



Taking the Temperature Report 2

The deepening impact of COVID-19 on India's creative economy

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Preface



The Taking the Temperature Report has been developed by the British Council, in partnership with the Federation of Indian Chambers of Commerce and Industry (FICCI) and the Art X Company. It records the impact of COVID-19 pandemic on the creative economy in India and provides valuable insight on:

- **the depth and scale of impact of the pandemic on creative sectors, arts companies and individual artists, managers and stakeholders**
- **comparisons, developments and changes over a sustained period from March 2020 to October 2020**
- **systemic actions being taken to strengthen the creative economy, during and post Covid-19, and**
- **the recommendations for future development of the creative economy.**

This is the second edition of the report. It provides a comparison of the situation in India since the outbreak of COVID-19, the consequent national lockdown (March-June) and the period following relaxation of the lockdown (July-October).

A further edition of the Taking the Temperature report will be published in March 2021.

To ensure maximum access and reach across the creative economy in India, the Taking the Temperature survey was available to complete online in English, Hindi, Bangla, Malayalam, Telugu, Kannada and Tamil.

The report uses the definitions below of the creative economy and creative industry.

The creative economy comprises of¹ knowledge-based economic activities upon which the creative industries are based. Creative industries are those which have their origin in individual creativity, skill and talent, and which have a potential for wealth and job creation through the generation and exploitation of intellectual property.

Creative industries comprise sectors like advertising, architecture, arts and culture festivals, crafts, design and fashion, literature and publishing, museums, heritage and public monuments. They also includes new media arts including gaming, film and video; performing arts including music, dance, theatre; public and street art; TV and radio; venues including theatre, cinema, galleries and parks; visual arts including painting, illustration, photography and sculpture. Together these make an important contribution to the national wealth and international reputation of any country.

1. Department for Digital, Culture, Media & Sport <https://www.gov.uk/government/organisations/department-for-digital-culture-media-sport>

Partners

British Council

The British Council is the UK's international organisation for cultural relations and educational opportunities. We work with over 100 countries in the fields of arts and culture, English language, education and civil society. Last year we reached over 80 million people directly and 791 million people overall including online, and through broadcasts and publications. We make a positive contribution to the countries we work with – changing lives by creating opportunities, building connections and engendering trust. Founded in 1934, we are a UK charity governed by Royal Charter and a UK public body. We receive a 15 per cent core funding grant from the UK government.

www.britishcouncil.in

Federation of Indian Chambers of Commerce and Industry (FICCI)

Established in 1927, FICCI is the largest and oldest apex business organisation in India. Its history is closely interwoven with India's struggle for independence, its industrialisation, and its emergence as one of the most rapidly growing global economies. A non-government, not-for-profit organisation, FICCI is the voice of India's business and industry. From influencing policy to encouraging debate, engaging with policy makers and civil society, FICCI articulates the views and concerns of industry. It serves its members from the Indian private and public corporate sectors and multinational companies, drawing its strength from diverse regional chambers of commerce and industry across states, reaching out to over 2,50,000 companies. FICCI provides a platform for networking and consensus building within and across sectors and is the first port of call for Indian industry, policy makers and the international business community.

www.ficci.in

The Art X Company

The Art X Company's mission is to enable and articulate value for the arts and culture sector in India through data-driven insights, strategy-led impact, and audience outreach. A strategic consultancy operating at the intersection of arts and access, Art X Company offers consulting, research, curation, audience development and management services to the cultural sector in India. They also run Arts & Culture Resources India (ACRI) – a network of 55,000+ creative professionals and nurture this community through a Facebook group and a membership base. The Art X Company has worked extensively across India, and for a range of clients in the for-profit, non-profit and government spaces. The organisation comprises a group of highly passionate arts managers, strategists and researchers, with presence in Mumbai and Bengaluru.

www.art-x.co | www.indiacultureacri.in | www.cultureconindia.com

Acknowledgements

The partners thank all the respondents for making time to complete the survey, and for sharing valuable insights on the experience of working during the COVID-19 situation. We will return to the respondents who have agreed to participate in the research again.

The partners are grateful for the support received for the development and distribution of Survey 1 and 2 amongst arts and cultural networks in India.

Survey 1

- Craft Revival Trust for strengthening the research by widening access through translating the survey into Hindi, Bangla and Tamil
- The Department for International Trade (DIT)
- Event and Entertainment Management Association (EEMA)
- The Association of Indian Publishers
- Impulse NGO
- Crafts Council India
- The Charles Wallace India Trust
- The Japan Foundation, India
- North India Section of Textile Institute (NISTI)
- Arts and Culture Resources India (ACRI)
- International Council on Monuments and Sites (ICOMOS)

Survey 2

- ARTISANS'
- ADI - Association of Designers of India (ADI)
- Artistik License
- ATSA – ARThinkSouthAsia (ATSA)
- Banglanatak dot com
- BICAR - Bombay Institute of Critical Analysis and Research (BICAR)
- Jagriti Theatre
- LAMO - Ladakh Arts and Media Organisation (LAMO)
- Nriyagram
- Thus
- 200 Million Artisans

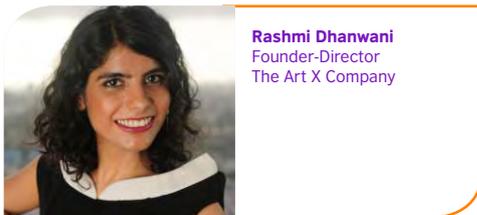
Executive summary



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FICCI



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Founder-Director
The Art X Company

The COVID-19 pandemic continues to affect the creative economies of countries across the world. The British Council, FICCI and Art X Company present the second report on the deepening impact of COVID-19 on the creative economy in India.

The first report provided a snapshot of the impact of COVID-19 from March to June; this second report reflects on the depth of the crisis in the creative economy up to October 2020.

The study sets out comparisons with the first report on the significant scale and extent of the impact of COVID-19 and contraction of the creative industries in India.

It signals that during the pandemic, the creative industries continue to face a very uncertain future.

The second survey shows that

- The creative economy is contracting.
- Organisations are closing permanently to avoid bankruptcy.
- Creative businesses are contending with increasingly difficult choices to cut staff and overheads to ensure they remain resilient.
- Individual professionals and artisans are facing short-term hand-to-mouth existence.

- Sectors are adapting to digital and live business models.
- Some of the workforce is leaving the creative economy and changing careers.

Given the length of the COVID-19 pandemic globally, the indicators above confirm that the creative economy will most likely be very different in the aftermath in India and its trading nations. While some sectors are adapting with agility, others risk being decimated.

For some, the agile move to digital platforms presents new opportunities for market development and profile. However, for others, the impact in change from face-to-face audience interaction to digital platforms offers only limited scope for new income generation. The full impact of the digital revolution precipitated by COVID-19 on the means of creative production, market distribution and audience consumption are not yet fully understood across the creative economy. Nevertheless, despite adapting to hybrid live and digital models, some sectors in the creative industries will remain reliant on face-to-face audience interaction to generate income in the long term.

The first and second reports reflect upon the creative industries' campaigns to support individual artists and arts sectors from within, including the pioneering stayIN aLIVE and I Believe #ArtMatters fundraising projects. There remains a pervasive spirit of self-help and entrepreneurship in India.

Some state governments have responded swiftly to provide emergency grants for relief to artists and companies, however, the national and area response to invest in the creative economy during COVID-19 is patchy, relative to the scale of the creative industries.

The report evidences the current emergency in the creative economy. There is clear need for greater concerted action, improved networks, increased pooling of resources, and collaboration and institutional investment pivoted to the sector to sustain it during the emergency. Responsive action is needed to secure and strengthen the creative economy in the long term.

Impact on the creative sector

MSMEs and the freelance workforce who cater to large companies have been worst hit

72%

of the respondents earn below INR 50 lacs per annum

16%

of the creative sector is facing permanent closure now

22%

of the sector is forecast to lose more than

75%

of annual income

8%

increase in loss of more than 50% of annual income (41% respondents reported loss of more than 50% of their annual income compared to 33% respondents in the first survey)

52%

of the respondents in the second survey are women, increasing gender inequality of opportunity as a result of the short-term impact of the pandemic

26%

of respondents fear they will not be able to continue in the last two quarters of 2020-21

Measures needed to sustain the creative economy

If available, short-term financial relief would be used to keep freelancers and organisations viable.

53%

to cover lost income,

37%

to meet basic overheads and

26%

for staff retention and wages

10%

of the sector moved to online sales platforms in Survey 2, as compared to

16%

in Survey 1. This may be due to more of face to face activities with relaxation in lockdown norms

5%

of the sector has been able to access bank loans

2%

have accessed government grants

Mid to long term

19%

of the sector, despite relaxation of lockdown in June, remains in temporary closure as per Survey 1 and 2

90%

of the sector fears the long-term impact of social distancing on the creative economy

60%

of the sector believes it will take nine months to over a year for early signs of recovery for the creative economy

The creative sector is made up of innovators who are resilient and inventive. Organisations are adapting to reach new audiences digitally. However, the viability for generation of new digital income streams is nascent and unreliable for most.

Solidarity between artists and audiences to create and connect remains. However, the impact of COVID-19 on the creative economy globally and in India cannot be underestimated.

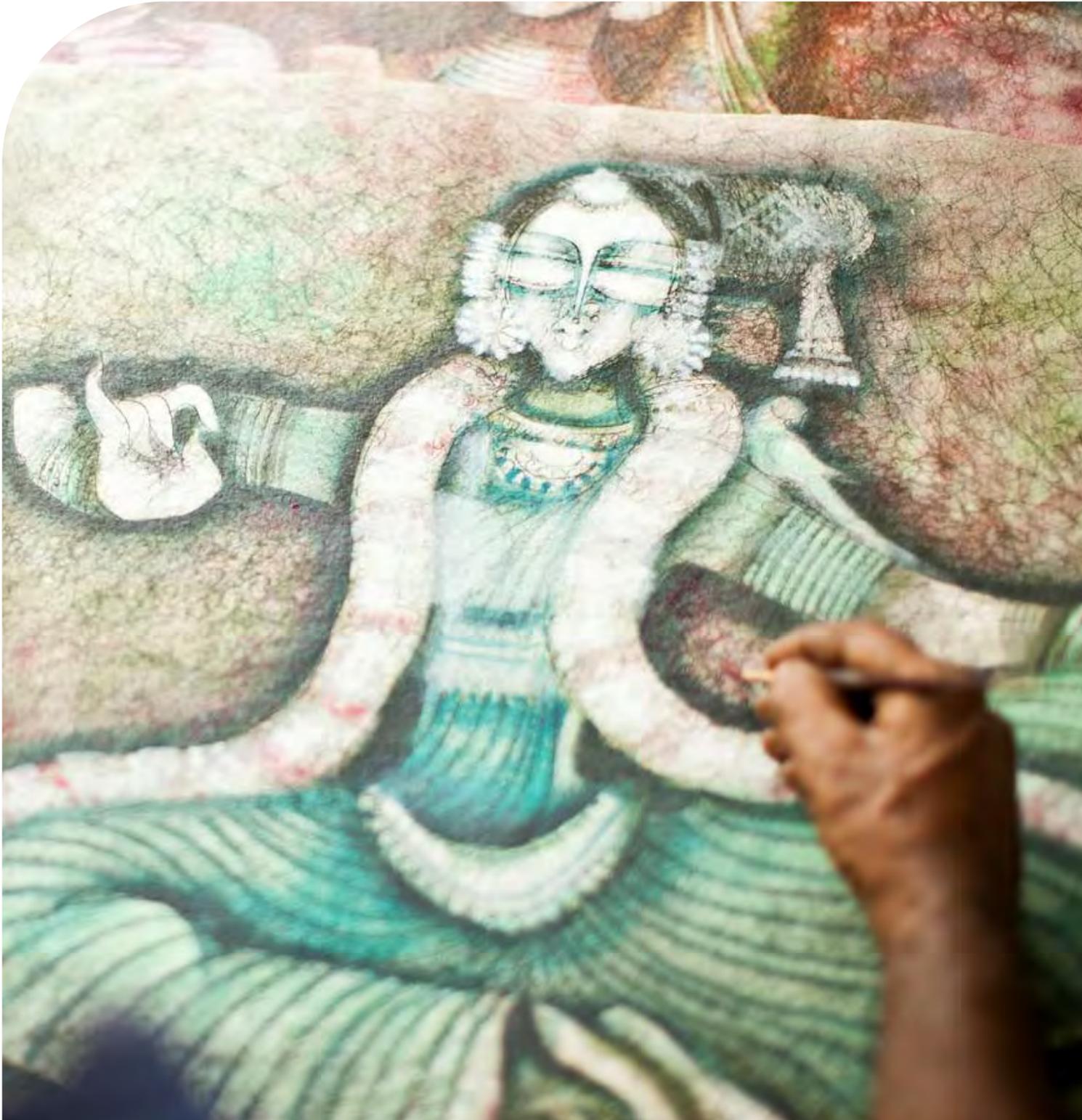
Recommendations

India's creative economy is a key part of her global competitive advantage in the marketplace as a driver for wealth creation; enterprise and innovation; and positive international cultural relations.

- 1. concerted emergency action now for investment between governments and corporates through**
 - a. loans and grants to arts organisations, e.g. mandate the arts in the CSR funding plan
 - b. micro-grants to freelance artists, gig-workers and artisans, e.g. utilise the National Culture Fund to provide grants for urban and rural traditional performers and artisans
 - c. timely disbursement of grant in aid schemes for currently funded arts organisations.
- 2. Strengthen the creative economy for India's international competitive advantage. National action across the creative industries to:**
 - a. recognise the cultural and creative sector as an integral part of the social and economic recovery plan
 - b. secure and strengthen the creative economy for the long term, e.g. use current festival schemes by Ministry of Culture and Zonal Cultural Centres to create digital festivals and provide payments towards royalty and for video recording purposes
 - c. ally with national and state government intervention, e.g. create cultural districts in every Smart City to allow for performance spaces, rehearsal venues, libraries, studios and artists offices.
- 3. Establish creative economy networks of artists, artisans and culture organisations to develop sector, city, state and national knowledge and impact for:**
 - a. collective advocacy
 - b. pooling resources for mutual support
 - c. shared learning across the diversity of India's languages, creative industries and artforms.

