The fashion

behind

the location

Study on the important location factors for Arnhem fashion designers

Margot Don

306139

margot.don@gmail.com

Supervisor: Dr. Filip Vermeylen

Second Reader : Dr. Kristien Werck

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Foreword and acknowledgements

Ever since I started the bachelor program at the Erasmus University there has been a big focus on the positive effects that culture could have on people; to educate them, to inspire them or to bring more cohesion to society. While the students at the program believed in the positive effects of culture, many others did not understand the value of culture to our society, since it was simply not possible to reflect this gain directly. In this sense it felt like we would have to start a crusade in order for others to understand this too. But this felt so elitist: a group of people who studied culture that were telling the people in society from their iron tower how culture might benefit their lives. In the master program Cultural Economics and Cultural Entrepreneurship we took a different approach, a more economic perspective towards the art and culture. We have looked at individual organizations, at cultural industries, at the history of arts and culture and we also turned to a more macro-perspective view on culture and creativity. I learned that culture could also benefit society in economic terms; by the flourishing of cultural industries, or by cultural events that had an economic impact on its surrounding, or the strong dynamics of creativity within certain organizations. This felt like a relief, since I no longer had to be a crusader in order to persuade people of the other strengths of culture, there was also an economic strength. And it is called urban economics!

Fashion has been a passion for me for many years; from my younger years until I was a second year bachelor student at the fashion program at the arts academy in Arnhem. I was not satisfied with my accomplishments as a designer, so I quit the program. I decided not to think of it anymore and direct my arrows on science. However at the end of my master the time came to think of the research topic for my thesis. Creative industries specifically interested me, and there the fashion industry of Arnhem popped around the corner. During the writing of this thesis my fascination on fashion grew back on me, realizing that I might have cut it off too rigorously. Going back to Arnhem made me also reinvent old friendships and eventually even resulted in a job at the men's label Sjaak Hullekes.

I never expected that writing this thesis would be a piece of cake. Actually I expected it to be the biggest obstacle in my academic career. I would like to thank several people for their contribution to my work over the last months and years. First of all dr. Filip Vermeylen, my supervisor, who had faith in my independent way of working, and motivated and guided me during our meetings. My parents for their profound support over the last years and their trust in me, even though my educational career had so many side paths. And last but definitely not least, Wobbe, for not running from me as I must have been very difficult to live with at times during this thesis.

Abstract

The main focus of studies in the field of urban economics is the economic impact of culture. The intention of these studies is to measure the economic influence of culture on the local economy. These studies show a lot of methodological difficulties and their conclusions are therefore not always providing us with more insight in this economic influence of culture. However not all cultural activity still has to prove its contribution to economic welfare, think for example of the creative industries and its organizations. These organizations are important for the economic development of a region, simply because they produce services and create jobs. This thesis contributes to the knowledge about the location decision making process of these creative organizations. We look at the important factors they weigh in choosing the right location for their organization. This thesis focuses on one specific case, the fashion designers in the city of Arnhem.

In order to find out what the important location factors are for these fashion designers, three sets of location factors have been formulated. These sets of location factors, designed by Kappers (2009), all find their rationale in different viewpoints. The conventional, economic location factors treat an organization individually, with its main objective to lower its costs and improving its margins. The second group of location factors approaches the organizations as part of a cluster, and points out the benefits that cooperation can bring. These positive externalities can both be economic and non-economic. The final group of location factors, the *Quality of Place* location factors, also focuses on the region around the organization; the people, the cultural activities and possibilities to live a creative life. These three sets of location factors form the bases of this research.

By handing out a questionnaire to the fashion designers in Arnhem, on these three sets of location factors, this thesis could draw some conclusions about the important location decision of Arnhem fashion designers. The results concluded that clustering location factors are rated as most important among the fashion designers in the city of Arnhem. They have been rated significantly more important over the conventional location factors, and almost significantly more important over the *Quality of Place* location factors. However as the research shows the Arnhem fashion designers prove to be a very specific type of industry. So even though this research contributes to a better understanding of the location pattern of creative organizations, comparative research should be conducted.

Keywords: Creative industries, location factors, Arnhem fashion industry, clusters, urban economics.

1 - Introduction

Over the last decades the term urban economics has become a more prominent topic for both scholars as well as policy makers. The term urban economics refers to the economic role that culture can play in the life and economic development of cities and regions. A lot of studies that have been done in this field of research are case studies on specific events that took place in a certain city and their direct economic impact. However beside these incidental events there is far more sustainable influence that culture and creativity can spread in a region. Creativity has been showing to become more important for our economy, think for example of the creative industries that tend to become more important in our economy.

Therefore I would like to take a different approach in this research. Inspired by the research done by Kappers in 2009, I would like to focus on the reasons for culture to flourish in a certain region. What are the key motivations for cultural entrepreneurs to locate in one region and not in the other? So the focus will not be on how, and to which degree culture might benefit a region or city, but on how creativity is drawn to a certain region or city. Creative organizations have been noted to locate near one another since this might benefit them, but is this however the true reason that clusters of organizations arise? Are there perhaps other factors at stake from a more economical point of view, or perhaps certain regions have specific social benefits for organizations to locate there.

In order to narrow down this research I chose to focus on one specific industry. For this research I have therefore chosen to learn more about the location factors that have influenced fashion designers in the city of Arnhem. The decision for Arnhem and its fashion industry is threefold. Firstly I chose for the city of Arnhem since it has a flourishing fashion industry with many organizations and institutions, especially since the relative small size of the city. Secondly Arnhem presents an interesting case since it is located in the east of the Netherlands, not in the economic most active part, the *Randstad*, which is located along the west coast. Locating in the city of Arnhem as a fashion designer is therefore less expected in terms of economic motivations then for example in the city of Amsterdam. A third motive for focusing on this city is that it hosts a worldly renowned fashion academy. The fashion academy in Arnhem is sometimes compared with the fashion academy in the city of Antwerp, due to its successful students.

The main objective in this thesis is to learn more about the location motives of fashion designers in Arnhem. Why have they chosen to locate in Arnhem, what have been the beneficial factors for these designers to choose Arnhem? The main research question therefore is:

What have been the important factors for fashion designers in the city of Arnhem in their location decision making process?

This main research question gives rise to two other questions. Firstly we should wonder which location factors are supposed to be important in the location decision process in the creative industry according to the academic literature. Secondly it also makes one wonder how the fashion designer in Arnhem can be characterized. This question is important since it will provide more context for the findings of this study.

The following two questions have therefore been designed to help answer the main question:

- What are important factors in the location decision making process for organization in the creative industry according to the existing theory?

- What are the characteristics of fashion designers that are located in the city of Arnhem?

In order to understand how the research question will be answered I will explain design of this thesis, which is divided into four parts. Part I explains the context of this research. Not only will I introduce the city of Arnhem and its fashion industry, I will also shed some light on current thoughts on the term cultural economics. Part II will focus entirely on the three sets of location factors that have been selected for this research. This literature study builds up to the answering of the first sub-question; additionally it also forms the bases for the empirical research. Part III is the empirical backbone of this research. In the first chapter the methodology of the research will be thoroughly explained and the second chapter evolves around the outcomes of the questionnaire. These results will answer the second sub-question and give us a good insight in the characteristics of the fashion designers is Arnhem. The final chapter of Part III will deal with the answering of the main research question and with recommendations for further research.

Part I – Context

In the following two chapters the context for this thesis will be clarified. Firstly the city of Arnhem will be introduced. The role of culture and especially fashion will be examined in depth. This chapter deals with the actual environment of this research. Chapter 3 focuses on the role that culture could play in the life of cities. As we have already learnt something about the role of culture in the city of Arnhem, this chapter will provide this thesis with an academic context regarding the interplay between economics and culture.

2 - The fashion industry in the city of Arnhem

In this chapter I wish to introduce the city of Arnhem and its fashion industry. Firstly the city and its characteristics will be introduced; secondly the role of culture in the city of Arnhem is examined. The policy of the city of Arnhem and the province of *Gelderland* will be explained. In the final paragraph of this chapter we will take a closer look at the fashion industry in Arnhem and several institutions and organizations that are important players in this fashion industry.

2.1 - Culture and the city of Arnhem

Arnhem is located in the eastern part of the Netherlands. It is therefore not a part of the *Randstad*, this part of the Netherlands is located in the west and tends to incorporate the most economic activity of the country. Historically, Arnhem was a city which hosted a big production and service industry. However as the Dutch economy became a more knowledge based economy, there has been less work in the production industry and many of the service departments are also relocated in upcoming economies like India.

As for Arnhem this meant they would have to change their focus from production towards consumption. In order to become a consumption centre a city has to be attractive for people to live in it and spent their money. According to research by Nyfer (2002) this means that a city has to be attractive in terms of leisure, working possibilities and housing options. Arnhem had to change its culture in order to become a consumption centre and attract a different group of citizens: people who want to live and work there but who also want to spend their money in Arnhem. Nyfer has also shown in its research that there are some limitations for Arnhem to become a consumption centre and especially the range in which a city like Arnhem could play a role. Arnhem is a small city compared to others like Amsterdam, Rotterdam and Utrecht. Therefore their role as leisure centre can not be as extended as it is for those cities. This means that Arnhem can never develop

its leisure role to the extend as these cities do: it will remain a regional city. This is why the research by Nyfer concludes that Arnhem should focus on each of the three distinctive features of a city: leisure, work and living.

In order to differentiate itself the city had to be reinvented. Culture has been chosen as one of the distinctive characteristics, as described in *Cultuurmenu Arnhem 2001-2005-2015*, a policy document created by the city of Arnhem. In this policy the city counsel acknowledges culture and cultural history as valuable forms of capital for the development of the city. Arnhem has a rich cultural history, with many museums, an old (partly intact) city centre, a rich variety of cultural events and an arts academy. Not only the city of Arnhem recognized the importance of culture for its development and the opportunities, the Ministry of Education, Culture and Science did the same. They have designated Arnhem as a central player in the field of the visual arts and design. Arnhem promotes culture with the campaign *Made in [Arnhem]*. They state about the role of culture in their city the following on their website:

> *'Made in [Arnhem]' is the motto that creates the brand for the city and*
> *people of Arnhem. A brand that gives a 'good feeling'. Arnhem is a creative and innovative city*
> *that sets the tone. A range of designers, creative business and innovative*
> *industries have their roots in Arnhem. Therefore, 'made in [Arnhem]' is the name of Arnhem's*
> *city promotion campaign.*

<div align="right">Source: www.arhem.nl</div>

A specific role in the cultural development of Arnhem has been appointed to fashion. Due to the internationally esteemed fashion department of the Arts Academy many fashion designers were drawn to the city to enjoy their education. The Fashion department has trained many successful designers and is quite often compared to the fashion Academy in the city of Antwerp. There is however a big difference among the two cities, namely the maturity of their fashion industry. Where the city of Antwerp hosts not only an internationally esteemed fashion department, it also knows a very well developed fashion industry. Many former students have remained in Antwerp and created their own brands, which has led to a flourishing fashion industry. With the new acclaimed role for culture, and especially for fashion, the city of Arnhem is now also trying to keep its fashion students from leaving after their graduation. They hope to convince the designers to remain in the city and pursue their careers in the place where they enjoyed their education instead of moving elsewhere. Not only will this help to develop the fashion industry it is also in

line with the recommendations of the research done by Nyfer. The research states that it is important to attract a creative class to the city in order to become a leisure centre.

Not only the city of Arnhem itself focused their policy on developing new distinctive characteristics for the city, also on a more regional level there has grown an awareness of the possibilities that culture offers. A governmental organization called *Stadsregio Arnhem Nijmegen* focuses on the development within the province of Gelderland. Beside Arnhem the region hosts another large city, Nijmegen, both cities have a strong cultural identity. In 2007 *Stadsregio Arnhem Nijmegen* has published a policy document on the development of the region for the period 2005-2020. In this document special attention has been devoted to the possibilities of the creative industries in Arnhem and Nijmegen. It emphasizes the importance of the development of the more innovative and creative economic activities in the region in order to strengthen the attractiveness of the region. The policy makers also noticed the possibilities of the location of certain 'broedplaatsen' near or within the city centres and will provide support for creative entrepreneurs that locate in these places. In both cities two actual initiatives towards a lively creative centre have been made, *Klarendal* in Arnhem and *Koers-West* in the city of Nijmegen. These projects will be followed closely by the province of Gelderland in order to learn more about their dynamics. This information will be incorporated in future plans regarding creative centres and the creative industry.

In line with attracting the creative industries to Arnhem and in order to promote this (potential) characteristic of the region Arnhem and Nijmegen, a joint promotion has been developed by *Stadregio Arnhem Nijmegen*: 'Arnhem Nijmegen, Cool Region'. On their website the term Cool Region is explained:

There is a gap between the image of the region as felt by outsiders and what we really are, our identity. The Arnhem Nijmegen region is not only a border region with many green areas and a rich history, but is also young and trendy; with many creative companies, the top of fashion, a strong clustering of health and wellness, excellent educational institutes, exciting architecture, and so forth. The core values that we want to spread are: "relaxed" (the people, the surroundings), "healthy" (the economy, nature) and "creative" (the entrepreneurs, and the training courses). In one word: Cool!

Source: www.coolregion.nl

2.2 - Fashion and the city of Arnhem

As mentioned in the former paragraph the city of Arnhem has dedicated a special role for its fashion industry in their city promotion campaign. Arnhem hosts several organizations and institutions that focus (partly) on the fashion industry; the local government, the fashion department at *ArtEZ*, *100% Mode*, the *Fashion Biennale*, *the Slak Foundation* and some multi-disciplinary organizations. In order to understand more about the fashion industry in the city of Arnhem I will introduce these organizations and institutions in short.

2.2.1 - The local government

As mentioned before the local government of Arnhem has put the economic role of culture high on its agenda, with special attention towards the fashion industry. Even though the next chapter will deal more in depth with the role of culture in the life of cities it is important to introduce the topic of contemporary urban regeneration at this point to understand the role of the local authorities and their ideas. Fashion, media and creative industries have been identified as 'important ingredients of the cultural economy of cities, both in terms of their consumption power and by virtue of their employment and, property-related spin-offs' (Crewe and Beaverstock, 1998:295). Crewe and Beaverstock also focus on the consumption power of culture, just like Nyfer did. However they take another dimension into account, the production of culture. The research of Nyfer acclaimed that production would have to be replaced by consumption; Crewe and Beaverstock (1998) also point towards the powerful hybrid of production and culture in a region. It is important however that the production of culture is different from the mass production where Nyfer refers to. The local government of Arnhem especially focused on this hybrid of the production and consumption of fashion. In many of the initiatives they have encouraged and subsidized, both production and consumption play an important role. Throughout this chapter these initiatives will be explained.

The former shows that the special role for fashion in Arnhem could contribute to the role of Arnhem as leisure city; it is something different and exclusive for people to consume. This leisure-side of the city could attract a new group of people to the city. Beside this positive aspect, incorporating fashion in the city has other positive outcomes. The creation of a fashion district in cooperation with other social partners in a less economically developed area in the city, is supposed to make this neighbourhood more attractive to live. The fashion district could also lead to more job opportunities, however this should be seen in perspective since fashion generates not as many jobs as some other industries might do. However the specialized fashion district, as pointed out before, attracts many day tourists that will spend money on other facilities as well.

This could imply that other branches could profit from these visitors, think of the catering industries, museums or other retail organizations.

Concluding there are several motivations for the city of Arnhem to invest in fashion, on socially, cultural and certainly also to some extend on economic terms. The city mainly invests in this fashion industry by providing subsidies, infrastructural needs and other types of support when needed.

2.2.2 - Fashion department at ArtEZ

The fashion department at the *ArtEZ Academy for the Arts*, has played an important role for the fashion industry in the city of Arnhem. The department Fashion Design and Fashion Illustration was founded in 1953 by Elly Lamaker within the *Academy of Fine Arts Arnhem*. Ever since, the department has taught many internationally rewarded and successful fashion designers. Among the most renowned designers are Victor Horsting and Rolf Snoeren, Alexander van Slobbe, Truus and Riet Spijkers, but also more recent graduates like Daryll van Wou, Iris van Herpen and Antoinne Peters. The fashion department's main educational program is the four year bachelor *Fashion Design*. Today this course consist out of 125 students, both from the Netherlands as well as from abroad. A small team of teachers will guide the students into the professional fashion industry. Steps along this process include courses that will break down the student's 'rusty entrenched ideas' on fashion, courses to increase their technical skills, an internship, the presentation of a collectively produced collection and finally a graduation collection. Besides this bachelor course the fashion department also hosts two Master courses: the Master Fashion Design and the Master Fashion Strategy.

Due to its internationally established reputation the fashion department at *ArtEZ* has attracted many young designers from various corners of the world to Arnhem. The presence of these talented designers creates the opportunity for a flourishing fashion industry. However in order for these students to stay in the city of Arnhem after their graduation, they will need a reason to stay. Since the promotion of the fashion industry several former successful students of the fashion department have indeed decided to stay. Examples are Sjaak Hullekes, Iris van Herpen and Sebastiaan Kramer.

2.2.3 - 100% Mode

This organization started off as *Project Klarendal*, and its purpose was to create new economic development opportunities for the Arnhem neighbourhood Klarendal. This neighbourhood,

located nearby the centre of Arnhem, has been known for its neglected houses, relative poor living conditions and isolation from the rest of the city. For this project an Arnhem housing organization, *Volkshuisvesting Arnhem*, bought up many empty and neglected shops in the area. They renovated them and rented them out to young fashion designers on reasonable terms.

