

## ENTREPRENEURS IN CREATIVE INDUSTRIES: THE RECONCILIATION OF ARTISTIC AND COMMERCIAL LOGIC

Ksenija Vuković<sup>1</sup>, Ivana Fojs<sup>2</sup> and Kristina Detelj<sup>3</sup>

<sup>1</sup>PhD, associate professor, Faculty of Organization and Informatics, University of Zagreb,  
Croatia, ksenija.vukovic@foi.hr,

<sup>2</sup>MA Econ., teaching assistant, Faculty of Organization and Informatics, University of Zagreb,  
Croatia, ivfojs@foi.hr

<sup>3</sup>PhD, assistant professor, Faculty of Organization and Informatics, University of Zagreb, Croatia,  
[kristina.detelj@foi.hr](mailto:kristina.detelj@foi.hr)

### Abstract

In this paper we take Bourdieu's approach of field and habitus in the analysis of entrepreneurship in creative industries in Croatia. The aim of this paper is to identify the main fields in which entrepreneurs play their business game. In the real world of the individual there are many fields, some of which are better marked than others, and all fields are in a hierarchical relationship. For example, according to Bourdieu, the business field tends to be more powerful than the field of art. We also want to examine what kind of habitus is needed for a successful business. We use an interpretative paradigm based on the phenomenological approach in collecting and analyzing empirical material. Through the interpretative phenomenological analysis, it is possible to explore in detail how participants construct meanings, and how they shape their personal and social world. In this way, we gain insight into the special experiences, events and conditions of the actors of a particular interaction context. In-depth semi-structured interviews were conducted on a sample of ten entrepreneurs in the Northwest Croatia. Using the coding techniques in the analysis of empirical material, we identified four main fields in which entrepreneurs in creative industries play: entrepreneurial field, field of art, business field, and field of education. From a spatial perspective, it is possible to identify the local field as most important for entrepreneurs. The habitus that enables a successful game in the field of business is one that successfully balances between the artistic and commercial approach.

**Keywords:** creative industries, entrepreneur, field, habitus, qualitative approach

## 1 INTRODUCTION

When analyzing cultural and creative industries, it is significant to understand the conjoining of the artistic and commercial aspect. The very concepts of industry in creative and cultural activities as well as the artist and the entrepreneur in the same person represent a paradox (Moore, 2014). It is important to note the phases of the process of transition from one form of activity to another, i.e. starting a business to achieve artistic aspirations that usually occurs in earlier phases, to commercialization driven by profit and market share. There is often a combination of these aspects, which helps achieving the goal of entrepreneurship in creative and cultural industries. The goods produced by cultural and creative industries often have an intangible component and thus an emotional value added, which is difficult to express in monetary units. This is the reason why it is difficult to integrate the cultural and economic value (Moore, 2014).

For a closer understanding of artists in entrepreneurship, we consider the concept of field and habitus. Entrepreneurs strive to provide a prominent position on the market and in society in accordance with the existing habitus (Pret et al., 2016; Karataş-Özkan, 2011; Özbilgin and Tatli, 2005), which is correlated with social and cultural capital. Entrepreneurs make their decisions based on the field in which they are currently positioned, which is why future business depends on relationships, networks and entrepreneurial experience (Spigel, 2013), as well as the potential for conversion of a particular type of capital.

Methodology used for better understanding of entrepreneurs in creative industries is the interpretative phenomenological analysis. It enables more thorough exploration of how they construct meanings and shape their personal and social world. That way we can identify their special experiences, events and conditions in the specific interaction context. Analysis used the data collected by in-depth semi-structured interviews on a sample of ten entrepreneurs in the Northwest Croatia. In the next chapter we present basic Bourdieu's concepts of habitus and field and their relationship in the chosen entrepreneurial context. Then we shortly describe the sampling, data collection and the foundation for the analysis. Next we present results with citations from the interviews as the example of the observed relations. In the end we discuss the results and draw conclusions that are inherent to Croatian entrepreneurs in the creative industries

## **2 BOURDIEU'S CONCEPTS OF HABITUS AND FIELD**

The center of Bourdieu's social analysis is practice, and he is interested in how the actors act on the path to achieving their goals. The relationship between agent and structure points more to dialectics than to the dichotomy (Bourdieu, 1990; Schwartz, 1997). Practice rests on the fundamental concepts of Bourdieu's social theory: the field, the habitus and the capital. In this paper we analyze the field of activity and habitus of entrepreneurs.