Survey findings

The following section provides a detailed look into the questions answered in Survey 1 and Survey 2, and provides insight into the comparisons between the findings over the last six months.



A comparative analysis

Survey 1 and 2

Survey 2, like the participation in Survey 1, received responses from across the creative and cultural industry. From individual artists and consultants to funding organisations, corporate foundations, social enterprises and other service providers, the second survey has also broadly been able to cover the wider spectrum of functions existing in the creative sector in the country.

- Survey 2 has seen participation across the creative sectors. Female respondents have been high (58% and 52% respectively) for both the rounds.
- Most respondents (39%) participating in Survey 2 are from the 46+ years age category, with 31% respondents' young entrepreneurs aged between 18 – 35 years.
- Most respondents, 63% from Survey 2 and 65% from Survey 1, are CEOs/Managing Directors.
- The largest number of Survey 2 respondents in India work in the performing arts (42%), followed by arts and cultural festivals (39%), design (33%) and crafts (30%).

Impact

- The self-employed and smaller enterprises (with less than 50 employees) have been affected the most with around 16% facing permanent closure.
- In Survey 2, there has been a 30% increase to teaching and training from the earlier move of 3% in round 1 of the survey.

Financial losses

- Sources of income are varied across the creative and cultural sector with the highest being 52% from ticketing and sales in survey 2 and 39% in survey 1.
- 22% respondents in Survey 2 have incurred losses amounting to more than 75% of their

annual revenue. 41% have lost between 26% and 75% of their annual income. 27% respondents in Survey 2 mentioned that their businesses and crafts are currently not operational.

- 41% in Survey 2 as compared to 33% in Survey 1 have incurred major losses of more than 51% in revenue.
- Business in the creative sector, though now operational, are functioning with reduced programmes and infrastructural capacity.
- Freelancers and organisations have adapted to new business models, including exploring the online platform to remain operational and to reach new audiences.
- Survey 2 respondents, as in Survey 1, reported need of immediate financial relief to cover lost income (53% in Survey 2, 52% in Survey 1), to meet basic needs (37% in Survey 2, 52% in Survey 1). Financial aid for staff retention was also highlighted by many respondents as a key area to remain viable (17% in Survey 2, 22% in Survey 1). Around 13% respondents in both the surveys would use low interest loans to ensure they remain as going concerns.
- A high percentage in both the surveys have cut overheads (42% in survey 1 and 41% in survey 2), used available reserves (42% in Survey 1 and 40% in Survey 2) and reduced programmes (39% in Survey 2, 29% in survey1) to survive and continue operations. A good number of freelancers and organisations are working from online platforms to sustain (27% in Survey 2, 40% in Survey 1). Staff lay-offs and restructuring is also an element of concern reported by respondents (19% in Survey 2).
- 68% in both surveys are extremely concerned about the impact of COVID-19 on their business operations and ability to survive in the short-term.

The creative industries' call for the following:

1. Access to sources of new income and imaginative opportunities from institutions and governments.
2. Financial relief
 - to cover lost income, to meet basic needs, to retain the workforce
 - low interest loans to remain going concerns.
3. Access to wider networks and support structures.
4. Capacity development and knowledge sharing on use of digital sales and social media platforms for income generation and market development.

Mid to long-term

Concerns around continuation

- 25% respondents said they will not be able to continue with their businesses in the last two quarters of 2020-21. 26% have stopped in 2020-21 and have no plans for projects in 2021-22.
- Irrespective of whether their businesses are continuing in 2020-21, most respondents are exploring the live and digital hybrid models to continue operations.
- 55% respondents face uncertainty around organising events and projects as the primary reason for not being able to continue operations.
- 29% respondents mentioned absence of income and fundraising opportunities as reasons for unable to continue.

Resource management

- 47% will be able to manage with current resources and funding for up to six months.
- 33% are confident that they can survive for more than a year.

Adaptability

- 50% have adapted business models. 55% respondents have turned to live and digital platforms.

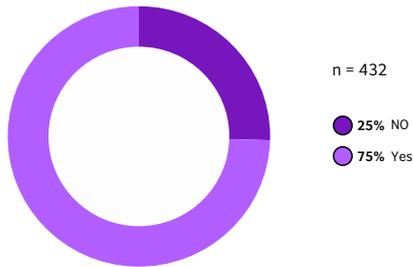
Capacity needs

- 41% affirm the sector needs stronger networks and support structures.
- 31% need emergency finance and funding to sustain.

Survey 2 – a closer look

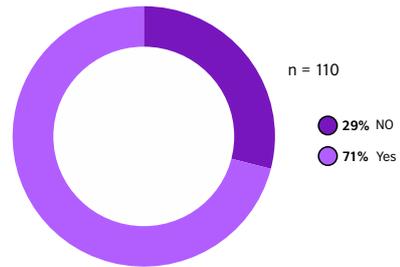
This section is specific to Survey 2 which aimed to review the increased depth of impact on the creative economy.

Continuing creative programmes in 2020-21



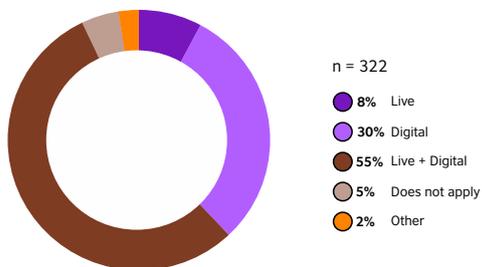
75% respondents said their creative and artistic programmes will continue in the current financial year. 25% respondents will not continue with their businesses in the last two quarters of 2020-21.

Moving programmes/projects to 2021-22



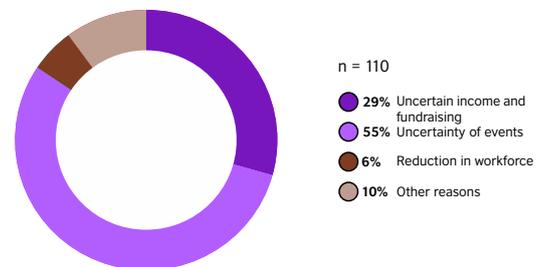
71% respondents have delayed projects to 2021-22. 29% respondents are neither continuing in 2020-21 nor have moved their projects to 2021-22. This indicates a step in the direction of permanent closure for these businesses.

Delivery model adapted to continue operations



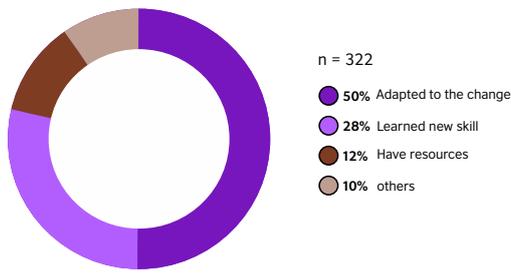
322 respondents said they would be continuing their creative/artistic programmes in 2020-21. Of these, 55% respondents are exploring the hybrid model of live and digital to continue operations. 30% turned to digital platforms exclusively and 8% to live.

Inability to continue the programmes/projects in 2020-21



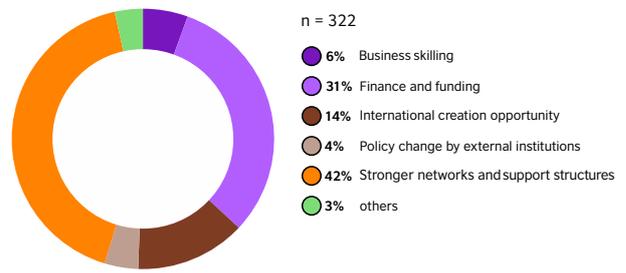
Those who said that they are unable to continue their work in 2020-21 were asked why and 110 people responded. Of these 55% expressed major concern regarding the uncertainty in organising events as the primary reason for stopping operations. 29% expressed reduced income and fundraising opportunities as the key reason for stopping.

Continuing programmes in the current financial year



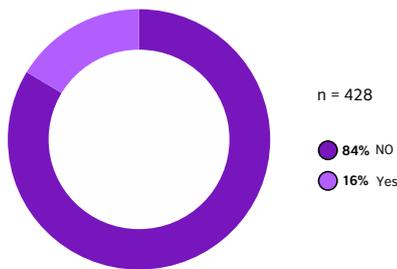
The 322 respondents who are continuing with programming in 2020-21, were asked what helped them to do so. Of them, 50% have adapted their business models. 28% have developed new skills to sustain themselves.

Future viability of the organisation



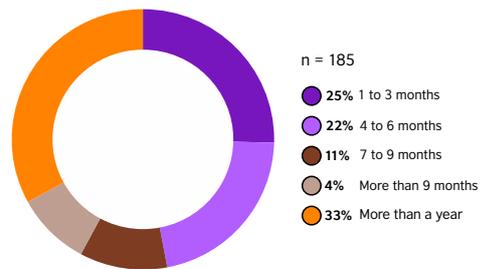
Of the 322 respondents, 42% said they needed stronger networks and support structures. 31% need finance and funding to sustain the organisation.

Facing permanent closure



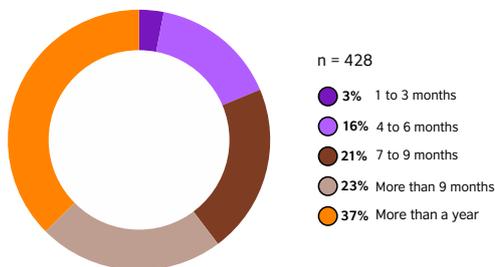
16% said that they face permanent closure soon.

Survival – the timeline



185 respondents answered this question on how long they could continue for. 47% respondents said with current resources and funding for up to six months. 33% are confident that they can survive for more than a year.

Expecting the current situation to normalise



60% anticipate that it will take more than nine months to over a year. 100 respondents have posted comment, concerns or feedback. The comments express anxiety over the uncertain future, plea for help, appeal for change in government policy as well as convey messages of hope and resilience.

'COVID-19 forced humans to search for alternative ways of living and working. From that perspective, it is a blessing in disguise. We must learn our lessons well; we must look at the positive side and we must move on with the help of technology. Change is inevitable and let us look at the change optimistically.'

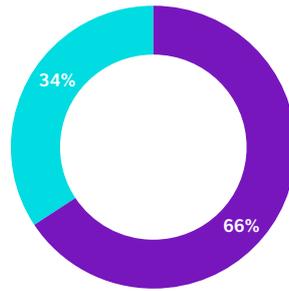
There are artisans who have ready-to-sell products but lack the skill to use online selling platforms and need support and guidance in that area. Performers (e.g. theatre actors /technicians) are facing a real tough time as face-to-face live entertainment has been completely stalled. Immediate financial help has been sought by many respondents, as well as no interest/low interest loans.

Few respondents expressed hope that the survey would aid the government to take policy-level decisions to help the creative sector. We also came across comments like 'How will this survey help me/my institution?'

Respondent demographics

Survey participation

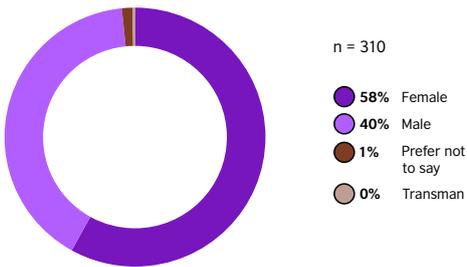
147 respondents from Survey 2 had also participated in Survey 1, constituting 34% of the total Survey 2 respondents.



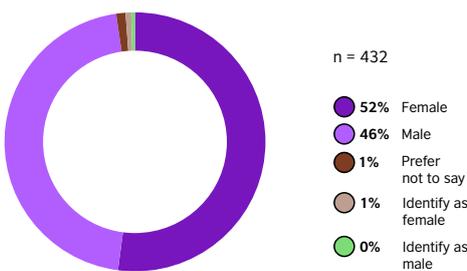
Participated in Survey 1

Gender

Survey 1 results

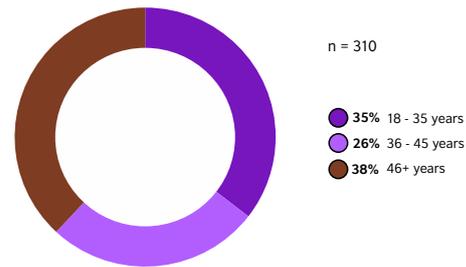


Survey 2 results

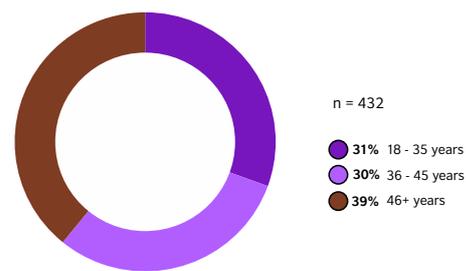


Age

Survey 1 results

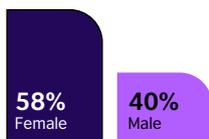


Survey 2 results

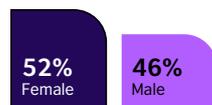


Comparison

Survey 1



Survey 2



Survey 1 was conducted in May-June during the lockdown and Survey 2 was conducted during relaxation of the national lockdown in September-October 2020. The percentage of the female workforce responding was high in both surveys (58% and 52% respectively).

Comparison

Survey 1



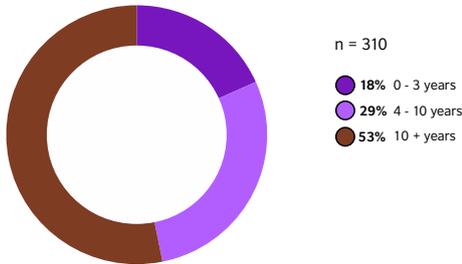
Survey 2



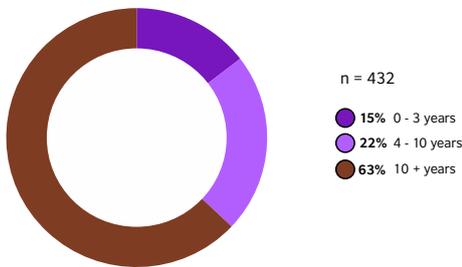
39% participating in Survey 2 are aged 46+ years, similar to Survey 1. 31% are young entrepreneurs aged 18-35 years in Survey 2.