The new fashion cluster, now known as *100% Mode,* was located especially in this part of town to revitalize the neighbourhood. Not only did it create new economic possibilities and job opportunities for Klarendal, it also improved the image of the neighbourhood and enhanced the spirit of the people living in Klarendal. With the new shops and designers their living district became more lively and cleaner. This project was launched in 2006 and today over 30 fashion organizations have located in the area, and their numbers are still increasing. In this project the three objectives for Arnhem as described in the research by Nyfer are very recognizable on a micro level; working, living and leisure. New job possibilities have been created; this new economic impulse enhanced the livelihood in Klarendal. This results in a more attractive neighbourhood where people can both live and have high-end leisure possibilities related to the recently developed fashion cluster.

2.2.4 - Fashion Biennale Arnhem

The *Fashion Biennale Arnhem* has been an important player in the Arnhem fashion industry as well. While it might not be present in the city on a daily bases, this biannual event has put Arnhem both nationally as internationally on the map where it comes down to fashion. The *Arnhem Fashion Foundation* is the organization that is responsible for the *Arnhem Fashion Biennale*, and was established in 2003. The first Biennale was organized in 2005 and since the first edition the visitors' numbers are still increasing. The local government of Arnhem supports the organization of the biennale financially. Besides the government there are other commercial sponsors that enable the two year event.

The Arnhem Fashion Biennale is both a platform for Dutch fashion designers and international designers. However since the biennale also receives support from the local government, they also focus on the local fashion industry in the city of Arnhem. Besides the main exhibition, many activities are organized throughout the city, including less prominent fashion designers and organizations that are active in the city. Examples include city walks in the fashion district *100% Mode*, as described in the former paragraph, or a fashion show in the middle of the shopping centre that included collection of local designers. Another link with the local fashion industry is the cooperation between the *Arnhem Fashion Biennale* and the fashion department of *ArtEZ*. Not

only does the biennale host the graduation show of the fashion department, it also includes work of other students and has been set up in cooperation with the fashion department.

2.2.5 - Slak Foundation

The *Slak Foundation* is an organization that tries to take on the housing difficulties of artists. Their objective is to provide reasonable priced studios for artists from every different type. Since the government decided to support *Slak* as of 1988 they have been able to create even more reasonable priced studios in the city of Arnhem. Today *Slak* is able to rent out over 600 ateliers to different artists, including many fashion designers. Most of their ateliers are located in Arnhem, however they also rent out locations in the surrounding area of the city.

Especially young designers who have graduated from the fashion department, tend to rent out a low priced atelier in order to try their possibilities in the fashion industry. A good example is *Arnheim Fashion*, an organization run by Sjaak Hullekes and Sebastiaan Kramer. They started of in a small affordable atelier rented from *Slak*, as their organization grew bigger they were able to rent out a larger atelier through this organization. In this sense *Slak* does not only provide low rent ateliers but it also is flexible enough to create growing opportunities for the artists when they need it.

2.2.6 - Multi-disciplinary organizations

Arnhem also enjoys a wide variety of non-profit organizations that provide platforms for inter-disciplinary cooperation. Examples are *O.P.A.* and *Arnhem aan Zee*. These platforms intend to enhance cultural cooperation between organizations, and in this sense to stimulate cultural entrepreneurship. The fashion industry can benefit from the networks that these organizations provide since it makes the other creative industries more accessible. One can think for example about 2d or 3d design or photography. The idea is that these industries can benefit from one another in order to keep the costs as low as possible and to create hybrid cultural products. Also these platforms can be used to find related business for organizations. A dance company might need new clothing for a new production and might find an interested designer through these platforms. The city of Arnhem is according to these organizations a breeding place for creativity and flourishes of innovation. Not only do they hope to create better ways of communication among these creative people, their websites also serve to spread the news on new cultural activities.

2.3 - Chapter summary

This chapter is included in my thesis to connect the theory on urban economics to the city of Arnhem. Even though the true introduction of urban economics will take place in the next chapter it is important to illustrate the role of culture, and especially fashion, in the city of Arnhem. As has been shown Arnhem has chosen for culture, and especially fashion, to give a new direction to the future of the city. Cities have to become places of quality, and people should want to live, work and enjoy leisure possibilities in the same place. As the research of Nyfer has shown, Arnhem is too little of a city to provide for these quality–indicators on a national level. However it is possible to create it for a smaller group of inhabitants. Since fashion plays a key-role in this new strategy for Arnhem it is interesting to learn more about these fashion designers. However before turning to them, we will first deal will deal with urban economics and the several groups of location factors.

3 - Culture and regional urban development

Since the mid-1980´s the relationship between the arts and regional urban development has become more popular in research, e.g. the field of planning, economic geography, economics and sociology (Markusen and Gadwa 2010; Currid, 2010). These types of studies are referred to as urban economics. Culture and regional economic development are interdependent of one another and have a dual causality – development of the cultural sector has an effect on overall economic development and at the same time general economic development affects the cultural sector in specific ways (Bille and Schulz, 2006). Many scholars have focused on the interrelationships between the two variables. Whether it is the artists or the bookstores, people like to live in areas with cultural vibrancies and pay a premium to do so (Florida 2002, Clark 2004). In order to understand the relationship between the arts and regional development better, this first chapter introduces the topic of urban economics and the several roles that culture can play in the life of cities and urban development. The second part of this chapter introduces two of these roles more in depth, since these are applicable to the case of the city of Arnhem and their fashion industry.

3.1 - The underlying norms and goals of cultural planning

Today the notion of the influence of arts and culture on the regional urban development has been adopted by many cultural planners. Their ideas have sprung from pioneering scholars who wrote on the role of culture and the creative city. In order to understand the goals of policy makers today, it is important to distinguish the several norms that underlay the pioneering literature in the field of urban economics. Scholars like Garcia (2004) and Markusen and Gadwa (2010) give us insight in this matter. Urban economics have firstly gained interest due to the changing notion of the economic impact that the arts and culture could have on the development of a region. Garcia wrote about this:

In this sense, a key realization during the last decades of the 20th Century was that, although cities have always had cultural functions, the evolution of a global, service-oriented economy has placed culture at the very centre of urban development, and has shifted traditional notions of culture as art and heritage to a view of culture as an economic asset, a commodity with market value and, as such, a valuable producer of marketable city spaces.

(Garcia, 2004: 313)

This understanding has been mostly influenced by the writing of Zudkin (1982). A second norm and goal for cultural planning is the regenerative impacts that the arts and culture have on

surrounding neighbourhoods and regions. Especially over the last decades, arts have been seen as a way to create more economic activity in declined areas or less fortuned parts of a city. A third underlying goal of cultural planning is the cultural impacts of the arts. In the mid 1980s, the cultural policy was directed to culture as a mechanism to enhance community development and encourage social participation (Garcia, 2004). Even though this goal in the recent years has been overshadowed by the economic approach, it has never totally disappeared from the cultural agenda. According to Markusen and Gadwa (2010) the more familiar norms of efficiency and equity cut across the economic and cultural impact and the revitalization motives. However they directly emphasize that cultural planning definitely lacks any sort of 'cost-benefit evaluation or acknowledgements of opportunity costs of alternatives' (Markusen and Gadwa, 2010: 380). The equity argument is always highly present in any discussion on culture due to the fact they are regarded as merit goods. Snowball (2007:12) defines merit goods as: 'goods which some persons believe ought to be available and whose consumption and allocation are felt by them to be too important to be left to the private market'.

After learning more about the norms and goals of urban economics, the focus of the upcoming part of this thesis is more concrete. What is meant when we refer to culture in urban development? How can we define economic development and what kind of different roles could culture play in the life of cities and regions?

3.2 - The several roles of culture in the life of cities and the urban development

Before we can turn to the various roles of culture in the life of cities, it is important to understand what is addressed when we talk about culture. Let me first make clear that this is a debate in itself. However this thesis does not question the definition of culture. In order to differentiate between several definitions of culture I will use the distinction made by Bille and Schulz. In their article *Culture in urban and regional development* (2006) they distinguish between *Culture as aspect*, *Culture as sector* and *Culture as art*. *Culture as aspect* refers to the several social aspects that we refer to as culture. One could think of community values or the norms and habits of a certain social group. The second definition, *Culture as sector* implies a more economic approach of culture and the products produced. Culture in this sense is defined by the different genres, like dance, theatre, poetry and fashion, and those institutions, firms, organizations and individuals who work with these genres. In total the cultural sector so defined 'comprises a wide spectrum, from commercial businesses on the one hand to subsidized cultural institutions and idealistic organizations on the other hand' (Bille and Schulz, 2006: 1054). The third definition as used by Bille and Schulz, *Culture as art*, refers to the individual cultural product and its qualitative

valuation. This qualitative measurement is important for the cultural products since not all products are worthy of the label art. These different definitions of culture can play many different roles in the life of cities and their economic development.

Economic development is another construct that needs clarification before turning to the relationship between culture and economic development. The term economic development refers to economic growth. Economic growth is defined in the *Oxford Dictionary of Economics* as 'an increase in an economic variable, normally persisting over successive periods'. Variables can be quantitatively measured and refer to prices, income levels, interest rates, quantities of goods. When we apply economic development to culture we mostly talk about tourist rates, the attractiveness of a city for inhabitants and the attractiveness of the city for entrepreneurs. Focusing on the Arnhem fashion industry the economic development could be measured in employment rates, the opening of more shops and the number of visitors to the city.

In the former paragraph the several roles of culture in the life of cities and their economic development have been explained. These influences occur in various ways. Bille and Schulze (2006) distinguish in this sense between short-run effects and long-run effects. Short-run effects include the employment and income due to culture or the customers spending effect. Long-run effects include location choices of people and firms for a certain region, the educational and creativity values and cultural and urban planning.

Throsby (2001) differentiates between four different non-mutually-exclusive roles that culture can play in the life of cities and their urban development. First he distinguishes the role that significant cultural symbols or attractions can play and how they might affect the urban economy. Think of the *Coliseum* in Rome, the *Statue of Liberty* in New York or the many different buildings designed by Gaudí in the city of Barcelona. All these different cultural symbols attract a lot of visitors and thereby feed the urban economy. A second role that culture can play in the economic development of a city is the presence of a cultural district or cluster. This type of district could boost the local economy. Examples could be the *Meatpacking District* in New York, *Le Marais* in Paris or *De negen straatjes* in Amsterdam. In light of this thesis the fashion district in Arnhem, *100%mode* is a wonderful example. These regions not only attract visitors but also attract cultural entrepreneurs that might create new cultural businesses. A third way for culture to affect the local economy is when the cultural industries become a vital part of this economy. Throsby focuses especially on the performing arts in London and New York but also recognizes the effect in smaller regional towns. Once again the city of Arnhem and its fashion industry serve as a very

good Dutch example. Finally urban development might be enhanced 'by culture through fostering of community identity, creativity, cohesion and vitality' (Throsby, 2001:124). This type of culture is very much related to the *Culture as aspect* that Bille and Schulz (2006) also mentioned.

In the light of this research, which will be directed towards the Arnhem Fashion Industry, it is most interested to focus on the second and third role that culture might play in the development of a city or region. Therefore I will address the position of the cultural/creative industry and the cultural districts or clusters.

3.3 - Cultural/Creative industries

In our day and age the division between cultural and creative industries is becoming more crystallized. In the former chapter Throsby referred only to the role of the cultural industry, but I will address both industries and their differences. The term creative industries has sprung from the definition of the cultural industries. Therefore it is interesting to see how the term cultural industries came about and what the reason for its existence was. As Van der Kamp (2003) explains politicians introduced the term cultural industries to legitimate cultural politics and expand the definition of culture. Their motivation was threefold: sociological, economical and pragmatic. From the sociological point of view, a strong democratic impulse to include certain popular art forms from in the term arts, was most decisive to introduce the term cultural industry. The economic reason for expanding the definition of culture was related to the upcoming idea that culture could also be profitable. However the cultural products that could be profit making where mostly found in sectors that were not included in the cultural system. The term cultural industry would give them a well founded position. As for the pragmatic point of view, politicians realized that de current definition of culture did not match the cultural preference of the greater part of the population. Since the traditional, high brow, cultural product only appealed to an ever diminishing part of the population; the popular, low brow, cultural products gained an ever increasing audience.

In order to explain the differences between creative and cultural industries I will focus on both definitions and the differences that are implied by the definitions. The foremost known academic that has written on the cultural industries is Caves, in his book *Creative Industries*. He described the cultural industries as 'supplying goods and services that we broadly associate with cultural, artistic or simply entertainment value' (Caves, 2000: 1). According to Caves the cultural industries include book and magazine publishing, the visual arts, the performing arts, sound recordings, cinema and TV films, fashion toys and games. Another definition by Wynn (1992)

defines the cultural industries as 'all forms of creativity associated with what is traditionally understood as art and popular culture. This includes live performances and singular artistic production together with the recorded and reproduced productions in the audio and visual media' (Wynne, 1992: VIII).

Where the cultural industries, as we can tell from their definitions, are mainly concerned with the production of creative goods the creative industry is more focused on the development of ideas and intellectual property. The definition for creative industries used by The Department for Culture, Media and Sports in the United Kingdom will be my guideline. The creative industries are defined as: *The creative industries are those industries that are based on individual creativity, skill and talent. They are also those that have the potential to create wealth and jobs through developing intellectual property*. However the problem with especially this former type of definition is that it overlaps, and tends to be rather vague. By characterizing both industries in the upcoming paragraph I intend to make their differences more tangible.

The differences that these definitions imply is that the cultural industries are mainly dominated by large firms that have embraced the notion that cultural products can actually make a profit. The cultural industries are therefore aligned with terms as technology, production, distribution and advantages of scale. Creative industries operate in the periphery of the cultural industry; their focus is more directed towards ideas and symbolic values, in stead of economic gain. Most organizations active in the creative industry are relatively small in comparison to the large firms that dominate the cultural industry. Another characteristic of the cultural industries is their focus on producing cultural goods for mass distribution. This implies that they are market oriented. It includes a very large distribution network and a preference for popular culture, which is accessible for the larger part of the population. The creative industries have a far smaller distribution network since they are not focused towards the market, but towards culture itself. Their interest lies mainly in the alternative culture instead of mass culture. Since they do not serve a large population, their production focus is considered to be more *on demand* and specified for certain target groups. The next difference I will discuss is the role of innovation. Since creative industries tend to be less focused on mass production, innovation is easier to incorporate in their products. The cultural industries have made large investments in (mass) producing machines. This makes it more difficult to change their products very often or radically.

Concluding we can say that the term creative industries came forth from the cultural industries. Creative industries tend to operate in the periphery of the Cultural industries, where they have

more freedom to create innovative ideas. Since the organizations in the creative industry are usually far smaller, they are also more flexible to react on local demand and technological changes. When we focus on the role of culture in cities we have to realize that we far more often are working with the creative industries then with the cultural industries, as is often assumed. Some cities do facilitate cultural industries; think of the movie industry in Hollywood, the musical industry in New York or the fashion industry in Paris. However most cultural organizations in cities are less professionalized and tend to operate more in the periphery and are therefore better characterized as a creative industry.

3.4 - Location patterns in the arts – Cultural Clusters

'Geography is dead' is often claimed these days. Due to modern technology one can locate anywhere and work from anywhere. Porter (2000) explains this by saying: 'Economic geography during an era of global competition involves a paradox' (Porter: 2000: 15). Regardless of this is true for all society; one can also wonder whether this is true for the cultural sector. As we have seen in the preceding paragraphs cultural industries tend to arise in certain places. Artists and cultural organizations or entrepreneurs tend to look for one another and locate near one another. This is also referred to as cultural clusters. In this paragraph I will shortly address the location pattern of cultural industries according to recent studies.

Many scholars like Caves (2002), Markusen (2006), Currid (2007) have written on the clustering of cultural organizations. However the most applicable one in the light of this thesis, is the study by Scott (1996) on the clusters of craft, fashion and cultural products firms in the city of Los Angeles. Scott identified three main reasons for the clustering of these cultural organizations. The first reason is that clusters often work more efficient (Scott 1996, Caves 2002). If a supplier of a certain good, say fabrics is located near fashion designers, this makes the production chain shorter. Florida and Jackson also emphasized this economic functionality of clusters. Since cultural products are intangible the demand is impossible to determine in advance. 'Therefore such industries benefit from a geographically concentrated economic structure that includes cultural producers, agents, gatekeepers and other market-actors' (Florida and Jackson, 2010:312). The second argument for the clustering of cultural organizations is the positive influence a cluster could have on innovation. Scott argues that clusters tend to encourage innovation. 'Any localized network can be seen as a structured set of real activities and potential opportunities because they are more likely than other to have the requisite knowledge and ability to act' (Scott, 2006: 308). Klamer (2008) also emphasizes this importance of the inspirational character of clusters of creative organizations. The third reason for cultural organizations to locate in clusters is

efficiency. They can learn from each other in terms of efficiency regarding their costs and production techniques. The theme of clusters will be touched upon more in depth in chapter 4, which will be entirely devoted to this theme. However in the light of the cultural and creative industries and this thesis the topic could not be remained untouched till then.

3.5 - Chapter summary

In this chapter the objective was to introduce the term urban economics and the different ways in which culture might influence a certain region or city. In light of the theme of this thesis, location factors, it is important to create the bigger picture. Therefore we have firstly identified the norms and motives that have caused cultural planning to become more interesting for politics and urban planners. As the chapter showed culture is able to benefit region economic development in different ways, both short term and long term, both direct as well as indirect. As for this research the most important role for culture is identified as how a cultural/creative industry might affect a region. A professionalized industry could create jobs, but could also attract other businesses. Finally the notion of cultural clusters was made. Organizations that operate in cultural clusters might benefit each other in very different ways, both economically as non-economically.

