

JOINT TRANSNATIONAL STRATEGY FOR INTEGRATION CREATIVE SCENE FOR MULTIFUNCTIONAL DEVELOPMENT OF AREAS

D.T2.2.3

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A TRANSNATIONAL STRATEGY OF CREATIVE SCENES

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| NUTS REGION(S) WHERE THE TOOL HAS BEEN DEVELOPED AND/OR IMPLEMENTED (RELEVANT NUTS LEVEL) | |
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| <p>Aufbauwerk Region Leipzig GmbH</p> <p>NUTS 0: DE</p> <p>NUTS 2: DED5, Leipzig</p> <p>NUTS 3: DED51, Leipzig, Kreisfreie Stadt</p> <p>SAXONIA - site development and management company</p> <p>NUTS 0: DE</p> <p>NUTS 2: DED4, Chemnitz</p> <p>NUTS 3: DED43, Mittelsachsen</p> <p>Chamber of Commerce and Industry of Pecs-Baranya</p> <p>NUTS 0: HU</p> <p>NUTS 2: HU23, Dél-Dunántúl</p> <p>NUTS 3: HU231, Baranya</p> <p>Local government of Komló</p> <p>NUTS 0: HU</p> <p>NUTS 2: HU23, Dél-Dunántúl</p> <p>NUTS 3: HU231, Baranya</p> | <p>Institute for the Protection of Cultural Heritage of Slovenia</p> <p>NUTS 0: SI</p> <p>NUTS 2: SI02, Zahodna Slovenija</p> <p>NUTS 3: SI021, Osrednjeslovenska</p> <p>Municipality of Piran</p> <p>NUTS 0: SI</p> <p>NUTS 2: SI02, Zahodna Slovenija</p> <p>NUTS 3: SI021, Osrednjeslovenska</p> <p>Venetian Heritage Cluster</p> <p>NUTS 0: IT</p> <p>NUTS 2: ITH3, Veneto</p> <p>NUTS 3: ITH32, Vicenza</p> <p>Municipality of Castello di Godego</p> <p>NUTS 0: IT</p> <p>NUTS 2: ITH3, Veneto</p> <p>NUTS 3: ITH34, Treviso</p> <p>Primorje-Gorski Kotar County</p> <p>NUTS 0: HR</p> <p>NUTS 2: HR03, Jadranska Hrvatska</p> <p>NUTS 3: HR031, Primorsko-goranska županija</p> <p>Municipality of Lokve</p> <p>NUTS 0: HR</p> <p>NUTS 2: HR03, Jadranska Hrvatska</p> |

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Content

| | |
|---|----|
| <u>EXECUTIVE SUMMARY</u> | 2 |
| <u>The change of the creative sector</u> | 2 |
| <u>The general objective of the project</u> | 2 |
| <u>A practical implementation of developing the creative sector</u> | 3 |
| <u>The scenes selected in the regions</u> | 3 |
| <u>SWOT analysis</u> | 3 |
| <u>The system of the strategic objectives</u> | 4 |
| <u>Basic measurements of basing a regional creative strategy</u> | 5 |
| <u>Effective marketing system of the creative sector</u> | 6 |
| <u>Market trends and niches, expected changes, risks of the market and possible reactions</u> | 6 |
| <u>1. Introduction</u> | 3 |
| <u>Introduction of the creative industry in the region</u> | 4 |
| <u>2. The challenges, opportunities of the creative sector</u> | 6 |
| <u>2.1. The main characteristics of the market</u> | 6 |
| <u>2.2. News and development tendencies</u> | 6 |
| <u>2.3. Potential creative industry scenes</u> | 7 |
| <u>2.4. Potential new creative industry actors</u> | 9 |
| <u>3. The introduction of creative scenes concerned in the project</u> | 10 |
| <u>4. The regional SWOT analysis</u> | 13 |
| <u>5. The vision and the strategic objectives of the regional creative industry</u> | 14 |
| <u>6. The application of the strategic objectives concerning the selected buildings</u> | 15 |
| <u>7. Basing the strategy of the regional creative industry</u> | 19 |
| <u>7.1. Organisational and operational basics</u> | 19 |
| <u>Forming Innovation and Creative Centres</u> | 19 |
| <u>Creating Common, Cooperative E-Commerce and Communication Bases</u> | 20 |



| | |
|---|----|
| <u>7.2. Partnership, cooperation and network</u> | 21 |
| <u>7.2.1. Cooperation and interaction of the creative industry with other sectors</u> | 21 |
| <u>7.2.2. Cooperation within the creative sector between the actors/ groups of actors</u> | 22 |
| <u>7.3. Production, selling and business environment</u> | 22 |
| <u>7.3.1. Possibilities to set up creative industry-focused value chains (supplier-producer-dealer chain or system or network or community)</u> | 22 |
| <u>7.3.2. Effective marketing system of the creative sector</u> | 23 |
| <u>7.3.3. Market trends, niches, expected changes, risks of the market and possible reactions</u> | 24 |



> A TRANSNATIONAL INTEGRATION STRATEGY OF CREATIVE SCENES

EXECUTIVE SUMMARY

This transnational strategy was elaborated on the base of the materials of the Project Partners of the project; however, it is not only an extract since it contains separate conclusions drawn from the strategies and the experiences of the total project flow, too.

The change of the creative sector

Creativity, arts and culture get to a new context by the emerging of new technologies standing on the base of the revolutionary development of informatics, info-communication, film animation and some physical technologies that made it possible to visualize the creative results and spread them to billions of people all over the world.

Creative industry is increasingly important among the new industries and has been more and more diffusing to the economy. Its roots are tied to the cultural industry and the rapidly growing sector shows up acceleratingly innovative results in arts-related and knowledge-based directions.

The speed-off of the creative economy is in close connection with the soaring of the ICT sector and its diffusion to visual arts and products, advertising, architecture, all kinds of researches and all areas of the everyday life. A series of different new technological trends has swirled up the water of world of innovation, due to which brand-new technologies and products are born every day. The big mass of data and events lead to the recognition of the importance of networks, and the network-theory was born to set up an order among the hardly transparent multiplicity.

The general objective of the project

In our project the Project Partners take an attempt to build a bridge between the world of the traditional cultural-creative sector and the new trends of creativity, utilising abandoned facilities of declining industries. Why was it necessary? Because the birth and quick increase of the new creative branches was not organic from the traditional cultural-artistic results and a market-type gap emerged between them. While the new creative industries communication and informatics meet large and increasing market demand, and operate on profit-base, the traditional ones, like museums, classical music concert halls, exhibitions and cultural services are financed mostly by public funds on a “welfare” base, struggling for surviving in many cases. There has been a traditional **demand**, but the expectation is to reach these services free or on a preferential price. This tradition on the service provider side lead to the lack of real marketing and self-sustaining experiences.

An increasing mass of former industrial buildings get empty due to the fast change of the composition of the transforming economy. Huge amounts of money are spent for new buildings in the frame of the city- and economy-development, while a lot of old ones that represent cultural heritage, architecture value, local traditional cohesion force, stay empty. These aspects together lead to the survey and to new ideas of and reutilisation.



According to the profile and the background the traditional cultural-creative sector operates on non-profit base and need public financing, the modern creative services and products are provided in the frame of market companies, the often organise themselves to associations and clusters. The big mass of actors consists of micro- enterprises, many times part-time actors who act as hobby-workers. They collaborate on a weak level and has no strong assistance for growing and developing.

A practical implementation of developing the creative sector

The partners in this project have chosen a pilot action scene which is reutilised in the frame of the project. Besides this, a second scene was selected, too, which will be the object of a further creative development. The target was placing their main and second pilot actions into a regional context, setting up a strategy of developing the local cultural-creative sector to the level of the closer and wider area and the world flow.

Due to the fact, that the project consists of the network of five countries, it appeared to be a challenge to find the meeting points of their creative actions and new strategies. From the perspective of the geographic, historic, cultural, economic and social differences, it may seem difficult to find a common platform. During the project implementation it more and more turned out that- despite the differences- the basic characteristics show similarities. The differences are basically extend-type; the statements are to be understood and applied in local relations and rates. So, though the general findings do not equally cover everybody, they are basically true, characteristic and inspirational to show a way to themselves and to other regions or countries when making a strategic approach on the development of their creative sector. For the partners, it may be convincing to believe in, and to apply their own strategic way if they are aware of the similarities with the other partners.

The scenes selected in the regions

Croatia: Lokve, an industrial house on the lake; Second scene: Studena, former school building

Germany: Central Saxony, former mining area, among reutilized, world heritage area worth of attracting tourism. Pilot place is lead mine, the “ Huthause”. Second place is “Turmhofschaft”.

Hungary: South-Transdanubean Region. Pilot place: Komló, former party-headquarters, now a library and museum. Place of local identity as cultural centre. Second place: a former organ factory, now abandoned, an important local heritage site.