Number of years in the creative sector

Survey 1 results

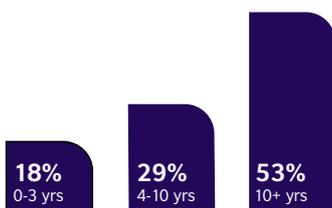


Survey 2 results

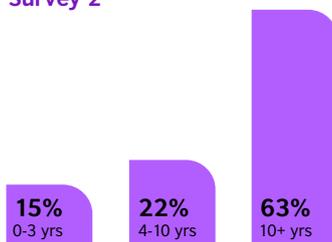


Comparison

Survey 1



Survey 2

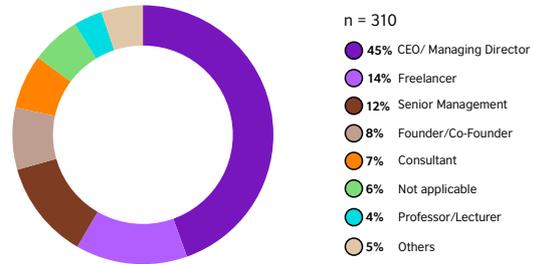


Years in the sector

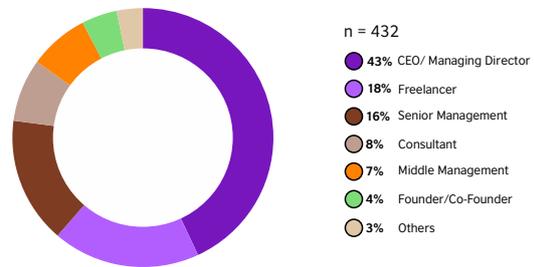
A relatively high percentage of respondents (63% in Survey 2 and 53% in Survey 1) have been in the creative sector for more than 10 years. The percentage of new entrants is lower at 18% in Survey 1 and 15% in Survey 2.

Management representation

Survey 1 results

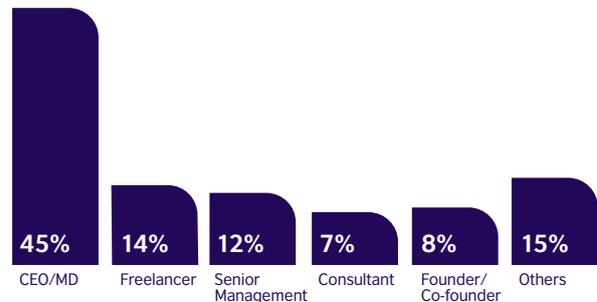


Survey 2 results

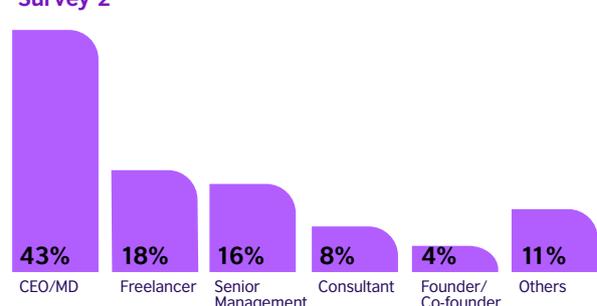


Comparison

Survey 1



Survey 2



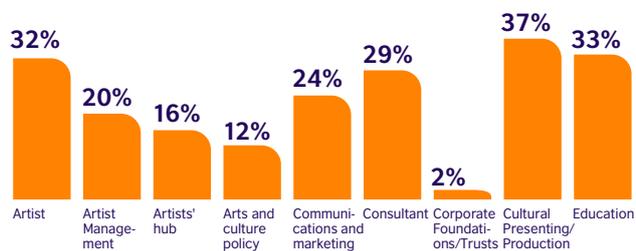
Seniority of management representation

Participation in Survey 2 like Survey 1 is mostly from CEOs/Managing Directors, Founders/Co-Founders or senior management (63% Survey 2, 65% Survey 1). Senior Managers are best placed to make choices around changes to the business, overheads, staffing and programmes.

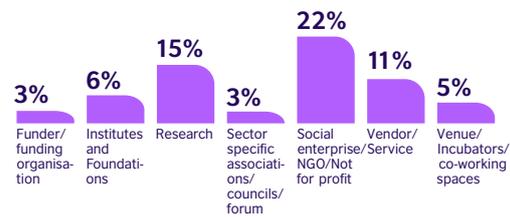
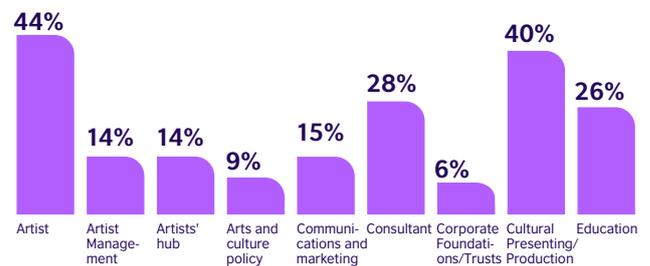
Creative industry analysis

Type of organisation and activity

Survey 1 results n = 310

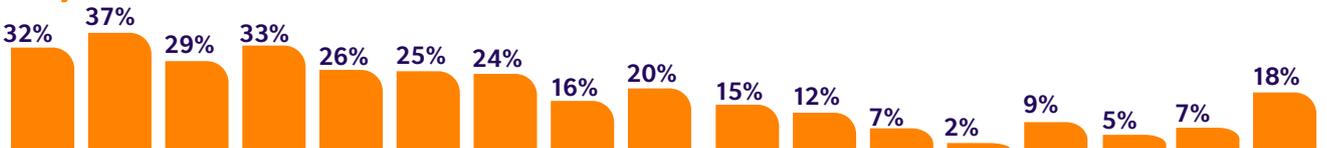


Survey 2 results n = 432

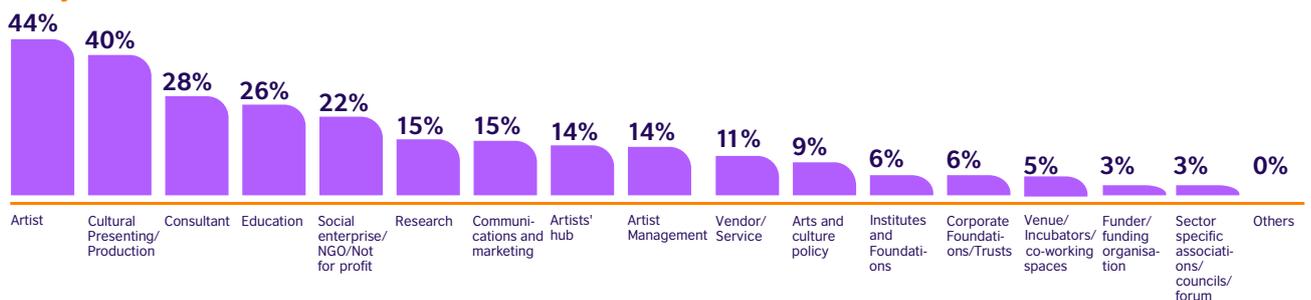


Comparison

Survey 1



Survey 2

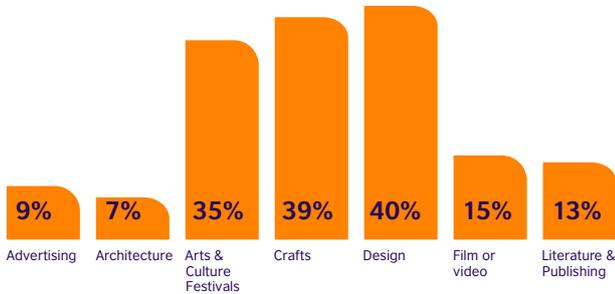


Type of organisation and activity

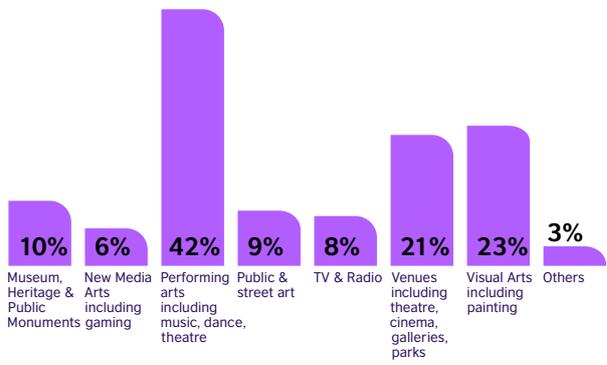
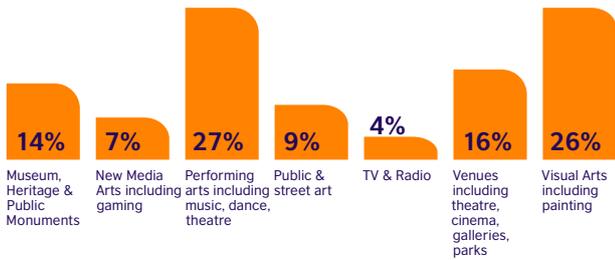
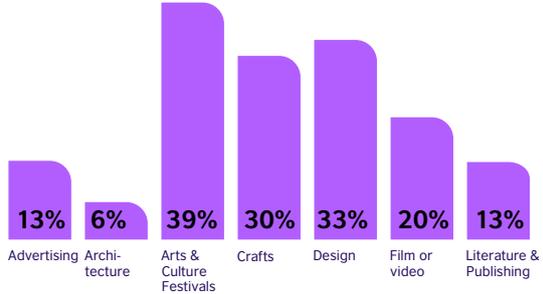
Survey 2 and Survey 1 received broadly similar number of responses from across the creative industries, from individual artists and consultants to funding organisations, corporate foundations, social enterprises and other service providers.

Creative sector

Survey 1 results n = 310

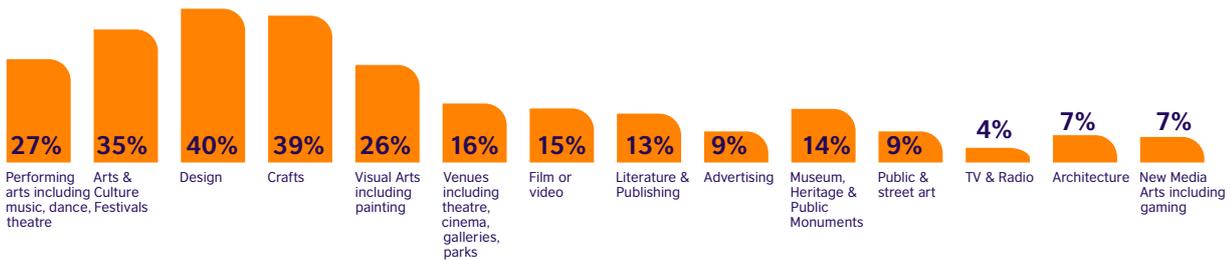


Survey 2 results n = 432

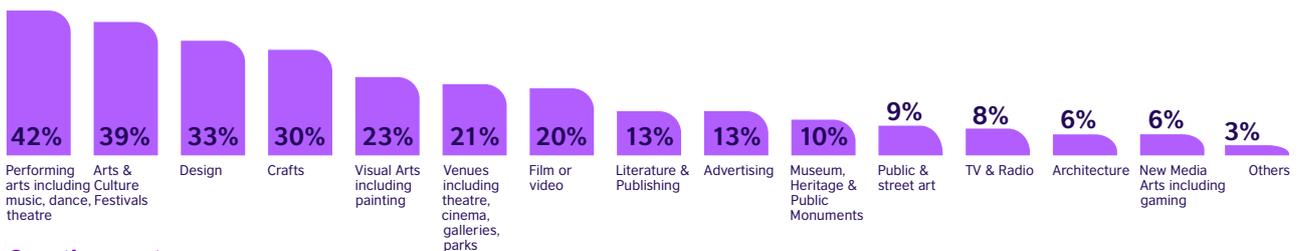


Comparison

Survey 1



Survey 2



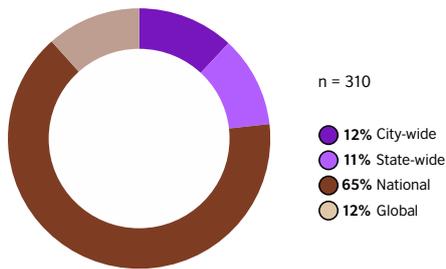
Creative sector

Percentage of respondents in Survey 2 from performing arts (15%), arts and cultural festivals (14%), design (12%) and crafts (11%). Qualitative views from individuals representing different parts and functions of the creative sector provided valuable insight into common problems, needs and steps taken in response to COVID-19.

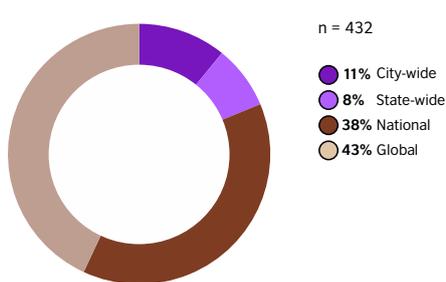
Scale of activity and size of organisations

Geographic focus of activity

Survey 1 results



Survey 2 results

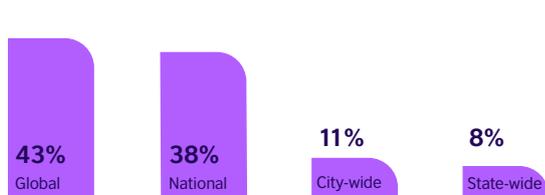


Comparison

Survey 1



Survey 2

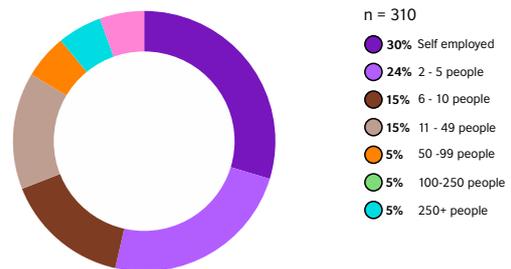


Area of operation

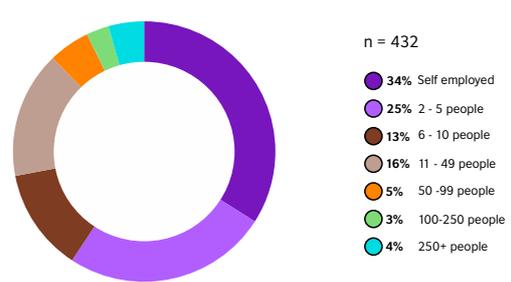
Survey 2 received more responses from businesses that have global operations as compared to Survey 1 (43% in Survey 2, compared to 12% in Survey 1). Survey 1 had higher responses from respondents operating at the national level (65%).

