Research Article

Nexus between creative industries and the built environment: Creative placemaking in inner Auckland

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Abstract  A significant body of literature has examined the location decision-making of creative industry firms. However, research on the nexus between design creative industries and the built environment remains limited. The key finding of this qualitative research is that design creative industries are mostly the users of the inner city’s former industrial buildings that are occupied on leases from property owners who are responsible for the initial physical upgrading. This condition is largely due to the low level of property ownership among this group and the lack of incentive to invest additional capital to their business properties. Therefore, design creative industries cannot be conceptualized as leading actors in urban redevelopment or initiators of urban transformation on a large scale. Instead, they represent a latent demand for physical space and a rich source of inspiration and creative potential. In this regard, design creative industries play a key role as enablers of postindustrial real estate development driven by proactive property developers who transform former industrial buildings into a new form of revenue-generating urban commodities.

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1. Introduction

The mayor’s vision for Auckland is “to be a world-class city where talent wants to live” (Wilson, 2017, p. 8). The Auckland Plan 2050 (Auckland Council, 2018) acknowledges that a dynamic creative sector can be an incubator for future entrepreneurs and innovators. Auckland’s creative industries are major contributors to the city’s gross domestic product (GDP) (Wilson, 2017) and provide significant economic returns (Buchanan, 2019) that are comparable with the evaluation of the creative industry sector in various international studies (Bakhshi et al., 2013; Cardoso et al., 2008; Currid, 2007; Florida, 2008; Landry, 2006).

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Compared with other sectors, the New Zealand creative sector is strongly overrepresented in Auckland in terms of employment and business numbers. This study focuses on the design subsector (comprising advertising, architecture, and design), which is Auckland’s largest subsector, with 12,795 employees or 41% of the sector’s total employment and makes the greatest contribution to the city’s GDP (Wilson, 2017). However, such developments do not operate in a spatial vacuum. This sector is increasingly regarded as a key driver of positive change in city economies and has become the focus of new urban policy agendas that seek to capitalize on the shift toward its role in generating jobs and growth. Reflecting this, city planners worldwide have identified the creative sector as a key target for active planning to support economic transformation (Ashworth and Tunbridge, 2017; Florida, 2005, 2008; Landry, 2006; Markusen, 2007; Montgomery, 2016; Roodhouse, 2006; UNESCO, 2014; United Nations, 2013).

Empirical research on various urban contexts presents compelling evidence for the propensity of creative industry firms to cluster spatially, particularly in central and inner cities (Drinkwater and Platt, 2016; Gregory, 2016; Hutton, 2004, 2006; Landry, 2012; Leadbeater and Oakley, 2005; Montgomery, 2005). A considerable body of literature suggests that company location is primarily determined by “soft” (urban amenities, city buzz, ethnic and social diversities) rather than “hard” (availability of skilled labor, attractive tax regimes, good transportation and communication infrastructure, market accessibility, affordable accommodation) factors (Andres and Golubchikov, 2016; Drinkwater and Platt, 2016; Florida, 2008; Murphy et al., 2015; Wenting et al., 2011; Zheng, 2011). The built form in inner urban areas, which are older and more established neighborhoods, is a mix of former industrial and warehouse-type buildings and older residential properties (Landry, 2012; Montgomery, 2005). This unique built form, which contributes to place distinctiveness and successful place branding and marketing, can also be considered a key determinant of firm location, particularly for creative service industries (Gregory, 2016; Hutton, 2000, 2004, 2006, 2009; Helbrecht, 1998, 2004). However, research on the nexus between design creative industries and the built environment is limited. Beyond the generalized realms of affinities, associations, impact, influences, and loose relationships, the exact contribution of these design creative firms to an area’s built environment remains unclear.

This study aims to determine the complex relationship between design creative industries and the built environment that shapes current distinctive post-industrial landscapes. It proposes that these industries play a role in the urban transformation of the inner city through creative contributions. First, the study examines the interrelated issues of property ownership and incentives to become financially involved in building upgrades and renovations. Second, it explores design outcomes associated with built form. Third, it evaluates the contributions of design creative industries to the production of postindustrial urban space in inner cities.

2. Background

2.1. Locational preferences of creative firms

The existing literature suggests that creative industries have a particular preference for inner city locations (Fleishmann et al., 2017; Gregory, 2016; He and Gebhardt, 2014; Hutton, 2004, 2006; Landry, 2012; Leadbeater and Oakley, 2005; Martins, 2016; Montgomery, 2005). The largest clusters in Europe are located in the central parts of the largest cities (Boix et al., 2015). The attraction of creative industry clusters to inner city sites is determined by a range of interdependent factors, such as economic agglomeration, cooperation with local supporting industries, and opportunities for social networking and knowledge exchange (Drinkwater and Platt, 2016; Hutton, 2004). Areas adjacent to the city center frequently offer a quality amenities-rich urban environment: a mix of former industrial and warehouse-type buildings and older residential properties (Landry, 2012; Montgomery, 2005). Creative industries frequently appropriate and transform former industrial and redundant areas, and thus, present a potential for urban regeneration and job creation (Andres and Golubchikov, 2016; Ball and Pratt, 2018; Martins, 2016). Such physical settings, often labeled as urban “cultural quarters,” attract a high number of creative firms and transform into crucial experimentation and innovation zones in advanced urban economies (Hutton, 2006; Landry, 2012; Liu and Chiu, 2017; Montgomery, 2005). They are regarded as “incubators of new ideas and new emerging products” (Montgomery, 2005, p. 84).