Part II – Three Location Factors

In the Part II of this thesis I will focus on the three sets of location factors that I will use in order to find out what location factors have been in play when Arnhem fashion designers choose this city as their location. The three sets of location factors are presented according to the theoretical framework that Kappers (2009) used to measure the location factors for creative organizations in the city of Rotterdam. He created three sets of location factors to measure the relative importance of the quality of place in the location decision making process. The location factors that he used to measure this relative importance were traditional location factors and the location factors according to clustering theory. Each following chapter will firstly explain the theories that lie at the basis of the three sets of location factors and will secondly focus on the by Kappers designed location factor sets.

4 - Location attractiveness according to economic rationality

Questions on the location choices of business enterprises have been a topic of research for many years. Even at the end of the 19th century economists found theories to explain location choices and thereby improved their finding of scientific laws for economic processes. This chapter focuses on the integration of geography into economics, and the two general approaches that arise from this integration. As the two main theories will be explained in this chapter one can tell that they arise from a different age and their conclusions reflect the spirit of their time. In the classical approach an organization is regarded as individually operating, whereas in the behavioural approach the organization is seen as the part of a bigger whole. However the starting point for both these approaches lies in the economics.

4.1 - (Neo)Classical location theory

The first interest in the location decision making process dates back to the nineteenth century, where economists were looking for 'scientific' laws to explain economic behaviour. At the basis of these classical location theories stand three German economists Von Thünen (1826), Launhard (1882) and Weber (1909) (Pellenbarg, 1985). These economists share the basic assumption that organizations operate individually in an economy of free competition. Their main drive is trying to gain raw materials, labour and customers markets trying to create the lowest possible production costs. In order for the location choice to be of any importance to this lowest possible production one should look at the stage of development in which these organizations and their industries are. Oosterveld (1971) states that the more labour differentiation is developed, the more

the choices regarding industry location become determined by production cost advantages of specific locations in respect to raw materials, labour and transport. Important in this classical approach of location theory are the material and natural circumstances of the region. With the material circumstances Weber (1909) for example includes the availability, weight and weight retention of the raw materials. If there is there is a high loss weight during the processing of raw materials, the best location shifts towards the source of the raw material (Van Noort and Reijmer, 1999). The focus on cost minimizing in these theories has led to the renaming of these classic location theorist as the 'least cost'-approach (Pellenbarg, 1985).

This 'least cost'-approach triggered a response from theorists that thought other economic factors would be of importance as well, these theories are regarded as the Neo Classical Location Theories. (Pellenbarg, 1985) These other economic factors would, according to these theorists, complement the cost minimizing approach. The other approaches are referred to as the 'market-oriented'-approach and the 'location-interdependent'-approach. The 'market-oriented'-approach focuses on the market competition and by focusing on sale maximizing instead of cost minimizing. The 'location-interdependent'-approach takes the behaviour of competitors into account. According to Hotelling (1929) enterprises will focus on locating in an area where competitors are also located in order to cover the biggest possible market area and, in any case, one which is no smaller then that of the competitor (Van Noort and Reijmer, 1999). A good example of this type of behaviour is noticeable regarding the location choices of car dealers. Travelling along the highways of The Netherlands, one will always find a few car dealers located next to each other. In this way they make sure they cover the possible market area of their competitor as well as their own.

The (Neo) Classical location theorists differ in various thoughts from one another, however the also show many similarities. For the sake of the framework that is chosen, in which the empirical part will not differentiate between the (Neo) Classical location theorists, it is more important to focus on these similarities. All (Neo) Classical location theorists focus on providing a general model regarding the search of the best location for a certain organization (Pellenbarg, 1985: 131). The input for their models are solemnly obtained from economic considerations and consists out of the distance towards and availability and prices of raw material, labour hours, energy, property, the market and competitors.

4.2 - Behavioural location theory

Due to the insights of other authors, like Cunningham (1902), economists started to notice that economic location factors might not be the only crucial elements for the success of an organization (Kappers, 2009: 32). By emphasizing that the location decision of organizations in the future might not be solemnly depending on the material and natural circumstances, but also on the characteristics of the organization and their type of production, the classical location theory has to face a more inter-organizational focused approach towards location theory. This type of approaching location theory is referred to as Modern or Behavioural location theory.

The theorists approaching location factors from this perspective see some disadvantages in the classical approach. Their main concerns are fivefold. Firstly classical theorists usually do not take into account the influence different locations can have on each other. Secondly they assume there is a homogeneous/ isotropic level, which is according to the behavioural theorists not realistic. Thirdly, there has been put too much importance on the factor of transport costs in the classical approach. Fourthly, the theories that have been put forward do not comprise the possibility for dynamics. The final disadvantage the behavioural find in the classic approach is the vision of human behaviour it implies. The classsis approach implies that people are completely informed and act totally rational, which is not realistic (Pellenbarg, 1985).

This difference in viewpoint is the main catalyst for the rise of the behavioural approach. Where man is regarded in the classic approach as a *homo economicus* or *economic man*, Simon (1952, 1957) focuses in his theory on the fact that man can not completely act like this. According to Simon we are simply not capable of collecting all the possible information and processing it with complete rationality. Instead of complete rationality man is provided with bounded rationality; 'at best a decision is the best possible option from a range of possibilities that the decision maker can distinguish based on his asymmetric information' (Kappers, 2009: 32). This bounded rationality can therefore never lead towards an optimal decision, it might however lead to a satisfying decision; the decision maker is therefore rather a 'satisfier' instead of an 'optimizer'. Not only does the decision maker has only incomplete information at his side, he also holds his own interpretation of the information he processes. Therefore, while interpreting the information there may also be non-economic motivations possibly playing a role.

Non-economic location factors are, unlike economic location factors, factors that can not be directly expressed into costs or revenues. These factors are experienced in an emotional way, and in the end are expected to contribute to the so-called well being of the organization (Kappers,

20089: 33). However it should be stressed that even though the non-economic location factors can not be measured in monetary terms, there might even well be a relation with profit costs or revenues. Pellenbarg (1985) therefore suggest differentiating the two concepts, economic and non-economic location factors, according to the level that they can be linked to the direct economic performance of an organization. Therefore even non-economic location factors could influence economic performance.

4.3 - Summery - Conventional Location Factors

The two former discussed location theories, the classical approach and the behavioural approach, will provide this thesis with the first set of location factors: location attractiveness according to economic rationality. As one can tell the (neo) classical theoretical location factors are mainly used in this framework. This is implied by the fact that the behavioural approach does not exclude these location factors, but mainly questions there objectivity since decision makers have a lack of information and are bound to their own perception. The behavioural approach still allows for the importance of economic reasoning. Kappers obtained the Conventional location factors from both the classical as the modern relocation theories and appeal to plain economic and practical reasoning.

Table 4.1 - Conventional Location Factors
- Supplier costs
- Expansion possibilities
- Infrastructural position
- Price or rent
- Parking space
- Legal and tax advantages
- Subsidies
- Labour costs

Source: Kapper, H.J.(2009) *The Location of Creativity:*

5 - Location attractiveness according to clustering externalities

In chapter 2 the term cultural clusters was already mentioned, since it is a well known characteristic of cultural and creative industries. In this chapter the term clustering will be researched more in depth, especially the location factors that come in play when we refer to clustering. However let us firstly begin by defining clusters. Porter (2000) describes clusters as the following:

'*A cluster is a geographically proximate group of interconnected companies*
and associated institutions in a particular field, linked by
commonalities and complementarities. The geographic scope of clusters
ranges from a region, a state, or even a single city to span nearby or neighbouring
countries (e.g., southern Germany and German-speaking Switzerland).'

(Porter, 2000: 16)

As explained in the former chapter, the earliest approaches to location factors were based on economic views of how companies compete. Competition was explained as largely static and resting on cost minimization in a relatively closed economy. Porter explains the rise of cluster location approaches in the light of more recent thinking, in which increasing returns to scale play a central role. Even though clustering theory appears an outcome of recent economic thinking, Porter (2000) and Lorenzen et al (2008) refer to Marshal (1890), who already observed the co-locating behaviour of firms in the early industrialized economy.

However, over the last decades economic studies on the positive externalities from clustering have arisen explosively in the academic field. In light of this thesis the focus will be on the clustering of creative organizations and the several scholars that have written on this. Banks et *al* (2000) already emphasized the importance of clusters for cultural organizations by stating: "Cultural firms are more dependent on local clusters and networks than their Fordist counterparts". Kappers (2009) created a three fold distinction between the externalities that motivate creative organizations to locate close to other creative organizations. The first distinction he made is between the economic externalities and the non-economic externalities that are involved when we look at clustering motives. Secondly he divides the non-economic externalities in two categories. The first category includes 'the non-economic externalities concern indirect effects that are rather practical implications for the organizations involved' (Kappers, 2009:36). The second category of non-economic externalities concerns creative community and lifestyle externalities.

5.1 - Economic externalities

Many scholars have addressed the economic advantages that firms can enjoy when they are active in a cluster. These arise from a more economic point of view and are in that sense connected to the traditional location factors that were discussed in chapter 1. It is often stated that creative organizations might be more depending on one another then bigger organizations. 'Small creative organizations -unlike mass production organizations- are not able to establish profitable scale advantages due to their limited size and their highly specialized core activity of producing small-scale creative goods and services' (Kappers, 2009: 36).

Van de Kamp (2002) also states that clustering can improve the possibilities for cultural organizations to establish economies of scope. Especially important when we focus on the economic externalities regarding clustering, is the notion that organizations can share: Porter (2000) refers to this as an increasing access. Examples of this type of sharing can be found in a wide scope. Porter (2000), Van de Kamp (2002) and Hitters and Richards (2002) focus for example on the possibilities for organizations in a cluster to share their consumer market, which will create more offset possibilities. Another advantage is an increasing efficiency due to sharing facilities among organizations. If certain organization is not able yet to invest in certain equipment, they might be able to share the costs with others.

Porter (2000), Van de Kamp (2002), Lorenzen et al (2008) and Scott (2006), focus also on a different economy of scope, being the employment possibilities. They all discuss the tendency of specialized local labour markets to develop around clusters of producers, since a place where a particular economic activity concentrates attracts a specific kind of labour. A specialized labour market in close proximity of a certain cluster reduces the difficulty of finding good personnel. The less time an organization will have to invest in finding good staff the less money it will cost them. In addition it might also be the case that the costs of personnel might not be very high since the competition among personnel might be more intense then if there were no specialized local labour market.

5.2 - Non-economic externalities

The externalities in the previous paragraph are all connected to the economic rationale. This paragraph on the other and will focus on non-economic motives that come into play when organizations cluster. Not all non-economic externalities share the same nature; they can be distinguished in two groups. The first category include indirect effects that are practical for the organizations involved, these tend to have a positive indirect influence on the organization's

performance. The second category of non-economic externalities concerns creative community and lifestyle externalities, these also positively influence the organization's performance but from a different point of view, as will be explained later in this chapter.

The first category of non-economic externalities are still related to the economic performance of the organization, however their influence is not simple to express in monetary terms of costs and revenues. Face to face contacts are a first issue that arises when one thinks of clusters. In our modern day economy, despite the digital development, these direct relationships have become more and more important according to several scholars. Face to face contact in this sense is related to the phenomenon of trust. Giddens (1994) claims that cultural organizations are relying on active trust. By active he means that these 'new forms of social solidarity have to be dynamically and energetically sustained amid increasing pressures from processes of individualization and new forms of community and association' (Banks *et al*, 2000: 457). According to Banks *et al* (2000) cultural organizations are more vulnerable to exploitation due to the fact that 'they deal in products whose value is both symbolic and ephemeral, and thus difficult to safeguard through formal procedures of product protection, their lack of financial resources, support structures and legal administrative protocols'. His line of thought is that organizations active in the cultural industries, will have to rely more on networks that are based on 'active trust' since they are more vulnerable to exploitation. However it is not only the compensation of their economic vulnerability which benefits creative organizations, according to Banks *et al* active trust also inspires the creative process. 'It has been illustrated that new ties of trust, whether they be strong or weak, help break down industry boundaries and themselves becomes part of the creative process leading to unforeseen collaborations and/or new cultural product' (Banks *et al*, 2000: 463).

This new form of trust, which tends to be important for creative organizations, may result in better contacts and better cooperation between a group of creative organizations that have located near one another. This cooperation in turn might lead to better sharing of information and technologies, and eventually create a network of organizations that might inspire and influence each other

Besides the first type of non-economic externalities, that have an indirect effect on the functioning of the organization, the second category of non-economic externalities concerns creative community and lifestyle externalities. In this point of view it is claimed that cultural organizations do not only look for monetary rewards but also for social rewards. Where the first group of non-economic externalities tends to focus on the positive influence they might have on the economic

functioning of the organization, the second group is concerned with its social functioning. Banks (2001) says that that cultural organizations tend to differ from 'Marshallian' organizations because 'the key ties that bind the network are not purely economic in character' (Banks, 2001:27). Other studies by O'Connor and Wynne (1996) and Crewe and Beaverstock (1998) also show that creative organizations not only focus on economic motives. These studies refer to values as the creative community or creative lifestyle that are the ties of creative clusters.

In studies especially focusing on the fashion industry these creative communities also play an important role. Purvis (1996) studied the Manchester fashion industry and found changing attitudes towards work and entrepreneurship. 'What is important to these people is business cooperation and producing network patterns of friendship ties within the business framework' (Purvis, 1996: 132). This results in the adoption of collaborative, non-adversarial relationships between firms. Banks (2001) also emphasizes the importance of local interaction for a fashion business that is rather small. The benefits contain not only the cultural know how, but also stimulate 'the atmosphere and a sense of creative potential that stimulates creativity' (Banks, 2001: 29). Creative organizations, including fashion organizations, therefore tend to locate in places where they hope to find this atmosphere that might strengthen their own creative and innovative character.

5.3 – Chapter Summary

In the table below the location factors according to clustering theory are provided.

Table 5.1 - Clustering Location Factors
- Sharing facilities
- Many face to face contacts; easy access to knowledge and information
- Attractive labour market; potential employees (due to proximity competitors)
- Proximity relevant public organizations (due to proximity competitors)
- Proximity to customers / market
- Strengthening own creative and innovative character
- Proximity of complementary services
- Network of creative organizations

Source: Kapper, H.J.(2009) *The Location of Creativity:*

Clustering theory, as shown in this chapter, has three different types of approaches. The first group of location factors is derived from the direct economic opportunities that a cluster could have for a creative organization. Examples are the sharing of facilities, the proximity to the market, an attractive labour market ad the proximity of relevant public organizations and complementary services. A second group of location factors consisted out of non-economic externalities. The first types of this sort however do influence the economic functioning of the organization in an indirect way; a network of creative organizations and the positive effects of many face-to-face contacts. The second type of non-economic externalities refers more to social effects of a cluster. The proximity of many other creative organizations might lead to an important creative atmosphere and might strengthen the creative and innovative character of the organization.

6 - Location factors according to Richard Florida

In the past chapters location factors have been regarded from a rather economic viewpoint. Most location factors hold a strong relationship with the economic opportunities of a certain place, whether it is based on the organization itself or on the interaction between several organizations in a cluster. However Kappers (2009) focused beside the traditional and clustering location factors, also on quality of place in the location decision process. Inspired by the work of Florida, Kappers included 'quality of place' location factors in his research, which should be of importance to the creative class. His did not concluded that the quality of place was more important then the other factors. Since it neither concluded that they were of less importance I will include these location factors in this research. Also Kappers explained:

> *As said, these findings are indicative for specific creative organizations,*
> *active in specific industries in a specific city. Further comparative research could*
> *indicate whether the insights derived from this thesis hold in other social settings,*
> *like other cities than Rotterdam or other creative organizations than those*
> *active in architecture and advertising.*

(Kappers, 2009: 92)

Therefore this chapter will firstly focus on Florida's creative class and the importance according to Florida for the economy. Secondly the attitude of this class toward certain locations will be explored. Concluding this chapter will provide key location factors that will be used in the methodological part.

6.1 - Florida's creative class

According to Florida, creativity has taken over the greater part of our economy over the last decades. Florida distinguishes between four classes in the history of mankind. The first societal change of living occurred was when organized agriculture came about; this is the *Agricultural Class*. A second class arose in line with the industrial revolution. Since production increased but most of it was still done by men and not machine, a high level of division of labour was required. This division of labour created the *Working Class*. However as machines started to take account for many tasks in the production process as of late in the 19th century, more and more people became occupied in the service industry. The *Service Class* did not manufacture goods but delivered goods. Ever since the last decades of the twentieth century the *Creative Class* has grown and took up a large part of the working force. The *Creative Class* distinguishes itself from the other classes because of the essence of their jobs; 'those in the Working Class and the Service

Class are paid to execute according to plan, while those in the Creative Class are paid to create and have considerably more autonomy and flexibility then the other two classes to do so' (Florida, 2002: 8).

Florida suggests that in advanced countries about one third of the populations is a member of the Creative Class. This implies that Florida includes many more people then if one would only consider those that are active in cultural environments. The basis for this difference is that Florida defines creativity far broader sense then other scholars might do. Creativity according to Florida is the ability to create meaningful new forms and according to him this has become the most decisive source of competitive advantage. More concretely creativity 'is a matter of sifting through data, perceptions and materials to come up with combinations that are new and useful' (Florida, 2002: 31). In this sense the creation or revisions of ideas are all creative. One can imagine that if one holds on to this definition of creativity many occupations can be regarded as creative. If we were to apply creativity in a different sense, for example creativity only applied in creative industries the *Creative Class* might not have been so big. Florida however does make the distinction between the super-creative core and creative professionals, as is shown in figure 1.

