An academic report examining the theory of creativity and innovation and how it could be applied to a sector of the events industry of your choosing.

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Introduction

Events in the film and television industry are used as a marketing tool within the advertising and distribution stages before general release (Kerrigan, 2017). It has become paramount within the industry to survive the 21st Century global marketplace (Berry et al., 2006; Shalley et al., 2009; Arvidsson & Niessen, 2015; Pike, 2011) and economy, whilst also staying highly competitive. As a result, there is now the need for organisations to invest in redefining basic marketing strategies and ways of thinking (Lei & Slocum, 2002), such as strategies through creativity and innovation (Woodman et al., 1993; Chen et al., 2011; Mehta et al., 2014), to keep up with global competition, solve organisational problems (McMullan & Shepherd, 2006) and sustain their position in the market (Grant, 1996). Katzell (1994) describes these organisational changes as necessary due to ever changing factors such as technology, the economy, politics, social and corporate differences.

Through the development and introduction of creative and innovative products and services within the film and television industry, organisations can ensure the satisfaction with the end market consumers and gain a competitive advantage (Liu & Atuahene-Gima, 2016) leading to increased ratings, viewership and sales. For an organisation to do this, consideration must go beyond today’s competitive processes to become one of continuous development (Kao, 1997; Tether, 2003; Scarborough & Zimmerer, 2005; Duverger, 2012), with the focus being on creativity and innovation for the future (Hamel & Prahalad, 1991). This can be done by exploiting what is relevant to an organisations competitive requirement and by exploring what is necessary to push it further (Ireland & Webb, 2007).

Technology and Globalisation

The rapid advancement of technology has meant organisations have become more reliant on developing strategy around creativity and innovation, as it now plays a major part in competing in a globalised market (Archibugi & Iammarino, 2002). Wong (2010) found that the evolution of technology within the film and television industry has meant changes in management strategies within organisations has become essential as there have been noticeable changes with how consumers interact with the film and television industry.

In 2017, the global box office sales were at a record high, with a 5% growth in revenue (Sakoui, 2018) The United Kingdom alone saw a 1% rise in cinema admissions from the previous year, with a total of 171 million tickets sold (BFI, 2018a), an increase of 3.7% in the value of ticket sales; totalling £1.379 billion (Wiseman, 2018). Whilst sales have increased in the global box office sales, there was a noticeable slow down compared to previous years (Rear, 2018) in the US. The National Association of Theatre owners found that ticket sales fell by 6%, to 1.24 billion, which are the lowest figures since 1995 (McNary, 2017).

Cinemas used to be the only form of big screen entertainment (Silver & McDonnell, 2007) before availability of at-home-cinema technology increased. DVD and Blu-Ray sales have seen an 17% fall in 2017 compared to the 2.2% rise in digital sales (Sweney, 2017a) and since the widespread
globalisation of the internet and the increased ability to stream and download content (Waterman et al., 2013), there has been a rise in digital, on demand, and streaming subscription services (Chalaby, 2016). One of the current top streaming services is Netflix, which licence content from the film and television industry from around the world (Shaughnessy, 2011) and give their 100 million global subscribers (Sweney, 2017b) the opportunity to watch a variety of film and television content online. Latest figures show that 79% of adults in the United Kingdom (Ofcom, 2017) now use technology and subscription services to watch their favourite television programmes and films and in the USA, it is thought that by 2020 there will be over 232 million people who go online (Statista, 2017) and bring the cinema experience into their homes. Due to these changes and advancements in how the end consumer interacts with the industry, organisations have had to rethink their use of events in advertising, marketing, distribution and sales to increase revenue.

**Film and Television Events**

The television and film industries contribute 18.8% of gross value added towards creative industries in the United Kingdom (Rocks, 2017), employing approximately 80,000 people (BFI, 2017). The industry has seen the biggest investments spent on production since 1994, with a 12% increase year-on-year (Sweney, 2018), and events within the industry have become widely used in the marketing, advertising and distribution sales stages.

