

Belle & Co.

RESEARCH | POLICY | TRAINING

**CAPE TOWN CULTURAL
ENTREPRENEURSHIP HUB**
Needs Assessment
2017

Report compiled for: Goethe-Institut

Report compiled by:

Senior Consultant: Belisa Rodrigues
Senior Associate: Tauriq Jenkins
Research Associate: Linsey Samuels

Contents

Executive Summary	3
South African Context.....	5
City of Cape Town, Western Cape Province	7
Cape Town Overview	7
The Segregated City	8
The Creative City	9
Creative Economy Challenges –Opportunities?	10
Creative Hubs.....	11
South African Youth Entrepreneur Survey Snapshot.....	13
Cape Town Cultural Entrepreneur Survey Snapshot.....	14
Cultural Entrepreneur In-depth Interviews: Key Insights	17
What does this Hub Community/User Group look like?	17
What could a hub offer these Cultural Entrepreneurs?	18
What could a Hub prototype in Cape Town look like?	19
Hub Research Summary Table.....	21
Cape Town Hub Prototype: Work in progress	23
Attachment I: Survey	25
Attachment II: Interview Guide.....	27
Creative Hub Checklist.....	28

Executive Summary



Cultural Hub Project

The cooperating partners **Goethe-Institut** and **Strascheg Center for Entrepreneurship** want to establish Cultural Entrepreneurship Hubs at individual worldwide locations of the Goethe-Institut. The Cultural Entrepreneurship Hubs pilot project addresses the locations in **South Africa (Johannesburg, Cape Town, Durban)**, **Indonesia (Jakarta)** and **Greece (Thessaloniki)**, where creative industry businesses potentially will be trained, advised and networked with the German creative industries.

Belle and Co.

Belle and Co. is a consultancy working in the social innovation landscape especially focusing on cultural and social entrepreneurship in South Africa together with an associate network of consultants across Africa. This report serves as a needs assessment toward a working prototype for a Cultural Entrepreneurship Hub in Cape Town.

Data Collection

Working from a national, and drilling down, to a local perspective, Belle and Co undertook an extensive literature review, surveyed over 400 young people in all 9 provinces to gain an understanding of the entrepreneurship ecosystem nationally and conducted in-depth interviews (lasting between 40 mins – 2 hours), using an agreed semi-structured interview guide with 20 cultural entrepreneurs operating in and around Cape Town in the Western Cape – these latter individuals were the primary sources of inspiration for this research study.

Insights

Cape Town still suffers from the Apartheid legacy of racial segregation and spatial inequalities. Cape Town is also one of the most multicultural cities set in one of the most beautiful natural sea and landscapes attracting tourism, immigrants and international students on a daily basis. Cultural Entrepreneurs who operate in the city and who were interviewed for this study shared their struggles as a creative entrepreneur, citing financial resources and business training as key obstacles to their growth. There was however an overwhelming desire for these entrepreneurs to explore a more social entrepreneurial business model, the need to be paired with mentors as well as a clear desire to be part of a community of like-minded entrepreneurs who share an ethos of openness, social awareness, community-orientation and support.

LITERATURE OVE/REVIEW

South African Context

Geopolitical

South Africa is a country on the southernmost tip of the African continent and gained democratic independence in 1994 with its first free and fair elections. Up until then, economics, in its bare-boned manifestation under colonial rule as well as under Apartheid, which together lasted over 300 years, simply meant the subjugation of the vast majority of the indigenous people for the purposes of vast wealth generation for the colonial class and white minorities.

Since 1994, an open economy, free from what once were anti-apartheid sanctions, has resulted in three major phenomena:



Fig.1 South Africa's 9 provinces

- Firstly, the educated European minority that had the initial infrastructure, was better placed to take advantage of an open market and has benefited immensely from this;
- Secondly, the emergence of a petty bourgeoisie class which has come about from a revolving door syndrome of internalized corruption in government –e.g. sudden wealth arising from ‘tenderpreneurship’¹
- Thirdly, a prolongation of abject poverty exacerbated by poor service delivery to the majority of the unemployed and previously disadvantaged communities in South Africa

Economic / Inequality

Due to its vast mineral wealth, it has become the second largest economy in Africa after Nigeria. Recently, however, South Africa experienced its first technical recession after being downgraded to ‘junk status’ by credit rating agencies, thus causing the economy to contract by 0.7% in the first quarter of this year. Contributing factors included political scandals, corruption and private sector collusion. Despite this, it is currently ranked as an upper-middle income country by the World Bank alongside Botswana, Gabon and Mauritius. Ironically though, South Africa is deemed the second **most unequal country in the world**, sporting a Gini coefficient of 62.5, with an ever widening inequality gap between rich (mainly white minority) and poor (black majority).

Youth Unemployment

South Africa is a young nation, with a population of 55.6 million people, of which 36.2% are between the ages of 14 and 35 years. According to Trading Economics website, the current South African unemployment rate is 26.5%, however the **Youth Unemployment rate is almost double, sitting in the region of 70% for 2017. Greece, South Africa and Macedonia feature in the top 5 highest youth unemployment rates in the world.**

Entrepreneurship

“The determinant of success is whether a country can harness the advantage of having a large number of young people who are able and willing to work”.²

Despite the need for youth participation in economic endeavours, the Global Entrepreneurship Monitoring (GEM) Report of 2015, found that **18- to 24-year-olds in South Africa involved in early-stage entrepreneurial activity, is considerably lower than the average for Africa** (which is 2.4 times the South African figure for this age group), as well as lower than the average for efficiency-driven economies, which at 13% is double the South African figure.

¹ <http://www.news24.com/MyNews24/The-SA-version-of-entrepreneurship-20121112>

² <https://www.scribd.com/document/158412064/NDP-2030-Our-Future-Make-It-Work>

Cultural Diversity

It is interesting to note that the Western Cape contains 11% of the land mass of South Africa, whilst Gauteng contains only 1% and KwaZulu-Natal contains 8%. However, Gauteng hosts 24.1% of the population, whilst Western Cape hosts 11.3% and KwaZulu-Natal 19.9% respectively.

