Advertising Amsterdam: the rise and growth of an international advertising industry
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Conclusions & Summary
9.1 The background of this study in retrospective

The aims, research questions and the theoretical background of this study on the international advertising industry were discussed and outlined in the introductory chapter and Chapter 2. Before providing the major conclusions of this study, it is useful to give a brief synopsis of the material. The initial idea to focus on the international advertising industry in the Amsterdam Region emerged as a result of the work done by several relatively new and small advertising agencies that had big client accounts for major international brands, such as Nike, Adidas, and Coca Cola. It became clear that Amsterdam’s advertising industry had agencies that produced commercials with high creative value and enjoyed international acclaim. It was particularly striking that many of the client accounts of these agencies were so-called ‘lifestyle brands’. Obviously these agencies have contributed to the international competitiveness of Amsterdam’s advertising industry and economy of the region in general.

The cultural industries are receiving increased attention in academic research and among policy makers. With the shift from an industrial to a post-industrial society in developed nations, along with the accompanying displacement of jobs to developing nations, the question is what will be the major sources for sustained wealth creation? The cultural industries in the Netherlands, including the advertising industry, have shown relatively high growth rates since the 1990s, in terms of start-ups and job creation (Deinema & Kloosterman, 2011 forthcoming). These cultural industries tend to cluster in cities, and the high-end cultural firms are concentrated in a select few major cities in the global economy. These global cities are competing with each other to host these prestigious firms. The presence of leading international firms can stimulate the growth of an entire industry, as it attracts other firms to establish a presence in the city.

The studies of world city formation, introduced by John Friedman (1986), brought more recognition of the increasing intercity competition in a globalising world (cf. Sassen, 1991; Scott, 1998; Kloosterman & Lambregts, 2007). According to Friedman (1995, p.23) world cities: ‘are driven by relentless competition, struggling to capture ever more command and control functions that comprise their very essence. Competitive “angst” is built into world city politics’ (quoted in Taylor & Aranya, 2008, p.2). However, competition between world cities is only one part, as it is also emphasised that ‘what we are seeing now is an additional pattern whereby the cooperation or division of functions is somewhat institutionalized: strategic alliances not only between firms across borders but also between markets. There is competition, strategic collaboration and hierarchy’ (Sassen, 2002, p.29). This strategic
collaboration, or mutuality, between world cities was also stressed by Taylor and Aranya (2008, p. 2), who asserted that this cooperation is one of the essential ingredients that foster productive intercity relations. Saskia Sassen (2006, p. 7) stressed that ‘whether at the global or regional level, these cities must inevitably engage with each other in fulfilling their functions, as the new forms of growth seen in these cities are a result of these networks of cities. There is no such entity as a single global city’. World or global cities are connected through networks. The position in the hierarchy of global and world cities is determined by particular factors, such as the financial market or the function played by the offices of international advanced producer service firms or the headquarters of transnational corporations. The advertising industry is considered both an advanced producer service industry and a cultural industry, both labeled by Peter Hall (1999, p. 175) as key industries for safeguarding the promise of a prosperous future of world cities.

The cultural products (e.g. film, television, and music) of American multinational corporations have been dominating world markets in the postwar era (cf. Hobsbawm, 1994; Scott, 2000; De Grazia, 2005). However, several of these dominant American cultural production centers have been, or are increasingly being, challenged by other cities around the world. Allen Scott (2000, p. 209) argued that ‘other centers like Toronto, Montreal, Barcelona, Amsterdam, Seoul, Hong Kong, Rio de Janeiro, and so on, are also foci of important cultural production activities, and are now at a point in their development where they may well rapidly come to compete effectively with the top-ranked cities’. Several cultural industries that share a global outlook have emerged in the Netherlands, e.g. architectural -, interior -, product -, graphic design (overall better known as Dutch Design) (cf. Betsky & Eeuwens, 2004). This study has illustrated that Amsterdam’s advertising industry has also attained international prominence.

