



arts & culture

Department:
Arts and Culture
REPUBLIC OF SOUTH AFRICA



Mapping the South African Cultural & Creative Industries

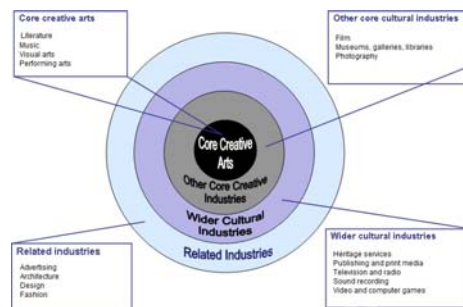
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Rhodes University, Professor of Economics



RHODES UNIVERSITY
Where leaders learn

UNESCO classifications



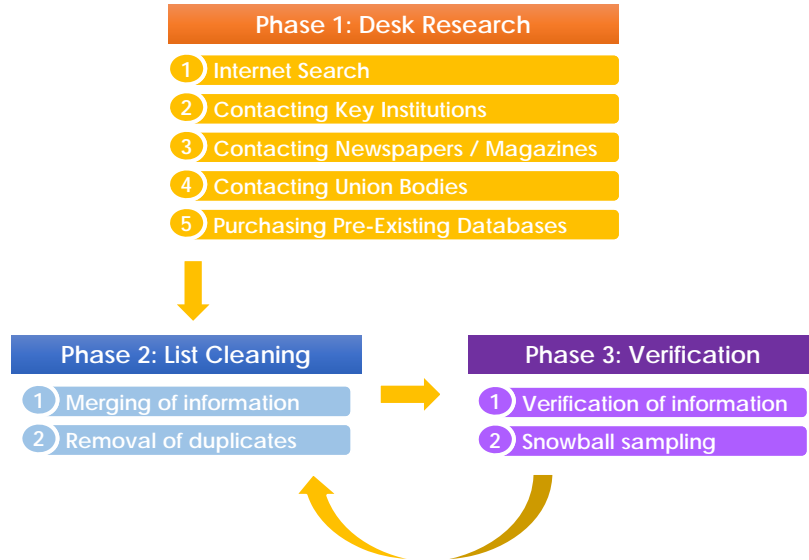
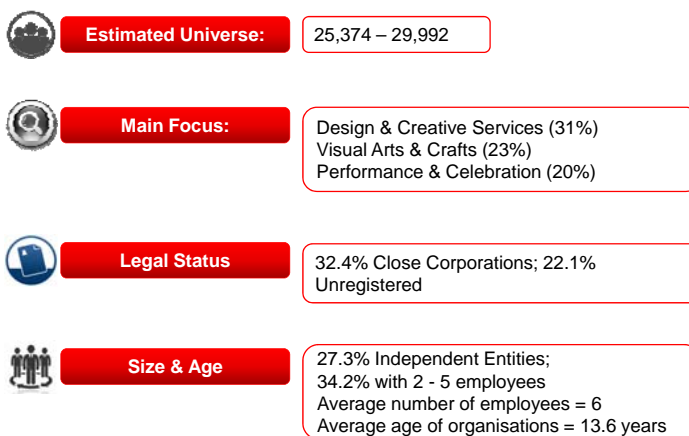
CULTURAL AND CREATIVE DOMAIN					RELATED DOMAINS		
CULTURAL AND NATURAL HERITAGE	PERFORMANCE AND CELEBRATION	VISUAL ARTS AND CRAFTS	INFORMATION, BOOKS AND PRESS	AUDIO-VISUAL AND INTERACTIVE MEDIA	DESIGN AND CREATIVE SERVICES	TOURISM	SPORTS & RECREATION
SUB-DOMAIN							
<ul style="list-style-type: none"> Museum (also virtual) Archeological and historical places Cultural landscapes Natural Heritage 	<ul style="list-style-type: none"> Performing Arts Music Festivals and Events 	<ul style="list-style-type: none"> Fine Arts Photography Crafts 	<ul style="list-style-type: none"> Books Newspapers and magazines Other printed and electronic matter Library (also virtual) Book fair and book clubs 	<ul style="list-style-type: none"> Film & video TV & Radio (also internet live streaming) Internet podcasting Video games (also online) 	<ul style="list-style-type: none"> Fashion Design Graphic Design Interior Design Landscape Design Architectural Services Advertising Services 	<ul style="list-style-type: none"> Charter travel & tourist services Hospitality & accommodation 	<ul style="list-style-type: none"> Sports Physical fitness & well-being Amusement & theatre parks Gambling
TANGIBLE AND INTANGIBLE CULTURAL HERITAGE (Also oral traditions and experience, rituals, indigenous knowledge and knowledge economy) Language and social cohesion and nation building							