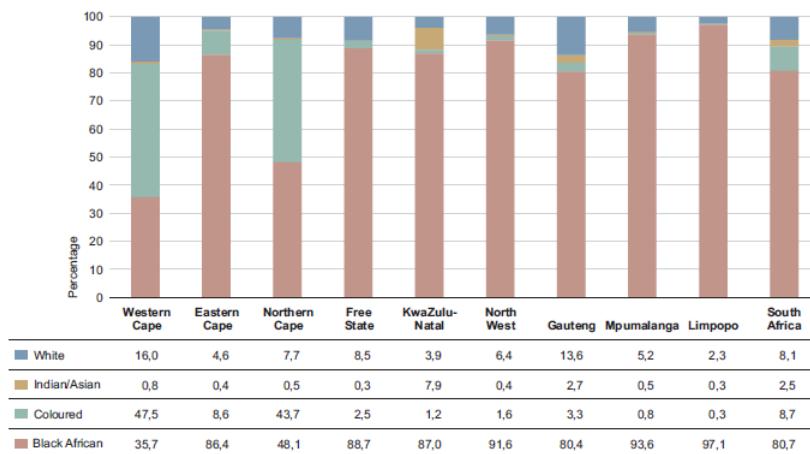


Fig 2. Percentage per province of population group. StatsSA 2016 Community Survey

The Western and Northern Cape have the highest concentration of Coloured population group, at 47.5% and 43.7 %, whereas Gauteng and KwaZulu-Natal is only 3.3% and 1.2% respectively. However, KwaZulu-Natal has by far the highest Indian/Asian community at 7.9%. Gauteng is made up of 80.4% of the Black community, in line with South Africa's overall demographic distribution, whilst Western Cape is only comprised of 35.7% Black population. Both the Western Cape and Gauteng are made up of the highest White Population groups at 16% and 13.6% respectively.

Creative Economy and transformation

The **creative economy (also known as Mzansi's Golden Economy)** in South Africa contributes almost 3% to the gross domestic product (GDP) – more than agriculture – and employs over 440 000 people – more than mining, according to Prof. Richard Haines, CEO of the South African Cultural Observatory (SACO). According to another study by SACO, **commercial creative sectors also have the lowest transformation scores**. This is due to a number of reasons: Firstly employees require high levels of **expensive tertiary education**, making it difficult for black South Africans to access compared to their white counterparts; secondly, the nature of the work is project-based, which results in wage instability that can only be offset by those who can draw on **social and financial capital** of parents and friends; thirdly, team formations tend to be made up of artists known to each other, making it difficult for new talent to break into an **established network**; fourth, employers have little incentive to invest time and money for short term projects and take on **unpaid apprenticeships and volunteers**, thus only those who can afford to gain early career experience this way are able to enter the creative and cultural industry easily.

Conclusion

Since 1994, there have been, despite the challenges mentioned, more hospitals, schools, roads and houses built than in any time in its history. Significant breakthroughs in HIV, TB and teenage pregnancies have been achieved. However, South Africa still has one of the highest crime rates in the world and the second largest incarceration rate only to the United States of America. Since 1994, South Africa has enjoyed very good cultural diplomatic relations both regionally and internationally which has ushered in bilateral agreements between major Western, Asian, and neighboring countries. With the world's largest platinum and gold resources in the world, South Africa remains a vital cog in the stability of the region as well as securing economic respect internationally. However, disappointingly, these resources are not owned nor are they controlled by South Africans. It is perhaps time for South Africa to leverage its 'golden' creative economy as it moves away from a minerals energy complex into the post-knowledge and technology economy.

"The cultural diversity within each province varies greatly, not only along racial lines, but along linguistic and ethnic lines too".

City of Cape Town, Western Cape Province



Fig 3: City of Cape Town Credit: Greg Lumley

Cape Town Overview

Cape Town is a coastal City of South Africa, and houses the South African Parliament making it the legislative capital of the country. It is also hailed as one of the most beautiful cities to visit, boasting natural fauna and flora including Table Mountain, the 7th Natural Wonder of the World. **It is also one of the most multi-cultural cities attracting immigrants and foreigners to its shores daily.** The top three foreign tourist visitors are from UK, USA, and Germany.

Cape Town's first pre-colonial indigenous society were the Khoikhoi or Khoe, a nomadic pastoral people, who lived in the Cape more than 2000 years ago.

In the early 1500s, Portuguese explorers rounded the Cape, but it was under Dutch (and the British) that colonisation was instituted, when under the East India Trading Company, settlers set up a refreshment station at the Cape for passing ships in 1652. For the next 300 years the Cape's indigenous and black population would experience slave-trading, genocide, land theft, theft of livestock, linguistic theft, segregation, educational inequality, apartheid, forced removals as well as cultural and spiritual decimation, which garnered the white minority population cultural, economic, social and political power in the Cape and eventually in South Africa. Other immigrants arriving in the Cape during that time included French Huguenots and Germans. Altogether, there were about 4000 Germans that emigrated to the Cape during the Dutch period - almost all of them males. Many of them soldiers of the British-German Legion.

"Cape Town quickly outgrew its original purpose as the first European outpost at the Castle of Good Hope, becoming the economic and cultural hub of the Cape Colony."³

³ Source: https://en.wikipedia.org/wiki/Cape_Town

The Segregated City

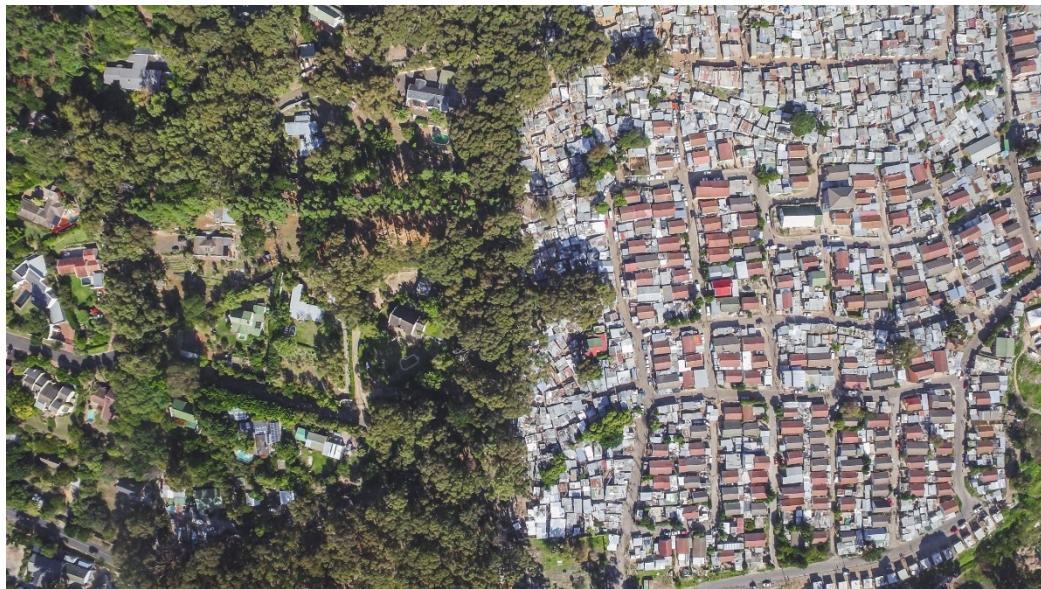


Fig 3. TODAY: The neighborhoods of Hout Bay (left) and Imizamo Yethu Township (right) in Cape Town. (Johnny Miller)

“The importance of these [imposed racial] identities was how they related into space: ‘space and privilege allowed’ and ‘space and privilege denied’”⁴.

