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CreaTech in Coventry & Warwickshire: Summary Report



Foreword

This report examines the CreaTech landscape in Coventry and Warwickshire by first identifying the region's core business activities, including video games and interactive entertainment, software and creative technology development, digital content production, and creative marketing, design, and user-experience services. It finds that these activities are increasingly driving innovation in adjacent sectors such as design-led industry and advanced manufacturing, as well as MedTech and EdTech. Together, these interlinked activities form a regional CreaTech ecosystem that demonstrates how the impact of CreaTech extends well beyond its conventional association with the creative and technology industries.

The emergence of CreaTech clusters, with complimentary skills and intersecting innovations can lead to productivity gains. Previous research by The Productivity Institute demonstrates that the extent of productivity growth is eight times greater where it is developed in partnership with universities. This is certainly true for the Coventry and Warwickshire region.

Currently, growth in the region is uneven across specific measures of employment and business. Between 2018 and 2023, Stratford-on-Avon and Warwick District has seen growth in CreaTech, while Coventry saw contraction. In contrast, Rugby and Nuneaton have demonstrated greater resilience across both employment and business activity. These variations suggest that strengthening and developing CreaTech clusters could support levelling-up within the region, especially in areas positioned to benefit from the productivity gains identified by The Productivity Institute. By fostering growth across this wider geography, there is an opportunity not only to counteract local contraction but also to contribute to levelling-up at a national scale.

Crucially, the emerging strength of regional CreaTech clusters lies not in the size of the workforce but in its capacity to generate good jobs and high value-added economic output. Through effective knowledge exchange and collaborative partnerships between universities and businesses, these CreaTech clusters provide a significant opportunity to drive innovation across a wide range of sectors. This makes CreaTech a strategic asset for regional development and a key contributor to the UK's wider innovation and productivity agenda.



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Introduction

For the first time, Coventry and Warwickshire have a clear, data-driven definition and evidence base for CreaTech - a sector that fuses creativity with future technologies. This report sets out the scale, structure and dynamics of the games and CreaTech sectors across the region, recognising it as one of the UK's most diverse and high-potential innovation ecosystems.

CreaTech is now firmly established as an area for significant growth in Coventry and Warwickshire:

CreaTech employs
15,150
people

across
2,365
businesses

contributes
£927m
in GVA

productivity is nearly
20%
above the regional average[1]

The sector has shifted from expansion to consolidation with fewer firms, but stronger performance and higher-value outputs. Between 2018 and 2023, Gross Value Added (GVA) and productivity rose faster than the national average, showing the sector's resilience and maturity.

When we look deeper at the cluster, we find that the games and CreaTech industries are concentrated in Warwick District (including towns of Leamington Spa and Kenilworth), Coventry City and Stratford-on-Avon District (which includes Southam) with some small, specialised growth in Rugby and Nuneaton & Bedworth Boroughs. These areas form a regional innovation triangle that anchors the CreaTech economy in the West Midlands and defines Coventry and Warwickshire as a national leader in creative technology innovation.

[1] Insights Report: CreaTech in Coventry and Warwickshire, Metro--Dynamics, October 2025

The CreaTech regional innovation triangle





Defining CreaTech in Coventry & Warwickshire: A first for the region

This report presents the first regional definition and baseline for CreaTech in the UK. While national frameworks such as Tech Nation's CreaTech definition describe the convergence of creativity and technology in broad terms, this analysis provides a regional-focused, evidence-based framework aligned with the realities of the Coventry and Warwickshire economy.

Using ONS data as a baseline and Data City's Real-Time Industrial Classification (RTIC) for a deep-dive into core and adjacent CreaTech sectors, the Coventry and Warwickshire definition identifies CreaTech as:

The integration of creative content, design, entertainment and digital production with advanced technologies - capturing both the transformation of creative industries through technology and the creation of new technologies for creative services, experiences and commercial applications.

By identifying Coventry and Warwickshire's core and adjacent CreaTech sectors, regionally we can gain a greater understanding of cross-sector working and connectivity and seek to create environments that support collaboration and convergence.



Core CreaTech Sectors

1 VIDEO GAMES AND INTERACTIVE ENTERTAINMENT

including game development, publishing, live services, interactive experiences and supporting creative technologies. The scale and maturity of the games cluster has also generated significant spillover into adjacent CreaTech activities, reinforcing Coventry & Warwickshire's reputation as a national centre of excellence.

2 SOFTWARE AND CREATIVE TECHNOLOGY

enabling the creation of digital products, platforms and services used across creative, cultural and commercial contexts. This includes application development, cloud platforms, data-driven tools and bespoke software that power creative production, distribution and engagement.

3 DIGITAL CREATIVE CONTENT AND PRODUCTION

which encompasses media, film, audio, publishing and content creation businesses that use advanced digital tools and platforms to produce, distribute and monetise creative content. These activities sit at the intersection of creativity, storytelling and technology-enabled production.

4 CREATIVE MARKETING, DESIGN AND EXPERIENCE SERVICES

businesses that apply creative skills, data, digital platforms and emerging technologies to enhance audience engagement, customer experience and commercial growth across multiple sectors.

