

**Cultural Innovation as a Strategic Asset:**  
**Building Scalable Frameworks for Economic Resilience in a Globalised**  
**Economy**

A Research Proposal

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## ABSTRACT

### **Cultural Innovation as a Strategic Asset:**

#### **Building Scalable Frameworks for Economic Resilience in a Globalised Economy**

This research investigates the role of cultural innovation as a strategic asset for economic resilience, focusing on how cultural heritage and community-driven practices can be transformed into viable economic frameworks that combines both the preservation and promotion of culture, a crucial element of identity and stability for communities. The existing literature draws importance to technological advancement and industrial growth as key drivers of resilience, but this study proves and positions cultural innovation as an undeniable complementary force that fosters sustainability, inclusivity, and market diversification — that is to say, cultural innovation can be a substantial driver of economic resilience. There is a lack of data and research in ‘cultural innovation’ as a topic although there are scattered relevant data that can be drawn together of the creative economy, the use of cultural assets in certain countries and so on. The research will collect such data filling a gap in literature and analyse such data, case studies, and policy reviews, so as to develop a scalable framework that can guide policymakers and business leaders in harnessing cultural assets for economic growth. Drawing from the data analysis, this study addresses a critical gap by defining and setting the parameters of cultural innovation so that governance models that align cultural preservation with commercial viability can be put into perspective. The outcomes are expected to inform both business strategy and public policy, and thus, provide actionable insights for integrating cultural innovation into national and regional economic planning, which is an important step towards sustainable economic resilience.

## INTRODUCTION

In today's world of rapid globalisation, huge technological disruptions and mounting socio-economic uncertainties, the quest for resilient economic models has become paramount. Global economies have relied heavily on technological advancement, industrial output, and financial investment when considering and planning for economic resilience. The current literature supports many strategies and frameworks to build on these concepts, but there is a growing sense that these approaches are not enough to foster inclusive and sustainable growth. Against this backdrop, there are recent studies that point to a powerful complement: cultural innovation — the research area of this paper. Understood as the transformation of cultural heritage, traditions and knowledge into viable economic opportunities (Throsby, 2019), cultural innovation fosters local identity, community entrepreneurship and social cohesion (Potts, 2019). Cities like Shanghai and Seoul have innovated on their cultural assets and taken cultural branding to a level where they are able to bolster global competitiveness and economic sustainability (SHculturePROPLA, 2020). So, we know it is possible and have seen what cultural innovation can do, yet there is little to no research on it and there is a lack of data that assesses the impact of cultural innovation. It spans a broad range of industries — from arts, fashion, and design to heritage tourism, traditional ecological knowledge, and indigenous enterprise development. Data dealing with culture or cultural entrepreneurship is scattered and deal with individual projects or industries or individual countries. Meanwhile, many small and indigenous communities are moving to innovate on their cultural assets, using digital platforms to reach the global market and using hybrid business models to commercialise on cultural

knowledge (Preez, Barnes & Thurner, 2018) just as examples of countries choosing the path of cultural innovation for GDP growth keeps increasing such as Bhutan's sustainable tourism model. Entrepreneurs and communities are empowered by the revitalisation of their cultures, thus proving long term equitable development, yet research in this area is minimal. Governments play a huge part in this movement, but blindly, often through a blanket promotion of entrepreneurship through grants and policies thus, begging a more focused framework to reap the benefits of cultural innovation.