Italy: The Partner is Venetian Cluster from the Venetian Region; the scene is Castello di Godego. The pilot action takes place on the centre of the city, it used to be a warehouse in the past. The second case study chosen for this feasibility study is the annex of Villa Giusti Suman, sited in the municipality of Zugliano, in the Alto Vicentino area, Veneto region; until now this building has been used as warehouse to store municipality materials.

Slovenia: Obalno-Kraska Region, the Littoral part of it. Pilot action: The Monfort warehouse, formerly used as a salt-house, to be a place for creative events. Second place: Grando warehouse, similar to the pilot one.

Each partner has a clear reutilisation program and all the reutilisation action are to be completed till the end of the project.

SWOT analysis

The system of the strategic objectives was built up on bases the common experiences of the regional SWOT-s and the regional strategies.



Strengths:

- Wide spectrum of activities
- Rich cultural traditions, organisations and life
- Existence of a university
- Great number of actors
- Solid public background on organisational and sponsorship side is typical
- Strong tourist sector, at least compared to the creative sector
- Strong and developing IT and communication sector
- Active civil life in and around the sector

Weaknesses:

- Missing or flatly operating clusters, creative centres
- Lack of cooperation, individual existence of actors, missing network
- Missing value and supply chains
- Business side of the sector is underdeveloped, the sector is not self-sustainable
- Weak awareness of the advantages of cooperation
- Weak knowledge on running a creative business and low awareness of world trends that influence the sector

Opportunities:

- Linking to tourism with creative products
- Tighter cooperation with universities and innovation- R+D centres
- Tight cooperation with ICT sector (and other innovative actors, i.e. start-ups, where relevant)
- Using a strategic marketing
- Influencing the environment to increase the awareness on creative sector
- Linking to e-business sector, learning e-commerce
- Cooperation, networking, setting up value chains between the actors of the sector

The system of the strategic objectives

Vision:

The CCI sector develops on the existing cultural and business base and becomes a pull-sector of the strategy-related regional area.

Strategic objectives:

- Valorising up the cultural and academic heritage on the creative market
 - Stimulating the development of a supporting and cooperating environment
 - Developing information supply and business knowledge, calling attention for the importance of cooperation and networking
- Integrating the sector to the business-driven economy



Basic measurements of basing a regional creative strategy

Organisation and operation:

Forming Innovation and Creative Centres

The centres are necessary to provide a frame for the creative and innovative actors, where they can settle and cooperate as complements and permanent partners of each other

Creating Common, Cooperative E-Commerce and Communication Bases

While e-commerce has been growing and spreading fast both as an e-commerce surface-provider business and a selling channel for the actors who use them, the traditional and the micro-segment of the creative sector are not active on this field. On one hand there is an under informed situation characterized by a weak recognition of the necessity of it, and on the other hand, the lack of knowledge and experience of how to use them. It is a strategic task to call attention and provide satisfactory information for the actors to step on the e-market. Furthermore, the actors must cooperate to represent a critical mass of capital and products for an effective joining to the selling systems.

Partnership, cooperation and network:

Cooperation and interaction of the creative industry with other sectors

- Set up communication, common thinking, brainstorming, interactions with different actors of other sectors, mainly the ICT. The connecting keywords are creativity and innovation.
- **Special and concentrated education** which may be provided by the universities and several kinds of knowledge-centres, generally available in the neighbourhood

Cooperation within the creative sector between the actors/ groups of actors

It is important to focus on the possibilities of **cooperation between the actors of the area** in very similar product circles within the regional creative sector. Some of the present actors operate in cooperating groups. If not, they may be sorted to nearly homogeneous groups. (**Horizontal cooperation**). A **vertical cooperation** may be if we found possibilities to set up value chains when the activity of the actors builds upon each other. Furthermore, one Project Partner plans to set up a **diagonal cooperation system** in order to step in the direction of value-chains, what is worth considerable in all regions.

The **benefits of forming cooperation groups** may be the following: a higher value added, an easier informing, a better supply of material, informatics and infrastructure, an easier reach of the actors and their products, a common, more effective marketing and selling and an easier technical development. The kinds of groups and cooperation with them depend on the local specifics.

Production, selling and business environment

Possibilities to set up creative industry-focused value chains (supplier-producer-dealer chain or system or network or community)

Value chains, product groups may be set up, which provide a more featured face to the regional creative industry. This face may add a strong input content and may



increase the effect of the marketing. (But only if the groups of producers and their marketing is harmonized.)

Effective marketing system of the creative sector

Achieving success claims *drawing the attention of young and creative people and businesspersons*. It's also important to *call the IT- ITC sector's actors and hubs to cooperate* and to run up the creative sector and, connect actors to the tourism sector to valorise up the cultural and creative heritage and values. All these need a targeted PR activity. However, first, the action must begin inside the sector to *raise the awareness of the actors* to recognise the benefits of cooperation and value chains.

Innovation-, creativity- and knowledge- awareness turns the sector to the trademark of the region. Innovative and creative environment provides perspective to young people, sustainability for settlements.

Market trends and niches, expected changes, risks of the market and possible reactions

On the base of the regional objectives, a different sort of specific measurements applies in different regions. Over against general objectives which are quite general, the measurements are better be local-specific, however, in a general strategy we may chose mostly adequate, overall measurements which need to be detailed and specified by the appliers.

As a completion of the strategy a possible version of a measurement plan is introduced. The main measurements are seen in the table below.

| MEASUREMENT PLAN OF REACHING THE STRATEGIC OBJECTIVES | | | | | |
|---|--|--|--|--|--|
| No . | MEASUREMENT S | Midterm Objective | Midterm Objective | Midterm Objective | Midterm Objective |
| | Flow Management | Valorisation of the cultural and academic heritage on the creative market | Stimulation of developing a supporting and cooperating environment | Develop information supply and business knowledge, call attention for the importance of cooperation and networking | Integrate the sector to the business-driven economy |
| 1. | Set up a management- and work-organisation | A survey and competitiveness assessment of the offer of the cultural-creative market of the region | Build connection network with info-communication providers, areal and local authorities, | On the base of the assessment carried out under Objective 1. elaborate a PR program to reach and inform the inner actors of the sector. Purposes: 1. Become aware of their marketing and selling | Organise and offer favourable infrastructure , financial and knowledge-assistance circumstance |



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| | | | civil platforms and companies, broad-range effective entities and institutions, other influencers | methods, lack of information and knowledge; 2. Set up a communication network 3. Organise regular information supply through electronic surfaces, personal meetings | s for cooperation between the conventional (culture-based) and the market-oriented actors |
| 2. | Set up a detailed measurement plan or work plan | Finding linking points to well marketed products, service providers and market-organizers | Assess and compare the relating national and local ruling, initiate changes, beneficial for the sector (legal, taxational, subvention-type, organisational e.t.c.) | Set up cooperation with professional information- and knowledge-providers. Organise e-learning and personal learning forms on the next subjects (with creative sector specialities): Management Marketing, with a weight on e-business Cooperating business techniques and platforms Creating and adapting innovative elements in product-development and technology (using new tools, techniques and suppliers/subcontractors). Create short and longer lasting learning frames. | Organise events and channels for helping the actors of the public-based and the profit-motivated actors and platforms to meet and recognise the values of each other. Motivate the public sector-financed managements to turn to market-driven product- and service-development directions |
| 3. | Set up a resource plan for sustaining organisation and operation of measurements | Placing the products into more attractive marketing context, i.e. packing them into complex touristic products or well-known attractions | Set up a communication - sponsorship- and lobby-strategy | Organise or boost clusters, platforms, hubs; attract new actors from inside and outside the sector. Organise it with the purpose of creating portfolios of actors for horizontal, vertical and diagonal cooperation, and innovation - generating platform | Take efforts to motivate the actors for using e-commerce channels. Offer proper services for the actors to learn the technics and to contract professional service- |



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| | | | | | providers on e-commerce. Initiate and assist to form selling-cooperation, so to reduce the costs and risk. |
| 4. | Set up a cooperation-development plan for the inner actors of the sector (cluster, hub, incubator...) | Setting up a marketing program to show the offer, and form regional brand | | Elaborate and carry out the conditions of physical meeting-points and operation platforms, such as incubator-houses, innovation centres and creative hubs to offer the beneficial infrastructure of effective work and cooperation. Organise regular communication platform for the actors. | Conduct the profile of incubator-houses, hubs, creative and innovation-centres so that they move to the direction of the market-trends. |
| 5. | Set up a network-development plan with outside entities | | | | |



A.1. Introduction

This transnational strategy was elaborated on the base of the materials of the Project Partners of the project; however, it is not only an extract since it contains separate conclusions drawn from the strategies and the experiences of the total project flow, too.

The concept of the creative industry was put into practice in the 90s of the twentieth century, when the limitedly perceived artistic activity changed to a broader sense. It is a fairly new interpretation that has born from the cultural industries and creative arts. It combines the individual talent of creative arts with mass access to cultural industries by the help of new media technologies and the new knowledge economy.