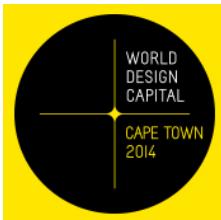
In the early 1900s forced removals of the Cape’s black and indigenous populations was legalized by Apartheid laws of the 1940s and 1950s under the Group Areas Act and Population Act of 1950s. Segregation was extended to other racial groups such as Coloureds and Indians. This attempt to segregate people was accompanied by forced removals of some 4 million people in 1960s right up to the 1980s, **mostly away from City Centres and job opportunities**. Captured by Johnny Miller, Fig 6 clearly shows the Apartheid legacy of segregation and privilege, with a modern day drone image of two communities in Cape Town: On the left is leafy Houtbay mainly housing white residents and buttressing it is densely populated Imizamo Yethu Township of mainly black residents.

Identity Politics

Colonial identity constructions became more entrenched when populations were legally defined as ‘White’, ‘Native’ or ‘Coloured’, the latter being the most ambiguous term as it encompassed several categories (Cape Coloured, Malay, Indian, Chinese, Griqua etc.). South Africans, and Capetonians in particular (with the largest ‘Coloured population), found themselves confined to identities that were socially constructed through Apartheid engineering, at times **tearing families apart and attaching hierarchical social value and self-worth to racial profiles**.

⁴ Source: <http://www.sahistory.org.za/article/how-group-areas-act-shaped-spaces-memories-and-identities-cape-town>

The Creative City



The City was recently **designated World Design Capital in 2014**, which has given rise to a growing creative and design community, with many creative /tech hubs popping up all over the city. However, much criticism has been levelled at this project which purported to **use design to solve numerous intractable social challenges due to apartheid legacies facing the City**, which it has failed to do adequately. In the same year, the City of Cape Town adopted its Arts, Culture and Creative Industries Policy⁵ - the **only comprehensive municipal cultural policy in South Africa and on the African continent**.

Excerpts from the Arts, Culture and Creative Industries Policy of City of Cape Town:

Select Definitions

"Creative Economy" means the interface between creativity, culture, economics and technology as expressed in the ability to create and circulate intellectual capital, with the potential to generate income, jobs and export earnings, while at the same time, promoting social inclusion, cultural diversity and human development. The 'creative economy' is a multidisciplinary concept with linkages to a number of different sectors in the overall economy.

"Culture" means the shared values and traditions that identify a community or nation and bind it together; and to a more functional interpretation.

"Social Cohesion" means the degree of social integration and inclusion in communities and society at large, and the extent to which mutual solidarity finds expression among individuals and communities. A community or society is cohesive to the extent that the inequalities, exclusions and disparities based on ethnicity, gender, class, nationality, age, disability or any other distinctions which engender divisions distrust and conflict are reduced and/or eliminated in a planned and sustained manner. This, with community members and citizens as active participants, working together for the attainment of shared goals, designed and agreed upon to improve the living conditions for all.

"Social Inclusion" means a situation where all people feel valued, their differences are respected, and their basic needs are met so that they can live in dignity.

Main framework of actions *The Arts, Culture and the Creative Industries Policy proposes to implement are to:*

1. Initiate collaboration between cultural workers and communities to express identity, concerns and aspirations through arts and heritage, while building community capacity.
2. Preserve and promote cultural resources both tangible and intangible.
3. Public art: Create an enabling environment for public art that fosters creative expression and enhances public space, balancing needs of artists and rights of communities.
4. Provide a holistic approach to the development of carnivals, recognising its importance for cultural expression, social development and economic growth opportunities
5. Develop and promote projects that promote harmonious relations between cultural communities. And foster a common identity without eliminating differences.
6. Support and market Cape Town's creative economy.
7. Develop and implement collaborative strategies to promote arts, culture and heritage.
8. Support a suite of medium-term cultural events to promote the cultural tourism agenda, and develop and promote artistic excellence and technical skills.
9. Introduction of cultural groupings to establish cultural nodes in City-owned infrastructures.
10. Develop strategies to support the arts and culture sector, including acknowledging and/or rewarding excellence.
11. Foster formal and informal partnerships to develop the ACCI.
12. Research: Gather industry-specific statistics to understand and evaluate the impacts of the sector.

⁵ http://www.agenda21culture.net/sites/default/files/files/good_practices/cape-town-def-eng.pdf

Creative Economy Challenges –Opportunities?

Despite the focus on Cape Town's creative economy as an outwardly marketable touristic City, recent changes points to a City with ever dwindling City resources for its creative community.

"This may pave the way for a new entity or co-ordinating body that can continue to support and grow an Inclusive Creative Economy of Cape Town."

Two significant recent (2017) changes include:



Cape Town Partnership

Cape Town Partnership, a collaborative public-private partnership organisation created to promote and manage areas of the Cape Town central business district is on the verge of collapse after the **City of Cape Town cut its funding in July 2017**.

The work of the Cape Town Partnership, since its beginning as a non-profit organisation in 1999 (founded, at the time, by the City of Cape Town, the South African Property Owners Association and the Cape Town Regional Chamber of Commerce and Industry) has been about helping make the city work. They are connectors, facilitators and translators, working to help people find a common language and a shared set of priorities specific to projects that can make a positive impact in people's lives.



Creative Cape Town

Many of the Cape Town Partnership's projects have had a lasting impact on the Mother City, but there is one that stands head and shoulders above the rest: Creative Cape Town.

Started in 2006 to help unlock the potential of Cape Town's blossoming **creative economy**, the platform served a variety of purposes – creating a network, coordinating events, connecting people and communicating relevant news via the website and social media. It proved to be an invaluable asset to anyone plying their trade in the creative industry and quickly racked – and continued to – a massive social media following.

The question remains: What does this mean for the wider Creative and Cultural Community of Cape Town? And who will continue building on the legacy that these two entities have laid over the last 17 years?

Creative Hubs

The term “**Creative Hub**” tends to mean different things to different people. The recent British Council Creative Hub Report 2016⁶ is a useful toolkit in understanding the breadth and depth of these concepts from a UK-perspective. Below are selected extracts which will be useful for the Cape Town Cultural Entrepreneurship Hub Prototype:

Extracts from British Council Creative Hubs Report 2016:

“It is important to note that diversity is embedded in the DNA of creative hubs... ”p.7

“Generally, hubs have been understood as places that provide a space for work, participation and consumption” p.7

“British Council have proposed that, ‘a creative hub is a place, either physical or virtual, which brings creative people together. It is a convener, providing space and support for networking, business development and community engagement with the creative, cultural and tech sectors’”.

The diversity of hubs enables practitioners to fit their process (creative activity) to a context (regional community).