Adjacent CreaTech Sectors

Beyond the core, Coventry and Warwickshire's CreaTech capabilities extend into adjacent sectors where convergence drives wider economic impact. These activities are not always classified as creative industries but are critically dependent on CreaTech skills and approaches.

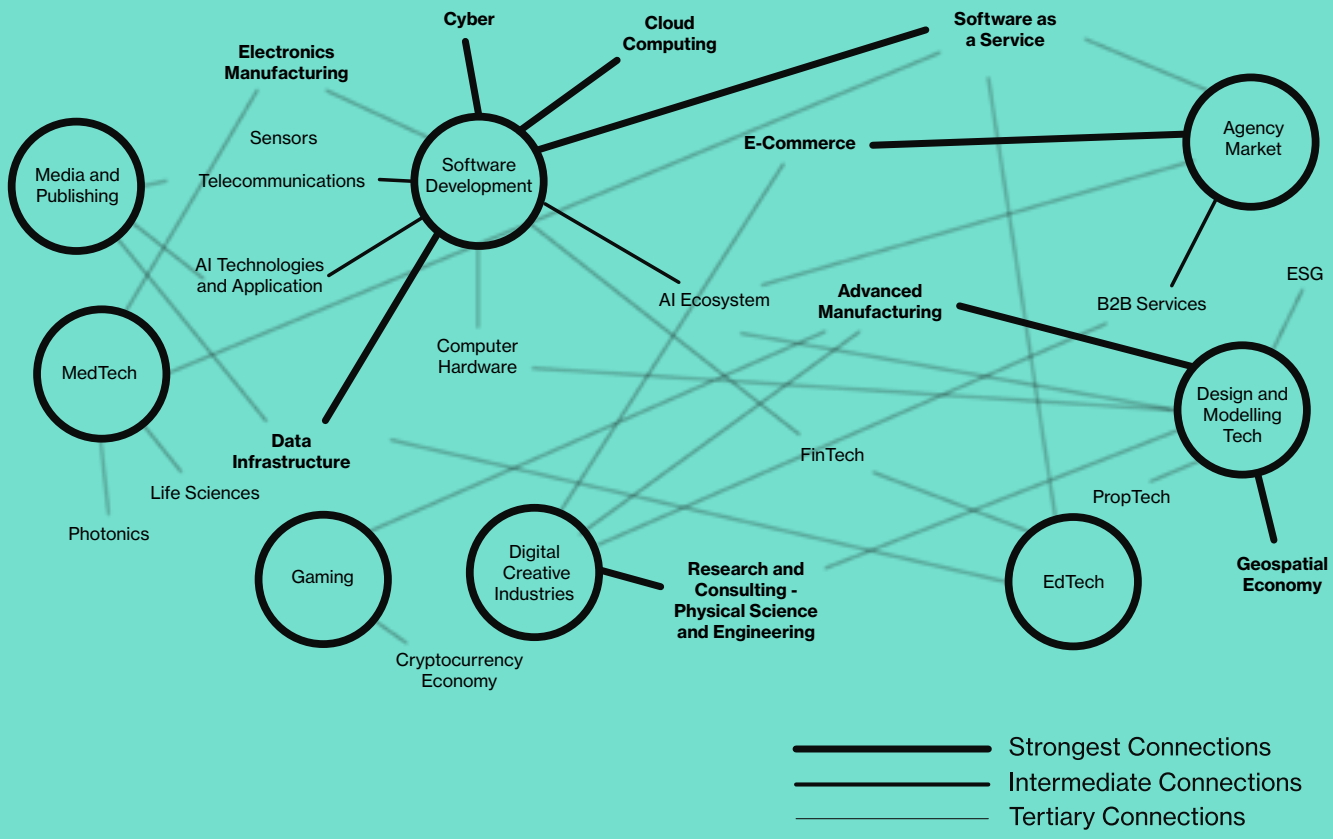
This supports findings by the Creative PEC[2] (Policy Evidence Centre) which demonstrate that high-growth potential creative firms scale not by increased employment but through productivity gains, IP development and intangible assets which benefit a wider ecology. Furthermore, their report identifies the West Midlands, geographically, as a region which would benefit from the deepening of cluster effects to strengthen and sustain regional growth.

- **Design-led industry and advanced manufacturing** using digital modelling, visualisation, simulation and creative software to support product development and industrial innovation.
- **MedTech** where digital design, user experience, imaging and visualisation enhance healthcare delivery and medical technologies.
- **EdTech** applying interactive content, digital platforms and immersive technologies to learning, training and skills development.

[2] High-Growth Potential Firms in the UK's Creative Industries, Creative Policy Evidence Centre (PEC) in partnership with Beauhurst.
Report authors: Hasan Bakhshi, Callum Newton, Maarya Omar, Justin Tsui and Henry Whorwood.

CreaTech network analysis

CreaTech is deeply interconnected with wider innovation sectors



Interconnectedness forms the foundation of the region's CreaTech ecosystem: a network of companies and skills that blurs the traditional boundaries between creative and technology industries. The network analysis above illustrates how technologies within the CreaTech definition intersect with the wider economy. It presents how businesses that use or adopt these technologies are potentially also applying them within other industries based on the activity they are linked to. The strongest connections between CreaTech and other industries are illustrated by thicker lines and highlighted in bold.