Despite the obvious trend of increasing cultural entrepreneurs in the ecosystem, particularly in culturally rich countries like India, mainstream economic policy and academic research have largely overlooked their contributions. This is partly due to the lack of perception that cultural innovation is a driver of economic resilience, instead projects towards industries related to culture is often viewed as costly, unprofitable, charitable work for the underserved. This approach towards cultural innovation does not serve any stakeholder in the economic ecosystem. This research is motivated by the urgent need to reposition cultural innovation as a high-value strategic asset in both business and policy contexts. It seeks to bridge the gap between cultural value and economic resilience by developing a scalable framework that identifies the core pillars of cultural innovation—economic value creation, cultural integrity, adaptability, and social empowerment. The study also aims to provide actionable insights for business leaders, investors, and policy-makers seeking to embed cultural innovation within broader economic strategies. From an industry perspective, this research holds significant relevance. As global markets become increasingly saturated and homogeneous, businesses are turning

to culturally-driven differentiation strategies to gain competitive advantage. Furthermore, emerging sectors such as digital heritage, AI-driven creative industries, and sustainable tourism underscore the commercial viability of cultural assets in new and evolving marketplaces. For policy-makers, the study offers guidance on how to integrate cultural innovation into national resilience strategies, support cultural entrepreneurs, and safeguard intellectual property rights, particularly in developing economies.

In advancing this agenda, the research contributes to both academic knowledge and practical application by reconceptualising cultural innovation not merely as a soft power or artistic endeavour, but as a robust economic strategy capable of driving sustainable, inclusive, and resilient growth in a volatile global economy.

## PROBLEM STATEMENT

### Overview

Despite the silent and growing movement of cultural innovations around the world and evidence of it enhancing economic resilience — whether through revitalising local industries, fostering community-based entrepreneurship, or driving new tourism models—it remains a critically underdeveloped field within both academic research and practical economic policy. There is a plethora of literature that support isolated success stories of practices that would fall under cultural innovation but there is no study that brings them together under the topic and build on a global framework. Existing frameworks tend to focus on technological advancement, infrastructure investment, and human capital development as the core pathways to economic resilience. While these remain essential, they are often insufficient for small and culturally rich communities whose primary assets lie in their heritage, knowledge systems, and traditions.

Part of the problem is because cultural innovation is often seen as an ancillary to mainstream economic planning, rather than a central pillar of sustainable growth strategies. Successes in cultural innovation are treated as isolated phenomena rather than part of a structured economic paradigm. The broader potential of cultural innovation as a scalable, strategic model remains untapped—largely due to the absence of a coherent framework that defines its parameters, economic value, and measurable impact. It is an important pillar of growth strategies for the simple reason that there are innumerable communities who derive their very existence from their cultural identity and practices. Policymakers may promote entrepreneurship in a generic sense, but fail to differentiate the unique requirements

and contributions of cultural innovation. Many cultural entrepreneurs, especially in developing contexts, continue to operate without adequate funding, legal protections, or strategic guidance. Given the framework to encourage what is natural to their livelihoods, there would be no need to force down foreign modern jobs that reinforce their inabilities and incapacities by consistently naming them unskilled, uneducated, or worse, labels of laziness and directionless communities — which develops social issues that can be prevented through proper economic frameworks. The topic of cultural innovation is very much social as it is economic and the gap in understanding has real -world consequences that determine the resilience of communities, which can be seen as equivalent to the resilience of their economy. Many cultural enterprises struggle for recognition and funding because cultural industries are still often perceived as niche, high-risk, or non-essential. Policies meant to support entrepreneurship frequently fail to cater to the specific needs of cultural entrepreneurs, who face challenges such as intellectual property vulnerabilities, market access limitations, and a lack of institutional support. Without clear data, benchmarks, or policy frameworks, valuable cultural assets risk being underutilised, misappropriated, or lost entirely. The problem is further compounded by the lack of standardised metrics to quantify the contribution of cultural innovation to economic resilience. This makes it difficult for governments to invest in cultural industries with confidence, or for cultural entrepreneurs to prove their viability and scale.

A key problem is the lack of a unified framework that defines what constitutes cultural innovation in economic terms and how it can be systematically scaled across regions and sectors. Existing studies are fragmented, focusing on individual



industries (arts, crafts, tourism) or specific national contexts, without offering a replicable or adaptable model that businesses and policymakers can apply elsewhere. Furthermore, there is no widely accepted set of metrics to measure the economic contribution of cultural innovation—making it difficult for governments and investors to quantify its impact or justify investment.

