


Innovation practices based on creative industry: a study in the Paranhana region, Rio Grande do Sul, Brazil

Práticas de inovação por meio da indústria criativa: um estudo na região do Paranhana/RS

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ABSTRACT

The article discussed innovation practices originated from actions of organizations linked to the creative industry, specific in the region of Paranhana, Rio Grande do Sul. It was based on the principle that the creative industry has the potential to collaborate with regional development, valuing production and consumption practices that are intrinsic to the intellectual and cultural capital of certain territories. The problem raised is: how do organizations in the region of Paranhana appropriate the characteristics of the creative industry to encourage innovation? Through an exploratory and descriptive methodology, interviews were conducted with managers, in order to collect and analyze qualitative data on their creative experiments that culminate in innovative actions. As a result, a mapping of innovation practices driven by creative industries in that region is presented, with a guiding trend being identified for the action of creative companies or consultancies linked more to the optimization of processes of traditional organizations than to the creation of new products or services. In short, results appear as initial mapping of innovation practices from the creative industry, proving to be a useful instrument for the action of organizations in this region.

Keywords: Creative industry. Innovation. Creativity. Regional development.

RESUMO

O artigo discute práticas de inovação originadas em ações de organizações vinculadas à indústria criativa, especificamente na região do Paranhana (RS). Parte-se do princípio de que a indústria criativa possui potencial para colaborar com o desenvolvimento regional, valorizando práticas de produção e consumo intrínsecas ao capital intelectual e cultural de determinados territórios. Lança-se o seguinte problema: de que forma organizações na região do Paranhana se apropriam das características da indústria criativa para estimular a inovação? Por meio de metodologia exploratória e descritiva, foram conduzidas entrevistas com gestores, a fim de coletar e analisar dados qualitativos sobre suas experimentações criativas que culminam em ações inovadoras. Como resultado é apresentado levantamento de práticas de inovação impulsionadas pelas indústrias criativas na região, sendo identificada tendência para a ação de empresas ou consultorias criativas ligadas mais à otimização de processos de organizações tradicionais do que propriamente à criação de produtos/serviços. Em suma, os resultados surgem como mapeamento inicial de práticas de inovação por meio da indústria criativa, revelando-se instrumento útil para a ação de organizações nessa região.

Palavras-chave: Indústria criativa. Inovação. Criatividade. Desenvolvimento regional.

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INTRODUCTION

Transformations in work, consumption, and regional economy have generated opportunities for inland companies to serve markets in other territories and, at the same time, threats, with the arrival of competitors that previously operated only in large centers and capitals (PRATT, 2014).

One of the ways to stand out in an increasingly competitive market has been the ability to differentiate products or services with some kind of added creative value (BILAN *et al.*, 2019). Thus, this article had the intention of verifying, specifically in the region of Paranhana, in the countryside of Rio Grande do Sul, how the logic of creative industry has been applied by organizations, in the sense of seeking, through creativity, for aspects of marketable innovation. It is based on the principle that the practices of a creative industry contribute to regional development, as they value the production and consumption of goods and services originating from an intellectual and cultural capital belonging to certain territories and their population (FLORIDA, 2011; PRADELLA, 2013; CURADI; BRANDÃO, 2019).

The following research problem is raised: how do organizations located in the Paranhana region appropriate the characteristics of creative industries to stimulate innovative practices? Through an exploratory and descriptive methodology, of a qualitative nature, a selection of companies in the region that fit the parameters of creative industry is presented, in order to understand how their products, services or creative solutions potentiate innovation practices that, consequently, collaborate with regional development. The choice of this study *locus* is justified both by the fact that the authors participate in a postgraduate program in Regional Development and by the desire to understand how the characteristics of creative industries, still under development in this region, can stimulate innovation.

The article presents an initial survey about the innovation practices driven by the existing creative industries in the Paranhana region, also identifying trends for actions by companies, consultancies, and creative professionals more linked to process innovation in traditional organizations in the region than to the actual creation of products or services to the final consumer.

FUNDAMENTAL ASPECTS OF INNOVATION AND CREATIVE INDUSTRY

Responsible for stimulating social, economic, and cultural development, innovation is a relevant factor for stimulating growth in organizations. Faced with increasingly fierce market scenarios, innovation emerges as a competitive advantage for public and/or private institutions, causing significant changes in processes, products, services and even in the culture of those involved, whether employees, managers or communities from certain regions (ZOGBI, 2008; VICENTINE, 2009). At the other extreme of this study is the creative industry. According to Souza e Silva (2022), Brazil has a culture rich in diversity, history, and creativity. Analysis of reports by the National Bank for Economic and Social Development (*Banco Nacional de Desenvolvimento Econômico e Social* – BNDES) indicates a growth trend in the creative industry in Brazil above world growth, reflecting the size of the creativity

market for the generation of products, content, and services in the country (SOUZA; SILVA, 2022).

