

PUTTING THE UK'S CREATIVE INDUSTRIES CENTRE STAGE

**An international strategy for the
Creative Industries 2022–2025**

CREATIVE INDUSTRIES TRADE & INVESTMENT BOARD

December 2022

**British talent is renowned worldwide,
and demand will continue to grow.
Whether in television, film, music,
design or gaming, the UK is world-
leading in this growing sector.**

Department for International Trade

Made in the UK, Sold to the World, November 2021

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Nesi Dojaka, London Fashion Week
© Shaun James Cox, British Fashion Council

LETTER FROM THE CHAIR

British creative talent is celebrated across the globe for its unique contribution to international culture.

Our Creative Industries have been growing faster than twice the rate of the wider UK economy since 2010. In 2019, they were worth more than life sciences, automotive, aerospace and oil and gas combined. In 2020, exports of creative services were worth £41.4 billion, while exports of creative goods stood at £8.9 billion. In 2021, our industry employed 2.3 million people, a 49% increase since 2011.

The Department for International Trade's (DIT) report, *Made in the UK, Sold to the World*, sets out a bold ambition for UK exports to reach £1 trillion by the end of this decade.

The UK's Creative Industries lead the world and enjoy a robust reputation for excellence. From film to advertising, music to fashion, British creative talent is celebrated across the globe for its unique contribution to international culture. This excellence delivers so much more than soft power; we are an economic force, selling our intellectual

property to the world for the benefit of business, the UK as a whole and our global cultural influence.

The Creative Industries Trade & Investment Board (CITIB) was established through the Creative Industries Sector Deal in 2018, to help drive exports, trade and investments in the creative industries. We set out to increase exports by 50% by 2023, and were on track to exceed that target before the pandemic hit. Now, four years on, it is time to refresh our goals. This new strategy focuses on returning to pre-pandemic growth rates for exports, increasing inward investment and sharing more data and insights between CITIB sectors and government to power further progress.

While we focus on growth, we must not fail to address the difficulties businesses are facing due to the pandemic, the UK's exit from the EU, rising inflation, the cost of living crisis and the war in Ukraine. As businesses

focus on growth against an increasingly challenging economic outlook, it is essential that CITIB strives to give access to support to more businesses across the UK. We commit to broaden the reach of our programmes and better communicate how support can be accessed no matter where in the UK you are based, ensuring that diversity and inclusion are at the heart of our work.

CITIB's strategy sets out our ambition to collectively achieve £78 billion in exports by 2030 (£66 billion services and £12 billion goods). Such an ambitious plan requires a strong and equitable partnership between CITIB and government, focused on alleviating trade barriers to enhance movement of goods, global sales of services, access to skilled labour, the right trade deals, export support programmes and a forward-thinking IP framework.

I want to thank my predecessor Annette King for her dedication and hard work

during the first three years of CITIB, and say thank you to the late Jamal Edwards, who we miss greatly. I thank all CITIB Members for their ongoing commitment and for their contribution to the development of this strategy, which we look forward to putting into immediate action.

**Caroline Rush CBE,
Chair of the Creative
Industries Trade &
Investment Board**



CITIB's strategy sets out our ambition to collectively achieve £78 billion in exports by 2030 (£66 billion services and £12 billion goods)



ABOUT CITIB

CITIB was established in 2018 to help our industry drive exports, trade and investment. It comprises leading figures from across the creative industries, covering all sectors from film and TV to fashion, music, gaming, advertising, crafts, animation, design, architecture, publishing, arts, theatre and immersive experiences. It also includes the creative industry leads working within the Department for International Trade (DIT) and the Department for Digital, Culture, Media and Sport (DCMS).

CITIB is an industry-led advisory board working alongside the UK government, with the authority to receive insight into government plans and spending and to recommend long-term strategic actions in relation to trade and investment policy.

Our core goal of increasing exports, trade and investment requires us to:

- ▮ Inspire and empower new exporters by making resources available to small and medium sized businesses.
- ▮ Give confidence to businesses that have stopped exporting to re-start that journey.
- ▮ Form a meaningful partnership with government to collaborate on export programmes, policy and global events.
- ▮ Provide strategic guidance to government in order to alleviate trade barriers and target priority markets, providing real time insight across sub-sectors.
- ▮ Increase inward investment into the UK's creative sectors through insights and collaboration.
- ▮ Leverage industry and government networks and partnerships in international markets.
- ▮ Partner with the UK government on government-to-government conversations to build strategic partnerships.

CITIB has worked closely with the Creative Industries Council (CIC) to coordinate the industry's input and inform the government's upcoming Sector Vision. The Government and CIC are responsible for delivering the Sector Vision, which will be published soon.

CITIB members may also be invited to sit on the government's Trade Advisory Groups (TAG), established in 2020 to provide strategic and technical expertise to DIT as trade negotiations progress at pace. Where there is a role for further advocacy, CITIB will work with government officials.

Finally, CITIB works with the GREAT Campaign, utilising the soft power of the Creative Industries to promote UK PLC overseas. As part of this strategy, CITIB will work with GREAT to identify relevant Export Ambassadors for specific international trade programmes, advocacy and events.



Bring Me the Horizon, Reading Festival
© James Bridle

CASE STUDY: UK MUSIC ARTISTS LEAD THE WORLD

In 2021 UK music exports grew by 10% to £2.5 billion. The sector is dedicated to increasing this contribution, with much of the success is down to collaborations between industry and government.

The Music Export Growth Scheme (MEGS) is such a partnership. For almost 10 years, MEGS has supported over 300 UK music export projects. Government investment in the scheme has helped a diversity of genres. The scheme returns £13.45 for every £1 invested. The International Showcase Fund (ISF) is another example of a successful partnership, with the aim of providing financial support to UK artists to reach world audiences at international industry showcasing festivals and conferences.

Exports in the music sector rose in 2021 to £2.5 billion, up 10% on the £2.3 billion figure in 2020.

Returning in 2022, the industry and government also work together on the British Music Embassy at SXSW with Wet Leg, one of the breakthrough stars in Austin, Texas.

The music industry still has major issues with touring and exporting following exiting the EU. These challenges include difficulties outlined in the recent report of the All-Party Parliamentary Group on Music in association with UK Music, [*Let the Music Move – A New Deal for Touring.*](#)

In 2021 the biggest selling album in the world was Adele's '30', Ed Sheeran's '=' was the fourth best-selling album and Dua Lipa's 'Future Nostalgia' was in sixth place.