### **2.1 Field**

Bourdieu defines the field as a constantly changing relational and dynamic social microcosm, i.e. the relational and dialectical terms describe the field (Bourdieu and Wacquant, 1992). According to Özbilgin and Tatli (2011), two things are important in defining the field: the relationship between actors that make up the field's essence and the power structure that shows the positions of different actors in relation to other actors in the power matrix (Tatli et al., 2014).

Practices take place within the fields that represent the social space of power relations with the rules, traditions and customs that have arisen and developed over time. Rules can be formal like laws and regulations, but it may also be informal, unspoken rules applied within an organization or a group (Bourdieu, 1990). Contemporary society is composed of a series of relatively autonomous fields, but these are structurally homologous fields within which the production, exchange and consumption of different forms of capital take place (Swartz 1997). In the social space there are many fields where some are better marked by others, and all the fields are in a certain hierarchical relationship. For example, a business field tends to be more powerful than the field of art (Bourdieu, 1985).

### **2.2 Habitus**

The individuals engage different resources in their activities, and their strategy is the result of negotiating and shaping habitus as a field logic, i.e. social structures, which leads to a change in fields under the influence of an individual (Tatli et al., 2014). Bourdieu (2011, p. 95) illustrates this relationship by using the following formula: habitus x capital + field = practice.

In the context of entrepreneurship research different authors use the concept of habit in different ways. Anderson et al. (2010) use the concept of habitus as a platform for examining different rules and forms of networking practice practices. Karataş-Özkan (2011) uses the concept of habitus in the study of the entrepreneurial learning process - certain aspects of nascent entrepreneurs' learning represent the process of building the entrepreneurial habitus.

De Clercq and Voronov (2009) perceive the entrepreneurship from the perspective of practice and rely on Bourdieu's work whereby entrepreneurship is seen as a process of strong social engagement that is related to entrepreneurial positioning in structures and relationships of power. When looking at the entrepreneurship as a practice, authors focus on the entrepreneurial action of gaining the legitimacy of new entrants into the field. Built habitus means that an entrepreneur has become a recognized member of the field, and the interaction between legitimacy of the entry and the success affects the scale of strengthening and transforming the field structure.

Fields and the entrepreneurs that exist in them are in correlation with each other that is visible in Fig. 1.

Fields together with habitus, i.e. rules, norms, customs, relationships and entrepreneur's own interpretation of the determinants of a particular field, create the entity in constant interaction. Incumbents have the credibility as opposed to new entrants who have just started to adopt customs and strive to adapt to them. The constant influence of "old" and "new" entrepreneurs on each others provides constant exchange of practice and knowledge, thus achieving a high level of competitiveness and innovation (Spigel, 2013).

