Interactive Media Sector – Labour Market Intelligence Digest

1. Background

Labour market data provided by the Office for National Statistics (ONS) do not provide the sectoral detail required by the Creative Media Industry and Skillset to identify and fill skills gaps and shortages[1]. As a result the industry charged Skillset in 1999 with generating Labour Market Intelligence (LMI) to a sectoral level throughout the four nations, where possible.

The LMI presented in this Digest are a summary of those generated through Skillset's comprehensive research programme. The full reports for each source and more information about Skillset's research programme can be found by visiting www.skillset.org/research.

2. Size of Interactive Media Sector[2]

The Interactive Media sector comprises Online Content, Offline Multimedia, Internet Protocol Television (IPTV), Mobile Content, Systems Design/Software, Social Media/Web 2.0, Digital Advertising and User Experience (UEX).

Overall the Interactive Media industry comprises around **7,450**[3] businesses, the vast majority (95%) have less than 50 staff. Figures are not available for each of the sub-sectors though there is an estimated 5,450 businesses working in Online Content.

A total of **34,300** people are employed in the Interactive Media industry. As can be seen in **Figure 1** this is estimated to be 7% of the entire Creative Media workforce[4].

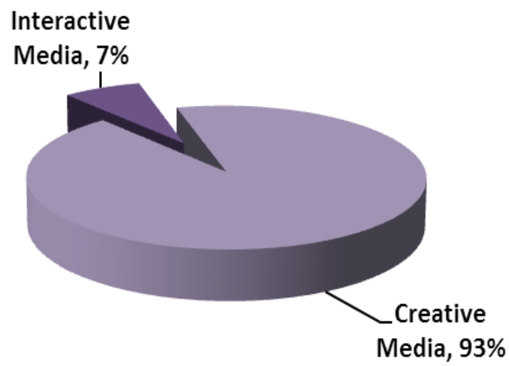
[1] This is in part due to the way in which industries in the UK's economy are classified e.g. TV and radio are combined and cannot be disaggregated, and freelancers are systematically excluded.

[2] Until otherwise specified, data are taken from the Skillset 2009 Employment Census, which excludes film production freelancers, photo imaging, publishing, advertising and freelancers not working on Census Day.

[3] Skillset 2010 Company Database (created from a variety of sources including previous research participants, Trade Association membership lists and Industry Directories). All figures have been verified with sector representatives.

[4] Until otherwise specified data for the Creative Media Industries as a whole taken from Skillset (2009) Employment Census, Skillset (2010) Creative Media Workforce Survey, and the Labour Force Survey Jan-Dec 2010.

Figure 1 Proportion of Creative Media Workforce in Interactive Media



The Interactive Media workforce is currently at its lowest since Skillset started measuring the size and shape of the industry in its Employment Census. During this period, the workforce has fluctuated in size from 38,300 in 2002, rising to a high point of 43,700 in 2004, before decreasing to 39,750 in 2006 and 34,300 in 2009. Though exact figures for all sub-sectors are not available the majority are employed in Online Content (**Table 1**).[5]

Table 1 Size of Interactive Media Workforce

	2009	2006	2004	2002
Interactive Media	**34,300**	**39,750**	**43,700**	**38,300**
Online Content	27,600	29,000	33,900	15,200
Mobile Content	800	400	N/A	N/A
Offline Multimedia	2,800	N/A	N/A	N/A
Other Interactive Media	3,100	10,350	9,800	23,100

Table 2 illustrates the distribution of the workforce in Interactive Media by occupational group. The most common occupations are in Art & Design, accounting for 9,550 (28%) of the workforce, and Distribution, Sales and Marketing accounting for 5,500 (16%). A significant proportion also work in Technical Development – 4,550 people (13%) and Production - 4,150 people (12%). The remainder of the workforce is distributed fairly evenly across the other occupational groups.

[5] Note: The decrease in employment between 2002 and 2009 appears to be contrary to the significant growth in the Interactive Media sector in this period. This is primarily due to: i). the sample of companies in 2009 being drawn from a more accurate definition of Interactive Media, and ii). the convergence of the Creative Media Industries has led to a rise in in-house interactive media services, and an increase in formerly Interactive Media companies classified in the sector they predominantly serve e.g. TV, Computer Games etc.