CASE STUDY: UK ARCHITECTS PUT BRITISH DESIGN IN CITIES AND COMMUNITIES ACROSS THE WORLD

The Royal Institute of British Architects (RIBA) Chartered Architects' Practices generated £3 billion for the UK economy in 2021. Whilst below the pre-pandemic high of £3.6 billion in 2019, it remains £700 million higher than in 2015.

UK architects put British design at the heart of cities and communities across the world. With a total export value of £535 million, RIBA Chartered Practices are important international players. Although the most significant markets for UK architects are the Middle East, the EU, North America and Asia, UK architects deliver British building designs to every continent.

London remains the most significant provider of architectural services in the UK, with 63% of total architectural revenue generated there. It is not only a national hub for architecture but a global one. In 2021 Chartered Practices in London generated 93% of all overseas revenue.

RIBA has worked closely with the British Council on the *Open Door* project whereby emerging architects and organisations in the UK and China share knowledge and mutual exchange across culture, borders and their industries. Fourteen winning projects were chosen based on their cultural significance and renovation techniques to attempt to meet net zero. This culminated in a digital exhibition in Shanghai alongside two masterclass events.

The New Library, Magdalene College in Cambridge was named as the winner of the 26th RIBA Stirling Prize (pictured). As universities position themselves in a competitive marketplace, investment in great buildings and design is essential and is a vital service the UK can export around the world.



CASE STUDY: ANIMATED UK – CREATING NEW WORLDS

Animation UK represents studios, production companies, service providers and distributors. Our sector has a global reputation for creative and technical excellence, with a strong focus on creating new worlds and brilliant storytelling. Animated content is highly exportable, transcending language and cultural barriers. Over 300 studios and production companies are based across the UK, employing more than 15,000 people

whose skills are applied across the screen and the broader economy. The UK animation industry is also highly successful in brand, character development, international licensing, and ancillary licensed products, including books, toys, clothing, and theme parks.

With an estimated value of £1.6 billion, UK-held IP rights can create the export and significant downstream revenue, with massive potential for growth in a global industry valued at £260 billion.

The licensed merchandise sales market for the UK animation sector is worth an estimated £250 million annually.



OUR APPROACH

An industry of influence

In 2020, the UK's Creative Industries made up 14.2% of the total UK service sector, an 11.9% increase from 2019. Exports of creative services grew 9.2% over the same period to reach £41.4 billion in 2020, while exports of creative goods decreased 35% to £8.9 billion.

The growth of creative services has continued, but it is unsurprising that there has been a significant decrease in goods exported since 2020 due to the challenges faced by businesses as the UK left the EU and lockdowns were enforced during the Covid-19 pandemic.

The UK Creative Industries are one of our country's greatest assets. A knowledge and IP-led industry comprising everything from big businesses to start-ups, the sector is world-renowned for its innovation, brilliance and disruptive creativity.

In 2018, CITIB set out to increase exports by 50% by 2023, and increase the number of businesses exporting, supporting the global Britain agenda. Prior to the pandemic we were on track to exceed those figures, and today we are focused on retaining pre-pandemic growth levels in the export of services and returning to growth in creative goods, despite macroeconomic and geopolitical challenges.

This cross-industry strategy will support the continued success of the UK's thriving Creative Industries. Its success won't sit in isolation, it will play a key part in the upcoming Government/Industry Sector Vision.

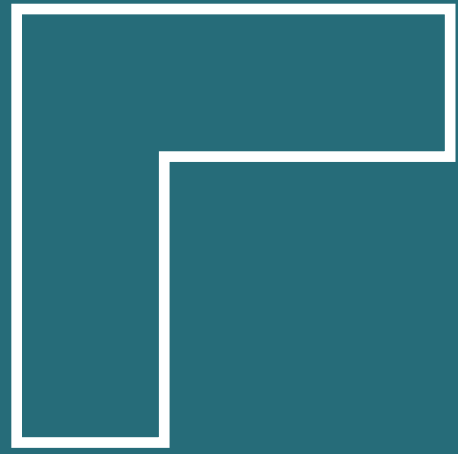
Our heritage, our diversity, Our freedom of expression.

Our global reputation for creativity is key to Britain's soft power, influence and advocacy. According to the Global Soft Power Index published by BrandFinance, the UK is currently ranked second in the world for soft power. It is vital that we are not complacent and do not let our global brand diminish: this worldwide reputation encourages other nations to collaborate with the UK on foreign policy, encourages others to visit or live here, and inspires people to buy British goods and services.

Excellence in all creative sub-sectors and the frequent interplay and collaboration between sectors is one of our strengths.

Our leadership position stems from our uniquely British creativity, our heritage, our diversity, our freedom of expression and our creative universities, combined with a culture that embraces innovation while respecting tradition, and joins up our multicultural communities.

The ability of the Creative Industries to constantly innovate expands our contribution to the UK's knowledge economy. Recent years have seen increased public investment from UK Research and Innovation (UKRI) in R&D across the Creative Industries and the CIC's Createch programme and events are a fantastic showcase, highlighting the close connection between creative and tech business activity with opportunities to innovate and commercialise globally.



In 2020, the UK's Creative Industries made up 14.2% of the total UK service sector, an 11.9% increase from 2019



CASE STUDY: BRITISH FASHION HAS A GLOBAL REPUTATION FOR CREATIVITY, QUALITY AND INNOVATION

Trade show support, trade missions and showrooms are essential for fashion businesses to build export markets. The British Fashion Council (BFC) and UK Fashion and Textiles (UKFT) work with DIT to introduce fashion business to international retailers and develop broader network opportunities with media, agencies, landowners, investors and others within the global fashion community.

Exiting the EU has had a measurable impact on fashion businesses due to tariffs, increased cost of logistics, classification of samples, increased paperwork and access to talent. The BFC and UKFT worked with advisors, the Mayor of London and DIT to develop toolkits to support businesses and run workshops, webinars and events to support small businesses as they tap into new export markets tackling issues from tariffs to logistics to IP.

The DIT support for fashion businesses to access trade shows has never been more important as is the London Fashion Week Guest Programme that ensures international retailers and media are able to attend the event, the leading global fashion week for independent creative fashion businesses.

Every £1 spent on the guest programme delivered an average £93 return in 2022.



