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NATIONAL BASELINE SURVEY REPORTS

POLAND-SWEDEN-ITALY-LATVIA

**Existing business and
audience development
models applied by
alternative creative
places located on
sparsely populated
areas.**



Baseline survey report including recommendations for the subsequent pilot work.

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Introduction

About the project

This baseline survey report summarises and analyses information gathered during the qualitative and quantitative research process. The aim of the research was mapping the existing business models applied by the alternative (independent) cultural and creative entities operating on sparsely populated areas, outside of big city centres.

The research was being realised as the first stage of the 27 months long, European project entitled CHANGE CREATORS. Innovative business models for the non-urban creative sectors". The project was co-financed by the European Union in the frames of the Creative Europe Programme. It is being realised by four entities supporting the creative sector from Poland, Italy, Latvia and Sweden.

The main aim of the project is to contribute to innovation, sustainability and resilience of the alternative cultural and creative places located in the sparsely populated areas through discovering, testing and introducing new business models and audience development models. The assumption is that those models might be then replicated and used by a wide range of arts and cultural creators active in non-urban, sparsely populated areas throughout Europe.

The direct target group of the project include:

- Owners, managers, workers, co-workers, members and volunteers running local, alternative cultural and creative places in sparsely populated areas, with special focus on those supporting crafts and craftsmen.
- Present and potential audience of such places, including their present and potential clients.

By "alternative cultural & creative places" the Partnership means:

- Those not financed mostly (60%) and constantly by public funds (excluding local/national/European grants awarded on the basis of taking part in open calls for proposals/tenders);
- Those outside large/medium cities (located in "sparsely populated areas").
- Those having management independent from any central, regional or local government body.

The understanding of "sparsely populated areas" differs between the involved countries; it is reflected in each of the national reports.

Another important term for the project are "Co-creative activities" understood as creative, participatory activities, organised in the cultural/artistic/national heritage sector, that bring together various people: Of various social backgrounds, various age, gender, culture, tradition, nationality..., usually outside of each other's direct social networks.

The purpose of the research phase was to collect information and insights about the creative organisations/businesses active in sparsely populated, non-urban areas in Europe. The data were collected, first of all, in 4 partnering, European countries: Poland, Sweden, Italy and Latvia. The findings are now being analysed in order to try to create a better understanding of the sector and some general recommendations for improvement/strengthening the sector on the European level, without losing any of its core values, rather enhance them.

After the research phase, there will be two pilot cases initiated in each country. As an effect, the partnership will offer training programmes and business/organisation development services dedicated to non-urban, creative entities.

Methodology

The mapping was made through 10 in-depth, semi-structured interviews with 10 organisations in each of the four participating countries. We interviewed a representative from each organisation. The interviews were complemented with an on-line survey reaching a larger group of respondents.

The interviews were based on the Business model canvas (BMC) talking through the different parts of their business model. As qualitative interviews the flow of the conversation also shed light on important aspects that were outside of the BMC. Through dialog we got a more thorough understanding of their history, current conditions, values, strengths and challenges. The interviews and on-line survey contained inquiries about audience development and effects of the covid pandemic.

To put the information in context we have made a brief survey of official policy documents and other relevant documents regarding the cultural sector in each country.

The information gathered has been analysed and documented in this report.

Differences to consider

The entities interviewed in each country all fit within the designated category of the project but due to national differences there is a variety between the countries. The organisations interviewed in Sweden have mainly had a focus on contemporary art. From Latvia, Italy and Poland there is more focus on cultural heritage and also one-person companies have been interviewed. Even though the groups have differed, there are several recurring properties of the respondents and recurring conclusions from the four surveys.

Working with “culture” has a slightly different connotation between the four countries. Culture can either mean local heritage within many different subjects such as food, craft, folklore or cultivation. It can also mean working within the arts with contemporary art, dance, music etc. The four countries have slightly different interpretations of this due to historical and cultural differences.

The landscape and dispersion of population differ between the four countries in this project. A village that is considered small in one country is rather large in another. Historic parcelization of land and development of the countryside differ. We have therefore included a short definition of “sparsely populated area” in each national report.

Common patterns between the four countries

Even though we interviewed fairly different entities within the category of creative, cultural businesses in sparsely populated areas, our findings are surprisingly similar. There are many recurring characteristics and conclusions between the four countries surveyed.

Values created throughout Europe

The entities we have interviewed describe how their activities create a sense of belonging within the local communities, as well as keep the place active and interesting. It strengthens the social fabric of the area. Many of our respondents contribute to preserving cultural traditions. Through their work they transfer knowledge and skills to other members of society in order to preserve them for future generations. They become pillars of identity connecting residents to their heritage and creating a shared pride in their local culture.

Their presence, activities and cooperations promote economic growth in rural or semi-rural communities. They create jobs in small villages where the labour market is usually narrow. They attract visitors that also creates a ripple effect for the benefit of related businesses of hospitality, transportation, tourism etc in the area. For the local residents they provide and realise value, building value based communities, enhancing the overall quality of life. The appreciation shown by visitors and guests creates a sense of pride and appreciation of the local resources.

Characteristics of the business models, strengths and challenges

The sector of creative and cultural businesses and organisations have characteristics that differ from other sectors. We have seen that their values are more important to them than profit. The driving forces thus contain creating authentic quality, sharing skills, caring for cultural heritage and the local community.

The main strength is the dedicated people involved. They are engaged and motivated. They bring their passion and create quality. A lot of the work is done by volunteers or simply un-paid by staff or members of the organisations. They are often forced to have a second job to secure income. One of the main challenges is therefore the limited time and energy of the people involved. Due to the limited funds they often need to be very broad in their professions. The same person needs to do marketing, administrative work, as well as creating and providing various activities.

The entities have an emphasis on partnerships and relationships. A lot of the marketing is done by word of mouth, visitors or previous customers becoming ambassadors of the business. It is an important strength which relies on the quality of their offer. During the pandemic we saw that it is vulnerable to such disruptions.

For the businesses and organisations in this sector, long term planning is important. They often rely on regional funding. Overall the funding is often project based and too short term.

The covid pandemic had serious consequences for the sector. The survey result shows that a majority of the respondents have recovered at this point but many are still struggling. We can see that the flow of visitors has decreased or changed. People want to go on outings in smaller groups.

Good practices and recommendations

From both our on-line survey and the interviews we see that audience development is an important area to strengthen. Good practices include public involvement and co-creation.

Another area to improve is the financial situation with larger funds or tax reduction and more long term support. Independence through owning their own space would be important for their development.

More collaboration between artisans and better cooperation with the local authorities would strengthen the entities.

Poland

1. Abstract /Summary

This baseline survey report summarises and analyses information gathered during the qualitative and quantitative research process. The aim of the research was mapping the existing business models applied by the alternative (independent) cultural and creative entities operating on sparsely populated areas, outside of big city centres. In Poland the biggest group of the research participants represent civil society organisations, followed by micro-businesses.

The report pictures the values delivered by these entities to the local communities, the way they are organised and the way they build and develop relationships with the audiences. It casts a light on the strengths of these entities and the recurring challenges and development potential. It also addresses the repercussions of the Covid-19 pandemic in the UE. Last but not least, it concludes the external support needed by the creative, sparsely populated areas located entities to develop and flourish.

2. Understanding of the “sparsely populated area”

The sparsely populated areas in Poland are understood mostly as the rural areas, as defined in the Polish Rural Areas Development Programme. The rural areas in Poland are defined as those inhabited by less than 20 000 people, both towns and villages. These are so called rural communes and urban-rural communes.

3. The value created by creative, cultural businesses/organisations in the countryside

Creating jobs, enabling raising professional qualifications and gaining first professional experiences.

In small towns/villages, the labour market is usually narrow. Vigorous organisations and creative enterprises are expanding this market. Several survey respondents create permanent and temporary jobs in the creative/cultural sector and jobs supporting the sector (cleaning, repairs, etc.). Most of the respondents offer a space for volunteers - where it is possible to acquire/develop competences and gain first professional experience.

Animating the local community and building a sense of pride in the "little homeland".

The locals see interest, delight in the eyes of visitors. They experience popularity, interest, recognition of the places where they live. The promotion of the region's events and resources is often done in a non-standard way that attracts media attention - and so are the events organised. The place becomes recognizable. This creates a sense of pride and appreciation of the local resources. The majority of the respondents are open to cooperation and involvement of local residents. The quality of life and well-being increases; the socio-cultural needs can be satisfied in the hometown/village.

Promotion of the region, its traditions and culture in Poland and beyond.

Most of the interview participants strongly rely on the resources of the town/village and the

region in which they operate: Local history and tradition, intangible cultural heritage, natural and landscape resources, geographical location. The activities they organise are rooted in these resources. In this way, they contribute to preserving the local heritage, passing it on to the next generations and developing heritage by supporting its new patterns and forms.

At the same time, they prove that it is also possible to earn money and to build a professional career on such resources. They promote their towns/villages and their resources in

Poland - and beyond - by cooperating with foreign partners and promoting their products abroad.

Providing and realising values, building values based communities.

All the interview respondents described their organisations and enterprises as values based. They easily name the values delivered for the members of the organisations. They are also aware that the values are also delivered for the benefit of the guests, audiences, visitors, recipients and clients.

Lifelong learning.

Vast majority of the research respondents also realise educational activities. Most of them are cyclical and occasional workshops.

Uniqueness and passion.

People who create creative places, their passion, ideas – bring an additional value (also in terms of marketing). More and more customers are searching for products/services based on values. The creatives hear that they are "authentic in their activities" from their audiences.

4. How they are organised, their business model and how they connect

4.1 Recurring patterns and conclusions

Both the online research respondents and the interview respondents represent civil society organisations¹ (CSOs) or businesses: sole entrepreneurships and micro-firms (employing less than 10 persons).

All of the interviewees represent **grassroots, bottom - up entities**, a kind of an authorship project, driven by a strong leader/strong leaders – usually being also the idea-giver(s) for the initiative. Their management is independent from any central, regional or local government bodies.

The **prevailing creative activities are in the fields of organising cultural events, community development through art and culture, crafts, handicraft and art wares and tourism**; still many of the entities work multidisciplinary. Both the CSOs and businesses usually combine arts/culture/creativity field with educational activities, lifelong learning.

¹ (i.e. association, foundation, social cooperative, social enterprise, etc., non-profit and not-for profit)

Although working in similar fields and having a lot of similarities, there are also differences – the creative entities are working various cycles, various forms, various dynamics and workload over the year. Most of them have a constant team in place and work more-less regularly; some have teams dispersed all over Poland (and beyond) meeting and concentrating forces before the core events; the sole entrepreneurs do most of the work themselves all year round.

All the analysed entities **need to "earn money"**. For the businesses the main source of revenue is selling products and services. This is also the case of civil society organisations that, additionally, apply for grants/co-financing and cooperate with volunteers to run the activities. Most of the CSOs use multiple sources of co-financing: local/regional/national/European; few of them – also private co-funding, as donations, sponsoring and 1,5% tax deductions for having the public benefit organisation status.

Most of the work is being done by the owner/management, supported by members, employees and volunteers. Family members help and support is common. Vast majority of the online research respondents operate more than 5 years. Among the interviewees – more of them operate more than 10 years.

Sustainability/long-term continuation is being considered in planning where possible by around 45% of the respondents; 24% answers this is only sometimes possible to be realised – depends finances or target group. For 17% sustainability and long-term continuation is the top priority. The reason may lay in unstable sources of financing activities – based – for most of the CSOs – on projects.

All the interview respondents declare to have – and would like to keep - the **multiple revenue streams**. The main revenue stream wished for is the statutory paid/business activity. It is believed it would bring more regularity, stability, predictability of income – allowing planning investments and development.

Having your own space is a value, gives independence and freedom. Most of the interviewees have such a space; those who don't have – lounge for it/plans to arrange one. Most of the responders underlie the driving force for their activities is passion; the CSOs declare to be able to organise their events with minimal costs and voluntarily – if needed.

In many villages and small towns, still, working in the creative profession is rare and undervalued. Being an "artist" doesn't sound good. *"Aha, so you don't have a real job"* one of the respondents tends to hear from the kids participating in her workshops.

Being located in the village/small town is perceived as an asset by most of the interviewees. It supports the uniqueness of the place. The fact that the audience needs to make some effort to get there results in having engaged the audience, truly interested in the offer of the entity.

Among the interviewees, most of them, starting the activity, brought completely new value and new kind of offer to their localities; were pioneers in their fields. Several of them still have no/little competition in what they do in their village/town.

The event's organisers use external, online platforms to sell tickets; the service/product can be also bought in the headquarters and online. In terms of administration, external accounting services prevail. All the other paperwork is done by one or more designated persons – usually the board members in CSOs and the owner of the business. Marketing, advertising and promotion is realised through social media, a network of proven collaborators, word of mouth marketing, referrals, recommendation.

The customer services are usually delivered by the owner/management members; sometimes by a designated person but more often – flexibly, by all the members of the team of organisers. The contact channels are varied. The customers/audience are defined rather through their values and interests than an "objective" indicator such as age, gender, profession.

Participatory management combined with strong leadership characterises the management. For most of the interviewees, the main resource are the people: the members, staff, volunteers, sometimes family members. Engaged, motivated, value-driven.

Local and regional, cross-sectoral partnerships are important for all the interviewed entities; most of them consciously and putting effort to it builds long-term relationships and cooperation networks. The entities are quite aware about the benefits brought by their partners but also can name the benefits their partners receive.

All in all, each of the entities seem to have its own, unique "bubble" – smaller or bigger, wider or narrower – but stable, well rooted – both in the physical and virtual world (social media) – built from the recurring audiences, permanent associates and partners. The challenge is to go beyond this "bubble".

Vast majority of the research participants (around 90%) assess they **know their audience very well or well**. They can tell who their customers/audience/visitors are, how many are there in each group nowadays. They interact, take care to maintain and improve relationships with the core customers/audience/visitors – constantly learning about their needs and expectations.

What is interesting, quite few of the analysed entities run some formal procedure of collecting data about their audience. Information about the audience comes, first of all, from informal, direct contacts and personal meetings with the audience/recipients/guests/clients representatives. The second most popular source of information is monitoring the comments in social media.

Only several of the respondents run a formalised, structured evaluation of the events. Few also collects registration forms, where some questions on the profile of the participant would be included. Also the audience needs analysis is done informally, and by the few.

Among the online respondents, 31% always provide the space and platforms for the customers/audience/visitors to give feedback on their experience with the entity; 45% do it in many situations, 10% do it sometimes and 14% rarely. Among the interviewees – again – personal contacts and social media are the main platforms for receiving feedback; it is asked for informally.

For most of the interview respondents the audience is also the inspiration for the product and/or service development. Several choses the independence of the artistic choices, focusing on their authorship ideas and projects though, building the uniqueness of the product/service this way.

4.2 The 10 stories – the interviewed organisations and businesses

4.2.1. Entity 1, PL.

An association located in the South-East of Poland, Podkarpackie Voivodeship, operating in a village having about 41 inhabitants. The main art form: Community development through arts and culture. Non-profit.

The Association is the "baby" of a folk festival, first 2 years organized informally. Registered in 2013. The festival remains the association's flagship event. One of the motivations for action is to draw attention to the Polish countryside, village traditions and culture, ethnological research in this field.

The entity combines research, educational and cultural activities, acting multidisciplinary, in the fields of music, literature, crafts, touristic, creative events organizing. The folk festival has a different theme each year; encourages numerous partners to co-create it. Revolution in the way the organization operates came with the involvement in humanitarian aid on the Polish-Ukrainian border. Virtual office was established, run by the enrolled director; the activities are being re-organised and structured.

Among the strengths, the most significant are: the possibility to remain independent and authentic in their choices, due to having most of the resources to run the flagship event, engaged audience and extensive network of permanent associates.

Among the challenges, the most significant are being a dispersed organization, whose members are spread all around Poland, acting ad hoc in the association, and a lack of financial stability.

The main resources are the people, including the network, and social media base/presence. Intellectual resource is the cooperation with a strong group of translators and a literary publishing house as well as with academics; physical - own space and equipment. Local brands – both organisations, businesses and artists - are being supported by giving them space to promote themselves and sell products at the festival. The brand of the festival empowers local producers and service providers. The sense of solidarity is often reflected in the donations made for the organisation's statutory objectives realisation.

Uniqueness of the service lies in authenticity and ideas behind: multiculturalism, multi-ethnicity, traditional culture. The audience choose them because of respect for the nature, tradition, local heritage, care for the roots. The audience is defined as looking for non-standard, non-mass offer, something "with atmosphere". It represents large cross-section of professions, is age varied. Around half of the festival audience comes back - for the atmosphere, to the "festival family". Interacting with the audience happens mainly through social media, active all year round and participating in other events during the year, including participation in other festivals. They are working actively on acquiring new audience. There are several recognisable ambassadors of the festival.

The main source of income is the festival – organized as the statutory paid activity, accompanied by the co-funding within projects and whip-rounds. The intention is to maintain the diversity of income; setting up a social enterprise or starting a business activity is being considered. The most significant costs are the salaries of employees. The most important and the biggest costs are related to the festival: renting additional infrastructure, music equipment, technical service, etc.

4.2.2. Entity 2, PL.

An association located in the South of Poland, Silesian Voivodeship, operating in a village about 2.300 inhabitants. Main art form: Community development through arts and culture. Non-profit.

The history of the Association began in 2011 by founding an informal group researching the genealogy of the local noble family. The association was registered in 2012.

The biggest strength are the people co-creating the place. What also helps is sharing resources within a strong network of partners, recurring clients and diversified sources of income. The biggest challenge: Keeping the members and local community engaged and feeling ownership of the place/organisation.

Beginning from 2016, the Association manages the culture centre located in the village. The idea is to run a place managed by the local community. The team is working multidisciplinary in the field of local heritage, local culture, traditions, identity and community development. One of the key activities are cyclical, regular meetings with the senior citizens to gather stories, documents, testimonies about the local history – as the bearers of the traditions and memories.

The main resource of the organization are the engaged people. The strong material asset is own space - the castle, the park around, equipped offices, rooms, kitchen equipment. The partnerships are cross-sectoral, including public, private and non-governmental bodies. Values realised for the members include local heritage discovering and keeping, creating possibilities of realising passions. Value for the community is a place, where there is happening a lot offering living in a community where socio-cultural needs can be met.

The association is connected with two other entities: social cooperative and a culture house. There was an agreement reached among them that all are working for the common brand rather than 3 separate brands of the specific entities. Two main segments of the receivers/audience are the local community and the guests/visitors/audience - participants of workshops and events from the surrounding municipalities and cities. Word "clients" is used in relation to the social cooperative only. Multiple channels to reach the receivers are used, the most important one is personal contacts. It is assessed that around 80% of the receivers come back – either as audience/guests/visitors or as clients.

Revenue streams include co-financed projects, statutory paid activity, tax deductions, donations and membership fees. For now the main revenue stream are the projects. The main revenue wished for: statutory paid activity. Most significant/important and biggest are the merits costs of activities: salaries, specialists fees, promotional materials, publications, upgrading competences, etc.

4.2.3. Entity 3, PL.

Artistic studio located in Eastern Poland, Lubelskie Voivodeship, operating in a small town having about 14.400 inhabitants. Main art form: Crafts, Handicraft and art wares. For profit. Entrepreneur (sole proprietor/self-employed).

The entrepreneur grew up in a small village; there was "nothing to do". She has observed her grandmother, who was a folk artist. Started to learn from her. After moving to nearby city, she became contributing to the local cultural life and cooperation with a culture-field association – for which she run her first handicrafts workshops. In 2012 she founded own business activity. Her studio is located next to her house. Self-taught person, without formal artistic education, constantly raises and improves her qualifications, learns new techniques.

The entrepreneur runs handicrafts workshops and makes handicraft. In addition, she runs the administration of the local association and may be hired to run organization and administration of local events and festivals.

Among the strengths are passion and attention to the satisfaction of the participants and buyers. Involvement in co-funded projects (as the handicrafts educator) diversified the sources of income and brought some financial stability to the business.

Among the challenges and risks are necessity to keep her offer visible and reaching to new clients and the need for bigger and better quality own working space.

In terms of resources, "objects from the environment" are considered - that can be processed/reworked/decorated. Financial resources are earned money. She does not employ other people, although there are plans to do so. Main physical resource is a small studio near the house (8m²), space around the studio and number of small equipment and devices for work.

The partners are local association she co-creates and cooperates with, the organisers of the local and thematic festivals, local government units commissioning work. Uniqueness relates to the fact that in a small town there is little competition to run handicrafts classes. The customers choose her offer because it is available and versatile. Words chosen to describe the audience are diverse: participants (workshops); partners (organizations and institutions); recipients/audience (scrapbooking blog); customers (buyers of handicraft products). Most of the customers come from the area. Most are women. They come back for the quality services and products. There are both individual and institutional clients. Relations with recipients are rather durable, customers often come back. During cyclical workshops, lasting relationships are built - which translates into further partnership cooperation, support, exchange.

That the entity is, in fact, values based, was discovered by the interviewee during the interview. The value is that the entity is built on passion, own interests of the founder.

The sources of income are the workshops, sale of handicraft products and the organization and administration of events. The main source of income is running the workshops. Sustaining the diversity of income sources is wished for. Self-employment costs (social security fees), purchase of materials, travel costs, accounting, upgrading competences are the most significant costs. The most important cost is accounting. The largest - the costs of the compulsory social security contributions.

4.2.4. Entity 4, PL.

Micro-enterprise located in South of Poland, Silesian Voivodeship, operating in a village having about 1.400 inhabitants. Industry form: Crafts, Handicraft and art wares. For profit.

The company was established in 2007 and from the beginning it has been dealing exclusively with the production of wooden products. The main part of the offered assortment consists of high-quality solid wood products (chairs, tables, etc.) The company also produces, as a subcontractor, elements that are semi-finished furniture, as well as ready-made furniture, for larger entities in the furniture industry. The main recipients are individual and medium-sized companies from the southern subregion of the Silesian Voivodeship.

The biggest strengths relate to the flexibility, experience, modern machine park and unique design of own products as well as offering a good value for money.

The biggest challenges relate to the wish for creating own products and developing own sales channels, developing sales skills, creating and strengthening the brand image, development of own patented and unique flagship products and diversification of the income streams.

The main resources are many years of experience in the production of wooden products; material stocks of high-quality wood, long-term contract (as the subcontractor), own infrastructural facilities (production hall with woodworking machines), developing new services using modern IT technologies. The production is environmentally friendly, includes waste management and efficient heating systems. Investing in sustainable production is continued. Long-term cooperation with a leading company on the furniture market is the main partnership relation. This partnership is perceived both as the strength and the weakness of the company.

The value is named just for the “externals”, and it is based on the quality, individual approach and openness for experimenting: The products are made of very good quality solid wood (oak); individual, "tailor-made" orders with individual valuations are carried out, the company creates own projects. Values realised for the community include supporting the local community by subsidizing local initiatives.

The orders come mainly from a specific, large company, but they also have a large group of individual clients. The owner is responsible for the customer relations. The customers recommend further the products and services; regular customers are offered discounts. The offer is available through the website, internet portals and social media; promoted through leaflets, participation in trade fairs and design shops.

The main revenue streams are sales of furniture and components for the furniture. The entrepreneurs are applying for and are able to obtain subsidies for business development. The most significant costs include electricity, raw material - wood, public and legal fees (taxes and fees, etc.).

4.2.5. Entity 5, PL.

An association and social cooperative located in the South-West Poland, Opolskie Voivodeship, operating in a small town having about 3.400 inhabitants. Main Industry/art forms: Tourism/Cultural events. Non-profit and not-for profit (association) and for-profit (the social cooperative).

The Association was founded in 2012. Since there was a need to run business activity – the association founded the social cooperative. It was based on interest in the historical potential of the region, combining supporting crafts and agrotourism, building touristic offer and networking of touristic services.

The biggest strength: Knowledge how to cooperate, being conciliatory, flexible; able to change trade forms when necessary; being multi-taskers.

The most important challenges: There is a lack of a high level training on creating a brand of an innovative tourist product, integration of tourist products. What is more, for the moment the association has no own place/space to create a tourist product (there is a suitable building with land, but the cost of credit at the moment exceeds the possibilities of the organization).