As discussed by Bessant and Tidd (2009), the term *innovation* raises a series of possible definitions. Over time, this variety continues to expand, however these authors stress that the concept usually has some common ground: doing something new, establishing change processes, or even successfully testing new combinations that change the previous cycle.

One of the first theorists to disseminate the concept of innovation was Schumpeter (1997), basing the theory on five assumptions:

- new good or new quality of good (of product);
- new production or marketing process (of process);
- new market (of market);
- new source of inputs (of inputs);
- new organization in the industry (organizational).

Based on this understanding, it is clear that innovation can be a differential for the health of organizations in the 21st century, being a crucial factor in leveraging competitiveness or, simply, a practice to guarantee their survival. It should be noted here, as reflected by Pradella (2013), that the interest of organizations in innovation concerns the need to explore a competitive position that encourages development and entrepreneurial behavior, not only in their managers, but in all the minds that constitute the company's human capital.

When adding the ideas presented by the cited authors, it is evident that innovation is an essential element in the business environment, considering that it is linked to the competitive advantage of institutions and, consequently, to better performance. However, more than that, innovation can also be seen as a social phenomenon, as it introduces changes that extend beyond technique and technology, resulting in transformations that affect the lives of individuals, groups, regions, localities, and the whole society (ZOGBI, 2008; BESSANT; TIDD, 2009; VICENTINE, 2009; PRADELLA, 2013).

When talking about innovation as a social phenomenon, it makes more and more sense to add aspects related to creative industry to the discussion. That is, if innovation involves both technical aspects of reconfigurations of a product or service and social aspects related to people and their procedures, we suggest that organizations that are inserted in some creative industry generate precious contributions to innovation phenomena. The following argument may be quoted to summarize this thought:

Regardless of the sector in which it operates (industry, commerce, service, etc.), business management must pay attention to market movements, the company's situation, flexibility for change, a systemic view for decision-making, and also the negotiations in all spheres (customer, employee, supplier, etc.) (ZILLES BORBA *et al.*, 2021, p. 330).

Bendassolli *et al.* (2009), in a survey on definitions of the term creative industry, highlight that the first element to be emphasized for understanding the

performance of a person or organization in this field is creativity as a crucial agent of their work. That is, creativity is not seen as a differentiator, but as a key element in the generation of intellectual property. In second place, comes culture and the notion of utility/value of the cultural object attributed by consumers; however, this value is not linked only to physical and material properties, but to the notion of utility generated by it. The third aspect says that creativity and culture, when added and transformed, create intellectual properties and through them generate economic value (BENDASSOLLI *et al.*, 2009).

Carvalho and Muzzio (2015) contextualize the differences between the expressions of creative economy and creative industry. Through the contribution of several studies, the authors emphasize that this field is in the process of solidification. They use the creative industries concept attributed to its origin in individual creativity, skills and talents, with the potential to generate jobs and wealth via intellectual property. Thus, they present four subdivisions of activities in creative economy: tangible and intangible heritage; Art; media; and creativity.

METHODOLOGY

The research was carried out through an exploratory and descriptive methodology, of a qualitative nature, in which a multiple case study is configured through a sample of six companies linked to the creative industry and that, in some way, promote regional development through innovative practices.

For data collection, in-depth semi-structured interviews were applied, individually, between the months of June and July 2022, via videoconferences of 50 to 60 minutes. On that occasion, researchers talked to each of the interviewees about: company context (block A), engagement with the creative industry (block B), and innovation practices (block C).

It is noteworthy that the six interviews were recorded for the purposes of consultation by the researchers and preparation of descriptive notes on the main topics of the participants' speeches. This technique was fundamental to visualize the relationships between creative professional practices and innovation for regional development in the territory of Paranhana. It should be noted that all respondents and their companies were kept anonymous during data analysis, being recognized throughout this research as R1, R2, R3, R4, R5, and R6 (Chart 1).

Chart 1. Research participants.

Respondents	Business area	City	Creative industry
Respondent 1 (R1)	Telecommunications	Taquara/RS	Creative services
Respondent 2 (R2)	Software	Taquara/RS	New media
Respondent 3 (R3)	Editorial group	Taquara/RS	Publishers and print + audiovisual media
Respondent 4 (R4)	Advertising	Igrejinha/RS	Creative services
Respondent 5 (R5)	Digital technologies	Igrejinha/RS	New media
Respondent 6 (R6)	Architecture and urbanism	Taquara/RS	Cultural sites + design

Finally, it is stated that the respondents were business partners, directors and/or administrative managers, once that in order to collaborate with this research, they needed to have macro knowledge about the management, processes and details of the products/services delivered to the market.