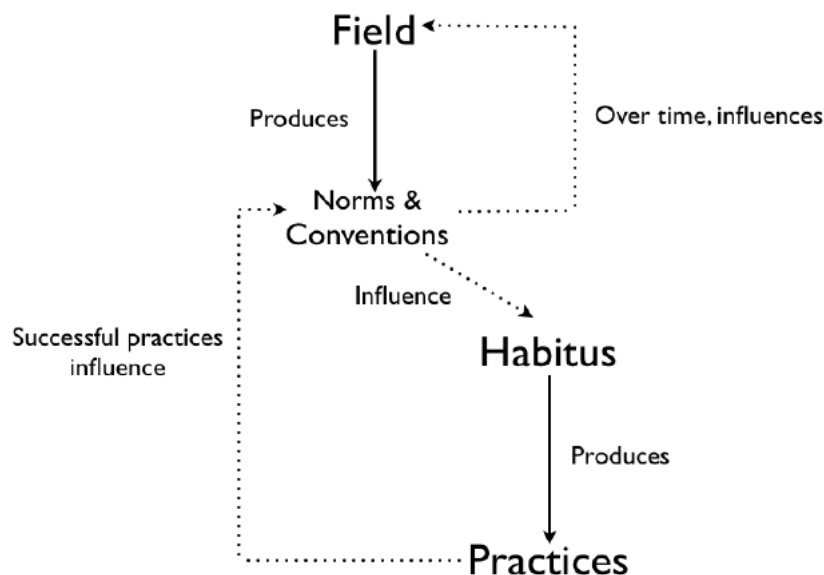


Figure 1. The dynamic nature of norms and conventions within a field

Source: Spigel, 2013, p. 43

### 3 METHODOLOGY

In an exploration of the habit and the field of entrepreneurial activity in creative and cultural industries, we use interpretative approaches. Collecting data through phenomenological interviews allows sharing of clips from the life of actors (Lincoln and Guba, 1985) through multiple case studies. This is exactly what essentially differentiates the phenomenological method from positivist and functionalist methods (Cope, 2005). The basic objective of the interpretative phenomenological analysis is to explore in detail how participants construct the puport and meaning, i.e. how they shape their personal and social world, thus gaining insight into the special experiences, events and attitudes of the actors of a particular interaction context (Halmi, 2005).

In empirical data collection we used in-depth semi-structured interviews. To achieve the more enjoyable atmosphere for the interviewees, we organized conversations in their workshops, ateliers, galleries, offices or quiet cafes, using everyday colloquial language (Patton, 1990).

In the selection of the sample, we used the purposeful sampling approach. The logic of purposeful sampling is completely different from the logic of designing random samples used in quantitative research (Patton, 1990). Given that the intention is not to generalize the results onto the entire population, but to deeply examine the phenomenon, the aim of the purposeful sampling is to select those units that are considered to be particularly information rich cases. Researchers' tips (Smith, 2004; Palinkas et al., 2015; Pret et al., 2016) were used to select the number of respondents. For this phenomenological examination, 10 single respondents were selected (in case of multiple interviews the recommendation is 3-6 respondents).

In the analysis of empirical material, we used the coding technique. The notes within the interview transcripts contained open codes which at the later stage of the text analysis were transformed into a system of subordinate and superordinate categories (Smith et al., 2009).

### 4 RESULTS

We identified the main fields in which entrepreneurs in cultural and creative industries act as perceptive characteristics of habitus.

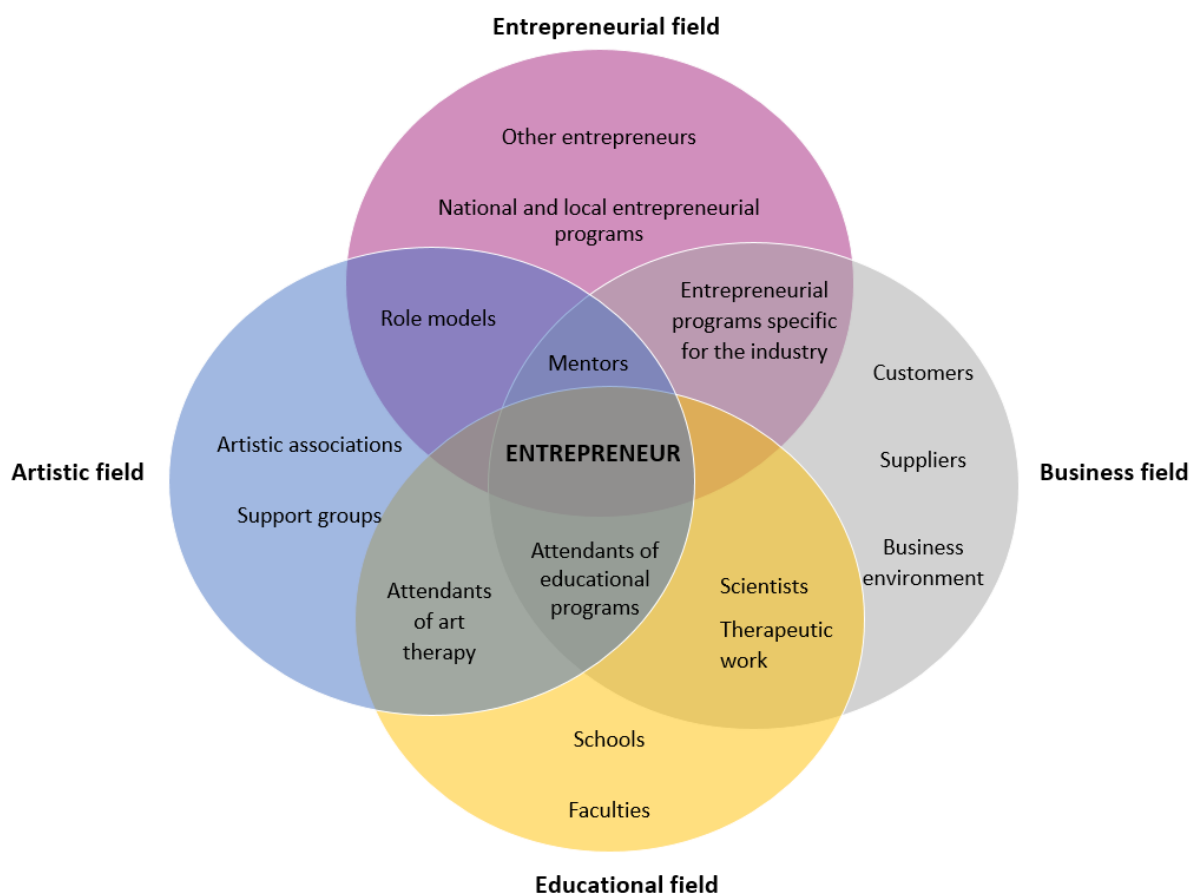
#### 4.1 Creative and cultural entrepreneurship across multiple fields

