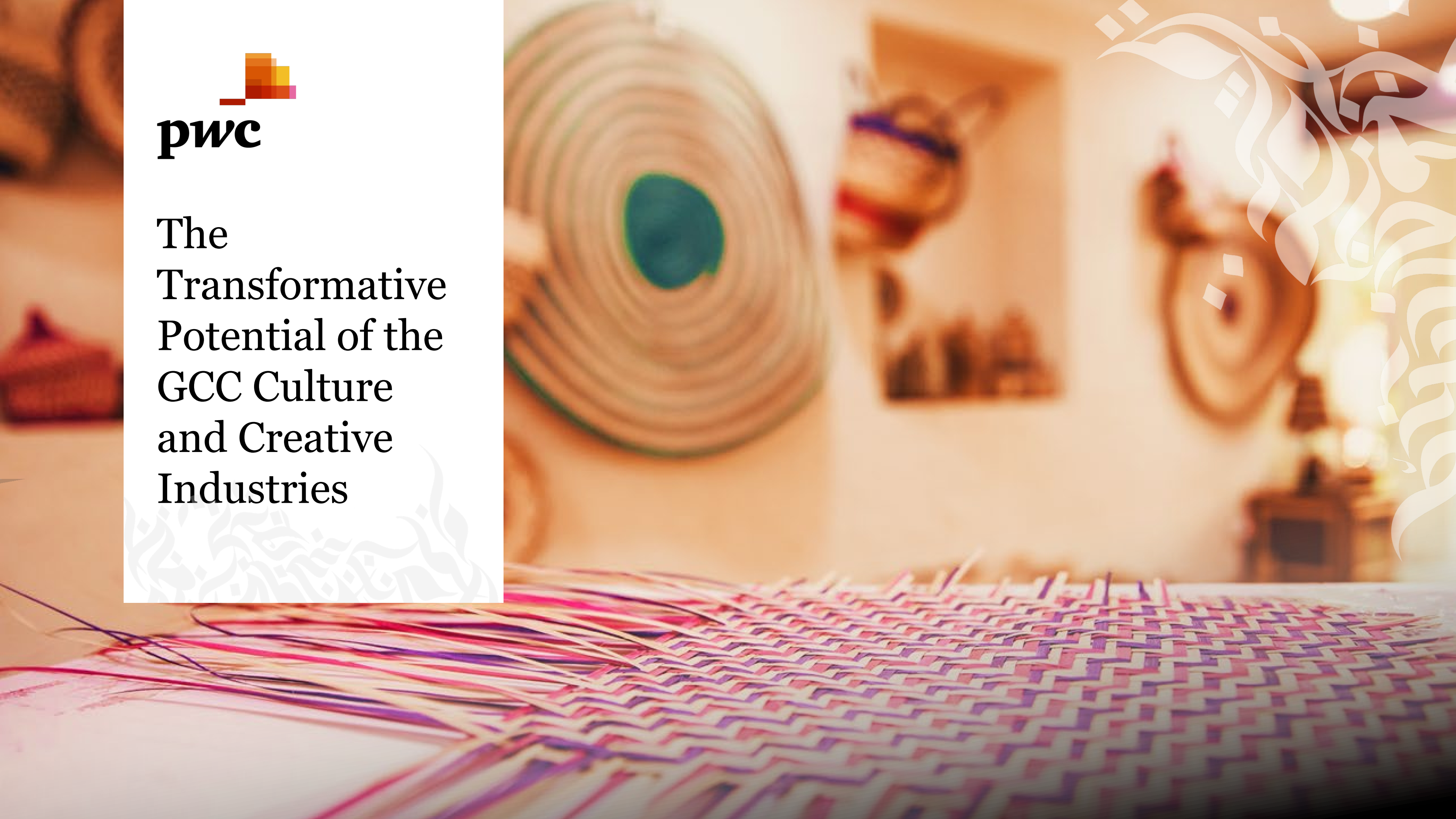




The  
Transformative  
Potential of the  
GCC Culture  
and Creative  
Industries



# The GCC's cultural reawakening

In the vibrant world of culture and creativity, even the smallest of ideas have the power to drive monumental achievements. The culture and creative industries (CCI) have witnessed steady growth over the past few decades as governments around the world have recognised their transformative potential to diversify economies and stimulate growth, while contributing to both prosperity and well-being.