Hence, there is a pressing need to:

1. Define cultural innovation within an economic framework,
2. Identify the pillars that make it replicable and scalable,
3. Establish governance strategies that balance commercialisation with authenticity, and
4. Provide tools and metrics for policymakers, investors, and entrepreneurs.

This research addresses these gaps by proposing a scalable Cultural Innovation Resilience Framework (CIRF) to reposition cultural innovation as a high-value economic strategy, particularly in globalised and vulnerable economies.

## Hypothesis

*Cultural innovation, when structured and supported through a scalable framework, contributes significantly to economic resilience by enabling value creation, preserving cultural integrity, and fostering inclusive, adaptive growth.*

This study hypothesises that:

- Cultural innovation can be strategically integrated into national and regional economic policies.
- A clear and actionable framework will enable cultural entrepreneurs and policymakers to unlock underutilised economic potential.
- The absence of such a framework is a primary reason for the continued marginalisation of cultural innovation in business and policy discourse.

## Research Questions

Main Research Question:

*How can cultural innovation be systematically defined, measured, and operationalised as a strategic asset to enhance economic resilience in a globalised economy?*

Sub-Questions:

1. What are the defining characteristics of cultural innovation that distinguish it from traditional economic and social development tools?
2. What are the key pillars—such as economic value creation, cultural integrity, adaptability, and social empowerment—that make cultural innovation scalable and sustainable?
3. Which case studies offer best practices for integrating cultural innovation into regional or national strategies?
4. What are the main barriers (e.g., policy gaps, funding access, IP protection) faced by cultural entrepreneurs and governments in implementing cultural innovation?

5. How can a unified framework (CIRF) be developed to support the strategic implementation of cultural innovation across different contexts?
6. What types of metrics and evaluation tools are required to measure the impact of cultural innovation on economic resilience?

This research aims to address both problems by developing a comprehensive framework that defines, measures, and operationalises cultural innovation for scalable economic impact. The framework will identify key pillars—such as economic value creation, cultural integrity, adaptability, and social empowerment—providing a tool for both academic analysis and practical application in business and policy contexts.

## OBJECTIVES AND AIMS

### Overall Objective

The overall objective of this research is to develop a scalable, strategic framework that repositions cultural innovation as a central economic asset in the pursuit of long-term resilience. By defining the parameters of cultural innovation, identifying its economic and social value, and analysing successful models across different regions, the study aims to produce a framework that can inform business strategy, entrepreneurial development, and economic policy, particularly in culturally rich but economically under-leveraged communities.

### Specific Aims

1. To define and formalise the concept of cultural innovation in economic terms
2. To identify and structure the key pillars of cultural innovation which will be its foundational components for economic resilience.
3. To analyse global case studies and best practices where cultural innovation has demonstrably contributed to a community, national and/or regional economic strategies.
4. To investigate the institutional and systemic barriers faced by cultural entrepreneurs or proponents of cultural innovation including policy gaps, market access limitations, and intellectual property vulnerabilities.
5. To develop the Cultural Innovation Resilience Framework (CIRF)—a practical, transferable model that enables policymakers and business leaders to embed cultural innovation into mainstream economic planning and business practices.

6. To propose standardised indicators and measurement tools that can be used by governments and investors to evaluate the economic impact of cultural innovation.
7. To provide strategic recommendations for integrating cultural innovation into policy and practice, including funding mechanisms, ecosystem support, and cross-sectoral collaboration models.

The research aims to fill critical gaps in both academic scholarship and economic practice by achieving these objectives. By collecting fragmented data which were not previously put in one place, the research will be able to draw on a deeper understanding of how cultural innovation contributes to resilience and provide actionable insights that can improve policy design, foster inclusive economic development, and promote sustainable business models that respect and revitalise cultural heritage.

