

# Nigeria's Creative, Cultural, Hospitality & Tourism Industries

## A Roadmap For The Future: Pathways To Growth

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Committee/Joint Planning Board





# Introduction

The CCI also known as the Culture & Creative Industries have been driving innovation and creativity across the globe over the last 50 years, at the core of these industries lie the enabling and protection of intellectual property and a clear intention to back and finance ideas. In our approach the CCI is combined with the tourism & hospitality sector and we have found that the sector enables economic diversification, reduces poverty, spurs job creation, boosts GDP, and ensures conservation of foreign exchange, which is in tandem with the goals of SDGs. Nigeria's media and entertainment industry is estimated by PWC to reach an annual market size of U\$D10bn by 2023 and expected to cross U\$D20bn by 2025 and can act as the primary driver for the entire sector as this is where the storytellers are. The combined CCHT offers Nigeria immense opportunities but we have to take key intentional steps to deliver on the promise, it is our hope that a focused partnership between public policy, strategic interventions and private sector collaboration will together expand and grow the sector while delivering millions of productive jobs.

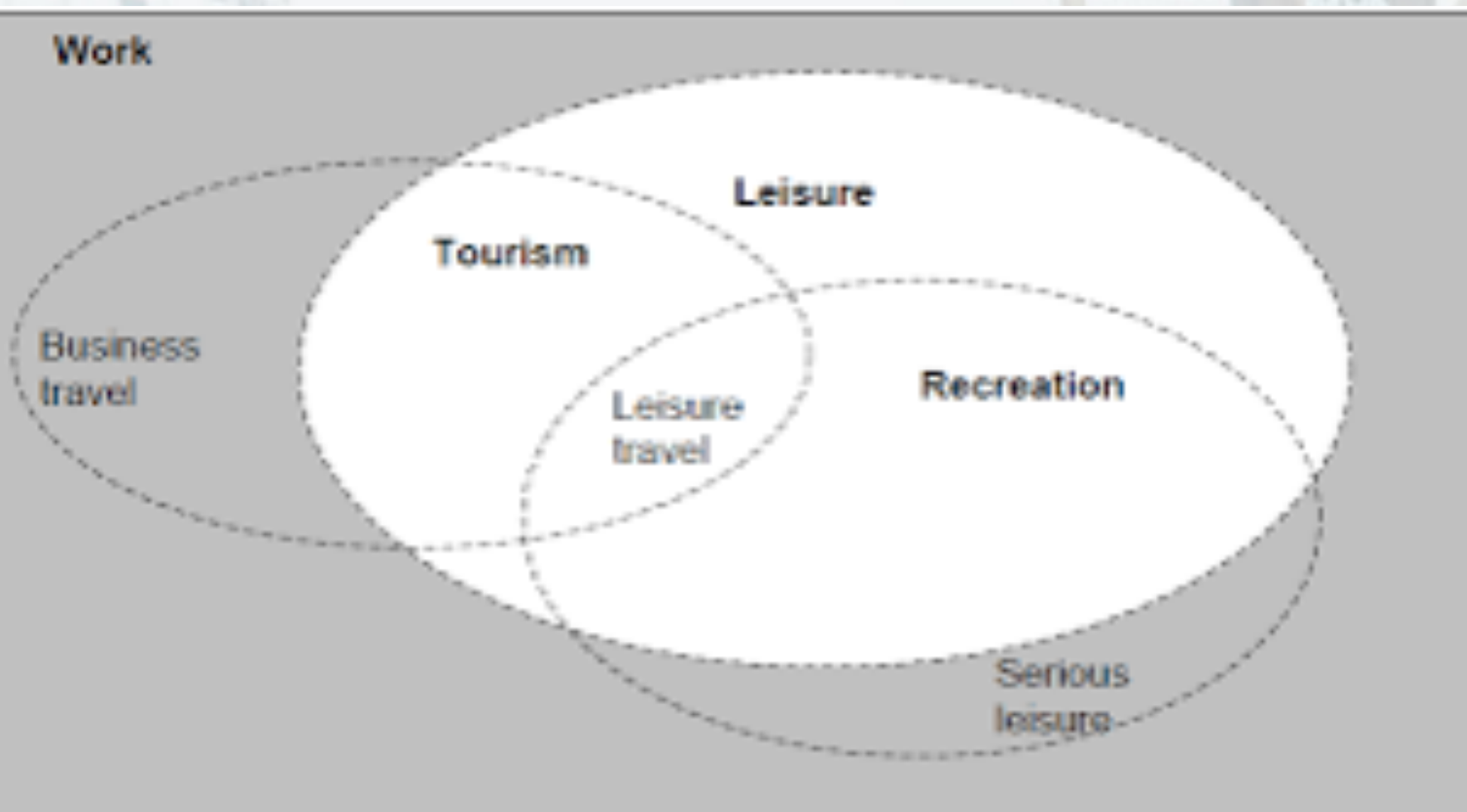


# Background

The TWG has reviewed all the national development plans, all the sector reports from PWC, KPMG, British Council, AFD, and many more on aspects of the sector and the enormous opportunities available to Nigeria. As we conducted this desk research we also held focus groups and shared questionnaires with industry leaders across academia, industry, guilds, associations, regulators, private sector and multilaterals. This is how we conducted our work with a collaborative team approach and inputs from key MDA's of the FGN and from the Ministerial Committees mentioned below, we must also thank the NBS for their kind co-operation in terms of source data.

In that work, we have completed a diagnostic report and our first medium-term plan from 2020-2025, we have also reviewed the Enact MasterPlan from the FGN committee, the Post-Covid19 report and the Audience Measurement report. This presentation is a synthesis of that work which seeks to pull out the critical factors to propel us forward