Cultural goods or creative work are not autonomous objects that offer the reflection of human creativity, although as such they can have their own meaning (Townley et al., 2009), but are implicated in the structures of social dominance and the reproduction of structures.

Literature, art and their respective producers do not exist independently of institutional framework which authorizes, enables, empowers and legitimizes them. This framework must be incorporated into any analysis that pretends to provide a thorough understanding of cultural good and practices.

(Bourdieu, 1993:10)

The empirical research we have carried out is focused on discovering the market aspects of the creative industry. Entrepreneurs in creative and cultural industries struggle to survive on the market. By using artistic approach and commercial logic, they create products and services that have market value (Morgan and Wood, 2013). The creative and cultural industries are in the hybrid field (Caves, 2002; Entwistle and Rocamora, 2006; Gullidge et al., 2016). The results of our research, according to Spigel's (2013) model, show that entrepreneurs in creative and cultural industries are positioned in four basic fields: business, entrepreneurial, artistic and educational (Fig. 2). From a spatial perspective, our respondents are mostly in the area of a local field.



**Figure 2. The position of creative and cultural entrepreneurs within multiple fields**

Source: author's work out of author's research

Entrepreneurs in cultural and creative industries are aware of the multiplicity of fields in which they operate, their intertwining, but also indicate the existence of subfields within the business and the artistic fields, both in terms of creative expression and products that offer to the market.

... because the artistic activity is multidisciplinary, I create multidisciplinary products, i.e. I'm dealing with design, and with paintings, different directions within applied art. I am dealing with various segments of applied art from which various products come and therefore the form of crafts for me is the simplest legal form to satisfy the legal frameworks. (Respondent 9)

In the business field respondents are focused on customers, whereby in creative industries the emphasis is on personalized approaches and the goods are co-created by customers. (Also when I do personalized pictures, almost at the end, there is always an interaction with the customer in the end, whether it's OK, whether something else is wanted - Respondent 9). There is a substantial respect for the customers and respect for their aesthetic criteria (You can not underestimate customer, they are educated, they may not know how to draw, but have an eye for aesthetics - Respondent 9).

Consuming products of creative and cultural industries is linked to the cultural capital of consumers. Bourdieu identifies structures of domination and their reproducing in all areas of life, including tastes and preferences in the selection of creative and cultural products (Bourdieu, 2011). Since the lifestyle, choices of music, art and other cultural and creative products form the basis of distinction and stratification (Bourdieu, 2011), entrepreneurs in cultural and creative industries are active in the field of education to educate consumers about cultural products but also encourage children and young people to create. Both approaches allow the reproduction of the art-business field. For this reason, entrepreneurs from the sample organize workshops to educate interested children and adults.