Together, these core and adjacent sectors demonstrate the reach and adaptability of the CreaTech ecosystem in Coventry and Warwickshire: a high-value, cross-disciplinary network of businesses that reflects both regional specialisms (video games, software, design) and national innovation priorities (AI, immersive, and digital media).

This definition gives Coventry and Warwickshire a replicable model for measuring and tracking CreaTech growth - setting a precedent for how other UK regions can evidence and accelerate their own CreaTech clusters.



Baseline of CreaTech in Coventry and Warwickshire



£61,220
productivity per worker
(vs £52,843 regional average)

The CreaTech sector has seen varying levels of growth during 2018-2023, a period that has notably been a turbulent time for the global economy but offers a 5-year perspective. It has seen both GVA and productivity growth at a higher rate of the UK economy and highlights the regional specialism.

- The sector makes a modest but meaningful contribution to the economy, employing **15,150 people** across **2,365 businesses** and generating **£927m in GVA**.
- It represents around **3%** of total employment and **6%** of businesses, indicating a broad base of activity with modest scale but significant economic value.
- Between 2018 and 2023, the sector has seen employment grow slightly slower than the national average and a small decline in business numbers (-3%), suggesting a period of consolidation rather than expansion, mirroring many national trends.
- However, GVA and productivity growth have been stronger than the national average, implying that while the number of firms has fallen, the **existing companies have become more productive and adding higher value**.
- Overall, the data suggests a sector holding its ground through a challenging period, with foundations for growth in quality and value rather than scale.

	Employment	Business	GVA	Productivity	Average Concentration
	15,150	**2,365**	**£297m**	**£61,220**	**0.88**
Proportion of total economy	3%	6%	4%	£52,843	
Growth (CAGR 2018 - 2023)	2%	-3%	3%	2%	5%
Growth compared to GB	3%	-3%	2%	-1%	

Source: Metro Dynamics analysis of ONS regional GVA datasets, ONS Business Register and Employment Survey (2017 and 2022) and ONS UK Business Counts (October 2025)



Driving growth: Key insights



£2bn+
overseas investment through acquisitions

Between 2018 and 2023, the regional games and CreaTech sectors have shown both resilience and adaptability during a period that was notably turbulent for the global economy. The success for the games cluster specifically has attracted an increase in overseas investors looking to take advantage of successful IP and talent that the UK market holds. To this end, a string of acquisitions by some of the biggest global names in the sector were made involving local studios. These deals alone equated to over £2bn of overseas investment.

The data highlights a sector that, while exhibiting only modest employment growth of 2%, has generated significant economic value through strong GVA and productivity gains.

Collectively, the CreaTech sector contributes approximately 3% of total employment and represents 6% of the business base across Coventry and Warwickshire. These figures indicate that while the sector is not the largest employer, its economic significance is disproportionately high due to its strong productivity performance. Notably, the sector's productivity has outpaced wider UK trends, with output per worker reaching £61k - well above the regional average of £52k - indicating that businesses are increasingly leveraging advanced digital capabilities and innovative business models to enhance performance. This trend positions the sector as a key driver of regional competitiveness, supporting both economic efficiency and the development of highly skilled employment opportunities.

In 2024, The Productivity Institute[3] confirmed a positive cluster effect in Coventry and Warwickshire in games and CreaTech with Professor Nigel Driffield, Warwick Business School stating:

> **"The biggest finding that we have is the magnitude of productivity growth that is generated by collaboration between companies and Universities... for firms entering into collaborations with Universities, the productivity growth is eight times more than somewhere else."**

[3] The Effects of Cluster in the UK's Createch Sector, The Productivity Institute, Professor Nigel Driffield (WBS), 2024

Sector	Employment	Employment CAGR	Businesses	Businesses CAGR	GVA (£m)	GVA CAGR	Productivity	Productivity CAGR	Average concentration	Concentration growth
Computer programming, consultancy and related activities	12,615	0%	1,880	-5%	£715	4%	£56,657	4%	1.04	-6%
Advertising and marketing	1,285	-4%	235	0%	£88	-8%	£68,791	-4%	0.58	-16%
Data processing, hosting and related activities	570	-2%	30	0%	£32	1%	£56,657	4%	0.79	-6%
Software publishing	475	38%	30	-3%	£64	19%	£135,395	-14%	0.93	41%
Motion picture, video and television programme activities	150	13%	150	11%	£20	-2%	£135,395	-14%	0.24	39%
Television programme and broadcasting activities	30	43%	10	15%	£4	23%	£135,395	-14%	0.25	86%
Sound recording and music publishing activities	25	38%	30	8%	£3	19%	£135,395	-14%	0.31	16%
Total for Coventry and Warwickshire	15,150	2%	2,365	-3%	£927	3%	£61,220	2%	0.88	5%
Total for UK	1,227,500	3%	184,465	-3%	£103,221	2%	£84,090	-1%		

Source: Metro Dynamics analysis of ONS regional GVA datasets, ONS Business Register and Employment Survey (2017 and 2022) and ONS UK Business Counts (October 2025)

Metro – Dynamics analyzed baseline growth performance across CreaTech sub-sectors, measured through employment, business count, GVA and productivity. The largest sub-sector, **computer programming and consultancy** activity remains stable with smaller increases in GVA and productivity, whereas the smaller digital, software, and screen sub-sectors see higher levels of growth driven through more specialised activity.

