

Literature Review of Competitive Advantage of Creative Economy in Guangdong-Hong Kong-Macau Greater Bay Area

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Abstract: *This literature review explores the competitive advantage of the creative economy in the Guangdong-Hong Kong-Macau Greater Bay Area (GBA). Grounded in the theoretical frameworks of competitive advantage, it examines key concepts such as the creative industry and the broader creative economy. The review highlights the unique attributes and strengths of the GBA, identifying how its strategic positioning and resources contribute to its competitive edge. Despite the region's strengths, the review identifies significant research gaps, particularly in understanding the integration and collaboration among the GBA cities and the impact of global economic trends on the local creative economy. Future research can provide deeper insights into enhancing the GBA's competitive position in the global creative landscape by addressing these gaps.*

Keywords: *literature review; competitive advantage; creative economy; GBA*

1.0 Theoretical Background

In this study of the creative economy in the Guangdong-Hong Kong-Macau Greater Bay Area (GBA), integrating competitive advantage theory with David Ricardo's model of comparative advantage provides a nuanced analytical framework. This blend deepens the understanding of economic dynamics within the GBA and tailors the investigation to address the research questions concerning how different factors contribute to the region's competitive stance in the creative sectors.

Competitive Advantage Theory traditionally focuses on how entities, be they companies or regions, develop and sustain a superior position over competitors. This can involve differentiating products or services, achieving cost leadership, or leveraging unique resources. In the context of the GBA's creative economy, the competitive advantage theory is instrumental in examining how factors such as talent, technology, and industrial scale help the region stand out in the global market. David Ricardo's Comparative Advantage Model extends this analysis by emphasising resource utilisation efficiency in different geographic areas, suggesting that economies should specialise in producing goods and services for which they have a comparative

advantage. This means a region or country benefits economically by specialising in relatively more efficient or less disadvantaged activities than others.

Applying these theories in unison within the framework of this study allows for a comprehensive exploration of how the GBA can not only compete but excel in the creative economy. For instance, the Ricardo model helps explain why the GBA, with its unique blend of cultural diversity, technological advancement, and policy support, might specialise in certain creative industries such as digital media, fashion, or design. This specialisation, driven by the region's specific strengths and resources, is directly aligned with achieving a competitive advantage by not competing on all fronts but focusing on areas of greatest inherent strength.

Furthermore, the combination of these theoretical frameworks aids in addressing the core research questions. The study can more effectively analyse and predict which creative economy sectors will flourish by examining how the GBA leverages its distinct economic benefits, talent pool, and technological capabilities within Ricardo's framework. The competitive advantage theory also offers insights into how these sectors can strategically position themselves to capitalise on these strengths, enhancing their regional and global market position.

The melding of competitive advantage theory with Ricardo's model in this study thus not only enriches the theoretical approach but also ensures that the exploration of the creative economy in the GBA is deeply rooted in economic principles that highlight both competitive and comparative advantages. This dual approach enables a clearer understanding of how the GBA's creative economy can not only sustain but also expand its competitive edge by focusing on sectors where it holds the greatest comparative and competitive advantages, effectively responding to the posed research questions and contributing robustly to policy formulation and strategic planning in the region.

2.0 Literature Review

2.1 Competitive advantage

Competitive advantage refers to the unique strengths or attributes that enable a business or organisation to outperform its market competitors (Powell, 2001). It encompasses various factors contributing to a company's ability to differentiate itself from rivals, attract customers, and achieve superior financial performance (Z. J. Liu et al., 2020).

The operational definition of competitive advantage in this study refers to the unique strengths, resources, capabilities, and attributes possessed by entities within the Greater Bay Area's (GBA) creative economy that enable them to outperform competitors, gain market share, and sustain superior performance over time. Competitive advantage encompasses factors such as industrial scale, economic benefit, talent, technology, and tolerance, collectively contributing to the region's ability to thrive in the creative industry landscape (Aidara et al., 2021). Through a comprehensive analysis of the factors, the study aims to identify the characteristics and strategic advantages driving the GBA's competitiveness in the global creative economy.

