

**MASTER THESIS**  
**“ATHENS’ CREATIVE  
ECONOMY AND URBAN  
SPACE”**

**An exploratory study on the locational behavior of  
creative entrepreneurs in the city center of Athens**

Academic Year 2015 - 2016  
Thesis Supervisor: Dr. Ellen Loots  
Second Reader: Dr. Mariangela Lavanga

Student: Adela Konomi  
Student Nr: 414488  
Date: August, 2016

Cover: © Aris Panagopoulos

## **ABSTRACT**

Creative individuals have been seen as key agents of urban regeneration in the age of the new/creative economy and the idea of developing ‘creative clusters’ for these individuals has been seen as policy for urban economic and cultural development. But, what makes one place more attractive to creative enterprises and activities than another? How is the spatial behavior of creative entrepreneurs formed? This study focuses on the dynamics which affect the relationship between creative enterprises and their spatial context. The spatial clustering of (creative) industries is traditionally explained by agglomeration economies benefiting co-located firms and urban amenities that attract creative people to certain cities. A wide literature has attempted to explain the general characteristics of ‘creative places’ by focusing on firms rather than people. Nevertheless, there is still little knowledge of the perceived attributes of a location by those creative individuals and the micro-interactions that occur especially at the micro-city level of clustering. By conducting interviews with creative entrepreneurs in the city center of Athens, this qualitative study attempts to investigate the perceived attractiveness of a location and how those creative entrepreneurs choose and evaluate this location, by assessing the relative importance of different location determinants

**KEY WORDS:** creative economy, locational behavior, creative entrepreneurs, creative clusters, Athens, city center.



## **ACKNOWLEDGEMENTS**

Looking back on the master thesis process I can see that it was quite a long trip that I could have never done without the help of some very important people. In specific I would like to thank my parents who make this trip come true with their support, without them I might not have been here. Also, I would like to acknowledge my supervisor Dr. Ellen Loots for her expert assistance during my research and for her constantly motivating and encouraging me during the writing process. I would also love to express my sincere gratitude to all the interviewees involved, for their generous help and their time.

Last but not least, I would like to thank myself for being patient and strong during this troublesome journey and all those people that I love and were with me mentally and physically and made me forget my stress and enjoy this year.

**Adela Konomi,**

**August, 2016**

# Table of Contents

ABSTRACT .....	iii
ACKNOWLEDGEMENTS.....	v
<b>1. INTRODUCTION.....</b>	<b>8</b>
<b>1.1. Research Background .....</b>	<b>8</b>
<b>1.2. Research Objectives .....</b>	<b>10</b>
<b>1.3. Research Questions .....</b>	<b>11</b>
<b>1.4. Significance of the study .....</b>	<b>11</b>
<b>1.5. Structure of the thesis .....</b>	<b>12</b>
<b>2. THEORETICAL FRAMEWORK .....</b>	<b>14</b>
<b>2.1. The Creative Economy and the phenomenon of the place .....</b>	<b>14</b>
<b>2.2. Clustering theory and agglomeration economies .....</b>	<b>16</b>
<b>2.3. Creative Clusters and New Business Formation .....</b>	<b>18</b>
<b>2.4. Creative class theory .....</b>	<b>19</b>
<b>2.5. Quality of place and the needs of the creative class .....</b>	<b>22</b>
<b>2.6. Conceptual Framework .....</b>	<b>24</b>
<b>3. EMPIRICAL SETTING .....</b>	<b>28</b>
<b>3.1. Why Athens?.....</b>	<b>28</b>
<b>4. RESEARCH METHODOLOGY.....</b>	<b>31</b>
<b>4.1. Introduction .....</b>	<b>31</b>
<b>4.2. Research design .....</b>	<b>31</b>
<b>4.3. Research methods.....</b>	<b>32</b>
<b>4.4. Sampling - Unit of analysis.....</b>	<b>34</b>
<b>4.5. Data analysis .....</b>	<b>37</b>
<b>4.6. Quality of Research and Limitations.....</b>	<b>37</b>
<b>5. FINDINGS .....</b>	<b>39</b>
<b>5.1. Introduction.....</b>	<b>39</b>
<b>5.2. Economic Factors .....</b>	<b>41</b>
<b>5.3. Socio-cultural Factors .....</b>	<b>46</b>
<b>5.4. Spatial and Physical Characteristics .....</b>	<b>50</b>
<b>5.5. Perceptual Characteristics .....</b>	<b>52</b>
<b>5.6. Data Interpretation and Discussion – Deciphering the locational behavior of the         creative entrepreneurs in Athens.....</b>	<b>54</b>
<b>6. CONCLUSIONS.....</b>	<b>60</b>
REFERENCES .....	64

<b>APPENDICES .....</b>	<b>70</b>
<b>Appendix 1. List of interviewees .....</b>	<b>70</b>
<b>Appendix 2. List of topics and the respective questions .....</b>	<b>72</b>
<b>Appendix 3. Coding process examples .....</b>	<b>75</b>

# 1. INTRODUCTION

## 1.1. Research Background

In today's context of the creative economy, creativity plays a significant role and is treated by many (urban) policy makers as a driving force of economic and cultural development. According to the UNCTAD Creative Economy Report (2008, p.3) "The creative economy has the potential to generate income, jobs and export earnings while at the same time promoting social inclusion, cultural diversity and human development".

Creative individuals have been seen as key agents of neighborhood revitalization and as improving urban competitiveness in the age of the new/creative economy (Currid, 2007; Jacobs, 1969; Lloyd, 2002; Stern & Steifert, 2010). The idea of developing cultural districts / quarters / clusters and a stimulating environment for/by those individuals has been seen as a policy target for urban economic and cultural development. As creativity<sup>1</sup> is no longer a concept concerning only artists or creative people in general, but also policy makers, urban planners and managers it is worth analysing how and where it is implemented in the urban context.

In line with this concept, the study of where creativity is "located" has been a research topic in the new knowledge-based economy. The relation of space and creative economy is generated not only by the economic motivations of enterprises related to the physical infrastructure, labor force, transportation cost, and external supporting systems but also the results of complicated sociocultural processes embedded in urban milieus or environments, through which individual preferences are catered and knowledge spillover is promoted (Jinliao He, 2014).

Even in the context of globalization, with increasing international flows, most academics and scientists that analyse the concept of space/place continue to underline its importance for economic and social activity (Drake, 2003). More specific, a lot of attention has been given to the location choices of firms and their spatial clustering (Porter, 1998; Delgado, 2009; Ketels and Memedovic, 2008). In terms of spatial

---

<sup>1</sup> Bilton (2007) distinguishes two approaches to creativity, one involving creativity as a source of economic profit derived from great ideas and the use of intellectual property right and the other focusing on creativity as a phenomenon which can be present in any industry, on any level of any organization. In this thesis, creativity is argued to be embodied in the cultural or creative sector.



clustering of creative firms, two main explanations abound; the one refers to agglomeration economies and the other to urban amenities.

Traditionally, economic geographers have explained the spatial clustering of industries by using the concept of “agglomeration economies” and in particular the Marshallian concept of “localization economies” (Wenting et al, 2010). According to Porter (2000), clusters can emerge due to economies of scale when firms co-locate with other firms operating in the same industry which lowers the entry barriers. These low entry barriers could facilitate entrepreneurship and foster the performance of the people being there, through efficiency gains. Moreover, following the concept of “agglomeration economies”, Scott (2010) connects the pattern of clustering in cultural industries to the advantages that firms experience from co – location transforming the cluster into a “creative field”.

According to Scott (2010) the creative field within a city is composed of four main components: a) intra-urban networks of specialized and complementary producers, b) the local labor market and the social networks that connect workers together within the urban space, c) the wider urban environment, containing places of memory, leisure and social reproduction and d) institutions of governance and collective action. All these components are interrelated with one another at many different levels of intensity, with significant effects on learning, creativity and innovation (Scott, 2010).

Another explanation of spatial clustering of creative firms is built on Florida’s theory of creative class and quality of place. This theory is focused on the human capital and suggests that *quality of place* is one of the key determinants that can make a creative individual (part of the so called creative class) to move to certain places. By using the term “quality of place” Florida refers to a set of characteristics and certain amenities that define and shape a place’s identity and make it attractive to the ‘creative class’ (Florida, 2012). Some examples of these urban amenities that might attract creative individuals are a tolerant an open social atmosphere, the availability of cultural events and activities, vibrant nightlife and ethnic diversity among others.

These two explanations of spatial clustering of creative firms (agglomeration economies and urban amenities) are different, but not mutually exclusive, as Wenting et al (2010) suggest. It can be seen that Florida’s explanation of spatial clustering in differs essentially from explanations based on agglomeration economies and clustering by

focusing more on the personal motives of workers, behind their locational decisions, rather than the business motives of firms. It may in fact be true that these two explanations of spatial clustering act as interrelated drivers in the locational decisions of individuals and firms.

Since clustering is seen as a main strategy to make a city more attractive it becomes interesting to see how these theories reflect themselves in practice and investigate extensively the location strategies of creative entrepreneurs and the perceived attractiveness of a place. Indeed what lacks understanding, are the dynamics that affect the relationship between creative enterprises and their spatial context. Therefore, questions such as “what actually makes a creative individual and more precisely a creative entrepreneur to settle in a certain area?”, “why do they opt to locate in certain places and not others?”, “can we infer any behavioral patterns?” can be raised in this exploratory study.

## **1.2. Research Objectives**

A wide literature has attempted to explain the general characteristics of “creative places” and the location decisions of creative industries, however there is still little knowledge of the micro-interactions that creative entrepreneurs establish within specific local contexts (Comunian et al, 2010). In this research the main objective is to capture the opinions, perception and needs of the creative entrepreneurs in the city of Athens in relation to their location decisions.

In order to create a better understanding on whether and how place matters it is necessary to focus on the micro level of the creative entrepreneur (Heebels and van Aalst, 2010). Taking this into account, the research focuses on creative entrepreneurs located in the city center of Athens, so as to make evidence of the meaning of the city center as a place for entrepreneurial activity, social networks, inspiration etc. Using a qualitative approach through open ended, semi-structured interviews and in order to establish the determinants that affected the locational behavior of those creative entrepreneurs, I analyze their relationship to their existing space and location as well as their preferences and views on how the area’s creative and cultural ecology works as a whole. (Wenting et al, 2011; Markusen, 2014).

### **1.3. Research Questions**

By a qualitative study of the location decisions of creative entrepreneurs and building upon two different theories (Florida's theory on the creative class and clustering theory with a special focus on creative industries) by means of interviews, the study aims at answering the following research question:

*How do creative entrepreneurs in Athens choose and evaluate their location?*

In order to answer the main research question a list of sub-questions will be taken into consideration:

- To what extent do agglomeration economies affect the location decisions of creative individuals?
- To what extent do urban amenities (soft factors) affect the location decisions of creative individuals?
- Which characteristics of the urban environment contribute to the clustering of creative entrepreneurs?
- Why do individuals in these creative clusters prefer urban spaces like the city center over other places?

### **1.4. Significance of the study**

This research aspires to explore the locational behavior of creative firms and their interdisciplinary connections with their location. By investigating the perceived attractiveness of a location and analyzing those characteristics that would draw creative entrepreneurs to certain districts, this study could contribute to urban economic development strategies targeting neighborhood revitalization and increased urban competitiveness.

Looking at cultural production districts, we can see that place-making studies focus mainly on planning and promoting cultural quarters instead of planning for creative entrepreneurs from a user perspective (Evans, 2009b). A deeper knowledge on this can be useful for city marketing purposes and to attract more creative entrepreneurs by emphasizing on the most important factors that will occur from the research. Attracting and retaining high-skilled people, including creative entrepreneurs, to cities is an urban policy goal all around the world (Smit, 2011).

The recent economic crisis has reshaped the symbolic/creative economy both in Greece and the rest of Europe, through the drastic reduction of human resources in big creative industries and the simultaneous increase in the number of self-employment. Another trend that is occurring during the last years is the shrinkage of enterprises in the traditional creative industries, such as those of printing and publishing and the simultaneous increase in new and more innovative areas of software production and design (web design, graphic design, industrial design, fashion design, etc.) (Avdikos, 2014).

Avdikos (2014) stresses that the economic contribution of cultural and creative businesses in the national economy in Greece and the number of workers (3% of the workforce) is a quite significant size, however, so far only a few studies have been undertaken related to their significance. In accordance with the author, Athens appear to have the main part of the creative industries of the country, with the city center getting the biggest clustering phenomenon of the creative industries (Avdikos, 2014). Thus, with this research I would like to put in practice theories on clustering and creative class which are mainly built on models of cities that do not share the same social and economic factors with Athens and see if they can be applicable in such a context.

### **1.5. Structure of the thesis**

This thesis explores the locational behavior of creative micro-enterprises and small-sized firms on the basis of existing literature and interviews. In order to explain how and why creative firms and more precisely the creative entrepreneur –founder of the firm– decides to locate in a specific place and what makes this place more attractive than another, the research is consistent with selecting the most relevant theories with the topic.

Thus, the study is followed by the reasoning in particular for the emergence of the new/creative economy and the connection with the creative industries, then by reasoning in location factors from the clustering theory and agglomeration economies and lastly explanation on urban amenities from creative class theory and quality of place. Altogether three theoretical parts have been carefully reviewed and identified.

To begin this exploration, in chapter two a literature review has been developed in order to introduce the existing relevant studies, The theoretical part is followed by a

conceptual framework that aims at making the research topic as clear as possible. Chapter three will present in details the setting of the empirical research so as to be followed by chapter four which will justify the methods used for the implementation of this research and an insight into how and why the data have been collected and analyzed in a specific way. Chapter five will discuss in details the findings of the research bringing together the theories examined in the previous chapters and leading to a discussion that will decipher the locational behavior of the creative entrepreneurs in Athens. This part therefore focuses on presenting the different characteristics and determinants of the city center of Athens that attract the creative entrepreneurs, by using their detailed explanations. Finally, in the last chapter the most important conclusions of the examined topic will be drawn and further suggestions for future research and policy employability will be presented.

## 2. THEORETICAL FRAMEWORK

### 2.1. The Creative Economy and the phenomenon of the place

It is widely believed that the character of production and work in the contemporary economy has undergone a significant change during the last decades. Addressed to by a variety of terms such as post-fordism, new economy, knowledge economy, symbolic economy, creative economy and cognitive-cultural economy, this economic change presents a paradigm shift where the new structures of production and work have been put under the label of a knowledge-based economy (Nakamura, 2000).

Zukin (1995, p.1-2) makes a similar point in the *Cultures of Cities* by saying:

“With the disappearance of local manufacturing industries and periodic crises in government and finance, culture is more and more the business of cities – the basis of their tourist attractions and their unique, competitive edge. The growth of cultural consumption (of art, food, fashion, music, tourism) and the industries that cater to it, fuels the city’s symbolic economy, its visible ability to produce both symbols and space”.

The emergence of this new economy is associated with an expansion in the number of creative workers endowed with high levels of human capital, such as analytical thinking, fluency of ideas, social perceptiveness, capacities for social interactions and expertise (Scott, 2010). Those creative workers are paid mainly through their intellectual property and their activity is characterized by the production of creative, symbolic and heterogeneous products (Nakamura, 2000).

Many scholars (e.g., Landry & Bianchini, 1995; Hall, 2000; Landry, 2000; Scott, 2000) have recognized the connection of this phenomenon with the concept of creative cities. The notion *creative city* became increasingly popular in urban cultural policies and new approaches such as Florida’s creative class, creative clusters and culture-led regeneration refer to the practices implemented in big cities (Florida, 2012; Landry, 2000; Mommaas, 2004). Cities appear to be the right places offering special conditions that favor social reproduction of highly skilled and creative workers and where both creativity and innovation can be developed and flourish. (Pratt, 2004; Scott, 2010). In accordance with Pratt (2004) this spatialized production of creativity and innovation can be seen as an area of economic activity under the label of the creative industries.

As Lavanga (2004) stresses, it is since the late 1980s that the attention of urban development has shifted away from flagship developments to softer infrastructure of networks and clusters, within which knowledge, creativity and innovation are retained and fostered. Scott (2006) in particular, seeks to relate the concept of creative cities with the context of the new economy and to explore the connections that might exist among the shift in technologies, structures of production, labor markets and the dynamics of locational agglomeration. The author notes that this set of features exhibits a variety of spatial and organizational levels that constitutes the urban creative field (Scott, 2010).

The creative dynamism of local labor market relationships and inter-firm networks is boosted by the place itself. And by saying ‘place’ Scott (2010) refers not only to spatial conglomeration of industrial capabilities and skills, but also to sources of knowledge, traditions, memories and images. The concept of ‘place’ include not only the local economy but also a wider local physical environment expressed in streetscapes and architecture of the buildings and a social milieu with social and cultural amenities (museums, art galleries, theatres, shopping and entertainment facilities etc.) Cultural economies are places where many aspects of work, leisure and social life have an interrelationship that leads to complex urban ecologies (Scott, 2010).