British Council offers six useful variants of hub spaces:

- **Studio:** small collective of individuals and/or small community in a co-working space
- **Centre:** Large-scale building which may have other assets such as a café, bar, cinema, maker space, shop, exhibition space.
- **Network:** Dispersed group of individuals or businesses – tends to be sector or place specific.
- **Cluster:** Co-located creative individuals and businesses in a geographic area.
- **Online Platform:** uses only online methods – websites/social media to engage with a dispersed audience.
- **Alternative:** Focused on experimentation with new communities, sectors and financial models.

“Hubs have each emerged from particular histories and circumstances. Hubs thus take on an **emergent properties**, that is, they are forged in the experience of practice, not predetermined”. P.14

“The kinds of value at work inside hubs produce a wide variety of impacts:

- Start-up companies
- Jobs
- New products and services
- Future investment, both public and commercial
- Talent development
- Talent retention
- Informal education and engagement
- Training
- Regeneration
- Research and development
- New city, region and international networks for exchange and development
- Innovative models of organisation
- Quality of life enhancements
- Resilience

“It is the mutuality of the relationships that create the hub “value proposition”. The model here is of a collectively owned brand supported by its alumni. The data and the stories that the hub alumni can provide are actually the life blood of its future growth.” p18

⁶ <http://creativeconomy.britishcouncil.org/media/uploads/files/HubsReport.pdf>

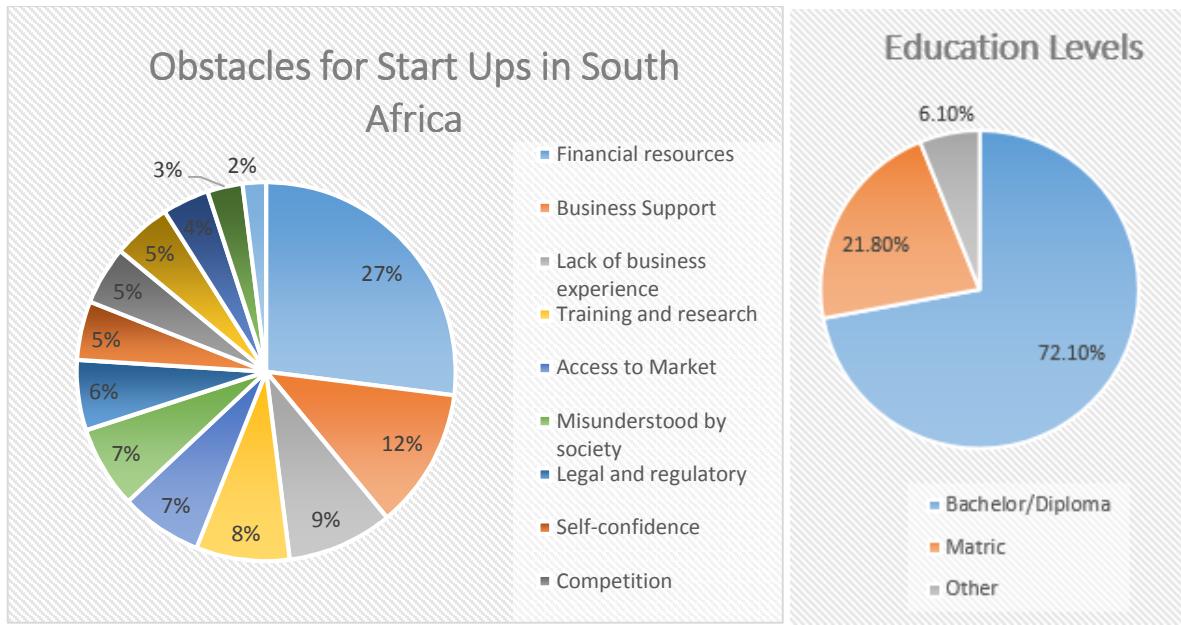
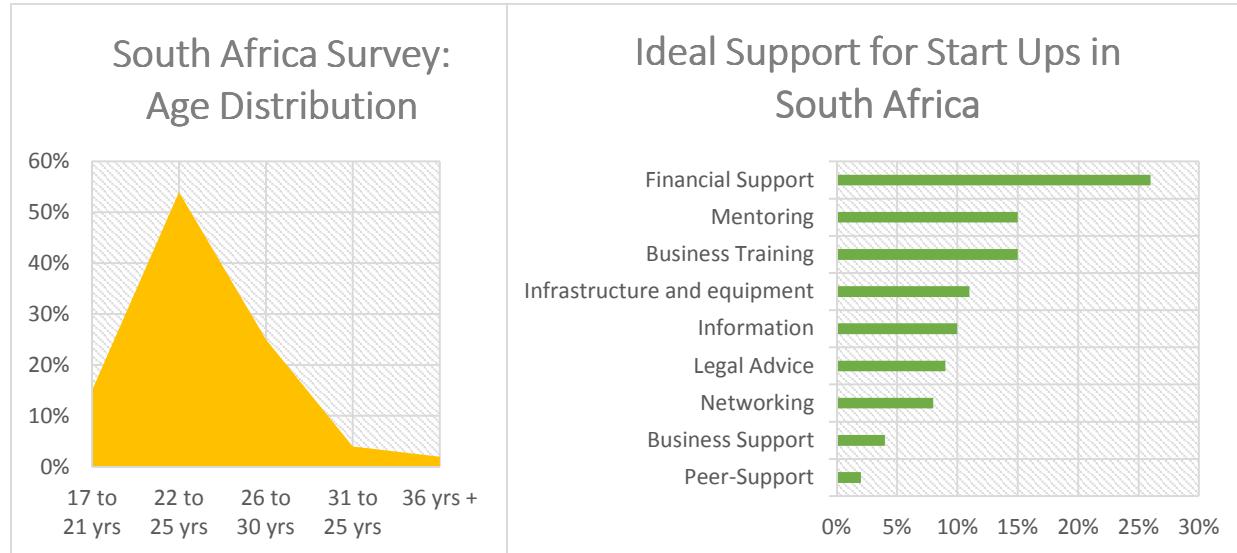
RESEARCH INSIGHTS/RESULTS

South African Youth Entrepreneur Survey Snapshot

N=383 Surveys (All Provinces) Median Age: 24 years old
 Note N= Unemployed Youth (75%); Employed (20%); Self-Employed (5%)

Demographics

The survey results reflect much of the national picture. With a youth unemployment rate sitting at 70%, this is not dissimilar to the sample (n=383) which reflects a population of 75% unemployed youth. The youth entrepreneurship rates are also rather low, sitting at 5%, again in line with the GEM study on South Africa's rather low entrepreneurial activity cited earlier. What is surprising, however is that 72,1% of these young people have post-matric qualifications.



Source: Belle and Company

Obstacles and Support

Almost a third of young people surveyed felt that their key obstacle to their entrepreneurial endeavours was lack of financial resources. However, it is noted that young people also want access to good mentors and role models to guide them, coupled with formal business training. Infrastructural and equipment support was cited as a needed resource.

