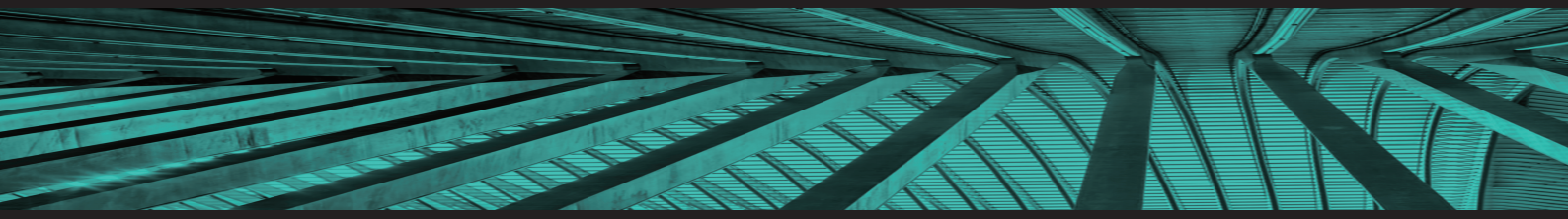
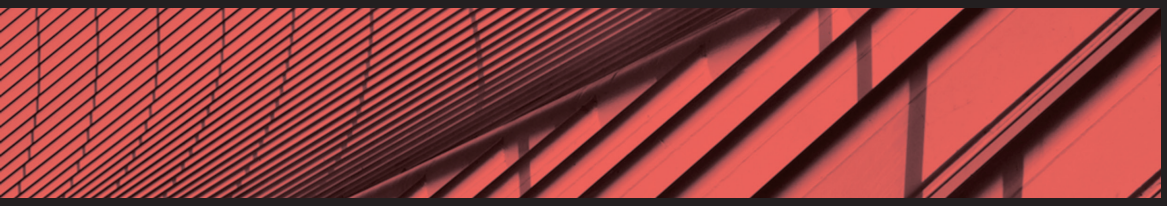
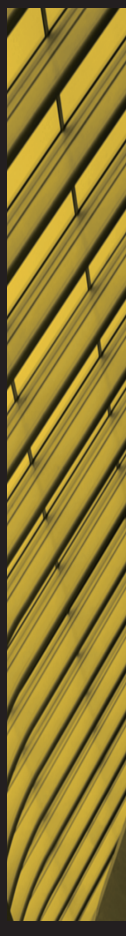
DISCE

DEVELOPING
INCLUSIVE
AND SUSTAINABLE
CREATIVE ECONOMIES



VALUE CREATION MODELLING FOR CREATIVE ECONOMIES: NETWORKS, INNOVATION, AND DIGITALISATION





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DISCE DEVELOPING INCLUSIVE AND SUSTAINABLE CREATIVE ECONOMIES

Value creation modelling for creative economies: networks, innovation and digitalization

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Executive summary

The overall aim of this report is to gain deeper insights on value creation modelling, networking, innovations, and digitalization at the organisational level in creative economies in Europe. The research questions addressed are: *(1) What are the value creation models in the creative economies? How can inclusive and sustainable value creation (i.e. artistic, societal and monetary value) modelling in the creative economies be supported?, (2) What is the role of networks and networking in the creative economies? How can inclusive and sustainable networking be supported?, and (3) What is the role of innovations in creative economies? Specifically, what is the role of digitalisation as a form of or enabler of innovation? How can inclusive and sustainable innovation activity be supported*? The topics of this report – value creation models, networks and networking, and innovations and digitalization are strongly interconnected given that networks, innovations and digitalization are embedded in value creation models. We draw from the regional case study framework of DISCE and the related case study data from 10 creative ecologies across Europe. The analytical strategies and theoretical lenses are described in each chapter.

Our findings illustrate that cultural and creative operators generate various types of value simultaneously serving both self-interest and altruism. In addition to economic value, creative organisations contribute to human wellbeing (enjoyment value), societal issues (social value), harmony (harmony value) or influence over others (influence value). As economic value goals are seldom a top priority among creative professionals the reality of making one's living is present in their everyday actions. Based on our findings we identified five prototypical value creation models (VCM), which the operators apply in response to the prevailing profit-driven rules of the game in the society: free spirit, adaptive, transformative, high-end and brand-building. The models are described along two dimensions: inclusivity (accessibility) and sustainability (economic viability). In each VCM creative entrepreneurs and freelancers navigate between themselves, their audience and value creation goals.

'Free spirit' value creation model means that creative operators have little interest in creating economic value for themselves. Instead, they focus on providing social or harmony value for others while enjoying their creative freedom. **'Adaptive'** value creation model suggests that creative operators actively look for ways to reconcile financial and non-economic goals. They provide enjoyment, economic, social, influence or harmony value for others, while capturing enjoyment, social and economic value for themselves. **'Transformative'** value creation model indicates that creative operators question the one-dimensional profit-driven value-system prevailing in the society, and aim to eventually transform it into something which recognizes the multitude of factors contributing to human wellbeing, including financial, social, and environmental sustainability. These operators want to create enjoyment, social and harmony value for others as well as for oneself, and are also interested in pursuing economic value for themselves to be able to earn their living within creative economies. **'High-end'** value creation model depicts a situation where creative operators provide high enjoyment value, for example, beauty or entertainment for their target groups. It is important for them to be either economically successful or at least viable with a positive revenue flow and to gain international recognition. **'Brand-building'** value creation model describes an approach, where creative operators aim to provide high enjoyment value for others. Personal wealth is not of importance, but they want to capture enjoyment and influence value for themselves. They put effort into working on a very high level and want to be the best in what they do. They apply pricing criteria, which is based on branding and costs: These operators create high quality artefacts, which are highly priced and are therefore not available for everyone.

Transformative VCM challenges the one-dimensional profit-driven value-system that prevails in society by transforming it into something that allows the recognition of the multitude of factors contributing to human

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wellbeing, including financial, social, and environmental sustainability. This value creation model is driven by the aim to change the norms both among the creative operators themselves as well as in the society at large so that there will be a proper economic compensation for the operators for providing non-economic value for others.

Creative professionals need partners and networks to complement the skills, knowledge and facilities, which are the foundation for market survival. Networks and networking are deeply embedded in the creative ecology in question, and in the local culture and mindset of citizens. Furthermore, the local cultural heritage, history and tradition of activities are also important factors when developing local creative economies. The networks are, thus, context specific. The case studies provide a wealth of examples of factors and practices that are considered to support or hinder networking and collaboration in creative economies. Lack of money, time and contacts hinder networking, whereas resources of different kind, such as creative spaces and premises support networking. Education may offer a route to engage in creative economies and the existing networks already from a young age to be further developed during one's career.

City administrations and local players are important in providing opportunities for networking. Public sector actors are considered to be appropriate coordinators of networks, although creative entrepreneurs and freelancers prefer more grass-root level, bottom up activities to planning and strategies. However, a shared vision and passion is needed in order to catalyse the community to collaborate for developing creative economies and the region.

Cultural and creative networks offer complementary resource providing possibilities for more viable and sustainable creative activities. On the other hand, networking requires time and money and can therefore have the opposite effect on economic sustainability, although the role of networks is widely accepted and appreciated. Sustainability is not limited to economic sustainability, but also to governance, environment, technology and innovation, and social issues. When it comes to social sustainability, for example, networks provide the mental support and inspiration that contributes to individual well-being. Networks can be very inclusive for those with good connections, while others, such as early stage freelancers and entrepreneurs, as well as non-locals, may have difficulties in finding the necessary contacts and getting recognized as trustworthy partners.

Creative operators engage in innovation activities that contribute to all three key elements of the value creation model: new value propositions (e.g. products and services), new processes to form value (e.g. marketing strategies and digitalisation) and new ways to capture value (e.g. earning logics). Creative operators' innovativeness can involve action to enable themselves to adapt, respond to, and create value in a changing operating environment. Innovations are also needed for finding meaningful ways to generate income. A lack of skills and competences as well as uncertainty and risks associated with innovation may hinder innovation in creative economies.

External shocks may support innovation. For example, Covid-19 has pushed creative operators to rethink their activiteis. Although many noted that they were aware of the need to develop their digital approach before the Covid-19, it was the pandemic that forced them to improve and further develop their digital skills and services. The interplay between digitization and digitalization and between born-digital and digitally native characterise the role of digitalization in innovation in creative economies. Creative workers and organizations have digital identities, which determine the ways in which digital tools, platforms, and products are approached as opportunities. Thus, innovation can mean new ways of doing things, and not only the outputs or artefacts that creativity brings up.

From the perspective of a creative ecology, innovation involves a diverse range of creative workers, entrepreneurs, support organisations, cultural institutions, educational institutions and policy makers that have their role to play in a creative innovation ecosystem. An important distinction between the traditional

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innovation ecosystems and the creative innovation systems discussed in this report is that the creative actors at the heart of these innovation systems tend to emphasise creative activity over and above commercial success. Creative actors innovate in order to be able to do what they consider meaningful and are passionate about. Hence, one of the most important innovation activity is the promotion and disseminating of novelty, which can be pursued by creating art, profit, supporting other creative operators or by promoting the public good that creative economy generates.

Suggestions for policy and practice based on the findings of this report are discussed in a report dedicated to policy recommendations of the DISCE WP4 (D4.4 Policy Recommendations).

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1. Introduction

In entrepreneurship research, business models are seen to indicate what is needed to achieve the strategic goals of an organisation (Al-Debei & Avison, 2010). There is no consensus or agreement among academics on how a business model should be defined (Bigelow & Barney, 2021). It is an abstract concept that cannot be observed directly (Foss & Saebi, 2018), yet it portrays an organisation's efforts to survive and prosper in the market (Demil & Lecocq, 2010). We follow here an interpretation in which a business model is described to have three main components, including value proposition, value capture and value formation (Foss & Saebi, 2018; Ostervalder, 2004; Stähler, 2002; Teece, 2010; Wirtz et al., 2016). Value proposition describes what benefits is offered and to whom, value capture illustrates how the provider itself gains value, and value formation identifies the configurations through which value is intended to be proposed and captured. However, we agree with Carter and Carter (2020), who have argued that especially in cultural and creative economies underlying organisational goals guide the decision making and therefore they have included motivations to the concept of a business model. Consequently, in this study a business model is interpreted to consist of four elements: value (creation) goals, value proposition, value capture and value formation (see Figure 1).

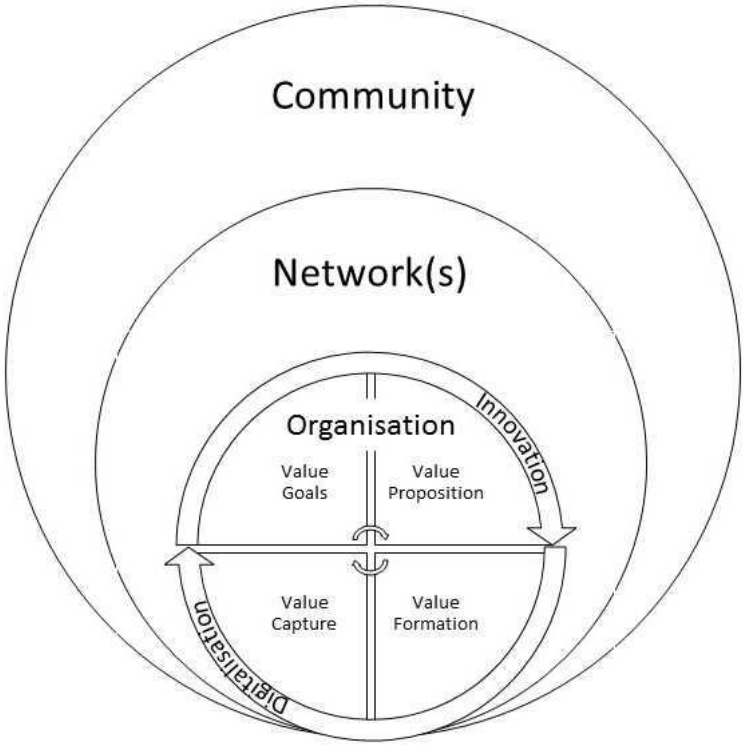

Figure 1 Value creation modelling in creative economies

Business models and business modelling are viewed either as static blueprints, which describe the set of organisational choices to potentially succeed in the market or as dynamic concepts, which address innovative changes in the organisations' activities (Demil & Lecocq, 2010). In this report we adopt both views by examining static 'snapshots' of business model elements and by addressing the interaction between various elements and also changes in these elements. These changes represent for example cultural and creative organisations' responses to the Covid-19 pandemic, and more generally the role of innovation (Beltrán & Miguel, 2014; Crossick & Kaszynska, 2016) and digitalisation (Bakhshi et al., 2013; Chapain et al., 2010) in their operations.

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We adopt an ecological approach to business modelling. An organisation is not considered as an isolated entity but it is embedded in the surrounding environment, and it is both affected by this context and also changes it through constant interaction (Welter, 2011). This is reflected in how the business model is designed to generate shared, sustainable (social, environmental and economic) value to all stakeholders (Bocken et al., 2015). Hence, we extend the concept of business models to include also social business models or value creation models in a broader sense (Yunus et al., 2010). Consequently, we consider the 'business' part of the 'business model' term not to fully capture its integrative nature around the concept of value, and, hence, prefer to call it as a value creation model and, refer to actions of designing and changing such a model as *value creation modelling*.

Moreover, the ecological approach is present in this study as three different layers. An organisation and its value creation model is in the core. Organization's value creation model reflects the ways through which an organization produces and delivers its offerings (Gans, 2016; Wessel & Christensen, 2012) and it shapes an organization's competitive advantage (Barney, 1991). However, an organisation does not operate in a vacuum, and its operations and existence are embedded in various networks, which provide resources, such as know-how, talent and creative workers for organizations within creative economies (Mayasari & Chandra, 2020; Potts & Cunningham, 2008), and access to local markets (Chapain & Comunian, 2010). Networks were important for entrepreneurs and freelancers in the creative economies even before the pandemic, but given the pandemic in the past two years their role may have become even more important (Hesmondhalgh, 2013; Khlystova et al., 2022). Moreover, an organisation and its social capital networks are embedded to various spatial communities, which serve both as a pool of resources but also co-create value through different collaborative projects (Chapain & Comunian, 2010), for instance. Accordingly, our approach to creative economies covers the networks and communities in order to unfold deep insight to value creation in organizations within creative economies.

The overall aim of this report D4.3 is to gain deeper insights on value creation modelling, networking, innovations, and digitalization at the organisational[1] level in creative economies in Europe. In order to address this aim, we seek to answer more specific research questions which were developed in the case study framework based on the DISCE overall aim. We ask:

- What are the value creation models in the creative economies? How can inclusive and sustainable value creation (i.e. artistic, societal and monetary value) modelling in the creative economies be supported?
- What is the role of networks and networking in the creative economies? How can inclusive and sustainable networking be supported?
- What is the role of innovations in creative economies? Specifically, what is the role of digitalisation as a form of or enabler of innovation? How can inclusive and sustainable innovation activity be supported?

The questions related to the ways in which policy can provide support to the development of inclusive and sustainable creative economies will be addressed in the D4.4 Policy recommendations -report. This WP4 report (D4.3) focuses on organisations, their networks, innovation and digitalisation whereas the D4.2 of WP4 focuses on individuals in creative economies. These reports share some overlaps as many creative businesses are very small and run by individuals and they do not necessarily have any employees.

[1] In this report, organisations refer to companies (incl. one-person businesses), private or public cultural institutions (e.g. museums, theatres) as well as various facilitating organisations (e.g. network associations, higher education institutions, public bodies/policy makers). Please see more details in Appendix 1 Case Study Methodology or in DISCE Regional Case Study Framework (Gross et al., 2019).

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Methodologically, the report relies mainly on the regional case study framework of DISCE (Gross et al., 2019) and the related case study data (see Appendix 1 Case Study Methodology). In chapter 2 this qualitative research approach is complemented by quantitative research based on Finnish survey data (see Appendix 2 Survey Data Collection and Variables) to provide some numerical 'snapshots' on the important and relevant topics focused in the chapter (value creation goals and value creation skills). In order to answer to the research questions in a meaningful way, we have adopted different analytical strategies in the different chapters. We have analysed the data in its entirety for example when analysing digitalisation in the creative economies. In some chapters, we have relied on an intensive case study strategy (Eriksson & Kovalainen, 2016) to analyse for example the networks or the communities in a selected case ecology or few ecologies. In the remaining chapters, we have followed an interim approach whereby the analysis is conducted in waves, where data are first analysed by relying on data from one or few case ecologies to retrieve the preliminary findings. Then, these preliminary findings were verified by data from additional case ecologies to make sure that no additional information and findings are to be generated from the inclusion of additional information for example to reflecting the unique context of the additional case ecology. More details on the analytic strategy is provided in each chapter.

The report is structured as follows. First, we present the findings regarding the different values the creative and cultural organisations pursue and how the potential tensions between them are resolved, as well develop a typology of the emergent value creation models in the creative economies. Second, we present findings regarding the prerequisites of networks for the creative economies and the ways in which networks may be developed through creative place branding. Related to the networks, we then elaborate the community aspect, how the creative ecologies can be viewed as an emergent resource in themselves. Next, we move on to discuss the role of innovation and creative economies as innovating ecosystems, after which we focus on the role of digitalisation in innovation and address the challenges posed by the Covid-19 pandemic. Finally, we discuss our findings and present the conclusions and implications.

This report has been conducted as a joint effort between the research teams involved in WP4 in the University of Turku (WP Leader) and SSE Riga (WP Co-leader).[2]

[2] The following researchers have contributed to the different chapters:
Ch 2: Tommi Pukkinen, Kaisa Hytönen and Pekka Stenholm, Entrepreneurship unit, University of Turku
Ch 3: Arja Lemmetyinen, Lenita Nieminen and Tuomas Pohjola, Pori Unit, University of Turku
Ch 4: Diāna Popova, Dmitrijs Kravčenko and Arnis Sauka, Stockholm School of Economics in Riga
Ch 5: Jonathan van Mumford, Entrepreneurship unit, University of Turku
Ch 6: Lilli Sihvonen, Pori Unit/Digital culture, University of Turku
In addition, Jarna Heinonen and Ulla Hytti have contributed to writing of the report discussion and conclusions as well as editing of the report in order to assure coherence and consistency between the chapters. Furthermore, the research and findings have been jointly discussed in multiple data workshops within the UTU team involving also the SSE Riga team in some of them.

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2. Value creation and business model elements in cultural and creative organisations

2.1. Scope of the chapter

This chapter investigates value creation in cultural and creative organisations through a lens of a business model and its elements. There is no agreement among academics on the exact elements of a business model, but previous research has repeatedly addressed value proposition, value capture and value formation (Foss & Saebi, 2018; Ostervalder, 2004; Stähler, 2002; Teece, 2010; Wirtz et al., 2016). Value proposition identifies the offerings and target groups of an organisation, value capture is about how the organisation earns money, and, value formation illustrates the configurations through which value is created. Furthermore, there are different interpretations in the literature about the relationship between goals and business models. Business models are intended to define the goals of an organisation (Osterwalder et al., 2005) or to describe what is needed to achieve them (Al-Debei & Avison, 2010). On the other hand, business models arguably align with the goals (Casadesus-Masanell & Ricart, 2011), or goals affect the business model (Globocnik et al., 2020). Common to this debate is that goals are not an element of a business model, but something to which business models are closely related. However, since motives and goals guide human behaviour (Locke, 1991), goals should not be excluded when the outcomes of behaviour are under scrutiny. While examining artists' activities, Carter and Carter (2020) found that underlying organisational motivations guide decision making and thus, they introduced a modified business model that also encompasses motivations as one element. In this report, we assume that goals form the core element of a business model and drive the formation of the other elements. Consequently, the chapter begins by analysing value creation goals (2.2), their relationships and ways and means of dealing with various goals (2.3) and moves then to examining the other core features of a business model (2.4) including value proposition, value formation and value capture.

To examine business model elements in this chapter, we selected an analytical approach where one or two of the ten case study regions in each subchapter was first coded and analysed in detail, and then examined other regions to see if any new findings would emerge. For this and the next subchapter, we randomly selected Lund from Sweden as the starting point. Moreover, from various types of stakeholder interviews in the DISCE project (see Appendix 1 Case Study Methodology), we selected private companies (including freelancers and self-employed), private and public cultural institutions (e.g. museums and theatres) as well as various network organisations (e.g. national sectoral organisations or local incubators) for the analysis. Freelancers and self-employed were interpreted as one person businesses based on a rationale that also individual professionals employ a business model when they pursue their interests and motivations (Svejenova et al., 2010). Policy makers were excluded from the analysis as they were interpreted to represent public bodies, which facilitate the operation of cultural and creative organisations in the field. We utilised qualitative content analysis containing both a deductive and an inductive element (Hsieh & Shannon, 2005). The raw interview data for this chapter were coded in two or three cycles (see Saldaña, 2013) depending on the subchapter. Initial coding was conducted in all subchapter based on a codebook, which covers the major categories considered relevant for the DISCE-project (see Appendix 1 Case Study Methodology). Next, some of the codes and the related citations were selected for closer examination in each subchapter. In addition to qualitative data, we take snapshots to various topics with a Finnish survey data. These data comprise 246 Finnish creative and cultural organisations. Data were collected via Internet-aided survey tool during May-June 2021 (Appendix 2 Survey Data and Variables).

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2.2. What kind of value cultural and creative organisations pursue?

Management and business research has taken the creation of economic value often as a taken-for-granted goal (Dodd et al., 2021; Korsgaard & Anderson, 2011). However, there has been increasing debate about the distinction between economic and non-economic value creation goals (Hindle, 2010; Korsgaard & Anderson, 2011), and especially in creative economies organisational activities are not always financially motivated (Carter & Carter, 2020). This far, however, there has been little interest among the scholars to explore the different kinds of value that entrepreneurial behaviour can produce beyond economic value creation (Korsgaard et al., 2016). Accordingly, we broaden the concurrent views beyond the dichotomy of profit-making and other goals by taking Lackeus's (2018) framework of five different types of value creation goals as a starting point in investigating the goals among cultural and creative operators.

The interview data for this subchapter were coded in three cycles. Initial coding was conducted following the joined principals of the DISCE-project (see Appendix 1 Case Study Methodology). Next, four of the codes and the related citations were selected for closer examination. These codes included (03) Aims, goals, aspirations (individual), (04) Aims, goals, aspirations (organisational), (45). Value creation & co-creation, and (46) Values as principles of action. The raw data was secondarily coded by using five theory-driven categories of goals describing economic, enjoyment, social, influence and harmony value any of which can be created for oneself or for others (Lackeus, 2018). During the third cycle we inductively created subcategories under each of the five main categories to provide a more nuanced description of the goals among professionals working in creative economies. For instance, when the interviewees discussed money, we looked at it in more detail to depict possible different perspectives into it.