Competitive advantage can arise from various sources (Distanont & Khongmalai, 2020), including product innovation, operational efficiency, superior customer service, brand reputation, technological superiority, access to resources or distribution channels, and cost leadership (Ávila, 2022). Competitive advantage is central to strategic management theory (Papadas et al., 2019). It is often analysed and discussed in the context of business strategy, marketing, and organisational behaviour.

Past research highlighted that studying competitive advantage in the GBA's creative industry is essential for informing strategic decision-making, promoting sustainable development, and harnessing the region's full economic potential in an increasingly competitive global landscape (Govada & Rodgers, 2019; L. Ma et al., 2022; Z. Wu et al., 2023). According to Cundy et al. (2022), understanding the factors contributing to competitive advantage allows policymakers, industry stakeholders, and businesses to identify strengths and weaknesses within the region's creative economy. The knowledge enables the development of targeted strategies to enhance competitiveness, foster innovation, and drive sustainable growth (M. F. Lo & Tian, 2020).

At the same time, Chen et al. (2022) highlighted that as the GBA emerges as a key economic powerhouse in the global landscape, analysing its competitive advantage in the creative industry provides insights into its positioning and potential for future development. By identifying key drivers of competitive advantage, stakeholders can capitalise on existing strengths and address areas for improvement, thereby maximising the region's economic potential (Ly, 2021; Rizos et al., 2016; Taher, 2021).

Moreover, studying competitive advantage in the creative industry helps to uncover unique opportunities for collaboration, investment, and talent development within the GBA (W. Chen et al., 2022; S. Li, 2021; K. Wu, Wang, et al., 2022). By fostering a deeper understanding of the region's competitive strengths, stakeholders can cultivate synergies between different sectors, promote innovation ecosystems, and facilitate cross-border exchanges to drive collective growth and prosperity (Y. Wang et al., 2022).

In this study, competitive advantage is examined within the context of the creative economy in the Greater Bay Area (GBA). Literature on competitive advantage in the creative economy suggests that factors such as industrial scale, economic benefit, talent, technology, and tolerance play crucial roles in determining the competitive position of creative industries and regions.

Past research has shown that regions with a larger industrial scale tend to have a competitive edge due to their ability to leverage economies of scale, access larger markets, and drive innovation through increased research and development (R&D) investment (Z. Chen & Wen, 2022; Yungang Liu et al., 2022). Similarly, studies have highlighted the importance of economic benefits, such as revenue generation and job creation, in fostering regional development and stability in creative economies (Z. Chen & Wen, 2022).

Furthermore, the significance of talent acquisition, development, and retention strategies has been emphasised in the literature, as a skilled and diverse workforce is essential for driving innovation and creativity (Yi Liu et al., 2022; Mok et al., 2022). Technological advancements are also recognised as key drivers of competitive advantage in the creative economy, as industries that embrace innovation and adopt cutting-edge technologies can offer innovative products and services, streamline operations, and reach wider audiences (R. Wang et al., 2023; Jingxue Yuan et al., 2022).

Moreover, the literature underscores the importance of fostering an inclusive and tolerant environment in driving innovation and creativity (Wenyi Yang et al., 2022; Q. Zhou et al., 2021). Cultural diversity and tolerance promote collaboration, cross-cultural exchange, and exploring new ideas and perspectives, enhancing workforce engagement and strengthening the region's global appeal.

By integrating the insights from the literature, this study aims to assess how these factors collectively and individually influence the competitive advantage of the creative economy in the GBA. Through empirical analysis and theoretical frameworks such as Michael Porter's Diamond Model, the study seeks to provide valuable insights for policymakers, industry

stakeholders, and researchers aiming to foster sustainable growth and development in the GBA's creative economy.

Michael Porter emphasises the importance of understanding the underlying factors contributing to a firm's ability to outperform its rivals (Xiang Wang et al., 2023). Michael Porter argues that competitive advantage is not simply about having lower costs or unique products but rather about creating and leveraging a unique set of activities that deliver superior value to customers (Joan Magretta, 2012; L. J. Lau, 2020).