What are CCI mapping studies?

- Purpose: Varies widely, sometimes focusing on a whole country, or more narrowly on a specific cultural domain or sub-sector of the domain.
- Most commonly tracked indicators include:
 - Number and geographical distribution of firms in the industry;
 - Firm characteristics by sub-group including industry structure (cluster analysis), legal organisation and concentration;
 - Contributions to the economy (production, productivity or value added; contribution to tax);
 - Employment (direct & indirect);
 - Trade (exports and imports)

What can mapping studies be used for?

- to give greater visibility to the sector by demonstrating both cultural and economic values generated;
- to benchmark the progress of CCI firms against other firms, to plan ahead in terms of marketing and distribution and to improve collaboration and networking through the identification of strategic clusters;
- to lobby for support by industry organisations or institutions and to provide evidence of their value and economic importance;
- to identify areas of potential growth and development by government departments and policy-makers and to shape strategic interventions;
- to track progress over time and to analyse emerging developments in the sector.

DAC Mapping Study (2014)**Executive Summary: South Africa**

Mapping Portal

www.plus94.co.za/mappointal/home.php

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Category Province City SEARCH CLEAR

THE DEPARTMENT OF ARTS AND CULTURE

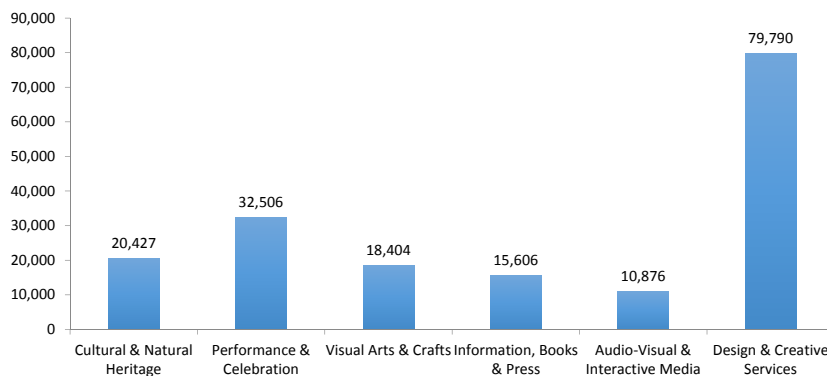
- Audio-Visual & Interactive Media
- Cultural & Natural Heritage
- Design & Creative Services
- Information, Books & Press
- Performance & Celebration
- Sports & Recreation
- Tourism
- Visual Arts & Crafts

The Department of Arts and Culture (DAC) is one of South Africa's most vital national departments in that it contributes to social cohesion, and is active in sustaining the country's heritage. Also, the DAC plays a crucial role in supporting individuals, communities and businesses involved in what is known as the cultural industries sector. This sector continues to contribute to South Africa's economic development, as it offers employment opportunities for both unskilled and skilled groups.