It is common knowledge that the traditional roles of location have diminished in importance as a result of changes in technology, competition and globalization (Porter, 2000). The rise of the information technologies has transformed the notion of place (Durmaz, 2015). According to Arefi and Triantafillou (2005) there are two approaches over the importance of place: the one suggests that place still matters, while the other supports the death of distance. But as Gottdierner (2000, p.98) claims:

“While the information economy progresses to an increasing degree of disembodied spacelessness, the producers of knowledge still require specific locations or spaces to work. In short, our new economy will function in this respect very much like the old one with persisting need for adequate design of the built environment”.

Similarly, Pratt (2000) poinpoints that the “the death of distance” is exaggerated and that space and place are still important, as is the value of social interaction. (As cited in Evans, 2009a). Evans (2009a) follows the same idea by suggesting that the place of

production still plays an important role for the experience economy, since it gives the chance to consumers to visit it first-hand.

The last decades, creativity and its relation to urban place is a great area of debate among economists, sociologists, geographers and urban developers. New concepts have emerged for spatial expressions of the knowledge economy on urban space and have identified spatial structures such as clusters of interrelated industries (Durmaz, 2015). Porter (2000) claims that the predominance of clusters or spatial concentrations of interrelated firms have a great significance in a complex knowledge-based economy due to the significant role of location in competitive advantage.

## **2.2. Clustering theory and agglomeration economies**

The phenomenon of geographic concentrations of firms active in the same industry dates back for centuries. As Ketels and Memedovic (2008) note these geographic concentrations are a never ending process and develop over time. For a long time explanations of spatial clusters have been based on Marshall's concept of agglomeration economies (Comunian, 2011).

Turning first to Marshall (1920) who wrote about the externalities of specialized industrial locations in his *Principles of Economics* one can see that the author, departed from the level of the firm and put forward the main reasons why similar firms would locate in the same geographical area. It is common to distinguish among three different forms of localization or 'Marshallian' economies (Gordon and McCann, 2000 as cited by Wenting et al, 2010).

First, to make most of the flow of information and ideas. Local knowledge spillovers between firms in clusters provide them advantages, as efficiency is increased through mutual learning without financial compensations (Wenting et al, 2010). Second to reduce transportation and transaction costs as well as lowering costs of inputs, by having access to specialized suppliers within the cluster. Third, to benefit from the availability of a local pool of specialized labor as it lowers the search costs and improves the match between labor supply and demand (Wenting et al, 2010).

Along from Marshall, economists have generally acknowledged that agglomeration economies emerging from firms' spatial concentrations present economic



advantages (Simmie, 2004). Porter (2000) among others, suggests that clusters represent a new way of enhancing competitiveness in national and local economies and they necessitate new roles for companies. More precisely, he claims that a part of the competitive advantage can be found outside the company itself, in the location where the business units are based. The main reason why new enterprises tend to agglomerate in existing clusters rather than in isolated locations is to benefit from the cost efficiencies (Porter, 2000).

According to Porter's clustering theory "a cluster is a geographically proximate group of interconnected companies, specialized suppliers, service providers, firms in related industries and associated institutions in a particular field, that compete but also cooperate...The geographic scope of a cluster relates to the distance over which informational, transactional, incentive and other efficiencies occur" (Porter, 2000, p. 16).

In addition, Scott (2006) stresses that agglomeration economies have their roots in a big diversity of phenomena that can vary from networks, local labor markets, rivalry, trust, infrastructural facilities and knowledge exchanges among others. However, Scott (2006) instead of using the concept of agglomeration economies, he introduced the concept of the 'creative field' which "functions as a site of a) entrepreneurial behavior and new firm formation, b) technical and organizational change, and c) the symbolic elaboration and re-elaboration of cultural products (Scott, 2006, p.1).

It becomes clear from all the aforementioned theoretical approaches that the existence of a cluster can be seen as an opportunity to attract new entrepreneurs, since there the barriers to entry are lower and the potential to create more economic value from the pool of ideas and skills is bigger. Moreover, the existence of various potential customers, the established relationships that will occur soon and the presence of other firms that can act as role models can decrease the perceived risks of entry (Porter, 2000). Clustering can have economic advantages to the firm performance that is related to networking and the innovative ideas flowing in a spatial distribution (Glaeser and Kerr, 2009).

Clustering, in brief, helps to facilitate inter-firm activities and to enhance local labor market operations, by bringing different key actors into close contact and

communication with one another. Finally, it can be said that clustering not only reduces costs of both traded and untraded interdependencies but is also a source of self-reinforcing increasing returns effects (Scott, 2010).

### **2.3. Creative Clusters and New Business Formation**

It is important to note at this point that the main clustering theories mentioned above focus only on the industrial or commercial clustering rather than the agglomeration of art and creativity related activities and businesses (Durmaz, 2015). According to Lavanga (2004), these creative activities and services are becoming central assets of the contemporary urban economy and are part of the city's matrix. She adds that creative industries in general are typically labor-intensive, a fact that induce them to cluster in a place. They operate through a specific spatial logic with network interactions. Additionally, they are highly dependent upon the proximity of other firms, as it provides them with competitive advantage through knowledge exchange and networking (Porter, 1998; Scott, 2000).

As Comunian (2010) claims, one of the aspects that characterizes the creative infrastructure of the city, is the emergence of specific spatial structures that regulate and inform the environment that can be identified with the concept of Evans of creative clusters and creative quarters (Evans, 2009a). Evans (2009a) termed these agglomeration zones of artistic and creative production as creative clusters. These creative clusters can be located in the inner city, historic quarters, socio-cultural entertainment centers, museum quarters, multi-media and design districts or music and theatre quarters. Current literature on creative and cultural agglomeration has paid greater attention to planned creative districts than to cultural clusters that are emerged organically, as a result of grassroots activities led by local artists and entrepreneurs (eg. Evans, 2009a; Comunian 2010; Stern and Seifert, 2010).

In the literature of creative industries many authors articulate the same reasons for creative industries to cluster in the same area. Scott (2004) asserts that creative industries can benefit from inter-firm labor migration or informal contacts between members of different firms to increase information and ideas flow and creativity. Moreover, creative firms that are clustering in the same area may benefit from better availability and efficiency of local services (such as specialized schools, workers'

organizations and cultural facilities) and financial capital. The availability of specialized labor pools could also be an important reason for locating in a cluster (Scott, 2004). Creative clusters can provide entrepreneurs with a flexible workforce possessing expertise and creativity, low labor costs and high productivity (Hebeels and van Aalst, 2010).

Other authors have given more attention to the importance of social relationships within the cluster. In line with social network theory (Granovetter, 1985) these authors assume that clustering results from a combination of economic opportunities and social integration. More specific, they perceive creative clusters as contexts of trust, socialization, knowledge exchange, innovation and inspiration for creative firms and as safe shelter in an uncertain and competitive business climate. Concepts such as ‘something in the air’ and ‘buzz’ are used to express this flux of knowledge and socialization within a cluster. Agglomeration economies in this case can be seen as spontaneous information spillovers that stimulate creativity (Scott, 2010).

In short, creative /cultural agglomerations are geographic concentrations of cultural and creative activities and services, interconnected creative organizations, converged by different professions and creative talents. They have been demonstrated to have several economic benefits to both creative workers and firms, by increasing knowledge and ideas spillovers, and fostering innovative productivities. More recently Wenting et al (2010) with their research showed that co-location affects the economic success of a firm indirectly by facilitating learning through increased opportunities of socio-professional networking.

#### **2.4. Creative class theory**

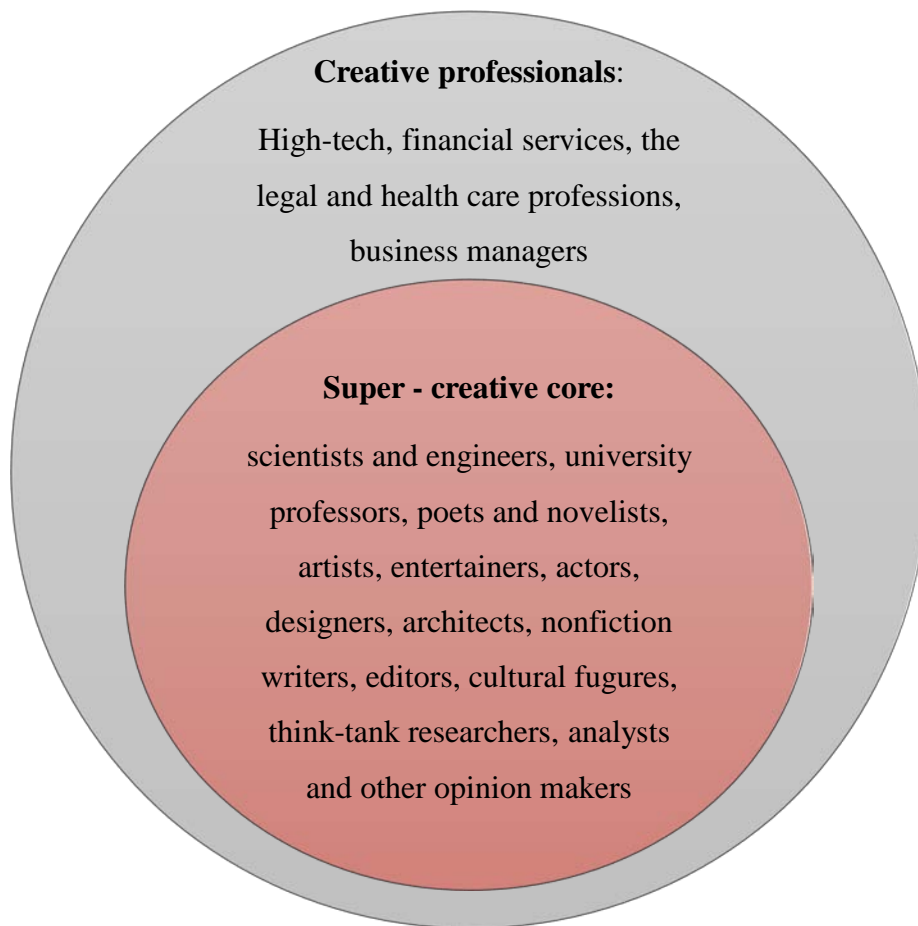
Apart from the role of cities as centers of innovation, urbanists and geographers have observed the importance of diversity and creativity as a key factor in city growth and development. The increasing importance of creativity, innovation and knowledge to the economy opens up the social space where more eccentric, alternative or bohemian types of people can be integrated into core economic and social institutions.

Jacobs (1969) was one of the first that has identified the connection between creativity, bohemian diversity and vibrant city life. Many other economic geographers and regional scientists have recognized the connection between cultural amenities,

human capital and innovative industries and have examined the role of cultural amenities in firm location and regional growth. Clark and Lloyd (2001) for example argue that amenities are a key component of modern cities, referring to this lifestyle-oriented city as an 'Entertainment Machine'.

Florida's theory on the so-called 'creative class' is one of the most known theory that promotes creativity as the key to economic and urban development and gives an alternative approach to the classical human capital theory. Florida's theory on creative human capital states that economic growth will occur in places where creative individuals are and not in places that have highly educated people (Florida, 2012). According to him, "members of the creative class come in all shapes, sizes, colours, ages and lifestyles" (Florida, 2012, p.282) and what connect them is the ability to create innovation.

Within this creative class Florida (2012) identifies two groups of creative individuals according to their occupation: the super-creative core and creative professionals. In the super-creative core of the creative class, are included occupations in arts, design, entertainment, computers, architecture and engineering etc., while in the group of creative professionals are included people who work in knowledge-intensive industries such as, management, business and financial operations, legal and health practices etc.



Model 1. Adapted from Florida (2012)

In his research Richard Florida (2012) proves that cities no longer should attract the industry but rather focus on creative and knowledge based occupations that will drive to economic growth and attract creative people. Even though this idea is a more occupational than industry approach, the theory is evolved around the human capital employed in creative industries. In his approach Florida (2012) implies that the knowledge-workers should not be judged by their level of education as is happens in the classical human capital theory but instead by the occupations they hold.

In his Bohemian Index, Florida (2012) includes all those creative occupations (authors, designers, musicians and composers, actors and directors, craft-artists, painters, sculptors and artist printmakers, photographers, dancers and artists, performers and related workers) that will drive to economic growth and offer more opportunities for social and cultural interaction within the urban context.

One of the main criticisms that Florida's theory has received is that the concept of 'creative class' seems to be defined in a somewhat vague way, without explicitly recognizing a link to the well-established concept of human capital (Glaeser, 2005). However, further criticism on this point is not discussed in this study since it is not one of the main research objectives. It is important to note though, that Florida himself – and co-authors – in some of their more recent contributions (e.g., Florida et al., 2008; Mellander and Florida, 2007) did recognize the need to better explain in details the relationship between creative class and human capital (as cited in Comunian et al, 2013).

### **2.5. Quality of place and the needs of the creative class**

In accordance with the aforementioned and in order to get a better understanding of the new economic geography of creativity Florida (2012) suggests that the presence and the geographic concentration of the so called bohemians in an area can be achieved when a city can offer a high 'quality of place'. Furthermore, the author claims that the attractiveness of a city can be achieved through the enhancement of three basic elements, the so called 3T's – Technology, Talent, Tolerance (Florida, 2012). He adds that each of these elements is a necessary but by itself insufficient condition that a place must offer for innovation and economic development. A high quality of place that consists of a positive atmosphere, well-maintained public space and a large variety of urban and cultural amenities are key factors when choosing to locate to a place (Florida, 2004).

To get more into details, Florida (2012, p.p.280-281) defined 'quality of place' as "a unique set of characteristics that define a place and make it attractive". Three dimensions concerning the measurement of quality of place can be summarized as: What's there, Who's there and What's going on there and are best described as following:

*What's there:* describes the combination of the built environment and the natural environment, suitable for the growth of creativity.

*Who's there:* relates to the the diverse kind of people, interacting and providing signals (of openness) that anyone can plug into and make a life in that community.

*What's going on:* refers to the general vibrancy of street life, café culture, arts, music and people engaging in outdoors activities – altogether a lot of active, exiting, creative endeavors.

What is more Florida (2012) recognizes that if a place shares the above characteristics then the presence of the creative class there can slowly create a milieu that follows an openness to innovation and creativity. This milieu can attract other types of creative and talented individuals that will lead in turn to the clustering of other creative and innovative forms of economic activity. According to Landry “A creative milieu is a place where face-to-face interaction [among a critical mass of entrepreneurs, intellectuals, social activists, artists, administrators, power brokers or students] creates new ideas, artefacts, products, services and institutions and as a consequence, contributes to economic success” (Landry, 2000, p.133).

Florida (2012) claims that are two main reasons behind this tendency to cluster in a creative milieu. Firstly, such places possess some basic characteristics that allow individuals, including entrepreneurs, to quickly use resources. And secondly, these places are oriented toward self-expression and openness to experience, which are key characteristics of entrepreneurial behaviour in accordance with psychological studies. In specific, he discovers some main features that draw creative individuals to some places rather than others – thick labor markets, lifestyle, social interaction, diversity, authenticity, identity and quality of place as described above.

In order for places to be attractive to the creative class they should offer a ‘thick labor market’ that will give to creative individuals a variety of employment opportunities and would allow them for a frequent switch of workplaces. Moreover, ‘lifestyle’ according to Florida (2012) plays an important role in making a place attractive. The presence of various scenes (cultural, art, music or technology) and a vibrant nightlife represent the lifestyle of a city/place. Apart from this, the importance of ‘social interactions’ – usually taking place in the café culture or the so called ‘third places’- in the community is highlighted by Florida (2012) as a crucial appealing factor for the creative class.

Among others, ‘diversity’ (the mix of different kinds of people, ages, ethnic origins, sexual orientations or appearances) in the community is a sign of a place that is open to “outsiders” and where anyone can feel comfortable within different groups of people

with diverse backgrounds, cultures and ideas (Florida, 2012). Last but not least, places are valued for their authenticity and uniqueness, which can be expressed through historic building or distinct cultural attributes of a neighborhood. Place can be a source of status, which is a reason why creative individuals choose to find their identity in relation to the place and desire to get involved and the shape the community and the city they live in (Florida, 2012).

These are among others some of the qualities that appeal to creative individuals and happen to be also qualities conducive to innovation, risk taking and the formation of new businesses. Quality of place can be seen as an interrelated set of experiences and an ongoing dynamic process that engages different aspects of a community (Florida, 2012). The gathering of people, companies and resources into specific places with specific characteristics engenders efficiencies and innovations that can foster the economic growth (Florida, 2012). But is it only this quality of place that will provide the creative atmosphere they need to live, work and leisure?

## **2.6. Conceptual Framework**

For the implementation of this research, it is essential to establish a conceptual framework that will serve as guidance and will enable the identification of the key locational factors that will occur in the examined topic. Understanding how cities can provide a positive environment for creative individuals and firms to achieve their creative objectives has become an important issue on today's economy. The aim of this study is to explore more in depth the perception of creative individuals on specific socio-spatial aspects of the urban context and to analyze the dynamics that foster the agglomeration of creative firms in the city center of Athens, the analysis of these factors is an important part of the research.