Michael Porter challenged traditional economic theories such as comparative advantage theory and economies of scale theory, arguing that they fail to fully explain the sources of industrial competitiveness in the face of evolving production needs and global competition (M. E. Porter, 1998). While comparative advantage theory is losing its significance, economies of scale theory, though important, does not adequately address the issue of competitive advantage. Porter asserts that a new competitive advantage theory is essential to understanding industrial competitiveness (Michael E. Porter, 2008). As distinct from comparative advantage, competitive advantage refers to varying market competitiveness within the same industry across countries or regions in the global competitive landscape (Konsolas, 2018; Pawar et al., 2019). Porter introduced the "Diamond Model," which analyses why certain industries in a country achieve high international competitiveness. According to Porter, several key factors determine a country's industrial competitiveness.

Firstly, Factor Conditions encompass primary and advanced production elements such as human resources, natural resources, knowledge resources, capital resources, and infrastructure (Michael E Porter, 1996a). Porter emphasises the importance of advanced production elements, which influence individual, corporate, and governmental investments. Government investments in basic and higher education and research institutions can significantly enhance a country's advanced factor conditions by improving skills, knowledge, and innovation (Hole et al., 2019).

Secondly, Demand Conditions refer to the nature of domestic demand for products or services within an industry (Margaret James, 2022). Porter highlights the role of mature, sophisticated, and demanding domestic consumers in driving industry development and enhancing international competitiveness (Michael E Porter, 1996b). Mature consumers push domestic companies to meet high-quality standards and innovate.

Thirdly, related supporting industries indicate the presence of internationally competitive suppliers and auxiliary industries. These industries contribute to a country's competitive advantage by investing in advanced factor conditions, which benefit the entire industry through spillover effects (Huggins & Izushi, 2015). Porter emphasises the importance of industrial clusters formed by domestic industries, fostering a supportive ecosystem for industry development (Michael E Porter, 1996a).

Fourthly, Strategy, Structure and rivalry pertain to the conditions governing domestic enterprises' organisation, management, and competitive landscape. Porter identifies the connection between domestic competition intensity and competitive advantage, as strong domestic competition incentivises enterprises to improve efficiency, innovate, and invest in advanced factor conditions, thus enhancing international competitiveness (Michael E. Porter, 1990).

Lastly, Opportunities and Government Policy also play significant roles, albeit with limited control over opportunities and the influence of government policies (Autry & Huang, 2014; Memon et al., 2021). These elements interact in a two-way manner, forming the renowned Porter "diamond system."

Porter's Diamond Model is often criticised for oversimplifying complex economic factors and its limited applicability to diverse industries and regions. Past studies reveal mixed findings regarding the model's effectiveness in explaining industrial competitiveness in various contexts. However, despite these criticisms and inconsistencies, Porter's Diamond Model remains relevant in understanding the competitive dynamics of regions like the Greater Bay Area (GBA) (Chung, 2016; Jia et al., 2022; Wei et al., 2021).

In the case of the GBA, where the creative economy is a significant driver of growth and innovation, the Diamond Model's emphasis on factors like factor conditions, demand conditions, related and supporting industries, and strategy, structure, and rivalry provides a valuable framework for analysing the region's competitive advantage in the creative industry sector.

2.2 Creative Industries

The concept of creative industries, established in the late 1990s and originating in the UK (Dharmani et al., 2021), encompasses a broad spectrum of sectors that leverage creativity, intellectual capital, and knowledge-based activities (Gong & Hassink, 2017). The industries, which include advertising, architecture, arts and crafts, various design fields, media services, software, performing arts, publishing, film, music, and television, are pivotal in generating goods and services of substantial economic and social value (Aziz et al., 2023). The concept has evolved to become a cornerstone in understanding the dynamics of modern economies, particularly concerning the five key factors of industrial scale, economic benefit, talent, technology, and tolerance (Gong & Hassink, 2017), which are crucial in assessing the creative economy's competitive advantage in regions like the Guangdong-Hong Kong-Macau Greater Bay Area (GBA).

In this context, industrial scale plays a critical role in the creative industries by determining their capacity to influence market trends and cultural narratives (Ithurbide et al., 2023). A larger scale often correlates with increased resources and capabilities, enabling these industries to have a broader domestic and global impact (Dong & Truong, 2020). For instance, the film industry in the GBA, with its significant production capabilities, not only contributes to the local economy but also enhances the region's cultural influence internationally.