Creativity, arts and culture get to a new context by the emerging of new technologies standing on the base of the revolutionary development of informatics, info-communication, film animation and some physical technologies that made it possible to visualize the creative results and spread them to billions of people all over the world. On visual and information level the whole world became reachable to practically everybody. This not only lets people to see, read and hear almost everything but to communicate about them with nearly anybody on the world threw social media and professional networks, and spread information. It's common to enter networks where people have a chance to sell their physical or creative, cultural products, and to develop, learn and create new artworks with the help of new technologies.

The world starts the third millennium burdened with serious social, economic and environmental problems. It has become clear that climate change, pollution of the environment and the decline of raw material stocks have, combined, led to a disintegration of the dynamic natural-economic-social balance on which our existing civilisation has been built. The complexity of the crisis requires the elaboration and implementation of complex thinking models instead of traditional ones, and it appreciates creative, innovative thinking and rapid paradigm shifts. In this aspect, it is not only possible by the rapidly innovating technologies, but also a criterion of the further development to focus on the creative sector, as a source of innovation.

Creative industry is increasingly important among the new industries, as a "sector that uses culture as a raw material (input) and has a cultural dimension, although the result that it produces is often functional. It includes architecture and design that integrates creative elements into broader processes, as well as sectors such as design graphics, fashion design, and advertising."¹ The industry has been more and more diffusing to the economy even by new innovative branches, like gamification, as new elements of company culture-shifting methods.

Creative industry has a close interface with cultural and knowledge-intensive industry. These three give the structure and content of economy creative.

The advance of the cultural-creative industry, also known as the creative economy, is undoubted in the world. Its role varies from one continent and country to another, but it is more in the focus of attention. Its sectoral determination is still changing, as it is largely horizontal in nature, compared to the registered statistical nomenclature. Due to this fact, *the statistical measurement of the sector is still occasional*. Despite this, strategies and policies are built around the sector (e.g. in the European Union), which will hopefully lead to the regulation and standardisation of statistical enumeration in the close future. However, it also evident now that the sales of creative knowledge -threw several kinds of sectors and goods- grew to a giant GDP producer.

¹ (Unlocking the potential cultural and creative industries - Green Paper, European Committee 2010).



Europe's economy considerably transformed in the second half of the 20th century, this resulted in a significant amount of properties remaining unused. It is a natural effort that all those properties which fit the expanding cultural-creative activities should get utilised again. This project focuses on the opportunity of reutilizing some of them in the purpose of setting up new creative centres, as pilot actions.

On the other hand, the partners in this project are placing their main and second pilot actions to a regional context, setting up a strategy of developing the local cultural-creative sector to the level of the closer and wider area and the world flow.

Due to the fact, that the project consists of the network of five countries, it appeared to be a challenge to find the meeting points of their creative actions and new strategies. From the perspective of the geographic, historic, cultural, economic and social differences, it may seem difficult to find a common platform. During the project implementation, the pilot developments, the feasibility studies and the regional strategies had been developed through regular meetings and workshops, where the actors had a chance to get familiar with the circumstances, problems and possibilities of each other, while it more and more turned out that- in spite of the differences- the basic characteristics show similarities. The differences are basically extend-type; the statements are to be understood and applied in local relations and rates. So, though the general findings do not equally cover everybody, they are basically true, characteristic and inspirational to show a way to themselves and to other regions or countries when making a strategic approach on the development of their creative sector. For the partners, it may be convincing to believe in, and to apply their own strategic way if they are aware of the similarities with the other partners.

To keep the attention on the substance this general strategic presentation will be essential and general, will not go to the introduction of the national or regional differences or the details of the general facts and objectives. To satisfy such information needs, the regional materials and a table-form extract are available and will serve as sources on more levels: the table contains the extract of the executive summaries of the national strategies. In the background of the English-language executive summaries the original studies may be available at the Project Partners, on national or English language.

Introduction of the creative industry in the region

Economic and environmental character

The circle of the Project Partners was organised so that they represent former industrial or rural areas. The assets designated to become pilot action scene used to have former industrial, economic contest. The economic regional environment shows differences. While the area of the Hungarian partners used to have a mainly mining- industrial profile, similarly to Germany's Saxon region, Croatia and Italy was more rural, but both are relatively close to highly visited tourist areas. The Slovenian partner's place - though the pilot scene used to be a commercial- logistic, semi-industrial one - takes place in a see-shore touristic environment.

The certain neighbourhood, including the built and natural environment, the city size and character, the traffic and logistic specialties, as well of the local culture and society, has a close effect on the possible reutilisation. The existing cultural-creative life acts as a base of the new functions, upon which the future can be built. The buildings, facilities selected to be subjects of the utilisation, offer possibilities and raise limits in the same time in the context of size, structure, location and physical state. In the reutilisation pilot projects the Project Partners must find the optimal character and structure of the new functions.



Organisational and financial features

Despite the variable circumstances it is evident in each case that cultural heritage - although with special content everywhere- plays a decisive role in the local creative sector. The operation of the cultural sector - museums, exhibitions, cultural institutions, local heritage- is organised, managed and financed by the country government and local governments in high ratio. It is coloured by local NGO-s, civil platforms, too, who mainly represent arts and craft, individual actors. The civil sphere has not been formally organised in general; individual actors, small circles, clubs are more typical. In greater cities formalised associations, clusters occur (Italy, Hungary). Selling is typically individual, less using e-commerce, common platforms, agencies and other organisations. This model may be called a 'welfare' one, as it is in high rate controlled and financed by the public, while the conditions of self-sustainability, market-driven approach is missing.

Importance of universities

As an advantageous phenomena university background has been regarded important and available in every case, though not always utilised as deeply as possible and necessary in development aspect. It is because of loose cooperation, more conservative, less creative approach, and weak tradition.

Business sectors

Besides emphasizing the importance of the primary cultural sector, it is typical that architecture and design, publishing, advertising, info-communication and informatics are present in the regions, as creative activities. Information and informatics-based businesses have been quickly developing and they really operate as profitable, self-sustaining business activities.

Tourism may be regarded a more or highly developed sector, too, everywhere. Though, comparing the turnover of tourism of the regions to each other, the level is different, this sector is every case far stronger than the local cultural-creative industry. It needs no deeper analyses to recognize that it may appear feasible to cooperate on both sides, in order to enrich the scale of touristic offer, and increase the market of the creative sector at the same time.

Information

It is generally mentioned in the SWOT analyses that -in the era of information- the most underdeveloped side of the sector is information-supply, in both directions. The actors of the sector are under-informed about the world trends, the opportunities given by the new technologies and even the dangers of them, as world market competition is reaching them closer and closer. On the opposite direction, the closer and wider environment is not aware of the possibilities which the sector is able or may be made able to provide for them.

Networking

Cooperation may be mentioned in general as a traditional social practice between local governments, institutions and other public organisations without marketing aspects, except for some tourism concerns; we may say that they are limited to very traditional ways, though - thanks to the widening circle of the EU-members and to the EU-funds- they are dynamically developing. It is the challenge of the next period to turn them into market and business directions, involving more and more civil actors.

Without the intention of a total introduction of the new and strong world trends, it is important to highlight the rapidly developing network systems. On the base of the relatively brand new but revolutionarily spreading network-theory solutions² it may lead to a massive handicap if a sector is not able to keep the rhythm of the world. In simple words, the sector is now characterized by a great number of individual actors without bilateral or multilateral cooperation and without strong

² See the* works of Laszlo Barabasi



Internet orientation, while the today world is about conscious network-building via which the number of reachable target-points increase exponentially. The ones who step in time will go fast and occupy the market space. The later stepping on this way the harder is to become known and competitive. It may be worth informed and educated and enter networks which have already connected to further networks and have penetrated into several market segments.

A.2. The challenges, opportunities of the creative sector

The main characteristics of the market

The market of the cultural-creative industry consists of three major blocks and has been bipolar in the case of the group of the Project Partners.

On one pole of the scale the *traditional cultural offer* of the regions take place. It is controlled and financed by the public sector, since most of the cultural heritage is explored, developed, operated and guarded by direct institutional governmental - public organisations.

In the middle of the scale *contemporary arts and crafts* take place. They are done by individual persons, small enterprises and small, less formalised groups, communities. They represent a great number of actors, characterised by low capital supply. They mainly focus on their own capabilities, operate within their time- and income-limits, don't build strong companies and they reach limited local or wider markets. Despite the relatively great number and intellectual potential of the actors, the economic and employment weight of this group is light, and, though been in a central position, we think that it may not be regarded as the centre of gravity. This group is mainly self-financing on a relatively low turnover level the way, that they do their creative work mostly as a hobby besides a different main job.

On the other pole of the scale expressively market-controlled and self-financing creative activities take place. This bush of enterprises has been grouping around *information and communication* businesses such as informatic services, software-making, information-service, publication, advertising, communication- telecommunication, filming, gamification and e-commerce services, operation of social network e.t.c. It is difficult to draw the creativity borderline of this type of activities, but it seems evident that a sort of new, information- and network-connected businesses have a relation to creativity. They are operated generally in clear business frames, companies (mainly SME-s) as organisations, they stand on self-financing and profit-oriented base. This group represents a quickly increasing economic weight and is designated to become the weight- and development-holder branch of the sector, as one of the most dynamic economic phenomena of the world.

