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THE INNOVATION OF ARTS FESTIVALS

Concepts, approaches and effects

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Introduction

Hosting festivals is now commonly used as a promising strategy to market a destination to interested visitors and achieve various socio-economic goals amongst local population. However, fierce competition and programme rigidity have resulted in declining popularity for many long-established festivals. Numerous studies have consistently revealed the utmost significance of “novelty” for a festival to maintain its competitiveness (e.g. Crompton & McKay 1997; Nicholson & Pearce 2001; Van Zyl & Botha 2003), but what constitutes “novelty” and how to programme or co-create “novelty” are not yet adequately explored in the literature. Evidence regarding to what extent programme novelty and management innovation could affect festival attendees’ motivation, behaviours and experience is scarce as well (Carlsen, Andersson, Ali, Jaeger & Taylor 2010; Hjalager 2009). A possible reason for such a major omission is that any innovation takes time to bring about perceptible changes, thus inherently requiring a longitudinal research design, whereas extant festival studies are predominantly cross-sectional.

This study represents one of the initial attempts to address these emerging research issues. Given the obvious diversity of festivals and to ensure the depth of discussion, this chapter will focus on arts festivals only, a type of event that is quickly gaining in importance across the globe. In addition to a concise review and integration of the concepts and approaches in relation to innovation in arts festivals, a case study of Macao Arts Festival is also presented. This annual festival has had a history of almost thirty years and to date remains one of the most welcomed events in the eyes of local residents. As elaborated in a later section, this festival has gone through a few distinct stages of development, and innovative planning and management practices have been playing a critical role in that process. Therefore, it provides a suitable context for understanding the effects of innovation in rejuvenating the life cycle of a festival.

Literature review

The concept of innovation

Despite the increasing recognition of the significance of innovation, it is difficult to come up with a universally accepted definition for the concept of innovation as there are numerous in the literature which are given in various fields, at different levels and on a broad
continuum in terms of scope (e.g. Baregheh, Rowley & Sambrook 2009; Morrar 2014). An important demarcation line can be drawn between goods and service products, although technical and service characteristics both be present in any given product. Innovations in manufacturing sectors most commonly take the form of technological advancements and/or applications (for example, a novel device). The output can be measured or detected by referring to changes in productivity and other perceptible indicators, thus making it relatively easy to plan, manage and evaluate innovative initiatives. In contrast, service products are more characterised by intangibility. Their production and consumption usually take place simultaneously, which means that the service delivery process itself could be a major part of the value sought by customers (Gallouj & Weinstein 1997). Standardisation rarely applies to service products because the service experience is co-created through the interaction of service providers and customers, and the evaluation of the quality (or service experience) could be highly subjective. These “fuzzy” properties of service products have considerably constrained the study of innovative activities in service sectors (Morrar 2014). Therefore, although recent decades have witnessed explosive growth of theoretical and empirical analyses concerning innovation (e.g. Anderson, De Dreu & Nijstad 2004; Baregheh et al. 2009), they are predominantly based on industrial goods and cannot be readily adapted to the service context.

Other than seeking to coin an integrative definition for the concept of innovation, a more functional approach is to develop a typology that can help identify the various forms of innovation practices (Hsieh, Chiu, Wei, Yen & Cheng 2013; Oke 2007). One notable example in this regard is to distinguish between product and process innovation. The former is limited to the outcome of a process, which is a product (good or service). The product could be totally new or have significantly improved characteristics or intended uses. By comparison, process innovation centres on the implementation of a new or significantly improved production or delivery method. This dichotomy requires three general strategies for examining and pursuing innovations as innovations can be generated by working with the final product, its production/delivery method or both. With reference to the degree of impact, an innovation can also be labelled either as “radical” or “incremental” (Ettlie, Bridges & O’Keefe 1984). A radical innovation is disruptive in nature since it could reshape the structure of the market, create new markets or render existing products obsolete, while the changes brought about by an incremental one to the product and market are largely partial, gradual enhancement or upgrading (Ettlie et al. 1984). Regardless of the differences, these two kinds of innovation are actually closely interrelated. On the one hand, radical innovation is more often than not preceded by a series of incremental innovations that form the necessary foundation to fuel any future breakthroughs. On the other hand, the competitive advantage as established by radical innovation will sooner or later dwindle to nil if the innovation is adequately diffused to or imitated by followers. Therefore, although radical innovation can advance a product into a new era, subsequent incremental innovations are still required in order to maintain the competitiveness before the advent of another radical innovation.