Integrating the creative economy into regional and urban development strategies represents a fundamental shift in how economies are envisioned and cultivated (Patten & Stephens, 2023). This economy thrives on the unique characteristics of a region, harnessing creativity as a driver for innovation (Koch et al., 2023). The concept aligns seamlessly with smart cities, where urban planning, human capital, and creativity are interwoven to create vibrant, sustainable, and progressive urban environments (X. Yong et al., 2020).

The contributions of thinkers like Richard Florida and John Howkins have been pivotal in shaping our understanding of the creative economy (Policy Research Group, 2013; Richard, 2005). Florida's emphasis on the creative class and the role of human capital, along with Howkins' focus on the cultural industries, underscores the idea that the bedrock of this economy is original ideas and creativity (Florida, 2020). This is where the five key factors — industrial scale, economic benefit, talent, technology, and tolerance — become particularly significant. Each factor uniquely fosters an environment where creativity and innovation thrive and drive economic development.

However, one could argue that the creative economy and its reliance on intangibles like creativity and intellectual capital present challenges in terms of measurement and valuation

(Jatmiko et al., 2022). The dynamic and ever-evolving nature of creative industries and the subjective nature of creativity and art can make quantifying their impact in traditional economic terms difficult (Varotsis, 2022). Furthermore, the relationship between those factors can be complex and multifaceted (Casey & O'Brien, 2020), raising questions about how they can be harnessed to create tangible economic benefits.

Despite the challenges, there is a compelling case to support the study of the creative economy, particularly in the context of the Guangdong-Hong Kong-Macau Greater Bay Area (W. Cui et al., 2021). The region's unique blend of cultural heritage, advanced technological infrastructure, and a dynamic mix of talent provides a rich tapestry for exploring how these five factors interrelate and contribute to competitive advantage (W. Cui et al., 2021). The focus on Intellectual Property Rights (IPR) highlights the significance of protecting and nurturing creativity and innovation as key drivers of contemporary economic development (Agne, 2019).

The study of the creative industries in the GBA, through the lens of the five key factors, is relevant and essential. It offers a scope understanding of how creativity, knowledge, and intellectual capital play a crucial role in economic growth, social inclusion, and urban development (Xiaoyan Huang, 2021). By investigating these dynamics, the study aims to contribute significantly to understanding the creative economy and its role in shaping the future of regional and urban economic landscapes.

2.3 Creative Economy

Creative economy refers to the economic activities and industries based on creativity, innovation, and intellectual property (Yan & Liu, 2023). It encompasses arts and culture, media and entertainment, design, architecture, advertising, software and digital content, and other creative fields (W. Cui et al., 2021). These industries contribute to economic growth by generating intellectual property, cultural products, and innovative services, driving employment, wealth creation, and regional development. This study measures the creative economy by its contribution to GDP, employment levels, innovation metrics, and other relevant economic indicators within the Guangdong-Hong Kong-Macau Greater Bay Area.

The creative economy is defined as a set of art, culture, design and innovation industries and the economic contribution of those industries within a geographic region (Kovpak & Lebid, 2022). A unique set of industries defines each local creative economy, reflecting that place's culture, traditions and heritage (Cunningham, 2023).

The increasing trend of cities worldwide investing in cultural facilities and nurturing emerging talent underscores the growing recognition of the significance of creative industries (Bilan et al., 2019). The investments are often integral to broader economic development strategies, founded on the understanding that creativity, knowledge, and advanced technology are cornerstones of economic growth in the modern era (Collins et al., 2018). The creative industries extend beyond the mere production of cultural goods and services; they are vital for fostering innovation, propelling technological advancements, and elevating the appeal of cities as prime locations for talent and investment.

The global perspective on the creative industries highlights their role as drivers of economic prosperity and as key contributors to cities and nations' cultural and social composition (Wiktor-Mach, 2022). The creative economy, therefore, is not just a segment of the broader economy but is increasingly becoming synonymous with the innovative and forward-thinking aspects of economic and social development worldwide (Cunningham, 2023). This underscores the importance of nurturing the industries for their direct economic benefits and their broader



impact on societal progress and global competitiveness (de Bernard et al., 2022; Mazilu et al., 2020; Rybarova, 2020).