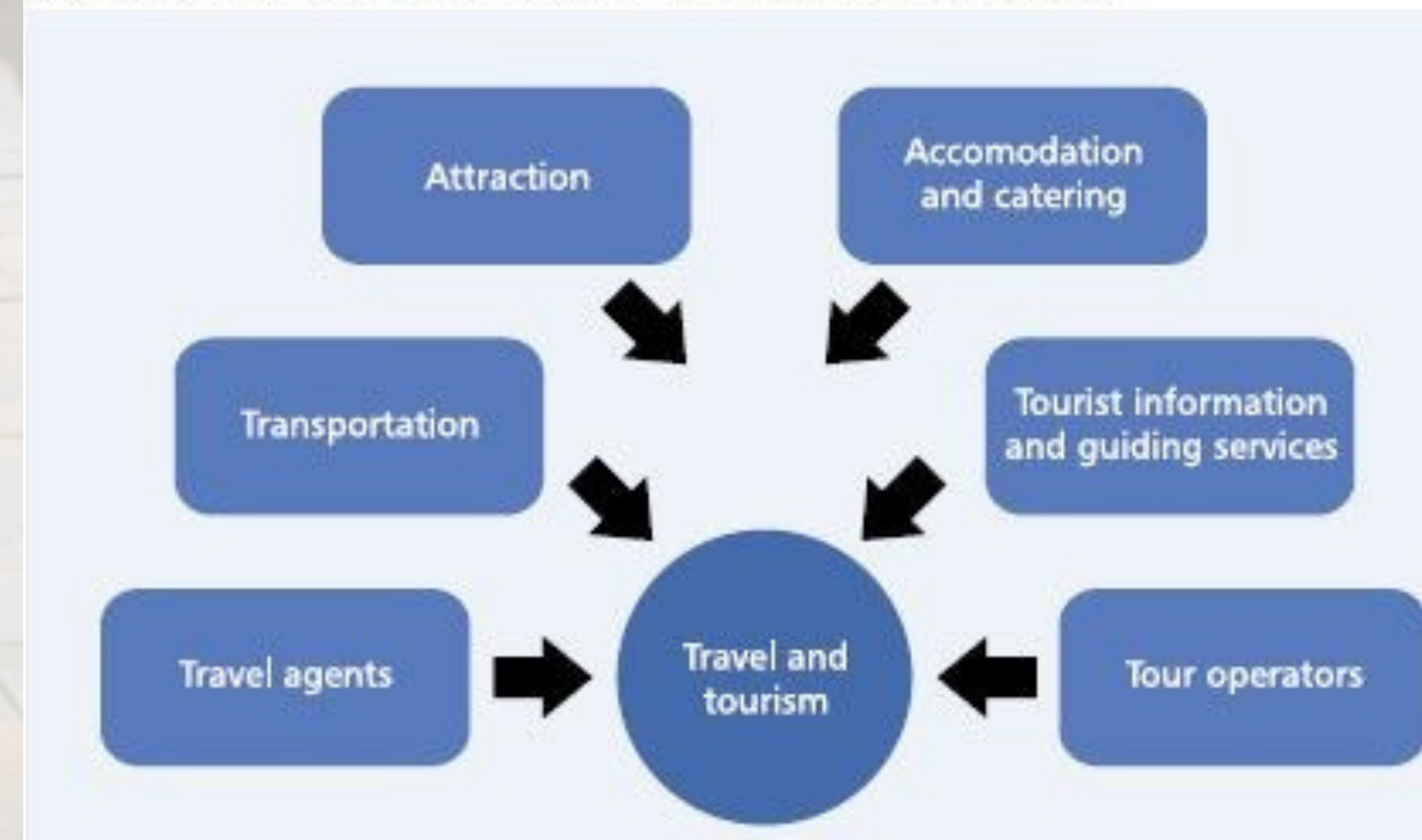




Classification systems of the creative and cultural industries

1. DCMS Model	2. Symbolic Texts Model	3. Concentric Circles Model	
Advertising Architecture Art and antiques market Crafts Design Fashion Film and video Music Performing arts Publishing Software Television and radio Video and computer games	Core cultural industries Advertising Film Internet Music Publishing Television and radio Video and computer games Peripheral cultural industries Creative arts Borderline cultural industries Consumer electronics Fashion Software Sport	Core creative Arts Literature Music Performing Arts Visual arts Other core cultural industries Museums and libraries	Wider cultural industries Heritage services Publishing Sound recording Television and radio Video and computer games Related industries Advertising Architecture Design Fashion

