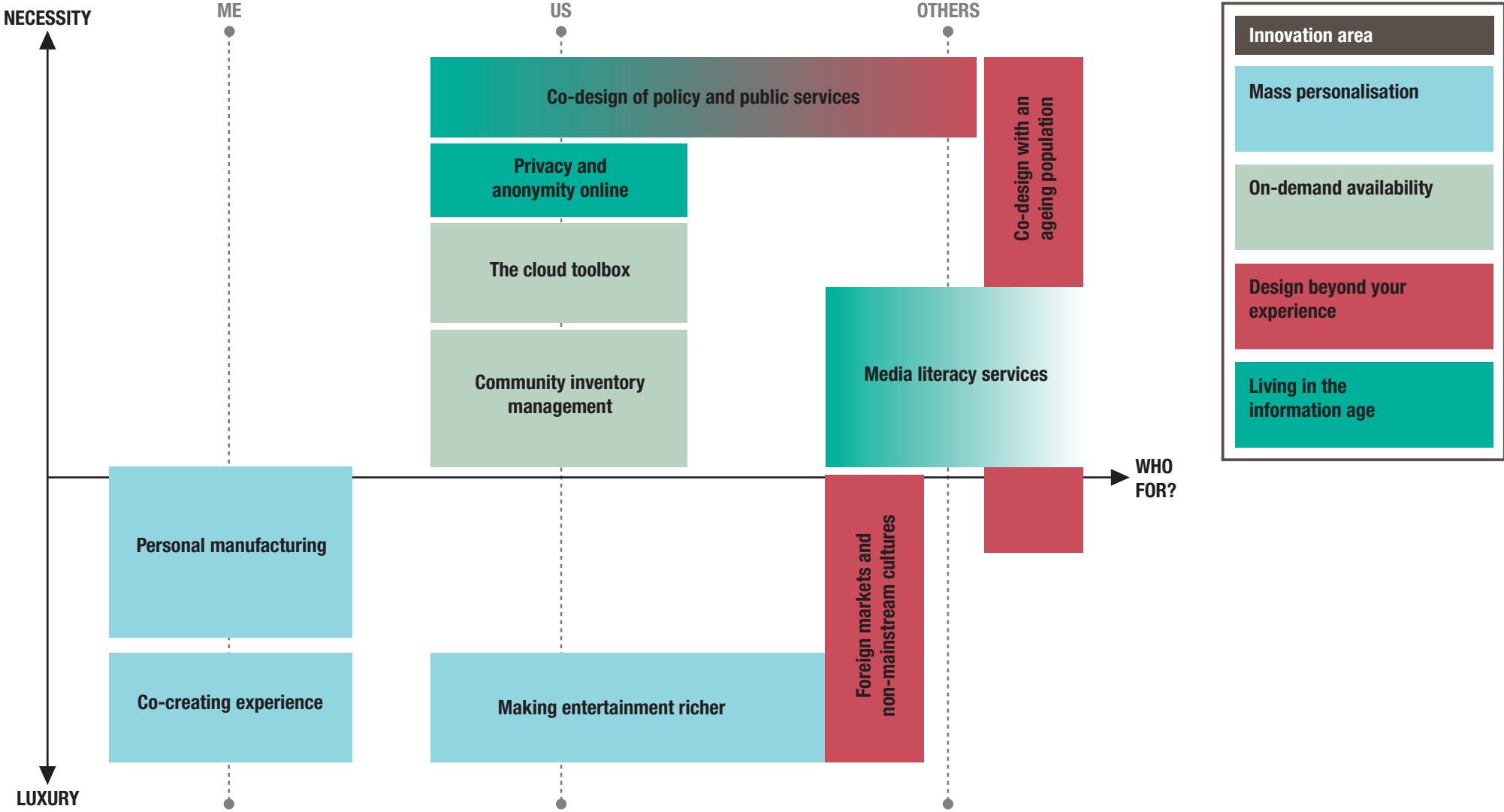
Individual users – whether customers or other beneficiaries – bring:

- their personal needs and wants
- habits and values influenced by society at large, and
- expectations set by physical and digital products and services from across many sectors.

They may not themselves see an opportunity for a new product or service but you can gain insight from them into how it would fit into their lives or be valued versus other offerings.

By using co-design approaches and all kinds of data during both the development of new products and services and their live running, we are aiming to mitigate two high impact strategic risks. Firstly, we design and build features just because they are – often newly – technically possible. And, secondly, we design to what people say they want – and, in so doing, inherit unhelpful aesthetic, editorial, business or process models from previous generations of product.

Understanding this innovation landscape



In this innovation landscape, each opportunity is positioned with respect to three different factors:

The innovation area (colour): each opportunity sits in one of the four innovation areas. The four 'Innovation areas' parts of this report look at each area and opportunity in detail.

Needs versus wants (vertical axis): each opportunity sits on a continuum, depending on whether people perceive it as more of a necessity or luxury. This is subjective, and some of the opportunities span both.

Who the user is (horizontal axis): from the point of view of the person in the designer role: designing for **me**, designing for me and my colleagues or community (**us**), or designing with a group of users that the designer perceives to be different to themselves (**others**).

Thus, the innovation areas in the bottom left are about 'fun stuff for me and my mates'. The strand of innovation and opportunities along the central 'us' column have in common brokerage and collaboration functions and the need for consensus and trust. Top right, innovation in services for the general public as well as for older people share a focus on professionals needing to work with others to deliver solutions to their practical needs.