The economic benefit of the creative industries, encompassing job creation, revenue generation, and GDP contributions, reflects their critical role in regional economic development (Boccella & Salerno, 2016; Escaith, 2022; Lazzeretti et al., 2018; Yum, 2020). In the GBA, the economic output of creative sectors like digital media and design is a testament to their importance in driving economic growth and diversification, making them integral to the region's economic strategy.

The advancement of creative industries is a cornerstone in the paradigm shift towards idea and knowledge-based production, marking a significant transition from traditional manufacturing in developed economies (de Bernard et al., 2022). This evolution is closely aligned with the increasing recognition of creativity and intellectual capital as essential drivers of economic prosperity. Creative industries are defined by their ability to generate, produce, and disseminate goods and services using creativity as a primary resource and their broader impact on the economy and society (Escaith, 2022; Lazzeretti et al., 2018; Yum, 2020). By nurturing these sectors, cities and countries invest in key economic assets and cultivate an environment ripe for creativity and innovation.

The environment, characterised by cultural diversity and openness to new ideas, fosters a dynamic interplay between various societal and economic sectors (Richieri Hanania, 2016). Such an ecosystem is crucial for developing vibrant, resilient, and competitive urban spaces, which are well-equipped to adapt to the ever-changing landscapes of the global economy (E. L. Yong, 2019). Creative industries contribute significantly to adaptability, enhancing a city's or region's image, improving the quality of life for its residents, and attracting tourism (Gillies, 2022). This goes beyond the traditional metrics of industrial success, encompassing cultural and creative vibrancy as integral elements of a region's competitive advantage.

Emphasising creative industries indicates a broader, more holistic understanding of economic development. It's an acknowledgement that economic growth should be measured in financial terms and the richness of cultural and social experiences it brings (Naumova, 2023). This shift underscores the importance of building economies that are not just financially robust but also inclusive, innovative, and culturally diverse (Daubaraitė-Radikiene & Startiene, 2022). Therefore, the success of the creative industries is emblematic of a modern economy that values ideas, knowledge, and creativity as key pillars for sustainable growth and development (Cunningham et al., 2021). Such an economy is better positioned to respond to global challenges and capitalise on new opportunities, making nurturing creative industries and the creative economy a strategic priority for future economic development.

In the Guangdong-Hong Kong-Macau Greater Bay Area (GBA), the vibrancy of the creative industries is deeply intertwined with the region's ability to harness talent, technology, and tolerance (W. Cui et al., 2021). Talent, particularly, stands at the forefront of this dynamic. With its rich educational infrastructure and culturally diverse milieu, the GBA attracts, nurtures, and retains a wide array of creative talents (Centárová, 2020). From artists and designers to technologists and entrepreneurs, the region has become a melting pot for individuals with the skills and creativity to propel the creative industries. This talent pool drives the GBA's creative sectors' continuous innovation and competitive prowess.

Technology's role in shaping the GBA's creative landscape is parallel to the paramount importance of talent. Technological advancements, notably in virtual reality, digital platforms, and artificial intelligence, are not just tools but catalysts that redefine the boundaries of

creativity (Rahmah & Hamdi, 2022). They enable the transformation of traditional creative sectors and the birth of new forms of creative expression, thereby expanding the horizons of what is possible in the creative economy.

Furthermore, the role of tolerance cannot be overstated. The GBA's culture of embracing diversity and inclusivity is a cornerstone for a thriving creative economy (Campbell & Rosenhan, 2023). The tolerance fosters an environment conducive to the flourishing of creative ideas, making the GBA an attractive hub for the global creative workforce and driving innovation across the creative industries.

The creative industries, characterised by producing aesthetically and symbolically rich commercial products (Daubaraite-Radikiene & Startiene, 2022), offer a unique competitive edge in the global market. This edge stems from price or functionality and the cultural significance and creative value embedded within these products.

This global shift towards a creative economy holds special significance in the Guangdong-Hong Kong-Macau Greater Bay Area (GBA) context. With its unique blend of cultural heritage, technological innovation, and strategic economic positioning, the GBA is primed to leverage its creative industries for a distinctive competitive advantage on the world stage (Xiaoyan Huang, 2021). Integrating creativity with technological advancement and harnessing the region's vibrant cultural scene, the GBA participates in the global creative economy and is a potential leader, influencing trends and setting standards (W. Cui et al., 2021).

