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MARKETING AND CREATIVE ECONOMY

Own artworks to niche customers

Thesis

CENTRIA UNIVERSITY OF APPLIED SCIENCES

Degree Programme in Business Management

December 2015

ABSTRACT

CENTRIA UNIVERSITY OF APPLIED SCIENCES Kokkola - Pietarsaari	Date December 2015	Author Hang Tran
Degree programme Degree Programme in Business Management		
Name of thesis MARKETING AND CREATIVE ECONOMY. Own artworks to niche customers.		
Instructor Birgitta Niemi		Pages 39 + 2 appendices
Supervisor Birgitta Niemi		
<p>Creative economy has developed rapidly and still continues to improve all the time. Twenty years ago, the name of Creative/ Cultural Industries was not known. However, nowadays, these industries are taking a vital and solid role in the world economy. The simple history and definition were shown to provide a clear introduction to readers. Database and information from official websites of involved organizations were taken into the content. Results showed the importance of creative industries of the economy.</p> <p>The aim of this thesis is to describe the relationship between two large fields - art and business. Information supplied from many artist associations will show the values of the good mix of these two fields. The core value to get success is “slow money – strengthened skills”. There are some factors for developing the Creative Economy in Europe particularly and the whole world economy generally, such as globalization, digital shift, cultural diversification, intensive competition, etc. The non-stop demand for creative products takes a vital role to lead the economy to grow rapidly. The demand has also a significant role in pricing.</p> <p>Following the new concept of the economy are the study of niche customers and how to prepare a good marketing strategy to distribute exact values of artworks as products to target customers. Some new knowledge is applied, like the new marketing mix SAVE. The purpose of this thesis is to give a simple useful practical marketing plan for a startup and developing ideas. Through the process of achieving goals, artists as entrepreneurs in the Creative Economy could realise what are the correct values and result they have been chasing for.</p>		
Key words Creative economy, marketing, start-up ideas, artworks, marketing strategy, business and art, practical experiences		

PREFACE

I would like to send my deep gratitude to all my professors in Centria University of Applied Sciences because of their devotion, patience and sympathy. A special thanks to Professor Birgitta Niemi, who gave me the first job opportunity and also encourage me to be active and courageous in looking for ideas of the practical experiences.

I would like to express my thanks to Ilze Enkuzena and her husband. Without their offer for taking part in their startup coffee shop, I could never have chance to chase my dream. I also would like to thanks Emilia Bakery for respecting and showing my artwork to their customers.

Last but not least, my studies would not have been finished without spiritual support from my beloved family, friends and especially my Godparents – Hely and Esko Salo for always encouraging and staying beside me.

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1 INTRODUCTION

Based on the new way of thinking and doing, artists nowadays seem not to work just for performing or receiving admiration. If we go back a hundreds years ago, artists were people who showed the beauty of life through their artworks. They used to live in their own passion and soul. However, most of the artworks became famous after their creators passed away, especially after quite a poor physical lifetime. This is a regretful ending because they could not drive their passionate together with the facts of life. They had no opportunity to develop their artworks to become helpful for controlling spends and costs of living.

Time is gone, thoughts have changed and a new concept was born: “The Creative Economy”. This term shows a close connection between art and business, what we are going to experience more in this thesis. From books and experiences of many successful artists, also entrepreneurs, the study of this thesis is more about practical knowledge. Nevertheless, understanding the economy and studying of business theories also have very important roles.

The limitations of this thesis are difficulties of selecting and linking the knowledge together to get an understandable and realistic idea. Art and business are two large fields, which have many differences from history, acts and meanings. That is why the thesis focuses more on the marketing idea for the artworks. This sets the topic aims to become clear and simple. About further knowledge, some useful resources are introduced for more searching as readers ‘wish. The big textbooks I have used for searching information are written by John Howkins, the leading figure in the global development of these ideas (Howkins, 2014).

The first part of the thesis presents the definition of the creative economy and the good mix of art and business. The following is showing values of the new concept impact on creativities, competence and community. The second part is learning and understanding the market, the niche customers and the marketing strategy. Next part is for start-up ideas and move to developing stage. The final one presents practical experience from some artists and author’s own works. The thesis ends with the future prospects and conclusion of the study.

2 THE CREATIVE ECONOMY

2.1 Definition

The term “Creative Economy” is formed by John Howkins, author of many books and innovator of the field. The new idea of the successful life today is not money or other properties, but the satisfaction in both spiritual and physical. The Creative Economy needs stages of thinking, inventing, producing and developing. It is invigorating many other industries, such as manufacturing, entertainment, retailing, services, technology etc. and the heartlands for the Creative Economy are art, culture design and innovation (Howkins, 2001, 2013).

The term “Creative industries/economies” is used to describe a wide range of activities, which include publishing, music, cinema, craft and design (UNESCO). They are young industries, introduced to the world since 2000’s. Their origin, however, started from the middle of 1980’s as cultural activities (Howkins, 2001). Howkin’s term – “creative economy”, includes 15 creative industries, from arts and widening to science and technology fields. They have been known as “Cultural Industries” in Europe (Hesmondhalgh & Pratt, 2005) or “the Orange economy” in Latin America and The Caribbean (Buitrago & Duque, 2013).

The “creative industries” have developed together with the global economy growth (Newbiggin, 2010) and become emerging high growth economic area. The graphs in attached appendices show the contribution of creative goods to the world economy development. Nowadays, Creative Industries are the most dynamic industries, which help to strengthen the position of developed countries in the global economy and open opportunities for developing countries. The classification of main fields in the Creative economy is shown in figure 1.

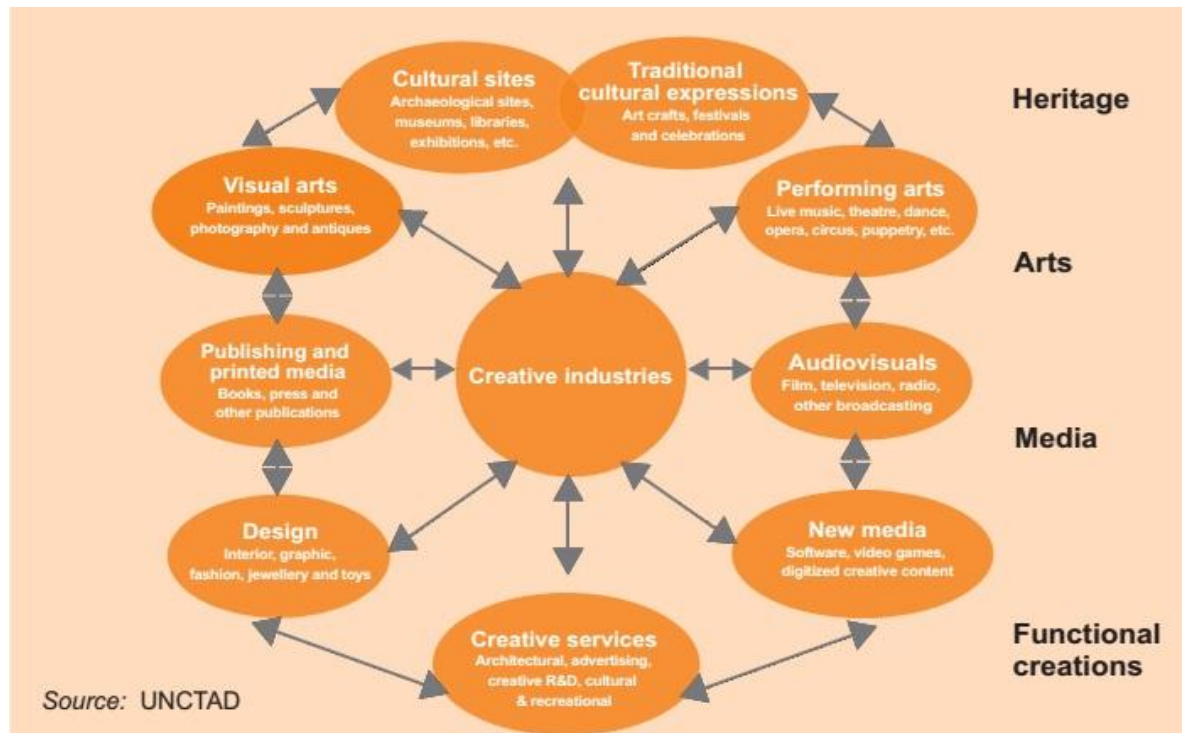


FIGURE 1. Classification of Creative Industries (UNCTAD)

Many artists have been familiar with being entrepreneurs. Some of them, however, are more successful than the others. The reasons are that they know how to identify the inputs, which are talents and skills. The whole world is amazed by the artworks of Michelangelo and Da Vinci. These two great Renaissance artists did the good commercial introducing. Thanks to their benefactors, we have opportunity to know about their wonderful works (College Art Association, 2012).