Below are descriptions of different events used by the industry:

**Film Festivals**

Film festivals originated in Venice in 1932, with the concept spreading globally after the Second World War (Palis, 2015; Tallibert & Wäfler, 2016). They are now commonly used as a marketing and distribution tool. All film festivals encompass a variety of different marketing events, including Q&A Sessions and Premieres for local and international content, screenings, workshops and competitions (Rüling & Pedersen, 2010). Multiple groups attend these events, such as distributors, industry professionals and, for some festivals, even the public (Bradshaw et al., 2012).

Research has shown that film festivals can have a strong impact on success rates (Mezias et al., 2008) and be an alternative to traditional distribution methods (Elsaesser, 2005). The success of film festivals has increased over the years, with the 2017 annual BFI film festival seeing its largest attendance since 2012 with over 208,000 attendees (Statista, 2017b). The 68th Berlin Film Festival, also known as Berlinale, is one of the largest public film festivals, and has also seen success with a record number of 330,000 passes sold for the ten-day event in 2018 (Roxborough, 2018).

**Q&A Sessions**

As part of a film’s marketing and promotion, productions often hold question and answer sessions with film makers. These are, since the rise of online streaming, seen to be ‘adding value’ (Salmon, 2017). Q&A sessions occur after a private screening, giving invited attendees, often those who were included in the film making process, the press, competition winners and influencers, who can enhance the success of the film, the opportunity to communicate directly with those involved in the making of the film (Macaulay, 2012).

**Premieres**

Traditional film and television marketing and promotion strategies will always be used and will always be critical to establish the content brand (McGlade, 2013). Premieres are focused on specific
attendees and are designed to cater to their target audience. With a themed after-party to complete the experience (Solaris, 2017). In April 2018, Marvel bought ‘Avengers: Infinity War’ alive to their fans by hosting a fan event in London which showed 30 minutes of a special edit of the film, with stars of the film also in attendance (Akingbade, 2018; Foster, 2018). The clever and unique design of hosting a fan event follows on from Marvel’s record of posting online the most watched trailer within 24 hours. This is supported by their overall strategy of keeping the plot a secret, both online and in the press (Shepherd, 2018), and has resulted in continued success; breaking global box office sales records by making $640.9 million in during the film’s first weekend (Pulver, 2018).

Award Ceremonies

Although film festivals have become increasingly successful, award ceremonies have seen a decline in popularity. In 2017, the 89th Academy Awards were broadcast to 32.9 million viewers which was a 4% drop on previous years (O’Connell, 2017). The 90th Academy Awards saw a further 20% decline in ratings (Gonzalez, 2018), making these both the lowest viewership figures for the Oscars since 2008 (Baysinger, 2017; Statista, 2017c).

The BAFTA film awards have also seen a decline in their ratings, with only 4.5 million people watching the ceremony in 2016, the lowest figures since 2000 (Revoir, 2016). In 2016 The National Television Awards also saw their lowest viewership in eight years (Sweney, 2016). For organisations, annual film and television award ceremonies are good indicators of the success of the cinematic creativity (Plucker et al., 2008; Simonton, 2004) of all those involved in the projects in relation to nominations and awards presented.

Creativity and Innovation

Understanding the involvement of creativity and innovation is important within the service sector as it is a major contributor to economic growth (O’Cass et al., 2013), survival, and performance (Agarwal et al., 2003). Creativity is not covered adequately within service design research and literature (Zhang et al., 2005) and together with innovation, neither are completely understood factors (Dahl & Moreau, 2002; Metters & Marucheck, 2007). However, they are becoming of greater interest to the service industries who are seeking insight into how to manage innovation (Crevani et al., 2011).

Howkins (2010) describes the difference between creativity, as the internal objective to an individual, compared to innovation, which is external. In other words, creativity operates at an individual level and is viewed as a “behavioural science like psychology and education” (Kabukcu, 2015; p 1323), or thinking new things, and innovation works at an organisational level (Oldham & Cummings, 1996) of management, administration and economics, and is considered to be doing new things that must be measurable (Moreau et al., 2013).

