

Beylee-White Ltd.

An exploration into some of the factors that can arise
when conceptualising a creative startup.

By

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Abstract

Beylee-White Ltd aims to provide a number of high quality creative services to Swansea and the surrounding areas. Services such as Video Production & Editing, Audio Engineering & Production, Web Design, Graphic Design Photography and creative/technical consultation are all tasks that are completed in house and can be offered as a single service or tailored packages suited to the clients need. We believe our combined experience of over 25 years in the in the varying industries and our ability to produce high quality original audio is what will separate us from our competitors. The project will encapsulate a number disciplines, displaying the varied services that Beylee-White can provide.

The aim is to research and understand the potential capacity for urban regeneration using a 'creative economy' model and to then understand the role of creative industries in the urban regeneration process. The findings will then be utilised to develop a sustainable method of approach to the business and the integration with the local urban regeneration project.

Introduction to the project

Beylee-White Ltd aims to provide a number of high quality creative services to Swansea and the surrounding areas. Services such as Video Production & Editing, Audio Engineering & Production, Web Design, Graphic Design, Photography and Creative/Technical Consultation are all tasks that are completed in house and can be offered as a single service or tailored packages suited to the clients need. We believe our combined experience of over 25 years in the in the varying industries and our ability to produce high quality original audio is what will separate us from our competitors. The project will encapsulate a number disciplines, displaying the varied services that Beylee-White can provide.

The creative outcome for the project aims to formalise promotional material to be shown to prospective clients and will be achieved through the medium of a showreel, plus any other supporting media. Additionally, the portfolio will contain a selection of finished projects, some of which are currently in the proposal stage, as of 20 October 2017.

Through primary research we begin to understand the gulf in prominent mixed-media companies in the South-West Wales area, what could essentially be described as a monopoly by default. It would seem that only a couple of small companies tend to the creative needs for the entire business roster in the South-West Wales region. So immediately we begin to believe that there is a sizeable space for Beylee-White in the local market, even before taking into consideration our ability to provide a higher quality product with a more competitive pricing strategy. Creatively, we believe that we can offer an alternative approach to what has become accepted as the standard, especially in the region. It is our individually diverse professional backgrounds that we believe will be key in giving us the edge in quality over our local competitors.

Most importantly, it is the time and location that we believe works to our greatest advantage. The city of Swansea is currently in the running for the 'City of Culture Award' for the year 2021. The bid, in combination with large regeneration investment of £1.3bn (Swanseabaycityregion.com, 2017) allocated to the region as part of the '*City Deal - The Internet Coast*' project, suggests a potential for rapid growth in a local market seeking creative industries and services. This inevitably it leads us to the focus of this paper. The aim here is to research and understand the ultimate potential for urban regeneration projects following the 'creative economy' model. It also seeks to understand and describe the role of creative industries in the urban regeneration process. The findings will then be utilised to develop a sustainable method of approach to the business and highlight the best method for integration with the urban regeneration project happening in the South-West Wales region.

Creative or Cultural Industries

'The term "creative industries" began to be used about twenty years ago to describe a range of activities, some of which are amongst the oldest in history and some of which only came into existence with the advent of digital technology.' (Newbigin, 2017)

The term 'cultural or creative economy' has slowly evolved over the past few decades, primarily due to the increasing *deindustrialisation* of the UK economy, an economy with a lesser reliance on manufacturing industries and the further adoption of cultural or creative industries has become the model.

'First wave gentrification of the early 1970s was associated with the deindustrialisation of cities in the global north...' (Oakley, 2015)

The early 'post-fordist' method during the 1970s, was to turn to the leisure and service industries in an attempt to form a new 'cultural economy', a time during which creativity and the arts continued to remain a part of a bohemian-esque sub-culture.

'...it was the second wave of the 1980s which saw the arts taking a leading role for the first time, famously in the case of New York.' (Oakley, 2015)

It is this exponential decline in manufacturing that has forced UK cities to turn to creative industries. Given impetus by the creation of the Department for Culture, Media and Sport in 1998, which was set up to help develop a nationwide 'cultural or creative economy' model. There are some noteworthy examples of cities that have seen successful regeneration through implementing this model. In a talk titled *Arts & Culture as Regeneration: Four UK Cities Experiences*, Ann Markusen highlights four cities UK Cities in; Manchester, Glasgow, Newcastle/Gateshead and Sheffield. All of which have somewhat

proven that urban regeneration projects, carried out in conjunction with creative industries and the arts, can become a thriving success. Thus, inspiring an increase in the number of cities that now hope to adopt *The Creative City* urban regeneration model. Cities are now seeking to boost local economies through creative industries, by incorporating the arts, innovation and digital media.