For data analysis, it was decided to conduct a content analysis based on the teachings of Bardin (2016). Through this analysis technique, it was possible to organize the contents by proximity, creating dimensions and categories of analysis that help the discussion of the problem initially proposed with this work (MORAES; GALIAZZI, 2007; BARDIN, 2016). The categories are conceived as important aspects for understanding the object of study, but somehow, they can be approximated in dimensions of subjects classified in the speeches of the authors and the interviewees, giving order and meaning to the research findings.

DATA PRESENTATION AND ANALYSIS

By gathering the data collected from the interviewees, it was possible to organize them into two main dimensions (creative industry and innovation), totaling six categories. Anyway, it was noticed that some of the categories cross each other, without there being a clear border between them, as the content that originates them also influences the others, in a movement of addition. The most evident case of this correlation was identified in the category of analysis *valuing creativity and innovation*, which works perfectly to describe aspects of both dimensions (Figure 1).

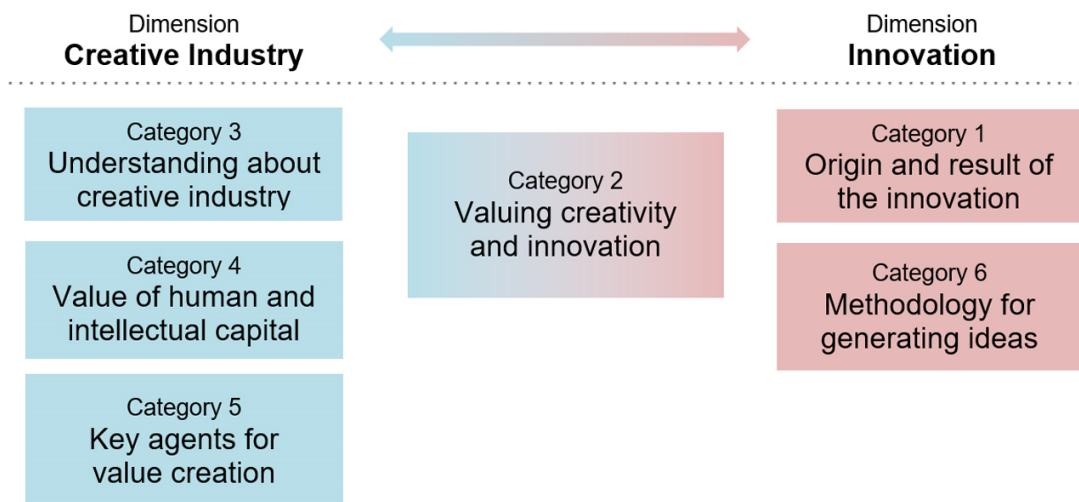


Figure 1. Organization of dimensions and categories of research analysis.

Still, it is important to highlight that the dimensions were previously created by the researchers, being deductive aspects pointed out based on the theoretical framework and on the reflections of the problem and research objectives. That is, during the exercise of designing the in-depth semi-structured interview questions, researchers already identified the existence of the *creative industry and innovation* dimensions. On the other hand, the mapping of categories followed premises of Bardin's (2016) empirical exercise, as only based on the collected data was it possible

to approximate ideas, speeches, and thoughts of the participants to create categories of analysis by similarity and not by exclusion. The six categories raised were:

- Origin and result of the innovation;
- Valuing creativity and innovation;
- Understanding of the creative industry;
- Value of human and intellectual capital;
- Key agents for value creation;
- Methodology for generating ideas (Chart 2).

Origin and result of innovation

The conception of this category is directly related to the responses of the six participants discussed in questions Q1, Q13, Q14, and Q16. The essence of its configuration is based on the intrinsic aspects of the *innovation* dimension, as it exposed their practices and perceptions about the starting point for the construction of innovative processes, products or ideas, as well as the results achieved in their application.

Notably, the three companies related to the development of creative solutions based on digital technologies indicated that the origin of their innovation came both from a market demand and from the identification of problems to be solved in management processes, training and/or visualization of the flow of customer data (R1, R2, and R5). In this sense, R5 underlined that, due to the fact that his company acts in the creation of personalized solutions, through the use of exponential technologies (artificial intelligence, internet of things, virtual and augmented reality, three-dimensional printing), the service work methodology applied with customers allows one to deeply understand their business (products, production processes, work teams, etc.).

Through this cooperative approach, R5 explains that the possibility of implementing creative solutions in the most varied internal activities of organizations becomes clearer. "Most of the time, our customers don't even notice the flaws or the failure to take advantage of certain processes and internal activities", suggests R5, adding that identifying problems is the starting point in the search for creative and personalized solutions. This behavior indicates that innovation practice is not just about identifying market demands, but something more complex, with research on practices, structures and people to, only then, identify opportunities to be met through technological innovation and creativity projects that result in process innovation and even product creation (ZOGBI, 2008; BESSANT; TIDD, 2009).