9.2 The rising prominence of Amsterdam within the world system of advertising cities

In Chapter 3 on the four waves of international advertising, a distinction was made between two types of international advertising agencies: the global network advertising agencies (GNAAs) and the independent international advertising agencies. The international advertising industry is dominated by a select few major holding companies (e.g. WPP,
Omnicom, Interpublic, and Publicis) which individually include up to four different GNAAs, a large number of smaller advertising and marketing-related agencies, and media agencies. However, their position is being increasingly challenged by smaller independent advertising agencies, which offer the competitive edge of flexibility, creativity, and fast adaptability to emerging marketing conditions. The distinction between ‘majors’ and ‘independents’ is best known in the music industry, where a few majors (e.g. Sony Music, Universal, Warner Music and EMI) dominate the industry, while there is also a multitude of independent music labels, which focus on more alternative music genres for example (Leyshon, 2001; Power & Jansson, 2004; the Economist, 2008).

This type of international independent agency emerged as a result of a few major developments in the last decades of the 20th century. There was a shift from a Fordist consumption regime into a more multifaceted regime of consumption. In the Fordist era, producer firms formed a strong alliance with their advertising agencies in order to sell standardised goods to the emerging mass consumption markets around the world (Mansvelt, 2005, p.42). American, and at a later stage also European advertising agencies, followed their clients by opening offices around the world and developed into the GNAAs, which are distinguished by their far-flung, worldwide office networks. Their work process was characterised by a standardisation of the creative philosophy (Lash & Urry, 1994, p.141). However, due to political, economic, technological and social changes (notably individualisation), a different consumer culture emerged with a fragmentation of lifestyles, which also implied a shift into more creative content in advertising production in order to reach out to the fragmented consumer markets (Piore & Sabel, 1984). Mansvelt (2005, p.44) argued that through this shift ‘individual rather than collective forms of consumption started to predominate’. A postmodern epoch, characterised by flexibility, diversity, and differentiation, emerged and replaced the preceding modern period of mass production and consumption. From the 1970s onwards, a wide range of lifestyle products has entered the marked (Shields, 1992). The combination of more trend-sensitive lifestyle products, together with the expanding media landscape, created a demand for more creative advertising. The agencies that have proven best suited to fill this gap are the relatively small (compared to the GNAAs), flexible and creative independent agencies. In addition, the revolution in information and communications technology has enabled these agencies to operate on the global level and simultaneously to remain small.

The distinction between these two types of advertising agencies also has a spatial dimension. The ‘older’ GNAAs have a location pattern of far-flung networks of offices in most of the developed and developing nations. Most of the GNAAs have office(s) in the Netherlands (predominantly in the Amsterdam Region). However, the presence of these GNAA offices
in Amsterdam is not unique; they are present in the key business centres (usually the capital city) in most of the developed nations and of the larger developing nations. Moreover, although holdings such as WPP and Omnicom might have grown in size and turnover (particularly due to growth in upcoming national markets and takeovers or mergers), most of the individual offices of the GNAAAs (or the Groups) in the Amsterdam Region decreased in size decreased after the peak of the economic boom at the end of the 1990s. This study demonstrates that Amsterdam has become an important centre for an increasing number of independent agencies that work for the international market. Chapter 6 concluded that there is a particularly a strong connection between the independent agencies and the Anglo-Saxon advertising world. The agencies that have established new branch offices in Amsterdam have a particularly strong link with North-America, both to the United States as well as Canada. In Amsterdam, a niche market advertising industry has emerged with a focus on creative international brand strategies. The relatively small city of Amsterdam will never become an advertising centre like New York or London, but will more likely function as a second tier global advertising city. The international global hierarchy of advertising centers around the world is becoming more akin to what Scott (2000, p.209) called ‘a polycentric and multifaceted system of cultural production’. Within this system of advertising cities, Amsterdam has emerged as a prominent creative hub, mainly thanks to the presence and international exposure of independent agencies.