Scale

Survey 1 results

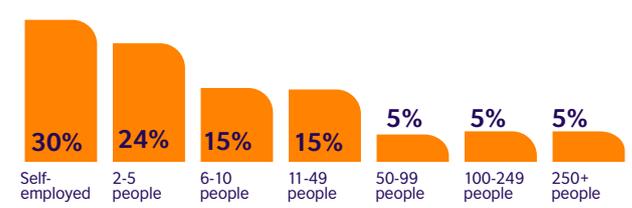


Survey 2 results

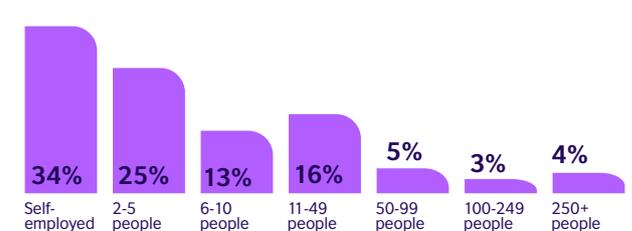


Comparison

Survey 1



Survey 2



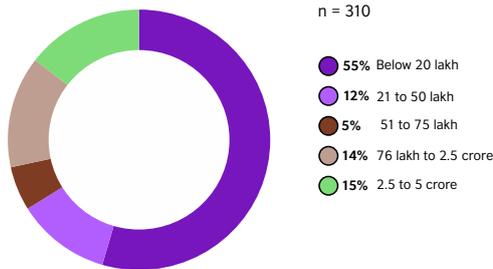
Scale of operations

Responses received from individuals and organisations of various scales. 88% of the creative sector is MSMEs.

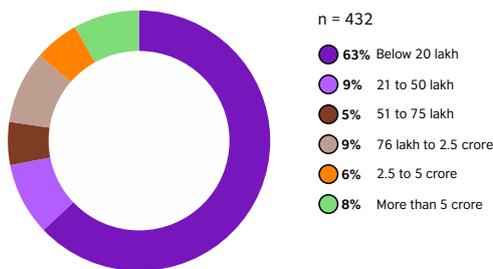
Financial models

Turnover in 2019-20 (INR)

Survey 1 results

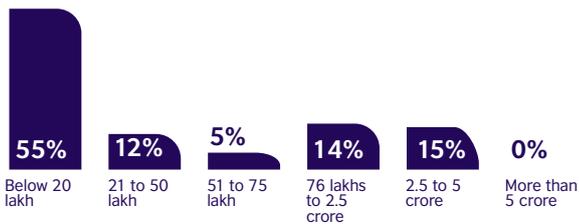


Survey 2 results

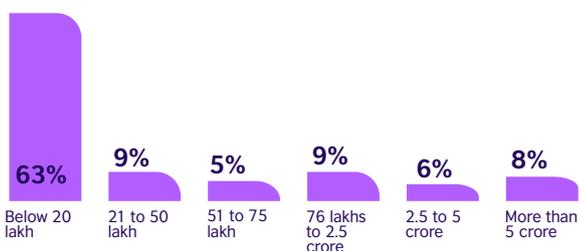


Comparison

Survey 1



Survey 2



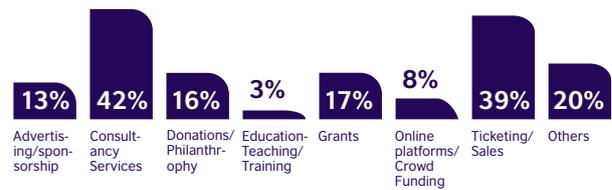
Turnover

Survey 2 shows 63% have turnover of below 20 lakhs and 72% below 50 lakhs. This micro sector has been affected by the lockdown and temporary closure.

Source of income

Survey 1 results

n = 310



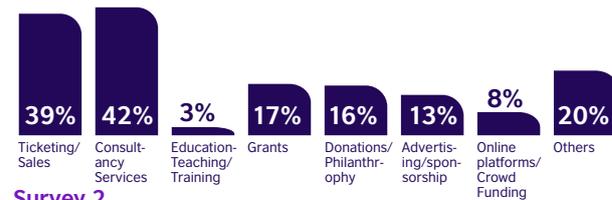
Survey 2 results

n = 432

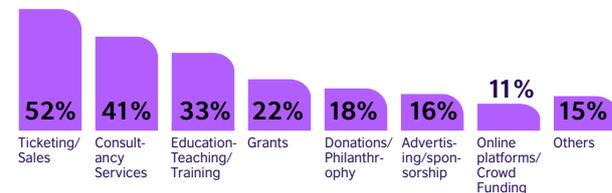


Comparison

Survey 1



Survey 2



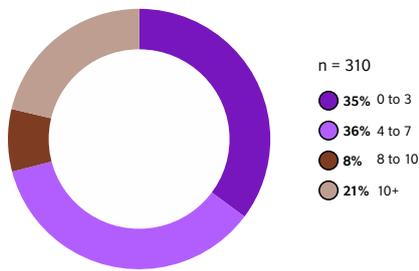
Source of income

Sources of income are varied across the creative and cultural sector with ticketing and sales the highest across the two surveys (25%). The move to teaching and training (from 2% in Survey 1 to 16% in Survey 2) confirms significant workforce mobility. Consultancy service income, which is an integral source of income for the creative sector, saw a drop from 26% in Survey 1 to 20% in Survey 2. Online platforms/crowdfunding as a source of income stayed at 5% in both surveys.

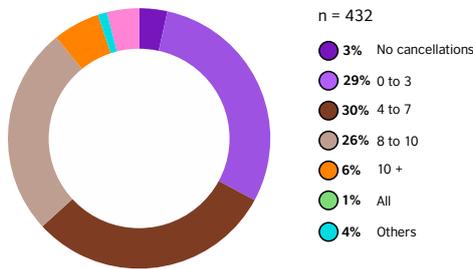
Since the COVID-19 pandemic

Events cancelled and projects postponed

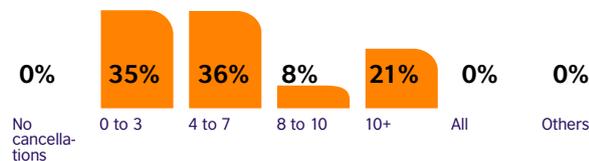
Survey 1 results: Upto July 2020



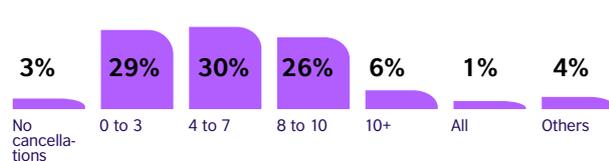
Survey 2 results: June to November 2020



Comparison Survey 1



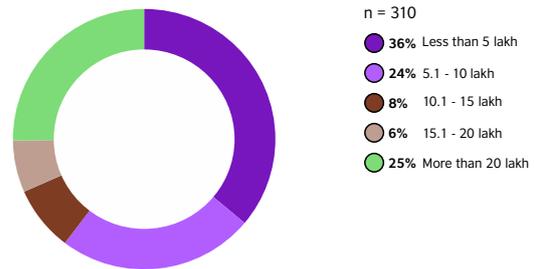
Survey 2



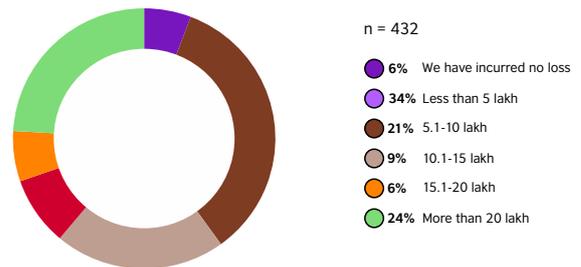
The creative economy relies heavily on events, projects and performances. Cancellation of events has had a direct impact on revenue and sustainability of the individuals and organisations. 85% have experienced cancellation below 10 projects. 6% reported loss of more than 10 project cancellations in Survey 2.

Estimated financial loss (INR)

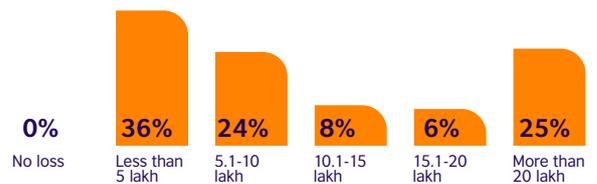
Survey 1 results



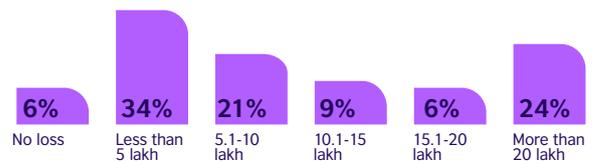
Survey 2 results



Comparison Survey 1



Survey 2

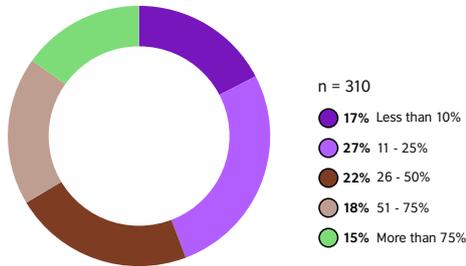


Financial loss

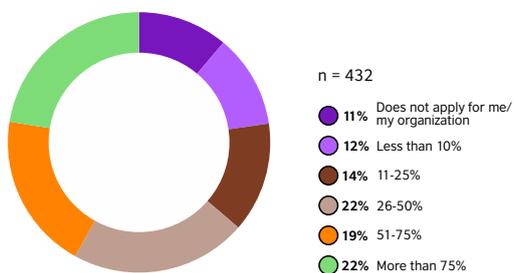
55% lost up to INR 10 lakh, 15% between INR 10 - 20 lakh and 24% more than INR 20 lakh in Survey 2. 6% have not incurred any losses in Survey 2.

Loss in annual income

Survey 1 results

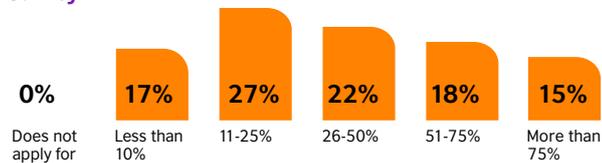


Survey 2 results

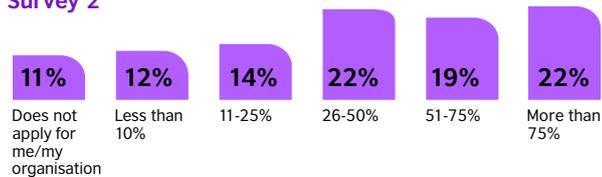


Comparison

Survey 1



Survey 2



Loss - percentage of annual revenue

Considering the financial losses (refer to graphs on 'Estimated financial loss') as a result of the pandemic and restricted mobility of the population, 22% respondents in Survey 2 have incurred losses amounting to more than 75% of their annual revenue and 41% have lost between 26% and 75% of their annual income. 27% respondents in Survey 2 mentioned that their businesses and crafts are currently not operational, explaining the loss in revenue (refer graphs on 'Business operational during COVID-19').

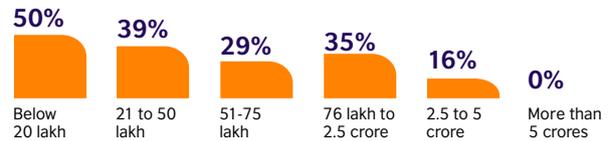
As compared to Survey 1 (33% respondents incurring losses of more than 51% of their revenue) which was completed in March 2020 during the lockdown, the number has gone up to 41% in Survey 2.

Survey 1 shows 66% respondents lost up to 50% of their annual income in the first three months of the pandemic which has come down to 48% in the second survey.

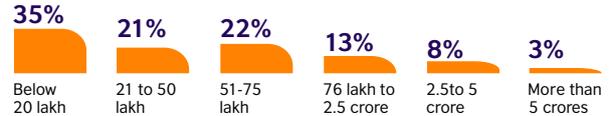
Turnover/Operation during lockdown

Comparison

Survey 1 Not operating



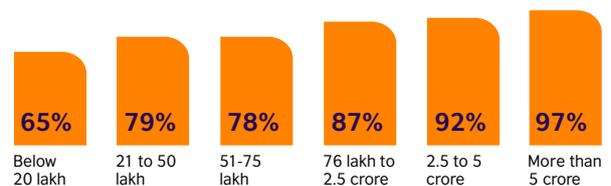
Survey 2 Not operating



Survey 1 Operating



Survey 2 Operating

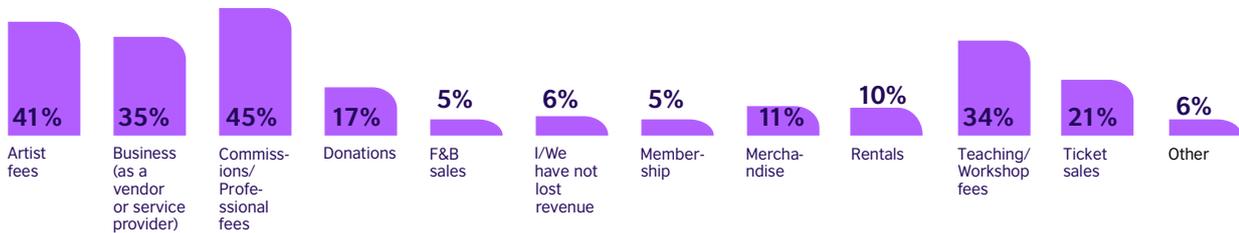


Sources of lost income

Survey 1 results n = 310



Survey 2 results n = 432

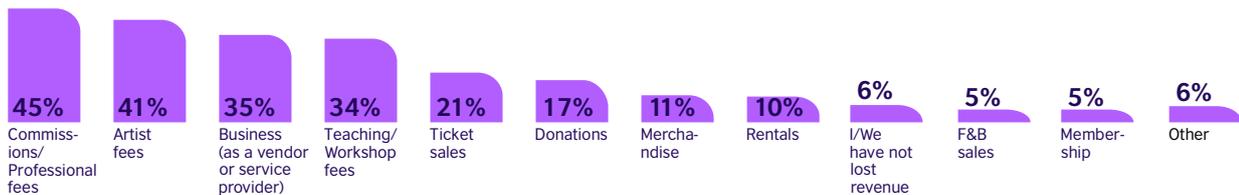


Comparison

Survey 1



Survey 2



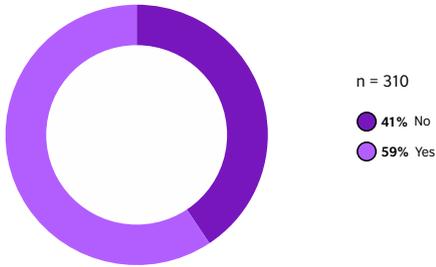
Source of lost income

Survey 2 and Survey 1 confirm lost income from commissions, professional fees, artist fees, businesses as a vendor or service provider and teaching/workshop fees (About 65% of all sources of lost income in both surveys).