# RESEARCH METHODOLOGY

## Research Design

This study adopts a qualitative, exploratory research design grounded in a desk-based methodology relying on secondary data sources where the primary goal is to conceptualise, define, and operationalise cultural innovation as a strategic tool for economic resilience. Given the interdisciplinary nature of the topic and the scarcity of consolidated empirical data, this design allows for flexibility in synthesising diverse knowledge systems—including cultural economics, policy analysis, and innovation theory. The research will develop the Cultural Innovation Resilience Framework (CIRF) using a combination of conceptual analysis, comparative case study research, and thematic synthesis. This design supports the development of a framework that is both analytically grounded and practically applicable across cultural, geographic, and economic contexts.

## Data Collection Strategy

This study will rely exclusively on secondary data sources as it allows information to be drawn from a broad, international evidence base, particularly in light of the diversity of sectors involved. As such, the “sample” refers to the selected set of case studies, policy frameworks, academic literature, and institutional reports that will be analysed thematically. The study aims to analyse approximately 12–15 diverse case studies, including but not limited to:

- South Korea’s Hallyu Wave
- Bhutan’s sustainable cultural tourism model
- India’s Traditional Knowledge Digital Library (TKDL)

- Community-led innovation models in Sub-Saharan Africa and Latin America
- Cultural economy strategies from organisations such as UNCTAD, UNESCO, and the IFC

These cases are selected based on geographical diversity, policy relevance, cultural sector engagement, and the availability of documented outcomes or strategies and will be drawn from:

- A least 30 peer-reviewed journal articles, books, and institutional white papers, filtered for relevance to cultural innovation, economic resilience, and policy design.
- Global indices and databases related to creative economy, tourism, and entrepreneurship

While not statistically generalisable, this sample is **analytically representative**, offering depth and thematic variation to support the development of the proposed Cultural Innovation Resilience Framework (CIRF).

### Data Analysis Method

The research will use thematic analysis to extract insights from the reviewed sources. Themes will be organised around the four proposed pillars of the CIRF:

1. Economic Value Creation
2. Cultural Integrity and Authenticity
3. Adaptability and Sustainability
4. Social Empowerment and Inclusion

A comparative case analysis will also be applied to examples such as South Korea's Hallyu Wave, Bhutan's tourism model, and India's Traditional Knowledge Digital Library. This analysis will identify common success factors, institutional enablers, and policy mechanisms relevant to the framework. The research will then conclude with the construction of a visual and strategic framework, synthesising the findings into a usable model for decision-makers in business, policy, and cultural development.

### Validity and Reliability

The research ensures validity by going through a rigorous selection of credible, peer-reviewed, and institutionally published sources, and reliability is approached through triangulation, that is, comparing themes across different geographies, sectors, and cultural contexts. If any limitations arising from source bias, gaps in global data, or context-specific uniqueness, it will be openly acknowledged and discussed.

### Ethical Considerations

As the research is fully based on publicly available secondary data, no ethical approval or participant consent is required. However, full academic integrity will be maintained. All sources will be cited using Harvard referencing, and care will be taken to avoid cultural misrepresentation, particularly in the analysis of indigenous and traditional knowledge systems.



## STRENGTHS AND WEAKNESSES OF THE STUDY

### Strengths

1. **Original Contribution:** By directly addressing a widely acknowledged yet academically underexplored area, the research offers a timely and original contribution by developing a unified framework: the Cultural Innovation Resilience Framework (CIRF), to reposition cultural innovation as a strategic economic asset.
2. **High Relevance to Practice and Policy:** The study bridges the gap between theory and real-world application by producing actionable insights for policymakers, entrepreneurs, and investors, particularly in culturally rich but economically marginalised contexts.
3. **Interdisciplinary and Cross-Sectoral:** The research draws on economics, development studies, cultural policy, and business strategy, enabling a nuanced and holistic understanding of cultural innovation as an economic driver.
4. **Global Perspective with Local Insight:** The study incorporates both global case studies (e.g. Korea, Bhutan, India) and context-specific insights so the design of the framework is scalable, adaptable and relevant across diverse geographic and cultural contexts.
5. **Desk-Based Efficiency:** As there is a lack of data and information is fragmented and isolated, it is necessary to consolidate all relevant data in one study. The use of a secondary data methodology allows the research to synthesise a broad range of global sources without the logistical or ethical complications of primary fieldwork which is suitable also for the time and fund bound nature of DBA study.