“This concept {The Creative City} refers to a mobilization of the ‘creativity’ inherent in art and culture to create new industries and employment opportunities. In addition to addressing the problems of homelessness and the urban environment, it is believed that such an approach can foster a comprehensive urban regeneration.” (Sasaki, 2010)

It is becoming clearer that the *creative economy* model and supporting creative industries can play a huge part in the regeneration process. Creative industries can offer new job opportunities, particularly in areas heavily affected by deindustrialisation. They can also begin to fill the void left from the decline in manufacturing jobs within the UK. It should be said that with these new job opportunities, cities using this model have the chance to create a successful local economy due to the creation of the art and the consumption of the art, each funnelling back into one another, providing a cyclical scenario ideal for a local economy to thrive.

A theory demonstrated by Masayuki Sasaki in Fig 1;

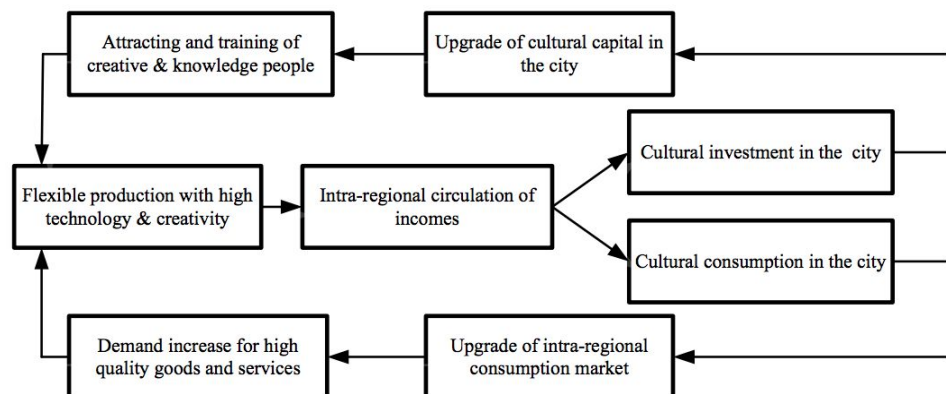


Figure 1. Cultural Mode of Production Model (Sasaki, M. 2017)

Also a sentiment echoed in a similar thesis developed by Ann Markusen and Anne Gadwa Nicodemus titled *Creative Placemaking*, which they define as;

‘Creative Placemaking is an evolving field of practice that intentionally leverages the power of the arts, culture and creativity to serve a community’s interest while driving a broader agenda for change, growth and transformation in a way that also builds character and quality of place.’

There is a belief that through creative industries, we can reduce unemployment and become a happier, a more content workforce that will also consume the art it creates locally. In a study by software company Adobe titled *State of Create: 2016* they include the following chart detailing some of the benefits for countries that choose to embrace the ‘creative economy’ approach, including increased innovation and productivity, as well as the ability to be competitive on a national or even global scale. *Fig 2;*



Fig 2. Adobe - State of Create:2016 (Quantitative Survey)

Considering the outcome of these studies, it would seem that creative industries are increasingly encouraged to integrate with the regeneration of urban areas, and have the

ability to transform struggling cities and regions when the model is implemented correctly. The impact successful regeneration can have on a city seems to be enormous, the jobs created by successful implementation can lead to a fairer wage when considering national wage gaps between regions, as well as starting to address issues with homelessness and climate change through social and technical innovation.

Importantly for us from a business perspective, the fact that the South-West Wales region is due to receive a large amount of funding towards such urban regeneration projects, who are actively seeking to invest in creative industries and foster a city of culture. We believe it is important for Baylee-White as a creative enterprise to ensure we are at the forefront of our local regeneration project.

Validated Learning

Initially, our intentions we're to follow the tried and tested startup model;

'...write a business plan, pitch it to investors, assemble a team, introduce a product, and start selling as hard as you can' (Blank, 2013)

Through research we have discovered the potential pitfalls of using a dated method. With the assistance of an alternative model titled the 'Lean Startup' Method, explored by Eric Ries in his 2011 book. The 'Lean Startup' lays out a clear and alternative strategy for startup companies to succeed in a modern world. The core principle of the the 'Lean startup' method is the requirement of 'validated learning' in the development process.