Cape Town Cultural Entrepreneur Survey Snapshot

N=20 Surveys (Cape Town)

Note N = Self-Employed (58%); Self-Employed and Part-time Employed (42%)

Objective

Twenty Cultural Entrepreneurs operating in and around Cape Town were surveyed and interviewed to find out more about their business model, challenges operating in Cape Town, as well as their needs in order to understand what a potential hub may offer them or look like.

Cultural Domains

The Cultural Entrepreneurs were carefully chosen, representing a broad range of cultural domains using the 2009 UNESCO Framework on Cultural Statistics which South Africa subscribes to. As such, Cultural Entrepreneurs from Cultural Domains A-F were interviewed, with most falling in more than one category.

"Aside from commercial creative ventures and freelancers, the sample also included a Hub Manager, a former Director of Arts and Culture of the City of Cape Town (now turned Creative Entrepreneur) as well as community-based cultural organisations."

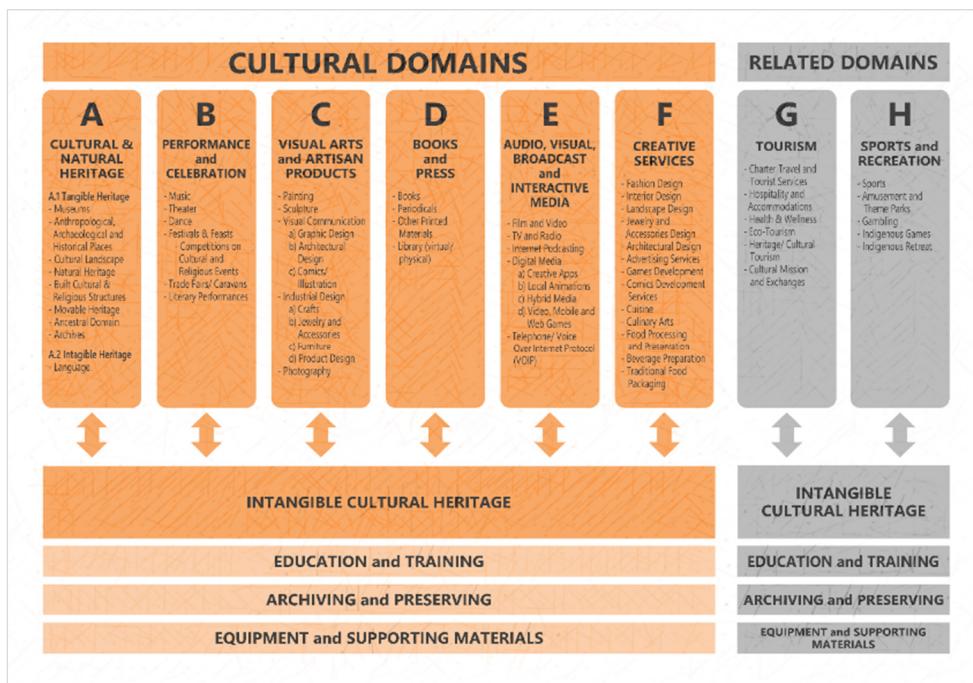


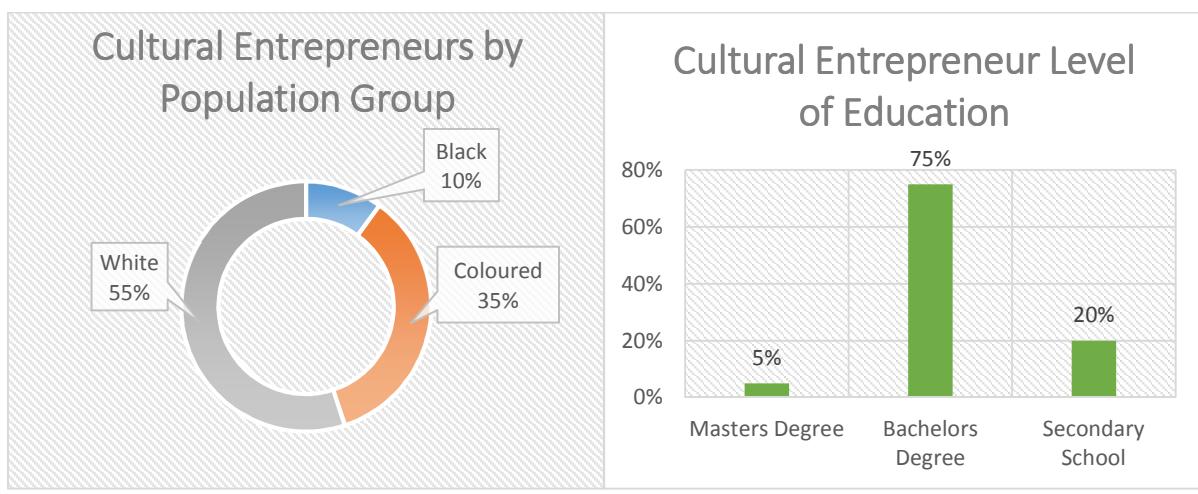
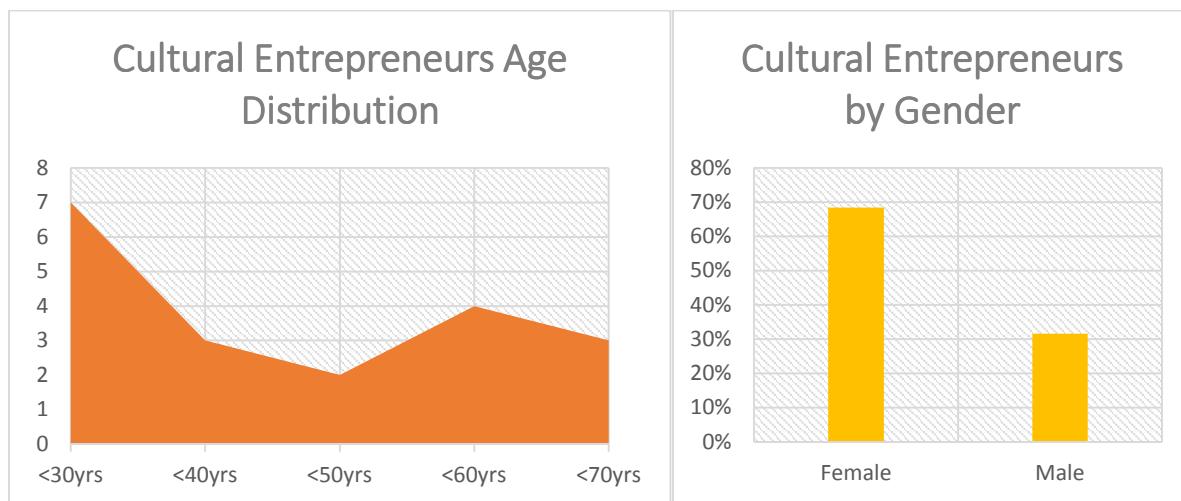
Fig 4. 2009 UNESCO Framework on Cultural Statistics

Demographics

The Cultural Entrepreneurs interviewed represent a diverse sample across race, discipline, gender, age and education levels. The Cape Town racial demographic is slightly out of line with provincial figures, but probably reflects the creative economy norms of the City due to structural inequalities still present.