It is important to note that ONS datasets use SIC codes and through analysis of the data, Coventry and Warwickshire's video games industry is represented across both **computer programming, consulting and related activities** and **software publishing.** Therefore, any reference to Video games or the Games cluster in the region is a combination of these two sub-sectors.



Employment growth

Longer term employment trends are more variable, fluctuating with different economic shocks, however recently there is strong growth within Software publishing and Screen activities.

Employment across CreaTech sub-sectors has been volatile between 2018 and 2023, with overall growth remaining broadly flat aside from a small number of sub-sectors. The pattern reflects the cyclical nature of creative and digital industries and the wider economic uncertainty of recent years.

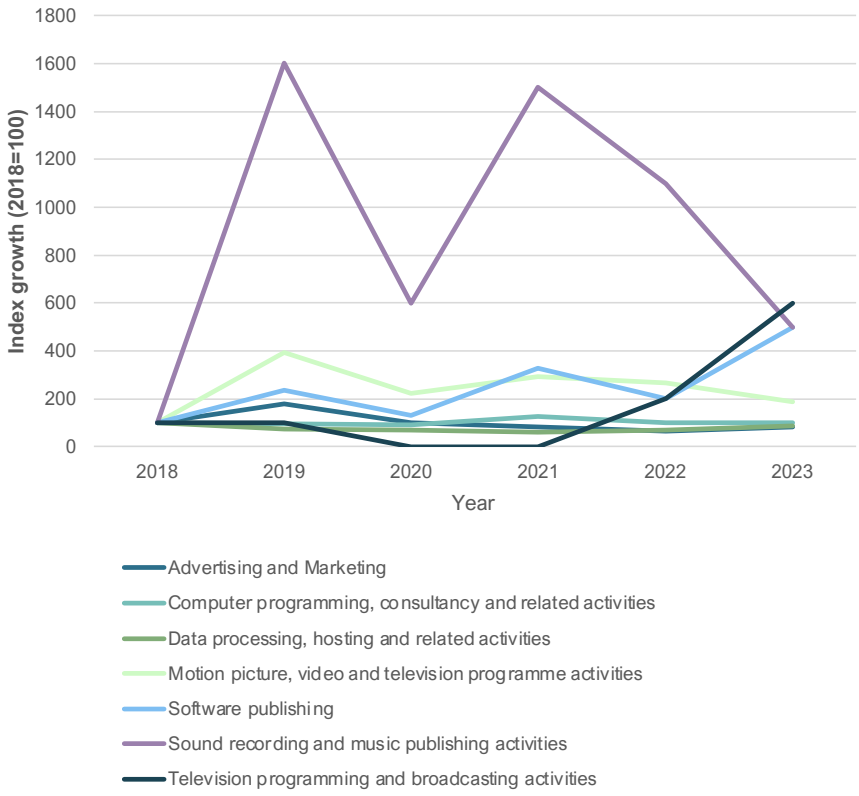
Volatility observed within **sound recording** likely stems from the small employment base (~25) therefore changes appear more substantive.

The fourth largest sub-sector, **software publishing,** has shown the strongest and most sustained growth since 2021, indicating ongoing expansion and resilience. While this likely stems from a smaller base it's increase is notable.

Television programming and broadcasting has shown significant recent growth following a long period of minimal activity, with employment rising sharply since 2021, however once again a smaller sector.

Other sub-sectors, including **advertising, computer programming, and data processing,** have fluctuated year to year but show limited net change over the period. Computer programming has been relatively stable but finishes just above its starting levels.

Growth in employment in CreaTech sub-sector, index growth* (100=2018)



*Indexed growth is measure of growth that uses an index number as a baseline, representing the rate of change of a variable over time in relation to that baseline. In this case, 2018 is the baseline in which growth is compared against

Business growth

Business growth has been modest overall but relatively stable. There are some areas of strong expansion in some areas of specialism.