It was found that the companies in which R1, R2, and R5 work are much more interested in seeking innovation practices that change their customers' internal processes than in thinking about innovating products for the final consumer. Perhaps this inclination is justified by the fact that the three are in the field of digital technologies. In this regard, the interviewees make it clear that, often, the solutions created depend on a marriage between technical knowledge (software and hardware mastery) and creative knowledge (the intellectual capital to appropriate software

Chart 2. Tabulation and organization of data collected from respondents.

Questions (block A)	Categories	Dimensions
Q1 - Briefly contextualize your company, explaining the area of activity and the main products services.	C1 - Origin and result of innovation	Innovation
Q2 – What is the main differential of your company?	C2 - Valuing creativity and innovation. C4 - Value of human and intellectual capital.	Creative industry
Q3 - How many people work in your company?	C5 - Key agents for value creation. C4 - Value of human and intellectual capital.	Creative industry
Q4 - Is the company's current focus on creating products/services or on improving processes?	C6 - Methodology for generating ideas	Innovation
Q5 - How do you understand that your company helps in regional development? Q6 - Does your company operate exclusively in the region (Paranhana)?	C5 - Key agents for value creation. C2 - Valuing creativity and innovation. C4 - Value of human and intellectual capital.	Creative industry/ Innovation
Questions (block B)	Categories	Dimensions
Q7 - What is your understanding about creative industry? Comment a little about your perception on the subject.	C3 - Understanding about creative industry	Creative industry
Q8 - When you think about your business, what are the fundamental agents for generating value in the product/service (machinery, technical people, people with emotional intelligence, physical structure, financial capital)?	C5 - Key agents for value generation	Creative industry
Q9 - How does your company encourage creativity and innovation in the region? When you think about it, do you have in mind the public sector, private organizations, end consumers or students?	C2 - Valuing creativity and innovation	Creative industry/ Innovation
Q10 - Do higher education institutions in the region contribute to the formation of brains capable of meeting the demands of the creative industry? Q11 - Do you hire, or have you hired people who are graduating or have graduated from higher education institutions in your region? Q12 - Thinking about valuing brains, do you consider that consumer demand in the region values what you develop?	C4 - Value of human and intellectual capital	Creative industry

Continue...

Chart 2. Continuation.

Questions (block C)	Categories	Dimensions
Q13 - Have you recently gone through an innovation process or helped another company in this process? Q14 - Did the innovation come from a market need or did it create another market niche? Q15 - Do you use methodologies to generate ideas?	C1 - Origin and result of the innovation (explain the type of innovation)	Innovation
Q16 - What were the results achieved with the implementation of innovations (profit, production speed, savings in materials, job creation, etc.)?	C6 - Methodology for generating ideas	Innovation

and hardware). *“Since we set up teams with people from our company and, also, from the client, we study process details to the point of creating something new, which increases its competitiveness”,* explains R5. About this practice in the development of creative solutions that directly affect client-company processes, he mentions the creation of a training in virtual reality designed for the learning stage of machinery use in the footwear industry:

We created a team with people from both companies (customer and supplier) and came to the conclusion that, with the use of virtual reality, we could apply immersive training that added value to the process that already existed but was only carried out with a video-tutorial for several people. In this case, using greater participation and involvement of the learner, we generate an individual, immersive, and participatory experience, with gamification elements that help you to understand the workings of a machine to point out shoe toes. We apply digital technology, video games, and interactive animation to simulate the work station itself, optimizing training in the following aspects: a) understanding in a practical way how the machine works; b) optimizing the learning time and the gap that existed in the previous training process, between watching the video and using the machine; c) reinforcing the importance of using PPE [personal protective equipment]; d) reducing errors and, consequently, expenses with materials (R5).

With a similar perspective, R2 highlighted that its software solutions help other companies to start an innovation process. *“These are companies that have nothing to do with the creative industry sector, but which, with our creativity, manage to innovate in their sector”,* he explains. This statement was corroborated by participants R1 and R5, when they suggest that the creative and technological skills of the projects benefit traditional organizations or organizations that are outside the circuit of creative industries in the Paranhana region (ZILLES BORBA *et al.*, 2021). *“Every time we insert our software into a company’s processes, we are starting an innovation process”,* points out R2. According to him, the data intelligence generated by his digital product allows companies to consult information about any process, providing a better understanding of the business.

It is important to say that the organizations that are part of this research and have nothing to do with the field of digital technologies point to another source of focus for the search for innovation. While R3 explains that the need for innovation came from a market demand in which they were forced to change their products to follow current trends in journalism, R4 states that the need for innovation came from an internal demand, that is, their advertising agency needed to rethink content production processes in order to correct failures in the productivity of its creative team.

