



OECD Studies on Tourism

Tourism and the Creative Economy



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Design-induced tourism in Milan, Italy

This case study is based on research by Martha Friel, Silvia Santagata Research Centre (EBLA) and Armando Peres, International University of Languages and Media (IULM), Italy.

There has been much debate in recent years in Italy about the role of culture for the country's economic and social development. On the one hand, cuts in public funding and the urgent need to find models of governance that are able to open the doors to the private sector and to new resources have created new interest in this issue in civil society too. On the other hand, studies of the cultural and creative industries (Santagata, 2009) have revealed that cultural production generates considerable added value and employment in Italy: data for 2011 record almost EUR 76 billion in turnover and 1.4 million employees (Fondazione Symbola and Unioncamere, 2012).

In this context, it is surprising to note how little has been said, except in “extractive” and instrumental terms, with reference to the cities of art and to the main state museums, on the strategic role that culture plays in the travel and tourism economy in Italy. However, tourism can generate benefits not only for the enhancement of heritage, but also for supporting the production and promotion of contemporary culture (Friel, 2012).

The consumption habits of tourists are changing profoundly, and the competitiveness of destinations, especially in urban areas, increasingly relies on the diversity of the offer (Richards, 2007; OECD, 2009). However, the integration of cultural experiences into everyday life (e.g. art in the subways, design in hotels, gastronomy in trains), and the progressive integration of cultural tourism with other tourism types are still under-investigated in Italy and this is also the case with the analysis of the relationship between cultural tourism and culture and creativity.

However, tourism has always interacted spontaneously with the creative industries and contributes to their evolution. There is the classic combination, although nowadays rapidly evolving, of tourism and publishing and links between tourism and cinema, tourism and material culture. There is also a strong relationship between tourism and the performing arts, particularly intense in the age of festivals and “Eventful Cities” (Richards and Palmer, 2010). These links have often been investigated from the demand side as tourism types, but not in terms of their mutual evolution.

In the field of production of digital content, the tourism-creative industries combination is particularly evident in the development of new forms of entertainment and of cultural tourism experiences, as well as in the promotion and marketing of tourist destinations. There are now hundreds of Smartphone or tablet apps intended for tourist use and cultural entertainment, ranging from guides to games and augmented realities. This case study describes Milan as a particularly interesting example of the relationship between tourism and creative industries and its dynamics.

Milan is a prominent tourist city, ranked third in Italy for overnight stays (7.7 million in 2012) and self-appointed World Design Capital. Here tourism and the creative industries connect on two levels: first the integration of design culture with the city's leisure offer, and second the contribution that design (including fashion design) makes to the supply of tourist services (in terms of intermediate goods and services).

After briefly describing Milan as a design capital, the case study illustrates how design is an element that is now able to “sweeten” the business component of Milanese tourism by offering new ways of experiencing the city through events, places and services, thus contributing to the innovation of the city's tourism supply. It also describes how the interactions between the design and tourism sectors in Milan have taken place in an almost spontaneous, bottom-up way, without there being any planning of the phenomenon from above, and suggests a series of policy implications.

Milan as a design capital

Italy is characterised by a strong, self-generated “culture of design”, which grew up in a spontaneous unplanned way, continuously fed by endogenous entrepreneurial, financial and cognitive resources, as in the case of the industrial districts (Simonelli, 2003). Although industrial design is a widespread activity in different areas of the country, when Italian design is mentioned it is often identified with the area of Milan, which is the centre of the Italian design system and which is design's historical birthplace. Moreover, Milanese design and the “Made in Italy” concept have been developing in tandem and gaining international leadership.

This system was, at least at an early stage, fuelled by a demand from companies based in the region, in particular those operating in the furniture sector, and then expanded to support the entire country, thanks to the rich local production system (Bertola et al., 2002). Today some of the most well-known international design firms and industry leaders operate in Milan. Here, the first Italian university course in industrial design was established in 1993 at the Politecnico, followed by the first faculty of design.

Lombardy and Milan are the main Italian centres for design training, with 54 design schools offering over 350 courses. Furthermore, there is a vast range of support services for the design and manufacturing processes, as well as communication and production, from fairs to publishing, with 80 specialist publishers and 125 magazines published in the region. This highlights the systemic nature of design in this region, together with the density of actors and resources in the area involved in the processes of innovation and communication of “Made in Italy”. Given its heterogeneous

nature, this system obviously goes beyond what could be defined as a district and presents itself as a cultural, scientific and productive system more like a “cultural macro-operator” (Manzini, 2002).