According to Moriset (2014) new more flexible workplace options such as co-working spaces, creative hubs, incubators and start-up accelerators have been introduced in the urban context. Regardless of these changing working patterns in creative industries, research on the role of locational factors for workplace decision on part of creative entrepreneurs is still limited. To fill this gap in the literature it is important to gain insight on the locational behavior both on city scale and workplace scale.



In this research, creative firms and a Creative Incubator (Romantso Creative Hub<sup>2</sup>) that already involve a certain degree of recognition in Athens are approached to serve as the case studies for the research's main objective; that of identifying their locational behavior and those socio-spatial factors that attract and retain them in a place.

*The present research is mainly built upon the logic that between (creative) businesses and place, exists complex interconnections and a balance of different factors (Communian et al, 2010).*

This issue has been approached in the economic literature with the use of traditional theories on creative activity. Cohendet et al (2010) claim that on the base of these theories positive externalities could emerge either from the proximity between creative and skilled individuals (as suggested by Florida, 2012), or from the proximity of interrelated firms (as suggested by, Caves, 2000; Porter, 2000). Researchers analyzing locational factors of the creative industries are on an ongoing debate between these two theories and so far the debate is still unsettled.

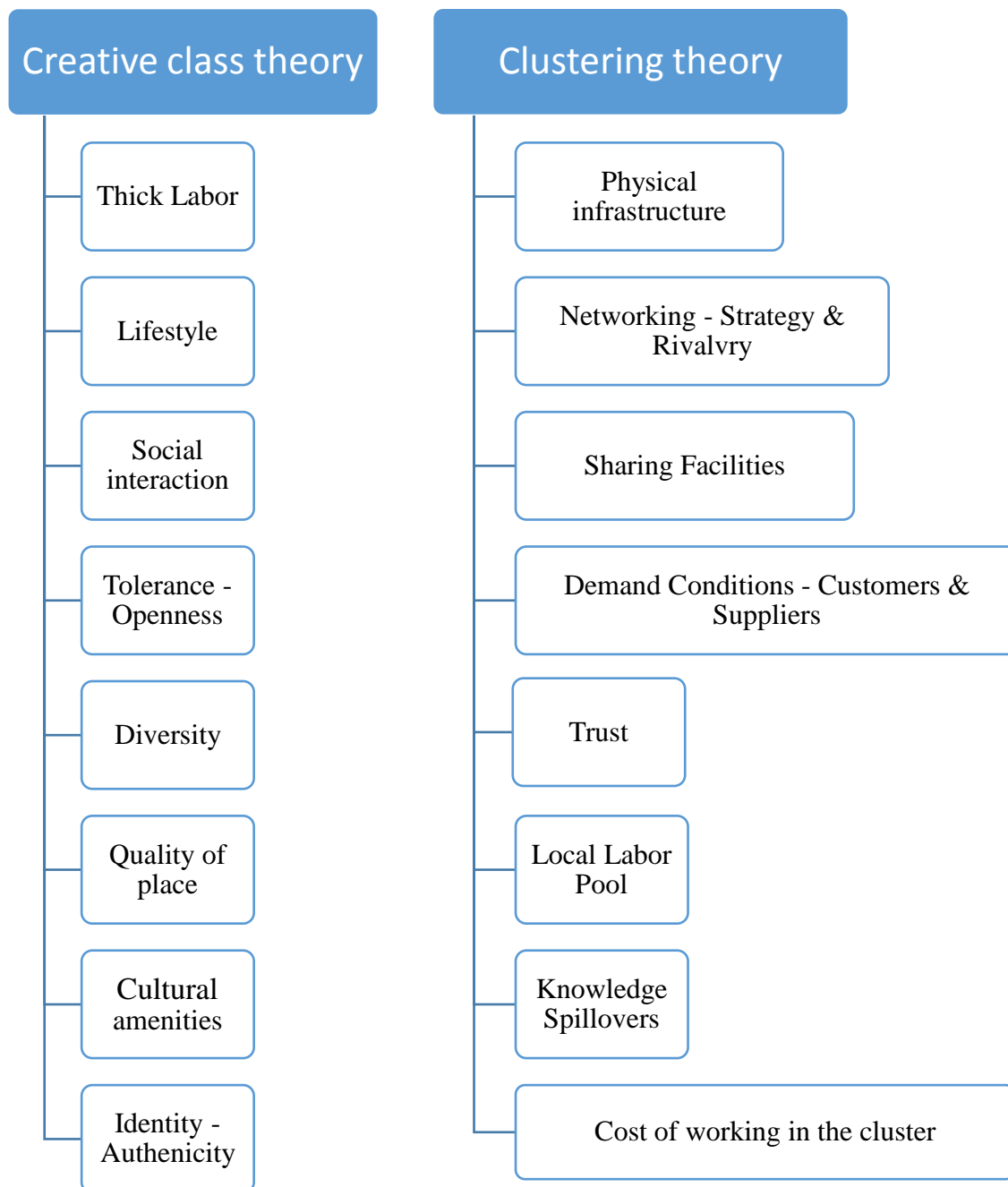
A conceptual frame of the main locational factors/determinants that occur from those two basic theories and may affect the locational behavior of a creative entrepreneur are presented in Figure 1. According to this conceptual frame and in relation to the “creative class theory” some of the locational determinants that can affect locational decisions are thick labor, lifestyle, social interaction, tolerance and openness, diversity of people, quality of place, cultural amenities and identity. While the factors/determinants that emerge from the “clustering theory” refer to physical infrastructure, networking, sharing facilities, demand conditions, trust, local labor pool, knowledge spillovers and cost of working in a cluster among others.

---

<sup>2</sup> **Romantso Creative Hub** is a platform that welcomes, establishes and professionally activates young creatives within the broader landscape of the arts. Based in the historic building of Romantso magazine in the center of Athens, new business creative teams, with artistic, educational and new technology focus, are hosted in studios – work spaces and operate in the building. In addition, Romantso hosts exhibitions, concerts, performances, collective actions, workshops and seminars.

The creative hub provides premises to new creatives, but also offers a wide range of services and advisory activity, vital for the start of every new entrepreneurial activity. The start-up companies based in Romantso's premises operate within the wider creative industry sector, including areas such as architecture, graphic design, fashion, design, photography, publishing, visual arts, new media and technologies, amongst others. The main goal looks toward the successful new business development aiming toward independence from the hub and establishing them as viable businesses. (source: <http://www.romantso.gr>)

**Figure 1. Conceptual locational factors of creative firms**



*Source:* Researcher's construct

All in all, the most important factors for attracting and retaining creative employees and employers in a specific place can be divided into hard and soft factors, a division addressed as creative infrastructure by Landry (2005). The former ones are

more traditional and linked to economic rationale, e.g. infrastructure, transportation networks, supply and demand conditions, cost of working in that place (tax regulations, real estate prices, etc.), while the latter ones refer to the attractiveness and quality of the place, tolerance and openness, diversity of cultural and leisure activities available, social interactions etc. (e.g., Bontje et al., 2011, Musterd & Murie, 2010). While some of these factors are more attraction than retention factors, for the creative firms already carrying out their activities in a certain place, most of the factors mentioned should appear important according to the theory (Rozentale, 2012).

As stated by Comunian et al. (2010), the relationship between location factors and the workplace is linked to the life-cycle of creative businesses, from their start-up phase to their ability to grow and mature. Different creative entrepreneurs perceive and experience different levels of ‘embeddedness’ in relation to local infrastructure, social networks, urban amenities and markets. The authors suggests that more attention needs to be placed on trying to understand the positive and negative aspects of a place not only related to its infrastructure or image, but also in reference to the networks and market dynamics that it can offer to facilitate the creative sector (Comunian et al, 2010).

Drawing on the stream of this conceptual framework, the following analysis will address the phenomenon of firm agglomerations and clustering in the creative industries so as to subsequently explore how and if cluster theory and creative class and urban amenities theory is related to creative entrepreneurs in the city of Athens.

### **3. EMPIRICAL SETTING**

#### **3.1. Why Athens?**

Cities represent today the most favorable space for the development of initiatives that foster the creative economy. The Greek urban system is characterized by the primary role of Athens as the biggest metropolitan center. Athens dominates the cultural scene by concentrating almost all the important cultural institutions, infrastructure and major events and cultural and creative industries (Konsola & Karachalis, 2010).

Especially in the city center it can be observed an emerging clustering phenomenon of the creative industries. The city center districts accommodate relatively more firms in creative industries than do other districts within the city. Being the capital of Greece, Athens has a predominant role in the economy and the geography of creative industries, since it produces 85% of goods and services and has approximately 50% of total GDP of the creative sector in the country. On one hand this illustrates the intense tendency of creative industries to cluster in Athens, on the other hand it shows the high geographical inequality that characterizes the creative industry in Greece (Avdikos, 2014).

Athens is a city that the last years is characterized by a rapidly emerging creative economy. The economic crisis followed by the market uncertainty seems to provide the right conditions to reinvent the city and to foster economic growth through creativity. While still being in crisis, the city is in a constant state of creative and cultural rejuvenation. The economic and touristic power of the city does not rest only in its ancient history, but also in a new cultural space that is growing day-by-day.

In accordance with Avdikos (2014), an important observation concerning the employment in creative industries in Athens, is the gradual increase of self-employment and the appearance of creative teams after the first two years of the international crisis of 2008. Creative minds are constantly in search for new ways to response to the challenges of the crisis. New business ideas and modern enterprises are emerging in the streets of the city center of Athens, forming informal creative clusters.

Many creative businesses tend to be clustered in certain areas of Athens, something that is a result of historical path-dependency so as to gain from the economies of localization (Avdikos, 2014). This creative force that has emerged the last

years appear to be highly flexible and able to adapt or (re)start businesses, since it is made up of micro-entrepreneurs and freelancers with flexible working patterns (Romein & Trip, 2011). It seems that the creative sector is less vulnerable and has responded favorably to the economic crisis with creative services and activities increasing their weight in the region and reflecting the importance of the demand for intermediate services that are transversal to the economic activity in urban areas (Andre & Vale, 2011; Romein & Trip, 2011).

Souliotis (2013) claims that the inner-city area of Athens has had always some characteristics that determined it as a creative pole: a) historically, the center of Athens was the place with the most cultural infrastructures, b) the neighborhoods around the city center (Psyri, Gazi, Kerameikos, Metaxourgeio) offered a combination of low-rent and real estate price and properties, a capability very important for specific audiences with specific preferences, c) the center of Athens bounced back since the 1990s, due to the increased purchasing power of residents of Athens at that time.

The city center of Athens is a triangular territory of mostly small firms and ancillary activities bounded by Stadiou Street, Ermou Street and Piraeus Street (Fig. 2). This territory has been always associated with commercial businesses and activities and conforms to the model of an inner-city economy, including not only clusters of leading edge industries and firms, but also a full range of high-consumption outlets, complementary institutions and social organizations and environmental amenities (Hutton, 2004). Social interaction in the area is facilitated by the streetscapes within this triangular territory that include a variety of bars, restaurants, galleries, theatres etc. The place is closely related to bohemian life and art and is accommodating many artists and creative industry firms that tend to move the one close to the other.

**Figure 2. Athens city center**



Source: [CITY ISSUE](#) *Urban Theory, articles and research*

## **4. RESEARCH METHODOLOGY**

### **4.1. Introduction**

In the previous chapter relevant theoretical concepts and factors that may influence the locational behavior of creative firms have already been discussed, in order to integrate the existing literature in this research. As Bryman (2012) stresses, the literature review is a useful step in the research process as it helps to learn from other researchers' methodological and other lapses of judgment.

In this chapter I will focus on explaining my empirical setting and further discussion on the research question will be presented. Directly after that, the unit of analysis will be identified so as to give place to the details about the research methods and data collection and analysis. Finally, the limitations that occurred during the research will be further discussed.

### **4.2. Research design**

The research question of this master thesis is formulated as: *“How do creative entrepreneurs in Athens choose and evaluate their location?”*

Research design should be in accordance with the objectives of the research (Bryman, 2012). Since the purpose of this research is to collect and understand the opinions and perception of creative entrepreneurs related to their location, a qualitative research with an inductive approach that focuses on the subjective interpretation of the situation was used. Due to the fact that an inductive approach was used, which in accordance with Bryman (2012) involves gathering data in order to establish a theory, there is no hypothesis developed in terms of the expected findings.

The qualitative approach allowed for inductive reasoning and gave the chance to the respondents to express their opinions in nuance and detail, which led us to gradually unveiling their location decision processes, also particularly related to the case of Athens. A quantitative approach could have had benefits as well. A larger sample for example would have been more reliable, since it would have given the opportunity to look into more creative sectors within the creative industries and their location decisions.

The interviews were not designed to generate representative results in the statistical sense, but rather to enhance understanding of the role of the local environment for entrepreneurs in the examined creative services and activities (Heebels & van Aalst, 2010). The research design represents a cross-sectional case study design, which means that the data was gathered at one point of the time –April and May 2016 – and concerns the case of Athens city center.

#### **4.3. Research methods**

According to Bryman (2012), research methods are the techniques used to collect data. Thus, in order to answer the research question and the sub-questions that come from it (as mentioned in Chapter 1), qualitative research methods, in the form of semi-structured interviews with creative entrepreneurs located in the city center of Athens and a type of participant observation within the researched area, were utilized.

I view the location decisions of creative entrepreneurs as consisting of both their location decisions at the time of settlement and their current implicit or explicit decisions to remain located in their district. The interviews subsequently addressed both topics (Smit, 2011). While generalization of the findings may be limited, the main objective was to have in-depth interactions with selected creative entrepreneurs in order to explore patterns of location decision among those people. Therefore, interviews are particularly suitable in this context.

A total of twelve face-to-face, semi-structured interviews - each one of approximately 40-45 minutes duration - was conducted, 6 of which were located around the historical city center of Athens and 6 in Romantso-Creative Hub, located as well in the city center. The data have been collected at one point of the time – Between April 2016 and May 2016 and the interviews took place in the physical place-office of each interviewee. All interviews were in Greek, since it was more efficient both for the interviewer and interviewees and were recorded and then transcribed and translated (the most crucial parts) in English. Two more entrepreneurs – one jewellery designer and one working in advertising services– were approached to participate in the research and despite the fact that they accepted to do so, eventually they never participated due to heavy work load.



The interviews were open-ended and semi-structured and were designed to collect data primarily on a) the history and activities of the enterprise and the relationship between the worker and the enterprise, b) the relationship between the worker and the locality as perceived by the worker and c) the spatial extent of the networks created and used by the worker and the enterprise. It was felt that such interviews would provide an insight into the diversity of forms of creative entrepreneurial behaviour in relevance with their location decisions (Drake, 2003)

Moreover, it could allow the researcher to be more flexible with the order of the questions and reformulate them at the time of the interview according to the level of understanding by the participants and to the flow of the speech.

In terms of structure of the interviews, they were formed in three main groups of questions (see Appendix 1.). The first group of questions aimed at getting some general information about the firm regarding its history, activities and the production. Moreover, asking questions about the location decisions of the interviewees and the perception they have about their location, aims at establishing a list of determinants that attract creatives in a specific place.

The second group of questions focuses on the social dimension of the location and the relevance attributed to the networks (relationship to other creative and non-creative firms and entrepreneurs) that might occur there. The answers of the second group in combination with the ones of the first group, resulted in the emergence of a new list of locational determinants (symbolic and utilitarian), as perceived by the creative entrepreneurs of Athens.

The last group of questions is related to the locality as a brand based on tradition and reputation and ends up with a general question on the cultural policy and the current initiatives taking place in Athens to support the development of creative entrepreneurship.

#### **4.4.Sampling - Unit of analysis**

In order to carry out an effective and efficient research it was essential to define the population of the study. From the research question it can be understood that this research focuses on creative entrepreneurs. Within this study, I define creative entrepreneurs as owners of firms in commercial creative sectors. As the dynamics of creative industries are quite different and because of the variety that exists in the industry, this research focuses only on those creative services and activities that are taking place in the city center of Athens. These services and activities are involved in producing mobile cultural products, such as visual arts, architecture, specialized design and media services, which can even have global market reach (Smit, 2011).

Regarding the type of the selection of interviewees that was employed, in order to study how specific entrepreneurs in the creative business service sector choose and evaluate their location according to their values and experiences, a purposive sampling logic was followed.

Taking into account the location in the physical space of the city, the focus of the research is more on the districts of the city center that have a high concentration of creative firms, but that were not institutionally designated as cultural production districts (Smit, 2011). The inner-city district of Athens has attracted little planned investment and yet it has spontaneously become a creative quarter, mixing entertainment, consumption and production spaces, mainly characterized by micro and small enterprises and organizations (Lavanga, 2004).

In this context this study tries to analyze the characteristics of place at the micro-scale, focusing on the neighborhood level rather than on the metropolitan level (Durmaz, 2015) and the level of workplace. However, apart from the enterprises used for the research, the mapping of creative firms in the whole area is not intended in the current study, a fact that gives space for future research.

The entrepreneurs selected are those who have created, manage or own a micro<sup>3</sup> or small-scale enterprise and are located to the city center of Athens about 3-5 years ago. The main aim was to interview only those people who had specific knowledge about their firm's location decision in order to identify and understand the cluster-specific

---

<sup>3</sup> For the investigation the OECD definition of a micro enterprise employing 1-5 people has been adopted.

dynamics that exist in the area (Durmaz, 2015). More interviews were secured with the snowball effect of recommendation. The profiles of these individuals are presented in Appendix 1. More precisely, the population of my interviewees (Table. 1) is composed of entrepreneurs active in the creative sub-sectors of Advertising, Architecture, Photography and Design.