CASE STUDY: THE WORLD IS WATCHING BRITISH TV

Global sales of British TV programmes returned to growth in 2021/22 after last year's pandemic-related decline. Total UK TV exports grew by 6.5% year-on-year to £1,521 million, and by 3% compared with 2019/20 levels.

Despite the Covid-19 pandemic affecting production in the UK, producers were able to use their back catalogues to boost sales to compensate lack of filming in early lockdown period.

Drama continued to make up the majority of international sales – with *The Tourist* and *Vigil* among the most popular titles – but did see a small decline from 53% to 46%. Entertainment shows – such as *Love Island* and *Masterchef* – drove an increase from 15% to 24% in the entertainment genre.

£1,521 million 2021/22 UK TV international exports

Once again, the United States was the UK's biggest TV export market last year, generating £509 million and 34% of all exports but declined slightly (11%) compared with its trend defying growth last year. Australia, France, Canada and The Nordics region completed the top five.

Library sales (content aged 4+ years) continued to be popular overseas with 30% of revenues, marginally down from 33% in 2020/21 but a clear increase on the previous year (22% in 2019/20).

Scripted drama remains the key driver of international exports for UK companies and is the source of 46% of all revenue



CASE STUDY: GOOD LUCK TO YOU TO YOU, LEO GRANDE

Emma Thompson stars in this independent British film as Nancy Stokes, a retired school teacher and widow, who's yearning for some adventure. Directed by Sophie Hyde, with Daryl McCormack in the title role, it had its world premiere at the Sundance Film Festival in 2022 and was released in UK cinemas in June the same year.

Cornerstone Films, a UK-based international sales company, successfully applied for a grant from the UK Global Screen Fund to boost the sales potential of the film. The grant was used for publicity, talent attendance at festivals, access to lead distributor campaigns and language tracks. They also worked with the US and UK distributors

around their launch to gain access to the talent for press activities, which put the film onto international radars everywhere.

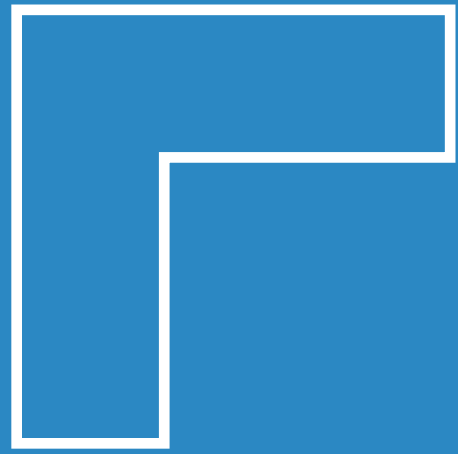
Following the world premiere, the film sold to Searchlight (Hulu) in the US for \$7.5 million and Canada. Pre sales included Australia, New Zealand, and key European territories including Germany and France – 47 individual countries in total. The UKGSF grant enabled the company to sell to territories not initially targeted, including to South Korea and Turkey. The value of sales achieved was nearly a triple of Cornerstone's initial estimates. The film also had a successful run at festivals in Berlin, Tribeca, Karlovy Vary and Sydney.

Sold to 47 countries worldwide

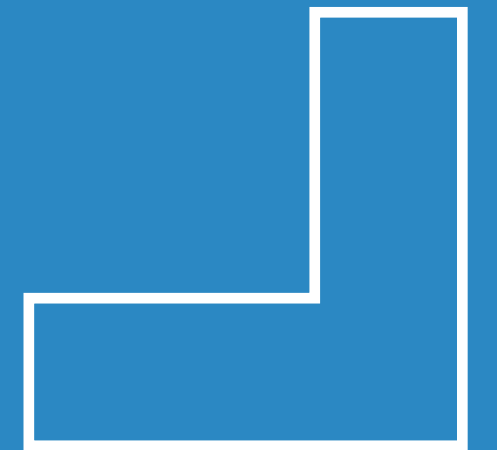
Global Box Office as of 4/11/22: \$10.1 million

(Source: Cornerstone)





International audience research commissioned by the British Film Institute's Global Screen Fund found that 66% of people who visited the UK did so due to the popularity of UK Film and TV



THE NEED FOR ACTION

The British Film Institute's international Audience Perception research found that 66% of people who visited the UK did so because of the influence of film and TV.

However while our industry success presents great opportunities, there are also challenges.

One of the key issues we have identified is a lack of data across sub-sectors. With stronger, more comparable industry-wide data and a deeper insight into government data we will be able to better identify emerging trends, attract inward investment and measure return on investment. CITIB can also play a key role in sub-sector knowledge sharing, to both inform strategies and leverage each other's networks, platforms and resources.

Research published by the Creative Industries Policy & Evidence Centre (PEC) this year shows that a large portion of the Creative Industries that are not currently selling abroad are either planning to export in the next 12 months (19%) or would like to export in the future (22%).

In addition, 48% of those who are already exporting want to sell more abroad over the next 12 months.¹

However, regional parity is still a long way off as exporters still tend to be concentrated in London and the South East, though regional export exposure is increasing in both the nations and regions, for example Scotland and the North West of England.²

There is great untapped potential making it crucial to incentivise and encourage the Creative Industries to take steps towards exporting. Many sectors are still struggling to export, and the UK's exit from the EU has increased trade barriers, deterring some businesses from focusing on export growth and leading others to cease to export to the EU completely.

In late 2021 DIT delivered its new export strategy, *Made in the UK, Sold to the World*, with a target of reaching £1 trillion in exports annually by the mid-2030s. To achieve that, the government outlined its strategic approach, driven by:

- ┌ The Export Support Service Programme
- ┌ An expansion of the UK Export Academy
- ┌ A pilot UK Trade Show Programme
- ┌ The *Made in the UK, Sold to the World* campaign.

CITIB will work closely with DIT, DCMS, the Department for Business, Energy & Industrial Strategy, the Foreign, Commonwealth & Development Office, Number 10 and His Majesty's Treasury to play a meaningful role in reaching the £1 trillion target. By building a strong partnership between our industry and government, we hope to maximise the Creative Industries' export potential.