The historical background of these areas and their specific cultural setting have become part of a unique image that is projected to prospective clients and customers (He and Gebhardt, 2014; Helbrecht, 1998; Molotch, 2002). The look and feel, particularly the industrial heritage, grit streetscape, and street art, contribute to the area’s appeal (Gregory, 2016; Martins, 2016). Thus, successful place branding depends heavily on the distinctive characteristics of a place and is used as a powerful marketing tool associated with the creation of unique identities (Evans, 2003; Hannigan, 2003; Julier, 2005; Klingmann, 2007). Firms in the creative service sector (architecture, design, and advertising) demonstrate a strong affinity for heritage buildings within inner city sites and choose their locations strongly on the basis of “bare geographies” (Helbrecht, 1998, 2004; Hutton, 2000, 2006). Built form can be considered a key determinant of firm location for particular creative industries and is equally important to other economic drivers.

2.2. Heritage as a commodity in creative quarters

The use of heritage in urban regeneration is a global phenomenon that seeks to develop creative industries and ultimately promote placemaking through the creation of attractive urban environments (Pendlebury and Porfiryiou, 2017). Urban heritage and adapted industrial buildings play key roles in place branding and are recognized as important resources in placemaking strategies (Evans, 2001, 2003; Hannigan, 2003; Julier, 2005; Klingmann,
2. The physical properties of built form provide identity to a city on a macroscale and contribute to a considerable extent to a sense of place on a microscale along with wide-ranging economic activities. In particular, built heritage plays an important role in postindustrial cities and exhibits high potential as a "place-identity generator" (Gospodini, 2006).

The conversion of former industrial buildings and the identification of heritage as a commodity in the creative economy have become pervasive trends, particularly over the last decade (Ball, 2002; Bullen and Love, 2010; Douglas, 2006; Nocca and Girard, 2018; Wang and Nan, 2007; S. J. Wilkinson, James, and Reed, 2009). The redevelopment and upgrade of derelict industrial buildings in city fringe areas and their complete transformation into fashionable creative quarters is a feature of the creative economy. Thus, the relics of the industrial past become integrated as core elements of postindustrial urban landscapes of production and consumption (Ball and Pratt, 2018).

In most cases, the repurposing of former industrial buildings for creative activities occurs without any government intervention. Instead, small-scale developers, artists, and creative entrepreneurs take the lead role in such conversions. The combination of education initiatives with historic preservation and artisan-based start-up entrepreneurship has been proven successful in postindustrial regeneration projects worldwide. To ensure such sustained growth, cities currently endeavor to attract mobile (international private funding) and retain local (locally based financial assets, factories, machinery, and equipment used in industrial production) capital (Kapp, 2017).

In Auckland, small and medium-sized creative enterprises occupy significant areas in the CBD fringe and city center districts. Auckland was 2.9 employees in 2016 (Wilson, 2017). This average business size fits the general profile of creative firms in other regions, i.e., small, agile, and operating within networked environments (Evans, 2004, 2009; Fleishmann et al., 2017; Rantisi et al., 2006; Scott, 2004).

3. Research approach and methods

This work conducted a case study on Parnell in Auckland, New Zealand. The case study was backed up by quantitative background research that presented evidence for the spatial concentration of Auckland's architectural, specialized design, and advertising firms in CBD and CBD fringe areas. However, one CBD fringe area, namely, Parnell, performed consistently across the three subsectors and had the highest number of firms in 2018: 23 architectural, 24 specialized design, and 13 advertising firms. The unequal distribution of firms across inner Auckland suggests that several areas are more favored than others and implies a ranking order of fringe areas in terms of preference.

A variety of sources and data collection methods, such as fieldwork in Parnell, documentary research, and semi-structured interviews, were used as part of the Parnell case study. Conducting participant observations in conjunction
with interviews and document analysis enables the triangulation and substantiation of the findings (Merriam, 2009). A number of field trips were made, visiting all 60 of Parnell’s design creative firms, to identify their preferences in terms of buildings as business locations.

Semistructured, face-to-face, and in-depth interviews were conducted using interview question guides initially with two major groups: 15 Parnell architectural, specialized design, and advertising firms and 15 Auckland stakeholders. A third set of interviews with 4 Parnell property developers was conducted last because it was necessitated by the findings obtained from the firm and stakeholder interviews. The aim of this last set of interviews was to provide additional contextual information on Parnell’s built environment. In-depth interviews are particularly suitable to gain a detailed understanding of certain concepts within a particular context (Fontana and Frey, 2000).

Quota purposive sampling was used to select participants from the three industry subsectors within Parnell. Data were gathered from the directories of the New Zealand Institute of Architects (NZIA) accredited practices, the online Design Institute of New Zealand (DINZ) directory, and the online Communications Agencies Association of New Zealand (CAANZ) directory. Quota sampling ensures that certain groups are adequately represented in the study by assigning a quota; the quota fixed for each subgroup is based on the total number of each group in the population (Cavana et al., 2001). The individual quota for each subsector was calculated as a percentage from the total number of Parnell firms (60) and then used to determine the proposed number of interviews (15) as part of the total number. Semistructured, one-on-one, in-depth interviews were conducted with six architectural (38.34% quota), six specialized design (40% quota), and three advertising (21.66% quota) firms. All the interviews were with the firms’ directors because they had decision-making power with regard to choosing their firm’s location.