Independent advertising agencies (e.g. Wieden + Kennedy, 180, Amsterdam Worldwide, Taxi, Sid Lee, AKQA, 72AndSunny, or KesselsKramer) are considered to be among the most influential, innovative and creative agencies in the world. The presence of a considerable number of influential independent agencies in Amsterdam is unique, in contrast to the presence of GNAA branch offices. After London, Amsterdam has probably one of the highest concentrations of high-end, creative, international independent advertising agencies in Europe. According to British Campaign magazine, three out of thirteen of the leading independent agencies in the world in 2010 are present in Amsterdam: BSUR, Perfect Fools, and StrawberryFrog (Leading Independents, 2010). In 2009, the score was three out of sixteen: Amsterdam Worldwide, Perfect Fools, and Modernista! (AmsterdamAdBlog, 2009a). Some of these independent agencies are vulnerable, especially when overly relying on a single big client, e.g. Springer & Jacoby, Modernista! and Cayenne Communications. However, the attraction of Amsterdam for the international advertising community remains strong, as emphasised by the continued founding of new international advertising agencies in the city. The return of StrawberryFrog is big news: it is re-opening an office in Amsterdam after leaving the city in 2008. The British independent agency Iris established a new office in Amsterdam in 2010, and LBi International announced that they will relocate their headquarters from Stockholm to Amsterdam (Adformatie, 2010).
These agencies use Amsterdam as a ‘marketing gateway’ to the European hinterland. The presence of a large number of international headquarters in the Netherlands is one of the strong pull factors for advertising agencies. For example, Wieden + Kennedy and 180 both started by working with a client who had an international marketing department in the Netherlands. Thereafter, they succeed in attracting a wider range of clients, among which several foreign-based clients; however, most agencies initially start with a client who is located nearby. At present, Amsterdam’s international advertising industry is firmly on the radar of international advertisers. Amsterdam has a strategic position within Europe, as it is surrounded by the large national markets of Germany, France, and the United Kingdom. Setting up an office in Amsterdam can also be a political choice; the Netherlands and Amsterdam is seen as having a neutral position amidst these larger countries. Respondents argued that, for example, it would be more difficult to court a German client from a Parisian office. Above all, according to most of the Anglo-Saxon advertising professionals, Amsterdam is the only city on the European continent where it is possible to work in English without major difficulties.

These local assets are particularly important from an agency-client perspective. From an agency-employee perspective there are several additional factors that make Amsterdam an attractive city. The advertising agency derives its competitive edge in particular from its capacity to make creative and effective advertising campaigns; thus, its capacity to tie creative professionals to the agency is very important. First of all, the creative reputation of the advertising agencies is one important aspect that attracts talent from around the globe. Second, the reputation and image of the city of Amsterdam itself is another important aspect that attracts creative people to the city. It was stressed that Amsterdam already had an open-minded attitude to dissident groups of people from other European nations in the Golden Age (17th century). This open-minded and tolerant attitude is a label that still sticks to Amsterdam, according to foreign advertising professionals, and that attracts creative-minded people to the city. However, the success of the populist and anti-immigrant movement of Geert Wilders has not remained unnoticed and is seen as posing a threat to this valued and appreciated climate of tolerance. International advertising agencies that seek an international labour force utilise this free-spirited liberal image to attract creative professionals to the city. Amsterdam is clearly a city that meets the requirements of a city attractive to Richard Florida’s ‘creative class’ (Florida, 2002). It offers rich diversity in terms of multiculturalism, culture, leisure, and business life. Chapter 5 showed that Amsterdam (and the North Wing Area of the Randstad) is the creative epicentre of the Netherlands, having the largest concentrations of cultural industry firms and jobs. The compact size of the city makes it pleasant and liveable; commuting time (mostly by bike) is nothing compared to London or Paris, and the deeply entrenched bike culture is also appreciated by creative minds.
Although the city has become more expensive, the cost of living is still significantly lower than these cities.