2.2.1. Economic value

Creating economic value for oneself is a commonly discussed topic among cultural and creative operators, but money is rarely considered as a measure of success, and some operators even tend to emphasise less customers who prioritise profit making: *"...commercial companies…. Only profit is important to them. For those companies we don't work."* (LE1F40s) A closer examination shows that creating economic value is, however, considered relevant in many ways. In general, economic value comprises the monetary transactions taking place between someone who is producing and selling offerings and someone who is purchasing those offerings (Lackeus, 2018). Hence, pursuing economic value primarily means a **source of livelihood** that enables paying the bills and running the organisation. In addition, economic value enables organisations to have money to develop or invest in their activities, for example marketing. In addition to the narratives of creating economic value for oneself, it is associated with creating livelihood for others, including employees. The importance of facilitating the livelihood for someone else is stressed among support organisations:

> *"I want the [org. name], the people who are in [org. name] to become successful entrepreneurs… that they can live 100% on their art… and they can spend most of the time and effort on actually making the art or performing or creating in different ways…than on administering the company….So, I want these people to make a living."* (LU19M50s)

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Table 1 Value creation goals of cultural and creative operators

Main category	Subcategory	To self	To others
Economic	Source of livelihood	x	x
	Financial sustainability	x	x
	Wealth	x	
	Proxy measure for something else	x	
Social	Collectivism	x	x
	Co-creation	x	x
	Networking	x	x
	Wellbeing		x
Enjoyment	Creative freedom	x	x
	Experimentation and new experiences	x	x
	Joy of work	x	x
	Beauty or entertainment		x
Influence	Autonomy	x	
	Recognition	x	
	Power	x	
	Empowerment		x
Harmony	Inner harmony	x	
	Humanity	x	x
	Inclusiveness		x
	Equality or diversity		x

The **financial sustainability** was also repeatedly addressed. It translates into survival and managing the financial risks of operating a creative organisation and provides some buffer for the future: *"We would like a lot of money, so that we don't stand there with a risk ourselves… we can't afford to not have a success, because there isn't a second chance for us, because then we're out."* (LU13F40s) For creative organisations economic stability arises from a combination of sufficient financial and human resources. It means simply a possibility to uphold their activities: *"Success right now would be to be able to work only in cinema. Not to accept or make compromises for production funds. To be able to have constancy in work."* (LA10M40s) In some of the studied creative organisations the funding is based on public funding and subsidies. A creative organisation dependent on public funding may face enormous challenges if the funding goes through surprising and sudden changes:

> *"Like now when the Covid, when the events stopped and then we only had a few months margin maybe of how long we could pay the staff, otherwise we would have to start letting people off, but now we got this support from the state so we will manage for some more time, but for me that is not really a sustainable model…."* (LU17M30S)

Moreover, financial stability of support organisations was highlighted as a prerequisite for helping other cultural and creative operators. For instance, helping their customers, such as creative and cultural start-ups, to find and obtain funding is one of the main value creation goals of the support organisations, but they also contribute to the local community by engaging in raising funds for charities. Financial sustainability can also refer to the value proposition of cultural and creative actors. They might pursue bringing cost savings to their customer in a longer term: *" 'I probably save you [customer] three times what I cost' […] I'm not going to say something like that, but I think it's a bit like that, it's a sense that it's not in your budget line but it's worth it."* (CH25F40s) Accordingly, cultural and creative professionals may stress financial inclusiveness so that the piece of art is accessible or seek to serve those who cannot afford the regular prices. Economic value for others can even mean providing free services, for example, not charging people for attending workshops. However, 'for free' poses a challenge for the sustainability of economic value creation despite its inclusive

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qualities. Downplaying economic value may be a conscious decision to protest against the prevalent market economy and to show through one's own actions that money is not a synonym for valuable:

> *"I want my prices to be such that people who are interested can buy it. I don't want to end up only with people who are millionaires. [...] A good artist is not somebody who can be defined by having high prices […] it is a systematic protest against you know this zeitgeist that we are living with that everything is measured by its price but not by its values."* (LU16M60S)

Growth and **wealth** narratives were rare in our data in comparison to how frequently other economic goals were addressed. Some cultural organisations prioritised accumulating money: *"The [organisation] is a receiving house. It's there to make money"* (CH5F50s), and the rationale in this instance is that there are various operative units under the same organisational umbrella with different goals. Gaining personal wealth was related to having a possibility to exit the industry at a relatively early age:

> *"So, the idea is, I'm 42 now, the idea is that when I'm 50, I'm on the mountain, in the side of France next to a swimming pool and not working anymore. So, that's the goal. So, that means that we have eight more years to grow the company and sell it, which hopefully works. I don't know."* (LE3M40s)

Moreover, economic value creation can also function as a **proxy measure** for some other value creation goals such as influence value, when growth signals to the top management that they have been successful in having an impact in the society. This initially implies that different value creation goals are interconnected:

> *"We've grown, we doubled the size of the number of employees in three years' time in this area. […] And we predict a growth, doubling again in the next three years in this area. […] To me, growth is only measured in how much did we change. […] Only the impact. And I've given myself 10 years, but every year I say I get 10 years, so I don't know exactly when that's gonna start. I gave myself 10 years to change the Netherlands."* (EN10M40s)

2.2.2. Social value

Value creation may also focus on social issues and social mission (Mair & Marti, 2006), such as hunger and poverty (Kroger & Weber, 2014), or action may be aimed at improving wellbeing of others (Brieger et al., 2021). The creation of social value is an important goal among entrepreneurs, firms, support organisations and cultural institutions operating in creative economies. Their narratives often highlight **collectivism** and how creative organisations themselves want to learn from others and how they aim to help people to learn from each other. This may require lowering the mental barriers among local cultural and creative operators to start talking, sharing, and ideating together to build a stronger ecosystem, instead of seeing each other as rivals: *"…there'll be those informal sharing of information and ideas. A sense that there isn't siloed working -- or rather, fortress working…So people will feel more open, and ideas will bubble up that [city] can then help make happen."* (CH25F40s) Moreover, we found that collectivity stems from working together with other professionals or from participating in a larger network of stakeholders. Helping customers to find useful connections and to **create important networks** goes hand in hand with supporting collectivity and being a sustainable operator in the creative economies: "*Most time we spend with relations. It's like connecting people… If you can't do it on our own, we are there to help to glue things together."* (LU14F50S) This takes place for example by providing either long-term co-working spaces or venues for short-term encounters. Moreover, providing possibilities for those in the audience to meet people with similar interests is an important type of social value that creative support organisations stressed. The narratives highlighted also

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the social value embedded in linking art practitioners and academia. This is often one of the goals of support organisations, such as higher education institutions:

> *"And I really look after other professors and readers and other staff members to kind of help them […] the other half of my, my practice has always been interviewing artists and my curating or whatever has come out of those very personal relationships I've built up with artists over the years."* (CH13F60s)

In addition, the narratives addressed the value of **co-creation** with various stakeholders. Interaction with the audience in different art projects was widely stressed. For instance, support organisations' aim to engage the local people to express their mixed feelings about some changes in their surrounding area: *"...a lot of, a lot was gathered from people, especially some anger from older people who said you know when the dockyard was closed so many jobs went."* (CH13F60s) Co-creation is also about trying to engage cultural and creative operators into actively taking part in cultural strategy work of a city:

> *"priority is around cultural strategy [....] to make sure that the creative sector are fully participating in that process….playing the role that we, that I have always envisaged them to play."* (CH22M60s)

Our data suggest that social value can also very concretely aim to increase the **wellbeing** of people. For instance, creative offerings can be used in relieving illness, as it may provide calming experiences for patients suffering from concentrating disorders or severe pain and aesthetically inspire those hospitalised. Or, social value can arise from organising reading circles in local retirement homes. In pursuing social value the wellbeing of creative workers can also be in focus. This can unfold through securing a psychologically safe working environment, which encourages learning by doing and embraces failures. Similarly, creating healthier communities by developing local cultural infrastructure was considered relevant for social value and wellbeing in creative economies:

> *"So Medway needs to develop its cultural infrastructure […] and [name] need to make sure that we are, that culture is playing into that in the… and the creative industries are playing into that in a professional way that they need to. So not seen as necessarily the world of fluffy, cuddly bits around the housing and the, you know, the bricks and mortar, and glass and concrete, but how they're essential to creating new communities and enhancing communities and creating stronger, healthier communities. And how culture plays into that."* (CH22M60s)

2.2.3. Enjoyment value

Our results indicate that enjoyment value is an important form of value creation, which can comprise creating value for oneself and for others. Enjoyment value is highly subjective (Patten, 2016) and it can mean different things for different audiences. Often enjoyment value in creative economies is associated with creating offerings, which are not to be used or exchanged but consumed for their aesthetic value (de Monthoux, 2000). The narratives suggest that enjoyment value stands not only for beauty but also for creative freedom, joy of work, experimentation and new experiences as well as entertainment.

Creative freedom in one's own thinking and having no intimidation or chains is one of the most significant forms of enjoyment value (see further discussion on creative freedom as a starting point of creative action the WP4 report D4.2 Between labour markets and entrepreneurship). Enjoyment arises from being able to do something which is genuinely interesting and which arouses positive emotions. Creative freedom may even intertwine with creative obsession: *"I'm going for perhaps an obsession or a fixed idea and I really want*

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to work it out without any setbacks, I just want to do it." (EN26M50s) Nourishing other people's creativity is also important for the professionals:

> *"So to target the boys [inaudible] did creative writing projects […] So it was about, you know, creativity. You know, it is always there. […] It is just the same, that creativity can be everywhere. It's in you. In the mess room, in the art lesson, it's in history, it's in French."* (CH30F50s)

As a highly subjective value, value for oneself, **joy of work** constituted one aspect of enjoyment value. On one hand, joy unfolds as happiness in what one does, but it may also concern helping others to find joy in work. Seeing others enjoying the creative offerings and feeling inspired by this brings joy and happiness also for those producing them. This can be considered to represent success:

> *"Success means happiness [….] if the people I work with are happy, and then I am happy. And then that's success."* (LU5M30S)

A great deal of enjoyment also stems from **experimentation and new experiences**. The narratives about creating new experiences, for instance through emotions, feeling of togetherness or as experiences of fantasy, show ambitions to create enjoyment for others. Cultural and creative operators want the audience to like their offerings, to find them interesting and pleasant, and hence, challenging the audience can be one way to try to create enjoyment value for others. New experiences also include providing people with knowledge and skills, which is especially important for many cultural support organisations, such as network organisations and educational institutions. Experimentation also satisfies creative operators' own curiosity, intrinsic motivation, and desire to learn and it allows them to challenge oneself. Our data suggest that dramatic external shocks, like Covid-19, can create opportunities for experimentation:

> *"I see it very freeing and as a possibility of trying new…even though it's horrible that it was a pandemic that needed to do it, I enjoy that it is kind of, it moved the status quo of how you should do things, it made you thinking new ways."* (LU18F30S)

Enjoyment value can also mean helping people to find **beauty or entertainment.** For instance, providing people with aesthetically appealing experiences or inspiring atmosphere are considered as relevant perspectives of enjoyment value. Enjoyment is also about providing entertainment for people:

> *"Entertainment. A way to step out of the everyday slumber, I guess. Giving them five minutes, 10 minutes, half an hour of not thinking about work."* (LE3M40s)

2.2.4. Influence value

Any sort of value creation for others is embedded with an ability to influence others (Goss, 2005), and hence, some value creation goals can derive from willingness to change the ways of thinking (Dodd et al., 2016). For instance, the aim can be aiming for social transformation (Alvord et al., 2004) or social change (Rispal & Servantie, 2017). Our data add to this by showing that cultural and creative operators pursue influence value also to themselves. Having **autonomy** as a creative operator was stressed as an important form of influence value. Autonomy means a freedom to make one's own decisions and choices over the creative content and how creative offerings are delivered and provided. This goes close to the creative freedom, which was highlighted as a form of enjoyment value. Whereas creative freedom concerns thinking, autonomy is about organising. For instance, autonomy may concern the ability to decide upon how the work input is organised (through own company instead of a paid work) or to define the boundaries between work and leisure:

> *"I danced there for, I think, about four seasons, and then decided I hated it. I hated being away from home. […] I liked the glamorous side of it being on stage, but it was very unglamorous. And*

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> *the chalets that we lived in weren't very nice. And then you have to share with a mix of people, I just didn't enjoy it."* (CH2F40s)

Another form of influence value stems from narratives about achieving **recognition** as an organisation capable of providing high quality: "*Becoming a world famous architectural office. It's really embarrassing to write it out like that but that's what we're doing.*" (LU12M40S) Such legitimacy is considered necessary in collaborating and networking, and hence, being a convincing operator in the eyes of local, national and international peers, media and audiences is considered significant: *"Success is purely related to the exhibition….It's about what colleagues in the sector… the media… artists… our audiences think about the exhibition."* (LU6F40S) The idea of legitimacy extends beyond cultural and creative sectors to people and organisations working and operating in other fields:

> *"I'm there to represent other freelancers and to make sure all the other industries are hearing about our value and our journeys."* (CH30F50s)

Some support organisations highlighted their aims to achieve **power** in becoming change agents in the society to, for example, promote different ways of organising work in creative economies, or to advance the valuation of creative sectors among policy makers. Some organisations, in turn, aim at increasing people's cultural capital, and power of knowledge, thereafter. Power is also related to leading the sector in contributing to environmental sustainability. Power is also about aiming to become a role model in advancing social sustainability of an entire ecology by taking simultaneously into account the needs of artists, volunteers and the audience and bringing them together as a community:

> *"We try to be a model in music and in our city, but also in the total Belgian scene. We try to be a model for the cultural society, we have a social role - we are a social model, I think we bring people together on a stage but we also bring people together, like I said, like our volunteers are very important to us, that community. And we have a community of music lovers, and different genres."* (LE16M50s)

Influence value in creative economies can also mean **empowering** others**.** This can be about making a difference in people's lives and in the society through creative offerings, but also facilitating change in the audience's and customer's life or operations. For support organisations, such as educational institutions, empowerment can focus on building young people's self-confidence and to increase their resilience. Relatedly, building self-confidence of other creative operators is high on the support organisations' agenda through, for example, genuinely believing in and caring about people and their ideas. In addition, influence value may arise from helping the stakeholders to learn something new for their core activity or teaching new skills for audiences to fulfil their creative exercises or enhancing their learning abilities. Influence value can stem also from creating value for other artists through enhancing cultural and creative actors' possibilities to be heard and to influence:

> *"And longer term, it is around the strengthening and creating a stronger creative sector here. This is all connected to the strategy that there is a strong single voice for the creative sector here."* (CH22M60s)

2.2.5. Harmony value

While pursuing fairness, ecology, equality, and the common good in the society and among people, one is seeking to create harmony value (Lackeus, 2018). For instance, a collaboration between private sector and public sector actors instead of considering their relationship through an ideological battle (Cho, 2006) may illustrate the meaning of harmony value. Moreover, harmony value creation can stem from working with

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different people, satisfying customers, and building relationships with stakeholders (Cardon et al., 2017). Our findings suggest that promoting equality and generating common good in the society are relevant and important forms of value creation among cultural and creative organisations.

Harmony value is mainly created for others, but creative entrepreneurs and firms created harmony value also to oneself. **Inner harmony** created to oneself stems from pursuing meaningful, balanced goals and being able to fully express oneself: *"And I can use the whole of myself now."* (LU20F50S) Bringing inner harmony for others, on the contrary, concerns making people feel calm and peaceful, for example: *"Or looking at it [picture]. If they say, that gives me peace, that gives me a sense of calm and harmony or whatever, that's fine with me too."* (LU16M60s)

The narratives of value creation goals highlight that harmony value is related to advancing **humanity.** For instance, providing a historical perspective to current issues in the society by helping people to understand how people's lives have at the same changed and remained the same through different eras, or posing questions about being human or about frightening themes such as diseases, or about the state of the environment or sustainable development can push operators and audiences toward better awareness. These can initiate conversations which help the audience to deal with different emotions associated with difficult, existential questions: *"And it's about fears, about... first, we were thinking about having a project about this, you know the climate is very big issue, how do children respond to adults' way to handle the climate issues? …we're gonna discuss and talk and work and move and do things with the children*." (LU2M60S) Central to promoting humanity is that one lives for the future generations, sees itself as part of the natural ecosystem and makes choices, which contribute to sustainable development:

> "[…] *what success would mean to me, to create a lasting impact that would far outgrow myself. I like to make an impact that I'm only marginally recognized for. But I think the impact itself is more important. And impact is what can be defined nowadays in terms of SDGs [Sustainable Development Goals]. I think I would like to leave this world better than I have found it."* (LE4M40s)

Harmony value can also mean improved **inclusiveness** when cultural and creative operators seek to provide spaces and places where everyone feels welcome, are respected, seen and heard as themselves, and can get what they want from it. A part of this task, and a challenge to achieving it, is to help people overcome their prejudices towards some art forms, and, hence, to break the invisible boundaries hindering inclusiveness: "*I suppose, stereotypical understanding of what the arts is… the opera, some form of dance, you know, contemporary dance….People won't come. They won't risk their money on it, which I find quite sad. Because generally when you give them a ticket for nothing and they do come, they actually quite enjoy it….if you start giving them the confidence from a very young age to walk across that threshold, hopefully that confidence will carry on into adulthood.*" (CH5F50s)

Diversity and equality are important dimensions of providing harmony value. For example, using art and creative experiences to connect people with different social backgrounds and make them understand each other better and to make them *"to listen to each other's stories"* (LU23F50S) signifies how harmony value creation is embedded in creative organisations' work. Equality also means serving specific cultural needs of niche audiences, or upholding the rights of minorities, for example those disabled, to cultural experiences. Gender, race and sexual equality, and diversity, is also promoted among the producers of cultural and creative content by giving a platform for women and "*people that are not white and straight."* (LU18F30S) Moreover, cultural support organisations may aim to promote an equal treatment of cultural and creative entrepreneurs in entrepreneurship policies compared to entrepreneurs from other sectors or to amplify the voice of often neglected audiences, such as children and young people, in community-level decision making.

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Cultural and creative organisations may also aim at promoting diversity of local cultural offerings so that people can afford to attend various activities instead of just one major event:

> *"And we are thinking maybe we should find a way to strip a lot of things on the festival, make the entrance fee lower so that people also have money in the month to spend on other places like going to the cinema or going to other events. You know because it's also sustainable for the city if there's diversity, and you won't get diversity if we are the only ones where people spend their money."* (EN8M20s)

To sum up, our findings illustrate that cultural and creative operators generate various types of value serving both self-interest and altruism. Cultural and creative operators contribute to the society through goals, which add not only economic value but also other types of value, which are crucial to sustainable development of our societies. Social value creation can address local, even individual, problems and not only societal challenges. Having artistic freedom and pursuing one's passion are important goals but art can also empower people. Moreover, cultural activities are about creating communal experiences: they are cure to loneliness. Our findings suggest that different types of value creation are intertwined and closely related.

Accordingly, we explore the relationships between the value creation goals after first taking a look at the value creation goals based on a survey carried out in the DISCE project.

2.2.6. Snapshot to value creation goals

In the survey data collected from cultural and creative organisations in Finland (see Appendix 2 Survey Data and Variables), we utilised proxy measures on different value creation goals. These measures reflect the value creation goals summarised in the framework presented by Lackeus (2018). The results illustrate that studied organisations emphasise social and harmony value, such as making people happier, creating something that serves common good and highlighting societal issues, over economic value (generating income or having economic success) (Figure 2).

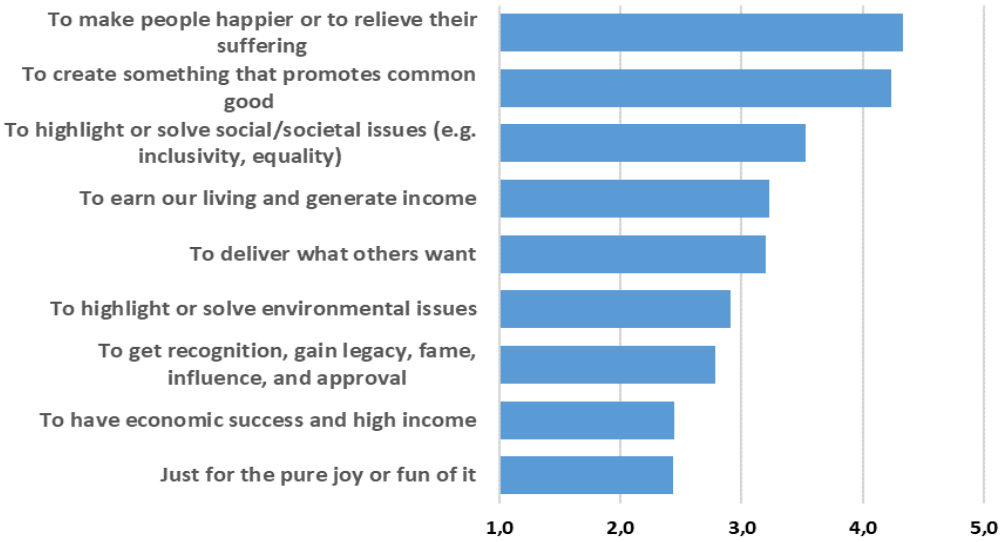

Figure 2 How well different value creation goals describe studied cultural and creative organisations (1=Totally disagree…5=Totally agree)

Social and harmony value creation goals are more often emphasised in organisations which operate in core arts (e.g. crafts, theatres, festivals, and museums) than those working in creative industries (e.g. design or

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advertising) (based on KEA classification). Latter group, however, stressed economic value more often. The same concerns the differences between for and non-profit organisations: As expected, non-profits emphasise social and harmony value, while for profits stress economic value creation.

Larger organisations with more than 10 employees, measured based on the number of employees in 2021, emphasised income generation and economic success, as well as social and harmony value creation, slightly more often than smaller organisations. As expected, income generation and economic success were emphasised more often in organisations that gained income from selling their offerings. Logically, organisations, which gained their income more often from public funding (local, regional, national or EU-based), emphasised common good, making people happier and societal issues more than their peers.

The snapshot to value creation goals corroborates the expectations that cultural and creative organisations inclined to creativity and artistry emphasise social and harmony value, whereas those inclined to generating income focus on economic value creation goals. The results reflect well with the qualitative findings discussed earlier.

2.3. How do cultural and creative organisations deal with multiple value creation goals?

Previous research provides a mixed picture of how cultural and creative operators juggle and balance with their varying goals, and suggests that there may be a strong divide between economic and non-economic goals, such as autonomy (Carlucci, 2018; Kovesi & Kern, 2018). In this chapter we examine how economic value is positioned among other goals when cultural and creative operators narrate these relationships. Our results suggest that goals can relate to one another in three different ways: they can co-exist, be conditional or in tension, and that creative operators apply a variety of different ways and means in their everyday activities to balance between economic and non-economic goals. This subchapter has the same analytical approach to coding and interpreting the interview data as in chapter 2.1.

2.3.1. Relationships between value creation goals

The **coexistence** of economic and other types of value creation goals can be described as a neutral 'both-and' -relationship in which cultural and creative actors pursue several, independent value creation goals at the same time. Creating economic and influence value for oneself and enjoyment value for others is one example of coexisting values: *"A sustainable live show or live experience for us is, yeah well, it's both about the economy of course, and about the reviews and that audience like it. […] You have to succeed in both areas."* (LU13F40S) Similarly, to be able to bring joy to oneself and to make a living out of it can be equally important types of coexisting value creation goals. Professionals in support organisations aim to generate simultaneously for example economic value and influence value for others: "*And artists also […] if you don't understand where the money is coming from in the system you can't challenge it, either."* (LU15F30S) Cultural and creative operators may also consider domains of economic and harmony value equally important:

> *"[…] so you always have to make a kind of, find the balance in between commercial work and changing the world, so let's call it that way."* (EN10M40s)

Our findings also suggest that value creation goals can be **conditional** so that achieving one value creation goal is required to achieve the other. Conditionality can be of a means-ends (if-then) form, where a goal is less important than another one, but it is necessary for reaching the primary goal. Economic value creation can be a precondition for other goals: *"...The thing is that I need money to do these things so that's a bit...it's a difficulty, but I'm not a business person. I'm more working on the artistic part. That's what's important to me."* (LE8M40s) Similarly, financial stability can create possibilities to experiment with new things, which

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brings enjoyment to oneself. Conditional relations exist also in a reciprocal (when-then) form, where several goals are equally important but they are sequentially ordered. Sometimes the goal is to provide social value for others and make a living out of it for oneself, or, for example, generating economic value for oneself is also important for bringing economic value for others:

> *"And we are just, and we want to, we want to have members who can pay the fee, meaning that we want to have sustainable organisations in our network and help them to become… support them to become sustainable as well."* (LU5M30S)

The interviews of creative and cultural operators reveal that economic value creation often collides with other types of value. Such **tension** indicates an either-or -relationship in which many different goals are important but they are in conflict with one another. For example, being able to enjoy one's work is often appreciated, but sometimes this does not allow generating economic value. A customer can place an order but is not able to pay for a proper compensation for the creative offering. Similarly, artistic freedom was often highlighted, but it also caused tension with economic value creation. For instance, an artist does not only aim for making a living (economic value) but also wants to experiment with new concepts (enjoyment value for self and others), which are not economically viable. Our findings suggest that it is sometimes difficult to match the goals of creating harmony and social value for others and economic sustainability for itself. As an example, an organisation may not want to charge a membership fee so that their offering is accessible to everyone who is in a need of support and not only those who can afford it. At the same time, the organisation cannot afford to put together highly valued networking events for its members. For a cultural institution, it can be challenging to reach private funding without compromising their core goal of creating harmony value. Similarly, it is a challenging task for an entrepreneur to balance between goals of creating enjoyment, economic and harmony value:

> *"I think I would like to leave this world better than I have found it. And this is something that I'm trying and structure my professional activities around the, all of this while having fun and being able to maintain a certain lifestyle. I don't, I don't have a bloated lifestyle. But I do have my obligations and mortgage and so on…."* (LE4M40s)

2.3.2. Solutions for balancing with multiple value creation goals

Previous research indicates that there are various income formation practices through which the cultural and creative operators may try to alleviate the tensions between economic and non-economic goals. Many seek to diversify their sources of income (Carlucci, 2018) and to have multiple business models (Li, 2020). For example, portfolio working and portfolio careers as well as a wide mix of products and services have become increasingly common meaning that professionals are involved in several activities at the same time (Eikhof & Warhurst, 2013; Holm et al., 2013; Wyszomirski & Chan, 2017).

Concerning the balancing between their artistic passion and income generation, England (2022) discussed different strategies ranging from having different jobs to support the creative work to a synergy in which the income is generated from the sale of creative offerings. Our findings are informative how cultural and creative organisations seek to find a balance between different value creation goals in their operations. Oftentimes the same means are utilised to resolve any of the three types of relationships, and it is not uncommon that the operators use several of them conjointly to reach a desired effect. We classified the solutions into two grand categories. First, operators actively seek ways to develop their business model elements, and second, they adopt attitudes that guide their business model development. Activities include building portfolios, narrowing the focus, networking, acquiring funding and measuring impact. Attitudes range from compartmentalization to self-sufficiency, business orientation and entrepreneurial mindset.

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A common way to balance between several value creation goals is to build **portfolios** with different targets. The operators may for example have various types of customers and projects some of which bring in money, while others are more for a good cause and a joy of work: *"This big company […] that is a customer who can pay all the time, we take. When I do drawings [for other customers] and those things, it's hard to take all the money, but it's very joyful and interesting."* (LU20F50S) A goal of creating enjoyment value may result in multiple pricing methods, including working for free in some projects. Such occasional unpaid projects also serve other goals such as a desire to generate social value.