Figure 6.2 -- *The Creative Class according to occupational categories* --

Super-Creative Core	Creative Professionals
-computers and mathematics	-management
-architecture and engineering	-business- and financial operations
-life-, physical- and social sciences	-legal practices
-education, training, and libraries	-healthcare- and technical practices
-arts, design, entertainment, sports, media	-high-end sales, sales management

Source: Florida, R. 2002. *The Rise of the Creative Class*, Basic Books, New York, USA

The *Creative Class* is according Florida important for the economic development, but why? According to Florida there are three forces driving economic growth: the 3T's. The 3T's consist out of Technology, Talent and Tolerance. In other words the basic reasoning of the creative class approach is that technology, talent, and tolerance are three crucial cornerstones that facilitate regional growth in the knowledge economy (Asheim and Hansen, 2009: 427). Technology refers to the business climate in the region; the knowledge intensive business or high-tech industry should be well represented. Talent refers to the part of the population that consists out of creative

or talented people. The Tolerance factor, the actual new input by Florida, refers to the openness of a region. This openness can take different forms, like cultural diversity, sexual diversity or religions.

In figure 2 the supposed line of argument of the 3T's is explained. Tolerance allows for talent to move to a certain region and talent leads to the development of more technology. However as one can tell from the scheme is 'that talents has a (small) direct effect on regional growth, this follows from the assumption that knowledge-intensive businesses move to regions with a high concentration of talents and creative workers' (Asheim and Hansen, 2009: 428).

Figure 6.1 - *Schematic line of argument of the creative class approach*

People Climate: Tolerance, cultural, and sexual diversity; culture and welfare amenities	**Talent:** Talented and creative people	**Business Climate:** Knowledge-intensive businesses ensure competitiveness and cash inflow	**Regional Growth:** Job growth, growth in population, and so forth
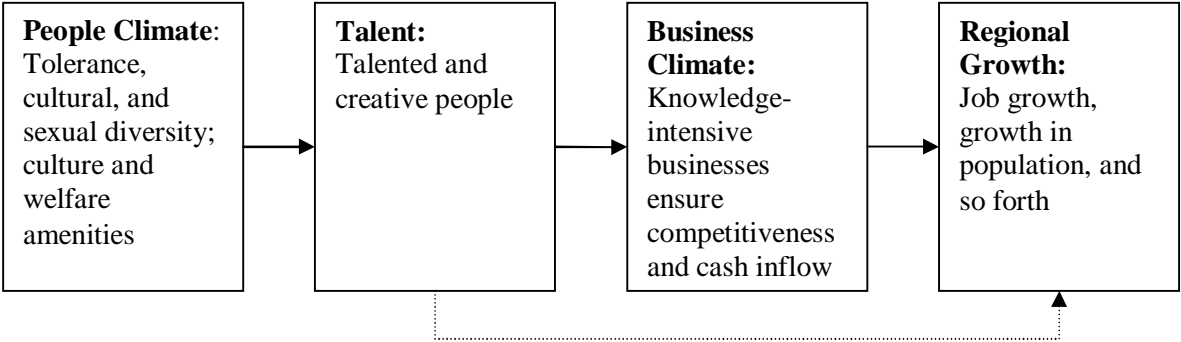
Source: Knowledge Bases,Talents, and Contexts: On the Usefulness of the Creative Class Approach in Sweden, Asheim and Hansen, 2009

6.2 - Quality of Place

The Creative Class is according to Florida highly important for the economic development of a region and therefore places that will attract these people have an advantage over regions that do not. However what does it need for cities to attract this Creative Class?

The Creative Class does not just cluster where the jobs are, as the main economic approach is towards the location choices of people. They cluster in places that are 'centres of creativity and where they like to live' (Florida, 2002: 7). Locations where they like to live should have a certain 'Quality of place'. In order to gain more insight in the motives for location, Florida based his ideas on the result of interviews and focus groups. Lifestyle tends to be very important; in the focus groups people told they had frequently chosen the lifestyle over the employment opportunities in a region. Social interaction is of importance as well, and especially the opportunities for social interaction, like a bookstore or a lunchroom. People tend to live more alone and therefore locations for social interaction are highly important. Employment chances are

also to be considered important, but the main focus is on a thick labour market, since people do not tend to work to long for the same employer. Diversity turned out to of high importance for the creative class as well, this is in line with the Tolerance-dimension that Florida considers to be important for the attraction of talent and to create a healthy economy. Authenticity is the fifth element that is of importance. Authenticity comes from several aspects of a community – historic buildings, established neighbourhoods, a unique music scene or specific cultural attributes (Florida, 2002: 228). Finally identity is also an important feature of the location choice. People tend to identify themselves differently from several years ago. Where work and family used to be the main identifiers, this has shifted in the 'post-modern world to the combination of where we live and what we do' (Florida, 2002: 229). A city should therefore be able to provide people with an identity.

These elements have been combined by Florida and resulted in the Quality of Place location factors. 'Quality of Place refers to this unique set of characteristics that define a place and make it attractive' (Florida, 2002: 231). The quality of place consists out of three dimensions; *What's there, Who's there* and *What's going on*. The three dimensions can be described as following (Florida, 2002: 232):

'-*What's there*: the combination of the built environment and the natural environment; a proper setting for pursuit of creative lives.
  - *Who's there*: the diverse kind of people, interacting and providing cues that anyone can plug into and make a life in that community.
  - *What's going on*: the vibrancy of street life, café culture, arts, music and people engaging in outdoor activities – altogether a lot of active, exiting, creative endeavours.'

6.3 - Summary
The importance of the Quality of Place for the creative class, according to Florida, will lead us to the third and final set of location factors, the Quality of Place Factors. In this set of variables, also provided by Kappers (2009), one recognizes an open environment with many activities. As just described in this chapter the quality of place consists out of three dimensions; *What's there, Who's there* and *What's going on*; each of these dimensions are present in the set of location factors shown on the next page.

Table 6.1 - *Quality of Place Factors*

- Diversity of lifestyles
- Emigrants
- Open minded people in area
- Availability of cultural activities
- Availability of large events
- Many young, active people in area
- Exciting, popular music scene
- Availability of a vibrant nightlife

Source: Kapper, H.J.(2009) *The Location of Creativity:*

7 - Concluding remarks on the literature review

In the previous chapters the three sets of location factors have been developed that will form the bases of the empirical part of this thesis. These three sets of location factors will also serve to answer the first sub question of my thesis: *What are important factors in the location decision making process for organization in the creative industry according to the existing theory?*

Besides looking only at organizations specifically active in the creative industry, the scope of this theoretical part was intended to be wider. For this reason a more historical touch has also been included when the conventional location factors have been taken into account. The conventional location sets arise from classical market theory assumption 'that individual organizations, that operate in an economy of free competition are trying to gain raw materials, labour and customers markets and that they try to realize the lowest possible production costs.' (Pellenbarg, 1985: 130). Location factors that come in play in this set of traditional location factors are based on cost minimizing or profit maximizing. Think for example of supplier costs, labour costs, price or rent. These factors might, at first sight not be very influential in the creative industries, since not only monetary gains are at stake. However organizations in the creative class also have to survive and therefore create some economic value.

The second group of location factors consists out of the externalities of clustering. The rationale for these factors lies in the idea that organizations operate in an environment with other organizations. This environment might influence the organizations positively. Clustering location factors seem to be highly important in the creative industries. As the chapter on clustering location factors has showed many scholars show in their research, creative organizations benefit greatly from clusters. The cluster location factors can both have an economic character as well as a non-economic rationale. Sometimes clustering and sharing information might lead to lower costs. But very often there is no (direct) economic gain to be found in clustering, and organizations tend to inspire each other. Construct that have been mentioned are active trust, sharing information and lifestyle externalities. As mentioned before creative organizations tend to react very positively to clusters.

The third set of location factors has been inspired by the work of Florida, who notes that the Creative Class is becoming more important for our economy. The organizations in the creative industries are part of the Creative Class, and therefore it is important to take the location factors of this class into account. For the location factors in this final set, it seems to have hardly any economic rationale. Most important constructs are openness, diversity and tolerance. However for

the Creative Class it is also important that the region is vibrant. There should be many young people, many activities, a high cultural standard and preferably a historic centre. The location factors in this set could be very applicable to the creative industries since they are the core of the creative class.

After summarizing the main line of thought in the chapters on the three sets of location factors the first sub question can be answered. *What are important factors in the location decision making process for organization in the creative industry according to the existing theory?* Important location factors for organizations that are active in the creative industry come from three rationales, the traditional economic rationale, the clustering rationale and the Quality of Place principles. While looking at the several location factors sets that have been outlined in the theoretical chapters and their theoretical background, we can tell that these location factor sets are in some features interlinked to one another. The conventional location factors look at the organization individually, and take only economic arguments into account on the matter of clustering. The clustering theory poses organizations in a bigger whole; interlinked with other organizations as well and focuses on both the economic benefits and the non-economic benefits that could be decisive for location choices. The quality of place factors also treats organizations as a part of the bigger whole, not just including other organizations in their clusters, but the environment itself, the people and activities in the region; the quality of place. However no economic reasoning is taken into account.

In the figure below one can see how these different sets are interlinked, with the clustering theory in its middle, since it contains some economic elements from the classical location approach as well as features from location factors that are based on the quality of place.

Figure 7.1 *-- Three sets of location factors interlinked --*

Conventional Factors

Quality of Place Factors

Clustering Factors
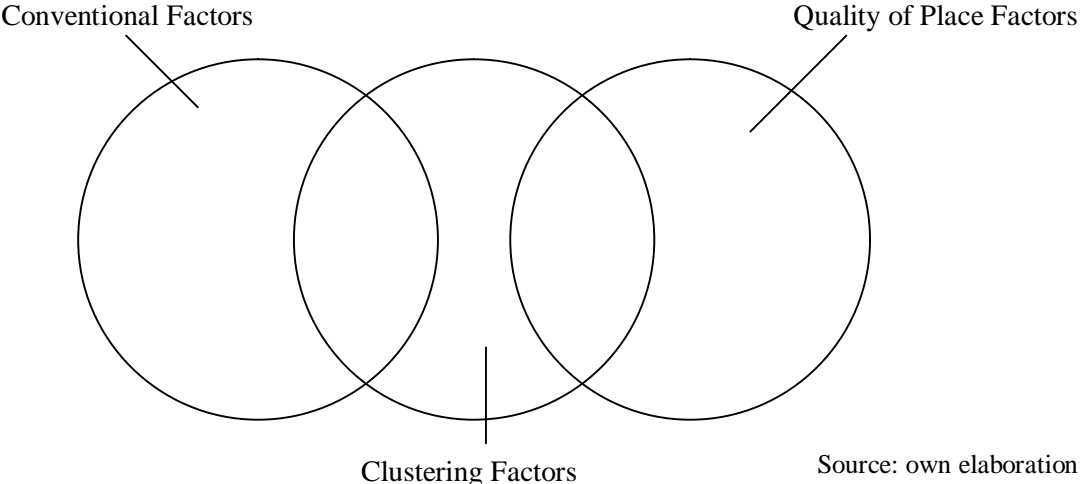
Source: own elaboration

Looking at this figure I would like to pose the idea that these location sets are indeed more interlinked then the theory at first sight might imply. Especially the clustering factors tend to have both an economic perspective as well as a non-economic point of view. Especially for the case that has been taken on in this thesis; the fashion designers in the city of Arnhem, there could be an extra argument to adopt this point of view.

The city of Arnhem has been a city with a history of fashion, mostly due to the (inter)national esteemed fashion department at the Arts Academy. Also since 2005 the local government has put the fashion industry high at its agenda. A question that arises is what the impact of this policy has been on the location choices of the fashion designers that have located in the city. Since the fashion industry has been promoted very much, and especially the cooperation between the organizations I would think that these arguments might come out strongest. The organizations that have located in Arnhem might also have weighed the purely economic benefits, or the quality of place benefits. But due to the promotion of the entire fashion industry I would expect that the clustering location factors might be most decisive.

My concluding point would be that because clustering factors show overlap with both other sets of location factors, and because the fashion industry in Arnhem has been promoted very much since 2005, the cluster location factors have been most decisive in the location choice of the population in this research. On the other hand it should also be taken into account that previous research by Kapper (2009) has shown that there is no significant difference among the three location sets.

Part III – Empirical research and conclusion

The final part of this thesis focuses on the empirical research that has been conducted in this thesis. First the operationalization of the theoretical outcomes into the chosen research design. Question about the population, research methods n and data collection will be dealt with in chapter 8. Chapter 9 is the most crucial chapter as the actual results will be presented here. First we will look at the characteristics of the Arnhem fashion designer; secondly results on the location factors will be presented. In the final chapter, the main research question is answered and recommendations for further research will be made.

8 - Operationalization

This chapter will explain the operationalization of the theoretic framework into the research design. The theoretical framework has resulted in three sets of location factors. In this chapter I will find out who exactly I should include in my research, what might be the best method to gain the information I need and in what format that should take place. The first paragraph will therefore focus on the population, what defines them and how I can find them. The second paragraph will explain why a questionnaire is the best research method for this thesis. The third paragraph will focus on the actual questionnaire itself, the first version and the final version. This chapter will conclude with a chapter on the data collection.

8.1 - Population

In order to execute my research in the correct manner the first step will be to define my research population. There are several characteristics that will the population will have to contain. Firstly my population will consist only out of economically active organizations that are located in the city of Arnhem. This firstly implies that the organizations must be recorded in the data of the Chamber of Commerce, secondly the data must confirm that the organizations are located in the city of Arnhem. A second characteristic of the organizations must be that their core business is fashion designing. In Arnhem there are many organizations that also sell the clothes they design, think for example of the organizations that have located in the *100%Mode* district. However only the organizations that actually design the clothes they sell will be incorporated in this research. Regarding the size of the organizations I will not include a minimum or maximum number of employees of the organizations since I think this will not benefit my research. To include either of the two would not only minimize the population, it would also harm the resprentativeness of the research. Especially including a minimal amount of employees would leave out many

organizations since many fashion designers operate only by themselves. Concluding my population consist of all fashion designers that are located in the city of Arnhem.

After defining the population the next step in my research model is to create a quota sample based on the previously defined characteristics. In order to find the sample I contacted the Chamber of Commerce. On their website it was possible to create the quota sample that was needed to estimate my population. The Chamber of Commerce lists all the organizations in the Netherlands according to the SBI 2008, this is a standardized classification of types of organizations. Fashion designers belong to the category of *Industrial design – 74.1*. The list of all organizations that have been located in Arnhem at the point of this research consisted of 181 organizations. However it is important to realize that not only fashion designers are listed under this SBI number. Interior designers and product designers are also categorized in this classification. Therefore it was first important to take these out of the sample. After removing the non-fashion designing organizations out of the sample 86 organizations remained. All of these organizations are located in Arnhem and design clothes. At first sight it became very clear that most of the organizations are listed in or near the city centre in Arnhem. Quite a big number of the designers is located in Arnhem's fashion district, *100%* mode. Most of the organizations that are not located in the centre are located in neighbourhoods. This could either indicate that the organizations are located in the homes of the designers, or that they are located in studios. The *Slak-foundation*, which was earlier mentioned, rents out studio's in former schools or other public buildings to artists.

Out of the 86 organizations that met the formulated characteristics of the population, I decided two include half of them in the sample. In order to make sure they would be randomly selected I integrated every other organization on the list I received from the Chamber of Commerce in my sample. This simple procedure, which included all uneven entries on the list into my sample, made sure that every organization in the sampling frame has the same chance of being included in the sample, despite its different characteristics.

8.2 - Research design

In order to learn more about the location factors that have been important for fashion related organizations when they choose Arnhem as their location the correct research method should be selected. Bryman (2008) explains the definition of a research method; it is simply a technique to collect data. Before choosing the correct research method it is important to realize what sort of information one wants to find. Firstly it is important to realize that the research method should focus on the attitude of people towards the several location factors that have been selected in the

theoretic part of this thesis. The research method should therefore be suited to address the attitudes of these organizations. In order to learn more about the location decisions these organizations have made a few years ago, the most suited research method would be to ask them.

There are several research methods that can be used to ask people questions about their attitudes. However when choosing a suitable research method one should first wonder what the scope of the research is. The objective for this research is to be able to learn more about a larger population; the fashion industry in the city of Arnhem. This calls upon a very different type of research then if one wanted to learn about one specific organization in that fashion industry. Since the objective is to be able to answer questions for the whole of the population it is important to choose a research method that will allow me to question many different organizations and provide me with standardized answers that I can analyze for the entire population.

The options that are most often used in this type of research are the structured interview or a self-completing questionnaire. These two types of research are remarkably alike, with the one difference that in the latter research method there is no interviewer to ask the questions. In both research methods there is a list of standardized questions that will be answered by the respondent. However Bryman (2008) states there are some advantages of the self-completing questionnaire over the structured interview. A self-completing questionnaire is cheaper and quicker to administer, there is an absence of interviewer effect which related to the possibility that the characteristics of the interviewer might affect the answers respondents give, and there is a convenience for the respondent since they can choose their own time and pace for the questionnaire. However Bryman shows there are also some disadvantages that self-completing questionnaires show in comparison with the structured interview. Respondents can not be helped nor motivated to answer questions, the respondents can read the questionnaire as a whole before answering their first question, one will never know who truly filled out the questionnaire and it is not possible to collect additional data. Another big problem is the low response rate that self-completion questionnaires show, Bryman refers to this as its 'most damaging limitation' (Bryman, 2008: 219).