Exhibit 1.1: Components of the tourism industry





## Sectors of the foodservice industry

*Restaurants*

*Hotel/Accommodation*

*Popular catering*

*Fast food*

*Takeaway*

*Retail stores*

*Events/  
exhibitions*

*Leisure attractions*

*Outdoor catering (ODC)*

*Industrial catering*

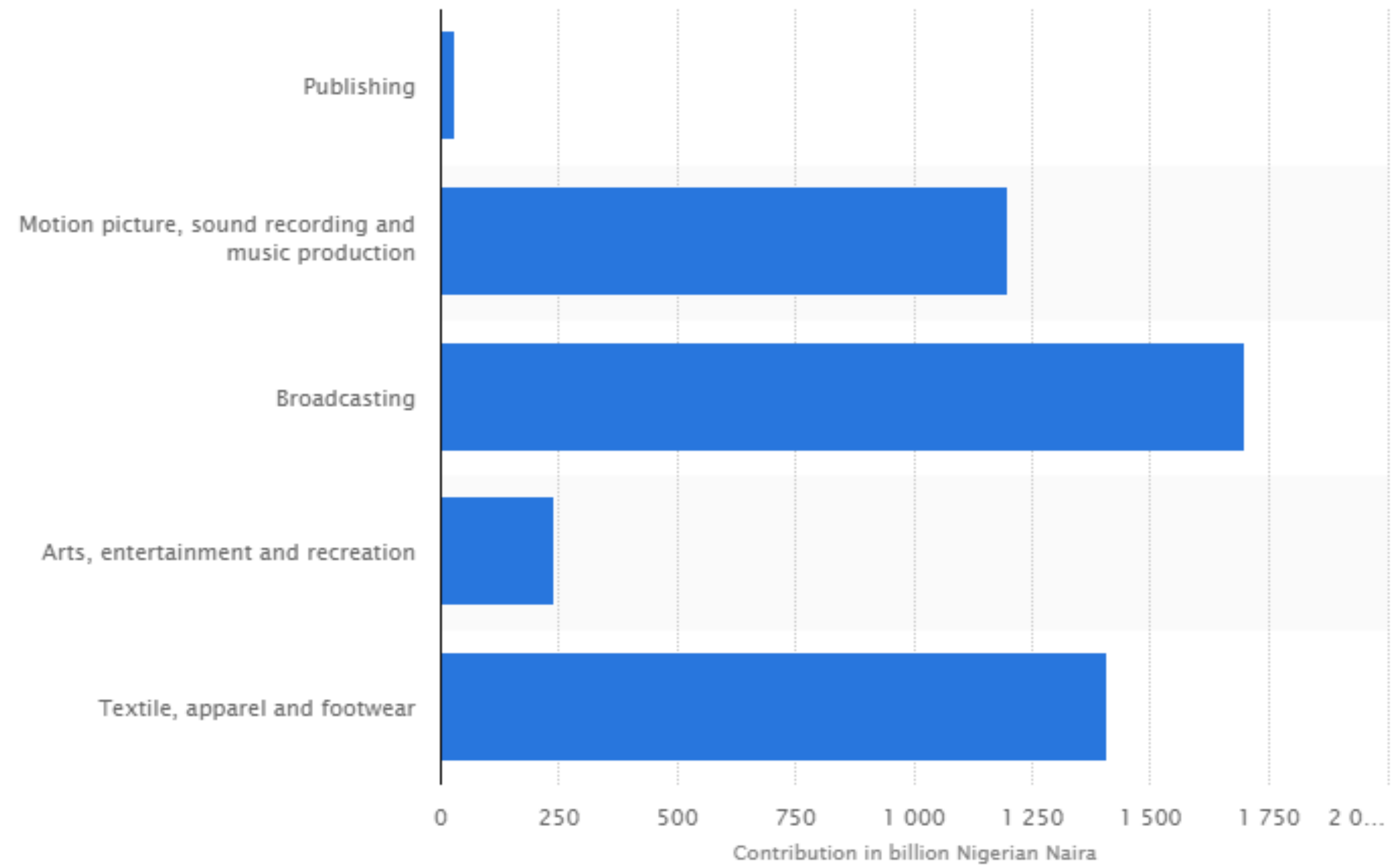
*Motorway service*

*Transport catering*

*Welfare catering or  
Social caterer*

*Licensed trade*







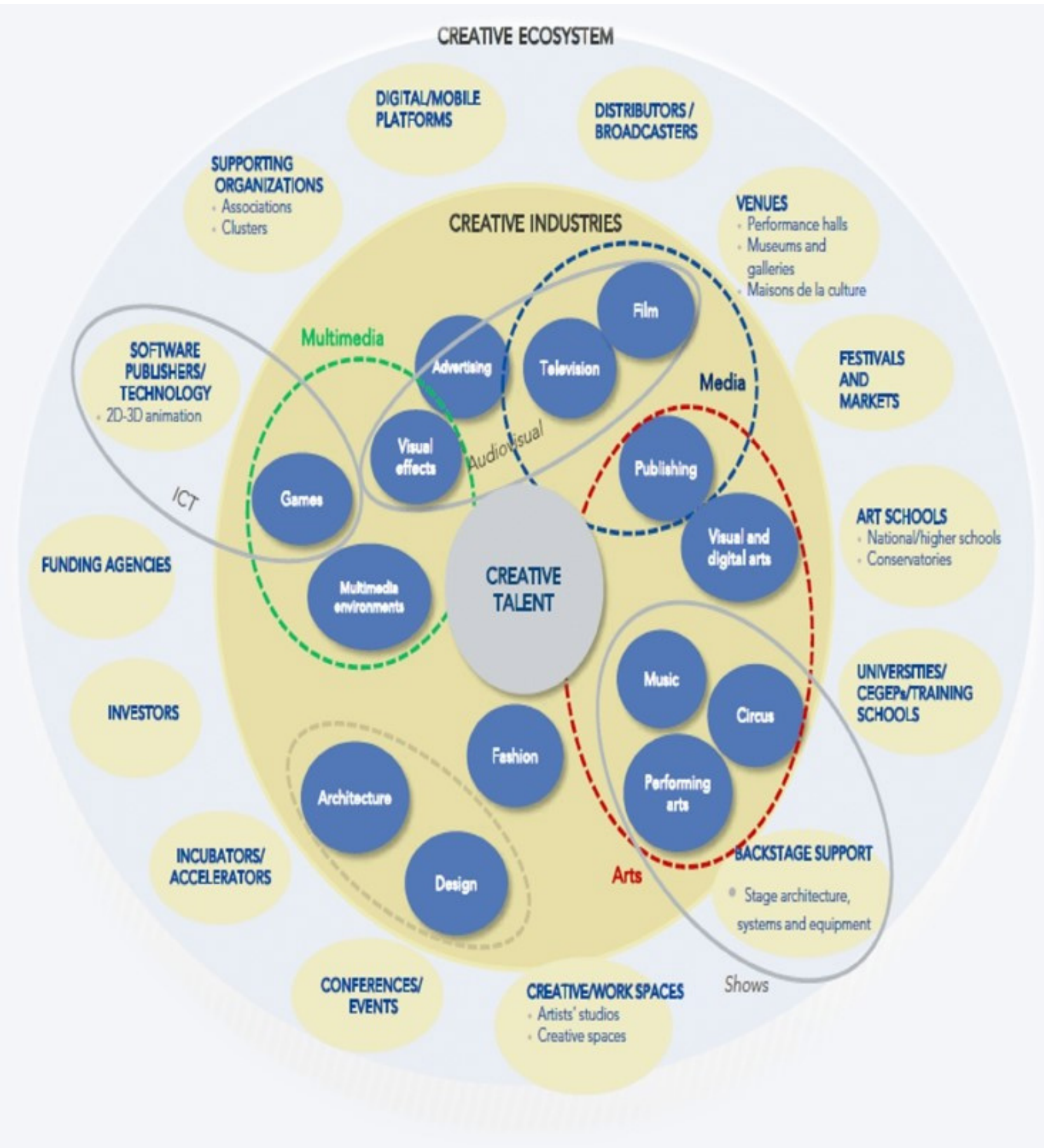
# Connected Ecosystem

The sector will be enabled and transformed by being digital, by creating digital goods and merchandise and by building more platforms for distribution and connection. These connected industries also include recreation and leisure, education, sports and entertainment, and the key plank that connects them is digital technology.

In Nigeria, 1.7m apply for tertiary every year with only 500-750k gaining admission, which means 1m fall off and clearly maybe another 2m are not even applying. This gap is a major part of what drives unemployment and with the deployment of hubs and focused online learning we can fill the gap, deliver skills and bring our people into the gig economy.

There is also a huge need to skill up Nigeria and provide soft skills, software engineers, coding and stem academies all of which once allied with an ICE (innovation, creativity and entrepreneurship) curriculum then Nigeria can focus on massive upskilling to deliver at least 10m with skills over the next decade. In this regard FGN can partner with ISN.Org and other hub networks in the private sector to drive this agenda.

There are thousands of empty buildings belonging to State and Federal govt lying fallow that can be converted to ICE Hubs and which will address the urgent need to give our people skills that will earn jobs and a decent living. In this regard there is a need for collaboration to refresh and update curriculum in the sector and have centers of excellence within our tertiary system build the capacity to teach.



