
Future research directions for cultural entrepreneurship and regional development

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1 Introduction

Cultural entrepreneurship is characterised by an increasing recognition of the importance of the arts to the economic development of a region. During the past five years, more attention has been placed on the cultural industries due to their significance in society and role in regional development (Konrad, 2013). More understanding about the relationships between culture and entrepreneurship is required due to its significance in regional

development and importance in strategic management planning (Ferreira et al., 2016; Gërguri-Rashiti et al., 2015; Krueger et al., 2013). The success of regions to innovate is based on their ability to harness their cultural entrepreneurship. Yet, little is known about cultural entrepreneurship and regional innovation. This introductory article to the special journal issue on cultural entrepreneurship and regional innovation examines the literature that exists and suggests ways forward. The articles in the special journal issue share the goal of building a new research stream about cultural entrepreneurship that stresses innovation within a regional setting. In this special journal issue, we sought high quality papers that contribute to a better understanding of cultural entrepreneurship and regional innovation.

This special journal issue places attention on cultural entrepreneurship and the findings help bridge the disparate literature streams of culture, entrepreneurship and innovation together. The articles in the special journal issue conclude that regional innovation is the key force behind cultural entrepreneurship. This enables a forum to advance our understanding of cultural entrepreneurship and provides many research gaps in the ways of understanding how cultural entrepreneurship affects regional developments. The next sections will review the key topics from the articles in the special journal issues and recommends future research suggestions.

2 Introduction to the articles in the special issue

This special issue includes six articles, conceptual and empirical in nature, specifically related to the multifaceted topic: 'The role of cultural entrepreneurship for regional innovation'. Collectively, the articles examine and investigate this subject using different theoretical backgrounds and methodologies. Individually, each article gives rich insights concerning the singularities they scrutinise. For instance, Hyz and Karamanis analyse the role of cultural and creative industries in regional development during the economic cycle using the case of the Region of Epirus in Greece. Robbins and Devitt, based on case study, evidence a local innovation system in tourism involved some players of mainly cultural organisations who collaborate using design thinking in order to develop a portfolio of entrepreneurial ideas. Haisch et al. analyse the dynamics of personal location choice of entrepreneurs in five European non-metropolitan regions. Based on a qualitative research design, they reveal that the embeddedness argument holds accurate most particularly for natives or returned natives. Okada and Dana focus on how innovation has changed national media events and information communications technology. On the other hand, the focus of Ramos and Costa is on the development of coastal regions from tourism as a result of investment in rural areas. In Brem, the focus is on creativity and organisational ambidexterity in entrepreneurial ventures.

3 The importance of culture to entrepreneurship

George and Zahra (2002, p.5) define culture as "the enduring set of values of a nation, a region, or an organization" and entrepreneurship as "the act and process by which societies, regions, organizations, or individuals identify and pursue opportunities to create wealth". This combined definition recognises values but also the role of people in enabling cultural entrepreneurship to progress (Ratten, 2011). The process of cultural

entrepreneurship is shaped by the personal values of the entrepreneur, which depend on their culture, location and other factors (Krueger et al., 2013; Ratten, 2014). This means that cultural entrepreneurship can be measured at the national, regional and organisational level (George and Zahra, 2002). Acheson et al. (1996, p.321) discuss how “cultural entrepreneurship involves a conception, an initial launch, and a transition to an established event”. In this article, we utilise the definition of Lounsbury and Glynn (2001, p.545) who define cultural entrepreneurship as “the process of storytelling that mediates between extant stocks of entrepreneurial resources and subsequent capital acquisition and wealth creation”. The key difference between cultural entrepreneurship and other forms of entrepreneurship is the need for both public and private patronage (Acheson et al., 1996). Cultural entrepreneurs are involved in a number of business services from developing an idea, launching an event and gaining customers. Examples of cultural entrepreneurship are film festivals, gardening shows, art exhibitions, music festivals and tourism events. This special journal issue offers direction for understanding the way cultural entrepreneurship works in tandem with regional innovation.