News and development tendencies

The engines of this dynamic development have been several new informatics-based technologies, identified on several names, such as ICT (information and communications technology), AI (artificial intelligence)³, AR (augmented reality)⁴, VR (virtual reality)⁵, MR (mixed reality)⁶. These technologies

³ Artificial intelligence (AI) is the simulation of human intelligence processes by machines, especially computer systems. These processes include learning (the acquisition of information and rules for using the information), reasoning (using rules to reach approximate or definite conclusions) and self-correction Source: <https://searchenterpriseai.techtarget.com/definition/AI-Artificial-Intelligence>



are transferred to mass-utilizers through wide-broad Internet and high-capacity and -speed computer technologies. Reaching the highest number of target persons depends on how successfully the network-theory is applied in the Internet-based advertising and selling systems.

In smaller scales more and more products become available and buyable on the Internet's e-commerce surfaces. It has been possible already for SME-s and private persons not only to buy but sell as well. Professional selling needs knowledge, and -in comparison with the small amount of products- relatively much investment and regular time-utilisation. In case of individual producers, it's not feasible to sell individually. The lack of information and knowledge on e-commerce, lack of common selling, lack of connecting to selling and marketing organisations means that such actors miss the possibilities of the present era.

The new technologies not only offer selling gates but provide a wide space for creation and innovation. Their main feature is creativity and innovation in themselves, which is based on the new opportunities opened by the meeting points of information-processing, personal creativity, communication channels, networking and display technologies (including 3D visualisation and production).

Leading developer and user companies became the most giant ones of the globe. It indicates that creative sector more and more takes over the leading economic rule from the manufacturing industry. At the same time, knowledge is increasingly shared, the place of production becomes growingly independent from the place of controlling, creativity provides a possibility for low-capital-supplied innovators and SME-s to invent, individual production is increasing against mass-production. *This is the time, when the creative industry around the Project Partners have an opportunity to connect to the main flow.*

Potential creative industry scenes

The structure of the economy has been undergoing a transformation for decades already and it may be predicted that this change would be lasting for longer. It was only since the middle of the last century when the dominance of heavy industry gave its place over to processing industry, which - first on mechanical than computerized bases- turned to robotization soon. On the turn of the century, light industry and then other kinds of processing industry migrated to the far East so to access big masses of cheap manpower, set up huge mass-production lines and reach low costs and high profit rate.

As a consequence, a lot of industrial facilities remained back empty and unutilised in Europe. Now, when already a new technology-changing era has been undergoing again, in the frame of which even the most complicated phases of production and even an increasing portion of midlevel intellectual

⁴ Augmented reality (AR) adds digital elements to a live view often by using the camera on a smartphone. Examples of augmented reality experiences include Snapchat lenses and the game Pokemon Go. Source: <https://www.fi.edu/difference-between-ar-vr-and-mr>

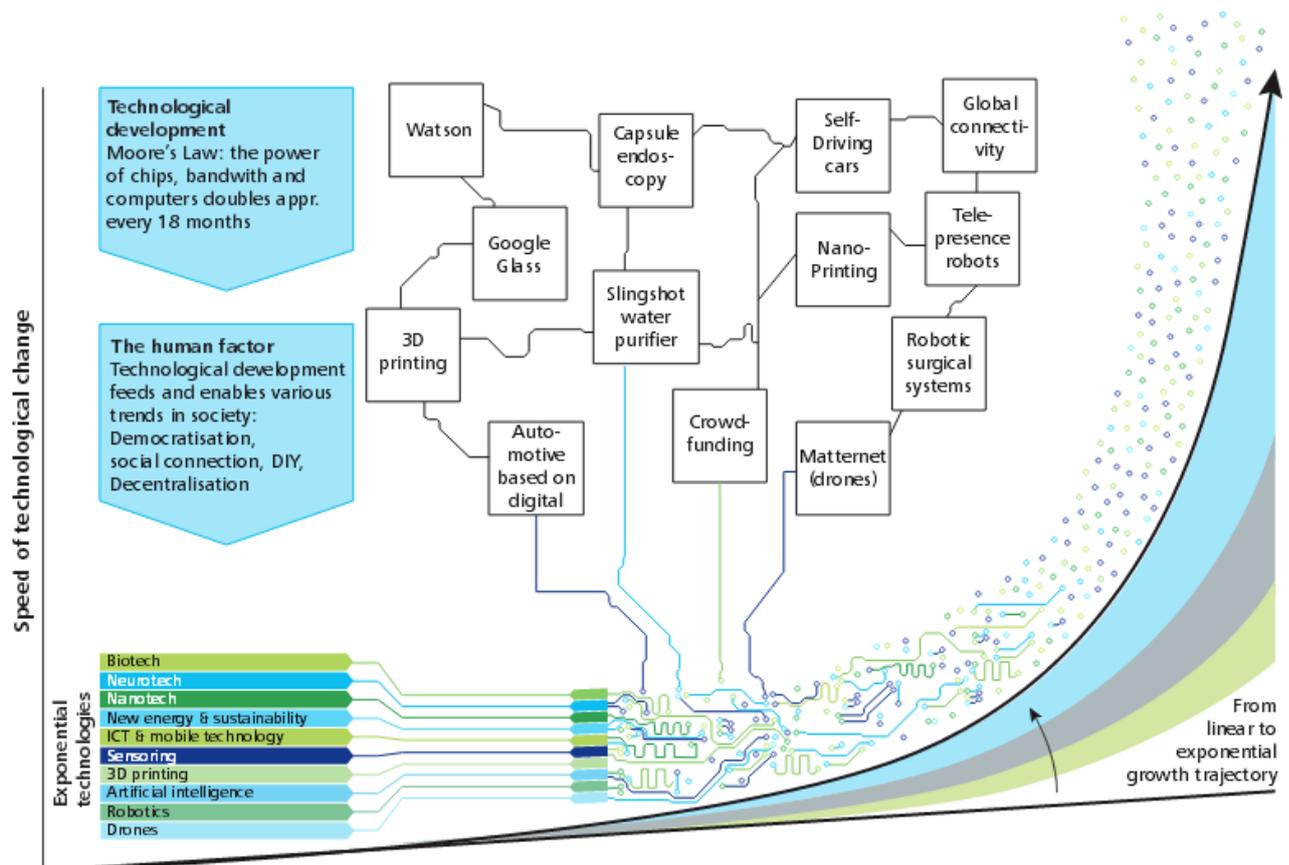
⁵ Virtual reality (VR) implies a complete immersion experience that shuts out the physical world. Using VR devices such as HTC Vive, Oculus Rift or Google Cardboard, users can be transported into a number of real-world and imagined environments such as the middle of a squawking penguin colony or even the back of a dragon. Source: <https://www.fi.edu/difference-between-ar-vr-and-mr>

⁶ In a mixed reality (MR) experience, which combines elements of both AR and VR, real-world and digital objects interact. Mixed reality technology is just now starting to take off with Microsoft's HoloLens one of the most notable early mixed reality apparatuses. <https://www.fi.edu/difference-between-ar-vr-and-mr>



work will be replaced by complicated robots and AI, it can be predicted that empty and newly abandoning buildings have to change their functions from production to something else.

The consequence of the global flow is the revolutionary development of creative industry. The common name of the flow became known as “Industry 4.0”, citing the 4-th phase of industrial revolution. It consists of a lot of new technological trends, among them a lot of industrial, but let them belong to any kind of industries- i. e. health, environmental, food, basic material or recycling industry, information or agricultural technology, all are deeply science-, knowledge-, creativity-concerned and -dependent. This flow is accelerating in such a tempo that our future is less and less plannable. This situation is called singularity, which means, that the trends of change turn to almost vertical. (See Figure 1.)



F1. The accelerating flow of technologies and the approach of singularity

Setting up creativity centres is not only possible but is necessary at the same time. Why?

Because the changes lead to the total change of the labour market. Robotics and AI replace high proportion of hand workers, administrators, drivers and other professions, while *the need for creative, highly educated and cultured, flexibly thinking people increases very rapidly*. This need has been higher already now than the source *and the difference has been increasing. It generates tensivity, stress* on economic, social and political level, generates migration between cities, regions and countries. *This claims a new paradigm in the total scale of social approaches, especially in education of young people and adults.*

Creative centres play a pilot rule of how to change the local culture to a creative industry direction with reutilisation of former industrial facilities.

It's clear that the pilot actions of this project in themselves will not be able to reach explosive result in the transformation but on local level they would become mirrors of good utilisation of the opportunities, and *the regional strategies elaborated within the project would open some eyes among the decision makers and the actors of the creative, information and tourism sector.*



The physical features of the designated buildings have a local practical importance only but their future function and the elaborated feasibility studies play an important role in changing the creative character of the local society.