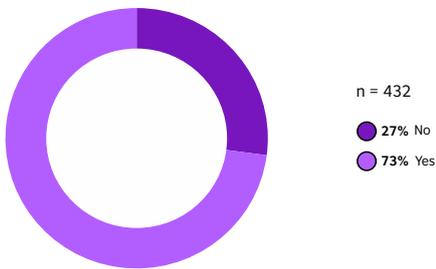
Grant income is generally committed for a one-year period. Cuts in 2021-22 from private and government grants would impact the creative sector even further.

Business operational during COVID-19

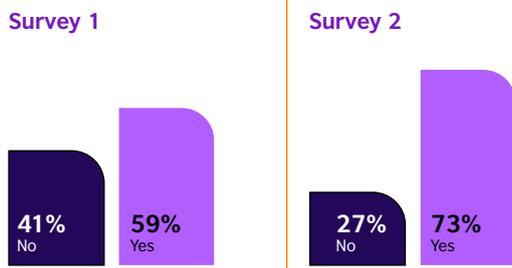
Survey 1 results



Survey 2 results



Comparison



Is your business still operational?

As compared to Survey 1, the percentage of businesses not operating has reduced considerably (from 41% to 27%).

Business functioning during COVID-19 relative to years in operation

Survey 1 results

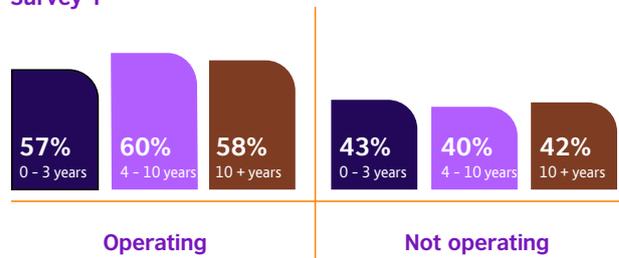
Age of organisation	Yes	No	Total No.
0 - 3 years	57%	43%	51
4 - 10 years	60%	40%	81
10+ years	58%	42%	151
Total	59%	41%	283

Survey 2 results

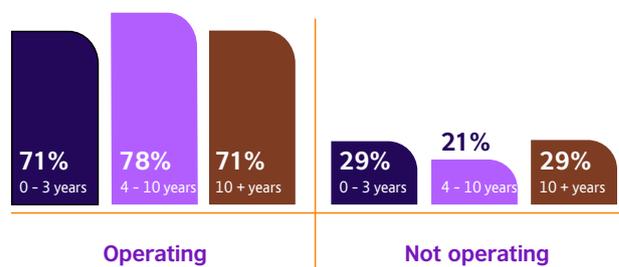
Age of organisation	Yes	No	Total No.
0 - 3 years	71%	29%	63
4 - 10 years	78%	21%	97
10+ years	71%	29%	272
Total	73%	27%	432

Comparison

Survey 1



Survey 2

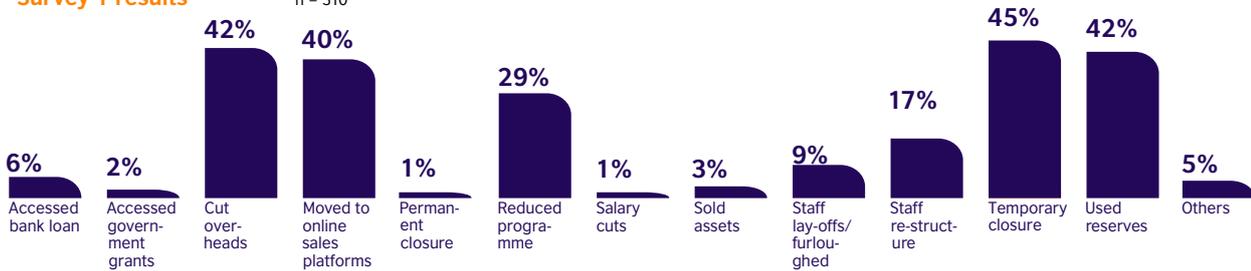


Survey 2 saw an increase in business operations regardless of the years they have been in the industry.

Risk management measures

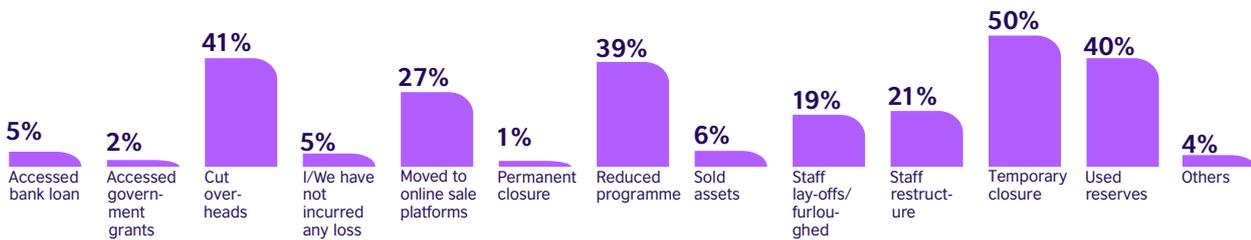
Survey 1 results

n = 310



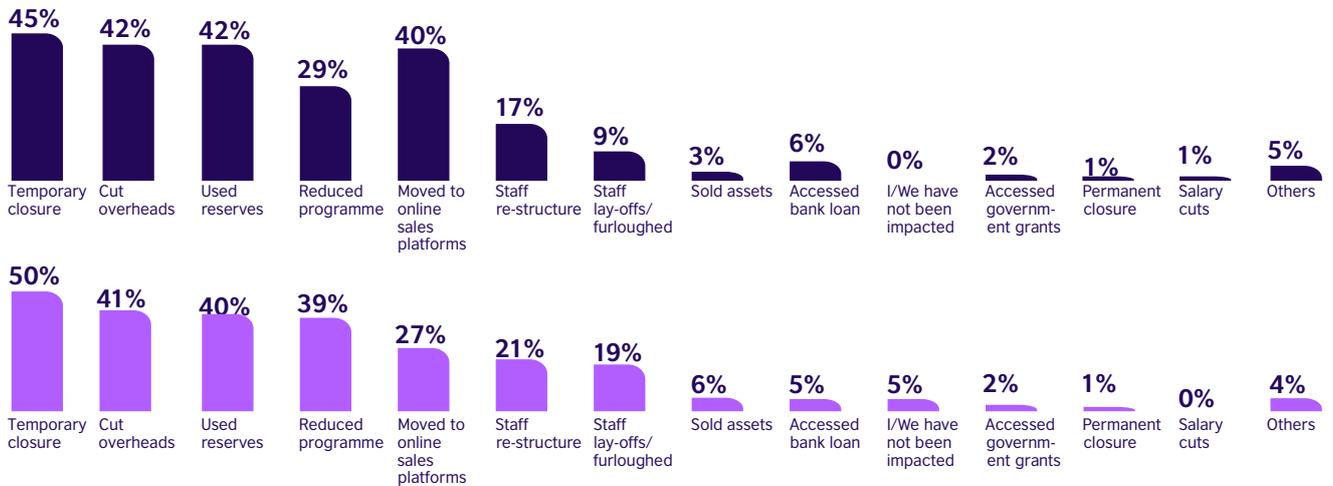
Survey 2 results

n = 432



Comparison

Survey 1



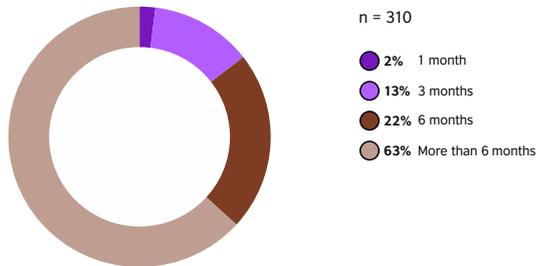
19% of creative industries remained closed in Q1 and Q2.

Survey 1 and 2 confirm the sector has reduced overheads. In both surveys, respondents used available reserves (15% in Survey 2, 17% in Survey 1) and cut or reduced programmes (15% in Survey 2, 12% in Survey 1).

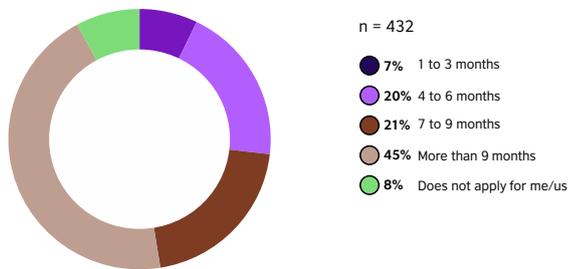
Freelancers and organisations have moved to online platforms to sustain themselves (10% in Survey 2, 16% in Survey 1). Staff lay-offs and restructuring was also reported in second survey (15%).

Estimated time for business recovery post COVID-19

Survey 1 results



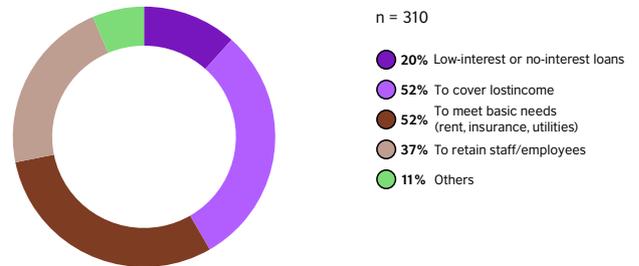
Survey 2 results



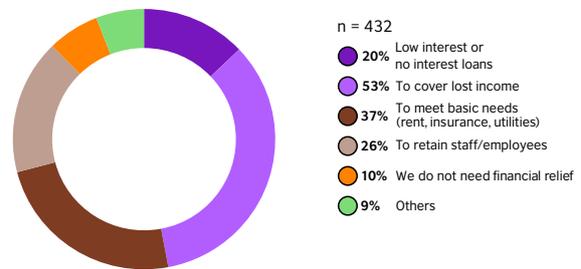
66% respondents in Survey 2 believe it will take at least seven months for signs of economic recovery.

Need for emergency financial relief

Survey 1 results



Survey 2 results



Comparison

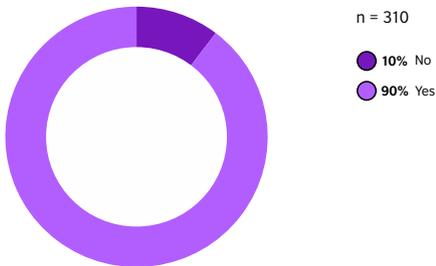


Financial relief

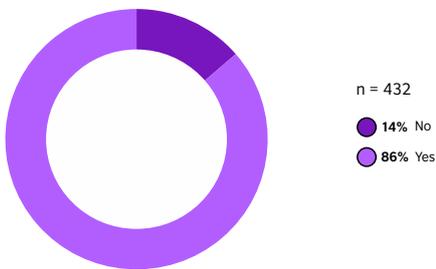
Respondents in Survey 2 as in Survey 1 said they need immediate financial relief to cover lost income (34% in Survey 2, 30% in Survey 1), to meet basic needs (24% Survey 2, 30% Survey 1). Financial support for staff retention is an area of concern (17% Survey 2, 22% Survey 1). 13% call for low interest loans to remain going concerns.

Social distancing impact

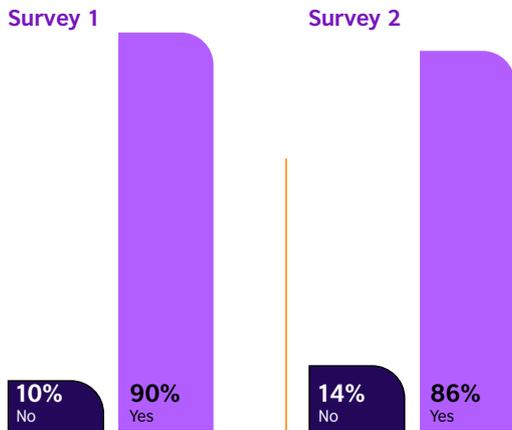
Survey 1 results



Survey 2 results



Comparison



86% of Survey 2 respondents are concerned that social distancing will impact the creative industry in the long term; a 4% decrease from Survey 1.

With the kind of financial losses incurred by the creative sector, the temporary stalling of businesses, and concern over social distancing, most respondents (68% in both surveys) mentioned that they were extremely concerned about the impact of COVID-19 on their business operations and survival in the future.

Case studies

Government of Assam support for artists



About the programme

The Cultural Affairs department of the Government of Assam announced three months financial assistance to the artists of the state. They were provided INR 2,000 per month in April, May and June 2020.

