



INVESTMENT OPPORTUNITIES IN THE CREATIVE INDUSTRY IN NIGERIA

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INTRODUCTION:

- ▶ The Nigerian Creative Industry spans 24 sectors, including fashion, music, film, literature, visual arts, performing arts, theatre, dance, software technology, advertising, hospitality events, tourism and broadcasting. Over time, the industry's significant contribution to Nigeria's GDP, employment rate, and export earnings has become evident.
- ▶ The Nigerian Creative Industry stands as a rich tapestry of artistic expression, innovation, and cultural diversity, encompassing a spectrum of sectors that collectively contribute to the nation's cultural vibrancy and economic vitality. Each sector possesses unique characteristics, creative outputs, and contributions to the country's creative ecosystem.
- ▶ The focus of this presentation is to highlight the potential for lucrative investments in the Nigerian Creative Industry, considering its historical growth, evolving landscape, and untapped potential.



ECONOMIC CONTRIBUTION:

▶ According to Jobberman's research, the creative sector is the second-largest employer in the country and has the potential to create an additional 2.7 million jobs by 2025. This can be attributed to the industry's expansive value chain, from production to distribution and marketing, which supports diverse employment opportunities. The report noted that the creative economy contributes over 6.1 percent to the global gross domestic product (GDP), averaging between 2% and 7% of national GDPs worldwide. Similarly, the International Monetary Fund (IMF) stated that the entertainment industry accounts for 1.45% of Nigeria's GDP.

▶ The creative sector serves as a powerful engine for economic growth, contributing substantially to Nigeria's GDP. Through the production and distribution of creative goods and services, such as films, music, fashion, and art, the industry generates substantial revenue streams, thus bolstering overall economic output. Moreover, the industry's expansive value chain creates a myriad of job opportunities across diverse skill sets, ranging from artists and performers to technicians, marketers, and administrative personnel.



Key Contributions to Economic Growth:

1. **Stimulating Tourism and Foreign Exchange Earnings:** Nigeria's rich cultural heritage, vibrant arts scene, and burgeoning creative output serve as major draws for domestic and international tourists alike. The allure of Nollywood films, traditional festivals, musical performances, and art exhibitions attracts visitors, thereby stimulating tourism-related industries such as hospitality, transportation, and entertainment.

2. **Enhancing Soft Power and National Branding:** The creative sector plays a pivotal role in shaping Nigeria's global image and soft power. Through its cultural exports, including films, music, literature, and fashion, Nigeria showcases its unique identity, values, and creativity to the world.

3. **Catalyst for Urban Regeneration and Cultural Preservation:** The creative sector serves as a catalyst for urban regeneration and cultural preservation. Cultural hubs, creative clusters, and arts districts not only serve as focal points for artistic expression and community engagement but also drive real estate development, infrastructure upgrades, and neighborhood revitalization efforts.

▶ STATISTICS ON INDUSTRY CONTRIBUTION:

The Nigerian Creative Industry stands as a formidable pillar of the nation's economic landscape, making substantial contributions to key indicators such as GDP, employment, and international trade. Recent data underscores the industry's significance, painting a vivid picture of its impact on Nigeria's economic and cultural tapestry.

Hospitality, Events and Tourism

- ▶ Revenue: 1.2 trillion naira
- ▶ Distribution: Lagos – 20,000 events monthly with the other states holding between 10,000 – 15,000 monthly.
 - In 2016, Nigeria had over 1.9 million events.
 - Travel and Tourism was directly responsible for 1.9% (N2.3 billion in actual numbers) of the country's total GDP in 2017
- ▶ Employment: 4 million direct jobs
- ▶ Companies: Over 10,000 SMEs

▶ STATISTICS ON INDUSTRY CONTRIBUTION CONTD...

Filmmaking

- Revenue: 140 billion naira
- Distribution: 50 Films
Average per week
- Employment: Over 500,000 direct jobs
- Companies: Over 250,000 Businesses

Music (Including DJs and Management)

- Revenue: Around 300 billion naira
- Distribution: Upwards of 600 charted albums yearly
- Companies: Around 5,000 businesses and active practitioners

Advertising, Radio, and Television

- Revenue: 500 billion naira
- Distribution: 50 Commercials & Campaigns Average Weekly
- Employment: Over 500,000 direct jobs
- Companies: Over 10,000 Businesses

▶ STATISTICS ON INDUSTRY CONTRIBUTION CONTD...