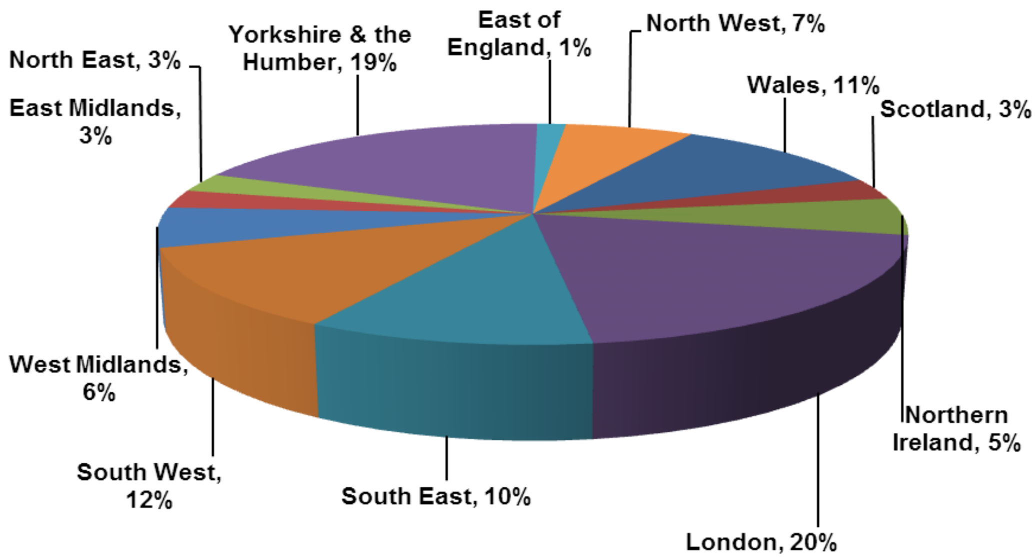
Table 2 Distribution of the Interactive Media Workforce by Occupational Group

Occupational Group	Interactive Media	Creative Media
Strategic Management	9%	5%
Creative Development	5%	2%
Production	12%	11%
Legal	< 0.5%	1%
Broadcast Management	< 0.5%	3%
Engineering and Transmission	< 0.5%	2%
Editorial, Journalism and Sport	3%	5%
Content Development	4%	1%
Art and Design	28%	9%
Animators	1%	3%
Camera/Photography	1%	10%
Audio/Sound/Music	1%	3%
Transport	< 0.5%	< 0.5%
Studio Operations	< 0.5%	< 0.5%
Technical Development	13%	3%
Editing	1%	2%
Laboratories/Processing	< 0.5%	5%
Servicing	< 0.5%	1%
Retail and Exhibition	< 0.5%	10%
Libraries and Archives	3%	2%
Distribution, Sales and Marketing	16%	2%
Business Management	< 0.5%	13%

As can be seen below in **Figure 2,** the Interactive Media workforce is distributed more evenly across all nations and English regions than the wider Creative Media industries, where 46% are based in London. Amongst the Interactive Media workforce just one fifth (20%) is based in London. The Interactive Media workforce is distributed across the other nations and English regions with significant proportions in Yorkshire and the Humber (19%), the South West (12%), Wales (11%) and the South East (10%).

The relative proportion of the workforce based in London has decreased from 33% since the distribution was last measured in 2006. It is also worth noting the significant increase in the proportion of the workforce based in Wales, the South West and Yorkshire and the Humber.

Figure 2 Distribution of the Interactive Media Workforce by Nation/English Region



3. Shape of the Interactive Media Sector

The Interactive Media sector relies fairly heavily on freelancers[6]; 21% are freelance compared to 24% across the wider Creative Media industries[7]. The proportion of freelancers in the Interactive Media workforce has increased since 2006 when 17% of the workforce were freelancers. There are significant trend variations by sub-sector with the proportion of freelancers in the Online Content workforce increasing from 16% in 2006 to 23% in 2009 whereas the proportion in Offline Multimedia has fallen from 20% to 16% (Skillset's Employment Census 2006).

More than half (55%) of Interactive Media employers use freelancers (higher than the Creative Media average of 50%). Moreover, 29% of employers predict an increase in demand for freelance staff over the next 12 months.[8]

Individuals from a Black, Asian and Minority Ethnic (BAME) background make up just 4% of the workforce in the Interactive Media industry. This represents a drop from 6% in 2006. This is lower than the 6% of BAME individuals in both the Creative Media

[6] For the purpose of this document, and the sources of these data, as agreed by industry 'freelance' is defined as an individual with a contract of fewer than 365 days and an 'employee' is defined as an individual with a contract of 365 days or more. For how long the individual has been freelancing and the mode of payment is not taken into consideration.

