

**THE IMPACT OF THE COVID-19 PANDEMIC ON THE CULTURAL
AND LEISURE INDUSTRIES: EVIDENCE FROM RIGA, LATVIA****COVID-19 PANDĒMIJAS IETEKME UZ KULTŪRAS UN ATPŪTAS
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Abstract

The aim of this study is to evaluate the impact of the Covid-19 pandemic on the creative-cultural and leisure-entertainment industries in Riga, Latvia. Socialising of individuals is one of the main factors in the success of these industries, and therefore, epidemiological restrictions posed a threat to their further operation. The study was conducted using a qualitative research methodology, namely, semi-structured, in-depth interviews with representatives of creative quarters in Riga. The findings suggest that restrictions imposing social distancing affected the whole industry, yet individual experiences were neither completely different nor identical: the preconditions and characteristics of certain venues were key factors in their successful operation during the pandemic, e.g., establishments with vast outdoor premises were able to adapt to ever-changing requirements easier than venues with limited outdoor space or which were mainly indoors. Likewise, it was found that introducing new services amongst the usual cultural consumption during the pandemic paved the way for developing new, multifunctional quarters in Riga.

Keywords: creative quarters, creative class, cultural consumption, Covid-19 pandemic

Introduction

Socialising of individuals is an integral part of cultural consumption, thus, the Covid-19 pandemic and the restrictions requiring social distancing presented a heavy challenge for the cultural and leisure industries around the world. This qualitative research aims to provide an insight into the impact of the pandemic on the culture and leisure industries in Riga, Latvia through interviews with representatives of the creative quarters of Riga.

Evidence from other parts of the world suggests that, in general, the impact of the pandemic on the creative class was rather negative. Before the pandemic, the cultural and leisure industries were some of the fastest-growing sectors in the world, but the pandemic left them heavily damaged (Khlystova et al. 2022). While many were forced to shut their businesses as a result of the pandemic, the unprecedented

situation paved the way for new ideas and improvisation, e.g., cultural events being held online (Vitalisova et al. 2021).

Before the pandemic, in the whole city of Riga the industry was experiencing rapid growth and expansion – with a fast-growing number of creative quarters, modern venues, and the transformation of ex-industrial urban areas into trendy hang-out spaces. However, the industry as a whole still hasn’t recovered to reach the operational levels of 2019. While, with some exceptions, most venues for cultural and leisure activities in Riga are located in the inner city, the residential patterns of persons who are employed in the creative and leisure industries suggest a different tendency (Figure 1; Figure 2).