The innovation areas and opportunities outlined here and generated through the scenario planning workshops run in the Creative Consumer Beacon project are inevitably not exhaustive. Through using the landscape as a prompt way of structuring your thoughts, you may identify areas where you can, for example:

- innovate to deliver highly personalised services or products for necessities (top left)
- create services for living or working communities which serve practical needs as well as being fun (middle vertical, straddling top and bottom)
- identify services fulfilling practical needs for overseas markets which use brokerage of skills or physical assets (green, top right).

Innovation area: mass personalisation

Mass personalisation lets people choose products they can modify and adapt. That might mean specifying absolutely anything from size and colour to capability, content and characteristics.

What are the trends?

As people use smartphones, tablets and TVs in place of computers, **user interfaces** need to be intuitive and easy-to-use, no matter how people use them. We need to be aiming to design for a broad range of platforms where users can choose the interface (physical or biological) that suits them best.

3D printers and design tools are about to rocket in popularity. We're at the stage now where desktop publishing was 30 years ago – untrained enthusiasts are showing the world what's possible when you can print out any shape – any tangible *thing* – that you want.

With the new tools available, the arts and media will face real challenges to the professionalised status they've enjoyed for much of the 20th century. Expect the rise of the **skilled artisan** producer in many media and art forms.

Interactive entertainment is becoming more popular. It's not just about watching – it's about taking part. This includes the move to hybrid combinations of film, TV, live action, publishing and more. Another facet of convergence is giving rise to augmented reality games, street games and other immersive forms of entertainment which blur the boundaries between the physical and the digital.

How does it fit this innovation landscape?

Personal manufacturing, co-created experiences and richer entertainment all fit on the 'luxury' side of the scale, and are about design for 'me' as the designer-consumer.



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Opportunity: personal manufacturing

Even with mass-produced branded items, people want the opportunity to make them *theirs*. It lets them set themselves apart, while still identifying themselves with their favourite brands.



Skin-deep personalisation

These tend to be products or components from a set range that people can assemble in the way they want. That might be combining different coloured components to make a product, or it may be personalised gadgets like MP3 players or laptops.

What does it look like?

Tailored trainers: Nike let customers create personalized footwear with [NIKEiD](#). Configure your shoes online – choosing fabrics, materials and personal embroidery – and you'll have an absolutely exclusive pair of shoes.

Your own radio station: Personalised broadcast services – from last.fm to [Spotify](#) to [iPlayer](#) – let you choose when and how to watch and listen. They're far closer to your tastes than broadcast media, and you're not constrained by broadcast schedules.

Semi-bespoke

Semi-bespoke is the next step on from skin-deep personalisation – but without objects being tailor-made. The fashion analogy is choosing a suit and having it made to your measurements.

What does it look like?

Semi-bespoke dressmaking: Brands can bridge the gap between ready-to-wear and bespoke with semi-bespoke to give customers a mid-price option. Dressmaker [Zeleb](#) will make you a semi-bespoke dress in a month.

House kits: [Hauf Houses](#) make 'house kits'. For the self-builder, they sit between pre-fab or catalogue designs and a full-service architect design. They give builders a defined architectural logic and style, but let them make design choices about how they'll live in the building.

Guided Design

Guided design gives non-specialists a set of design tools to make items themselves. The tools aren't as fully featured as professionals would use, but they set certain parameters to help people do it themselves without relying on a designer or architect.

What does it look like?

Craft on demand: [Shapeways](#) let you create or co-create jewellery, art, fashion and décor items for on-demand 3D printing.

A print run of one: Apple's [iPhoto](#) gives you simple design tools to create a coffee-table book from your own photos. Just lay out your photos and you can click through from the application to get it printed, bound and posted out to you.

What are the challenges?

- You've got to be absolutely clear about your design methodology. You need to be certain about each and every step before you can automate it.
- You need to capture your designers' and creatives' tacit knowledge in the design tools. To give consistent and professional results, you need to know when to give people freedom, and when to constrain them.
- You'll have to give up power and control to your customers. It's a real cultural challenge, especially for creative organisations which are used to being the 'expert'.
- You need to make sure that people's customisations don't eradicate your brand identity from your product. Do it right and it can actually strengthen your brand.



Opportunity: co-creating experiences

Get interactive

As technology becomes ubiquitous, it is also becoming invisible. As people get used to it – not just the early adopters – then they integrate things into their own lives, and find new ways to use them.

As this happens, they're the ones – not the expert creators – who are shaping their own interactions. We need to design in interactivity, rather than being surprised when people demand it.



What does it look like?

Interactive adverts: Ads that engage customers – whether it's choosing what they see or affecting what happens – are far more engaging than passively viewed ads.

Interactive theatre: In [Such Tweet Sorrow](#), cross-media writer Tim Wright worked with the Royal Shakespeare Company to orchestrate a group of Twitter users to act out *Romeo and Juliet* with six actors and over 4000 tweets.

Ask yourself

Ebooks: Ebooks don't have to just be linear books. Which other narrative forms work, and how can you add value socially?

Hybrid media

Merging different types of media helps engage people – it gives them a more multi-faceted experience by connecting with them in different ways and different contexts. This, in turn, creates cross-selling opportunities, and helps people co-author their entertainment experience.

It's happening right now in augmented reality games that merge computer gameplay and Live Action Role Play (LARP) with performance theatre, video events, other media and the physical environment. Physical objects give players – and potential players – a way into the game world.