[7] Skillset 2009 Employment Census, Creative Media Workforce Survey 2010, and Labour Force Survey Jan-Dec 2010. Excludes an unknown number of freelancers who would not have been working on Census day.

[8] Skillset (2010) Creative Media Employer Survey

workforce as a whole[9], and in the working age population across the entire UK economy (9%)[10].

6%[11] of individuals working in the Interactive Media industry consider themselves to be disabled as defined by the Disability Discrimination Act (DDA)[12]. This proportion is higher than that reported for Interactive Media in 2008 (5%)[13] though still lower than the 9% in the wider Creative Media workforce.[14]

The Interactive Media workforce has a younger age profile than that of the Creative Media workforce as a whole and the wider economy; over half (52%) in Interactive Media are aged under 35 years compared with less than two fifths (39%) in this age group across the whole Creative Media workforce and 35% in the wider economy.

The proportion of the workforce aged under 35 years in 2010 is similar to that of 2008 (49%) and slightly lower than that of 2005 (58%).[15]

Despite having a younger age profile, almost a third (65%) of the Interactive Media workforce are married or in a long-term relationship (slightly lower than the 70% reported in 2008); higher than in the wider Creative Media workforce where 60% are married or in a long-term relationship.[16]

Just under three tenths (29%) of those working in the Interactive Media industry have a dependent child under 16 years, similar to the 28% in 2008. This is lower than across the Creative Media workforce as a whole, where this is the case for a third of people (33%). It is also a lower proportion than across the whole economy, 36% of whom has a dependent child. This is likely to be a correlate of the younger age profile of the Interactive Media workforce.[17]

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[9] Skillset 2009 Employment Census, Skillset 2010 Creative Media Workforce Survey and LFS Jan-Dec 2010

[10] Unless specified otherwise for the remainder of this document, data pertaining to the perspective of the UK economy as a whole are taken from the Labour Force Survey Jan-Dec 2010

[11] Skillset 2010 Creative Media Workforce Survey

[12] Disability, as defined by the Disability Discrimination Act (DDA), covers many people who may not usually have considered themselves disabled. It covers physical or mental impairments with long term, substantial effects on ability to perform day-to-day activities.

[13] Skillset 2008 Creative Media Workforce Survey

[14] Unless specified otherwise for the remainder of this document, data pertaining to the perspective of the Creative Media workforce as a whole are taken from the Skillset Creative Media Workforce Survey 2010 and Labour Force Survey Jan- Dec 2010.

[15] Skillset (2010, 2008 & 2005) Creative Media Workforce Survey

[16] Skillset (2010 & 2008) Creative Media Workforce Survey

[17] Skillset (2010 & 2008) Creative Media Workforce Survey

Table 3 Diversity of the Interactive Media Workforce

	BAME	Disabled	35+	Dependent Children
Interactive Media	4%	6%	48%	29%
Creative Media	6%	9%	61%	32%
UK economy	9%	15%	65%	36%

4. Recruitment, Working Patterns and Career Development

Amongst Interactive Media employers who have recruited in the last 12 months, three in ten (31%) recruited from other Creative Media Industries compared to 45% that recruited from outside of the Industries (28% and 41% respectively amongst all Creative Media employers).[18]

Less than half (46%) of Interactive Media employers who have recruited in the last 12 months recruited direct from education (whether school, college or university). This is slightly higher than the proportion of all Creative Media employers (45%).[19]

Three fifths (60%) of the Interactive Media workforce surveyed in 2010 entered the Creative Media industries from 2000 onwards, including 7% who started their first job in the Creative Media industries since 2008. In addition, 18% of individuals started between 1995 -1999.[20]

Just over a fifth (22%) of the Interactive Media workforce said they had heard of their most recent job in the industry via an advertisement (compared to 31% of the entire Creative Media workforce). Acquiring a job through informal channels was also common, reflecting the Industry's reliance on such methods; 15% heard about it from a friend or relative (16% of the wider Creative Media workforce), 15% made contact with the company (18% of the wider Creative Media workforce) and 12% heard about it directly from general word of mouth (7% of the wider Creative Media workforce).[21] In addition, of those employers offering work experience/placements (which often leads to further employment) 70% organised them through personal contact with individuals.[22]

The average working week consists of 5.0 days for the Interactive Media workforce and 4.8 days for the wider Creative Media workforce, but the average working day for those in Interactive Media is shorter, with a reported average of 8.5 hours per day compared with 8.7 hours across the wider Creative Media workforce. Neither the length of the average working week nor working day have changed significantly since 2008.[23]

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[18] Skillset (2010) Creative Media Employer Survey

[19] Ibid

[20] Skillset (2010) Creative Media Workforce Survey

[21] Ibid

[22] Skillset (2010) Creative Media Employer Survey

[23] Skillset (2010 & 2008) Creative Media Workforce Survey

The average income received by the Interactive Media workforce in 2010 (£35,850) is notably higher than the average received by the Creative Media workforce as a whole (£30,500). This average has continued to increase since 2005, rising from £32,200 to £33,650 in 2008.

