

Emergence of Cross-Innovation Systems

The research results of the Cross Motion project

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- Interreg funded R&D project – non-technical innovation; Baltic Sea Region flagship project in culture - www.crossmotion.org
- Aimed at facilitating cooperation of screen industries with three other sectors - education, tourism or healthcare.
 - Presumption: explosive area for innovation
- Co-operation expected to result in “cross-innovation” practices.
- The aim has been to provide jobs and find new revenues for screen industries and to benefit other sectors with innovative solutions.

Broad conditioning forces

- Digitization and convergence
- Globalisation (of especially media and media production markets)
- Service and experience economy
- Mediatization
- Individualization and personalization
- Creative Industries policy push
- Platformization



'Innovation systems'

- Innovations: combinations; those who combine are institutions
- National innovation systems (Freeman, Lundvall and others)
- Systemic information exchange and coordination between knowledge-producing and value creating institutions.
- Issue at stake: coordination failures



Culture + networks + evolutionary economics

- Lundvall: Interactive learning
- Culture as conditioning technology and industries
- “Social Network Markets”/”Cultural Science” - Potts, Cunningham, Hartley, Ormerod (2008)
- Diversity
- Focus on innovation coordination in the era of complex participatory networks

Cross-innovation systems?

- We also built on Dopfer and Potts “General Theory of Economic Evolution” (2008) – focusing on origination, adoption and retention of new ‘rules’.
- Cross-innovation – no/emergent innovation system
- Mediatization: participatory, multidimensional networks + conventional industries?
- Global and local
- Study of emergence, mediatization and coordination in regional/international emergent and participatory innovation systems?



EMERGENCE
OF
CROSS-
INNOVATION
SYSTEMS

Audiovisual Industries Co-
innovating with Education,
Health Care and Tourism

INDREK IBRUS



**Emergence of Cross-innovation Systems:
Audiovisual Industries Co-innovating with
Education, Health Care and Tourism**
(Emerald 2019)

Our health case study

- Denmark and Estonia
- 35 interviews + documentary study
- Denmark has advanced AV sector, Estonia has advanced e-governance system, including e-health service
- One has advanced cross-innovation support policy, the other has separate policies for creative industries and health



Differences in innovation systems

- Denmark: Advanced network of institutions for the AV sector + coordination initiatives
- Denmark: Explosion of AV+health start-ups in the recent years
- In Estonia, while the platform is ready for extra services, there is no significant innovation in this area
- Estonia: Different creative industries policy goals
- Denmark: convergence driven by AV sector / Estonia: health and tech sectors are interested



Forms and phenomena

- Lot of focus on VR (simulations, rehabilitation, therapeutics)
- New gamified forms of telemedicine
- Start-ups, no motivations for larger players
- Small projects, small amounts of public support – competition
- Difficult to scale up due to fragmentation within health care systems



Challenges

- Heightened security demands and associated risks
- Also health risks – lot of testing – expensive
- Scepticism towards gamification
- Ripe for platformization – challenges for local players
- Health care systems difficult to enter – ‘club-mentality’
- distinct cultures/epistemic communities



To Summarise

- Some early stage system coordination well done in Denmark, but lots of challenges ahead.
- Estonia: Awareness coordination not achieved; potential for the next stage better, but global platformization a looming challenge.
- “Old” creative industries are not enough, we need cross-innovation policies – what kinds of new industries do we need – public value included



Our education case study

- Finland and Sweden
- Quite similar countries
- Advanced videogaming and other AV industries
- Strong focus on innovation in education

Education: Emergence of EdTech

- High institutional diversity – but mostly public sector
- ‘Normal’ videogaming companies are not interested
- Emergence of *EdTech* sub-sector (also very diverse)

Education: platformization

- Now phase II - after 'app fest' – 'deployment phase' in terms of Carlota Perez.
- Platformisation (dataification and personalisation) of education - no evidence that it is for the benefit
- Local - government run – platforms?



General results: platformisation

- New form of mediatization and digitization
- Tourism, fully platformized, undermining emergence of local cross-innovation system
- Health care: not platformized, fragmented; if ripe for platformization?
- Education: also fragmented; but with lessons learned – motives for public authorities to lead platformisation.
- Local cooperation as a response strategy, yet exporting challenge remains.



Our Tourism case study

- Riga and Hamburg
- Two cities with rather similar strategies:
- To promote their cities, increasingly by co-working with social media travel influencers and to invest in occasional showcase innovations.

Tourism: platformization

- Platformization has undermined the emergence of local cross-innovation systems
- Tourism industry disinterested in cooperation
- AV industry semi-interested (motivation: AR)
- Only public sector (mainly heritage institutions) invests, without much market takeup.



Cross-innovation – is it a thing?

- Full focus on users – experience design, working with social network markets
- Mainly start-up companies, very little attention from incumbent media institutions
- “Identity” issues
- Broader innovation systems approach not equipped to understand culture or mediatization
- Isomorphic process – both global and local
- Diversity as a policy goal – diversity produces diversity



Thank you!

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