In the Creative Economy, artists are entrepreneur, following the same principles as other industries: produce to make profit. This is, however, not the only idea. Entrepreneurs in the Creative Economy start with the novel, unique idea. They have to face the challenge of turning an abstract subject into a profitable product (Pikala, Ahola, Katajarinne & Parkkola, 2015). More than that, getting the acceptance of the customers is the most difficult barrier. This is the reason why this Thesis also focuses on the marketing plan to the niche customers.

People usually think of scientific subjects whenever talking about business. Nevertheless, in Creative Economy, all is about imagination; the product itself is born from imaginary

idea. As mentioned before, entering the Creative Economy starts from creating something new and unique. It also needs courage to show the artists' heart and soul.

“Ideas, creativity, imagination and innovation make up the universe of the Creative Economy, a term fathered by media business man John Howkins” is the comment of Adolfo Menezes Melito, Director, Instituto da Economia Criativa, Sao Paulo for Creative Economy and Howkins.

Figure 2 shows another way of classifying of Creative Industries

*** CREATIVE INDUSTRIES**

INDUSTRIES INVOLVING PRODUCTS THAT ARE REPRODUCED	Television	TV production and broadcast; pay channels
	Animation and films	Film, video and TV production; movie distribution, video rental
	Software and digital gaming	Computer game production; software development and manufacturing
	Literature	Pre-production services for printing and publishing; binding, book wholesale, online and retail sales, book publishing
	Music	The recording industry; home entertainment, musical instrument manufacturing; retail and wholesale, recording studios and publishing, agencies and promoters
<hr/>		
SERVICE INDUSTRIES	Marketing communications	Architecture services
	Architecture	Ad agencies
	Design	Product design; graphic design; interior design; industrial design
<hr/>		
CULTURE AND ARTS	Culture and arts retailers	Art and antique sellers; galleries; auction houses; museums
	Performing arts	Performing arts and associated services
	Original artistic works	Artistic creation (independent artists who create original works)

FIGURE 2. Creative Industries (Publication of The Ministry of Employment and the Economy, 2013)

2.2 Good mix of arts and Economics

In the era of globalisation and in every industry, marketing and design parts are very important. People cannot deny the role of these parts for helping customers all over the world to recognise and accept the products. On the other hand, art always exists among business fields. The products of Creative Economy, both commercial and non-profit, deliver substantial influence from local to universal economies. By innovating and distributing goods and services, which describe facts or fiction of life, together with paying taxes, artworks engender benefits to economics.

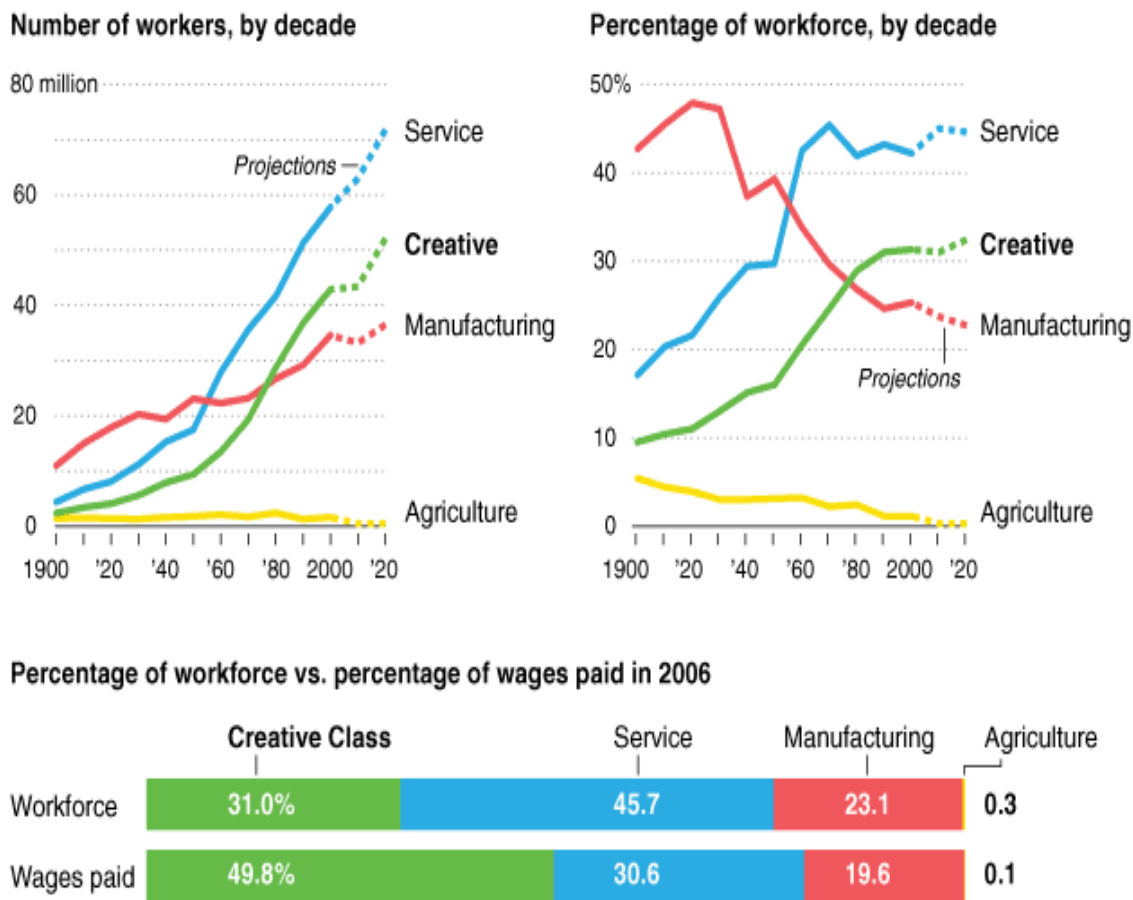
Entrepreneurs in the Creative Economy include:

- Creative artists and craftspeople, who are graphic designers, painters, potters, writers...
- Commercial oriented factors, such as fashion designers, architects, galleries...
- Performing artists, such as actors, dancers, musicians...
- Profit and non-profit art enterprises, such as publishers, orchestras, advertising, theatres...
- Entertainment, such as toys and games, animation, video games, new media...
- Technologists, such as product designers, software creators and developers, R&D scientists...
- Social enterprises, which make contributions to the society.

(Florida, 2009)

In the book of Professor Florida, the study of how the Creative Economy has developed since 1900 and also provides many predictions until 2020. He calculates the number of workers, the percentage of workforce and wages paid (Florida, 2010)

The following graph 1 shows how developed the Creative Economy has been since 1900:



© 2008 Richard Florida www.whosyourcity.com

SOURCE: KEVIN STOLARICK; GRAPHIC BY RYAN MORRIS

GRAPH 1. The Creative Economy (Florida, 2008)

2.3 Values

Creative Economy creates mutual values. Beyond the simple intention of selling pieces of art or other creation, artists and other creators produce valuable contributions for the community. Business remains if only meeting the triple bottom line, which is Profit-People-Planet. Business is the process of creating and enlarging values among stakeholders to fulfill all the responsibilities (Cleveland, Morris & Takeshita, 2009)

Another triple bottom-line is applied to set the values of the Creative Economy: Creativity-Competence-Community (Cleveland, Morris & Takeshita, 2009). These values also identi-

fy the needs of the culture, which mean the process starts from creating and do not stop at the end. Nevertheless, it lasts longer together with the quality and meaning of products (Cleveland, 2004)

2.3.1 Creativity

Like the blood of human body, creativity is the flow of living art. From the beginning of human being, people have always found out new ways and new things to adapt the life: for communicating, from the simple pictures on the rocks to modern letters; for working material, from the Stone Age with raw and primitive tools to recent complicated technological engines; houses; clothes; food etc. Creativity is the process of seeking the new concepts, simultaneously maintaining values of the past.