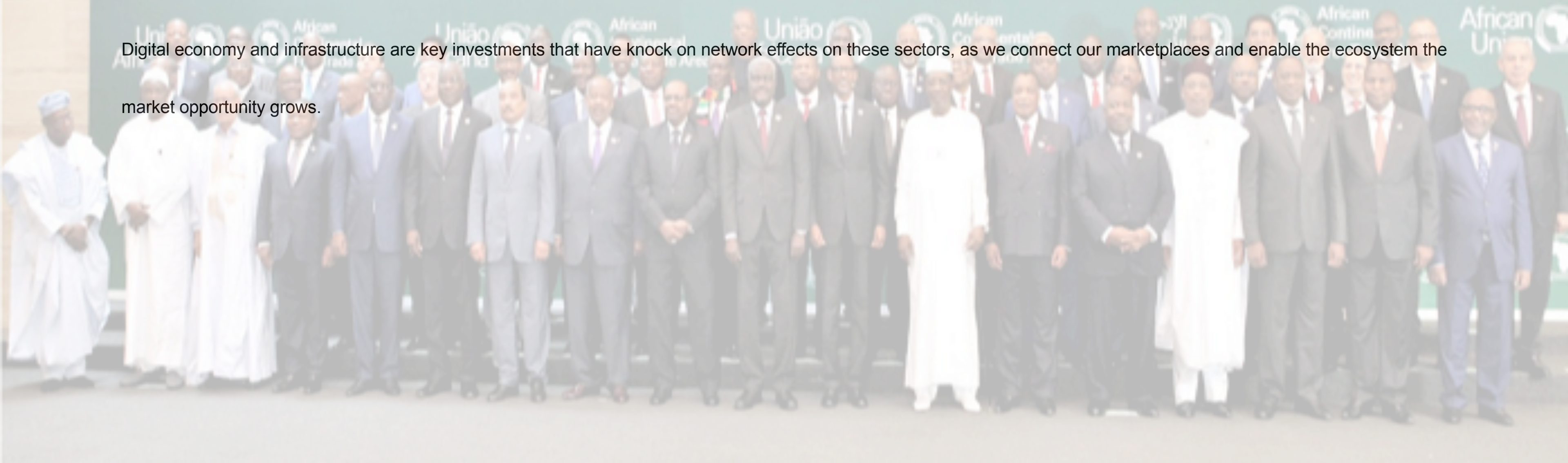


# AFRICAN CONTINENTAL FREE TRADE AREA CREATING ONE AFRICAN MARKET

#AfCFTA2018 | 17-21 March 2018 | Kigali, Rwanda

The multiplier effect we expect AFCTA to have to open the entire continent to our soft power and enabling us to sell products, merchandise, experiences and content across the continent through traditional physical channels and new mobile and digital platforms that we must build for our own consumers.

Digital economy and infrastructure are key investments that have knock on network effects on these sectors, as we connect our marketplaces and enable the ecosystem the market opportunity grows.



The AFTCA presents a clear and present enormous opportunity for Nigeria's CCHT as everyone wants to experience Nigeria, and our music is the soundtrack to the continent and nollywood the core storyteller which has bred many children across the continent as Africans over the last decade have taken control of their own narratives. If we collaborate with our partners on the continent The future will be bright.



# Digital Economy & Platforms

- The Digital economy has the potential to have the most impact on this sector by enabling the digital and mobile platforms that will transform content consumption and monetisation.
- The Digital economy can bring the digital infrastructure to bear to help to unlock and drive Nigeria and connect our various markets and make them discoverable.
- Apart from the platforms and the discovery, distribution and commercial opportunities they offer Digital is also the bedrock for the new learning industries and will help us retool and upskill millions of Nigerians. Post Pandemic Nigeria must aggressively implement its national broadband plan and bring fibre into all major commercial markets, industrial towns and homes.
- The network effects and ecosystem benefits of enabling this digital transformation to enable Nigerian creators and businesses will create millions of jobs, hours of content and with focus a lot of cultural goods and merchandise built from the massive domestic brands our pop culture is producing.
- Nigeria does not have the best internet coverage but our people are viral, our major talents and influencers have more followers than many countries have people and we are yet to harness this digital voice share strategically for our own mutual benefit.
- In Nigeria while the political social media space can be negative in the main space there is a lot of positive engagement, business and revenue being generated by thousands of influencers and SMEs who are using these tools to run new businesses.
- In this space Nigeria needs to consider a fund to back innovators who build platforms to ensure that we are not fully recolonized digitally but platforms only grow organically so we are not convinced about government driven platforms being the answer, this is all about smart regulation and investment to grow the sector.



We believe that the restaurants, clubs, bars and lounges which are today generating over N75bn (Seventy-Five Billion Naira) per annum will grow exponentially through 2025 and beyond. They function in the recreation and leisure space which will continue to grow driven by our pop culture, our cuisine, and our famous hospitality. We have recommended for concessioning of stadia, national parks, museums and public buildings to bring in new capital and operators to grow these assets. The public sector is not well positioned or motivated to grow commercial enterprises and should focus on public policy and enabling operators.

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The Fashion industry in Nigeria is valued today in excess of USD4.7bn and expected to hit USD10bn per annum by 2025 at a 50% growth rate, the key to this are the development and formalization of major output centres in Kano, Aba and Lagos and the development of more digital platforms and payment tools to enable commerce and more retail. We will also see continued growth in local fashion brands who will drive consumption here.