The pilot scenes of the project are the following:

Croatia: Lokve, an industrial house on the lake; Second scene: Studena, former school building

Germany: Central Saxony, former mining area, among reutilized, world heritage area worth of attracting tourism. Pilot place is lead mine, the “Huthause”. Second place is “Turmhofschaft”.

Hungary: South-Transdanubian Region. Pilot place: Komló, former party-headquarters, now a library and museum. Place of local identity as cultural centre. Second place: a former organ factory, now abandoned, an important local heritage site.

Italy: The Partner is Venetian Cluster from the Venetian Region; the scene is Castello di Godego. The pilot action takes place on the centre of the city, it used to be a warehouse in the past. The second case study chosen for this feasibility study is the annex of Villa Giusti Suman, sited in the municipality of Zugliano, in the Alto Vicentino area, Veneto region; until now this building has been used as warehouse to store municipality materials.

Slovenia: Obalno-Kraska Region, the Littoral part of it. Pilot action: The Monfort warehouse, formerly used as a salt-house, to be a place for creative events. Second place: Grando warehouse, similar to the pilot one.

Each partner has a clear reutilisation program and all the reutilisation action are to be completed till the end of the project.

Potential new creative industry actors

The strategic change is to be carried out with the help of the actors of the creative environment.

The potential actors of the developing creative sector are potentially the following by the strategies of the Project Partners:

- Existing actors, clusters motivated and involved on a higher, more intensive and cooperative level
- Actors of trade and shops interested in the products of the sector
- Emerging new creative actors called into cooperation with the creative sector
- Successful actors in the information- communication sectors, taking the responsibility and the possibility of finding common platforms, innovative, creative elements to develop to innovative products
- Actors of the neighbouring tourism sector, who are willing to cooperate with the creatives in order to find products, services worth to introduce on the tourism market
- Actors of connecting branches such as raw material producers and traders, product traders, marketing and advertising, agencies and e-commerce actors
- Universities in the environment to develop education, research and common networking.



A.3. The introduction of creative scenes concerned in the project

This chapter practically introduces the executive summary of the local studies that have already written on the pilot scene and the second scene.

CROATIA:

The re-adaptive use of abandoned industrial heritage can play a key role in joining the past and the future while simultaneously revealing social, cultural and economic development as well as architectural, technical and other achievements.

In the pilot scene, municipality of Lokve, the most significant industrial heritage is the house on a dam on the Omladinsko Lake in Lokve, which used to serve as a guard house for a dam (security and technical dam monitoring). It kept that function until 1996 when digitalization was introduced for dam monitoring and since then the facility is exposed to devastation and decay. The facility was partially repaired to prevent further devastation.

The second scene, municipality of Klana, is rich with cultural and natural heritage. In the area there is a significant number of properties of former social, military or other public purposes that are not in use and are left to decay and for them municipality is trying to find a new purpose in line with the development needs. The selected object for a project is a building of the former school that is out of function (allegedly, since 1990) and in poor condition due to long-term non usage.

GERMANY:

On the part of the creative people in the Freiberg region there is currently a need for club rooms, for example for the Kunstverein Freiberg e.V., or exhibition rooms which are also suitable for the sale of the works of art and workshop rooms for pottery works.

As key factors for the settlement of a cultural centre of the creative economy at the location are considered:

- Create structural conditions
- Improve visibility of the site
- Active participation of the public
- Initiate model project
- awaken interest in the creative
- Linking with existing initiatives
- Build networks
- Ensure basic financing in the long term
- Carry out process-accompanying measures

Huthaus (Prioritized scene):

The “Huthaus” (pilot place) belongs to the area of the industrial area Muldenhütten, a historically valuable hut location east of Freiberg.



The industrial area is still producing today. At the same time there are many historically valuable buildings in the area, whose history dates back to the 16th century. Especially in the eastern part of the Freiburger Mulde, where the only access road leads into the area, are many high-quality monuments. The “Huthaus” is one of them. The “Huthaus” used to be a centre for administration and accommodation in the past.

For the area a museum and cultural use is conceivable. “Huthaus” can serve as a visitor and administrative centre.

Archivgebäude Turmhofschacht (Second scene):

The building of the Archivgebäude on Turmhofschacht is located on the street “Turmhofschacht” in the eastern part of Freiberg. The entire area of the Turmhofschacht is an important monument of the historic development Freibergs and is at the same time an important monument of the industrial culture over ground and underground. The most important buildings of the plant are located on the heap, at the level of the second floor of the “dry kiln”. Underground is still the waterwheel preserved, with which the Pochwerk was probably also driven earlier.

The basic idea for the idea of using the “dry kiln” building is the integration into a larger concept for the entire complex Turmhofschacht.

HUNGARY:

The building in Komló (pilot place) was formerly the seat of the communist party of the town built for the development of coal mining. Currently, it accommodates the “József Attila Municipal Library and Museum of Komló Town”. Its main activity is the library function. Its collections and exhibitions cover the fields of mining, natural sciences and ethnography.

The building is in the city centre, it is easily accessible.

The chosen building was built in 1954 in socialist realist architecture style; its structure allows office and community building functions.

The building is intact, orderly and fundamentally maintained both on the outside and inside. The access to the building and the transport between the levels are difficult in the absence of elevator, because of the rows of high stairs. Internal transport is not accessible from other respects, either. In the framework of an energetic tender, the institution was modernised and awarded the title “Green Library”.

The development in the framework of this project focuses on the renewal of the exhibition spaces and making them accessible.

The Angster House, as a second location, was the headquarters of a cultural industrial company of Pécs in the old days, Angster Organ Factory that made the name of Pécs famous. Coming from its location, it offers an ideal opportunity for connecting touristic and social functions. For the tourist function it is predestined by cultural heritage, for public life function by the neighbouring youth cultural life. By its size (it has a total of 1,400 m² of interior) it is suitable for a first development step in the relevant community area. It would also be a bridge between the city centre and the large and extravagantly crafted Zsolnay Quarter, which is slightly distant from the downtown and is rather expensive to use.

ITALY:

The **first case study** of the REFREsh project is an old storehouse owned by the Municipality of Castello di Godego. The storehouse is located in the Veneto Region in the historical centre of



Castello di Godego and will be restored in order to create new space for the local cultural associations and to renovate the cultural and creative scene.

The works of the storehouse in Castello di Godego are inserted in a process of re-organization of the historical centre supported by the local authority, which foresees the restore of the storehouse.

The works intended to restore the building's ground floor in order to make it available for a new use: the plan, in fact, foresees that the Municipality of Castello di Godego will offer the new spaces to the cultural associations of the area.

From the structural point of view, the building presents nowadays the following arrangements:

- three floors building;
 - Ground floor: storehouse and service for the workers
 - First floor: storehouse
 - basement: warehouse
- access from the Western side
- uncovered area on the South-Western side that is used as store space for the road signage.

The requalification project foresaw the following changes in the planimetry:

- ground floor: realisation of rooms with plasterboard walls and bathroom for disabled people, keeping separated from the rooms available for the administration in the basement and the first floor, adjustment of heat and electrical systems, painting and substitution of doors and windows;
- outside: greenery and paving.

At the end of the project, the storehouse will be transformed into a multifunctional building dedicated to the cultural activities of the Municipality and its associations.

The **second case study** chosen for this feasibility study is the annex of Villa Giusti Suman, sited in the municipality of Zugliano, in the Alto Vicentino area, Veneto region; until now this building has been used as warehouse to store municipality materials.

The villa is a historic structure built between the 15th and late 17th century.

The building needs a refurbishment that is already planned by the municipality council and that with AVEPA funds will be ended within 2020; this restoration will provide habitability and new electrical system along with the provision of a new telephone network, ready for optical-fibre internet connection, which is not available at the moment but that will be settled within 2020, which represents the end of restoration works.

We foresee for this facility a cultural utilisation as a cultural hub for the existing and futures associations and other Non-Profit institutions. Target groups will be:

- Children between 6 and 13 years old
- Young of high schools
- Youth in general
- Disadvantaged people
- Old people
- Local and non-local artists
- Cultural operators
- Members of existing association
- Citizens, in particular general cultural public and non-cultural public involvement.
- Administration representatives



- Tourists

SLOVENIA:

The *Monfort warehouse, as pilot scene* is already partly used by CCI. Only compartment 5 houses a shop, while all the other compartments accommodate mostly cultural and creative activities. Compartment 1 contains a permanent exhibition space of the Sergej Mašera Maritime Museum of Piran, which also includes a small lecture room/information point. Monfort houses two collections, one dedicated to traditional shipbuilding and the other to the development of water sports. The information point currently holds an exhibition of salt-making, which puts on display the history of the warehouses and the evolution of the area.

Compartment 4 accommodates a permanent exhibition space of the Piran Coastal Galleries.

Compartments 2 and 3 are without a fixed content and are occasionally leased out for different events. They have hosted 6 concerts, 5 exhibitions, a dance event, 6 sporting events, 8 promotional events, 2 culinary events, and 4 weddings since 2015.