Looking of the state and the role of creativity, everything is related to creativity/ innovation. It has been shaped and become legitimate value in the globalized era controlled by input-output, means-end, efficient determined thinking, anticipation and demands (Grierson, 2001).

2.3.2 Competence

The entrepreneurial competences in the Creative Economy are functioned in:

- Planning and organizing: entering and expressing the art, identifying purpose and vision, understanding steps and resource.
- Marketing and selling: using qualitative and quantitative methods to definite the range of customers; researching and understanding the niche customers, planning and developing idea to make the project succeed.
- Finance and administration: starting creation and delivery, monitoring the process, calculating financial needs and goals.

(Zander, 2002)

2.3.3 Community

Community is the key of entrepreneurship in the Creative Economy. The community describes the specific place, spirit or tradition. Within the community, art has a possibility to become the voice and the force to connect every factor together. Community exists, art exists, no community, no art (The Community Arts Network, 07/1999). A good resource is the Community Arts Network – the CAN project, was active from July 1999 to April 2010. The project is the portal that provides both knowledgeable sustenance and community advantage.

People in the modern time are full of differences from numerous cultures, believes and points of view. All have demands to express their aptitudes and values. The multiform of these values are the biggest source of assets that are essential for expressing ideas and providing rich information of life. Is this not the key that the Creative Economy needs to open and come closer to people's perception? (Cleveland, 2008)

3 UNDERSTANDING THE MARKET

3.1 Conditions of business

Every startup, even how small and simple, is part of the new world of the economy. In order to have a general idea how strong these impacts are, artists as entrepreneurs in the Creative Economy need to understand the business and control the startup process. As the new way of thinking in the modern world, in the Startup's Owner Manual: A Step-By-Step Guide For Building A Great Company, Steve Blank and Bob Dorf, the authors, designate necessary variables as conditions of the business.

This part of the thesis is based on the mentioned manuals and the webpage Reference For Business to discuss these conditions and help entrepreneurs comprehend the ultimate alterations of sentiments, values, performance, relationships, dimensions, technology, communication etc. All these changes relate to business, predominantly to the new undertakings. Through the information here, entrepreneurs have the possibility to get a picture of the way above matters have shifted and how they might shift in the future.

The hard and soft issues, internal and external factors of the business include: economics, regulations, politics and natural environment. The combination between these variables decides the success or failure of the business. (Blank & Dorf, 2012)

3.2 Marketing strategy

3.2.1 Marketing concepts

There are hundred books and analyses for marketing topic. There are also many definitions and concepts for "Marketing". It seems to be a wide term contained in trade and advertising but main ideas basically are formed of "selling" and "market". As Philip Kotler, who is the father of marketing management, marketing is defined as the process of managing customers' satisfaction based on their needs. These core marketing concepts are shown in figure 3.

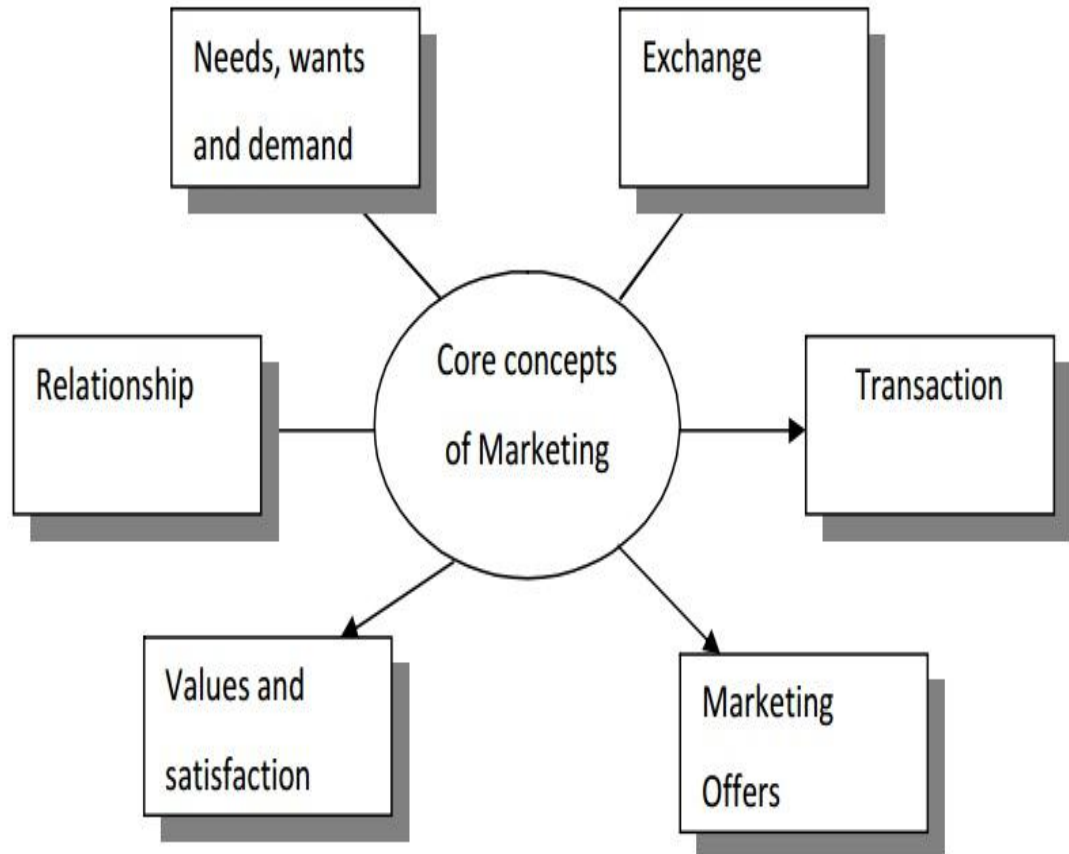


FIGURE 3. Core Marketing Concepts (Hundekar, Reddy, Appannaiah & Ramanath et al. 2010)

For the new way of thinking and doing, however, let's remember these following 6 practical concepts and apply to all the marketing startup ideas:

1. Seize the audiences' imagination
2. Be plentifully clarified and reliable
3. Keep on "concise" in communication
4. Be reasonable to create differences
5. Make sure the idea is self-exerted and well-supported
6. Plan of appeal for action form audiences

(Conley & Friedenwald-Fishman, 2006)

3.2.2 Marketing mix: The 4Ps versus The SAVE

Since the 1960's, everyone has talked about "Marketing mix and the 4Ps". They are the combination of tools used to achieve goals in the target market. These tools are "Product", "Price", "Place" and "Promotion". The decisions based on the 4Ps affect not only on trade channels but also on final customers. (Kotler, 2002). After years, the concept has been enlarged into 5Ps, 7Ps and 8Ps because of the marketing development. These alternative models are still based on the original 4Ps and added more categories, such as "Process", "People" and "Physical evidence" (Gordon, 2011). Details of 4Ps are described in figure 4.



FIGURE 4. The 4Ps Components Of The Marketing Mix (Marketing Management, 2002, 10)

In addition, 50 years later since 1960's, three authors in the Harvard Business Review gave the suggestion of a replaced model: SAVE – “Solution”, “Access”, “Value” and “Education”. Issuing SAVE is considered better for the B2B world. The 4Ps has been applied well over half a century for marketers but it profits narrow in the short-time. In order to improve the limit, the new model inspired us to think of the needs and the value intention. (Ettenson, Conrado & Knowles, 2013).