**Table 1. The number of respondents per subsector in creative industries**

<b>Subsector in creative industries</b>	<b>N</b>
Advertising Agencies	2
Architects	2
Interior Designers	1
Graphic Designers	2
Jewellery Designers	1
Fashion Designers	2
Photographers	2
<b>Total number of interviewees</b>	<b>12</b>

*Source:* Researcher's construct

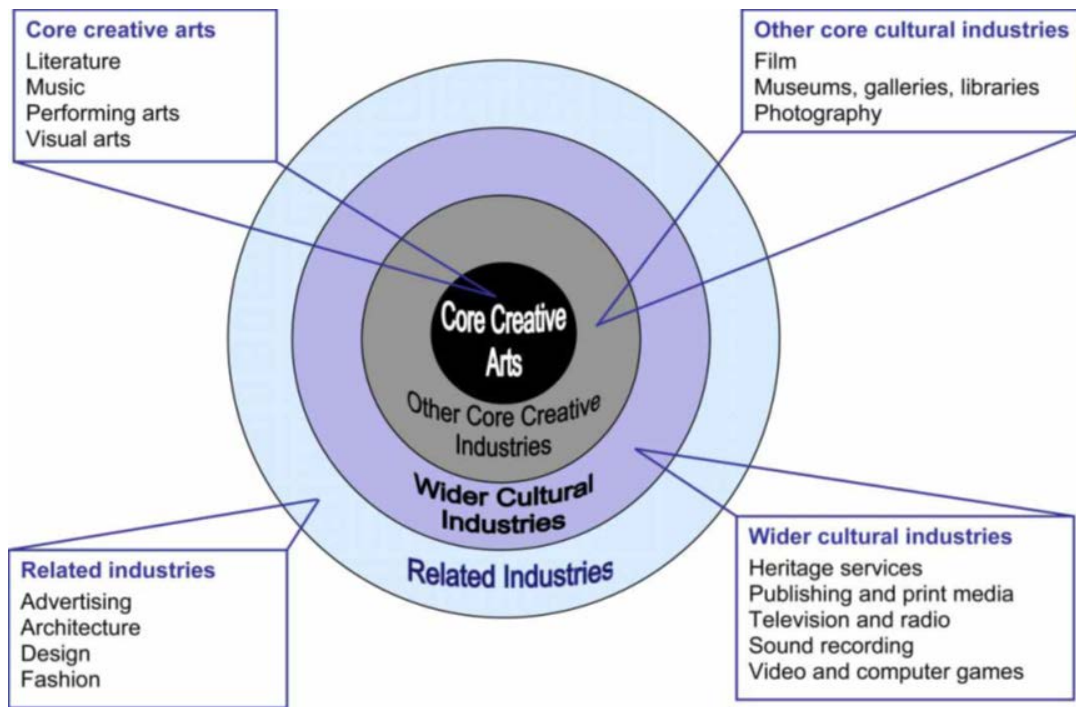
All these industries are included in the subsector 'Creative Business Services' (Table. 2) according to the classification applied by Manshanden et al. (2005) and Throsby (2008) with his concentric circles model of cultural industries (Fig.3).

**Table 2. Creative Business Services and Activities**

<b>Creative Business Services and Activities</b>
Advertising and Marketing – Advertising Design and Advice Agencies
Information and Technology
Architecture and Technical Design – Consultancy on technical design, urban construction and landscaping
Design – Interior, Fashion, Industrial, Jewellery, Textile etc.

*Source:* Researcher's construct

**Figure 3. The concentric circles model of the cultural industries.**



*Source:* Abstracted from Throsby, 2008

Thus, as Smit (2011) cites this definition includes creative sectors included in principal studies using an industry approach (such as Kloosterman, 2004; Pratt, 1997; Scott, 2000, 2004) or an occupational approach (such as Markusen et al., 2008). While I use the term ‘creative entrepreneur’ to point out that my interviewees are not only artists but also have business obligations, I still use the term ‘cultural products’ and ‘cultural production districts’ to differentiate the creative sector from other sectors that produce goods with less symbolic and aesthetic value (Smit, 2011).

As suggested by Yin (2003), a fact sheet for each of the entrepreneurs interviewed, comprising the profiles and the contact details of them was prepared. The fact sheet preparation was based on the information gathered during the field work, the information provided by the interviewees, through an email or telephone and through reviewing their websites. This database was used when approaching the firms and as an effort to map the district. Moreover, the research applied the method of direct, close

observation of urban life based on personal urban experience during my stay in Athens and my daily involvement in the Athenian society during my bachelor studies. Observation on the urban life were part of the overall selection process (Durmaz, 2015).

#### **4.5. Data analysis**

After the gathering process of the data, all the interviews were transcribed and analyzed by means of open coding process and thematic analysis (see Appendix). Through the coding process it was attempted to label the answers so as to identify the key aspects and link together the interviews. By breaking the data down into first level concepts and second-level categories of answers, the purpose was to discover patterns and draw conclusions about the locational behavior of the creative entrepreneurs (Babbie, 2009). Finally, the data analysis is accompanied by a data table that served as a framework approach for the thematic analysis. The data table was an index of central themes and subthemes which were represented in a matrix that closely resembles an SPSS or EXCEL spreadsheet (Bryman, 2012). The above process was an effective way to organize the results and then proceed to the discussion.

The coding process resulted in the transcribed interviews being coded according to the categories such as Clustering (determinants of location decision, advantages and disadvantages of location), Quality of place and creativity (visual stimuli, cultural amenities) and Networks (links among the firms, local interactions). This was accompanied by maps of the urban context of the city center of Athens, in order to visualize the case of the study.

It is important that the qualitative data are related to the testing of theories analyzed in the theoretical framework (Bryman, 2012). Even though it was not the initial method, the grounded theory method was used and became significant at later stages of the research. It helped me to inform some theoretical ideas as they emerged from the interviews and to contextualize the significance of the findings (Bryman, 2012).

#### **4.6. Quality of Research and Limitations**

It is difficult to assess the reliability or in other words the repeatability of this research in advance. According to Bryman (2012) this is a difficult criterion to meet in a qualitative research, since it is impossible to replicate a social setting and the

circumstances of a study. Moreover, since the purposive sample of the interviewees covered only a small percentage of existing creative firms in Athens, the findings of the study cannot be generalized to the whole population of creative entrepreneurs in Athens. Nevertheless, a lot of freelancers engage in the creative activity rather sporadically without advertising themselves via internet thus making it hard to identify them.

Additionally, the findings cannot be generalizable across different social settings, since they occurred based to a specific case study, that of the city center of Athens. The establishment of the credibility of findings entails both ensuring that research is carried out according to the canons of good practice *and* submitting research findings to the members of the social world who were studied for confirmation that the investigator has correctly understood that social world (Bryman, 2010).

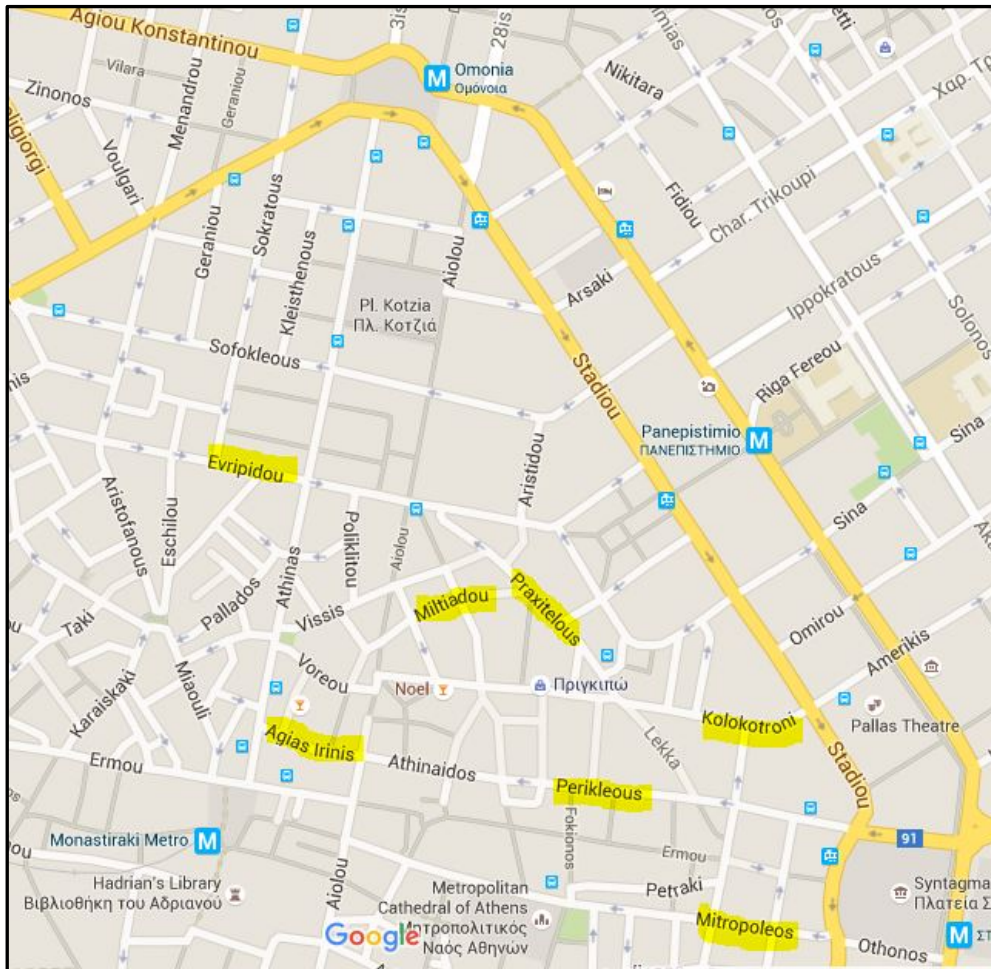
## **5. FINDINGS**

### **5.1. Introduction**

This chapter presents the findings from the interviews and analyze them in order to explore the link between them and the theory. The findings illustrate the characteristics and the attractiveness of the historical city center of Athens from the perspective of two groups of creative entrepreneurs. The first group concerning with creative entrepreneurs that are dispersed across the streets of the inner-city district and are creating specific concentrations in the area. The second group of interviewees is concerned with creative entrepreneurs located in Romantso which is a Creative Hub in the heart of the city center as well (see Appendix). Both empirical settings can be seen as inner-city creative hotspots, since many creative firms are densely clustered there. Particularly, they appear concentrated within specific streets (Evrpidou street, Kolokotroni street, Praxitelous street etc.) of the old commercial district (see Fig.1), where more and more entrepreneurs would like to locate.

The research undertaken in the city center of Athens has revealed a variety of interdependent factors that define the competitive advantage of specific inner-city districts for new business formation in creative industries. In particular, the research findings seem to be in line with Durmaz's (2015) empirical analysis of the creative clusters of Soho and Beyoglu. Both findings prove that there is not only one prevalent factor, but an overlapping of many different factors, including physical, socio-cultural, economic and perceptual characteristics of the place that support and describe the agglomeration of creative entrepreneurs in a specific place. However, it is not only clustering and co-location but also networking that give value to the specific location for those creative entrepreneurs. As discussed in details below, the study indicates that a combination of different elements contribute to the complexity and the creative atmosphere of Athens city center and make it a valuable location for all the respondents.

**Figure 3. Map of Athens' inner city creative district**



*Source:* Google Maps

The interviews produced four main categories of tangible and intangible elements/determinants that may affect the location decision of creative entrepreneurs: economic, socio-cultural, physical/spatial and perceptual determinants. This main categories we built from the sub-categories that emerged through the interviews (see Table.3).



**Table 3. Determinants of locational behavior of the creative entrepreneurs in the inner-city district of Athens**

<b>Determinants of locational behavior</b>			
<b>Economic</b>	<b>Socio-cultural</b>	<b>Physical/Spatial</b>	<b>Perceptual</b>
Proximity to customers	Face-to-face interaction	Centrality	Place attachment
Proximity to suppliers/raw materials	Feedback – Support - Ideas exchange	Accessibility	Authenticity
Proximity to co-operation partners	Café culture and Cultural activities	Spatial proximity - Walkability	Identity
Knowledge spillovers	Tolerance - Openness	Proximity to home	Sense of community
Sharing facilities	Diversity in Lifestyles	Spatial diversity - Mix of old & new buildings	Look & Feel - Atmosphere
Rent	Trust	Visual stimuli	Tradition - Nostalgia
Transportation cost			Place as brand name

*Source:* Researcher's construct

### **5.2. Economic Factors**

The first part of the research resulted in identifying all those factors related to economic rationale that makes a place attractive for the creative entrepreneurs. When the participants of the research had to make a decision on the location of their firm, they had to consider all the economic benefits, reflecting on cost and productivity. Thus among the first significant key factors that those creative entrepreneurs are considering in their location decision is the price of the rent and the proximity to local market and customers.

Overall, nine (9/12) of the interviewees expressed the importance of low rents that attracted them into locating in the city center of Athens. More specific, those located in Romantso – Creative Hub seem to benefit in the rental price from the sharing facilities, since there they could rent a co-working space and share the rent with two or three other individuals.

Respondent 5: “This place (Romantso – Creative Hub) can help for sure all the young entrepreneurs, it offers a good working space where you can work effectively and a lot of sharing facilities in a very good and low price. You can hardly find such a thing anywhere else”.

However, three (3/12) of the interviewees stated that they moved to their current location even though the rent was higher than their previous location, because they were unsatisfied with it as in one case it was in an isolated street where no one was passing by and in the other cases the location was too far from the city center.

Respondent 10: “My previous location was in a small hidden street not so far from here, but still no one was passing by there and I was the only shop, there were no cafes, no other shops nothing, so after two years there I decided to move here, even if it is more expensive. Now I think I am in a commercial location”.

Among the economic factors, proximity to the local market and customers are considered to be another attractive locational condition of a place. Entrepreneurs (8/12) from both the incubator and the dispersed creative firms in the city center, admitted that they wished to access more customers/market by locating there. Those who have a more business to customer (B2C) oriented firm stressed the significance of being in a hot spot like the city center, which is a hub for tourists. All these tourists are their potential customers and it is important for them to get this proximity.

Respondent 9: “The first thing to think about, before moving to a place is the proximity to customers, to find the place where people would pass by more often, a place that will be a hub of crowds...our location is like that, we are in the heart of the city center and especially in the summer time (from May to October) a lot of tourists come in this area, this is very important for our business”.

Respondent 10: “A big part of my customers are tourists, I believe that this is a key location, I am close to Syntagma Square where people pass by all the time and there are many hotels as well”.

Nevertheless, not all entrepreneurs agreed that proximity to customers is an appealing location factor. Four (4/12) of the respondents – those related to digital creative agencies and architects – did not suggest the proximity to customers/market as a key driver to move to the city center and more precisely to Romantso – Creative Hub.

Respondent 5 – a visual and communication designer – implied that their agency works on a project basis and that many of their clients are in different places around the city, the country and sometimes not even in Greece. He stresses that one of their biggest customer is in the USA, so to say that Athens and the city center it is just the workplace while the agency accomplishes projects nationwide and internationally. This information implies that locational factors should be analyzed from case to case, since not all the creative firms function in the same way.

Respondent 11: “Look there are two categories of businesses, we belong to the B2B (business to business), which means that our products and services are addressed to other business and not consumers, we will make a magazine for a client, but the client does not come in here or if he does it will be only after an appointment or to attend an event related to the his business, [...] the rest of the firms that are located here and are more B2C (business to consumer will be benefit more from the proximity to customers and will help them a lot with their business”

Among the factors related to economic rationale, none of the interviewees stressed that the reason of moving to the city center or to the creative incubator (located as well to the center) was the proximity to labor market pool since most of them are micro enterprises managed by one or maximum three people that do not need potential employees. However, they recognized that co-location and the presence of a thick labor market indirectly increase and facilitate opportunities to gain socio-professional networking and knowledge exchange.

By locating in the city center of Athens they develop networks within the neighborhood but also with people outside it. Most of them agreed that networking is essential to build an effective business, especially in the creative circles. Proximity to co-operation partners appear to be a location driver mainly in the case of Romantso – Creative Hub, where the entrepreneurs located there expect to build a close network with the other creative workers. In the case of Respondent 3 – director of a creative office – he mentions that during his stay in Romantso he has already collaborated with almost all of the creatives located in there. It should be mentioned though that co-operation should not be only a result from co-existence but a way of living, an existential issue, as Respondent 3 explains.

Respondent 3: “Co-operation is one of the biggest values in life, an existential issue, but unfortunately is something that you can hardly find in Athens. Almost everyone in the city prefers to act on his/her own, autonomy as a way of thinking exists a lot. But in the incubator, people are different, are more opt to co-operate with each other”.

Local opportunities for co-operation were not considered important for one of the respondents – a fashion designer – as she considered herself more as a ‘lone hero’ that does not take into account the competition or the co-operation that might occur in the area.