The *Grando warehouse as a second scene* is currently functioning as a warehouse and is being used by several businesses. Two compartments (1 and 2) retain their original function – salt warehousing, salt packinghouse, etc. Compartment 3 is being used as a depot of the Piran Coastal Galleries and one part of compartment 4 as a depot of the Maritime Museum.

A.4. The regional SWOT analysis

In order to easily review the main common elements of SWOT we introduce this chapter in a short form.

Strengths:

- Wide spectrum of activities
- Rich cultural traditions, organisations and life
- Existence of a university
- Great number of actors
- Solid public background on organisational and sponsorship side is typical
- Strong tourist sector, at least compared to the creative sector
- Strong and developing IT and communication sector
- Active civil life in and around the sector

Weaknesses:

- Missing or flatly operating clusters, creative centres
- Lack of cooperation, individual existence of actors, missing network
- Missing value and supply chains
- Business side of the sector is underdeveloped, the sector is not self-sustainable
- Weak awareness of the advantages of cooperation
- Weak knowledge on running a creative business and low awareness of world trends that influence the sector



Opportunities:

- Linking to tourism with creative products
- Tighter cooperation with universities and innovation- R+D centres
- Tight cooperation with ICT sector (and other innovative actors, i.e. start-ups, where relevant)
- Using a strategic marketing
- Influencing the environment to increase the awareness on creative sector
- Linking to e-business sector, learning e-commerce
- Cooperation, networking, setting up value chains between the actors of the sector

A.5. The vision and the strategic objectives of the regional creative industry

In the mirror of the world trends it is evident to set up a vision which claims a strong position of the sector, similarly to the global economic environment. It can be successful on the base of a strategy only which contains steps built on the strengths, the correction of the weaknesses and the utilisation of the opportunities.

To do so, first, it is important to make an evaluation of the existing heritage and set up a strategic program to shift it to a competitive and market-conform level.

The partner strategies mostly emphasized that the economic, political and public environment is not supporting the actors and don't turn the interest towards the sector enough. It may concern taxation and general financial and legal environment. So, calling the attention and stimulating the environment in the direction of the interest of the sector is important.

Due to that the knowledge- and information-supply and -sensitivity is weak in comparison with the needs of a dynamically developing sector, it seems unavoidable to increase them. It appears a common and outstanding element in each region.

The regional strategies emphasized the importance of integrating the creative sector to the business-driven economies. The existing structure shows a rather isolated situation since the public cultural sector and the fast-developing information society run parallel with less integration than possible. The midrange of the sector consists of many individual or micro-enterprise actors who are neither connected to each other nor to other business actors. It means that they lose the advantage of a professional marketing, e-selling, raw-material supply and value chains. In spite that the sector's products are often sold via other sectors like tourism, the connection is loose, which is a loss on both sides: cultural-creative sector may serve with unique products and services, widening the offer of tourism, while tourism, organising the visitors so that they would find the products of the sector, may increase the selling. Similarly, the information- info-communication sector needs basic creativity to create products and services, but this sector builds on the special niche of the cultural sector which serves direct selling success. The knowledge and experience how creativity and art may be marketed, and their e-commerce practice would be very useful for the traditional cultural-creative sector's public and private actors. Cooperation would supply new creative ideas for the info-communication sector, too.



Vision:

The CCI sector develops on the existing cultural and business base and becomes a pull-sector of the strategy-related regional area.

Strategic objectives:

- Valorising up the cultural and academic heritage on the creative market
- Stimulating the development of a supporting and cooperating environment
- Developing information supply and business knowledge, calling attention for the importance of cooperation and networking
- Integrating the sector to the business-driven economy

A.6. The application of the strategic objectives concerning the selected buildings

One of the objectives of the project is to **find and reactivate such a building** by each partners which used to be a place of former industrial or similar activities and, has fallen out of use. This was called a **pilot action place**. They have been introduced shortly in chapter 3.3. A second place was selected, too, as a later utilisation target. In the frame of this project only the pilot places go through a physical refreshment, the secondary places are subjects of a theoretical reutilisation only, but this concept may become a natural subject of the next step - perhaps within an EU-application - of carrying on the development of the creative sector. Both serve as a sample of elaborating a facility reutilisation feasibility study, and a determining point around which a regional strategy of the creative sector may be developed.

The physical refreshment is a necessary step to provide a place for serving as a new creative scene, but the story itself is an organisation- reorganisation type flow. It is a reorganisation in the aspect of the building in the sense of recreating a local community-life within the walls of the formerly inhabited building, and a primary organisation in the aspect of the cultural- creative industry, by collecting creative actors who settle down in the building and begin new type of activities, cooperation, product development and new marketing activities.

The physical refreshment acts as a first step to provide space for the new actors and activities. Before beginning to collect users, it is feasible to make a survey of the creative environment to assess the needs and opportunities, which help to **identify the possible profile of the new centre**. It is very important, because an incentive milieu will arise only if the actors who meet in the new place would find such people and activities there, who and which give new ideas, help to carry out projects and a synergy is born among them. **If the filling of the building is accidental, giving a preference to sell the building for renters first, the probability of reaching a benefiting situation and an ideal constellation of renters is near to zero**. The feasibility study elaborated in the project may serve as a useful tool to do it successfully, since comparing the physical capacities and structure with the needs and possibilities can lead to an optimal utilisation concept.

It is also important that this concept and profile should meet the strategic objectives of the region. The introduction of the challenges of the global and European creative economy take a stress on the importance and success of our effort to set up a new creative capacity. It is likely that this action with its very conceptional and strategic way really plays a pilot rule in the region. It is evident that **calling the attention of the sectoral, decision-maker and social environment and make them**



understand the essence and the importance of regional strategy appears to be a hardworking effort. This is what we call an “information supply” in a theoretical language. It lasts probably much longer than carrying out the direct actions of the project. The success of the sample project is outstandingly important just in this approach: it indicates and proves in the practice what is written in the strategy.

To implement all the above things and running the system sustainable and developing, needs a **proactive and capable organisation**. This seems evident but -as a wide range of experiences show- is not easy in the practice, because the cost of the organisation is additive to the operational costs. Even if the action is carried out by a public organisation (i.e. local government) or an association of companies it is risky to finance the start and the further operation. In the case of a smaller building the number of renters and the total rental fee is limited. It may happen that the founders have to provide additional financial supply in a certain proportion. It is one of the aspects why the centre is stressed to organize a wide circle of creative actors and take part in selling their products and advertising them, setting up a wider association or taking part in tourism activities. These all help becoming sustainable and helping the actors at the same time. However, this is not a simple type of business but rather a mission, so, if the vision is clear, the help of the public and market background is designated to play an important role at least during the first years.

Why the marketing strategy received such a great importance within the project is, that it involves a wide range of conceptual actions which are expected to become effective as a comprehensive system.

In this approach the strategic objectives of implementing the pilot action are the following:

- Complete the planned developments in the project
- Generate a creative - business profile of the facility in accordance with the business of the neighbourhood and regional creative sector
- Organize actors in order to fill the building
- Set up a sustainable organisation to operate the building and the community of actors
- Elaborate a business and financial plan and organize the implementation
- Implement the marketing plan.

The Main Utilisation Characteristics of The Creative Scenes by Country

Croatia:

Lokve facility (pilot): research, educational and cultural centre (archaeology, culture and arts, educational programs)

Studena (2-nd scene): a thematic place to introduce roman military age

Financial plan: zero balance

Operation: a non-profit organisation will run

Marketing:

Tourism and young generations are the target groups in the regional and wider area

Digital marketing is to be used as main channel

Developing the business environment would happen through wide range cooperation with “everybody” (associations, enterprises, chambers, persons, institutions)



Time: 24 months

Germany:

The three properties studied are:

- Huthaus (original property from the project proposal) (former lead mine)
- Former animal waste plant
- Archive building Turmhofschacht

There was a hesitation on selecting the pilot place. Huthaus which was designated first, proved expensive to clean up from lead-pollution. Later they found financing and returned to this place as a pilot.

Pilot place: Huthaus

Second scene: Turmhofschacht

Timing: completion by 2020 (narrow time limit)

Utilisation concept: On the part of the creative people in the Freiberg region there is currently a need for club rooms, for example for the Kunstverein Freiberg e.V., or exhibition rooms which are also suitable for the sale of the works of art and workshop rooms for pottery works.

Hungary:

Komló (pilot): the pilot place acts as a library and heritage exhibition, the development directions are:

- electronic library, connection to large libraries
- digitalisation
- stronger presence on the Internet

The development in Komló: functional development, creating accessibility of the building for everybody

The development is financially assisted by this project and the local municipality.

Operation is run by the organisation of the local municipality, too.

Market positioning: network sub-centre function;

Target groups: children, people interested in city history, tourists, creative and innovative youngsters interested in culture

Channels: Internet + direct + connecting to network centres

Necessity of developing the business environment:

- accession to the Creative Industry Cluster
- an integration role on sub regional level
- timing: completion within the project deadline

Pécs, Angster factory (secondary place): it used to be an organ factory before the second world war, it has been abandoned for long.