Price takes a less important role because of demand changing. This makes sense if we consider how much more money consumers are able to pay for organic products. Through the recent time, we can recognise that “Value” has started to become the trump over money. Due to the development of technology, the concept of fixed-located product is not any more effective. Products are able to move through various channels, so “Access” brings the focus on customers, not suppliers, especially in the Creative Economy. “Education” is certainly vital in bringing understandable knowledge to customers. (Ettenson, Conrado & Knowles, 2013).

The new marketing paradigm is still in considering stage. For innovation however, why we cannot make decision, taking risks and might get effectiveness or at least learn some helpful experiences for the coming success.

3.2.3 Building a good strategy

After understanding the marketing concepts and typical models, entrepreneurs are almost equipped with basic materials to build up a strategy. Good results of a project, however, require more elements. Focusing on the message and its meaning is the key of success. The slogan, which describes the main goal the strategy aims to, should be defined from the beginning stage in order not to get lost. As we are discussing about the new economy, the strategy applied for the new way of thinking, the doing should not be just about sales. Right from the beginning of this thesis, the main idea was creating the harmony between mental and physical satisfaction. This target is normally more difficult to reach than said because doing business is often sticky tightly to profitability. This is the reason why there always are some entrepreneurs more successful than others.

The most important task is setting a clear path to create and implement an influential action-oriented strategy. There are some elements that are exposed as the bad strategy: motherhood-and-apple-pie values, smooth and easy motivational slogans and financial goal. These common familiar components cannot make the strategy boldly emerged for future success (Rumelt, 2001)

On the contrary, the powerful good strategy needs to be precise and lucid, has ability to get over difficulties through the process, supplies as great as possible challenges that could be rarely faced. It is not surprising when the good strategy is almost never touched. No strategy is perfect; however, these directions help to set clear vision and open-minded attitude. The core of a good strategy is awareness deeply to the nature, the unseen power of the situation (Rumelt, 2001)

A helpful tool is created by the webpage startupowl.com to clarify thoughts and test the robustness of the marketing model applied. It is called Marketing Strategy Grid, shown in table 1.

TABLE 1. Startup Owl's Marketing Strategy Grid

	WHAT	WHY	WHEN	HOW	WHO
PRODUCT	How customers get more in use value than they pay in cash	What will drive customers to want your product and what will change	What's the moment customers will need/want it now or recurring	What is about the product that will meet need/want; what meaning	Who are the buyers of the product going to be, both direct and indirect
PLACE	Where will customers buy in physical space or cyberspace	Why will they buy in one place rather than in somewhere else	Will the buying place change over time/ markets/ demographics	By what channel/ where will the product get to the customers	Who are the influencers, the recommenders, who are the buyers
PRICE	What are	By what	Will prices	Who is	Will different

	sales, prices, discounts, specials, terms	criteria will you set prices; what margins are needed	are fixed or changed over time, by markets, with economics	going to determine prices (published/negotiated)	customers expect different prices, by volume or type
PROMOTION	What accessible media are most effective for the channel	What action do you expect to result from the promotion	When is best to get customer attention: timing change in their situation	Where do customers get their information; how are they influenced	What people, organisations or media will lead you to customers

3.3 Identifying the niche customers

Regardless of how potential the idea or how good the marketing plan is, without customers, all is meaningless. In Creative Economy, each artwork has to be seen as a product needs to get spectators, who are able to enjoy all the values the product can bring. However, every heart is capable of distinct feeling and every entrepreneur in Creative Economy has specific style. That is why it is very important to concentrate on identifying the suitable spectators for our own products. We call them as the target/ niche customers and they are identified through the process of customer segmentation. The objectives are understanding the needs and analysing the characteristics of potential customers. Segmentation is very useful for marketing because the differences bring various purchase decisions. Understanding this process could help to mould the target message in marketing economically and effectively (HUMAK University of Applied Sciences, 2015)

For other economies, people usually study customer behaviours and their demands beforehand creating new products. In the Creative Economy, chasing the trend is valuable only in short-term. The success in long-term requires effort in creating and improving an own style. Besides, the declinatory and criticism from customers should be well-prepared and accepted. The example for this idea is in abstract painting style. Why just a few people

understand and like those works. In author's opinion, another style is followed and cannot be understood Picasso's artworks. This depends on our own capacity of perception. Another example is enjoying opera music. Why many people, especially teenagers, usually fall asleep or get a headache when listening to opera. This kind of music is very selecting.

How to segment and identify the niche customers is the point. At first, we need to do researches to have a general look of who will be interested in our products, more specifically, our styles; after that spent time to observe their behaviours, needs and value expectation; then indicating both directly and indirectly the idea of our products to get customers' understanding, getting their loyalty toward our styles. These steps express that selling products is much more difficult than making them.

More details about some notable rules when it comes to customers that we have heard many times are:

- The customer is always right
- Whatever it takes – keep them satisfied
- All customers are important

(Thomas & Tobe, 2012)

The above sayings are familiar, especially in customer service, but they may not true at all. First, the customer is not always right. The demand of people is unlimited. We cannot chase their needs, changing characteristics of products, forgetting and losing the main values. In Creative Economy, it is very necessary for the harmony of customer-supplier relationship. As mentioned before, the target is not as many customers as possible, but identifying and enlarging the amount of loyal niche customers.

The same situation should be rethought when saying “Keep customers satisfied whatever it takes”. Doing business with this thought surely makes loss in both tangible and intangible assets. Keeping the customer satisfaction is very important but we should consider not in “whatever” cases. Keeping the pride and typical style of our own is important, too.

Thirdly, it is absolutely true the belief that all customers are important, but only in terms of continuing values that they could give back for longer lasting trade. In Creative Economy, many artists get lost so far in the feedbacks and fixing idea advices of their customer that

they forget who the right creator, what their own beginning idea and the worst result is they cannot keep their specific style any longer.

As conclusion, entrepreneurs in the Creative Economy, artists should understand and make a good selection of niche customers for their own needs, which are the needs the artists' style aim to. Vital is to keep the loyal customer satisfaction but within reasons.

4 FROM STARTUP IDEA TO DEVELOPING STAGE

4.1 Purpose and goals

The purpose and goals are driven by motivation, hope, skills and vision, which come from all kinds of ideas, experiences and character of entrepreneurs. To avoid disappointment later on, we should set time to think of goals why and from what the startup ideas come, define what we really want and what the idea actually is. Understanding these helps to get encouragement to think why this particular idea should be implemented and how well-controlled we are with the knowledge and skills we have. If creativity is expressed thoroughly in every stage, we will get happiness in working. Getting stress and tiredness sometimes cannot be avoided. However, working with inspiration will drive us closer to the clear goals and purpose, closer to success.

All motivation starts from needs. So as to understand this idea, let's take a look in Maslow's Hierarchy of Needs. Abraham Maslow proposed in "A Theory of Human Motivation", Psychological Review, in 1943. He specified that people are inspired to reach certain desires. When one need is satisfied, we search to achieve another, and so on. Usually we desire to move upwards to the highest level: self-actualisation, which are awareness, trust, freedom, honesty etc. However, this level meets the most barriers and difficult to fulfill. Then we have to move backwards to lower level needs. (Maslow, 1943, 1954).

Every need, life condition or event is able to become the source of inspiration for artists in Creative Economy. Artworks formed by motivation always get more beautiful, deeper meanings and higher values. The author wants to express what happens in life: happiness, sadness, weddings, holidays, seasons etc. Motivation and inspiration are mostly from fairy tales and fantasy stories.