Respondent 10: “I am a very introverted person, I don’t look at such things, I don’t seek for co-operation with other designers or fashion schools, I just mind my own business and do my things”.

Beyond the opportunities for co-operation, the place where the interviewees are currently located in most of the cases, provide them the chance to exchange knowledge and information with the other entrepreneurs around them. This knowledge spillover though seem to be more applicable in the case of the Romantso – Creative Hub. It can be noticed that the incubator offers a creative environment to the tenants, by selecting them carefully so as to provide a diverse and creative buzz and amplify the knowledge spillover effect.

Respondent 9: “In Romantso you can get the maximum in the knowledge and ideas exchange. You are surrounded by other creative individuals that work in related to yours jobs, so you can help each other by combining your knowledge and get the desirable outcome”.

The importance of location as a place of networks of course can change according to the entrepreneur’s stage of development. Almost all of the respondents pointed out that during the start-up phase of their business they had a strong need for feedback and co-operation with other entrepreneurs but also with friends and acquaintances in their direct environment. When entrepreneurs become more established, they seem to want to replace these networks by networks on higher levels of scale such as other neighborhoods within the city or on an (inter)national scale.

Respondent 5: “We would like to get in touch with tech companies located abroad and extend out networks for example to San Francisco which is the community of all the tech start-ups”.

Networks within the same district or even the same building seem particularly important for the starting face of the entrepreneurs. However, networks are still a crucial condition for many entrepreneurs during all stages of their development. Networks on the city level are used by them to contact with other entrepreneurs or cultural gatekeepers, to exchange new ideas and build up a reputation. While, national and international networks are important in creating a market for products and co-operating with partner firms (Heebles & van Aalst, 2010).

Looking at the fashion and interior design firms more specifically, it can be observed that proximity to key suppliers and raw materials is of high importance for the designers. This is closely related to the transportation cost as well. The fact that the city center of Athens is full of small shops of seamstresses, fabric merchants and small suppliers of buttons, ribbons and other accessories is an attractive location factor according to one of the interviewees - an interior and textile designer. Another interviewee – a fashion designer – claimed that one of the reasons of relocating from the previous place was the distance from her suppliers. She had to pay extra money on the transportation of the materials and final products.

Respondent 8: “From the beginning I knew that my workplace would be in the city center, because here I can find everything, shops with yarns, necessary tool for weaving and all the suppliers of my materials are located in the center. You just have to walk around the building to find narrow streets full of materials, streets with leather shops, button shops, textile shops and everything else you could imagine...”

Respondent 2: “All our suppliers are located in this area, in the old commercial triangle, in every block of flats around us you can find suppliers, either on the ground floor or on the floors, everyone is here”.

Nonetheless, for the rest of the interviewees whose job is more tech - media and digital related, proximity to suppliers and raw material was not important at all as a location driver to a place. It appears again to be the case of the very specific characteristics of the job of each creative entrepreneur that play an important role in their locational behavior apart from the factors mentioned above.

### **5.3. Socio-cultural Factors**

The socio-cultural factors that exist within the creative community of Athens seem to have a direct effect on the locational behavior of the creative entrepreneurs of the study. The interviewees highlighted the importance of community's characteristics such as face-to-face and social interaction, feedback and trust, high levels of tolerance and openness, diversity of lifestyles and ethnic backgrounds and the presence of cultural amenities and café culture.

Most of the interviewees seemed to recognize the opportunities and the importance of the neighborhood as a place of informal exchange where they could get feedback and exchange ideas with each other. They agreed that by locating to the city center and especially to Romantso-Creative Hub they could have easy access to information and knowledge exchange. This support as well, the argument of Pratt (2004) that face-to-face interactions matter in the field of knowledge and information exchange and that such information networks are formulating a dynamic environment for businesses. According to those respondents (mainly located to the incubator) this knowledge spillover comes either through personal contacts or through a variety of cultural events and activities that take place there.

Respondent 7: "What I really like about Romantso and makes it that special for me as a working place, is this constant flow of information and ideas among all the entrepreneurs who are here. People here are more open and interested in learning about your job, asking your opinion and getting feedback on their job too".

It is important to mention at this point that in the case of Romantso, the administration of the building is trying to offer and maintain this flow of information and knowledge by choosing carefully the tenants so as to achieve a diversity of creative services within the incubator. Being located in Romantso and having its address is quite important for attracting customers. It has a positive image, credibility and prestige, elements that provide economic advantages for the entrepreneurs (Durmaz, 2015). Similarly another interviewee – a jewellery designer – highlighted the importance of sharing sources and information and mutual support among the entrepreneurs of the area by stating for example:

“For me as a young designer it was very important and helpful to be so close to other already established famous designers, that until that point I had never talked to before and were like idols for me, [...] one of my favorite jewellery designers helped us a lot when we first came here, gave us information about everything in the area, where to find the best materials, which are the average rent prices of the area, how does he work...”

Social interaction between those creative entrepreneurs is a key determinant to their locational behavior, as it seen not only as a networking mechanism but also as a way to encourage their creativity. The predominance of technology and Internet has built some of people’s interactions over the networks. As a result, virtual connectivity is an important asset that facilitate communication, but place-based face-to-face contact and interpersonal communication cannot be replaced.

Face-to-face interaction is one of the most important ways to attract and retain your customers but also as a way to build your entrepreneurial identity through the contact with other entrepreneurs. As one of the fashion designers interviewed mention, the relationship they built with the customer through the face-to-face interaction cannot be built online. She suggests that of course there are ways (marketing techniques) to attract online customers but it is not so much in accordance with their brand’s philosophy that see the product as an experience and not just a piece of clothing.

Respondent 9: “The clothes that we design are versatile, they can be worn in various ways, giving the wearer the chance to enjoy each of our item of clothing to the fullest. We do offer an online shop but we don’t want just to sell the product to the customer, we want the customer to visit us here, know us better and we try to make this process a full experience for the customer”.

In my study face-to-face interactions still make the difference in a business and are essential for all creative entrepreneurs. All of the interviewees are freelancer and much of their work tasks were perceived as quite footloose (Smit, 2011) many of them stated that they could work even from their home. Because their production process consists mainly of doing things via digital media, their location choices are far less restricted than those firms in, for example, construction and manufacturing. Nevertheless, most of them stressed the importance of having a physical working place instead of working at home. The fact in turn confirms the statement from Pratt (2004) that space and place –

and the associated sociality – possibly matter more, rather than less, for new media and digital firms.

Respondent 12: “Of course you can work at home, we actually need only a laptop and Internet to do it, but the existence of a physical workplace, of an office, is something positive for us. It provides us with a space where all the members of the firm can gather together and brainstorm over the things we have to do”.

Respondent 11: “This place helps me to become more extrovert. I need it in my job since it is quite a lonely job. I might seat and work in front of a computer screen for long hours...it is nice that now during my breaks I can get downstairs at the café and have a small talk with the tenants of this buildings or other people I am likely to run into”.

The mix of different kinds of people, of different ages, races or ethnic origins, sexual orientations or appearances, is considered to have as well a symbolic meaning for some of those creative entrepreneurs, however almost none of them deliberately considered the presence of the multiculturalism in their location choice. This kind of diversity in the community symbolizes tolerance, openness, broad-mindedness, but also excitement and positive energy of the community. Socializing with different kinds of people, the exchange of views is of a great importance to some of the interviewees, since they become a source of inspiration for them.

Especially the interviewees (6/12) located in Romantso – Creative Hub seem to enjoy this mix of influences that exists in the area, which is a part of the historical city center where a lot of immigrants from different ethnic backgrounds are living and working. They mentioned that they want to meet and socialize with people unlike themselves and become part of this multicultural part of the city.

Respondent 7: “I love the diversity of people and images in the centre of this city and especially in this neighbourhood. You can listen to different kind of music and try different kinds of food. You can talk to people who are different from you but still get something from this communication”.

Nevertheless, in some cases this diversity on ethnic backgrounds in the area may keep customers away from it, as the neighborhood is still considered being dangerous by some citizens of Athens. Of course this attitude has nothing to do with the interviewees



and the people related to Romantso – Creative Hub, but it is unfortunately part of the social reality in Athens. Indeed this is exactly the role of Romantso in the area; to reactivate the neighborhood and boost interactions among different groups of people, making the area a place that welcome and involve the wider public in an open social and cultural dialogue.

The attractiveness of a place can be associated as well with the diversity of offerings in terms of entertainment and cultural activities. As Currid (2007) points out in her book “The Warhol Economy” locally grounded scenes help to establish a creative environment and the ‘buzz’ of a place, by meaning the vibrant and lively urban atmosphere of that place. Almost all interviewees in the open-ended question: “Why did you choose this place for your firm’s location?” spontaneously answered “because everything happens here”. This is clearly a reference to “the tendency [of the city center] to engender multiplicity, flux and unexpected events or experiences” (Scott, 2001, p.12).

Respondent 1: “If you locate in the inner city neighborhood, then you catch up in the hustle and bustle of the city and the marketplace that exists there, everything is happening here, you can find everything here...”.

However, next in the interview, they clarified this answer by describing in great details the role of the cultural amenities and café culture in their location decisions. From the interviews we could infer that these scenes are not just about going out and having fun but equally about building connections, networking, exchanging ideas and information etc. Being close to a café bar or restaurant for example can provide chance encounters, interaction with people popping in and popping out of the these shops and create a bigger sense of community as one of the interviewees stresses:

Respondent 9: “When we first located here, the shop next to us was about to open and we were afraid of what it could become. We are very happy that it is a wine bar, because it gives us the chance to meet constantly new people that are passing by this place, it is like a street hub of people now and a small community within the city’s center community”.

Those cultural amenities, including local bars, restaurants, galleries, music scenes etc. have served as meeting and socializing places for all the interviewees of the research, although not in the same extent as Florida (2012) and Currid (2007) suggests. Mostly

of the entrepreneurs consider the café culture and urban amenities as meeting places where they can get informal contact with other people from the creative circle or not, but still they do not consider them as primary factors in their location decision.

The majority of the interviewees agreed that these places are not important in terms of assisting job hunting as Florida (2012) suggests in his theory. Moreover, some of them (4/12) do not consider these cultural amenities as meeting and socializing places at all but just as important facilities for their personal enjoyment.

Respondent 3: “The reason why I chose this place, is because I hate the sterile environment of the suburbs, I want to be close to reality and daily life as it is. It is not that I like going to parties or bars and clubs. My reality is far beyond these events and the party atmosphere”.

#### **5.4. Spatial and Physical Characteristics**

The spatial and physical characteristics of a place can include the location and the visual characteristics of the area and the buildings among others characteristics. In this study a significant number of the interviewees indicated that these physical characteristics are among the primary factors that drive their location decisions. All of the respondents recognized location itself as one of the most important factors of their location decision. The area of my empirical setting is a location which includes centrality, proximity and accessibility. According to the interviewees an inner-city location is always the best choice for an enterprise, since it offers good public transportation links and make access easy from any part of the city. In this way location can facilitate their daily working process and increase efficiency.

Respondent 1: “I chose the city center for the same reasons that would every other entrepreneur do, it is close to everything, it is easy accessible, [...] we are surrounded by major roads and close to three main underground-metro stations”.

Only in two cases, the interviewees claimed that the location can sometimes make their working process more difficult in terms of accessibility on a neighborhood level. In many cases traffic congestion causes difficulties for loading and unloading materials and equipment in the offices. Moreover there are some restrictive ordinances within the inner-city zone that make the access for transportation-related matters more difficult.

Respondent 2: “The greatest difficulty of the center that we are facing during our working process is that the access is very often forbidden for security reasons, due to protests and strikes that might take place there, [...] also from seven o’clock in the morning and later it is forbidden the circulation of trucks on the streets of the inner-city neighborhood”.

In relation to the location of their workplace, most of the interviewees agreed that they chose their current location because it is close to their home. Many of them seem to enjoy combining their work and home life there, since everything is there and many of their friends live there as well. However, one of the respondents – an architect – mentions that this can make you sometimes lose contact with reality.

Respondent 4: “Being in the heart of the city, in a place where you can find everything and meet even by chance your friends, can sometimes lead to a kind of ‘institutionalization’ [...] you start your day at work, be there for many hours, then go in the nearby café which is next to your favorite bar, it becomes like a small village”.

In terms of visual characteristics, in this study, seven (7/12) of the respondents appear to appreciate the physical built environment and their surroundings, the history and the architectural diversity that exists in the streets of the city center and value them as a great source of aesthetic stimuli and inspiration. Most of them appreciate the authenticity of the area where there exists a mingling of new and old buildings (unmodified or partially renovated like the old building of Romantso).

Respondent 8: “...beyond the complexity that exists in the city center, I also like the architecture. Here, you can see a perfect neoclassical building and exactly next to it a very ugly one that makes you wonder how they made such a crime [...] then a step further you can see another building more modern and new. What I mostly like about the architecture here, is that I can see all the history recorded in the buildings, in the streets...”

Some others made their location and office building decision based on its representative look and architecture style.

Respondent 1: “The main reason we chose this place –even though it was more expensive than the average rent you could find in the neighborhood– was because of

the special characteristics of this building. The fact that it is a loft space, the high ceiling, these tall iron frame windows that allow sun to come in every day...you know how much has this window stimulate my daily mood many times?"

Respondent 4: "I first came to Romantso before becoming the creative hub to attend a theatrical play, [...] it was a very interesting building even being under construction, you could easily see that it could become a beautiful and dynamic one, [...] from the very first moment I saw it I wanted to come here".

### **5.5. Perceptual Characteristics**

In the context of investigating creatives' location decisions it is important to see places as a subjective, imagined and emotional phenomena as well as objective and real entities (Drake, 2003). Heebels and van Aalst (2010) proved in their research that the symbolic value of the environment which involves aspects of the physical environment and intangibles aspects, is considered to be an important aspect of the location decision of a creative entrepreneur.

As Lippard (1997, p.9) argues "our personal relationships to history and place form us, as individuals and groups and in reciprocal ways we form them." A creative worker's personal identity and perception will affect the way they may use the attributes of a place for inspiration. In this study was noticed that each of the creative entrepreneurs has his or her own personalized perception of a place and his or her own sense of identity in relation with that place.

Respondent 3: "I don't feel part of this place, I feel that this place is part of me. I have experienced life through this environment and everything that it entails – the ugliness, the violence, the roughness of the surroundings, the people that live here – everything – there is an inner relation with this place"

It seems here that the interviewee has a sense of attachment and belonging to the place. This familiarity is an important key on the creativity of the entrepreneurs and part of the attractive elements in a place.

Place-based reputation and tradition provides an inspiration to Respondent 2 – a jeweler designer – who feels that the locality's reputation and tradition on craft skills is impacting her job. Surprisingly, she claims that wants to take advantage of the long-

established reputation that the area has in handcrafting and jewellery design. Motivation and inspiration is derived from the need and desire to use these place-based attributes and achieve design excellence in her work and become part of a larger creative community that will last through history.

Respondent 2: “I can see this place as part of the history. I imagine myself and our jewellery brand to be remembered through history as one of the design movements in Athens or better in Greece in this era. I see myself as part of a wide creative community that works not only for money but also for the realm of jewellery design”.

It becomes obvious here that for the above respondent being in a place that offers constant trends on her design field gives her a motivation and inspiration to work and create. In this context, should be mentioned that this interweaving community of creative workers, with a variety of initiatives in different creative sectors creates an artistic environment that acts as a strong attractive factor that influences their location decisions in the city center. One of the interviewees – a textile designer – of this research clearly expressed her wish to locate to Romantso-Creative Hub for the pursuit of the aforementioned artistic environment.

Respondent 8: “When I had to choose a location for my business, I realized that I would really love to work in a creative environment. Being in a creative circle it provides a great stimuli for my work, it reminds me when I was in the design schools where we had this daily contact with creativity-there is a flux of creativity here as well”.

Respondent 2: “The historical commercial district is turning into a wide creative hub, there is a diversity of creative professionals in the area, not only jewellery designers – there are a lot of leather ateliers, shoe-making ateliers, bag-making ateliers, places where one can take jewellery design courses”.

As noted in my research, some of the entrepreneurs expressed a desire to be involved in their communities and establish their own identity in that place. For instance one of them –a fashion designer –is now part of a wider loose association of designers, called ‘by local athens’ aiming at mapping and promoting all the freelancer creative who live and work in the city center of Athens. Is about an initiative that aspires to make the city center a big community of co-operation and co-existence of those creatives.

Respondent 8: “The creative form of the city center is very important for us, it is great to be surrounded by such creative individuals that are passionate, they inspire us to continue with our job and be part of a larger creative community”.

Apart from the sense of community and being surrounded by creative individuals, the city center of Athens appear to be considered by some of the interviewees as an identity card. As Respondent 7 says “Being in the city center is a way of living and it becomes a habit that you cannot easily quit”. The same person adds that there are specific types of people who live and work in the city center that are different from people who live and work in other areas or in the suburbs of the city. A significant number of the interviews talked about “something that is in the air” and about the “feel” of being in the city center and in the area that was examined in the research. Thus, the reasons for those creative entrepreneurs to locate and remain in this particular district can be related to the “feel” of the place itself. The meaning of the “feel” can be related to the built environment or to the people in this environment.