In the GCC, this is no different. Regional governments understand the role the CCIs play – enriching the human experience while showcasing their country's unique heritage – and are proactively positioning these industries at the forefront of their national agendas and strategies. Governments are prioritising citizen experiences, harnessing the CCIs potential for economic growth and creating dynamic partnerships with businesses, educational institutions, investors and non-profit players..

The growth of these industries provides an essential link between the social and economic imperatives GCC countries are working to address today – and brings up important questions around culture as a public good versus an economic driver. Far more than just economic contributors, these industries act as catalysts for innovation, inclusive job creation and enhancing national competitiveness. They also bring together communities, offer opportunities for artistic expression and enrich the lives of residents

This report provides government and non-government players in the ecosystem with a set of strategic building blocks to accelerate growth and address the challenges seen in the region's CCI landscape. These building blocks provide actionable considerations for industry players to enable, empower and elevate the culture and creative industries.



# Exploring the dynamic world of the Culture and Creative Industries (CCI)

In a complex and interconnected world brimming with possibilities, the cultural and creative industries (CCI) have the potential to bridge various industries and geographies. According to UNESCO, the CCIs encompass sectors engaged in the production, reproduction, promotion, distribution, and commercialisation of goods, services, and activities of a cultural, artistic, or heritage-related nature. This broad definition allows for unique interpretations that vary by country, reflecting each nation's cultural heritage, identity and strategic aspirations. This flexible understanding of the CCIs highlights their vast potential and links them to key parallel industries such as tourism and hospitality, making them resonate with diverse target audiences.

In the dynamic landscape of the GCC, the evolution of the CCIs mirrors changing consumer behaviour and technological advancements. It also offers an opportunity to unlock the economic potential of these industries in a tailored and sustainable manner while preserving both tangible and intangible cultural heritage for current and future generations. This evolution is driven by the following five key trends influencing the sector through focused strategic areas.



## 3 Global reach

The region's culture and creative industries are increasingly looking beyond regional borders, aiming for a global presence. This is exhibited through international collaborations, participation in global cultural events, and increasing the accessibility of locally produced content to international markets through exhibitions held globally with the aim to portray the GCC's culture to the world. The GCC region's strategic location and investment in world-class infrastructures, like media cities and cultural hubs, are facilitating this global outreach.

## 1 Consumer experience

There's a growing focus on enhancing consumer experience through personalisation. This shift moves away from generic, one-size-fits-all approaches to creating interactive, culturally rich, and intellectually stimulating experiences tailored to diverse consumer preferences. This evolution reflects a deep understanding of the region's unique cultural dynamics, enriching the consumer journey through customisation.

## 4 Economic diversification

Economic diversification has been a key focus for the region. With a young and affluent population eager for creative content and experiences, GCC governments recognise the importance of developing their cultural and creative industries as key drivers of economic growth and diversification. Moving away from oil dependency, these nations are investing in cultural tourism, entertainment, and creative industries as new economic drivers, with creative economies expected to grow steadily across the next few years.

## 2 Technology

The creative sector sits at the intersection of culture, technology, science and commerce. Technology plays a crucial role in delivering artistic and intellectual goods and services. Advancements in digital media, AI and blockchain are reshaping content creation, distribution, and monetisation. The GCC countries have invested heavily in AI and digital infrastructure, fostering a tech-savvy creative environment. This is evident in the rise of e-commerce for arts and crafts and the use of immersive technologies to offer interactive ways to explore cultural content and creative works.