Judgment sampling was used to select participants for the Auckland stakeholders’ and Parnell property developers’ interviews. This type of sampling involves selecting individuals who are in the best position to provide the required information; it is used when only a limited number of people have the information being sought (Cavana et al., 2001). The sample for the Auckland stakeholder interviews consisted of a wide range of participants with different backgrounds who can provide information about Auckland’s creative industries and built environment. They included Auckland Council policy makers, property market analysts, business associations, professional bodies, industry professionals, and other stakeholders.

The sample for the Parnell property developers’ interviews consisted of property developers with extensive experience in the field who had been involved in major building conversions of former industrial buildings. The analysis was based mostly on empirical data collected through fieldwork and interviews with key Auckland industry stakeholders and Parnell property developers. Additional references from the other set of interviews with purposefully selected Parnell firms were included where appropriate. Photographic evidence of building conversions and design effects was also used to provide descriptions with a rich context.

4. Findings and discussion

The fieldwork showed that the majority of the firms, i.e., 39 out of 60, or an overwhelming 65%, were located in converted industrial buildings, 10 out of 60 were set in purpose-built office buildings, and 11 out of 60 were situated in...
residential dwellings. The firm interview data identified the overall appearance and character of Parnell's built environment, the well-designed urban spaces, and the building stock with appropriate design qualities, or Parnell's “bare geographies” (Helbrecht, 2004), as the highest rated location factors that determined the choice of business location. Hence, the current study aims to determine the complex relationship between creative industries and built form and to examine the key factors that have shaped Parnell’s current distinctive postindustrial landscapes. The research also intends to explore the argument in the literature that design creative industries play a central role in the formation of metropolitan landscapes and urban culture in historical and contemporary contexts (Hutton, 2000).

4.1. Parnell’s distinctive postindustrial urban landscapes

Parnell, which is located on the eastern side of the CBD and adjacent to the Auckland Domain volcano (Figs. 1 and 2), is apparently the creative center of inner Auckland. It is practically using much of its historical industrial resources. Parnell is a suburban area that does not appreciate the significance of creative industries until its creative economy has developed. It is an affluent gentrifying area. The majority of Parnell residents are highly educated and are mostly in professional employment with high earning power that is nearly double that of the Auckland Region average.

Parnell is Auckland’s oldest suburb; it is rich in history that dates back to 1840. On May 3, 1950, the New Zealand Herald reported on the industry invasion of Parnell that occurred during the early 1900s when factories and warehouses were slowly pushed out from the city and into the lower reaches of Parnell. As a result of this industrial intrusion, several parts of Parnell were gradually turned from residential into industrial areas and underwent a change in appearance (The New Zealand Herald, 1950; May 3).

The large-scale industrial warehouses on lower St Georges Bay Road and The Strand, which were built in the early 20th century, have considerable local significance as part of the industrial heritage of Auckland. Although their construction spanned several decades, they share similar scale, style, and materials. The Saatchi & Saatchi building (formerly the NZ Loan and Mercantile Wool Store) was built in 1911. The Textile Center (formerly the NZ Shipping Company) was built in 1918, and the Axis building (formerly the factory of the NZ Milk Products) was built in 1926. The Art Deco and Moderne architectural styles were characteristic of the early 20th century public and commercial New Zealand architecture (Schrader, 2014). The buildings are sturdy in design, and their construction is typical of this period of commercial development. The architecture with quasi-structural expressions on the façade exudes a utilitarian character. The building share a regularity of the façade, frequently an emphasized pier and a low parapet wall. The horizontal spandrels between the piers are often accentuated. Building materials used include jarrah timber beams complemented by brick walls made from New Zealand clay, polished floors, and sawtooth roofs (Auckland Council Heritage Unit, 2017).

Ironically, what was once perceived as lost dignity, changed appearance, and deteriorating surroundings due to industrial intrusion currently constitutes a unique industrial heritage that draws creative firms into the area. The sections with the highest concentrations of design creative firms are near The Strand and at the lower ends of Parnell Road and St Georges Bay Road. The conversion of old industrial buildings into commercial spaces and residential lofts has redefined Parnell’s spatial character over the years. New attractive commercial environments have been created in the Textile Center, the Saatchi and Saatchi building, the Axis building, and many other areas at a smaller scale. The currently trendy suburb, which is popular among creative professionals, is a product of 170 years of urban regeneration that has transformed “the shabby commonplace of oldness” into a place with “some abstract value” (Burton and Leigh, 1978, p. 3). Parnell has considerable historical value as one of Auckland’s oldest suburbs with aesthetic and physical attributes (Miskell, 2001).

Creative industry clusters located in heritage districts are directly linked to the reconstruction of inner city buildings, sites, and urban landscapes through their adaptive reuse. The reconstruction process involves the retention and adaptive reuse of old industrial landscapes that then become an integral part of the postmodern city (Hutton, 2006).

Area regeneration based on the adaptive reuse of unregistered historical industrial building stock from the early 1900s has occurred in Parnell. Parnell’s case study is highly similar to other studies on design creative clusters located in inner city suburbs in London, Singapore, Vancouver, and Shanghai, confirming their associations with the evolution of internal production spaces and the emergence of new urban landscapes (Hutton, 2000; Zheng, 2011).

As a result of the changes in built form, new 21st century creative production spaces have replaced 20th century heavy industrial facilities, reaffirming the production status of Parnell. The spontaneous demand for creative spaces has led to the commodification of the existing industrial heritage. Market forces, driven by the prospect of economic revenues, have also contributed to the adaptation of Parnell’s former industrial buildings, and ultimately, to the formation of the local creative clusters. The conversion process “makes [former industrial buildings] a scarce commodity and so creates monopoly rents” (Zukin, 1998, p. 830). The architectural prominence of these buildings is further enhanced by the embodiment of symbolic value. Mercantile buildings act as powerful symbols as they “both materialize and symbolize manufacture and trade” (Markus, 1993, p. 245).