Gallouj and Weinstein (1997) depict a service product as a set of vectors of characteristics and competences that are linked, namely the vector of technical characteristics, the vector of service provider’s competences, the vector of client’s competences and the vector of final characteristics. Considering the competences of the service provider and the client in the delivery of service is deemed crucial in that the final characteristics of the service product are greatly determined by the interaction of the two players (Gallouj & Weinstein 1997). Following the aforementioned conceptualisation, innovation is defined as any change affecting one or more elements of one or more vectors of characteristics or of competences.
Six modes of innovation in the service sectors have been specified, namely radical innovation, improvement innovation, incremental innovation, ad hoc innovation, recombinative innovation and formalisation innovation (Gallouj & Weinstein 1997).

The aforementioned innovation typologies just represent a very small sample of the pool in the literature, and the authors believe that even more are being developed or to be developed. Further, not all types of innovations are equally important at all times; the key is that an effective innovator should be able to choose suitable types of innovation at the right time. In addition, to pursue innovation is inherently a risk-taking behaviour, and success never can be guaranteed (Brown & Osborne 2013). What is worse is that the effect of innovations, especially major ones, does take time to emerge. Under the pressure of achieving various short-term objectives, many decision makers tend to be conservative with respect to innovation investment. To overcome these barriers, it is important to create an environment conducive to innovation at the firm or organisation level.

Festival innovation

The festivals sector has experienced phenomenal growth around the world in the past several decades. It also has successfully attracted considerable attention from the academic community and quickly risen as a distinct field of study. The vitality of this new economy, as manifested by the boom of festivals being held and increasingly higher degree of programme diversity and quality, suggests that there exists significant potential to explore the power of innovation. However, it is somewhat surprising that research on innovations in festivals remains sporadic and highly fragmented. The following literature review is not intended to be all-inclusive, but rather to draw the reader’s attention to some noteworthy conceptual and theoretical developments or applications.

Carlsen et al. (2010) viewed festival innovation as a process of knowledge generation, transformation and exploitation by the festival organisation in collaboration with various stakeholders involved in the entire festival value chain, including programming, financial planning, marketing and service provision. Accordingly, a festival can be innovated by addressing areas such as festival management and processes, festival outputs or programme, services and experiences, market innovation, funding and festival participants. In virtue of the innovation experience of three festivals, Carlsen et al. (2010) found that despite the rising recognition of the importance of innovation for performance and sustainability amongst festival managers, imitation is still a common strategy; innovations that could provide the unique selling point and basis for differentiation and competitive advantage are comparatively lacking.

MacKellar (2006) proposed a holistic typology of innovation specific to the field of festivals, which is composed of product innovation, process innovation, organisational innovation, management innovation, production innovation, commercial/marketing innovation and social innovation. The inclusion of social innovation is particularly interesting as the term transcends the sphere of the festival and emphasises its potential role in contributing to broader social and cultural development. The evidence from a regional festival in Australia presented by MacKellar (2006) demonstrates that social capital was built up as the festival established new relationships and strengthened existing ties amongst the community. Social innovations occurring out of the networks included a new sense of place, new regional products to celebrate and showcase, enhanced community pride, new forms of interaction, improved community participation, new sources of interaction and entertainment, increased sense of ownership, and development and promotion of a cultural image.
Larson (2011), in her investigation of three Sweden festivals, identified two different innovation processes: institutionalised and emergent. The former is most frequently seen in the execution of repetitive tasks (e.g. organising a recurring festival). It is common sense that every time a task is performed, knowledge and experience will be gained, either consciously or unconsciously. Self-learning makes sure that only effective ways of performing the task will be kept in future and ineffective ways discontinued or incrementally refined. As the knowledge and experience accumulated suffice, the motivation for learning and adopting new practices inevitably declines. Therefore, Larson (2011) cautioned that a recurring festival might become “routinised” or “institutionalised” and thus require reinventing now and then. Introducing novel tasks is obviously a viable strategy to stimulate the emergence of innovation, especially radical innovation.