The focus of this research on the GBA's creative economy, particularly through the lens of the five key factors – industrial scale, economic benefit, talent, technology, and tolerance – is pivotal (D. Guo & Zhou, 2021). It aims to reveal how those factors collectively enhance the region's competitive advantage. By exploring the dynamics of the GBA's creative industries, this study seeks to contribute to a broader understanding of how regions can harness their unique cultural and intellectual capital to foster economic prosperity and cultural influence in a competitive global market. This research goes beyond merely mapping the current landscape; it aims to chart pathways for future growth and innovation in the creative sectors, crucial for sustaining and enhancing competitive advantage in an increasingly idea- and knowledge-driven global economy.

In summary, while the creative economy of the GBA is a complex ecosystem influenced by various factors, the harmonious interplay of talent, technology, and tolerance truly underpins its success. These elements collectively forge a competitive advantage for the GBA's creative economy, highlighting the region's unique capacity to blend human capital, technological innovation, and a culturally inclusive environment to maintain its edge in the ever-evolving landscape of the creative industries.

Furthermore, according to Jia Wang & Sun (2018), talent development is critical to the GBA's strategy to enhance its creative economy. This includes investing in education and training programs that enhance technical skills and foster creative thinking and innovation (Xiong et al., 2023). Educational institutions in the region play a vital role in this regard, offering a range of programs that cater to the evolving needs of the creative industries (Shujie Chen et al., 2022).

Educational institutions within the Guangdong-Hong Kong-Macau Greater Bay Area (GBA) are crucial in shaping the talent that drives the region's creative economy. Recognising the dynamic and evolving nature of creative industries, these institutions offer diverse programs tailored to meet the industry's current and future demands (Rovai, 2008). This includes traditional arts and design courses and programs integrating the latest digital technologies, business strategies, and innovative thinking aligned with industry trends (H. Jiang et al., 2020).

For example, universities and colleges in the GBA increasingly offer specialised courses in digital media, graphic design, animation, and game development, acknowledging the growing importance of these fields in the global creative market. These programs often combine practical skills with theoretical knowledge, ensuring graduates are well-equipped to enter and excel in the workforce.

According to Qi et al. (2023), in addition to technical skills, educational institutions in the GBA also focus on fostering creativity, critical thinking, and entrepreneurial skills among students. The holistic approach to education is vital in preparing students to be employees, innovators and leaders in their respective fields (Yongzhou Li & Liu, 2021). Besides, workshops, internships, and collaborative projects with industry partners are frequently part of the curriculum, providing students with real-world experience and exposure to the creative industry's workings (Cooke et al., 2014; Yue et al., 2020).

Furthermore, the institutions often serve as hubs for cultural exchange and creative exploration, bringing together students and faculty from diverse backgrounds (Thite et al., 2023). Such an environment fosters a multicultural and multidisciplinary approach to creativity, enriching the learning experience and reflecting the global and diverse nature of the creative economy (Ge & Zhang, 2021; LIAO, 2019).

Educational institutions within the Guangdong-Hong Kong-Macau Greater Bay Area (GBA) significantly contribute to the region's creative and cultural dynamism, functioning as vital hubs for cultural exchange and creative exploration. The institutions attract diverse students and faculty from various cultural, geographical, and academic backgrounds, creating a melting pot of ideas and perspectives (H. Q. Tian & Wei, 2023; Zheng et al., 2022; J. Zhou, 2022). This diversity is a fundamental asset for the creative sectors, as it fosters a rich environment for cross-cultural dialogue and collaboration, essential for innovation and creativity (Bai et al., 2021).

Students and faculty exchange beyond traditional academic learning at these educational hubs. They share unique cultural insights, artistic traditions, and creative techniques, leading to a fusion of ideas that can inspire new creative expressions and innovations (Nankervis, 2013). The environment particularly benefits fields such as film, design, and digital arts, where cultural nuances and perspectives can significantly enrich creative content (F. Liu et al., 2023).