WORKING IN PARTNERSHIP

Responding specifically to DIT's export strategy, we ask for:

█ Dedicated resources to support CITIB in mapping government and industry export support programmes to enable both industry and government to better signpost the resources available to businesses to create efficiencies and increase impact. For example where great industry resources exist, with better mapping, these can be signposted through DIT's Export Support Service Programme and the UK Export Academy. We will also be able to identify where there are gaps in industry resources. The development of Pact's Export/Growth Accelerator is a great example of where industry programmes can be rolled out to other sub-sectors.

█ Opportunity to inform the development of a future UK Tradeshow Programme which is more aligned with CITIB's needs so that we can fully maximise the creative sector's export potential and contribute to the race to 1 trillion annual export targets. The current pilot UK Trade Show Programme has proved challenging and may be hindering our export growth potential. We are keen to ensure the learnings are incorporated into its future design, so it can work more effectively for the Creative Industries.

█ Partnership on programmes such as GREAT and *Made in the UK, Sold to the World*, to coordinate advocacy on behalf of the Creative Industries through events and trade missions.

The PEC research found that businesses who export are more likely to access financial support, including innovation funding. We therefore recommend that gateways to innovation funding are used to connect companies who might be looking to enter new markets with resources built on cross-sectoral provision through the schemes listed.

We will strengthen our links with appropriate stakeholders, from across government, export and finance, and work more closely with the Federation of Small Businesses and regional agencies.

We passionately believe in the need to ensure that the UK is the best possible place to build, develop, strengthen and grow creative businesses, and the critical need to support exporters and continue championing inward investment.

We must ensure the UK's much envied Creative Industries remain a key focus within government. We need businesses to collaborate and work closely with CITIB to focus on exports, helping the creative industries thrive across the whole of the UK and remain key players on top of on the international stage.

CITIB THREE YEAR STRATEGY

Our three point plan:

CITIB has a clear three-point plan, through which it aims to support industry sub-sectors and remain on track to increase exports to £55 billion by 2025 and £78 billion by 2030.

We will look to:

- ▣ Grow exports from across the UK
- ▣ Unlock the opportunity for inward investment
- ▣ Share data and market insights

Following intensive industry consultation, we have identified three strategic priorities that will help us achieve our purpose, support the DIT Export Strategy and supercharge growth in the UK's Creative Industries. We present this three-point plan below, with focused accountability for CITIB, for sub-sectors and for government.

A foundation of this strategy is a genuine and transparent partnership with government. Through a closer partnership we believe we can address the challenges faced by industry today and prepare for the challenges of the future. Our goal is that resources should be more aligned so that collectively we can deliver a stronger return on our collaborative efforts to grow industry-wide exports and inward investment.

One of the biggest industry concerns and a barrier to growth across all our creative sectors remains the challenges associated with securing and developing for the future a highly skilled, inclusive and productive workforce. This has been identified as a key priority by the Creative Industries Council (CIC). CITIB endorses this priority and emphatically recommends that skills and the talent pipeline are addressed as a matter of urgency with all relevant government departments.



1. GROWING EXPORTS FROM ACROSS THE UK

We can increase the number of creative businesses that are exporting by encouraging coordination and collaboration across all sub-sectors and by working in strong partnership with government.

We need to prioritise focusing resources, sharing insights and leveraging our voices to build awareness and reach new audiences.

Mapping market barriers to international trade, and working collaboratively with the Export Support Service and Trade Advisory Groups (TAG) will continue to be a key part of CITIB's role.

We have already seen several unintended consequences of exiting the EU that have resulted in market barriers to exports in the Creative Industries. The music industry still has major issues with touring and exporting to the EU due to difficulties with transportation and touring visas, for example, and the fashion industry has significant increased costs due to rules of origin and classification of samples.

Over the past two years, the music industry has put forward a proposal for an Exports Office to tackle barriers to export and focus on amplifying the resources of both industry and government in a timely manner. Although DIT launched the Export Support Service in Autumn 2021 to help answer practical questions for businesses, there remains a need to resolve specific sector and industry-wide issues swiftly and to escalate issues that could impact the reputation of UK businesses internationally. Solving for industry-wide issues, taking on the thinking proposed by the music industry will be a point for CITIB and DIT to collaborate on further.

We are committed to increasing total exports and doing so will be a key focus of CITIB as we seek to strengthen our links with government to take a lead role in developing export strategy.

1. GROWING EXPORTS FROM ACROSS THE UK

The Role of CITIB

In order to increase exports, we will:

- Identify programmes and campaigns that are successful and address those that evidence suggests are no longer fit for purpose.
- Map both industry and government resources to ensure all creative businesses have access to the best exporting advice. We will explore further adaptation and adoption of the Pact Export/Growth Accelerator, making clear the resources available through industry networks to avoid duplication within government.
- Work with government and industry networks at national and local level to enable new businesses across the UK to access expert advice to ensure businesses are then capable of export growth, identifying high growth-potential businesses and new market and sub-sector initiatives.
- Collaborate with government on cross-industry campaigns that encourage new exporters by demonstrating clear routes to engagement and access.
- Explore opportunities for public and private sector partners to collaborate with CITIB and government to reach new exporters.
- Identify how innovation and new technologies can grow export channels, particularly at a time when many sub sectors are adapting and embracing new ways of working in Web 3. Ensuring this value is captured as part of our export reporting data will be key to understanding these new opportunities for growth.
- Map market barriers and work to address those, in partnership with DIT, DCMS, PEC and other parts of government as required.
- Explore mechanisms to share collective resources and insights.
- Explore how to benchmark the UK's Creative Industries exports against other leading creative nations to measure international competitiveness.

1. GROWING EXPORTS FROM ACROSS THE UK

The Role of Sub-Sectors

We will encourage our partners in industry sub-sectors to:

- ▣ Contribute to mapping exercises that will identify ways to increase export opportunities and broaden expertise to more businesses and freelancers.
- ▣ Partner with government to market their sectors internationally, including at global events.

- ▣ Provide market insights and share emerging business trends to help CITIB and government partners to pursue opportunities.
- ▣ Share knowledge with other sub-sectors such as how they adapt to innovation and new technologies, embracing opportunities created through the Metaverse and Web 3 to give the UK a competitive edge.