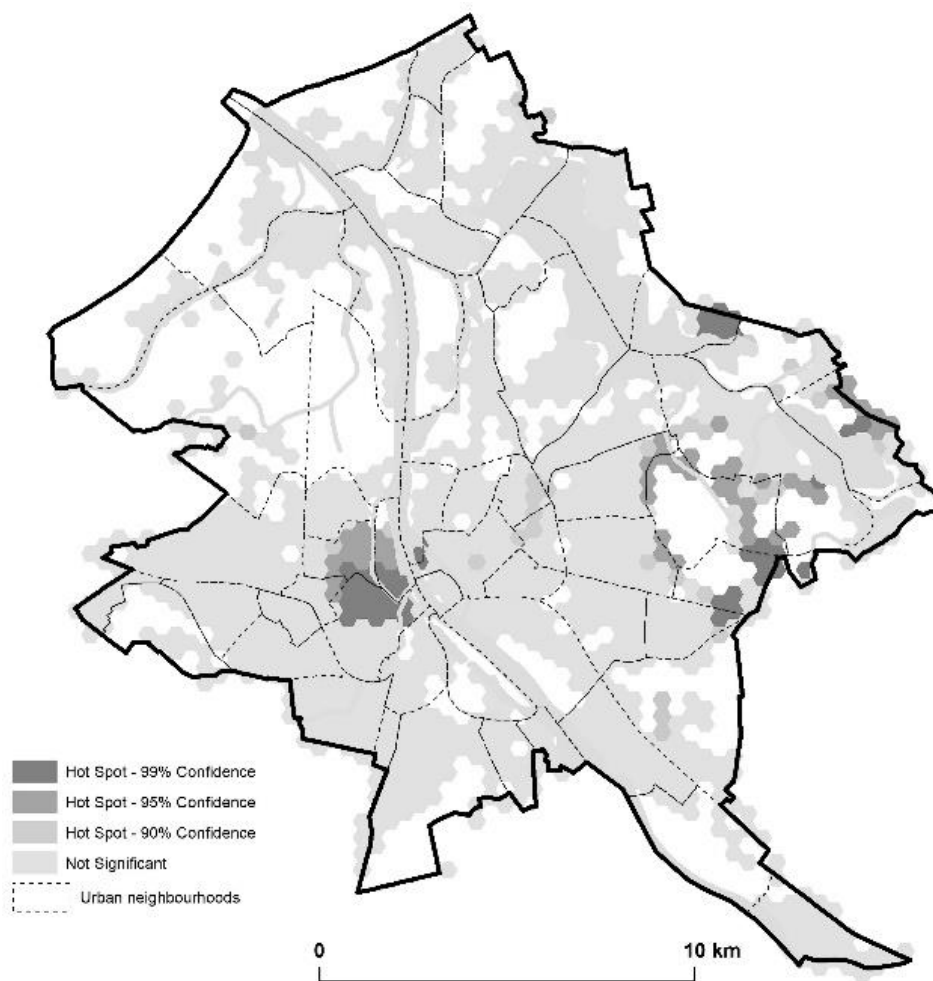


Figure 1. **The residential location of persons employed in the creative-culture industries** (Department of Human Geography, University of Latvia, based on data from Central Statistical Bureau of Latvia)

The creative-culture class in this case is comprised of multiple occupations, such as architects; marketing specialists; persons employed in the cinema, video, radio and television industries; and so forth. The leisure-entertainment class, on the other hand, consists of persons employed in bars, restaurants, sports and other entertainment

sectors. It has long been argued that creatives have an impact on shaping urban areas by either creating specific creative enclaves or contributing to various urban development processes (Bader & Bialluch 2008; Florida 2017; Gainza 2017).

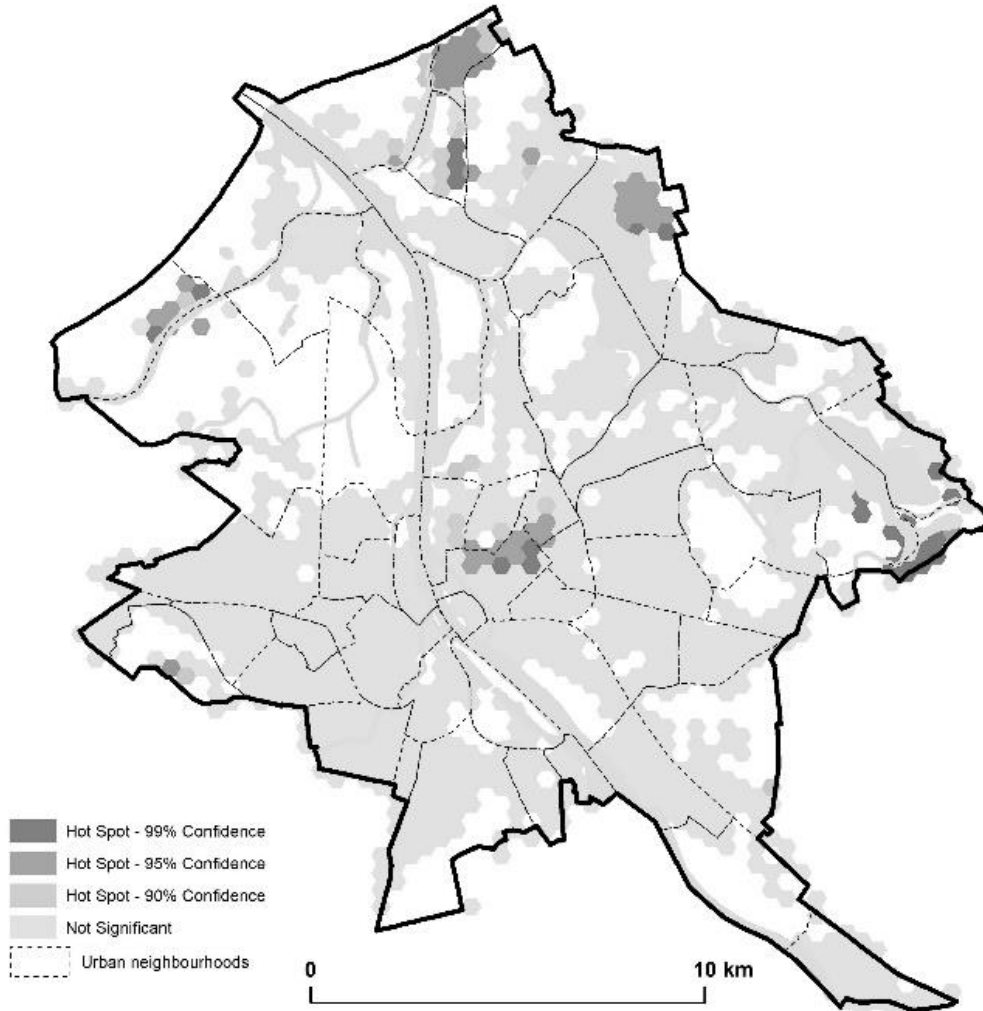


Figure 2. **The residential location of persons employed in the leisure-entertainment industries** (Department of Human Geography, University of Latvia, based on data from Central Statistical Bureau of Latvia)

In 2011, the highest concentration of persons employed in the creative industries was observed in the inner-city neighbourhoods Agenskalns and Kipsala, and the adjacent Dzirciems, while the highest concentration of leisure industry workers was not only in the inner-city neighbourhoods Centre and Brasa, but also in outer-city Jaunciems and Vecaki. Since the Covid-19 pandemic has had a tremendous effect on these two industries, it cannot be excluded that the main clusters of residence for professionals have been impacted as well, resulting in changes of population composition in the neighbourhoods of Riga.