Respondent 7: “This place has a very specific character that I can hardly put in words, but for example you can understand it when you just walk on the streets of the neighborhood and get this direct feeling from the different images you meet. There is a charm in the way of living in this area...”.

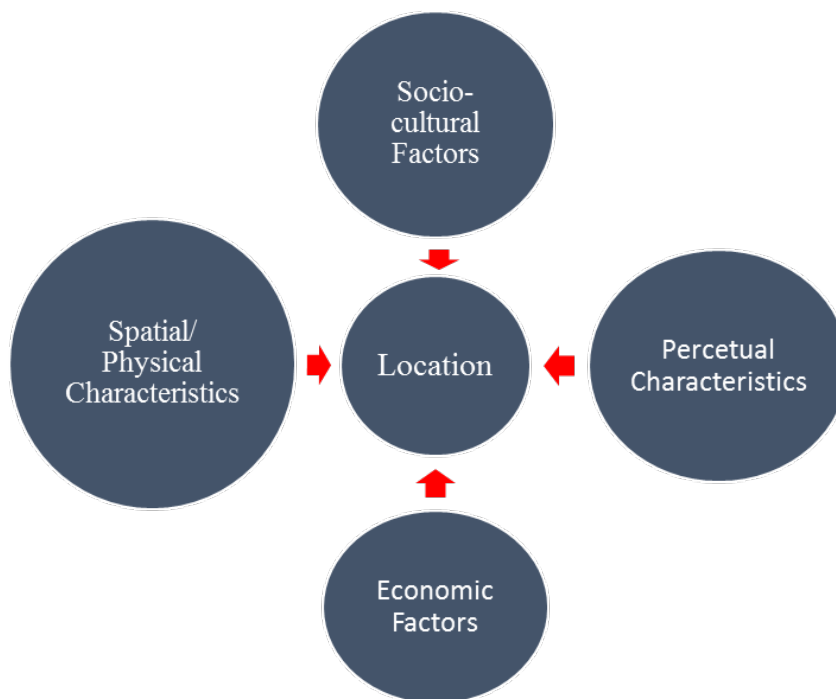
This is not only for those located in the streets of the inner-city district but also for those located in Romantso – Creative Hub. Even though the incubator is running for approximately four years it has managed to gain reputation and create a positive image towards the creative world. In this context, the entrepreneurs who are located there, would like to use the incubator and its image as a form of marketing device for their product branding. For all the interviewees, the fact of being there is important in reproducing and strengthening the reputation of their firm. However, two of the interviewees located there, agreed that this role of Romantso is still under development, since for them the incubator itself has evolved in a maximum level.

#### **5.6. Data Interpretation and Discussion – Deciphering the locational behavior of the creative entrepreneurs in Athens**

As stated in the previous section the interviews produced four main categories of interrelated determinants that can affect the locational behavior of the creative

entrepreneurs in Athens – Socio-cultural Factors, Economic Factors, Spatial/Physical Characteristics and Perceptual Characteristics (see Model 2). In spite of this categorization, which represents the judgment of the interviewees, stating some final conclusions and therefore answering the main thesis’ research question “How do creative entrepreneurs in Athens choose and evaluate their location?” depends on establishing links between the theoretical concepts of this study and the findings of the empirical research.

***Model 2. Determinants of locational behavior as emerged from the research***



*Source:* Researcher’s construct

Hence, the focus in this chapter will be on the process of embedding the empirical findings in the previously analyzed theoretical chapter. In order to achieve this a comparison between the location factors that emerged from the interviews and the location factors as presented in the theory will be done. The following discussion of locational decisions and behavior of creative entrepreneurs, is based on the results of **clustering** factors and **urban amenities** factors, but also in some new concepts that emerged from the interviews.

To begin with, the first visible interpretation of the data is that the outcome of the empirical research is highly compatible with the theoretical points. The factors that form and drive the location behavior of the creative entrepreneurs in Athens, correspond to the main location factors presented in the “creative class theory” and “clustering theory” however a more detailed analysis is necessary to conclude since more insights into their behavior occurred during the data analysis.

Comparison of the findings and the theory brought to the fore that the locational behavior of the creative entrepreneurs is clearly associated with some characteristics that are not mentioned in the two basic theories used in the theoretical background. The new concepts that emerged from the interviews are related to some background characteristics of the creative entrepreneurs. Location decisions can be a function of the psychological profile of the entrepreneur, the age and the very specific type of occupation (see Models 3, 4, 5, 6).

Theoretically, the findings suggest that clustering factors are indeed an important supplement on the location preferences of the creative entrepreneurs in Athens. In specific, the most important among these factors, where the ones related to the economic rationale *per se* and those related to social networks and knowledge spillovers.

Being located in the city center of Athens and more precisely in a cultural district, gives to these entrepreneurs the chance to be close to their customers, suppliers and raw materials. In line with the clustering theory, creative entrepreneurs located in the city center of Athens benefit from a combination of economic opportunities and knowledge spillovers that exist in the city center. These local knowledge spillovers generate positive assets among the creative entrepreneurs, as they can benefit from mutual learning without financial compensation. In addition and conforming to Florida’s theory, those entrepreneurs use social interaction for accumulating different types of knowledge and information that will use later in their creative process, but also for acquiring and maintaining reputation. Thus, it can be said that the local knowledge spillovers are closely related to the social networks between creative entrepreneurs as they act as channels for informal knowledge and information exchange.

Where this emerging theory is concerned with proximity to local market and demand conditions, it results that the type of occupation plays a very important role in



the location decision of the creative entrepreneurs (see Model 5). The occupational analysis in this case, focuses not only on the nature of work tasks of creative entrepreneurs but also on the nature of cultural product/services they produce.

In other words, product-oriented entrepreneurs consider the proximity to their customers and the suppliers as one of the most important factors. Especially in the context of fashion design and jewellery or interior design the importance of this proximity is highly stressed by the interviewees, since it can make their business more efficient. On the other hand, service-oriented entrepreneurs stressed the importance of intersectional knowledge spillovers and networking more than the demand and supply conditions of a place. Collaboration and networking are crucial for those entrepreneurs whose job is related to new technologies, media and digital services.

Despite the economic factors that were closely related to the clustering theory, some spatial or physical characteristics were mentioned during the interviews as being considered important elements in forming the locational behavior of the entrepreneurs. These physical characteristics are nuances of the physical infrastructure in the clustering theory and at this point of the emerging theory that is concerned with the spatial characteristics, the type of occupation had again a significant role, in the location choice (Model 6). Architects and Graphic designers in particular perceived the appearance of the building where their office is located and the image of the neighborhood with its representative buildings of neoclassical and modern architecture, as important factors in their location choice. Similarly, the product oriented entrepreneurs highly evaluate places with centrality that act like a hub of people with high circulation and they choose their workplaces to have high visibility, so as to attract more customers and to promote better their products.

Equally important and closely related to the aforesaid are the very special characteristics that make a place attractive to creative entrepreneurs as perceived by them. As the findings suggest the creative entrepreneurs that took part in the research consider the “look” and the “feel” of the place itself as attractive and retaining factors in a place. The emerged theory suggests that age can influence the relationship between the perceptual characteristics of a place and the behavior of these creative entrepreneurs (see Model 4).

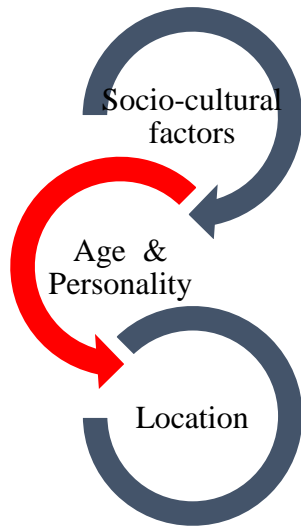
To put it in another way, age plays a significant role in the location decision of the creative entrepreneurs interviewed for this study. From the findings emerged that older individuals are more sentimentally attached both to the built environment and the people in this environment than the younger ones. For the old entrepreneurs place represents memories and tradition, in such a way that nostalgia can affect their locational behavior and become source of inspiration in their work.

For the young entrepreneurs located in Athens' city center, the perceptual characteristics of the place were more related to the atmosphere and the authenticity of the area. In a place like this, these entrepreneurs can see themselves as part of a creative community and build an identity. In relation to this, Florida (2012) describes how creative workers are attracted to and stimulated by environments that allow them to build their personal identity by being among other creative people and environments.

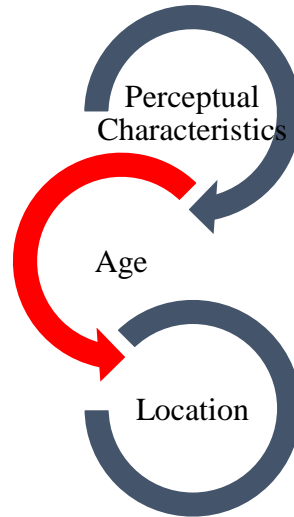
Last but not least, the emerged theory of the study has pointed out that specific socio-cultural factors, as they were highlighted by the interviewees can affect the locational behavior of the creative entrepreneurs. However, the research brought to the fore that the degree of influence that these factors may have in their locational behavior has a lot to do with the age and the very special characteristics of the entrepreneurs' personality. That means that, age and personality characteristics such as extroversion and openness can behave as moderators between the locational behavior of creative entrepreneurs and the socio-cultural determinants that might attract creative entrepreneurs to locate in a place (see Model 3).

As demonstrated in the findings, creative individuals that were younger and more extroverted consider face-to-face interactions and social interactions as suggested by Florida (2012) very important when they had to make their location decision. The presence of cultural amenities and café culture as well has to do with the age and the personality, since those who were younger and more extroverted seem to enjoy more being in an environment full of bars, music scenes and cultural events as they consider them as places where they can get informal social interactions but also entertain themselves. However, extroversion was not a characteristic of the young entrepreneurs. A few of the older entrepreneurs appeared to be quite extroverted and to choose their workplace because of this. They enjoyed to be in an open environment that would allow them to come in contact with different people and share ideas

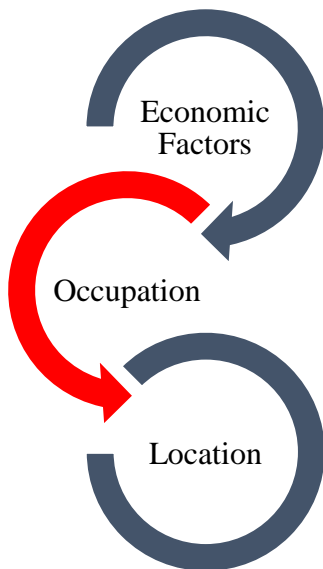
*Mediators of the locational behavior of the creative entrepreneurs*



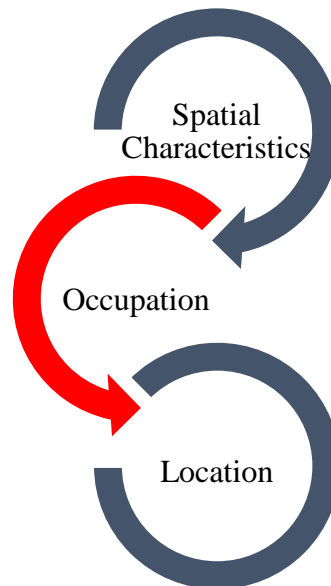
**Model 3.**



**Model 4.**



**Model 5.**



**Model 6.**

As is evident from the above analysis, comparison of the findings and the theory enabled to discover similarities but also some missing points, which were not mentioned either by clustering theory or by Florida's theory. The locational behavior of the creative entrepreneurs is nuanced by these two theories and is better explained by the use of some special characteristics of the creative individuals participated in the study.

## **6. CONCLUSIONS**

This research aimed at exploring the complex dynamics which affect the relationship between creative entrepreneurs and their spatial context, focusing on the case of Athens' city center. We hope that this study encourages a better understanding of the location decision and the spatial distribution of creative entrepreneurs and fill the huge research gap that exists in the field of the cultural and creative industries in Greece. The Findings chapter presented the results of the empirical research (based on twelve face-to-face, semi-structured interviews with creative entrepreneurs located in the city center of Athens) and identified the various location determinants that contributes to the complexity of a creative place, and then provided the interpretations of these results based on the comparison with the theory. This chapter will focus on answering to the thesis main research question "How do creative entrepreneurs in Athens choose and evaluate their location?" A discussion on future research and policy relevance will follow as a way to come the end of this study.

This explorative, qualitative study has clearly indicated that the locational behavior of the creative entrepreneurs in Athens, is well explained by both clustering theory and Florida's urban amenities and quality of place. The interviewed entrepreneurs, in their answers argued that economic factors and socio-cultural factors were highly considered when they made location decisions. It should be mentioned though that the study explored only the localization economies within the inner-city center districts and did not extended in possible externalities of the urbanization economies. This notion gives place to further research, where researchers could focus on different localities (including smaller and rural localities) and explore the characteristics that make or not those places more attractive than others. With respect to the different characteristics of each city, it would also be interesting to see how creative

entrepreneurs from different sectors and with different levels of experience value these localities, as the right place for their firm.

As stated above, socio-cultural factors that facilitate the socialization and the exchange of knowledge and information, perform very important function in the locational behavior of the creative entrepreneurs in Athens. Local interactions and opportunities of informal networking are essential factors in the entrepreneurs' decisions to locate in the city center of Athens. As emerged from the findings, as entrepreneurs' professionalism and experience increase, their need for networking and socialization progress to higher scale levels of that of the neighborhood level (Heebels and van Aalst, 2010). The high importance of social interaction and networking for those entrepreneurs, suggest the use of theories that put less emphasis on the economic rationale behind the spatial clustering and pay more attention to the importance of social relationships within clusters, as Heebels and van Aalst (2010) claim in their research.

What is more, physical characteristics of a place as well as the perception of this place as stated by the interviewees were determinants of their locational behavior. Inner-city quarters and buildings are preferred by the creative entrepreneurs, because they represent memories, historical meaning and authenticity. Physical environment and its attributes are a rich source of inspiration for the Athenian creative entrepreneurs. Their surprising importance as compared to what is known in the literature displays a need for future research into location factors at the spatial scale of a district. One research perspective would be to understand perceived district visual features as part of a broader sense of place that includes its past and future storylines (Smit, 2011). Another avenue for research would be to explore whether and how district visual appearance is perceived as professionally important in other districts and industries. Would entrepreneurs not related to the creative sectors for example have the same locational behavior with those in the creative sectors?

Following the clustering theory and Florida's theory on what makes a place attractive to creative individuals, this study shows that the creative entrepreneurs in Athens deliberately choose to locate their firms in creative neighborhoods/quarters that are becoming slowly part of a bigger creative cluster in the city of Athens. Thus, at the micro level of the neighborhood it can be seen that the creative entrepreneurs are

looking for location that offers economic opportunities as explained in the clustering theory and a creative atmosphere with urban amenities as stressed by Florida (2012).

The research findings of this study extended and enriched the theoretical notions in the literature that the location behavior of creative entrepreneurs is not only formed and affected by external spatial, socio-cultural and economic factors of a place but as well by some very specific characteristics of their personality, their age and of course the kind of products/services they produce. Therefore we introduce the following propositions as they emerged from the findings and can be tested in future studies:

- Socio-cultural factors influence the location decisions of creative entrepreneurs dependent on their age and personality.
- Perceptual characteristics of a place influence the location decisions of creative entrepreneurs dependent on their age
- Economic factors influence the location decisions of creative entrepreneurs dependent on their occupation
- Spatial characteristics of a place influence the location decisions of creative entrepreneurs dependent on their occupation.

These four propositions suggest that a more psychological approach would give more insights in the locational behavior of the creative entrepreneurs, since personal philosophies and experiences of the entrepreneurs could be revealed. The empirical research shows that the relation between these location factors and the locational behavior of the creative entrepreneurs is more complex than the above theories suggest.

From the policy perspective, the results of this study can be used as a guidance to the local policy-makers and stakeholders and provide a basis for a grounded decision-making and elaboration of urban policies, concerning the development of creative clusters as an economic tool for urban development. There is a lack in evidence regarding the distributive effects of creative strategies and there is a need to build on good practice based on the distinctions and niche markets that may exist in each country (Evans, 2009a). Creative clusters and enterprise strategies are beginning to be replicated among different countries and different cities as a representative for the knowledge economy (Evans, 2009a). However, when urban designers are asked to design creative places/quarters they should bear in mind the different characteristics of each place.

All the entrepreneurs that participated in the research claim that the entrepreneurial culture of Athens does not contribute and does not facilitate the formation of new businesses, especially in the creative industries, since there is a hostile environment. The investments that may come from the government or private sector are mainly related to big commercial cultural initiatives and infrastructures. Moreover, the atypical structure of creative industries sectors, with a very few large enterprises and a large number of SME and micro enterprises with the 90% of all firms in Europe, raises questions about the sustainability of intervention policies and in particular cluster policies (Evans, 2009a). Almost all of the creative entrepreneurs interviewed highlighted the need for directing the funds either public or private at small entrepreneurial, creative and cultural initiatives.