Permanent employees in the Interactive Media industry earn almost twice the average income of those working as freelancers (averages of £39,250 and £22,850 respectively).[24]

The incidence of unpaid working (excluding an occasional charitable contribution) in the Interactive Media workforce is similar to that within the wider Creative Media workforce (42% and 40% respectively). This is lower than the corresponding figure from 2008, when 48% of the workforce reported having undertaken unpaid work.[25]

For three quarters (76%) of the Interactive Media workforce, all of their work over the past 12 months has been based in the UK. This compares to 75% of the wider Creative Media Industries.[26]

As shown in **Table 4**, two in ten (22%) members of the Interactive Media workforce plan to move to a different job within the Industry in the next 12 months. A further 10% plan to move job but to a different Creative Media Industry though just 3% of those responding plan on leaving the Creative Media Industries altogether.[27]

Table 4 Anticipated changes to career in the next 12 months

Change in next 12 months	Interactive Media Workforce	Creative Media Workforce
Move to a different job in same Industry	22%	20%
Move to a different job in different Creative Media Industries	10%	8%
Move to a different job outside Creative Media Industries	3%	7%
Become freelance	8%	9%
Broaden scope of freelance work	26%	27%
Change direction of freelance work	11%	14%
Expect to be made redundant	6%	7%
Temporarily leave current role (e.g. maternity leave or career break)	10%	5%

[24] Ibid

[25] Ibid

[26] Skillset (2010) Creative Media Workforce Survey

[27] Ibid

5. Qualifications in Sector[28]

The Interactive Media workforce is highly qualified, 79% have a degree, compared to 57% of the wider Creative Media workforce and 37% of the wider UK economy. However, this figure is lower than in 2008 (88%) and closer to that reported in 2005 (80%). Approaching three in ten (28%) of the degrees held by those in Interactive Media are media related, a lower proportion than in 2008 (45%), and the same as those held by individuals across the wider Creative Media workforce (28%).

The most common media related subjects amongst the Interactive Media workforce are: Communication/Media Studies (18% of those with a media related degree), Journalism (18%) and Digital Media/Multimedia/Media Technology (12%). The most common subject in other areas was Science (14% of those with a degree in some other subject).

Graduates came from a wide variety of institutions. The Universities of Cambridge, Huddersfield, Kent, Oxford, Sussex, Sheffield, Edinburgh, Nottingham, York and Leeds Metropolitan were all identified by 3% of the workforce.

As shown in **Table 5**, after those educated to degree level or above, the next highest qualification most commonly attained was a technical or vocational qualification (4%). None of those responding had attained a trade Apprenticeship as their highest qualification.

Table 5 Qualifications of the Interactive Media Workforce

	Interactive Media	Creative Media
A postgraduate qualification	36%	31%
An undergraduate degree, certificate or diploma	43%	37%
A Foundation degree	2%	1%
A technical or vocational qualification e.g. HND or HNC	4%	9%
A' level/GNVQ in Media Studies or related subjects	>0.5%	2%
GCSE/O Level (or equivalent) in Media Studies or related subjects	>0.5%	1%
National/Scottish Vocational Qualification (N/SVQ)	0%	1%
Modern Apprenticeship/Apprenticeship	0%	>0.5%
None of the above	14%	16%

A majority of Interactive Media employers (47%) report that they do not value formal qualifications. Meanwhile more than a quarter (27%) value undergraduate degrees,

[28] Unless otherwise stated all data in this section is from the following sources: Interactive Media from Skillset (2010 & 2008 & 2005) Creative Media Workforce Survey; UK economy from Labour Force Survey, January to December 2010; Creative Media from Skillset (2010) Creative Media Workforce Survey and Labour Force Survey, January to December 2010

certificates or diplomas and 13% value postgraduate qualifications. A small proportion of employers value other types of qualifications such as technical or vocational qualifications (15%), Foundation Degrees (6%) and A Levels or GNVQs (5%).[29] In contrast to this finding which suggests employers place little value on formal qualifications is the high level of graduate employment that currently exists within the workforce (79% are graduates as reported above).[30] This discrepancy might be attributable to a perception among employers that qualifications do not necessarily make new recruits to the sector 'job ready'. Recent research by Skillset into the destination of 2007/08 graduates also suggests that the likelihood of HE graduates finding employment within the Creative Media Industries within six months of graduation increases for students who have undertaken industry-specific courses.[31] It is difficult to say whether this is supply or demand driven as the process of recruitment is influenced by a complex set of factors including individual employer values and current labour market circumstances.