A first step in the institutionalisation of the design sector was taken in 2001 with the establishment in the Lombardy Region of the “Design Metadistrict”, an area comprising 65 municipalities of 6 provinces and 11 research centres. The Design Metadistrict created a direct relationship between the traditional district areas of specialisation – in which enterprises tend to use design as a competitive resource – and the places where knowledge of design and about design was being generated, above all the universities and research centres. In 2007, the Triennale Design Museum, the first Italian museum dedicated to design, was opened. This was a result of an agreement between the Italian Ministry of Culture and the Lombardy Region and the signal of a process of historicisation and cultural recognition of Milanese and Italian design.

Milanese experience of design-driven tourism

In terms of attracting tourists, it is useful to distinguish between business tourism flows generated by the presence of companies and trade fairs, and design as a product of the city’s cultural/leisure offer. Moreover, it is also interesting to understand the points of integration and overlap of these perspectives, which are difficult to separate not only due to the lack of data, but also to the increasing porosity between these different types of tourism.

The economic and productive base of Milan’s metropolitan system is still the most important factor of attraction for the city – representing about 85.2% of the total inbound tourist flows to Milan. About 3.5 million business tourists a year (including MICE tourism: meetings, incentives, conferences and exhibitions) stay on average two nights and spend over EUR 350 a day not only to do business, but also to dine, shop and visit the symbolic places of Milanese culture. According to the Milan Chamber of Commerce, the revenue generated by this segment amounts to EUR 2.5 billion and feeds a system of over 80 000 jobs.

The link between the city and the business sector is a combination that, even in the collective imagination, is quite strong and immediate and contributes strongly to create the identity of the destination. The quality of services and infrastructure in the Milan area is very high, and the city and is home to congresses, conventions and exhibitions of national and international appeal. These include many design-related events such as the *Salone Internazionale del Mobile* (International Furnishing Accessories Exhibition), MACEF (International Home Show), MadeExpo and Expocomfort.

Fashion Week is a major international event linked to a cultural industry. It generates an induced tourism of around EUR 28 million, mainly distributed between accommodation (EUR 17 million), shopping and restaurants (more than EUR 8 million).

The International Furnishing Accessories Exhibition (www.cosmit.it/en/salone_internazionale_del_mobile) is by far the most economically important event and is today a leading player in the link between business and leisure tourism. With nearly 300 000 visitors in 2013 and 350 000 in 2014, international design businesses that act in the orbit of the International Furnishing Accessories Exhibition generate more than EUR 200 million in tourism spend in one week, 73% of which is concentrated in Milan. The benefits of this event also extend to Como (4.8%), Varese (5.5%), Monza (7.9%) and other provinces of the Lombardy Region.

Of this EUR 204 million, more than EUR 158 million go to the hospitality system, while EUR 19 million are attributable to shopping by buyers (in particular, the many people from Asia, who are the main spenders according to the shopkeepers) and visitors (Table 1).

Table 1. Estimated induced tourism expenditure generated by the International Furnishing Accessories Exhibition in Lombardy Region, 2013

By expenditure type

	EUR	%
Accommodation	158 343 000	77.5%
Transport	3 842 000	1.9%
Shopping	19 099 000	9.4%
Restaurants	17 973 000	8.8%
Others	4 941 000	2.4%
Lombardy Province total	204 198 000	100.0%

Source: Monza and Brianza Chamber of Commerce, 2013.

The value of the International Furnishing Accessories Exhibition, however, is not only due to its induced tourism spend, since it is also an important link with the creative and cultural offer of the city and it has been a major player which helped turn the spotlight on the world of Milanese design as a tourist product. Starting in the 1980s, a number of spontaneous initiatives sprang up around the exhibition, developed by companies working in the furniture industry and in the industrial design sector, who organised the “Fuorisalone” (www.fuorisalone.it), a set of events and

exhibitions that enliven Milan during the International Furnishing Accessories Exhibition, which takes place in the Rho exhibition venue on the outskirts of the city.