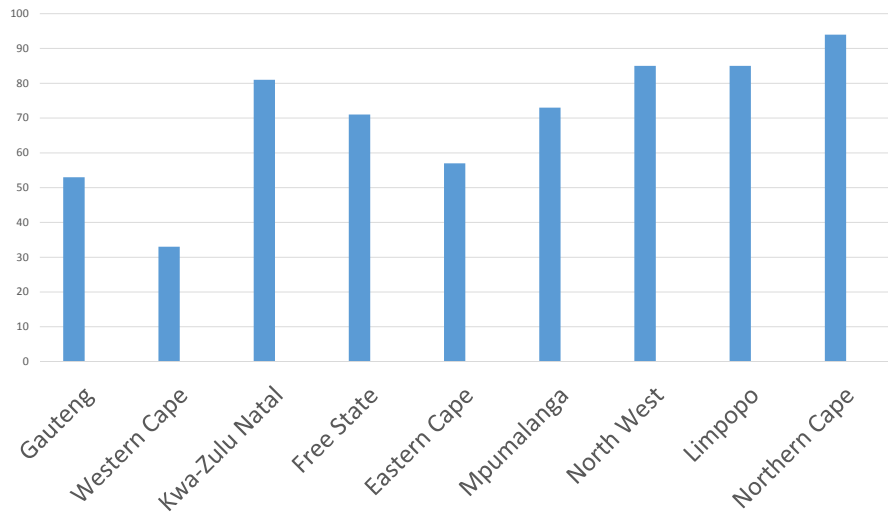
The Department of Arts and Culture's National Mapping Study has been implemented in order to quantify the contribution of the cultural industries to the South African economy. A combination of research methodologies have been undertaken in order to compile as comprehensive a database as possible, of entities within the Arts and Culture sector in South Africa. These have been defined in terms of 6 main domains, and mapped in order to allow the Department to get a broader picture of how individuals and organisations in the Arts and Culture sector in South Africa are distributed.

Employment by Domain

Mid Range Estimate



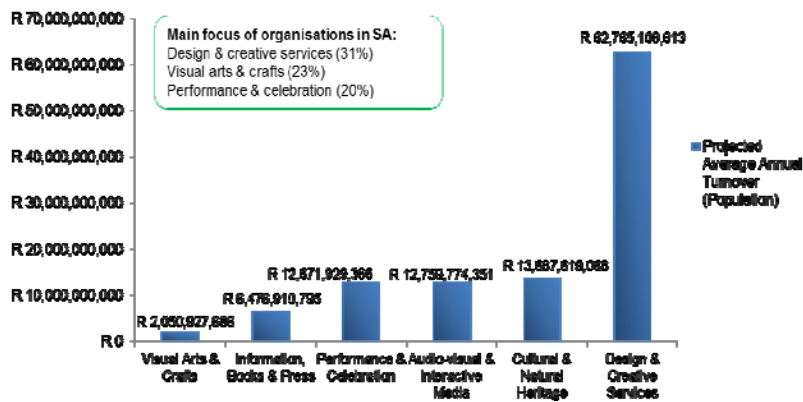
Percentage of Black, Coloured and Asian Principal CCI Owners by Province



Annual Turnover by Domain



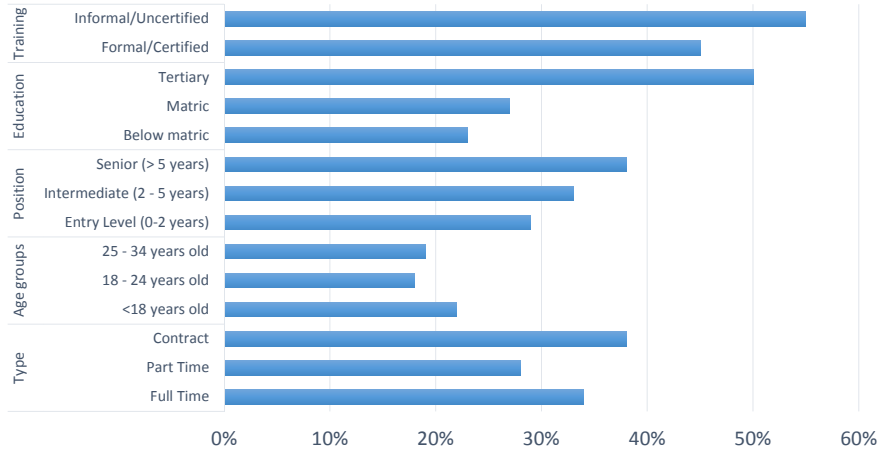
The figure below provides visual representation of the projected annual turnover among organisations, per domain in the creative industries sector. Design & Creative Services is the domain with the highest annual turnover – followed by Cultural & Natural Heritage.