The industrial built form in Parnell can be analyzed from another perspective. These mercantile buildings were used for the production of other goods, such as textile and confectionery goods; therefore, their total value was not just the value of the building and the land but also included that of their actual use. Such buildings “contain things and people” and exhibit a unique property because “they are containers which interface products with people” (Markus, 1993, p. 247). Textile factories from the industrial economy era that operated along The Strand would interface raw materials, such as wool, brought from the nearby working port, with workers and supervisors to produce cloth.
value of Parnell’s industrial built form has been redefined over time when manufacture and trade gave way to the creative economy. Parnell acquires a new heritage value and becomes attractive to creative industries. The symbolic value of its output is reflected in the generation of new ideas, the creation of new technology, and the introduction of new creative content.

The heritage built form in Parnell epitomizes the dynamic relationship between form and function that has materialized under specific historical conditions. In the current historical context, which represents the new social relations of the creative economy, the old industrial buildings have outlived their original function when manufacturing has given way to creative industries. Although the exterior form of these buildings has remained nearly intact, the flexibility of their original design has allowed them to acquire a new function. Therefore, Parnell’s conversion approach for historic industrial buildings values the preservation of the exterior shell and the adaptation of the interior.

4.2. Adaptive reuse of historic industrial buildings in Parnell

The fascination with heritage industrial buildings can be considered along three dimensions: 1) external appeal and the association with landmark buildings; 2) internal building layout that allows flexibility; and 3) new postindustrial architectural style, i.e., Industrial Arts Architecture.

4.2.1. External appeal and association with landmark buildings
Former industrial buildings provide considerable potential for modification; when capitalized upon, such potential “opens unexpected perspectives for use” (Bordage and Grombeer, 2002). Although their external appeal has remained nearly intact, historic industrial buildings in Parnell have demonstrated remarkable transformational potential to accommodate a number of architectural, specialized design, and advertising firms.

Most large-scale converted industrial buildings that house creative firms have three stories, such as the Textile Center, the Axis building, and the Saatchi & Saatchi building. A number of medium-scale, two-story warehouses are dispersed throughout the area. Moreover, low- and medium-rise, large- and medium-scale converted industrial buildings are prolific in the area. This finding is comparable with those of studies that report the preferences of applied firms. Among the 15 firms interviewed in this study, 11 were located in converted industrial buildings with extremely varied internal building layouts. However, a common quality shared by all renovated industrial buildings was that the conversion process had not affected their original construction and authenticity. By contrast, the feeling of spaciousness and good natural lighting, which were characteristics of industrial buildings, were capitalized upon.

4.2.2. Internal building layout that allows flexibility
The internal configuration of large- and medium-scale converted industrial buildings in Parnell provides flexible layouts to cater to large, medium-sized, and small creative firms. Among the 15 firms interviewed in this study, 11 were located in converted industrial buildings with extremely varied internal building layouts. However, a common quality shared by all renovated industrial buildings was that the conversion process had not affected their original construction and authenticity. By contrast, the feeling of spaciousness and good natural lighting, which were characteristics of industrial buildings, were capitalized upon.

4.2.3. New postindustrial architectural style: Industrial Arts Architecture
Creative industries play an important role in creating and defining new standards and norms of cultural consumption influenced heavily by a distinctive postmodern aesthetic that places considerable emphasis on the specific context that incorporates local and historical references (Wansborough and Mageean, 2000).

In general, the original structure and exterior shell of old industrial buildings in Parnell have been preserved nearly intact as a result of the conversion and renovation processes. However, the functional adaptation and change in the original interior layout of these early 20th century buildings have necessitated a new design approach to reflect the major shift in industrial relations from manufacturing to creative activity. This art-oriented approach lays the foundations for a new emerging architectural style that is a unique blend of quaint macroscale industrial features and modern microscale decorative details, forms, and ornaments. This style is nearly exclusively concerned with a building’s aesthetic and its emphasis is on enhancing a building’s, and subsequently, its area’s unique identity and branding.

The term “industrial arts” was conceived in the late 19th century to describe educational programs that feature the fabrication of objects in wood and/or metal using a variety of hand, power, or machine tools (Wikipedia, 2018). At
Questions arise whether these creative industry clusters contribute in any manner to the reconstruction of Parnell’s urban landscapes, reimagining this CBD fringe area as described in the literature (Hutton, 2000, 2004; 2006, 2009; Short et al., 1993). This section draws largely on qualitative data from the interviews with key Auckland industry stakeholders and Parnell’s property owners/developers. In addition, references from the set of interviews with Parnell creative firms have been included where appropriate to strengthen certain statements.

4.3.1. Urban context, spontaneous clusters, and market players
The nexus between Parnell’s design creative industries and the area’s built environment exhibits its own specificities that require a nuanced understanding of their unique contribution. Parnell has been identified through collected qualitative data as a preferred location with rich heritage.
They appreciate the potential offered by the urban landscapes in heritage districts, or the so called “geographical capital” (Helbrecht, 2004).