It is appropriate to mention that cities today may well maintain a variety of characteristics and conditions that attract creative individuals, but they are also places where striking social, cultural and economic inequalities prevail. We should not forget these urban dynamics while trying to assess and achieve urban creativity in any level (Scott, 2006). As Florida (2012) suggests quality of place does not occur automatically, since it is an ongoing process that includes a variety of disparate aspects of a community. Especially in Athens' city core it can be seen a locational chaos and random development patterns, thus there is a need for new urban spatial policy which recognizes those contemporary clustering patterns within the inner city districts (Hutton, 2014).

In the last analysis and as it can be derived from the research, it makes no sense to talk of creative cities and creative individuals without the acknowledgment that a city has a complex and organic nature, as it constitutes from many different elements, which develop gradually over time. Within these complex urban conditions a model of social, cultural and economic development can emerge with both top-down and bottom-up initiatives coming from people that want to enhance the character and quality of a place and that are carefully designed for every specific case.

## REFERENCES

- André, I. and Vale, M. (2011). *Urban Creativity in Lisbon Region*. IGOT- Universidad de Lisboa, CCDRLVT.
- Arefi, M., and M. Triantafillou. (2005). *Reflections on the Pedagogy of Place in Planning and Urban Design*. *Journal of Planning Education and Research*, 25 (1), 75–88.
- Avdikos, V. (2014). *Oi Politistikes kai dimiourgikes viomichanies stin Ellada. [The Cultural and Creative Industries in Greece]*. Epikentro.
- Babbie, E. (2009). *The practice of social research* (12th ed.). Belmont, CA: Wadsworth.
- Bilton, C., (2007). *Management and creativity: from creative industries to creative management*. Oxford: Blackwells.
- Bontje, M., Musterd, S., Zoltan, K., & Murie, A. (2011). *Pathways toward European creativeknowledge city-regions*. *Urban Geography*, 32 (1), 80-104.
- Bryman, A. (2012). *Social Research Methods* (4th ed). New York: Oxford University
- Caves, R. E. (2000). *Creative industries: Contracts between art and commerce*. Harvard University Press.
- Cohendet, P., Grandadam, D., Simon, L. (2010). “Montréal, ville créative: diversités et proximités”. In *L'économie de la connaissance et ses territoires*. Thomas Paris et Pierre Veltz eds. Hermann éditions Paris.
- Comunian, R. (2011). *Rethinking the creative city: the role of complexity, networks and interactions in the urban creative economy*. *Urban Studies* 48, 1157–1179.
- Comunian, R., Faggian, A., Jewell, S. and Kelly, U. (2013). *Bohemian Graduates in the UK: Disciplines and Location Determinants of Creative Careers*. *Regional Studies*, 47 (2), 183-200.
- Comunian, R., Chapain, C., & Clifton, N. (2010). *Location, location, location: exploring the complex relationship between creative industries and place*. *Creative Industries Journal*, 3 (1), 5-10.



- Currid, E. (2007). *The Warhol Economy: How Fashion, Art and Music Drive New York City*. Princeton: Princeton University Press.
- Delgado, M. (2009). *Do Clusters Really Matter for Companies Competitive Strategies? Evidence at the Country Level*. Manuscript.
- Drake, G. (2003). *This place gives me space: Place and creativity in the creative industries*. *Geoforum*, 34, 511-524.
- Durmaz, S. B. (2015) *Analyzing the Quality of Place: Creative Clusters in Soho and Beyoğlu*, *Journal of Urban Design*, 20 (1), 93-124.
- Evans, G. (2009a). *From Cultural Quarters to Creative Clusters: Creative Spaces in the New City Economy*. In *The Sustainability and Development of Cultural Quarters: International Perspectives*, edited by M. Legner, 32–59. Stockholm: Institute of Urban History
- Evans, G. (2009b). *Creative cities, creative spaces and urban policy*. *Urban Studies*, 46 (5-6), 1003-1040.
- Florida, R. (2012). *The rise of the creative class-revisited: Revised and expanded*. New York: Basic books.
- Florida, R., Mellander, C., and Stolarick, K. (2008). *Inside the Black Box of Regional Development – Human Capital, the Creative Class and Tolerance*. *Journal of Economic Geography* 8 (5), 615-649.
- Glaeser, E. L. (2005). *Review of Richard Florida's 'The Rise of the Creative Class'*, *Regional Science and Urban Economics* 35, 593–596.
- Glaeser, E. L. and Kerr, W. R. (2009). *Local Industrial Conditions and Entrepreneurship: How Much of the Spatial Distribution Can We Explain?* *Journal of Economics & Management Strategy*, Blackwell Publishing, 18(3), 623-663.
- Gordon, I. R. and McCann, P. (2000). *Industrial clusters: complexes, agglomeration and/or social networks*, *Urban Studies*, 37 (3), pp. 513–532.
- Gottdiener, M. 2000. *Lefebvre and the bias of academic urbanism. What can we learn from the 'new' urban analysis?* *City*, 4 (1), 93-100.

- Granovetter, M. (1985). *Economic action and social structure: the problem of embeddedness*, American Journal of Sociology, 91, 481–510.
- Hall, P. (2000). *Creative Cities and Economic Development*. Urban Studies, 37 (40), 639-649.
- He, J. (2014). *Creative Industry Districts: An Analysis of Dynamics, Networks and Implications on Creative Clusters in Shanghai*. Springer.
- Heebels, B. and van Aalst, I. (2010). *Creative Clusters in Berlin: Entrepreneurship and the quality of place in Prenzlauerberg and Kreuzberg*. Geografiska Annaler: Series b, Human Geography, 92 (4), 347-363.
- Hutton, A.T. (2004). *The New Economy of the inner city*. Cities, 21 (2), 89-108. Elsevier Ltd.
- Jacobs, J. (1969). *The Economy of Cities*. New York: Random House.
- Ketels, C. H. M. and Memedovic, O. (2008). *From clusters to cluster-based economic development*. International Journal Technological Learning, Innovation and Development. 1 (3), 375-392.
- Kloosterman, R. C. (2004). *Recent employment trends in the cultural industries in Amsterdam, Rotterdam, The Hague and Utrecht: a first exploration*, Tijdschrift voor Economische en Sociale Geografie, 95 (2), 243–252.
- Konsola, D. and Karachalis, N. (2010). *The creative potential of medium-sized and small Greek cities: reflections on contemporary cultural strategies*, International Journal Sustainable Development, Vol. 13 (1/2), 84–96.
- Landry, C. (2000). *The Creative City: A Toolkit for Urban Innovators*. Earthscan Publishers, London.
- Landry, C. (2005). *Lineages of the creative city. Creativity and the City*. Netherlands Architecture Institute.
- Landry, C. and Bianchini, F. (1995). *The Creative City*. London: Demos.
- Lavanga, M. (2004). *Creative Industries, Cultural Quarters and Urban Development. The case studies of Rotterdam and Milan*. In G. Mingardo and M.van Hoek (eds.) Urban

- Management in Europe Vol. 2: *Towards a sustainable development*. Rotterdam: Erasmus University Rotterdam, MEMR – The Thesis Series.
- Lippard, L. R. (1997). *The lure of the local: Senses of place in a multicentered society*. New York: New Press.
- Lloyd, R., and Clark, T. N. (2001). *The City as an Entertainment Machine*, Critical Perspectives on Urban Redevelopment 6, 359–380.
- Niedomysl, T., & Hansen, H. K. (2010). What matters more for the decision to move: jobs versus amenities. *Environment and planning A*, 42(7), 1636-1649.
- Throsby, D. (2008). *The concentric circles model of the cultural industries*. Cultural Trends, 17 (3), 147-164.
- Manshanden, W., Rutten, P., Bruijn, de, P. & Koops, O. (2005). *Creatieve Industrie in Rotterdam*. [The creative industries in Rotterdam]. TNO rapport, EPS 2005-06.
- Markusen, A. (2014). *Creative Cities: A 10-year research agenda*. Journal of Urban Affairs, 36 (S2), 567-589.
- Markusen, A., Wassall, G.H., DeNatale, D., and Cohen, R. (2008). *Defining the creative economy: Industry and occupational approaches*. Economic Development Quarterly, 22 (1), 24-45.
- Marshall, A. (1920). *Principles of Economics*. London: Macmillan.
- Moriset, B. (2014). *Building new place of the creative economy. The rise of the coworking space*.
- Mellander, C. and Florida, R. (2007). *The Creative Class or Human Capital? Explaining Regional Development in Sweden*. CESIS Electronic Working Paper Series. No. 266.
- Mommaas, H. (2004). *Cultural cluster and the post-industrial city: Towards the remapping of urban cultural policy*. Journal of Urban Studies, 41 (3), 507 – 532.
- Musterd, S. and Murie, A. (2010). *Making Competitive Cities*. Chichester: Wiley3Blackwell.
- Nakamura, L. (2000). *Economics and the new economy: The invisible hand meets creative destruction*. Business review, 7, 15-30.

- Porter, M. E. (1998). *Clusters and the new economics of competition*. Harvard Business Review 76 (6): 77-90.
- Porter, M. E. (2000). *Location, competition and economic development: local clusters in a global economy*. Economic development quarterly, 14 (1), 15-20.
- Pratt, A. C. (1997). *The cultural industries production system: A case study of employment change in Britain, 1984-91*. Environment and Planning A, 29 (11), 1953-1974.
- Pratt, A.C. (2000). *New media, the new economy and new spaces*. Geoforum, 31 (4), 425-436.
- Pratt, A. C. (2004). *Mapping the cultural industries: Regionalization, the example of south-east England*. In Power, D. & Scott, A. J. (eds.) *Cultural industries and the production of culture*. London, UK: Routledge.
- Romein, A., & Trip, J. J. (2011). *Economic downturn: a threat for creative city policy or a blessing in disguise*. Paper presented at RSA Annual International Conference, 1-13.
- Rozentale, I. (2012). *Beyond Mapping – Understanding Creative Industries in Post Communist Economy Cities: The Case of Riga*. Unpublished Master Thesis, Erasmus University of Rotterdam. Retrieved from <https://thesis.eur.nl/>
- Scott, A.J. (2000). *The cultural economy of cities; essays on the geography of Imago-producing industries*. London, Sage.
- Scott, A. J. (2004). *Cultural-products industries and urban economic development: Prospects for growth and market contestation in global context*. Urban Affairs Review, 39 (4), 461-490.
- Scott, A. J. (2006). *Creative cities: Conceptual issues and policy questions*. Journal of Urban Affairs 28 (1), 1-17.
- Scott, A. J. (2010). *Cultural economy and the creative field of the city*. Geografiska Annaler: Series B, Human Geography, 92 (2), 115-130.
- Simmie, J. (2004). *Innovation and Clustering in the Globalised International Economy*. Urban Studies, 41 (5/6), 1095-1112.

Smit, A. J. (2011). *The Influence of District Visual Quality on Location Decisions of Creative Entrepreneurs*. *Journal of the American Planning Association*, 77 (2), 167–184.

Stern, M. J. and Seifert, S.C. (2010). *Cultural clusters: The implications of cultural assets agglomeration for neighborhood revitalization*. *Journal of Planning Education and Research*, 29 (3), 262–279.

Souliotis, N. (2013). *Simvoliki oikonomia sto istoriko kentro tis Athinas: apotimisi kai prooptikes gia mia nea astiki politiki* [The symbolic economy in the historical center of Athens: Evaluation and perspectives for a new urban policy]. EKKE

UNCTAD (2008). *Creative Economy Report 2008*. Geneva: UNCTAD.

Wenting, R., Atzema, O., Frenken, K. (2010). *Urban Amenities and Agglomeration Economies? : The Locational Behavior and Economic Success of Dutch Fashion Design Entrepreneurs*. *Urban Studies*, 48, 1333-1352.

Yin, R. K. (2003). *Case Study Research Design and Methods*. Applied Social Research Methods Series. Third Edition. Vol. 5. SAGE Publication.

Zukin, S. (1995). *The Culture of Cities*. London: Blackwell.

## APPENDICES

### Appendix 1. List of interviewees

**Self-reported work activities and products per creative service and activity included in the interview pool of 12 creative entrepreneurs.**

Respondents	Subsector in creative industries	Daily work activities	Type of cultural product/service	Location
1	Photographer/ Graphic Designer	Owner of show room – Creating visuals and taking pictures to promote the designers	Showroom of greek designers and photography services	Leocharous str.
2	Jewellery Designer	Designing and handmaking contemporary jewellery, with the use of several materials and techniques	Handmade Jewellery	Kolokotroni str.
3	Photographer/ Graphic Designer/ Advertising and Marketing Agency	Graphic and multimedia design work, development of communication by design concepts	Visual and corporate identities for clients by graphic design of websites, product logo, posters, books, magazines, exhibitions etc.	Romantso - Anaxagora str.
4	Architect	Architectural design and advising work, direction of construction activities	Architectural advice and design for buildings and urban districts	Romantso - Anaxagora str.
5	Programmer/ Web Designer /Advertising and Marketing Agency	Graphic and multimedia design work, development of communication by design concepts	Visual and corporate identities for clients by graphic design of websites, product logo, posters, books, magazines, exhibitions etc.	Romantso - Anaxagora str.
6	Photographer / Retoucher	Making photographs for clients and own artistic development	Photographs, digital images and digital photo editing - Photoshop,	Romantso - Anaxagora str.

			photographic artwork	
7	Photographer / Retoucher	Making photographs for clients and own artistic development	Photographs, digital images and digital photo editing – Photoshop, photographic artwork	Romantso - Anaxagora str.
8	Interior Designer/ Textile Designer	Textile Design with the use of electric loom	Textile design for interior design objects, Textile as Art (to be exhibited in museums)	Romantso - Anaxagora str..
9	Fashion Designer	Design and Production of minimalistic clothing label	Unique pieces of clothes and accessories	Syntagma - Fokeionos str.
10	Fashion Designer	Design and Production of handcrafted leather accessories	Handcrafted leather accessories	Syntagma - Voulis str.
11	Graphic Designer/ Creative Agency	Graphic and multimedia design work, development of communication by design concepts	Visual and corporate identities for clients by graphic design of websites, product logo, posters, books, magazines, exhibitions etc.	Romantso - Anaxagora str.
12	Architect	Architectural design and advising work, direction of construction activities	Architectural advice and design for buildings and urban districts	<u>Syntagma</u> Voulis str.

Note: All respondents were asked to present their work activities and products in the beginning of the interview.

## **Appendix 2. List of topics and the respective questions**

### **Group 1 – Workspace – location decision – attributes of the locality**

**(The location decision of the entrepreneur, the meaning of the location for the entrepreneur – attributes of locality – the dynamics that foster the agglomeration of creative firms in the center of Athens)**

- 1. The history, activities and products of the firm – General information about the firm**
- 2. How long has your business been here? How did you find this location and why did you choose it?**
- 3. What is your perception of the city of Athens? What three words would you use to describe Athens? Do you consider Athens as a creative city?**
- 4. Are you satisfied with your current business location? Why or why not?**
- 5. What are the positive and negative aspects of this location? Which aspects of this location are most important to you? What do you appreciate the most?**

**Clustering Factors related to agglomeration economies:**

- proximity to customers**
- proximity to suppliers**
- proximity to competitors/partners**
- sharing facilities**
- transportation infrastructure**
- price or rent**



**Factors related to urban amenities – The ‘buzz’, unpredictability or excitement of a locality:**

- **Quality of place**
  - **Diversity of lifestyles**
  - **Presence of talented and open-minded people**
  - **Vibrant nightlife – music scene, bars, restaurants, clubs etc.**
  - **Availability of events and cultural activities**
- 6. Would you prefer to move to another location in the future? If so, what are the main requirements that the new location must meet?**

**Group 2 – Social Dimension of the business location – Relevance attributed to Networks**

- 1. How do you evaluate the importance of this area as a place of informal exchange, feedback and co-operation with other entrepreneurs? Do you sometimes work together with other businesses? If so, what kind of businesses?**
  - **Knowledge spillovers: exchange of knowledge and information**
  - **Face to face interaction**
  - **Srengthening own creative and innovative character**
- 2. What kind of relationship do you have with your peers? Do you usually collaborate? Do you trust them? Are there any conflicts? Do you perceive them as competitors?**
- 3. How relevant is the social atmosphere and the “buzz” that exists in this area to your firm? Do they have a positive impact on it?**

- 4. Considering the globalized world in which we live, do you think location is still important? Why? (What is the geography of your market; local, national, international?)**
- 5. Do you ever visit any network event where entrepreneurs from your industry can benefit from?**

**Group 3 - Locality as a brand based on reputation and tradition – Institutional support**

- 1. How relevant is the local culture, local traditions, reputations or narratives in your business?**
- 2. Is there openness to experimentation and innovation?**
- 3. What is the role of institutions and private initiatives in promoting and supporting the development of creative entrepreneurship? Are there any current or future initiatives in the city?**

# Appendix 3. Coding process examples

## Transcript 1.

**Δεσποίνα**  
**ΑΡΧΙΤΕΚΤΟΝΑΣ - HOOLA HOOP - (1 PERSON)**

**INTERVIEW 3 - DESPOINA**

M - Καταρχήν θέλω να μου πεις λίγα πράγματα για την επιχείρησή σου, έτσι γενικά, ποτέ ξεκίνησες, τι ακριβώς κάνεις?