The Role of Government

We would like to see government:

- ▣ Play an active role in working with industry to map ways in which businesses across the UK can access support.
- ▣ Budget for resources and funding to support sub-sectors with sharing specialist advice with micro businesses they don't currently reach.
- ▣ Allocate resources to working with CITIB on cross-industry campaigns to engage new SME exporters, raising awareness of the Export Support Service and the Export Academy.
- ▣ Work with industry to understand macro changes across the Creative Industries and the impact those have on export and investment opportunities, policy and IP frameworks.
- ▣ Explore how to work with industry to swiftly dismantle market barriers.
- ▣ Engage in the development of programmes, including an immediate focus on the next stage of the pilot UK Tradeshow Programme.



The Pact Export/Growth Accelerator has been recognised as a sub-sector success, we are keen to ensure all sectors have the same opportunity to build their own platform to assist businesses export and knowledge share



2. UNLOCKING THE OPPORTUNITY FOR INWARD INVESTMENT

All creative industry sub-sectors have the ability to attract inward investment and can benefit from a framework for capturing data, incentivising investment through IP and other regulatory frameworks, and the implementation of simple tax incentives.

To fully understand and leverage the industry wide opportunity, the landscape of inward investment needs to be shaped more intentionally and financial levels and incentives addressed to attract and track investment.³ Many sectors are not currently benefiting from a focused inward investment strategy, potentially missing out on international financial flows to their sector.

Film, TV and video games are often cited as good examples of sub-sectors attracting inward investment, due to a combination of tax incentives, world class talent, crew and infrastructure and the incredible locations the UK has to offer.

But while investment in screen content continues to rise year on year, global competition from other territories also increases. While current inward investment into the UK has been committed for the long term, it is not guaranteed. Consumer behaviour and global politics can quickly change sentiment.

A working group within CITIB, led by the British Film Commission, has so far focused on maximising existing programmes and exploring the foundations of a cross-sector strategy to attract inward investment and foreign direct investment, leveraging industry and government.

Through this work it has become apparent that a formal primary research exercise is required to collect more robust insights from sub-sectors.

Some sub-sectors are already exploring opportunities to attract inward investment for specific programmes. An example is the fashion industry's circular Fashion Programme which, working with UKRI, aims to build innovation hubs and global innovation networks that will encourage both foreign direct investment and investment in British businesses. This strong case study for future action raises questions about potential incentives to accelerate this work and how the success in film, TV and video games might be replicated across other subsectors.

To help explore new opportunities CITIB, alongside others, will work closely with Innovate UK as they develop their Creative Catalyst programme. This will aim to provide cross-sector support for high-potential growth businesses, and bring in further inward investment from key territories.

2. UNLOCKING THE OPPORTUNITY FOR INWARD INVESTMENT

The Role of CITIB

In order to fuel inward investment, we will:

- █ Commission primary research, in partnership with government, to identify opportunities to attract investment in IP and services across the Creative Industries.
- █ Collate member data and case studies to support the development of an inward investment strategy.

The Role of Sub-Sectors

We will encourage CITIB Industry Members to:

- █ Play an active role in research and policy development around inward investment.
- █ Capture member data and insights to support CITIB research, including case studies of what is happening across the sector already, from micro businesses to large organisations.
- █ Commit to capturing data on an ongoing basis, through membership surveys and any other data sources available to support the tracking of inward investment.

The Role of Government

We would like to see government:

- █ Support primary research on inward investment through co-funding with industry.
- █ Support a coordinated endeavour with industry, including CIC, to ensure the creative workforce has the right skills for long-term success, following the example of the recently published British Film Institute Skills review.
- █ Commit to support progressing programme development following the results of primary research.

3. SHARING DATA AND MARKET INSIGHTS

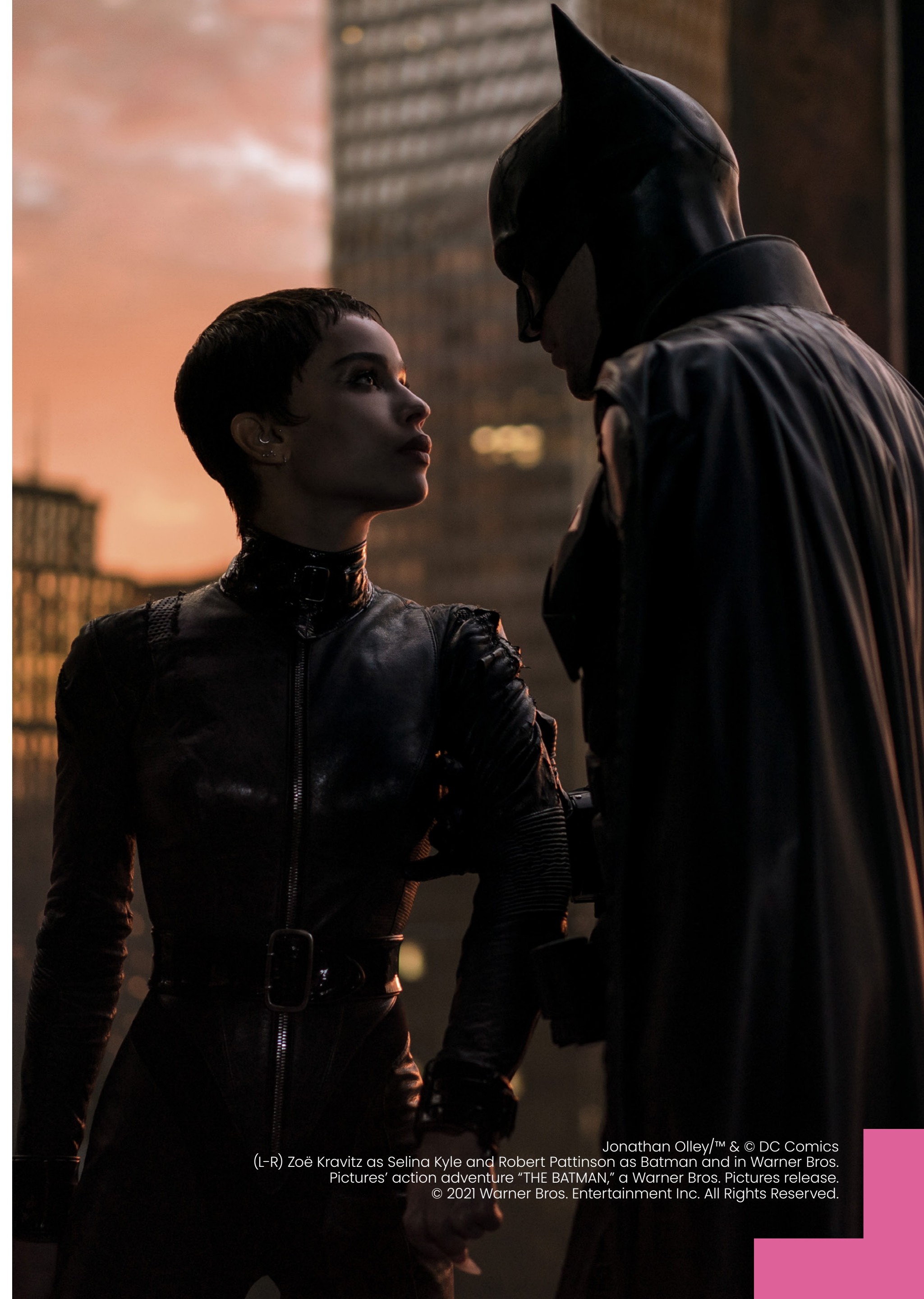
Data and market insights will be critical to ensuring this strategy is actionable, deliverable and impactful.⁴