What does it look like?

Urban golf: [Gigaputt](#) by Gigantic Mechanic – showcased at Bristol's Igfest games festival – turns any city into a giant golf course, with your iPhone as your golf club.

Portal 2 launch: Valve's [Portal 2 Launch](#) included a massive Alternative Reality Game, building up for over a year before the launch and including game patches, digital comics, BBS bulletin boards, developer conferences and more.

Respond to what they say they want

Digital and social media made it easy for people to better articulate what they want from their entertainment, rather than accepting what they're offered. This consumer insight doesn't give you a story, a track or a fully formed piece of art, but it gives you the germs of ideas. You can listen to potential customers and audiences tell you what's missing in the market – and you won't even need a focus group.

Ask yourself

Social co-creation: How can you turn the experience of co-creating a product into a social event? If you give people the right incentive – maybe it's social cachet or entertainment – you can get unrestricted access to your most active and engaged customers.

What does it look like?

Social gaming: [Hide&Seek](#) runs sandpit events where volunteers pay to join a large group and test out new games. People get a good evening out, and Hide&Seek get invaluable information and insights from actual players to help them development their products.

Social nostalgia: A groundswell of online nostalgia can spur companies to re-release products they've faded out. Even if your [Wispa](#) or [Monster Munch](#) isn't a massive sales success, they can act as halo brands to spur interest in the rest of your products.



What are the challenges?

- You need to be comfortable to let your audience into the creative process – which isn't always easy if you're used to being the expert creator.
- More complicated products need an iterative approach. You'll need to allocate resources to keep your users engaged enough to work with over time.
- IP ownership of co-designed products can be awkward if you don't set things out at the start.

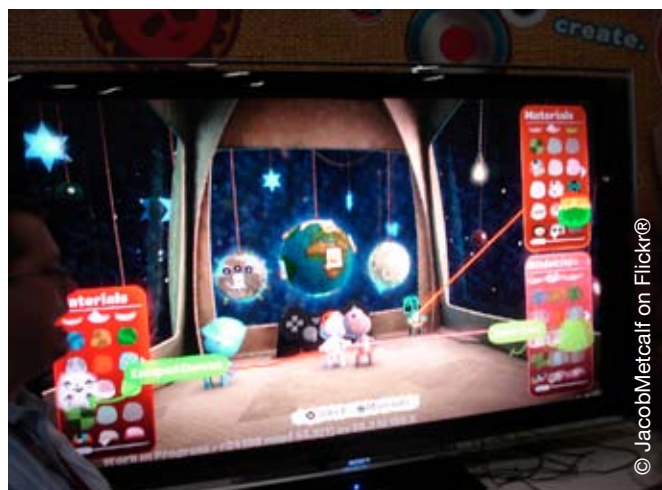
Opportunity: making entertainment richer

Consumers don't consistently value content. And they won't always pay for it – at least with their money.

So our challenge is how to create experiences around content that people value. The question is how we can do this with users, and using data about both them and creative works?

Some answers are to:

- Gain better insight into users' perceptions by analysing the data we collect about them, where they are and what they're doing.
- Give them the means to co-create richer entertainment experiences.



Exclusivity

Exclusivity, and being the first to get something, can make consumers feel special. To understand the most important people to reach, and to find out what they value, you need the right data. That might be to work out how socially connected they are, or how likely they are to promote you, or whether they're vociferous evangelists for your brand.

What does it look like?

Virtual guest list: [Fantasy Shopper](#) combined the idea of the club guest list and the exclusivity of certain fashion labels to create a virtual queue of people to gain early access to their new social shopping game/service. Word of mouth marketing was woven into this through the incentive of jumping the queue through getting your friends on board.

More or better

Recasting content to deepen a consumer's relationship with it can add value.

The traditional option has been to lump content in and let consumers decide whether or not they're interested in it (like extras on a DVD). Now we can use data to offer people what we think will interest them the most (for example, there's no point offering a high resolution version if someone's watching it on their phone). Or we can give them the tools to create extra content themselves.

What does it look like?

Co-created content: Give fans the tools and whole communities can rise around fan-created content. It's an established model in gaming: the best levels in [LittleBigPlanet](#) are fan-created, while [Black Mesa](#) is a crowdsourced remake of Half-Life, using up-to-date technology.

Take out

This means looking at what it is that people really engage with, and helping them take it on themselves when they're finished with your content. Data can show you what they react to or – if you give them the opportunity – they'll tell you themselves, and may even start creating themselves.

What does it look like?

After the telly: Encouraging people to act after they've watched isn't a new concept (think of Blue Peter appeals), but what's new is that TV shows can now through social media coral massive datasets and direct relationships with consumers to do it.

River Cottage is linked to the [Landshare](#) initiative, connecting people who want to grow their own food to people with land. In turn, this helps people embrace the lifestyle that *River Cottage* promotes. Recently, the Landshare online platform concept has been selling internationally in a model reminiscent of TV format licensing.

Also, see Sharing physical assets.

Context

Context can make content more relevant and meaningful to audiences. It's about creating connections and journeys, rather than just adding more 'stuff'.

It moves beyond the obvious 'More or better' opportunity to help people understand how something was created, who starred or created it and the thinking behind it. It also helps them to connect what could just been seen as an entertainment experience to their own lives or cultural environment.

Think of it as a way of engaging users to help generate more meaning.

What does it look like?

