

## Understanding the economic impact of the UK's creative hotspots

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A new report produced by a team of researchers from Birmingham Business School has shown the spread of creative industries in the UK in order to understand their impact on the UK economy and their role in the pursuit of economic recovery.

The report has been commissioned by **NESTA** (<http://www.nesta.org.uk/>), the UK's foremost expert in how innovation can solve economic and social challenges. The research is based on a new interactive online tool which uses business register data to map British creative businesses and allows users to see where creative businesses 'cluster together' to create areas of excellence and growth.



NESTA's Creative clusters map by region

London is shown to be dominant across the creative industries and the research identifies ten other creative 'hotspots' across the UK in Bath, Brighton, Bristol, Cambridge, Guildford, Edinburgh, Manchester, Oxford and Wycombe and Slough.

Lead author Dr Lisa De Propris comments: "We know creative industries provide immense value to the British economy. They contribute to the vitality of urban regions and feed into other sectors through technological breakthroughs and innovation. In order to harness and nurture this we need to have a better understanding of their distribution across the UK and where particular clusters of expertise have emerged. That is what this report sets out to deliver. It maps out, for the first time, exactly where the creative industries are located throughout the UK in minute detail."

The **online tool** ([http://www.nesta.org.uk/areas\\_of\\_work/creative\\_industries/geography\\_of\\_innovation](http://www.nesta.org.uk/areas_of_work/creative_industries/geography_of_innovation)) allows users to zoom in on any area of the UK – from a regional level down to local level - to scrutinise which types of creative businesses are located there. **NESTA** (<http://www.nesta.org.uk/>) argues that better understanding of an area's true creative strengths will make it easier for policymakers to create the right conditions for further growth and to avoid wasting money on poorly considered interventions.

In addition to mapping creative clusters across Britain, the analysis presented in the report shows that the creative industries punch above their weight in terms of innovation at both the national and regional level. They also tend to cluster in the same places as other innovative industries such as High-Tech Manufacturing and Knowledge-intensive business services (KIBS).

The report also suggests different parts of Britain present different profiles of creative specialisation. Cities across the wider South are more diversified in their creative specialisation, whereas Northern and Midlands cities (Manchester excepting) have similar creative profiles to their neighbours.

The report makes recommendations for policymakers which include maximising existing clusters rather than trying to build new ones from scratch; helping remove barriers to collaboration between cluster businesses and encouraging universities to do more to promote innovation in increasingly tech-intensive creative industries.