The impact of COVID-19 in Assam

With the advent of the pandemic, the world is in a situation never seen before. The lifestyle and health (both physical and mental) of people and medical issues have taken new meaning and shape. All economic activities have been put on hold. The cultural world has come to a standstill. Hundreds and thousands of artists and cultural

activists who are daily wage earners and completely dependent on their art forms became helpless and unemployed with the sudden announcement of the lockdown on 23 March 2020.

The government's response to the situation

After responding to the initial shock and threat to people's health, the Government of Assam took the decision to offer a helping hand to all those who became jobless, including migrant labourers and artists.

The mandate of the Cultural Affairs Department, Government of Assam, has been to preserve, promote and expand the cultural heritage of the

state. The directorate has been working relentlessly to preserve, promote and expand all art forms, such as ethnic, traditional folk and tribal cultures, specially satriya, the dance-drama performance art which includes within its practice music, instruments and costumes. The directorate selects and awards different accomplished, renowned artistes. This includes monetary awards too.

The directorate offers pensions to indigent artists, widows of artist pension holders, family pension, one time ex-gratia and takes care of medical treatment of the artists through the Assam State Film (Finance and Development) Corporation. It also offers grants to cultural institutions and sponsors different cultural artists for travel within the state, country and abroad.

With COVID-19, the performing artists of the state have been badly affected as there have been no celebration of fairs or festivals during the period of lockdown. The performing artists who usually earn a livelihood by catering to the tourists (performing folk arts at hotels/resorts etc.) were also badly hit as tourist inflow completely stopped. As a consequence, they are facing tremendous hardship. Many of them have had to shift to other occupations involving physical labour.

Innovations made to build strength and resilience

Many artists have begun to conduct classes and webinars online, including teaching and performing music, dance, drama, painting and photography.

The shift to digital has not been easy because of the lack of infrastructure, internet connectivity, and skill.

Measures taken

- i) A song was composed with the visuals to create awareness about COVID-19 and telecast on Doordarshan and other media channels in Assam. The artists were paid.
- ii) A skit with local artists was prepared, dramatised and released on social media for public viewing.
- iii) Gratuitous relief was distributed through the district magistrates/deputy commissioners

of different districts to 1,513 families of mobile theatres of Assam.

- iv) Steps have been initiated to provide relief to traditional artists of Assam for three months.

Key data

- (i) Relief of INR 2,000 per month for three months to 18,410 families. A total of INR 11,04,60,000 distributed.
- (ii) Relief in kind was distributed to 1,513 families of mobile theatre.

Challenges

The artist community faced challenges in accessing the government relief. Initially the programme was announced through the website and artists were asked to apply online. But as the initial response was very low, the scheme was then advertised through newspaper and physical applications were accepted.

Scope to emulate and recommendations

The relief scheme needs to reach maximum beneficiaries. For better accessibility, the government will emphasise on creating awareness about the scheme at grassroot level.

Building digital skill for artists is also an important aspect for the success of the programme. This can be done through NGOs who work at the grassroot level.

The pandemic has taught us that humans are fragile by themselves. Our strength lies in being part of a community. Creative partnerships and the digital economy can create a better world for all.



Madhurima Barua Sen
Secretary Cultural Affairs
Department,
Government of Assam

#ArtMatters: support from the sector



Manjari Chaturvedi

#ArtMatters is an initiative by the Teamwork Fine Arts Society - a not-for-profit organisation that is committed to the cause of promoting and preserving the arts, literature and craft.

#ArtMatters is working towards creating awareness about the current reality of artistes and artisans across India and developing support channels for them. Since its inception in April 2020, over 100 artistes have participated in the #ArtMatters campaign through video appeals and testimonials.

Given the large-scale need for financial help in the cultural sector, #ArtMatters partnered with foundations across the country such as **Rajasthan Josh Sidhar Vikas Sansthan**, which supports families of folk musicians in a village in Jaisalmer, the **Brahmaputra Cultural Foundation**, helping artistes and their families in Assam, and the **Vimor Handloom Foundation**, working with weavers primarily in the South of India, **Brahmaputra Cultural Foundation**, helping artists in and around northeastern states, **A.R. Rahman Foundation**,

which helps in getting children enrolled in their flagship programme the Sunshine Orchestra, **Amarrass Society for Performing Arts**, helping music instrument makers and reviving the art of folk instrument making, **Sufi Kathak Foundation**, which helps Qawwals, **Artist 2 Artist**, which helps theatre artists in Maharashtra.

#ArtMatters joined hands with various industry leaders including the fashion brand **Raw Mango** and **Aditi Mangaldas** to broadcast a series of short films titled, '**Within...from Within**', which not only shed light on the current reality of performing artists but also helped raised resources for them. A second partnership with Anubhav Nath of Ojas Art resulted in the creation of a virtual gallery showcasing traditional indigenous art entitled **Fables of the Earth**.

Given the increased need to provide relief as well as a demand for a platform for artistes to come together and collaborate on, **I Believe #ArtMatters** was created in partnership with

UNESCO (The United Nations Educational, Scientific and Cultural Organization), FICCI (Federation of Indian Chambers of Commerce & Industry), ICCR (Indian Council for Cultural Relations), British Council, Give India, Earth Day Network, BookMyShow, EEMA, RedFM, and TV channel, India Ahead.

I Believe #ArtMatters brought together a range of music, theatre, dance, and cinema showcasing India's cultural diversity and its syncretic traditions. This was broadcast across social media to an engaged viewership of over 1,90,000 viewers plus TV audiences who viewed this on India Ahead.

The campaign plans to continue to raise awareness and fundraising through performances periodically over the coming year. In a parallel discourse titled ARTiculate, the campaign will focus on the trials and successes of the achievers and innovators in the arts and craft world. Aimed to open avenues of discussion and create platforms for artistes and artisans to continue to create and connect with each other and an interested virtual audience.

Sanjoy Roy
Teamwork Arts

Number of persons supported:
5,554

Number of families supported:
1,386

Honorarium to performers:
300

**Total amount raised till 15
October 2020:**
INR 52,00,000

**Distribution towards partners
NGOs and artist families:**
INR 20,80,000

Honorarium to performers:
INR 15,60,000

Number of partner NGOs: 11



3G by Vikku Vinayakram and V. Selvaganesh

Cultural festivals and COVID-19 – Financial planning, operations and digital pivot

Case study: Only Much Louder and NH7 Weekender



21st century India has seen the emergence of a culture of privately funded arts festivals. The organised events and activations industry is pegged at INR 10,000 crore by a 2017 Ernst & Young and Event and Entertainment Management Association (EEMA) report, which also noted its hyperactive growth at 16% CAGR annually¹. But as per EEMA's informal estimates, if the unorganised segment is included, the industry size could be as big as INR 5 trillion.²

Cultural festivals informally fall under the events and activations sector. A growing interest and engagement with the arts, culture and heritage in general among the public in India and rising disposable incomes of younger audiences, has led to an exponential growth of the festival sector in the past decade.

Since March 2020

Though moving along an upward curve, the festival sector was still in its nascent stage with no formal working culture, platforms or industry bodies representing their needs and voices when COVID-19 caught it off-guard. With the cultural season behind them, festivals were in preparation for their next editions, planning

their curation, reaching out to sponsors, shortlisting venues, building their marketing and audience engagement strategies when the national lockdown was put in place. EEMA conducted a survey earlier this year with the help of 170 COVID-19 affected companies. The report that was shared with the Government of India, stated that 90% of businesses were called off for 52.91% companies between March-July 2020, and almost seven companies laid off 50% to 80% of their workforce.³

Unlike other industries, festivals thrive on the coming together of people, their teams are people intensive, they work mostly with freelancers and consultants, and operate out of shoestring budgets. The lockdown and the public health scare resulted in festivals postponing their schedules indefinitely, transitioning their work to online, creating digital editions, and some who have been striving to make physical editions happen have been handed a clout by the uncertain nature of the pandemic.

According to a survey⁴ of 106 festival directors and managers undertaken by the British Council and Arts & Culture Resources India as part of its

1. <https://economictimes.indiatimes.com/industry/media/entertainment/media/events-industry-to-cross-rs-10000-crore-by-fy21-report/articleshow/60454703.cms?from=mdr>
2. <https://www.livemint.com/industry/media/the-scary-long-pause-plaguing-live-events-11597157459753.html>
3. <https://brandequity.economictimes.indiatimes.com/news/media/eema-examines-the-impact-of-covid-19-on-event-and-entertainment-industry/75268619>
4. <https://www.indiacultureacri.in/post/2020-28-august-pause-and-observe-temperature-check-of-cultural-festivals-digital-meeting>

Festival Connections programme, 35.8% of the respondents had already organised their festivals in FY 2020-21, 22.6% had moved it to FY 2021-22, and 23.6% of the respondents had moved their festivals indefinitely.

We look at the transition of management and operational practices within Only Much Louder (OML) Entertainment Pvt Limited and its impact on the NH7 Weekender Music Festival.

Managing Finances and Operations during COVID-19

“You should always split the company into two groups of people. The job of one of the groups in the company should be to look at how to survive this period. The second group should look at how to prepare the company for the future” - Dhruv Sheth, COO, OML.

In a session presentation on Only Much Louder, an Indian artist and event management company and a new media enterprise that has founded and organises the decade-old, five-city NH7 Weekender Music Festival, COO, Dhruv Sheth enumerated the financial and operations planning of the organisation and the festival in response to COVID-19.

At the time lockdown in India was announced in March 2020, the festival was preparing for its next edition in December 2020. With India imposing one of the strictest lockdowns in the world and taking a cue from the global festivals sector, OML cancelled all its upcoming live events for the next two quarters till September 2020. *“We reimagined our planning keeping in mind the worst-case scenario - assuming that there are no events happening for the next 6-9 months,”* said Dhruv Sheth.

In keeping with the best practices of financial management in times of crises, one of the first decisions the organisation took was to pare down all non-essential expenses which are of rental and subscriptional in nature. This included cutting down on rent, electricity and the internet among other expenses which were not essential for the working of the company. OML was also quick to act and cancel any new contracts and close on related formalities with their vendors and get back the advances on any bookings.

As was the best practice in times of crisis, companies were advised to resort to pay cuts to further reduce their expenses. However, at OML, the cuts were targeted disproportionately

towards the top management and high earning employees of the company. The reasons, as outlined by Sheth, was that *“their (top management) 25% pay cut will result in retaining a bunch of employees”*.

The financial and operational changes led by the management at OML helped in retaining its teams, and further, provided the live events department time to rethink its festivals. The agile decision making also provided in-house teams with opportunities to experiment with new formats and experiences, which are discussed in the section below.

Suspended in between

“Trust your audience. Trust the cultural needs that you have created. The audience will find you.” - Dhruv Sheth, COO, OML

NH7 Weekender gets about 1,00,000 attendees every year, spread out through multiple events, across different cities in India. The festival also has an active online community of 5,00,000 people across its social media platforms. As live events across the country were cancelled, festivals moved to digital and social media platforms to understand the pulse of the audience and keep the engagement going. The OML team tracked their audience moods and needs online and surmised that while their audience were disappointed with their inability to consume live events with the lockdown regulations, they were already looking out for new avenues to engage with.

In June 2020, OML experimented with transitioning some of its live branded events to digital formats. They started with easier formats like comedy shows and creative conferences before trying out smaller music gigs for the virtual public.

From July 2020, the live events team at OML organised an online gig every month, experimenting with formats, design, interactive experiences and platforms. These pilot events were created to suit smaller audiences. After organising a few events and learning on the go, the team decided to go ahead with a virtual version of its flagship NH7 Weekender festival.

Going digital

“In comparison to an on ground festival, I would say, this took half the time to organise and put together” - Manish Chandnani, V.P, OML Live

The OML team decided to take the 2020 edition of the Bacardi NH7 Weekender Festival online in August. The festival took place from 4-6 December with a lineup of 24 homegrown and international artists which included the Lumineers, CAS, Hiatus Kaiyote, Prateek Kuhad, Shruti Haasan Ft. Murthovic & Karan Parikh, Raja Kumari, and more.

The festival, built entirely on an interactive digital platform, attempted to recreate the festival going experience to suit the needs of a virtual audience. With a photobooth, a mash-up station, private virtual parties, an F&B lounge and an interactive global stage to connect with fellow audiences, the OML team innovated within their means to put together a digital experience catering to their core audience, the urban youth.

Some audience engagement statistics from NH7 Weekender 2020

Across genres, cultural festivals in India are

1. The global chat feature recorded over 170,000+ messages exchanged across the three days between the festival attendees.
2. Over 1,100 attendees shared spotlight feature videos of themselves enjoying the festival from their homes.
3. Over 26,000 private parties were started where the attendees got into private rooms with their friends dialling in from different parts of the world.

experimenting with different types of revenue models. These include pay per views, subscriptions, donations, sponsorships and different types of ticketing. Some festivals use all these models in different scales. NH7 Weekender adopted a ticketing-sponsorship model. With a title sponsor in the bag, the festival put out tickets ranging from INR 199 to INR 9999.

The ticketing slabs were built on personalised experiences for its attendees, by providing customised NH7 kits to be home delivered and at home F&B experiences. For instance, with the Book a Bartending Experience, audiences were

provided with bartenders for the festival duration at their house.

As a team, the key concerns OML faced were the uncertainty of things, and the inability to imagine a festival of scale like the NH7 Weekender, as a virtual edition. There were no established pathways or roadmaps to produce a virtual festival and they had to start at scratch. The major efforts of the team were spent in designing the smaller, intricate aspects of the festival - if an act needs to be live or pre-recorded, how will an experience look on screen, what did they want to achieve with the festival, and so on.

The team had to adapt to remote working, learn new tools and creatively adapt them to suit their needs, stay updated with the changes in the technology, as well do a lot of research in terms of thinking through a concert in a virtual space. They stayed in touch with professionals from the space of virtual experiences throughout the past few months, ranging from social media experiences to more immersive AR-VR experiences to find a format that worked successfully for them.

Metrics

From live to digital, the metrics for festival success needed to be re-imagined. For instance, the 'footfall' was articulated as both ticket buyers as well as 'minutes' of content consumed.