In the process of using creativity and innovation within the service industry, the demand-pull approach focuses on the consumer as the source of innovation. This understanding of the interaction between the consumer and the service provider can change the delivery of the service itself through the creativity and the innovation process (Gadrey, 2000; Miles, 2005). Therefore, event organisations can learn from their interactions with attendees when developing new ideas (Lukas & Ferrell, 2000) through suggesting alternative approaches or changes to a service delivery (Moreira et al., 2016); the level at which they respond is up to the service provider (Moreira et al., 2013).
An example of where creativity and innovation have been used through the use of events, and interacting with consumers, within the industry is 20th Century Fox’s ‘The Greatest Showman’. The film partnered with their sister film company, Fox, as part of an innovative drive. It performed a live event featuring the main cast, and backing dancers, in a two-and-a-half-minute advertising slot during prime-time television in America. Vice President of marketing and global media promotion, Michelle Marks, is quoted as saying she hoped that the “memorable performance, providing energy and excitement to viewers” (Littleton, 2017), was enough to encourage those to watch the film in the cinema. The film also made history by hosting a world premiere on Cunard’s Queen Mary 2 passenger ship, the first event of its kind (Stieghorst, 2017). Following its release, The Greatest Showman continued to be in the top 5 most watched film across the United Kingdom (BFI, 2018c) for over 12 weeks. Despite the success of that film, not all movies have seen the same success. Rough Night (Dargis, 2017), The House (Famurewa, 2017) and The Dark Tower all failed, potentially due to a lack of creativity and innovation in events surrounding the films (Bramesco, 2017, Fletcher, 2017).

**Componential Model of Creativity and Innovation**

The ‘Componential Model of Creativity and Innovation is the oldest theory of its kind and has been cited widely (Amabile & Pratt, 2016). The idea of the model is broken down into subcategories of **Individual/Team Creativity** and **Work Environment**; each impacts the other, and feed into each other, in the development of products and services.

![Componential Theory of Organisational Creativity and Innovation, Amabile (1997)](image_source)

**Creativity**

1) **Expertise** relates to the individual’s level of knowledge and experience of the problems at hand.

2) An individual’s **Creativity skills** are dependent on the person’s own flexibility and approaches towards the problems in front of them.

3) The **Task Motivation** is the inner passion within one’s self to solve a problem and the issues presented.

**Work Environment**
There is a high demand within organisations to create creative and innovative strategies in order to gain sustainable competitive advantage. Dino, (2015), Amabile (1983) and Kanter (1983) have stated that innovation, within groups or at an organisational level, is more likely to occur when employee efforts are acknowledged and rewarded, rather than ignored or punished.

1) Organisational motivation is the organisation’s overall motivation and support for individuals or teams, throughout the organisation, around ongoing creativity and innovation.

2) Resources are the organisation’s offering around support for such creativity, innovation, and research and development. For example: time, money, equipment or data.

3) Management Practices refers to an organisation’s internal structures and the freedom it gives to their employees towards their work, whilst creating clear, focused and challenging targets which are seen within their capability, in order to motivate them to achieve creative and innovative strategic goals.

(Sources: Amabile, 1988; Amabile, 1998; Deckert, 2016)

Influencing Factors

Ultimately, there can be no innovation without creativity, which means that managers need to consider certain influencing factors which may affect their employees during these processes (Rich, 2016). There are said to be two main factors which influence the creative and innovative process, these are referred to as exogenous and endogenous (Alves et al., 2007). Endogenous factors cannot interpret the success or failure of creativity and innovation due to the influence exogenous factors have on the process (Johe & Snelson, 1988) and the inability to control external factors.

- Exogenous factors are those where the organisation has a relationship with the external and surrounding environments such as management styles, values and standards (Cooke, 2004; Smith et al., 2008).

- Endogenous factors relate to an organisation’s internal characteristics and culture, such as available resources (Rodriguez, 2002), technologies, research and development (Galanakis et al., 2000), structure, communication and motivation (Martins & Terblanche, 2003).