The association runs the local touristic information point and a shop with the local crafts and preserves – gathering several local brands under one signboard. The cooperative runs a kindergarten, provides touristic services (tourism of experiences based on the local history and cultural heritage, local culinary traditions and the Slavs cultural heritage); runs networking in the field of tourism; provides culinary services (catering) and educational services (teambuilding, other workshops).

There is an accountant employed and a person responsible for the staff and payments. The cooperative employs 10 people under an employment contract. The cooperating contractors are local producers, craftsmen, preserves producers, culinary products providers, etc. There is also cooperation with external experts - archaeology, apitherapy; cooperation with the University of Opole (history), sharing experience on building social cooperatives.

Financial resources come from the sales of products and services; from grants for the implementation of local and regional projects; fees for the implementation of public tasks.

Physical resources are rented local (kindergarten, kitchen); 2 own small wooden cottages – an office and a shop; a car and kitchen equipment.

The association earned many partners at local and regional level; public, private; non-governmental. A network of suppliers of tourist services and products in the area is being built. Uniqueness of services and products lies in the activities based on love for the city; offering alternative tourist services - tourism of experiences. Value realized for the cooperative/association lies in contributing to the development of the hometown. Values delivered to the community: Making the town a place where "there is so much going on".

Words chosen to describe the audience: guests, recipients. Service recipients are monitored and talked to. Interaction with recipients and guests takes place during workshops, events and fairs/markets. Informal, non-formal relations with people from all over Poland are being built. Ratio of regulars to new customers and visitors is roughly 50/50%. The recipients/guests come back for relationships, the innovative approach to tourist services -

the opportunity to experience something new. Multiple channels and forms of promotion are used to reach the recipients.

The main source of income for the moment is running the kindergarten. The main desired source of income: gastronomy and "tourism product". The most significant and most important costs are the costs of wages, utilities (electricity, water) and groceries. The most important are the salary costs and the costs of renting premises (kindergarten, kitchen). The biggest are the energy costs.

4.2.6. Entity 6, PL.

Ceramic studio located in the South of Poland, Silesian Voivodeship, operating in a village having around 5.400 inhabitants. Trade/art form: Crafts, Handicraft and art wares. For profit. Entrepreneur (sole proprietor/self-employed).

The enterprise was established in 2012. After graduating, she came back to the home village. She wanted to create "her own things". She started in her parents' garage. Currently has her own studio.

Most important strength: she was the only one in the area with this kind of activity, she became a trailblazer; currently has a long experience as the art educator.

The most important challenges: rising prices - costs of doing business. She fears of raising the prices of the products and services - *"you can live without these products"*.

The owner organizes and conducts ceramics and drawing workshops. The second area of activity is the design and production of utility ceramics. She runs an online store selling her products. The owner herself handles the sale of the workshops and the sale of products both in the studio, during fairs and events, and online. Customer support is provided by the owner, through direct contact - in the studio, by e-mail, by phone, during events, etc.

The main resource is the owner herself. Education gives a sense of security. The other important one is own studio close to home, no need to rent or commute to work. Equipment – she has gathered what is necessary. Financial resources come from earnings. Intellectual resource is formal art education; additional courses and training; artistic search and "own discoveries".

Among the partners are other local organisations; cooperation with two local shops is planned. During the workshops, people develop themselves through creation, find peace, disconnecting from everyday life. In addition - relationships are being built (longer cyclical workshops). "I can do something" - builds children's self-confidence, the ability to find themselves in different situations and in a group.

Participants/customers choose these services/products because they give them the opportunity to develop; they may realize the need to buy a unique product at a good price. Value pursued for the entrepreneur are satisfaction. She considered hiring someone - but she *"want to imprint her fingers on each product"*. The value is that she can sign under what

she does 100%. Value for the participant/client: Possibility to make something nice on ones and a sense of pride "I do what I need myself".

Chosen word to define the audience is a conscious customer. The entrepreneur doesn't run any systematised clients' statistics, but she recognises main groups of clients well. Both for workshops and products – these are rather customers from larger cities. She treats clients individually. She listens to the customers' needs and wishes and if she wants and needs to realise it - she does. Some customers come back, but rather occasionally, at intervals.

The income comes from selling the ceramics and workshops. The main source of income are the workshops. The main revenue stream wished for is selling the utility ceramics and artistic ceramics. The most significant costs used to generate the purchase of needed equipment. The most important and the biggest costs are the materials to work and maintaining the studio.

4.2.7. Entity 7, PL.

Modern art gallery located in the South-Eastern Poland, Podkarpackie Voivodeship, operating in a small village having about 270 inhabitants. Art form: Visual Arts /Sculpture/Installations. Non formal, private activity, with no legal personality. Non-profit.

The gallery – as an exposition space – started operating in 2012, in a former farm bought and renovated by the founder, in a small village. The background was personal interest in modern art; personal contacts in the artistic society and cooperation at organising artistic actions.

The bigger strength is independence. The biggest challenge: Continuing what he's doing and inviting better and better artists.

The activities include running modern art gallery; organising modern art exhibitions and open-air painting sessions. What is more, educational activity – arts workshop for the school kids, usually related to the current exhibition. Privately – the owner is also an art collector.

The exhibition always is a co-creation between the owner and the invited artist. The costs of organising the exhibitions are shared between the owner and the artist. The artist receives no remuneration. The concept and choice of the artist is made by the owner. There are no sales; visiting exhibitions is free of charge.

There are no employees; the wife helps with marketing and promotion; there are 2 profiles in the social media – of the owner and the gallery; some local person helps with technical issues. There are contacts established among the regional and national media which are perceived as ambassadors of the gallery. The invitations to the vernissage are always personal and individual, sent directly by the owner.

The main resource are the people who co-create the gallery; the network; the relations (with the artists, art critics and other people from the art world, cooperants – the volunteers). The other important resource is own space and earned and developed brand and reputation of the gallery. The partners are first the people: the network; the social group. Media, artists,

bohemia – private persons cooperating and co-creating the gallery's activities. Benefits of cooperation for the gallery: building a community that is the basis of the gallery's existence. Benefits for partners – artists: the satisfaction of creating something together in a place they can identify with, the prestige of the gallery.

Unique is the place and the programme, high-level art available in a little village. The owner reacts to what is happening around – presents art that comments the reality. The viewers preferences do not affect the programme; the owner doesn't compromise on his artistic choices; the recipients learned to understand and respect it.

The entity is value based. Value delivered for the owner: Satisfaction, participation in the artistic process; influencing this process; presenting high level art. Value delivered for the local community: Availability of the high-level art in the village.

The word chosen to name the audience: art recipients. "*You have to make an effort to reach here*" means that non-accidental people appear in the gallery. There are no „customers“, since the gallery doesn't sell art. Around 50 persons tend to attend a vernissage. A recurring network of receivers/contributors. The network/society meets regularly at the events (vernissages). Most of the recipients of art come back.

The activities are based on own financing; private resources of the owner and his wife. The owner considers formalisation of the status of the gallery to be able to obtain external funds, but he does not really want an “institution” either, he is afraid of losing his independence. The costs of organising exhibitions are the ones most significant. Most important and the biggest costs: The maintenance of the building where the exhibition hall is. The necessity to invest own finances in the activity is assessed neutral; it is a personal decision.

4.2.8. Entity 8, PL.

An agrotourism and accommodation space located in the South of Poland, Małopolskie Voivodeship, operating in a village having around 450 inhabitants. Industry/art form: Tourism + Visual Arts /Sculpture/Installations. For profit.

The owner “inherited” the space (a farm, an orchard) and the tradition of hosting people from former generations of the family. She creates the place for 20 years now. She is a professional artist, the space is perceived as an art object, where she expresses herself as an artist; makes it available for other artists and other people. The guests are invited to join, get inspired, contribute to the creation – or just get some rest, if they chose so.

The biggest strength in the eyes of the owner is being an inspiration for the persons “from outside”. Self-fulfilment both as a person and as an artist.

The biggest challenge: How to become more widely known, how to communicate with the wider world, be more present in the social media.

The activities include running agritourism – accommodation and renting of the space for educational activities, artistic purposes, events, celebrations, exhibitions, etc – all year

round. Educational activity being run both by the owner and external entities. At the moment there is no "permanent offer"; the offer is being created on an ongoing basis. At the farm fruit-farming is being run; home-made preserves, honey and herbs are offered to the guests.

Administration/marketing/sales/customer support is realised by the owner. One person helps at running the social media profiles. The resource is the owner herself and the whole family arrangement, the place itself, the nature. Financial resources based on earning on rent and credits. There are no additional employees; there are people to help, volunteers.

Open project and artistic concept "Acres of Art" is realised - a concept for a specific, geographical place of 5 acres, where the artist creates her own sculptures, installations, and events. Visiting artists from various fields of art may contribute. All the guests can use/experience the art space, adding something from themselves.

The partners are the regular, returning customers, for ex. yoga schools; business companies training employees; artists who create/organize events. The place benefits from each of these cooperation in a different way, in general: they help financially (ensuring a certain financial stability), they inspire. The partners also benefit from this cooperation in various ways, multidimensional, e.g., they earn money, get inspiration, change something for themselves. Uniqueness of the place/service and the reason why the guests choose the service are intimacy, honesty, the multi-generational hosting family. A "non-hotel" experience is offered.

The word chosen to describe the receivers of the services: *"It has always been guests"*. The owner does not collect or systematize data on guests; the offer does not target any specific group of customers. A wide spectrum of "types" of guests, resulting from a wide offer, is recognised. Relations and contacts with guests are handled by the owner. There is a large group of customers who return regularly. The owner believes that *"people return to people"* - to her, to her family, to the atmosphere.

The marketing channels are the recommendations of the satisfied guests, social media. The offer is present on a more niche/alternative portal presenting selected places of rest run by enthusiasts. The ambassadors of the place are often the people from the art world who stay there.

The main sources of income are tourism (guests) and ecological cultivation of the orchard. Main source of income wished for: *"I wish this place was so well-known that I would have 100% occupancy in agritourism"*. The most significant costs, at the same time the most important and the biggest ones: renovations and paying for utilities (electricity, water, etc.).

4.2.9. Entity 9, PL.

A foundation located in the South of Poland, Silesian Voivodeship, in a village having about 3500 inhabitants. Trade/art form: Crafts, Handicraft and art wares. Non-profit and for profit. The Foundation runs business activity (for-profit) as part of its activities.

The Foundation was founded in 2018; the private museum started operating in 2019 in the home village of the founder. The background was own interests in the local, traditional art

craft – lace making, passion and idea, but also understanding the uniqueness of the craft, anticipating its marketing value.

The biggest strength is the fact the brand is already present on the market, "Going out" with the craft from the village to was achieved (to the region, whole Poland, Europe, the world). Being based on the tradition, cultural value and integrating the local community offer additional value for the customers.

The biggest challenge is the fact that crafts products are still not perceived as a business product; the "human factor", individual, transparent approach to the cooperation with the craftswomen and ensuring finances for further development.

The Foundation runs a private museum, including a shop with art crafts and educational activity – workshops, presentations. Runs wide and varied promotion of the local art crafts and the local cultural heritage. Things happen there all year round. All what's in the local surrounding is perceived as a resource – and is being somehow employed to the promotion of the local craft. The main resource is the tradition, the local art craft and the skills of the local craft women. What is more, the nature, the landscape, the tradition to wear the local attire, local music, and even the personality of the local people. The private museum is located in an old fire station building. The founder bought it specifically for this purpose, and it has been refurbished and adapted to the needs of the activities.

The entity cooperates, first of all, locally and regionally – both with the public, non-governmental and business sector; including the local craftswomen and craftsmen. What makes the products and services unique is the founder's talent for business development. In addition, creating a place for "institutionalized purchase" of local handicrafts - where it is possible to buy, where the products have prices and description, where you can get a receipt/invoice, where the online order will be prepared, packed, and sent.

The entity is value based on honesty, respect for tradition, respect for the crafts people, working for their benefit, not only for profit. The value delivered for the founder is personal fulfilment, satisfaction. The local residents are proud to have a lace centre "at home"; recognizability (of the place and local tradition); the possibility of earning "from home".

Words chosen to describe the audience: guests - for the museum visitors and those purchasing in the local on-site crafts shop; clients – for those buying the products online; participants – for taking part in the workshops. Additional group mentioned are the local inhabitants – perceived/named as co-organisers for various activities. The customer segments are well recognised and named; the specificity of each group is recognised. The owner herself is responsible for relations with clients/participants/guests. The Centre is being supported by a number of "brand" ambassadors - local artists, but also local hotels - promoting the Centre; funders - supporting them financially; the media are perceived as the ambassadors. Customers often come back, thanks to an individual approach.

The potential customers/guests/participants are being reached multiple ways. Promotional materials/leaflets are regularly distributed in the regional institutions and accommodation/touristic places. Conscious selection of events where lace is presented

(mainly events dedicated to this topic) and conscious selection of places where it is being presented (where “it will be liked”). The customer sets the trend for a new product. If the new product is made for an individual order, and the new product happens to be interesting and liked by the others - it is being included in the offer.

Social media, the webpage, articles on various internet portals relating to various contexts of the use of the lace – daily media, arts, fashion - are being published. Numerous non-typical, creative initiatives are being undertaken: Thanks to the efforts of the founder, the local lace, as the first intangible heritage in Poland, obtained a Geographical Indication, awarded by the Patent Office of the Republic of Poland (2022). The founder has twice initiated the making of the largest lace doily in the world: in 2013 submitted one to the Guinness Book of Records, the other was entered in the Polish Book of Records in 2022. The doily was then presented at the temporary exhibition of the Silesian Voivodeship at the largest Trade Fair of the World EXPO 2020 in Dubai. In 2018 the lace made in the village decorated one of the outfits designed by well-known Japanese fashion designer at the Paris Fashion Week 2018. The founder has also established her own fashion brand, under which clothes and accessories made with lace are sold.

The main sources of income for now are the grants on the local, regional, national level, and income brought by the business activity. The main revenue stream wished for is keep acquiring grants and increase of the sales in the internet shop. The most significant costs are the maintenance of the building where the Centre has its premises, including the loan costs. The most important – and the biggest costs are: the building, the loan costs, the employees.

4.2.10. Entity 10, PL.

An association located in the South of Poland, Silesian Voivodeship, operating in a small town having about 33.000 inhabitants. Art form: Film. Non-profit and for profit. The Foundation runs business activity (for-profit) as part of its activities.

The Association was founded in 1999 in the Cieszyn border city, divided into two parts: Polish and Czech. The idea behind was “fighting the border” which divided the city and the families living there but also the need of learning about the neighbours. The 1st film review displayed 11 Czech films in 1 cinema. In 2023 there were over 140 films presented (Polish, Czech, Slovak and Hungarian) in 6 locations, both sides of the border, and around 200 guests from the film world (actors, directors, movie crew members, etc.) and lots of visitors present.

The biggest strength: Being able to work all year round, organising and preparing the flagship event.

The bigger challenge: Finances. Lack of significant sponsors. Current politics.

Activities in the field of culture, including the biggest, annual event: The Cinema on the Border film review, which is the largest review of films from Poland, the Czech Republic and Slovakia. Hungarian cinema tends also to be present. This is the only film event that has been taking place in one city, but on both sides of the border. Film screenings are

accompanied by concerts, exhibitions, discussions, literary meetings and meetings with artists, as well as workshops.

The association employs a whole staff on one-off contracts: programme and organisational directors, coordinators, an accountant, office staff for participants, journalists and guests. A PR and promotion group is also established and many more. Social media is run by the director with the support of an additional person. The sale and distribution of tickets and accreditations is carried out via the Internet and on site, at the festival office, run with the support of volunteers. The financial resources are public regional/local, national and European funding; private funding (sponsoring by companies – non-satisfactory at the moment). The entity generates its own capital (sale of accreditations, tickets). Around 100 volunteers support the event. Human resources are the Polish – Czech team, the core are the same persons for years. People living in other cities and working elsewhere – working at the event is an additional activity for them. Intellectual resource is the film catalogue, all the debates and meetings with the guests; additionally – literary meetings.

Sustainable, long-term partnerships, both on the Polish and Czech side were built; the recent years – also from Slovakia. Local, regional and national level; public and private; including media patronages. These partnerships benefit the entity and the event since they support at the organisation and promotion of the event, support at the merits level, support financially (grants, discounts for lending spaces and equipment). The benefits for the partners are cross border promotion of the national culture (film, literature); realisation of the statutory goals; promoting the town and the region (very high AVE, advertising value equivalency).

The event is unique since it is happening at the borderland. It includes both a good programme and a time and space for having fun, socialise, meet the others, talk... This is why the participants and guests are coming. Both to itself, and to the community, the entity/event delivers values such as: Openness to the other person and openness to culture; freedom; friendship; solidarity.

The words chosen to describe the audience: participants and guests. Information about the guests (audience) is being gathered and analysed. The biggest group of participants are young adults, 25-35 years old, living in the big cities in Poland. A significant group consists of "faithful" participants, participating in the event regularly, for years.

The programme is not being shaped based on the likes/dislikes of the participants; it is an author's programme. The interactions with the guests happen via multiple channels: e-mails, communicators, phone, personal meetings. Relations are maintained mostly via social media and personal contacts. Many of the guests come back every year. They were there during the pandemic. They come back because of the atmosphere, the borderland climate, the programme. The ambassadors of the event are the film-field artists participating in the event, who often come back, publicly talk about the event. Also the guests are recommending the event to the others.

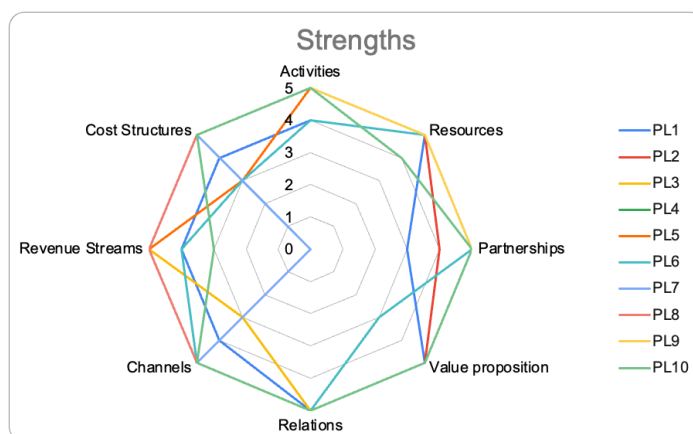
The main sources of income for now are the grants (on the local, regional, national level), tickets, some sponsors. The main revenue stream wished for are the sponsors from the business sector (the best – one big sponsor). The most significant costs are: Translations of

the films and uploading the subtitles; the film licences; the hotels (accommodation of the guests and the team) and the rent of equipment (turning some spaces, not being cinemas, into cinema rooms). The most important and the biggest costs are the film subtitles translations (Polish to Czech and Czech. And Slovak – to Polish).

5. The strengths of these organisations/businesses

The biggest strength of the creative entities, supporting their activities and development are the **audience/guests/recipients/customers relations**. The word “customer” is quite rarely used in relation to the audience.

The driving force behind the activities and the main resource are **the people – members, volunteers, workers, co-workers, the network**. **Owning a space to work** (long-term lending in one case) is seen as a strong asset, bringing independence and a kind of self-sufficiency. Other strengths are **flexibility and creativity as well as having a wide offer**, adding “something extra” on top of the service/product – being embedded in local history/traditions/heritage. Significant strengths are the **long-term, quality and sustainable partnerships and the network**. These are contributing to the resilience of those places.



Environmental responsibility is important for most of them and being implemented in practice. Related values are shared by the core audiences – and passed to the newcomers.

For some of the analysed entities **the main strengths** are, at the same time, perceived as the **main risks/challenges**.

Village/small town specific strengths: Stronger personal relations, shorter distance between the people – both physical and in relations (“the village mayor is my neighbour”); bigger power of social influence, more attention to local history and traditions.

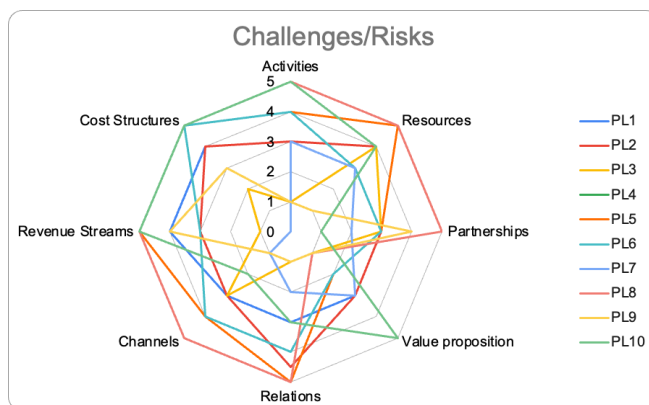
6. The challenges they face, risks and potential for development

The biggest challenge of the creative entities, hindering their activities and development is the **costs’ structure**, followed by the related areas of **revenue streams and resources**.

Common for all is the lack of financial stability. In terms of resources, what is common is the fact that **there is too much work done by too few people** (businesses- the owner; at CSOs – by the core team – management/employees – if there are any). For the CSOs it is quite typical to be involved “after hours” and earning a living elsewhere – the activities are done ad hoc, with a **lot of voluntary work**.

Common challenge also is **reaching new audiences/recipients/clients and maintaining the regular visitors and events participants**. The entities are very good at keeping personal relations with the core, recurring audience. The challenge is to reach the “wider world”. Social media are seen as an important/useful/effective tool – but the challenge is to find time/skilled people to run them.

A paradox for several: too much work for just one person vs “having my fingerprints on every item” attitude of the core founders/owners. Strong feeling of the “authorship” of the initiative, expressed need/preference to keep the “independence”, reluctance to let “people from the outside” in – even if they could support the entity’s development. These are the personal choices of the leaders of the several interviewed entities, accepting the related development limitations.



In terms of **resources** – the **village/small town specific challenges emerge**: For most of the respondents – it is a challenge to find competent and engaged workers and co-workers in a village/small town, combined with the stereotypical perception of the artistic/creative professions.

Another paradox seems to be the fact that most of the audience of the vast majority of the interviewees of the events organised in small towns/villages comes from... nearby big towns. The local people are few. If it is the case of the lack of traditions in participating in artistic/cultural activities or differences in social/economic/cultural capital – could be questioned.

7. Effects of the Covid pandemic

51,7% of the respondents (15) choose the answer that the entity he/she represents has already fully recovered after the Covid-19 pandemic; 27,6 % (8) answered it didn't fully recover yet; 27% didn't know (6). Concerning the impact of the pandemic on the analysed entities:

What has changed for the better? Many mention **acquiring skills related to working online and learning to work "paperless"**, like improving the webpage, arranging a user-friendly online tickets booking system, **making part of the offer available also online** – which made it available to a broader audience, gaining new communication channels. Some mention increased ability to quickly adapt to new market requirements, rise in flexibility.

For some, **the bonds with the audience became stronger**; fewer participants brought higher quality of the relations. Many entities received support from private persons and especially – from the core audiences. The pandemic also brought **additional time to re-think the activities and the needed changes** and “sort out the paperwork”, time for re-organising the way of work; time for taking care of the workers.

What has changed for the worse? During the pandemic, **not being able to organise live events negatively impacted the budgets** of the entities and weakened the relations of some groups of the audiences. **Part of the audience fell away, some events were "covered with dust", abandoned and are "hard to come back to"**. Changing the character of some events in the direction of not all accepting. Some needed to resign from a successful part of the activities, durably limiting employment. Fewer clients, fewer workshops and events participants, the fact people buy less is still being noticed by several respondents. Some of the respondents mentioned that people want to go out, want to meet at the workshops still – more noticed quite an opposite: the reluctance to go out, visibly less involvement of people, less willingness to engage in social activities.

8. Good practices and success stories

What works best at the analysed entities, are the following, interrelated areas:

- Audience relations. Knowing the audience well.
- Individual approach to the clients/guests/recipients.
- Finding an own niche (uniqueness) + going beyond it (to widen the market).
- Partnerships, cooperation and sharing resources.
- Flat management structure, co-responsibility and co-creation.
- Authenticity.
- Taking care about transparency and openness, both within the organisation and in relation to the audiences and partners.
- Wide, complementary range of services, accompanied with sales of products.
- Involvement in "projects" (additional revenue stream bringing some financial stability).
- Combining creative activities with lifelong learning.
- Taking care of multiple revenue streams.
- Work to appreciate handicrafts; building an understanding of "where this price comes from" – by offering the crafts workshops.