In all, the virtual edition of the NH7 Weekender was attended by over 65,000 participants with an average stream of 108 minutes, consuming 7,000,000+ minutes of festival content over the three days.

In sum, a strategic pivot of OML's operations and financial strategies in the light of the pandemic and the subsequent lockdown, proactive research into changing audience behaviour, expertise and agility in transitioning work by both management and team to meet new demands, and experimenting with small format events, enabled the organisation to manage a thought through transition of NH7 Weekender 2020 into its virtual avatar.

TM Yadhukrishnan
Project Coordinator, The Art X Company

Government response

The Department for Digital, Culture, Media and Sport (DCMS) in the UK has codified, segmented and recorded the economic value of the creative industries since 1997. The treasury in the UK systematically embeds the creative economy within the tax system through income tax, VAT, corporation tax, gift aid and tax reliefs.

The national, state and federal structure of government in India segments the creative economy in different geographic areas and departmental ministries including culture, tourism, textiles, handloom and the tribal affairs.

India's complex governance structure mitigates against easy comparison with the UK system for cultural policy and investment in the creative economy.

However, a brief explanation of how the two countries define creative economy provides further understanding towards the findings of the research.

In Q1 and Q2 the government in Britain and the devolved nations in Wales, Scotland and Northern Ireland with arms-length funding agencies (Arts Council England, Arts Council Wales, Creative Scotland and Arts Council Northern Ireland) took concerted action to support the creative economy during the onset of COVID-19.

GBP 1.57 billion has been invested in the creative industries and through a separate furlough scheme for employment in creative businesses. The situation has been more challenging for the freelance workforce in the creative economy in the UK, many of whom have not been able to access financial support.

In India, key segments of the creative sector are part of the informal economy, most notably in crafts. It is, therefore, currently challenging to quantify some tax gain from the creative economy to India's national annual Gross Domestic Product (GDP).

As part of the measures to support cultural and enterprise, the relevant government departments have announced a range of measures; glimpses of some which are given below.

Financial aid

The cultural sector

The **Uttarakhand Government's** initiative provides grant of INR 1,000 (per artist) to folk artists affected by the COVID-19 outbreak.

Financial aid provided by the **West Bengal state government** has benefitted 1.95 lakh folk artists including the elderly ones those are enrolled under **Lok Prasar Prakalpa**.

The **Government of Manipur Secretariat: Art and culture department** has sought applications from willing and eligible persons for the Chief Ministergi Artistessingi Tengbang (CMAT).

Tourism

On **23 October 2020**, the **Kerala Chief Minister announced** that the state has launched **26 new tourism projects** (worth around INR 59.51 crore) to boost the tourism sector (which lost over INR 25,000 crore due to COVID-19).

Textile

The measures taken by the **central government** to combat the impact of COVID-19 including the **INR 3,000 billion collateral free automatic loan** for businesses, including the MSMEs, is expected to rejuvenate the critical sectors of the economy and provide the benefit to 4.5 million small businesses including many small textile and apparel units as well.

In the UK, GBP 1.57 billion has been invested in the creative industries and through a separate furlough scheme for employment in creative businesses.

Handloom

The Telangana government recently released **INR 93 crore** for weavers under **Nethanna Ku Cheyutha' (thrift scheme)** well before the mandatory lock-in period of three years to provide relief in COVID-19 times.

20,554 weavers have been enrolled under the **Chenetha Mitra**, the yarn subsidy scheme. The government has allocated **INR 15 crore** for the revival of the Pochampally Handloom Park. **INR 7.92 crore** was deposited into the accounts of 30,984 weavers and ancillary workers.

Schemes

The cultural sector

The **Ministry of Culture (Performing Arts Bureau)** has many schemes and selectively sanctions grant to the creative sector under its **Kala Sanskriti Vikas Yojana** for holding programmes/activities using digital platforms for large audiences.

In October 2020, it was announced that the state of **Delhi** is working on a comprehensive **cultural policy** targeted towards ensuring meaningful contribution of art and culture towards transforming the mindset of the society.

In **West Bengal**, under the **MSME department**, the **Banglashree for MSMEs scheme** was launched (No.1543/MSMET-18011(11)/1/2020 Date – 22.07.2020), applicable from 01.04.2020 to 31.03.2025. It is an incentive scheme for new enterprises and expansion of existing enterprises. The scheme will extend fiscal incentives to encourage entrepreneurs to set up MSME. This will apply to cultural enterprises as well.

Tourism

A joint initiative between the **Ministry of Tourism and The Quality Council of India** is **SAATHI (System for Assessment, Awareness & Training for Hospitality Industry)**. It entails increasing awareness about operating safely amid the pandemic.

Apart from this, the Union Ministry of Tourism is working actively to put together guidelines for travellers, monuments, hotels and restaurants, tour operators and other stakeholders.

Department of Tourism, Government of Andhra Pradesh, has identified potential locations for development of hotels and resorts and is actively marketing it to investors and developers of international repute. Plans are also in the offing to develop amusement parks and adventure sports while ensuring seamless connectivity of the destinations from all major airports. **APTDC** (Andhra Pradesh Tourism Development Corporation) has started operating its 37 hotels across the state.

The **Goa Tourism Policy 2020** was approved in October 2020 by the Government of Goa with the vision to make the state the 'most preferred destination around the year for high-spending tourists' in 2024.

The Tour Operators and Travel Agents Association of Gujarat (TAG) has initiated a campaign to promote domestic tourism. A five-member team from TAG will embark on a historical 36-day road trip across India, started from September 18 to showcase their landmark monuments and COVID-19 ready hotels. **The Government of Gujarat** has announced a special relief package to boost the state's economy which can have a direct or indirect impact on the tourism industry.

In Maharashtra, since the beginning of the year, the tourism department has sent at least five major policy decisions to the state cabinet, all of which have been approved to revive the industry post COVID-19. The state tourism department has issued a standard operating procedure (SOP) for tour operators and tourism service providers.

The **Agro-Tourism Policy, Maharashtra** approved in September 2020 is set to revive the tourism sector and provide support to the rural economy. Homestays in farms and orchards will be encouraged. The Tourism Department will

In India, some state governments have provided emergency grants for relief to artists and companies.

The focus is on areas like folk art, tourism, textile and handloom.

certify these centres after which they can be eligible for loans and other tax benefits.

Odisha Tourism is focusing on safety and health, domestic tourism and promotion of curated and niche experiences. Odisha has been working on several innovative products to enhance the brand value of the state. These include houseboats, river cruises, and culinary tourism, among others.

In **Rajasthan, the Tourism, Art & Culture department** has formed a special task force for the economic revival of the hotel and tourism sector. In addition, salary support, waiving of electricity charges, state tax reimbursement, reduction in bar fees among others have also been explored.

In September 2020, the government approved the **Rajasthan Tourism Policy 2020** with the main objective being to attract tourists to Rajasthan as their most preferred destination and bring in national and foreign tourists through **Experiential and Responsible Tourism**, while simultaneously accelerating socio-economic development by improving livelihood opportunities.

Textile

Many small textile and apparel units will benefit from the central government's MSME loan scheme. The extension granted by the Government of India and Reserve Bank of India, pertaining to six months moratorium for interest and for four-years repayment period including one-year postponement for MSME segments for COVID-19 loans, would provide much-needed upliftment to the textile industry.

Against the backdrop of further impact that the low margin capital-intensive textile industry could face because of the pandemic, the **Confederation of Indian Textile Industry (CITI)** has approached RBI for one-time loan restructuring, citing a 25-30% drop in the overall demand in FY2021.

Uttar Pradesh is planning to replicate the success of Vietnam and Bangladesh in becoming a major textile manufacturing and exporting hub as the influx of migrants from domestic textile centres in Gujarat, Punjab and Maharashtra continues following the COVID-19 lockdown. The state has started the process of **skill mapping** of incoming workers and covered more than 12,000 so far in the first phase. Most of these have been found to be trained in garment making and tailoring. Uttar Pradesh also recently announced that it would set up a Migration Commission for the welfare of migrants. The government has named the panel as Kaamgar/Shramik (Sevayojan evam Rozgar) Kalyan Aayog. The commission will also take steps for insurance cover to the migrants. The state is also planning to leverage the central stimulus package to offer housing facilities to the migrants.

Handloom

In August 2020, the e-commerce marketing giant, **Flipkart** has signed a Memorandum of Understanding (MoU) with **Assam Government's Industries and Commerce Department** in the presence of **Chandra Mohan Patowary, Minister of Industries and Commerce** to promote the state's local arts, crafts and handloom sectors by bringing them into the e-commerce fold under the **Flipkart Samarth** programme.

Indian School of Business (ISB), Hyderabad will be working with the Government of **Telangana** to study how the pandemic has impacted weavers' families. In the near-term, ISB will be providing recommendations to improve the effectiveness of these schemes and suggest measures to build assured market, systematised production, product and design development to increase the net income of weavers.

A memorandum of understanding (MoU) was signed between ISB and the Department of Handlooms and Textiles, Government of Telangana on National Handloom Day 2020. About 40,000 families in Telangana depend on weaving activity.

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Research methodology

The study is aimed at creative professionals, arts companies, sector support organisations, policymakers and funders. The survey questions are designed to provide insights on the impact of the pandemic on the creative economy, organisations and the workforce in response to the depth of the economic situation.

The survey was sent to 4,500 individuals and organisations on the British Council database, and through outreach partners. The link was live from 1 September to 15 October 2020 and 456 responses were received. The survey questionnaire was available online in English, Hindi, Bangla, Malayalam, Telugu, Kannada and Tamil.

Together in Survey 1 and 2, 742 organisations and individuals have completed the survey. Within our response rate, we have a confidence rate of 95 per cent giving validity and assurance to the total quantitative research findings.

The data has been collected through Microsoft Forms and cleaned by removing duplicate records (i.e. by removing multiple responses from the same individual or organisation. In some cases, multiple responses from the same organisation has been retained as the respondents have different roles – therefore holding different positions in the creative ecosystem). The questionnaire was primarily quantitative with some qualitative questions to understand respondents' perspectives on issues like resources and policy of the sector.

For some questions, relevant comparison of the data have been drawn from both the rounds of the survey. The comparison is not direct, explained further in the limitations section, nevertheless it informs the overall picture. For certain questions, the respondents were given the choice to select multiple options, which were applicable and relevant to them. Options selected by the maximum number of respondents have been chosen for such questions to identify predominant trends.

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The survey is being conducted three times over nine months, to present emerging trends. The next survey will be conducted in January 2021.

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While the sector breakdown and segments have been mapped against the UK creative sector, variations have been included to reflect the India context e.g. arts and culture festivals, and public and street art.

Case studies provide a snapshot of initiatives taken by both private and government sectors to cope with the situation.

In addition, secondary data collection and literature review have been conducted to provide the backdrop to the context prevailing in the arts sector, and for that, we have drawn on market insights from research and reports of counterpart organisations. The report has been peer reviewed by Anvesha Khandelwal Punjani, Head of Research, Monitoring and Evaluation, India, British Council; Rashmi Dhanwani, Founder-Director, The Art X Company and Sanjoy Roy, Co-chair, Creative and Cultural Industries, FICCI.

The survey is being conducted three times over nine months, to present emerging trends. The next survey will be conducted in January 2021.

The data and analysis in this report has followed all the protocols of ethical research and ensures confidentiality of commercially sensitive research findings.

Limitations

The survey was conceptualised as a tracer study, where a sample group would respond to the survey. However, demand from the sector has been surprisingly large which mitigated against an exact comparison sample. Hence, while the tracer study is still under consideration and responses from tracer sample group are being evaluated, the methodology has evolved to reflect the output of all responses regardless of their inclusion in the sample group.

The culture sector in India is not formally defined in any of the policy documents, and there is limited critical and academic review of the understanding of what is included in the culture sector. Hence categorisations of sub-sectors within the sector isn't exhaustive and may not be understood to represent the complex Indian culture sector in its entirety. In this respect, although the authors of this study – British Council, FICCI and the Art X Company – have reached out to a wide range of organisations and artists, there are still some sectors and people that are beyond our purview. It is also to be noted that any category of respondents is not a statistical representation of a particular sub-sector.

There is little precedence for evidence-led policy making in the culture sector in India, leading to low response rate for surveys as cultural sector stakeholders don't always connect studies to evident policy-making and tangible impact on their work in the arts. In addition, general survey response rate in India is lower than the global average. Hence this study can be considered to be indicative of the health of the cultural sector and its stakeholders.

147 respondents (individuals/organisations) declared to have taken part in both the surveys. A large chunk of these repeat respondents (50 people) described themselves differently in the two consecutive surveys (as freelancer/consultant in the second survey and associated with organisations in the first). This description pattern can be indicative of a changing situation because of COVID-19 and the mobile nature of the sector where many professionals are associated with more than one organisation and at the same time practise as independent creative people. Some respondents may have moved from employed to freelance during COVID-19.



Literature review

Introduction

- The COVID-19 pandemic has impacted almost every aspect of the creative economy. The impact is particularly felt in MSMEs, the backbone of India's economy.
- Creative MSMEs have limited resource and infrastructure to sustain and survive. With generally limited working capital and reserves, there is a paucity of access to finance and loans¹. The narrative below is an analysis of select sector specific reports and reflects on the current status in the arts festival sector along with glimpses on how business models are being adapted during the pandemic.

India

The arts festival sector²:

- The crisis has starkly exposed the pre-existing vulnerabilities within the **festival sector**³ and the full extent of the economic impact of cancelled festivals is emerging, for example the cultural tourism sector.
- Key findings from the Festival Connections, organised by British Council in partnership with Art X Company indicate:
 - i. Financial health management for cultural festivals has been a priority and festivals and connected cultural

organisations were working with all their stakeholders to minimise the impact of cancellations and closures.

- ii. The Indian cultural festivals sector is characterised by small permanent teams that bring on **freelancers independent workers and consultants** to work on festival editions. Without the safety nets of a full-time position, they have emerged as one of the hardest hit communities during the pandemic and long term, policy-level changes that could be vital.
- iii. Audience attitudes to safety acted as triggers for widespread innovation in the cultural festivals space. Three critical pathways for the cultural festival digital futures are: (a) **Creation**: Exploring new possibilities of culture making in the digital space. (b) **Delivery**: Alternate revenue models of festival production. (c) **Viewership**: Digital festival content across geographical borders.