Qualitative and quantitative evidence is crucial for effective real-time policy making. CITIB can add real value by providing insights to government, from market intelligence on political landscapes and global consumers to data on how sub-sectors are evolving their approach to international markets through innovation.

In film, TV and video games, we have seen how the data held by the sector is significantly enhanced by a framework of tax incentives and existing programmes, such as the UK Creative Growth Finance scheme from Creative UK.

In 2020, exports of creative services were worth £41.4 billion, while exports of creative goods stood at £8.9 billion.

In 2021, the creative industries employed 2.3 million people, a 49% increase since 2011.



Jonathan Olley/™ & © DC Comics
(L-R) Zoë Kravitz as Selina Kyle and Robert Pattinson as Batman and in Warner Bros. Pictures' action adventure "THE BATMAN," a Warner Bros. Pictures release.
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3. SHARING DATA AND MARKET INSIGHTS

The Role of CITIB

We will use our latest sub-sector survey data as a baseline to gather further information into the nature of exports and inward investment in the Creative industries. We will expand this to:

- Work closely with PEC and the CIC to identify and address data gaps that are hindering assessment of exports and inward investment.
- Set up a methodology to gather robust evidence from industry, standardising data points, sharing data capture methods and templates and creating a database to aggregate year-on year data for reporting growth.

Curate roundtables to provide insights and qualitative data on specific markets and topics.

Eg: to understand the crossover between sub-sectors for the opportunity driven by Web 3 and sharing international market levers that are creating competitive advantages and/or disadvantages.

The Role of Sub-Sectors:

We will encourage CITIB Industry Members to:

- Help with the mapping of sub-sector data for both industry and government perspectives.
- Support CITIB with the collection of more standardised industry-wide data.
- Put forward industry experts to contribute to knowledge-sharing roundtables.
- Provide feedback on lessons learned from export support programmes in order to inform future policy making.

The Role of Government:

We would like to see government:

- Support CITIB with the design of surveys and methodologies that will allow for clearer and more robust data collection, including in relation to diversity and demographics, to better understand our exporters and back the work that CIC is already doing.
- Support CITIB in achieving better measurement of the impact of creative exports and inward investment, with resource assistance across the life of the strategy.
- Ensure the appropriate level of attendance at roundtables on data gathering and contribute to knowledge sharing as appropriate.

CASE STUDY: DESIGN OPENS UP NEW MARKETS FOR BRANDS

In the luxury American whiskey market, Westward Whiskey wasn't receiving the exposure it wanted and the \$80 per bottle whiskey struggled during lockdowns. Working with UK brand Design agency Pearlfisher, Westward launched a new identity, bottle and packaging design into a pandemic-gripped world and it changed everything for the 20-year-old brand.

The distinct bottle design stands the whiskey apart from the competition and is attracting more high-net worth individuals. Westward made more on one sale of single casks in 2021 than the entirety of the previous year's revenue. It is now also sold in the Nordics, France, Germany and UK.

Top three growth brand amongst its competitive set

Within a year of the rebrand Westward smashed its 184% growth target to achieve sales 52% above this ambitious aim putting it in the top three.

From a sales decline of -23% to 280% growth

Within a year following the launch of a standout visual identity, label and bottle design by UK agency Pearlfisher.



CASE STUDY: SOAPSMITH GO SMALL TO GO BIG

Despite its uniquely scented, handcrafted soap and body care products having a cult following, reach and awareness of SoapSmith was limited. Working with Bulletproof to reposition and rebrand, the aim was to grow awareness, listings and sales.

The design process identified the need to rationalise SoapSmith's portfolio down from 50 to 21 products. The redesign had a massive impact. Sales leapt 75% (against a 30% target) and the business expanded, taking on a second unit, developing its manufacturing capabilities and recruiting three new staff.

Export growth

The redesign has enabled SoapSmith to be stocked outside of the UK for the first time. The very first overseas stockist was in China, at the 5* Macau hotel, fittingly named The Londoner.

More followers

With a bold new look which enabled it to credibly compete with aspirational brands like Molton Brown, SoapSmith saw a 47% leap in Instagram followers and 86% more press coverage after its redesign.



CASE STUDY: CHAMPIONING UK ADVERTISING'S GLOBAL SUCCESS

UK Advertising and Marketing Services is represented by the UK Advertising Exports Group (UKAEG), the industry's global new business drive.

UKAEG has continued to raise the profile of British creative, media, production, and digital around the world. With the government, UKAEG has developed a strategic plan to focus on key markets through international trade fairs where, in combination with the Government's GREAT programme and trade

missions, we can collectively display the skills and creativity of the UK advertising industry to accelerate its growth in export performance.

To date this has resulted in more than half a million contact opportunities with potential customers from 40+ countries and generated over £21 million worth of new business for members. The stats below tell a story of global success, creativity, opportunity, and innovation.