Our findings also stress that a portfolio is an expansion to the range of products so that an artist, for example, creates a novel piece of art to generate economic value for oneself and social value for others. In large organisations multiple operational areas is one way to manage the tensions between different value creation goals that exist simultaneously. Hence, a cultural institution may have several business logics so that they plan to spend money when building exhibitions for visitors (harmony value) but aim to earn money through their shops and rental activities. Portfolios also refer to enlarging services and customer groups, sometimes simultaneously. Sometimes external chocks can provide an impetus for this. During the Covid-19 pandemic some cultural institutions started to think how to use underutilised resources to produce new kinds of value. For example, a radio station provides premises and devices for other organisations to try out new ways for reaching customers. By renting their premises, they received some economic benefit themselves:

> *"If an external organisation wants to broadcast or do a podcast we get money from them too. So, we try to use this pandemic in some way to make people realise that if you can't have like a live event, you can do it as a podcast instead. And we're gonna have some people doing that. Instead of have a big seminar with a lot of people there, gonna make a podcast instead. And they pay rent on the studio to do that."* (LU10F20S)

Narrowing the focus is an opposite strategy to organising one's operations in comparison to forming portfolios. It is about trying to prioritise, meaning that when creative professionals feel not being able to pursue all their goals, they decide to focus on some of them. For example, an organisation may prioritise economic value creation for others instead of oneself or choose affordable prices over profits. Similarly, it may emphasise enjoyment value for oneself as a non-financial goal over an economic growth. Another approach to narrowing is to specialise, which can mean, for example, that a cultural institution identifies its' niche target audience and focuses on creating value for them. Specialisation also means that an organisation focuses on its' strengths rather than tries to imitate others.

> *"As an artist someone can also ask you 'can you make me an art piece'. I normally say no…But there's one job I take in a year and I get 2500. For what I have to do it's quite well paid it's not really artistic, it's more like challenging my capabilities as a photographer…. Otherwise I only make the work myself and that are still through the gallery."* (LE2F30s)

> *"I say we should stick with what we're good at and not try to do something that other people are already doing […]"* (CH5F50s)

Networking was highlighted as an effective way to overcome the tensions between economic and other value goals. Networks seem to play an important role in finding new contacts and reaching the customers. For instance, joining a network of entrepreneurs from various sectors enables one to gain visibility for one's work and to become connected with potential customers, which may eventually result in new job assignments. Networks and contacts are important in learning business skills from peers, particularly selling and marketing, which contribute to creating economic value for oneself. Networks are important ways to gain also other resources needed to run the operations, for example to hire extra hands to produce creative offerings: *"[…] the hours spent [teaching] in the school of architecture will generate no business, but it will*

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generate networks within the students. I will know who the best student in each year is, I can hire them, there are other advantages to it but not economical." (LU12M40S) Alternatively, organising production through different temporary partnerships and collaborations is a focal strategy in creative economies as it enables large productions without a need to hire new employees that would require strong economic stability and commitment. Hence, creating networks and providing possibilities for networking is an important solution to reconcile different value creation goals, such as economic and social value for others. Various cultural support organisations try also to develop new, open-source models/platforms and provide them to the use of the customers. Cultural institutions may be facilitators of networking through creating platforms which provide economic value as well as bring enjoyment and social value for others:

> *"Our goal is to create a platform where filmmakers that make these kind of films that aren't necessarily being screened in regular cinema are in the art cinema, or the more alternative cinemas. To create a platform where the people who are interested in this kind of content can go and watch it in the cinema, together with people who find an interest in the same."* (LU18F30S)

Our findings also address the role of **acquiring funding and support**. It is understood here as fundraising from **private, public or third-sector sources**, whether it is in the form of time, money or equipment. Volunteers are a central means of private funding and support for many cultural institutions in order to gain cost savings by providing enjoyment or social value in exchange of work input: *"We have significant support by volunteers in Dundee who help us throughout, and again, that's building capacity and community."* (DU14F40s) The important role of volunteers and their work as informal exchange in reducing costs concerns also the future solutions for tackling the constantly present challenge of economic survival. Volunteering may also take more sophisticated forms, for example when the goal of providing enjoyment value for others is in conflict with financial survival of the cultural organisation and the management voluntarily agrees to pay the salary to themselves only after all other expenses have been covered.

Private support also takes place in the form of donations from citizens or sponsorships from companies. In addition to financial aid, the support may include lending of necessary equipment. Such non-financial support from companies is something that cultural and creative actors would like to receive more but consider it not to be a habit in the sector. It seems that a lack of philanthropy could even be tied to a wider national, societal or cultural context. The creative organisations face challenges in convincing others about the value of their activities. It would be important to show to the general public the value of shared experiences for their wellbeing and the ways cultural and creative sector contributes to it. Sometimes an external chock, like Covid-19, may provide a momentum for this:

> *"Reassessment of values. And I think that happens with culture with time. […] Maybe like also, to value time as an investment, not only money, but time to be valued. […] So, in some ways, it's about increasing understanding that communal experiences are not a luxury, they are vital to, like, survival, actually. That's something that definitely Covid-19 has… [...] it's, you know, it's like medicine for the… for half of the world, not for everybody, but for a large portion of society. It's vital to its functioning."* (LU15F30S)

Relatedly, one means to deal with multiple value creation goals is to put effort on **measuring** the impact the organisation is making and to convince the financiers of the significance of its operations thereafter. Measurement can be as simple as keeping a waiting list of potential tenants to a creative space or commissioning external assessment of the organisation's activities:

> *"[…] the evaluations that I need to demonstrate to [an organisation] that it works, creative can help. And that's why I've written the funding bid […]"* (CH30F50s)

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The role of public or third-sector funding and support was highlighted many times in the interviews. This funding forms a financial basis of many cultural institutions and as our data shows this is related to creating harmony value by providing an alternative to mainstream offerings. The interviewees feared that a cut in support would hit the cultural and creative operations hard: "*Then it's really hard […] to survive. That's the way it is. A big decision, if they take those [tax] money away. Then it's not so easy that you can get money from other places*." (LU2M60S) Public funding has also enabled organisations to maintain artistic freedom (influence value to oneself) in deciding what to put on offer. For private companies, supplementary public funding is a way to pursue harmony value (inclusiveness) and still get its costs covered:

> *"...we have a layer of artists which nobody knows about. So, they don't sell, but we think it's important to put them on stage because there is a window of people who come and see them, and that will grow them as artists. And for that type of content, we need the support."* (LU13F40S)

Affordable spaces is another form of public support, which creative professionals utilise to tackle multiple goals. The support can be organised as a barter in which the city provides a cheap or a free working space and the cultural actor reciprocally carries out a cultural event for the public as an in-kind rent.

Our findings show that cultural and creative operators address income and funding from many angles. Having a broader funding base is one way to cope with constant financial insecurity. This may for example comprise a combination of public and private support:

> *"A lot of the funding that we've got at the moment is through project based grants. It's all 100% as well. I'd say probably about, we've had quite a lot of donations in the past year, we've got regular donors now but I would say, it's like 97% project based funding and some of the sponsorships that we have when we run the awards."* (CH3F50s)

Although public funding is widely utilised, creative operators are not entirely happy with the current situation. The key role of public funding for actors is illustrated by the fact that they often criticise it and address areas for improvement. Our data brings forth several concerns among the cultural and creative operators about public funding. It is criticised for small sums of funding (discourages innovativeness), small or unevenly distributed budget within creative economies (cultural heritage before living culture) or relative to other sectors or to other countries (Nordic countries behind the UK in the extent of public support) and only partial funding (planned activities cannot be reduced proportionately). Moreover, public funding is considered uneven across differently sized operators (large organisations favoured over small ones) and across organisational forms (formal legal structures favoured over network or project structures). It is criticised for causing administrative workload (absolutely at EU-level and relative to the amount of funding at the local level). In addition, public support is perceived to consist of a fragmented field of (small) funding sources (multiplies the amount of administrative workload for getting funding for the entire project plan), to provide unequal accessibility to public funding at various levels of the funding system (local-regional-nation-EU), to not allow a flexible use of funding (reallocation difficult during external chocks), to not have flexibility in timing (acute vs. mid vs. long term needs). Furthermore, small actors feel that they lack general understanding of the public funding system (puts them into disadvantageous positions) and creative operators have a feeling that they are treated as amateurs (hobby rather than profession). Finally, public support is considered instrumentally (funders determine goals rather than actors themselves) and the measurement of the impact of creative economies in the society is considered imbalanced or inadequate (financial figures over human wellbeing, reflecting the dominance of profit-driven values in the society). Creative professionals perceive these experienced shortcomings to have a negative impact on feeling of justice and worthiness, innovativeness and efficiency of their work, and eventually, on the overall quality of the outcomes.

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The second block of means consists of attitudes and principles of action, which the operators have adopted to balance between multiple value creation goals. The tension between economic and other values, for example creative freedom as a form of enjoyment value, can be approached by **compartmentalising** one's work. This can mean that one physically separates 'creativity space' and 'business space' and conducts each type of value creation in these separate spaces of activity. Compartmentalisation may also take place through having separate companies for different activities, one being more artistic oriented and the other more business oriented, or one can separate the modes of work to paid work and self-employment. For instance, combining part-time employment with self-employment is, on one hand, considered as risk management, and, on the other hand, having two different working modes may enable creative freedom:

> *"So I don't need to sell to be able to pay my rent. So I try to really cut those in two to see them separately. So I have a job to for see in my living and so the art it feeds itself, so if I sell it's fine I can make new work, if I don't sell I'm going to have to make work in a different way. But it's not because I don't sell that I cannot pay my rent."* (LE2F30s)

> *"I think that is one reason why I don't want to just be a painting and illustrator the whole time, I'm very glad that I have paid work, then I can be freer in my own creations."* (LU24F50S)

Self-sufficiency is yet another important way of balancing between financial survival and other types of value creation goals. Essentially, this means avoiding to buy resources but rather using one's own skills and being self-sufficient as much as possible in order to save money as well as to learn to do any artistic or business-related tasks by oneself. Being self-sufficient does not only cover business-related tasks but also important in activities related to arts:

> *"So, I've been able to do some, the festival website, I did that myself. And, I did some work for a little bit, a few years ago, running a website for another company, as a little side project. And then, things like my own projects, I've learned how to do them technically. So, I can walk into a space and I can know how to set up some lights and connect my computer to their lighting, and their sound, and all of that. So, yeah. So, the business side and the art side, I've tried to learn to do as much as possible myself, just so I can do stuff."* (LU26M30S)

One aspect of self-sufficiency is personal funding. Especially freelancers utilise personal funding as a way to overcome the collision between earning one's living as an artist and pursuing other goals. For instance, this is achieved by sharing the household's living costs unevenly in such a way that the spouse's income temporarily covers a larger portion of the joint expenses or by living on one's own savings.

Business orientation means that cultural and creative operators pay attention to business related tasks, such as advertising, lobbying or increasing the communication with different stakeholders, together with creative and artistic tasks. For instance, one can address the willingness and capability to communicate outside of artistic communities: *"...I have to communicate with a wide range of stakeholders, from people like yourself in university, to parents [...], to young people, to cultural providers, and different audiences."* (CH17F40s) Business orientation is also about learning other operative skills: *"So I did a bookkeeping course and just took the bull by the horns and, so, yeah."* (LU22F50S) In addition, this can include adopting a co-creative, interactive and dialogic customer-centric approach that serves the economic goals of a creative professional, if and when satisfied customers return with new assignments or when positive word-of-mouth brings in new customers. Business-orientation may also mean that the customer's needs are discussed during the assignment process and this also allows cultural and creative operators to understand who the customers are. Relatedly, among support organisations the possible lack of understanding about customers' needs and desires was discussed. The perception is that some creative operators rarely consider the audience while others are very aware of them. As an extension of this, findings also highlighted that recognising possible

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customers or target groups is an important part of business orientation. This may require a flexible or new delivery channels or ability to repackage the offering:

> *"We can build our production in like places who are... we have a big truck and we have twelve to ten meters free height, a box. [...] So, we can do it in different places on tour. And then we get money, because they buy our plays. It's good, there we get, it's the big money thing to tour. Because we have a product, we sell that and we're getting paid."* (LU2M60S)

Business orientation also includes various administrative arrangements, which creative professionals utilise to organise production or ownership of creative work and offerings. For example, an organisation may want to achieve financial stability to be able to do artistic experimentations. This may require avoiding costly employee turnover during longer projects by contractual arrangements and by providing influence value for the employees through teamwork. Relatedly, building a strong organisation may require having a separate management function in the organisation instead of creative workers trying to do all tasks by themselves. For instance, for an entrepreneur this means that she is willing to relinquish some of the managerial control in order to have more time for doing creative tasks she truly enjoys:

> *"So maybe my achievement now would be to step back a little and not be involved in so much of the planning, but still do the teaching side and still do examining. Because I actually love that side. And the admin side, I don't enjoy as much."* (CH2F40s)

Another means is to hire assistance to the production process, so that an artist is able to focus on the creative part of the work and scale-up. However, the challenge here is that becoming an employer and having a larger sales volume may require new business skills and managerial effort leading into a situation where the artist eventually spends more time on running the company than before.

An additional solution to dealing with the different value creation goals is adopting an **entrepreneurial mindset**, which means, for example, that creative professionals constantly generate new ideas to make a living. Such innovativeness may also stem from finding ways to channel one's skills to various cultural and creative activities, such as a language and communication expert being a writer, teacher, magazine editor and public relationship specialist all at the same time. Organisations may also emphasise solutions that enable innovating new channels to perform to the audience, and to organise funding for the experiment. Search for new income opportunities requires constant innovation among companies operating in the field:

> *[…in this sector, in this cultural sector, you need to continuously think on new ways of earning income that you then can use for your businesses, to employ people. […] you try always to reinvent yourself as a business."* (LE15M50s)

However, entrepreneurial mindset may also concern finding a way to stay relevant and true to your profession without compromising too much with financial realities: *"[…] if you are not making something that is valuable, that can be translated to making money out of it you are out. It's terrible, but I won't go into it, it's like a long story."* (EN26M50s) Entrepreneurial mindset can also include courageously experimenting with new approaches to expand business and daring to charge enough for one's services. Oftentimes entrepreneurial mindset intertwines with utilisation of portfolios. For instance, an operator may pursue a portfolio of various types of projects, which requires both innovativeness and risk-taking:

> *"We have bigger ideas that are more commercial, more risk, but could also give us more income. There are the middle layer, which is smaller, not that big risk […] And then there is the more experimental side of it, a bit more crazy ideas, which we don't know if they're gonna work, but let's try and see, because we want to challenge ourselves and also the audience a bit, and the artist."* (LU13F40S)

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An entrepreneurial mindset can also be related to agency, which means that people take initiate and commit to actions to achieve the desired results. Such agency is related to many of the other solutions, for example, acquiring lacking business skills or working with resources at hand (self-sufficiency), or creating partnerships. Hence, creative professionals adopt an entrepreneurial mindset by taking financial risks to look for new ways to do business and different opportunities. Thinking ahead and acting forward, leading the way, is another important indication of entrepreneurial mindset among, for example, support organisations trying to nurture such qualities in their clientele:

> *"But also we need to be growing new leaders as well. So there's a mentor coaching kind of thing. We need to bring new leaders forward, who see Medway potentially in a different way than others might have done."* (CH22M60s)

Table 2 summarises the findings on different means through which cultural and creative organisations seek to overcome and handle the existence of multiple value creation goals. Concrete activities concern directly one or more elements in a business model, for example building portfolios is related to products and services or customers. Attitudes guide the activities regarding the business model and its individual elements, for example business orientation, or the lack of it, influences on how portfolios are built and funds and support are acquired.

Table 2 Means to match various value creation goals of cultural and creative operators

Category	Means	Examples
Activities	Building portfolios	Multiple offerings, operational areas, customers, income sources, pricing methods
	Narrowing	Prioritising certain goals (e.g. affordable prices over profits), niche audience, focus on strengths
	Networking	Customers, skills and resources, partnerships, platforms for networking
	Acquiring funds and support	Private (e.g. volunteers, donations, sponsorships), public or third sector (e.g. grants, subsidies, cheap locations)
	Measuring	Amount of demand and impact
Attitudes	Compartmentalization	Physical separation of artistic and business tasks, separating paid and unpaid projects, separation of businesses
	Self-sufficiency	Do-it-your-self, cost savings, personal funding (e.g. use of own savings)
	Business orientation	Business skills (e.g. accounting), customer focus, administrative arrangements
	Entrepreneurial mindset	Innovativeness, forward-thinking, risk-taking, passion, agency

Economic and non-economic goals are not necessarily contradictory to one another so that pursuing one may hinder the achievement of the others. Goals are intertwined in three different ways: coexistence (both-and), conditionality (means-ends), when-then), and tension (either-or). Goals may, thus, co-exist in balance or the goals work as a progressive chain where the achievement of one goal advances the achievement of others. The various actions taken to balance with multiple goals are not always, and need to be, some poor compromises or professionals' desperate attempts to react to harsh external conditions. The means and ways are also voluntary, proactive and innovative demonstrating high level of entrepreneurial mindset and forward-looking behaviour among the creative professionals to find sustainable solutions for balancing between economic and other goals.

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Next, we will discuss how the cultural and creative organisations operate in the market: how they understand their target audiences, their products and services and how they communicate with their audiences, how they price their offerings and, finally, how they generate income.

2.4. How do cultural and creative organisations operate in the market?

Cultural and creative organisations aim to create value for their audiences and for themselves, as discussed in the previous two chapters. In making sense of their value creation, the concept of business model provides a basis for articulating how an organisation's many activities are designed to generate this value (Demil & Lecocq, 2010). However, addressing the business model is challenging, since there is no commonly agreed definition (Bigelow & Barney, 2021). Business model is not directly observable (Foss & Saebi, 2018), but researchers, such as Greene (2020), and practitioners, such as Osterwalder and Pigneur (2010) and Maurya (2012), have introduced practical tools for outlining and visualising business model's elements. Recently, these tools or canvases have been tailored for the use of cultural and creative industries (Carter & Carter, 2020). These developments have, however, taken place without consensus on the exact elements that constitute a business model. Still, recent research has stressed value proposition, value capture and value formation as the main features of a business model (Foss & Saebi, 2018; Ostervalder, 2004; Stähler, 2002; Teece, 2010; Wirtz et al., 2016). Value proposition describes which offerings (products, services, and benefits) the organisation provides and to whom, whereas value capture illustrates how the organisation earns money, and, finally, value formation identifies through which configurations value is created.

The content of a business model is unique to each organisation as it portrays why the organisation exists and survives (Foss & Saebi, 2018). Business models are used for two different purposes, as static blueprints to help describe the set of choices operators have made to potentially succeed in the market, and as dynamic concepts to address changes in the organisations' activities, interests and in the business model itself (Demil & Lecocq, 2010; Svejenova et al., 2010). In this chapter, we explore how cultural and creative organisations operate in their environments. We examine our data in light of five business model elements (Osterwalder & Pigneur, 2010): target groups as well as products and services (value proposition), communication/marketing (value formation), and pricing and income sources (value capture). This allows us to examine a static 'snapshot' of the business model elements in cultural and creative industries, but also to address changes in these elements, especially concerning the responses and reactions to Covid-19.

In this subchapter our interview data were coded in two cycles. The first round of coding was based on the joined coding scheme for the DISCE project (see Appendix 1 Case Study Methodology). For the purposes of this subchapter we focused on five of the initial codes and the related excerpts: (05) Audiences, customers, constituencies, participants, (09) Communication/dialogue/marketing, (22) Financial resources, money, costs & debt, (32) Offering/products/services), and (36) Pricing. Thereafter, data were inductively sub-categorised to have a more detailed scrutiny of the specific business model elements among cultural and creative organisations. We chose an analytical approach where one or two of the ten case study locations in each subchapter was coded and analysed in detail first, and after that moved to studying other regions to potentially identify some new findings. We selected the following locations as starting points for each subchapter: Liepãja and Treviso (ch. 2.4.1), Dundee (ch. 2.4.2), Pori (ch. 2.4.3), Enschede and Leuven (ch. 2.4.4) and L'Aquila (ch. 2.4.5). By doing so we avoided basing the different analyses on one ecology only, but captured the variety from different ecologies.

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2.4.1. Target groups

Cultural and creative organisations' narratives highlight that creative economies are anything but a homogeneous set of operators as shown by the wide spectrum of target groups and subgroups. There are three main types of groups: individuals, organisations and communities (Table 3), which are discussed from various different perspectives, including type, volume, geographical location, sector, nature of the relationship and any changes over time regarding their constellation.

Table 3 Target groups of cultural and creative operators

Main category	Subcategory	Examples
Individuals	Age groups	Children, youth, elderly, generations
	Gender	Women
	Education	Highly educated, students
	Minorities	Ethnic, disabled
	Interests	History, fantasy
	Attitudes	Curious, ambitious
	Peers	Theatre workers
Organisations	Public	Authorities, schools
	Private	Enterprises, entrepreneurs
	Third sector	Associations
	Industry	Creative sectors, non-creative sectors (e.g. restaurants), cross-sectoral
	Size	Small businesses
	Life cycle	Newly established
	Interests	Customised solutions, internationalisation, innovation
Communities	Society	Paying taxes
	City	A new venue as a nucleus in the city
	Sector	Incubator's clientele, circus sector
	Minorities	Ethnic, sexual

Targeted **individuals** include various demographic subgroups based on age (e.g. children), gender (e.g. women), education (e.g. highly educated) or minority experience (e.g. ethnicity, recovery from illness or disability): *"The blind and partially sighted peoples and enabling them."* (CH30F50s) Creative offerings are also targeted to a niche of people with specific interests (e.g. history) or attitudes (e.g. curiosity), as well as to peers. On the other hand, it is not uncommon that the professionals consider the target group to be anyone interested in their offering, for example:

> *"So we don't have an audience, because my audience could potentially be any person outside this door. It doesn't have a specific physiognomy, not an 18-year-old, a 50-year-old or a 70-year-old. If you like one of my songs you just like it."* (TR5M50s)

Organisations are also a relevant target group for many cultural and creative operators. Targeted organisational types include public institutions (e.g. authorities, schools), private companies, or third sector organisations (e.g. associations). Customers are sometimes also distinguished based on their size (e.g. small companies) or life cycle stage (e.g. start-ups) or specific interests (e.g. personal service over mainstream solutions or internationalisation). A notable distinction can be made in the sectoral distribution of the target groups, especially whether they are operating in cultural and creative sectors or in some other fields (e.g. health and food), and the purpose may even be to advance cross-sectoral collaboration:

> *"We bring together different areas, such as health and art, business and art, so as to make it clear that there are real connections and possibilities for exchange."* (TR17F30s)

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Communities are yet another important target group, which comprises organisations operating in the same or related industries, for example, when an incubator aims at building a sense of communality among its clients. Sometimes an entire industry is considered as a community, for example, when a support organisation is targeting the whole circus sector, including artists, producers, festivals and funding bodies. Moreover, a community can refer to the city in which the organisations operate: *"I think that it is a platform for more extensive activities […] a new hot location or a nucleus in the town."* (LI14F40s) The society at large is targeted also through paying taxes or by supporting the economic viability of other local businesses. Community level is strongly present especially among the cultural and creative operators in the United Kingdom in our data, referring to, for example, a city or ethnic and sexual minorities. Sometimes an operator addresses a specific minority (e.g. visually impaired) and advances social inclusivity of the local community, thereafter:

> *"What interests me most is social inclusion, the possibility of providing a service to the community, of truly opening the doors of museums and exhibitions, of the great cultural attractions, to everyone, and making cultural sites accessible in every sense of the word […]"* (TR22F40s)

When having multiple target groups, one has to weigh the **nature and importance of target groups:** some consider them equally relevant, whereas others tend to prioritise them. For instance, target groups can be categorised into a primary group which consumes the offering (e.g. users, customers, audience), a secondary group which contributes to the value creation process (e.g. partners, peers, critics, local authorities, gatekeepers), and third group covers those who benefit indirectly by capturing some of the value for themselves (e.g. customers' customers, city or society). The different layers of target groups are like rings on the water, for example, an owner of a historical building has the potential tenants as a primary target (e.g. bars and cafés), visitors as a secondary target (consume the services of the tenants) and the town where the building is located as a tertiary target group (a new hotspot for the city plus tax income). As another example, the target groups are like perimeters in the value network so that for a school (teacher) the priority is the pupils while teachers, staff members and other schools form the second layer and the future employers of the pupils the third layer:

> *"My primary target audience is pupils in 8th and 9th year. […] Then the second part is school staff, teachers, employees, who are a different category, and, of course, also future employers who already have their own interests. Entrepreneurs, partners of our school, representatives of different organisations with whom we cooperate. But that's yet another category."* (LI17M30s)

Hence, each target group has a specific purpose for the operators and the relationship has a particular form. For instance, when individuals are targeted it is typically a matter of a seller-buyer exchange in which the customer pays for consuming a service or a product. Furthermore, parents act as gatekeepers when buying something for their children as end-users, and galleries are intermediaries between freelance artists and consumers. Target groups are also important resource-holders as in case of crowdsourcing (e.g. volunteers, donations). When organisations are targeted, other relationships include co-production (e.g. where a designer works as a subcontractor for an advertising agency in a large project for an end-user), co-creation (e.g. feedback from colleagues, critics and customers), sponsorships, and various types of intermediary relationships. Cultural and creative operators may also invest into other businesses: *"[W]e invest almost as much into other businesses as we do in the things that we wholly own now control and get involved in."* (DU10M50s) Some also pursue friendships meaning that they do not primarily think of other people as resources to be utilised for one's own purposes but has a genuine interest to provide help for those in need:

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> *"And the other one is that, like I said, when I make friends with people I don't primarily see them as some kind of resources. And I think that this very pure friendship and desire to help someone in need of direction is definitely the reason sometimes."* (PO26M30s)

The relationship can also be a mixture of collaboration and rivalry, for example, when an arts school teacher visits primary schools in other regions to inform pupils about creative professions and at the same time wishes to recruit some of the pupils to his secondary school instead of them choosing one of the local alternatives. When public bodies are a target group they are resource-holders (e.g. cheap spaces or grants) or intermediaries as buyers of services or products to be consumed by someone else, such as children at school. The concern is that as gatekeepers, public bodies may have partly different interests than the end-users:

> *"But the communication with the politicians, they want to see how many times have you played? Was it 150 or 200? That was good. And we try to tell them yes, but it's also good even if we play 30 times, maybe we reach those children. And, yeah, we try to... the quantity contra quality, or what the play's about. That's a big problem I think."* (LU2M60s)

The **geographical location** is another theme through which the interviewees discussed their target groups. Local community is important for, for example, representatives of facilitating organisations: *"I want to be here supporting the community."* (CH17F40s) Some distinguish between residents and visitors, while others reach an international audience and consider even having an impact on the national tourism: *"And, we see all the time – tourism is growing, growing, growing in Latvia. And, I want to think, we are also one of the... causes, one part of these numbers."* (LI11M30s) Reaching cross-border or national audiences may be challenging, for example, related to finding an appropriate intermediary to take care of an artist's bookings when her current networks are mainly local:

> *"I had a phase in which I played a lot all over Italy, now I play a lot in Triveneto with some peaks, in Milan, a peak in Rome, a peak in...2, 3, 4 abroad depending, but there is the problem of...of booking. We always go back there."* (TR4F30s)

Although our data is not longitudinal, the operators reflect upon **changes** in their target groups over time. The changes are related to shifts in customer base and geography. Some of the changes are intentional, such as, a decision to focus on loyal customers, while others are, to some extent, involuntary, either due to changes in external conditions (such as the outbreak of Covid-19) or due to lack of resources, including skills or networks. An example is a freelancers' shrinking target market from international to regional and local level. Another example is changes in the customer base (and in underlying goals), when the target audience is initially counted in thousands but eventually it is the loyal customers that matter the most, including fans and members, and the longer the professionals have been in the field, the more they seem to value the regular clientele:

> *"When you start out success is having like a lot of money and a lot of girls, if you're a guy, and the good life. Playing gigs with fifty thousand people, that's success. Then as you grow up, you do a lot of gigs and you have that stuff, if you can structure your art in a 'serious' way and if you can make it a kind of profession and you don't do gigs for fifty thousand people, but for a hundred people; you don't sell five million records, but you sell five thousand records."* (TR5M50s)

Our findings show that target groups of cultural and creative operators consist of individuals, organisations and communities each of which are broad categories with a number of subcategories. Target groups range from local to regional, national and international. Professionals have typically multiple target groups which serve different purposes consisting of end-users, intermediaries and resource-holders.