In the case of the publishing group, R3 also indicates that the production of multimedia content by journalists is progressing well and with quality, but in the commercial sector there are doubts and insecurities about how to appropriate multiplatforms to sell advertisements. This idea of performance by advertising brands, as explained by R3, would not be something linked only to the organizational culture of the editorial group, but to a need that must be addressed with advertisers in the Paranhana region.

Our advertiser still doesn't understand much about this, as they want to buy specific media space, in a program, instead of thinking strategically about actions on multiplatforms. We need to improve aspects of innovation in order to show advertisers that there is a new content consumption culture and that this is not something exclusive to big cities and capitals, but a reality in our region (R3).

The advertising agency that participated in the research, through R4, indicated that, like the journalism group, it undergoes an internal innovation process. *"Today we are in the eye of the hurricane of an innovation in the agency's demand management process. We've been wanting to modify some internal processes for some time now"*, says R4. According to her, the agency has a very high cooperative spirit, which sometimes hinders the final delivery of advertising products, as some people end up helping others and are not able to handle their tasks. Thus, R4 explains that the agency started to delegate responsibilities:

Aspects of project management have become fundamental in our work. For example, we meet weekly to check what the team's main responsibilities, tasks, deadlines, and deliverables are so that, only after this is finalized, does anyone think about helping a colleague in another activity. This has been very important for us to visualize the agency's production (R4).

At this point, it is pertinent to highlight that, unlike the cases presented, respondent R6, owner of an architecture office specialized in the recovery of historical heritage, explains that generating innovation for her client involved the development of a product. After all, the idea of recovering a manor house in the city of Taquara (Rio Grande do Sul) was aimed at generating value for an old property in disuse. *"The client came to us to understand how we could add value to an old building (a cultural heritage of the city) instead of demolishing it to make something more modern"*, emphasizes R6. Basically, based on design, the architecture team used creativity to work on the manor's aesthetic and functional aspects, without

neglecting historic architectural elements that collaborate to maintain the building's visual identity. *"There was an integration of updated technologies and materials, but without losing the cultural identity of the product, as we somehow used our creativity to maintain a dialogue between past and present"*, explains R6. In this case, even if the innovation came from a need in the real estate and rental market in the region, the work of the architects involved archaeological studies, something that, according to the interviewee, is a trend in architecture and urbanism in the countryside regions of Rio Grande do Sul.

Still in this category, deeper aspects of innovation were diagnosed, such as the company's own context (Q1) or the results achieved with creativity and innovation (Q14, Q16). For example, the three companies that operate in the field of digital technologies reinforce that the results achieved with the reformulation of processes at their clients were the real collaboration for the development of the region, through elements of the creative industry. *"The employees of the footwear industry that we serve started to learn the shoe production processes in a deeper, motor and cognitive way"*, says R5. For the industry served, the creativity applied in immersive training in virtual reality allowed the learning stage to use the machines to be faster than that which had already been applied with demonstrative videos. But, according to the interviewee, the benefits went even further, as the customer noted greater savings in materials and a reduction in the number of accidents. A similar feeling is reported by R6: *"We gained local recognition, [...] we generated a series of creative jobs, in addition to providing the local community with a symbolic space that will continue to express the history of the city"*.

Valuing creativity and innovation

When asked about aspects of valuing innovation and products/services originated by the creative industry, respondents had different perceptions. At first, they were encouraged to reflect on the differentials that their own company delivers to the regional market (Q2) and then discuss the possible contributions of their creativity to regional development (Q5, Q6, and Q9). That said, it was evident that the formatting of category 2, *valuing creativity and innovation*, covers the two dimensions of analysis in the research: creative industry and innovation (MORAES; GALIAZZI, 2007).

When looking especially at its characteristics and qualities as a business located in the Paranhana region (Q2), respondents raised the following topics: intelligence and intellectual capital (R1, R2, R4, R5, and R6), co-creation with customers (R2 and R5), credibility and transparency (R3, R5, and R6) and focus on a specific sector in its field of activity, such as, for example, intelligence in condominium intercoms in the telecommunications sector (R1), digital transformation in the footwear industry (R5) or restoration of historic buildings in the field of architecture (R6). Here, the existence of a common denominator among all statements is diagnosed: intelligence. This is in line with the ideas of Bendassolli *et al.* (2009) and Carvalhal and Muzzio (2015) about intellectual capital being the main raw material of creative industries, reinforcing people's creativity as a competitive advantage for these companies.

However, it was observed that the intelligence factor is used by the six companies to value both the properties of the creative industry (internal differentials of companies that provide creative services) and the properties of innovation (differentials applied in the services, products or processes of their clients that are not necessarily companies linked to the creative industry). For example, valuing employees' creative skills is something directly linked to the concepts of creative industry (FLORIDA, 2011), since human intellectual capital is a preponderant factor for the supply of disruptive ideas. This was pointed out by respondents R1, R2, R5, and R6. On the other hand, the fact of providing a creative product/service or an innovative methodology that promotes business management and intelligent decision-making also indicates a focus on the use of creativity to stimulate innovation. This aspect was much underlined by R1, R2, and R4.