Comparing the advantaged and disadvantages of both research methods and keeping in mind to attain the highest possible response rate, I have decided to create a hybrid research method that includes both characteristics of the structured interview and self-completion questionnaire. In this hybrid type of research the starting point will be to create a questionnaire design, this will be

highlighted in the next paragraph. Further on in this chapter, when I discuss the data collection, I will asses the actual consequences of this hybrid research method.

8.3 - Questionnaire design

According to the three sets of location factors I created the initial questionnaire. The first questionnaire was divided in two parts. The first part of the questionnaire would deal with the three sets of location factors. In this first design the location factors were presented by group. The second part existed of questions that regard general information on the organization of the respondent. According to Bryman (2008) there are several steps to improve the survey response rate, I tried to include these in the design. Firstly the lay-out is of importance, 'the lay-out should be easy on the eye' (Bryman, 2008:222). This means that people should not be confused by the questionnaire. It implies that there should not be too much variety in the print styles, and that the closed answer possibilities should be presented vertically. However since in this questionnaire most of the questions are presented in a Likert scale, vertically arrangement would take up too much space in the questionnaire. The Likert scale questions are therefore presented in a horizontal arrangement.

After creating the initial questionnaire it was important to test it. Testing the questionnaire has two goals. Firstly it is important to find out whether the questionnaire asks the right questions, do people understand the questions and feel like they can answer them. Secondly it is important to find out whether the questionnaire is organized in the correct way. The questionnaire was tested among five organizations, of which not all had a creative background. For the testing of the questionnaire it was not relevant that the testing panel would consist out of creative organizations. It was however important that the owner, or the person that made the location decision, would answer the questions. In order to test the questionnaire in a rather short time I have asked five people in my close environment that have their own organization to fill out the questionnaire.

Discussing the initial questionnaire with the respondents resulted in several changes that were made in the questionnaire. Firstly I changed the order of the location factor related questions and the question regarding the general characteristics of the organizations. Four out of the five respondents found it more comforting to answer the general questions before turning to the actual topic related questions. Another point was the lay-out of the questionnaire. The lay-out implied according to the respondents the three different location factors sets too clearly. The respondents acclaimed they felt like their answers for each set of factors should be in the same direction, since the statements seemed to be interrelated. They referred to feeling their answers had to be

consistent with one another. The final, and very important, point was that in the introduction part of the location factor related question I explained the answer possibilities clearly, but hey were not repeated on the other pages.

The discussion resulted in the second version of the questionnaire. Firstly the questions on the general characteristics make up for the first part of the questionnaire to comfort people. The second part of the questionnaire will focus on the location factors. The lay-out is adjusted as well, the location factors are mixed to keep the respondents alert. Finally an explanation regarding the answer possibilities is included on every page. The final questionnaire as it was presented to the fashion designers in Arnhem is presented in appendix A.

8.4 - Data collection

As mentioned before in this chapter the research design will be a hybrid of a structured interview and a self-completion questionnaire. The reason for this choice has mainly to do with the low response rates that result from self-completing questionnaire. In order to create the highest possible rate of return I will offer the respondents three different ways of completing the questionnaire.

I contacted each organization in my sample by phone to introduce the research and its objectives. I asked them whether they want to contribute to my research by filling out the questionnaire. If the respondent was willing to help I would offer them three options hoping to keep the response rates a high as possible. Firstly I would try to make a telephonic appointment at a different point in time, and execute the questionnaire by phone. If they would prefer not to do the questionnaire by phone I would try to make an appointment at their studio to bring by the questionnaire and have it picked up later that day. As for the final group of people who preferred neither of the two former options I created an online questionnaire they could fill out. I would send these people an email with the directions. Unfortunately executing the research by an online self-completing questionnaire did not lead to a high non-response rate. As Bryman (2009) however explained the 'importance of reminders cannot be overstated – they do work'. Reminding the online respondents to fill out the questionnaire did help for some organizations in the sample.

The questionnaires were executed in three different ways: by phone, by making an appointment to drop it off and by an online questionnaire. The reason I call this a hybrid method of structured interviewing and self-completing is because of the role researcher in the telephonic interview. As explained earlier an advantage of a self-completing questionnaire over a structured interview is

the *interviewer effect*. This means that the characteristics of the interviewer might influence the respondent. However as Seale (2004) explains the interviewer effect in a telephone interview is not as highly present as it is in a face-to-face interview. Another advantage of the telephone interviews was that it saved me from more travelling to Arnhem.

At the end of the data collection I had executed 24 questionnaires by phone, 8 questionnaires were filled in at the studio or the office of the organization and 5 respondents completed the questionnaire online. The overall response rate of this questionnaire was therefore 37 out of 43. The 6 designers who did not participate in the sample either did not want to participate or eventually did not fill out the online questionnaire that was sent to them, despite a thoughtful reminder.

8.5 - Reliability, Replication and Validity

According to Bryman (2008) the three most prominent criteria for the evaluation of social research are *Reliability*, *Replication* and *Validity*. I will take a critical look at the research I have proposed in the previous paragraphs by using these three terms.

Reliability is commonly used when we 'refer to the consistency of a measure of a concept' (Bryman, 2008: 149). A specific factor that affects the reliability of the research is the *Internal reliability*. This concept refers to the issue 'whether the indicators that make up the scale or index are consistent'(Bryman, 2008: 150). If the items on a scale are indeed consistent it would mean that the respondents' scores on a certain item would relate to their score on a different item. There are several ways to include a test for the internal reliability in a research. I chose the *Cronbach's alpha* since this is a commonly used test in social research and is fast to compute in SPSS. The *Cronbach's alpha* measures are included in the next chapter.

The next criterion for the evaluation of social research is *Replication*. This is important in a twofold manner. Firstly it is important to explain precisely the procedures one has followed in order for others to understand how the results of the research have been gathered. Secondly it is also important that others can replicate the research that has been done. For this research it means all procedures should be explained thoroughly. I think I have done a good job on this part. Clearly explaining how I defined by population, how I selected the sample. But also regarding the research method I have selected and, and as will become clear in the next chapter, the processing of the variables. In this sense it should be possible for somebody else to replicate this research.

The final criterion that I will discuss in light of this evaluation is *validity*. Bryman (2008) explains validity as being 'concerned with the integrity of the conclusions that are generated from a piece of research' (Bryman, 2008: 32). Four types of validity are distinguished. *Measurement validity* is concerned with the question whether a construct that is designed to measure a certain item, actually measures what it is designed to measure. Measurement validity in this research has been dealt with while testing the questionnaire. The questions have been filled out by a test panel and have been talked over, it turned out that the respondents interpreted the items as they were supposed to. *Internal validity*, the second type of validity, focuses on causality. Does the causal relationship that the outcome of the research claims to exist, actually exist? In this research I will compare three sets of location factors, which means in this case that I do not work with dependent and independent variables. The third type of validity is *External validity*. External validity questions whether the results of the research are applicable to a greater population, or as Bryman explains: 'beyond the specific research context' (Bryman, 2008: 33). The research that I have prepared has been a case study, so there is definitely a lack of this type of validity. However the research does contribute to a bigger understanding of location factors for the creative industry. *Ecological validity* is the final type of validity that will be discussed. This type of validity has to do with the general social importance of the results; are they of any use in our daily life, do they teach us valuable things for our life. I think this thesis will give us just a little more insight on why we can find it in certain regions and, in this case, why people chose for that locations.

8.6 - Chapter summery

In this chapter I have explained the methods and arguments for the empirical part of my research. First it was important to describe my population and to be able to locate them. I used the register of the Chamber of Commerce to localize all the organizations that are active in the fashion industry in Arnhem. Through the Chamber of Commerce I was also able to collect the contact information that was needed. Secondly I decided how to create a sample from the population. The best research method to collect information on the samples attitude towards the different location factors, and to be able to generalize that for the entire population, would be to ask standardized questions. The questionnaire with these standardized question is used in three different ways to create the highest possible response rate, by phone, by visiting the organizations and electronically. The chapter on *Reliability*, *Replication* and *Validity* has shown that the research proposal might not meet the highest standards on each of these items, however they have been found sufficient enough to proceed with the research and analyze the results in the next chapter.

9 - Research results

In this chapter the outcome of the empirical research will be presented. First of all I will address the quality of the research that has been conducted. This will take place in paragraph 9.1, by use of the *Cronbach's alpha*. Paragraph 9.2 will show the characteristics of the organizations that have been part of this research. The next paragraph is devoted to each of the three sets of locations factors individually. Paragraph 9.4 will compare the three sets of Location factors by using a Paired-Samples T Test, in order to find out whether one of the location sets is significantly more important to fashion designers in Arnhem. Finally a short summery of the empirical research will be provided in the final paragraph.

9.1 - The Quality of the research

In the type of research that I have conducted it is especially important to focus on the quality of the research. This has to do with the fact that I have used a Likert-scale and I also chose to aggregate the answers to form an overall score. There are three important points that one should take in mind when creating a Likert scale according to Bryman (2009). Firstly the items should be statements and not questions. Secondly they must all relate to the same object, in this case they al refer to location factors. These two important features have been taken into account when constructing the questionnaire, however the third point can only be measured afterwards; the internal validity. This concerns whether all the items are indeed interrelated; 'whether respondents' scores on any one indicator tend to be related to their scores on other indicators' (Bryman, 2009: 150).

In order to find out whether the statements within each set of the location factors are indeed interrelated I will use a test to measure the internal validity which is known as *Cronbach's alpha*. The score on this test can vary between 0 and 1, with 0 being the lowest possible score and indicating there is no internal validity. A score of 1 therefore indicates the best possible internal validity. However there are many scores the scale could measure and it's important to realize which scores will be acceptable. Bryman argues that 0.80 is mainly accepted as the acceptable not of internal validity, however he also explains that many scholars work with different, and in some cases, lower figures. Like the research done by Westergaard (1989) who found a *Cronbach's alpha* of 0.70 satisfactory, or Berthoud (2000) who wrote that a minimum level of 0.60 is 'good'. If the *Cronbach alpha* is lower then a certain decided figure, the internal validity is at stake, an option would be to delete certain items from the scale, although this has impact on the research. The higher the *Cronbach's alpha*, the bigger the possibility that items should be deleted from the scale. In order to create on the one hand an acceptable internal validity, but on the other hand not

to rearrange the research too much, I have decided to work with a *Cronbach's alpha* of 0.65. This is right between the acceptable figures of Westergaard and Berthoud. This implies that if any of the three location factors scales score below 0.65 I might have to remove an item if the deleted item will increase the internal validity.

9.1.1 - Cronbach's alpha for the conventional location factor scale

When applying the *Cronbach's alpha* to the conventional location factor scale this results in the outcome presented in table 9.1.

Table 9.1
Cronbach's Alpha for the
Conventional location factors

Cronbach's Alpha	N of Items
.684	8

This indicated that the *Cronbach's alpha* is high enough to assume that the conventional scale contains enough internal validity. Even though it is just slightly over 0.65, the score indicates that no item should be removed from the scale. In table 9.2 below, it does however shows that the *Cronbach's alpha* could be improved by excluding the *minimizing supplier costs* from the scale. The score would improve to 0.71 if we were to delete this item. In line of the slight improvement this would cause, a change of 0.03. I however choose not to leave this item out and keep the conventional scale as it was first designed.

Table 9.2 - Item-Total Statistics – Conventional Location Factors

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Minimize supplier costs	20.27	22.814	.089	.709
Expansion possibilities	19.86	17.120	.577	.600
Price or rent	19.27	18.147	.416	.645
Infrastructural position	19.24	18.467	.430	.641
Availability of Parking space	19.49	19.479	.348	.662
Legal and tax advantages	19.97	19.027	.480	.631
Subsidies	19.70	19.437	.468	.636
Low labour costs	19.97	22.194	.174	.693

9.1.2 - Cronbach's alpha for the clustering location factor scale

The first scale has been proved to contain an acceptable score on the *Cronbach's alpha*. However the second scale, the location factors will have to be tested as well. The figures in table 9.3 show the score of this scale.

Table 9.3
Cronbach's Alpha for the
Clustering location factors

Cronbach's Alpha	N of Items
.699	8

The score for this scale is 0.7, also a satisfactory level that indicates enough internal validity among this scale. Table 9.4 shows, just like in the former scale, that deleting one item might increase the score on the *Cronbach's alpha*. In this case I could delete the *network of creative organization* which would increase the score by 0.12; this increase however is in my opinion not significant enough to delete this significant item from the scale. Therefore the clustering location factor scale will also remain intact and shows an acceptable figure of internal validity.

Table 9.4 - Item-Total Statistics – Clustering Location Factors

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Sharing facilities	22.19	16.158	.401	.667
Easy access to knowledge and information	22.41	15.414	.373	.675
Attractive labour market; potential employees	22.68	14.225	.590	.620
Proximity relevant public organizations	22.49	15.701	.381	.672
Proximity to customers / market	22.68	16.336	.432	.662
Strengthening creative / innovative character	21.86	15.453	.510	.644
Proximity of complementary services	23.05	17.553	.253	.696
Network of creative organizations	22.00	17.056	.209	.712

9.1.3 - Cronbach's alpha for the Quality of Place location factor scale

The final scale that should be tested for its internal validity is the Quality of Place scale. Table 9.5 below, indicates that the *Quality of Place* location factor scale, also shows a good score on the *Cronbach's alpha*. A score of 0.76 is the highest score on this test in the questionnaire and confirms that all the items on this scale are indeed interrelated.

Table 9.5
Cronbach's Alpha for the
QoP location factors

Cronbach's Alpha	N of Items
.763	8

Even though this score is rather high, especially compared to the other scores, I still want to look at the changes that could be made by erasing one of the items. As table 9.6 shows the *Cronbach's alpha* cannot increase at all if I was to remove one item of the scale. This scale shows the highest score on this test and has no possibilities to be improved.

Table 9.6 - Item-Total Statistics – Quality of Place Location Factors

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Diversity of lifestyles	20.76	16.078	.367	.755
Emigrants/ openness towards diff. lifestyles	21.19	14.713	.669	.702
Possibilities to live a creative life	20.78	15.785	.362	.758
Availability of cultural activities	20.41	14.526	.616	.708
Availability of large events	20.54	15.255	.465	.737
Many young, active people in area	20.19	17.324	.307	.761
Availability of a vibrant nightlife	21.51	15.201	.492	.732
Exciting, popular music scene	21.86	16.287	.441	.741

9.1.4 - Conclusion - Cronbach's alpha

By applying not the lowest, nor the highest *Cronbach's alpha* scores on the three location factor scales, I hoped to find an acceptable score of internal validity without making too many changes in the initial scales. Since all the scales showed scores over 0.65 on the *Cronbach's alpha* no changes were necessary, especially since they would only cause minor increases in the scores of each scale. Since the scales have showed to contain enough internal validity we can focus on the results that the questionnaire has given.

9.2 - Characteristics of the sample

In this part of the outcomes of the empirical research we will characterize the fashion designers that have taken part in the research. In the first part of the questionnaire several question have been asked in order to be able to learn more about these fashion designers. The questions focused on the gender of the designer, their age, the year they located in Arnhem, whether their organization had been located in a different city before they choose Arnhem and the number of employees that were active in their organization. The questionnaire also included questions concerning the name of the organization and the position of the person who filled out the

questionnaire, but these were just for administrative purposes and will not be taken along in the outcomes of the research.

9.2.1 - Age and Sex of the respondents

In order to learn more about the demographics of the population of fashion designers in the city of Arnhem it would be interesting to know what age the designers are that have located in Arnhem. Do they tend to be young entrepreneurs or fairly older?

As figure 9.1 shows the fashion designers in Arnhem that have taken part in the research tend to be rather young. A peak can be seen just before the age of 30, 54% of all respondents are in the age between 27 and 30. Another small peak is found around the age of 35, 16.2% of the respondents are between the age of 34 and 36. The average age in the survey is 32 years old, considering the two peaks in the outcome this is understandable.
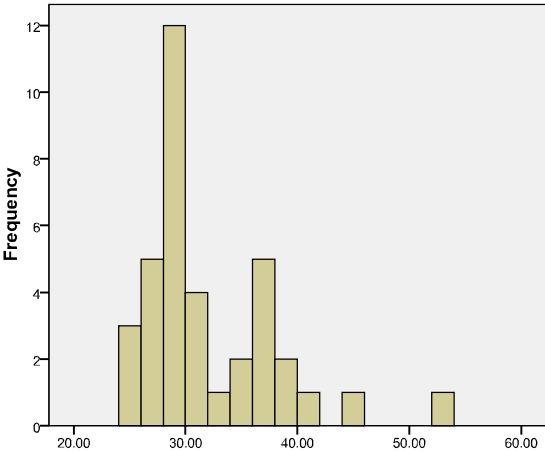
Figure 9.1 –   Age of respondents   **Figure 9.2 – Age of respondents categorized**
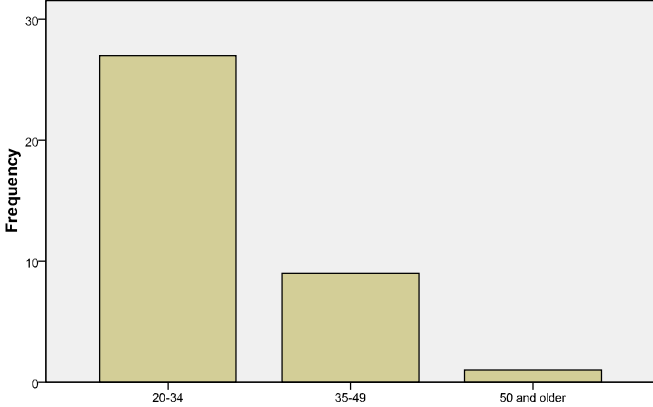
In order to understand the age of the fashion designers better, they have been divided in three standardized age group in figure 9.2. The first groups consists out of what is referred to as young entrepreneurs, this groups consists out of the designers between the age of 20 and 34. The second group is made up from designers aging from 35 till 49; they could be regarded as the mid-career designers. The final group consists of designers between the age of 50 and older, the more senior designers. It clearly shows that the group of young designers is represented the most in the survey. Especially the senior designers are hardly represented in the city of Arnhem.