Adding meaning to film: The [Omigi](#) service launching in beta in 2011 in the UK and three other European territories combines editorial content from the Guardian and other creative content with film. It also allows both rightsholders and venues to create bespoke programmes with archive, shorts, animations and documentary providing context to the main feature.

Social experience

People enjoy things more if they can share them with friends or meet new people. It's not just about clicking a Facebook 'like' button – it can be as real world as coming together in a physical venue with people who share an interest. Technology can act as an enabler, though, adding a data-rich layer to these interactions.

What does it look like?

Social games: [Echo Bazaar](#) is a browser-based social game about dark Victorian London that relies on your Twitter or Facebook account.

Linking virtual worlds: Massively Multiplayer Online games (MMOs) offer a constantly-evolving social experience. [EVE online](#), the PC-based RPG game, is about to shake up its entire universe by integrating a [whole new Playstation action game](#) into its universe.

Link to the real world

However you connect with your user, you shouldn't overlook the real-world channels. You can add value to experiences by linking them to something that has value in the physical world, in addition to your content.

With the right tools, now we can track data across both physical and digital touchpoints. So, for example, it's now possible to track a single user through QR codes, location-tracking check-ins (like FourSquare) and more. This gives rise to plenty of ways to relate how your user sees your content to how they interact with the wider world.

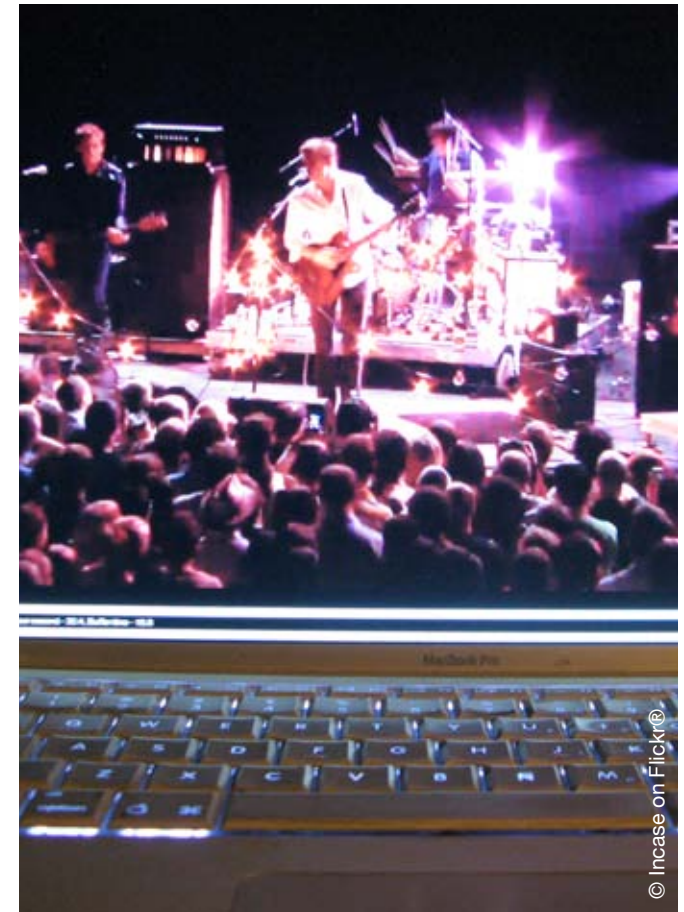
What does it look like?

Live streaming: whether it's concerts on YouTube, or opera in cinemas or other venues.

Augmented reality games: the Android game [Zombie, Run!](#) uses the GPS in your phone to track your location and sends virtual zombies to track you down.

What are the challenges?

- You need to be absolutely clear about your business models, and how you'll need to adapt your supply chain.
- You can't leave it too long – start experimenting with new models now or your competitors will beat you to it.
- Content delivery to multiple devices, platforms and other touchpoints is – technically – a real challenge. If you aren't a developer yourself, you need help. Look for someone who can either repurpose content across different platforms, or who can deliver a platform that isn't device specific (like a browser application).



Innovation area: on-demand availability

The idea of creatively sharing objects has been around for a long time, but as a society we're just beginning to see the technological and social enablers that make it a mainstream proposition. New sharing platforms and services rely on the fact that we're moving into a world with ever more data to identify, locate and describe physical objects.

What are the trends?

Emerging data types let us **identify physical objects**. These sources of data include RFIDs (tiny chips which tell us an object's unique), geo-location data (that shows where it is) and metadata (that describes the object in question). As technologies evolve, we'll see more, and smaller, objects being embedded with identifiers and transmitters – towards the logical extreme of microscopic, intercommunicating 'smart dust' sensors.

Socially, we'll move from individual ownership to **sharing and renting**. Two drivers are reduced household income - from recession and lower levels of government spending – and increased awareness of the environmental impact of our lives. As people become more familiar with this approach, more and more opportunities will arise – including those seen as being based 'in the cloud'.

How does it fit this innovation landscape?

Community inventory management and the cloud toolbox both sit on the 'necessity' end of the scale, and are about design for 'us' – designer and user alike.

Opportunity: community inventory management

Communitarian approaches aren't new – the innovation is in using data to make things simpler, more time-efficient and easier for smaller communities.

Sharing physical assets

Many enterprises need expensive specialist items that stay unused for large amounts of time. Being able to 'sweat' more value out of these capital assets makes business sense for the owners – and also for smaller businesses that may only need occasional access.

What does it look like?