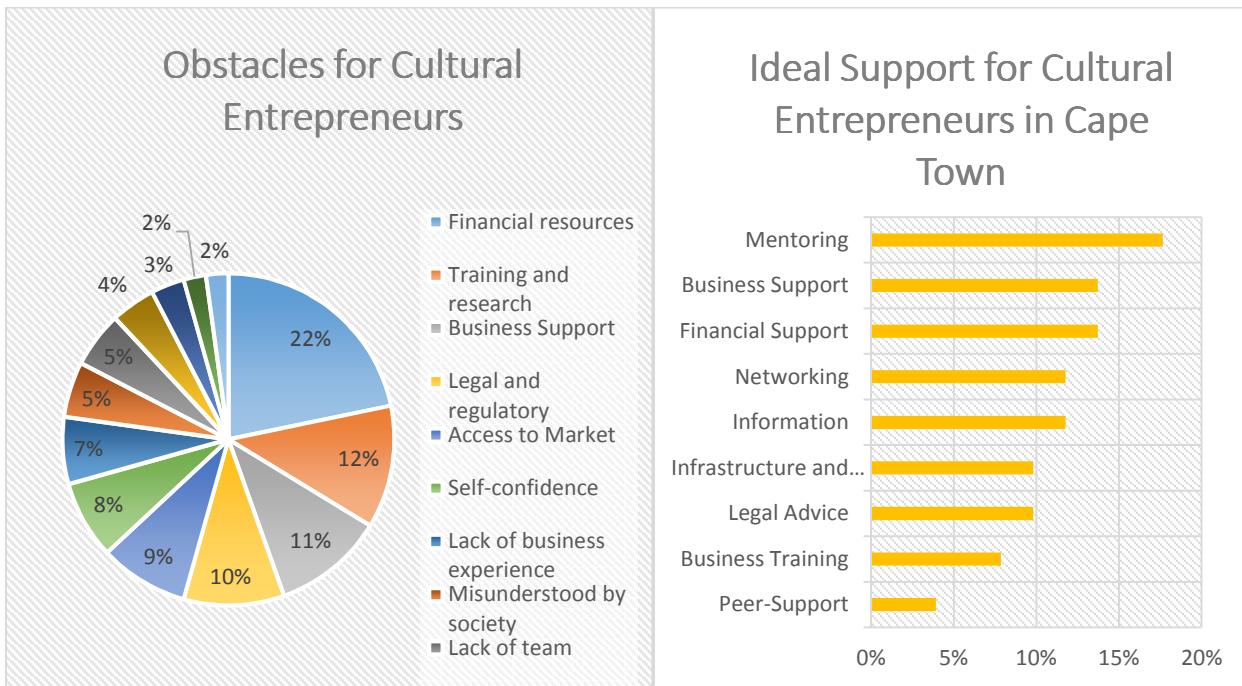
Education Levels

Interestingly enough, most (95%) of the interviewees have a tertiary qualification. This supports earlier studies which state that the demanding and relative competitiveness of the creative industries requires one to undergo (expensive) tertiary qualifications as a basic entry level requirement to enter a career in these fields thus excluding those who cannot afford to go this route, leading to a least transformed creative sector.



Obstacles and Support

In line with the national survey response, cultural entrepreneurs cited financial resources as their key obstacle for their business ventures. However, when asked what support mechanisms they would like to see to flourish as a business, financial support was not their primary response, instead mentoring was their key requirement along with business and financial support, followed by networking.



Sourced: Belle and Company.

Additional survey results were recorded, but are not presented here due to the fact that the interviews conducted with the same group served as a much richer source of data revealing key insights that are analysed and clustered in the following section.

Cultural Entrepreneur In-depth Interviews: Key Insights

What does this Hub Community/User Group look like?

Besides the basic demographic data cited earlier, interviews revealed the main drivers and motivators of this group of cultural entrepreneurs:

These creative/artistic or cultural start-ups do not subscribe to the normal definition of an entrepreneur. They see themselves more as social entrepreneurs with both profit and cultural/social impact goals.

"It's a Pty Ltd because I do not believe in non-profits at all, I believe in social enterprises. I believe that model works". Semasatsa Library

"I thought about a social entrepreneurship model. I don't want to be limited, because I also want to create a platform where I work with young kids. I want it to cover the community and everything."
Black Soul of Art Creations

They thus care deeply about social justice issues and are community-oriented.

"It's not just about making money all the time, but it's about changing society with the little bit that you have" Tchienda Publications

"The key is to sustain your model without compromising your integrity" Peoples Education

They highly value cultural diversity and are in tune with the complexities that come with operating in the Cape Town creative scene.

"Whatever you do in Cape Town, it must be very much focused on people of colour, almost exclusively, it must have that person in mind and not your hipster!" Yalla Shoola Curatorial Practice

Lastly, they value collaboration, are highly innovative and creative, are passionate about what they do and are highly motivated. The entrepreneurs are predominately freelancers or independent sole proprietors, often using a cross-subsidisation business model (working part-time jobs whilst growing their business), and tend to employ between 0-10 people.

HUB COMMUNITY PROFILE

- ✓ Creative/Artistic or Cultural Start-Up
- ✓ "Does not subscribe to the normal definition of an entrepreneur"
- ✓ More of a social entrepreneur
- ✓ Cares about social justice issues
- ✓ Community-oriented
- ✓ Values cultural diversity
- ✓ Values collaboration
- ✓ Highly innovative and creative
- ✓ Highly motivated and passionate
- ✓ Predominately freelancer /independent /sole-proprietor/Pty Ltd
- ✓ Use a 'cross-subsidisation' business model
- ✓ Employs 0-10 people

Perspective of Cape Town's Creative and Cultural Economy

Despite Cape Town's designation as World Design Capital 2014, many felt that Cape Town does not actually have a flourishing creative economy.

"We must admit that there is no Creative Economy in Cape Town – this is the City's idea of selling merchandise for tourists and creating jobs." Yalla Shoola Curatorial Practice

"The economic focus is where the problem comes in, you have to think of it from a culture and arts perspective and its importance for society: social, spatial, educational, heritage outside of the economic frame...The City [of Cape Town] is not interested in culture, and don't care about human resources". Creative City South

In addition, a lack of regulatory bodies, copyright agencies, industry standards as compared to those overseas were key frustrations for cultural entrepreneurs.

"Overseas there is more of an understanding on creative pricing. Creation Fee. Usage Fee...I have friends who are designers overseas and those are industry standards overseas –and I don't know why those are not industry standards here in South Africa". Daniel Ching Tong

What could a hub offer these Cultural Entrepreneurs?