The appreciation of creativity and innovation for regional development was also present in the answers of the research participants (Q5 and Q6). Four participants said they work practically only in the Paranhana region (R3, R4, R5, and R6). Although they did not close their doors to clients from other regions — Vale do Sinos, Serra Gaúcha and the capital —, there was a clear intention to promote the transformation of companies in their region through creativity, as well as to provide jobs for creative professionals in these locations.

The ways to encourage regional development were also varied in the research, which can be justified by the very diversification of areas of activity of the participating companies. That said, it is reiterated that the sample does not match the total universe of companies in the region that operate in creative industry, but with a cut that helps to reflect on the collaborations that this type of work can have to encourage innovation.

It should be noted that, if a few years ago people moved to the large business centers or capital of Rio Grande do Sul to work with creativity, the interviewees stated that they value creative intellectual capital. R3, for example, emphasizes that its communication vehicles, in addition to informing society, foment the debate on regional development, in addition to connecting its audience to activities promoted by non-governmental organizations and regional public bodies.

In his speech, R5 points out that, due to the fact that his company assembles teams of freelancers to work on projects to implement industry 4.0, there is a need to seek local professionals to participate in the projects. According to him, it is valued for networking among creatives in the region, opening opportunities for people who work with technological innovation. *"If we need a photographer who captures 360° images, we don't look for someone from Porto Alegre or São Paulo to shoot in Igrejinha and Taquara, but rather for locals"*, he explains.

Finally, the training of the people who work on their teams was another important point in setting up a category for valuing creativity and innovation in this research. That is, in addition to valuing creativity and innovative initiatives, respondents reported that they promote training to develop employees' creative skills. In fact, this is in line with the thinking of Florida (2011) and Bendassolli *et al.* (2009)

when explaining that creativity must be exercised, consolidating technical, cultural, and social aspects.

Understanding creative industry

This category aimed to identify the understanding of research participants regarding the concept of creative industry and whether their organizations fit into this sector. We sought to identify whether there was an understanding and practice of the creative industry in the structure of the companies participating in the research.

From the perspective of Bendassolli et al. (2009), the concept of creative industry is initially related to creativity, a key element in the generation of intellectual property. According to the authors, culture and the notion of utility/value of the cultural object attributed by consumers are also components of creative industry, however this value is not only linked to physical and material properties, but to the notion of utility generated by it. The third aspect is that creativity and culture, when added and transformed, create intellectual properties and through them generate economic value (BENDASSOLLI et al., 2009). Carvalhal and Muzzio (2015) contextualize the creative industry directly from creativity, skills and individual talents with the potential to generate jobs and wealth through intellectual property.

Based on this assumption, it was verified that among the interviewees there is no consensus on the concept of creative industry. For R2, R3, and R6, the core of the concept is focused on innovation. It is noteworthy that R1, R2, and R4 mentioned that people are the main element. Only R6 pointed to the generation or creation of value. Interestingly, two interviewees declared that they did not know how to conceptualize the term.

Observing the data, it was possible to list answers according to the areas of activity of the interviewees. In the answer given by R1, from the telecommunications sector, the focus was on *"listening to suggestions from customers and employees"*, because from the interviewee's business perspective, there needs to be a horizontal ecosystem. R2, from the software sector, approached the issue closely with Pradella's (2013) innovation bias, describing the following: *"The industry that creates the new again"*. For R3, from the editorial group, the concept of creative industry would be linked to something that promotes an innovative idea, explaining that its current focus is on promoting technological innovation. R4 highlighted that common sense itself considers that advertising agencies work with creativity, linking the creative act here again. R5, even without bringing the concept, stressed the importance of people in the process. Finally, R6 indicated that his understanding of creative industry is everything that can generate value and contribute to the economy.

Analyzing the data, it was noticed that the interviewees did not conceptualize creative industry. non-conceptualization is not a demerit for their organizations or formations, leading to believe in two aspects:

- lack of regional promotion regarding creative industry, mainly in the Paranhana region;

- use of nomenclatures and methodologies specific to their areas of expertise.

However, in other points of the interviews, it was seen that the interviewees act according to the scope of creative industry.

Value of human and intellectual capital

Questions Q2, Q3, Q6, and Q10 are related to the category on the value of human and intellectual capital. All interviewed companies operate in the Paranhana region, but five also serve other regions. R1 and R2 operate nationwide, R4 serves customers in the metropolitan region of Porto Alegre, Rio Grande do Sul, R5 also serves the Vale do Sinos region, and R6, projects in the Serra Gaúcha. Territoriality brings variations related to their areas of work. Telecommunications and software companies had national coverage (R1 and R2). The others indicated regional scope.