Over time, this event has become international and has begun to attract thousands of visitors from around the world. The project has also attracted sponsors and international companies and has now become a showcase for emerging and established creative design and architecture studios. Although the Fuorisalone is closely related to the International Furnishing Accessories Exhibition, with time it has been able to gain its own importance and, in recent years, even manage to influence the main show.

The success of the Fuorisalone is linked to the ability to attract not only business flows but leisure tourism and flows formed mainly of young people, and the ability to “activate” the cultural offer of the city with hundreds of events spread around the urban space – the 2013 edition saw the organisation of more than 700 events. These are mainly concentrated in three districts, namely the Tortona district, the area of Lambrate/Ventura, and the historic neighbourhood of Brera.

Zona Tortona, a former industrial area home to important international and Italian companies such as Ansaldo, Bisleri and General Electric, has undergone a requalification process since the 1980s thanks to the reuse of old industrial sites and to a series of activities related to fashion and design. Today Zona Tortona is one of the trendiest and most creative districts of Milan also thanks to the events with international visibility that animate the neighbourhood during the Design Week.

In contrast, the Brera Design District is a recent place marketing operation intended to enrich the cultural offer and appeal of the district in order to combine tradition – Brera houses, in addition to the Academy of Fine Arts and the Art Gallery, historic shops, artists’ studios and art galleries – and innovation in the world of design. Although the Brera Design District project has the patronage of the city of Milan, it has been designed and implemented by private actors: Assomab, Dealers Association of Solferino and San Marco in Brera, and Studiolo, a young company in Milan that deals with communication design.

The events of the Fuorisalone involve dozens of cultural and training centres, which open to the public for the occasion. In addition, the Design Week serves as a magnet for Milan’s museums and exhibition halls, which organise special exhibitions for the event. Often these initiatives are not stimulated by public sector support, but are the result of informal networks of associations, artists and creative people working in the metropolitan area. Exceptions are, for example, agreements for the free entrance to the civic

museums between the city of Milan and Cosmit, the trade fair authority that created the International Furnishing Accessories Exhibition in 1961.

Finally, the role of Fuorisalone is to promote design as a cultural component of the Milanese offer and to contribute to the construction of the image of Milan as a capital of design. Design Week is not the only element of the tourist offer of Milan linked to design: so too are the outlets of the major brands in the world of design and decor such as Alessi, Artemide and Cassina, and the system of museums linked to design history. Indeed, the success of Milanese design is also a result of its capacity to promote and represent itself effectively in places designated for the preservation of original works as well as in factories and workplaces, in temporary exhibition spaces and in the city itself, used as a great “stage”. Among the most important nodes in this “visibility network” is the Triennale Design Museum and a number of other museums and archives associated with leading protagonists of Milanese design, such as Vico Magistretti and Achille Castiglioni or Franco Albini.

The phenomenon of company museums and archives, district museums and territorial museums is another important piece of Milan’s tourist-cultural offer which is connected to the activities of some important companies such as Alfa Romeo, Campari, Pirelli, Kartell and others. In Lombardy, there are 52 museums dedicated to design, 26 of which are company museums and archives, 12 are related to district/territorial structures and 14 are museums and home-museums (Design Directory, 2006).

The diffusion of museums and the increase in exhibitions related to the design and production culture contribute to the cultural recognition of design and confirm the values of creativity and innovation of the region.

Design for hospitality and destination branding

Today, the design district offers more and more products, services and skills that help to support the tourism industry and to distinguish and enrich its supply. Design is involved, for example, in the construction and innovation processes of accommodation services and of catering/food, in the setting of cultural spaces and, more recently and to a lesser extent, in urban design. The hotel industry is the context in which the intervention of design and fashion design, with fashion hotels, is perhaps the most evident, and provides elements of stylistic innovation and thus repositioning.

The phenomenon of “design hotels”, which has grown significantly in recent years at international level, has found fertile ground in Milan as a type of accommodation that is well suited to accommodate the types of

tourism that characterise the city. In addition, some of the most recognised brands of Italian fashion – Armani, Bulgari and Moschino – have chosen Milan as the location for their brand hotels. It is also interesting to note that, in Milan, some of the hotels belonging to the design hotel category, such as the Nhow Milano, actively participate in local cultural and artistic events.