Possible utilisations:

- hosting value chain



- integrating to the creative world of the region

Italy:

Pilot place:

The present project is inserted in a wider process of re-organisation of the historical centre supported by the local authority, which foresees the realization of a new scholastic and sports structure in order to improve the educational and cultural offer and the spaces dedicated to the community of Castello di Godego.

The basic operation is stabilizing the building against earthquakes.

- Development operations are:
 - realisation of separating walls;
 - adjustment of heat and electrical systems;
 - painting;
 - substitution window fixtures;
 - outside settings.
- The plan will transform the storehouse in a multifunctional building dedicated to the cultural activities of the Municipality and its associations. The local associations, the cultural events, the school of music, a space for the Museum of Prai can take place in the old storehouse and enhance the cultural scene.

Second scene:

Second scene is the rustic villa “Giusti Suman” has a base of 19 x 11,7 metres and is 8,40 metres high. The site is next to the main road that brings to the city centre. There is a lack in public transportation that stops only in the centre of the town. The entire site is 105 square meters, 27 for the ground floor, 78 for the first floor.

The restoration project clearly foresees the creation of five rooms within the rustic annex after the deadline. The destinations for them could be:

- Pro loco touristic information office
- Office for bike rent
- Storage for bike rent
- Exhibition and/or concert room
- Classes
- Co-working
- Rehearsals for music
- Rehearsal for theatre
- Meetings
- Literary café/bar
- Other



Slovenia:

Pilot place:

This place is integrated in a 5-piece group of buildings, the environment is characterized by CCI sector already.

Potential activities:

- protocol activities
- gastronomic events,
- “presentation room”
- salt making show-room

The building will be renovated by the end of the project. The financial background and the operation are guaranteed by the local government of Piran as owner.

After completion marketing and PR begins, done by Portorož Tourist Board as operator designated by the municipality

Plan for future: establishing a CCI Centre, which carries out marketing, organisation of cooperation, integration of CCI and related actors.

The sustainable development of the CCI requires a

- combination of marketing resources,
- programmes between providers of the same type

The place reaches the full operation within 5 years.

A.7. Basing the strategy of the regional creative industry

Organisational and operational basics

Forming Innovation and Creative Centres

It is obvious in almost each case that forming new innovation and creative centres that attract creative actors and their buyers, is relevant. None of the buildings would operate successfully without an active and energetic organisational background. In context with the ambitious goals which turn toward tourism, digital science and arts or info-communication, the natural partners are the neighbouring actors of such industries. Creative industry has been intensively developing all over the world, but to be on such a track, the centre must help the traditional and the new actors of the industry find common interest of the representatives of the different fields, such as cultural heritage, fine arts, modern digital visual technology actors, communication companies, etc. As a good example we can cite Wallonia and Brussels where a relatively small but incentive regional environment may stir up a multi-profile economic network. At first site we can notice that innovation is buzzing them but at second it emerges that culture, arts are also outstandingly important there and they operate in a symbiosis with other innovation fields, especially with creative businesses. Sometimes it is difficult to find the borders since creative arts represent a smooth interface. The creativity of the cultural heritage actors goes hand in hand with the creative explorers of the local nature, creatives of the modern visual industries and that of the different fields of science. There is a very narrow niche between scientific and economic innovation and creative cultures and new creative industries, and it leads to one of the more quickly developing and highest life-standard regions. Even if the basis is narrow somewhere else it is feasible to set up



centres where representatives of culture, creativity and innovation may interact and freely initiate new ideas of the meeting areas.

Creating Common, Cooperative E-Commerce and Communication Bases

In our days it has been a major element of business to be present on the Internet-based commerce and communication networks. It is extremely important in such cases when the seller can physically reach a limited mass of buyers. To run a business represents a certain minimum level of costs on human capital and infrastructure side, so a critical mass of buyers must be available to be self-sustaining. It is even so if we speak of a partly of fully public-financed service.

In general, those creative actors who are strong enough to run a minimal organisation with one or some full-time jobs and a separate infrastructure, operate a living home page. It is rare that they sell their services and products on the Internet because most of such actors represent a kind of cultural heritage which may be difficultly marketed on an electric shop. They must be linked to existing market-type businesses, such as tourism or to regularly and densely visited wide profile homepages to reach a wished number of visitors.

As earlier mentioned, the sector consists of a great number of part-time-operating businesses who produce or serve besides a different main job. It means that they gratify their creativity as a hobby which arrears partly as a business. The turnover does not cover a separate and regularly freshened homepage or an e-shop. The certain knowledge and experience are missing; furthermore, the turnover does not cover the expense of an external service provider, too. If there is a regional aim to start a development among these actors, it seems unavoidable to initiate the grouping of them to certain cooperation and linking to already operating communication channels. Why communication is important that they must be supplied with information, e-commerce knowledge and they need to get experience that proves motivating success. On the other hand, they must appear and be active on professional and social sites and must become known and wanted. On social sites they can appear personally but, advertising individually on professional ones is too expensive for some.

As a second step, both groups of the above introduced creative actors must connect to some kinds of **common selling platforms**. In our days the creative sphere, especially physical artisan or art products and software or Internet based services can be sold on a wider geographical area, crossing the national borders. In Europe, it has been natural already to sell on multi-language surfaces⁷ and international selling has become independent from the locality. However, the procedure, the technics, the operation and the marketing on electric sites that reach a mass of buyers in more countries are rather expensive. We can say, too expensive and knowledge-claiming for most actors. It must not mean that their products and services do not appear there, but they need to form selling communities and apply special service providers to connect and successfully sustain on the selling surfaces.⁸

⁷ As a good example the most successful musical instrument seller of Europe and one of that of the world is seated in a sub-village of a village in Germany

⁸ As an example, Amazon has been expanding on the European market, being present with the products there represents a market advantage, but, for individual producers it may be much easier, quicker and effective to base on specialist to step on and operate there.



Partnership, cooperation and network

Cooperation and interaction of the creative industry with other sectors

The development and technology trends of the global industry and economy show more and more interactions between the scientific and industrial branches. It is based on the accelerating development of them which lets the recognition and carrying out of earlier uncommon or at first site impossible solutions. The development of electronics plays a connecting rule between them. This may be the massive background of the accelerating development and growth of the creative sector. This is, why it may be important to set up communication, common thinking, brainstorm, interactions with different actors of other sectors. The connecting keywords are creativity and innovation. It is rather unique in every case, depending on who the possible cooperating actors and workshops are.

One of the most general problems -due to the lack of experiences- is the absence of basic knowledge on how to operate this new, diverging sector among rapidly growing and speeding environment. This is a kind of information -weakness on one hand, which characterizes both the producer and the management sphere. It is also coupling with the lack of motivation, sometimes.

First, changing this situation needs **special and concentrated education** which may be provided by the universities and several kinds of knowledge-centres, generally available in the neighbourhood. The physical nearness of these centres is not an excluding criterion, since the scientific and practical knowledge is general. However, a well-operating neighbourhood between the certain region and the local educational institute holds the possibility of focusing on the necessary professions and subjects of local importance and may develop to a strategic cooperation of bilateral interest. This may add a synergic surplus to the development of both sides.

It's also very important to **connect to the ICT sector** because this is one field of the creative sector which represents the quickest and day-to-day more diversified, profitable market. ICT penetrates every field of the scientific, artistic, business, knowledge and everyday life. Some of these directions tend towards cultural and intellectual areas, which are near to the conventional cultural-creative fields. (Films, advertising, electronic plays, new tools of learning and practicing art technics, creating 3D phantasy and real worlds, etc.) It is the task of the existing, presently unprofitable or publicly financed conventional cultural-creative sector to initiate the connection and bring new ideas, product-ideas, development directions with the ICT because they are facing a huge end diverse demand, and in this period our sector must stand the competition of the good offers of other sectors. Meeting fashions and attractive styles, the good pairing of the good ideas and the target groups may be decisive factors in achieving successful and sustainable developing partnerships.

Also, **service sector, especially tourism-organizers** open a possibility of attracting numerous tourists in the area through connecting with music and film sector. A better organized cooperation with them provides a wider attraction-supply on the tourism side and a higher mass of visitors and buyers on the creative side. Communication, advertising and digital marketing are potential development partners, too.

Design and crafts creative subsector should look for partners in **manufacturing industry** in a search for raw material providers. They can also provide services as material-processing providers, preparatory work, finishing work providers.

Trade and logistics sectors offer a possibility for product and service placement on the market for each one of the creative subsectors. It seems easy sometimes to sell small quantities of products, however selling internet-surfaces become more and more sophisticated. It may be stated that in this sector the conventional approach of marketing technics becomes more and more outdated, due to the fact, that a sophisticated electronic software provides real-time information on every



important factor of the selling. Even questionnaires are spread and tested on the Internet today. Instead of a very expensive conventional market-research, daily handling of the selling surfaces may affect.