Writing, Printing and Publishing

- **Revenue:** Around 1 trillion naira
- **Distribution:** About 500 books published annually and Nigeria is currently importing over 2m metric tons of papers valued at N720bn
- **Companies:** Around 3,000 businesses and 15,000 active practitioners

Comedy, Dance and Performing Arts

- **Revenue:** Around 17 billion naira
- **Distribution:** Comedy accounts for over two billion Naira with hundreds of skits produced weekly. Modernization of dance and performing arts has gotten international recognition.
- **Companies:** Around 6,000 active practitioners.

Art, Design and Photography

- **Revenue:** Around 150 billion naira
- **Distribution:** It is difficult to ascertain the exact distribution in this sub-sector. It is made up of a few corporate entities and a lot of freelancers who work in varying sectors.
- **Companies:** Practitioners are mostly sole proprietors with staff strength of less than 10 people.

▶ STATISTICS ON INDUSTRY CONTRIBUTION CONTD...

Fashion

- **Revenue:** Around 2 trillion naira
- **Distribution:** About 150,000 pieces of clothing are distributed and sold nationally, monthly.
- **Companies:** Around 1,000 businesses and about 30,000 active practitioners and direct jobs including models, designers, aso-ebi merchants, jewelers and leather works.

Hair and Beauty

- **Revenue:** Around 1.52 trillion naira.
- **Distribution:** About 30,000 pieces of hair and beauty products are distributed and sold monthly.
- **Companies:** Around 20,000 businesses and about 200,000 active practitioners and direct jobs. Social media has massively enhanced this sector.

Growth Trends in the Nigerian Creative Industry:

Digital Transformation and Online Platforms: In recent years, the Nigerian Creative Industry has witnessed a profound digital transformation. The rise of online platforms, streaming services, and digital distribution channels has democratized content creation and distribution. Nollywood films, music, fashion shows, and art exhibitions are now accessible to a global audience, fostering increased consumption and revenue generation. According to the IMF, the entertainment industry now accounts for 1.45% of Nigeria's GDP.



Global Collaborations and Cross-Cultural Influences: Collaborations between Nigerian creatives and international counterparts have become more prevalent. This trend has not only expanded the global footprint of Nigerian content but has also brought in cross-cultural influences, enriching the creative landscape. International collaborations in music, film productions, and fashion events have elevated the industry's global standing.



Investment in Infrastructure and Technology: Increased investment in technology and infrastructure has played a pivotal role in the industry's growth. From state-of-the-art film studios to cutting-edge recording facilities and digital art spaces, the sector has seen a significant upgrade in its technological capabilities. This has not only enhanced production quality but has also opened up new avenues for innovation.

Why Nigeria?

1. Youthful Demography and Cultural Identity: About 70% of Nigeria's population is made up of youths. The youthful demography, coupled with a strong sense of cultural identity, has been a driving force behind the industry's growth. The youth's engagement with and consumption of creative content continue to drive the industry's growth.

2. High Sales Records: The Nigerian creative industry continues to attract significant investments due to proven records of return on investments. For instance, in 2023, a movie titled "The Tribe Called Judah" by Nigerian filmmaker Funke Akindele recorded a box office sale of over 1 billion naira in less than three months. This exemplifies the sector's viability and rapid growth compared to other sectors of the economy.

3. Government Support and Policy Reforms: Despite current economic realities, the creative industry continues to grow and evolve. This can be attributed to an enabling environment and supportive government policies and reforms. Several initiatives, such as grants, tax incentives, and the establishment of creative hubs, have encouraged entrepreneurship and investment.

Investment Opportunities in the Nigerian Creative Industry:

1. Film Industry: Nollywood, Nigeria's thriving film industry, has experienced exponential growth in recent years, cementing its position as the second-largest film industry globally in terms of output. With increasing demand for diverse and quality content both domestically and internationally, there are ample opportunities for investment across various aspects of film production, distribution, and infrastructure. Investing in infrastructure is crucial for the sustainable growth of the Nigerian film industry. This includes the development of state-of-the-art film studios, post-production facilities, and cinema complexes. Public-Private Partnerships can address the infrastructure deficit and meet the demands of creative audiences across the country.