The major conversions from light industrial to commercial applications for two of the large-scale buildings occurred in 1990. The Saatchi & Saatchi building was converted in 1990 from a warehouse owned by the Farmers Trading Company to a commercial office building. The conversion of the Axis building, a former chocolate factory of Nestlé, started in 1990 and finished in 1992. However, the largest building in the area, the Textile Center, was primarily set up for textile-related companies because the owners were involved in the textile industry. “They stayed here from 1986 until about 2000 ... A number of firms wanted to go and build their own offices instead of paying rent; thus, a huge number of people moved out around 2000. Suddenly, the building was half empty; we were only approximately 3/8 full. During this time, the Saatchi building and the Axis building have grown around us and this place was no longer appropriate for warehousing. Thus, we made the decision to upgrade the building. We moved from warehousing and small showrooms and became a complete commercial office block” (PROPDEV 4). Thus, the gentrification of the area resulted in a complete change in the type of firms occupying the building; that is, textile-related companies were replaced by creative firms.

The three converted industrial buildings also have a hospitality component integrated into the commercial application. “We find that hospitality and commercial office work well together, but wouldn’t work if a residential component exists. Residential is always difficult. They have completely different uses, and the occupants have different needs and aspirations for the spaces that they are occupying, unless you can get a clear physical separation, which is often difficult” (PROPDEV3). However, the Axis building also has a residential component in addition to the commercial and hospitality ones. “That is what the market wanted at the time. When the architect AP came up with a good project design that we liked, we decided to build it with the studio apartments at the top. It is half residential, half office” (PROPDEV2).

All the interviewed property owners/developers had commissioned registered architectural firms for the design of the interior renovations because design was important for them. They all felt passionate about the redevelopment of their properties and had a flair for design. “In 1990, the architects were LP and they did the work for V. These floors were continuous, but they cut them out to create the atrium of the building. The redevelopment in 2011 was undertaken by a smaller firm called MS. They were tenants at that time” (PROPDEV1). “This building used to be a chocolate factory of Nestlé. It was converted in 1990 and finished in 1992. It was designed by P Architects” (PROPDEV2). "We approached three architectural firms for the design of this building. We talked to them and asked them about their thoughts more than anything else. I guess we made the decision based on that. We had a fairly clear idea of what was needed to be done in terms of concept. What was critical was attention to detail and finishes. That is the reason why we chose AB” (PROPDEV3). “We commissioned AL who is one of our tenants. They helped us with what we were trying to achieve” (PROPDEV 4).
All the interviewees claimed that compromising on quality was not an option because they were all planning to keep their properties for the long term. Investing in good design was part of their overall plan. "We believe that you need to introduce something different to the market, lease the properties, market them, and make money. Awards mean nothing. I don’t do it for the awards. We design good buildings because we think that we will get a good return from these buildings, it is as simple as that. You also take a huge risk building highly designed buildings, but we don’t do it for the reason of design. We do it for what we believe the market wants, and we believe that people want to be in an environment that is happy and easier to lease. Much cheaper means are available to build these buildings — cheaper architects, designs, materials — but because we will own these properties for a long time, we want to get return from them" (PROPDEV2). "For example, we could’ve spent half a million dollars on this building but instead we spent 16 million and created this. We wanted to be proud of what we end up with, and this building is now a legacy for the city. We felt that these buildings deserved much better, and I think that at the end of the day, we knew that with the money we spent, we would get good tenants and create a demand for space that will be ongoing" (PROPDEV3).

All the property owners/developers played a part in influencing the design with their own ideas and became involved in the process. In several cases, the reasons for the involvement were pragmatic. "Yes, absolutely, we participated in the design. When they came up with the initial concept, we made changes because we would lose floor space and could see how the shape of the tenancy above was going to be compromised. Thus, we sort of pushed back and said there must be a better way to do this. They rethought their concept" (PROPDEV3).

In others, such involvement resulted in the production of more than 100 design schemes. "We did not commission them to do the work. We basically had the ideas and said this is what we want. We would like you to draw it up but we also want to hear your thoughts, it was a joint effort … We did not have the technical expertise to draw the plans, but an architect does. But I was not going to give it to a draftsman or somebody like that, working with an architect is much better. We spent probably years around this table just doing bits and pieces that we required and coming up with the drawings. We done over 100 fit outs on this building since we have been here. Hence, we are experienced in what we do now" (PROPDEV 4).

All the interviewees commented that they have a wide variety of tenant firms in their properties without having any preferences for a specific type of business. Creative industries were not specifically targeted. The mix of businesses has also changed over the years and has become more diverse, including information technology (IT) firms and service industries. However, certain professions, such as lawyers and accountants, are typically not a part of this mix. "Character space tends to attract creative business uses. Having been here for 20 years, we’ve never had even one legal firm in the building out of 16–17 tenants. We had one accounting firm in the early days but they left. I think that certain professions feel that this is probably not the look they are aiming for. However, I also found that a broader array of companies now want to be perceived as creative. In the early days when this area was developed, we used to attract advertising companies and architects. Now, many people wish to be viewed as creative and provide an interesting workplace for their staff. For example, we have a few computer programming companies now and they also like to provide an interesting workplace for their staff. They feel the need to copy Facebook, Google. These IT companies place lunch bars and pool tables. We do not have a preference. We have a wide variety of tenants here" (PROPDEV1).

Artist-led regeneration has captured considerable attention (Grodach et al., 2018; Kapp, 2017; Ward, 2017). Local artists are considered to make an important contribution to the production of creative spaces, and yet, they remain undervalued and their specific needs are overlooked. Various flagship regeneration projects have been widely criticized for focusing on promoting economic activities and creating an image of places for cultural consumption rather than catering to artists’ needs (Ward, 2017). Simultaneously, minimal attention is directed toward property development and the investment process (Ball and Pratt, 2018).