9. Tendencies in national and regional policies

There were several documents analysed, both on the national and regional level (see the references). As a summary:

The Responsible Development Strategy for Poland identifies:

Challenges - decreasing number of young people; ageing workforce of the cultural operators, the need for innovation, the need to increase the range of activities for the seniors and to increase profitability in the sector.

Fields of development: creativity as a factor increasing the level of cooperation, communication, social participation, cultural potential; supporting social development, citizens' influence on the state, value-based attitudes.

Plans: designing a creative industries friendly tax system; a new system of promoting Polish culture abroad; changes in the education to improve the level of innovation and encourage creativity; creativity as a key to being able to adapt to constant changes in the economy.

The National Reconstruction Plan mentions cultural small and medium enterprises require increased availability of investment capital; more investment in eco-infrastructure;

diversification of activities and upgrading competencies of the cultural/creative sector workers. A loan scheme is envisaged to strengthen the potential for economic development of the cultural and creative industries.

Cultural policy and support for the creative industries is implemented through various grant programmes at local, regional and national (and EU) levels, incl. scholarships for individuals. The aim is to enhance the networking process with the construction, science, business, design, digital, environmental sectors. Centralisation of cultural policy is evident.

The central Rural Development Strategy mentions strengthening identity, sense of community and intergenerational ties through participation in culture; digitisation; support for research in the field of rural culture; development of creativity as a key competence; smart villages using digital communication technologies and innovation; creating new business relationships and contributing to a sustainable life quality in rural areas. The creative industries are seen as a resource that increases rural resilience and develops alternative sources of income in the countryside.

A trend is that politicians prefer to support mainly the development of cultural infrastructure as a visible sign of their action and success. Strategic assumptions are best implemented at the level of municipalities and local entities and by the voivodeships' governments. National policies implement ad hoc measures and are dependent on the political situation.

Capacity building for the creative sector is linked to the building and development of social capital; enhancement of the quality of public space; strengthening of educational services and cultural education through culture.

10. What support from outside could strengthen this type of organisations

What would support the creative entities active on sparsely populated areas are any actions that would:

- Stabilise the sources of income. Including more transparency in the local/regional/national call for proposals, support at finding and building cooperation with the sponsors, diversifying the revenue sources.
- Helping at reaching to new audiences/recipients/guests/clients – beyond the networks already built; at finding new market "niches".
- Supporting the entities by buying their products and services by the institutional clients, both from the public and business sector (for ex. as gifts promoting the region, workshops for the employees, etc.) – this way also promotes their offer.
- Improve the general sales and marketing skills needed for building and sustaining the position on the market; supporting building and strengthening the local brands and promoting their offer.
- Specific, individualised training and advisory in the areas needed by the specific creative entities (for ex. building a touristic product).
- Openness of all the entities on the market (public, business and civil society organisations) for searching for and building synergies with the creative sector, building cross-sectoral partnerships and sharing resources.

The support factors are all interconnected.

11. About using the business model canvas for the alternative cultural sector

The Business Canvas Model (BCM) turned out to be quite relevant for the creative sector entities operating on sparsely populated areas. The questions seem to cover all the dimensions of functioning of those entities.

Only one area – the revenue streams – turned out not relevant for one of the entities – private, non-formal and not-for profit, financed entirely from the private sources of the founder.

The most difficult for the interviewees was to assess ranks (0 – 5) to the strengths and challenges/risks named for all the 8 analysed areas (i.e. activities, resources, partnerships, value propositions, customer relationships and channels, costs, revenues). It may be guessed it was the first time during the interview when the respondents tried to evaluate their undertakings this way.

The BCM model seems to be a good tool for reflection, opening and inspiring thinking about how to further develop the organisations and businesses. It brings lots of knowledge about each of the 8 areas of the functioning of the creative entities.

12. Recommendations for the next step in the project.

The next step of the project is the experimenting phase, trying out "doing things differently" with the involvement of the two associated partners in Poland. The aim is to develop the best business model for each of the entities, increasing its sustainability, financial stability and developing audience relationships. This work will be done with the support of the external experts offered by the partner organisations realising the project.

Undoubtedly, the specificity of each entity and the context it operates in need to be taken into account. The strengths and the risks/challenges areas further analysed. All the team of the organisations need to be somehow involved, including the audience representatives. Mapping and involving the key external, local stakeholders is essential, since it brings the opportunity to strengthen synergies on the local level. Good practices and success stories from other spaces may be considered as an inspiration, tried out and adapted.

The success of this phase will relate to the openness and involvement of all the key stakeholders involved.

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2. Strategia Rozwoju Województwa „MAŁOPOLSKA 2030”, Kraków, grudzień 2020 r.:
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Local level:

Chosen Local Activity Groups (Lokalne Grupy Działania) active in Poland.

Sweden

1. Abstract /Summary

The project Change Creators aims to strengthen self organised creative and cultural organisations in the countryside. This is the first phase of the project where we have, through in-depth interviews, mapped out the business models of 10 organisations in each participating country. We have combined the interviews with an online survey reaching a larger group of respondents.

In Sweden we can see that these organisations create values for the local community and society at large. They create a sense of belonging and quality of life for people involved.

The strengths of these organisations are relations, networking, creating art and value. The challenges include not getting recognized by local authorities, too small and short term financial support, not owning their estate or the limited time and strength of people as a lot of the work is done unpaid. The covid pandemic had severe consequences for many organisations.

2. Understanding of “sparsely populated area”

In Sweden, there are a few different definitions of sparsely populated and rural areas. In this project we have chosen to work with a definition based on the Swedish Agency for Agriculture's study "All about the country" and the database “Regional Balance, commuting patterns and population density”. The classifications relevant for this project include “rural area” and “sparsely populated rural area”

- Metropolitan areas: municipalities where 100 percent of the population belong to the category Urban areas or rural areas near urban areas. These municipalities are only found in the metropolitan regions of Stockholm, Gothenburg and Malmö.
- Urban areas: municipalities with a population of at least 30,000 and/or where the largest town has at least 25,000 inhabitants.
- Rural areas: municipalities that are not included in the previous two classifications and which at the same time have a population density of at least five inhabitants per km².
- Sparsely populated rural areas: municipalities that are not included in the other three classifications and that have a population of less than five inhabitants per km².

3. The value created by creative, cultural businesses/organisations in the countryside

Culture and art create context and community. They are meaningful to people and an important part of societal development.

In rural areas, it becomes especially evident that culture has a society-strengthening attribute as it leads to increased migration to previously depopulated areas, reduced exclusion, and improved quality of life. The artistic perspective can highlight societal challenges and contribute to democratic discussion.

The organisations interviewed in Sweden are either explicitly working on place development through culture, such as Dals Långed's Development Council or Röstånga Tillsammans, or art operations where the primary purpose is something else—like creating production spaces for art—but which have effects like increased local attractiveness, important societal conversations, enhanced community, and life quality.

For an accurate analysis of these organisations, we need to expand what is typically included in a business model, such as the Business Model Canvas, to consider the values created in a larger context that includes effects on local communities and society as a whole.

According to Professor PierLuigi Sacco, culture underpins the social and economic life of the entire society and creates innovation. In Fyrbodal's study on creative force fields, we can read the following: "...culture can attract human capital, businesses, and external investments. But according to Sacco, culture actually has an even larger role in this context—indeed, it can create a socially favourable environment for the production and dissemination of information, ideas, and positive attitudes towards change. **In a nutshell; culture can be a very powerful precondition for sustainable and lasting innovation.**"

The organisations interviewed in Sweden account for a significant part of the production sites for public art. In these clusters of artists, they strengthen each other, share facilities and equipment, and enable collective visitor activities in rural areas. Together they offer hundreds of residency places where professional artists can find peace to deepen their artistry. For the individual artist or cultural worker, these clusters are of great importance and thus for the entire industry.

4. How they are organised, their business model and how they connect

4.1 Recurring patterns and conclusions

In the Swedish part of the mapping we have interviewed organisations that are communities of artists, bigger centres for art and culture in the Swedish countryside, not individual artists or other one-person cultural businesses. We have also interviewed a couple of organisations that work with community development through art, cultural events and other activities.

In common for all the organisations interviewed is that the members do a lot of unpaid work, volunteering. They have good networks and good relations, locally, regionally and for most of them also nationally and internationally.

None of them work with an aim to make profit. Income is a means to create content and to cover expenses. All the organisations we have interviewed have public funding, mostly by applying for funds for specific projects. Also more general funding for creating cultural content that the municipality benefits from, or state funding.

Their marketing is through webpages, social media, newsletter etc but the most important marketing is done by visitors and members by word of mouth. From the answers in the on-line survey most (around 85%) had a good or very good knowledge about their audience/customers. Mostly through personal contact.

The organisations generally have a flat hierarchy even if a few members can be more active in running it.

The driving force for these organisations is generally to create good art or set up good conditions for art to be created, healthy communities, discussing societal development etc. They create genuine, unique content from their context and their passions.

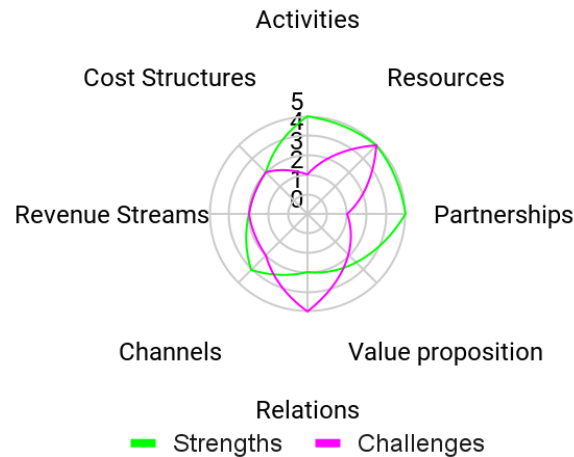
4.2 The interviewed organisations

S1

An association operating in a village with about 360 inhabitants.

S1 has both an economic and a non-profit organisation with a board and a management team of four people sharing one full-time position. The organisation has around 70 members and has been in existence for 20 years, located in an old industrial building in a rural area. The core activity is providing production spaces for art and crafts. They also have extensive visitor operations with approximately 25,000 visitors per year. The organisation has multiple local, regional, national, and international collaboration partners.

S1



The organisation rents spaces for collective workshops, cafes, stores, offices, and art exhibitions. They recently purchased a nearby property in need of renovation, which will eventually house workshops and studios.

All projects, events, and workshop developments are initiated by the members. Work like managing the store, workshop maintenance, the park, and events is divided into workgroups composed of members who mostly contribute on a volunteer basis. In addition to these workgroups, they have communal workdays.

The organisation has strong resources in its members, who are engaged, curious, and possess extensive expertise across a wide range of professions and skills. While the number of members has grown, the paid management team has had the same amount of work time for an extended period. The facilities are not in top condition, but members improve and use them frugally. In many ways, they operate a large venture on a very modest budget.

While visitor operations can create certain expectations, it is crucial for the organisation to prioritise its core activity of production spaces for art and focus on the driving forces that made them choose this location and operation. Among the visitors, many are recurring and also become ambassadors for the visitor destination. The visitor season is during the summer months.

Revenue comes from project funds, rental income, store commissions, voluntary entrance fees at exhibitions, and operational support from the municipality and region as they help execute a strategic cultural mission. Costs go towards staff, facilities, project implementation, electricity, and rents.

S2

An association operating in a village with about 720 inhabitants.

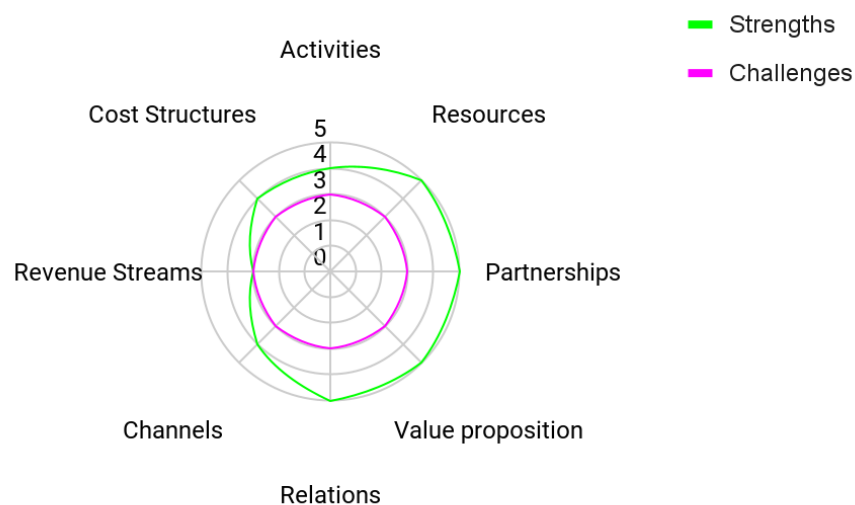
S2 operates primarily as a collective workshop within the legal structure of a non-profit organisation. It also has a sister organisation, an economic association that owns the property where the non-profit resides. Multiple associations rent parts of the building. The core activity of S2 is providing production spaces for artists. They also offer courses, host exhibitions and residencies, and rent apartments to practitioners. They're part of a national network of collective workshops, attracting artists from across the country. Their stone workshop has been designated a national interest, and their print press is another significant resource. Staff responsible for the workshops, janitorial services, and office work share just over a full-time position. The large organisation operates on a very tight budget, and much of the work is done voluntarily.

S2 is situated in a coastal environment that many find attractive, featuring both mountains and the sea. Like most similar rural operations, visitor season is in the summer. **They are also active in the local social scene, which enriches the artists and serves as a crucial aspect for attracting new members and residents to the area.** Currently, they have over 350 members and are member-governed.

They maintain a website, social media, advertisements, and printed materials. They have an established audience and recurring events. They see potential for growth in marketing and are currently reviewing their strategy.

While skilled at running projects and residencies, the organisation could benefit from thinking outside the box concerning revenue and expenses. The area has affluent seasonal residents, but high housing prices make it challenging for young artists to move there. The organisation relies on local members to maintain operations and needs rejuvenation to stay active.

S2



S3

An association operating in a town with about 8090 inhabitants.

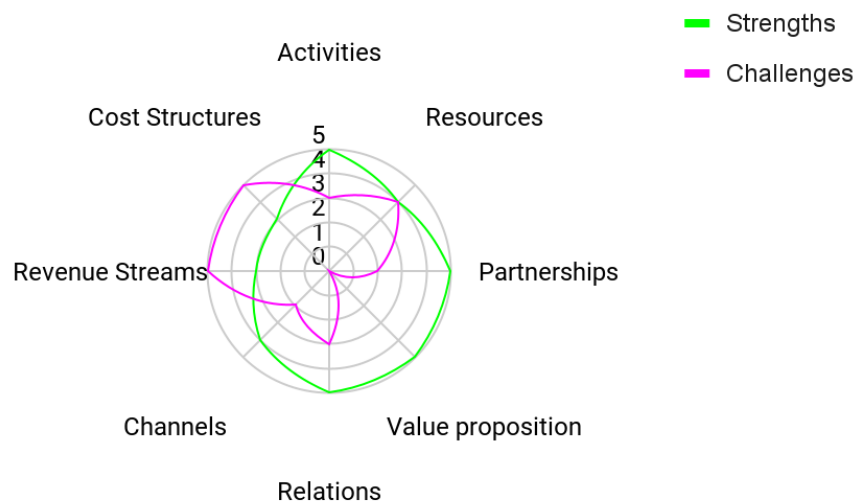
S3 is a self-organised creative and cultural centre focusing on visual arts in a small town with a rural location. It consists of three legal entities: two non-profit organisations and a profit-limited company. Membership in S3 gives access to both associations. One board handles exhibitions while the other oversees all other operations, including personnel and the company. They offer production spaces for art, studios, workshops, and residencies, along with courses, lectures, artist talks, exhibitions, activities for children and the elderly, project platforms, and an outdoor gallery.

Art production spaces are their primary focus, but they're also a tourist destination. They have 230 members and 4 full-time positions shared by 6 people, with much work done voluntarily. **They now own their large premises and have a supportive community that cares.** While property investments are needed, there are no grants available. An idea for creating passive income for art centres in former industrial complexes is if funds were provided for solar panels on the buildings. The centres could then reinvest profits into more facilities in other similar conditions. In this way, the sector could become more self-reliant with passive income at the same time as it creates environmental benefits and energy production.

S3 has strong local, national, and international collaborations and is part of various networks. They successfully attract members and have a loyal audience gained through word-of-mouth, both local and from afar. They could handle twice the current number of visitors, although they already have a large crowd. They would like to be able to put more time into communication. Social media and newsletters are used for marketing, but no long-term plan exists.

If they had more funds, they'd first invest in the property and then hire more staff. Current funding comes from local, regional, and national sources, as well as their own income streams. They note inequality in state funding distribution, as rural organisations like theirs often get overlooked.

S3



S4

An association operating in a village with about 85 inhabitants.

S4 is a self-organised art and cultural operation emphasising local context and contemporary societal issues. Located in a decommissioned mine for about 11 years, they offer a range of activities including festivals, residencies, documentary theatre, courses, and cultural events.

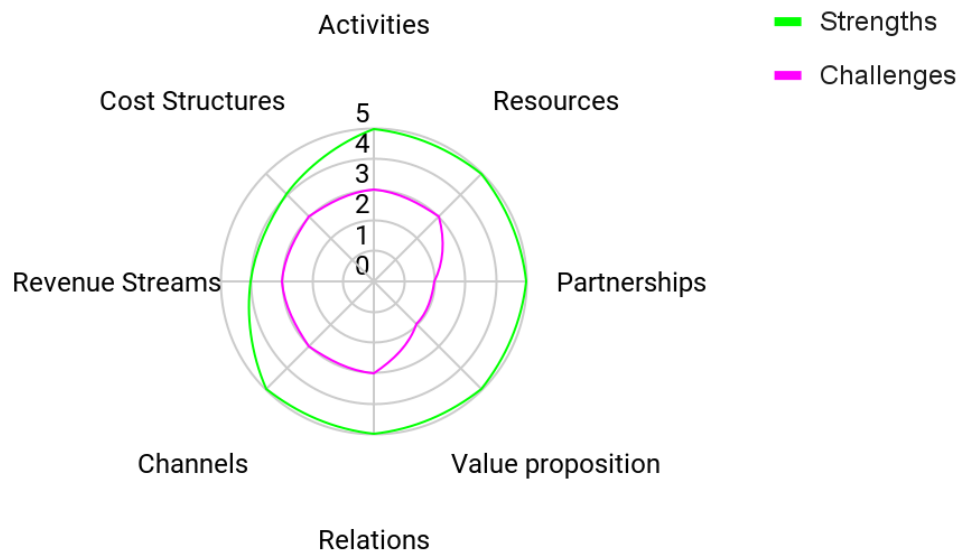
Initially focused on financial sustainability beyond short-term project funding, they bought the property with a private loan and have since renovated and developed their operation. Revenue comes from ticket sales, a restaurant, a bar, courses, conferences, and public grants. They have two 75% full-time positions plus project-based jobs involving about ten people. An active 'friend association' with various skills supplements their work and extends their network.

Their driving force includes community engagement, place-making, education, and art.

For marketing, they employ social media, a website, newsletters, posters, press releases, and direct audience engagement. They have good relations with the local municipality, both politicians and officials, even though there's no specific cultural administration. Early on, they engaged locals, including those connected to the mine, for collaborative projects which has resulted in good contact with the community.

Current challenges include insufficient operational grants and time-consuming complexities of applying for various project funds due to differing objectives and goal conflicts in public funding.

S4



S5

An association operating in a small town with about 6375 inhabitants.

S5 is a self-organised, radical, non-profit association with an open form. They are located in a rural area but with good communications as they are accessible via Stockholm's commuter train system. For 12 years they have been a platform for contemporary art with studios to produce the artwork. They offer large guest studios and workshops with the peace and quiet needed to focus on the art.

Their mission is to facilitate new art and artist development. They provide the conditions needed for artistic advancement and have continuous artists in residence. Their events and courses are full to the brim and they have a challenge to meet the demand. The whole operation relies on collaborations with public sectors, civil society, experts, and the local community. Founders aimed for a rural life while fostering a vibrant, professional, artistic environment.

They're often used as a best practice in international contexts by state institutions. Artists that have had recurring residences have represented Sweden in major global art biennales.

Community engagement is central. They have had participatory workshops featuring wall painting, pin-making, fanzines, etc., and a communal greenhouse for gardening. They want to find the keys to get the audience involved and describe themselves as a growing family. This model turns visitors into advocates for their work. Their communication channels include newsletters, a website, and social media.

Their funding includes modest local government support, and more substantial regional and state operational funding. Much work is volunteer-based. To strengthen the sector, they advocate for long-term support with less administrative burden. They call for trust over constant monitoring, as metrics can undermine quality. Their work generates 'soft values,' combats exclusion, and is community-led. The local population gets to set the agenda.

S6

An association operating in a village with about 885 inhabitants.

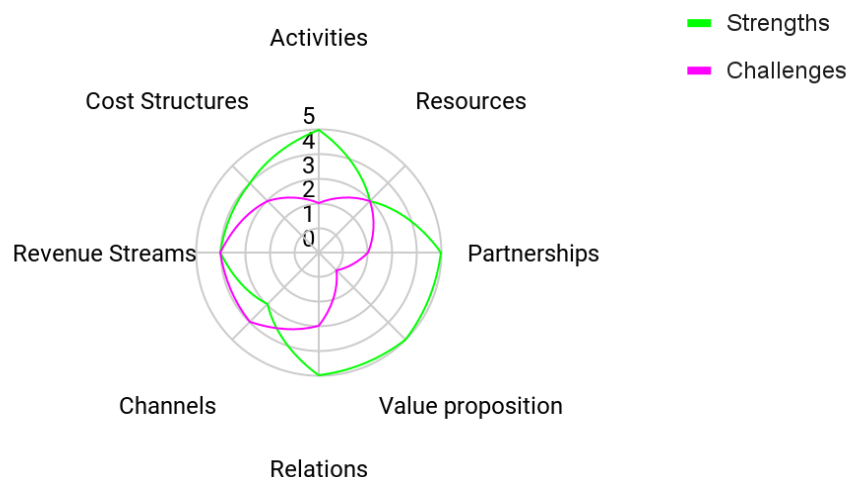
S6 is a 12-year-old organisation focusing on site-specific art, located in an industrial town with an active, historic glassworks. They explore the role of artists in society and aim to make art a more integral part of community structures. They offer residencies, workshops, after-school programs, and have recently assumed local exhibition activities from the municipality. Their operations involve 10 members, a 3-4 person board, and approximately 1.5 full-time employees, with additional roles for youth projects. Collaborations are strong at local, regional, and international levels, as is their relationship with the local government.

The driving force for the business is to work for the artistic perspective to become a more natural part of society and take more place in the countryside. Most of the art courses at university level are located in an urban environment and the students often get an urban focus. They want to compensate for this. They offer contemporary art experiences that contrast with the historical perspective provided by the neighbouring glassworks. Contemporary art can be seen as an educational opportunity for the audience, but they also see that they contribute to the education of politics and business. The business contributes to increasing the market value of the place, enriches the local population and contributes to the local economy. They create opportunities for artists to deepen their art and develop the art field.

Marketing channels include social media, a website, and newsletters, and they see growth potential through partnerships. Financial stability, preferably through passive income, is a desired focus, as the administrative time currently spent on diverse income streams often outweighs the benefits.

Their finances come from municipal, regional, and national operational support, plus project-specific funding. They have no sales revenue and are concerned about potential future price hikes if their land becomes privately owned. Their main objective is not profit but to convey the value of art to both local and broader communities.

S6



S7

An association operating in a village with about 1350 inhabitants.