We know at this point that especially young designers are overrepresented in the survey. However to characterize them even better we also want to learn about their sex. As table 9.7 below shows

female designers are slightly more apparent in the sample, they make up for 56.8% of the population. This difference is not so extreme that questions should be raised about the actual composition of the Arnhem fashion designers. Due to the size of the sample, accidentally more women could have been included in the research. However women tend to be overrepresented in fashion schools as well, so it might also point towards an actual ratio between men and women in the fashion industry. That however is not the question that this thesis will focus on and therefore we will leave it to this. According to the sample more women tend to be active as fashion designer in Arnhem, then men do.

Table 9.7 - Sex of the respondent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	16	43.2	43.2	43.2
	female	21	56.8	56.8	100.0
	Total	37	100.0	100.0	

9.2.2 - The year of location in Arnhem and previous locations

A second matter of interest is the year the organizations decided to locate in Arnhem and whether they have been located anywhere else before. This is interesting because it will give us more insight in the maturity of the fashion industry in Arnhem.

Figure 9.3 will show us that most fashion designers in the survey have located in Arnhem since 2000 until today, with a peak in 2005, 2006 and 2007. Out of all the organizations in the survey only one has located in Arnhem before 1999. This tells us that the fashion industry in Arnhem is actually rather young. Other interesting information that arises from this figure is that there has been an actual 'location-peak' as in the period 2005-2007. These are the first years in which the local government in Arnhem to invest in culture and especially fashion. In this point of view it seems as if though this policy has worked and attracted many fashion designers. However it is important to keep in mind that this is just a speculation. In the next part of the analysis of the empirical research we will learn more about the factors that have made these designers decided to locate in Arnhem.
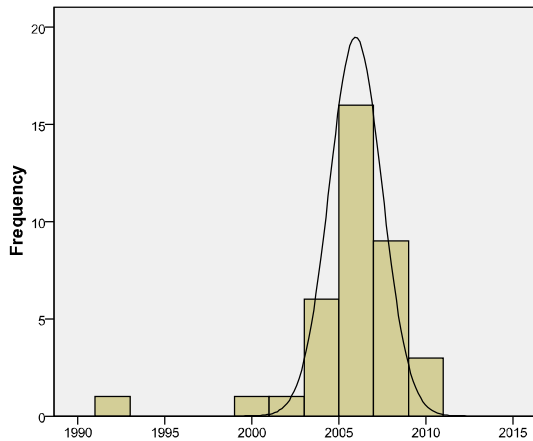
Figure 9.3 – Year of location in the city of Arnhem

Another interesting matter is whether these fashion designers have been located in a different city before they choose to locate in Arnhem. The fashion industry in Arnhem seems rather young, but maybe the organizations that are active in it have been located in a different place for many years, and might therefore be far more experienced then I earlier expected. As table 9.8 below shows only 7 out of the 30 organizations have been located in a different city before they decided to locate in Arnhem. Interesting notion when we look at the designers that have been located elsewhere before is that Arnhem is quite near to their previous location. For most designers it shows that their previous location was in the surroundings of Arnhem.

Table 9.8 - Different location before Arnhem

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	7	18.9	18.9	18.9
	No	30	81.1	81.1	100.0
	Total	37	100.0	100.0	

The low number of designers that have relocated in Arnhem combined with the many location-decisions that have been made in the period 2005-2007, implicates that the fashion industry in Arnhem is indeed rather young. Some of the fashion designers have been located in different cities before. However most of them have recently started their business in the city of Arnhem.

9.2.3 - Size of the organization and internationality

These characteristics have been taken into account to find out what the size of the organizations is in the Arnhem fashion industry and whether they also have costumers outside the Dutch boarder. Learning more about these characteristics will tell us how mature the Arnhem fashion industry is and whether we are dealing with a creative industry or a cultural industry.

Table 9.8 shows us that the size of the organizations of the fashion designers in Arnhem vary between 1 and 26 employees, including the designers themselves. The mean is 2.86 which indicates, in correspondence to the high standard deviation of 4.9, that actually most organizations are rather small. Table 9.9 indeed confirms this line of thought. Almost 90% of all fashion designers lead an organization of 1 till 3 employees, including themselves. Of all organizations half consists out of only the designer himself. There are 4 organizations that consist out of more then three employees; two of each 4 and 5, and two larger organizations, of 11 and 26 employees.

Table 9.8 – Number of employees

N	Valid	37
	Missing	0
Mean		2.86
Std. Deviation		4.928
Minimum		1
Maximum		26

Table 9.9 - Number of employees

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	17	45.9	45.9	45.9
	2	9	24.3	24.3	70.3
	3	7	18.9	18.9	89.2
	4	1	2.7	2.7	91.9
	5	1	2.7	2.7	94.6
	11	1	2.7	2.7	97.3
	26	1	2.7	2.7	100.0
	Total	37	100.0	100.0	

The low numbers of employees confirms the idea that the fashion industry in Arnhem shows more resemblance to a creative industry then it does to the cultural industries. Few employees implies that the fashion designers themselves do not focus on mass production or distribution, as do organizations in the cultural industries. Their production is either distributed to specialized organizations and it is not mass produced but tailor-made.

The final characteristic of the fashion designers in the city of Arnhem that will be taken a closer look at is their internationality. Since internationality is not the main topic of this thesis I have decided to narrow the concept down to the question whether or not the designers have customers abroad. Of course there are many more aspects that determine the internationality of an organization. However I choose to focus on foreign customers to determine the span of the market for these designers. As table 9.10 shows 11 out of the 37 designers have international customers, which comes down to approximately 30%. This implicates that the larger part of the designers, - i.e. 70% of the designers – do not have international clients and produce only for the Dutch market. This indicates that the fashion industry in Arnhem today is internationally oriented for some part, however the larger part of the organizations has no international business at this moment.

Table 9.10 - International customers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	11	29.7	29.7	29.7
	No	26	70.3	70.3	100.0
	Total	37	100.0	100.0	

This also confirms the idea that the fashion designers in Arnhem seem to form a creative industry instead of a cultural industry. The network of most of these organizations does not reach over the Dutch boarder. This is in line with the characteristic of the creative industries, where the networks do not reach as far as they would do in the cultural industries. The fact that these organizations do not have a large international distribution network (yet) implies that the industry is best characterized as a creative industry.

9.2.4 - Conclusion - the fashion designer in Arnhem

The characteristics that have been interpreted in the previous paragraphs give us a good insight in the organizations that the fashion designers run in the city of Arnhem. First of all the figures showed us that the fashion designers are rather young, most of them can be found between the age of 20 and 34, and that a slightly larger part is female. Another thing that we have noticed is that the organizations themselves are also rather young; this is not remarkable when comparing this to the age of the designers. Most fashion designers have located in Arnhem between 2005 and 2007. The results have also shown that for most of the organizations Arnhem is their first location, since only 7 organizations have been located in a different city before they located in Arnhem. In the final paragraph we have seen that, maybe since the organizations are rather young, they are also rather small. However this is an assumption that has no empirical backbone, maybe some organizations decided to stay small or due to outsourcing they do not need extra employees. Finally we looked at the internationality of the organization, which as has been explained is a rather narrow assumption of international, namely having international clients. The internationality of the fashion industry in the city of Arnhem does not seem very high. However in order to verify this other fashion industries in The Netherlands should be compared with it.

Concluding we can state that the fashion designers in Arnhem show more resemblance to the creative industry then they do to the cultural industries. The organizations are rather small which indicates hardly any mass production. They also have limited distribution channels, whereas organizations in the cultural industries tend to have large networks to spread their standardized products.

9.3 - Results on the individual sets of location factors

In this part of the outcomes of the research I will focus on the three sets of locations factors and the way the fashion designers in Arnhem have weighed them when they choose Arnhem as the location for their organization. First the results on the Conventional location factors will be presented, then the outcomes of the Clustering location factors, a third paragraph is devoted to the Quality of Place location factors. In the final paragraph the three sets of location factors will be confronted and we will find out whether there is a significant difference among the appreciation of the three sets of location factors.

9.3.1 - Results Conventional Location Factors

In table 9.11 the appreciation for the eight items that have been included in the Conventional location factors are shown ; *Minimize supplier costs*, *Expansion possibilities*, *Price or rent*, *Infrastructural position*, *Availability of Parking space*, *Legal and tax advantages*, *Subsidies* and *Low labour costs*. In appendix B the frequency tables for each separate item can be found. At first sight the appreciation of most items is on average over 2.5. As one can see the mean of each of the different item lies between 2.27 and 3.3, which is not a very wide range if one considers that the respondents could choose to rate the statements in a range of 1 - 5. Another point worth noticing is that the standard deviation only varies between 0.899 and 1.305, this implicates that the respondents seem to agree to a large extend with one another on the importance of the items.

Table 9.11 – Statistics on Conventional Location Factors

		Minimize supplier costs	Expansion possibilities	Price or rent	Infrastructural position	Availability of Parking space	Legal and tax advantages	Subsidies	Low labour costs
N	Valid	37	37	37	37	37	37	37	37
	Missing	0	0	0	0	0	0	0	0
Mean		2.27	2.68	3.27	3.30	3.05	2.57	2.84	2.57
Mode		3	4	4	4	4	3	2[a]	2
Std. Deviation		.932	1.226	1.305	1.222	1.177	1.042	.986	.899

a. Multiple modes exist. The smallest value is shown

Items that have been higher appreciated over others are *Price or rent* and *Infrastructural position*. On *Price or rent* over 57% agreed or totally agreed that this item was important in their decision for their current location. *Infrastructural position* was according to the respondents even more in play when they made their location decision; almost 60% agreed or totally agreed on this item. In this sense it seems as if though the fashion designers in Arnhem are to some extend interested in lowering their costs, considering the positive influence *Price or rent* has on their location choice. Also a good infrastructural position was important. Arnhem is easy to reach by both private

transportation and public transportation. Even though it is not located in the *Randstand*, the fashion designers rate the infrastructural position highly.

Only the item *Minimize supplier costs* is rated much lower then the other items, namely 2.27. From all the respondents in the sample 56% totally disagreed or disagreed that this factor was of any importance in their location decision making process. Only 8% agreed that it played a part in their choice for Arnhem, none of the respondents claimed to totally agree. With a score of 2.57 both *Legal and tax advantages* and *Low labour costs* are also not very highly appreciated. On *Legal and tax advantages* almost 38% claimed they totally disagreed or disagreed that this item was of any importance when they choose Arnhem as their location. Almost 49% was neutral on behalf of this item and only 12% agreed or totally agreed on the importance of it during their location making process. The item *Low labour costs* has an even lower score, only 16% agreed that this factor was in play when they chose to locate in Arnhem, nobody totally agreed. Almost 50% disagreed or totally disagreed with this item. These scores indicate that minimizing their costs is not the main goal of these organizations. However their appreciation does not show to be too low to think they would totally neglect these 'economic' factors. The comparisons of the three sets of location factors will eventually tell us to what extend these organizations appreciate these traditional location factors.

Concluding these figures show that among these eight items the fashion designers tend to be most interested in the advantages that prices or rent, and the infrastructural position bring along. The appreciation for the infrastructural position is in line with the research that has been done by *Nyfer* on the advantages of the city of Arnhem. It is therefore understandable that these organization found this an important location factor in their decision making process. The high scores on the *Price and Rent* item could have to do with the fact that there are quite some initiatives in the city of Arnhem that focus on affordable studios for artists. Think of the *100% Mode*-district or the *Slak Foundation*. Both items show high scores, fashion designers in Arnhem find them relatively important, and the city of Arnhem also inhabits the possibilities for these designers to include these factors in their location decision making process. Items that they have weighed less in their location choice are the possible minimization of the supplier costs, the possible advantage of legal and tax advantages and the possibility to lower labour costs. These could have to do with the fact that these organizations are rather small and are therefore not to much occupies with the advantages of the economies of scale. Like for example the possibility of lower labour costs is for most of these designers not too interesting since the perform most of the work themselves.

9.3.2 - Results Clustering Location Factors

Table 9.12 shows the results for the Clustering Location Factors: *Sharing facilities*, *Easy access to knowledge and information*, *Attractive labour market*, *Proximity to relevant public organizations*, *Proximity to customers*, *Strengthening own creative and innovative character*, *Proximity of complementary services* and *Creative network of organizations*. The average appreciation of the items lies between 2.57 and 3.76, a slightly wider range then the conventional location factors. The standard deviation is also rather close, this varies between 0.835 and 1.134, the respondents all seem to agree to a certain extend on these variables. Details on the Clustering Location Factors are shown in appendix C.

Table 9.12 – Statistics on Clustering Location Factors

		Sharing facilities	Easy access to knowledge and information	Attractive labour market; potential employees	Proximity relevant public organizations (due to proximity competitors)	Proximity to customers / market	Strengthening own creative and innovative character	Proximity of complementary services	Network of creative organizations
N	Valid	37	37	37	37	37	37	37	37
	Missing	0	0	0	0	0	0	0	0
Mean		3.43	3.22	2.95	3.14	2.95	3.76	2.57	3.62
Mode		4	3	2	2	3	4	2	3
Std. Deviation		.929	1.134	1.053	1.058	.848	.925	.835	1.063

The highest scores on the Clustering Locations Factors scale have been made by the items *Sharing facilities*, *Network of creative organizations* and *Strengthening own creative and innovative character*. These items all score between 3.43 and 3.76. Except for the last item they all show a standard deviation below 1, which indicates that most fashion designers agree on the importance of these items during their location decision making process. When we take a closer look at the individual result on the item *Strengthening own creative and innovative character*, it tells us that non of the fashion designers totally disagreed that this item had effect on their decision making process, and only 11% did disagree. On the other hand close to 44% of the designers agreed that this item was included in their location decision for the city of Arnhem; another 22% totally agreed on this statement. The item *Network of creative organizations* shows about the same figures, nobody totally disagreed on the statement that this factor was included in their location decision process. A final notion when looking at the individual figures for the item *Sharing facilities* is that over 50% of all the organizations agreed that this item was a reason for them to locate in Arnhem. This is a very strong appreciation for this item.

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However there were also items that resulted in lower scores on the Clustering Location Factor scale. The items *Attractive labour market; potential employees*, *Proximity of complementary services* and *Proximity to customers / market*, all score below a mean of 3. This means that the respondents found these items to have been of less importance in their location decision making process compared to the previously mentioned items. Of the items *Proximity of complementary services* and *Proximity to customers / market* none of the respondents totally agreed on the statement that these factors were important when they choose Arnhem as their location. Almost 50% of the respondents disagreed or totally disagreed on the statement that *Proximity to customers / market* was important for the choice of the current location. The item *Attractive labour market; potential employees* shows a varied response to the importance of it. Only slightly more designers disagreed on this statement, then the number of them that agreed, however this does result in a lower score for this item. This mixed attitude towards this item explains why it is not the lowest score.

Average scores within the Clustering Location Factors have been made by the other two remaining items: *Proximity relevant public organizations (due to proximity competitors)* and *Easy access to knowledge and information*. The first item, *Proximity relevant public organizations*, was not disregarded completely by any of the respondents since nobody totally disagreed in the item. However only just over 35% agreed or totally agreed with this statement, which explains why it is not in the higher scores. The scores on *Easy access to knowledge and information* shows a rather mixed attitude towards this item. Since slightly more designers agreed on the statement that this factor was influential in their decision making process it got an average score in the overall view.

Looking back at the result from the Clustering Location Factors we have seen that the items *Sharing facilities*, *Network of creative organizations* and *Strengthening own creative and innovative character,* are more appreciated over other items. This indicates that these organizations, even though they are also competitors, appreciate to cooperate with other designers in order to benefit themselves. Arnhem is a rather small city and therefore it is rather easy to contact other organizations. These fashion designers took along in their location decision making process the advantages that the presence of other designers could have on the well being of their own organization. Low scores were found on the items *Attractive labour market; potential employees*, *Proximity of complementary services* and *Proximity to customers / market*, these are all a bit more directed towards the economic rationale. The first item with a low score, finding an attractive labour market could be explained by the fact that most of these fashion designers operate a small business and are not directly looking for other personnel.

9.3.3 - Results Quality of Place Location Factors

Table 9.13 shows the scores on the Quality of Place Location Factors: *Diversity of lifestyles, Emigrants – openness towards different lifestyles*, *Possibilities to live a creative life*, *Availability of cultural activities*, *Availability of large events,* *Many young, active people in area*, *Availability of a vibrant nightlife*, *Exciting, popular music scene*. The average scores on the statement vary between 2.03 and 3.70. From all three sets of location factors these show the biggest differences. However the standard deviation shows the lowest scores from all scales. Even though the scores seems to differ quite a lot there seems to be mutual agreement among the designers that have taken part in the survey. Once again the individual frequencies on all items can be found in the appendix, in this case appendix D.