Below are a few key themes that emerged for the cultural entrepreneurs:

Business training and support

There was a clear need from most cultural entrepreneurs for business training and support services. The services ranged from financial business education, legal support, business planning, mentorship, artists rights etc.

"I don't even know what a business plan looks like? How do I put it together so that it flows and make sense? I don't know what to do next!" Gallery One11

"I would really like someone to teach me business planning. Direct me to the right links, and then I will have motivation to carry on." Black Soul of Art Creations

"I don't think I really have a [business] model. It is like jazz – completely improvised, happy-go-lucky and shooting arrows in different directions and seeing what happens". Yalla Shoola Curatorial Practice

Internship/Professional Development Programmes

Interestingly there was a very strong need identified for young creatives starting out in the industry to gain on the job training before pursuing an entrepreneurial creative business. The barriers identified were that many internships/learnerships/apprenticeships were unpaid, making it difficult for new talent to break into the industry.

"A lot of sacrifices, I work part-time jobs whilst pursuing my own projects, that's the only way I've been able to sustain myself" Gallery One11

"If you don't have to work, like I had to work every single day after collage, then I would suggest do as many internships for free. I hate the fact that I had to earn money and couldn't take the opportunities of internships [in the creative and cultural fields]" Maybloom Designs

Self-esteem and Professionalism

Another very strong theme that emerged was that of self-confidence and professional practice. This feeling of self-worth tied in very strongly with problems identified in business operations such as pricing correctly, presentation skills, networking skills and cultural leadership. Thus a hub offering would need to focus on the personal development of the entrepreneur in order to harness their creative worth.

"That is one thing that a lot of social creative entrepreneurs like myself, do not do; we do not take ourselves seriously. And that's in a way because at the end of the day we struggle to pay rent and all those things and we struggle to charge for our services." Yalla Shoola Curatorial Practice

"...she was scared to lose the job so she priced very low...and she feels that money is such a weird thing to speak about and she is not confident about it yet. And those are a lot of the reasons why people are underquoting, because it's a confidence thing." Daniel Ting Chong

What could a Hub prototype in Cape Town look like?

Ethos/values

The British Council Creative Hub Report 2016 stated that "Hubs have each emerged from particular histories and circumstances. Hubs thus take on an **emergent properties**, that is, they are forged in the experience of practice, not predetermined". P.14. Many cultural entrepreneurs expressed the need to be part of a like-minded community who believe in social justice issues, and expressed a desire to be part of an open, culturally-diverse and progressive space that allows for free flow of ideas.

"Just need to get humans that share a certain set of values and principles...take progressive human beings that care about culture and creativity and achieve something and pull together and make something happen. It happens. You first start with soft networks –that has to happen before the hardware comes in. Really at the end of the day its about principles and shared values." Creative City South

Spatial politics

Another key concern around the creation of a Cape Town Cultural Hub, given the many available hubs on offer, was that of access and openness to all levels of society.

"Given the spatial dynamic and nature of Cape Town as a City, we would prefer to be closer to the people out there in the township." Peoples Education

"If you open a hub in Khayelitsha it can be very interesting experiment, at the end of the day, most of the Cape Town population lives in Khayelitsha". Yalla Shoola Curatorial Practice

Hub formats

The British Council Creative Hub variants are as follows:

- **Studio:** small collective of individuals and/or small community in a co-working space
- **Centre:** Large-scale building which may have other assets such as a café, bar, cinema, maker space, shop, exhibition space.
- **Network:** Dispersed group of individuals or businesses – tends to be sector or place specific.
- **Cluster:** Co-located creative individuals and businesses in a geographic area.
- **Online Platform:** uses only online methods – websites/social media to engage with a dispersed audience.
- **Alternative:** Focused on experimentation with new communities, sectors and financial models.

The following models were cited by the entrepreneurs as successful hub examples in Cape Town that demonstrate an ethos of community-orientation, openness, innovation and inspiration.

Alternative Model:



“Harare Academy of Inspiration’ in Khayelitsha seeded Entrepreneurship – basically a seed that gave people confidence and allowed people to have a higher self-esteem, and took away the hierarchy, where anybody could teach and anybody could learn”.

Yalla Shoola Curatorial Practice

The *Harare Academy of Inspiration* is an ambitious public art project, turning a small restaurant in front of Harare Library in Khayelitsha into 30-day arts festival. The daily inspiration classes are facilitated by artists and open for all for free. The name academy references a suggestion for looking at art as a channel for alternative education system.

Studio Model



“Greatmore and Thupelo has never seen itself as institutionalised [30 years on] in any way, and so there is a free flow of ideas as much as there is a free flow of artists. There are no teachers and there are no learners, because we are all learners and are all teachers”. Thupelo/Greatmore

Greatmore Studios Trust was established in 1998 and registered as an NPO in 2007. It is governed by a board of trustees and an executive committee (honorary board) and is managed by a director and two full time project co-ordinator's. Twelve artists studios, an event space, a social courtyard space, a digital arts facility, an office, kitchen and forecourt are housed at 47 & 49 Greatmore Street, Woodstock, in Cape Town. Greatmore Studios also has a four bedroomed house in Observatory for accommodation of out of town visitors (participants in the various programs) and a mini bus for transport (used especially for outreach projects)

Hub Research Summary Table

The following table is a summary of all the key insights garnered from the in-depth interviews themselves:

Hub Offering/Value Proposition	Hub Ethos/Values	Hub Format/s
<ul style="list-style-type: none"> • Social/Cultural Entrepreneurship Training • Financial business education, tax • Showcases what other Cultural Entrepreneurs are doing • Case Studies/Information on Innovative Business Models • Cultural Leadership programme • Legal services or help desk available ie. copyright to safeguard exploitation • Artists and cultural workers rights (understanding policy, employment rights etc) • Meeting point for like-minded individuals on similar business journey (network platform) • Convenience ie. offers support services like printing • Offers business infrastructure • Mentors available in your field • Answers questions: How do I formalise my business? What would be a reasonable price for my work? How do contracts work? • Tips and suggestions on business software (billing) • Short courses on creative business (How to self-publish etc) in video or face to face format • How to manage risk eg. Data back ups etc • How to build self-confidence (Public speaking, professional conduct) • Writing proposals for community projects • Micro-funding for smaller projects to be available and nurtured • How to write a business plan • Access to investors 	<ul style="list-style-type: none"> ✓ Entrepreneurial Mindset ✓ Community-driven ✓ Sharing ✓ Learning ✓ Creativity is valued ✓ Socially-aware ✓ Social Justice bent ✓ Open Space ✓ Critical Thinking ✓ Learning ✓ Transparency ✓ Inspiring ✓ Feels like home ✓ Welcoming ✓ You feel a sense of ownership of the space ✓ Legitimacy ✓ Diverse ✓ Nurturing ✓ Intercultural ✓ Freedom principles 	<ul style="list-style-type: none"> • Study Space>Activist Space>Cultural Space • Post school class/help centre where students can learn about being a Freelancer / Independent cultural worker • A paid internship/learnership/apprenticeship programme for hands-on business experience • Has to be a combination of face-to-face and online resources • A guild to protect creative workers • A club to share and learn and where you can get feedback on your creative business • The hub must be a conduit for ideas to freely flow • An alternative Ministry of Arts and Culture • A Business School of Creatives • Must be a hive of activity • Network or platform for a particular community of cultural workers • Best hub examples cited include: Thupelo Workshop – an annual two-week workshop running for 30 years; or Greatmore Arts Residency – a 4 year residency programme; or City of Cape Town Public Library – a diverse multi-cultural learning space. • Essential to have good internet • Space for feedback and collaboration