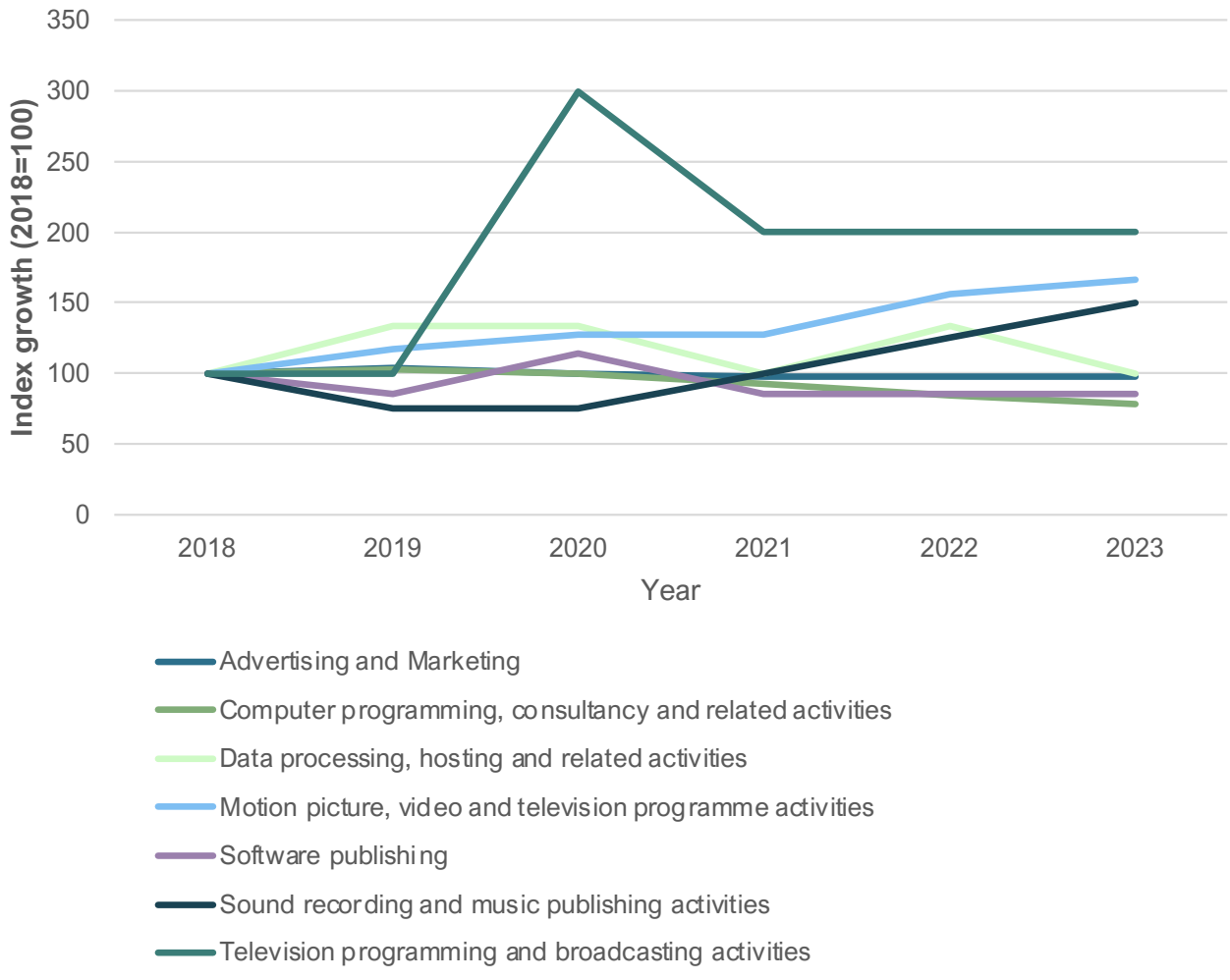
Most sub-sectors, including computer programming, advertising, and data processing, have remained broadly stable, with business counts fluctuating but ending close to their 2018 levels. This should be a viewed as a positive given the UK trend within this period has seen a decline overall.

Motion picture, video and television programme activities have shown consistent growth, increasing by 67% since 2018.

Sound recording and music publishing has also recorded a steady increase, ending around twice its 2018 level, particularly taking off in 2020, despite its erratic employment patterns presented on the previous page.

Television programming and broadcasting, and to a lesser extent **software publishing**, have been volatile, with the former having a significant spike in 2019 before stabilising in 2021 mirroring its employment pattern, whereas Software publishing varied year-on-year before stabilising in 2021.

Growth in business in CreaTech sub-sector, index growth* (100=2018)



*Indexed growth is measure of growth that uses an index number as a baseline, representing the rate of change of a variable over time in relation to that baseline. In this case, 2018 is the baseline in which growth is compared against

Distinguishing CreaTech characteristics

A key focus of this work was to explain the key characteristics of CreaTech sub-sectors within Coventry versus Warwickshire.

Computer programming, consultancy and related activities is a core part of both geographies, representing the largest sub-sector in each economy. **Sound recording** and **music publishing** emerges as a key growth area in Coventry, while **Software publishing** shows notable growth in Warwickshire.