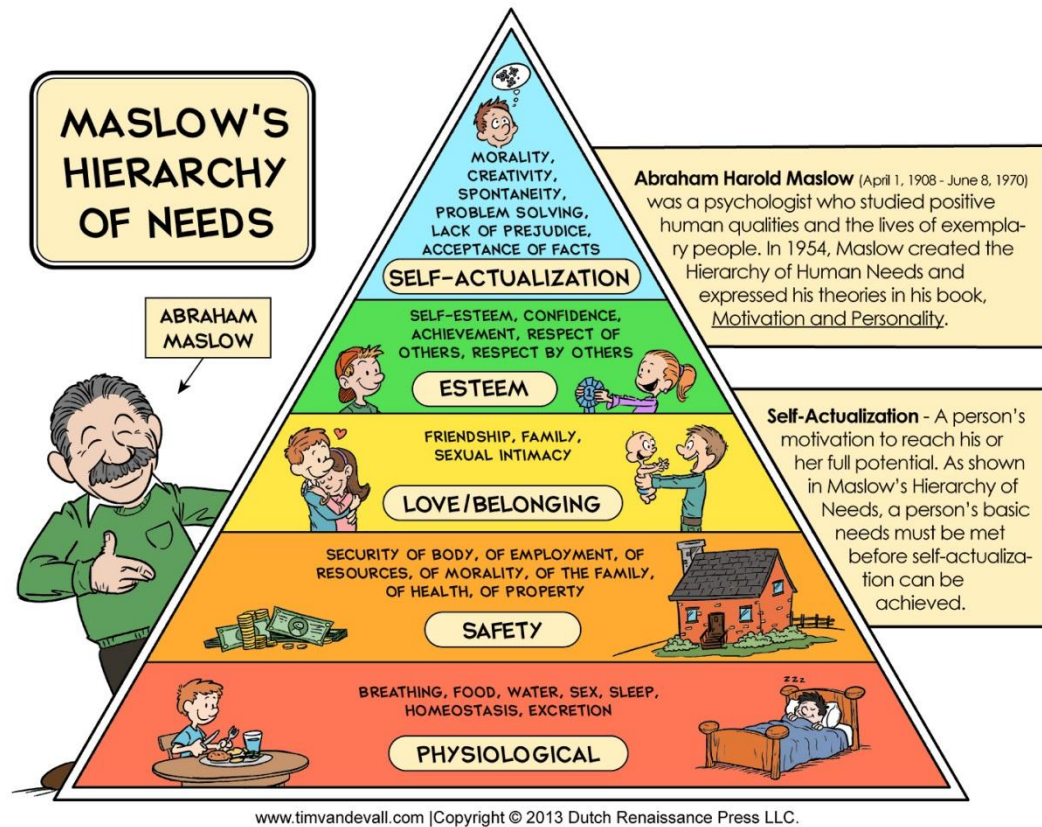


FIGURE 5. Maslow's Hierarchy of Need (Dutch Renaissance Press LLC, 2013)

4.2 Ends and Means

“Ends set the value - means create the value” (Labour Theory of Value, Adam Smith)

When artists start to market their work, they become entrepreneurs. As entrepreneurs, they have to make a good plan for doing business and have the right targets to achieve. Looking at the result that they desire, this result is “end”. What do artists hope and want? Is that about money, wealth, fame, respect...? Each “end” will set different values for the products, which are artworks in this thesis topic. Actually not only in the Creative economy, but also in many other ones, those tend to be a new way of thinking, people do not achieve wealth as the “end” if they hope for solid success in long-term. Profitability is vital but not all they need.

A successful opportunity is possible for artists when they become entrepreneurs. Most of them have self-marketing, means and they tend to become freelancers more than working for a company. As the research of Gentry and Hubbard (2004), they found that entrepreneurs are potentially wealthier than paid employees. The reason is because they have talent and skills as their own assets. These are the original values of entrepreneurs in Creative Economy.

Doing business, however, is a process. Values are set but they certainly get changed over time. If only artists would stick to the result they desire, otherwise they will get lost and all values will be reformed through doing business process. According to Keyser, there are 5 “A” words are about business values and the behaviours in the economy now and later.

- **Avowing:** What is more important than understanding ourselves, what we have and how far our skills could go? Try to consciously define and openly share our own purpose and values to ourselves and others. Because they will impact the business process. Try to recognise strengths and weaknesses, capability and limit. Clearer we know about ourselves, easier to stick to the “ends” and drive the process.
- **Attending:** No end point for studying. Paying attention to issues around, from the closest family life to the larger world. This will certainly help to open our knowledge and improving our skills. This “A” is like the decorations to make our process of doing business more colorful.
- **Allowing:** The easiest “A” for startup entrepreneurs, those are artists. Whenever get trouble in the startup process, let the mind think and fly from the past to the future, the solution could be shown up somewhere that we least anticipate. Remember not moulding ideas in limitation like a frog in a well. But looking to all potentiality and cultivating the art of possibility should be applied.
- **Acting:** Certainly entrepreneurs are people know how to act and make things happen. The point is, however, how to act wisely. Entrepreneurs in the Creative Economy can definitely create artistic products but may not good enough in analyzing markets, collecting data, and especially solving logical obstacles.
- **Affirming:** Stay solidly with the purpose and values we have set. Show the courage and confidence of our own knowledge and skills to others honestly. Admit the faults and keep moving on. These will strengthen the core of our business process.

(Keyser, 2006)

4.3 SWOT Analysis

The SWOT analysis is based on the study of how to develop the Creative Industries in modern time and summarising self-experiences. The aim of SWOT analysis is to describe the picture of strengths and weaknesses of the author as an entrepreneur in the Creative Economy. Following are the opportunities and threats that the target market could bring. This analysis helps to get a clear look for preparing and making good marketing strategy to niche customers.

TABLE 2. SWOT Analysis

<p style="text-align: center;">STRENGTHS</p> <ul style="list-style-type: none"> - Having passion in creating artworks - Having education in Business Management - Understanding the goals and purpose - Knowing how to do self-marketing - Oriental and Occidental culture connection 	<p style="text-align: center;">WEAKNESSES</p> <ul style="list-style-type: none"> - Lack of experiences - Lack of information of the target market - Not having enough time for the goal achievement process - Not being active on social media
<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> - Benefits brought by the Eastern and Western connection - Possibility of diversified emotions in life turned into artworks - Social media 	<p style="text-align: center;">THREATS</p> <ul style="list-style-type: none"> - Risks of startup idea - The capability of diving and getting stuck at the both sides of business and art - Predecessor artists success - Legislation, copyright, taxes

4.3.1 Strengths

Since a child, drawing and creating are as the seeds that have been growing up together with the author's physical body. There has always been a passion and happiness to do creative artworks. Is this not the most important condition for a person who wants to live and do what he or she loves? Having passion, feeling interested in our own-works, doing happily and getting successful easily are the desires that everyone hope to achieve. Moreover, by enjoying doing passionate work, although it has not yet been official career, the author became more open to people, nature or life events, learning and get experiences from them.

Only passion is not enough for a comfortable life. People need certain means to cover physical demands. This is the benefit that having education in Business Management could bring, especially in the globalisation time. Through the taking of Economic subject for study, there is a capacity to adapt to a new way of thinking and new change of the world economy.

Through passion of creating paintings and business knowledge, the author has enough courage to build up a good marketing strategy for own artworks. The idea in this thesis is just the first basic step of dream work, but it might be a helpful guide for future.

4.3.2 Weaknesses

Ideas come up with lightning speed are the strikes for success in Creative Economy. Experience sometimes is not the vital part, thinking for the long-term, lack of experience is still author's weakness and should be improved. Each of those creating experiences seems tiny but they will become a value collection for the future marketing prospect. Being more active through social media marketing is a plus and convenient way to understand how the world situation and what people need.

As mentioned in earlier parts, the target market and niche customers have a very important role in the marketing process. There is a need to study and research more to identify suitable customers for the own art style. Because of not having education in art subject, this has to put lots of efforts on self-learning methods. All works require much investing in

time to improve. This also becomes a weak point. The reality sometimes brings harder challenges. There should be a balance between real life demands and chasing dream work.

4.3.3 Opportunities

Growing up in the Vietnamese culture and having chances to live in Finland are the valuable background for the creativity. The opportunity in learning and connecting Oriental and Occidental culture, and then bring them into artworks. The diversification helps to understand how to adapt and catch people's emotion and turn them into the soul of artworks.