Δ - εγώ κάνω 2 πράγματα, το ένα είναι η αρχιτεκτονική καθαρά και είναι κάτι με το οποίο ασχολούμαι από το 2004 και το άλλο είναι το Hoola hoop το οποίο έχω ξεκινήσει και νομικά τουλάχιστον και σαν ατομική επιχείρηση το 2014.

M - εδω στο ρομαντίο ποσο καιρο είσαι?

Δ - εδω είναι ενάμιση χρόνο σχεδόν 2 και κανω και τα 2 παράλληλα στον ίδιο χώρο, ουσιαστικά που είναι χώρο τον οποίον τον κοιτάω ως γραφείο για τα αρχιτεκτονικά αλλά νιώθεi κανω και τα υπόλοιπα, ενώνω ότι έχω να κάνω με το κομμάτι της οργάνωσης και κανω μαθήματα σε καποιον απο τους μεγαλους χωρους, αναλογα με το ποιος είναι ελευθερος, το οποίο είναι ένα διαφορετικο ντιν, δλδ αυτο εδω το γραφείο έχει ένα εννοια σταθερο και ο χωρος ο άλλος παει με ποσοστα.

M - Πριν αυτο το γραφείο είχε καιποιο άλλο?

Δ - πριν απο αυτο το γραφείο δουλεύεi ότι για ένα διαστημά, και πριν ακόμα απο αυτο δουλευα ως υπαλληλος σε διαφορα γραφεία αρχιτεκτονικά.

M - μενεις εδω κεντρο? πως βρήκες αυτο το μέρος και γι επιλέξες να έρθεις εδω? είχε να κάνει και με το γεγονός ότι μενεις στο κεντρο? ηθέλας να είσαι κοντα στο σπίτι?

Δ - ηθέλα να είμαι κοντα στο σπίτι, αλλά το ρομαντίο το επέλεξα βασικά για το χούλα χουπ, δλδ ηθέλα σιγουρα να είμαι σε έναν χώρο εκτος απο το σπίτι, στο σπίτι σου μπορείς να έχεις την εδρα σου ας πουμε αλλά δεν έχεις καθολου επαφή με κανεναν και δουλευεις απασπασημα και δεν παίρνεις νιμιση απο κανεναν, δεν παίρνεις ερεθίσματα γενικά απ εδω, αλλά συνέκρημα το ρομαντίο παρα απο το κομμάτι ότι είναι κολλοι μαζί και μπορείς να επικοινωνήσεις και να βοηθήσεις σε διαφορα απειρία, πράγμα πουλ καλο, δλδ σε διαφορα βεβαια, να παεις εναν γραφείο, να σου κανει κάτι, εναν φαγητοσε σε όλα αυτα, υπαρχει το θέμα ότι το ρομαντίο το ίδιο προμοτάρει καλά διαφορα πράγματα που έχουν να κάνουν με φινες, και μενα αυτο το πράμα στο κομμάτι του χούλα χουπς με βοηθαει γι αυτο το πράμα δεν προμοτάρεται απο μονο του αν δεν σπριχθεί απο έναν χώρο που να έχει ήδη διαμόρφωση.

M - οποτε για σενα απ, ότι μου λες ηρέζει πολυ σημαντικο ρολο η ολη αυτη ατμοσφαιρα συνεργατικότητας που μπορεί να προκύψει σε έναν τέτοιο χώρο, όπου συνυπαρουν πολλές επιχειρήσεις.

Δ - ναι ανα διαστήματα ας πουμε έχω συνεργάσει με πολλους απο δω, και με φράσεις πχ ο διανοσης ας πουμε μου εφέριζε το σαιτ, η αθίνα έχει βγάλει φωτογραφίες, γενικά με σους μπορείς συνεργάζομαι, η δουλειά του χούλα χουπ το έχει αυτο, το αρχιτεκτονικό δεν έχει τόσο συνεργασία, είναι λίγο πιο ατομικό.

M - με άλλες επιχειρήσεις εδω απο το ρομαντίο έχεις συνεργάσεις? με αρχιτεκτονικές ας πουμε άλλους?

Δ - ναι ναι, έτσι κι άλλους συνεργάζομαι και με άλλους αρχιτεκτονες, δλδ τις περισσότερες δουλειες δεν τις κανω μονη μου, τις κανω σε συνεργασία με άλλους απο κανω εγω το ένα κομμάτι της δουλειας και οι άλλοι κανουν άλλο κομμάτι της δουλειας.

M - γενικά τι εκτίμης σε αυτη την τοποθεσία? στο κεντρο αρχικά να μου πεις και μετα στο ρομαντίο πιο εδω?

Δ - εγω έχω επιλέξει και να μενω και να δουλευω εδω παρα, γι θεωρω ότι τα περισσότερα πράγματα γινονται εδω, γινονται σε αυτην την περιοχή, καλώς ή κακώς η αθίνα και η Ελλάδα πιο γενικά δεν έχει αποκεντρωθεί, δεν υπάρχουν πράγματα εκτος, και σε οτι έχει να κάνει με ερεθίσματα, δλδ απο τα σπιας που βίς βίς σε σχέση με την αρχιτεκτονική, απο το πως κινείται ο κοσμος μέσα στην πολη και πως την χρησιμοποιεις, η πως αλλάζει αναλογας την χρονική στιγμή, την οικονομία κλπ. δλδ ήταν πολυ διαφορετικά πριν δεκα χρονια που ξεκίησα να δουλευω το που κινουταν ο κοσμος και πως κινουταν και πολυ διαφορετικά σε σχέση με τώρα, επίσης πιστευω ότι στην περιοχή την συγκεκριμενη έχει πολυ με μεγάλη επαφή - είναι λίγο περιγη η περιοχή η αλήθεια είναι, στην ηδρα κι εγω αρχικά ήμουν λίγο διασπαστα τα βράδια - αλλά μετα αρχίλες και συνειδητοποιεις ότι αυτο που το έχουν κανει να φαίνεται και σαν επικεντρω η το κεντρο της Αθίνας έχει γεμίσει μετανάστες και τι γίνεται? δεν έχει καμία σχέση με την πραγματικότητα, δλδ εδωκα στον είναι οι μετανάστες αισθανοσαι παρα πολυ ασφαλης, πραγματικά δεν έχει να φοβασαι, οι άνθρωποι έχουν μαγαζιά, κινουταν στην πραγματική οικονομία της ελλάδας δεν είναι άλλου.

M - και θεωρείς ότι τέτοιες πρωτοβουλίες βοηθάνε και στην αναβίωση της περιοχής?

Δ - πιστευω ότι βοηθάνε παρα πολυ και δεν είναι μονο η αναβίωση, και δεν νομίζω ότι είναι και τόσο το ζήτημασ αυτο, γι μπορεί να μην μπορούν να κανουν παρα πολυ μεγάλα πράγματα, αλλά στο πως αντιλαμβάνεται ο κοσμος αυτες τις περιοχές, που μέχρι πριν 2-3 χρονια πριν ανοίξει το ρομαντίο, δεν περνανε κανεις εδω. Τώρα τουλάχιστον το γνωρίζουν και καταλαβαινουν ότι είναι ένα κομμάτι που είναι μέσα στη ζωη μας αυτο το κομμάτι.

Proximity to home

Proximity to cooperation partners

Workplace vs working @ home

'Good Vibes'

Everything is happening there

Visual stimuli

Revitalizing the neighborhood

The attributes of locality can be used as a catalyst for individual creativity (Drake, 2003)

Transcript 2.

The attributes of locality can be used as a catalyst for individual creativity (Drake, 2003)

M - ακο αληθικά? υπάρχει κάτι που σε ενθουσιάζει ακόμα στο κέντρο και κατ'επέκταση στο ρομπότιζο? θεωρείς ότι είναι μέσον και θα πρέπει να βελτιωθεί πχ...

Δ - όχι εγώ δεν πιστεύω ότι υπάρχει κάτι αληθικό. Δεδομένου ότι υπάρχουν λόγοι πιστεύω ότι έχει παρα πολλά καλά πράγματα και τα μειονεκτήματα που σχετίζονται με το αν έχει οργανωση το κράτος κλπ δεν νομίζω ότι με επηρεάζουν. Είναι μέσα στο φυσικό κομμάτι του τι είναι η Αθήνα, γιατί αυτό είναι η Αθήνα! δεν είναι κάτι άλλο, αυτός είναι ο κόσμος της... Δεδομένου ότι είναι πολύ βρώμικα κάτω πχ δεν με ενθουσιάζει τίποτα άλλο.

M - σκεφτόσαι στο μέλλον να μετακομίσεις?

Δ - να σου πω την αλήθεια δεν θα ήθελα να μετακομίσω αλλά επειδή έχουμε μέχρι τρία χρόνια που μπορούμε να μείνουμε εδώ θα βρεστούμε. Όταν έρθει εκείνη η ώρα, πάλι στο κέντρο θα κινηθεί και μακριά σκεφτόμαι ότι δεν θα ήθελα να κινηθώ μακριά μου. Δεδομένου ότι κάνω με ανθρώπους από δω. Δεδομένου ότι θα πω με κάποιους δεν πάω να νοικιάσω με έναν χώρο μαζί 2-3 άτομα, 2-3 επιχειρήσεις να κανονίσει κάτι.

M - σίγουρα αυτή η νέα ιδανική τοποθεσία, θα είχε πολύ διαφορετικό χαρακτήρα, της αυθόλητης και συνεργασίας

Δ - ναι ναι, προσωπικά το σκεφτόμαι από τότε που τελειώσα διπλωμάτις δεν νομίζω ότι ο κόσμος είναι ετοιμός πολλές φορές να συνυπάρξει, αλλά αυτό το κλίμα έχει τόσα πολλά καλά. Δεδομένου και μόνο το γεγονός ότι υπάρχουν φορές πχ που έχεις απογοητευτεί από μια δουλειά και όλα είναι γαλάζια, μπορείς να μιλήσεις στον διπλανό σου. Έχεις αυτήν την στήριξη από τον διπλανό σου γι' αυτόμα όλα στην ίδια κατάσταση, πάνω κάτω λίγο καλύτερα λίγο χειρότερα, αλλά τελικά πάντως (οι με όλες το ίδιο πράγμα).

M - σε βοηθάει αυτή η αλληλεπίδραση

Δ - παρα πολύ. γι' καταλαβαίνεις ότι δεν είσαι μόνος σου.

M - ναι και περπατάει από την ανταλλαγή ιδεών και γνώσεων σε ποιο είναι και το ανθρώπινο στοιχείο και το φυσικό

Δ - ναι η ψυχολογική υποστήριξη, το να σου λέει κάποιος ότι μπορείς να κάνεις κάτι, να πιστεύεις σε σένα, να σε ενθαρρύνει, ή ότι αφού βρίσκεσαι εδώ και έχει ξεκινήσει αυτό το πράγμα και κάτι σημαντικό για σένα, από πρόφορα με παλιό μου και μη μου. Και βλέπεις κινιάς ότι το κάνουν και οι άλλοι μετά ετσι, από απόψη επιχειρηματικότητας Δεδομένου, ο άλλος πηρε σε ποιο κάποιον να κάνει πράκτικα, πράγμα που εμείς στην Ελλάδα δεν το έχουμε πολύ, γι' ελέγχει πηρω θα πάρω κάποιον και δεν θα του δωσω λεφτά? εγώ τώρα σε ποιο το έχω σκεφτεί τώρα. επειδή ο γιαννης διπλα τρία άτομα για πράκτικα λέει σε συ μίλησ να πάρω κι εγώ έναν άνθρωπο. γι' βοηθάει? Δεδομένου ο γιαννης που δεν είναι τόσο οργανωτικός ως

ποιμε ερχεται σε μένα και μου λέει με συ πον είσαι τόσο καλή μ'αυτα μπορείς να μου πεις πως να το κάνω αυτό κλπ Δεδομένου αναλογιστείς στοιχεία με τον άλλον και μαθαίνεις από αυτόν.

M - η τοποθεσία παίζει ακόμα σημαντικό ρολό σε ένα κλίμα παγκοσμιοποίησης και τεχνολογίας όπως τώρα?

Δ - M - η τοποθεσία παίζει ακόμα σημαντικό ρολό σε ένα κλίμα παγκοσμιοποίησης και τεχνολογίας όπως τώρα? ένας γραφιστής για παράδειγμα θα μπορούσε να δουλέψει σε ένα νησί με έναν υπολογιστή και να μην έχει πολύ επαφή με πελάτες και τον κόσμο.

Δ - ναι πιστεύω ότι παίζει πολύ ρολό, γιατί είναι τα ερεθίσματα, Δεδομένου οτι και να δεις μέσα από το internet σε ποιο διαφορετικά θα σχεδιάσει ένα γραφιστής ή ένας αρχιτέκτονας ο οποίος έει νησί και βλέπει αυτό το πράγμα και έχει αυτή την αίσθηση, διαφορετικά θα σχεδιάσει σε ποιο μες την πόλη και αναλογιστεί βλέπει. Αυτό το θέλω αντίστοιχο και στο χρονό ζουμ, Δεδομένου δεν θα μπορούσε να κάνει το επανέλεγμα από σε ένα νησί, γι' όσο κι αν χρησιμοποιεί το internet για να μπορεί να δικτυωθεί με τους ανθρώπους εκτός, δεν θα μπορούσε να ταυριάζει σε ένα τέτοιο περιβάλλον και να εφαρμοστεί. και αντίστοιχα και η αρχιτεκτονική, δεν θα μπορούσε να σχεδιάσει εγώ για κάποιον χωρίς την επαφή με τον πελάτη, το θεωρώ παρα πολύ δύσκολο.

M - η εγγύτητα αυτή με τον πελάτη μου μπορείς να έχεις εδώ στο κέντρο, είναι κάτι σημαντικό Δεδομένου?

Δ - ε ναι γι' σε μια πολύ προφανής όπου μπορείς να δεις πιο εύκολα τους ανθρώπους με τους οποίους σχετίζεσαι, θα καταλάβεις περισσότερο πράγματα. εδώ καταλαβαίνεις από το γνωση του άλλου σε ποιο, από το πως σου μιλάει το τι θα κανεις γι' αυτόν, γιατί όλα τα δημιουργικά επαγγέλματα σχετίζονται με το πως είναι ο πελάτης που είναι απέναντί σου, του κανεις μια στήριξη ψυχοθεραπείας για να μιλάς στο νησί.

M - οι πελάτες σου είναι κυρίως Ελλάδα? έχεις και στο εξωτερικό?

Δ - κατά τυχαίνει κάποιες φορές να είναι από το εξωτερικό αλλά συνήθως είναι από την Αθήνα κάποιος που μπορεί να έχει κάτι άλλο κάπου αλλού, Δεδομένου δεν είναι βέβαι.

M - Πέρα από τις ιδιωτικές πρωτοβουλίες υπάρχουν πρωτοβουλίες από το κράτος που να προώθουν και να ενισχύουν την επιχειρηματικότητα?

Δ - όχι. εγώ σου έχω προσπαθήσει να συνεργαστώ με κρατικούς φορείς για διάφορα θέματα, Δεδομένου υπήρξε μια εποχή που είχαν βγάλει ένα από για τις μικρομεσαίες επιχειρήσεις και συμβουλευτική και αναπτυξή επιχειρηματιών στο οποίο είχα πάει - σου κλεινουν ραντεβού και πηγαίνεις - και ουσιαστικά σε ξεφελίζουν αυτό κάνουν, δεν σου προσφέρουν βοήθεια. δεν μπορείς να προχωρήσεις σε τίποτα παραπέρα απλά κάνουν το ραντεβού για να δείξουν ότι σε έχουν ακούσει.

M - όταν λες ξεφελίζουν εννοείς αποθαρρύνουν? δεν σε καθόληγουν καθόλου?

Δ - ναι τίπο, ουσιαστικά σου λένε ότι εμείς δεν μπορούμε να κανονίσει κάτι για σένα, προσωπικά σιχτήρισα να γίνει το χρονό ζουμ εδώ σε μαζή ανοιχτά, γι' πρέπει να πάρεις άδεια για το κανεις αυτό, λίγο να μπορεί να συνδέσσει και αρχιτεκτονική με το χρονό ζουμ, ότι κάποιος βλέπει κάτι και κάνει στο προσωπικό χώρο κάτι κλπ κλπ, μου είπαν ότι αν θέλεις να το κανετέ για χρονό εμείς δεν έχουμε κανένα πρόβλημα. Δεδομένου αν να το κατανοήσουν καν αυτό που τους λέγα και δεύτερον θεωρούν ότι οτιδήποτε σχετίζεται με την αναφή και δημιουργικά πράγματα, η εποχή της κρίσης δεν εννοεί και ότι αυτό το

**Inspirational Environment**

**Cooperation very important**

- Feedback
- Psychological Support
- Interaction
- Ideas Exchange
- Encouragement

**Role of Physical Space**

↓

**Stimuli (Incentives)**

**proximity to customer**

**Public Support?**