2. Music Industry: With the increasing globalization of music consumption and the rise of digital platforms, the Nigerian music scene presents compelling investment prospects in music production, distribution, and live events.

3. Fashion Industry: The Nigerian fashion industry offers promising investment opportunities in design, manufacturing, retail, and global export. With an increasing focus on African fashion on the global stage, investors can support local designers and production facilities, develop retail outlets, and explore online platforms.

Investment Opportunities in the Nigerian Creative Industry Contd...

4. Literary Arts: The Nigerian literary arts scene, characterized by a rich tradition of storytelling and acclaimed authors, presents investment opportunities in publishing, book distribution, literary events, and intellectual property rights.

5. Digital Media and Gaming: The digital media and gaming sector in Nigeria has witnessed significant growth, driven by technological advancements, increasing internet penetration, and changing consumer preferences. Investment opportunities in tech-driven creative ventures, digital content creation, and gaming development are emerging as key areas of focus.

6. Visual Arts: The Nigerian visual arts scene, marked by its diversity and encompassing a wide range of mediums and styles, offers investment opportunities in galleries, exhibitions, and the international art market.

7. Performing Arts: Nigeria boasts a vibrant performing arts scene encompassing theatre, dance, and various other live performances. Investment opportunities in theatre, dance, and performing arts education are significant, contributing to the nation's cultural identity.

Success Stories in the Nigerian Creative Industry:



1. Film Industry: EbonyLife Films

EbonyLife Films, founded by media mogul Mo Abudu, has emerged as a leading player in Nigeria's film industry, producing high-quality movies with international appeal.

Strategic partnerships with global studios and distributors have facilitated the international distribution and recognition of Nigerian films, including "The Wedding Party" series.



2. Music Industry: Burna Boy

Burna Boy, a Nigerian Afrobeats artist, has achieved international acclaim and commercial success with his unique blend of African rhythms and contemporary sounds.

Through strategic collaborations, extensive touring, and digital marketing campaigns, Burna Boy has built a global fan base and earned multiple awards, including a Grammy.



3. Fashion Industry: Maki Oh

Maki Oh, founded by Nigerian designer Amaka Osakwe, has gained recognition for its innovative designs that blend traditional African aesthetics with modern silhouettes enabling her to build collaborations with luxury retailers and fashion publications.

The brand's focus on craftsmanship, sustainability, and ethical production practices has resonated with both local and international consumers.

Success Stories in the Nigerian Creative Industry Contd...

- ▶ **4. Literary Arts: Chinua Achebe, Chimamanda Adichie, and Wole Soyinka**
- ▶ **Nigeria's literary scene has produced internationally acclaimed authors such as Chinua Achebe, Chimamanda Ngozi Adichie, and Wole Soyinka, whose works have received critical acclaim and won prestigious awards.**



CONCLUSION:

The Nigerian Creative Industry stands at a pivotal juncture, poised for unprecedented growth and development. As one of the most vibrant and dynamic sectors of the Nigerian economy, the creative industry offers immense opportunities for investors to capitalize on the country's rich cultural heritage, diverse talent pool, and burgeoning consumer market. Encouraging increased investment in the Nigerian Creative Industry is not only beneficial for investors but also essential for driving economic growth, fostering social development, and promoting cultural exchange.

The potential for growth and development within the Nigerian Creative Industry is undeniable. From the thriving Nollywood film industry to the global success of Afrobeats music, Nigerian fashion designers, and literary luminaries, the creative sector continues to capture the world's attention and imagination. With the right investments, strategic partnerships, and supportive policies, the Nigerian Creative Industry has the potential to become a global powerhouse, driving innovation, job creation, and socio-economic transformation.

In conclusion, increased investment in the Nigerian Creative Industry holds the key to unlocking its full potential and realizing its transformative impact on society. By harnessing the power of creativity, innovation, and collaboration, investors can generate financial returns and drive positive change, inspire imagination, and shape the future of Nigeria's cultural landscape.

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Thank You