Sharing production equipment: This isn't new to the creative sector. Production companies already rent out equipment they aren't using on a facilities basis, and even hire out left-over props. Using data makes it easier and more efficient.

Ask yourself

Your business assets: What assets do you have that aren't always in demand? If people knew about them and could book, pay and return them easily, what would you exploit first?

Time-banking

'Time-banking' isn't a new concept – it's about exchanging your time for something you want. On an *ad hoc* basis, it's a form of barter economy – and it's been happening in a more managed way in the third sector for a while.

Data-driven technologies enable creative enterprises to share expertise in a way that hasn't been possible before. You can reach the people interested in your skills and sell small pieces of expertise and time that haven't been possible before.

Ask yourself

Skill swapping: How could your business – or sector – use these skills to exchange skills with other companies and freelancers? What are your underused skills and capabilities?

Brokerage services

Sharing physical assets and time-banking both rely on brokerage services. They need to be efficient and trustworthy enough to almost feel transparent to the end user.

Using data efficiently helps manage smaller items in this way, for shorter periods, and between more people. Aggregating demand also reduces the burden of marketing this important – but non-core – business activity.

Creative enterprises are good at engagement and trust, especially around 'issues'. We're perfectly placed to weave brokerage functionality into our inspiring communications. And managing the social and business process aspects – which may have been a barrier even until recently – is getting easier with configurable and modular web applications platforms.

What does it look like?

Trading skills for tuition: [Tradeschool](#) in New York enables people to teach specialist classes – from questionnaire design to creating balloon animals – for tuition from other experts.

Also, see Take out.

Ask yourself

Brokering services: If your enterprise could be a donor, could you also be a broker? If you put the tools in place, how easily could you build a network to share either assets or skills? Who could you approach to explore the possibility? And how would all the participants gain value?

Ready-made platforms: You don't have to build things from scratch. Look for existing platforms you could use – maybe to create an app or web service, or just use someone's existing branding to engage participants.

What are the challenges?

- In the UK and many western societies, people like to own things. You'll need to overcome the reluctance of individuals and companies to share – and rising prices, falling disposable incomes and green concerns may help you do that.
- Depending on the skills or assets being exchanged, you'll need to offer different kinds of monetary and social incentives.
- You'll need to assure asset donors that people will be careful with their property.
- Most of all, the service needs to be easy to use and reliable.

Opportunity: the cloud toolbox

Software- and IT-as-a-service

Like many other sectors, creative businesses should seriously consider renting their software and IT as shared service rather than buying it outright. It's an established model, covering everything from email marketing to customer relationship management to server space to processing time:

Cloud services can be cheaper and simpler to manage, especially if you don't use them very often.

You can buy the processing time, storage space or bandwidth you need at the time, whether that's to process graphics or animation work or handle a web traffic spike.

You can outsource your data security, maintenance and – often – backup.

Asynchronous working and distributed production

As more tools move into the cloud, new opportunities arise:

- Multiple people can work on the same file or project at the same time.
- People in different time zones can together give 24 hour coverage.
- You can spread your team across different territories, cultures and markets.
- Flexible working (like job sharing and home-working) can accommodate parents, returning mothers, disabled people and older staff.
- You can extend your enterprise through partners and associates.

What does it look like?

Virtual choir: Eric Whitacre's virtual choir started with the composer and conductor asking singers to upload videos of themselves performing a part from his piece "Lux arumque" to YouTube. 185 people responded, which he edited into [a global choral performance](#).

Google Docs: Google's cloud-based document editing is a simple and intuitive way to edit documents with multiple contributors, and it's proving popular with creative industries from publishing to production.

What are the challenges?

- You need to be online 24/7, with a fast connection. This a particular challenge in rural locations, or if you don't have any backup connection methods.
- You need to adapt the way you – and your people – work. This might mean finding ways to keep your team tight, even if they're working in multiple locations or timezones.

Innovation area: design beyond your experience

What are the trends?

The UK and many other societies are undergoing significant demographic change. Better health services and lifestyle changes mean **people live longer**. This – combined with lower birth rates – is increasing the proportion of older people.

According to the UK's Office for National Statistics, in 2009 16% of the population was 65 years old or older. They project by 2034 that 23% of the population will be 65 or older. Also, they predict particular growth in the over-85 category compared to just 18% of the population who will be under 16. These older consumers – mentally and physically fitter – will want to be more active and engaged than ever before.

Looking further afield, we'll see changes to the **global economic balance**. The block of BRIC (Brazil, Russia, India and China) countries and territories in South East Asia are becoming increasingly important on the global economic – and cultural – stage.

Opinions differ over the impact of this. Could Mandarin challenge the dominance of English? Would a South American currency union reduce the influence of both the US dollar and the euro? What will the rising middle class in these 'developing countries' want to spend their money on?

How does it fit this innovation landscape?

These opportunities cover the range between 'necessity' and 'luxury'. We have focused the opportunity of 'co-design with an ageing population' towards necessity, whilst 'foreign markets and non-mainstream cultures' sits towards the luxury end. 'Co-design of policy and public services' feels like it's firmly a necessity.

Both co-design with an ageing population and foreign markets and non-mainstream opportunities involve designing for 'others' – users that the designer might feel set apart from.

On the other hand, 'co-design of policy and public services' can either be for 'others' (for example, officials and digital experts developing services for hard-to-reach families out of their day-to-day experience) or for 'us' (like transactional services for tax self-assessment or rubbish collection that everyone uses).

This last opportunity straddles this innovation area and the 'co-design of policy and public services' area. See this last innovation area for details.