9.3 **Cluster reproduction and growth: prime mover Wieden + Kennedy and increasing return effects through knowledge spill-over and spin-offs**

In 1992, the Portland-based independent advertising agency Wieden + Kennedy opened its second office in Amsterdam. At that time the agency already enjoyed acclaim for the iconic work they produced for their client Nike. Nike, founded in 1978 nearby Portland, and Wieden + Kennedy, founded in 1982, have been a highly successful mutually reinforcing tandem, making Nike one of the most successful lifestyle brands, and, in its wake, Wieden + Kennedy one of the most successful (independent) advertising agencies. In Chapter 3, Wieden + Kennedy was described as one of the most important exponents of the third wave of advertising, which started as a result of the starting transition from the modern into the post-modern epoch. The importance of the establishment of Wieden + Kennedy in Amsterdam was emphasised several times throughout the dissertation. It should be considered as the prime mover, and their establishment as a start of the wave of new generation international independent agencies in Amsterdam. A comparison can be made with the architectural design cluster in Rotterdam, in which Rem Koolhaas’ office, OMA, played a similar role of prime mover. Robert Kloosterman (2008, p.6) argued that ‘the story of the rise of Dutch architectural design, however, cannot be told solely in structural terms as Rem Koolhaas was a crucial change agent in bringing about the rise of Dutch architectural design. He opted to move his fledgling architectural practice in 1980 from London to Rotterdam. He acted as a prime mover who used his talent to create, within the evolving structure of institutions, a new path along which Dutch architecture could develop just like change agents’. Both Wieden + Kennedy and OMA would provide a cradle for talent, knowledge spill-over and several successful spin-off agencies.

Chapter 7 referred to the evolutionary economic literature, which studies the formation of clusters by increasing return effects, knowledge spill-over and spin-offs (cf. Boschma & Lambooy, 1999; Klepper & Sleeper, 2005; Martin & Sunley, 2006). From an evolutionary
perspective, the example of Wieden + Kennedy has been crucial for the development of the international advertising cluster in Amsterdam. This agency is the mother of two spin-offs in Amsterdam: 180 Communications and 72AndSunny. Moreover, the advertising professionals who have gone through the Wieden + Kennedy school and who reproduce its DNA are found in strategic positions at other independent agencies in Amsterdam (e.g. the respondents from AKQA, Amsterdam Worldwide, Modernista! in this study all had a prior career at Wieden + Kennedy). Today, 180 has roughly the same number of employees as Wieden + Kennedy (150–200 employees). It shows the importance of spin-offs for cluster formation, and, therefore, it would be a positive development to see spin-offs from 180 in future. Wieden + Kennedy as a prime mover also set an example in the global advertising industry. Their success attracted advertising entrepreneurs, agencies, and professionals to Amsterdam. Some of these new agencies, such as KesselsKramer, subsequently turned into talent schools. Also there are some good GNAAs examples of talent schools from which several new agencies have spun off. GNAAs experiencing a period of increased creative reputation are likely to experience spin-offs. Currently DBB and TBWA are the most creative GNAA offices in the Netherlands. In the 1980s and 1990s, there were various spin-offs from other GNAAs enjoying their commercial heydays at the time: Lowe Lintas, PMSvW/Y&R, FHV/BBDO and PPGH/JWT. Nearly all of these GNAA spin-off agencies have a local business focus, while the spin-off agencies from the international independents generally look towards the international market.