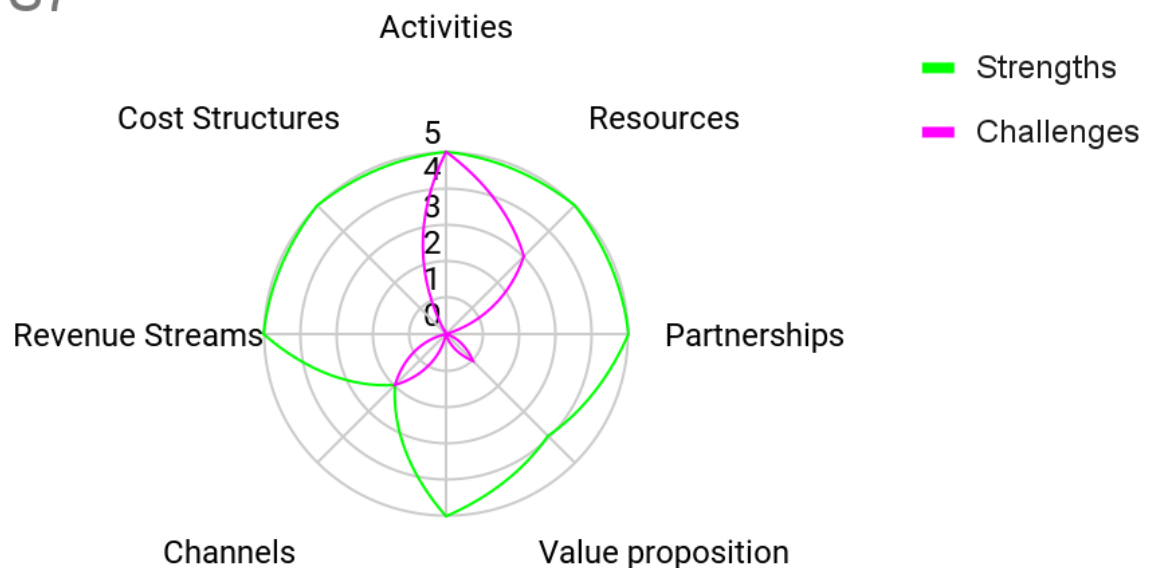
S7 is a community development association using cultural events like concerts, lectures, and celebrations. It functions as an umbrella organisation for two village committees responsible for amenities like boat docks, beaches, campgrounds, saunas, and maps. One highlight is their successful sauna and surrounding landscape architecture project.

They have an extensive network and many dedicated members who contribute significant volunteer work annually. They create community and social cohesion. Their aim is to enhance the lives of local residents and co-create an active rural community. The village has a century-long history with an art school, which complements the region's industrial side, thus bridging different segments of the population and boosting resilience and quality of life.

Challenges include recruiting new board members to rejuvenate the demanding community work and stepping up their social media and digital marketing activities.

Financially, they're well-supported through diversified income sources like sauna fees, dock fees, and membership dues, along with municipal and regional support. About half of the income is used for administrative costs and the other half for local projects. Not accounted for in financial statements is the considerable volunteer labour from the board, village committees, and members.

S7



S8

An association operating in a village with about 927 inhabitants.

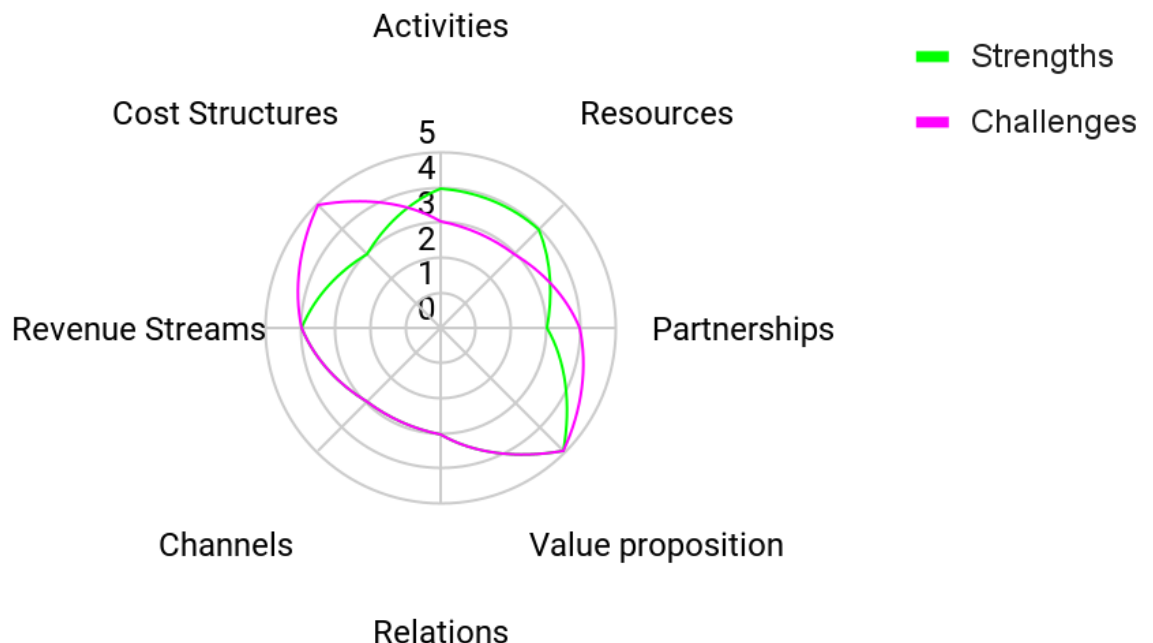
S8 is a community development association operating in a village. The organisation has around 100 members and a 15-20 person board. They don't have permanent staff but hire when needed. They operate both a non-profit and a corporation. The non-profit focuses on cultural events, saunas, and community clean-ups, while the corporation owns properties, including a catering kitchen and art hall. With the association, they create a social context for the residents of the locality.

Financially, they're solid, with project grants, rent, and entry fees. However, they face challenges in scaling up due to liquidity concerns. They're cautious about overextending as the work is largely volunteer-based and needs to stay enjoyable.

Collaborations with local organisations are good but could be expanded. Their remote rural location makes broader partnerships challenging. Targeting local residents, their marketing is primarily local through newspapers, social media, and community boards.

They contribute to community well-being by fostering social cohesion and creating meeting spaces, aiming for a resilient society capable of tackling challenges together. **They create a resilient society where you can tackle society's challenges together. They build relationships with trust.** They have ongoing projects to work with mental illness and to counteract loneliness. A current challenge is in making their projects visible, effectively communicating and measuring the impact of their initiatives.

S8



S9

An association based in a forest, outside a community of 1350 inhabitants.

S9 is a yearly festival focused on co-creation, environmental sustainability, and art. It is located in the forest outside a small village in the countryside. Originating 13 years ago as a school party for a nearby art school, it has evolved into a 3-day festival. It acts as a learning circle for the organisers who volunteer their time, covering subjects like sound and light technology, upcycling food waste, and more. The organisers work on a voluntary basis. They also engage a large group of volunteers for the festival.

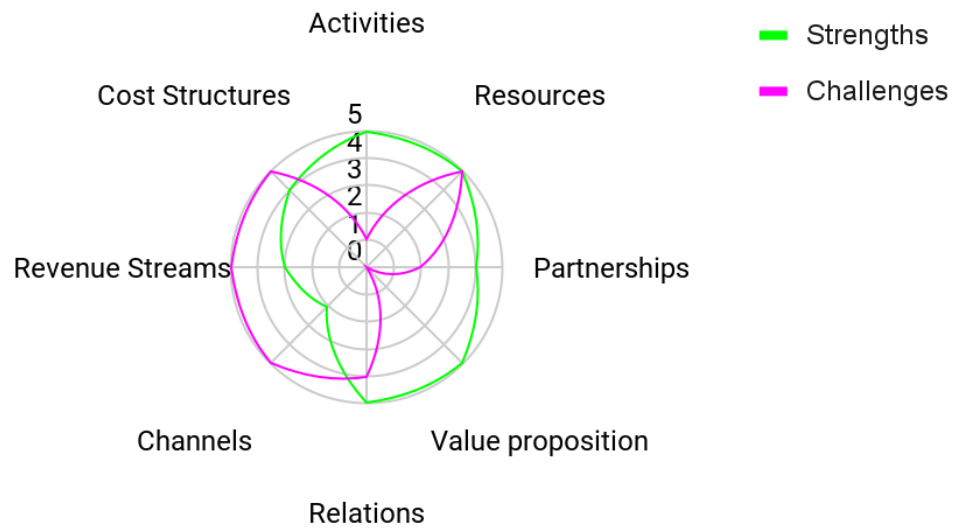
The festival has been a catalyst for the local community, encouraging young people to settle in an otherwise declining region. It also contributes to more students at the nearby art school choosing to stay in this region, which is otherwise a depopulated area. It serves as a stepping stone for youths to engage in civic activities, boosting local community life and mental well-being.

The pandemic had major consequences as they had no income for three years and lost parts of their continuous audience base. **Just like other self-organised cultural activities in the countryside, a large part of their marketing is based on "word of mouth", where the audience who attended spread the message in a natural way to friends and acquaintances and thus become ambassadors for the quality of the activity. With a gap of three years, much of that "word of mouth" disappears and the customer base becomes smaller.**

They have a large network locally with good collaborations, but have seen that they have also lost relationships due to the pandemic with, among other things, the art school and the municipality. Changes in social media algorithms have also impacted their reach, necessitating sponsored posts for visibility. They see both a challenge and potential in reaching out to a larger audience in the future.

Strengths lie in their committed organisers and volunteers, a strong reputation and a graphic profile. They have created shared resources for sound and light equipment beneficial to the entire region. Audience engagement is a focus but also evolving.

S9



Challenges include maintaining organiser stamina due to the intense volunteer work. While profit isn't a motive, they aim to better compensate artists in the future.

S10

An association located in a village with about 1350 inhabitants.

The organisation is a coworking space and community for creative practitioners with an office space, art studio, textile studio and wood working studio. They started three years ago. They are organised in an economic and a non-profit association. There are 11 members in the organisation and 16 people are renting a spot in the space. They share the work with administration and common projects.

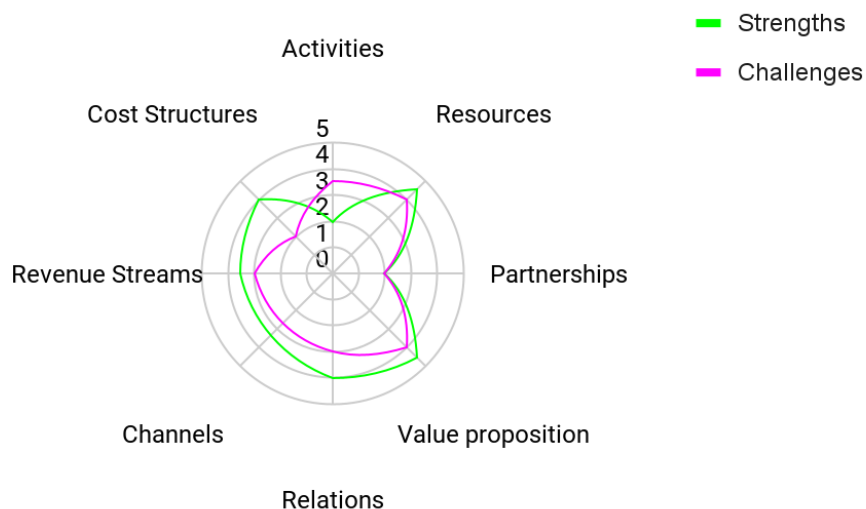
Most of their members have a background in the local university for craft based fine art. Their founding idea is to offer a platform for freshly graduated students to stay and work in the village. It is also an opportunity for new residents to become part of a community in the countryside. Company employees can work remotely with close access to nature and smalltown social connections. They apply different rents for different types of companies.

They have good cooperation with other organisations in the local community and are soon to host a party for the whole village with music, workshops etc. The people they create value for are members, renters and the local community. In the local community they do their marketing through word of mouth, networking and social media.

They have well managed costs and ok income. With more revenue they could outsource some of the shared work currently being done unpaid. They see potential in diversifying their sources of income.

The challenge in their business model is to do the shared work with efficiency. They are a close-knit group with different visions and needs. They work with consensus. The other challenge is to keep the non-paid work in the organisation on a sustainable level to not wear people out. They would like to expand their space with new types of studios and equipment and to offer more people to join.

S10



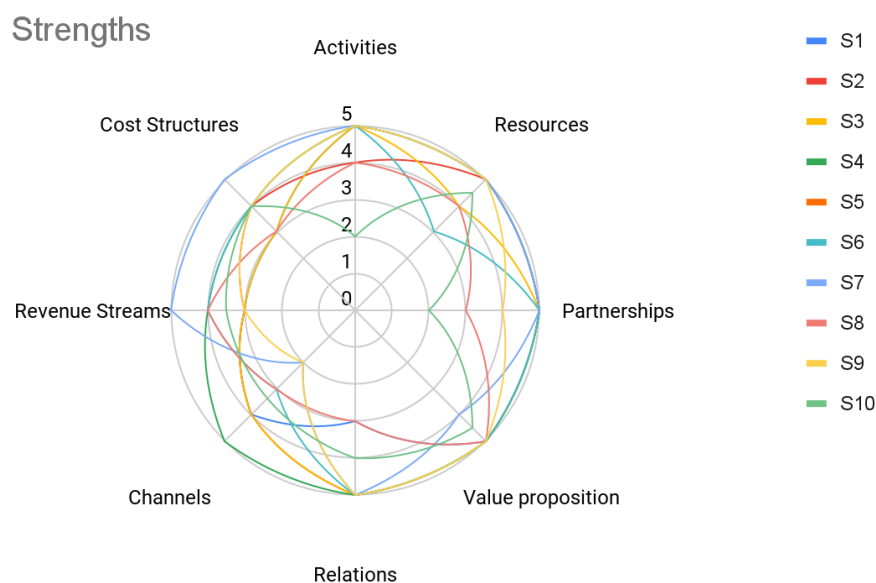
5. The strengths of these organisations/ businesses

Reoccurring for these organisations is that they all have very strong networks. Their content is genuine and unique and so is their marketing. A lot of their PR is by word of mouth where previous visitors spread the word as genuine advice for their friends and family. They become ambassadors that are witnesses of the quality of the offer. What influencers do for the businesses that are more oriented towards the market economy, people do naturally for these organisations. People care. Their networks are strong in the local, regional, national and international contexts. They are good at creating and maintaining relations and strong partnerships.

The values they create is their main strength. The values are created for visitors, members, the local community and society at large. They are dedicated to the arts and to create healthy communities. They often contribute to a functioning democracy by addressing current, relevant and important issues and creating discussions on those topics. The values created with art and culture enriches people and are meaningful. Their content is genuine and unique. **The interviewed organisations are responsible for contributing with a large part of the existing spaces for the production of contemporary art and public arts in Sweden. The value of this is unmeasurable.**

An important resource often mentioned in the interviews is dedicated members. Members and staff often put in immense amounts of unpaid work and bring their individual passion into the work. With the current economic situation of these organisations they are often dependent on this to deliver the diversity and quality that they presently deliver.

Other strengths in resources that are mentioned are if they own their own space or if they own specific equipment or specific skills that attract a lot of attention. Some of the interviewed organisations testify to a good economy with both good income and well managed costs. The numbers don't show all of the work done by volunteers or other unpaid work.



6. The challenges they face, risks and potential for development

The main challenges for the interviewed entities are the limits of being human, i.e. time and energy. In periods of heavy workload people get strained and overworked. The fact that a lot of the work is done unpaid is one of the most important risks and there is a great potential to give more financial support and thus strengthen them. The values created by these organisations can be more recognized by public authorities and financially supported.

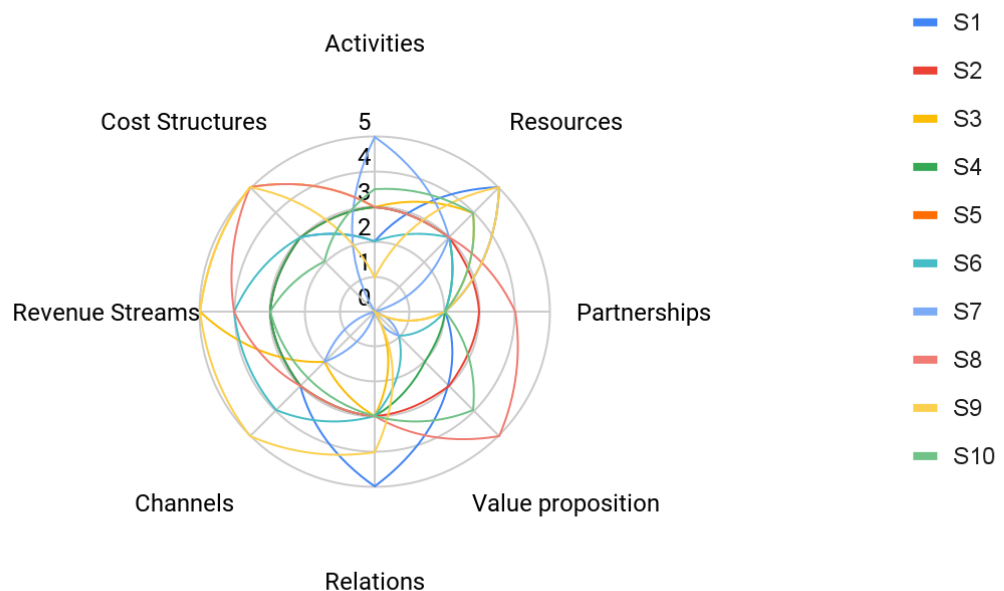
Although they are strong in relations and networking, the relation to the municipal authority can be a challenge and a risk. This fluctuates with the current political situation. In Sweden that can affect not only the funds from local authorities but also funds from regional and national institutions. In the survey several entities mentioned anti-cultural politics as the main challenge right now in Sweden. Some are afraid that the democratic discussions will suffer if their content is steered by politics, for example by which projects are funded and which are not.

Other challenges mentioned in the survey are that the project funding is too short term and that they would need to plan more long term.

Many organisations with lots of non-paid work have difficulties recruiting young people as their current members and board members get older.

For the organisations that don't own their own properties it can be both a challenge and a risk factor. They don't have control over raised rents or renovations. The price of electricity is also mentioned.

Challenges, risks and potential



7. Effects of the Covid pandemic

The effects are numerous. The audience has changed their habits and the amount of people in the audience has not recovered for many businesses. They have also lost members and members have lost some of their passion according to the respondents.

All events were cancelled and for some, that meant their whole income. For the ones that resurrected, it has many times been an uphill battle to get back in business.

The festival organiser that we interviewed talked about how their marketing, mostly based on word of mouth, got interrupted and they are now again trying to rebuild their audience. Their cooperation with local authorities and institutions got mostly lost during the pause of events. New people were in key positions and the routines were lost. Also the conditions for marketing on social media had changed with new algorithms so their marketing strategy had to change with new expenses.

The positive effect that is mentioned is that their digital skills have increased. Some few have evolved/changed their business with good results.

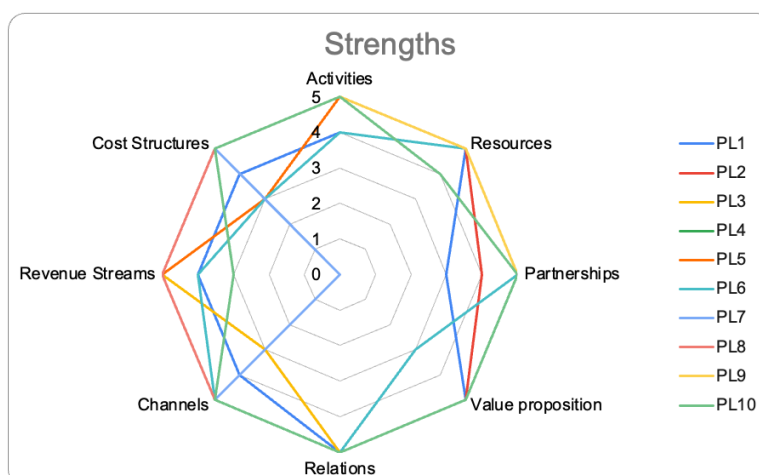
8. Good practices and success stories

Successful practises mentioned in the survey are:

- cooperating in the local community
- spreading a good reputation by word of mouth
- cooperating with local authorities with marketing and funding
- to have paid staff to coordinate voluntary workers
- using social media for marketing
- to contact and direct workshops and guided tours to entities that normally is not reached by arts and craft.
- create good content
- be generous, inviting and have fun

Several also mentioned their hard working members who have a passion for the work they do as a reason for their success.

The problem with cooperating with local authorities is mentioned by several. The ones that have managed to create good cooperation have put in a lot of work and time annually meeting representatives of all the different political parties and key personnel in the administration. The authorities have recognised the values created and are now helping with networking, marketing and funding.



Giving possibilities for visitors/customers. One organisation described a room where visitors could paint the walls, make pins or prints after visiting an event or an exhibition. This organisation has a lot of visitors. The festival organiser described

their co-creation with the audience as a major part of their identity and popularity. It can be a key for more organisations to increase their audience.

Buying the property that they use. Some have formed stock businesses and in combination with donations managed to finance the purchase. Others have taken private loans. When you own your own property you have control of costs, renovations and making the property more accessible among other things. Publicly funded solar panels on former industry buildings could create passive incomes for artistic organisations.

9. Tendencies in national and regional policies

In 2022, the Swedish government released a national strategy called "Kreativa Sverige!" aimed at promoting sustainable development in the cultural and creative industries. The strategy includes six main points focused on growth, export, and innovation. The cultural and creative sectors are a vital part of Sweden's economy, comprising a tenth of all businesses and employing about 190,000 people.

The two pilot works in Sweden for the next phase of the Change Creators project are located in Dalsland. In 2016, the municipal association Fyrbodal, which includes Dalsland's municipalities, produced a research report called "Kreativa Kraftfält i Fyrbodal", which discusses the role of culture as a growth factor. The study takes its starting point in research by Pier Luigi Sacco, which shows the development of culture from antiquity to today. **Sacco describes how culture, if allowed to flourish, is a catalyst for innovation throughout society, even in industries that have no connection to culture.** One conclusion in the report is that Fyrbodal does not fully utilise the potential that exists in the cultural activities. "Structures based on a male-based manufacturing industry still dominate in the sub-region. Culture is still at the bottom of the economic value chain. One reason is that cultural activities seem largely isolated from each other and not sufficiently integrated into the rest of the economy."

In 2021, another report called "Den skapande kärnan" was also released, highlighting structural obstacles for professional practice within the cultural and creative industries. This report was developed in the project of the same name by Capellagården, Artifex, and Transit Culture Incubator, with funding from the Kalmar region. It states that **while Sweden has extensive business support for innovation, growth, and internationalisation, these supports often don't reach cultural companies or artists.** This is because such supports don't take into account the unique qualities or artistic heights that are essential for these kinds of businesses, which often operate as solo ventures.

10. What support from outside could strengthen this type of organisations

First of all, the knowledge about how these organisations function and the values they create needs to increase within politics, the public sector and the general public. Cooperation with the authorities is a key factor where the authorities need to be informed about the benefits of a strong cultural sector.

The financial support system from the state needs to develop to better meet the needs of this sector. They need bigger funds, more long term financial security with less administration. More funds regarding renovations, maintenance, equipment.

Make art a more influential part of society development. The artistic perspective would be helpful as a more common part in societal structure, development, planning and policy. The artistic process is valuable for democratic discussions, especially in the countryside, and sparsely populated areas.

Provide educational resources for audience development and dissemination of success factors/good practices for engaging audiences.

11. About using the business model canvas for the alternative cultural sector

The BMC has benefits for mapping out the existing business model and easier identifying potential for improvements within the specified categories. The model is made for businesses based on market economy. There are aspects relevant to this study that are not mapped out with this model. Examples are the values created in the wider context and the soft values that can not be measured.

The organisations interviewed in Sweden are not solo companies but communities of solo companies and other clustered groups. The driving force of these entities is not profit. Profit is only means to an end. The driving force is to do something meaningful and to create a strong community. To explore and create art.

The model puts all of the responsibility to the organisation and is blind to the responsibility of public authorities. It pushes these organisations into the fold of the current norm of market economy. These organisations need to function as an alternative to the existing norm to be able to address democratic topics. They need to focus on the arts which is their expertise. Arts can not be put into boxes and still thrive. Art needs to be free.

Customers is not a term they normally use. The word customer reduces the interaction with the person to a business deal and loses the personal exchange. These organisations have an audience, members and a spectrum in between. They have networks where they cooperate in an often altruistic way. Genuine human relations.

The model tends to indicate that they need to have more marketing. Reach a wider audience. Marketing for this type of organisation works in a different way than other businesses. The content is more important than the reach.