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2. Festivals for the Future is the British Council's three-year programme launched in 2019 and is focused on supporting the long-term development and economic empowerment of India's emerging festival sector. The programme has two primary strands and Festival Connections is a part of it.

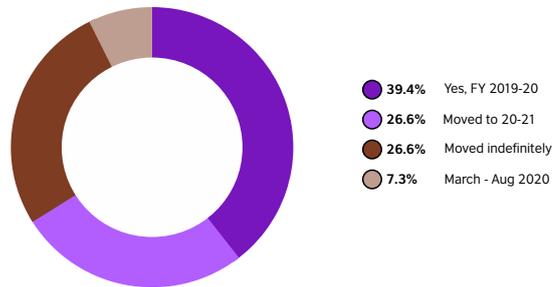
3. Six live events and two webinars were held, exploring myriad aspects of the management of a cultural festival through the experience of festival veterans, emerging talent, and creative professionals from the industry, from almost the beginning of the global COVID-19 pandemic. Phase II of Festival Connections, as a series of five knowledge sharing webinars designed to speak to the festival sector and the cultural professionals invested in it, in line with contemporary issues and challenges faced by them.

- iv. Response mapping from the final session which focussed on vital questions for the sector: **“What do you need to a) Stay alive b) Be resilient”** is below:

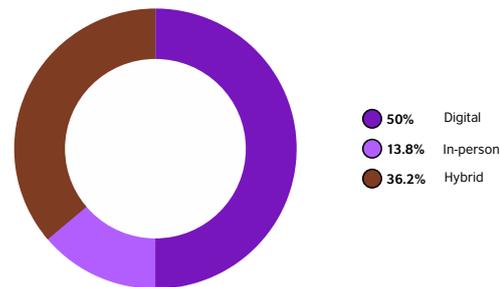
Pause and observe: Temperature check for cultural festivals

A pre-session survey with 106 respondents provided important insights into the current state of the festivals sector:

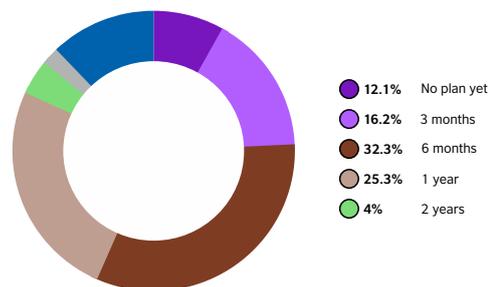
Is your festival taking place this year?



What festival model are you looking at?



What does your future planning cycle look like?



Rethinking business model:

Oddbird Theatre started out in 2016 as a performance space in response to the city's need for more inclusive spaces for people and with the aim to make performing arts an accessible and interesting activity for audiences in Delhi.

- The theatre ran on a daily sustenance business model which covered the fixed cost of the theatre with a team of three managing the operations. Artists set the price for the tickets and all the revenue earned went to the upkeep of the place and to the artist.

- OddBird has been established for five years and was at a crunch point at the time of the pandemic without financial reserves or a way of generating enough income in the absence of ticket sales. The team remains committed to keep the company going and are working on what they mean by creation space without a physical presence.⁴

Reimaging Purpose:

The **Godrej India Culture Lab** has been acting as a catalyst to challenge existing notions of culture and encourages dialogue and experimentation through innovative programming. The lab had started in 2011 as a space for cross-pollination of ideas and had branched out into multiple fields over the years. In the context of the COVID-19 pandemic where on ground events could not take off, the Culture Lab is now on a long sabbatical to re-imagine their purpose.⁵

Call for support:

Indian Foundation for Arts (IFA) is calling for support to enable artists to sustain their work, help them adapt to the changing world and support their experiments and explorations. Much of IFA's efforts will help artists to relook at their programmes, introduce online support systems and and create new grant opportunities.⁶

Always a good time to buy art:

Amid all this, it seems there is never a bad time to buy art or sell it. Leading global as well as Indian auction houses told Press Trust of India (PTI) that the number of online auctions held in 2020 has gone up, "Collectors remain active even at the most unusual times as they are constantly seeking rare works," Christie's India Managing Director Sonal Singh said. The auction house held 115 auctions till 20 August this year. Of these, 100 were online and open to bidders across the world. The pandemic, in fact, has accelerated the process of selling art. Sotheby's

sale records show that the auction house has brought on a massive proportion of young buyers in the last six months.

The crafts sector in India, one of the largest employment sectors after agriculture, is in a severe crisis affecting livelihoods of millions of craftspeople in rural areas and thousands of craft enterprises.⁷

Just like migrant workers, artisans are also daily workers, and since all markets are shut, they can neither buy raw material, nor sell finished goods. They don't even have a safety net like provident fund," says Delhi-based craft revivalist Laila Tyabji of Dastkar.

Estimates say that art and crafts involve more than 130 lakh people in rural and semi-rural locations. Usually, December to March is their peak season with increased tourism activity, and fairs and exhibitions like the annual Surajkund Crafts Mela. But with COVID-19 cutting their season short, many of them are staring at financial distress and loss of livelihood.⁸

Business had not picked up before Durga Puja in West Bengal

Every year in West Bengal, nearly 37,000 pandals are set up during Durga Puja and the festival brings in an economic boom. However, 2020 has left the businesses declining even in the festival season.

"The sizes of the idols have reduced from 10-15 feet and the cost has reduced from INR 1.5 lakh to INR 50,000 in this year's celebration", said Subir Das, a member of the Bhowanipur 75 Palli committee. "The advertisement which was put at a cost of INR 4,000 is now being displayed at INR 1,000 to 1,200", he added. He further said, "Durga Puja as a market incorporates apparel, food, beverage, travel and tourism, with a turnover of lakhs of crores in the state. There has been a reduction of nearly 30 per cent in the market since 2019."⁹

4. Excerpts from the meeting with OddBird and Jonathan Kennedy, Director Arts India and Devika Purandare, Head Arts, North India, on 28 July.

5. <https://twitter.com/IndiaCultureLab>

6. <http://indiaifa.org/support/f-sac.html>

7. <https://www.hindustantimes.com/art-and-culture/going-going-gone-covid-19-boosts-online-art-auctions/story-wJvuKle1xi4aLS4mc0WGu0.html>

8. <https://indianexpress.com/article/lifestyle/art-and-culture/no-sales-crafts-sector-one-of-the-biggest-source-of-employment-rural-india-hit-hard-coronavirus-6377445/>

9. <https://www.zee5.com/zeekannada/covid-19-impact-business-has-not-picked-up-before-durga-puja-in-west-bengal/>

Arts funding UK: COVID-19 response

The COVID-19 crisis presents the biggest threat to the UK's cultural infrastructure, institutions and workforce in a generation. On 17 October 2020, DCMS¹⁰ announced 588 cultural organisations across England to benefit from a share of more than GBP 76 million. This funding builds on the biggest tranche of money awarded from the government's GBP 1.57 billion Culture Recovery Fund, taking the total to GBP 333 million this week.¹¹

- Venues and organisations benefiting across England include the Military Wives Choirs, The Hepworth Wakefield, Night and Day in Manchester, Whitby's Tomorrow's Ghosts Gothic Festival, London's Somerset House and Kneehigh Theatre in Cornwall.
- Comedy clubs, circuses, festivals, regional theatres and local museums are among 588 arts and cultural organisations receiving a share of more than GBP 76 million in essential support, Culture Secretary Oliver Dowden has announced.
- Culture Secretary Oliver Dowden said, "This is more vital funding to protect cultural gems across the country, save jobs and prepare the arts to bounce back. Through Arts Council England we are delivering the biggest ever investment in the arts in record time. Hundreds of millions of pounds are already making their way to thousands of organisations."

Creative Scotland has now launched the Culture Organisations and Venues Recovery Fund from organisations that are most critical to the cultural life of Scotland. Other opportunities include Youth Arts Emergency Fund, Performing Arts Venues Relief Fund and Grassroots Music Venues Stabilisation Fund for organisations that were financially sustainable before COVID-19, with the funds to prevent closure and stabilise them.

Arts Council of Wales (ACW) In April 2020, together with the **Welsh Government**, reallocated money from existing budgets to create an urgent response fund of GBP 7 million. This fund was called the Arts Resilience Fund. Additionally, in July 2020, the Welsh Government announced a Cultural Recovery Fund of GBP 53 million.

Arts Council of Northern Ireland (ACNI) opened the Health and Safety Capital Programme, designed to support arts and culture organisations as they prepare to reopen after the COVID-19 lockdown. ACNI also wish to assist these workers adapt to the new market conditions that have been brought about as a result of COVID-19.¹²

10. Department of Digital Culture, Media & Sport; <https://www.gov.uk/government/organisations/department-for-digital-culture-media-sport>

11. <https://www.gov.uk/government/news/588-more-arts-organisations-saved-by-76-million-in-latest-culture-recovery-fund-grants>

12. Tom Curteis | Touring Coordinator | Theatre and Dance | Arts Group

Europe

Europe, among the first regions to be affected by the pandemic, closed its cultural institutions and heritage sites earlier this year. The creative industries represent a significant part of the economy in this region and many governments have announced emergency funding for artists and cultural organizations.

Amid all this, it seems there is never a bad time to buy art or sell it. Leading global as well as Indian auction houses told Press Trust of India (PTI) that the number of online auctions held in 2020 has gone up, "Collectors remain active even at the most unusual times as they are constantly seeking rare works," Christie's India Managing Director Sonal Singh said. The auction house held 115 auctions till August 20 this year. Of these, 100 were online and open to bidders.

United States

In the United States, as of July 13, 2020, the Coronavirus has had a devastating USD 9.1 billion economic impact on America's arts sector with a 67% unemployment rate among artists and gig workers. Since the first US case was reported in January, 96% of arts and culture organisations have cancelled events—some as far out as 2021—resulting in a loss of 325 million ticketed admissions and billions of dollars more lost in event-related spending by audiences at local businesses (restaurants, lodging, retail), impacting 533,000 jobs.

Since then there have been innovations. In Canada, festivals have moved online, and some new online initiatives have arisen, including the **Festival of Social Distancing**, an online artist community made to celebrate and showcase the work of the many artists around the world who have been affected by social distancing.¹³

"I missed my moment. I was always a songwriter and dancer. So, when my dance track, *Hideaway*, became a hit in 2014, it gave me the opportunity to do both. I had started writing my next album when I was in a car accident in July 2017. Coming back, it is very different. The pandemic ended many plans. My life isn't the same, but I look at it this way: I have more time to be a better performer. So, when we do tour again, I will be able to do a full show. That will be amazing."¹⁴

Kiesza; electropop star – aka US-based Canadian Kiesha Rae Ellestad – topped the UK charts with her kinetic debut hit 'Hideaway' back in 2014.

Curtis Waters, a 20 year-old Nepalese Canadian pop singer with a part-time job making smoothies, went into lockdown. Waters uploaded his first post on TikTok in early April, which by then was being used by two billion people around the world. Waters is now a full-fledged pop star, despite having barely stepped outside his house. "You don't need a label," he argues. "Once you start thinking you need one, you lose. There are no gatekeepers to the industry anymore", Waters added.

13. <https://www.britishcouncil.org/research-and-policy-insight/insight-articles/covid-19-impact-innovation-americas-arts>

14. https://www.theguardian.com/lifeandstyle/2020/jul/19/twice-in-a-lifetime-milestones-missed-in-covid19?CMP=Share_AndroidApp_Outlook

Snapshots from the Asia Pacific region

Financial aid

35%

Fewer international arrivals in Asia and Pacific region in Q1 compared to 2019, making it one of the hardest hit regions (UN, WTO)

Responses from the region

In **China**, funds have been announced at a regional level, including US\$ 56m by the Government of Guangdong Province for cultural and tourism businesses, with a further US\$ 7m for the 1325 movie theatres impacted by the crisis, in the form of tax return from last year.

Indonesia's Directorate-General for Cultures has launched a YouTube channel 'BudayaSaya' to share artistic performances and artisans' masterclasses on dancing, painting, music, storytelling, and producing films.

Malaysia has initiated an income tax relief worth MYR 1,000, (US\$231) per person to reduce entrance fees and hotel rates at tourist attractions to stimulate domestic tourism.

The Ministry of Culture, Sports and Tourism of the **Republic of Korea** has launched a comprehensive guide to health and cultural life during confinement, which brings together resources related to the arts, education and sports, including links to virtual reality museum tours, and online access to old and rare books.

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Conclusion

COVID-19 has tested the resilience of our societies like few events in living memory. The conditions for instability – growing inequalities, mass unemployment, social divisions and the curtailing of human rights – are likely to rise in many countries. However, the crisis also creates an opportunity to 'build back better'.

- Research conducted by international agencies such as the UK's DFID and the World Bank indicates that societies with more open and inclusive systems have been most successful at promoting growth and stable development over the long term.
- Recovery efforts in the wake of COVID-19 therefore need to look at how education and culture can help develop the kind of human and social capital that makes countries more adaptable and resilient.

The crisis highlights how important it is to engage in mutually beneficial collaborations with other sectors that foster innovation through, for example, scientific research, digital entrepreneurship, community action, and international cooperation. Sustainable progress in rebuilding our societies, as well as the reorganisation and adequate funding of the ways we create, produce, and interact with audiences, will require the best in artistic and literary creation.¹⁶

16. <https://www.britishcouncil.org/research-and-policy-insight/insight-articles/covid-19-impact-innovation-americas-Arts>

Festival Connections: A visual overview

Graphical representations from key sessions held by the British Council and Art X Company

Health, safety, and social distancing at festivals

Senior managers from the festivals sector in India explored best practices and precautions that the sector should strive towards under the current scenario.



Temperature check of cultural festivals

Peers from the sector discussed what festivals need to *stay alive* and *be resilient*. The discussions were around visual arts, performance arts and literary arts.



Credit: Sharada Kerkar for The Art X Company

Arts in India

#CultureConnectsUs