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An Experimental Approach to Industrial Policy Evaluation: The case of Creative Credits

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Experimental methods of policy evaluation are well-established in social policy and development economics but are rare in industrial and innovation policy. In this paper we consider the arguments for applying experimental methods to industrial policy measures, and propose an experimental policy evaluation approach (which we call RCT+). This combines the randomised assignment of firms to treatment and control groups with a longitudinal data collection strategy incorporating quantitative and qualitative data (so-called mixed methods). The RCT+ approach is designed to provide a causative rather than purely

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summative evaluation, i.e. to assess both 'whether' and 'how' programme outcomes are achieved. We test the RCT+ approach in an evaluation of Creative Credits – a UK business-to-business innovation voucher initiative intended to promote new innovation partnerships between SMEs and creative service providers. The results suggest the potential value of experimental approaches to industrial policy evaluation, and the benefits of mixed methods and longitudinal data collection in industrial policy evaluations.