Entrepreneurship is embedded in cultural norms and values that exist in a society (Granovetter, 1983). There are numerous definitions of culture but most suggest that it is a set of values shaping people’s behaviour in a society (Inglehart, 1997). Culture involves the way of thinking that is shared amongst people in a society (Hofstede, 1980). This can include ways of acting and feeling that makes social interactions uniquely bounded by regional location (Krueger et al., 2013). Despite the regional role of culture the increased multiculturalism has meant that multiple cultures can exist in a society (Levie, 2007). Increased immigration and ability to travel have meant that people are able to share ideas more easily. Krueger et al. (2013, p.703) states “a supportive culture would lead to social legitimisation, making the entrepreneurial career more valued and socially recognised in that culture, thus creating a favourable institutional environment”. The higher perceived value of entrepreneurship in a culture the more likely people are to start new businesses (Linan et al., 2011). Some cultures are more conducive to entrepreneurship due to underlying values and norms (Krueger et al., 2013). This means that there is fertile ground for exploring research questions around cultural entrepreneurship and regional development.

The measurement of cultural entrepreneurship can be difficult due to the different ways culture is construed around the world. Much research about cultural entrepreneurship is at the national level as it focuses on country characteristics (George and Zahra, 2002). This special journal issue focuses on the regional level of culture as it is a distinct form and worthy of study. Regional contexts provide an opportunity for cultural entrepreneurs to link social practices to business action (Nabi and Linan, 2011). In some regions, ethnic minorities have higher entrepreneurial rates, which affect business development (Vinogradov and Kovreid, 2007). The nexus between culture and entrepreneurship is influenced by social institutions (George and Zahra, 2002). Hofstede’s (1980) work on culture is a useful way to analyse entrepreneurship but given the increased diversity of the global population more recent methods are required.

Culture is a by-product of historical events that shape a society. The value systems of a society are represented in the cultural attitudes towards entrepreneurship. In addition to the regional innovations that come from cultural entrepreneurship, there are also sub-regional aspects that need to be considered (George and Zahra, 2003). This means evaluating how ethnic groups influence innovation based on their beliefs. The types of

sub-regional innovations coming from different ethnicities are an interesting area of inquiry. More attention needs to focus on these sub-regions as they may have different ethnic groups that are linked in with other nationalities.

Cultural enterprises contribute to the economic and social fabric of a region by encouraging the longevity of local customs and traditions. More entrepreneurs are establishing cultural ventures as a way to link in with the arts and creative sector. The artistic initiatives of cultural enterprises help contribute to a regions economic stability. Despite the interest in the arts sector of regional economies it can be hard to establish a cultural business due to funding and resource requirements. As Konrad (2013) mentions, cultural enterprises rely both on quality of services but also entrepreneurial capabilities.

More entrepreneurship research is focusing on the role of culture in society and how it affects business decisions. Recent political changes in the European Union and world economy have recognised the importance of culture. There is a lack of consensus about how to define cultural entrepreneurship but most focus on the way individuals, organisations and businesses launch ventures focused on creative pursuits. Swedberg (2006) in a study about cultural entrepreneurs focus on the personality of the founder but also their social network, which affects overall performance. Networking is crucial to cultural businesses due to the limited public funding available (Konrad and Hoegl, 2005). Some cultural entrepreneurs can neglect their networking due to inefficient use of time and resources (Konrad, 2013). This means that for cultural entrepreneurs to succeed they need to build up more networks with external partners (Hausman, 2010).

Businesses in the cultural sector are measured by the reputation of the people involved instead of by economic performance (Colbert and Courahesne, 2012). Having a good reputation in the cultural industry is important as the performance is valued rather than the financial gains (Konrad, 2013). This means that prestige of individuals involved with cultural businesses will determine likely success (Ratten, 2007). Cultural entrepreneurs try to establish themselves in a region based on their image (Colbert, 2012). The success of a cultural entrepreneur will be influenced by economic conditions affecting ability to maintain businesses (Hausman, 2010). Cultural entrepreneurs need to focus on establishing trusting network parties that can help them compete better (Konrad, 2013).