Amongst those employers who value graduate qualifications, 46% stated a preference for these qualifications to be in media studies or a related subject, higher than the wider Creative Media average of 40%. Just 10% preferred a non-media subject and a further 39% did not have a preference.[32]

6. Supply and Provision of Learning and Development in Sector

In HE: 3,627 Interactive Media relevant courses exist across the UK and these courses were being studied by 66,473 students[33] in 2008/09. A below average proportion of these learners are female (32%), whilst 22% are BAME and 9% had an identified disability. In 2008/09, 23,226 individuals attained an Interactive Media related qualification (consisting of 6,900 Postgraduate, 12,307 first degrees, 7,972 foundation degrees and 3,038 other undergraduate qualifications).[34]

In FE: we have identified 106 learning aims that are in some way relevant to the Interactive Media sector and these account for 8,336 learners in England in 2008/09. 47% of these learners are female, 24% are BAME and 14% had an identified disability.[35]

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[29] Skillset (2010) Creative Media Employer Survey

[30] Skillset (2010) Creative Media Workforce Survey

[31] 10% of employed HE graduates from 2007/08 who undertook Skillset-relevant courses found employment within Skillset industries, compared to 3% of all HE graduates who have found employment in Skillset industries. This increased to 34% for employed HE graduates of Skillset-accredited courses. DLHE Survey, HESA 2007/08 from Skillset/Research As Evidence (October, 2010)

[32] Skillset (2010) Creative Media Employer Survey

[33] The student count is the number who are studying courses whether in the first, middle, or final years of study. Both full time and part time students are included.

[34] Figures from HESA 2008/09 quoted in Skillset/Research As Evidence (October, 2010) Mapping Creative Media and Fashion & Textiles Relevant Education and Training Provision in FE, HE, and the Private Sector in the UK.

[35] Figures from Individual Learner Record (ILR) 2008/09 for England only quoted in Skillset/Research As Evidence (October, 2010) Mapping Creative Media and Fashion & Textiles Relevant Education and Training Provision in FE, HE, and the Private Sector in the UK.

In the private sector: Of the 18 providers supplying usable information regarding provision to the Interactive Media sector, the courses most commonly covered were: cross platform storytelling, E commerce models, interactive magazine design, managing multi-platform teams and strategy development (specific to management and leadership). Specific skills covered commonly included Joomla and other open source tools and Adobe and Apple Products.

STEM

Due to the ever increasing complexity of interactive media products, the expertise of those programmers has increased to meet demands caused by the need for connectivity and availability across a number of platforms.

The demand for higher skills in programming comes as levels of Maths, Physics and Computer Science take up at Schools and universities has caused alarm for employers and educationalists alike.

The Government has been keen to promote the needs for increased STEM skills in students as illustrated by the push for Computer Science to replace ICT in school's curriculum, and the rising profile of organisations like STEMNET, a BIS funded network creating opportunities to inspire young people in STEM.

Whilst STEM has gained prominence as a key driver of interactive media talent, there is also a growing understanding that coding alone isn't the solution; but rather how it is applied to imagery, manipulates it, and works with it to draw in the user. Thus, to highlight and not forget the value of art and design, several commentators have started to use the acronym STEAM where the A is for Art. For example a computer game is only an economic success if its imagery and animation matches and complements the code and circuitry it plays through; likewise a film's story is only realised through multiple hardware technologies.

"If the UK's creative businesses want to thrive in the digital future, you need people who understand all facets of it integrated from the very beginning…bring engineers into your company at all levels, including the top." Eric Schmidt, Chair of Google, MacTaggart Lecture, Edinburgh TV Festival, 27 August 2011. *"You need to bring art and science back together."*

The intermix of Maths and art and technology is seen as a priority, and the structures of our Universities sometimes necessitate against this happening with art and science faculties separate with distinct programmes and priorities that have no incentive to start the dialogues that might result in new hybrid provision. For instance, what are needed are programmers who are creative and flexible, and artists who can apply their skills to strict technological constraints.