This sector may provide house-to house transport, the big Internet- markets (i.e. Amazon) offer stockpiling. This claims some investment and special knowledge on the producer side, too. To be able to provide the capital of stepping onto these surfaces and operating the everyday selling on them, the small actors are recommended to form selling groups and finding special service providers. Those consultants and selling-operators who have the necessary knowledge and experience, will make a pre-market-analysis before investing, make market-tests to find the proper market-groups and the search-keywords, etc.

Cooperation within the creative sector between the actors/ groups of actors

It is important to focus on the possibilities of **cooperation between the actors of the area** in very similar product circles within the regional creative sector. Some of the present actors operate in cooperating groups. If not, they may be sorted to nearly homogeneous groups. (**Horizontal cooperation**). A **vertical cooperation** may be if we found possibilities to set up value chains when the activity of the actors builds upon each other. Furthermore, one Project Partner plans to set up a **diagonal cooperation system** in order to step in the direction a of value-chains, what is worth considerable in all regions.

The **benefits of forming cooperation groups** may be the following: a higher value added, an easier informing, a better supply of material, informatics and infrastructure, an easier reach of the actors and their products, a common, more effective marketing and selling and an easier technical development. The kinds of groups and cooperation with them depend on the local specifics.

The inner cooperation of the sector can lead to a better recognition and satisfaction of consumer needs. In that sense, museum and library subsector; arts; architecture; music and film subsector can conduct a cooperation by **turning the buildings of those subsectors into places of interdisciplinary activities where activities of each of the subsectors will take place**. (example: in museums: housing movie projections, exhibitions, book activities and various shows). Also, design and craft subsectors can conduct cooperation by connecting through manufacture. Mutual recognition of the subsectors may lead to new findings, products, services and innovations.

Production, selling and business environment

Possibilities to set up creative industry-focused value chains (supplier-producer-dealer chain or system or network or community

Value chains, product groups may be set up, which provide a more **featured face** to the regional creative industry. This face may add a strong input content and may increase the effect of the marketing. (But only if the groups of producers and their marketing is harmonized.)

Global industrial and economic development trends show that there is intense interaction and cooperation among various scientific and industrial sectors, which were separated before. This is based on an accelerating development, which allows the recognition and implementation of previously unconventional or impossible solutions. Electronics and informatics play the role of connecting link among them. This can become the engine for the accelerating development of creative industry. This is the factor due to which we need communication among sectors, common thinking, brainstorming, collaborations. **The linking keywords are innovation and creativity.**



In the regions of the Partners, the creative sector exists with a strong cultural tradition. The sector is weakly linked to the contemporary trends and, in development aspect, is completely separate from the rapidly evolving and internationally successful ICT industry. ***Interconnecting the cultural-creative sector with ICT can release significant development energies.*** Similarly, the ***relationship between the tourism industry and the creative industry*** is not ideal, either. The tourism sector claims organising and promoting the existing and newly developed attractions into strong tourism products. In the framework of product development, tourism management and tourism industry could extract a lot of energy from a collaboration with the creative sector, which could reach a broader market and would serve as an environment of inspiration.

Cooperation within the creative sector is also deficient, and actors try to stay on the market in individualistic ways. Resource efficiency could be improved in terms of product development, infrastructure, acquisition of expensive skills, software procurement, technology acquisition, joint market actions, and internet sales. In order to improve the willingness to cooperate, a first step is to raise awareness on interest and benefits. In this area, clusters of the creative industry and craft are the organisations primarily having some space for action.

By establishing cooperation between the subsectors of the creative industry, as well as cooperation with stakeholders in other economic activities, the door is open to link them to value chain and involving them in the core activities that are being undertaken in order to place products and services on the market. Those activities are reflected through inbound logistics, operations (manufacturing), outbound logistics and marketing & sales. The possible way of creating the value chain may be recognised in establishing inter-sector connectivity and a direct supply line of resources between creative industry and manufacturing industry. Also, there is a need of connecting other creative industry subsectors with electronic media and advertising subsectors and, as well, with entities engaged in retail and wholesale activities in order to ensure final distribution of products and services towards customers.

Effective marketing system of the creative sector

There have been even new approaches of the ***marketing mix*** nowadays. Whichever marketing base (4P-s, 5P-s, 7P-s or 4C-s) we use, it must reflect a complete strategic approach with vision, long and middle term objectives.

Achieving success claims ***drawing the attention of young and creative people and businesspersons.*** It's also important to ***call the IT- ITC sector's actors and hubs to cooperate*** and to run up the creative sector and, connect actors to the tourism sector to valorise up the cultural and creative heritage and values. All these need a targeted PR activity. However, first, the action must begin inside the sector to ***raise the awareness of the actors*** to recognise the benefits of cooperation and value chains.

Innovation-, creativity- and knowledge- awareness turns the sector to the trademark of the region. Innovative and creative environment provides perspective to young people, sustainability for settlements.

On the base of the several points of view we may set up the next system of objectives (same as the strategic objectives):

Vision:

The CCI sector develops on the existing cultural and business base and becomes a pull-sector of the strategy-related regional area.

Strategic objectives:

- Valorisation of the cultural and academic heritage on the creative market



- Stimulation of developing a supporting and cooperating environment
- Develop information supply and business knowledge, call attention for the importance of cooperation and networking
- Integrate the sector to the business-driven economy

Market trends, niches, expected changes, risks of the market and possible reactions

On the base of the regional objectives, a different sort of specific measurements applies in different regions. Over against general objectives which are quite general, the measurements are better be local-specific, however, in a general strategy we may chose mostly adequate, overall measurements which need to be detailed and specified by the appliers.

As a completion of the strategy a possible version of a measurement plan is introduced in the next table. The approach of the measurement structure is to reorganise the creative sector to a market direction threw mainly knowledge, information, communication and cooperation and network base.

| MEASUREMENT PLAN OF REACHING THE STRATEGIC OBJECTIVES | | | | | |
|---|---|---|--|---|---|
| No. | MEASUREMENTS | Midterm Objective | Midterm Objective | Midterm Objective | Midterm Objective |
| | Flow Management | Valorisation of the cultural and academic heritage on the creative market | Stimulation of developing a supporting and cooperating environment | Develop information supply and business knowledge, call attention for the importance of cooperation and networking | Integrate the sector to the business-driven economy |
| 1. | Set up a management- and work-organisation | A survey and competitiveness assessment of the offer of the cultural- creative market of the region | Build connection network with info-communication providers, areal and local authorities, civil platforms and companies, broad-range effective entities and institutions, other influencers | On the base of the assessment carried out under Objective 1. elaborate a PR program to reach and inform the inner actors of the sector. Purposes: 1. Become aware of their marketing and selling methods, lack of information and knowledge; 2. Set up a communication network 3. Organise regular information supply threw electronic surfaces, personal meetings | Organise and offer favourable infrastructure, financial and knowledge-assistance circumstances for cooperation between the conventional (culture-based) and the market-oriented actors |
| 2. | Set up a detailed measurement plan or work plan | Finding linking points to well marketed products, service providers and market-organizers | Assess and compare the relating national and local ruling, initiate changes, beneficial for the sector (legal, taxational, subvention-type, organisational etc.) | Set up cooperation with professional information- and knowledge-providers. Organise e-learning and personal learning forms on the next subjects (with creative sector specialities): Management Marketing, with a weight on e-business | Organise events and channels for helping the actors of the public-based and the profit-motivated actors and platforms to meet and recognise the values of each other. Motivate the public sector-financed managements to turn to market-driven product- and |



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|----|---|--|---|---|---|
| | | | | <p>Cooperating business techniques and platforms</p> <p>Creating and adapting innovative elements in product-development and technology (using new tools, techniques and suppliers/subcontractors).</p> <p>Create short and longer lasting learning frames.</p> | service-development directions |
| 3. | Set up a resource plan for sustaining organisation and operation of measurements | Placing the products into more attractive marketing context, i.e. packing them into complex touristic products or well-known attractions | Set up a communication - sponsorship- lobby- strategy | Organise or boost clusters, platforms, hubs; attract new actors from inside and outside the sector. Organise it with the purpose of creating portfolios of actors for horizontal, vertical and diagonal cooperation, and innovation - generating platform | Take efforts to motivate the actors for using e-commerce channels. Offer proper services for the actors to learn the technics and to contract professional service-providers on e-commerce. Initiate and assist to form selling-cooperation, so to reduce the costs and risk. |
| 4. | Set up a cooperation-development plan for the inner actors of the sector (cluster, hub, incubator...) | Setting up a marketing program to show the offer, and form regional brand | | Elaborate and carry out the conditions of physical meeting-points and operation platforms, such as incubator-houses, innovation centres and creative hubs to offer the beneficial infrastructure of effective work and cooperation. Organise regular communication platform for the actors. | Conduct the profile of incubator-houses, hubs, creative and innovation-centres so that they move to the direction of the market-trends. |



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| 5. | Set up a network-development plan with outside entities | | | | |
|----|---|--|--|--|--|