## 5 Sustainability

Sustainability is becoming a cornerstone in the evolution of the CCIs in the GCC, with a growing emphasis on eco-friendly production, events and content that promotes environmental awareness. The region's film and music festivals, art exhibitions, and cultural events are increasingly adopting green practices. This shift aligns with broader regional goals of sustainability and links closely to sustainable practices from the past which are built on scarce local resources (such as basket weaving using palm products). Given the region's ambitious net-zero agendas, GCC cultural leaders have a unique opportunity to integrate culture and sustainability.

# Navigating the challenges inhibiting the growth of the CCIs in the region

Underlying trends in the CCIs combined with a range of industry-wide challenges, have incentivised players to innovate and favour adaptability in their way of work. Resilience, strategic foresight and a readiness for change are not only key to the sector's vibrancy but also vital for maintaining its significance and influence in the global economic and cultural arenas.

Given the region's reliance on government intervention, many of these challenges require a top-down approach for effective mitigation and resolution. This approach is vital to achieve the sector's ambitious aspirations, as well as to ensure its sustainable growth and impact in the region.



## Navigating complexities in the GCC's Cultural and Creative Industries



### Challenging business environments

The region faces common challenges within the CCIs, including intricate licensing procedures, funding challenges, complex policies, laws, and regulations, difficulties in cross-border trade, and challenges in resolving insolvency. Furthermore, businesses operating in these industries often face challenges in navigating unclear intellectual property and copyright laws, funding challenges for Micro, Small and Medium Enterprises (MSMEs), adding difficulty to the operation and growth of the CCIs; the impact of which is mitigated through an active ecosystem.



### Expansive multi-stakeholder sector

The (sub-) industries covered under the CCIs in the region are fluid and expansive, with numerous stakeholders involved. This makes it both difficult to govern from an institutional lens and difficult to measure as its definition tends to vary from country to country. While different countries and regions have made recent efforts to align the various sub-industries, there is room for optimising and defining a cohesive cultural offering.



### Growing demand for specialised talent

Availability of skilled and qualified creative talent within the region remains an area for improvement. Talent pipelines are not keeping up with anticipated industry needs, with relatively few youth pursuing creative education and professions, while institutions offering such curricula in an academic or vocational context are only just emerging in most instances. The nature of employment in the industry also has a negative impact on job security.



### Variable public engagement

The GCC is home to a youthful and digitally enabled population, with significant penetration on social media. With that being said, public engagement with locally produced CCI products and services is limited. GCC residents are avid consumers of entertainment content, but cultural participation and engagement with the arts, literature and other elements of the sector remain relatively low across the region.



### Heavy reliance on public funding

The sector in many GCC countries today remains heavily reliant on public spending and top-down leadership, which may have unintended side effects, such as a reduced focus on commercial viability. This risks the prioritisation of spending on the CCIs growth in periods of fiscal pressure or government reprioritisation. This lays the grounds for conditional government approaches in favour of risk sharing, as well as indirect and incentive based funding, as opposed to direct government funding. Ultimately, greater sustained private sector and third sector participation is required across the CCIs.



### Impact measurement tracking

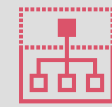
Measuring the outcomes and impact of the CCIs on various beneficiary groups and the broader economy is challenging, given that consistent, timely and granular data is difficult to come by. Furthermore, due to the expansive nature of the CCIs, it is challenging to pinpoint which specific sub-industry is moving the needle on existing impact metrics, complicating leadership decision making and prioritisation activities. This presents an underlying challenge that calls for exploring intermediate impact and benefit measures.



# Strategic building blocks for the growth and empowerment of the CCI

Cultural and creative sectors are important for ensuring the continued development of societies are at the heart of the region's creative economy. The GCC's cultural renaissance is occurring simultaneously with the region's economic and environmental transformation. These industries are knowledge-intensive and generate considerable economic wealth.