A report by Universities UK declares that *"there is often a false opposition established between 'creative' subjects on one hand, and STEM subjects on the other. However, STEM skills are also needed in the creative economy, whether engineers in broadcasting or Maths and physics skills in computer games development. This is consistently overlooked in current debates that seek to polarise STEM and creative disciplines….Indeed, creative skills are needed in all industries, including those supported by the STEM disciplines. This clearly challenges a narrow view of STEM as the sole route to economic growth"*[36]

Perspective of Employers[37]

Just under half (49%) of Interactive Media employers fund or arrange learning or development for staff, compared to 47% of employers across the Creative Media Industries. Approaching half (48%) of Interactive Media employers who use freelancers also extend learning and development opportunities to them, significantly lower than the 59% across the wider Creative Media Industries.

Amongst employers offering learning and development to staff, sending staff out to an external course or seminar (66%) and structured support on the job by another member of your workforce e.g. mentoring, coaching (59%) are common methods of delivery. Internet based/online training (53%) and ad-hoc non-structured support on the job by another member of their workforce (52%) were also relatively popular methods.

23% of Interactive Media employers have a learning and development plan for the year ahead (higher than the wider Creative Media Industries – 18%).

Around three fifths (57%) of Interactive Media employers have seen no change to their learning and development budget over the past year (2009-2010). 23% had seen an increase, whilst a lower proportion (11%) had actually seen a decrease in their learning and development budget. These figures are all similar to those found across the wider Creative Media Industries (64% stayed the same; 16% increased and 12% decreased) though a higher proportion of employers in Interactive Media actually increased budget.

Skillset's (2010) Creative Media Employer Survey investigated employer usage of Apprenticeships, graduate internships and work placements/work experience posts. Approaching one in ten (9%) of Interactive Media employers offer Apprenticeships, whilst 45% would consider doing so in the future. Similarly, in 2006 9% offered Apprenticeships, although only 25% would consider doing so.[38] The proportion of Interactive Media employers offering apprenticeships is the same as across the wider Creative Media Industries (9%).

Graduate internships were more than twice as likely as Apprenticeships to be offered by Interactive Media employers (20%). In addition, another 47% would consider offering an

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[36] Creating Prosperity: the role of higher education in driving the UK's creative economy, Universities UK (2010)

[37] Unless otherwise stated all data in the 'Perspective of Employers' sub-section are from Skillset's (2010) Creative Media Employer Survey.

[38] Ibid

internship. The proportion of employers offering internships is slightly higher than across the wider Creative Media Industries (18%).

Approaching three quarters (72%) of Interactive Media employers offer or would consider offering work placements or work experience posts, including 38% of employers that already offer work placements/work experience posts.

Perspective of Workforce[39]

Approaching two thirds (64%) of the Interactive Media workforce had received some form of learning and development in the past 12 months compared to 56% of the wider Creative Media workforce. This figure is exactly the same as that reported in 2008 and similar to that of 2005 (66%).

Those in the Interactive Media workforce who had undertaken learning or development over the past 12 months had completed an average of 14.2 days of learning and development during this time (lower then the Creative Media average of 19.6 days). This is significantly higher than the average of 6.6 days in 2008 and 8.2 days in 2005.[40]

Table 6 lists the five most common areas in which learning and development had been received in the past 12 months. Specific Software Package(s) was a subject undertaken by 25% of the workforce. This was followed by management and leadership (15%) and software development skills in specific language(s) (14%). In comparison, the most common areas of learning and development reported in 2008 were On-line/web design/interactive media/electronic games (22%), specific software applications (20%), ethics/safeguarding trust (16%) and legal (15%).

Table 6 Most common areas of learning and development undertaken in the past 12 months

Subject	Interactive Media	Creative Media
Specific Software Package(s)	25%	19%
Management & Leadership	15%	13%
Software Development Skills - Specific Language(s)	14%	3%
Online and Social Media Publishing or Content Distribution	14%	6%
General Technical or Craft Skills	10%	10%

Approaching three fifths of the Interactive Media workforce who had received learning or development in the past year had done so via their employer (58%, compared to 49%

[39] Unless otherwise stated all data in the ‘Perspective of Workforce’ sub-section are from Skillset’s (2010, 2008 & 2005) Creative Media Workforce Survey.
[40] These differences may in part be due to a change in question text in the 2010 survey. Learning and development now being referred to in questions rather than ‘training’ which was used in 2008 and 2005. A note was added in the 2008 survey to include all types of structured self-tuition and on-the-job training so differences should be minimised.

within the wider Creative Media workforce). A further 42% had received learning or development via a private training provider. A quarter provided their own learning and development (25%, compared to 18% across the Creative Media Industries).