4.3.3. Contribution of the design creative subsector to historic building renovations

Table 1 explores the relationship between property ownership and the upgrade of a firm’s own office space. Only one of the interviewed firms owned the building where they operated, while another one ran the business from an apartment owned by one of the firm’s directors. All the interviewed firms were grouped into four major categories, depending on their degree of involvement in the upgrade of the firm’s office premises: major architectural design and redevelopment (own design), architecturally designed interior fit out, in-house renovations, and no renovation at all. The majority of the firms (6/15) were in the second category, i.e., architecturally designed interior fit out, followed by 5/15 firms in the third category, i.e., in-house renovations. Three of the firms had undertaken major architectural design and redevelopment, and only one firm did not report any renovation work. All the firms that were involved in major renovations and produced their own design were architectural firms. All advertising firms participating in the study had architecturally designed interior fit outs because style, design, and image were crucial aspects of their overall brand.

Architectural firms, as potential tenants, frequently enter into special negotiations with the owners/developers of former industrial buildings and play an active role in the building’s redevelopment. "They [owners/developers] are going to be more open to actually have a tenant, such as an architect, who is going to say: Hi, let’s rip the building down to a part, let’s bare its bones, let’s polish up all the silver pipes and make them attractive and interesting to look at. You will feel that you are inside a machine. It is
<table>
<thead>
<tr>
<th>Code</th>
<th>Creative Sub-sector</th>
<th>Area of Specialisation</th>
<th>Property Ownership</th>
<th>Involvement in Upgrade of Firm’s Office</th>
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<td>Architecture and Design</td>
<td>Commercial, interior design, urban design and landscape architecture</td>
<td>Leased floor</td>
<td>Major architectural design and redevelopment of a leased floor (own design)</td>
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<td>ARCH 3</td>
<td>Architecture</td>
<td>Residential and commercial</td>
<td>Premises in own building</td>
<td>Major architectural design and redevelopment of own building (own design)</td>
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<td>ARCH 5</td>
<td>Architecture</td>
<td>Commercial, residential and urban design</td>
<td>Leased building</td>
<td>Major architectural design and redevelopment of a leased building (own design)</td>
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<td>Design</td>
<td>Commercial and residential interior fit outs</td>
<td>Leased floor</td>
<td>Architecturally designed interior fit out of a leased floor</td>
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<td>Advertising, marketing and promotion</td>
<td>Leased unit space</td>
<td>Architecturally designed interior fit out of a leased unit space</td>
</tr>
<tr>
<td>ADV 2</td>
<td>Advertising</td>
<td>Marketing and design of communication material: posters, packaging</td>
<td>Leased floor</td>
<td>Architecturally designed interior fit out of a leased floor</td>
</tr>
<tr>
<td>ADV 3</td>
<td>Advertising</td>
<td>Planning and purchasing of media, marketing</td>
<td>Leased unit space</td>
<td>Architecturally designed interior fit out of a leased unit space</td>
</tr>
<tr>
<td>ADV 4</td>
<td>Advertising</td>
<td>Direct marketing and design of promotion material</td>
<td>Leased unit space</td>
<td>Architecturally designed interior fit out of a leased unit space</td>
</tr>
<tr>
<td>ADV 5</td>
<td>Advertising</td>
<td>Direct, database &amp; digital online marketing, media analytics, reporting, strategy planning and buying</td>
<td>Two leased floors</td>
<td>Architecturally designed interior fit outs of two leased floors</td>
</tr>
<tr>
<td>ARCH 2</td>
<td>Architecture</td>
<td>Residential, commercial and interior design</td>
<td>Own apartment</td>
<td>In-house renovations of own apartment (own interior design)</td>
</tr>
<tr>
<td>ARCH &amp; DES 7</td>
<td>Architecture and Design</td>
<td>Commercial, residential and interior design</td>
<td>Leased unit space</td>
<td>In-house minor renovations of a leased unit space (own interior design)</td>
</tr>
<tr>
<td>ARCH 4</td>
<td>Architecture</td>
<td>Residential, commercial and interior design</td>
<td>Leased unit space</td>
<td>In-house renovations of a leased unit space (own interior design)</td>
</tr>
<tr>
<td>ARCH 1</td>
<td>Architecture</td>
<td>Commercial, residential and interior design</td>
<td>Leased unit space</td>
<td>No renovations of a leased unit space</td>
</tr>
</tbody>
</table>
not a sleek smoked glass corporate building in the CBD" (STAKEHOLDER 5). This case was reflected by two of the architectural firms included in the study that were responsible for the major design and redevelopment of their respective buildings. Similar negotiations occurred between advertising firms, as potential tenants, and building owners. These firms commissioned architectural firms for the interior fit outs. "The deal I made with the landlord in 3 h was: you gut it, sandblast it, polish the floors, put a lift and toilet and kitchen facilities, and I'll take it. We negotiated. He provided me with a clean footprint, and we paid for all the fit outs" (ADV 2).

Creating an inspirational work environment that fosters creativity and projects the right image to potential clients were the major drivers. "Not all is simply visual identity. Glass towers are so anonymous. They could have been manufactured in China and just dropped down from the sky. Even the spirituality of a building, I think, is absent. Several of these towers stifle creativity; feeling inspired and enthusiastic in these environments we create is very difficult. Many of these [character] buildings are interesting but several are highly inefficient — the layout, design, floor space. By contrast, a typical glass tower is designed around efficiency as a single determinant criterion, e.g., how much floor space, how many flexible considerations ..." (STAKEHOLDER 6).