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2.4.2. Products and services

Our data show that cultural and creative operators provide a wide range of content to their target groups. Broadly speaking, there are two sets of things that are put on offer, those which fall directly into their cultural and creative domain and those that are outside of this core. The **core supply** includes artefacts, events, facilities, education, training, and projects (Table 4). Artefacts are any physical embodiments of cultural and creative work, which are delivered to target groups, such as videos, films, art zines, games, images, recordings, and furniture. Events is another broad category referring to content, which is produced and consumed at the same time in front of a live audience. Such events include, for example, plays, concerts, exhibitions, festivals, shows, and performances. Facilities are venues for meetings and activities including cultural centres and working spaces for artists, for instance. Facilities are understood here to also include historical buildings, which some operators renovate and hire for tenants. Education is about formal teaching, it covers in-curricular courses, programmes, classes and lectures as well as research activities. Training and advice is about any informal learning, extra-curricular activities, consultation and capacity building across skills, confidence or awareness.

Table 4 Products and services of cultural and creative operators

Main category	Subcategory	Examples
Core supply	Artefacts	Videos, films, art zines, games, images, recordings, furniture and clothes
	Events	Plays, concerts, exhibitions, festivals, shows and performances
	Facilities	Cultural centres, youth facilities, business incubators and working spaces for artists
	Education	In-curricular courses, programmes, classes, lectures and research
	Training and advice	Extra-curricular activities, consultation and capacity building
Extended supply	Rental activity	Unused space rented for offices, manufacturing and accommodation
	Raw materials	Fabrics
	Recreational services	Food & drinks, fitness
	Side jobs (outside creative economies)	Cleaning houses, working in wholesale
	Investments	Business angel activity

Cultural and creative operators emphasise that projects can concern any content, for example, an artist doing various projects for local schools. In fact, projects are an umbrella, a common nominator, under which professionals discuss any activities that are of short-term by nature. Projects signify, on one hand, cultural and creative professionals' diverse interests into contributing to various spheres of human life: *"So doing projects like that, that's the projects that are really meaningful to me […]"* (DU1F50s) Projects also epitomise the fragmented and temporary nature of funding, which the operators perceive to consume resources out of their core activities:

> *"Success for [organisation], well, would be to be able to develop and maintain projects in a cyclical way and to be able to obtain stable sources of funding for all the activities we want to carry out; this is certainly the most critical aspect because every time, even for the same project, for the same activity, we have to look for new forms of funding and this could become critical in the long run, it could become really heavy to manage."* (LA23F40s)

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The **extended supply** comprises any content that is not directly related to cultural and creative work but is an important part of the creative operators' operations and finances. These include rental activity of spaces (e.g. for office, accommodation and dining use), sales of materials (e.g. fabric), and provision of additional services (e.g. food, drinks, fitness). Additional supply is also about business angel investments (partial ownership of other companies) and many kinds of side jobs outside of cultural and creative industries (e.g. cleaning houses or working in wholesale).

A relevant aspect of the cultural and creative supply is a **perceived synergy** between different offerings. Synergy is considered to be high, when the supply stems from the same pool of resources within the core supply, for example a designer utilising his skills in both creating artefacts and teaching: *"I like the combination of both because of the balance between...both give me energy and insights and for me it's a perfect balance for keeping my head full time active or something."* (LE8M40s) Similarly, a gallery can provide artists with exhibitions, well-equipped working facilities and training courses on how to use the equipment. A shared pool of resources can result in high synergy also between the core and the extended supply, for example when an artisan not only sells her artefacts but also those (raw) materials that she uses in creating them: *"I sell material and completed products [...] I think that they support each other, as you sell the material you use in your products, it has to be good."* (PO6F40s) Similarly, it is a matter of high synergy between the core and the extended supply, when an operator utilises idle resources by, for example, renting some of the unused space (e.g. venue or office). The activities fit well together even without shared resources, when they serve multiple needs of the same target group and possibly simultaneously. This can occur, for example, when snacks are served for the concert audience.

Our findings suggest a continuum in how diversified the supply is. The least diversified is an all-in, or a **monochrome portfolio**, which consists of things that are related directly to the operators' cultural and creative resources but are more or less of the same type, such as a visual artist selling his works. A **multi-coloured portfolio** contains a range of cultural and creative activities. Quite a typical mix is to create artefacts and to teach. Another example is to provide events and facilities, such as a gallery having exhibitions as well as printing facilities for artists. Yet another combination is to have artefacts and events, such as an entrepreneur working in audiovisuals and performing arts creating scripts and shows: *"Depending on the context I, on a technical level, I usually say to people, I write and direct for film and stage."* (DU27F50s) The most diversified mix of things is labelled here as a **rainbow portfolio**, which is a combination of cultural and creative activities and some additional supply. For instance, one can organise events and to serve refreshments during it or provide rental services:

> *"[…] selling beer and renting locations within their venue was basically the way they made their living. Audiences was very small part of it."* (LU14F50s)

Our data is not longitudinal but the interviews reveal some **development patterns,** which affect the supply of cultural and creative operators. Artificial development occurs when an operator perceives the terms of public funding such that they are forced to plan a specific content, which is not well aligned with the needs of their primary target groups: *"Yeah, it just creates tension, it becomes… so we just deliver because [European] Commission. And it's normal that we just focus on outputs and project output and what needs to be delivered and, and so on."* (LU5M30s) Organic development, in turn, is unstructured and unplanned, it evolves over time through errors, which turn into new ideas. It is about experimentation and incremental changes, which does not require big investments and financial risk-taking but rather initiative and a degree of innovativeness to think outside the box:

> *"We've always had that freedom, always from the museum's management, employees have been free to innovate, to do, to experiment, to fail. […]We were the first ones to see if you could*

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do yoga in an art exhibition. Or something like, what else can you do with art exhibitions, like wine and art soirees." (PO24F40s)

The Covid-19 pandemic, as an external chock, has had an impact on the development of supply but there are different angles into it. For some operators the pandemic and its aftermath is something that needs to be overcome by adjusting supply: *"I think that we are now entering a very difficult post-Covid world. […] you know we'll have to adjust a lot of what we do. Particularly what we are offering people."* (CH22M60s) Then there are those operating in the field of, for example, live events who reacted to the pandemic by basically ceasing all activities at least temporarily. For some others, the pandemic has hit their finances but they perceive it to have had a positive impact on their content development, especially through digitalizing the offering. Yet, some other professionals have seen the changed situation as a possibility to experiment with new things since they feel that the pandemic has broken down all the existing rules of how one should run things. Experimentation is easier when operating on a fixed budget, but it still is a matter of having a positive attitude toward trying new approaches. Like, for example, when the pandemic prevented the traditional activities, some cultural institutions decided to refocus their fixed resources into creating new types of digital content and new ways of encountering people physically by organising small scale outdoor tours, which people could participate from their private spaces:

> *"[M]useums were able to focus resources to research and publications, but also to outlets that benefit social media. So there are guided exhibitions on Youtube and the city orchestra made different, either self-produced videos and instrument introductions and player introductions […] Then in the spring the symphony players did these visits to residential homes and care homes by playing outside and the residents would come to the balconies or outside the door to see them, so we got an enormous amount of good feedback from those*." (PO10M30s)

Products and services of cultural and creative operators include two main categories of which the core describes the things that are dearest to their heart and to which they allocate most of their artistic ambition. Additional supply stems from unused or underused resources for which they ideate new applications. It has different functions related to, for example, providing extra income or new experiences or reaching new target groups. It is interesting to notice how additional supply represents in many ways low value added, in the form e.g. renting empty spaces, but at the same time the professionals are innovative in finding new ways to utilize and combine these slack resources, for example, a museum experimenting with artistic yoga sessions for their visitors. Cultural and creative operators have different mixes of services and products on offer with varying degrees of diversity ranging from limited (monochrome) to wide portfolios (rainbow) and something in between (multicolored). Synergy is often high among products and services when all of them are within the core artistic domain but they may also be significant synergy benefits between core and extended supply. Products and services are developed artificially or organically depending on how well they are aligned with the primary goals of the professionals. Covid-19 has provoked very different reactions among the cultural and creative operators, resulting into reducing the supply, digitalizing some of the content or experimenting with new possibilities.

2.4.3. Communication and marketing

Communication with target groups is a theme, which cultural and creative professionals approach from a variety of different perspectives. To start with, the **purpose of communication** varies, but there are two main lines of reasoning: to generate action or to raise awareness. Action refers, firstly, to sales and the ways the operators advertise themselves through various channels such as social media platforms, newspapers, applications (job, project or grant), emails and printed materials. It is notable how many professionals make

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a specific point about not advertising themselves: *"I don't really advertise as such, although we do have Facebook, Instagram, Twitter […]*" (CH2F40s) Advertising, as a word, is something that some professionals avoid using, and prefer to talk, for example, about promotion instead. To bring about action through communication refers also to various kinds of collaborative activities, which the operators try to initiate. Typically, this is about doing a favour for a favour. Raising awareness is another aim of communication and it involves two dimensions: attracting attention for a good cause, such as addressing climate change, or making oneself visible. For example, a cultural institution has various activities of which only a small part is well-known to the general public or municipal authorities and it also wants to bring forth these other elements through social media:

> *"Yeah all the time, we had things like, we were sharing what we were doing during Covid. We introduced our personnel. Or highlighted stuff from our collections or what the research department had going on in the exhibitions even though you couldn't come here to see it live [...] bring light to the invisible work that's related to the organisation's other operations and what is directly visible to the public."* (PO24F40s)

Communication is essentially about building relationships with target groups, and the channels of communication vary accordingly. Our findings highlight two main communication channels: personal and mass communication (Table 5). **Personal communication** is about making calls, sending emails and applications and having meetings with people. These kinds of personal channels are something that operators do regularly, but due to Covid-19 accompanied with digitalisation, making video calls was covered as a new means for personal communication. A repeatedly discussed channel is a word-of-mouth, which can be interpreted as an indirect personal communication. It is not uncommon that existing customers' endorsements are the main method of reaching new, potential customers:

> *"Therefore, it's usually from recommendations. I think this is 99% of the time. I don't even remember when I had a completely unknown customer."* (LI24F20s)

Table 5 Communication channels of cultural and creative operators

Main category	Subcategory	Examples
Personal communication	Written	Emails, applications (job, project, grant)
	Spoken	Calls (phone and video), meetings (onsite, online)
	Visual	Piece of work, personal habitus
	Indirect	Word-of-mouth
Mass communication	Social media	Instagram, Facebook, LinkedIn, Twitter, a blog
	Website	Own or joined (e.g. a city's or a network's)
	Press	Newspapers, magazines: interviews, reviews, programme ads
	Broadcasting	Television and radio
	Printed materials	Posters, booklets, fliers
	Mailing lists	E-fliers
	Exhibitions	Featuring artists' works
	Intermediaries	Booking agencies, galleries

The main means of **mass communication** for the professionals is Internet, which typically involves some level of presence in social media (Instagram, Facebook, LinkedIn, Twitter, a blog) and, possibly, having an own website or having an access to a joint website (e.g. a city-hosted website about local cultural supply). Yet another channel is various types of exhibitions featuring the works of artists or being involved in public spaces, for example, when a museum has some of its paintings visible in local office buildings. Traditional mass media, such as newspapers and magazines as well as TV and radio, and printed media are also utilised for example in cultural institutions but the Covid-19 pandemic has created a new environment and pushed operators from leaving posters and fliers to engaging more into online communication:

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> *"Nobody wants to hold leaflets around during Covid and you cannot leave them with places so it's difficult at the moment to do those physical aspects […]"* (CH10F60s)

> *"Perhaps now [during the Covid-19] is the best time to start thinking about and building something for the SoMe [social media]"* (PO6F40s)

Cultural and creative operators discussed the **communication channel selection criteria**. There is a sharp difference between operators in terms of how willing they are to maximise social media presence or if they prefer choosing a medium that reaches the target groups best. The choice depends on how much the operators weigh financial goals over other goals or personal principles of action. This can be guided by personal reasons for not being in social media or being aware of a tension between personal values and commercial value creation. The choice of communication mode is also affected by **timing and location preferences**. Many operators favour live, onsite encounters. Even phone or video calls may not be considered to be enough but they want to meet people face-to-face. The possibilities of live online communication has captured the attention of the professionals during the Covid-19 pandemic: *"There should be a lot of live streams and I should be more involved in it. […] It requires effort, and being live provides a chance to present yourself and tell who is behind the product."* (PO6F40s) Some operators apply a mix of channels along the timing (live vs. delayed) and location (onsite vs. online) axes including strong social media presence and face-to-face interaction: *"[…] since Covid we've sort of been stuck doing a lot more digital stuff, we do a hangout every week where we talk about what's going on locally. We do that on Zoom but we livestream it on Facebook and people will type comments on and get involved… I was quite surprised that's become really popular."* (CH28M40s)

The perceived **importance of communication** and the amount of effort put into it varies among the operators. Some cultural institutions, for example, consider themselves to be active in this regard, and do not let scarce budgets hinder them, while some others estimate to be quite passive communicators. The main difference comes from who has the main **responsibility for communication**. In larger organisations there may be a unit or a department for dealing mainly with communication, while also other employees contribute to it to some extent. For individual freelancers and entrepreneurs it is a matter of who takes the initiative, they themselves or the target group. It is not uncommon that the initial contact comes from a potential customer:

> *"Well, mostly it's being called to come work without applying, so to say. That even though they say that no-one gets called into work without applying, but that's the most typical."* (PO28F30s)

The professionals consider communication to require a broad **set of skills**. These include, amongst others, planning, preparedness and time management, all of which may extend beyond the creative skills one employs in creative work. Hence, one has a clear understanding about his goals and allocates enough time to communicate although there are numerous other things on the task list at the same time. An ability to tailor the communication to match each target group is another skill raised up as it is important for organisations to make their offering accessible to a wide audience. This is closely related to inclusiveness so that correct wording is used in all communication regarding, for example, various minorities. Hence, using messages understood by many is important in understanding others' interests and to open up and maintain dialogue with and between them. Relatedly, an ability to listen to stakeholders and to make compromises are perceived as important qualities. Furthermore, making a compromise means, for example, finding a proper social media platform to reach the audience and still being true to one's principles of action:

> *"I'm going back to use Instagram because Instagram is a place you have to be if you are in the art world. I hate anything that has to do with Facebook, and I hate anything that has to do with*

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> *Google but Instagram I have to be a little compromising because whereas I'm trying to get rid of everything Google. For instance I'm not on Youtube, I'm on Vimeo […]* (LU16M60s)

Communication is a skill that can be learned, and when it is considered important, operators also put effort into developing their skills. In-house training is perceived as valuable especially when a cultural institution, for example, does not have experts with formal qualifications in the field but rather perceive communication to be everyone's task: *"Since we don't have any communications professionals here….everyone does communications… We've been trying, we've been educating ourselves on that."* (PO24F40s).

Communication and marketing is varied among cultural and creative professionals. There are multitude of channels, but social media and word-of-mouth dominate. The effort put into communication ranges from active use of multiple channels to passively relying on a potential customer making the initiative. Covid-19 has, unsurprisingly, reinforced the role of social media in the communications palette. However, it is notable that many operators are critical towards the global social media giants and try to avoid their usage at the expense of cost-effectiveness, meaning that they are not willing to easily compromise their principals to maximize media presence. Successful communication requires a wide set of skills, especially an ability to listen and understand the target groups and willingness to make compromises.

2.4.4. Pricing practices

The cultural and creative actors have varying approaches to pricing their offering and to the criteria used in pricing. Oftentimes pricing is perceived to be essential but difficult, for example, when the method (Table 6) is to **tailor prices** for each specific purpose: *"But also for example negotiating about prices. That's not my favourite thing to do and it is very important."* (EN8M20s) When the customer relationship is new, the price negotiations can be especially demanding as the legitimacy of the offering and its provider are in consideration, too. Here, the professional cannot be sure if the buyer is just interested in free samples or truly willing to pay for the work in the end:

> *"I fail to understand whether I should agree and take part in such a project, where no negotiations concerning money are taking place, where they indicate a willingness to see how I do it first. But, at the same time, I could do it well, but in the end they can say - Thank you, but it doesn't suit us. But afterwards might use the product I prepared. And I would have done it without getting paid."* (LI8F40s)

Table 6 Pricing methods of cultural and creative operators

Method	Examples
Tailored price	Negotiated on a case-by-case basis with the customer
Fixed output price	Entrance ticket, mobile game, work of art, tuition fee
Fixed: input price	Working hours or days, materials
Fixed: commission	Percentage of the sales price or ticket sales, musician's royalty fee
Freemium	Basic product for free, fixed prices for additional features
'Amuse-bouche'	Basic product fully priced, unexpected extras for free, e.g. additional activities during a festival or an event
'Pay what you can'	Buyer decides a proper compensation e.g. an entry fee
'Give and take'	Barter trade
Free of charge	Artist performing for free; consultant overseeing part of a project without billing for the work

Another common method is to have **fixed prices**, either in the form of a lump sum for the output, such as an entrance fee, or a fee for the input, for example, the number of working hours. One form of fixed price is a

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commission, for example a percentage fee that an intermediary receives from their customers' earnings: *"My pricing model is like, I get a percentage of what my people earn. And with the earnings, of course, I played a role in. It means like if there's a contract I negotiated, if it's a sponsor I negotiated […"* (LE5M30s) **Free of charge** is also a possible pricing decision, sometimes applied by support organisations when they organise activities that have no entrance fee, for example, or by creative workers when they volunteer in some events or projects. **'Pay what you can'** means that a buyer has the power to determine a proper compensation for utilising an offering, for example a fee for attending a workshop. '**Give and take'** pricing means that there is no money involved in the exchange but two parties agree on a barter trade. In the mobile games industry there has been a shift from games with fixed prices (known as premium games) to something called **freemium pricing** in which the basic product is given a way for free and the customer pays for additional features. Shifts in pricing are not necessarily easy to companies and some of them use external help to learn about a new method:

> *"So, our previous games were all premium. […] But right now, the game that we're working on, we're changing to a free-to-play model. And there, I don't know yet what's that going to be. That's something that we are working with a consultant, who is sort of like the authority on free-to-play games and how to put them in the market, but that's an ongoing process."* (LE3M40s)

Some actors, in turn, have applied a method, which is kind of an opposite of freemium pricing so that the basic offering is charged a full (fixed) price but some unexpected extras are available for free. This method is named here as **'amuse-bouche' pricing**, borrowing the word from the world of cuisine where chefs serve unexpected bonus courses to the guests. For example, a cultural institution charges a full price for a popular event but provides various artistic workshops and sessions without charging a fee to the audience in order to introduce them to various forms of arts. This may require creativity and boldness from the operator when the orthodox approach is to charge for every event. Operators often apply a **hybrid approach** in which they either have different prices for different deals, such a tailored or fixed output price, or they have multiple price components in a single deal, for example a fixed base-price plus a tailored element (freemium can also be interpreted as an example of the latter).

Pricing criteria (Table 7) determine the target price of the offering. A common approach among the studied operators is a **cost-based** principle where higher costs result in higher prices. Costs include working hours, materials and other production costs on which operators apply various rules-of-thumb calculations, such as multiplying the direct costs by three or making sure that the costs of production remain below 50% of the sales prices. A size of the art work is also utilised as a rough measure of the costs of production. A challenge with cost-based pricing is that it is difficult to know in advance how much creative work is required to come up with a solution to the customer's problem: *"The problem is that creativity is not something that you can alert. You can't tell a creative person you've got four hours to think about the perfect idea….So pricing is not easy in our sector."* (LE1F40s) When the costs are high, the offering may become too expensive for potential customers. Some professionals find this acceptable and reject the job rather than start, for example, to negotiate about the price. For some others, this may conflict with the operators' other interests, such as keeping the prices affordable.

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Table 7 Pricing criteria of cultural and creative operators

Criteria	Examples
Costs	Number of employees; size of the work of art; working hours; material and production costs
Customer solvency	Discount for large volumes, lower than average market price, customer's budget (lower or higher price)
Customer segment	Price depends on who is asking; type of the customer org. (government, non-profit or companies; size of the customer org.; customer demographics (age, socioeconomic status)
Diverse scene	Support the diversity of local cultural scene by stripping down the offering so that people can afford to have different cultural experiences
Value/performance	Direct impact on customers' goals (e.g. sales growth); number of prints or editions on sale, proxies (e.g. seating order in an auditorium, professionals' work experience or age)
Branding	To build a name in the market with high prices
Sensing/dynamic	Estimating customers' willingness to pay; initial price set high but lowered if little interest
Self-confidence	Lack of self-confidence (early career, mid-career, hobby image)
Passion	The amount of enjoyment attached to doing something: lower prices
Sectoral practices	Shift to freemium as a dominant method in mobile games, regional/national price range among cultural institutions; under-pricing and -paying;

For this reason, some actors prefer another logic, where the price is based on the assumed value of the work to the customer i.e. **performance/value** based criterion. A downside of this approach is that it is difficult to estimate the impact of the offering and, therefore, to convince the customer about the price: "*I really believe in value based pricing. And especially in our sector because we are creating impacts and we want to accelerate the positive change…it's still really hard to sell to our clients. They always want to know how many hours are you going to spend on it... it's hard to put to measure the value on side and on the one hand it's still very difficult to sell to clients.*" (LE1F40s) A proxy of the value is the amount of working experience or a person's age. A young professional, for example, may combine value- and cost-based pricing by starting with a lower hourly rate but intents to increase it after gaining more practice in the field. Another proxy is the rarity of the offering so that the price for a unique piece is set higher than for editions.

