BIZCOMMUNITY

Re-dreaming the economy: why creative entrepreneurs are the future

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When someone says they're an artist or creative, the response usually is: "yes fine, but when are you going to get a real job?" But evidence from around the world shows that, far from being something nice on the side, art and creativity actually contribute significantly to the economy, especially if coupled with entrepreneurship.

According to the South African Department of Arts, Culture, Science and Technology, the craft industry constitutes 15% of Morocco's GDP; Canadian cultural industries generate $22billion and generate 670,000 jobs; in Mexico, cultural tourisms contributes 6% to GDP; and in Australia, arts and culture contribute 3% to GDP, generating $36million per annum.

Drawing lessons from these countries on how they've positioned their respective creative industries within their economies, the department has committed itself to a robust strategic plan that aims to develop the South African industries by improving access to information and finance opportunities, supporting skills and entrepreneurial development, building market awareness, and nurturing growth through new regulation.

In his introduction to the 2012 - 2013 Strategic Plan, minister of arts and culture Paul Mashatile wrote that a major shift in the creative industries and approach to them "is the increasing recognition that arts, culture and heritage are not only social in nature, but are contributing significantly to the growth of the economy."

"Entrepreneurship, the growth of new business models, product development and the associated infrastructure, and the growth of new markets are increasingly pervasive across the various segments of the creative industry."

Having identified the potential of the creative industry Mashatile recognises the need for support and high impact development programmes. One such programme is the Business Acumen for Artist's programme run by the UCT Graduate School of Business.

Seven years ago, Elaine Rumboll - who is both a poet and a business woman - saw a gap in the skills development market. Starting at a community centre in Observatory, Cape Town, Rumboll taught artists how to turn their passions into profitable businesses, eradicating a known stumbling block for any entrepreneur, a lack of business knowledge. The Business Acumen for Artist course has run to sold out classes ever since and teaches artists everything from how to manage their finances, market themselves more effectively and critically, to how to negotiate, manage projects, monetise online offerings and strategise.

"Basic business knowledge changes everything for artists who want to make a success of their work and it repositions them in the economy," says Rumboll, who still directs the programme. "And there is already a lot of activity happening as more and more artists become entrepreneurs, but there are many challenges too."

For Ewald Hoon, a young film-maker, for example, access to finance and balancing creativity with sound business thinking is a major challenge.

"Some people do things out of love and some people do things to survive - I want to do what I love to survive," he says.

"It's a very tough industry to be in, and it's very tough to be who you want to be. The people who manage to do that are the lucky ones," he says. "Everyone should do what they want to for a living, and should be who they want to be when doing it, but, you have to make money somehow and in the beginning, not having the financial support you need destroys your chances of success."

Hoon envisages a life as a film-maker, making good old films seen in good old cinemas. For now, he co-owns an online media company, AVA, where he works as a creative director creating content for online audiences.

"I see myself being able to one day go into making movies but only once I reconcile that with doing good business," he says.

"Already I see there's a trick to combining the two, balancing the creative brain and the business brain. And I think it is a trick artists have to learn if they want to get themselves out there and make a success out of what they do."

For tattoo artist Leigh Petersen, owner of Pirate Skin Tattoos in Woodstock, the struggles of being an entrepreneur have to do with not only finances, but breaking into the market and building a brand.

"Just getting into the tattooing scene was a major challenge. Coming into Cape Town from Dubai, a completely unknown person," he says. "If no one knows about you, making money tattooing is impossible. I've had to figure out my own way - I've had to discover how to access the market, and how to drive interest in my work," he says. "But it is still very challenging."

Stylist Nonhlanhla 'Tiger-Lily' Mditshwa has a similar struggle - people's perception of what her work is worth. Mditshwa is a freelance stylist and event coordinator. She runs a small market every month called 'It's a Textile', a congregation ground for artists and creatives from around the city.

"For me the challenge is solidifying relationships with the people I work with," she says. "The other major issue is that not everyone sees the need for what I do, so it's hard to find a market."

Rumboll says that artists are naturally very good at finding solutions to problems and that it can be expected that through perseverance and trial and error they can be hugely successful but she has noticed that creative people, considering going into business for themselves, face the same problems - many of them relating to fear of failure and uncertainty.

"There is this national narrative that art as a livelihood is unsustainable, creating the perception and culture of failure," she says. "But artists, after learning basic business skills, start to lose their fear and gain confidence in the realisation that business acumen offers the structures and procedures and strategy needed to make a success out of their art."

"They start to see business as an extension of their art, an engine for furthering their creative endeavours, and that's when their ideas become major innovations, whether in terms of building new business models or manufacturing new products and creating new consumer markets," she says.

Consider StageIt founder and CEO Evan Lowenstein. As part of American pop duo Evan and Jaron, in 2009 Evan founded the online video platform where musicians give live concerts to audiences who choose to tip the musicians or not; effectively, the relational gap between performer and fans is reduced drastically - totally disrupting previous music business models.

Another example of artists becoming innovators through business is Kickstarter - a novel online financing platform that allows artists and creatives to crowd-source funding they need to complete projects. Launched in 2009 by electronic musician Perry Chen - who loves art and music - and freelance music journalist Yancey Strickler, Kickstarter has changed the financing environment by closing the gap between those with ideas and the capital they need-so far 10,000 film-makers have raised more than 88 million dollars, and 10% of the films at Sundance last year were funded through Kickstarter.

With the acknowledgement of the creative industry as a major driver of economic growth - and growing proof thereof, and with the recognition that support is needed to develop artists and creatives in the country, especially artist entrepreneurs, the response, when someone says they're an artist, should in fact be: "thank you, keep up the good work, and what can I do to help?".

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