Another opportunity is the development of social media, an economical and clever way to distribute artworks to people, all over the world. The customer group can be enlarged further and faster. There are many specialistic webpages or artist-entrepreneur-freelancer communities for learning and sharing experiences. Social Media are potential resources for supporting and marketing, such as Facebook, Instagram, Tumblr, Behance.

4.3.4 Threats

Besides many chances for success in the economy, there are still threats that cause difficulties. One has to face the risks of startup idea, startup business, becoming an entrepreneur/freelancer is challenging. Living in Finland at the moment and understanding Finnish requirements about startup, taxation, legislation system is essential. Observing and learning Finnish habits is vital, as Finns are the nearest customers.

The thesis shows a desire that is connected with a passion learned. This is not simple, but a real big challenge. It is easy to dive and get stuck between the margins of both sides - business and art. There is a need to be thankful for the opportunity to do this thesis. This will help getting practice and predicting how the strategy could be helpful in the future.

The last threat is about predecessor artists, who have their own long-term firm position in the market. Their shadow of styles and values impact a lot sometimes it is difficult to escape from their idea. They have also attracted loyal customers so less chance of niche cus-

customer identification. Furthermore, to become a freelancer entrepreneur, one needs to study different legislations and taxation systems of different regions and be more vigilant about the copyright standards.

4.4 Facebook and Social Networking

As social media, especially Facebook, has taken central role in our lives, they are the most effective way to spread the message of artworks to the world. Getting how to use them in an right way could bring a lot benefits for the marketing process, for meeting niche customers and sending artwork as product values to the world. Social media are not an automatic address directly to success. Based on advices of the Artist association, the following do's, don'ts, recommendations and suggestions are useful guides to help to distribute values to target customer with maximum benefits and without frustration or troublesomeness to other people.

4.4.1 Do's

- Keep communicating with people like in reality in order to show our real personal characteristics to have people's trust.
- Keep update artwork information, emotions, events... frequently.
- Decide what we share with people on Social Media, especially about our personal information. Decide what is sufficient for public or keep private.
- Think carefully of what we want to let people know about us and about our products. The better we comprehend and continue inspirations and purposes, the better others catch them as well.
- Focus on using nickname. The good way is using the same nickname, called name and signed name. So that we are able to create cross-posting and cross-referencing.
- Be reliable and coherent in the posted contents.
- Decorate the post with interesting unique stories and themes.
- Give good reason for people pass by to visit, see and comment on our artworks. Create the post as presents so that people could click not only "like" but also

“share” button. This will form a networking for our products and bring good effect in expanding the contact circles out of the limited friend list.

- Be active and act in advance to make all the involved stakeholders aware of our values.
- Spend time to build up good relationship before making requests.
- Show to people our care by participating in related posts or discussion threads.
- Check the quality of artworks we want to post to make sure that people could see the right value and message.
- Be patient and open-minded when getting criticism from people. We should take advantage from them in order to improve our skills.

4.4.2 Don'ts

- As mentioned before, be aware of staying true and keeping real personal quality. What we don't do in real life, don't do on Facebook.
- Don't ask people for money or mention straightly about this sensitive topic.
- Don't focus too much on ourselves.
- Don't try to use fancy words so often. The importance is keeping simple or humble sometimes to let people have chance to come closer to us and our artworks.
- Don't take advantage of the “tag” function negatively. We should tag people if only needed.
- Never use apps to express our message or increase the likes.
- Don't promote our page on other people walls, discussion threads, or links.
- Don't clog our page with games, apps or other useless and unrelated to the target.
- Don't become a taker. Remember the more we give first, the more we can get back in response.

5 PRACTICAL EXPERIENCES

This part indicates experiences of some successful artists and own capacity with the aim of showing how to link all the theories and apply them into reality. There will be two interviews with a Finnish artist and a Vietnamese artist. Through the practical experiences, the importance of social media in marketing is described.

5.1 Ulla Thynell

Ulla Thynell is a freelance Finnish illustrator. Her works focus on children's books and fantasy. She studied philosophy and aesthetics at Helsinki University and graduated in 2008. At the moment, she is studying Graphic Design at Helsinki Metropolia University of Applied Sciences. She is well-known for many illustrations about J.R.R. Tolkien's stories (Hobbits, Lord of The Rings...) Charming, playful and bright are compliments from people for her works (Illustrious: Ulla Thynell, interview by Alex Hurst, September 27, 2013).

Ulla always loves painting and drawing. She has started to create fantasy art and become interested in dream imagery and surrealism since very young. She did not study art in the university, but philosophy and aesthetics. She thought that she would keep her talent and have it as a hobby. Until 2012, she had decided to turn it into professional work just right before her 30th birthday. She enjoys illustrating the Tolkien's books because they have been with her for the whole childhood and they suit her drawing style.

The first thing that was noticed is about the way she uses watercolour.

"I do like watercolor for its interesting texture and soft, natural tones...using pens or other tools on watercolor or painting allows me more control and emphasis on the details" (Ulla Thynell)

Her drawing inspiration is taken from memories, emotions, dreams, music, literature, nature etc. She admires the style of many illustrators from late 19th and early 20th, such as John Bauer, Edmund Dulac, Athur Rackham, Hans Arnold... She has found out the fascination from children's stories and old fairytales. From these inspirations, she has indicated

her own art style. She desires to have her own children's stories and publish it one day. Being interested in various projects helps Ulla improve skills, for instance, working in the 2D animations or illustrating for classic fantasy novels.

These are some of Ulla's wonderful artworks:

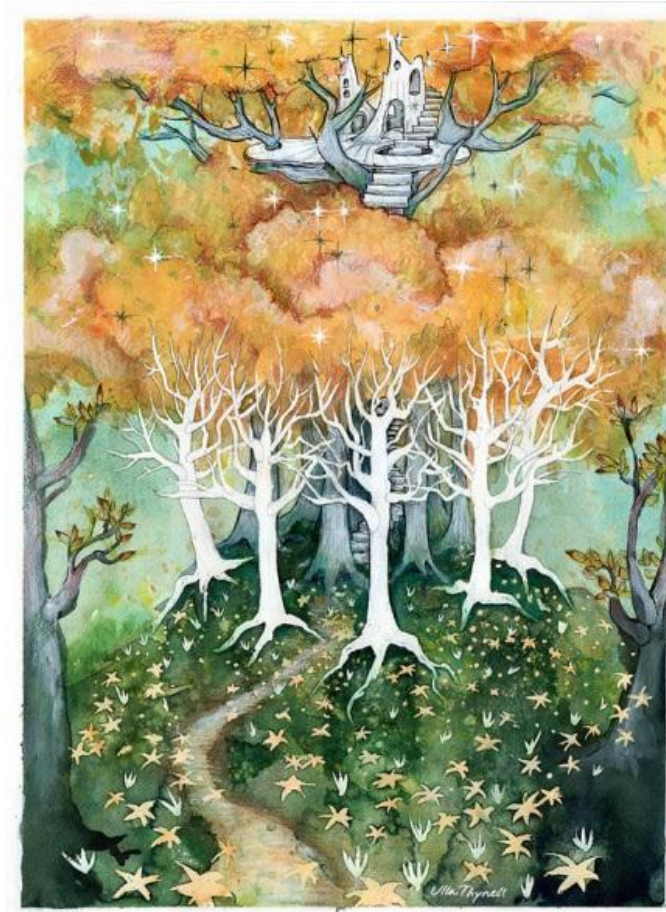


FIGURE 6. Lothlorien, by Ulla Thynell, 2012



FIGURE 7. Self-portrait illustration, Ulla Thynell, 2013



FIGURE 8. Mennään onkimaan! Lapsen Oma Kalakirja (Children book, Ulla Thynell, 2013)

5.2 Thai My Phuong (Tamypu)

Thai My Phuong is a Vietnamese freelance artist. Her nickname is Tamypu, which is used as the signature in her artworks. She is one artist who has brought great inspiration to keep the dream. She has shared her own experience for a startup career in the talk show with Vietnamese young people on June 25, 2014.