	Coventry	Warwickshire
Core strengths	**Computer programming, consultancy and related activities** is the largest sub-sector in Coventry in terms of employment, businesses and GVA. Employment in **data processing, hosting and related activities** is more concentrated and specialised than the UK average.	**Computer programming, consultancy and related activities** is the largest sub-sector in Warwickshire in terms of employment, businesses and GVA. Employment in **software publishing** is more concentrated and specialised than the UK average.
Growth areas	Employment and GVA in **sound recording and music publishing** is increasing. The number of businesses in **motion picture, video and television programming** is increasing.	Other than data processing, employment is increasing in all sub-sectors, with largest increases in **motion picture, video and television programming.** GVA is significantly increasing in **software publishing.**
Areas of stability	**Data processing, hosting and related activities** is consistently more concentrated in Coventry than the UK, employing 400 people across 2018 and 2023.	**Software publishing** is more concentrated in Warwickshire than the average concentration nationally, with key concentration in Stratford-on-Avon and Warwick, with employment and businesses rates stable across 2018-2023.
Areas of contraction	**GVA is decreasing in all sub-sectors**, other than sound recording and music publishing, signifying CreaTech businesses are potentially less resilient to broader economic trends within Coventry.	**Data processing, hosting, and related activities** are falling in employment and experienced no growth in businesses. Whilst **software publishing** is experiencing significant growth in employment, the number of businesses is decreasing. However, this is a national trend and this decline in Warwickshire is at a slower rate.

CreaTech employment performance across Coventry and Warwickshire local authorities

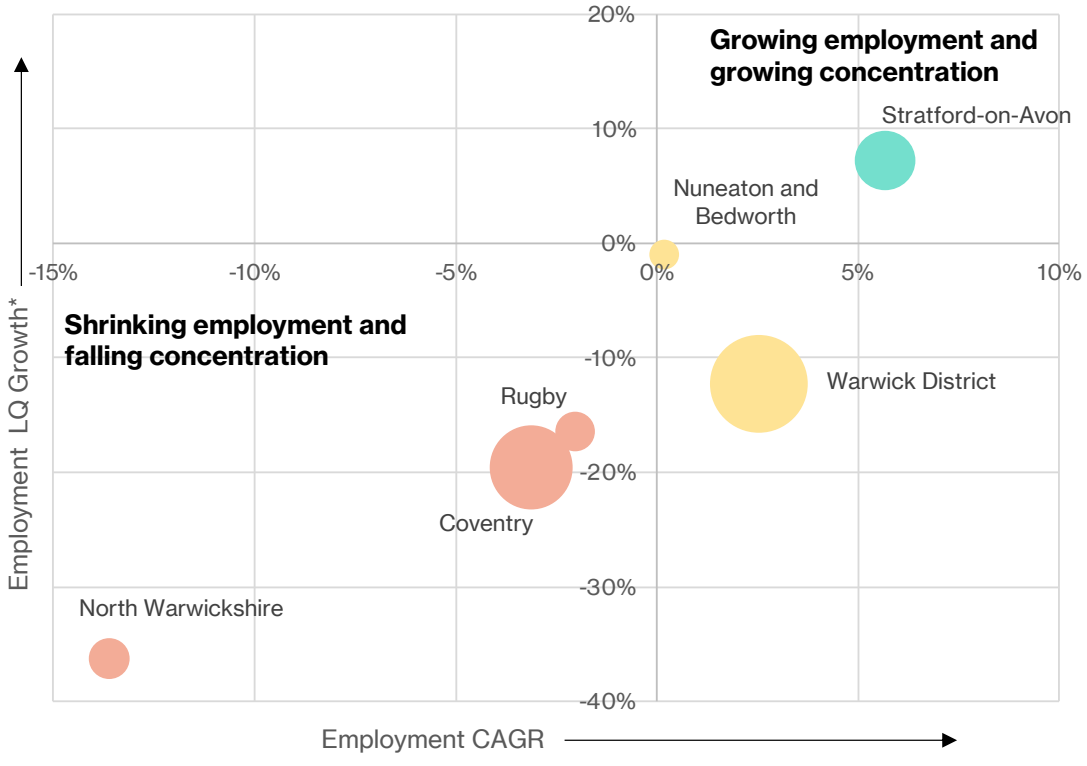
Employment is unsurprisingly concentrated across the larger towns and cities in the region, but specialisation growth rates differ.

The chart (below) shows that Stratford-on-Avon and Warwick District are the only areas experiencing overall net employment growth. Stratford-on-Avon is strengthening its specialisation in CreaTech at a much higher rate than anywhere else, while Warwick District's concentration has slightly weakened despite employment gains.

Coventry, Rugby and North Warwickshire all sit in the quadrant of decline, with falling employment and specialisation. While North Warwickshire stands out, the most notable of these is arguably Coventry given it has the second-largest CreaTech workforce, making its contraction significant for the regional picture.
Nuneaton and Bedworth, Rugby, and North Warwickshire have similar (small) employment footprints but differing trajectories:

- **Nuneaton and Bedworth remains broadly stable in both employment and specialisation with no growth nor decline over the period.**
- **Rugby shows a modest reduction in employment but a more pronounced decline in specialisation.**
- **North Warwickshire is the smallest and fastest-declining locality, with contraction across both measures.**

CreaTech employment across local authorities in Coventry and Warwickshire



* LQ refers to location quotient, it measures the proportion of total employment in a sector in a place compared to the proportion of total employment in the UK

Size of bubble = employment number

CreaTech business performance across Coventry and Warwickshire local authorities

Warwick District, Rugby and Stratford-on-Avon are becoming more specialised in CreaTech despite an overall decline in business numbers.