Moreover, the institutions often organise international workshops, guest lectures, cultural festivals, and art exhibitions, which serve as platforms for broader cultural exchange and community engagement (F. Liu et al., 2023). The events give students and faculty opportunities to showcase their work, engage with industry professionals, and gain exposure to different creative styles and practices.

Additionally, through partnerships with international universities and collaborations with global creative networks, educational institutions extend their cultural exchange and creative exploration beyond regional boundaries (Ge & Zhang, 2021; LIAO, 2019). Such global connections enrich the learning experience and prepare students for careers in the increasingly interconnected global creative economy.

In essence, educational institutions in the GBA are more than just learning centres; they are vibrant communities where cultural exchange and creative exploration are actively encouraged and nurtured (Duan et al., 2019; S. Zhang, 2022). The role is crucial in fostering a diverse and dynamic creative workforce ready to contribute to and thrive in the GBA's flourishing creative economy.

Moreover, according to Bai et al. (2021), retaining talent is as important as attracting it. The GBA's ability to offer an attractive lifestyle, competitive compensation, and opportunities for creative professionals to thrive is key to ensuring that the region does not lose its skilled workforce to other global creative hubs. Zheng et al. (2022) suggested that policies that support work-life balance, creative expression, and continuous professional development can be instrumental in talent retention.

In summary, talent is a critical driver of the creative economy in the GBA. The region's ability to attract a diverse pool of skilled individuals, provide them with opportunities for growth and development, and create an environment where they are motivated to stay and contribute long-term is essential for its creative industries' sustained success and competitiveness (Rezaei & Mouritzen, 2021). This study aims to explore these aspects of talent within the GBA's creative economy, offering insights into how talent can be effectively leveraged to bolster the region's position as a leading global creative hub.

While the emphasis on talent within the creative economy of the Guangdong-Hong Kong-Macau Greater Bay Area (GBA) is critical, a counterargument presents some noteworthy challenges and considerations. One major concern is the potential over-reliance on external talent, which can overshadow the development and nurturing of local talent (Shuangshuang Chen & Song, 2014). The focus on attracting international artists and professionals might lead to a disproportionate allocation of resources, leaving local creatives with less support and fewer opportunities (Shujie Chen et al., 2022). This could inadvertently create a talent divide, where homegrown artists and creators struggle to find their footing in the shadow of their international counterparts.

The emphasis on attracting top-tier talent could also lead to a highly competitive environment, potentially resulting in a high-pressure and high-stress culture within the creative industries (S. Zhang, 2023). Such an atmosphere might stifle the creativity and innovation these industries seek to foster, as professionals may feel pressured to prioritise commercial success over artistic expression or exploration.

Moreover, the influx of talent into the GBA could lead to issues of cultural homogenisation (Rezaei & Mouritzen, 2021). While a diverse talent pool is generally beneficial, there is a risk that the influx of external influences might dilute the region's unique cultural identity and artistic traditions. Therefore, balancing embracing global perspectives and preserving local cultural heritage is a nuanced challenge (S. Zhang, 2023).

Furthermore, the focus on talent attraction and retention must be carefully managed to avoid exacerbating issues such as urban crowding and increased cost of living. As more professionals flock to the GBA, it could lead to an increase in housing prices and living costs, making it difficult for existing residents and less affluent creatives to afford to live and work in the area.

In summary, while the pursuit of talent is undoubtedly important for the success of the GBA's creative economy, it is essential to approach this pursuit with a balanced strategy that considers the potential implications on local talent development, cultural identity, work environment, and the broader social impact on the region.

2.4 The Guangdong-Hong Kong-Macau Greater Bay Area (GBA)

The Guangdong-Hong Kong-Macau Greater Bay Area (GBA) is a significant economic and urban agglomeration in Southern China, comprising nine cities in Guangdong Province and the

Special Administrative Regions of Hong Kong and Macau. The GBA is strategically positioned as a hub for technological innovation, financial services, trade, and cultural exchange, fostering rapid economic development and integration.

The GBA's development is driven by the Chinese government's initiative to create a world-class Bay Area and global economic powerhouse akin to the Tokyo Bay Area, San Francisco Bay Area, and New York Metropolitan Area.