The interviews with Auckland's stakeholders indicated the leading role played by architectural firms in the conversion of former industrial buildings and their contribution to the emergence and establishment of a new eclectic architectural style, i.e., a unique blend of quaint macro-scale industrial features and modern microscale decorative details, forms, and ornaments. This style focuses exclusively on a building's aesthetic, striving to ultimately create a unique identity and branding for the area. "There is something about Parnell. Many businesses there build those types of factories and warehouses. They are essentially well-built and the cost of actually converting them has not been huge. It's the nature of architects, they like to strip down the buildings, get rid of fit outs, pare them down to the fundamental girders and beams. They probably like steel and rough concrete and wires and pipes and stuff. It works for them, but it does not work for everyone. Architects love it because they like to see the beast. They like to see the bones" (STAKEHOLDER 5).

The interviews with Parnell-based creative firms also intended to establish the degree of involvement in the upgrade of a firm's office premises. The architectural firms were involved in major redevelopments and in producing their own design. "We did the redevelopment. We obviously did the design ourselves. We do not own this building, we are renting it" (ARCH & DES 6). "I think it was probably an up-and-coming area [Parnell] at that point with interesting spaces. We moved to the Axis building probably for two reasons. The first was we developed it; it used to be one of our projects ... We were the architects that converted it from a chocolate factory into a mixed-use office and residential building ... Here [the new office], we did the design ourselves. The entire cladding system, all the ventilation and the roof, the whole interior fit out ..." (ARCH 5). "We did the redevelopment of the apartment that we are occupying. We can use it like a New York-style office, just squeeze in corners and identity, but it is like an apartment the way it looks" (ARCH 2).

The smaller specialized design firms produced their own interior design and got involved in the interior renovations of their leased office space. "The building has changed amazingly since we have been here [26 years]. It has changed a lot. We did all the inside renovations but not the exterior of the building, it stays. The landlord does that, although we changed the front of the building and put the signage" (DES 2). "Just the interior layout, nothing to do
with the exterior. The exterior is completely the owner’s but we’ve obviously put up the meeting room and other things like that” (DES 3).

All the interviewed advertising firms reported on commissioning an architectural firm to produce the design for them. "Originally, we commissioned AB to do the design but then had CD involved" (ADV 1). “Lovely location, lovely offices. We did a minor refitting 5 years ago but we are due for another one. It is all open plan, but we want to change everything to have more group spaces and meeting areas and formal spaces, thinking/planning areas with large white boards… When our lease is up in another 12 months, we will redesign if he [the landlord] makes a contribution to our fit out. It is quite common. We will stay for another 6 years or another 4 years if he pays half of our refitting costs up to a certain figure” (ADV 5).

The interview data suggested that the design creative firms included in this study, as part of spontaneous, market-driven clusters, were mostly the users of the former industrial buildings in Parnell who upgraded their business premises to varying degrees. This condition was largely due to the low property ownership and the lack of incentive to get more financially involved. Therefore, they play a positive transformational role in urban redevelopment similar to the findings of the study on artists in the US. Although artists are involved in the process of neighborhood redevelopment through the upgrade of low-cost building stock, they cannot be qualified as agents of gentrification.
A comparative study of the creative industry clusters in Shanghai indicated the active engagement of private property developers in the early conversion of a number of industrial quarters in the late 1990s; such conversion was regarded as an alternative type of real estate development with economic benefits (Zheng, 2010). In all these cases, the major players are real estate developers from the private sector who are favored by local governments, whose primary concern is to further facilitate the gentrification process rather than provide support to creative districts (Gu, 2014; Zukin and Braslow, 2011). The reality of the creative economy does not change several "established approaches to urban entrepreneurialism." Urban creative strategies that focus on creative industries are not considered "alternatives" to marketing, consumption, and real-estate development strategies, but as "low-cost, feel-good complements to them" (Peck, 2005, p. 761).

4.3.4. Photographic evidence of building conversions and creative design effects

The adaptive reuse of historic industrial buildings in Parnell has adopted a unique approach, i.e., the preservation of an early 20th century exterior shell integrated with a modern 21st century flexible adapted interior layout. Figs. 3-5 illustrate how well the exterior shell of the buildings has been preserved and how minimally it has changed over time. Figs. 7-9 show the contemporary interiors of three major buildings in Parnell with many creative firms designed in the Industrial Arts Architecture style: the Saatchi & Saatchi building, the Axis building, and the Textile Center. The flexibility provided in the interior renovation contrasts with the rigidity of the exterior shell that has remained nearly intact. Industrial heritage elements that belong to the building’s original structure are regarded as major design components in many new design schemes. Exposed timber roof trusses, floor beams, and columns, combined with exposed bricks, act as powerful design features and create the characteristic atrium space of the Saatchi & Saatchi building (Fig. 7). Cast iron columns and beams, wire netting panels, and large-scale square grid patterned industrial windows and doors in the Axis building aim to create a specific visual impact (Fig. 8). The heavy industrial appearance of the bridge that connects the two wings of the building and the industrial feel of the balcony of the residential units on the upper floor invoke images of the past industrial era. A mix of cast iron columns, floor beams, exposed bricks, and exposed timber roof trusses creates a dominant design effect in the foyer of the Textile Center (Fig. 9). In addition to these large-scale former industrial buildings, Parnell abounds with medium- and small-scale industrial buildings occupied by creative firms. Fig. 6 shows the conversion of a 1960s former industrial building by an architectural firm. However, changing the exterior is not a common practice given that most of the interviewed firms renovated only the interior fit outs of their office premises.

