

Proceeding Paper

Digitalization and Creative Industries—Trends and Perspectives [†]

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Abstract: Policymakers worldwide have been gradually acknowledging the value and enormous potential of the creative industries as a driving force and a catalyst for socio-economic progress. Before the COVID-19 pandemic, the sector was expanding at an unprecedented rate. However, because of their unique characteristics, the creative industries were among the industries most heavily affected by the pandemic. The pandemic has also accelerated the sector's digital transformation by inventing different ways of consuming cultural and creative content. Virtual engagement is expected to level up and become even more realistic in the years to come through the increased usage of advanced digital tools such as augmented reality (AR), virtual reality (VR), and 3D gaming.

Keywords: creative industries; COVID-19; digital transformation; global trends; Western Balkans; the Republic of Serbia

1. Objectives

The COVID-19 pandemic affected the creative sector profoundly [1–4]—more than 10 million creative workers worldwide lost their employment in 2020 [5,6] due to the pandemic and the measures imposed to mitigate its adverse effects. Along with the global imbalances, the pandemic also accelerated pre-existing trends such as digitalization [7], i.e., the development, dissemination, and accessibility of creative content have all undergone a deep digital transition. Taking into account the role of creative industries in today's globalized environment [8,9], the paper aims to offer deeper insights into the state-of-the-art and future prospects of the sector with an emphasis on its digital transformation.

2. Methodology

A standard desk research method was performed to achieve the paper's objectives. Secondary data analysis was conducted on the global, regional (the Western Balkans), and national (the Republic of Serbia) levels.

3. Results

The pandemic effects varied considerably amongst industries. While travel restrictions and social distancing measures adversely impacted physical events and attractions, the IT industry benefited [2]. In that regard, the global pandemic triggered a digital surge [7,10]. For example, Netflix hours viewed per minute climbed 7.4 times between 2016 and 2021, while Facebook logins per minute, Google searches per minute, and YouTube views per minute all almost doubled. Innovative ways of using and accessing digital technologies have also come to light. Nevertheless, it should not be neglected that the further digitalization of creative industries could intensify current disparities [2].

4. Implications

Creative industries are one of the fastest expanding industries on a global scale [11–13]. Pre-pandemic, the sector generated global revenues of 2.250 billion USD, while its share



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in global GDP was projected to reach 10% by 2030 [3]. It should not be neglected, however, that creative industries are more than an economic sector with promising future growth [14]. They are the embodiment of creativity, ingenuity, and imagination through which fundamental social and cultural values are spread on a worldwide scale. Taking into account the sector's role and potential, especially in the emerging market context, the conclusions and recommendations obtained in this paper are primarily intended for the policymakers and expert public in the Republic of Serbia.

5. Originality Value

The paper provides a new interpretation of existing sources on creative industries at the global, regional (Western Balkans), and national (the Republic of Serbia) levels, offering novel insights into this respective area.

6. Contribution

The conclusions obtained in this paper contribute to the growing body of literature in the field of creative industries by providing deeper insights into the current state and prospects of the sector. In that regard, the critical cornerstone for socio-economic progress is creativity. Accordingly, the health crisis brings an opportunity for the sector to re-establish itself in a more resilient and sustainable manner and in alignment with the 2030 Agenda.

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