12. Recommendations for the next step in the project

For the stakeholders in the next phase of the project we have identified some issues that have potential to strengthen them:

Stakeholder 1: S1

- Enhance communication with local authorities.
- Work with audience development
- Establish long-term funding for the organisation from regional, state funds or investments to create passive income.

Stakeholder 2: S7

- Develop strategy to attract new younger members and board members.
- Develop strategy to enhance digital marketing.

To strengthen the sector:

- Communicate the values created by these organisations to the public sector and wider public.
- Make arts and culture a more recognized part of societal development.
- Increase public long-term funding

13. References

S1 Not Quite

www.notquite.se
Fabriksvägen 2
662 95 Fengersfors

S2 KKV Bohuslän

<https://kkv-b.se/>
Skärholmen
457 48 Hamburgsund

S3 Ifö Center

www.ifocenter.com/
Iföverken
Fågel Fenix Väg 12
295 31 Bromölla

S4 Ställbergs Gruva

www.stallbergsgruva.se
Gruvvägen 5
714 92 Kopparberg

S5 Gnesta Art lab

www.artlabgnesta.se/
Bryggerihuset
Bryggargränd 4
646 31 Gnesta

S6 Rejmyre Art lab

www.rejmyreartlab.org/
Glasbruksvägen 42
610 14 Rejmyre

S7 Dals Långed Utvecklingsråd

www.langedslife.com/

S8 Röstånga tillsammans

<https://rostangatillsammans.se/>

S9 Skogsfesten

www.skogsfesten.se/

S10 Studio Växt

www.studiovaxt.se/
Hemslöjdsvägen 2
666 95 Dals Långed

Studies and reports:

Allt om landet, Jordbruksverket

https://www2.jordbruksverket.se/webdav/files/SJV/trycksaker/Pdf_ovrigt/aol18.pdf

Kreativa Sverige - National strategy for the promotion of sustainable development for companies in cultural and creative industries: (report in swedish)

https://www.regeringen.se/contentassets/5362b817cbfb4966aa2be1158f946c67/sou-2022_44-webb_.pdf

Skapande kärnan i kulturella och kreativa näringar (report in swedish)

The creative core of cultural and creative industries

<https://static1.squarespace.com/static/5cd9503029f2cc28a1fdc997/t/617062059c9e42262163082e/1634755078856/Skapande+k%C3%A4rnan+i+KKN+-+Strukturella+hinder+f%C3%B6r+yrikesut%C3%B6vande.pdf>

Kreativa Kraftfält Fyrbodal - Culture as a growth factor (report in swedish)

<https://www.fyrbodal.se/wp-content/uploads/2018/11/slutrapport-kreativa-kraftfalt-fyrbodal.pdf>

Italy

1. Abstract

The main objective of this report is **to investigate businesses located in sparsely populated areas, highlighting their challenges and strengths. Artisans, private businesses and associations have been examined.** These entities are struggling with different challenges such as competing with large-scale retail markets, maintaining income stability and adapting to changing market demands. **To add a range of large-scale information, an online survey has been conducted** to deepen the current situation of enterprises located in rural areas or those with a shared essence. **The effects of the pandemic have been considered** by observing diverging effects, stimulating the skills and digital sales of craft enterprises, while causing the activities of associations to stop. A strong support network, whether institutional, peer-to-peer, or family-to-family, has proved essential during difficult times. **The synthesis of these two tools of investigation and the critical listening and external reworking by the researcher were therefore the cornerstones in the development of this document.**

2. Understanding of the “sparsely populated area”

The understanding of “sparsely populated areas” differs between the involved countries: In Italy there is a definition given by the Organisation for Economic Co-operation and Development (OECD) used: **the definition of a sparsely populated area (rural area) depends on the settlement’s size, comprising population density less than 150 inhabitants per square km.** It’s also important to consider that the greater part of Italian territory is characterised by small towns and villages, but also by a dense and varied network of urban centres which offer a wide range of essential services like healthcare, education, transport and cultural offer. So, in Italy it is more correct to speak about those areas which often have restricted access to essential services: these “Inner” and sparsely populated villages are those areas far away from large and medium-sized urban centres, and from their associated infrastructure.

3. The value created by creative, cultural businesses/organisations in the countryside

Businesses and associations located in sparsely populated areas play a vital role in preserving cultural traditions. These organisations often specialise in crafting, handmade products and live event planning that hold deep cultural and historical significance. Beyond their cultural importance, **these businesses also promote a sense of belonging within their communities.** They become pillars of identity, connecting residents to their heritage and creating a shared pride in their local culture. As a result, these organisations not only contribute to the preservation of traditions, but also strengthen the social fabric of the area. Furthermore, the impact of these enterprises extends to the local economy. The production and sale of handmade goods generates income for individuals within the community, even if

they can hardly afford to support subsistence expenses and support their families. The same applies to associative realities that often count as a **second job** rather than as a primary job.

Through the synergy of craftsmanship and storytelling, these associations not only create enduring handmade treasures but also cultivate a cultural ecosystem. Their efforts transcend mere preservation; **they bridge the gap between the past and the present, honouring tradition while encouraging innovation.** This interplay not only enriches the cultural picture of the territory but also forges a profound connection between people, their history, and the tangible artefacts that embody their collective identity.

4. How they are organised, their business model and how they connect

4.1 Recurring pattern and special features of the sector

The sector shows a constant dedication to the long-term nature of its activities and partnerships are often crucial.

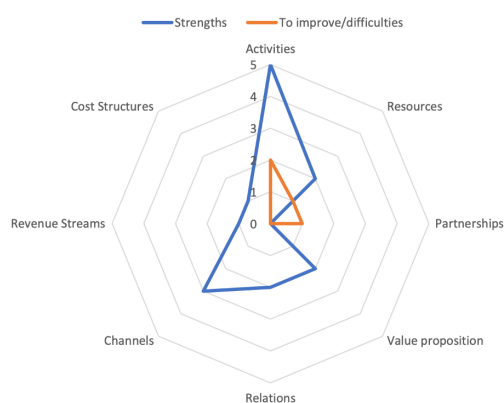
In this context, **the main source of support typically comes from funding for associations while for crafts we see a path of integral self-sufficiency.** Another important element is the difference in **tax burden** that these two entities face. **European or national funds represent a rather elusive resource for these entities**, which are based on regional funds or, on the other hand, generate their own capital.

4.2 Information about customer/audience relations

The cultural sector seems to have a good knowledge and understanding of their clients/audience. Direct feedback is the most important tool, whether it is a word-to-mouth exchange or direct feedback. This though relies on the honesty of the direct feedback, that in small social structures tend to be softer because of interpersonal relationships.

4.3 10 stories about cultural valorisation

Business IT1



IT1 is a retail shop located in the main square of the village of Offida, that counts about 5,000 inhabitants in the south of Marche region. Historical business rooted in local culture, owned by a local family, it was first run by Mrs Rita, born and raised in the area, and now run by her daughter-in-law Thérèse, a dynamic and motivated woman of foreign origins with a past as art teacher. With her arrival, the business has enjoyed a new opening towards internationality and in artisanal creativity starting to use coloured threads, different and more fanciful than the classic white thread of bobbin lace, and the originality of the realisations outside the classic

household linen. Within an historic and well-established reality, this collaboration between mother-in-law and daughter-in-law made the store evolve in a peculiar way. It is a family-run business, with a history of over 50 years that rests on the workforce of the lady and young woman along with other lace makers, including the lady's aunt. The shop is located, as mentioned above, on the main square and generates the greatest economic revenue in the summer. There are requests at national and international level and the order is placed by telephone or telematic, afterwards it is shipped by private courier.

The presentation in the window shop and the packaging of the finished product represents their added value, testimony of care and dedication while the wide choice of products emphasises the desire and commitment to reinvent and not to rest in front of a tradition begun in the village in the far 1600.

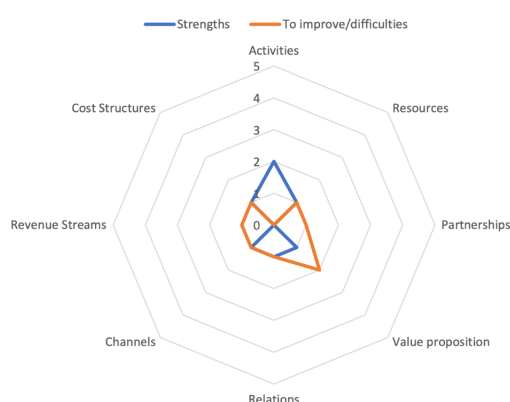
Direct relationships with the client are crucial, which is why requests, according to their nature, are then redirected to the lady or young woman. The business has an excellent reputation and is recognized by national and international local customers; it goes without saying that word of mouth and the interpersonal relationship between customer-trader remains the best means for maintaining and expanding its customers. There is no guideline in the proposed products because of the specificity of taste of each individual buyer which remains essential to respect the taste and specific needs.

Present the digital marketing component. Last year they created the website and the various social channels associated with the use of WhatsApp, managed in synergy.

If resources as workforce and inventive are not lacking, it has instead been highlighted a lack of space for exhibitions and creative areas where to organise workshops and, at the same time, increase visibility and moments of collaboration with other businesses of the area. There are no active partnerships.

The main activity is the production of bobbin lace and the following application on household linen such as curtains, towels and bed sheets. Thérèse has promoted creativity through the application of lace on other accessories such as bags, shoes, wedding accessories and other souvenirs. In line with his nature and passion for artistic creation, she would like in the future to also start the processing of clothes and especially ceremonial dresses.

Business IT2



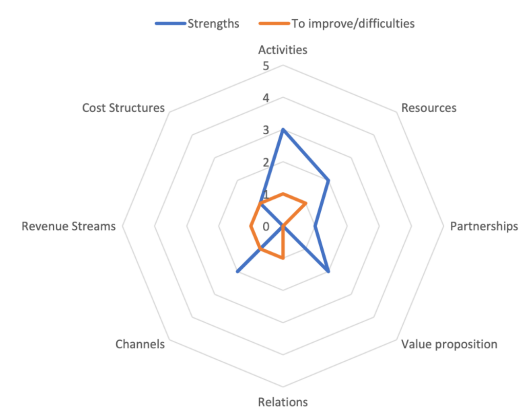
IT2 is a non profit organisation in Offida, which preserves the processing and wants to disseminate the bobbin lace along with the teaching of its practice. It is an association of women of the area, volunteers, who share the passion for lace and the desire to keep its craftsmanship alive; in fact, some associates hold workshops in the village. The focal point is their commitment and in internal cooperation, which displays in the community provision by the many lace makers of personal materials of family heritage, such as drawings or processing support. The sharing of experience and

mastery is another focal element and therefore the highest revenues derived from production and sales. Other activities that the association carries out is their participation in fairs and markets.

The added value of this reality is the commitment to maintaining a cultural value that is slowly being lost. Today is no longer as in the past, where traditions were jealousy and proudly handed down from generation to generation within the same household. For this reason, their commitment is double because if it weren't so it could be lost in the generational turnover. There is currently no collaboration in place but in the past, several have been initiated with bodies such as schools or other associations. There are no strong marketing channels, but the audience is reached directly. A volunteer tells us that word of mouth or direct and personal contact during the exhibitions represent their primary way to reach the audience. The active listening to the tourist or interested face-to-face, whether it is a person at their workshop, or a potential client during the fairs.

The volunteer mentioned a lack of support to help them in their work. Finally, to what it concerns the cost structures, the higher expenses represent the costs of rent and utilities, along with some printing expenses.

Business IT3



IT3 is an association of social promotion in the Marche, located in the Convent of San Francesco in Venarotta, near the village of Castello di Venarotta, with only 57 inhabitants. It is aimed at recovering and enhancing the historical and naturalistic heritage of the southern area of the Marche. Stefano is the president and through his research and promotion he organises events and collaborates with other similar associations to enhance a landscape and popular tradition rooted in the territory. It operates in the municipalities of southern Marche between the provinces of Ascoli Fermo and Macerata, including the town of

Venarotta, and not only. The synergies of collaboration are established and created with associations, even outside the territory of the Marche with entities that share common values and ideals, linked by a strong sense of connection with the natural data and the historical heritage as, for example, that of medicinal plants or that of the hemp cultivation, both peculiar in the area in which it operates. Storytelling is fundamental and the ideal of hospital is intended as a place where to welcome foreigners, understood in a broad sense. The activities proposed by the association are experiential and have the intent to recall a story that is then indirectly reflected in the soul of the visitor with excursions and workshops. The unity between the natural landscape of the place that is explored and the consequent practical laboratory activity, such as those of processing herbs or the production of cooked wine that was used in the past by the monks as a healing drink, triggers that emotion and that sense of belonging fundamental to the revaluation of past traditions. So, the dissemination of multimedia material about the desire to make communities ("agrarian commonalities" and "traditional knowledge") is another major activity.

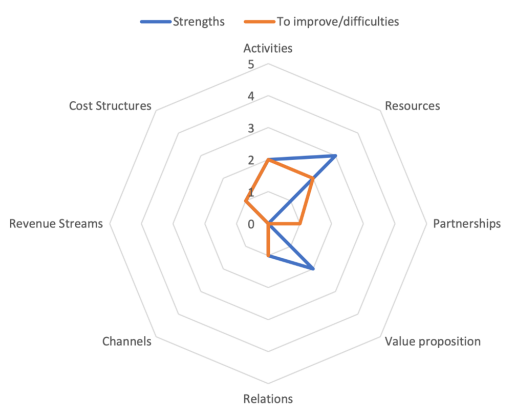
About twenty members are actively involved and their participation is a fundamental element in the work carried out as it reflects the ideal behind the mission of the association. There is a fair promotion through the site and social media, but on a technical level the Google Tracker is a useful tool in the rediscovery of trails. Nevertheless, Stefano Terzo Paradiso

ambassador remains the fulcrum of the association and major promoter, taking care to create synergies with other embassies present in Cittadellarte.

The centre of the valorisation project is the Hospital Terzo Paradiso Marche embassy, located in the frame of the convent of San Francesco in Venarotta, where we find the herbal tea, the pharmacy, the alchemical laboratory, Ortus conclusus "Garden of Sibylle", wines and vinegars from Arnaldo da Villanova, and San Francesco Forest. The collaborations are strong and of great value in terms of affinity of added values, and technical and historical preparation. Added value is certainly the power of simplicity, which sounds like a possible slogan that encompasses the very essence of the association. Narrative design remains the most important channel to reach visitors on reference sites.

As a non-profit association, reimbursements and donations are central to the sustaining of the same as funding and exchange practices. The costs instead are relatively low representing the work of the members and the investments in materials, such as those processing and planting of medicinal herbs and research work. The most important cost is represented by promotion and dissemination activities that will be focused on encouraging valorisation and attendance.

Business IT4



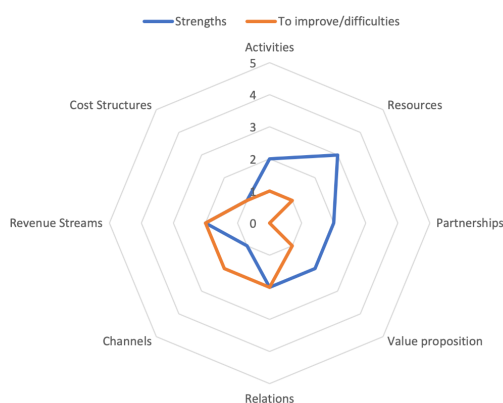
IT4 is a non-profit association of a few members that aims to keep alive the handmade embroidery, a tradition well rooted in a small country of about 2,000 inhabitants in central Italy. In a time where local handicraft traditions are increasingly lost, children and young people are involved in handmade embroidery with positive feedback as an activity that the association carries out is characterised by workshops. But, if before covid there was a great ferment in the laboratory activities with a good demand, today we see a sort of post-pandemic stalemate due to the lack of

human resources but mainly to the impact of covid, which hit hard the activities, blocking the momentum that had been created in the early years.

Participation in festivals or cultural promotion events for exhibition purposes with the intention of promoting the tradition of embroidery is another activity that volunteers carry out. The association has the support of public bodies and has a registered trademark.

As far as marketing disclosure is concerned, they are active on social media, in particular Instagram where one of the volunteers likes to publish posts and stories to spread the craft work.

Business IT5



IT5 is a private company that operates in the village of Amandola, a locality in the southwest side of the Marche region with 3,600 inhabitants. Francesco is the owner and tells us that the business was born a few years ago, from the desire to enhance a tradition well rooted in the area as the processing of hemp, a

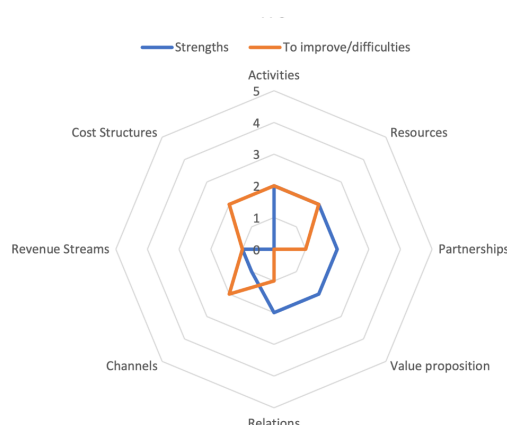
peculiar activity near Apennines given its altitude, favourable for cultivation. Their main production is based on hemp-based cosmetic lines. They are a team of a few people being in fact a start-up and in the staff, we count the owner, an accountant, a chemist and a right arm in the operative. Their activity, therefore, focuses on the processing of raw materials and then producing natural cosmetics. Although each has its own specific role within the society, the various figures, regardless of their position, help each other where necessary and possible, in completing tasks other than their own. The company is in a farmhouse in the countryside and has several rooms, including a processing workshop with related machinery, an office and a room where the finished product is stored and then sent to the customer. Since cultivation is not their main activity, they support and collaborate with other companies. The synergy of the supply chain is therefore a great strength in the performance of their activity. The greatest difficulty is in the legislation on hemp, which at European level remains particularly insidious and full of grey areas, a reality that makes the various producers always a little worried about the steps to be taken in some stages. However, partnership with other companies remains essential to monetize the finished product.

Today marketing communication is poor. The website, where to present their company and the related products, is in renewal then orders occur mainly thanks to word of mouth and customer loyalty that remains satisfied with the naturalness and quality of cosmetics. Digital marketing solutions are the best strategy known to impose and make their brand; The greatest difficulty facing this is in managing the workload with the little human resources available and new recruitment cannot be contemplated at this level for tax reasons.

E-commerce is one of their sales channels for the finished product, but they also deal with hemp processing for other companies. Word of mouth is therefore the best way to expand their customer base. Direct contact with other businesses (B2B), the direct sale of the finished product of their products are key elements in the company's budget. Francesco has found customer loyalty from previous buyers but to date, for lack of workforce as mentioned above, it has no way of conducting a detailed market investigation or of establishing a data collection and feedback service for its business. However, the renewal of the website and the creation of social networks is an idea for the future.

The company's products certainly have their added value in the naturalness of the raw materials and high-quality craftsmanship. Not only that, at macro-scale we can say that artisanal and chemical processing of hemp, well understood as the THC-free variety but with a high content of CBD, promotes the unhinging of some taboos well rooted in society, as the greatest confusion between hemp products and psychotropic products. Another added value is found in the recovery, enhancement and modernization of a historical tradition of the southern Marche area that dates to the fifteenth century and from which also fibres and straw were used to produce fabrics, ropes and baskets.

Business IT6



IT6 is an agricultural company born 7 years ago in the countryside of Emilian Apennines and its founder has twenty years of experience in the field of herbal medicine. Alessandro, in fact, has an excellent training in everything that concerns not only medicinal plants and phytotherapy, but also their cultivation and distillation for food,

therapeutic purpose and to produce natural cosmetics.

For ten years, Alessandro worked in a commercial company, founded and operated together with a partner. They were responsible for the cultivation of plants, the subsequent processing in the laboratory up to the production and sale of BIO cosmetics. This professional relationship, however, was interrupted because of a different vision in the long-term objectives between the two: for its part, Alessandro would have preferred to maintain the production of a small and medium-sized enterprise rather than increase it and migrate towards a more extensive type of cultivation that kept pace with market demand.

To date, his new farm has been heavily impacted by covid. The progress of the various activities would be partly unchanged but, following the creation of its new company in conjunction with various delays of bureaucratic nature, along with the stalemate created during the pandemic, has generated an uncomfortable situation that stops the sale of much of what he could produce. He is faced with a difficult situation that demands to keep working in view of a turning point where the administrative obstacles that hold them will finally be resolved.

The idea is to implement the dissemination and knowledge of the world of medicinal plants and their cultivation and collection through training and educational courses. The organisation of events is an important activity for Alessandro as it allows him to showcase their activity and sell products but also to be the testimonial of their added value of naturalness and communion with the environment, exemplified not only by the activity but also the family lifestyle. In fact, they live in a house made of ecological materials in a sparsely populated area that embodies ecological values and communion in an exemplary way, trying to minimise the impact that man has on nature. "We work with the earth and for the earth with biological techniques, biodynamic and permaculture designs". The collaborations are uncertain but given its reputation and professionalism, Alessandro has also taught at universities and occasionally also goes to schools in the area where he organises phytotherapy courses with his wife and collaborates with associations with which shares values and ideals.

Relationships are therefore based not only on the exchange of knowledge and purchase of the product but also and above all on an authentic exchange, from soul to soul. Alessandro sees the relationship with the public as a mutual exchange, perceiving a common need to return to naturalness and authentic contact, whether with the land or with the person with whom he interacts. However, he has a website where he presents their mission, in which his life companion is part, and their alchemical garden but direct knowledge remains the preferred mode of getting in contact with the audience. However, WhatsApp is a very useful tool. In fact, through them he creates broadcast lists and private groups where he spreads initiatives. A functional strategy in line with its added value of naturalness is sharing images and videos of the laboratory with micro-clips of what he does but then invite and meet people personally in the event he organises.

Business IT7



IT7 is an artistic haberdashery located on the central square of Offida, a village of about 5,000 inhabitants in the province of Ascoli Piceno in the south of the Marche region. Formerly also a lingerie shop, the owner is a craftsman specialised in creating jewellery with bobbin lace.

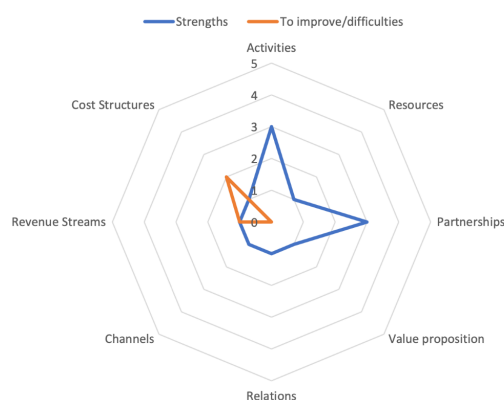
In the past the owner has worked in several factories and over the years she decides to untie herself from working as an employee and start her own business. Initially the daughter takes embroidery lessons and during the evening teaches the mother. Took over the haberdashery thanks to his inheritance and obtaining a mortgage, Anna Maria begins this new professional stage as a craftsman and decides to eliminate the sale of underwear that had become extremely competitive with the advent of large-scale distribution chains and specialise in a specific niche of the craft market, peculiar of its kind: the application of bobbin lace on jewellery. She tells us about how this practice was already made by some artisans of the country, but her creativity pushes her to personalise and care for various types. To mention one, the creation of a working support smaller than the traditional one, a pillow on which the embroidery design rests to braid the thread.

Another creative element is the production of sketches for embroidery designs that are normally created by a designer; in some cases, this task is supported by a draft created by Anna Maria, or it is completely made by her. Another peculiarity is the collaboration with a craftsman who creates the metal base of the jewel. Finally, the quality of the thread is of first choice and personally tested on the finished product; the owner, in fact, has worn a pendant throughout the whole summer so that she can make sure of the resistance of the yarn and its resistance in contact with the skin for a long time.

The network of customers has been generated over time and with a progressive commitment and adaptation. At the beginning, the activity had unusual opening hours such as the Sunday opening that was operated by a few in the area. The observation of the customer on site was, and still is, fundamental. The revenue flow has increased thanks to the implementation of digital marketing. In fact, today a good percentage of the income is generated by the visibility of the product on the web and social media. Facebook remains the most suitable channel for the target audience of the product, Instagram is used but not as effectively as the first one and a Tick Tock channel was created that, however, always remains a bit in the shadows compared to the first two. The costs of the structure are limited being both the manpower and the locale owned by Anna Mania, which has no employees. So, the expenses are limited to the purchase of materials, utilities and payment of couriers. However, direct taxes are a factor in reducing profits.