The GBA is one of China's most vibrant economic regions, contributing significantly to the national GDP. It is home to leading industries in technology, finance, manufacturing, and services, making it a critical driver of China's economic growth.

The region is renowned for its innovation capacity, with cities like Shenzhen being global leaders in technology and entrepreneurship. The GBA's emphasis on innovation fosters a dynamic environment for startups and established companies, promoting advancements in various high-tech industries.

The GBA benefits from the rich cultural diversity of its constituent cities, each bringing unique cultural and economic contributions. This diversity enhances the region's attractiveness as a destination for talent and investment.

The Chinese government has implemented various policies to support the GBA's development, including infrastructure projects, tax incentives, and initiatives to facilitate the free flow of goods, services, and people across the region. These policies aim to enhance connectivity and integration within the GBA.

The GBA's strategic location provides unparalleled access to global markets. It is a crucial gateway for trade between China and the rest of the world, bolstered by world-class ports and logistics networks.

3.0 Literature Gap

The literature on competitive advantage in the creative economy provides extensive insights but reveals several gaps when applied to specific regions like the Guangdong-Hong Kong-Macau Greater Bay Area (GBA). While existing research discusses general factors influencing competitive advantage, such as industrial scale and technological innovation, there is a notable lack of focused analysis on how these factors interact within the unique context of the GBA's creative sectors. Furthermore, integrating classical economic models like David Ricardo's comparative advantage with modern competitive advantage theories in the creative economy remains underexplored. This study seeks to address these gaps by exploring the synergistic effects of various competitive factors and evaluating the impact of government policies and technological advancements specific to the GBA. Through this approach, the research aims to provide a more nuanced understanding of the region's competitive dynamics and offer strategic insights for fostering growth within its creative economy.

While the existing literature provides extensive insights into a competitive advantage and its significance within various economic sectors, including the creative economy, notable gaps remain, particularly in the context of the Guangdong-Hong Kong-Macau Greater Bay Area (GBA).

Firstly, while studies have explored the broad themes of industrial scale, economic benefits, talent, technology, and tolerance as drivers of competitive advantage, there is a paucity of focused research on how these factors interplay within the GBA's creative economy. Current

literature often addresses these factors in isolation or different regional contexts, offering limited guidance on their synergistic effects in a uniquely dynamic and interconnected region like the GBA.

Moreover, the application of competitive advantage theory in the creative industries has traditionally been skewed towards more quantifiable factors, such as economic output and industrial scale, with less emphasis on how softer factors like cultural diversity and tolerance influence competitive dynamics. There is a critical need for studies that holistically combine these elements to provide a more nuanced understanding of how they contribute collectively to competitive advantage in the creative economy.

Additionally, while David Ricardo's comparative advantage model has been extensively applied in traditional industries, its integration with competitive advantage theory in the context of the creative economy remains underexplored. The existing literature often overlooks the potential of Ricardo's model to explain strategic specialisation and collaboration across regions, particularly in creative sectors heavily influenced by non-traditional and intangible assets like creativity and innovation.

The literature also reveals a gap in empirical studies that utilise advanced analytical frameworks, such as the combination of the Delphi method and the Analytic Hierarchy Process (AHP), to evaluate the relative importance of various competitive factors in the creative economy. Such methodologies could provide deeper insights and more robust data to inform policy and strategic decision-making in the GBA.

Furthermore, while the influence of technology on competitive advantage is widely acknowledged, there is a distinct need for more focused research on how specific technological advancements, particularly digital and multimedia platforms, reshape the competitive landscape of the creative industries in the GBA. This includes understanding the impact of technology on creative processes, product innovation, and market expansion.

Finally, the role of government policies and strategic initiatives in shaping the competitive advantage of the creative economy in the GBA is another area that is insufficiently covered in existing research. Detailed studies are needed to evaluate the effectiveness of current policies and explore potential improvements, providing actionable insights for policymakers and industry stakeholders.

In conclusion, while existing literature lays a strong foundation, there is a significant scope for further research to fill these gaps. This study addresses these deficiencies by comprehensively analysing how various factors collectively enhance the competitive advantage of the GBA's creative economy. This will contribute to academic knowledge and offer practical implications for enhancing the region's economic and cultural stature on a global scale.

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