While a lot of progress has already been made in this sector regionally through different efforts, we propose the following to accelerate the growth of the CCIs and drive innovation and competitiveness within the sector:



**Establishing robust and agile governance**



**Stimulating private sector participation**



**Prioritising talent development**



**Enhancing the foundation and legislative ecosystem**



**Accelerating digital transformation**



**Building a diverse community**



**Investing in a cultural brand identity**

# Establishing robust and agile governance

The CCIs are fluid and expansive, encompassing various sub-industries and activities while influencing many others. An agile, holistic approach is essential for robust and comprehensive governance at a whole-of-government level.

This involves supporting local communities through programmes that highlight local talent and encourage community support for local initiatives. It also means establishing cross-functional councils or working groups, defining stakeholder interaction points to engage all parties, and improving data collection and transparency to boost investor and consumer confidence.



## Clear stakeholder interaction points

Defining clear interaction points and designating roles and responsibilities among various stakeholders is vital for effective collaboration, efficient resource allocation and achieving common goals. This approach mitigates the risk of ambiguity regarding responsibilities within geographies (such as, local vs. national authority) or sub-industries (such as, entertainment vs. cultural events). Achieving this requires a comprehensive understanding of each stakeholder's mandate, capabilities, and limitations.



## Measurement and transparency

Given the challenges in measuring the sector, governments should implement frameworks to evaluate the economic and social impact of cultural and creative industries. This could include composite indices or satellite accounts for more focused analysis of areas like tourism, health, and education, often overlooked by traditional indicators like GDP. It will need to be supported by consistent data collection and granular statistical reporting that is made available to key stakeholders and reported on publicly.



## Cross-functional working groups

Governments can establish cross-functional working groups such as committees, councils or working groups that would include diverse stakeholders across government entities in addition to industry representatives. This ensures that policymaking is both comprehensive and responsive and facilitates coordinated action to accelerate sector development.



# Stimulating private sector participation

While public investment is a key growth driver of the CCIs, the private sector is a core stakeholder and a key beneficiary. Stimulating private sector participation is critical to creating a self-sustaining ecosystem and driving employment. Incentivising such activity will rely on continued enhancements to the business environment, easing access to finance for startups and entrepreneurs, as well as strengthening intellectual property rights throughout the region.



## Competitive environment

There are opportunities to ease regulations and streamline processes to help potential investors and entrepreneurs in the region set up and operate businesses. Facilitating licensing requirements, content regulations and optimising startup costs will enhance the region's appeal for investment and innovation.



## Access to financing

Sometimes, Small and Medium Enterprises (SMEs) and entrepreneurs in the region may struggle to showcase commercial viability, making it a challenge to attract venture capital interest in the cultural and creative industries.



## Strengthening intellectual property

Securing intellectual property rights ensures creatives are fairly compensated for their work, encouraging content creation and fostering business formation by offering the potential for economic returns. Clear regulations and robust enforcement of these rights would further boost investor confidence in the cultural and creative industries across the region.





# Prioritising talent development

Thriving industries have a tendency to flourish in proximity to sources of highly-skilled talent. Vocational training centres, universities and research institutes are a hotbed of innovative activity, while businesses and investors cluster around areas where talent is easily accessible. Addressing the relative shortage of highly skilled creative talent in the region requires building a sustainable talent pipeline between academic or vocational institutions and industry, while simultaneously engaging the global community to garner leading practices.

The GCC region is witnessing significant growth in its cultural and creative industries, fuelled by strategic investments and initiatives by governments. For example, some GCC countries have launched funds for cultural development to support creative projects with the aim to elevate the creative economy's contribution to GDP, while others are fostering a transformative landscape for creative excellence through universities and research centres. The region is also focused on building a sustainable talent pipeline by connecting academic and vocational institutions with industry and engaging global expertise.



## Academic and vocational programmes

Education and upskilling are essential to transforming creativity and imaginative ideas into meaningful products and services with commercial value. Training institutions play a crucial role in moulding and sustaining innovative behaviour in the creative industry.

The most straightforward path to developing talent is to establish dedicated institutions that nurture the skills required for success in the cultural and creative industries. This should be supplemented by promoting cultural and creative education at the primary and secondary levels and adjusting national curricula accordingly.