Business IT8

IT8 is an artisan business located just outside Offida, a village of 5,000 inhabitants in the province of Ascoli Piceno, in the Marche region.



Mrs Gabriella is the owner and tells us the beginning of her experience as a craftsman at a young age. At the same time, having the mother herself start a business of processing and applying lace, she began to help her and take in charge of some work. The commitment to her activity reaches with time such a high-quality value to receive regional awards for craftsmanship excellence. Only craftsmen of the company, however, in the past have activated a partnership with a Belgian designer for a fashion

show. In the 90s, another important activity was the participation in markets, which led not only to increase earnings but also to gain visibility and create networks with other craftsmen.

Gabriella sells her products in the building where she has the laboratory but, being in an area outside of the village, her clientele has been created over time thanks to word of mouth and is certainly not addressed to tourists passing through the streets of the village. Today some buyers also reach her through the net and once completed, the order is then sent by courier.

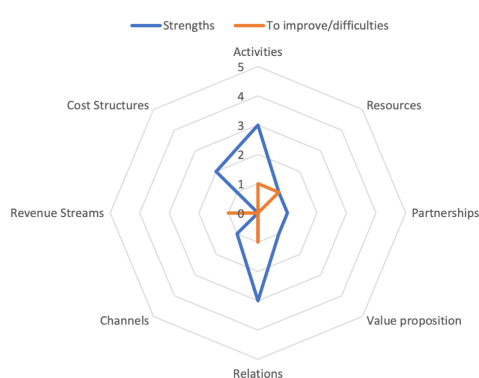
As mentioned above she has no employees but has had interns in the past. The only active collaboration to the need is with the designer for the cardboard base used as for embroidery in the process of creating the actual lace. In case of specific request from the customer then, Gabriela can propose a certain design, like a flower drawn on the bathroom tiles that can be reproduced on the fabric of the curtain commissioned, for example.

Being close to retirement, Gabriella does not complain about the decrease of the demand that has gone down recently. However, she stressed the relatively low cost of the finished product in proportion to the hours of processing that a craftsman must undergo before being able to deliver the finished product.

The added value is surely represented by the care for every single phase of the production; from the first contact with the customer, to the choice of first quality of the raw materials, the processing and finally the application of the embroidery, substantially manual despite the use of the sewing machine, and finally the work of washing and ironing before the delivery. Customer relations are fundamental and that's what brings them back. Gabriella, in fact, tells us that she has created trousseaus for three generations of women to witness the degree of satisfaction and loyalty of her customers. Another appreciation that has remained particularly imprinted in her memory is the joy of a British customer who wrote words of praise and thanks following the reception of the finished product.

The costs incurred by her are relatively low having a local property and not needing many raw materials. The costs of utilities can touch high peaks given the need to wash and iron the finished product but the heaviest cost to bear are the taxes that she needs to pay to the state.

Business IT9



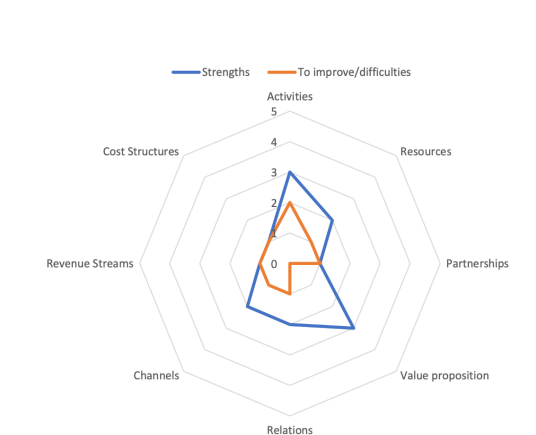
IT9 is an association in northern Italy that is mainly concerned with supporting the cultivation, processing and uses of hemp. Since 1998, the honorary president has made important collaborations, participated in projects of national resonance, becoming a point of reference in the legislative information that sometimes is not very clear on cultivation. The association has many activities that are done to encourage the production and use of this plant that has a multitude of properties and that can be a fundamental resource in times of environmental

and climate crisis. In 2002 an LLC was opened and subsequently sold to third parties, but today the association carries out a job of information, planning and networking of companies operating in the same sector and espouses the same ideal. A further activity carried out by the association is the support towards those startups willing to open a business in this sector. Today the association promotes the sale of hemp and hemp seed. Hemp is a plant

that can be used in different areas such as textile fibre or eco-plastic. In the textile sector, however, its processing is still quite expensive.

As evidence of the commitment and dedication to the cause, far beyond the economic fact, in some activities of the past, there was a project together with the Tuscany region for the use of hemp in the textile sector. In this context, high production costs are contributing, even if today there are more technical and economic possibilities to overcome the problem. The use of hemp in the medical field is another area where this plant is finding application, far from the stigma of recreational drugs. Also, in the chemical industry the president is in contact with leading university professors, internationally recognised in research for medical application. Moreover, the importance of hemp for energy saving in buildings and for the construction of earthquake-proof structures remains central to its activity. The association is constantly looking for public funds, in fact they have also invested a substantial personal capital to promote these actions to a wide range; currently we see collaborations with other entities that support the use of hemp promoting projects that include its use. Internal human resources count about twenty members, who meet regularly to take stock of the situation and discuss the possible or planned activities. In fact, the exchange of experiences and the mutual aid represent the antechamber for an effective collaboration.

Relations with the public take place spontaneously: there is an increasing interest in this matter, the citizens themselves turn to the association, to have support and clarification on how to move in the making of a hemp product and be sometimes directed to the right people or companies.



Business IT10

IT10 is an individual handicraft company located in Borgo Miriam, a small district of 430 habitants in Marche region. Its products and services target moms and babies. Sara, owner and mother of two little girls, started her business out of passion about 5 years ago, following the birth of her first daughter and during a period as an expatriate in Germany. Having free time on her hands, she initially tried crocheting and began producing her first items such as baby booties and accessories.

Following her passion, she began to devote herself to making children's shoes. After creating a fair circle of customers, she received a first major order from a German factory and opened her company there. Following the decision to return to Italy, Sara, strong of her previous experience and wanting to continue her business, decided to continue the activity and start the company in Italy. Her productions increase and she moves from crochet embroidery to the implementation of more types of raw materials and techniques. She introduces fabric processing and buys her first machine, an embroidery machine, beginning the production of birth bows and other types of products such as wedding favours, wooden toys, or kits for special occasions, such as Father's Day, nursery sets, or christenings. To date, she tells us that 60% of her income comes from e-commerce, Amazon primarily, and the remaining 40% from word of mouth among customers. There is an increasing desire to gain visibility through active presence and direct customer contact from Instagram. Recently, a new activity such as set-ups for events like christenings, gender reveal parties or birthday parties is starting to catch on. Here, too, with

independently subsidised training, Sara is launching into a new niche market dedicated to an even larger but contiguous target audience for craft productions.

Sara's resources are summed up in her labour force, the workshop she has in the basement of her home with the machines and various raw materials. Nevertheless, she expresses a lack of support for entrepreneurs and the high taxation. Regarding public funding, it paradoxically proves difficult to achieve as some of the amounts proposed in the calls for proposals are too high to ensure their later effective reuse within her business.

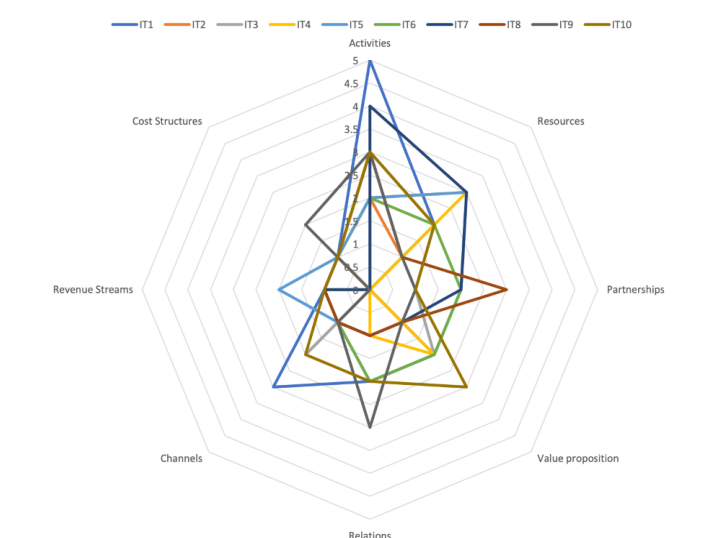
To date, collaborations with suppliers and couriers are the only key partnerships, and in the future, she aims to open a store. She also hopes to start new partnerships with suppliers of raw materials from abroad, such as representatives of French fabrics.

Special care is shown in the research and design phase of the bow or of an event. Relationships with the customer are characterised by a first phase of research to understand their taste, then Sara creates a sketch that allows her to "transfer" the idea of the customer on paper and then to create it by hand. The human component is then characterised by a clear and loyal communication that ensures a positive response in the face of critical issues.

One channel Sara proposes is the website. However, the site does not show all the actual craft creations that are made at her workshop but is used as a partial showcase, more for the purpose of giving authority and security for new customers. In the past she hired a social media manager, a collaboration she later felt the need to end. In line with her creativity, she then decided to start training in using Instagram and believes that self-producing content is more effective than investing in communication and digital.

5. The strengths of these organisations/businesses

Businesses located in sparsely populated areas draw strength from a combination of factors that uniquely position them for endurance. **Their activities, resources and partners are crucial**, allowing them to tap into the available resources of their surroundings and transform



them into valuable products or services. This connection to the local environment, and not only, provides them with determination and establishes a strong sense of authenticity and local identity.

These businesses possess a decent awareness of their cultural value. They understand the significance of offering something unique, often tied to their location's cultural heritage or specialised craftsmanship. **This awareness empowers them to effectively communicate their offerings to their target**

audience, including the use of digital market channels.

Equally important is their emphasis on partnerships and relationships. These relationships create a network of support, shared resources, and collective growth, contributing to the overall vitality of the community.

However, one of their most remarkable out-of-category strengths lies in their resilience. These businesses have demonstrated time and again their ability to weather economic crises and adapt to changing market demands. Their adaptability and flexibility enable them to pivot when necessary, altering their products, services, or strategies while staying true to their core values.

6. The challenges they face, risks and potential for development

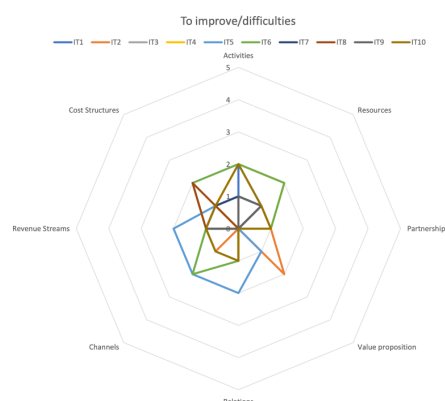
Sparsely populated areas face a set of challenges that can significantly impact their economic sustainability. **One of the greatest difficulties lies in maintaining a steady income.** With a smaller customer base and limited local demand, generating consistent revenue can be a struggle. **The seasonal nature of certain businesses or industries can exacerbate this challenge,** making it necessary to find innovative ways to diversify income sources and extend revenue streams beyond seasonal peak periods.

Affording utilities and/or rent and taxes can also be an uphill battle. Smaller customer volumes cannot lead to higher costs of products or services, and this brings them to careful financial management and creative approaches to minimise overhead expenses.

For artisans, the taxation can be a significant weight. With fewer financial resources to begin with, their situation is more challenging. This can lead to situations where business owners are forced to take on multiple roles, if not all, within their own enterprise to cut costs, inhibiting their ability to scale and diversify their offerings.

Associations, on the other hand, are struggling with a changing regulatory landscape that can pose many challenges in terms of resource allocation, planning, and strategic decision-making.

In summary, sparsely populated areas encounter a range of challenges that impact them such as maintaining a consistent income, dealing with high operational costs, coping with taxation, and adapting to changing government directives are all hurdles that demand creative problem-solving, resilience, and community collaboration. Addressing these challenges effectively is crucial to ensuring the sustainable development and prosperity of these areas.



7. Effects of the Covid pandemic

The COVID-19 pandemic has brought about divergent outcomes for businesses and associations situated in sparsely populated areas. Private businesses have experienced unexpected effects, marked by an increase in sales and a shift towards digital marketing strategies and e-commerce. With the restrictions and lockdowns that limited in-person interactions, many businesses had to pivot swiftly to online platforms. This adaptation not only allowed them to maintain their activities ongoing but, in some cases, even led to an unexpected boost in sales. The pandemic accelerated their adoption of digital technologies, enabling them to reach wider audiences beyond their local regions.

Conversely, associations have faced a more challenging situation. The pandemic's onset led to an abrupt halt in their activities, particularly those that relied heavily on physical gatherings, events, and workshops. The necessity to adhere to the measures requested by the governments brought these activities to a brutal stop, disrupting their usual operations. The consequences have been particularly severe for associations that depend on these activities for revenue or engagement. Many have had to navigate through financial hardships and undergo difficult decisions like downsizing, temporary closures, or transitioning to virtual formats, which might not always provide the same level of interaction and impact.

8. Good practice and successful stories

Businesses and associations in sparsely populated areas face several formidable challenges. **Despite the often-superior quality of the raw materials used, the craftsmanship of the finished product, the intrinsic educational value and ecological awareness, these entities make it difficult to gain customers or audiences that prioritise the cost of the finished product over quality.** As a result, the attractiveness of these products is limited to a relatively small segment of consumers who possess a certain level of purchasing power and awareness of the importance of supporting local and specialised markets. **The convenience of large-scale distribution entities, often armed with eye-catching discounts, obscures the intrinsic value of meticulously crafted and high-quality products.** This phenomenon creates a scenario in which the audience or customers mirror a portion of the attentive population that appreciates not only the intrinsic quality of the products, but also includes the wider implications of their purchasing decisions. **These consumers understand the importance of giving priority to the purchase of artisanal products, not only to preserve cultural heritage but above all to promote local economies, often at the limit of their livelihood.**

Whether these systems are institutional, community, or family-based, they provide the foundation on which success stories are built. In times of adversity, the power of collective force becomes a beacon of resilience and progress.

9. Tendencies in national and regional policies

The knowledge and skills typical of craft practices are considered part of the intangible cultural heritage of mankind, according to the 2003 UNESCO Convention for the Safeguarding of the Intangible Cultural Heritage. This Convention was ratified by Italy with Law N.167 of 27 September 2007 and stems from the need to identify the so-called 'intangible heritage' and ensure protection measures in the interrelation

between human activities and the surrounding environment, both physical and social. The primary objective that emerges is to protect the cultural intangible heritage of peoples by guaranteeing its **identification, documentation, research, promotion, conservation, transmission and implementation through formal and non-formal education tools** and the revitalisation of the same heritage.

According to Italian legislation, 'craft' enterprises are all those which, within certain size limits, carry out 'an activity of producing goods, including semi-finished goods, or providing services'. The set thus delineated thus embraces a great variety of professions. Within this macro-group there is also the sector of artistic, traditional and customised work, which can be more appropriately defined as 'artistic trades', which include all production, creation, transformation, repair and restoration activities that require a certain artistic contribution and the mastery of gestures and techniques suitable for the correct working of materials.

At a local level, i.e. in the Marche region, the sector is regulated by regional law no. 20 of 28 October 2003, 'Testo unico delle norme in materia industriale, artigiana e dei servizi alla produzione', which provides incentives for handicrafts, with particular reference to artistic, typical and traditional handicrafts, and the discipline for keeping the register of handicraft enterprises.

To better understand the local situation, it is worth emphasising that the Marche Region is strongly dominated by the presence of micro and small craft enterprises, located in an area largely made up of small towns and villages. In the most recent support and financing policies implemented, the region has given priority to the need for micro and small enterprises to adapt their production and organisational facilities through the implementation of modern technologies in order to improve energy-environmental sustainability, as well as health and safety in the workplace. **In particular, it has become essential to intervene on the reduction of energy costs, through investments in technological-productive innovation with a positive impact on energy consumption. At the same time, it has become essential to innovate production systems, with the introduction of digital technologies in production, commercial and organisational processes.**

10. What support from outside could strengthen this type of organisations

The assistance that these companies and associations seek can be distilled into a series of needs that, if addressed frontally, would help to significantly strengthen their chances of success.

The first of these requirements is a tangible reduction in the tax burden, not so much for associations as for craftsmen. Lowering the tax burden would relieve a considerable financial strain, freeing up economic resources to be reinvested in business or in refresher courses and training, digital for example, thus promoting their growth and sustainability.

Equally impacting is the support obtained from more established entities. Partnerships, collaborations or administrative and business mentoring programs can provide the acquisition of skills and resources that would otherwise remain out of reach. The guidance and insights shared by these more structured organisations would act as a compass, guiding businesses and associations towards informed decisions and calculated strategies for development. **The wisdom of experienced professionals can be an invaluable resource.**

Finally, regular career development opportunities are crucial. Expanding their knowledge and skills not only benefits individuals but contributes to the overall vitality of the community.

In summary, the assistance needed for businesses and associations in sparsely populated areas is quite straightforward: a balanced mix of financial aid, support from established entities, expert guidance and ongoing professional development. Responding to these needs could trigger a transformation, pushing these entities to thrive, evolve and contribute to the consolidation of local ecosystems.

11. About using the Business Model Canvas for the alternative cultural sector

The Business Model Canvas demonstrated its utility as a research tool by offering a structured framework for analysis. However, **its effectiveness in conveying insights to business owners has been somewhat limited. The challenge lies in the broad amplitude and overlapping meaning of certain sections, leading to occasional misinterpretation on their part and therefore to repeating concepts already stated.**

Grouping into simplified categories some sections could certainly help them to understand the usefulness of this model and see its practical application. The goal is to help them observe their situation impartially and by organising the elements so as to create a continuum between the sections could help them to have a direct impact on their business operations. **Visual inputs, graphics and clipart could be useful for this purpose, bridging the gap between theoretical constructs and practical implications.**

Moreover, recognizing the diversity of businesses and tailoring the model accordingly can enhance relevance. By demonstrating how it applies to their specific industry, they are provided with a clearer roadmap for implementation.

In essence, a concerted effort to simplify and narrow down sections, leverage visuals, and customise the approach can significantly improve the alignment between researchers' insights and business owners' comprehension of the Business Model Canvas.

12. Recommendations for the next step in the project

Finally, thinking about the recommendations for the next step of the project, more certainly there are three main points.

Focus efforts on companies and associations that most align with the cultural narrative of the selected area and with that of the chosen areas. The combination of terrific storytelling and a well-connected network is to be kept in high regard.

Strategic planning is necessary to ensure that the desired results are achievable. Emphasising functional actions and structuring steps in each order can improve the effectiveness of interventions and thus make the path more conscious.

Empower companies with the awareness of the exponential benefits of collaboration.

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Latvia

1. Abstract /Summary

Latvia has a lot of alternative cultural and creative places that create value and a sense of belonging to local communities, as well as keep them active and interesting. They are located in all regions of the country, especially in sparsely populated areas outside the cities. **People of various creative fields work in them, whose main goal is often not profit, but the transfer of knowledge and skills to other members of society in order to preserve them for future generations.** Today, the importance and value of these skills and knowledge in society is also increasing. More and more people want to wear national costumes for different occasions and celebrations, use different things created by Latvian craftsmen on a daily basis and to learn the skills of craftsmen.

In Latvia, the craft sector is very widely represented, where people with a wide variety of skills work. They are engaged in, for example, ceramics, handicrafts, woodworking, basket weaving, candle making, etc. They are more than happy to involve different groups of society in their activities, who can acquire new skills this way. However, as in any other industry, alternative cultural and creative places also face various problems, which often require help from outside. Therefore, such a comprehensive report, not only on their strengths, but also on challenges and development opportunities, is very valuable in order to be able to look for the most suitable solutions for providing assistance and support.

2. Understanding of the “sparsely populated area”

There is no definition for sparsely populated areas in Latvia. Population density is low in rural areas, and it represents a challenge.

3. The value created by creative, cultural businesses/organisations in the countryside

Alternative cultural places provide a very big added value in sparsely populated rural areas. For the most part, people in these organisations and businesses do not need specific patents or trademarks to operate. However, they have unique knowledge related to the local area (village, district, region). They know about local history, culture, lifestyle, and traditions. They are familiar with ancient and local craft skills, Latvian lifestyle, household matters,

celebrations, and culinary heritage. Not only do they know, but they include and show it all in the activities they offer. Anyone interested has the opportunity to try their hand at ancient skills that have survived to this day, such as weaving, knitting, crocheting, basket weaving, pottery, linen processing and many others. Craftsmen study and reconstruct ancient craft skills to learn more about them and show them to anyone who wants to. This knowledge is passed on not only to local residents, but also to foreigners, who are very interested in getting to know various craft skills in their authentic environment - with craftsmen in their workshops. **Introducing Latvian cultural heritage to the people of other countries creates a sense of pride, which makes craftsmen and other representatives of this field want to study and learn more. On the other hand, Latvians, getting acquainted with Latvian cultural heritage, feel a sense of belonging, which strengthens the awareness that this heritage must be preserved and passed on to future generations.** Activities are therefore designed to present the rich heritage in an interesting, educational and inspiring way.

Values such as creative, active and cohesive community, local entrepreneurship are important for alternative cultural places. Therefore, often the people operating in such places cooperate with each other and with other small businesses in the area, thus supporting each other. Such places often also bring together different community people, including craftsmen, from near and far surroundings, providing help in this way (for example, by providing equipment, providing activities, etc.). Therefore, such places are very important both for the members and for the local community and the community as a whole, as they help to continue to maintain the cultural and historical heritage and pass it on to the society.

4. How they are organised, their business model and how they connect

4.1 Recurring patterns and conclusions

For alternative cultural places and the people who work in them, often the values (Latvian cultural and historical heritage, traditions, craft skills, etc.) are the main driving force for all activities. They are aware that this heritage must be maintained and passed on to future generations, so it is done despite various obstacles and difficulties. Values are often more important than profit, so craftsmen often work voluntarily, also providing the necessary materials for various activities. Also, often the owners/managers themselves do most of the work, including marketing, administrative work, as well as creating and providing various activities. They do not have the resources to hire additional people to help with these tasks. However, often there are not so many resources (most often it is a lack of time) for the owners/managers to cope with these tasks in a high-quality way. Therefore, it is necessary to choose what to devote your time to.

For alternative cultural places, communication with customers often takes place only in person. Feedback is obtained during events, conversations. During various activities, it is already visible whether people like it or not. After the activities, there are discussions, during which the opinion of the visitors can be learned. Also, the reaction of visitors, such as applause, already indicates that they are satisfied. Often people visit places more than once or go somewhere because somebody recommended them to go. This indicates that "oral folklore" works. Such cultural places often lack resources for targeted and regular work with customers and obtaining feedback both in person and online.

Some of such places in Latvia have received the cultural sign "Latvian Heritage". It is a cultural mark, which is presented to those Latvian tourism entrepreneurs who preserve and promote the Latvian heritage by demonstrating it in the tourism industry. By this sign it is

possible to recognize places where the owners are ready to show and tell visitors, treat them with Latvian dishes, teach crafts and skills, and celebrate Latvian holidays. Five out of ten interviewed places have been awarded the following label for "promoting Latvian craft skills", "caring for Latvian traditions", "for Latvian food and for a Latvian building". Unfortunately, this mark is no longer awarded in 2019.

Many craftsmen participate in the project – event "Meet your master", which aims to promote interest, understanding and public participation in the preservation of Latvia's intangible cultural heritage. The form of the event is free, the masters organise, for example, creative workshops, demonstrations, individual lessons, lectures, concerts or dances, etc. activities. In this way, everyone who wants it - both children and adults - has the opportunity to gain insight and try their hand at various activities. It is a very good way to introduce people to Latvia's cultural and historical heritage in an interesting, engaging and focused way. Also, many alternative cultural places cooperate with schools and offer activities to students. This is also done within the framework of the cultural education programme "Latvian school bag".