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Opportunity: co-design with an ageing population

Tech that works for me

Like all consumers, older people want entertainment and information in a form that works for them.

Ask yourself

Skill swapping: Try to forget your traditional conception of what gaming looks like. How 'should' video and street games, participatory activities and live events work to address the needs of an ageing population?



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This may include:

Old tech

Not everyone wants to upgrade or learn how to use new technology. If content and services work on older devices that people still use, you'll reach a bigger market.

Ask yourself

Backward compatibility: Keep hold of some older devices in your work environment, not just up-to-the-minute tech.

Simplified tech

There's already a market in large-button phones and simplified cell phones with a single function: making calls. This is a market for products that only do one thing, but do it well.

Ask yourself

Single function products: Think about products that could be slimmed down to their core function, and which don't need any other products (batteries, computers, data connections) to make them work.

Inclusive tech

Older people can face limitations that mean they just can't use most products straight out of the box, whether it's low dexterity that means they can't use buttons or switches, or poor eyesight that means they can't read a manual or screen.

Consider designing specifically to these limitations. That might mean looking at voice recognition, or tactile feedback, or simply usability testing with different groups. You'll also need to look at your marketing.

What does it look like?

Gaming for the blind: In the gaming arena, [Terry Garret](#)'s risen to fame recently. Terry, who's blind, can play through games using only the game's sound design. How could co-designing with the visually impaired produce more accessible games?

Ask yourself

Single function products: How could you change designs to specifically address these limitations? Would you consider voice recognition, or tactile feedback, or simply usability testing with different groups? And how would you have to change your marketing?

Just make it work

Poor design infuriates any user, no matter what their age. Whoever you're designing for, they'll want to master the basics without using the manual or pushing a bent paperclip into a tiny hole.

But older users can be less certain of technology, or less interested in it for its own sake. They place real importance on good, reliable and easy-to-access support.

Ask yourself

Premium support: Some users will pay more for products that just work. Otherwise, they may be willing to pay separately for support services to get things up and running quickly. What products or services could this apply to?

What are the challenges?

- Products and services for over-60s may need special design, but they need to be at the right price point. You need to clearly understand how sensitive your representative users are to price.
- You need to address accessibility needs – from poor reaction times and imperfect hearing to imperfect vision and mobility limitations – without impairing the fundamentals of the product.
- You can't assume that users will be familiar with the interface paradigms of digital products.
- You need to design your product communications with your users. Stop thinking of the communications as separate to the product, and try to think of people's brand experience with each touchpoint.
- There's plenty of guidance on inclusive design in the built environment, physical products and digital experiences. You'll need to be familiar with it.
- Test prototypes and pre-launch products and services with real customers.



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Opportunity: foreign markets and non-mainstream cultures

Products and services for foreign markets

To get products to work in foreign markets, you need to engage with the culture. You might like to consider:

Working with international students, whether as interns or as employees.

Working with local partners in other territories to co-develop or customise your products for that market.

Undertaking collaborative R&D with companies in other European territories. EU funding is available, including the [FP7 programme](#).

Running insight and co-design programmes with representative users.

What does it look like?

International skills swaps: New Zealand based film production services and special effects house, Weta, have run skills swaps with neighbouring Asian companies. They found that some of the best ideas for new animations or games come from teams socialising in the pub and understanding each other's sense of humour.

Nearby but different to me

Minority cultures in the UK are often underserved by entertainment and cultural products. This is a missed opportunity.

Partly, it's because of the lack of diversity of people working in some parts of the creative industries. It's also difficult to judge what will work creatively, aesthetically and culturally for people who are different to you.

Ask yourself

Exploring new markets: If you were looking at this market like you would a territory you don't operate in, how would you plan it? How would you co-develop and test new ideas with potential buyers?

What are the challenges?

- It takes a while to develop cross-cultural working habits and skills, so managers and leaders need to lead by example.
- You may need to start learning new skills, and you'll need advice and training from the right people.
- You may need specific language skills for research, insight and co-design work with potential customers abroad. That might mean working with new staff.

Innovation area: living in the information age

What are the trends?

The more people use the web, the more digital personal data they're keeping online – and the more of a concern **information security** becomes. If people won't pay for a service, providers will keep hunting for other ways to monetise their service.

Regulation around personal data and privacy will strengthen, both at a national and European level. Private corporations may be less resistant than before as a personal data incident of Wikileaks proportions could fundamentally turn the clock back on the levels of trust people place in corporations' control of their data.

People are consuming information, entertainment and culture across multiple platforms and devices. The familiar formats from books, newspapers, television and film are giving way to hybrids where editorial standards are less policed and opinion less clearly differentiated from fact. We are producers as well as consumers. Our **literacy** in all these forms of media – on which we base our opinions, world view and self-identity – is struggling to keep up.

At the same time, **government** and the wider public sector is changing the way it interacts with citizens and businesses. It's a move towards digital, whether it's online via a computer, or mobile or through connected TV. It makes economic sense - the cost per interaction is far lower than dealing with people in person or by phone, and it's 24-hours-a-day as well.

Citizens also expect to be part of the debate about what central and local government does and the services they provide. Five-yearly plebiscites are giving way to a more **participatory style of government** and public service delivery. We're starting to see paragraph-by-paragraph commenting – wiki style – on draft policy, online petitions and more and more use of social media by government.

Is the logical end point of this shift being 'citizens making policies while the politicians are in charge of implementing them'?

