

## Multi-Faceted Growth in Creative Industries

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**Abstract :** The purpose of this study is to explore the different facets of growth among micro, small and medium-sized firms in Croatia and to analyze the differences between models designed for *all* micro, small and medium-sized firms and those in *creative* industries. Three growth prediction models were designed and tested using the growth of sales, employment and assets of the company as dependent variables. The key drivers of sales growth are: prudent use of cash, industry affiliation and higher share of intangible assets. Growth of assets depends on retained profits, internal and external sources of financing, as well as industry affiliation. Growth in employment is closely related to sources of financing, in particular, debt and it occurs less frequently than growth in sales and assets. The findings confirm the assumption that growth strategies of small and medium-sized enterprises (SMEs) in creative industries have specific differences in comparison to SMEs in general. Interestingly, only 2.2% of growing enterprises achieve growth in employment, assets and sales simultaneously.

**Keywords :** creative industries, growth prediction model, growth determinants, growth measures

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