UK's ad and market research services exports valued at £11.7 billion

International trade in UK advertising and market research services was worth £11.7 billion in 2020 and sustained the same level as the pre-pandemic conditions of 2019. *UKAEG Export Report 2022*

Bringing the UK a healthy £5 billion balance of payments surplus

Despite the challenges of a global lockdown faced by exporters in the UK advertising industry, balance of payments remained steady, bringing the UK a healthy £5 billion trade surplus. *UKAEG Export Report 2022*

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CASE STUDY: EXPERIENCE UK HELPS TO INCREASE EXPORT WINS FOR THE EXPERIENCE ECONOMY

Working in partnership with DIT, Experience UK delivered a trade mission to the Saudi Entertainment Expo in 2021, followed by in-depth market research which identified the Qiddiya entertainment gigaproject in Saudi Arabia as a key target for specialist companies in the attractions industry. UK Export Finance introduced Experience UK to the lead construction contractor for the project who was specifically looking for UK expertise in the sector. Members of Experience UK are now tendering for sub contract packages for Qiddiya, across a variety of expertise. Such is the reputation for UK expertise in the attractions sector, that UK companies like Simworx, often benefit from repeat business as outlined in the case study in the Appendix.

Experience UK is the trade body for UK companies that design, create and engineer world class visitor destinations, from

museums to theme parks and everything in between. Founded over 12 years ago as a joint venture with the Department for International Trade's Experience Economy Team along with Andrich International, Experience UK was established to help UK companies deliver business, and understand the scale and scope of opportunities, in key markets around the world.

We work closely with the Department for International Trade; we conduct research into new and emerging markets and produce high impact white papers for the purpose of informing the sector on key issues. Along with our members, we help to inform and influence the decision-making bodies that shape the future of the sector. We consult with our Experience UK Advisory Board which constitutes some of the most forward thinking and influential people in the sector.



CASE STUDY: ONLINE MARKETPLACES AND EXPERIENCE ECONOMY GROWS THE MARKET FOR CRAFT

The Market for Craft Report published by the Crafts Council in 2020 analysed the state of the UK craft market, confirming craft sales have increased from £883 million in 2006 to over £3 billion in 2019. The report highlights: The emergence of new intermediaries has enabled 50% of makers to trade overseas. For consumers, 84% of the adult population of New York and Los Angeles have either bought craft previously or would consider doing so from a British craft business. Brexit and Covid has brought

a decline in exporting craft. Three factors: supply chain of materials, the inclusion of VAT, and the additional paperwork.

To improve exports, the Crafts Council designed and launched an International Toolkit in April 2022 and is now a 'go to' for DIT when advising craft businesses. Next step, to produce an Art Shipping ATA Carnet resource and explore export territories in Asia and France.

Craft sales have seen an exponential rise in sales from £833 million in 2006 to over £3 billion in 2019.

The emergence of new intermediaries has enabled 50% of makers to trade overseas.



OUR VISION FOR THE FUTURE

The UK Creative Industries are essential to the UK economy and our global reputation as leaders in creativity and innovation. Post exiting the EU, the role of our Creative Industries in re-enforcing the UK's reputation as creators, collaborators, global design leaders and innovators has never been more important. CITIB members have great pride in our Creative Industries and commit to work together to support more businesses to grow through exports, to share market insights, to advocate and collaborate on building the picture of influence through cross industry data. We will streamline how we work with government to develop impactful support programmes, maximise the resources available and identify opportunities where collectively we can accelerate programmes or leverage platforms to achieve our goals.

Through this strategy we will continue to build on the successes of our talent and our businesses overseas and to empower more businesses to fulfil their export potential and

attract inward investment across all creative sectors. When our Creative Industries thrive, so does the UK economy, public sentiment and our reputation for excellence, something that not just the Creative Industries need for future prosperity.

CITIB will curate and help create content that tells the story of our sector's remarkable soft and economic international power, promoting opportunities for businesses to play their part and increasing access to support across the devolved nations and across all communities.

By working closely with government and industry, we can show the UK to be a progressive, world-leading creative economy, maximising growth and export opportunities, building on the government's work and strengthening the UK's position on the global stage.

As our creative economy grows, our global reputation will be strengthened

Over time, we believe the outcomes of this strategy will be:

- Better collaboration on global events such as the Olympics and the FIFA World Cup to advocate for the Creative Industries.
- Continued and effective showcasing of our sub-sectors throughout the year at events such as Cannes Lions, London Fashion Week, BFI Film Festival, CogX and SXSW.
- Clearer and more accessible export education coming from industry and government.
- An efficient mechanism to dismantle market barriers and increase export and inward investment opportunities.
- An informed proposal for inward investment incentives to support the global commercialisation of UK IP, based on our primary research.
- Robust data and insights from across the industry to evidence global challenges and opportunities.
- A demonstrable return on investment in programmes and events.

CITIB BOARD MEMBERS

Caroline Rush CBE

Chair CITIB, British Fashion Council

Louis Coiffait-Gunn

Publishers Association

Dan Conway

Publishers Association

Deborah Dawton

Design Business Association

Elizabeth Diaferia

CITIB

Eliza Easton

Creative Industries Policy and Evidence Centre, Nesta

Tom Fiddian

Innovate UK, part of UKRI,
UK Research & Innovation

Rosy Greenlees

Crafts Council (until Summer 2022)

Caroline Jackman

Crafts Council

Janet Hull OBE

Institute of Practitioners in Advertising, IPA

Caroline Julian

Creative UK (until Autumn 2022)

Stacey Arnold

Creative UK

Tom Kiehl

UK Music

Adam Mansell

UK Fashion and Textile Association

Dawn McCarthy-Simpson MBE

Producers Alliance for Cinema and Television,
Pact

Lizzy Moriarty

Representative for the Experience Economy

Kate O'Connor

Animation UK/UK Screen Alliance

Jo Twist OBE

United Kingdom Interactive Entertainment
Association, Ukie

Alan Vallance

Royal Institute of British Architects, RIBA
(until September 2022)

Deborah Williams OBE

Independent Member, Creative Diversity
Network (until Autumn 2022)

Stephen Woodford

Advertising Association

Adrian Wootton OBE

British Film Commission, Film London

Jon Zeff

Creative Industries Council (CIC)