The significance of networks in generating innovations was elaborated upon by Larson (2009), who advocated a network perspective in researching the renewal of festivals. This study argued that festival innovation is a highly cooperative endeavour because it involves many stakeholders with varying interests, such as the organiser, audience, government, media, sponsors, suppliers and community residents. The inter-organisational network as formed by these actors is not static. To the contrary, it is fairly open and dynamic, thus encouraging the establishment of new partnerships and interactions. It is in that process that new ideas and creative solutions are created. Similarly, Hjalager (2009) applied the innovation systems approach to tracking the evolution and impacts of a festival in Denmark. An innovation system was broadly defined as the totality of factors from varied domains (e.g. social, cultural, economic, institutional and regulatory environments) that influence the development, diffusion and use of innovation. The concept suggests that the collaborative and interactive processes among the factors might contain important information regarding the driving forces and mechanisms of innovation (Hjalager 2009). The empirical analyses revealed that a festival itself can form or be the core of an innovation system that plays a central role in establishing links not only within its own value chain but also with other innovation systems.

Paleo and Wijnberg (2008) investigated the organisational output innovativeness of a Dutch music festival. In this study, the output of the festival was represented by its line-up in a given year, and innovativeness was indicated by novelty. Innovativeness could appear at three progressive levels: novelty to the festival, novelty to the industry and novelty to the world. Two aggregate measures, namely the Referent Innovativeness Index and Classification Innovativeness Index were constructed to operationalise the variable of novelty (Paleo & Wijnberg 2008). Despite the narrow scope and overt simplification of this study in defining and measuring innovativeness, it is recognised as one of the initial attempts to address the challenging task of measurement and evaluation in the domain of festivals. Unlike most of other studies that simply document individual innovations or count the number, the approach as developed by Paleo and Wijnberg (2008) further considers the quality of each innovation. In addition, the indices greatly facilitate comparisons across years and with other festivals. Overall, festival innovation as a research topic has been limited. There is obviously a need to gain more inspiration from the wider general innovation literature, and in so doing, adaptations are required in order to accommodate the particularities of festivals. It seems that festival researchers commonly equate festivals with the product of a firm; as such, their enquiries have excessively drawn on the innovation theories, models and methods oriented to firms. However, organising festivals is most often a temporary, collaborative task; the supplier is not a single entity but a loosely formed alliance. This chapter will consider the Macau Arts Festival as just such a loose alliance of stakeholders and will consider the development of innovations over the history of the festival.
The case of Macao Arts Festival

Macao Arts Festival was established in 1988. It had been governed and managed by the Portuguese government until 1999, when Macao was returned to China as a special administrative region. In its history of almost three decades, it has been always fully supported and funded by the government. The changes of the two governments as well as the development of information technology in the new millennium have marked a few distinctive periods of the Macao Arts Festival. Innovation and resulting novelty are important catalysts behind the festival development. Three distinctive periods of the Macao Arts Festival are recognised, and the major innovative actions of each period are examined in order to identify the festival’s successful trajectory. This case study used multiple sources of information, including the festival programmes, brochures and leaflets, website contents and newspaper and magazine articles spanning the history of the festival. Finally, the authors gathered direct observational data when attending the festival.


The first Macao Arts Festival was held in March 1989. As outlined by the former Macao governor Carlos Montez Melancia, it was intended to enhance the cultural life of Macao citizens, with three specific goals: 1. to facilitate the relationship between government and cultural organisations, 2. to enhance collaboration amongst cultural organisations in Macao, and 3. to showcase the works of local cultural organisations and encourage local citizens to participate in art and cultural activities.

After the first year, the organisation of the festival was restructured. Clarifying roles and responsibilities led to the temporary termination of the festival for two years. Later, as commissioned by the governor, the festival was governed and managed by the Cultural Institute of Macao. This new organiser extended the festival to incorporate artists from Mainland China in order to facilitate collaboration with local artists. In the following years, exchange and collaboration were widened with artists coming from Asia, Europe and North America.