How does it fit this innovation landscape?

'Privacy and anonymity online' are a necessity, and will become more so. 'Media literacy services' are more subjective. Is a media-literate society as important to a liberal democracy as a free press and the right to vote? Or is it about an intellectual luxury to deconstruct the way that content is constructed and mediated?

Most aspects of services providing 'privacy and anonymity online' will apply to designer and user alike, whilst 'media literacy services' are almost by definition designed by highly media literate people for 'others' who are less so.

The 'co-design of policy and public services' can either be for 'others' (for example, officials and digital experts developing services for hard-to-reach families out of their day-to-day experience) or for 'us' (like transactional services for tax self-assessment or rubbish collection that everyone uses). Similarly, it straddles this innovation area and that of 'design beyond your experience'.

Opportunity: privacy and anonymity online

Privacy and anonymity services

Four categories of service have strong potential for growth:

Privacy brokerage services: When a customer signs their information over to this sort of service, they'll be able to select what they're prepared to release. They don't need to do anything after setup – they can just set and forget.

Privacy-guaranteed social networking: Social networks with your personal information secure in a walled garden. Could this be pay-for-entry networking sites? It's not far from current dating sites in terms of functionality and brand proposition. Or maybe open source social networks like [Diaspora](#)? We're also seeing sites like Facebook giving more control over privacy back to users.

Removing unwanted information: We're starting to see Internet PR companies develop to monitor people's online profiles and remove unwanted information from the web. Could we see a more extreme service that could totally erase your on-line footprint for a fee?

Anonymity services: Will we see more tools to let people maintain their privacy? Common browsers all have an 'anonymous browsing' function built in, but what are the options between here and an off-grid lifestyle?

What are the challenges?

- Given the choice, people often choose to make their data free to friends, but not to businesses. So how can we verify an anonymised user, or use their data to fund running costs? We need to find ways to add value to this relationship so people will open up their information.
- The brand experience and customer journey needs to balance using this data with being easy and feeling safe.
- Services that offer to 'remove' unwanted information face huge technical challenges – when something's been published, it will almost certainly have been archived somewhere, by someone.

Ask yourself

Money or data? For entertainment, culture or information service propositions, ask how much you'll need to rely on personal and other data to make the service work – and then make money. And how does this fit as part of the value proposition, especially against other ways of personalisation or payment? In some cases, you may decide that the data you gather is worth more than charging the user.

Opportunity: media literary services

Spanning the digital divide

Some people aren't online or digitally savvy, or have disabilities that prevent their effective use of these channels. There's a risk of cutting these people out, and leaving them disenfranchised with local and national politics.

There are various government-supporting initiatives to address this, including [Race Online 2012](#).

What does it look like?

Getting people online: Energy efficiency promotion and support is largely carried out by energy companies. This shift comes from a combination of their own corporate social responsibility initiatives (to show they're environmentally responsible), and carbon-reduction demands in their operating licenses. There's a parallel with organisations like AOL and the BBC to support the less digitally confident to get online. This means delivering a public benefit supported by their trusted brand, but also expands the user base and future market for digital media products.

Ask yourself

Learning support in education: Think about resources for learners, teachers and lecturers around media literacy in its broadest sense. This might include books and e-learning packages. What sort of content would be important to include?

Developing privacy-aware citizens

To understand the trade-offs they're making between privacy and access to their data in return for services, UK and European citizens need educating.

As more people communicate and organise their social lives through social networks, are they aware of how much they're making available? Over time, these details knit together into a full life history, including misbehaviours and drunken antics. It's now common HR practice to check out someone's social media profiles before hiring.

Similarly, less timid 'silver surfers' may unwittingly put more details about and photos of their grandchildren than may be prudent, not realising who they're granting access to. Even some teachers are making comments about individual pupils in their online posts – would this behaviour be acceptable in any other medium?

To help educate people, informal learning needs to be a big part of the mix. People won't learn because the media and publishing brands tell them they should: instead, we need to engage people through their passions and give them a reason to change their habits.

Ask yourself

Who cares most about privacy? What opportunities do we have in the creative industries to engage particular segments of the UK or international market with privacy concerns? Which brands could we support with creative services and content to do this?

What are the challenges?

- Media literacy means more than just getting online. To change their behaviours, people need to be confident and trusting (to an extent), as well as connected.
- Some segments of society don't have a compelling reason to get online, and so won't spend the money or time they need to get there.
- Closing public libraries will make it harder for lower-income users to get online, as libraries have been a traditional free access point for the Internet and informal learning.

Opportunity: co-design of policy and public services

Platforms and channels for policy debate

People want to be a part of developing government policy – especially when it has a direct influence on them. This conversation needs to take place in the right channels and on the right platforms to serve the third sector, businesses and individuals as well as government, its advisors and delivery partners.

The government and public bodies need guidance in this process, whether it's on the channels to use or how to use them. They need to engage as well – responses need to be timely, on the right platforms and in the right tone.

Ask yourself

Change the channel: How would you plan channels for policy debate to reach beyond digital- and policy- enthusiasts to the man or woman in the street?

Tools for co-delivered public services

Government is constantly looking for new ways to achieve policy outcomes and deliver public services. We've seen a trend towards co-delivered public services by the third and private sectors, and also with local communities themselves.

This type of co-delivery demands a solid matrix of communication and collaboration between government, its delivery partners and service users – even if they don't share the same priorities. Successful delivery depends on their working together well.