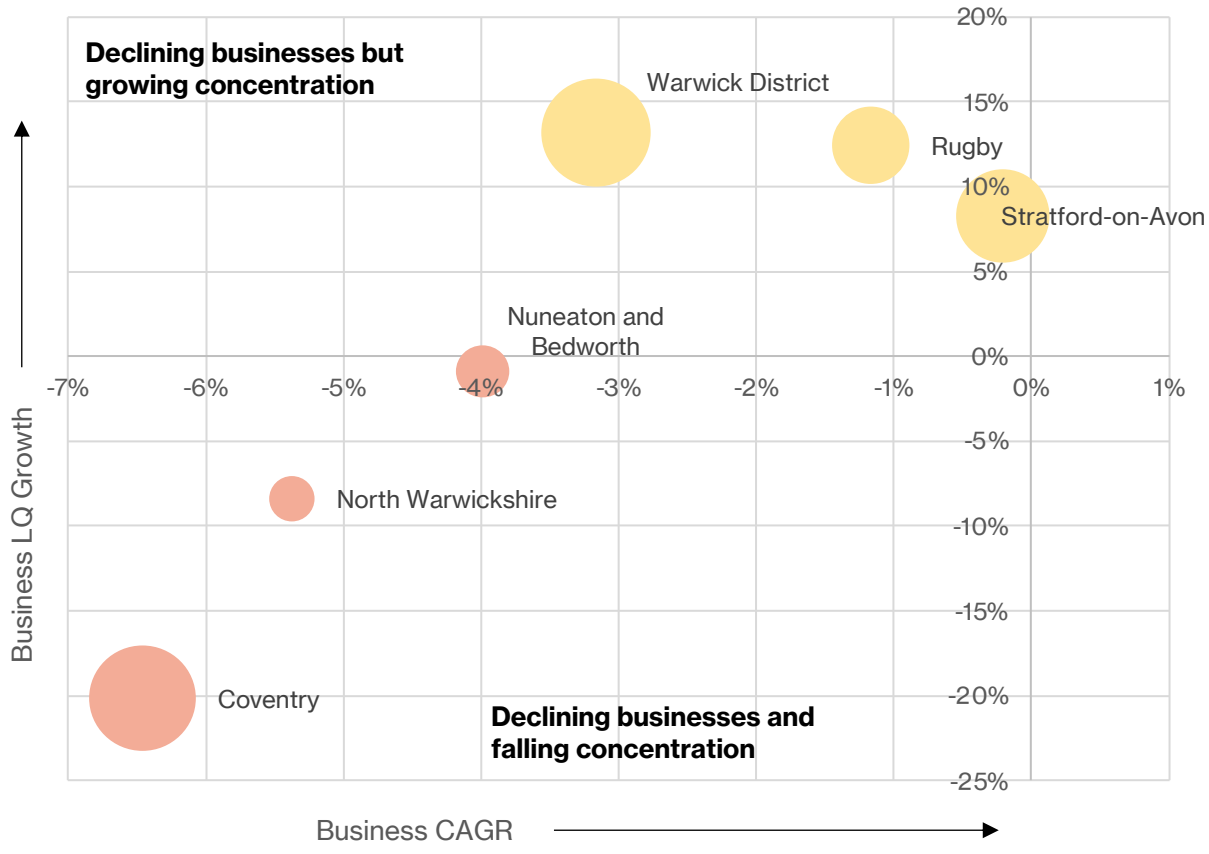
Coventry and North Warwickshire show declines in both business numbers and concentration, indicating a wider contraction in the sector's local footprint. Once again, this is concerning for Coventry given the size of the CreaTech sector and mirroring trends of employment.

Although business numbers are falling across all areas, which follows the broader trends in the UK, Warwick District, Rugby and Stratford-on-Avon are retaining CreaTech firms at a higher rate leading to rising specialisation.

This pattern suggests relative resilience, as in these places are losing businesses more slowly than others or at least maintaining stronger clusters of activity.

Nuneaton and Bedworth has experienced a small decline in the number of businesses, however this is line with the performance of CreaTech nationally. This means the concentration of CreaTech businesses has neither declined nor grown in specialisation over the period.

CreaTech businesses across local authorities in Coventry and Warwickshire



* LQ refers to location quotient, it measures the proportion of total employment in a sector in a place compared to the proportion of total employment in the UK