Organisations within the Design & Creative Services domain include architectural services, which are often involved in large building projects. It is therefore not surprising that entities in this domain have a much larger turnover than entities in other domains.



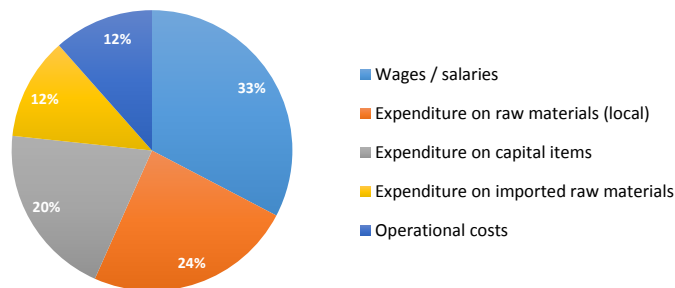
CCI Employee Characteristics



Breakdown of Expenses



The cost of wages represents the highest proportion of expenditure among organisations in the creative industries sector (33%). The high expenditure on wages is indicative of the fact that running a business in the creative industries sector is a human intensive exercise.



International Markets



Q21. Do you sell any of your products/services internationally?

%	Yes	No
National	17.6	82.4



n=431

Q22. Approximately what percentage of your products/services do you sell internationally?

**Caution: small sample sizes*

	n	Average %
National	431	23.73
Eastern Cape	27*	21.00
Free State	7*	23.14
Gauteng	194	22.08
KwaZulu-Natal	50	24.30
Limpopo	26*	22.65
Mpumalanga	15*	40.47
Northern Cape	5*	29.00
North West	5*	58.20
Western Cape	102	23.24

On average, organisations who sell their products internationally reported selling an average of 23.73% of their products / services internationally.

Q23. What are your business or organisation's international markets?

	National
SADC	40.4
East Africa	23.0
West Africa	26.7
North Africa	21.3
EU	45.7
US and Canada	35.5
Asia (Including India)	16.7
Australia and New Zealand	18.8
South America	15.5

SADC and the EU were most frequently reported as the international markets for organisations.

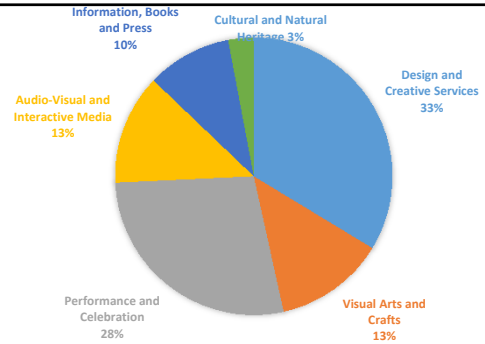
Key Findings: Economic impact



- The sector creates employment (direct, indirect & induced) for between 162,809 and 192,410 individuals – accounting for 1.08% to 1.28% of employment in South Africa.
- The total contribution of entities and organisations within the creative industries sector is between R90 billion and R107 billion in direct output (turnover) per annum. It is estimated that the sector contributes roughly 3% to GDP.
- In both provinces and across domains, income is primarily derived from direct sales/services to buyers based in South Africa, but some are dependent on government grants.
- The main market for organisations in the creative industries sector in South Africa is principally the general public – households and individuals based in South Africa (66%). Government represents 17.5% of the total market base in South Africa.
- Principle owners tend to be between the ages of 35 - 44 years old (31.9%). Most are South African citizens (92.4%).
- **Key Challenges:** Organisations tend to be small, and many are unregistered (22.1% overall). The primary challenge reported by organisations is a lack of funding and support and access to technology.
- **Opportunities:** More than half of organisations feel that there is opportunity for their businesses to grow in the market; both nationally as well as internationally. Additionally, many organisations highlighted the opportunity for the sector to have a positive impact on the communities in which they operate – through skills sharing and job creation.