The most common delivery mode for the learning and development received by the Interactive Media workforce was via the classroom (67%). This was followed by on the job e.g. mentoring (37%), a combination of classroom and technology (33%) and online support reference material (32%).

Approaching two thirds (65%) of the Interactive Media workforce look for information on learning and development via internet searches. In addition, the company intranet and colleagues are also major sources of information in the sector (31% citing it as a source of information).

Barriers to Learning/Development

Approaching half (47%) of Interactive Media employers said that there were particular reasons preventing them from providing more learning and development for their workforce (slightly lower than the 50% amongst employers in the wider Creative Media Industries). The most frequent reasons cited were 'company cannot afford to invest in training' (53%), 'not enough time' (45%) and 'employees are already fully proficient (35%).[41] The proportion of employers reporting barriers to providing learning and development in 2006 was significantly higher than in 2010 at 56%. The most frequent reasons cited in 2006 were 'too costly' (73%) and 'not enough time' (52%).[42]

As shown in **Table 7**, approaching nine in ten (87%) of the Interactive Media workforce who had tried to access learning or development, or information regarding it have experienced barriers to access. This figure is slightly less than the wider Creative Media workforce (88%) and the same as that recorded amongst the Interactive Media workforce in 2008.[43]

The most common obstacle cited was 'fees are too high' (46%). This was followed by a 'difficulty in assessing the quality of courses' (37%) and 'opportunities being available at inconvenient times' (28%). These obstacles are similar to those identified in 2008 as the most common – 'fees were too high' (36%), 'employers not willing to pay for training' (35%) and 'training at inconvenient times' (29%).[44]

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[41] Skillset (2010) Creative Media Employer Survey

[42] Skillset (2006) Employer Survey

[43] Skillset (2010 & 2008) Creative Media Workforce Survey

[44] Ibid

Table 7 Barriers to Learning/Development reported by the workforce

Barrier to Training	Interactive Media	Creative Media
Any barriers or obstacles	**87%**	**88%**
Fees are too high	46%	46%
Difficult to assess the quality of courses	37%	27%
Opportunities available are at inconvenient times	28%	18%
Fear of losing work through committing time in advance	19%	16%
Employers not willing to pay	19%	25%
Domestic/personal arrangements	16%	11%
Lack of available information	16%	16%
Opportunities available are in inconvenient places	15%	19%
Lack of availability of materials online	15%	9%
Lack of suitable opportunities in the region/nation I live/work	14%	19%
Employers not willing to give time off for learning and development	10%	21%
Lack of suitable courses/training in UK	9%	12%
Possible loss of earnings too high a risk	9%	10%

7. Skills Shortages

Two in ten (21%) Interactive Media employers have current vacancies, and of these employers more than half (56%) report having hard to fill vacancies and hence skills shortages. The Interactive Media average is higher than the Creative Media employer average of 46%.[45] The occupations in which these skills shortages exist most commonly are concentrated in Technical Development roles (for 48% of employers).

Interactive Media employers also highlighted a number of skills that they found difficult to obtain in applicants direct from education. Broad skills areas most commonly cited are sales and marketing (28%), leadership and management (26%), multi-skilling (20%) and skills in using sector specific software packages (20%).[46]

Employers report shortages in entrants with the appropriate combinations of ‘hybrid' skills – a mix of specialist skills (e.g. graphic design), and core generic skills (e.g.

[45] Skillset (2010) Creative Media Employer Survey

[46] Ibid

business/commercial acumen) with cross sector awareness (the ability to provide services to clients from other sectors of the wider economy). [47]

8. Skills Gaps

Perspective of Employers[48]

Almost three in ten (28%) Interactive Media employers report a skills gap within their current workforce, the same as the Creative Media employer average (28%) and slightly higher than 2006 (24%). The most common areas in which skills gaps exist are leadership and management, sales and marketing and finance skills. These skills gaps were most frequently associated with technical development and art and design roles.

More than half of Interactive Media employers highlighted sales and marketing (55%) as a broad area in which a skills gap exists amongst employees. Technical skills (commonly computer programming - 44%), leadership and management (43%), business skills (32%) and skills in using sector specific software packages (31%) were also highlighted as skills gap areas. Amongst freelancers - technical skills (again commonly computer programming, 40%), skills in using sector specific software packages (30%) and skills to develop content for multiple platforms (mainly the design and development of mobile applications, web sites and web applications, 26%) were the most common skills gap areas cited.