In terms of tourism and hospitality, we can see that Nigeria with 10,000 rooms already is

Also the number one destination for new hotel investments on the continent and we believe that this market will add close to 10,000 new rooms by 2025. We have the most cultural festivals in the world and as we build a national cultural calendar the potential revenue and product opportunities are enormous, especially when we connect our original festivals like Eyo and Ofala with their diaspora evolutions like Carnival in the Caribbean. The Tourism sector has enormous potential, the value of our destinations, our cultural calendar and cultural goods has not been scratched and there is a need for a consolidated approach to tourism at FGN & State level.

The hair and beauty segment was already valued at close to N400bn in 2019 and by 2025 we believe that it should be valued at over N1T (One Trillion Naira), regulation will be key and the application of strategic collaboration and the creation of a positive environment for all players will lead to the continued growth of Nigeria's hair and beauty segment. This segment is also connected to the lifestyle industries of Fashion, Music and Movies and we can bring those networks together to increase all the segments.



# Policy Problems

- Negative regulatory action (overlapping regulation, over regulation, lack of implementation of some key regulations for instance Copyright Levy, absence of up to date regulations like Copyright Act and Tourism Act etc),

- Absence of a cohesive national strategy for the sector,

- Absence of standardization within the sectors,

- Underfunded and demotivated regulators.

# Threats

- Weak intellectual property (IP) protection infrastructure-rampant piracy

- Insecurity and weak Infrastructure

- Inadequate human and institutional capacity

- Absence of efficient distribution network

- Inadequate funding, which cuts across public sector and private sector IP and copyright institutions and agencies

- Weak inter-agency and regional synergy;

- The challenge of emerging technologies in the digital environment;

# Strenghts & Weaknesses

## Social Factors

- Rich Cultural Diversity

- Global & local growth and acceptance of our cultural expressions

- Young Population

- Attitudes and Tastes

- The perception of our security will continue to affect how we grow our opportunity.

- We have a very young population and demographic

## Technology Factors

Technology and telecoms have the opportunity to enable exponential growth across the sector, the built mobile networks working with payment integrators can enable e-commerce and digital platforms. The advent of 5g will change the future of the content industries and grow consumption hugely, the developments in virtual reality and AI also may have an impact on how tourism and destinations are packaged and promoted



01

A cross sector effort is required across the FGN, state, private sector, academia which will include infrastructure, digital economy, education and also the finance sector. All need to know and understand the market opportunities and align on the best policy roadmap.

02

National Network of Creative Hubs to be developed, one in each local govt under one brand can deliver mass training. up skills and there are many global and local brands that can partner

03

IP as collateral, in order to back ideas and imagination we need to enable our creatives and innovators by enabling this change in our banking practices so that finance can back innovation, ideas and imagination.

04

Mapping of the entire CCHT to enable proper dimensioning of the sector and its contributions to the economy which will help to show the real size of the sector and unlock more investment

05

We have reviewed and support the core recommendations of the FGN Covid19 committee on the Creative Industries and look forward to seeing those actions take hold.

## Recommendations (General)





# Conclusion

This sector best represents the innovation, creativity, and imagination of Nigerians, if we make the correct strategic investments we will not just unlock more than 10m new jobs we will grow this sector to 100bn dollars per annum contribution to our economy by 2030, and create incredible content and begin to own the black and African narrative.

In this age of black lives matters and diversity, Nigeria has many natural partners but we must step up and play our part and be present to take advantage of the moment.

The Advertising sector is a clear behemoth within the sector that can drive the broadcast industry as audience measurement reforms take hold, this same sector can underpin the growth of local production companies for television and film and affect tv, cinema, streaming and more. In Nigeria we need clear and transparent policy actions that will enable and unlock the various ecosystems that will unlock these connected industries and set them on a path to sustainable growth. We have seen a number of interventions in the sector which are commendable but there is also a need to retrain the public sector and regulators and encourage an attitude to enable growth and not to close out ideas. The future looks bright from the perspective of the CCHT and if the FGN can focus its strategies and enable a roadmap then the benefits will cascade to all and affect multiple sectors.