Table 9.13 – Statistics on Quality of Place Location Factors

		Diversity of lifestyles	Emigrants – openness towards different lifestyles	Possibilities to live a creative life	Availability of cultural activities	Availability of large events	Many young, active people in area	Availability of a vibrant nightlife	Exciting, popular music scene
N	Valid	37	37	37	37	37	37	37	37
	Missing	0	0	0	0	0	0	0	0
Mean		3.14	2.70	3.11	3.49	3.35	3.70	2.38	2.03
Mode		3	2[a]	4	4	3[a]	4	3	2
Std. Deviation		.948	.845	1.022	.932	.978	.740	.953	.799

a. Multiple modes exist. The smallest value is shown

Let us first of all start with the highest scores among the Quality of Place Location factors. The two highest scores have been made on the items: *Availability of cultural activities* and *Many young, active people in area*. Both these items show a mode of 4, with a lower standard deviation of .740 it shows why the item on *Many young, active people in area* has a higher mean then the other item does. Almost 60% of the respondents totally agreed or agreed on the statement that the presence of young and active people in the city of Arnhem has influenced them to locate there. Nobody totally disagreed on this statement and only 3% disagreed. Almost 38% of the respondents reacted neutral on this statement. The item *Availability of cultural activities* shows as expected a more varied response. 54% of all respondent totally agreed or agreed on this statement, which is lower then the item on young and active people. However the biggest difference among the two items is that over 13% of the respondents totally disagreed or disagreed that the presence of cultural activities influenced their location decision.

Lower scores have been made on the items *Availability of a vibrant nightlife* and *Exciting, popular music scene*. On the item *Exciting, popular music scene* none of the respondents totally

agreed or agreed on the statement that this item influenced their location decision making process. In fact almost 30% totally disagreed and nearly 68% disagreed. This implies that almost 33% of the respondents were neutral on this statement, however the scores are particularly low compared to all other items in this research. The item *Availability of a vibrant nightlife*, is regarded somewhat more influential on the location decision process, although it is only slightly higher then the music scene. In this case just over 10% agreed on the statement that a vibrant nightlife influenced their decision to locate in Arnhem. However over 50% of the respondents totally disagreed or disagreed on this statement. Just over 32% of the respondents were neutral regarding this item. It is not surprising that these items score relatively low. In his recommendations Nijfer already mentioned that Arnhem is a relative small city to function as a complete consumption centre. Especially in the light of its music scene and the possibilities of a vibrant nightlife the city can built on less resources then a city like Amsterdam. In the light of these two items it means Arnhem will not be able to attract such a varied music scene or as many diverse nightclubs as Amsterdam, since there are just not enough people that consume it.

Average scores in this final set of location factors can be find at the items: *Diversity of lifestyles*, *Emigrants – openness towards different lifestyles*, *Possibilities to live a creative life* and *Availability of large events*. These items all scores between 2.70 and 3.35. These items all show very comparable outcomes, a few respondents tend to totally disagree or totally agree, each item show a substantial group of neutral respondents and there is big group of people that either disagree or agree. These 'disagree' and 'agree' respondents tend to decide where the balance in the item lies. Like for example in the item *Possibilities to live a creative life* of which the results are shown on the next page in table 9.14. The respondents in the 'disagree' and 'agree' categories are decisive, and in this case more people agree then disagree. This is also the case for the items *Diversity of lifestyles* and *Availability of large events*. Only in the case of *Emigrants – openness towards different lifestyles*, the balance is the other way around and more people tend to disagree. This results in the lowest mean of these average scores, a 2.70.

Table 9.14 - Statistics on item 'Possibilities to live a creative life'

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	2	5.4	5.4	5.4
	disagree	9	24.3	24.3	29.7
	neutral	11	29.7	29.7	59.5
	agree	13	35.1	35.1	94.6
	totally agree	2	5.4	5.4	100.0
	Total	37	100.0	100.0	

Looking back at the results on the Quality of Place Location factors it has been noticed that the range between the means is larger then in the other sets of location factors. Some of the items have been highly appreciated, like *Availability of cultural activities* and *Many young, active people in area*, others are far less appreciated, think of *Availability of a vibrant nightlife* and *Exciting, popular music scene*. The fact that the first two mentioned items were regarded as important in the location decision making process indicated that the designers in the survey do care about a certain atmosphere in the city they locate. The latter two items *Availability of a vibrant nightlife* and *Exciting, popular music scene* have been regarded as not very important in the location decision making process. As mentioned before Arnhem is too small of a city to meet its inhabitant's needs on this part.

9.4 - Comparing the three sets of location factors

In the former paragraphs the location factor sets have been described separately in order to learn more about the relative importance of each of the items within the groups. In this paragraph the three groups will be compared to each other to research the relative importance of each of the sets of location factors for the fashion designers in the city of Arnhem.

In order to compare to overall attitudes of the fashion designers that were included in the sample the variables of each set were aggregated in a group using SPSS. This resulted in the groups *Total Conventional Location Factors*, *Total Clustering Location Factors* and *Total Quality of Place Location Factors*, their frequencies are showed in the following table.

Table 9.15 – Statistics on Grouped sets of Location Factors

		Total Conventional Location factors	Total Clustering Location factors	Total Quality of Place factors
N	Valid	37	37	37
	Missing	0	0	0
Mean		2.8176	3.1993	2.9865
Mode		3.25	3.63	3.25
Std. Deviation		.61843	.55937	.55573
Minimum		1.63	1.63	1.38
Maximum		3.75	4.38	3.88

As one can tell from the table the means of each of the groups of location factors do not differ extremely. There are however some small differences that we can tell. The highest mean among the location sets is the Total Clustering Location factors, which is 3.19. The lowest mean is the Total Conventional Location Factors, which measures 2.82. This implicated that the difference between the highest and the lowest mean score among the three location sets is only 0.37. At first

sight this does not look like a significant difference. The Total Quality of Place Factor is in between the two other variables; its mean is 2.99.

The standard deviations of each of the variables are rather low, as might have been expected since the standard deviations of the individual items in the groups weren't that high either. The highest standard deviation is from the lowest mean score, the Total Conventional Location factors and measures 0.62. The standard deviation from the other two sets are almost equal and the same when we narrow it down to two decimals; 0.56. This implicated that within the sets the attitudes of the respondents did not differ very much from the mean. The highest score among the three location sets was found in the Total Clustering Location Factors, and measured 4.38. The other two scales show a lower maximum score; Total Conventional Location factors measured 3.75 and Total Quality of Place Location Factor scored 3.88. The lowest score was recorded in the Quality of Place Location Factors and was measured at 1.38. The scores of the other two sets are the same and, namely 1.63.

From these numbers it seems as if though the Total Clustering Location Factors are found to be more important then the other two groups, the question remains whether there is significantly enough difference to adopt this idea. A similar questions holds up for the least appreciated group of Location Factors, the conventional location factors, are they significantly less important then the other two groups? In order to test this we have to compare the means of each of the groups in a *Student's T Test*. This test will give us insight, by comparing the means of each location factors set, whether there is a significant difference between them. (De Vocht, 2007)

One can only execute a *Student's T Test* if the research meets three requirements:
- the respondents are randomly selected
- the variables are measured at an interval/ratio level
- the variables show a normal distribution or the sample size is large enough ($N \geq 30$)
Since the research meets all of these requirements a *Student's T Test* can be executed. However the next step is first to decide which test is applicable to this specific research. There are three *Student's T tests* that can be performed in SPSS, depending on the information one needs. The *One Sample T Test* is used to compare the mean of a sample to a designated population or theoretical mean. An *Independent-Samples T Test* is performed to compare the means of two independent random samples. The final option will be executed in this thesis: the *Paired-Samples T Test*. In this test the samples are not independent, think of the three sets of location factors that

have been included in one questionnaire which has been filled out by 37 respondents from the same population.

When performing a *Paired-Samples T Test* we are testing the Null-hypothesis. The Null-hypothesis implicates there is no significant difference between the means of the two variables. This implies that if the significance value is less than .05, there is a significant difference and the Null-hypothesis will be accepted; if the significance value is greater than .05, there is no significant difference and we will reject the Null-hypothesis.

When pairing up the three sets of location factors, it results in three pairs:
Pair 1: *Total Conventional Location Factors* and *Total Clustering Location Factors*
Pair 2: *Total Conventional Location Factors* and *Total Quality of Place Location Factors*
Pair 3: *Total Clustering Location Factors* and *Total Quality of Place Location Factors*
The results of the *Paired-Samples T Test* for each of the par is presented in below table 9.16.

Table 9.16 - Paired Samples Test

| | | Paired Differences | | | | | | | |
| | | | | | 95% Confidence Interval of the Difference | | | | |
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	T	Df	Sig. (2-tailed)
Pair 1	Convent - Cluster	**-.38176**	.69843	.11482	-.61462	-.14889	-3.325	36	**.002**
Pair 2	Convent - Quality	**-.16892**	.60468	.09941	-.37053	.03269	-1.699	36	**.098**
Pair 3	Cluster - Quality	**.21284**	.64541	.10610	-.00235	.42803	2.006	36	**.052**

When we look at the first pair: *Total Conventional Location Factors* and *Total Clustering Location Factors* we can tell their difference in mean is 0.38, which implicates that, as we have seen before, the *Total Clustering Location Factors* are regarded as more important. However more important is the significance of this score. As table 9.16 shows the significance score is 0.002, which is less then 0.05. This implies that there is a significant difference among the valuations for these location sets. *Total Clustering Location Factors* have been tested as significantly more important in the location making decision process for the fashion designers in Arnhem then the *Total Conventional Location Factors*.

The second pair that has been tested is the *Total Conventional Location Factors* and *Total Quality of Place Location Factors*. When we have a look once again at table 9.16 it shows their means differ 0.17. The significance is what we are interested in. In this case the significance is 0.98,

which is higher then 0.05. The difference between the *Total Conventional Location Factors* and *Total Quality of Place Location Factors* is therefore not significantly different; the Null-hypothesis in this case has been rejected.

The final pair of which the means will be compared are the *Total Clustering Location Factors* and *Total Quality of Place Location Factors*. Table 9.16 shows their means differ 0.21; *Total Clustering Location Factors* are valued higher by the fashion designers over the *Total Quality of Place Location Factors*. However the main reason for executing the *Paired-Samples T Test* is to find out whether this difference in mean value is significant. The significance score of 0.052 is slightly higher then 0.05, and therefore, even though the score is very close to being significant, we have to reject the Null-hypothesis. The difference in mean scores among the *Total Clustering Location Factors* and *Total Quality of Place Location Factors* has proven to be insignificant.

With these results in mind we can say that *Total Clustering Location Factors* have proven to be significantly more important according to fashion designers in Arnhem over the *Conventional Location Factors*. There has been no significantly difference found between the *Total Conventional Location Factors* and *Total Quality of Place Location Factors*. Finally the *Total Clustering Location Factors* have not, even though it was close, been proven more significantly important over the *Total Quality of Place Location Factors*.

9.5 - Chapter summery

In this chapter we have looked at the empirical output of this research. Firstly the internal validity of the individual location factor sets have been tested. Each of the sets tested convincingly enough on the *Cronbach's* alpha test to remain unchanged in the research. Secondly, data helped us to give a good characterization of the fashion designers in Arnhem. Thirdly the individual sets of location factors have been dealt with. The means among the different items in each of the sets did not show a very wide range, nor did the standard variation showed very high scores. This indicates that most of the fashion designers in Arnhem seemed to agree of the importance of the separate items within each set of location factors. Finally we addressed comparison between the three sets of location factors. Just comparing the means does not ensure a significantly difference, so a *Paired-Samples T Test* was performed to test the actual differences. The test concluded that only in one pair one location set was significantly more important then the other; *Total Clustering Location Factors* over *Conventional Location Factors*. The other two sets showed no significantly stronger set, although the *Total Clustering Location Factors* proved almost significantly stronger then the *Quality of Place Location Factors*.

10 - Conclusions and recommendations

10.1 - Conclusions

The interest for the topic of this thesis originated from my own fascination between culture and urban economic development. As this is a very broad topic I directed my attention towards the creative industries and its important location factors. What location factors have a positive influence on creative organization's location choices? For the purpose of this thesis the city of Arnhem and its developing fashion industry have been chosen to focus on. The central question of this thesis is: *What have been the important factors for fashion designers in the city of Arnhem in their location decision making process?*

In order to answer this question, two sub-questions have been created to answer the main question. Throughout the thesis these two sub questions have been answered. However to be complete, I will repeat its answers shortly.

The first question that I answered in this thesis was: *What are important factors in the location decision making process for organization in the creative industry according to the existing theory?* Theory has shown us that there are three motivations for creative organizations to locate in a certain place. Firstly there are economic motivations. These location factors originate from the idea that organizations are operating in order to keep their costs as low as possible to create bigger profits. Think for example of supplier costs, labour costs, price or rent. The second group of location factors is based on the advantages of clustering. Clustering is a common phenomenon in the cultural world. In this line of thought organizations can benefit from each others presence. Examples are sharing facilities, being part of a network of (creative) organizations and an attractive labour market. The final set of location factors are based on what Florida refers to as the *Creative Class*. An ever increasing part of our economy consists out of people that work in the *Creative Class* and according to Florida they locate somewhere for different reasons. *Quality of Place* is for them the decisive mix of location factors. Items that have been used in this research are *Diversity of lifestyles*, *Availability of cultural activities* and *Many young, active people in area*.

The second question that was important for the answering of the main question is: *What are the characteristics of fashion designers that have located in the city of Arnhem?* This is interesting to find out since different types of organization will appreciate different types of location factors. The fashion designers that have located in Arnhem are first of all rather young, between the ages of 20 and 34. The organization they run are also rather young. Most of them have located in

Arnhem between 2005 and 2007, and have never been located anywhere else before. The size of the organizations is rather small, most of them consist out of 1 up to 3 employees. Finally we looked at the internationality, which was described as foreign clients. Only a small part of the designers does indeed have international clients. The characteristics show us that the fashion industry in Arnhem is rather young. It also shows us that the organizations show more similarity to the creative industries then to the cultural industries. The organizations are rather small, do not have very wide (international) distribution networks and they focus on tailor-made products.

The three sets of location factors and the characteristics of the Arnhem fashion industry give a good framework in which we can answer the main question of this thesis: *What have been the important factors for fashion designers in the city of Arnhem in their location decision making process?* As the comparison of the three sets of location factors have shown us in the previous chapter, the clustering location factors were overall regarded as more important then the other two sets. It should however be noted that none of the three sets of location factors was perceived as far less important then the others. They all on average scored over 2.5, which means that with the answering possibilities between 1 and 5 the all were perceived with a positive attitude. When the three sets were compared using a *Student's T- test*, the clustering location factors however proven to be only significantly more important over the conventional factors. The other two pairs did not show any significantly difference among the scores. Finally it is important to note that the clustering location factors were almost also significantly more important then the *Quality of Place* factors. A concluding answer for the main question would be that Arnhem fashion designers recognized clustering location factors as most important in their location decision making process.

10.2 - Beyond the fashion designers in Arnhem
As noted in the introduction of this thesis I had hoped that the outcomes of this research might give us more insight in the location pattern of creative organization. If we take out the fact that they are fashion designers, the most profound characteristics of these organizations is their small size and rather recent founding. Their characteristics show more similarities to the creative industries then they do to the cultural industries. The small size of these organizations could explain the appreciation for the clustering location factors in this research. These organizations do not only work as competitors but also hope to build on one another for a healthier creative industry. Access to information and cooperation with other organizations have proven to be important for the small organizations.

The fact that clustering location factors are important for small organizations in the creative industry can be supported by the existence of 'broedplaatsen', In recent years many so called 'broedplaatsen' have been started in different cities all over the Netherlands. Just in my hometown Haarlem, a new similar sort of initiative has been started. Young small creative organizations locate in one building, sharing facilities. The organizations that locate there are rather young there is also a lack of knowledge and a lack of network. It benefits these organizations therefore to locate near one another and learn from each other. The success of these initiatives underscores the importance of clustering location factors. However we should realize that these 'broedplaatsen' are usually located in cities or at least urban developed areas. This implicates that the area contains characteristics of Florida's *Quality of Place*. Another attractive feature of these initiatives is a relatively low rent, as supposed to renting out an expensive studio. Here we find an economic advantage of these 'broedplaatsen'. This shows that even though clustering factors might look most important for small creative organizations, it is eventually a mix of factors that make a location attractive.

Figure 10.1 -- *Three sets of location factors interlinked* --

Conventional Factors · Quality of Place Factors

Clustering Factors
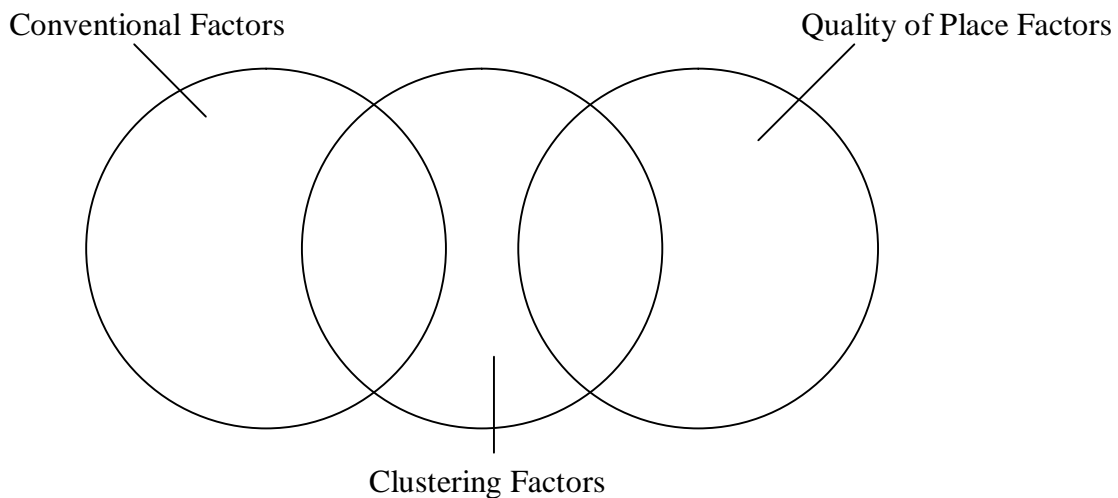
Source: own elaboration

Eventually it seems most plausible to accept that the location decision process is influenced by each of the three sets of location factors. For now this research has indicated that small organizations in the creative industries tend to be most appreciative of the clustering location factors. However a certain level of conventional and *Quality of Place* characteristics seems to be essential for a location to be truly attractive. This is interesting for policy makers in order to be able to attract these creative organizations to their city. It should however be clear that this thesis did not lead to a concrete set of factors that will draw creative entrepreneurs to a certain area. The

purpose has been to get a better understanding of what has influenced fashion designers to locate in Arnhem. As it showed that most of them turned out to be relative small and young organizations, their line of thought could resemble those of other small creative organizations.

