Nesta’s work in
The creative economy, arts and culture
Nesta is a global innovation foundation. We back new ideas to tackle the big challenges of our time.

We use our knowledge, networks, funding and skills - working in partnership with others, including governments, businesses and charities. We are a UK charity but work all over the world, supported by a financial endowment.

We see Making sense of opportunities and challenges.
We spark Generating new ideas.
We shape Helping to test, grow and adapt promising solutions.
We shift Changing whole systems.

The kinds of big challenges we tackle include ageing; stretched public services; a fast changing jobs market and people feeling disempowered. We focus on areas where the combination of digital technology, empowered individuals, and better use of data and evidence can have the biggest impact.
How Nesta is tackling the big challenges of our time: Our work in the creative economy, arts and culture

**The challenge:** How to grow the creative economy and help arts and cultural organisations thrive in a time of austerity.

**Nesta’s response:** We show the value of the creative economy, influence policies to help it grow, and help arts and cultural organisations thrive by making the most of digital technologies and new funding sources.

**What we want to see:** One million new creative jobs in the UK by 2030, and a resilient, innovative arts and cultural sector.
We want to see more creative jobs. Creative jobs are highly skilled, high productivity and resistant to automation. Nesta’s latest research with Pearson on the future of employment shows that demand for creative jobs is likely to grow. Nesta has long championed policies that meet the workforce needs of the creative economy - in areas like talent development, creative clusters, and research and development. Examples include our work on data skills; high-tech creative skills in our Next Gen report; improving the definitions of R&D; and measuring the benefits of combining arts and science skills in a company workforce.

We want to see the arts and cultural sector make the most of new technology. We see huge opportunities where creativity meets technology in emerging art forms, improving access and new business models, and have backed dozens of projects testing new uses of digital technology. This year we are developing a digital innovation programme for museums, and have created an online interactive museums map.

We want the creative economy to be better understood by policymakers in finance, education and industry, as well as in culture. We have published detailed policy proposals and mapped the many creative hubs to be found right across the UK in The Geography of Creativity in the UK.

We never work alone. Our partners have included: Arts Council England, Arts Council of Wales, Heritage Lottery Fund, Bank of America Merrill Lynch, Esmée Fairbairn Foundation, The Calouste Gulbenkian Foundation, Cardiff University, the Arts & Humanities Research Council, Ukie, Creative England and the Department for Culture, Media and Sport.
Nesta approaches challenges from multiple angles

We combine thinking and doing to bring ideas to life, test them on the ground, demonstrate what works and help the best to grow.

We see new opportunities and challenges

New research and evidence: Nesta conducts groundbreaking quantitative research on the creative economy - using methods like machine learning to identify and measure creative jobs in *Creativity vs Robots*, and social network analysis to understand networks of creative individuals. Our Dynamic Mapping method for classifying the creative industries has been adopted by the UK government. We also build interactive data visualisations to support policy at a local level - such as mapping the economic importance of creativity in local areas; and the skills needs of a creative workforce.
We spark creative solutions from many sources

**Early-stage innovation programmes:** We run early-stage innovation programmes that discover and incubate new ideas. For example, our £7 million Digital R&D Fund for the Arts with Arts Council England and the Arts & Humanities Research Council (together with the Digital Innovation Fund for the Arts in Wales) supported over 60 arts and cultural organisations to experiment with digital technologies in order to identify new business models and new ways to engage audiences. We have also experimented with using matched crowdfunding to back arts and heritage projects.

We shape the most promising ideas so they can work at scale

**Scaling promising solutions:** We have helped take new ideas to large scale - like National Theatre Live which broadcasts the performances from the London stage to cinemas and arts centres around the world and now has a global paying audience of 1.5 million.

The £7 million Arts Impact Fund, delivered by Nesta, is breaking new ground by bringing together public funders, philanthropic organisations and other private investors to support arts organisations to grow and better evidence the social impact they have. We are now developing a longer-term follow-on fund which we hope will continue to support growth, and influence how arts organisations, investors and other funders demonstrate the positive impact of arts and culture on society.
We have also run mentoring programmes and other business support to help creative economy entrepreneurs grow their organisations - such as our Creative Business Mentoring Network.

**We shift systems in a new direction**

**Policy influence:** We have helped to shift the debate on the creative economy using new statistics, policy proposals (like *A Manifesto for the Creative Economy* which set out ten ways that governments can grow the creative economy), and think pieces (like *The New Art of Finance* which showed the range of new funding tools that could be used in the arts).

Our work with the video games and visual effects industries in NextGen helped to set the direction for digital skills across the education system, putting the UK at the forefront of teaching coding skills to young people in schools.

We also act as a convener - bringing together organisations of all sizes, individual innovators and academics, from across the creative economy, arts and culture sectors.
Innovation skills: Nesta helps creative organisations and teams to innovate more effectively. Our global Creative Enterprise Programme, run in partnership with the British Council, delivers practical workshops around the world supporting creative entrepreneurs in setting up and growing their businesses. Accompanied by the Creative Enterprise Toolkit (which has been translated into eight languages), the programme has worked with 13 countries over the last ten years.

Not everything we’ve done or supported has worked. For example ...

Our Destination Local programme was designed to understand and stimulate activity in the UK’s growing hyperlocal media industry. In 2013 we supported ten prototype projects and published groundbreaking research into both the scale and nature of demand for hyperlocal services, and the size of the UK’s hyperlocal advertising market. There have been lots of attempts at making hyperlocal media pay - our landscape report Here and Now gives some great examples. Quite a few have found success, but strong business models that can work across the country have yet to be found.
CASE STUDY

The National Holocaust Centre: Interact

The challenge: Each year 20,000 young people are able to hear from Holocaust survivors directly at the National Holocaust Centre in Nottingham. However, as time passes and fewer survivors remain, direct interaction will cease to be possible.

Our intervention: The Digital R&D Fund for the Arts, a partnership between Arts Council England, Nesta and the Arts & Humanities Research Council, funded an innovative idea to preserve the testimony of these survivors for future audiences. 3D filming and Natural Language Processing (where computers can understand human speech as it is spoken) enabled school children to interact meaningfully with the survivors.

The result: So far, ten survivors have been filmed, resulting in over 200 hours of footage, with the testimony on display at the museum. Supported further by the Digital Arts and Culture Accelerator (a partnership between Nesta and Arts Council England), The National Holocaust Centre has set up a trading subsidiary to spread the use of 3D filming and Natural Language Processing to other heritage settings - potentially creating a new revenue stream.
By 2021 Nesta will have…

Become the world’s leading centre for quantitative research on the creative economy.

Proven to policymakers that the creative economy is a crucial point of competitive advantage and placed the creative economy at the heart of industrial policy.

Helped hundreds of arts and cultural organisations to innovate and grow by developing and testing new funding tools such as impact investment and matched crowdfunding.

Helped hundreds of arts and cultural organisations to use emerging digital technologies to create new artforms, reach new audiences and engage existing audiences in new ways.

If you’d like to find out more about Nesta’s work in the creative economy, arts and culture, please contact: creative@nesta.org.uk
Or visit: www.nesta.org.uk/areas-work/creative-economy-arts-and-culture
Our five priority fields

At Nesta we are experts in methods for innovation. We apply these methods in priority fields where there are big challenges and our capacities are suited to the action that’s needed: health; education; government innovation; the creative economy, arts and culture; and innovation policy. In each field we bring together research, funding for practical work, convening and advocacy.