Skills gaps amongst their current workforce were most frequently associated with technical development (42%) and distribution, sales and marketing (25%) roles for employees, and technical development (45%) roles for freelancers.

In the new digital marketplace where there are few barriers to entry, and fewer and fewer gatekeepers, skills such as Search Engine Optimisation (SEO) and ways to ensure 'discoverability' are at a premium. Whilst large companies may have whole departments to deal with this sort of marketing, the individuals in creative industry SMEs, Sole Traders and micro-companies will increasingly need to assimilate these skills into their everyday work. The ability to marshal social media and start conversations with your customers are also valuable to small enterprises.

Perspective of Workforce[49]

Six in ten (61%) of the Interactive Media workforce have current learning or development needs. A third (34%) do not have any needs and the remaining 5% said that they do not know. There could be a variety of reasons behind an individual not being clear on their own development needs, including possible employer input into their learning and

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[47] www.skillset.org/interactive/industry/article_6921_1.asp

[48] Unless otherwise stated all data in the 'Perspective of Employers' sub-section are from Skillset's (2010) Creative Media Employer Survey.

[49] Unless otherwise stated all data in the 'Perspective of Workforce' sub-section are from Skillset's (2010, 2008 & 2005) Creative Media Workforce Survey.

development plans, current/impending changes to their job role or lack of clarity over skills required for their role/a particular task.

As noted, just over six in ten of the Interactive Media workforce have current learning or development needs in 2010. This is higher than the 54% reported across the wider Creative Media workforce. This is also higher than the proportion of the Interactive Media workforce reporting a learning or development need in 2008 (55%).

Table 8 lists the five most common areas of learning and development needed as reported by the Interactive Media workforce. Business development and commercial awareness (16%) was the most common subject needed. This was followed by specific language software development skills (13%) and specific technical or craft skills (13%).

The areas of learning and development need most commonly cited by the Interactive Media workforce in 2008 were online/web design/interactive media/electronic games (27%), specific software applications (22%) and business skills (17%). Though there are some changes between these and those reported in 2010 it is clear that the type of skills needed are focussed in similar areas.

Table 8 Most common areas of learning or development needed

Subject of training	Interactive Media	Creative Media
Business Development & Commercial Awareness	16%	11%
Software Development Skills - Specific Language(s)	13%	4%
Specific Technical or Craft Skills	13%	9%
Specific Software Package(s)	12%	20%
Management and Leadership Skills	11%	10%

Three fifths (61%) of the Interactive Media workforce cited ‘to further develop existing skills base to acquire new work’ as the main reason for their current learning and skills development needs. This was followed by ‘increased demand for content on multiple platforms’ (51%) and ‘increased demand for quality content’ (48%).

Future Skills Gaps

Skillset’s 2010 Creative Media Employer Survey asked employers to identify any potential future skills gaps. Interestingly, Interactive Media employers predicted that there would be gaps in a wide variety of broad skills areas: technical skills (mentioned by 34% of employers), sales and marketing (32%), leadership and management (27%), multi-skilling (25%), skills to develop content for multiple platforms (25%) and skills in using sector specific software packages (24%).[50]

[50] Skillset (2010) Creative Media Employer Survey

Within the broad category of 'technical skills', Interactive Media employers were most likely to specifically mention computer programming (14%). Likewise within 'skills to develop content for multiple platforms' there were a huge variety of specific potential future skills gaps mentioned, the most common relating to the design and development of mobile applications (predicted by 7% of employers).[51]

Despite the recession, medium term forecasts are for an ever increasing demand for online and offline output. This will be driven by, amongst other things, continuing falls in the real price of software, widening access to cheap broadband and 360 degree commissioning models – where content is commissioned for dissemination across more than one platform. In the future it is anticipated that technical software and website design skills and project management skills will be most needed.

The multiplicity of screens/platforms through which people can consume content is an ever increasing driver for the industry. Most notably, Smart TV or Over The Top (OTT) TV promises a new way for games and interactive media to permeate into the family living room - a combination of various content in one portal e.g. games, films, TV, internet, shopping, news all in one place. This will change the way media/content is consumed, examples include Ultraviolet and GoogleTV.

As well as convergence, divergence is also a driver within Interactive Media with the number and variety of platforms and screens for content ever increasing. For example, Sony have just launched PSVita a mobile game platform as their PS3 consoles decline, and Nintendo, makers of the previously massively successful Wii, reported a loss in the last financial year at least in part because of the increased use of gaming on Smart Phones.

[51] Ibid