Assessing the amount of human capital, respondents were asked how many people work in their business. In the sample, interviewees declared having 87 people working directly in their businesses. Of this universe, 92% of people are concentrated in the areas of telecommunications (R1), software (R2), publishing (R2), and advertising (R4). The areas of digital technologies (R5) and architecture and urbanism (R6) have the lowest concentration of people, but it is important to emphasize that the interviewees highlighted that they seek freelancers to work on projects, without creating an employment relationship.

When questioned about the differentials of their business, all of them highlighted characteristics and attributes of their products or services. For R1, its differential is intelligence in the context of thinking about telecommunications. For R2, it is about usability and execution of complex tasks through the software. R3 pointed out credibility and transparency. R4 valued its agility in delivering services. In turn, R5 indicated that its differential is the delivery of customized solutions. In turn, R6 said that they value aesthetics, in addition to adding value to products with the reuse of materials in architectural intervention. Here, it is emphasized that, regardless of the attributes mentioned, in all cases human and intellectual capital are key aspects (FLORIDA, 2011), however the differentials presented were more related to the results delivered than to the means necessary to achieve them.

When asked about the role of higher education institutions, in particular about their contribution to training people capable of serving the creative industry and encouraging innovation in the Paranhana region, most respondents positively evaluated the role of colleges and universities, but some criticisms and observations were pointed out. For R2, there are teaching problems in Brazil, as this creative training should start early, in basic education. R2 points out issues such as reading and interpreting texts, difficulty in mastering a second language, especially English, and the need to learn programming language from an early age. R5 ponders that the role of higher education institutions is to bridge the gap between knowledge and people in the region, enabling greater practices and applications of theoretical knowledge in market simulation situations.

Key agents for value creation

This category is related to questions Q3, Q5, Q6, and Q8, related to the *creative industry and innovation* dimensions. Such questions are based on the complexion about valuing creativity and innovation, the value of intellectual capital and agents for value generation.

Of the six respondents, four have between 18 and 23 employees (R1, R2, R3, and R4). R5 has no employees, but establishes partnerships with professionals due to project demands. R6 has only three employees, but has several partners to carry out architectural works and repairs when customer demands arise.

When questioned about how they understand that their company helps in regional development, the interviewees started the reflection by describing how they perceive their company in the regional context. R2, for example, believes that its product enhances strategic management practices by encouraging plan, do, check, act (PDCA), an interactive management method used to control and improve processes and products.

In R3's view, the service his company provides to society in the region is based on provoking debates and discussions on aspects of regional development. He points out that it is necessary to keep everyone informed about what happens around them and also encourage them to discuss subjects and topics of common interest. *"We have an important social role in shaping regional opinion"*, argues R3.

This idea is in line with what Curadi and Brandão (2019, p. 304) say when they state that "mass media, such as radio, TV, cinema, digital media, newspapers, and magazines are propagating instruments of speeches". For the authors, the press constructs, over time, narratives about national, regional, and local development processes, spreading free and frank communication formats among individuals, thus assuming a relevant role in the development of regions.

R4, from the advertising area, indicated that their services clarify to the population what companies in the region offer the market, showing all their brand communication creativity. According to R5, the fact of bringing emerging technologies to an inland region, which is not familiar with innovative digital interfaces, is also a way of providing opportunities for professionals to get in touch with the future.

Bilan *et al.* (2019) consider it essential for regional development to have access to innovative technologies, as they are essential means for the dynamization of these territories, support for other policies, and expansion of organizational and innovation capacity, causing positive impacts on economic and social results.

In turn, R6 understands that its contributions in the field of architecture and urbanism value regional development through the recovery and maintenance of the cities' historical and cultural heritage.

The private sector, investors and owners of old buildings have been our main focus of clients, in the sense of using architecture to recover, generate value, and create identity, in order to make it a business that benefits those who rent, sell or buy these spaces [...] in addition to delivering to the local society a heritage recovery service that tells its own story (E6).

About this statement, Florida (2011) emphasizes that the social transformations that the conservation of built areas or public spaces can bring to cities are relevant in solving urban problems, reactivating local economy and contributing to regional development.

With regard to the fundamental agents for value creation, some interviewees pointed out aspects such as investments in marketing (R4, R6), machines (R1, R3), and financial capital (R3), however they were unanimous in suggesting that people are fundamental agents in the generating value for their business. According to R2, although these values may change throughout the company's life cycle, all processes will always revolve around people (employees, suppliers, and customers).