Creativity

Creativity is considered to have a “rising value of our century” (Tugrul et al., 2014; pp3096) which cannot be limited to a single idea but dedicated to producing “high quality, original, and elegant solutions to problems” (Mumford et al., 2012; pp 4). There are several approaches to the definition of ‘creativity’ (Tekin & Tekodogan, 2015; Squalli & Wilson, 2014) within an organisation, it can be simply described as being the motivation and discovery of new ideas and useful solutions to problems (Torrence, 1965; Mayer, 1999; Bratnicka, 2015) within an organisation, thereby contributing to a competitive advantage (Cook, 1998; Florida, 2002). Within events, creativity is especially difficult to define and measure because of it being an intangible object (Taylor, 2015). It is often guided by the cultures and traditions within a society (Feinstein, 2006) and, in today’s global economy, it has often distinguished an organisation’s identity (Sung, 2015).
Creativity is essential to the management of an event if it is to create a memorable experience for attendees (Beers, 2017), it has thus become a major part in event design (Zeng, et al., 2009). 53% of event professionals have admitted that they felt under pressure to always stay competitive and be innovative within the industry (London & Partners, 2015), and in the same study, 400 professionals admitted that the budget and time limitations were often a restriction on their creativity. To overcome any limitations, it needs to be remembered that employee creativity does not occur spontaneously (Lowe & Marriott, 2006), occurs within multiple levels of an organisation (Hennessey & Amabile, 2010) and is fundamental for an organisation’s innovation (Scott & Bruce, 1994). The extent of productive creativity within the hierarchy of an organisation depends on several factors including: technology (Powell & Snellman, 2004) motivation, guidance, personal qualities, knowledge and skills (Tushman & O’Reilly, 1997; D’Antone & Santos, 2016). These factors extend to both individual and team creativity and innovation, meaning organisations must understand the challenges to both. When thinking of team innovation, organisations must also consider the structure of the team, as well as its leadership, processes, and communication to facilitate the highest level of productivity within the creative process (Thayer et al, 2018). However, less than a third of the previously mentioned study participants admitted that risk-taking was encouraged by organisations (Ledger, 2015), during the creativity and innovation processes, which suggests that organisations need to change this in order to achieve a competitive advantage.

**Creative Process**

The creative process, Scarborough and Zimmerer (2005) argue, can involve seven stages:

1) **Preparation** – This first stage is where the individual prepares themselves to build on creativity and innovation via methods such as job training or work experience, which may be on offer to them.

2) **Investigation** – This is the developmental stage where the individual gains a deeper understanding of a problem or situation, using available facilities and resources.

3) **Transformation** – This stage can be seen as the reviewing of the information which has been collected through *convergent thinking*, where the individual is able to see the similarities in the various data, or *divergent thinking*, where the differences in the information presented. Organisers can also use this stage, alongside the attendees of an event, to determine where events have not met the attendees’ needs and wants (Urban & Hauser, 2004). Schmitt (1999) suggests the idea of THINK concepts as a way to engage with the attendee’s creative thinking by appealing to their convergent and divergent thinking, so organisers can shape their future innovative marketing campaigns. These link into the innovation stage of *Associative Campaigns*, which are generic concepts diffused with imagery and *directional campaigns*. They provide precise and specific indications of how attendees are meant to think of what a service provider offers the consumer. However, organisers must not fully rely on attendees in this stage, as they lack the necessary knowledge (Bower & Christensen, 1995) to create the “breakthrough ideas” (Duverger, 2012; pp107) for an effective event design.

4) **Incubation** – Following the transformation stage, the individual then takes time to reflect on all the information gathered from the previous stages, whilst not directly focusing on the problem itself.
5) Illumination – This is where the creative process becomes apparent. After what can be described as a ‘eureka’ moment, during reflection on the incubation stage, all the previous stages start to come together.