'Progress in manufacturing is measured by the production of high quality goods. The unit of progress for Lean Startups is validated learning - a rigorous method for demonstrating progress when one is embedded in the soil of extreme uncertainty.' (Ries, 2011)

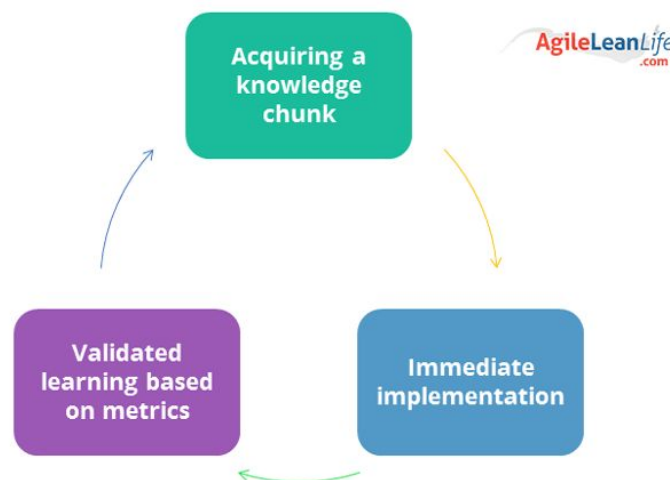


Fig 3. AgileLeanLife.com - Validated Learning Diagram

'Validated learning' consists of the development of a constant cycle for measurement, analysis and implementation of gathered data during the creative or production process. The method allows a company to efficiently alter the creative output according to 'live' information regarding the products and creative output. Creative industries are at an obvious advantage over manufacturing industries using this method. The 'non-fixed' products offered by creative industries can be easily altered and tailored by implementing the necessary changes revealed through the measurement and analysis. Factors such as creative aesthetic and use of applicable technologies can be updated regularly to keep in line with current trends, customers evolving desires and requirements from the products, plus our use of the best equipment to achieve the required output. The business' growth will then depend on the speed with which we can complete the cycle, the more rapid the measurement, analysis and implementation process, the more it will allow the company an additional level of agility and flexibility, rarely offered by the fixed business plan method. Therefore inspiring exponential growth in the company.

The 'Lean Startup' method encourages the creators to ask some simple but informative questions to determine whether there is a need or want for your product in it's current form;

- 1. Do consumers recognize that they have the problem you are trying to solve?*
- 2. If there was a solution, would they buy it?*
- 3. Would they buy it from us?*
- 4. Can we build a solution for that problem? (Hartman, 2013)*

With information retrieved from asking these questions, a startup is then able to determine whether there is a sustainable business based on the products offered. They can then build on that through the 'validated learning' method.

In the case of Beylee-White, much of the 'measurement' will be collected through social media analytics, which can prove to be a cost effective method for market research and product development in a digital media context. The depth with which certain platforms' analytics reach, are more than suitable for the type of creative projects that we intend to take on. A large part of our output will be products designed for social media engagement on platforms like Facebook and Youtube; promotional material, videos etc..

Initially we intend to use the previously mentioned social media capabilities, as well as an array of other techniques, such as quantitative surveying, customer reviews, technical and creative feedback from relevant industry professionals as well as a continuous stream of topical information gathering to assist with further product development, process development and technical development. All the while, working to shorten the length of the 'validated learning' cycle through team efficiency and reforming of data collection models to suit the evolving state of the company and the economy.

Monetisation of Concept

The *Swansea Bay City Region Economic Regeneration Strategy* is a 17 year long investment and regeneration plan, developed with the intention of providing much needed investment and regeneration to the South-West Wales region, notably the city of Swansea. It was developed to get inline with the *Europe 2020* and *Horizon 2020* frameworks, which were both frameworks designed at a European level, to aid economic recovery following the 2008 global financial crisis. *Europe 2020* states that ‘European nations should focus on economic growth that is smart, sustainable and inclusive’, it emphasised the importance of knowledge and innovation as well as delivering ‘social cohesion’. The policy targets set out were as follows;

- Employment
 - 75% of people aged 20–64 to be in work
- Research and development (R&D)
 - 3% of the EU's GDP to be invested in R&D
- Climate change and energy
 - greenhouse gas emissions 20% lower than 1990 levels
 - 20% of energy coming from renewables
 - 20% increase in energy efficiency
- Education
 - rates of early school leavers below 10%
 - at least 40% of people aged 30–34 having completed higher education
- Poverty and social exclusion
 - at least 20 million fewer people in – or at risk of – poverty/social exclusion

Much of the employment recovery policy aim, is reliant on the integration of creative industries as previously discussed. Knowledge and innovation based companies can offer new employment and training opportunities previously unavailable to the city and the region.