Design is also being incorporated into the repositioning strategies of low-budget accommodation solutions. A number of new hostels have flourished in recent years in Milan, and experiences of alternative and “emergency” hospitality such as those implemented in the framework of the Public Design Festival by Esterni, a Milan-based group that develops interventions and cultural and communication projects in urban public spaces. Since 2005, Esterni has designed temporary homes-hostels in the framework of “The Designer’s House” project and organised emergency hospitality solutions such as the “Public Camping” and the “Bed Sharing” projects.

The trend towards a closer relationship between hospitality and design is further supported by Milan’s structured training system. There is now a lot of attention for hotel and restaurant design and for hotel experience design, and tourism has been identified as an area of strategic development for training provision.

Design also helps to define Milan’s image and design is actively used in place-branding strategies. On the demand side, design can be perceived as an identity element of the destination, and on the supply side, design can be used by stakeholders as a strategic element of territorial marketing. There is a need to analyse if design contributes to the definition of the tourist product and to the achievement of synergies between different economic sectors through the application of brand values.

As regards the first question, recent surveys (Università IULM, 2008; Università Bicocca, 2012) have shown that there is a clear recognition at international level of Milanese excellence, linked particularly to fashion, design and furniture. This recognition can also be clearly seen from an analysis of the main tourist guides and main magazines dedicated to tourism. However, poor promotion of the associated tourist attractions (historical shops, company museums, industrial archaeology, etc.) persists, as well as themed attractions (Università IULM, 2008), with the exception of several itineraries on the tourist portal of the Milan City Council. This despite the fact that the official website of Milan tourism lists creativity and design as one of the ten top reasons to visit Milan and that the Province of Milan in 2004 launched the “Milan Project City”, a network of museums and company museums, to foster a greater knowledge of this heritage.

It should therefore be reiterated that the interactions between the design and tourism sectors in Milan have taken place largely in a bottom-up way involving a number of different actors from the private sector but without any planning. This opens a window through which institutions can take advantage of Milan's positioning on the international scene as a city of design.

Concluding remarks

Design is multifaceted and multidimensional and it is therefore difficult to define it as an industry. However, it is now one of the most important strategic levers for responding to the instances of innovation that emerge from the economic and productive system, including tourism. In recent years, design has widened to new spaces and identified new areas of research while trying to combine its two souls: that of “noble engine of the industrial economy” (Branzi, 2008) and that of an “overall creative discipline with an artistic and poetic matrix” (Alessi, 2011). Both of these souls are strategic assets for promoting Milan as a tourist destination.

Thanks to a spontaneous process of cultural re-appropriation of design within the creative industries, and to the growing awareness of its role not only in terms of economic activity induced by manufacturing and the creation of new services but also in terms of tourist attractions, the last decade has seen the flourishing of design studies and the emergence of new professions.

The development of design-induced tourism (and also fashion-induced tourism), which is largely international, has also contributed to boosting the city's cultural and creative industries. This is particularly evident in sectors such as publishing, communications and interior architecture but also in the development of commercial display spaces and museums, where the products of design and fashion are exhibited not only as commodities but also as objects of art. There is also a progressive integration of the fashion system with that of design, not only in hotels but also in luxury furniture, furnishing complements and *art de table* in which big fashion brands have been increasing their investment and for which the Milanese Design Week and tourists in the city provide extremely important marketing opportunities.

With a good grasp of the economic impact of its design industry, Milan has a huge chance to co-ordinate and manage its image and build a more focused brand. This is even truer today with the Expo Milano 2015 on the horizon: a unique opportunity for Milan, with an estimated 20 million visitors arriving from all over the world. This will not only stimulate tourism

development but will also support the promotion of Italian design internationally through tourism.

A first result in this direction and attributable to the imminent expo has been the establishment by the city of Milan of a programme of reconnaissance and public debate on the “brand Milano” which, in the course of 2013 and 2014, led to preparation of three different reports on the national and international image of Milan and of an exhibition “Identity Milan” that took place at Triennale. In addition, in 2013, the city of Milan, along with the National Chamber of Italian Fashion, Altgamma Foundation (that gathers together high-end Italian companies whose brands are famous at international level) and Cosmit, launched the project “Milan Creative City” with the aim of bringing together under one logo the fashion, food and design events that will take place for Expo 2015 and after.

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