The beginning of the pandemic – first responses

The data provided by the Central Statistical Bureau of Latvia reveals that the total count of unemployed persons in Latvia rose by 12,400 between February and August of 2020 (Centrālā Statistikas pārvalde 2020a). Furthermore, the data reveals that in the first days after the opening of applications for furlough benefits, 12% of applicants were representatives of the arts, music and leisure sectors. However, the aforementioned creatives only made up 10% of the beneficiaries of furlough benefits (Centrālā Statistikas pārvalde 2020b).

The interviews with representatives of the creative industries, however, provided a deeper insight into the response of the creative-culture and leisure-entertainment industries to the pandemic and its effects. The research was done by conducting semi-structured, in-depth interviews with representatives of three creative quarters in Riga. All three quarters are quite popular, one of them being more than 10 years old, whereas the other two have been operating since ca. 2017. All three quarters are prime examples of urban revitalisation in Riga and their main activities usually take place between March and October.

After the government of Latvia declared a state of emergency on March 12, 2020, the first responses of the creative quarters were obvious: they closed. This, however, did not last long. A representative of Creative Quarter 1 reveals that a decision to change the direction of business was made – the quarter, in collaboration with partners such as vendors and restaurants whose activities were also suspended, started a food delivery business, which turned out to be a successful move. A representative of Creative Quarter 2, on the other hand, states that although the quarter could have continued operating due to its vast premises, they made the decision to be responsible and temporarily close the leisure activities. Due to the unexpected lockdown the owners of this quarter realised that the entertainment business was not as reliable as it had seemed to be; therefore, they decided to open a car servicing centre on the site as well, since the requirements for social distancing did not affect this type of establishment.

“We thought that we wouldn’t have much work and it would be a calm time, since events were cancelled, but the reality was completely the opposite – the amount of the work we had to do doubled” – representative of Creative Quarter 1

When asked about June 2020, when some of the restrictions were lifted, the responses differ. It is clear that while the quarters have shared some similar experiences, there are notable differences as well. The representative of the Creative Quarter 2 shared that their venue experienced a major interest in their events, stating,

“It was obvious that our society was hungry for culture and events.”

He stresses that although the quarter was forced to introduce admission fees in order to control the influx of visitors, it was obvious that this measure did not affect the number of visitors – people were ready to queue and to wait to be let in. The representative of Creative Quarter 1, on the other hand, revealed that once the restrictions were reduced, the quarter introduced a new event concept that was focused on quality instead of quantity. Furthermore, an admission fee was introduced for concerts on the premises of this quarter. It was expected that people would be *thirsty* for culture and show a huge interest; however, this was not the case – in a situation where many had lost their sources of income, people started evaluating whether spending money on culture was worth it.

“People were used to free concerts and similar events; of course, not all will agree to pay now” – representative of Creative Quarter 1

In general, adapting to the new reality turned out to have several scenarios, which basically depended on the size of the premises of the quarter. Organisers emphasised that the social distancing requirements were not always crystal clear and were rather confusing, which provided space for different interpretation. Some concerns were also raised regarding the next waves of the pandemic and the potential repetition of a lockdown.

Further developments – the situation in 2021

In October 2020, the second wave of the pandemic in Latvia started, and both the culture and leisure industries were shut down again. This time, however, in-person operation of these industries could be partially resumed only eight months later, in early summer 2021. In the meantime, Creative Quarter 1 proceeded with the food and grocery delivery business, and the cafes and bars located on the territory of Quarter 2 continued operating takeaway and delivery, unlike during the first wave, when they were shut down. A representative of Creative Quarter 3, which can be characterised as one of the largest post-industrial areas in Riga currently operating as a space for creatives, reveals that during the winter of 2020/2021, which is usually a quiet time for creative quarters, the quarter saw interest in leasing some of its buildings as a storage space for restaurant equipment for restaurants that were forced to close and abandon their initial venues. Hence, some of the buildings in the territory are now temporary storage units. The representative states that:

“Here, I offer a cheap rent price, one of the cheapest in Riga. Of course, even with the cheap price, I have debtors too. But I tell them that if they were to move from here, it’s only their home they can move to. They won’t find anything better than this.”