The architecturally designed interior fit outs of an architectural and advertising firm illustrate another characteristic of the Industrial Arts Architecture style, i.e., the juxtaposition of the historical and contemporary themes (Figs. 10 and 11). In cultural quarters, "the juxtaposition of the historical and contemporary is a surprising and successful feature which epitomizes an underlying philosophical approach to the development, that of integrating the past with the present" (Roodhouse, 2006, p. 57). The main building structure is retained in both interiors: concrete block walls, rough concrete walls, steel columns and beams, exposed pipework and vents (Fig. 10), exposed timber roof trusses, and exposed brick walls (Fig. 11). These dominant structural elements, which evoke memories of the industrial past, are juxtaposed with contrasting contemporary materials, modern light fittings, and brightly colored office furniture. The skillful use of contrasting color schemes creates juxtapositions in their own right. Bright red, orange, yellow, green, and blue are used as color accents against large areas of dull gray concrete and brick walls. Sandblasted glass used for meeting rooms and as partitions, light-colored wooden wall partitions and wooden seating, colorful recycled carpet tiles, and brightly colored partitions and counters represent the contemporary theme in the interior that is skillfully integrated into the historical one, i.e., the original building structure with its major components: exposed roof trusses, steel columns and beams, rough concrete, and exposed brick walls. Contemporary artwork and exhibitions of the firm’s work decorate the office’s interior for a professional finishing touch.
5. Conclusions

The design creative firms included in the study, being part of spontaneous, market-driven clusters, were mostly the users of former industrial buildings who upgraded their business premises to varying degrees. This condition was largely attributed to the low property ownership and the lack of incentive to become financially involved. Therefore, design creative industries cannot be conceptualized as leading actors in urban redevelopment or initiators of urban transformation on a grand scale. Instead, they can be characterized as key players in the urban commodification of the reconstructed industrial landscape due to their creative potential and the untapped demand for physical space. The process of postindustrial real estate development and of boosting place consumption through the proliferation of consumption spaces is actively driven by savvy private property owners/developers who have become the real innovators and drivers of urban change. These findings are consistent with the views of the existing literature that private sector real estate developers, favored by local governments, remain the major players in the context of the creative economy (Gu, 2014; Markusen, 2006; Peck, 2005; Zheng, 2010; Zukin and Braslow, 2011).

Nevertheless, the creative design effects on the built environment are powerful. Design creative industries are regarded as creative contributors to the gradual transformation of the postindustrial urban landscape. Although the involvement of the architectural and interior design
The atrium of the Saatchi & Saatchi building, 123–125 The Strand, a key building with creative firms in Parnell in 2019.

The internal courtyard of the Axis building, 91 St Georges Bay Rd, a key building with creative firms in Parnell in 2019.
Fig. 9  The Textile Centre, 1 Kenwyn St, a key building with creative firms in Parnell in 2019.

Fig. 10  Major architectural design and redevelopment of a leased floor occupied by an architectural firm (own design).
industry subsectors in the area’s urban regeneration is limited due to the lack of financial power, these industries make a creative contribution because they are the founders and creators of a new postindustrial architectural style.

Although design creative industries play a role in the transformation, upgrade, and regeneration of Parnell’s postindustrial urban landscape, this role is secondary to market forces that capitalize on industrial heritage. Private property owners/developers in Parnell play a major role in the transformation of the large-scale former industrial buildings into a new form of revenue-generating urban commodities. They can be characterized as pioneers and risk-takers with the ability to identify emerging trends in their local economies, and hence, new types of tenants. Further progress is ensured by their continual involvement and proactive approach to the built environment. The supply of attractive working environments in Parnell coincides with the growth of creative industries in the period that creates the demand. The contemporary reconstructed urban landscape in Parnell plays a decisive role in the choice of business location that amplifies the spontaneous clustering process. The urban transformations that we frequently admire will not be possible without the proactive intervention of savvy property investors with a creative flair. Diversity in urban places is largely due to such private owners, who range from small to medium in terms of the scope of their activities. They provide an environment conducive to the growth of culture and creativity and indirectly influence the development of creative clusters. Property owners/developers, who comprise an important market force, remain underacknowledged in the literature on creative industries.

The theoretical implications concern the debate in the literature that heritage built form is a key determinant of firm location that is equally important as other economic drivers. This research takes this debate further and examines the nexus between design creative industries and the built environment. Design creative industries can be characterized as key creative contributors to the urban transformation of the heritage built form in the context of low property ownership and limited financial power. By examining the complex socio-spatial dialectical relationship between industry and the built environment, this research bridges the gap between two existing bodies of literature: the human and economic geography literature regarding the location choices of the creative industry sector and the pure design literature associated with the emergence of attractive working environments of adapted former industrial urban spaces.

Policy-related implications focus on the potential expansion of the scope of historical building conservation to include nonlisted, ordinary industrial buildings. Moreover, a recent historic heritage evaluation of Parnell warehouses argues that the retention and reuse of these buildings has retained the character of the wider historical landscape, and as such, they have potential heritage value that is worth protecting (Auckland Council Heritage Unit, 2017). Specific building guidelines, design codes, and planning regulations should be followed; and technical guidance should be provided to private property developers when

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Fig. 11 Architecturally designed interior fit out of a leased floor occupied by an advertising company (design by a Parnell based architectural firm).
undertaking historic industrial building conversions. In conclusion, the research results illuminate the complex relationship between design creative industries and the built environment and the importance of such relationship in the creative transformation of the postindustrial urban landscape.

Conflict of interest declaration

I, Dr Lydia Kiroff, hereby state that I do not have any conflicts of interest to declare with regard to this paper.

References

Nexus between creative industries and the built environment