## Weaknesses

1. **Primary Data:** Although real time interviews and surveys have been conducted among cultural entrepreneurs to generate context-specific findings, the pool of primary data in number and diversity is small.
2. **Diverse Definitions Across Sources:** Cultural innovation is not consistently defined across academic or policy literature, sometimes not even acknowledged as a concept which may introduce challenges in aligning diverse interpretations into a single, coherent framework. However, this is the gap that the research will fill by defining cultural innovation.
3. **Potential for Generalisation:** While the study aims to build a scalable model, the diversity of cultural contexts means that a one-size-fits-all approach may overlook local nuances or deeply rooted socio-political complexities. Care will be taken to make the approach suitable for different communities and strategies will be suggested to make the framework relevant for differing circumstances.
4. **Data Gaps in the Global South:** The availability of robust, documented case studies is uneven, particularly for underrepresented regions. This may lead to a bias towards better-documented (often Global North or high-profile) initiatives. Nevertheless, the awareness is clear and steps will be taken to balance such data gaps such as by hammering down all possible sources in the global south such as the extensive data collected by NGOs, etc.
5. **Measurement Limitations:** Because existing metrics for assessing cultural innovation are limited, the study must rely on proxy indicators or qualitative evaluations, which may restrict precision in measuring economic impact.

## RESEARCH STUDY SIGNIFICANCE

This research is significant for both academic scholarship and practical economic development. By formalising the concept of cultural innovation and proposing a scalable, policy-relevant framework, the study contributes new knowledge to the fields of cultural economics, strategic management, and innovation policy. Unlike previous studies that isolate creative industries or heritage-based projects, this research brings together fragmented insights into a cohesive model that can be applied across sectors and regions. For policymakers, the study provides an evidence-based tool to integrate cultural innovation into national and regional resilience strategies—especially in countries where cultural heritage is abundant but underutilised. For business leaders and investors, the proposed framework offers a structured pathway for commercialising cultural assets ethically and sustainably, which has been a point of contention and bad press for a long time. It will also enable them to enter new markets, foster brand authenticity, and promote inclusive economic growth which is profitable for business in more ways than one.

Moreover, the research introduces metrics and indicators that can be used to measure the economic contribution of cultural innovation, filling a gap that currently hinders funding, policy adoption, and impact assessment in this field. It is a win-win situation that allows all stakeholders — communities, government, businesses — to thrive as they will have a structured approach to collaborate with each other. As such, this work aims to shift cultural innovation from the margins of economic planning to the core of resilience-building strategies in a globalised economy.

## RESEARCH STUDY MOTIVATION

The motivation for this research arises from an observed disconnect between the growing number of cultural entrepreneurs worldwide and the lack of strategic frameworks that support their work. While cultural innovation is clearly taking place—through grassroots enterprises, digital heritage platforms, and indigenous knowledge commercialisation—it remains unrecognised as a formal economic strategy. This not only stifles the growth potential of such initiatives but also limits their inclusion in national and global economic planning.

Personally, the researcher's background in law, cultural entrepreneurship, and regional development brings a deep understanding of the practical challenges faced by communities which the researcher views transforming cultural identity into economic opportunity as a solution to those challenges. The research is therefore driven by a desire to empower these communities—not just through visibility or preservation, but by building economic legitimacy around their innovations.

The study is also motivated by a clear policy gap: government programs often support entrepreneurship in broad terms but fail to differentiate or nurture the unique models required for cultural enterprises. This research seeks to fill that gap by offering a framework that is academically sound, economically viable, and culturally respectful—ensuring that cultural innovation is recognised as a serious tool for building resilient, inclusive economies.

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