Sustainability and long-term planning are important aspects for alternative cultural sites. Not always, but whenever possible, they try to act sustainably. There are situations when it depends on the target audience or available finances.

For these places, less than 60% is provided from the budget of state institutions. They have to earn or raise money themselves to support their activities. Part of them earns income from visitors and customers by offering them their knowledge in the form of various activities. Sometimes they offer souvenirs. Some participate in project tenders, thus obtaining funding from projects. It is for this reason that the management of organisations/companies is independent and can act as they see fit.

For the most part, fixed employees of the organisation or company work in these places. **Many creative places are also based on volunteer work, where volunteers perform most of the tasks.** It is most often in places where various associations operate. Their members are often the people who provide all or at least most of the activities without receiving money.

Alternative cultural places often have at least some understanding of their visitors/customers. A third of these places know their guests very well. They can tell who their customers/visitors are and how big their groups are, and they constantly take care about maintaining and developing relationships. Two thirds mentioned that they try to interact and do their best to maintain and improve the relationships with their visitors/customers by being aware of their wants and needs. But there is also a part that admits that they only know their visitors/customers a little, with little interaction and without collecting and analysing data about them. This is a factor that could be worked on in order to be able to offer a more engaging and relevant product or service to visitors/customers.

Obtaining information about visitors/customers takes place in various ways, both in person and on the Internet. One of the ways is face-to-face conversations and surveys - both at events and activities organised by themselves, and when they are organised by others. There are organisations and companies that know their customers personally - also outside of work, and therefore know their audience very concretely and specifically. A good opportunity to get to know your audience is also at various tourism fairs and using local tourist information centres, their contacts and resources.

There are places where customers come only with a prior arrangement. In this way, you can clearly see what groups of people are visiting (for example, tourist groups, students, seniors). Sometimes visitors are counted by different factors, for example, by nationality.

Additional information about people is also acquired through telephone conversations before they are visiting. It is also possible to learn more about visitors on the Internet, for example, on social networks. This approach is used by about half of the places surveyed.

About half of the sites surveyed admit that they only sometimes provide ways for visitors/customers to provide feedback about them. It depends on various circumstances, such as time and the amount and capabilities of human resources. But almost as many mention that it is done in many situations. It also depends on whether the organisation/company is involved in any projects or collaborations, for example, with schools, where at the end they have to provide feedback on their experience. Also, one of the organisations mentioned that "there is rarely time and necessity for this".

4.2 The interviewed organisations

Business L1

An organisation located in the northeast of Latvia, Vidzeme region, in a small village with about 50 inhabitants.

The organisation, established in 1983, is a place where you can learn about history from the Stone Age to the end of the Middle Ages. This place is one of the most popular such tourist attractions in the country. The permanent exhibition was created in 2019.

The organisation offers guided tours, various educational programs, including a program for newlyweds. Various thematic and popular science events and craft demonstrations are also held. A visitor centre has also been created, where a permanent exhibition can be seen. It is possible to visit both individually and in groups. The programs are suitable for different age groups - both children and adults. Often visitors are groups of students who can learn about history in an interesting and attractive way.

The organisation has nine full-time employees. Additional people are hired for various projects and events as outsourcing services. Guides are also outsourced. Most of the activities take place on site, but there are also off-site museum education classes available. They are also possible online - such programs have been in great demand during the pandemic, they have been used by students from all over the country and elsewhere. The organisation has diverse cooperation with various event organisers. There is also cooperation in the field of communication.

The organisation has its own Facebook page, where current information about activities and events is actively published. There is also communication on the Instagram profile. Information can be found on the LCTA "Lauku ceļotājs" website, on local tourism pages and on the Latvia Travel page. People also learn about this place in person - at local tourist information centres or from other people who have already visited there. As the manager admits, marketing is very important, but there are not enough resources available for it.

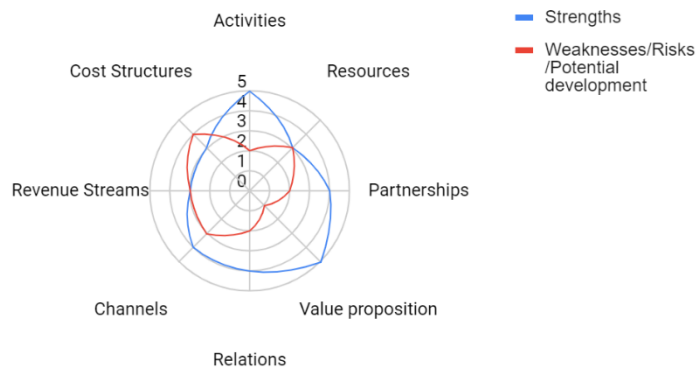
Visitors' feedback is obtained both on the Internet - in social networks, and with the help of questionnaires. For example, the Facebook page has people's reviews about the friendly and welcoming attitude, interesting surroundings and attractions. Google rankings are also viewed. The manager mentions that there are people who return repeatedly, but "for new things or events".

To ensure its operation, the organisation uses money from projects, there is also part of the municipal budget and state grants. Souvenirs are also sold. The most important

physical resources that the organisation needs are for maintaining the territory and visitor centre, various materials and equipment for museum-pedagogical programs. They also need props for excursions.

The main costs of the organisation are management and human resources, since both factors are very important for the operation.

Strengths un Weaknesses



Business L2

An association located in the south of Latvia, Vidzeme region, in a small town with about 2500 inhabitants.

The organisation was established in 2015. But in the beginning, there was an association founded in 2013. It was founded by a local folklore group. **The manager says: "Our main goal is to maintain and popularise Latvian traditional cultural values - songs, dances, games, crafts and culinary heritage."**

They organise seminars, courses and classes about Latvian annual holidays and family celebrations. Culinary heritage masterclasses are held, various handicrafts and musical instruments can also be seen. Offers wedding performances, as well as attractive walking trails. All the offered activities take place both on site in the organisation and also where needed. The events to which the organisation is invited are very diverse. The members of the association (currently 26 people in total) are those who work and participate in all activities and their organisation. They are different, some are working and some are retired, so everything happens depending on their opportunities, time and capacity.

The organisation has its own Facebook page where current information is shared. Information about the organisation can also be found on local tourism pages, on the LCTA "Lauku ceļotājs" website, as well as in tourist information centres. Also, at different events, people notice and learn about the existence of this place. "Marketing is very important. We do as much as we can," admits the manager. When a project is implemented, nothing extra is done. But in other moments, they work more on marketing activities. On the other hand, the accounting is handled by one of the members, who is also an accountant by profession. Sometimes volunteers also help.

The organisation has friendships with other associations and their members. It also cooperates with various small entrepreneurs. If a large group of visitors comes, some of them go to another sightseeing/activity place in the area, but then change. There is also very good cooperation with tourist information centres.

The association uses donations and small membership fees to ensure its operation. There is also revenue from visitors. Sometimes there are some projects with certain funding

and tasks to be carried out. Souvenirs are offered. The equipment and facilities necessary for the activities are purchased by members of the association or with the money donated, as well as within the framework of various projects. Materials for handicrafts, as well as food products for a culinary master class, are bought or donated.

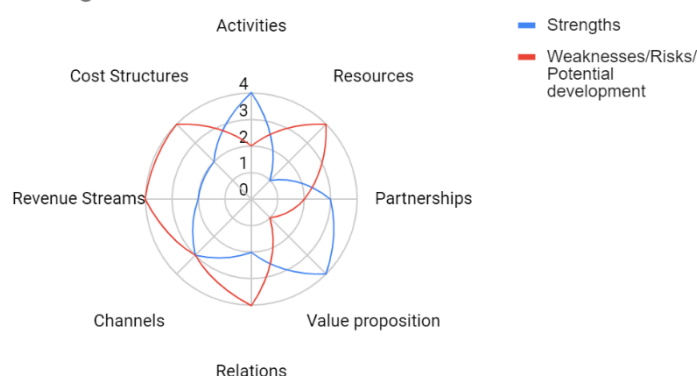
History, traditions, Latvian celebrations, and local skills are important to the organisation, so in their activities they offer to get acquainted with various types of handicrafts, annual celebrations, songs, dances and games. The creative house is visited by many groups of students, including seniors, families with children.

The head of the organisation admits that getting feedback is something that should be worked on. For now, this happens only in face-to-face conversations, where heartfelt words of thanks are received, and people also write in a feedback book available on site.

Some visitors return again and again, and recommend it to others. Also bring other people with them next time. **"We show Latvian traditions, they are what attract people. We are carriers of Latvian traditional culture," says the manager.**

The organisation's biggest and most important costs are management and heating. The manager says: "If there is no heating, there will be no place to create something."

Strengths un Weaknesses



Business L3

An association located in northeast Latvia, Vidzeme region, in a small village with about 100 inhabitants.

The organisation was established in 2011. The idea of its creation has been in the hands of its manager for a long time, the idea for it arose from the traditional culture initiative centre and folklore activities. The manager found an opportunity to work in the house of the local manor. At the beginning, only one room was given, now it is possible to work in several rooms.

The organisation offers to learn various ancient crafts, handicrafts, traditions, dances, songs and games. Various creative workshops are available. Classes are held by both local and neighbouring craftsmen. Various events and master classes are also held regularly. It offers both anniversary celebrations and family honour programs (weddings, baptisms), as well as games and performances with a folklore group and a folk music chapel, in which the hosts themselves also perform. Activities are available both on site (especially in winter) and on field trips with lectures and demonstrations.

There are currently three people in the organisation - the manager, her husband and daughter. They also keep the organisation running. There is also an administrative support

project going on right now, so there is one specific person. But usually, all the work is done by the owners themselves. However, a person from outside is hired for accounting, who prepares, for example, annual reports. The manager says that this person is paid when there is money in the projects for such a position.

Information about the organisation can be found both on the Internet (for example, on Facebook, local tourism pages) and in nearby tourist information centres. **The manager admits that marketing is not a priority: "Other works are more important, projects need to be written, so something slips by and is not published. If there were resources, more time could be spent on it."**

The manager admits that they all know each other - both in terms of craftsmen and folklore people. That is why they cooperate within the framework of various events, as well as with the National Cultural Centre. People learn about the activities and events in person - from word of mouth, in regional newspapers, and on the radio. As the manager admits, the activities are mainly attended by adults or sometimes with their children. But the events are attended by groups, neighbouring craftsmen, and families with children. There are people who return again and again, for example, they attend an Open Day and then regularly go to the activities.

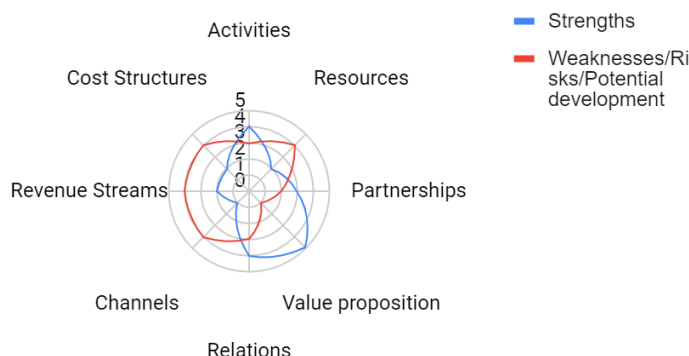
Visitors can write reviews in the guest book on site at the organisation, and reports must be written after the projects. **The manager says: "Those who like us, hug and kiss us. Those who don't like it, go home and hum."** But specific reviews are not collected.

Money from projects is mainly used to ensure its operation. They are needed to have a diverse activity. They also invest their own money. A very small part is received from the state as a grant to the association, it is sometimes used as a salary for a leader of some activities. If a person leads a specific event or program, then that person is also paid a salary. The manager admits that she would like another source of income as the main one, because "there are too many projects and it is a huge job. However, if they are not written, nothing will happen." It is also possible to buy small souvenirs, but there is a lack of resources to take it more seriously.

The premises are rented from the local municipality. Part of all the equipment has been procured within the framework of former projects, sometimes money is still allocated for materials in some of them. But it is a small amount of money and it happens rarely. Therefore, mainly everything is taken care of at one's own expense. Everything depends on the imagination, passion and determination of the masters.

The main costs of the organisation are rent (as the manager mentions, "the rent is not high, but you have to pay it all the time"), materials and human resources. **The costs for ensuring the operation are mentioned as the biggest. But everything is important: "Both people and materials - if there isn't one, then the other won't make sense."**

Strengths un Weaknesses



Business L4

An association located in the west of Latvia, Kurzeme region, in a small village with about 800 inhabitants.

In 2006, an association was established to support local craftsmen. But the organisation itself was established in 2015. There are groups of weavers, ceramics, knitters, seamstresses and other handicrafts. The organisation introduces the cultural and historical heritage of Latvians and the ancient craft skills through the centuries. **Its manager is "committed to promoting the local region as a space friendly to culture and creative expressions, to create a favourable environment for learning and preserving the skills of ancient and modern times".**

The association organises events for craftsmen both locally and nationally. Visitors can go on excursions and participate in creative workshops. Master classes for both children and adults are also possible, as well as a special offer for weddings. Members of the association and other interested people (currently around 40 people in total) are those who participate in all activities and their organisation. Everything is done voluntarily; the salary is paid only to the manager.

The organisation has its own Facebook page where current events are shared. Information can also be found on the LCTA "Lauku ceļotājs" website, other local tourism pages, as well as local tourist information centres. "People find out about the offered activities mainly on the Internet - there are many friends on Facebook, so the information spreads," says the manager. However, she admits that marketing is not that important because there are many other responsibilities, so there are not enough resources for this task.

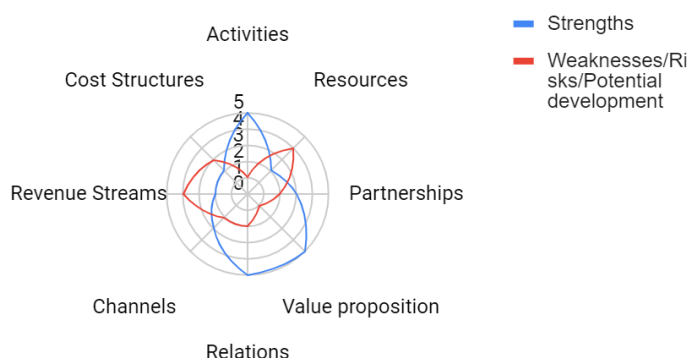
Feedback about what visitors like is obtained both on the Internet and through personal communication in person and by phone. The manager says that people visit several times. **She especially emphasised that foreigners also return repeatedly: 'They like to see what has changed and what is new. Love to see the authentic environment in which the craftsmen work. Foreigners appreciate all this very much.'** As the manager admits, the most frequent guests are groups of students who are very interested in seeing the work of craftsmen. It helps them appreciate the importance of such work and understand its value.

The organisation has fellowship with other craft associations and their members. They cooperate with each other - there are also trips where they exchange experiences and learn from each other. Local region craftsmen camps are organised. There is also cooperation with various collectives who want to use, for example, weaving services.

To ensure its operation, the organisation uses income from visitors, and various projects are also written. The association takes care of participation in various competitions, helping craftsmen to provide various equipment and facilities. Craftsmen provide materials for various activities on their own, materials are provided only for excursions. But the premises are rented from the municipality. The association's accounting is handled by the manager herself, but craftsmen who sell their goods themselves also handle the accounting in that case.

As the main cost, the manager mentions co-financing, which must be invested when participating in various projects. Rent is reduced because own money is invested in, for example, various repairs. Therefore, they do not have to pay for the rent of the premises until 2027.

Strengths un Weaknesses



Business L5

An organisation located in the west of Latvia, Kurzeme region, in a small town with about 10 000 inhabitants.

The business was established in 2019. Initially, the owner was looking for a place to open a small brewery, but through interaction with other people, now a rather large area has been created, where more than 100 employees are currently working. There are not only cafes and restaurants in the area, but also small factories and craftsmen workshops, whose owners also welcome guests and show all the processes. It is also possible to buy products both on site and to place orders. There happen various cultural events, such as concerts and markets. Events are designed to be freely accessible to all, thus supporting local business.

The basic concept of the business is based on teamwork and enthusiasm. The content is created in such a way that they want to come themselves, because then the public will also want to do the same. "The common vision is to develop a business where different manufacturers and companies can develop their activities," says a business representative. He admits that marketing does not really exist now, although social networks are maintained. "We are currently investing our time in creating a vision for the future. The goal is to have a common framework where there is a common vision and at the same time each company can publish information about itself and its activities." The aim is to expand and improve the available information.

There is cooperation with various organisations and companies, their aim is to support local business. For example, various markets have been held in the territory, which were created in cooperation with the local tourist information centre. The representative

admits that they are open to different ideas and collaborations: "This is a good place to make the ideas happen."

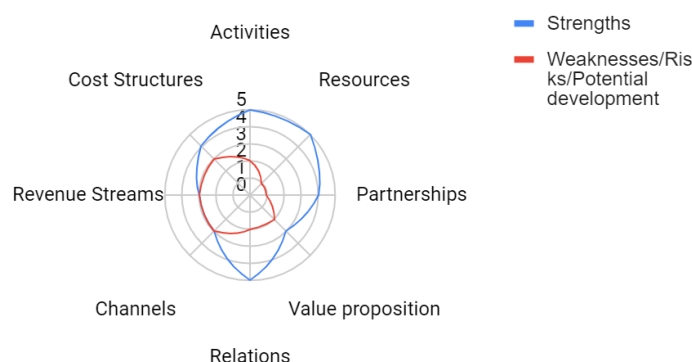
People find out about such a place at the local tourist information centre and on its website on the Internet. Current information is also available on the business's Facebook page and Instagram profile. Also, visitors come based on the reviews of other people who have been here before, or simply by searching for information on the Internet. However, common reviews are not collected, as each company has its own way of obtaining them. But there are regular joint meetings about what should be improved. "Each company has its own vision for its operations, so they need to be aligned," says the representative. He also admits that visitors return again and again: "For example, those who were here in the early days of the business, when it was not in the form it is now, it is interesting to come back and see how things have developed."

Families with children, groups of friends and individual travellers visit here. The place continues to develop and improve, offering a very diverse environment to visitors. Therefore, this place is interesting for different groups of people.

Private funds were invested for business development, as well as additional financing from the bank, which allowed to expand the premises and carry out various renovation works. There is a complex of six buildings in the area, which were previously in a state of emergency, but have now been renovated. The premises have been repaired and adapted to the needs of specific entrepreneurs - so that they can immediately start their activities after the repair.

Each company has its own accounting and revenue. However, the common and only income of the business is the rent of the premises paid by all the companies operating here. On the other hand, the biggest costs are for heating, management, and cleaning of the environment (for example, paving the territory, adapting the premises to specific needs, and insulation). "It's quite a massive cost," admits the representative. It is also the most important cost, as it all provides a pleasant environment in which to operate and develop.

Strengths un Weaknesses



Business L6

An organisation in the northwest of Latvia, Kurzeme region, in a small village with about 600 inhabitants.

The organisation is in a house built in the 19th century, which has been used as a school, pub, and post office over time. However, the building has been reborn in a new form and since 2019 you can learn about the lifestyle of local residents (culture, traditional activities, language, and cultural-historical heritage) in it. It is possible to organise and attend

various events, as well as receive tourist information. Excursions are also offered and students have the opportunity to learn more with the help of an interesting game.

Several associations and community people, including craftsmen, operate in the house. Two full-time employees are being hired. Also, sometimes there are additional helpers, such as interns or students who work as part of the summer program. They do not deal with accounting themselves, but resources are devoted to marketing - there is a Facebook page and an Instagram account, which they maintain as much as possible. However, the manager admits: "Everything is not flowing as we would like. Because of the reform, such joint marketing is not so good." Information can also be found on the LCTA "Lauku ceļotājs" website and other local tourism pages.

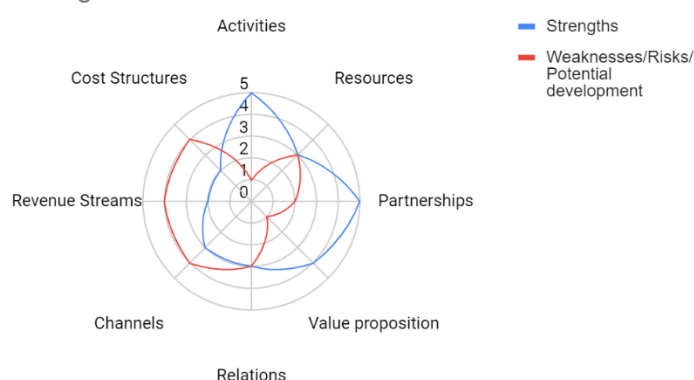
In order to improve the offer, in cooperation with local non-governmental organisations and residents, the building is filled with both informative and material content. There are various cooperation projects with guides and joint hikes, as well as joint events with the local community hall. A house is a place that brings like-minded people together. **The manager says: "It is important that there is someone who needs all this - residents, associations, community people."**

The organisation is mainly based on project money. There is no rental fee for events held in the house, and tours are also free. Various souvenirs are available, such as books, magnets.

The manager admits that there is a lack of resources for obtaining quality reviews. There is a book of reviews on site, and some can be found on the Facebook page and elsewhere on the Internet. But overall, there are very few reviews. "That would be something to work on," says the manager. "People are happy to come back again and again - they are happy that it is interesting here. Newly implemented projects, everything is new and beautiful. In fact, there are not many places in the village to visit, which is also why people come back." People of different generations visit the house, both families with children, individual travellers and groups of friends.

The main costs are for employee salaries, management (e.g. heating) and daily expenses (e.g. housekeeping, event costs). The biggest costs are for salaries and management, but the most important are "those that make up the content," says the manager.

Strengths un Weaknesses



Business L7

A small social enterprise in the east of Latvia, Latgale region, in a small town with about 7000 inhabitants.

The organisation was established in the early 2000s, when a group of like-minded people decided to continue to honour the traditions of rural life and work skills of the past. Therefore, an old warehouse building was found, where a centre for craftsmen was created. Various craftsmen work in it, creating folk costumes, wood, clay, and metal works, researching, and reconstructing ancient craftsmen's skills and things.

The centre offers guided tours about the history of the region's crafts and local folk costumes. Demonstrations of ancient trades and learning the skills of ancient trades, as well as master classes, are offered to those interested. In addition, it is possible to enjoy lunch or dinner in local taste. In the centre you can view and buy master works, as well as make individual orders. Consultations with craftsmen about handicrafts are possible on site in the centre.

All offered activities take place both on site in the centre and on field trips. They used to participate a lot in city celebrations in Latvia, but now there are more specific events and projects. They also travel to foreign countries. The offered activities are most visited by families with children, children's groups, and interest groups. **"People like the knowledge they can get from us. Also, workshops are a way to learn a skill in a short time and understand if you like it and it suits you. After that, if you like it, you can focus more seriously on a specific matter," says the manager.**

The organisation receives feedback mostly in person - in the form of conversations. "After the excursions, people applaud, and this is already an indicator that they liked everything," said the manager. People return to the centre again and again because it is possible to learn many different craft skills.

The organisation is a social enterprise where all craftsmen are volunteers. They sell their works as individual traders. Only partial attention is paid to marketing - periodically. "We understand what marketing in tourism should be, but there is a lack of time and resources," said the manager.

Information about the organisation and its offer can be found on the Internet. The centre has its own website and Facebook page, as well as information on other tourism pages. People also learn about such a place at local tourist information centres, where it is also possible to obtain various printed materials. There is also a part that notices the centre and its activities in various events. "Skills School" workshops, meetings with masters and consultations on the secrets of the trade are organised every year in the spring.

Since the centre is an association, it does not receive municipal funding. In order to operate, they use their own money, as far as the hands of the members - craftsmen allow. Also, a part is income from tourism. The most important physical resources – equipment and facilities for crafting – are in the centre. But materials are provided in different ways - everyone is looking for ways to do it. The house where the craft centre is located is rented for a small fee.