... someone who has created an animated movie in Vanima as a kid, gets this sensibility and sense of taste for the film, not only animated, but also other movie genres, they get something we can call an incidental addition, as something that goes further through their life, and if they become an entrepreneur one day or they are the leaders, within their life they hold a quality level. When that person today has a family, I am sure that this person with their family does not watch everything that comes through the media. The quality of an individual's life, to get an individual who is able to choose quality from the media, has a higher quality level of life, a more cultural quality of life, that person can watch the European film, not to get up as soon as it starts, but to stay in the cinema. (Respondent 6)

In marketing, besides the promotion, the attention is devoted, for example, to examining the experience of reading books (... we are dealing a lot with emotions in our children's books and we would like this extension to the reading world, to see how it looks and then to base new and visual communication on it later - Respondent 1)

The practice of reproducing the field of art also maintains contact with schools (... they have a lot of obsolete teaching methods, and this was quite interesting for them. We want to have as many schools as possible, to come, to educate them and then they can do it themselves - Respondent 6). Collaboration is also established with faculties: students, professors.

FOI [auth. Faculty of organization and informatics] always comes to us when they have a more creative project with their guests, to present them the way we work. For example, for a project that they worked on with the UK, we created videos, the kids worked, so the teachers visited us. Students learn when they handle this pedagogical part or this graduate thesis for work in special conditions, so they are doing this part of the practice with us. (Respondent 6)

By adopting cultural practices and identities, that can arise through interaction within a social group and a particular context, are created (Shotton, 2006). Entrepreneurs in creative and cultural industries, such as music and dance, accept, adapt and transfer part of the culture to the users.

... for instance, there would be no one dancing salsa here, if we did not start it four years ago, persistently forcing this salsa. Nobody was glad at first, "What is this, what is this dance?", but there is no party today without salsa and all dance schools have introduced salsa. (Respondent 7)

## **4.2 Entrepreneurial habitus between artistic and commercial**

Emphasizing not only the material production of creative objects, but also their creation as a form of value, Bourdieu creates a suitable framework for analyzing the artistic and market value of goods in creative and cultural industries (Townley et al., 2009). The analysis of cultural products implies an analysis of their meaning both within the field of artistic development and within the social field of power relations (Bourdieu, 1993).

Products created in creative and cultural industries have their dual, symbolic and economic value.

The painting is more than just a dust collector on the wall, the painting can do more, we carry it within ourselves, on ourselves, around us. If we carry it within ourselves, it's an idea, a creative process that is manifested in artwork, carrying on ourselves are accessories, garments and around us there is furniture, interior or exterior design, and more. (Respondent 9)

The need to create market value, which is a precondition of entrepreneurial survival in the market, requires the development of business and entrepreneurial habitus. Bourdieu (2006), apart from "primary habitus", which includes provisions made in the family, through early socialization, class affiliation and education, writes about a "specific" habitus or system of disposition adopted through links within a particular field (Bourdieu, 2007). The new entrants are more concerned with creative and artistic value and the process of creation than with the making of profits (Gulledge et al., 2016), which is also observed in some of our survey participants.

... I think if you're creative, it's important that you just go for creating something new, you do not look at it through the money, and that is the essence of creativity, this is how I look at it. In order to deal with creativity, you have to find new things in something that has already been seen, in a way that you think creatively, and not that for something that is already seen you just say that there will be money. (Respondent 8)

In order to attain the commercialization of entrepreneurship in the initial phase of entrepreneurial activity, some entrepreneurs are doing what is not in accordance with their artistic dispositions to create a material base for working on what they like.

Well, I'm recognizable and people know about me, but I'm not specific, I do not aim to be recognizable with this jewelry, I would rather have that art glass studio, I do not really care about that jewelry, but I do it because I do not have a larger stove. (Respondent 10).

After the stage of early entry into the field, the entrepreneurs start to evolve the awareness about the need to create a commercial value.

