

FIN-URB-ACT (Urban actions for financing innovative economies and SMEs)

Meeting in Linz, 28. October 2009

Needs Analysis of the Creativity Industry in Linz

RESULTS OF AN ONLINE SURVEY

Prof. Dr. Norbert KAILER & Dr.ⁱⁿ Tina Gruber-Mücke
Institute for Entrepreneurship and Organizational Development
Freistädter Straße 315, A - 4040 Linz

www.iug.jku.at
norbert.kailer@jku.at
tina.gruber-muecke@jku.at



INSTITUTE FOR ENTREPRENEURSHIP
AND ORGANIZATIONAL
DEVELOPMENT
JOHANNES KEPLER UNIVERSITY LINZ

The Survey

- The regional FIN-URB-ACT working group Linz, organized by the municipality of Linz, has commissioned a survey focussing on the situation of the creative industry in Linz.
- Carried out by the Institute for Entrepreneurship and Organization Development (IUG) of the Johannes Kepler University of Linz (JKU).
- Semi-structured online-questionnaire, August 2009.
- Response rate 11 % (165 business owners out of 1580).



Response rate by industry

Industry	Relative frequency in %
Music and phono market	3,03
Architecture and cultural heritage	3,64
Performing arts	6,06
Product and industrial design	6,67
Book, literature, press	7,27
arts and crafts	9,09
Film, video, TV, radio	9,70
Training and Consulting	13,94
Other area	24,85
Advertising	38,18
Information, communication multimedia, internet	38,79

**Table: Response rate by industry,
N = 165 (multiple answers possible)**



Age structure

- * 80 % younger than 40 years
- * remarkable: 20 % younger than 19 years

	Frequency	Valid %	Accumulated %
unter 19 J.	35	21,2	21,2
20 - 29 J.	48	29,1	50,3
30 - 39 J.	48	29,1	79,4
40 - 49 J.	27	16,4	95,8
50 - 59 J.	7	4,2	100,0
Complete	165	100,0	

Table: Age Distribution, N = 165



Entrepreneurs and their background

- About 20 % female entrepreneurs.
- Approx. one third of enterprises is still in the start-up or early development phase (i.e. 0 – 5 years after the foundation).
- **Educational background:** 47% hold an academic degree 8% have completed an university course. 31% took a BHS school-leaving exam, 27% an AHS school-leaving exam. 12% with master craftsman's diploma, 18% passed an apprentices examination.



Entrepreneurs and their workplace

- Only a quarter of entrepreneurs works at home.
- 56 % have an office outside of their home or in a start-up centre/business incubator (5 %).
- 12% have no fixed office office or working place.
- * Female entrepreneurs have their working place more often at home or in a start-up centre.
- * Larger founder teams work more often in offices or start-up centres



Sole proprietor or founder team?

About 70 % are sole proprietors.

The larger the founder teams, the more often offices in start-up centres/business incubators are used

	Number of founders	
Do you lead your enterprise alone or do you have partners?	More than 4	7.7%
	3	7.1%
	2	14.1%
	Sole proprietorship	71.2%
	Complete	100.0%

Table: team foundation or sole proprietorship, N = 156



Size of the firm

- **NUMBER OF EMPLOYEES:** About two thirds without employees. A quarter employs less than 10 employees; 8% employ 11 to 50; 0.6% more than 50 employees.
- **FULL-VS. PART-TIME ENTREPRENEURS:** 77 % are full-time entrepreneurs. Only 16 % are part-time entrepreneurs which are predominantly employed in an other organization



Awareness and usage of support measures

Heterogeneous picture concerning the awareness and (future) usage of support measures (f.i. information, training, consulting, coaching, networks, finance)

How many are aware of, use or plan to use special support measures?

- Founder Service of the Upper Austrian Chamber of Commerce: 95%
- Linz Service Center for Entrepreneurs (Wirtschaftsservice): 71 %
- Creative Economy (subsidized) start-up centers: 44%
- Creative Community Network: 42%
- Impulse programme of AWS (Austrian Support Bank for SME): 43%
- Design and Media Network: 39%
- Hotline for creative industries of the Chamber of Commerce: 33%



Cooperation between entrepreneurs

Cooperation is of utmost importance:

- Almost a third of the entrepreneurs carries out longer-term cooperations with colleagues from same branch
- Merely 12 % don't cooperate with other entrepreneurs
- Almost the half (45.7%) is constantly exchanging information with colleagues independently of concrete projects
- 41% are cooperating with colleagues on the basis of concrete projects

→ Moreover, more than 40% of entrepreneurs plan to intensify their networking activities in the future.



Further Training needs

- Most often mentioned (one third of respondents) are **legal questions** (f.i. trademark right, protection of data privacy, copyright).
- Approx. 25 % emphasizes a training need in **soft skills** (f.i. sales and negotiation training, reputation management, self development and coaching).
- Approx. 25 % wish creativity workshops and the **support of exchange of experience** (platforms, networks) with colleagues.
- Only 17% see a need in the field of business administration (taxes, controlling, accounting).
- Only 15% express a need for improving their management skills (f.i. leadership, business organization).



Enterprise performance and financial situation

- Almost 50 % of the entrepreneurs have a **turnover** of up to 80.000,- € in the last financial year.
- 15% have an turnover of less than 10.000,- € in the last financial year.
- 30% have a turnover of 200.000,- up to 500.000,- €.
- Almost two thirds did **not** have any **financial requirement** for their enterprise in the year 2008. 15% had a need of up to 10.000,- €.



Impact of current economic situation on the enterprise

	Impact of	%
	rather negative	34,4
	neutral	51,2
	rather positive	5,6
	very positive	3,8
	Complete	100,0

Table: Impact of the current economic situation on the enterprise (N = 160)



Lessons learned – Considerations for transfer in other cities?

- Gender Differences in the use of networks
- Differences between knowledge of and usage of the different support offers
- Discuss marketing strategies for networks
- Discuss synergies between different types of local activities – create a common brand for the creative industries
- Create industry-specific networks (film, art, advertising) as homogeneous networks instead of heterogeneous are preferred by entrepreneurs
- Improve knowledge of financial management



Contact Information

Johannes Kepler University Linz
Institute for Entrepreneurship
and Organizational Development (IUG)



Prof. Dr. Norbert KAILER
Freistaedter Strasse 315/1
A-4040 Linz, Austria

norbert.kailer@jku.at

www.iug.jku.at



INSTITUTE FOR ENTREPRENEURSHIP
AND ORGANIZATIONAL
DEVELOPMENT
JOHANNES KEPLER UNIVERSITY LINZ