Affordable, lower than average market price is a relevant criterion for support organisations, and this may result in long queues. **Customer solvency** can also mean higher prices, if an artist, for example, learns about the customer's budget and sees an opportunity to ask for more. Hence, pricing criteria can follow the idea of supporting **diversity** of audiences or applying different criteria for different **customer segments**. Creative professionals also use pricing as a tool to build their name in the market. This **branding**-criterion may involve shorter and longer term perspectives so that an artist, for example, starts with high-end pricing and plans to apply more accessible price points later on during his career after first establishing a desired reputation:

> *"I need to go in phases and at this point I need to make high level stuff which are expensive which puts me on some level in what I do as a designer. And I think maybe later on when that's a bit more common then I can work on the other part which is making it cheaper and dividing it more."* (LE8M40s)

Yet another pricing criterion is **sensing**, where the operator tries to estimate the customers' willingness to pay: *"But I'd say we have to keep an eye on the rest of the market as well, how much is people prepared to pay."* (LU13F40s) Sensing comes to question when the price is initially set high but lowered if there is very little demand for the offering. A specific feature of using intermediaries is that an artist may not determine the price independently but, for example, the gallery or the label has a word on the final decision. In some instances an artist desires to fully outsource the entire pricing process, as she feels that financial matters are not in line with her set of values:

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> *"Yeah and would just have an agreement that I trust you that you ask the right prices, and we settle on a percentage, and this is how we do it. [If I may ask, why you would like to outsource, why you wouldn't like to do it yourself?] Because I think it would be too much part of my daily thinking, which would be not kind of system in which I want to structure my thoughts. It's like, something like being a vegetarian or not structures the way how you think about the hierarchy of the world. And if you eat meat, then you believe in the hierarchy […].* (LE14M30s)

Individual's **passion or self-confidence** can be used as a basis for setting the prices. When one is passionate enough, the prices can be set relatively low: *"But then if we play live, if it's something we really want to do then it's quite cheap, we don't care too much about the money […]"* (LE26M20s), or even give it a way for free to just make it available. However, some lack self-confidence to ask for what they believe would be a proper compensation for their work, and this can be due to, for example, being a newcomer in the sector or a perception that customers consider their work as a hobby rather than a profession. Sometimes, the operators feel that other people take advantage of their insecurity, accompanied with their desire to be of help, and blame themselves for not being able to set the boundaries:

> *"I can't set the price for my work, I don't have the confidence that what I am writing is good enough, and for some reason I think that my work could be valued at less price."* (LI8F40s)

Accordingly, one pricing criterion is based on following **dominant practices** in the industry, such as adjusting the price to those of other cultural institutions regionally and nationally. The challenge is that some of the dominant practices are considered unhealthy to the industry. The importance, and difficulty, of pricing decisions is reflected in several interviewees' talk about the habit of under-pricing and -paying in creative economies. This can be a reality as well in more traditional arts' sectors: *"I could say that in the cultural field, I have the feeling that people are underpaid heavily, and I think it has a lot to do because you don't really see, well, you only see the results, the end results."* (LE6M30s) Some enterprises in the mobile games industry, which do not consider the freemium pricing to be financially sustainable in the long run, have deliberately decided to go against the grain by mainly sticking into setting a fixed price per game. Under-pricing and -paying results eventually into a vicious circle, which is reinforced by the creative professionals themselves when they are selling their outputs with too low prices and, consequently, buying inputs from other creative professionals with too little money:

> *"I think we work very hard in this field and I think it is not fair at all. And I also noticed it now, I started paying other people, I am on this point where also start to make my own work, where I can invite people, and I think it is also important to pay people, but you never have money to pay the correct fee. And it is very difficult I think."* (LE22F20s)

A part of the problem seems to be the passion-based pricing. A peculiar feature of creative economies is that being able to work with something that you are passionate about is considered in itself to be part of the compensation for your work input. This means that people are willing to accept less money for a work because they enjoy what they are doing: *"But then again there isn't endless amounts of money involved in the cultural field and it's also something we do with passion. So, I think passion is setting a price and not necessarily me as a business owner or something."* (LE24F20s) Another part of the problem seems to be that an unhealthy price competition have reached a point where people are so used to lowering their prices that no one dares to be the first to turn down a poorly paid offer in the hopes of getting a better offer, because they are certain that someone else is still willing to accept it. On a positive note, pricing is also perceived as a skill that can be learned: *"So, that's not super satisfying, but it's again something you need to learn also the skill to value yourself higher."* (LE24F20s) In fact, several informants describe pricing as a constant, albeit difficult, learning process where you start with one approach and switch to another through trial and error,

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for example. Young professionals in particular find it unfortunate that pricing skills are not always taught during their studies.

Many studied operators have eventually ended up applying hybrid pricing methods and criteria, for example, a mixture of a cost-based basic price and a value (performance) based additional component. The pricing decision can also be based on who the customer is and, then, factoring in the cost of work put into finalising the art piece. A hybrid pricing decision may also be a combination of rarity- and cost-based logics, so, for example, the larger and the more unique the piece of art is, the higher is the artists' price request:

> *"But I don't print a big editions. So mostly I print editions of three. So they are a little bit expensive. So it's not that you buy prints for 50 euros […] It [also] depends what the size is, but it [price] is around 200 Euros to 600 euros."* (EN15F20s)

Pricing is a very complex business model element among the cultural and creative operators. They apply a variety of different pricing methods ranging from fixed, to tailored, to free of charge, to pay-what-you-can. What is notable here is that pricing is often flexible, benefiting the customer. Pricing criteria are also diverse. A central conclusion is that pricing is often not economically motivated but it is not random or irrational either. Instead it is driven by various value creation goals so that when the operators put emphasis on creating economic value for themselves, they follow cost or performance based criteria, but when they prioritize economic value for the customer they take into a count their assumed paying capacity. Passion-based pricing reflects the high emphasis given on enjoyment value resulting into putting a lower price tag on the offering. The pursuit of personal influence value leads into an effort to build a high-end brand with high prices, whereas the lack of personal influence value (self-confidence) results in under-pricing. Provision of harmony value may result into price cuts, as well. Taken together, under-pricing and undervaluing one's worth seem to be norm rather than an exception in the field and when a large number of operators follow it becomes a vicious circle which is widely acknowledged but rarely challenged among the operators themselves.

2.4.5. Income

Just like the wide array of cultural and creative offerings and their prices, our findings show that the sources of income are tremendously diverse (see further discussion on portfolio work and related income from a perspective of a creative individual WP4 D4.2 report on Between labour markets and entrepreneurship). Our data suggest that earnings are self-generated or subsidised and they can be divided in a number of sub-categories (Table 8). A form of **self-generated earnings** is direct sales, which refers both to a freelancer selling her works of art, for example a musician selling her recordings or performing in a concert, as well as cultural institutions, support organisations or companies earning sales revenue from their services or products. Many have sub-streams of income within direct sales from selling different content to different target groups. **Subsidised earnings** include, firstly, public support, typically from local or regional but also national or international bodies. Such support involves some kind of temporary funding, which is applied for a specific purpose or project, for example organising an event or a festival. Third sector support refers to various types of grants applied from a variety of non-profit organisations including foundations, unions and some universities, for instance. Corporate support is understood here as some kind of a sponsorship relation where a cultural or creative operator has access to affordable resources and the company may or may not get some visibility in exchange. Moreover, our findings show that cultural and creative operators receive citizen support when individuals donate money to them or volunteer for them. Donations are a rather common form of funding for support organisations, for example in the UK, and many festivals benefit from active volunteers.

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Table 8 Income sources of cultural and creative operators

Main category	Subcategory	Examples
Self-generated	Direct sales	Entrance fees, membership fees, artefact sales, rental income
	Paid work	In creative sectors: artist teaching; outside of creative sectors: sanitation services, wholesale, law
Subsidized	Public support	Local (city or district council), regional (county council, government), national (lottery fund, ministries, national arts council) and international (EU)
	Third-sector support	Local (trade unions), regional (universities), national (RANK foundation), international (CIPE grants)
	Corporate support	Sponsorships (money, in-kind)
	Citizen support	Donations, volunteering
	Personal support	Family (spouse, parents), own savings

When various sources are examined together, it is noticeable that earnings are most often accrued from many small streams, forming an income portfolio for each cultural and creative operator. A closer look shows that different types of portfolios, or profiles, can be identified. In crude terms, three main profiles are entirely self-generated earnings, entirely supported earnings and a combination of the two, and furthermore, several sub-profiles exist within each main profile. As to the **entirely self-generated earnings** it is not rare to have direct sales as the only source among the studied enterprises, although the revenue comes from different target groups:

> *"We get at least 80% from corporates and brands, so paid works…I would say 10% of education institutions, which are also actually corporate because it is budgeted. […] We do around just 5%, let's say from municipalities, but then again, also paid work. And we have five I would say even less, good cause projects."* (EN2M20s)

On the other hand, it is not common for the freelancers in our data to rely solely on direct sales: *"My income comes exclusively from the quantity of my works and I must say that it is going quite well at the moment with the pandemic. "* (LA14M30s) When freelancers have purely self-generated earnings, it is often a mixture of income from direct sales and paid jobs. The income portfolio may also consist of **entirely subsidised earnings**, especially in case of some cultural institutions. Earnings can be a combination of public and third sector support as well as private support. In many instances income is a **mixture of self-generated and subsided earnings**. In such a case, direct sales account for a share, but the rest is subsidised in one way or the other, for example through public subsidies, donations and sponsorships. For cultural institutions the share of direct sales can be quite small: *"[…] you're subsidised and the amount you can get from box office is a relatively small portion of that income"* (CH19F40s) Occasionally also enterprises seek public subsidies. For instance, when one is organising a local festival where they want to advance careers of artists who are newcomers in the field: *"When it comes to festival, as I said, there is no chance that we could do it without support and subsidies together with the ticket sales."* (LU13F40s) The mixed sources of income were often mentioned among freelancers in our data. These include, for instance, i) direct sales plus public and/or third sector funding, ii) direct sales and paid work plus public and/or third sector funding, iii) any combination of the previous two plus family support.

When examining the earning logics of cultural and creative operators, attention is drawn to the fact that many of them commit, in fact, to **losing money**. Some identify it as pro bono projects, especially among the UK operators, or volunteering and others as self-financed activities, but common to them is that operators do unpaid work. Essentially this means that they earn money from some of their activities and lose money on other activities, resulting in opposing earning logics. The **level of earnings** is a central theme in our data. Some operators are very satisfied with their overall financial situation: *"Compared to many of my colleagues,*

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I must say that I am very satisfied with my career, which is going very well, and therefore also with my earnings." (LA25F30s) They may even consider the Covid-19 not have had a negative impact on their livelihood, but even the contrary:

> *"My income comes exclusively from the quantity of my works and I must say that it is going quite well at the moment with the pandemic."* (LA14M30s)

Having a portfolio of various income sources has worked as a bumper during the pandemic for some professionals in a sense that lost income in direct sales for one target group has been compensated by an increase in direct sales to another clientele: *"So those were the two streams that I had in terms of income but now that'd be different because my consultancy's picked up massively so that's helping fund the orders [of clothes] that have been cancelled."* (CH12M40s) Then there are those who feel that they earn quite little but are content in a sense that they consider the level of earnings to reflect their own non-commercial goals of working:

> *"I can't complain, because I didn't go for the money. […] I would like to have more, but I can't ask for it because I haven't done enough to create it for myself."* (LA11M60s)

However, many of the cultural and creative operators find their financial situation somewhat problematic, and this is because they feel that their income level is too low or it varies too much or both. Operators are not only worried about themselves but about their sector at large. The operators recognize several **reasons for dissatisfactory earnings**. These include seasonal activity, for example tourism-related activities. Moreover, if an operator is dependent on subsidised income, the decreasing or short-term public funding causes challenges for the sustainability for cultural and creative operators. Similarly, the operators stressed unfair deals within the sector and commercially unappealing offering. Operators consider the temporary nature of public funding to be contradictory as the financiers are expecting lasting effects:

> *"But these funds themselves are only very short-term and so what is really difficult for me as a practitioner to understand is how are you expecting to create a long term impact when you are only giving funding for short term...."* (DU14F40s)

Covid-19 has caused a temporary dip in the income for some, but low and unstable earnings are also considered to reflect the perceived marginal value of cultural and creative operators work in the society: *"Let's value the arts and the creative industries for what they should be valued for."* (CH22M60s) In other instances, the operators feel that they are valued, but for instrumental rather substantive reasons: *"But what I think is that the city wants artists for a very arbitrary reason. Like, it kind of wants to check all the boxes [...] And I think, for them, it's more or less like about image building"* (LE12F20s) The other side of the coin is that cultural and creative operators have themselves a problematic relationship with earning money from what they do. This is because they consider commercial activity to contradict with independent activity:

> *"[…] art and money - I don't know! Art shouldn't be about money, but at the same time you have to make money. […] I use it [creative economy – term] sometimes because I have to be a little bit commercial to make money. But at the same time, I don't want to be too commercial, but I also want to stay an independent artist so… but a lot of people don't like the sentence."* (EN15F20s)

The challenge among cultural and creative operators is that commercial activity is associated with profit, whereas the challenge among the general public is that creating societal value is perceived charity work. A future solution for low income could be for everyone to realise that there is a middle ground between the pursuit of profit and working for free, and this is to earn a proper livelihood for contributing to the wellbeing of others and making a change in the society:

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"I think we need to as a society recognise actually, it's okay to reward people financially for that input when you look at the difference that that makes in communities by the work that a number of the individuals I work with do, that is literally changing people's lives. So we have to we have to look at differently. […] People have livelihoods, people have families, they have to provide, they have to put food on the table, they have to pay for their mortgage they have to pay for rent there are all these things. We should not be expecting as a society that individuals who have chosen to make a difference through the world that they're doing should not be financially rewarded for that." (DU18F40s)

Earnings of cultural and creative operators accumulate often from multiple sources, which may be entirely self-generated, entirely subsidised or a combination of the two with varying emphasis and content in terms of sub-categories. Self-generated income is a mixture of direct sales and paid work and subsidised income can consist of public, third-sector, corporate, citizen or personal support. What is notable is that it is not exceptional in the field to live on direct sales only. On the hand, it is eye-opening to realize that many of the operators willingly lose money. They commit altruistically into pro bono projects to advance their non-financial goals. Moreover, unsatisfactory, precarious livelihood comes across in our data but so does satisfactory, solid income in some instances. The Covid-19 reduced the earnings for many but there are other narratives showing an increase in demand. The professionals differ in how they deal with low income. Some accept it passively while others take active measures to save costs, to search new income sources or to develop new competencies and new collaboration in order to create something new to offer.

To sum up, our findings are informative of the ways in which cultural and creative organisations operate in the markets. The target groups of cultural and creative operators consist of individuals, organisations and communities ranging from local to regional, national and international audiences. There are typically multiple target groups, which serve different purposes. Products and services of cultural and creative operators include two main categories: the core and the additional supply which are communicated and marketed through multiple channels, but social media and word-of-mouth still dominate. Pricing is a very complex business model element and a variety of different pricing methods and criteria are applied. Earnings of cultural and creative operators accumulate often from multiple sources, which may be entirely self-generated, entirely subsidised or a combination of the two with varying emphasis and content in terms of sub-categories. Taken together, our findings indicate that under-pricing and undervaluing is a significant issue in the field.

2.4.6. Snapshot to value creation skills

In our survey data from cultural and creative organisations in Finland (see Appendix 2 Survey Data and Variables), most of the organisations considered that they had a clearly defined business model, which is also discussed and understood in their organisation. In order to explore how well studied organisations perceive themselves against different value creation skills, we developed a scale that reflects the nine dimensions of the business model canvas (Greene, 2020; Osterwalder & Pigneon, 2010). Our findings show that the studied organisations perceive that they are slightly better at identifying who their audiences are, managing necessary processes, and creating necessary networks than selling and pricing their offerings and describing the unique value, which they create for their audiences (Figure 3).

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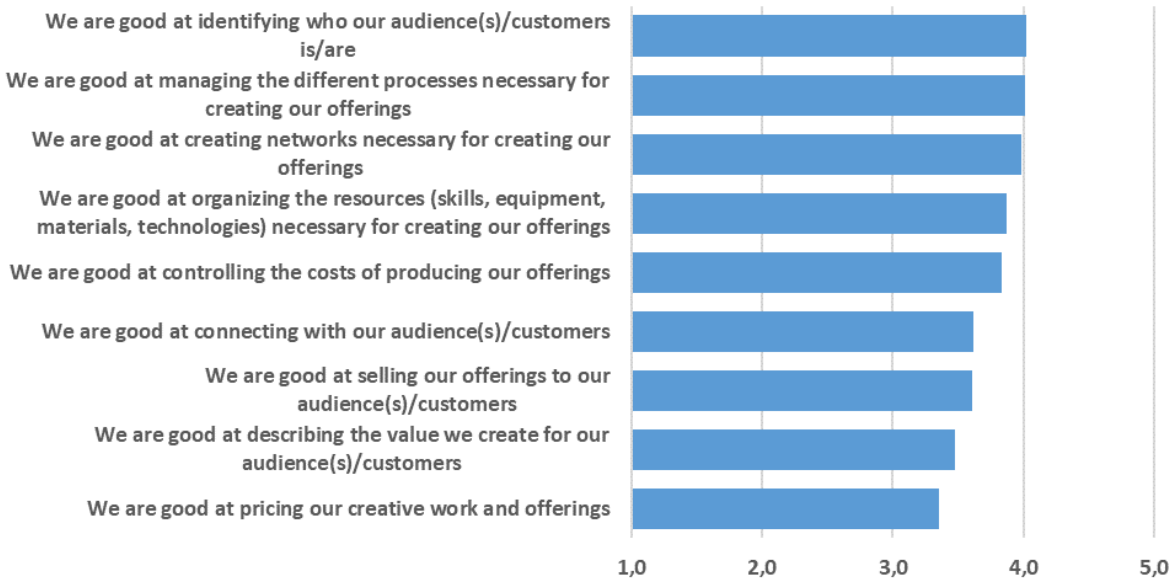

Figure 3 How well different value creation skills describe studied creative organisations (1=Totally disagree…5=Totally agree)

The value creation skills concerning pricing were at a lower level among hybrid organisations (which combine both for and non-profit business models) than those operating only on a for profit basis. In addition, when organisations gained income from selling their offerings they perceived to be better in identifying the audiences and customers, but in case of being dependent on public funding these skills were found to be at a lower level. For instance, organisations operating in cultural sites (e.g. museums, libraries, exhibitions) perceived their pricing skills and skills needed in managing necessary resources to be at a lower level than others. In addition, organisations in traditional cultural expressions (arts and crafts, and festivals) perceived their skills in controlling costs and managing processes worse than other organisations. In comparison, organisations that operated in performing arts perceived their skills in controlling costs, managing necessary processes, creating networks, and pricing to be better than others.

Organizations' size seemed to matter in value creation skills. Larger organisations (with 10 or more employees) perceived their skills in identifying their audiences, connecting with the audiences, selling, and pricing their offerings to be better than their smaller peers. In the following, we highlight the main findings of the chapter 2.

Value generation of creative economies should not be viewed by focusing on just one dimension, such as economic value, as all creative operators seek to promote human wellbeing by providing different benefits simultaneously. Sometimes value creation goals conflict with one another. A central driver of tensions between economic and non-economic value creation goals is the habit of under-pricing of and underpaying creative work, both among the creative operators themselves and in society at large. There seems to be two reasons for this prevailing norm. Creative operators pursue non-economic value creation goals so passionately that they are often willing to work with little or no compensation. In addition, creative freedom is an important starting point of their activities and goal for creative operators and they fear the pursuit of economic value threatens this goal. Unfortunately inflexible, controlled and instrumentalised public funding has reinforced this vicious cycle. Public policy has focused on measuring and rewarding economic value creation, considering any other value inferior. As a result creative professionals are often seen as hobbyists or amateurs. Still, creative operators contribute to the society through various value creation models, which

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add not only economic value but also other types of value which all are crucial to sustainable development of our societies.

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3. From cultural networks to a Creative Place Brand – case study Pori

3.1. Scope of the chapter

This chapter focuses on cultural networks and place branding by investigating how inclusive and sustainable networking can be supported in the creative economies. This follows the stream of research that investigates the influence of the creative sector on the development of cities (Boccella & Salerno, 2016; Cooke & Lazzeretti, 2008); place branding and its importance for local development (Maheshwari et al., 2011); and the process of place branding with the use of the presence of creative economy (Evans, 2015; Mengi et al., 2017). Focusing on the creative economy, place branding and place brand attributes (Pasquinelli et al., 2022) combines the phenomenon of the creative economy with a specific location and, therefore makes it possible to investigate a city/place as a brand (Dudek-Mánkowska & Grochowski, 2019).

Small firms growing rapidly in number in creative economies are too small to exercise formal control or coordination of cooperation in network. Consequently, they tend to operate in networks with others (Hesmondhalgh, 2013). As a common organizational form, networks serve the need for flexibility, specialization, and exploration of many organizations within creative economies, but they face challenges in maintaining connections and continuity across projects (Wu & Wu, 2016). The turbulence caused by the Covid19 pandemic has clearly highlighted the challenges of interaction and networking (Khlystova et al., 2022). However, actors in the creative economies have quickly adopted new ways of coordinating the production of creative culture. Initiating or coordinating cooperation may be difficult, given that the actors represent their own sectors and do not naturally think in terms of networking (Khlystova et al., 2022). As Pasquinelli et al. (2022) we study place/ecology brand values and attributes as a component of the urban approach to facing the current challenges such as for example, the Covid-19 crisis. De Noni et al. (2014) have studied the brand attributes of Milan focusing on influencing city brand attractiveness.

This chapter offers an intensive case study of cultural networks in Pori by investigating a phenomenon in its context. It provides an in-depth understanding of the unique nature of the case (see Eriksson & Kovalainen, 2015) namely cultural networks in the Pori region. Empirically the chapter relies on the regional case study data (see Appendix 1 Case Study Methodology) and draws on interview data from a range of actors including all the target groups (policy makers, network/community managers, companies, HE providers, creative workers/recent graduates and volunteer/community groups) engaged within creative economies in the Pori region. Pori makes an interesting case due to its co-creative role of residents in rebranding the city. The re-branding process started in 2016 catalysed by the city administration and linked also to political decision making. Accordingly, the brand co-creation process became a strategic action in which the communication department was given a leading role. The core idea of the Pori place brand was that it should be based on the culture and history of the city implying that the interaction between the city branders and the residents of the city including creative actors is focused on. In branding the city the focus of brand ownership shifted from the managerial sphere to include those who live the brand in their daily lives, such as people in creatieve economies. (Hakala et al., 2020; see also Regional cases study report of Pori in www.disce.eu) Furthermore, the research team in Pori has been immersed and doing research on the creative sector in Pori for a long time given the period mentioned above and used, thus, this pre-understanding when analysing formal and informal networks in Pori based on the regional case study data. It has been highlighted that studying the nature of networks and network dynamics benefits from a qualitative, preferably longitudinal, and multi-method work (Jack et al. 2010). By focusing on the region of Pori it was possible for the researchers to follow

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Chalmers and Shaw's proposal "*to adopt methodological resources that will facilitate development of a more dynamic and context-including programme of research*" (2017, p. 20) and fill the gap between research findings and the lived world.

For the purpose of this chapter and based on the WP4 objectives and research questions we focused on networking and value creation in cultural ecologies and the following initial codes in our analyses: (12) cultural ecosystems, (13) cultural/creative clusters, creative hubs & cultural quarter, (27) location & physical setting, buildings, (30) networks, partnership, collaboration, (34) peripheral, (37) regional development, (38) risk, uncertainty, failure, and (45) value creation. After intensive reading and preliminary analysis the identified sections were thematically analysed and combined.

The chapter starts by discussing the prerequisites for coordinated cooperation in creative networks and the different roles of creative actors in supporting the networks (3.2). We move on to investigating how a creative ecology can differentiate itself (3.3) and how the actors commit themselves to a creative place brand (3.4). Based on the findings the brand portfolio of a creative ecology in Pori is summarised in 3.5. Finally, we discuss the ways in which inclusivity and sustainability are seen to contribute to place branding in Pori (3.6) and conclude by looking at ecosystem collaboration through place branding and coordination. In the Appendix 3 Inclusivity and Sustainability in Cultural Networks and Ecologies we expand our investigation on place branding, inclusivity and sustainability in other case study locations.

3.2. Prerequisites for coordinated cooperation in networks

Being a member of a larger network is considered beneficial for a city or a region when attracting new visitors and residents and encouraging entrepreneurs to offer their services (Bergvall, 2006; Haven-Tang & Sedgley, 2014). There is a link between how well the members of a network understand the significance of interaction and coordination of cooperation and how they define the vision and mission of the network and the roles of the various network actors (Govers & Go, 2009). For the co-creation of a network to succeed, it is essential to find a way to make the members enthusiastic about and remain keen on coordinated cooperation (De San & Vela, 2013; Halemane & Mandemaker, 2007; Lemmetyinen, 2015; Lemmetyinen et al., 2018).

In the following sections we focus on enablers and hindrances of networks and discuss the role of cultural and creative actors in supporting networking.

3.2.1. Enablers of networks

In our data we identified a variety of enablers or benefits which inspire the cooperation and networking among the members of a business network.

Locality counts

The significance of locality was emphasized. People who are 'native' know people and people know them. The networks have often been created through personal contacts at school and in hobbies or previous jobs. "*The fact that you're born here and know the culture and ways of doing things here and at my previous job…I know the people in the area, so I know who to contact and how it works around here*." (PO6F40s) When you know the people and the way the community works it is easier to get others involved. A creative worker considers himself a good connector, a matchmaker: "*I am a bit like Nokia, connecting people"* (PO26M30s) The contacts are not necessarily purely business-oriented.