“Let’s get failures as properties instead of focusing on money” (Tamypu)



FIGURE 9. Tamypu in the the talk show “Startup with Youth”, June 25, 2014

Illustration is quite new and there still have not had professional education for this career in Vietnam. This requires the passion, hard-working, practice and non-stop study. Tamypu started to draw when she was 5. When applied for university, she chose the major in Interior Decorations. She used to be interested in fashion design, then making animation. However, finally she decided to do what she loved most, becoming a freelance illustrator. To share it was a difficult time to find out the purpose and goal for her career. Only with pencil and paper, she is able to create so many beautiful things.

For Tamypu, drawing is to release her passion and feeling. The message in her style is imparting the close, ordinary and simple emotion to spectators. She works with the guideline: “Do not let money control our way too much. But make failures and losses become valuable properties. Using time for learning and compensating for those failures. Success will

come”. Tamypu used to draw very cheap cost books. However, these works helped her learn a lot of experiences.

In the talk show, she has shared her own experiences about what is the best way to get a good contract, how to do PR for ourselves, how to manage the project etc. She encouraged young people that no one imposes tax on our dream. So be brave to dream but should put the dream into real life and with your talents .

Below are some of Tamypu’s works:



FIGURE 10. Christmas, by Tamypu (Milk tea for soul magazines, 2012)



FIGURE 11. Book cover, by Tamypu



FIGURE 12. Book illustration, by Tamypu

5.3 Self-works and experiences

The author has fallen in love with art since a child. Drawing and painting are usually the way to express emotion. Inspirations come mostly from mother's stories that she told them. The opportunity for studying art as major has still not opened but there are opportunities to improve oneself by following and learning from favourite artists. Furthermore, studying Business Management in the university is not the wrong choice for the author because it brings opportunity to turn a dream work from a hobby into a possible career. This is explained in the thesis why this idea has come up and the capacity of success from creative ideas.

Time in Finland has brought many opportunities to improve and practice not only the artistic skills but also the marketing knowledge in doing business. Designing and decorating a startup café in Kokkola, participating in open market days, introducing and selling own artworks, sending many paintings and drawings as presents and also for marketing idea, have developed the author's ideas.

5.3.1 Coffee shop design and decoration

Early autumn in 2014, a good chance came when a Latvia couple wanted to open a new coffee shop in Kokkola. It is the Café Peppermint, Kokkola, Finland. It started with thinking about the design part and marketing idea. It was challenged by searching the decoration style to make the café become special in the area. Finnish people, especially people in the small city like Kokkola, prefer places that bring a familiar and comfortable feeling. Based on the habit, sketches for wall paintings, stairs, kids' corner etc. were made. After receiving the ratification of the Latvia friend, the work of wall painting and decoration began.

Working with those jobs together with inspiration for always brings happiness. Although when were prepared for launching the café, it was winter time. Many difficulties of cold weather, darkness and busy courses from school at that time were faced. However, following values and own passion made all troubles become lighter.



FIGURE 13. The corner for kids, wall painting



FIGURE 14. Four seasons (watercolour painting on the main wall)

At the time preparing the decoration, there was also a plan made for marketing the Café by creating some more painting and putting at the Notice board at school, using Facebook to introduce to friends and acquaintances. Café Peppermint has given a valuable experience as the first project of marketing my own artworks.

Another café was Emilia Bakery, also locates in Kokkola. The project this time had a totally different purpose and reason than Peppermint. The purpose was not money, this was a non-profit product, as the quality of bread and cakes from Emilia was appreciated. The environment is simply comfortable and familiar. To show the respect and feeling in enjoying their products, a painting was given as a gift. Benefit turns back as mentioned in the part of using social networks. The more values we give first, the more advantages we receive later. The owner of Emilia Bakery decided to put the painting on their wall. There are several customers visit Emilia everyday and this was a good chance to let people see the author's artwork.



FIGURE 15. Emilia Leipomo (Watercolour)

5.3.2 Marketing and selling in Kokkola market square

Summer is the most suitable time for marketing artworks outside, the weather is warm and bright. All conditions are in a perfect for meeting customers and be able to see their behaviour directly. Social networks are fast and convenient tools for marketing. However, the best way is still meeting target customers in real eyes. In Kokkola, every Wednesday in summer is the open market for everyone. The author has participated in the event. This is really valuable experience when having the possibility to see people's reaction when they saw the author's artworks, what they reply and what they want etc. Another benefit from the open market place was activity in deciding how to choose place, set price, communicate with people, and learn how to solve sudden problems.



FIGURE 16. My artwork corner in the open market day (2014)



FIGURE 17. Discussing with customers

5.3.3 Marketing and selling through Facebook

In the part of social networks, we have discussed how the most effective way to apply Facebook and other social media become useful tools for the marketing strategy. Because of the limitation for free time, not much activity on Facebook has taken place. However, every creative works is posted on the author's Facebook page cautiously in the content, quality and meaning. Through social networks, especially Facebook, there have been some sales which bring profitability.



FIGURE 18. Some artworks sold from Facebook

6 FUTURE PROSPECTS AND ADVICE

Looking into the research from job viewpoint through 2018 in Creative Economy, the employment rate potentially has the regular growth. However, the competition for job seeking is predicted to become tense for both salaried and freelance jobs. The reason for this situation is because the number of creative ability people and those are interested in the field keep exceed to the jobs available. In spite of the high competition, employers and individual clients always look for talent and creative artists. Employment in the Creative Economy is estimated to grow 12 % through 2018. (Occupational Outlook Handbook, 2010)

Artists who do not work as self-employed can look for job opportunities in art galleries, magazines and newspapers, TV and movie studios, advertising agencies and departments, fashion houses etc. For those who want freelance work and look for assistance for their own projects could apply for grants from private organisations or government supported groups such as the National Endowment for The Arts. Besides, there are also a number of freelance job boards online (Job Market Outlook, 2015)

There are many reasons why people quit full-time jobs to choose becoming freelancers. They may get opportunity to be the own-boss, flexible working time and possible prospects of earning bigger revenues. The following advices are helpful instructions from some successful entrepreneurs in the Creative Economy:

“Pimp yourself out. No one is just going on to call you out the blue. You need to tell people that you are out there.” (Gnarr, 2010). It does not matter that from where the startup idea has begun, marketing ourselves is important.

“I wish I had known the importance of self-promotion when I first started freelancing. Know someone who owns a business? Give them your business card and let them know who you are. It is all about networking and getting your work seen.” (Haines, 2010).

“It is important to maintain a work/life balance, so good time management and discipline are essential. You cannot afford to miss deadlines in the commercial world.” (Hunt, 2008)

7 CONCLUSION

Finally we could get the idea of what is the Creative Economy and how it impacts our lives. If we follow the new way of thinking and doing, why we do not choose to mould a creative idea into commercial product? The rapid development of our world make things changed incessantly, but simultaneously open lots of opportunities for us to discover, create, study or even destroy and connect. The ability to create and develop is unlimited. This works if we do not forget the values of ourselves. So why we still hesitate to take courage and live a creative successful life for both physical and spiritual needs?

To define distribute values of creative products, we need to pay attention to the heart of the economy. It is creativity. From time to time, the flow of innovation has helped our lives become diversified, colorful but complicated. Through the ability in creating, values on competence are developed, too. People seek for freshness and difference and put non-stop efforts to describe the meaning of our lives. It is so important that these creative abilities meet occasions to performance. How they could make it if there is no community. We have creative ability as vital blood but the blood is useless without its flow. Be aware of “no community, no customers and no art”.

We have a business idea! Or maybe we just have been in the very first stage of formulating the idea of marketing a new product or service. This thesis is built as a basic tool and the author hopes it could be helpful somehow for the developing products in the Creative Economy. This is also suitable for someone needs information in practical marketing artworks. Through the thesis, we could have the general idea about the Creative Economy and creative people frequently have the vision and bravery to follow their heart. The thesis is typically studied for marketing in the Creative Economy but do not set the limitation for ideas. Let's hope we could get inspired despite any industries we choose.