## Local talent pipeline

A talent pipeline built between industry and academic or vocational institutions can bridge the gap between the classroom and the workplace and align educational curricula to labour market needs. Examples include apprenticeship programmes, co-ops and other types of work placements, as well as facilitating partnerships between businesses and educational institutions.



## Incentive schemes for global talent

Governments can supplement the talent base in a country by creating incentive schemes and streamlined regulatory pathways to attract top global talent - from local and global communities - in the cultural and creative sector. These creators will not only contribute to the sector immediately, but will also facilitate knowledge transfer to local industry and help upskill local talent.





# Enhancing the legal and regulatory ecosystem

Establishing a robust legal and regulatory ecosystem to enable the growth of the CCIs is paramount. It is crucial to have the enabling legislation at the national level acknowledge the CCIs and further regulate their protection and utilisation at regulatory levels to enable the sector's expansion. A robust regulatory framework that acknowledges all established and emerging CCIs, offers protection and enforcement of the CCIs, and further supports its commercialisation and deployment will have a tremendous impact on the sector's growth and serve as an attractive framework for sector participants and creative producers.



## **Inclusive policy making**

Governments and the public sector shall further adopt inclusive policy making processes proactively engaging with the CCI industry community and stakeholders. This is to ensure the interests and objectives of all sector stakeholders and market participants are taken into consideration at policy level.



## **Tailored legal and regulatory ecosystem**

The inclusion of several sub-industries within the CCIs highlights the need for up-to-date and tailored legal and regulatory frameworks, which are capable of adjusting regulatory oversight and requirements based on sector growth objectives and priorities for each sub-industry. Such frameworks shall adopt different levels of creative freedom in production and interpretation, licensing, monitoring and compliance of the various CCIs.

# Accelerating digital transformation

The cultural and creative industries rely heavily on innovation and digital technologies that help position them at the forefront of digital transformation in many countries. In the Middle East, historic sites, rich with tangible and intangible heritage in the form of built structures, art, and culture, add significant cultural value to towns and cities and can bolster the cultural tourism sector in the region.

In recent years, GCC countries have prioritised the modernisation of historic and heritage cities as key components of their cultural preservation and economic development strategies. National governments have implemented urban design initiatives and reformatory measures, investing in advanced technologies to document, preserve, and showcase the rich historical legacies of cities, making them accessible to a global audience.

According to PwC Middle East's report "Cognitive revival of historic cities," some GCC countries aim to transform parts of their historic cities and heritage neighbourhoods into major cultural and tourism destinations, and others are utilising digital tools to preserve and present cultural neighbourhoods. These efforts demonstrate the region's commitment to innovation while preserving traditions, ultimately safeguarding cultural heritage, stimulating tourism, and educating future generations. The use cases highlighted in this report look at how cognitive solutions can leverage connected technologies for the revival of heritage cities, strengthening the cultural revival in the region.



## Development of digital infrastructure and offerings

Emerging technologies can greatly enhance the preservation, management and engagement with cultural and heritage sites. By integrating various digital technologies, governments can ensure that valuable cultural assets are maintained and celebrated for future generations. Technologies, such as digital photogrammetry and 3D printing, enabled by artificial intelligence (AI), and natural language processing (NLP), alongside blockchain technology, provide unique advantages for public engagement. In fact, the evolution of consumer behaviours and attitudes have helped in the convergence of our physical and digital worlds. These technologies can provide unique benefits across the different phases and the PwC report "A digital renaissance: Redefining cultural and heritage conservation in the Middle East" looks at integrating various technologies into a unified infrastructure for cultural heritage preservation.



## Research and development hubs

To maintain a competitive edge, it is crucial to invest in local research and development (R&D) hubs. Prioritising R&D ensures that the region remains at the forefront of digital trends in the sector, enabling innovation and development while creating solutions and advancements tailored to regional needs. By leading in R&D, the GCC would keep pace with global trends and set new standards in digital transformation within the creative industries.