Chapter 7 made a causal link between the institutionalised system of advertising award shows and the growth of the industry through spin-offs and knowledge spill-over. There are awards for creativity as well as for effectiveness of advertising campaigns. Both advertising agencies and individual creative professionals improve their reputation by winning awards. Recognition for creativity and the ability to produce effective campaigns on the agency level is likely to result in more clients, and is a powerful magnet for attracting other talented professionals. Advertisers also keep an eye on the performance of advertising agencies at award shows, and they are more likely to put winning agencies on a shortlist. Individual creative professionals improve their reputation, which makes them attractive and wanted in the industry. A good reputation enhances their bargaining position and facilitates attracting clients, should they seek to start their own agency. Successful creative advertising agencies are more likely to experience spin-offs and knowledge spill-over. Creative professionals who have won several awards are headhunted by other agencies, with some of the GNAAs offering generous salaries. Creative artists in the advertising industry can find it challenging to find a balance between creative and commercial motives (Lash & Urry, 1994, p.139; Hesmondhalgh, 2007, p.20). Richard Caves (2000, p.4) made a distinction between ‘humdrum’ and ‘creative’ motives: creative professionals are, on the one hand, driven by
freedom of artistic expression, and, on the other hand, driven by money. From the interviews, it can be concluded that creative professionals enjoy more creative freedom at the international independent agencies, while the salaries at the GNAAs are generally higher, but this 'money trap' can have a negative impact on the artistic challenges as creativity is more restricted by external factors (such as stakeholders). Whenever creative professionals experience a diminishing challenge or a reduction of creative freedom, they change jobs or start their own agency.

9.4 Two different geographies of production in Amsterdam's international advertising industry: one local and one global

Chapter 8 focused on the geographical organisation of the production of advertising campaigns. Gernot Grabher’s (2002) concept of the ‘project ecology’ inspired me to create a dataset of campaigns produced by international advertising agencies from the Amsterdam Region. I focused primarily on the two most important networks involved in the production of a campaign: the client networks and the external creative production networks. The creative networks are the external specialists who are employed to produce specific aspects of the campaign, such as film production companies (also online content and animation), post-production companies, music producers, sound studios, photographers, image manipulation companies, and graphic designers/illustrators. The limited timeframe of producing a campaign and the different actors involved make the advertising industry a typical ‘project-based industry’ (cf. Hobday, 2000; Sydow and Staber, 2002; Grabher, 2002; Sydow et al., 2004).

From the analysis of the project networks of both the GNAAs and the international independent agencies based in the Amsterdam Region, two diverging geographical production patterns were distinguished. For the GNAAs the conclusion was that they are mainly locally oriented, both in terms of their client and creative networks. The majority of their clients are Dutch companies, governmental bodies or other sorts of organisations. Another, generally smaller, part of their client portfolio consists of (foreign) transnational companies for which the worldwide GNAA networks produce all the campaigns for their local markets. Often the campaign is produced by a ‘lead office’ in the network, with other local offices
sometimes ‘adapting’ this campaign to the specificities of the local market. Rarely do Dutch GNAA offices play a lead role in the production of international campaigns for multinational companies.

The creative networks between the agencies and the external specialists contracted by the GNAAAs are strongly embedded in Amsterdam. The city houses a dense cluster of mostly small-sized creative firms in the field of audiovisual, online content, sound and music, or photography production. Advertising agencies can pick and choose from this critical mass of creative partners, depending on the required style, quality, or price for the campaign. With respect to the production of campaigns for the local market, the conclusion is that it is highly clustered in Amsterdam and therefore a typical cultural industry as defined by Allen Scott (2000, p. 11-12). It is organised in a thick network of specialised firms, involves a large variety of different skills and specialised labour, and, to facilitate these different features, it is effectively appropriated via locational agglomeration. However, in the rare occasions when the Amsterdam GNAAAs took the lead in a big international campaign, they usually shifted to external creative specialists outside of the Netherlands, mostly in London, New York, or Los Angeles.