6) Verification – This is the research and development stage, where the idea needs to be validated through experimentation, market research or prototyping; using available resources and facilities. Essentially, this is the stage where research is required to establish whether the idea can work, or not.

7) Implementation – This final stage is where the thoroughly researched ideas, created in the creative process, are turned into reality and applied to the organisation.

Innovation

The concept of innovation can be defined as the “carrying out of new combinations of resources” (Schumpeter, 1982; p.93) whilst taking advantage of an opportunity (Drucker, 1985) to create a new product or service (Sarooghi et al., 2015). The long-term plan with innovation it that a product or service is to be created which generates more positive results. The products and services are considered of greater perceived value for the consumer, and the value it brings to the marketplace (Schmitt, 2003; Fillis & Rentschler, 2010). Products and services are often created through innovation by using existing elements, already on offer by the organisation, as the foundation to create a new solution (Perez-Franco, 2017). However, innovation is more than just this. In events, it is about the successful and effective use, alongside an organisation’s existing offering (Chen et al., 2011, in order to create new solutions and experiences for attendees. This means that innovation, in events, act “as an experience enhancer” (Lenderman, 2006; p235) and constitute a part of every aspect of business growth. They can be modified to suit the organisation and marketplace to gain a competitive advantage (Cruz et al., 2009). What may seem the correct innovation ideas in one organisation may not work within another (Arthur, 2007). Further research, changes and developments, may be required to adapt it to suit the consumer (Yusuf, 2009) and add significant value to satisfy their wants and needs. Successful organisations continually innovate and develop their understanding for their business growth (Hisrich, 2004) until true value is gained from the products and services. Moller et al. (2008) and Mizik and Jacobson (2003) suggest that innovation within the service industry is a crucial part in consumers’ perception of value creation, rather than the organisation creating that value for the consumer (Prahalad & Ramaswamy, 2004).

The link between organisations and the use of creativity (Ward, 2004) is strong when used to create new opportunities through innovation (Gundry et al., 2014). Although innovation can be costly (Hon, 2013) it a necessary requirement for its potential success (Bassett-Jones, 2005) and the first step of innovation cannot start without creativity (Howard et al., 2008). Organisations are recognising the benefits of creativity (Berthoin Antal & Strauß, 2013) as the beginning of the innovation process (Huber, 1998) and once creative ideas have been pitched, researched and developed (Amabile et al., 1996), products and services are released in the attempt to gain sustainable competitive advantage within their industry.

Innovation Process

Cummings (1998) suggested that the process of successful innovation can involve three stages, each dependent on different external factors:
1) Creation of the idea through the creativity process using all necessary motivation, facilities, resources or stimuli.

2) Successful development of those ideas with further managerial support and resources.

3) Successful application of those ideas which meets the end consumer requirements, outperforms competition whilst perceived of good value and high quality.

It is well researched that individuals are more creative as a team than individually (Anderson et al., 2014; Hon and Chan, 2013). Shane (2003) states that often groups of employees will conduct various forms of brainstorming meeting which can increase the number of new ideas to improve the outcome of innovation. Internal factors are also essential; Edmondson (1996) states that innovation and learning is only possible when employees have trust within each other’s intentions, therefore the role of management and leadership plays a major part (Cook, 2016), which is inclusive in the management of creativity as an essential element for successful innovation (Oke, 2007). As a result, employers are now implementing creativity training programs for employees, to enhance those involved in new product and service designs (Burroughs et al., 2011) whilst management are also ensuring resources and facilities are provided to support them (Ross, 2016).

Conclusion

With the advance of technology and globalisation, the need for organisations to generate new and innovative services in the film and television industry has become essential. The creativity and innovation process is a major tool within all aspects of events within the industry. It requires essential factors such as facilities, targets, strategies, managerial support and resources, whether it is at an individual or at an organisational level, when creating new products and services which help overall sales in distribution, box office and general release. Considering the changing business environment, and varied results globally in digital usage and cinema ticket sales, organisations need to consider continual improvement when creating new and unique creative ideas to achieve sustainable competitive advantage.

References


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