## Support systems and programmes

Building an entrepreneurial ecosystem in the creative industries requires robust support systems. Initiatives such as incubators, accelerators, and comprehensive mentorship programmes play a crucial role in fostering digital entrepreneurship by offering resources, mentorship and networking opportunities that create an environment where creative professionals and startups can thrive.



# Building a diverse community

Countries with the most vibrant cultural and creative industries have generally succeeded in building a sense of community amongst key stakeholders within the ecosystem, creating space for them to network and collaborate. These communities typically converge to form cultural districts, forming the lifeblood of a community. The continued success of these communities is rooted in consistent public engagement to grow cultural participation at home, and the activation of foreign markets through cultural exports and diplomacy to create a truly global network.



## Communities of practice

Communities of practice constitute formal and informal institutions that bring together industry stakeholders to network and collaborate, as well as advocate for, and coordinate on, common interests and projects. These may take the form of 'networks' or professional associations, amongst other structures and serve as a medium to interface with government.



## Public engagement

Public engagement is critical to exposing more people to creative and cultural endeavours and growing cultural participation. Limited public engagement inhibits consumer demand thus disincentivising investment or content creation. Methods for engagement include public events and festivals, online forums, educational programmes in schools and more.



## International exchange

International exchange can support culture and creative industries in the region by helping activate industry presence in foreign markets and build cross-border linkages within the CCIs. This can take the form of activating and investing in the efforts of cultural attaches at embassies worldwide, sponsoring residency programmes at cultural and creative institutions abroad, participating in tailored cultural events (eg. biennales) and hosting global events.





# Investing in a cultural brand identity

The CCIs are deeply embedded in a country's rich tapestry of unique tangible and intangible assets, which form the core foundation of a region's or nation's cultural identity. These assets are not just confined to a single nation; indeed, countries within a region often share a wealth of both tangible and intangible cultural riches that they can collectively nurture and grow. Leveraging the relevant assets and committing to strategic investments in them is key to building an authentic and strong cultural brand identity.



## Foundational investments

Heavy investments in brand identity and awareness not only enhance the visibility and appeal of the country's cultural offerings but also drive economic growth by attracting tourists, investors and international collaborations. Furthermore, a strong cultural brand fosters national pride and unity, encouraging local artists and creators to innovate and contribute to the dynamic evolution of the nation's cultural landscape.



## Unique and compelling content

The products and services emerging from a country's cultural and creative industries help to define its brand on the world stage. Stimulating the production of unique and compelling content that resonates with global audiences and becomes associated with the country itself will help to strengthen brand identity and increase consumer engagement.



## Flagship events

Governments can leverage flagship events to generate industry momentum, contribute to brand identity and conduct public engagement with both local and global audiences. These events tend to be large scale in nature and may be either locally developed or iterations of major global events and have significant socioeconomic impact.


# The path forward



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The GCC, rich in cultural heritage and a robust creative industry, stands at a pivotal moment in its development. With a commitment to progress, the region is poised to harness its unique strengths and become a central figure in the global cultural domain. Despite the significant efforts and progress made, the GCC still faces a number of challenges, such as institutional barriers, reliance on public funding, and a fragmented sector with varying levels of maturity.

To overcome these challenges, the GCC must focus on three key actions: First, establishing clear and supportive regulatory frameworks that protect intellectual property and incentivise creativity, thus fostering a secure and attractive environment for both local and international investment. Second, prioritising talent development by strengthening partnerships between academic institutions and industry leaders, while actively attracting global expertise to enhance local capabilities. Finally, addressing infrastructural gaps and promoting innovation to improve sector capabilities, while encouraging increased private sector investment to drive sustainable growth.



**As the GCC steps into this exciting future, the way forward to transform its cultural vision into a vibrant reality shall be approached through the appropriate strategic means. By harnessing its unique strengths and collective efforts, the region can secure long-lasting impact and success in the cultural and creative industries.**

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