The digital revolution caused an increase in cultural entrepreneurship using multimedia communications to create businesses (McRobbie, 2002). Cultural entrepreneurs or 'culturepreneurs' are described as self-employed workers in areas concerning culture (Lange, 2006). Some cultural entrepreneurs develop from the need to change careers or focus on nice areas due to changing industries and increased competitiveness in the labour market. Cultural entrepreneurs use their expression to conduct business that has an artistic feel. The creative economy has placed emphasis on the ways to practice entrepreneurship. Some cultural entrepreneurs work for financial gain whilst others focus on their need for artistry in life.

Acheson et al. (1996, p.335) states non-profit cultural entrepreneurship is "team entrepreneurship, the not-for-profit structure, and a dependence on both fees and private and public patronage for covering expenses". This means that often cultural entrepreneurship is considered non-profit or social as it comprises a set of talented individuals that involve the general public in events (Acheson et al., 1996). Creative business efforts are hard to coordinate due to the need for multiple stakeholders to be engaged (Acheson et al., 1996). Often cultural forms of entrepreneurship have low revenues but high value in a region (Acheson et al., 1996). Some regions focus on

specific cultural events such as Midsommer in Sweden or the Day of the Dead in Mexico to bring tourism revenue to regional customs. Cultural entrepreneurs have created events such as the Melbourne Comedy Festival to link in with culture within a set region.

Acheson et al. (1996) discusses how with cultural entrepreneurs their focus on artistry may mean they lack business skills in administration and management. Klamer (2011, p.141) states “a cultural entrepreneur is the character who is entrepreneurial in the realization of cultural values”. Therefore, cultural entrepreneurs link the worlds of the arts and commerce. Entrepreneurs usually have personal characteristics of being alert, creative, proactive, risk taking. Klamer (2011, p.145) proposes that cultural entrepreneurs have these distinct characteristics “1) successful in business, 2) interested in the arts and 3) willing to assume responsibility and put their money where their mouth is”. DiMaggio (1982) suggests that cultural capitalists invest into culturally distinct enterprises because cultural capital links “knowledge and familiarity with styles and genres that are socially valued and that confer prestige upon those who have mastered them”. DiMaggio (1982) discusses how the Boston Symphony Orchestra was started by a cultural entrepreneur as they invested money towards a musical event.

Cultural entrepreneurs have a vision about how culture can be used in a business setting that needs organisational vision to succeed (Klamer, 2011). There has been increased attention about the economic part of arts and media due to increased global patronage (Klamer, 2011). More governments are trying to stimulate cultural entrepreneurs because of their link with artistic endeavours and community organisations (Klamer, 2011). Cultural entrepreneurs bridge the gap between creativity and business by linking these areas of expertise.

4 Conclusions

The objective of this special journal issue was to identify and evaluate the relationships between cultural entrepreneurship and regional innovation. This can help improve research about cultural entrepreneurship, which is a complex and multifaceted research area (see Ratten, 2012, 2013, 2016). We believe that more attention needs to be paid to this area if the research on entrepreneurship and innovation is to be advanced. The contributions of this special journal issue have addressed some of the research gaps about cultural entrepreneurship and will hopefully stimulate further research debate. It is important to review cultural entrepreneurship to identify new research avenues. We believe that the relationships between cultural entrepreneurship and regional innovation are still to be explored, which provides new opportunities for research. The papers in this special journal issue will be of value to entrepreneurship scholars and policy makers interested in cultural aspects of business. We hope to contribute to the dialogue about culture by governments officials about how to encourage cultural elements of entrepreneurship for regional development. In addition, the economic geography and regional innovation research communities can benefit from the advancement of knowledge from the articles in this special journal issue. More cultural specific elements of entrepreneurship can be incorporated into education and training programs devoted to regional innovation. The guest editors hope this special journal issue will inspire more research into the cultural ways regional innovation develops. We would also like to hear from other researchers interested in cultural entrepreneurship about potential research

collaboration and suggestions for future research. Finally, the guest editors would like to thank the editor for the opportunity to guest edit this special journal issue and the reviewers who helped refine the included papers. We also thank the publisher for their guidance and help.

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