Gauteng

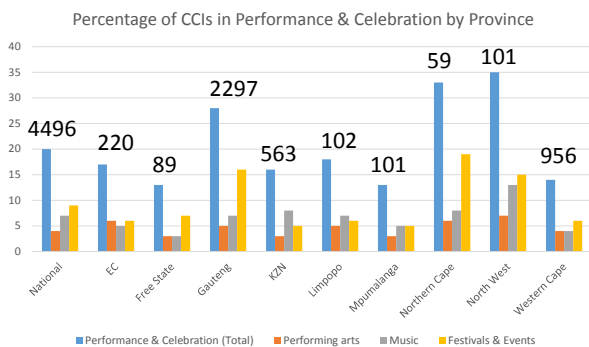
- Total number of Cultural entities: 12 113
- Contribution to GDP: R32bn
- Direct Employment: 90 260 ;Employment impact: 197 450



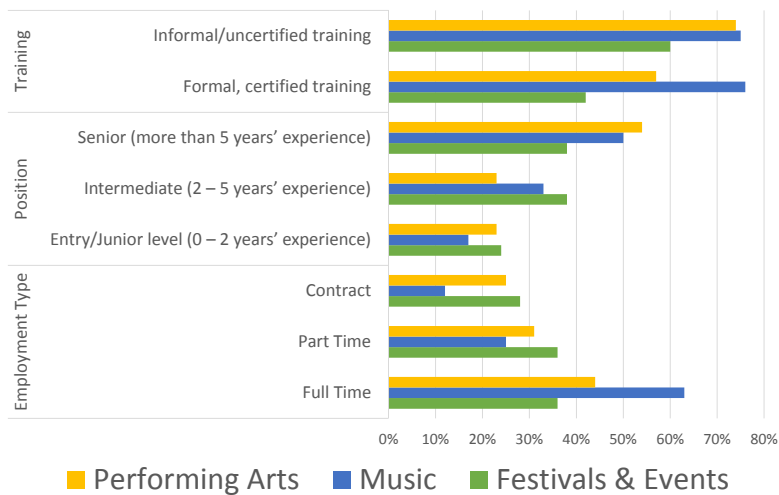
Focus	Number of Firms*	Firms (%)	Main Sub-sectors in order of importance
Design and Creative Services	4 156	34	Advertising; Architecture; graphic design
Visual Arts and Crafts	1 514	13	Crafts; Fine arts; photography
Performance and Celebration	3 428	28	Festival & Events; Music; Performing Arts
Audio-Visual and Interactive Media	1 526	13	Film & video; TV & radio
Information, Books and Press	1 150	10	Book Fairs and Book Clubs; Books; Newspapers
Cultural and Natural Heritage	339	3	Natural Heritage; Cultural landscapes
TOTAL GAUTENG	12 113	100	

		RSA %	Gauteng %*
Race of owner(s)	Black, Coloured, Asian	63	53
Age of owner(s)	< 35 yrs	34	36
	35 - 54	58	54
	55 +	26	29
Gender of owner(s)	Female	49	43
Entity Size (employees)	1 - 5	61	54
	6 - 10	18	22
	11 +	20	24

Performance & Celebration (20% of CCIs)



Performance & Celebration Labour Force



The next step: Producing useful data

- Mapping studies are “living” documents that need to be updated and used in ways useful to industry stakeholders
- As a first step:
 - Production of Province-level “Snapshots” of the CCIs
 - Production of Domain-specific Snapshots of CCIs
- Extending the study:
 - Exploring existing national-level data (Framework for SA Cultural Statistics)
 - Using the existing data to produce micro-level regional and “state of the sector” reports.