

History and functioning mechanisms in the video game industry: the case of the Turin cluster

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The video game production sector represents an industry not only of growing economic value but of increasing importance in the everyday social and cultural spheres. The recognition it has gained – or still seeks to gain – from increasingly generalised multi-media users is well acknowledged. However, the dynamics underlying the functioning mechanisms of the whole industry remain partial, if not completely obscure.

This is a sector that, due to its characteristics – young and growing, consisting mainly of low seniority, highly risky, and composed of extremely passionate workers willing to make great sacrifices in terms of work-life balance and crunch time (Cote, Harris 2001; Cavallini, Raspanti 2024) – manages to bypass certain macro-economic models (as in the case of Varieties of Capitalism (VoC, Hall, Soskice 2001)), to be instead characterised by important relationship mechanisms – formal and informal – that are found in all the sector’ production clusters around the world.

However, despite structural similarities, each geographical area in which a cluster of video game development companies has materialised – otherwise definable as an ecosystem, network, pole, etc. – presents unique characteristics of creation, development and evolution. It is precisely the ‘cluster’ that becomes the main key unit of analysis to grasp the relevant dimensions of the industry. Indeed, it is often the case that groups of companies, notably of a creative nature, come together within Local Production Systems (LPS), typically in urban contexts (Lazzerati et al. 2008), and favoured by several localisation externalities (Marshall 1920; De Vaan et al. 2012). In this way, it is easier to exploit their technological complementarities (De Propriis et al. 2009), regardless of the specific form taken by this aggregation of companies and institutions. This is even more evident – and necessary – for the video game sector, which highly depends on high-level technical and technological requirements (Aoyama, Izushi 2003).

This is also the case of the video game production cluster in Turin, a city with an important industrial, economic and cultural history located in northwestern Italy. The peculiarities of this cluster, although limited in terms of absolute numbers, economic impact and professional absorption/retention, are of considerable relevance in defining the development trajectories of the contemporary video game industry. The

heterogeneity of the sector's productions tends to overlap precisely with the characteristic features of the city's production systems and its socio-cultural fabric.

The case of Turin, whose birth and evolutionary trajectory are quite distinct from other national clusters such as Milan, Bologna and Rome, presents operational mechanisms that could not be reproduced elsewhere in the country: a sustainable cost of living (unlike the neighbouring city of Milan); a strategic location endowed with the necessary infrastructure for mobility; a broad and diversified training system for the formation of the sector's required talent pool; the presence of formal institutions such as a start-up accelerator and the first national chapters of international sector associations; a solid and welcoming informal network. Finally, this cluster is delineated by the developers' willingness to create video games conceptually and artistically on the borderline between market demands and free artistic expression.

At the same time, this very context, which is highly relational and suited to the more 'indie' dynamics of the industry, presents various criticalities: scarce opportunities for funding and entry into the mainstream market, city infrastructures not always adequate to the needs of the studios, lack of institutional recognition determined by the persistence in the collective imagination of traditional production realities (Bertacchini 2012) and, above all, the unwillingness of most developers to abandon a creative and independent production style in favour of a more pragmatic approach to market dynamics.

This last critical dimension ties in perfectly with the importance that informal relationships have – and have had – in the development of this cluster. The sector's employees have historically been proactive in maintaining the social and professional networks that uphold the cluster. However, this may have limited the potential for external penetration from institutional and economic actors within and outside the city. This spatially well-defined network becomes fundamental to the existence of a collective creative process dominated by high-level interactions (Drake 2003), even if limited in the number of actors. In this way, sectoral agency and advocacy remain in the hands of a few technical actors, potentially unable to attract substantial external investment. Moreover, the historically relevant local film industry has not created any apparent positive externalities and no useful spill-over effect for any inter-sectoral contamination (Crivello 2009), unlike other significant cases on the international video game scene (Britton et al. 2009; Darchen, Tremblay 2015; Pilon, Tremblay 2013).

This work intends to propose a reconstruction of the evolution of the video game production cluster in Turin, highlighting the peculiarities that characterise it mainly due to the particular features linked to its socio-cultural-spatial location. In particular,

the operating mechanisms, both formal and informal, that characterise and diversify the Turin cluster – with respect to other sector ecosystems in Italy – will be highlighted, thus determining its strengths and inherent weaknesses.

This study is part of the Horizon research project “GAME-ER” (Gaming Clusters Across Multiple European Regions), whose goal is to research how video game clusters emerge, develop and sustain themselves, with a focus on local and regional clusters located in five European countries (France, Czechia, Portugal, Italy and Scotland). As this is still a work in progress, further developments are planned in the reconstruction of the history and dynamics underlying the operational mechanisms and growth factors of Turin's video game production cluster. The intent is also to highlight the strengths and weaknesses of this particular ecosystem, and thus understand the degree to which its competitive advantages can be reproduced. In this way, an attempt is also made to comprehend the clusters’ functioning mechanisms and characteristics, which are useful to understand whether it succeeds in exhausting the needs of its workers – based on the so-called creative class and its specific needs (Florida 2022) – and in attracting additional human resources from outside.

The methodology of this work is based on the study and analysis of primary and secondary sources. The direct sources are composed of a series of semi-structured qualitative interviews with the main actors belonging to the Turin video game ecosystem (N=21) and institutional documentation created ad-hoc within the cluster. The interview approach is that of ‘responsive interviews’, adopted to achieve a certain degree of flexibility in interview design by going into the details and direct experiences of the so-called ‘conversational partners’ (Rubin, Rubin 2012). The aim is to obtain a reconstruction that can reflect the interviewee's ‘world’ as much as possible, by modifying the question design based on the respondent and the course of the interview. The analysis of the data, on the other hand, adopts the thematic analysis approach (Braun, Clarke 2008), with the intention of balancing an inductive approach with a deductive one based on schemes and analytical grids devised and developed during the “GAME-ER” research project.

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