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Several interviewees also stress the importance of knowing how things work in a city. "*These connections and these people who stay here, they have a way of doing things…*" (PO16M40s) In a small city people know each other, which has also its downsides. Some interviewees consider the cooperation between different fields good, but they also find it refreshing if all culture is not connected. A creative worker highlights that for example music is a field of culture which might get along on its own:

> *"It often happens here that everything becomes like multi-art, but sometimes I find it refreshing when everything is not multi-art or interconnected as there are certain sectors where they know their own stuff and are able to show it and do it. But sure, in a city of this size people know each other."* (PO26M30s)

One person can make a difference

Despite its relatively small size Pori has been able to use the annual international music festival to expand its social, economic, political, and environmental impact. The Pori Jazz festival was one of the main partners in the rebranding strategy of the city a few years ago (Hakala et al., 2020). There seems to be a consensus among the interviewees that one person has played a significant role in creating networks and raising national and international awareness and profile of the city of Pori as a festival city (Hakala & Öztürk, 2013). For example, a cultural producer, experimentalist, writer, and musician (PO7M40s) brought up how he has learnt a lot from the founder and former director of the Pori Jazz and considered him a master of networking who really understood the power of networks. It is publicly acknowledged in the city that the former director created the internationally recognized music festival from a small-scale jazz music hobby of a group of teenaged schoolboys in the 60s to a mega event well ahead of the international festival business.

For the cultural producer and many other local creative professionals as well as decision makers the highly appreciated festival director became a mentor and role model of the festival business not only in Finland but worldwide: "*It's 10–14 years ago when I was in contact with him more. I learned much from him about these networking things. He was a networking genius. He had a deep understanding of the power of networks and he really worked hard on them." (*PO7M40s) The image of the city as a jazz city was to a great extent created by him, "Mr. Pori Jazz" as he was called, who was appreciated by the media, opinion leaders, politicians and big businesses but who also managed to commit sports clubs and many other groups and individual citizens to voluntarily work at the festival. There are many festivals in Finland and elsewhere which have copied the concept he developed for the Pori Jazz.

A variety of collaborators in different sectors

Public sector organisations were easily listed as collaborators by public sector interviewees particularly. An important organisation is the regional governmental development agency (Center for Economic Development, Transport and the Environment, ELY Center) which is responsible for promoting regional competitiveness, wellbeing and sustainable development and curbing climate change. The ELY Center specifically deals with the tasks related to business and industry, labour force, competence and cultural activities. Another group of networks the public interviewees name is the local or regional industry specific actors: for example an art museum cooperates with the regional art council and a local industrial museum with the network of the national industrial museums. In the recent years, the role of the university as a significant cooperation partner has become more evident, in particular, for the museums of the city which collaborate with the university. The following quotes reveal a variety in nature and motives of cooperation among different institutions. Collaboration is not restricted to the task given to public organisations but it seems important for the interviewees working in cultural heritage and tourism to collaborate with the third sector actors for the purpose of lobbying and being updated what is going on.

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> *"There are a lot of public actors in Pori that are important to us. The Regional Art Council and the Center for Economic Development (ELY) are important partners. […] Then we have this regional museum promotion work".* (PO17M50s)

> *"And then on the national and regional level, local operators, development organizations, of course, we have these Visit Finland and Suoma ry (Finland's Travel) and TEM (the Ministry of Economic Affairs and Employment) and other regional organizations in the tourism industry, other event organizers and conference organizers […] Yeah, we do lobbying [...] It's good to know what is happening elsewhere and what other organizations are doing."* (PO19F50)

> *"And we share stuff with museums and we have a shared collection policy for the regional museums. […] One thing that's important to me is the public program work and cooperation with the Finnish Association for Museum Education Pedaali ry that promotes pedagogy and supports people working with the public program work at museums. The association organizes training […] We cooperate with other culture institutions of course…with the Art school to some extent. Then all the art association and artists."* (PO24F40)

Some interviewees acknowledge the support and concrete help they have received from the city of Pori and its people and businesses. The city is appreciated for its positive and relaxed attitude making it easy to carry out cultural projects. For example, a young filmmaker considers it very supportive that the city offers facilities for shooting a film:

> *"Well, the people, companies, the city and others seem to be willing to help, and they see the potential, and it doesn't usually require that much to help us by giving an access to a space. […] It doesn't always have to be money. People have been willing to help and that's positive. […] such gives a really warm feeling. Usually, people here can be negative and don't have this positive image but it's heart-warming to realize that almost all items and actors come from this region when shooting in the region. It is a good sign of the culture here at the moment."* (PO16M40s)

The interview data reveal that public funded institutions, such as museums, co-organize activities and events with the smaller museums of the region or private and semi-private actors within creative economies. These include micro entrepreneurs or cultural associations who do not have their own venues or do not have the resources to organize an event on own. A new type of cooperation emerged, for example, between the art museum and a yoga micro entrepreneur who together offered art yoga around a theme of the current exhibition. The museum not only provided its space but also participated in the production of the content of the offering:

> *"There aren't enough performance spaces in Pori. So, we've offered performance and event spaces for our collaborators, lend them AV equipment [… the local ones who organize something. […] We work with the yoga association and the cancer association. We've offered art yoga with a small private company. A couple years ago, we tried out this model in which a private service provider brings their event to us. Our collaboration consists of offering them a space and they organize the event here."* (PO24F40s and PO24F50s)

Although public sector organisations, such as museums, seem to cooperate with other public organisations, they may also improvise new forms of collaboration with small businesses. Micro-business entrepreneurs within creative economies seem to make contacts more on ad-hoc basis. For example, a young graphic designer and an owner of a marketing agency describes how her contacts emerge from anywhere, may it be business or hobby. She has lived in the city all her life and she is confident that she will get help when needed. She knows many people whom to contact for support: "*So, it can emerge from anywhere; contacts are*

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important. […] *for example, a photographer and a videographer and a marketing or a brand expert, so there's always someone, who wants to help or knows someone who helps.* (PO23F30s)

International networking and outreach as unused potential

International networking and outreach of creative economies are becoming more important in Pori. During the last two decades, a number of cultural projects in the Pori region have been funded by the EU funding. For example "*Pori as an experimental city" (*2019-2021) was an international project with the Baltic Sea Region that aimed at developing new participatory processes of the cultural planning for the use of empty spaces of the city centre. The aim was to increase the comfort of the city centre and the involvement of residents in the development of their city. Workshops and events were organised to bring together residents, city planners, artists, researchers and academics, students, community organizers, politicians and activists who were encouraged to come with an input of a more cooperative city. The following quote by the producer of the project summarized the idea of the project and wide consensus among the interviewees about the importance of cooperation between all parties:

> *"We wanted to overdo the corporations – it is time that we just start to work together. […] We have collected a lot of inputs and materials from both local and international partners, which we now have to work on. I expect that this material will be summarized into a toolbox, which the city later will benefit from."* (PO7M40s)

The significance of EU-projects [and EU funding] in networking and internationalization is clearly expressed by a micro-business entrepreneur and artist who has received some EU-funding for her business start-up. She is an example of many interviewees who call for flexible funding to micro businesses and entrepreneurs in creative economies: "*There are fun contacts with Northern Ireland through the [local Leader] project. The Leader funding is really important. They funded the start-up of my business. […] but the EU funding system is really tricky and stiff."* (PO6F40s)

In our data genuine internationality seem to stem from an international background of an individual cultural actor or the original vision and mission of a cultural institute or from. Internationalisation is not a celebratory speech or a jargon glued on top as a "cake decoration". For example, the community manager of an artists' community has an international background through his family, and he also lives abroad from time to time. During the last 20 years he has built extensive networks around the world, and for him it is easy for to find partners when needed: "*We have got such a comprehensive circle of members and friends around the world, so it is really easy to find the right persons who can contribute when needed."* (PO33M40s) Another example shows that the interest in internationality stems from the historical background, the 'DNA', of an art institute. Internationality actually appears to be a continuum to the work and contacts of the founder of the museum who was as a passionate collector and patron of contemporary art:

> *"Of course, the founder and a culture influencer and patron […] so the international aspect has been built very much on her connections. Our first director continued this line very successfully. We've really networked internationally. Of course, we're constantly making new and more connections. But from the start, that's been the thing, not just staying in this town. Our museum has a kind of I don't know if it's an internal conflict, but we have two dimensions. This international art and the field of art where we operate but at the same time, we're a regionally responsible museum."* (PO24F40s)

However, not all actors in creative economies are interested in international cooperation. For example, a museum director has not found any extra value from international contacts:

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"Well, we don't have networks, but we have had international projects. International activities are not a central aspect of any cultural history museum. […] but there could be more of them, I wouldn't mind. …] It must fit the museum and bring 'something' to the museum. […] I've been in contact with a few foreign museums and noticed that we don't have to be ashamed of anything here in Finland. On the contrary, the work of our museum is of high quality." (PO17M50s)

To sum up, there are many different types of enablers for networking ranging from passionate individuals to a variety of network actors in private, public, and semi-public sectors. Knowing the context, i.e. locality is of importance but international collaboration and outreach is also appreciated.

3.2.2. Hindrances of networks

In our data we also identified hindrances which prevent or hold up the cooperation and networking among the members of a business network.

Incapability to identify and exploit the skills and resources

Several interviewees stressed the importance of knowing the mentality of how things function in a city. As described earlier locality is an asset and consequently a lack of it may be an obstacle. If one does not know the local circles, it may be difficult for a newcomer to get into a new place or a new community as one cultural producer put it: "*I didn't get a seat at any table."* (PO9F40s) and therefore it was difficult her to do her job. She then moved back to her home region where she coordinates a network of cultural producers as she wants to make it easier for newcomers to create contacts and get involved:

"I have these networks in this city, but when I was living in Turku [larger town within a range of 160 kilometers], then I didn't have the similar networks there […] So I have founded it [the cultural producers' network] for that reason, that new producers, too, can find their place and get involved and hear about people. … That's exactly what you run into, just as when I moved to Turku, then I didn't get a seat at any table — none of them." (PO9F40s)

In a smaller city, Pori, forming networks and familiarising oneself with the local way of working may be easier than is bigger cities and regions. From the city perspective such 'unconnected' resources and skills easily remain unnoticed and unexploited. A call for a long-term strategic plan on the funding and organization of the project work of the city is expected, and there is also a need to rethink the cooperation between the many projects of the city. As one interviewee put it, project workers can question familiar practices and bring in new ideas in the way permanent workers with their statutory tasks cannot. A project coordinator suggests that project workers should be seen as a valuable resource for the city. However, the city is not fully able to exploit the potential that project workers could bring to the development of the organization but see them as outsiders:

"It seems that we [the project workers of the EU-project coordinated by the city] belong to the city organization, but still on the outer rim of it. As project workers we don't have any permanent posts or such, so we have this role that we can question and innovate in the ways the people in the permanent posts do who tied to the city's statutory tasks, the working culture and all that. In that sense I see that I'm in a nice position at the moment, as I can throw these balls and really make an impact. But maybe we'd need a long-term plan. The city doesn't currently have any kind of cooperation between different projects. It'd be nice if we were seen as part of the strategic development of the city and then feel more that we're a part of the whole puzzle and not just a single piece." (PO4F40s)

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Time-consuming without a pay

There is a consensus that networking is important and necessary for creative businesses. However, some may be critical about networking as they consider the time spent on coordinating and running a network taken from one's own business and income. It is no surprise that a freelancer finds it unfair to work for others without any compensation: "*I have taken on me a huge responsibility in the networks now. An enormous amount of responsibility. […] But it does have got a negative side, you do get tired of it. […] maybe I'll start to fade myself out of the coordinator position. […] It [networking] takes time... and it hinders me from not getting enough income. […] These are the things you have to consider all the time and […] Everyone else comes there with a monthly salary except me, and it's me who is responsible for the network. […] It also makes me tired of the project work…It's not economically productive work. [laughter*]." (PO9F40s) However, a voluntary coordinator role was considered important and inspiring as it enhances co-learning and one's knowledge: "*Nobody pays me for it, but I see it as an important thing […] it's about this informative, mutual co-learning and doing."* (PO9F40s)

Although she considers that networking is time-consuming without a monetary compensation, it may at least partially pay back through learning and joint activities.

Lack of skills, money and contacts

The film about the life of a late Pori-based composer premiered at the end of 2019. A young filmmaker directed, wrote and produced the film that was played at the local film festival. For four years he was excited about whether the film would be completed at all due to lack of funds. He, as a beginner in the field, found it difficult to take care of funding, budgeting, staff recruitment, etc., i.e. tasks which may be quite normal for an experienced individual in the field of culture. However, he needed to start from scratches in a new region far away from the metropolises with no or just a little experience of this specific field of art working with all these new roles simultaneously. A clear sense of uncertainty and frustration was visible in the interview: "*There isn't that much competent film crew here. [...] Most of them live in Helsinki. […] Well, with money you can buy good employees and colleagues, but they're hard to come for free, as the work requires a lot of time."* (PO16M40s) He brought up the role of good networks with the people of the film industry and otherwise in making his job easier. However, he is surprisingly confident with the future and believes in a better feature: *Luckily, this film culture is emerging here […] so the networks expand all the time." (*PO16M40s)

In all, lack of money, time and contacts are considered as important obstacles in networking. It may also be difficult to become acquainted with local people and ways of working although in a smaller town, such as Pori, it may be easier than in larger cities. This implies that not all creative resources becomes easily exploited for cultural development of the region.

3.2.3. Roles of creative actors in supporting networking

Different actors have different and changing roles in cultural networks (Lemmetyinen et al., 2018). Coordination of networks may be considered through the roles of various actors take or are given (Nieminen & Lemmetyinen, 2015): *a scene setter* provides a forum in which participants meet and discuss in a stimulating atmosphere that supports co-operation; a *matchmaker* creates a space for fostering relations and sharing information, insight and experience among participants; and a *co-creator* contributes to a co-operation network in order to find new (business) solutions based on common values. Next we look at the various roles of creative actors in supporting networking in Pori.

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Creative entrepreneurs taking an initiative

In 2009 and 2010, an international large-scale Sonisphere music festival was held in Pori. The top names in heavy rock, such as Metallica and Iron Maiden, drew tens of thousands of festival guests to the outdoor arena in Pori. After two years of success the festival, however, left Pori and moved to the capital of Finland, Helsinki. As a protest against Sonisphere's exit from Pori, a local entrepreneur known for his long career in restaurant and event business came up with his friends with an idea of their own Pori rock festival. Porispere was actually a working name in the local dialect - a kind of a joke. Slogans and ironic humour in the Pori dialect has then become a brand of the festival. The founder of a festival communicates an entrepreneurial way of making things happen. This micro-business entrepreneur who easily takes on the three roles of networking – setting a scene, matching the 'right' people, and creating the conditions for co-operation: "*Well in practice I take care of networking for our company for the most part, of course it's a big scene ... I try to keep the relationships good... well, perhaps I should be more active.*" (PO27M40s)

Physical space is a crucial resource in several creative fields. The role of a founder of an artist community seems to resemble with the one of the entrepreneur above: to set a scene by offering a physical space, match people and then co-create and coordinate cooperation. An artist, entrepreneur and active in community continues to be a front figure of the well-established artist community whose mission is to support young artists interested in community art and to offer them opportunities to perform by providing them with a place with proper technique and tools, catering etc. About 20 years ago a group of art school graduates moving to Pori rented a workspace in the centre of the city and organized their community as an association. For several times they had to move from one place to another until ten years ago the city of Pori offered them a space in a dilapidated old building surrounded by a large park, now a statue park, at the outskirts of the city center. In 2020, his latest project is again a physical workspace for artists and cultural workers: "*I did it on my own, but I connected the association to that in order to get it to make a rent agreement.*" (PO3340s)

There are also views that give the city an important role as a matchmaker in providing facilities and spaces for local cultural actors to meet and exchange views in an encouraging atmosphere. Consequently, a call for active or better communication with the city administration is desired:

> *"Maybe it would be better in some situations if there were better contacts with the city administration. The city of Pori has offered opportunities to local cultural actors, especially facilities, and I think that we shouldn't complain that much. Facilities (premises) are extremely important, they are a must."* (PO26M30s)

Supporting networking by active freelancers and entrepreneurs can also take place behind the scenes. Through her earlier project job, a freelance cultural producer took an active role first as a scene maker in stimulating the development of a game sector in the region, and then as a matchmaker in sharing information, insight and contacts:

> *"They have this hub of their own here in the region. We then became part of this official organization, which is an international network originating from the United States. The Finnish division is really strong and at the moment, we have 13 of these local hubs. We became part of it and started gathering these operators in the game sector here in the region." (PO4F40)*

She started her career in the game sector at an EU funded project coordinated by the local university. During the last few years, she has been working at several EU funded projects building extensive networks in the creative economies in the city. "*I take on the role of a person hanging around in the background giving other people space.*" (PO4F40)

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The role of volunteers

A core group of the volunteers' association of one of the six museums of the city with more than 300 members has taken an active role in building excellent relations between the museum and its audience. A merger of the museums of the city may change the role and activities of the volunteers. The volunteers committed to their work may not easily accept the idea that they would automatically work for a 'new' organization. It seems that the merger and related expectations have not been effectively planned and communicated in a joint process between the museums and the voluntary group. Therefore, the previously successful role of volunteer group as a scene-setter, matchmaker and co-creator of the customer service interface of a public funded museum becomes challenged. On the other hand, it can be questioned, whether the 'business as usual' thinking of the core members of a voluntary organization are flexible enough to the merger when resisting the cooperation between the museums: "*Do we have active volunteers? […] I see it [a merger] more as a threat…to expand it too much and then run out of strength. We don't have a need for anything else."* (PO32M60s and PO32M70) The core members of the volunteers' association propose that they have a say when it concerns their involvement in supporting the museum. They are able to show good results of the activities that benefit both the museum and its audiences. An example of is a digitization project:

> *"It was a huge thing for us that the Newspaper Company and the museum benefitted from the cooperation, so that they got old photographs and the museum collections digitized. It was a very big job. And then [we got them] to Finna, public, so everyone can see them…our collections."* (PO32F50)

The passion and commitment of the volunteers in bringing in additional resources to the museum and enhancing cooperation is also acknowledged both by the director of the museum and the head of the cultural unit of the city: "*It is actually great, the group has a great story, and they do an enormous amount of volunteer work."* (PO10M40). The volunteers' association speculates that the significance of the voluntary work in the future will also increase when the financial situation of the museums gets worse: "*The museum's financial situation gets even worse, and the significance of the association will increase in the sense that they can be our partners and apply for money to many things, projects".* (PO32M60) The process demonstrates the importance of openly discussing the developments with those engaged in the activities. Voluntary work is a delegate issue as it hardly can be pushed or managed outside.

To sum up, key player in supporting networking in creative economies seem to take several roles simultaneously. Active freelancers, entrepreneurs and artists can make a difference by taking initiative and being persistent in their endeavours. However, support from wider networks from public and semi-public sectors is also needed, and similarly these actors may take a variety of roles.

3.3. Differentiating a creative place

In the following we discuss the ways in which a creative place can be used in differentiating it from its competitors. From the perspective of creative economies, enhancing the cultural, artistic, and historical experience exchange between the cultural service ecosystem actors is of importance when differentiating a city/place/area (Ciasullo et al., 2018; Kohtamäki et al., 2019). According to Magala (2011) there are places which are distinctive but do not yet have a unique selling point and places which are unique enough to differentiate them from other "unhappy cities". A local creative ecosystem/ecology consisting of networks and communities originally introduced by Comunian (2011) may be seen as a pre-stage of a creative place brand, to which the micro-entrepreneurs and other actors in creative industries attach themselves. A creative

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place brand serves as a kind of an umbrella brand. In other words, the creative entrepreneurs/actors feel an affinity for the creative economy, but not necessarily for a specific place (brand) or umbrella brand. Local creative ecosystems play a role in ensuring creative industries to flourish. In our interpretation of the literature of place brands and creative ecosystems, the creative place brand (Dudek-Mańkowska & Grochowski, 2019) is the most developed form of the creative economy and is preceded by the local creative ecosystem (Comunian, 2011). Next we discuss the elements which differentiate Pori as a creative place and have, thus, potential for creating a creative place brand.

Cultural and industrial history

Some informants, such as a representative of the destination marketing organisation of the city of Pori, emphasize the industrial heritage as an asset to differentiate the city of Pori from others: "*And then there's the Ahlström's industrial area, for example, which I think is very important in the sense of creative economy, and in a cultural and cultural-historic sense, so it's probably very centered in the city center, but it's also found in the surrounding areas.*" (PO19F50s) Similarly the curator of a museum consideres the historical value of the old community living in the surroundings of the factory:

> *"Well, the sawmill is still here and the papermill has some function. But we will lose it if we relocate it to another place. We would no longer be in the original industrial area…. Of course, for now, another distinctive feature is this building where we are. This fact, that you can get to the edge of industrial history in the middle of industry, […] The buildings represent a certain profile — industrial history, natural heritage, building culture..."* (PO20F50s)

The key account of a major ironworks site sees that the branding campaign of the city, which started a couple of years ago, may also have given an indication to smaller operators [of the power of a joint brand]. However, it she acknowledges that the results remain still to be seen: *"the branding work, too, takes time, so that one can't expect terribly excellent results out of it right away."* (PO14F50s)

Festivals and events

Another important element raised up in the interviews is Pori as an organiser of festivals and events. An entrepreneurial visionary emphasizes his home city as a particularly good place where he has lived for long and therefore knows all the people and places. He has been a forerunner as regards social media marketing and has been able to utilize the fame of the city brand to differentiate his festival from competitors. The city has a fame of its peculiar humour, and this is something the entrepreneur has turned out to be a strength of his enterprising (see Suomi et a., 2020). However, he is also aware of the challenges in enterprising in Pori:

> *"One big challenge is that there are too little of people here. And then, of course, this age structure worries me, as the number of pensioners grows and the number of young people falls […] But here there is no ... Everything goes well with the city, I mean operating. And even if the city gets a lot of mud on their necks from every matter, but they do support the events and ... or spiritually at least. …We usually get an answer to all and help if we need something to do something. So, I haven't experienced nothing negative".* (PO27M40s)

The founder of a new popular festival and entrepreneur gives credit to Pori Jazz festival which has started the success story of Pori as a festival city already in 1960's:

> *"Pori Jazz here surely has made good for the city, it's one of the oldest festivals in Finland and has been here for so long and it's a huge deal, so that it's a kind of an event industry generated around it. The strength in being able to build the image of the city brand on the events, is most of the residents understand the nature of the events and the citizens have a tolerance to stand the events: "so that there is no complaint always, if something happens, or not about too much*

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> *of people or noise and so on. They understand how important this is to the city, most people though. Sure, there are always those murmurs, but that's typical of this business. As for what one can hear about other cities, Pori and in Pori is good as a city of events on a principled level".* (PO27M40s)

The brand identity formation of Pori and the realities of international marketing decisions of the famous Pori Jazz Festival organized for more than 50 years have raised scholarly interest (Lemmetyinen et al., 2013). Furthermore, the city of Pori is used as an example of rebranding a city with a reputation not only for focusing on business and tourism but also on the wellbeing of its residents (Hakala et al., 2020). Also art museum's representatives highlight the width and importance of Pori Jazz festival and tell how they used festivals as an opportunity to organise an exhibition during Pori Jazz already for seven years:

> *" …one of the points of the foundation was that it's been easy to work here in Pori. Different operators of the city, so it's been easy to go talk to someone and ask if we could build this one thing over there. And it's like, go ahead. It's been easy to get a space to use. It's been really, they've really appreciated culture here. Just like, how many bands and things like that you have here". (PO24F40s and PO24F50s)*

Art education and artists

Arts education is an important resource when considering Pori as a place brand. Although the Art School (part of the University of Applied Sciences) in Pori is quite small, it has its own profile and the ability with a specific environment to attract students even from all over Finland. As the representatives from the school state: …" *we might have a certain reputation which means that we offer a strong artist's identity for our graduates, who might be able to better create it in a small community rather than in a bigger city where people live their own life, and the community might not play such an important role for a student's life*". (PO15M50s, PO15M40s, PO15F30s) The Artists' Community has been active in city for nearly 10 years and has as its mission: …"*to make this an easy-to-use space for the community, not just for our members but for others too, a space where one can make and create what one wants […]an art platform for art and non-art, construction culture, painting, sculpture…"* […]". The starting point for the community was, however, to create job opportunities for artists. *"The cooperation with the Art School means that students could immediately have an opportunity to use a workspace and to work here [at the radio station]. [...]".* (PO33M40s)

Representatives of the Art School (HEI) feel that in this small community, everyone is working with them and they are in good terms with everybody:

> *"If this operating model could be brought into a bigger scale, the employment of artists could have been promoted even better. […] In this town, you could say that in addition to the physical environment, the community is considered more and more like an audience that we need. Artists need that. […] When it comes to funding, we should remember how little money is really needed to bring joy into people's lives. […] And in practice, it's free. There are no entrance fees what is better for equality, too. […] It's more engaging. It's inclusion."* (PO15M50s)

The informants emphasize the importance of education.

> *[…] "Of course, the Art School here has done a good job and there is buzz at the university center. That is good. But it [the university] has not been here for so many years yet. Things related to that to involve the young people. That's an important thing for becoming more intranational by bringing foreigners here to study, to live."* (PO27M40s)

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There are several communities which help the graduates from the school to get their first job. The starting point [for the Artists' Community Association] was to offer job opportunities for artists.