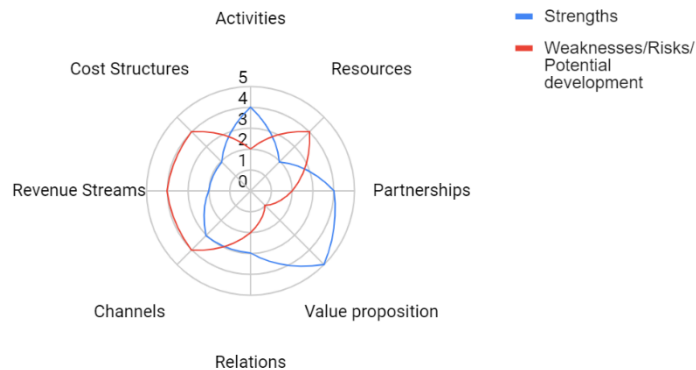
The manager says that there are no tax credits, subsidies, or any other relief available to craftsmen, so things are very difficult. **"It used to be possible to make money from it, but now the work of craftsmen is more of a cultural thing - important and valued among those who understand this matter," admits the manager. "We have the idea that craft should exist and this heritage should be preserved. Craftsmen have episodic income, so we feel responsible for them," she said.**

The centre cooperates with various organisations in Latvia, such as, for example, other craftsmen centres, folklore groups, also with the National Culture Centre and LCTA

"Lauku ceļotājs". As they admit, they "cooperate with everyone they can."

The organisation's main costs are management costs, heat and electricity. It is both the biggest and the most important cost, because if there is no room to operate, then nothing will happen.

Strengths un Weaknesses



Business L8

A small enterprise in the north of Latvia, Vidzeme region, in a county with about 10 000 inhabitants.

The organisation was established in 2010 by two people - a wood craftsman - forester and his wife. It was created in the family's property, where a workshop has been set up, where everyone - both children and adults - can get to know and learn more about trees and wood crafts.

The organisation offers excursions to get to know the trees growing in Latvia in an interactive way. Under the guidance of masters, you can work with traditional woodworking tools and learn ancient games. A specially designed program is offered for each season, as well as for various holidays such as Easter and Christmas. Excursions take place only for organised groups with prior arrangement. In the summer, children's camps are offered both with and without overnight stays. It is possible to buy wooden souvenirs and place orders.

All offered activities take place both on site in the organisation and on field trips. They participate in various private and public events, such as city or county celebrations. Cooperation with schools is very active - within the cultural education program "Latvian school bag". The hosts also employ additional people - specialists in their field for various activities, such as children's camps. Various excursions to other companies also take place during the camps. The hosts are also open to various collaborations with tour operators, event agencies, as well as companies for organising corporate and gathering events.

Most of the work is done by the owners themselves, including technical work. The owner admits that it is impossible to maintain an independent employee base with the existing tax system. Sometimes interns are also taken to help. Accounting is handled by people from outside, marketing needs are also outsourced. There is cooperation with a person - a marketing specialist, with whom they meet once a month and discuss all planned activities and events. The specialist creates the necessary materials, which are published on social networks and on the website, as well as sent by email. On the other hand, the hosts themselves are responsible for the activities of the groups - the information is updated, seeing what the response is and how many people have applied. Owners recognize that

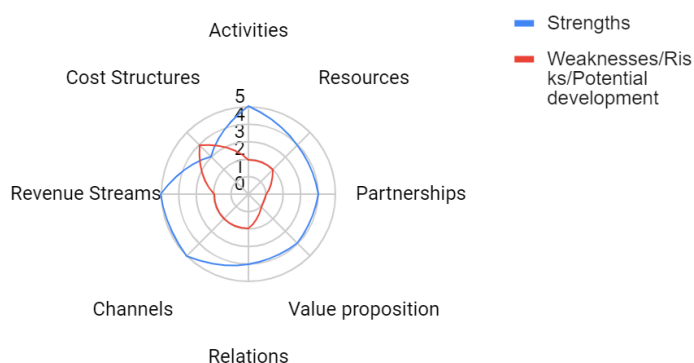
marketing is important, so they dedicate time and resources to make it as high-quality and meaningful as possible.

Own money and income from visitors are used to ensure the operation. Also, income comes from souvenirs and making various orders. "We are satisfied with the current situation, because we want to decide on our own activities. Let us have the final word about any action or activity," says the owner. The most important physical resources are woodworking equipment - tools that are used both in events and activities, as well as for making orders. Timber is obtained in different ways - both from own forest and in cooperation with arborists. Also, various natural materials are collected with one's own hands or bought for money. Up to now, the existing infrastructure was enough, but making camps with an overnight stay required additional investments, such as installing showers and toilets, and making beds.

Information about the organisation can be found on the Internet (website, Facebook page, Instagram account, other tourism pages, LCTA "Lauku ceļotājs" homepage). "Also, people notice us at events and are interested in us," says the owner. The organisation learns the opinion of its visitors both in person during events and activities and on the Internet. **"Word of mouth also works very well - people who have already visited us recommend us to others.** There are many regular customers, they like our offer. They also suggest new ideas. There are also people who rotate between activities," says the hostess. The organisation's offer is mostly used by groups of students, families with children and various (work) collectives.

The main costs of the organisation are human resources and taxes, it is a very large part of the expenses. Also, about timber, because, as the owner mentions, "woodworking is a large-scale, expensive industry". Similarly, development opportunities - what is built and newly provided - require a lot of money. The owner considers financial motivation of people to work well as the most important costs. But tax policy and social contributions are considered to be the biggest costs.

Strengths un Weaknesses



Business L9

A small enterprise in the north of Latvia, Vidzeme region, in a county with 3000 inhabitants.

The organisation began to be formed in 2003, when a land lease agreement was signed with the local municipality to build the Woodcraft Museum. Since then, the organisation has expanded significantly. The basic concept is based on the promotion of wooden crafts. It has been open to the public since 2007.

The organisation offers to visit the Woodcraft Museum, which is decorated as an old workshop. In it, everybody can familiarise themselves with the history of crafts starting from the Stone Age. There are many hand tools that visitors can try out. In thematic events, it is possible to participate in workshops, guided tours, and wedding offers are also available. The story of the history of the nearby area is also visible - buildings that have not been preserved to this day, but which have had a great importance, are also reproduced. It is possible to buy souvenirs and make individual orders. Activities are possible both on site and away, such as various workshops and demonstrations in other museums and schools.

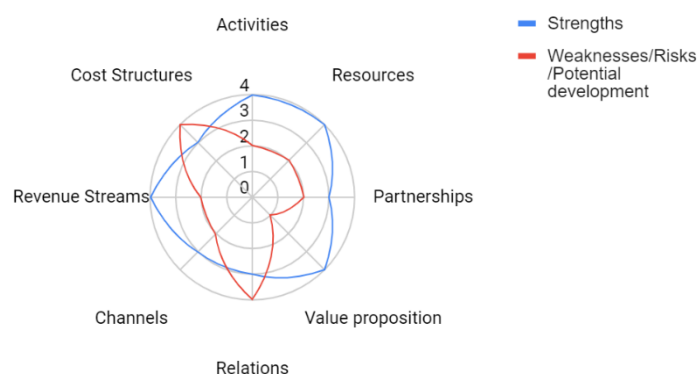
The organisation has a total of three independent employees. When necessary, additional people from the outside, such as guides, are brought in. Sometimes volunteers also help, for example, students who learn carpentry skills at the museum, are also involved in the organisation and implementation of events. Both marketing and administrative work are mainly handled by the owners themselves.

It is possible to find out about the organisation both on the Internet (website, Facebook page, other local tourism pages, as well as the Latvia Travel page) and in person (at local tourist information centres, other tourist facilities). The profile of the organisation has also been created on the homepage of LCTA "Lauku ceļotājs". The owner admits that not too much time and resources are spent on getting reviews. Sometimes something is written on Facebook or heard on the spot in person. But it is not particularly worked on. Visitors return to the company again and again. "There is a family that celebrates Easter with us every year. There are also people who come back after 5 or 10 years to see if something has changed," says the owner. Both individual travellers and various groups visit here. Newlyweds are also fond of this place.

The organisation cooperates with various companies in Latvia. It is more for advertising purposes - promoting each other that such companies exist. Various cooperation projects are also happening. In the museum's workshop, dishes are made from local trees, which are also popular with local restaurants and chefs.

The organisation uses its financial resources and income from visitors, as well as from collaborations. The main costs of the organisation are for maintenance, such as management, electricity. According to the owner, it is both the biggest and the most important cost.

Strengths un Weaknesses



Business L10

An association in the southwest of Latvia, in a small village with about 500 inhabitants.

The organisation was born out of necessity. In 1999, there was a gathering of local residents who lived abroad at that time, and in honour of that, a museum was created in connection with local history and lifestyle. After that, several 3x3 camps have been held, which have encouraged local people to pay more attention to traditions. **"Because traditions need to be kept alive," says the head of the organisation.** The aim of the organisation is to learn the heritage of traditional culture, especially to nurture local traditions.

The organisation offers visitors cultural and educational programs to get to know the lifestyle of the residents in an attractive way. Master classes are also possible. Annual holidays are celebrated, "School of Life" classes and summer schools are held, where it is possible to learn various skills. Local folk costumes and other handicrafts are also on display.

Activities take place both on site and on field trips. In the past, events somewhere else were very popular. The activities offered are interesting for both young and old. Guests from near and far countries, both in Europe and elsewhere, also visit here. The organisation learns visitors' reviews and opinions in person - in the form of conversations. By their behaviour and what they say, it is possible to judge whether they liked everything.

The organisation is an association that currently has more than 30 members who participate in activities voluntarily. Traditional cultural programs are the only form of economic activity, but nobody is paid salaries. The manager manages the accounting herself, also attracting help from the outside when needed, saying: "We manage the accounting as best we can."

The manager admits that time and resources are not devoted to marketing in the organisation. Advertising takes place through other companies, such as LCTA "Lauku ceļotājs", travel agencies. There is also cooperation with various other organisations in Latvia (e.g., Culture Capital Fund, Kurzeme region) due to information exchange, events, and projects. Information about the organisation and its offer can also be found elsewhere on the Internet, for example, on local tourism pages, on the Latvia travel page. Information is also available at tourist information centres.

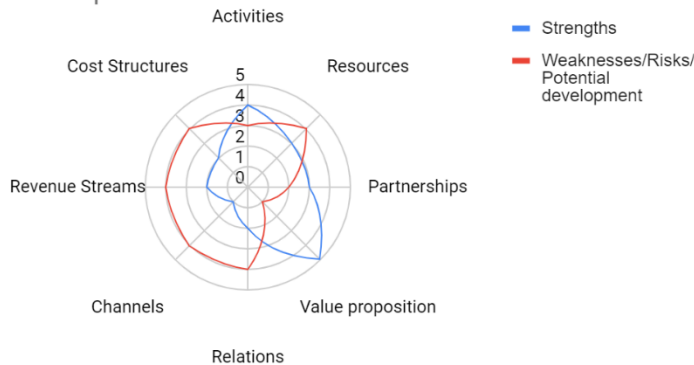
The organisation offers a special food product registered in the EU Register of Protected Geographical Indications. The skills of its preparation have been passed down from generation to generation and it is still made at home today. Its inclusion in the list was an initiative of the municipality, so that the specific district has its own "business card". But thanks to this idea, the organisation offers to taste and learn how to cook this product. This is what makes this place unique. Since 2011, the organisation has had a FVS-registered kitchen that meets all the requirements for catering.

The building in which the organisation is located has acquired a new external appearance, but the interior has retained its original appearance, characteristic of the end of the 19th century. The house is filled with typical household items such as looms, various farm items and tools. Everything is thought out to best convey the message of the given time. Since cooking masterclasses are offered and the tables are set, dishes are also very important, although they used to be more, as the leader mentions.

The organisation supports its activities with donations from other people, as well as with income from economic activity - cultural and educational programs. They also participate in various project calls.

The main costs of the organisation are management (for example, electricity, water) and rental of premises, events. There are also expenses to provide materials. "What remains is our provision. It is used to achieve our goals," says the manager.

Strengths un Weaknesses/Risks/Potential development

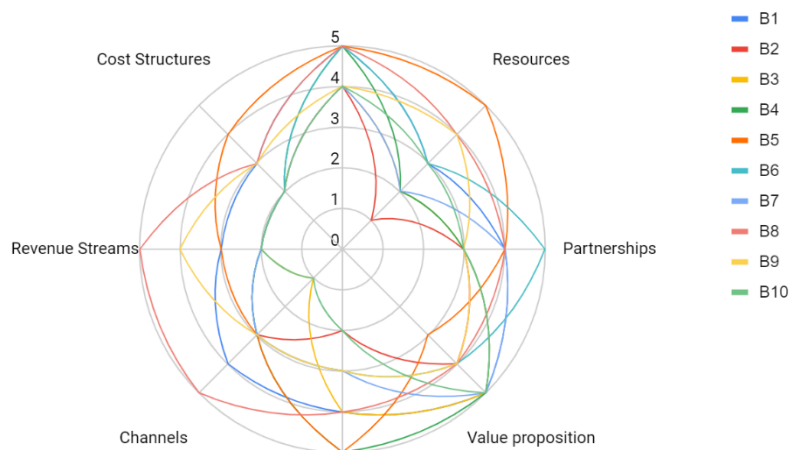


5. The strengths of these organisations/businesses

As one of the most important factors in order to be able to operate successfully, a quality service/product is provided. Only if the offered service/product is well thought out and with added value, it can be hoped that it will be of interest to existing and potential customers as well. Also, a favourable attitude towards customers is very important. If an organisation or business is flexible and accommodating, it is more likely that customers will be satisfied with the service or product they received and will want to return again and again. An understanding of the customer's needs and wishes is required in order to be able to provide the most relevant and appropriate service/product. Increased service standards can also help create a unique experience for customers.

Not only to create, but also to maintain and improve organisations and businesses, character traits such as perseverance and enthusiasm help. True passion and the will to act drives people forward. **Many people who work in alternative cultural spaces have a passion for their cause and want to share it with others.** As one head of one of the interviewed organisations admits: "We have the idea that craft should exist and this heritage should be preserved." Therefore, everything possible is being done so that future generations can get acquainted with it as well.

Creating ready-made programs is also a strength. If customers are offered an already compiled and complex offer, it is more likely that they will choose this option instead of another, thus saving time and energy planning their own activities. For example, a tour followed by a master class is a good way to attract people and prolong their stay in a particular place.



6. The challenges they face, risks and potential for development

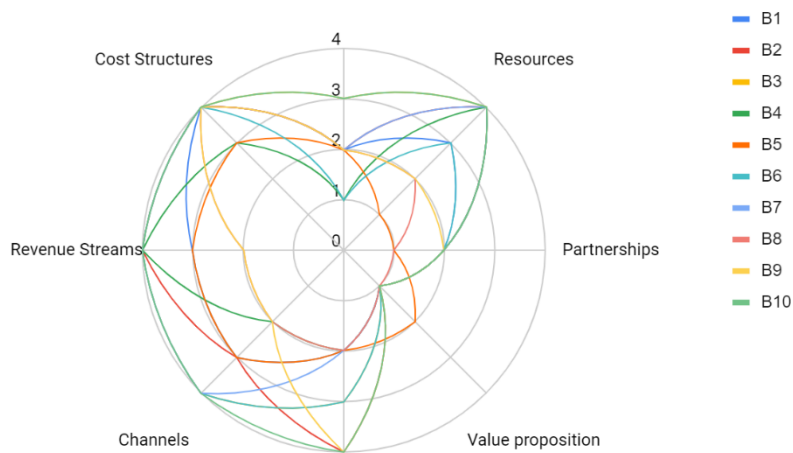
One of the challenges that many organisations and businesses face is attracting customers and visitors. For some, the challenge is to restore visitor traffic to pre-pandemic levels. But some organisations and companies must think about how to maintain their position in the growing competition and thus keep existing customers.

Another challenge that organisations and companies face is building their offering. For part, it is important to understand in which direction to make the expansion of the operation to be successful. It is also important to find a "short-term profit formula and your new challenge" that will allow them to continue working.

Human resources are also a big challenge. Many of them work in such organisations voluntarily and in their spare time. They often have their main job every day, which is a priority because it allows them to earn a living. Therefore, they must find time for various other activities outside of their main occupation, which can be quite difficult. People tend to be very busy, so all or part of the activity should be adjusted to their capabilities.

Another challenge faced by craftsmen is related to financial resources. The head of one organisation mentioned in an interview that neither tax credits, subsidies, nor any other reliefs are available to craftsmen. "Once you could make money from it, but now the work of craftsmen is more of a cultural thing - important and valued among those who understand this matter," she admits. "We have the idea that craft should exist and this heritage should be preserved. Craftsmen have episodic income, so we feel responsible for them," she said.

Many alternative culture venues often lack the resources to gather feedback. It is done purposefully and regularly only in a small part of them. Often there are only word-of-mouth reviews heard on site at activities or events. On the one hand, they can be very true, but on the other hand, they do not always provide a complete view and information about the organisation or company. Also, there are often insufficient resources for high-quality and comprehensive marketing. There are often many other tasks and responsibilities, so marketing activities take a back seat.



7. Effects of the Covid pandemic

The Covid-19 pandemic affected the whole world, including alternative cultural sites. Most of the surveyed organisations and companies have admitted that they have recovered from the Covid-19 pandemic. However, it has certainly left its effects on the operation - both bad and good.

Some admit that the flow of visitors has decreased or changed. Someone admitted that "after the pandemic, there was a lot of withdrawal and active visiting of events and places, but now everything is quiet and people are less willing to gather". Someone else mentioned that "the worst is immediately after the pandemic, when a large number of people go to visit other countries, but few go from abroad because of the war in Ukraine". Some of them have lost their regular customers, while others mentioned that people's attitudes and thinking have apparently changed as a bad factor. On the other hand, a part admits that "people have missed face-to-face activities", so it is not a problem. It is just that they want to go on outings in smaller groups. One of the interviewees also mentioned that there were more foreign groups before the pandemic, but more local tourists after the pandemic.

As an important benefit, it is mentioned that the pandemic has forced us to evaluate the operation of the company or organisation and to take a look from the outside. So, there are things that are done differently now. Some of them appreciate that many things can also be done remotely. This saves resources that can be devoted to other activities. There are also organisations that have partially transferred their activities to the Internet environment - created an online store that is still operating, or created activities, such as educational programs and classes, which are available remotely to anyone interested. People have learned to find solutions in non-standard situations, which is a great contribution to their activity.

8. Good practices and success stories

The strength of organisations/companies is masters who are experts and professionals in their field. If there are people involved who are familiar with the offered activity and its details (for example, a weaving workshop is run by a weaver with experience in this trade), then visitors receive a more knowledgeable and authentic service/product. Not

only do they participate in the activity, but they also gain a lot of valuable knowledge and experience stories about the particular skill when guided by a knowledgeable person in the field. There are places where such specialists are also used as an outsourcing service, involving them in relevant activities and events.

Public involvement is also an important aspect. If local residents and the local community are involved in the activities, there is a greater chance that these activities will be successful and that the community will be interested in participating in them again. Likewise, public involvement in the organisation of events and activities is important, so that they are binding and appropriate to the interests, wishes and needs of the target audience. **Cooperation motivates, therefore interest increases, as well as the desire to share the experience afterwards, which in turn attracts new visitors.**

One of the biggest challenges for many organisations and companies surveyed is attracting customers and visitors. It is necessary to look for a way to attract new customers more correctly. It is also important to understand how to better adapt the existing offer to potential customers. In such situations, there are at least two solutions: to adapt the marketing so that new groups of people are approached and learn about the existing offer, or to adapt the existing offer to new target audiences. An interesting example is also how offers were created during the pandemic that are available remotely, thus retaining at least part of their audience.

9. Tendencies in national and regional policies

In 2003, the UNESCO Convention on the Safeguarding of the Intangible Cultural Heritage was made, and each country that has accepted it is responsible for the inheritance of the intangible cultural heritage and the preservation of cultural uniqueness. So far, there are three values of Latvia in UNESCO's international lists. The Ministry of Culture of the Republic of Latvia and the National Cultural Centre of Latvia under its authority are responsible for the implementation of the Convention in Latvia. In 2016, the "Intangible Cultural Heritage Law" was adopted. It envisages the creation of a list of Latvia's intangible cultural heritage, which includes various values that need to be protected and that have a great deal of support and participation from the relevant community. This list is compiled by the communities of tradition themselves and a special board that evaluates the applications. By 2022, 32 values were included in this list, including various trade skills and cultural spaces. More info: <https://nematerialakultura.lv>.

In order to promote the effective use of Latvia's artistic and cultural capital for the sustainable development of Latvia, the national research program "Latvian culture – a resource for national development" has been established. It was created by the Ministry of Culture in cooperation with the National Council of Culture. The purpose of the program is "to develop the knowledge base about the current and historical processes of Latvian culture, the cultural and creative industries as the implementers of these processes and the contribution of culture to the sustainable development of the country". It started in 2020 and will continue until at least 2026. More info: <https://likumi.lv/ta/id/314740-par-valsts-petijuma-programmu-latvijas-kultura--resurss-valsts-attistibai>; <https://likumi.lv/ta/id/339912-par-valsts-petijuma-programmu-latvijas-kultura--resurss-valsts-attistibai-20232026-gadam>.

In 2022, a study on the impact of cultural consumption and participation "Cultural Activity Barometer 2022" was conducted for the period from October 2021 to October 2022. Some of the insights:

- The population is decreasing, so the existing and potential cultural audience is also decreasing;
- Cultural organisations have significantly changed their work with the audience, for example, there is more active work with the audience on social networks, new types of events and activities are introduced, a new audience is attracted that has not been there before;
- The cultural sector involves extensive involvement of the local community;
- Quality has become more important than quantity.

10. What support from outside could strengthen this type of organisation

Alternative cultural sites require different types of support. Some need practical help, for example, at the municipal level, the opportunity to receive services for infrastructure maintenance (for example, promptly clearing the snow on the driveway in winter) or to receive support for management and heating costs. There are places where repair support is also needed.

Help with marketing would also be helpful. There are places that would appreciate the opportunity to learn and improve social marketing skills. Today, when the Internet is an integral part of life for many, the ability to announce your offer in the Internet environment - on social networks and other websites - is very important. People in this industry would also appreciate hands-on support in attracting clients. Special attention could be focused on attracting a young audience. Also, additional advertising opportunities for the offered services on various platforms would allow to increase the flow of visitors and customers.

Income is also an important aspect. There are places that need support in finding and creating short-term profit solutions to strengthen their operations. There are places that would appreciate help in including offers in various themed tourist routes and promoting them. It can also generate additional income with which to improve their activity.

11. About using the business model canvas for the alternative cultural sector

Business model canvas are suitable to use for alternative cultural places. Canvas are great for structuring the information gathered in interviews. Since interviews tend to be lengthy, it is great to have breakpoints that allow you to be more concrete and specific. The canvas depicts all the most important factors to be able to get a complete picture of each organisation. However, the information tends to overlap and be relevant to several sections, so it is sometimes more difficult to decide where it would fit better. Therefore, there should also be a flexible approach to be able to change/adapt the model and information representation to specific needs if necessary.

12. Recommendations for the next step in the project

Since quite a lot of alternative culture places have been interviewed and surveyed, several areas have crystallised that should be worked on at the local,

regional, and national levels in order to strengthen the activities of such places. One area is marketing and getting feedback. Often, in many organisations, both aspects are not sufficiently qualitatively and purposefully developed. Often this is due to a lack of resources (time, people, sometimes knowledge) for such things. It also resonates with two other problems/challenges that many places face - lack of human resources and financial situation. Many of the people do paid work in parallel with creative things, which allows them to support themselves and their families. As a result, there is not much time left to devote to these cultural activities, so their performance, as well as the general functioning of the organisation, suffers. If more financial support were available, alternative cultural places could operate more freely and with better quality.

Strengthening the above areas would help not only the places selected for the pilot tests, but also the industry as a whole.

13. References

Organisations interviewed (in mixed order):

1. Radošā māja "Baltaine, <https://www.facebook.com/radosamaja>
2. Drabešu muižas Amatu māja, <https://araisi.com/lv/drabesu-muizas-amatu-maja>
3. Jaunpils Amatu māja, <https://jaunpilspils.lv/amatu-maja>
4. Ludzas Amatnieku centrs, <https://www.ludzasamatnieki.lv>
5. Namdara darbnīca, <https://www.namdaradarbnica.com>
6. Vienkoču parks, <https://vienkoci.lv>
7. Rucavas tradīciju klubs, https://www.celotajs.lv/lv/e/rucavas_tradiciju_nams_zvanitaji
8. Organisation nr. 1
9. Organisation nr. 2
10. Organisation nr. 3