Size of bubble = employment number



Clusters and capabilities: Place-based strengths



Local authority	Summary traits	Key strengths
Stratford-on-Avon	Stratford is a growing high volume CreaTech economy. The employment base is growing fastest out of all the local authorities across a diversified range of sub-sectors. Although business growth is less prevalent, it suggest existing firms are growing.	• Highest concentration of employment in **software publishing, and data activities.** • Highest employment growth (6%) and most stable business base. • **Motion pictures** is growing in employment and business.
Warwick District	The highest volume and stand-out performer across all employment, business and GVA indicators. Although dominated by **computer consulting**, it is equally a strong CreaTech hub, demonstrated by its growth across its business base.	• Economy is dominated by large and growing **Computer programming and consultancy** sector, both its employment and business base. • High concentration of employment and businesses in **software publishing**, both are growing. • This likely blends together companies and strength in gaming.
Coventry	The second largest CreaTech footprint in terms of volume but one that is showing signs of contraction. The business base has the largest decline of -6% and employment has declined by -3%.	• Economy is dominated by large and growing **computer programming and consultancy** sector, both its employment and business base. • High concentration of employment and businesses in **software publishing**, both are growing. • This likely blends together companies and strength in gaming.
Nuneaton and Bedworth	The second smallest CreaTech economy, where business numbers have dipped slightly in line with national trends. Employment has remained stable, suggesting that existing firms are sustaining activity and capacity.	• **Data processing, hosting, and related activities**: 10 businesses and 400 employees, with strong concentration of employment. • Growing number of businesses in **motion picture, video and Television** programme activities.
Rugby	Rugby has a much less diverse CreaTech base, where employment and business numbers are concentrated in specific sub-sections which have experienced minor shifts.	• High concentration of businesses within **computer programming and consultancy.** • Employment and businesses growth in **advertising and marketing.**
North Warwickshire	While experiencing the most prevalent decline (-14% employment) it does have the smallest CreaTech footprint, therefore retraction of an already small footprint may appear exaggerated on paper.	• No distinct strengths of high concentration or growth, implying it is not a key hub for CreaTech.



This analysis provides an overview of how CreaTech activity is distributed and evolving across Coventry and Warwickshire, highlighting distinctive patterns of growth, concentration, and specialisation within each local authority. Warwick District emerges as the leading hub, with Stratford-on-Avon showing strong growth potential, while Coventry's sectors indicate cause for concern.

The region contains a mix of established and emerging CreaTech clusters, shaped by localised concentrations of skilled labour, specialist firms, and dense business-to-business networks. These dynamics are most pronounced in Warwick District (including towns of Leamington Spa and Kenilworth) and Stratford-on-Avon (which includes Southam), where scale, specialisation and growth reinforce one another, particularly across **video games, software publishing, computer programming and immersive digital activity.** Coventry continues to play an important role within the regional ecosystem, with notable strengths in data-driven and screen-based activity, although its CreaTech base shows more mixed recent performance.

Across the region, clustering effects support collaboration, knowledge exchange and innovation, directly enhancing firm productivity and competitiveness.

Stratford-on-Avon

shows fastest CreaTech employment growth

Overall, the findings of this report indicate that the regional CreaTech sector is not defined solely by employment scale but by its capacity to generate high-value economic output, foster innovation and act as a catalyst for knowledge-intensive activity across the region. The combination of strong productivity, specialised growing sub-sectors and geographically concentrated clusters positions the sector as a strategic asset for the regional economy, capable of sustaining long-term competitiveness in an increasingly digital and innovation-driven landscape.

> **“ Its importance lies not in rapid expansion, but in the depth, quality and connectedness of its activity. ”**

Conclusion

This report demonstrates that the CreaTech cluster in Coventry and Warwickshire has reached a point of maturity where its importance lies not in rapid expansion, but in the depth, quality and connectedness of its activity. The sector’s performance through a period of economic turbulence highlights a structural strength: firms are becoming more productive, more specialised and more embedded within wider innovation networks. The combination of high-value output, strong spillovers into adjacent sectors and evidence of a pronounced cluster effect confirms CreaTech as a foundational capability for the regional economy.

Looking ahead, the region’s opportunity lies in leveraging its existing advantages - particularly its globally recognised games cluster, its concentration of software and digital capability and the proven productivity gains from collaboration between industry and universities. Through Warwick CreaTech, the university has developed an industry-led approach to collaboration that connects businesses with research, talent and innovation infrastructure, reflecting its core mission of fusing creativity and technology to make a better world. This model reflects the priorities set out in the latest UKRI R&D Strategy for the Creative and Cultural Economy 2026[4], which emphasises the role of research-driven collaboration and place-based innovation in accelerating growth and positioning the UK as a global leader in CreaTech.

With a clear, data-driven definition now in place, Coventry and Warwickshire are well positioned to track growth more accurately, attract targeted investment and strengthen cross-sector convergence, aligning regional activity with. the ambitions of the UK Government’s Creative Industries Sector Vision[5] and the Modern Industrial Strategy 2025[6] which recognises CreaTech as a key driver of productivity, innovation and regional growth. This places the region in a strong position not only to sustain its current leadership in CreaTech, but to shape how creative technology clusters are understood, supported and scaled nationally.

Looking ahead, the region is well positioned to shape the UK’s next generation of creative technology clusters.

This report was written by Clare Green, Associate Director, Warwick CreaTech based on findings from the Insights Report completed by Metro—Dynamics commissioned as part of the GAIN (Games and Innovation Nexus project) in 2025, building on the work of The Productivity Institute and Professor Nigel Driffield in 2024.

[4] UKRI R&D Strategy for the Creative & Cultural Economy 2026
[5] Creative Industries Sector Vision, June 2023 DCMS
[6] The UK’s Modern Industrial Strategy 2025



This is University of Warwick.
This is Beyond.

warwickinnovationdistrict.com