> *"The Artists' Community help many graduates [of the Art School] to find work… artists need a community, a social network that can take care of their identity. […] …so in a sense artists are also responsible for their own audience. …The place of contact is that you live somewhere in a small town and you find your audience around you. You can't think that it would be digitally available on Instagram - or, of course, that's also possible, but it's not believable."* (PO15M50s)

Cultural Center is an important community for people being unemployed or outside the working life: *"Unemployed young grown-ups come here to create their own culture projects and we give them free hands to decide what they want to do, starting from their own interests and strengths, and we're here to support them".* (PO8F40s) The challenge of getting a job after the education is taken up and measures are being taken to integrate them to creative community. An artisan and entrepreneur (yarn manufactory) notes that specially for artisans, there are not enough jobs for graduates in handicraft in Pori or in Finland: *"I faced the problem myself for a long time; I realized that handicraft products don't bring food to the table, there has to be something else, too…, so that's a package of different things.*" (PO6F40s) The shoe designer has faced a hidden attitude… such as "*can you make a living from it*"?" (PO31F20s) Another graphic designer has similar experiences: *"...so it wasn't a secret that there were very few jobs at institutions - jobs at institutional theatres. Most of us are freelancers, and for freelancers, the income level varies a lot and it's very uncertain. They didn't promise us any kind of a rosy future.*" (PO28F30s) The art school representatives see, however, that since this is audience work artist are also responsible for their own audience: "*They can't simply think that you live somewhere in a big city and your gallery manager takes care of your audience work, and you only apply for grants to be able to work.*" (PO15M50s, PO15M40s and PO15F30s) On the other hand, it may be difficult for artists in a smaller town to acquire needed funding for their work. The Art School representatives state that the Metropolitan region takes a lion's share of the funding by the Arts Promotion Centre Finland, which from their perspective does not treat Finnish people equally but is based on applications. Furthermore, many apply with multiple applications so that it becomes a strange game. (PO15M50s, PO15M40s and PO15F30s) as the leader of the art museum states: "*There isn't anything for artists to live on here or like that, so of course they don't stay here. They go off to Helsinki or to some other bigger town…*" (PO15M50s)

There are several important elements which have potential to contribute to creative place branding of Pori. Pori has acknowledgeable cultural heritage and industrial history as well as an extensive track record in organising different types of events and festivals, the Pori Jazz festival being the most famous one. Furthermore, the role of arts education in providing skilful actors and workforce as well as networks for becoming artists seems appreciated.

3.4. Committing to a creative place brand

Committing to a joint place brand is important in the sense that the actors share common values stemming, for example, from the heritage of their locale, and agree on a joint direction for their activities. Relevant questions in the context of networks in the creative economies are: What are the views of the network actors in building a brand identity? How might these views be integrated to ensure a more coherent brand-building process? The mental structure of coordinated cooperation rests on the common values of the actors, which are manifested in the joint place brand. It is important for the actors to feel an affinity with the place brand which, according to Lemmetyinen and Go's (2010), reflects the ways in which the network-based community

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commits to its joint values, awareness of cultural aspects, shared vision, and brand performance. In initiating the branding process the stakeholders also must share their vision (cf. Aaker & Joachimstahler, 2000).

In this section we analyse the ways in which the interviewees of the creatives sectors in Pori feel affinity with creative economies of the city by loosely applying Wenger's (1998) theory of the forms of belonging to a community of practice (CoP): engagement, alignment, and imagination. Engagement requires authentic access to and interaction with other participants, that is, doing things together, talking, and producing artefacts. Alignment means becoming part of something big by connecting local efforts to broader discourses and alignment entails convincing and inspiring others. Imagination refers to viewing oneself through the eyes of an outsider, being "in someone else's shoes". Belonging to a CoP has earlier been applied (Almeida & Campos, 2021), for example, in a hotel sector in analysing how the community was created and how it evolved into a digital platform to be developed to a fully co-designed tourism product. Next we focus on the ways of committing oneself to creative place brand of Pori.

Challenges in committing to the creative place brand

Our data reveals some challenges related to committing oneself to creative place brand. A cultural producer in free and public sector agrees that the revenue of the creative fields comes from events and artistic production and that there are companies which are involved in the networks within creative economies. However, he calls for concrete actions instead of city-level planning which has not provided desired change:

> *"We have not tried to change our profile into anything else. […] We have prepared all city event visions and everything but no, not a single thing happens here. The wrong people are leading the projects […] And all the trains have already left the station, such as regarding the event city. It feels like all trains have left a long time ago. […] There is nothing else than a vision. Really poor."* (PO7M40s)

Representatives of both private and public sector are also worried about the age structure of the city: "*as the number of pensioners grows and the number of young people falls*." (PO27M40s, PO24F40s and PO24F50s) An option for the positive regional development would be to offer work for the artists that have studied in the region as suggested by representatives of educational institution:

> *"…it's beneficial for the region. […] […] This attraction is used as a very important measurement, that regions need workers, need competence. […] This [Art School] has worked as a kind of an attraction channel. There have been people from the Pohjanmaa and Tampere regions that have settled down in Pori. […] From the perspective of regional development this is extremely interesting that there are physical campuses."* (PO15M50s, PO15M40s and PO15F30s)

A freelancer artist within the community of artists sees that there are opportunities: "*So, we have music clubs here at the radio station, we have created a sculpture park specifically for the public and then we run projects, which are related to the children's culture or our own [art] projects, exhibitions, summer exhibitions."* (PO33M40s) On the other hand, the representatives of the art gallery consider that there has been a change in the attitudes towards visual art and modern art in the city, which does not support this form of culture:

> *"But now it feels like, people only look at it and see that, okay, we could make cutbacks here. It creates a feeling that it is not great to be and work here anymore. That is dangerous. And when the city is cutting funding, then they will be next to nothing. It is no effect on the city economy, but it can cause a lot of harm. It is short-sighted and a stupid way to do policy. But the city itself is great, in many ways."* (PO24F40s and PO24F50s)

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Creative spaces for engagement

Creative spaces are considered important when engaging to creative economies. However, the interviewees perceived it differently where the creative spaces can be found. For a graphic designer a creative space meant the city centre although there were "*things happening in other places, as well.*" (PO28F30s) Many informants mentioned the Culture House, as for example, a graphic designer:

> *"Culture House comes to my mind first because it is so dear to me and I have spent my youth there, and still spend time there nearby. The guys of the Fabric do a lot but did they start in (Name)? I don't know whether they still are allowed to be at the radio station. […] It [creative economy] takes place along the shore, and it goes from the Art Museum up to the theatre and Cultural Center, and then the galleries on the walking street (Yrjönkatu)…so mainly in the city centre".* (PO23F30s)

Engagement means actively involving individuals and organisations to collaborate to grow into the creative networks. A creative worker points out how people in the creative economies in Pori have had access to culture from their childhood and they, thus, share histories of learning:

> *"They have met their bandmates at school and there have always been some school band nights or something that they got to organize themselves. So, putting emphasis on allowing children and young people to do things themselves, on them specifically having a place where they can act on their own initiative, make mistakes, and experience success, this feels like a bigger thing".* (PO26M30s)

The example of the Culture House demonstrates the role of a physical space in enabling early access to culture*: "And then after that kids and young people should have a place like Cultural Center where they can learn about responsibility, organization, and activities. And it's crucial that this is started from childhood and youth."* (PO26M30s) Engagement requires authentic access to and interaction with other participants; the ability to take part in meaningful activities and interactions. The city is funding the activities of the Culture House, but activities have been under threat.

Volunteering as an engagement channel

Third sector voluntary organisations are seen to be connected across boundaries, beyond direct engagement as noted by the head of the cultural unit of the city:

> *"Sure, we have these third sector cultural associations that we support either monetarily through grants or we let them use our premises without compensation or things like that. It's an important work, but I also see that it is our duty as a city. That is enabling the cultural activities".* (PO10M30s)

Many of the informants mention the Friends of the Museum as a way to engage to creative economies: "*They come here and perform their cultural heritage hobbies, museum hobbies, and we give them the chance to do it, and in return, they support the museum.*"(PO17M50s) By belonging to the association of the Friends of the Museum it is possible for anyone to get one's voice heard. The representatives of the association say that it is not entirely insignificant that the Association has an opinion, as they have a substantial number of members, and they are a well-known, respected actor in the cultural field: "[…] *The voice of the association has been heard now, and the association has wanted their voice to be heard."* (PO32M60s, PO32M70s and PO32F30s) As the representative of an industrial museum puts it: "*It is an association we're super much cooperating with, that supports our activities. They also inform about our events and activities. With the help of the Friends of the Museum Association, our events are widely made known to people*." (PO20F50s)

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New avenues for aligning in creative economies

Alignment in a community bridges time and space and makes it possible to become part of something big. Film sector is an emerging field within creative economies in Pori as comes evident in the story of a young film maker, who started his education and career in a local secondary school and graduated as media assistant

> *"That might be the lowest degree in the film world, well, the film field does not play with degrees that much. But if you're in Nakkila [small municipality nearby], go to school, in the shadow of the metropolitan area, and you're a media assistant, it really doesn't provide any opportunities yet. Sure, you can apply for a job if you're competent, but many do seek further education. Even the video material of basic photo cameras was of high quality, and that was the beginning of a new era for the whole field. So, you were able to create good-looking material with your own 300-euro camera, it was revolutionary. That is when I started my sole proprietorship and started working with on-demand work and such. That was revolutionary. I was involved in the project for one and a half years, I learned the rules of the working life, project work, project things in general, regarding what project working is about, and then I got a heading and strength to my life and applied to the university."* (PO16M40s)

Alignment makes it possible to connect local efforts to broader styles and discourses. As in many towns, also Pori city center has lost commercial activity as many shops have moved to the mall are on the other side of the river. As an outcome some empty commercial premises could be utilized for something else in a flexible and functional manner: "…*in such a way, so the townspeople perceive those premises as their own. Finding common ground So that they realize that wait, this is really our city and we can influence this and do something."* (PO26M30s) The account of a creative worker and volunteer highlights the need to jointly find new opportunities for existing resources in the city centre. One of the informants consider that things are going to a positive direction and one needs to be active:

> *"For example, the city has had these urban culture things that promote the voices of others. They enable communal city planning and the openness and gives a feeling of taking [opinions] into account. A feeling like "whatever, someone decides anyway, and we don't have any power because there is no reason to listen to our opinions" does suffocate all creative energy. It always does. So, even the feeling of openness and common activities makes it more positive. There is not this feeling of hopelessness… people want to try."* (PO16M40s)

Coordination of resources and activities requires broader discourses and participation in the form of boundary practices for example in the city centre development. As the founder of a festival sees it:

> *"The cultural planning idea [=the concept of cultural planning] was that... Or the way I understand it is that it's so-called common development, which means that it's the next step from inclusion... So, in inclusion we ask one's opinion about a thing but in common development the inhabitants and e.g. the city organization creates meanings for places through events and such, so Pori could be... Because we are a small place. For example, our city centre is small and there aren't that many people, so it would be possible for us to plan processes that lead to a general spirit of common development and the results would be obtainable quickly if we'd start doing it, we'd get remarkable results in 10 years."* (PO27M40s)

Imagining change and new futures

Imagination refers to seeing oneself in the eyes of an outsider. Breaking through as a newcomer in the events sector requires imagination, or the ability to explore, take risks, and create unlikely connections. There is

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already a base for the community of creative economies in the city of Pori. For example a group of millennials organizes a cultural festival Reposfääri in the periphery of the city. *"…And for 7-8 years they [the local people of a small village outside Pori] have organized Reposfääri festival, which is one of the best summer events ever, and somehow it has such a fantastic atmosphere that everyone is working there just because they love it*". (PO10M30s). Likewise, the Pori film festival is organized by passionate volunteers of the millennials, who claim that it was easy to start a film festival and organize events in the city. They also consider that it is possible to change things in Pori and call also for the city administration to develop creative economies in Pori:

> *"Some of these people [in the city administration] should understand why the development of the creative economy is important for the future of Pori and Satakunta […] We should get a person whom we can trust in, who would promote things, and who could mention the vision of what Pori is and what its story is like."* (PO11M30s)

Imagination implies the ability to create images of the world and see connections through time and space. A representative of the industrial museum of the city highlights the role of the museum in reinventing onerselves, history, enterprises, and practices in the city:

> *"This is their [i.e., the residents of the area where the museum is located] old community. They lived here when there still were a papermill and a sawmill here. […] Of course, the content we provide is made in collaboration with the surrounding community. And the people of the surrounding community perceive us as their own […] so we are needed."* (PO20F50s)

The above indicates a strong commitment to the place. EU-projects have also been used to develop creative economies in Pori as they offer an opportunity to experimenting and change. However, projects are temporary in nature and they are criticized as being funded for a fixed time only but used to for "normal" daily activities: "*There should be an experimental attitude instead of this kind of an angularity. […].*(PO11M30s) in order to imagine change and new futures. In our data the development discourse often goes back to a question of money:

> *"If we could invest a reasonable amount of money of the city, an external partner or someone else, I think that it would open a whole lot of potential for the creative economy, not to mention the integration of them into education matters, as well, for different pedagogical means for the city's organization."* (PO11M30)

The quote demonstrates that change and new future requires collaboration between different actors but some investments are also needed.

There seems to be a good amount of individuals and organisations who are committed to work for creative economies in Pori. A relatively small size of the city (population-wise) makes it easier to engage to the activities and their development. Better coordination of activities and strategies are called for although more action is preferred to city-level planning. There are unused potential and for example a film sector initiated by younger millennials is considered as an interesting and promising avenue for the future.

3.5. Brand portfolio of the creative ecology of Pori

Based on the findings presented in preceding subchapters we summarise and discuss creative economies in Pori by applying the idea of the BCG matrix (Boston Consulting group's growth-share matrix). The BCG matrix is widely used in shaping the production portfolio or the service portfolio (Jurek-Stepień, 2007; Penc-Pietrzak, 2003; Ryńca, 2014). However, the idea of the BCG matrix has been applied in a variety of settings, such as

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universities and its faculties (Ryńca, 2016) or university business programmes (Debrecht & Levas, 2014) in order to understand the contributions of different smaller units or entities within a larger whole. The key idea is that strategies of different entities vary as a function of the growth/cash usage and market share/cash generation by each entity to the larger whole, in this case a joint place brand.

Next we apply the BCC matrix to highlight and visualize how viable different creative sectors are from the point of view of place brand development of Pori. Many informants consider Pori as a potential hub for the creative economy but highlight that Pori's brand and image must be lived with (Hakala et al., 2020) and not just advertised:" […] *we are making Pori a more enjoyable, more inclusive, and more cultural city and all those attributes you want to attach to it. A more heavenly place in every respect*." (PO26M30s)

The BCG matrix includes four groups of products/brands, which are characterized as Stars, Question marks, Cash cows and Dogs (Figure 4). **Stars** are product groups/brands which are leaders in dynamic markets. They require high investment expenditures to maintain the leader's position. For example, Pori's and Satakunta's (wider region) prehistory and history with its industrial cultural heritage, can be considered as a Star in creative economies. This sector of cultural heritage has potential which has not been fully used. The history of this old industrial town dates back to the 1500's. […] As the museum director states:

> *"But that would require a community, although we have our regular customers, the Friends of the Museum and to some extent this community does appreciate Satakunta Museum and the cultural heritage work they do, even people who don't know what cultural heritage means. But it isn't necessarily reflected in the actions and decisions of the decision makers, it should come up first. So, the starting point and framework are good for cultural historic museum operations". (PO17M50s)*

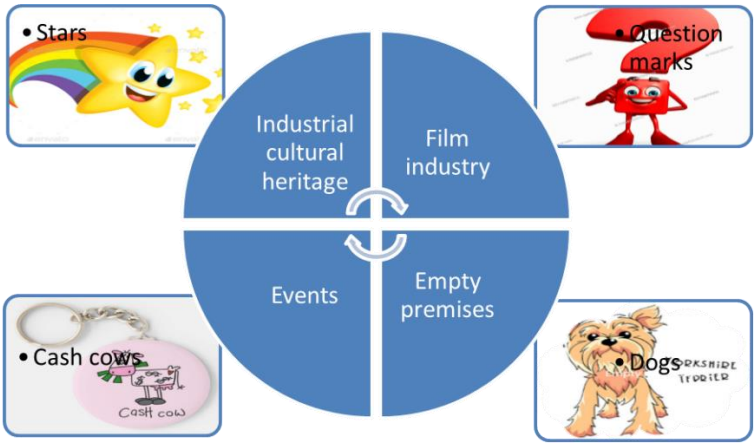

Figure 4 Creative ecology of Pori according to the BCG matrix

In the BCG matrix Stars do not generate high positive cash flows (Jurek-Stepień, 2007; Penc-Pietrzak, 2003; Ryńca, 2014), but they require substantial investments. Therefore, in a company setting it is necessary to subsidize Stars from other sources – usually from profits coming from the sales of profitable products/brands/sectors. However, Stars are favourable objects for investments as they have good prospects for the future. When Stars develop to the maturity phase, they are transformed into Cash cows (Ryńca, 2014).

In the BCG matrix **Question marks** (also referred to as Dilemmas) are characterized by an unknown future. Just like Stars, they are present in the markets characterized by a high growth rate. In the brand portfolio of the creative economies of Pori, the film industry may be seen as a Question mark which may have growth potential. As stated by one of the informants: "*nowadays, some films are made in this region, which shows that we do make films here. It speaks for the whole locality and region*. (PO16M40s) A cultural producer of events and describes a film production in the city:

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> *"I have never been in a situation where I think that a thing is awesome but then others don't concur. Sometimes it surprises me when there is more concurrence than I expected to be, as was the case with [a movie], so... We thought that we'd get a couple of shows somewhere but then there was this insane number of shows, so there were... some 25 festivals abroad and tens of shows in Finland, in cinemas and all. So sometimes it surprises but it..."* (PO7M40s)

Question marks, just like Stars, are unprofitable products, requiring financing from other sources (Drążek, 2003; Penc-Pietrzak, 2007).

Cash cows (also referred to as Earners) is a group of profitable products/brands with a well-established competitive position generated by a financial surplus which may be used to finance other groups of products (in particular, those which are currently unprofitable but present chances for future development). The event sector in Pori can be seen as Cash cows in creative economies in Pori. As one of the informants puts it: "*Pori is good as a city of events on a principled level. Pori Jazz here surely has made good for the city*." (PO27M40s)

However, it is not only the Pori Jazz Festivals but there are many smaller events cultural event in Pori as the representatives from a museum describe:

> *"…an amateur theatre scene, there are a lot of choirs, we have bands, artist societies. […] The grass-roots level… Yeah, it's strong, at least it has been. … Pori has, also Pori Jazz, I mean we have big and small ones. It's a really a rich scene here, if people don't ruin it somehow, it's been here for decades. So, Pori has all the prerequisites for it. Maybe it's, it could be that what's missing is something to bring it all together. There are all kinds of projects here but a unifying thing is maybe missing. Or like an umbrella, something like that …."* (PO24F40s and PO24F50s)

In the BCG matrix the group of products/brands called **Dogs** (also referred to as Drags or Ballast) do not generate a high financial surplus. They do not require substantial investment expenditures either but they are usually characterized by low profitability. They are non-developmental and do not bring the expected profits (Drążek, 2003; Penc-Pietrzak, 2007). The empty commercial premises which could be utilized for the use of the creative economy actors can be seen as Dogs in the context of creative economies of Pori particularly if they are used cleverly: "*Use of these premises should be flexible, they should be able to check that these premises will not necessarily go to a coffee shop or a clothing store or what else could be there…"* (PO26M30s). The challenge related to the empty premises could be solved by letting the early career cultural and creative professionals to use the premises:

> *"The young people in Pori should have an opportunity with so many empty business premises and everything here…the pedestrian street and like that. So, if we could make something here, people would like to move here because it's so great to make art and culture here. Something like, think about Fiskars or something. The rents [in Pori] are low and the market's here. All the potential is here."* (PO24F40s and PO24F50s)

Availability of potential premises may also be one means to make younger generation to move to and stay in Pori. Similarly a representative of the city, the cultural leader, calls for a more efficient use of the premises in order to support the local enthusiasts to train: *"For example, right now there are no spaces, where a local band could play at, as they have all closed during the last few years. The band's training facilities have been demolished and new apartment buildings are being built in their place."* (PO10M30s) The concern of the worsened situation is well justified given Pori's strong tradition in crass-root musical scene, which has been one of strengths of the image of the city.

Another city representative who is also active in arranging an annual film festival is positive that it is possible to change things in Pori and start new forms of cultural activities, as for example a film festival:

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"I feel that many people have made changes, even I have. It's easy to start a film festival and events here, so I do feel that it is possible. […] Some of these people should understand why the development of the creative economy is important for the future of Pori and Satakunta, and perhaps even more broadly. They should understand why it is important to promote it; how do we create this vision?" (PO11M30s)

Applying the BCG matrix in analysing creative economies suggests that all the four product/brand groups can be identified in Pori. Long history and industrial heritage as Stars have unused potential for growth. Similarly film industry which has been developed by early career professionals is a Question mark which needs extensive investment but can lead to great growth and success in the markets. Numerous festivals and events, including the famous Pori Jazz Festivals, are Cash cows which provide profits that may be used to boost other sectors/brands. Finally the unused premises are Dogs, which can be turned into resources although they unlikely generate any profits. By strategically developing the brand portfolio further may eventually contribute to an emergence of Pori place brand.

3.6. Inclusivity and sustainability as place brand attributes of Pori

This concluding subchapter specifically emphasises inclusivity and sustainability as place brand attributes supporting networking of creative economies. Place brand attributes have recently been studied by Pasquinelli et al. (2022) who investigated pre- and post-pandemic brand communication of four Italian iconic cultural destinations (Rome, Florence, Venice and Milan) on Instagram. Another study on Milan (De Noni et al., 2014) focuses on identifying opportunities to enhance the city's perceived image and cultural creativity and urban social inclusion have been studied by Sasaki (2010) through a Japanese case study Osaka City. Place branding plays an increasing role in influencing the competitiveness and attractiveness of cities in order to attract investors, companies, tourists, new citizens, and most of all qualified workforce – so called talents.

The role of stakeholders has been a topical issue in place branding research. The main argument developed has been an urgent need to rethink the role of stakeholders towards a more participation- and involvement-orientated practice (Kavaratzis, 2012). The role of stakeholders as brand owners is understood as unifying place brand promotion of the creative economy in strengthening the brand attributes. There are several place brand attributes that influence attitudes including its international, economic, social, healthcare, security, educational, environmental, touristic and cultural features (De Noni et al., 2014). In line with the DISCE-project's goals, we discuss inclusivity and sustainability as place brand attributes of Pori as a creative ecology. As explained in the beginning of the chapter, the city of Pori provides an interesting case for our study due to the recent and still ongoing place brand co-creation process of the city of Pori. Based on the data and findings presented in the preceding subchapters we summarise and discuss how the informants understand inclusiveness and sustainability in supporting networking and place brand building in the creative ecology in Pori.

The interviewees of Pori considered the brand building process of the city as a sign of inclusiveness and openness giving a feeling of that everybody's opinions were valued. The role of the city as promoting an urban culture as a co-creation process with the residents of the city was appreciated. The interviewees valued the ways in which the communal city planning collected the opinions of citizens and found out means to combine them. However, a call for inclusive societal processes and engaging policy development and implementation of actions were expected by the interviewees. Especially agile processes, open atmosphere and democratic non-bureaucratic organisational practices were considered as antecedents of change and innovation. Therefore, they highlighted these principles to be wider applied in policy-making.

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The informants also emphasized the role of the cultural projects as sources of inclusivity. In the last few years there have been EU-funded projects focusing on cultural and creative industries with the aim to make the cultural environment of the city livelier and more attractive. The projects have contributed to the involvement and inclusion of the participants of the projects and to getting the voice of the people of the cultural associations and communities heard. However, the networks consisting of creative workers, volunteers and the third sector representatives should be wide enough to make an impact on local and even national decision making. The informants clearly appreciated the possibility for everyone who is motivated to belong to a cultural network. There were also critical voices towards networking since the time spent on coordinating and running a network is out of one's own business earnings. Freelancers and entrepreneurs do necessarily see their work as a "business" that might require networking. However, they rely on their contacts, networks and skills when needed and are, thus, capable of seizing opportunities and adapting to new circumstances.

Cultural entrepreneurs and freelancers, public and third sector operators as well as volunteers in creative economy are not independent entities acting on their own in the marketplace, but they are constantly seeking for partners in order to complete the set of skills and knowledge which is elementary in surviving in the market. Regardless of how the coordination or leadership of the network is organized the members of an ecosystem should be able to form brand propositions which include a dream or something to be passionate and enthusiastic about (Go & Govers, 2010). The quality of place depends on the positioning of the city in the minds of people, and this perception can be prejudiced by the different perspectives and interests of various target groups.

In our interview data the significance and inclusivity of a place, space and locality was emphasized by the creative freelancers and entrepreneurs. The networks have been created through personal contacts at school, in hobbies or previous jobs. The data show that the city [administrations] and local contacts pay a key role for freelancers and entrepreneurs in providing opportunities to networking by offering facilities to the local actors. The support was extensively praised whereas funding was not even expected from the city. Several interviewees also stressed the importance of knowing how the community operates. As a native and local one is familiar with the mentality of the city and how things get done, which makes it easier to commit to the city or ecology and feel affinity with the place brand (Lemmetyinen & Go, 2010).

A new national sustainability program is an example of the ways in which sustainability is considered as a place brand attribute by the stakeholders in the creative ecology of Pori. The city has been registered [by a national destination management organisation] as a sustainable destination, and is committed to start a process in order to complete its certification or responsibility. This is done at the same time with the companies in the region. Sustainable development is also taken account in all of the actions in the fine arts highlighting ethics and operations in the natural environment in Pori.