Creating these tools is a creative, communications and technical challenge. They need to handle the complexity, deal with all the different viewpoints and messages, manage information flows and conversations, enable debate multiple media.

Ask yourself

Creative assistance: What solutions do we have in the creative industries to address these challenges? Which skills, content and platforms could work? And which co-design principles and methods could we use?

What are the challenges?

- Services need to be accessible to everyone – even if they can't or won't use digital media and the Internet.
- Not everyone wants to engage in politics and public services.
- There are stringent UK and EU regulations on privacy, data protection and distance selling.
- Government and public bodies need to respond if they have invited comment, otherwise people who have tried to be active citizens and feel they have not been acknowledged will reject the concept.



Conclusion and recommendations

What next for creative businesses?

Creative people and creative organisations are great at helping other people to problem solve and imagine the unimaginable. To take advantage of the opportunities outlined in this report – and to shift your innovation up a gear through the use of data and co-design – you will need to turn these abilities in on yourself. And – knowing how difficult that is – solicit the help of colleagues and friends.

There is nothing that will happen in the next 5-7 years in the realm of data-driven innovation and co-design in the UK's creative industries that isn't already happening – in a research lab, in another creative sector, in a business round the corner or that a friend runs, or in the mind and fingers of the quiet employee who isn't brave enough to look you in the eye. It is a question of looking in the right places.

Invention out of thin air is not a necessity but a curiosity to talk to people you don't normally meet, work with competitors, collaborate with artists – step out of your comfort zone in some way – is. Madness is – as they say – doing the same things and expecting a different result. So consider throwing out Broadcast – and buying in Museums Today and pitching your next project to the cleaner.

You can encourage all your staff to do market and competitor research and involve everyone in the development of new products and services. Try to recognise and reward ideas and experience from outside your sector, even from outside the creative industries. Search out the opportunities to find new partners and make a point of partnering with organisations and individuals from a different part of the country, or with a different ethnography mix or from abroad.

In your project planning, it is important to map out the different creative, business and technical disciplines used. You should have separate strands of work for things like platform, content, marketing and commercial – but make sure that there is regular collaboration between the different people responsible for each strand. Create cross-cutting teams which have members from every part of your business to keep the thinking and approach fresh.

You need to know that a product isn't just some technology or content – but a whole package of commercial and legal models and documentation, marketing and sales materials and support services. You should understand that the experience of a service is the sum of the interactions that a user has across all its different physical and digital touchpoints. You will need to develop a commonly understood lifecycle of developing products and services and then decide when and where in the model to use data and co-design.

In short – have fun, make money and create great experiences.

What next for those investing in, funding or supporting creative businesses?

Policy and strategy across the arts, entertainment, information and technology sectors needs to be co-ordinated.

The opportunities for and challenges to these sectors arising from issues such as multi-channel marketing, cross-platform consumption and different licensing regimes are very similar. At the very least, best, next and emerging practice needs to be shared, as in recent co-ordination between a number of national bodies in film archive policy.

In some cases – for example, digital delivery of cultural content – single-sector solutions are unlikely to be viable unless they align with and take advantage of operational efficiency from the horizontal integration of services across other entertainment and informational content. It will be essential to actively manage portfolios of commercial or public investments so that synergies are realised between previously unconnected types of enterprise.

Collaboration across different parts of the creative industries – and beyond to other brand-led, ‘heavy’ technology or transactional industries – needs to be permitted and where appropriate incentivised by funding, other fiscal incentives and business support. The Technology Strategy Board’s own ‘Collaboration Across Digital Industries’ calls are a good example of this approach but appear complex for creative industries players to bid to.

Funding calls which pre-determine the range of solutions offered by narrowing the kinds of organisations that can apply according to the traditional model of delivery – for example, not-for-profit bodies only – should be avoided. For example, the procurement approach adopted by the Department for Education for innovative services for families and parents encouraged mixed models of private and third sector providers.

Finally, private and public funders need to ask potential investee organisations about their use of data to drive innovation and of co-design approaches. If they are not ahead on data usage, how will they retain their competitive advantage? If they are not designing with their users, how can they guarantee their products and services as being fit for purpose?

Appendix

Co-conspirators and co-authors

Speakers

Cate Trotter, *Insider Trends*

Chris Yapp, *Futurologist*

Fred Bolza, *Sony Music*

Joanne Jacobs, *Social Media Consultant*

Simon Evans, *Slingshot*

Simon Grice, *ideas.org*

Simon Rogers, *Guardian Datablog*

Baseline consultees

Adrian Wootton, *Film London*

Dave Moutrey, *Cornerhouse*

Dee Davison, *UK Film Council*

Emma Runciman, *ThinkSayDo*

Emma Whitehead, *Guardian Media Group*

Fred Bolza, *Sony Music*

Geoff McCormack, *Alloy and British Design Innovation*

Jeremy Silver, *Mediaclarity*

Lesley Morris, *Design Council*

Marie-Alicia Chang, *Musicmetrics*

Matt Dixon, *Hudson Walker*

Michael Nutley, *Centaur Publishing and Mew Media Age*

Mike Dicks, *PACT (Producers Alliance for Cinema and Television)*

Mike Rawlinson, *UKIE (UK Interactive Entertainment)*

Patrick Tame, *Beringer Tame*

Pete Buckingham, *UK Film Council*

Robert Ray, *Newspaper Society*

Roger McKinley, *FACT*

Steve Redmond, *Edge*

William Lathamsumner, *Games Audit*

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