This puts us, as one of few creative industries in the city of Swansea, in a strong position. While it would be naive to think most of the direct investment funding hasn't been allocated to projects already, it does potentially provide us with a steady influx of new and existing companies looking to set up or rebrand in the overall regeneration project, most of which will be seeking the services of creative industries like *Beylee-White*.

In addition to the *City Deal*, Swansea has been successful in making the shortlist for the UK City of Culture 2021 after narrowly missing out on the 2017 award. As can be seen by the City wide drive for culture in reaction to the shortlisting, it is becoming apparent that there is an obvious supply and demand opportunity as a creative industry in the area.

'...it is estimated that the value of investment in their programmes and in their city centre comes in at more than £100 million in funding from bodies like the Arts Council and the National Lottery and from private businesses based in and investing in the city.' (Stewart, 2017)

As made evident by Hull's successful bid to become the UK City of Culture 2017, Swansea's shortlisting for the 2021 award has the potential to bring additional funding to the city. The current award holder has received an estimated £100 million pound in funding toward creative and cultural projects in the year it has held the coveted award. While only an estimate and still just a possibility for Swansea, we believe it is our obligation to help drive the cultural influence of the city of Swansea, to ensure our best chances of earning funding for the region and therefore a larger potential funding pool available to us as a business.

This as our main focus helps us to create a structured yet ambitious 5 year plan, the incoming investment does everything but guarantee, a consistent market within which we

can compete for contracts and tempt the best individual talents to the city. Of course, there will be future plans to do business outside of the region and extend our network but, we feel we have a unique opportunity with the timing of the *Swansea Bay City Region Economic Regeneration Strategy*.

Along with the regeneration project, our other revenue streams and only considerable outsourcing at the moment comes via the form of a Tendering Agent, who seeks suitable contract opportunities within the *Sell2* and *Sell2Wales* e-procurement tool. A system designed to allow merit based contract tendering for a multitude of businesses seeking creative services, while this costs a small fee it does pay off in valuable time gained back for the completion of creative tasks.

Evaluation and Conclusion

If history is to teach us anything, it's that timing is possibly the most important factor to consider when starting a business. Without the need for a product there is obviously little chance for success in business. The planned investment in the region supplies confidence in a growing requirement for the services that we can provide. The city, looking to invest in culture and creative industries with the regeneration plan and City of Culture bid, allows us a once in a lifetime incubation period within our local area. We're also provided with the additional ability to grow with the city. Under normal circumstances, it can be common for a business to outgrow the city in which it began, yet inevitably it can struggle to make the leap to the 'bigger cities', this is largely in part to the wealth gap between large and small cities. An issue addressed by the *Europe 2020* framework and local policies like the *Swansea Bay City Region Economic Regeneration Strategy*. Smaller cities are working to offer competitive wages in creative and cultural industries, seeking to attract the best talent to the city. An important factor for us as staffing is currently one of our biggest issues through lack of technically competent people in the area, with training costs so potentially high, it would suit the Beylee-White to also be able to attract talent and potential employees to the city.

Our individual skills and experience as creators offer a high quality alternative to a city with very few creative services on offer. As city locals, we also believe that we are in a strong position regarding the understanding of the nuances of the Swansea city culture. We believe we have the ability and delicate touch required to create and progress while maintaining the strong cultural roots of the city. It's important for the project to be a success, that an in depth assessment is required to understand the current 'embedded' culture of the city and seek to integrate existing material and concepts with future regeneration projects.

Urban Regeneration or Gentrification, has quite a stigma attached to it. It cannot be successfully achieved by shipping in culture wholesale. Corporate 'culture' is what we

believe to be the biggest downfall with many gentrification projects. It's essential that the regeneration process in Swansea is organic to its locale and incorporates the history and existing culture of the city and invites small, local businesses to get involved in the process.

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