

DM501-4-M Business Planning for Creative Entrepreneur

Additional Knowledge - Type Economy

TOPIC LEARNING OUTCOMES

Upon completion of the topic, students will be able to identify the different types of economies that govern the world - traditional economies, the current creator economy, and sustainable economies such as the circular economy.

Traditional Economy:

- Industrial Economy: Preceding the Creator Economy, the dominant model was the Industrial Economy, characterised by mass production, large corporations, and a focus on physical goods and manual labour. This era was marked by the significant role of manufacturing and the standardization of products.
- Service Economy: Over time, the Service Economy emerged, where the focus shifted from goods to services. This phase saw the rise of industries like banking, healthcare, and education, emphasizing customer service and experience, shifting the focus

Modern Economy:

Creator Economy:

- With the advent of the internet and digital platforms, the Creator Economy has gained prominence. This economic model is driven by individuals who create content, products, or services, often leveraging online platforms to reach a global audience. Key characteristics include:

Digital Content Creation:

- Blogging, video production, podcasting, and social media content.
- Monetization Strategies: Advertising, sponsorships, crowdfunding, and subscription models.
- Platform Dependency: Reliance on platforms like YouTube, Instagram, TikTok etc.

Attention Economy:

- Parallel to the Creator Economy, the Attention Economy focuses on the scarcity of attention in an information-rich world. It's about capturing and monetising user attention through content and media.

Gig Economy:

- Overlaps with the Creator Economy, emphasising short-term, flexible jobs (gigs) often facilitated by digital platforms (e.g., Uber, Freelancer)

Summary of Creator Economy:

Future Outlook:

The Creator Economy is expected to continue growing, driven by technological advancements and changing consumer behaviours, especially among younger demographics who increasingly consume content on digital platforms.

In summary, the Creator Economy represents a significant shift in how content is created, distributed, and monetized, offering new opportunities and challenges for creative individuals and traditional industries alike.

Emerging Trends:

- The shift from Industrial to Service to Creator Economy reflects changes in technology, consumer preferences, and work paradigms.
- The Creator Economy, while significant, is part of a larger, interconnected economic system that includes elements of the Service, Gig, and Attention Economies.
- Sustainable and Circular Economies are gaining traction, especially in the context of global environmental challenges, resonating with your focus on sustainable design.

Sustainable Economy

Definition:

- Focuses on balancing economic growth with environmental protection and social equity.
- Aims to meet present needs without compromising the ability of future generations.

Key Principles:

- Environmental Protection: Minimizing pollution and resource depletion.
- Social Equity: Promoting fair and equitable opportunities for all.
- Economic Viability: Ensuring long-term economic growth and stability.

Strategies:

- Renewable Energy Sources: Solar, wind, and hydro power to reduce carbon footprint.
- Resource Efficiency: Using resources more effectively and reducing waste.
- Sustainable Manufacturing: Eco-friendly production processes and materials.

Examples in Design:

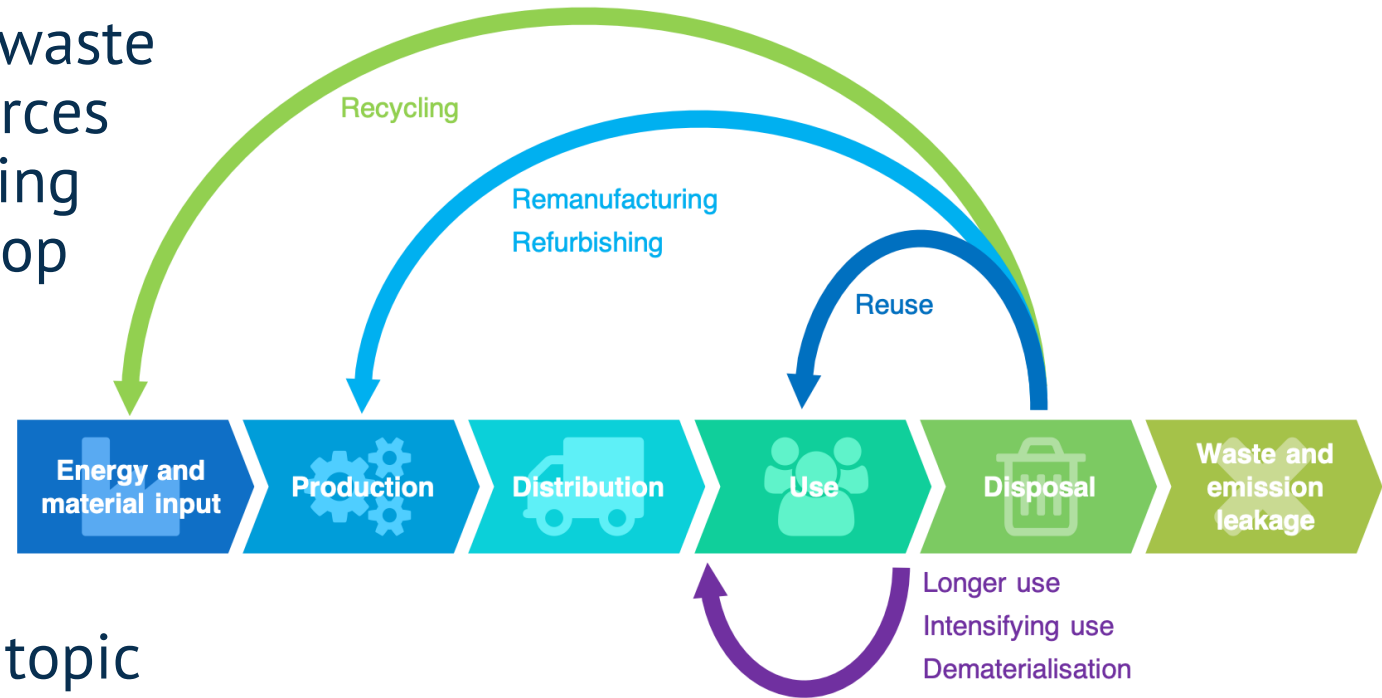
- Eco-friendly product design (e.g., biodegradable materials).
- Sustainable urban planning and green architecture.
- Design for longevity and repairability of products.

Challenges:

- Balancing economic growth with environmental constraints.
- Ensuring social equity in access to resources and opportunities.

Circular Economy

- A circular economy is an economic system that aims to eliminate waste and the continual use of resources by reusing, sharing, and recycling materials to create a closed-loop system.
- We will delve deeper into this topic later under Introduction to Sustainability



Q & A