In 1995, the Macao Municipal Council was invited to co-organise the sixth Macao Arts Festival together with the Cultural Institute of Macao. Residents’ participation was encouraged and enhanced through co-organisation in the following years. The festival went through organisational changes to explore options to better attract residents’ interest and improve accessibility. The first “made in Macao” drama was staged in 1997, together with the introduction of drama performed in Patuá. Patuá is spoken by the local Macanese community and is a Portuguese-based creole language with roots from Cantonese and Malay. On February 20, 2009, the new edition of the United Nations Educational, Scientific and Cultural Organisation (UNESCO)’s Atlas of the World’s Languages in Danger classified Patuá as a “critically endangered” language. The year of 1997 marked a milestone for the festival development. It showcased the uniqueness of the festival in promoting and conserving local culture, particularly the endangered language of Patuá. The 10th anniversary of the Macao Arts Festival was in 1999. Moreover, 1999 was also a historic year for Macao, when the city was returned to China and had a change of government administration. The official organiser of the Macao Arts Festival, the Cultural Institute of Macao, has changed its name to the Cultural Affairs Bureau after Macao’s handover to China. Nevertheless, the organiser has maintained its roles and responsibilities to manage and promote the festival.
The 11th Macao Arts Festival was the first festival organised after the change of government in 1999, known as the Macao Handover. The goal, to safeguard the unique “East meets West” culture of the festival, was maintained by holding a mixture of shows and activities representing both Chinese and Portuguese communities. In 2000, with the change of the government and chief of the Cultural Affairs Bureau, the festival continued its development and strengthened its original elements, such as encouraging residents’ participation, promoting community theatre and conserving the endangered language by showing Patois Drama. In 2001, the first original musical was created and staged in the festival. In addition, a Chinese Movie Week and a painting exhibition were organised as part of the festival programme. All these new additions to the festival were very well received and welcomed by the city. The local media reported on the festival as innovative, special and dynamic.

Furthermore, workshops and masterclasses were organised to initiate art education to the city. The festival’s presence was further extended to local residents in 2003. An Open Air Art Fair was organised for the first time. Local artists and handcrafters were recruited by the Cultural Affairs Bureau to take part in the art fair, held in one of the most important landmarks of the city – the Senado Square. This square, called Largo do Senado in Portuguese, is part of the UNESCO Historic Centre of Macao World Heritage Site. “Audience friendly” was the approach of the festival as emphasised by the chief of the organisation. The festival was full of family-oriented programmes and appeared as a carnival for the residents. More new elements and innovative ideas were continuously introduced in the following years. Besides reaching out to local residents, the Macao Arts Festival started to target overseas audiences by producing promotional materials in three languages, Chinese, Portuguese and English, from 2002. Materials had been available only in Chinese and Portuguese in the previous years.

The Historic Centre of Macao was inscribed in the UNESCO Heritage List in 2005, showcasing the meeting of aesthetic, cultural, religious, architectural and technological influences from East and West. This Historic Centre became the venue for the Outdoor Performance Art Showcase, introduced in the year of 2006, which took a different theme each year. Resident participation increased substantially through this innovative initiative. Another result of hosting art performances in the sites within the Historic Centre of Macao was revitalisation. For example, after hosting part of the art festival in 2005, local and visitor numbers at the Lou Kau Mansion (a historic building) have increased significantly.

The festival was staged every March since its inauguration in 1988. However, it was changed to May in 2007 in order not to overlap with Hong Kong Arts Festival and recruit wider audiences in the region. In addition to the festival schedule changes, multimedia shows were introduced in 2007 together with Chinese Opera performed by trained local children. Workshops and selected performances were staged in local schools’ halls. These all show that the Macao Arts Festival has been striving hard over the years to innovate and introduce new elements to the festival in order to incorporate art into the whole community, from local neighbourhoods to local schools.

2010–2017: the new era

The well-developed positioning of the festival in the past decade has built up a solid foundation for the festival to pursue further innovations. With the new festival director on board in 2001, another wave of innovation and event novelty has been implemented in the festival. Efforts have been steered to art education and nurturing local artists to help them engage
in the creative industries. The outreach programme, first introduced in 2004, has been revamped and is more structured than it was in previous years. This now includes talks, workshops, post-conference/-show discussions, pre-concert talks and a festival corner that is a space for performers and artists to meet with amateur artists and local citizens.

In relation to the aim of nurturing local artists, half of the festival programmes have been specially created and staged by local talents. The festival has been serving as a springboard for the local art community to showcase their abilities and talents ever since. Furthermore, the seeds of art education have been sown among the younger generation: more family-oriented programmes to target parents and young children, and shows and outreach programmes suitable for teenagers are being organised and are sometimes staged in local schools. The responses of citizens to those family-oriented programmes have been very positive. Tickets for family-oriented programmes have always sold out during the first day of ticket selling.