There were various entertainment, creative and leisure businesses that were forced to terminate their activities due to insufficient funds, and it is not clear whether they will have the option to revive their businesses in the future. Generally speaking, there are a certain number of creatives/entertainers who decided to change their professional field and either go for a steady job or emigrate – be they musicians, cooks, persons providing equipment for concerts, etc.

In the second half of 2021, once Covid-19 certificates were introduced, most creative and cultural venues in Riga were able to resume their activities. While there were some venues that initially protested against the requirements that the industry needed to meet in order to operate – particularly the vaccination certificates – many of them were still allowed to operate, since the initial restrictions applied to indoor venues, not outdoor terraces and premises. Generally speaking, the creative quarters that are located in vast outdoor areas were the most successful in both 2020 and 2021. In both years, the large size of their outdoor property was an important factor in meeting social distancing requirements and still having enough visitors. In the summer of 2021, these quarters were allowed to accept visitors without asking them to present a Covid-19 certificate, which contributed to an (almost) unlimited number of visitors, again.

It is important to note that the Covid-19 pandemic was not an obstacle to developing new creative quarters around the city of Riga. Since the beginning of the pandemic in March 2020, two new creative quarters have emerged in the city, and multiple venues have been announced to be at the planning stage. Furthermore, the development tendencies of these quarters suggest that multifunctionality is the future – the pandemic proved that the culture and entertainment sectors alone are not the most reliable sources of income in times of crisis. Therefore, venues that consist of leisure activities combined with co-working spaces, residential buildings, services, etc. might soon replace the currently well-known creative quarters of Riga.

“My future vision of this place is to make it accessible to everyone. All those quarters – it’s just the first step in developing a site. Later on, the artists disappear, and the real business starts.” – the representative of Creative Quarter 3

Conclusion

The Covid-19 pandemic, an unforeseen event with an immediate global effect, affected cultural and leisure industries all over the world, and Latvia was no exception. The requirements of social distancing, having a Covid-19 certificate and limiting the numbers of visitors to venues imposed a threat to the aforementioned industries. While different cultural venues, entertainment establishments and creative quarters encountered slightly different experiences over the past two years, the general trajectories of their response and coping with the pandemic are neither completely different nor completely the same. While such requirements generally restrict the socialising of individuals – which is one of the main factors in the success of these industries – the evidence from Riga shows that there are certain preconditions for more or less successful operating during the uncertain times that 2020 and 2021 have been.

The findings suggest that, while pandemic has had an impact on everyone, cultural and entertainment venues with large outdoor premises suffered less than venues with limited outdoor space or that were mainly indoors. Furthermore, the restrictions in both the first and the second wave of the pandemic in Latvia had a larger effect on the culture industry than the leisure sector. Certain leisure establishments were able to slightly adjust and continue operating, e.g., the restaurants turned to takeaway or delivery business, yet online concerts and exhibitions that were introduced in the first wave were not in as much demand later on.

The pandemic also revealed that cultural and leisure industries might be unreliable in terms of business during times of crisis. Hence, some of the creative quarters of Riga tried to complement their usually creative activities with various other services, e.g., food delivery, leasing storage space, having a car servicing centre on the premises, etc. This also supports the pattern of development of multifunctional quarters in Riga, where quarters offering multiple experiences – cultural, working, residential, leisure, etc. – might eventually replace the currently well-known bohemian hang-out venues.

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Kopsavilkums

Covid-19 pandēmijas ietekme uz kultūras un atpūtas industrijas darbību Rīgā. Pētījuma mērķis ir novērtēt Covid-19 pandēmijas ietekmi uz radošo-kultūras un izklaides-atpūtas industrijas darbību Rīgā. Iedzīvotāju socializēšanās ir viens no galvenajiem faktoriem, kas nodrošina šo industriju veiksmīgu darbību, līdz ar to epidemioloģiskie ierobežojumi apdraudēja to turpmāku darbību. Pētījums veikts,

izmantojot kvalitatīvās izpētes metodes – daļēji strukturētas, padziļinātas intervijas ar Rīgas radošo kvartālu pārstāvjiem. Pētījuma rezultāti parāda, ka sociālās distancēšanās ierobežojumi ietekmēja visu industriju, taču atsevišķu gadījumu piemēri nav ne pilnībā atšķirīgi, ne arī identiski: izšķiroši bijuši konkrēto vietu priekšnosacījumi un raksturs, piemēram, vietas ar plašām ārtelpām spēja veiksmīgāk pielāgoties bieži mainīgajiem nosacījumiem nekā tās, kam bija pieejamas ierobežotas ārtelpas vai pārsvarā tikai iekštelpas. Tāpat pētījuma rezultāti atklāj, ka jaunu pakalpojumu ieviešana līdzās ierastajām kultūras aktivitātēm pandēmijas laikā veicina jaunu, multifunkcionālu kvartālu attīstību Rīgā.

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