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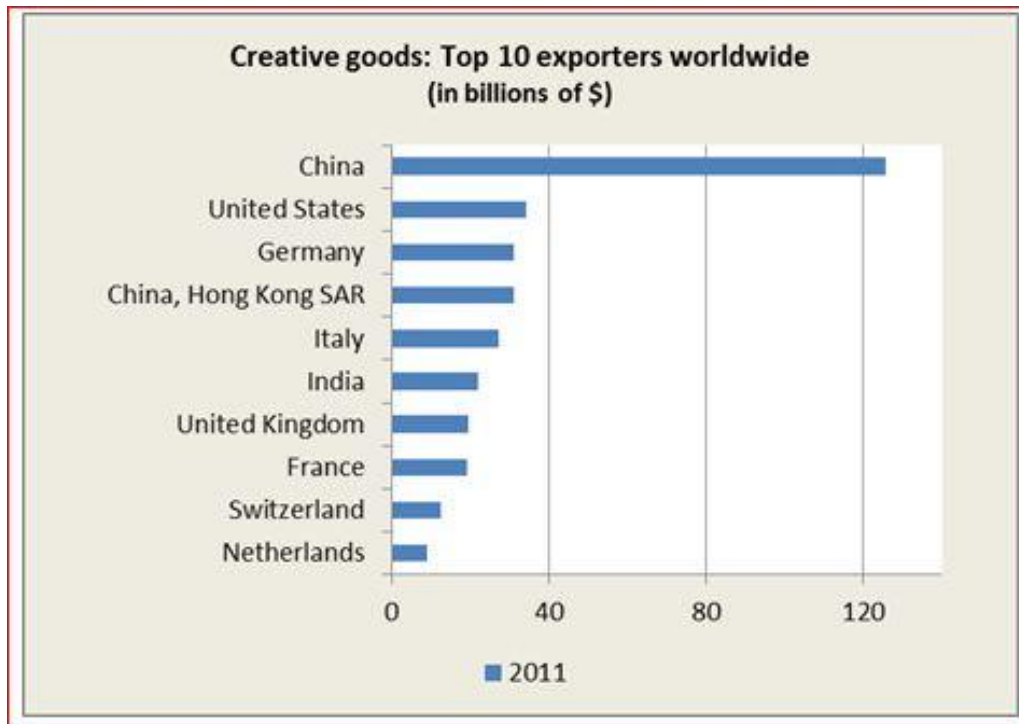
Job Market Outlook for Artists and Designers, 2015

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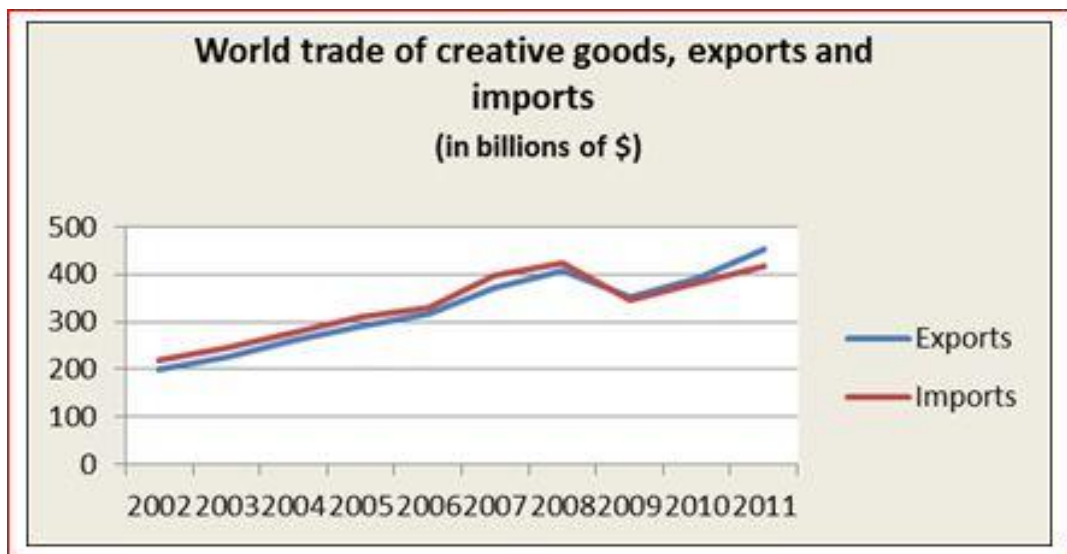
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APPENDIX 1



Top 10 worldwide exporters of creative goods (UNCTAD, based on official data in UN COMTRADE database)

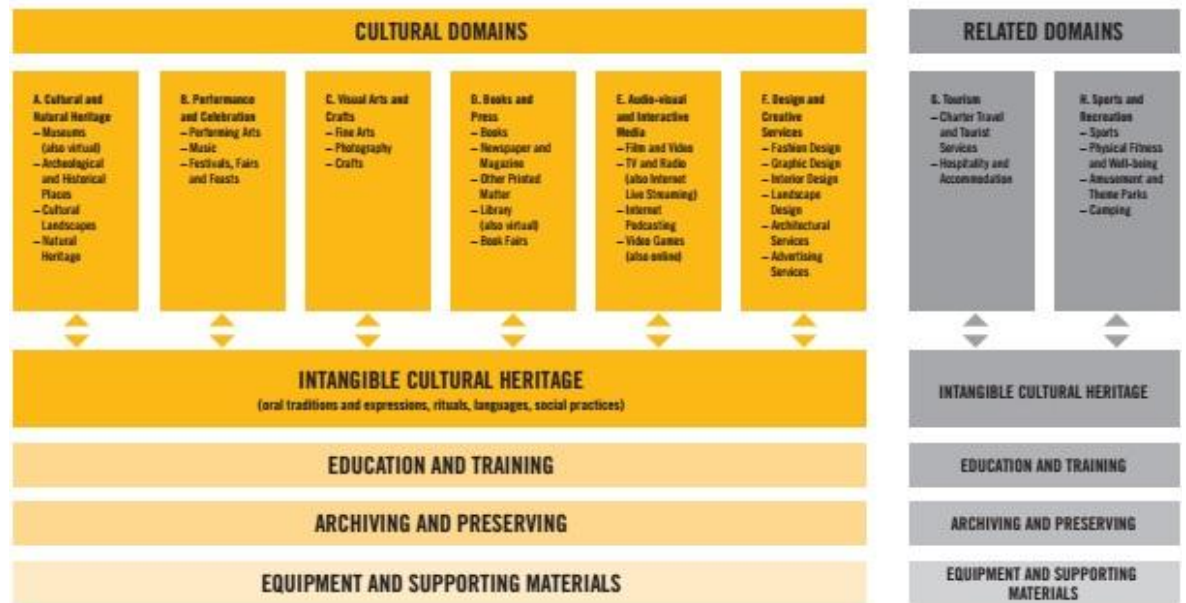


World trade of creative goods (UNCTAD, based on official data in UN COMTRADE database)

APPENDIX 2

The Cultural Economy

Based on UNESCO'S Framework for Cultural Statistics



Source: UNESCO (2009), p. 24.

APPENDIX 2/2

Creative goods: Exports, by economic group, 2002 and 2011 (in millions of US\$)

	World		Developing		Developed		Transition	
	2002	2011	2002	2011	2002	2011	2002	2011
All Creative Goods	198,240	454,019	73,890	227,867	123,169	222,597	1,181	3,555
Art Crafts	17,503	34,209	9,201	23,383	8,256	10,653	45	172
Audio-visuals	455	492	35	90	417	400	3	2
Design	114,694	301,262	53,362	172,223	60,970	127,239	362	1,800
New Media	17,506	43,744	4,412	14,607	13,071	28,918	23	219
Performing Arts	2,754	-	250	-	2,478	-	26	-
Publishing	29,908	43,077	3,157	8,106	26,061	33,650	690	1,321
Visual Arts	15,421	31,127	3,474	9,456	11,916	21,631	31	40

Share of economic group in world exports of creative goods, 2011