Besides art education, the festival organiser has continued to promote the Historic Centre of Macao via hosting the Macao Arts Festival. More sites were included to stage festival programmes, such as Dom Pedro V Theatre, Mandarin’s House, Ruins of St. Paul’s, St. Dominic’s Church, Casa Garden and others. The audiovisual mapping show on the Ruins of St. Paul’s, a newly introduced element of the festival, earned enormous reputation not only locally but in the region as well.

Finally, in addition to the programme innovation, the marketing of the festival has been intensified by using online social media and oversea TV media. TV commercials have been in place locally in the past decade and were extended to Hong Kong in 2011. A Facebook Fanpage was also established in 2011. Currently, there are more than eleven thousand followers of the Facebook Fanpage. Regular updates about the festival programmes are found in the Fanpage.

Discussion and implications

A summary of major developments is presented in Table 12.1. The type of innovation for each major development is also specified in reference to Mackellar’s (2006) typology. This shows that the festival has exhibited all the types of innovation over its history, and the most frequently occurring type is product innovation. Unlike many other festivals, and even in its third decade, the Macao Arts Festival has not become rigid; rather, it is still actively seeking to renew its programme. Another notable finding is that some major developments can be related to more than one type of innovation. For instance, staging shows at the sites of the Historic Centre of Macao not only can make these world heritage sites and their cultural value better known (an effect of social innovation), but also helps attract audiences to watch the shows in an unique setting (an effect of marketing). Furthermore, it appears that organisational and management innovation only occurred in the first period of the festival’s development. On the one hand, this result suggests that the government must have been feeling generally satisfied with the way the festival was organised and managed by the Cultural Affairs Bureau (formerly Cultural Institute of Macao); hence, organisational and management changes were either considered unnecessary or less urgent. On the other hand, a lack of organisational and management innovation may have restricted the festival’s ability to assimilate new ideas. Indeed, being a government department itself, the organiser has the greatest possible freedom in its decision-making, and its authority has never truly been questioned or challenged by other stakeholders. Although there is no doubt about the professionalism of the Cultural Affairs Bureau, it might arguably have put undue emphasis on arts and culture-related goals, to the detriment of the potential of the festival to generate some
broader impacts. For example, event tourism is currently undervalued, yet as Macao endeavours to lessen its overdependency on gaming revenue, leisure tourism has arisen as a strategic growth point of the economy. However, the Cultural Affairs Bureau has not as yet formulated any specific strategic plan to take advantage of the festival for tourism development. It would seem worthy of consideration to involve the destination management organisation of Macao, namely Macao Government Tourism Office, in the organisation of the festival.

As discussed by Carlsen et al. (2010), the possible areas of festival innovation include festival management and processes, festival outputs or programme, services and experiences, market innovation, funding and festival participants. In the case of Macao Arts Festival, funding is the only one that has not undergone any significant change. This is because the festival has been organised and fully funded by the government. Although sponsors are always welcome, they can never exert any influence on the not-for-profit nature of the festival. Thanks to the sustained boom of the gaming sector, Macao’s economic growth has been robust in the past two decades, and the accumulated budget surplus is substantial. Therefore, the government is able to maintain strong support to the continual expansion of the festival. The pricing has been very reasonable, without compromising the quality of programmes. Nevertheless, in recent years, there has arisen a concern amongst the local society regarding the government’s fiscal transparency and accountability for the use of public funds, which may result in some new arrangements in the area of funding.

In contrast to the suggestions from Lawson (2009) and Hjalager (2009), neither the network perspective nor the innovation systems approach has been helpful in explaining the mechanisms by which innovations take place in the Macao Arts Festival. The major developments of the festival mostly originated from the organiser and were substantially shaped by the vision of the chief in charge. With resources and authority highly centralised at the Cultural Affairs Bureau, the ability of the festival’s network to facilitate interactions is

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<td></td>
<td>Promoting the Historic Centre of Macao by staging shows at various sites</td>
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The innovation of arts festivals

actually fairly weak. If the network is to become another important source of innovation, introducing more flexibility to the network structure would be necessary.

Whilst this chapter has focussed on a particular case study, the Macao Arts Festival, nonetheless, it is likely that elements of the innovative approach taken in Macao will resonate with other festivals elsewhere. However, the finding that some of the existing literature in festival innovation has not helped our understanding in this case suggests that alternative approaches may be useful in future research. For example, since festivals are time-limited, perhaps innovation in project management will provide useful avenues for research. In addition, future research should examine areas that have been neglected to date, such as innovation risk management and performance evaluation.

References