... when I started creating ceramics, I thought I would do art ceramics, I would do some of my creations, sell it, and it will work. But you do not have a place in Croatia where you can sell things this way, ... I simply had to live from it, from my work and I could not afford the finances, I was a single parent, to do a thing for one exhibition, so I had to do the thing I would sell. (Respondent 4)

In developing their business habitus, an individual accepts the commercial nature of the industry in which they work and successfully balances between the artistic and the commercial.

... as far as illustrations are concerned, this particular style is adorable, it is one sort of the more commercial illustration, but it somehow perfectly fits between art, perhaps a comic and some very commercial "Disney's", somewhere between, the reactions are good. (Respondent 1)

## **5 DISCUSSION AND CONCLUSION**

The entrepreneurs we interviewed for the purpose of this research operate in different areas of the creative and cultural industries. Despite the heterogeneity of that area, conflict between creativity and control is recognized as the fundamental problem of all entrepreneurs (Eikhof & Haunschild, 2006). Creative work is spontaneous, unpredictable, and without clear rules, while entering business and entrepreneurial fields requires planning, managing and organizing creative production processes. This results in the need for positioning within the field and acquiring the "feelings for playing the game". In the paper, we used Bourdieu's concept of habitus. Although the habitus itself is sometimes confusing (Gulledge et al., 2016), the results of empirical research show that the habitus of those producing in creative and cultural industries is both complex and subtle and as such is a useful analytical tool for understanding the behavior of new entrants in business and entrepreneurial field. The emphasis in our research was the adoption of a business and entrepreneurial habitus, i.e. a process in which entrepreneurs become familiarized with the commercial aspects of their activities and the possibilities and ways of responding to the needs of the market. Entrepreneurs have different resources for positioning within a field, that are available in the form of economic, cultural, social, and symbolic capital, and they combine and transform capital in a variety of ways to position themselves better within the field (Fojs et al., 2017). Through these processes, they acquire the ability or competence to "play the game" within the field of their action. At different stages of the entrepreneurial process, individuals adopt elements of business habitus and commercial value. There is a notable path from commitment to artistic habitus and taking of earnings as an "incident event" toward becoming aware of the need for commercialization of products, and finally to the reconciliation of artistic and business habitus. Actors, especially those with a pedagogical habitus, tend to engage in reproduction activities field, both specifically artistic field (encouraging young people to create) and business field within which they find consumers who by consuming their products, can develop and maintain a specific field of culture and creativity.