10.3 - Recommendations

In order to learn more about the location factors that are decisive for creative organizations further research must be conducted. This thesis has given us more insight in the location choices of fashion designers that have located in the city of Arnhem. As the previous paragraph has shown it could be possible to apply them outside the research population, however there is no empirical backbone for this. The organizations in the sample of this research have shown to be rather small and young. However in order to confirm that clustering factors indeed are the decisive component in the location decision making process, more research among small organizations within the creative industries should be conducted.

Another interesting point of view is the composition of the three components that have been researched in this thesis. To what extend are the clustering location factors indeed decisive for small organizations. What happens if a location is very attractive based on its clustering externalities but is unattractive in terms of the conventional and *Quality of Place* features? As mentioned before small organizations tend to appreciate clustering factors, but to some extend conventional and quality of place features should be present as well. Interesting question would be to what extend.

In order to learn more about the location pattern of all types of creative organizations it would be interesting in my point of view to compare several creative organizations. For example as we have seen in this research most of the organizations contained the same characteristics, they were rather young and small. This could logically affect their location choices. Maybe larger organizations base their location decision on different factors. A comparable research among smaller and larger organizations might give us interesting insight in these differences.

10.4 - Chapter summary

In this chapter the main research question of this thesis was answered. According to the empirical results from this research it showed that fashion designers in Arnhem especially valued the clustering location factors. However as explained in this chapter this does not mean that the other factors are not weighed in the decision making process. Since the organizations in the research were all rather small and young, the proposition was made that the results could also be

transferred onto other small creative organizations. However further research should point out whether this is indeed true.

This research has contributed to a better understanding on location factors of especially fashion designers in Arnhem. However their characteristics can be compared to other organizations and create therefore a better understanding of location factors in the creative industries.

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Appendix

A - Questionnaire

Geachte heer, mevrouw.

Allereerst wil ik u hartelijk danken voor uw medewerking aan deze enquête. Mijn naam is Margot Don, ik ben Master student aan de Erasmus Universiteit in Rotterdam. Voor mijn scriptie doe ik onderzoek naar de locatiekeuze factoren van mode gerelateerde bedrijven in Arnhem. De gegevens die u in de enquête verstrekt zullen uitsluitend gebruikt worden om antwoord te geven op mijn onderzoeksvraag.

De enquête bestaat uit twee onderdelen. In het eerste gedeelte worden u enkele algemene vragen over uzelf en uw bedrijf voorgelegd. Het tweede deel van het onderzoek gaat in op de argumenten die u <u>destijds</u> had voor uw locatie keuze in de stad Arnhem. Met de locatie doel ik op de fysieke locatie waar uw bedrijf gevestigd is.

Alvast vriendelijk dank voor uw medewerking.

Vriendelijke groet,

Margot Don
Master student Cultural Economics & Cultural Entrepreneurship
Erasmus Universiteit Rotterdam

Deel 1.

Allereerst zou ik u willen vragen de volgende algemene vragen met betrekking tot uzelf en uw bedrijf te beantwoorden:

1. Wat is de naam van uw bedrijf?

2. In welk jaar heeft uw organisatie zich gevestigd in Arnhem?

3. Is uw organisatie eerder in een andere stad gevestigd geweest? Zo ja, in welke stad?

4. Uit hoeveel medewerkers bestaat uw organisatie?

5. Heeft uw bedrijf internationale klanten?

6. Wat is uw positie binnen het bedrijf?

7. Wat is uw geslacht?

8. Wat is uw leeftijd?

Deel 2

Het tweede onderdeel van deze enquête bestaat uit stellingen omtrent uw beweegredenen zich in Arnhem te vestigen. Graag benadruk ik hierbij de beweegredenen voor de geest te halen die u ten tijde van uw locatiekeuze had, en niet de situatie zoals deze op het moment is.

De stellingen die ik in dit deel presenteer kunnen allen een argument zijn geweest in de keuze voor Arnhem als uw huidige locatie. Leest u alstublieft elke stelling zorgvuldig en omcirkel bij elke stelling welk antwoord het meest toepasselijk voor u is.

Hierbij hanteer ik de volgende antwoord categorieën:
1 – Helemaal mee oneens
2 – Oneens
3 – Niet oneens, niet eens
4 – Eens
5 – Helemaal mee eens

Op de volgende pagina's vindt u de drie blokken met stellingen en de categorieën nogmaals herhaald.

Antwoord categorieën:
1 – Helemaal mee oneens
2 – Oneens
3 – Niet oneens, niet eens
4 – Eens
5 – Helemaal mee eens

Wij kozen voor de stad Arnhem omdat wij verwachtten..					
.. onze leverancierskosten te minimaliseren. (bijv. transportkosten)	1	2	3	4	5
.. door faciliteiten met andere bedrijven te delen, efficiënter te kunnen werken.	1	2	3	4	5
.. hier een lage prijs/huur te betalen dan op andere locaties.	1	2	3	4	5
.. een aantrekkelijke arbeidsmarkt aan te treffen doordat er veel andere mode bedrijven in de omgeving zijn.	1	2	3	4	5
.. dat de stad de potentie biedt om er een creatief leven te leiden.	1	2	3	4	5
.. hier voordeel te hebben op het gebied van belastingen en wetgeving.	1	2	3	4	5
.. dat in de stad veel jonge (20-35jr) en actieve mensen aanwezig zouden zijn.	1	2	3	4	5
.. onderdeel te worden van een netwerk van mode gerelateerde organisaties.	1	2	3	4	5

Wij kozen voor de stad Arnhem omdat wij verwachtten..					
.. hier fysieke uitbreidingsmogelijkheden te hebben.	1	2	3	4	5
.. gemakkelijk kennis en informatie met andere bedrijven te kunnen delen door het vele face-to-face contact.	1	2	3	4	5
.. hier een goede positie t.o.v. de infrastructuur te hebben. (OV, wegen).	1	2	3	4	5
.. dat de stad een uitdagende muziekscène zou hebben.	1	2	3	4	5
.. dat de stad open zou staan voor een diversiteit aan levensstijlen.	1	2	3	4	5
.. onze eigen creativiteit en innovatie te versterken door de aanwezigheid van andere mode bedrijven in de omgeving.	1	2	3	4	5
.. dat de stad een variëteit aan grootschalige evenementen zou aanbieden.	1	2	3	4	5
.. onze arbeidskosten hier lager te kunnen houden.	1	2	3	4	5

Antwoord categorieën:
1 – Helemaal mee oneens
2 – Oneens
3 – Niet oneens, niet eens
4 – Eens
5 – Helemaal mee eens

Wij kozen voor de stad Arnhem omdat wij verwachtten..					
.. dat er in de stad een grote zichtbare diversiteit aan levensstijlen aanwezig zou zijn. (denk bijvoorbeeld aan afwijkende kledingstijlen, maar ook aan immigranten en etnische minderheden)	1	2	3	4	5
.. door de aanwezigheid van veel andere mode bedrijven hier veel klanten te kunnen vinden.	1	2	3	4	5
.. dat hier meer parkeergelegenheid zou zijn..	1	2	3	4	5
.. dat de stad een variëteit aan culturele activiteiten zou bieden.	1	2	3	4	5
.. aanvullende diensten hier gemakkelijker in de omgeving te kunnen kopen (denk bijvoorbeeld aan bankzaken, verzekeringen)	1	2	3	4	5
.. het subsidie klimaat gunstiger zou zijn.	1	2	3	4	5
.. dat de stad een interessant en gevarieerd uitgaansleven zou bieden.	1	2	3	4	5
.. dat in de omgeving publieke organisaties gevestigd waren die van belang zijn voor onze sector.	1	2	3	4	5

Heel veel dank voor het invullen van de enquête. U heeft hiermee een grote bijdrage geleverd aan mijn onderzoek. Nogmaals wil ik u erop wijzen dat de gegevens die u mij verstrekt heeft correct behandeld zullen worden.

Mocht u verder nog vragen/opmerkingen hebben dan kunt u altijd contact met mij opnemen.
Ook verneem ik graag van u wanneer u de uiteindelijke onderzoeksresultaten wilt inzien.

Met vriendelijke groet,

Margot Don
margot.don@gmail.com
06 42223083

B - Frequencies on the Conventional Location Factors

Statistics

		Minimize supplier costs	Expansion possibilities	Price or rent	Infrastructural position	Availability of Parking space	Legal and tax advantages	Subsidies	Low labour costs
N	Valid	37	37	37	37	37	37	37	37
	Missing	0	0	0	0	0	0	0	0
Mean		2.27	2.68	3.27	3.30	3.05	2.57	2.84	2.57
Mode		3	4	4	4	4	3	2ª	2
Std. Deviation		.932	1.226	1.305	1.222	1.177	1.042	.986	.899

a. Multiple modes exist. The smallest value is shown

Minimize supplier costs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	9	24.3	24.3	24.3
	disagree	12	32.4	32.4	56.8
	neutral	13	35.1	35.1	91.9
	agree	3	8.1	8.1	100.0
	Total	37	100.0	100.0	

Expansion possibilities

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	8	21.6	21.6	21.6
	disagree	10	27.0	27.0	48.6
	neutral	6	16.2	16.2	64.9
	agree	12	32.4	32.4	97.3
	totally agree	1	2.7	2.7	100.0
	Total	37	100.0	100.0	

Price or rent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	6	16.2	16.2	16.2
	disagree	4	10.8	10.8	27.0
	neutral	6	16.2	16.2	43.2
	agree	16	43.2	43.2	86.5
	totally agree	5	13.5	13.5	100.0
	Total	37	100.0	100.0	

Infrastructural position

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	4	10.8	10.8	10.8
	disagree	7	18.9	18.9	29.7
	neutral	4	10.8	10.8	40.5
	agree	18	48.6	48.6	89.2
	totally agree	4	10.8	10.8	100.0
	Total	37	100.0	100.0	

Availability of Parking space

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	6	16.2	16.2	16.2
	disagree	4	10.8	10.8	27.0
	neutral	11	29.7	29.7	56.8
	agree	14	37.8	37.8	94.6
	totally agree	2	5.4	5.4	100.0
	Total	37	100.0	100.0	

Legal and tax advantages

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	8	21.6	21.6	21.6
	disagree	6	16.2	16.2	37.8
	neutral	18	48.6	48.6	86.5
	agree	4	10.8	10.8	97.3
	totally agree	1	2.7	2.7	100.0
	Total	37	100.0	100.0	

Subsidies

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	2	5.4	5.4	5.4
	disagree	13	35.1	35.1	40.5
	neutral	13	35.1	35.1	75.7
	agree	7	18.9	18.9	94.6
	totally agree	2	5.4	5.4	100.0
	Total	37	100.0	100.0	

Low labour costs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	4	10.8	10.8	10.8
	disagree	14	37.8	37.8	48.6
	neutral	13	35.1	35.1	83.8
	agree	6	16.2	16.2	100.0
	Total	37	100.0	100.0	

C - Frequencies on Clustering Location Factors

Statistics

	Sharing facilities	Easy access to knowledge and information	Attractive labour market; potential employees	Proximity relevant public organizations (due to proximity competitors)	Proximity to customers / market	Strengthening own creative and innovative character	Proximity of complementary services	Network of creative organizations
N Valid	37	37	37	37	37	37	37	37
Missing	0	0	0	0	0	0	0	0
Mean	3.43	3.22	2.95	3.14	2.95	3.76	2.57	3.62
Mode	4	3	2	2	3	4	2	3
Std. Deviation	.929	1.134	1.053	1.058	.848	.925	.835	1.063

Sharing facilities

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	2	5.4	5.4	5.4
	disagree	3	8.1	8.1	13.5
	neutral	11	29.7	29.7	43.2
	agree	19	51.4	51.4	94.6
	totally agree	2	5.4	5.4	100.0
	Total	37	100.0	100.0	

Easy access to knowledge and information

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	3	8.1	8.1	8.1
	disagree	6	16.2	16.2	24.3
	neutral	13	35.1	35.1	59.5
	agree	10	27.0	27.0	86.5
	totally agree	5	13.5	13.5	100.0
	Total	37	100.0	100.0	

Attractive labour market; potential employees

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	2	5.4	5.4	5.4
	disagree	13	35.1	35.1	40.5
	neutral	9	24.3	24.3	64.9
	agree	11	29.7	29.7	94.6
	totally agree	2	5.4	5.4	100.0
	Total	37	100.0	100.0	

Proximity relevant public organizations (due to proximity competitors)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	disagree	13	35.1	35.1	35.1
	neutral	11	29.7	29.7	64.9
	agree	8	21.6	21.6	86.5
	totally agree	5	13.5	13.5	100.0
	Total	37	100.0	100.0	

Proximity to customers / market

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	1	2.7	2.7	2.7
	disagree	11	29.7	29.7	32.4
	neutral	14	37.8	37.8	70.3
	agree	11	29.7	29.7	100.0
	Total	37	100.0	100.0	

Strengthening own creative and innovative character

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	disagree	4	10.8	10.8	10.8
	neutraal	9	24.3	24.3	35.1
	agree	16	43.2	43.2	78.4
	totally agree	8	21.6	21.6	100.0
	Total	37	100.0	100.0	

Proximity of complementary services

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	3	8.1	8.1	8.1
	disagree	15	40.5	40.5	48.6
	neutral	14	37.8	37.8	86.5
	agree	5	13.5	13.5	100.0
	Total	37	100.0	100.0	

Network of creative organizations

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	disagree	6	16.2	16.2	16.2
	neutral	12	32.4	32.4	48.6
	agree	9	24.3	24.3	73.0
	totally agree	10	27.0	27.0	100.0
	Total	37	100.0	100.0	

D - Frequencies on the Quality of Place Location Factors

Statistics

		Diversity of lifestyles	Emigrants – openness towards different lifestyles	Possibilities to live a creative life	Availability of cultural activities	Availability of large events	Many young, active people in area	Availability of a vibrant nightlife	Exciting, popular music scene
N	Valid	37	37	37	37	37	37	37	37
	Missing	0	0	0	0	0	0	0	0
Mean		3.14	2.70	3.11	3.49	3.35	3.70	2.38	2.03
Mode		3	2[a]	4	4	3[a]	4	3	2
Std. Deviation		.948	.845	1.022	.932	.978	.740	.953	.799

a. Multiple modes exist. The smallest value is shown

Diversity of lifestyles

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	1	2.7	2.7	2.7
	disagree	9	24.3	24.3	27.0
	neutral	13	35.1	35.1	62.2
	agree	12	32.4	32.4	94.6
	totally agree	2	5.4	5.4	100.0
	Total	37	100.0	100.0	

Emigrants – openness towards different lifestyles

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	2	5.4	5.4	5.4
	disagree	14	37.8	37.8	43.2
	neutral	14	37.8	37.8	81.1
	agree	7	18.9	18.9	100.0
	Total	37	100.0	100.0	

Possibilities to live a creative life

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	2	5.4	5.4	5.4
	disagree	9	24.3	24.3	29.7
	neutral	11	29.7	29.7	59.5
	agree	13	35.1	35.1	94.6
	totally agree	2	5.4	5.4	100.0
	Total	37	100.0	100.0	

Availability of cultural activities

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	1	2.7	2.7	2.7
	disagree	4	10.8	10.8	13.5
	neutral	12	32.4	32.4	45.9
	agree	16	43.2	43.2	89.2
	totally agree	4	10.8	10.8	100.0
	Total	37	100.0	100.0	

Availability of large events

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	1	2.7	2.7	2.7
	disagree	6	16.2	16.2	18.9
	neutral	13	35.1	35.1	54.1
	agree	13	35.1	35.1	89.2
	totally agree	4	10.8	10.8	100.0
	Total	37	100.0	100.0	

Many young, active people in area

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	disagree	1	2.7	2.7	2.7
	neutral	14	37.8	37.8	40.5
	agree	17	45.9	45.9	86.5
	totally agree	5	13.5	13.5	100.0
	Total	37	100.0	100.0	

Availability of a vibrant nightlife

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	8	21.6	21.6	21.6
	disagree	11	29.7	29.7	51.4
	neutral	14	37.8	37.8	89.2
	agree	4	10.8	10.8	100.0
	Total	37	100.0	100.0	

Exciting, popular music scene

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	totally disagree	11	29.7	29.7	29.7
	disagree	14	37.8	37.8	67.6
	neutral	12	32.4	32.4	100.0
	Total	37	100.0	100.0	