Using the previous finding, it is an easy step to switch to the analysed project networks of the independent agencies, as their networks clearly show a more international picture. Their client profile, the share of international client accounts in the portfolios of independent agencies, is significantly higher compared to most GNAAAs. Especially the agencies with Anglo-Saxon background, i.e. constituting a branch office or founded by Anglo-Saxons in Amsterdam, have hardly any local client accounts. Their business focus is to produce advertisements or brand strategies that cross borders. These agencies have a very international labour profile, employing only a small number of Dutch advertising professionals. In fact, these agencies could hardly be described as ‘Dutch’. On the other hand, the independent agencies with a Dutch background have a more balanced mix of local and international client accounts.

The creative networks of the independent agencies also have a more international character than the GNAAAs. The most international independents in Amsterdam usually subcontract the production of campaigns to high-end audiovisual and other creative firms and professionals in London, New York, Los Angeles, and, to a smaller extent, in other creative centres in Europe or elsewhere in the world. Also, similarly to the examples of Dutch independents working on a big budget international client account, they are more likely to seek out foreign creative production companies. For the production of international campaigns, there are various ‘global pipelines’ to foreign production centres. These global
pipelines are considered essential, next to locational agglomeration economies with concentrations of innovative activity (Gertler & Levitte, 2005, p.489). Global pipelines enable the use of knowledge, creativity, or information from other clusters, potentially improving the innovative capacity. Or ‘some places are able to create, attract, and keep economic activity ... because people in those places “make connections” with other places’ (quote from Malecki, 2000, p.341; in Bathelt et al., 2004).

The big budgets available for international client accounts, in combination with the quality demanded by the client (and consequently by the agency), is the main underlying reason for seeking these high-end audiovisual production centres in London, New York, and Los Angeles. Chapter 5 showed that the Dutch audiovisual industry is highly clustered in the Amsterdam Region and in Hilversum. The study on the project networks in Chapter 8 showed that this cluster appeared to be particularly well-suited to the production of advertising campaigns for the local market. As the advertising industry in Amsterdam obviously has become more international over the last two decades, the cluster of subcontractors has slowly adapted to the demand by these new international entrants. However, during the last several years, several film and post-production companies from London have decided to settle down in Amsterdam in order to be closer to the growing market for production of international advertising. This can be seen as a sign that the developing international advertising cluster has reached a certain critical mass, creating local demand for high-end audiovisual production firms. The advertising cluster could become more firmly embedded in Amsterdam in the future, if more high-end foreign production companies open branch offices in Amsterdam.

Overall, Amsterdam’s international advertising industry is clearly divided in two separate spheres: one local Dutch and one that is more connected with the global advertising community. Most of the GNAAs have a predominantly Dutch labour force that works for local clients and a few clients from the international network, and also hire local creative subcontractors. By contrast, the labour profile of most of the independents is very international, as are their client profile and creative networks. For staff exchange, the GNAAs mainly focus on the Dutch advertising community. Staff exchange for the independents takes place within the local international community and between other important advertising centres in the world. Even the locational patterns are divided; the international independent agencies are based in the inner city areas of Amsterdam, whereas most of the GNAAs are based in the south of Amsterdam and in adjacent Amstelveen.
9.5 Suggestions for future research

This study has added a new perspective on globalisation in the advertising industry. Other studies, for example those by Peter Taylor’s GaWC research group, have narrowly focused on globalisation by GNAAs (Taylor, 2006a; Taylor, 2006b). The distinction between different exponents of internationalisation in the advertising industry, i.e. GNAAs and independent agencies, in combination with a study on their production networks in the development of advertising campaigns has produced significant new insights regarding the development and the geographical organisation of this industry. Most importantly, it has showed that most of the innovation and, in turn, the greatest contribution to establishing Amsterdam as a prominent advertising centre was provided by these small and independent agencies. In stark contrast, the position of most of the GNAAs in the Netherlands has deteriorated since the start of the new millennium. The most interesting question for future research that follows from this study is whether this development of an international advertising cluster and community is something unique for Amsterdam, or is it to be found in other important advertising centres in Europe or elsewhere. A comparative study of other advertising centres would adequately complement the findings of this thesis. Several European cities (e.g. Berlin, Stockholm or Madrid) enjoy a creative reputation and are up-and-coming advertising centres. Another interesting question is to examine the other (niche) industries where relatively small cities, such as Amsterdam, show potential to develop into global players?