HUB PROTOTYPE OPTIONS

Cape Town Hub Prototype: Work in progress

There are a few Cape Town Hub Prototype options identified and inspired by the research insights within this study, although this will need more time for a targeted approach and testing.

EXAMPLE:

Cultural Entrepreneurship Hub in Observatory or Mowbray

Hub Location:

Observatory is an organic cultural ‘village’ hub with the highest concentration of artists and counter-culture groups of any residential suburb in Cape Town. It is was also an Apartheid Grey Zone, and is thus culturally diverse with a distinct international character.

Hub Offering/Format:

Phase 1) Online network / directory / business forum / partnership agreements

Phase 2) Physical space that offers a variety of services and products.

Business model identified: Fees for service & sponsorship model

Target User: local artist entrepreneurs and foreign international student (transient community) group to capitalize on the extensive Euro/Dollar economy circulating in this community.

This will be a separate concept note and is a working draft that may change depending on the Durban and Johannesburg Hub prototype concepts.

ADDITIONAL DOCUMENTS

Attachment I: Survey

Survey form for CREATIVE ENTREPRENEURS

About the Creative Entrepreneurship Hub Project

The cooperating partners **Goethe-Institut** and **Strascheg Center for Entrepreneurship** want to establish Cultural Entrepreneurship Hubs at individual worldwide locations of the Goethe-Institut .The Cultural Entrepreneurship Hubs pilot project addresses the locations in **Johannesburg, Cape Town, Durban, Jakarta and Thessaloniki**, where creative industry businesses potentially will be trained, advised and networked with the German creative industries.

NOTE: By participating in this survey, you agree that this information may be used for public research purposes only, and may not be sold to third parties.

NAME: _____

CELL: _____

EMAIL: _____

1. Which Gender do you most identify with?

- M
- F
- Other: _____

2. Your age?

3. Where do you live? (City and Country)

4. Where were you born? (City and Country)

5. Your highest education level? (Select)

- Primary education
- Secondary education
- University
- Masters
- PHd
- Other: _____

6. Current employment status? (Select)

- Employed
- Self-employed
- Unemployed

7. Name of your organisation/business enterprise:

8. Number of years in operation: _____

9. What do you think are the most critical obstacles for developing a creative/cultural business idea in your City? (Select a maximum of 3 choices)

- Legal and regulatory framework
- Financial resources
- Access to market
- Business support and development services
- Training and research
- Lack of business experience
- Misunderstood by society
- Leadership skills
- Self-confidence
- Lack of a team
- Hard to scale the impact
- Competition
- Appetite for risk

10. Ideally, what support would you need to successfully launch your creative/cultural enterprise in your City? (Select your top three choices)

- Legal advice
- Mentoring
- Peer-support
- Information
- Infrastructure and equipment
- Financial support
- Networking
- Business support
- Business training & hands-on experience
- Other (explain):_____

10. Describe what an ideal supportive ecosystem would be for you and your business to thrive?

11. In your opinion, what are some of the coolest/smallest innovations driving the local creative startup scene?

12. Who are some of the most innovative creative startups that you know in your City?

-end

Attachment II: Interview Guide

Semi-structured Interview Guide for CREATIVE ENTREPRENEURS

About the Creative Entrepreneurship Hub Project

The cooperating partners **Goethe-Institut** and **Strascheg Center for Entrepreneurship** want to establish Cultural Entrepreneurship Hubs at individual worldwide locations of the Goethe-Institut .The Cultural Entrepreneurship Hubs pilot project addresses the locations in **Johannesburg, Cape Town, Durban, Jakarta and Thessaloniki**, where creative industry businesses potentially will be trained, advised and networked with the German creative industries.

NOTE: By participating in this interview, you agree that this information may be used for public research purposes only, and may not be sold to third parties.

NAME: _____

CELL: _____

EMAIL: _____

Interviewer:

Date Interview:

Name stakeholder:

Creative/Cultural Sector:

1. Please briefly introduce yourself, your background and describe your business venture.
2. Tell us a bit about how you started your business? [Identify early start-up struggles]
3. What impact would you like your business to have in your Community/City/Country?
4. What do you think are the top three critical obstacles for a creative entrepreneurs when developing a business idea? Please elaborate.
5. Describe what an ideal ecosystem would look for a thriving creative enterprise?
6. What kind of cross-sectoral cooperation and networks would be beneficial for creative entrepreneurs to further develop their ventures in their country/community? Explain. [Vision for the Future]
7. Describe two successful (innovative)creative enterprises in your City?

Thank you for the time for conducting this interview :)

Creative Hub Checklist

Extracted from British Council Creative Hub Report 2016:

Programmes

What work does the hub support? What doesn't it support? How does it support it? What criteria does the hub use for commissioning/programming? Who else does/shows similar work?

Processes

What does the hub do on a day to day basis? For example: supervision, mentoring, making, exhibition or user engagement, events, workshops, education, research, time banks or similar, producer support, brainstorms, presentations, social media and other.

People

Who are the core team? Who are the users/audiences? Who does the hub depend on for its success? Where are those people? Who don't you reach?

Place

What public space do you have? What do people do in your building? What do they want from it? What do they bring to it? Where is the building? What is around it? What does the location offer / gain? How does your hub fit into the wider spaces of the city or region?

Partnerships

Who do you work with? How long have you worked together? What do you give them? What do they give you?

Value and values

What are the important motivators for the hub? What kinds of values does the hub seek to embody? What values are held in common by hub participants? For example: generosity, openness, sharing, care, discovery, excitement, user-satisfaction, social change, business sustainability, education, training engagement?

Impact and assets

What changes as a result of the hub's operation? These impacts may be, for instance, creative confidence and profile, new connections, platform building, training, new inward investment, jobs, audience numbers or new art works. Each hub will have different stories of downstream impacts...

What kinds of assets does the hub have that could be used by other stakeholders or beneficiaries? These are often intangible –processes of networks, for example. These may be particular production or education processes that others could adapt. A hub might also be an asset for higher education partners looking for research collaborators or regional development authorities managing inward investment.