## REFERENCE LIST

- Anderson, A. R., Dodd Drakopoulou, S. & Jack, S. (2010). Network practices and entrepreneurial growth. *Scandinavian Journal of Management*, 26 (2): 121–133.
- Bourdieu, P. (1985). The Market of Symbolic Goods. *Poetics*, 14 (1-2): 13-44.
- Bourdieu, P. (1990). *The Logic of Practice*. Stanford: Stanford University Press.
- Bourdieu, P. (1993). *The Field of Cultural Production: Essays on Art and Literature*. New York City, NY: Columbia University Press.
- Bourdieu, P. (2006). *Pascalian Meditations*. Cambridge: Polity.
- Bourdieu, P. (2007). *In Other Words*. Cambridge: Polity.
- Bourdieu, P. (2011). *Distinkcija: Društvena kritika suđenja*. Zagreb: Izdanja Antibarbarus.
- Bourdieu, P. & Wacquant, L. J. D. (1992). *An Invitation to Reflexive Sociology*. Cambridge: Polity Press.
- Caves, R. (2002). *Contracts between art and commerce*. Cambridge, Massachusetts: Harvard University Press.
- Cope, J. (2005). Researching entrepreneurship through phenomenological inquiry: Philosophical and methodological issues. *International Small Business Journal*, 23 (2): 163-189.
- De Clercq, D. & Voronov, M. (2009). Toward a Practice Perspective of Entrepreneurship. Entrepreneurial Legitimacy as Habitus. *International Small Business Journal*, 27 (4): 395-419.
- Eikhof, D. R. & Haunschild, A. (2009). Lifestyle Meets Market: Bohemian Entrepreneurs in Creative industries. *Creativity and innovation Management*, 15 (3): 234-241.
- Entwistle, J. & Slater, D. (2014). Resembling the Cultural. *Journal of Cultural Economy*, 7 (2). 161-177.
- Fojs, I., Vuković, K. & Detelj, K. (2017). Impact of Social Capital on the Generation of Economic Capital in Creative Industries. In Cingula, M., Przygoda, M., Detelj, K. (Eds.), *23<sup>rd</sup> International Scientific Conference on Economic and Social Development Book of Proceedings*. Madrid: Varaždin Development and Entrepreneurship Agency, University Nord Koprivnica, Management University of Warsaw. 678-686.
- Gulledge, E., Roscoe, P. & Townley, B. (2016). Economizing habitus: Material calculation and “the rules of the game” in the publishing industry. *Journal of Cultural Economy*, 8 (6): 637-654.
- Halmi, A. (2005). *Strategije kvalitativnih istraživanja u primijenjenim društvenim znanostima*. Jastrebarsko: Naklada Slap.
- Karataş-Özkan, M. (2011). Understanding relational qualities of entrepreneurial learning: Towards a multi-layered approach. *Entrepreneurship & Regional Development*, 23 (9–10): 877–906.
- Lincoln, Y.S. & Guba, E. G. (1985). *Naturalistic inquiry*. Newbury Park, CA: Sage.
- Moore, I. (2014). Cultural and Creative Industries concept – a historical perspective. *Procedia - Social and Behavioral Sciences*, 110, 738-746.
- Morgan, G. & Wood, J. (2013). Creative accommodations. *Journal of Cultural Economy*, 7 (1): 64-78.
- Özbilgin M. & Tatli A. (2005). Book Review Essay: Understanding Bourdieu's Contribution to Organization and Management Studies. *Academy of Management Review*, 30 (4): 855-869.
- Özbilgin, M. & Tatli, A. (2011). Mapping out the field of equality and diversity: Rise of individualism and voluntarism. *Human Relations*, 64 (9):1229–1253.
- Palinkas, L.A., Horwitz, S.M., Green, C.A., Wisdom, J.P., Duan, N. & Hoagwood, K. (2015). Purposeful Sampling for Qualitative Data Collection and Analysis in Mixed Method Implementation Research. *Administration & Policy In Mental Health & Mental Health Services Research*, 42 (5): 533-544.
- Patton, M. Q. (1990). *Qualitative Evaluation and Research Methods*. London: Sage.
- Pret, T., Shaw, E. & Drakopoulou Dodd, S. (2016). Painting the full picture: The conversion of economic, cultural, social and symbolic capital. *International Small Business Journal*, 34 (8): 1004-1027.

- Shotter, J. (2006). Understanding process from within. *Organisation Studies*, 27 (4): 585-604.
- Smith, J. A. (2004). Reflecting on the development of interpretative phenomenological analysis and its contribution to qualitative research in psychology. *Qualitative Research in Psychology*, 1 (1): 39-54.
- Smith, J. A., Flowers, P. & Larkin, M. (2009). *Interpretative Phenomenological Analysis: Theory Method and Research*. London: Sage.
- Spigel, B. (2013). *The Emergence of Regional Cultures and Practices: A Comparative Study of Canadian Software Entrepreneurship*. Doctoral thesis, University of Toronto. Available at:  
[https://tspace.library.utoronto.ca/bitstream/1807/43730/1/Spigel\\_Benjamin\\_C\\_201311\\_PhD\\_thesis.pdf](https://tspace.library.utoronto.ca/bitstream/1807/43730/1/Spigel_Benjamin_C_201311_PhD_thesis.pdf)
- Swartz, D. (1997). *Culture and Power: The Sociology of Pierre Bourdieu*. Chicago and London: University of Chicago Press.
- Tatli, A., Vassilopoulou, J., Özbilgin, M., Forson, C. & Slutskaya, N. (2014). A Bourdieuan Relational Perspective for Entrepreneurship Research. *Journal of Small Business Management*, 52 (4): 615-632.
- Townley, B., Beech, N. & Mckinlay, A. (2009). Managing in the creative industries: Managing the motley crew. *Human Relations*, 62 (7): 939-962.