The “hard” and the “soft” of creativity
The relationships of creation to innovation and R&D

Thomas Paris
researcher at CNRS (GREG HEC / CRG Ecole polytechnique)
affiliate Professor at HEC Paris
creative dynamism comes from the relationship between « soft » (ideas, desires, talents) and « hard » (materiality, organization, tech...)

that doesn’t imply a single model, an industry one best way
1. OVERVIEW
Research questions

• Creative industries
  – Movie, advertising, fashion, architecture, music, videogames, publishing, TV, grande cuisine...
  – No « ideological » definition: creation activity
  – Specific activities (Caves, 2000, Becker, 1982)

• Holistic approach
  – production/distribution, but a focus on the less known level: processes and organizations

• How do creation occurs ?
• How do creative industries work ?
• How can we explain the sustainable success of some creative companies ?
• Content-oriented viewpoint: how to foster creative dynamism ?
Works on a meso or macro perspective

• Creative clusters and creative cities (Paris, 2010)

• Distribution channels and prescription (Benghozi & Paris)

• New ways of distributing movies (D&D) (Paris, 2014)

• Startups in the digital music industry (Hadida & Paris, 2014)
The peculiar economy of creation

- Creative industries/creation lay on a unique paradigm, both from the management viewpoint, and from the economy viewpoint

- An holistic view of creation: production structured both by the micro level (processes) and by the macro level (distribution structure)
The peculiar economy of creation
(That’s life…)

- Talents
- Pressure to distinctiveness
- No intrinsic value
- Risk (nobody knows), portfolio economy
- Star system, failure, long tail
- Weight of gate-keepers
- Bottlenecks
- Abundance and Hyper-competitiveness
- Schumpeterian dynamism and « fringed oligopoly with competitive fringe »
2. CREATION AS AN ACTIVITY
Creativity: different meanings

- Problem solving
- New ideas (opportunities) generation
- Ability to product innovative products
A (wrong) soft view of creativity

- Talents
  - Undetermined
  - Socially constructed
  - Dependent on means and confidence granted

- Ideas
  - Not an issue
  - No intrinsic value
The creation activity

- Future-oriented, no landmarks (no « demand »)
- Rule-breaking, renewal, differentiation
- Subjective viewpoints and personal commitments
- Negotiation with three levels of reality
  - Material
  - Organization
  - Market

“Nobody knows anything.”
William Goldman
Characteristics of creation and talents

- Renewal
- Learning
- Exploring
- Playing

- Struggling with materiality, and finding solutions to offer differentiating works
Creative processes: abundance and openness

- Collective and structured processes
  - division of labour

- A divergence-convergence process
  - Quick prototyping
  - Step-by-step focusing
  - Intermediary objects

- Abundance
  - Talents
  - Ideas
  - Projects
  - Iterations
  - ...
The economy of creation: a three-pronged model

“A writer needs a pen, an artist needs a brush, but a filmmaker needs an army”
- Orson Welles
3. WHAT ABOUT TECHNOLOGY, INNOVATION, R&D?
Lessons from the report

- R&D: 3 origins
  - Outsiders (cf. report)
  - Insiders, out of the projects
  - Inside specific projects
    - Difficult to isolate

- Different influences (report p. 96)
  - Aesthetics (report, p. 57)
  - Format / Device/ Distribution channels
    - Changing the value chains, modifying equilibria
    - Changing uses
    - New actors
Complementary insights

• Terra incognita

  – New opportunities for new entrants
    • cf. report p. 38
  – Call for air for talents and projects
    • new opportunities for new entrants in the creative fields, because new channels means unstructured channels, and freedom spaces
    • Ex. HBO, Pilote
    • What about ebooks?
Complementary insights

• Tech as part of the creation tool
  – creative process as a negotiation with materiality (Lê et al. 2003)

• Two ways
  – Building a tool for a specific project
    • Benjamin Button (p. 66), Aaton (p. 69), Pixar, LucasFilms/ILM...
  – Exploring new tools (materials, techs...) as a source of inspiration
    • Cirque du Soleil, Ubisoft
R&D as a source of inspiration
The role of R&D in a business model that sustains creativity

« four interlocking elements, that, taken together, create and deliver value. These are: customer value proposition, profit formula, key resources, and key processes »

- Johnson et al., 2008

Osterwalder & Pigneur (2010)
The role of R&D in a business model that sustains creativity

- The best talents
- The best technologies to keep the best talents
- Short movies
  - as a way to keep a creative tool at the cutting edge
  - to give the talents « food for thought » (opportunity to express)
Intertwining tech and creativity

- **Pixar**
  - An high-tech company (CGI) that moved to creation
  - Movies as a way to demonstrate a new tech

- **McGuff**
  - A technical company that could move to creation thanks to an efficient tool

- **Montréal**
  - Development of the videogame industry took place on a technological background
Conclusions and outstanding issues

• Creation involves innovation

• Creativity in creative industries lays on an intertwining of talents and creation tools, which involve more or less tech
  – Various strategies (not a unique model)
    • integration (Pixar)
    • ability to get the resources needed for a specific project (Cirque du Soleil)

• Novelty is a source of exploration and inspiration

• R&D maybe a source of achieving projects and a source of inspiration
Conclusions and outstanding issues

• Difference between innovation and creation is about the nature of knowledge involved (accumulative or not) (Barrère & Santagata)

• Level of idiosyncrasy of the knowledge generated
  – R&D doesn’t mean necessarily patenting
  – mainly knowledge on a material / tool
  – Specific to a project (Sunk costs (Benghozi, 1988), cf. report p. 83), Ubisoft
  – Specific to an individual (expression of a subjectivity)
  – Re-usable

• To which extent does creative industries percolate other industries ?
  – Directly (re-use of R&D findings)
  – Undirectly (creation as source of innovation, KEA (2009))

• Interesting case of Quantic Dream
  – A tool designed to sustain the creative vision of an individual
  – A will /necessity to share it with other individuals or industries
Conclusions and outstanding issues

Policy issues

• Structuring policies
  – Companies rather than projects?

• Availability of the “tool” for project-bearers
  – fostering creativity without capitalistic intensity
  – lowering of entry barriers to the creation
  – shared equipments? (Motion Capture studio)