TABLE OF ACTIONS

| | The Role of CITIB | The Role of Sub-Sectors | The Role of Government |
|------------------------|--|---|---|
| Growing Exports | <ul style="list-style-type: none"> ▣ Identify programmes and campaigns that are successful and tackle those that evidence suggests are no longer fit for purpose. ▣ Map both industry and government resources to ensure all creative businesses have access to the best exporting advice. ▣ Explore further adaptation and adoption of the Pact Export / Growth Accelerator, making clear the resources available through industry networks to avoid duplication within government. ▣ Work with government networks, the CIC and the creative industry clusters to reach new businesses capable of export growth, identifying high growth-potential businesses and new market and sub-sector initiatives. | <ul style="list-style-type: none"> ▣ Contribute to mapping exercises that will identify ways to increase export opportunities and broaden expertise to more businesses and freelancers. ▣ Partner with government to market their sectors internationally, including at global events. ▣ Provide market insights and share emerging business trends to help CITIB and government partners to pursue opportunities. ▣ Adapt to innovation and new technologies, embracing opportunities created through the Metaverse and Web 3 to give the UK a competitive edge. ▣ Explore how to benchmark the UK's Creative Industries exports against other leading creative nations to measure international competitiveness. | <ul style="list-style-type: none"> ▣ Play an active role in working with industry to map ways in which businesses across the UK can access support. ▣ Budget for resources and funding to support sub sectors with sharing specialist advice with micro businesses they don't currently reach. ▣ Allocate resources to working with CITIB on cross-industry campaigns to engage new SME exporters, raising awareness of the Export Support Service and the Export Academy within DIT. ▣ Work with industry to understand macro changes across the Creative Industries and the impact those have on export and investment opportunities, policy and IP frameworks. |

TABLE OF ACTIONS

| | The Role of CITIB | The Role of Sub-Sectors | The Role of Government |
|----------------------------------|--|---|---|
| Driving Inward Investment | <ul style="list-style-type: none"> ▣ Commission primary research, in partnership with government, to identify opportunities to attract investment in IP and services across the creative industries. ▣ Collate member data and case studies to support the development of an inward investment strategy. | <ul style="list-style-type: none"> ▣ Play an active role in research and policy development around inward investment. ▣ Capture member data and insights to support CITIB research, including case studies of what is happening across the sector already, from micro businesses to large organisations. ▣ Commit to capturing data on an ongoing basis, through membership surveys and any other data sources available to support the tracking of inward investment. | <ul style="list-style-type: none"> ▣ Support primary research on inward investment through co-funding with industry. ▣ Support a coordinated endeavour with industry including through the CIC, to ensure the creative workforce has the right skills for long-term success, following the example of the recently published BFI Skills review. ▣ Commit to support progressing programme development following the results of primary research. |

TABLE OF ACTIONS

| | The Role of CITIB | The Role of Sub-Sectors | The Role of Government |
|-------------------------|--|---|---|
| Sharing Insights | <ul style="list-style-type: none"> ▣ Work closely with the PEC and the CIC to identify and address data gaps that are hindering assessment of exports and inward investment. ▣ Set up a methodology to gather robust evidence from industry, standardising data points, sharing data capture methods and templates and creating a database to aggregate year-on-year data for reporting growth in international trade. | <ul style="list-style-type: none"> ▣ Help with the mapping of sub-sector data for both industry and government perspectives. ▣ Support CITIB with the collection of more standardised industry wide data. ▣ Put forward industry experts to contribute to knowledge-sharing roundtables. | <ul style="list-style-type: none"> ▣ Support CITIB with the design of surveys and methodologies that will allow for clearer and more robust data collection, including in relation to diversity and demographics, to better understand our exporters and back the work that the CIC is already doing. ▣ Support CITIB in achieving better measurement of the impact of creative exports and inward investment, with resource assistance across the life of the strategy. ▣ Ensure the appropriate level of attendance at roundtables on data gathering and contribute to knowledge sharing as appropriate. |

APPENDICES

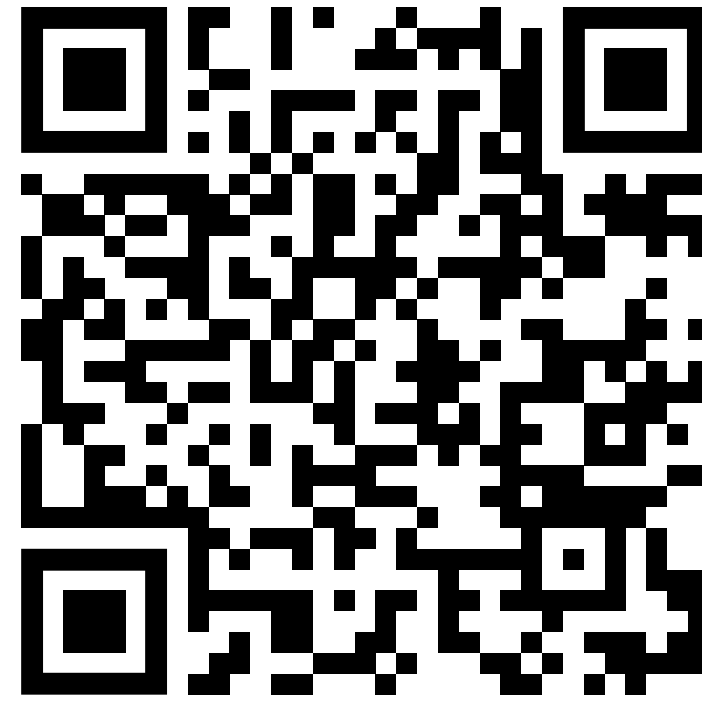
¹ Di Novo, S; Fazio, G and Maioli, S. (2021) Creative firms and trade. London: Creative Industries Policy and Evidence Centre and Newcastle University. Available from: <https://www.pec.ac.uk/discussion-papers/creative-firms-and-trade>

² Ibid.

³ Forthcoming Creative Industries Policy and Evidence Centre (PEC), Nesta research shows the UK creative industries attractiveness for foreign direct investment, as FDI projects in the creative industries account for 10% of all UK inward FDI projects, with 'IT, Software and Computer Services' receiving the lion's share. Also, a good share of these projects represent expansions of past investment. While geographically, London and the South East are the largest recipients of this investment, other areas have also attracted FDI projects in specific sub-sectors (like Scotland, Wales, the North West and Yorkshire and Humber in England). See (Jones and Fazio, The Nature of FDI in the Creative Industries (forthcoming)).

⁴ See recent Creative Industries Policy and Evidence Centre (PEC), Nesta research for a review of the official sources of trade data on the UK creative industries. Maioli, Di Novo, Fazio, Sapsed and Vermeulen (2021) The UK's International Creative Trade: A Review of the Official Data Sources, London: Creative Industries Policy and Evidence Centre and Newcastle University. Available from: <https://pec.ac.uk/discussion-papers/the-uks-international-creative-trade-a-review-of-the-official-data-sources>





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