Interestingly, R4 underlined that the people in her advertising agency are the main agent for generating value to creative services, but she believes that the sum of creative intelligence with emotional intelligence has been something very important for the configuration of a good atmosphere in the organization. About this, it is worth highlighting the speech of R5 on how people become essential agents for the generation of value in companies: *"Brains are our greatest asset here in the company. We understand that this is our greatest asset, because we need people capable of taking a critical look at the processes of organizations, in order to identify a problem to be solved"*.

This critical view of R5 emphasizes the importance of the process of developing the skills and competences of the people involved with the organization. In addition, this look is important to assist in decision-making processes and in the search for creative and innovative ideas. This importance of human capital in generating value was also highlighted by R6, when associating the skills and knowledge generated by employees and partners to contribute to the outcomes of their work: *"It takes a skilled workforce to execute architectural ideas and concepts, [...] people who understand that the product they are making is different"*.

Methodology for generating ideas

In this category, the debate on the need to use appropriate instruments and ways to foster creativity and innovation in companies was deepened.

R1 highlighted that their company uses several methodologies and currently adopts its own method, based on data collection with customers via questionnaires and periodic meetings with internal groups. R2 pointed out two methodologies used by the company: fact, cause, action (FCA), which is a high-performance management tool used as a facilitator for problem solving; and the PDCA cycle, which is a tool used to control and improve processes and the SWOT matrix (strengths, weaknesses, opportunities, threats).

R3 stated that his company does not employ a specific methodology. According to him, *"everyone is free to create and present ideas"*. For the interviewee, horizontality in the management of relationships and communication between employees favors the creation of programs and tables for journalistic products. Similarly, R4 pointed out that his advertising agency does not adopt specific methodologies for

generating ideas, as *"ideas are generated freely, from a conversation over coffee to an unscheduled chat for advertising brainstorming actions"*. For R6, there is not, in fact, a methodology adopted by her architecture and urbanism company, however she points out that one must be open to ideas from collaborators and partners.

When we work with the recovery of a building, there is a natural process of educating employees and project partners about the history of the building. This happens very naturally, as we do not give courses and training to our employees, but rather, we talk daily, in order to make them aware of the value of culture, history, architecture (E6).

It is important to emphasize that the companies in the sample did not show concern in using specific methodologies for the generation of individual or collective ideas, being a punctuated gap for improvements in the innovation practices of these creative industry agents in the Paranhana region (with the exception of R2). Even if this does not prevent creativity as a result of one's product, it cannot be said that there is rigor in putting it into practice. Anyway, it was diagnosed that the fact of not using a formal methodology does not constitute an impediment to innovation, creativity, and development of projects or products among the companies that participated in the research.

FINAL CONSIDERATIONS

The article presented a discussion about innovation practices originating from organizations linked to the creative industry in the Paranhana region, in the interior of Rio Grande do Sul. Based on the theoretical understanding of the assumptions and collaborations of the creative industries and on the empirical data collected with six managers of companies in the region, a selection of creative actions was presented in which intellectual capital stood out and that, in some way, awakened practices of innovation in organizations and, with that, help in regional development (economic, cultural, social, etc.).

The first conclusion reached was that, despite practicing creative actions, the companies in the sample do not clearly recognize themselves as organizations framed in a creative industry. Despite demonstrating practices of management, creation and development of products, services or creative solutions that help other companies (or even the organization itself), the understanding of what constitutes creative industry is still low, indicating the need for public institutions and private companies in the Paranhana region to leverage this discussion.

Also, based on the intersection of empirical data with the theory of innovation and the creative industry, it was possible to verify a guiding tendency for the action of companies, consultancies or creative professionals more linked to the optimization of processes in traditional organizations than to the creation of disruptive products for the final consumer. Perhaps, the characteristic of business in the region, made up of cities such as Taquara, Igrejinha, Parobé, Três Coroas, Riozinho, and Rolante, where the footwear industry forms a nationally recognized production pole, influences that small and medium-sized companies or groups of professionals develop creative actions to be applied in these large corporations. That is, the

intellectual capital of the people who work in the region seems to be acting collectively, in smaller groups, providing creative practices for traditional companies and with classic management models, consequently encouraging the implementation of innovation processes that, in turn, enhance regional development. Here, regional development is understood as more than innovation and increased competitiveness of organizations, as these actions, even if due to specific demands, generate new jobs, knowledge, and culture.

Finally, the results achieved with this approach suggest an initial mapping of innovation practices through the creative industry in the region, being a useful instrument for consulting organizations in this region or other territories that have similarities. That is, it was concluded that the application of this methodological approach, although limited to a group of organizations in a given region and, therefore, far from exhausting the discussion on the subject, is valid for the continuation of the exercise of mapping the practices of the creative industry in Paranhana. As a future work, the research team aims to expand this tracking of the innovations generated by the region's creative industries and, with this, reflect on possible impacts on regional development.

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