Another interesting topic for future research would be a study on the emergence of creative advertising centres in the developing countries, among others in the BRIC states. Chapter 7 already touched upon the striking performance of advertising agencies from Sao Paulo at the advertising festival at Cannes, where they have been one of the most awarded over the last ten to fifteen years. The question is, with the increasing economic significance of these countries, can cities such as Sao Paulo, Shanghai, Buenos Aires or Bangkok secure a more prominent international role with respect to their cultural industries, and could they threaten Amsterdam’s position as a major international creative centre? Advertising agencies from some of these cities increasingly compete with North-American or European agencies. The most significant example is the advertising agency Santo from Buenos Aires, which was chosen as Agency of the Year in 2010 by Advertising Age. The fact that this agency won the global creative account of Vodafone demonstrates that lead advertising agencies that manage major accounts do not necessarily need to come from North America or Europe (Rocca & Vescovi, 2010).

The rise of smaller and independent agencies can also be linked to the discussion on the end of (neoliberal) capitalism (see George, 2009; Sassen, 2009). The exponents of the ‘old’
capitalist system in the advertising industry are the GNAAs owned by large holding companies. Takeovers account for the significant share of recent growth of these large-sized shareholder-owned firms (in addition to some organic growth). In the current credit crisis, they are facing more problems to finance takeovers as their growth strategy. The independent agencies are also affected by the crisis, but in a different way as their growth is not directly dictated by the financial market. The GNAAs have to cut their expenses as their holding companies suffer falling shares due to the crisis. The rise of the independents is also explained as sort of anti-movement, against the established GNAAs. Several founders of independent agencies have publicly declared that they would never sell their agency to an Omnicom or a WPP. Is this backlash movement of ‘anarchistic’ independent agencies against the ‘capitalist’ GNAAs sustainable, or will most of these independents be absorbed in larger advertising holdings? Another question is whether similar processes can be observed in other industries.

A final point for further research I would like to highlight is the importance of the climate of tolerance in Amsterdam and the Netherlands. In the literature on cultural industries, it is stressed that a tolerant climate is very important for the creative class. Richard Florida argued that a city should possess three T’s in order to attract creative individuals: talent, technology, and tolerance (Florida, 2000). Countries or cities with relatively low barriers of entry for people from diverse backgrounds are associated with geographic concentrations of talent, higher rates of innovation and regional development. ‘The more open a place is to new ideas and new people, in other words, the lower its entry barriers for human capital, the more education and skill it will likely capture’ (Florida et al., 2008, p. 620). In this study I found that the tolerant and free-spirited image of Amsterdam is considered as very important by advertising professionals. It is a source of inspiration and a climate where creative minds can thrive; it also works like a magnet for creative professionals from all over the world. However, several critical notes were raised during the interviews regarding the current state of Amsterdam as a free-spirited city. The popularity of Geert Wilder’s populist anti-Muslim ‘Party for Freedom’ (Partij voor de Vrijheid) is clearly staining the tolerant image the Netherlands used to enjoy worldwide. At the same time, there are worries about the intolerance and aggression towards the gay population in the Netherlands, especially by young Muslim perpetrators. One of the respondents stated that Amsterdam ‘used to be more fun’, as an expression of the perception that the city is becoming over-regulated, especially manifest in stricter regulation regarding festivals and nightlife. All in all, a deterioration of the tolerant climate could be a potential threat to the position of Amsterdam as an international creative capital, as it is heavily reliant on the influx of (foreign) human creative capital for its competitive edge.