Sustainability is referred to when talking about an upcoming vision or everyday actions. This was emphasized in the interviews with the cultural freelancers, entrepreneurs and public and third sector representatives. The environmental sustainability was preferred but also cultural sustainability was referred to. For some informants the sustainability as a brand attribute was visible in what kind of material they used in their products, whether the material was sustainable and represented simplicity and natural values and whether these products were available in retail all over the region. For one sustainability implied the possibility to make for example a film production at the local place instead of travelling to another city further away. For some interviewees the sustainability and locality were intertwined as a sign of an attractive brand attribute. Financial support for the local associations and groups were also seen as a sustainable action since small projects generate local activities. The nature, local production, being domestic and most of all sustainability and ethicality were valued by the informants. Especially when thinking of the future, the sustainable development was regarded as important characteristics of the creative ecology of Pori.

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More business-friendly environment was considered as supporting the local business activities since more customers would then come from nearby. No sustainable activity can be based on majority of the customers coming from bigger cities and capital region, for example, but a "gasoline tank distance" is expected. For sustainability promotion, micro-level examples and initiatives may support in creating awareness and attachment to the aims and the goals of creative economies. A lack of permanent funding is recognised as unbalancing the sustainability aims of cultural organisations. A broad group of active people of different ages and roles enable sustainability by crossing sectoral boundaries and all levels of hierarchy. In similar lines, many of the interviewees emphasised the need for dedicated areas and space for rule-free creativity and living which would lead to longer-term projects e.g. for events and new ideas. Also, some considered that the significance of the public sector investments as the key enabler of growth and prosperity is not sufficiently recognised.

The co-creative place branding process of the city of Pori has engaged a variety of actors from different sectors to collaborate in order to develop the city and its attractiveness. The creative ecology of Pori has also been heavily involved in the process given that many crucial elements stem from creative sectors as demonstrated in its brand portfolio. The inclusivity and sustainability embedded in the creative activities and related networks can be considered as attributes having potential to contribute to the development of place branding of the city of Pori although there is still room for improvement before it is possible to refer to Pori as a creative place brand *per se*.

3.7. Toward ecosystem collaboration through place branding and coordination

In the chapter 3, place branding is seen as a systemic approach which is needed to develop network cooperation towards an inclusive and sustainable creative ecology. Place branding has played an increasing role in influencing the competitiveness and attractiveness of cities in order to attract talents. In the city of Pori the brand co-creation process has been a strategic choice to develop the viability of the region as well as its inclusiveness and sustainability. The creative economies of Pori and the related networks have developed through place branding and had their role to play in the process.

In this chapter we focused on the prerequisites for coordinated operation in creative networks and the different roles creative actors take in promoting a city/ecology as a creative brand. Creative entrepreneurs and freelancers are constantly looking for partners and networks to complement their skills and knowledge. When forming networks, it is important that the members in the network can engage with value propositions that include a dream or something to be passionate and enthusiastic about (Go & Govers, 2010). The findings highlight the importance of locality and knowing how the community is acting. The networks often consist of people who are considered as friends. The role of city administration is in offering opportunities for networking. The findings also put forward different roles for co-ordinators in developing networks (matchmaker, scene-maker, co-creator of a local creative ecosystem). A scene-setter provides a forum in which participants meet and discuss in a stimulating atmosphere that supports cooperation; a matchmaker creates a space for fostering relations and sharing information among participants; a co-creator contributes to the cooperation; that all parties work together. Our findings clearly indicate that the scene-setter and matchmaker roles are often given to and taken by the public sector actors. However, our findings also demonstrate how the three roles were fulfilled by one person, who is a self-made man and a micro-business entrepreneur.

We also discussed the ways in which a creative ecology can differentiate itself and how the actors commit themselves to a creative place brand. Pori's cultural heritage and industrial history, an extensive track record in organising events and festivals as well as arts education are important elements based on which creative

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place branding can be built. There are also a good number of individuals and organisations who are committed to work for it in Pori. Better coordination of activities and strategies are called for although more actual action is preferred to city-level planning. There are unused potential and for example a film sector initiated by younger millennials is considered as an interesting and promising avenue for the future. Findings on the brand portfolio of the creative ecology of Pori makes the core elements of the portfolio – i.e. long industrial and cultural heritage, film industry, events, and empty premises – visible and suggests that by strategically developing the brand portfolio further may eventually contribute to an emergence of Pori place brand. Furthermore, the inclusivity and sustainability embedded in in the creative activities and related networks can be considered as attributes having potential to contribute to the development of place branding of the city of Pori although there is still room for improvement before it is possible to refer to Pori as a creative place brand *per se*. In the Appendix 3 Inclusivity and Sustainability in Cultural Networks and Ecologies we expand our investigation on place branding, inclusivity and sustainability in other case study locations.

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4. Identity, resources, and organisational patterns of creative communities – case studies from Liepāja and Pécs

4.1. Scope of the chapter

The aim of this chapter is to develop new insight into the creative communities by focusing on two case studies (Liepāja in Latvia and Pécs in Hungary). Methodologically the chapter relies on the regional case study framework of DISCE (Gross et al., 2019). The chapter analyses the main features and characteristics of the creative and cultural ecosystems of Liepāja and Pécs from interviews with representatives of the local creative and cultural workforce. However, due to the chosen analytical lens (to be discussed in 4.2) being primed towards a narrower emphasis on communities rather than a broader emphasis on ecosystems, we shall refer to Creative and Cultural Ecosystems and Ecologies (CCEEs) observed across the two case studies as 'creative communities' in order to preserve analytical sensitivity. In essence, we treat communities as an interpretative category within the broader concept of CCEEs. The analysis will focus on several aspects, including how the community identifies, characterises and reifies itself as an emergent resource – I.e. what intangible and tangible resources members of the community invoke in order to support and promote their individual or collective work within their cities and beyond. It will also seek to identify the ways in which the creative community is (self-)organised to advocate for its legitimacy and economic interests.

Out of the 10 EU cities that DISCE research project has worked with as case studies for exploring the characteristics and possibilities of inclusive and sustainable development of the creative economies, this chapter takes an in-depth look at two of them – Liepāja in Latvia and Pécs in Hungary following the strategy of intensive case studies (Eriksson & Kovalainen, 2015). The rationale behind choosing these two cities is based on several aspects.

First, the two countries share a number of recent and historical experiences. Both Latvia and Hungary were among the ten new countries that collectively joined the EU in 2004, which marked the ending of the division of Europe after the Second World War into Western and Eastern Europe. Both were among the communist bloc countries, Latvia – was occupied and annexed into the Soviet Union during the Second World War, while Hungary became one of the socialist countries, suffering from political, cultural and economic interventions of the Soviet Union during the whole period of the Cold War. Thus, the economic development and cultural freedom of both countries were very much impacted by the policies and actions of the Soviet regime and the centrally planned economy. The circumstances changed after the fall of the communist regimes of Central and Eastern Europe in 1989/1990, which is when a general re-orientation towards Europe rapidly took place.

Second, both cities have a significant role in the wider cultural ecosystem of their respective countries. This is illustrated not only by the rich cultural life that characterises their localities, but also by their striving for international recognition as cultural capitals. Pécs had been awarded the status of European Capital of Culture in 2010, while Liepāja has been selected as the European Capital of Culture in 2027.

Although these cities differ in size, they both are among the largest urban settlements in their countries. With almost 68 thousand inhabitants, Liepāja is the third largest city in Latvia, while Pécs, with around 145 thousand inhabitants, ranks fifth in Hungary by population. Both serve as centres of education, culture and economic development for their immediate regions, hosting universities, theatres, concert halls, museums, cultural spaces and concentrating much of the creative business activities. During the Cold War, both were

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also anything but (ostensibly) cultural cities – Pécs was a city of mining and heavy industry, while Liepāja was a city of metallurgy and the headquarters of the Soviet Baltic fleet, which even rendered certain parts of the city inaccessible to its inhabitants (see further details Regional case study report of Liepāja and Pécs). Latvia and Hungary share a unique historical path of being externally constrained in their development compared to the other countries selected for the DISCE study. Creative and cultural sectors of Latvia and Hungary very quickly emerged out of the highly restrictive environments of the Soviet era. Therefore they warrant special analytical interest on account of presenting a highly compressed developmental microcosm of creative work, sustainability, and inclusivity, all of which are well within reach, in their historical entirety, by the methods and data employed for this study (see Appendix 1 Case Study Methodology).

For the purpose of this chapter based on the WP4 objectives and research questions we focused on values and their (co)creation, networks/collaboration, audience/participants and financial resources and looked at, thus, the following codes: (04) Aims, goals, aspirations (organisational), (05) Audiences, customers, constituencies, participants, (22) Financial resources, money, costs & debt, (30) Networks, partnerships & collaborations, (45) Value creation & co-creation, and (46) Values as principles of action. After intensive reading and preliminary analysis the sections were coded in a second round for intangible and tangible resources as well as community organisation forms. The findings of the analysis are discussed in the following subchapters.

4.2. Communities of practice and community practice

To study these community attributes, we drew loose inspiration from the concept of 'communities of practice' by Lave and Wenger (1991) and from community organisation typology of 'community practice' or community intervention modes by Rothman et al. (2001). The two analytical lenses describe dynamics of community development that, when combined, afford us a multi-level analytical framework for better understanding the underlying structures and processes observed in the creative communities of Liepāja and Pécs. We do not consider creative communities observed in these two case studies to be communities of practice as per Lave and Wenger (1991), rather we adopt this lens to help us detect community elements as they emerge out of creative practices. Indeed, one may consider these as 'communities of practice light', with reduced emphasis on epistemic domain but increased emphasis on collective endeavour that serves as a surrogate catalyst for identity work usually found within communities of practice proper (Handley et al., 2006).

Communities of practice as defined by Wenger (2011) are "groups of people who share a concern or a passion for something they do and learn how to do it better as they interact regularly". They are, in fact, groups of people knit together by a common passion or endeavour, a common or compatible domain of knowledge, and some sort of a communications framework and/or structure. We observed that, although creative practitioners may work in diverse occupational sectors, they would generally coalesce into something loosely resembling communities of practices identified by the geographical boundaries of their areas of activity. In this case, those areas tend to roughly correspond with the cities of Liepāja and Pécs, where, due to the limited availability of physical, financial and social resources (e.g. funding, space, social networks), the work of creative practitioners often overlaps and connects in diverse and unpredictable, yet closely intertwined ways.

Additionally, communities of practice are understood around the phenomenon of apprenticeship. Lave and Wenger (1991) suggest that to become a full participant in a certain community of practice, the person needs not only to learn certain professional skills but also learn how to master the interpersonal and community-specific communication, interaction and identification with certain community members. This is called Legitimate Peripheral Participation (LPP). LPP highlights that activities and processes don't exist in isolation

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but are part of a broader system of relations that any newcomer to a community of practice must explore, comprehend and build their own identity in this community around.

> *"We conceive of identities as long-term, living relations between persons and their place and participation in communities of practice. Thus identity, knowing, and social membership entail one another." (ibid: 53)*

Any community of practice has an inherent aim to reproduce itself, a process referred to as "a historically constructed, ongoing, conflicting, synergistic structuring of activity and relations among practitioners" (ibid: 56), according to which the forms of participation and identities of participants change over time. This is an inherent feature that allows communities of practice to evolve – as new members integrate into the existing communities by means of LPP, they change and evolve these communities along the way. Consequently, communities of practice develop, and are developed by, the influx of new members.

In addition to looking at the processes inherent to the creative communities of practice, it can also be useful to draw attention to how the principles of three different modes of community organisation or community intervention (Rothman et al., 2001) play out among the creative communities. These three modes can be seen as ideal types for targeted community change, but they are almost non-existent in the real world in their pure, pristine form. Most often, different techniques and features from all these modes of community organisation appear in mixed and combined forms. These modes are – *locality development, social planning* and *social action.*

Locality development is an approach where the community itself is seen as the main resource of enabling and managing the change in the community, expecting that a wide spectrum of people would get involved in defining their goals and actively participating in achieving them. This mode of community organization relies on democratic procedures, self-help, and voluntary involvement, the predominant tactics of change are reaching a consensus inside the community, facilitating community and interest group discussions and dialogue. The relationship with power structures in this model is characterized by seeing them as collaboration partners in reaching common goals.

Social planning as a community organization mode focuses on technical, data- and expert-based solutions to community problems. It entails rational, planned and controlled change to develop the community. Community involvement is not at the core of this approach and it can vary from much to little, while technical expertise is predominantly used to work towards desired goals for the needs of the community.

Social action as a community developing framework presupposes the existence of a disadvantaged or underrepresented group that needs to get organized in order to claim a greater share of community resources and equal treatment from the majority group. This approach is seen as a more radical and community structure-changing movement, when marginalized groups would strive for allocation of more resources, redistribution of power and having their voice heard to make the interventions that would benefit them.

What the two aforementioned analytical lenses have in common that is of particular interest to our study is the acknowledgement that while communities have identifiable centres (or areas of concentration), they also have (less identifiable) boundaries (Contu, 2014; Kuhn, 2002). Boundaries are as important to understanding the extent of a phenomenon as they are difficult to empirically establish. This is especially true for ill-defined, decentralised, deregulated and highly diverse areas of work, of which creative work is certainly a prime example (Amin & Roberts, 2008). In essence, to understand the workings of a community – what it's driven by; what resources does it require, consume and create; who are its members and what does membership mean; how do new members enter the community, etc. – it is important to understand where the boundary of that community is.

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Despite the inherent fluidity of communities of practice, extant literature does tend to consider the issues of boundaries as rather static and fixed (see Nicolini et al. (2022) for a comprehensive review). Hsiao et al. (2012), for example, defined boundaries as "*a demarcation, or a sphere of activities, that marks the limits of an area*" (p. 462). Without singling out that particular study, such perspective is exemplary of a broader presupposition that just because areas of activity (however defined) are generally distinct or different, there must always be (the same) boundaries present between them – be it a difference between, for instance, painters and graphic designers, choreographers and musicians, educators and marketers, etc. Boundaries, however, much like all other social phenomena, are situated in historical and discursive conditions manifested through interactions, whereby they can be contested and redrawn (Chreim et al., 2013; Nicolini, 2011). This is an especially crucial insight because communities of practice in particular, and communities in general, are not simply empty vessels for people to congregate around – they have agency and they exude influence on the industries and areas of work within which they are embedded (Bicchi, 2022).

Considering the compressed developmental timeframe within which creative communities of Pécs and Liepāja sprouted, and the limiting environment they found themselves in, the question of how these communities reify themselves and their boundaries becomes especially sensitive. Do these communities attempt to stake out a territory and fight for legitimacy within their respective domains or are they flexible and pragmatic with respect to where they consider creative work to end or begin? Investigating these questions will yield fascinating insight into how creative communities identify, use and shape their resources, as well as on the identity-building journey of LPP that members have to embark on as they socialise into becoming creative practitioners.

4.3. Case study of Liepāja

4.3.1. The identity of the creative community of Liepāja

To find out what are the differences (or commonalities) in the ecosystem of creative communities, it is important to find out how community members identify themselves and their peers. Although identity is a crucial component in defining particular communities of practice, Wenger (1998: 145) argues that analysis of identity reaches beyond communities of practice, providing more insight into the processes of identification and social structures. He also asserts that identity is not only about participation but also about non-participation, and similarly, about inclusion as well as exclusion. The individual and collective sense of identity is connected with the sense of belonging to different communities and societal groups. At the same time, identity can be also constructed as contradicting other identities, e.g., other groups or communities.

To provide insight into the ways in which creative communities identify themselves, some of the most often appearing characteristics were singled out from the interviews and grouped in thematic traits. The most common way of describing a city's identity was through its uniqueness and distinctiveness, based on its history, cultural heritage, highly appreciated artistic and cultural achievements, as well as characteristic features and behavioural traits of the local community. The following section will highlight some of the occurring themes of self-description by the members of the creative and cultural field in Liepāja.

Pride as community strength

One of the most salient ways of expressing a positive identity and belonging to a locality is to take pride in one's origins and place. Liepāja creative workers often described themselves and other community members as having a strong local patriotism and pride in being from Liepāja. Moreover, it is in line with the already folklorised term of Kurzeme pride, which is a presumed characteristic of the entire Kurzeme region, to which

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Liepāja belongs. This concept is also used by the inhabitants of Liepāja, who like to express their identity and distinctiveness through it.

> *"We are a bit more arrogant than others, but at the same time we are crazy, and we are very, very demanding towards ourselves."* (LI1F60s)

Pride, persistence and also not being shy about one's identity and achievements, together with the ability to be a bit self-ironic, is the signature of the creative community of Liepāja.

> *"Another benefit [..] is that stubbornness of the people of Liepāja, this tenacity, strength, ability to boast about themselves and at the same laugh at themselves."* (LI15F40s)

Pride is also sometimes described as a 'tool' to counter the perception of Liepāja as a rural area when it is compared to the capital of Latvia or other large cities. Sometimes the pride of Liepāja community is used to characterize their stubbornness and resilience, for example, when creative cultural workers and organisations struggled during Covid-19 lockdowns with few available support mechanisms.

> *"I suppose that it is the pride of the resident of Liepāja that doesn't allow to admit how bad it actually is."* (LI9F40s)

Overall, people in the creative community in Liepāja, perceive themselves as hardworking and the achievements that have followed, allow them to be satisfied with these results and appreciation from others.

> *"Latvians are diligent, and it seems to me, anything we do, we do it maximally well. Our event was deemed the best in the world three times, it also tells something."* (LI11M30s)

Although Liepāja is comparably smaller than the capital city Riga, which, undeniably, offers wider opportunities to the young creatives, the local patriotism and the strong sense of belonging to the city of origin play in favour of some young professionals' choice to devote their energy to the development of their hometown.

> *"My family would be happy if I moved to Riga because in their opinion, Riga offers greater opportunities for development. But I somehow feel that I shall fulfil my mission here, in Liepāja, and that I have to be among those who work in order to improve Liepāja, to promote its development."* (LI23F20s)

Overall, the pride of Liepāja inhabitants is mostly demonstrated as a positive characteristic, providing them with the necessary strength and commitment to pursue their creative work in Liepāja despite the less diverse opportunities in comparison to the capital city.

Bohemianism and free-thinking spirit

Every city has some traits that makes it special, creating an atmosphere that is hard to copy. Several interviewees pointed out the free-thinking spirit and the bohemian character of Liepāja creative community as shaping the image of the city. This is observed also by the creative workers who are not originally from Liepāja but have moved there from other places.

> *"Because statistically it would be difficult for me to justify why Liepāja is as special as it seems to me at the moment, but, but at the level of feelings, Liepāja simply has that aura. It seems to me that we are a very bohemian city."* (LI2M20s)

The image of Liepāja as a city of freethinkers has been known at least since the Soviet period, and this phenomenon is closely linked to the cultural life, especially the popular and rock music scene, festivals, and

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theatre, which, although controlled and censored by the Soviet ideological institutions, were able to speak the language of Aesop and express more anti-conjunctural sentiments. Liepāja's cultural identity is also connected to several nationally famous cultural personalities who have lived and worked in Liepāja, e.g. musicians and composers. The song "The city where the wind is born" composed in 1973 by the Latvian composer, Imants Kalniņš, was the unofficial anthem of Liepāja for decades before it became the official anthem of the city in 1999. Wind as a metaphor for the freethinking and independent spirit of Liepāja residents has remained as the identity-shaping symbol till today.

> *"Liepāja has developed an image of freedom, free-thinkers, artists, such kind of spirit already earlier, that slightly bohemian way of life, and [..], it still lives in those people of Liepāja, who are working in the area [...]. Because which place chooses a natural element as its symbol – wind and invites people to come. Feel the wind, or wind-up new ideas in your head."* (LI12M30s)

Since the rebellious identity was one of the trademarks of Liepāja's creative community, it became very attractive to teenagers and young adults to gather around or participate in the rock music scene, especially at the period of 1980s/1990s, characterised by the Perestroika, restoration of Latvian independence and strengthening the Latvian identity. Even more, embodying the particular appearance and lifestyle might have been considered as a pre-requirement to be accepted as a full member of the 'true' creative community of Liepāja.

> *"I should also mention my older sister who at that time was quite a bohemian, and really pulled me into that kind of life by once putting on me a showy jeans jacket, bleached or tie-died, or something similar. Somehow my mind just tuned to the art, creation, more to that side [..]. So, in principle, from some Grade 6 or 7 I always tended to create a band, play in a band, and Liepāja has always been a favourable place for such goals and ideas."* (LI13M30s)

Among those who refer to Liepāja as a bohemian city, this term is generally considered to carry a positive connotation, admiring the artistic creation, freedom, relaxed and independent bohemian lifestyle, which has contributed to shape the image of the city for decades and attracted young audiences to the music and art scene.

Reservedness towards others

Although most of the people interviewed spoke positively about their community spirit and identity, some also highlighted less desirable characteristics that hinder the development of creativity and cooperation. Among them were such human properties as closedness, suspiciousness and reservedness towards outsiders or those who are not considered to belong to the Liepāja community. There is also some distrustfulness to the new ideas and collaboration proposals from newcomers to the city, suggesting a certain conservatism in defining the boundaries of the local creative community.

> *"Because I will say honestly – if I wasn't from Liepāja and I came to Liepāja now and wanted to start an agency, I can say it wouldn't have worked. It definitely... won't work because people in Liepāja have their unwritten, sort of caution, defense... They will consider it carefully, slowly and with suspicion, and then... Not everyone is open. [..] A lot depends on the person's character, but mainly... not with everyone you can find that cooperation at once."* (LI15F40s)

One interviewee interpreted this trait of being more closed and suspicious towards change and global influences as deriving from the historically harsh conditions that had been endured by the people in Kurzeme

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(Couronian) region, even going back as far as the Viking age. Although no one uses the denomination "provincialism" when describing their locality, some express the opinion that part of the local population lacks exposure to global cultural experience that in turn affects their secluded attitudes and behaviours.

> *"I like the global coverage, the vastness of the world, and that, of course, is what an average Liepāja resident is lacking [..]. The openness of the world, courtesy, decency, such a special customer-oriented interface, I miss it, unfortunately, we don't have it here. What I observe here is severe heaviness. It might be linked to historical background, as throughout centuries the Couronians have lived here and they have always fought, forayed and being so harsh lived by the sea. [..] We are not so open and supportive.* (LI8F40s)

Another trait considered to hamper the communication and exchange of information that could otherwise help developing connections and collaborations is the introvertedness and lack of communication skills. That is even more prominent in the rural areas around Liepāja city where locals might have less opportunities and reasons for interaction and collaboration on daily basis.

> *"Latvians are rather introverted people, our region has such a specificity that we can't just go to someone and start a conversation, especially in the countryside."* (LI8F40s)

The abovementioned pride if combined with reservedness, seclusion and introvertedness and also the lack of international cultural exposure sometimes seem to hinder the abilities to initiate new collaborations or start new projects in the local creative and cultural ecosystem.

4.3.2. Creative community resources

Intangible resources

Belonging to Interest and professional groups

Although members of Liepāja creative and cultural ecosystem expressed a feeling that Liepāja is quite small and "everyone knows each other", that does not necessarily mean that everyone identifies with the same circle of creative community members of Liepāja. People tend to form different affiliations to different professional or interest groups. Some networks are based on leisure time activities, for example, creative hobbies and talent development, involvement in creative activities that are either offering a quality leisure time or are aimed at learning new skills that might be beneficial for future creative endeavours.

> *"Within the [name of a cultural education project], I have many peers, we are very different people there who share the same thing, each of us is secretly writing something, and we want someone to evaluate that and one day perhaps even publish it, and so that is how we all mix together."* (LI8F40s)

Given the fluidity of the types of employment for many creative workers, be it several part time or portfolio jobs, and project-based or sometimes cross-disciplinary nature of their professional economic activities, the access to new contacts in various creative and cultural sub-sectors is often gained through the work with different projects with different employers across different organisations. For example, a person who at different times has worked at an art gallery, a music festival and a museum, naturally enriches the personal network with contacts of various professional groups.

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> *"In my case, those were some kind of people whom I met within specific projects, and then when I had some new creative ideas or something else, I knew, either where to refer, where to turn, or something what to look for."* (LI10F20s)

A particularly strong sense of belonging to a community can be developed when people volunteer at certain creative or cultural events or organisations. The community affiliation and bond are created by entrusting people tasks to be carried out in a framework of a larger project where they can contribute with their skills, resources and time, in return receiving a sense of membership and belonging to a particular community of an event, organisation or profession. Such is the case of the Liepāja Rally which is a part of the European Rally Championship and, when it takes place, the managers enlarge their crew to several hundred people who work together for a short period of time. Many of them are residents of Liepāja and by becoming part of the rally team, they get a chance to become a part of something bigger than their everyday lives.

> *"They all do their own little thing, their job, and then they are a part of something extremely great once a year, Eurosport shows it, millions of people are there, superstars are driving. [..] He walks around with his head high up all the rest of the year because he has been there, he has assisted this to happen, and he brings his sticker on his phone or somewhere."* (LI11M30s)

Often professional acknowledgement and positive critique from the specific specialist community is valued differently than the appreciation from the regular audience, especially when thinking about the quality and artistic excellence of a cultural product. A light artist from Liepāja explained that a participation in a co-creation of a performance would be the most successful, if it is also positively recognised by other professionals involved in the sub-sector of performing arts.

> *"Professional feedback, by some colleagues, if it is good feedback… And that you, well, it's more about the feeling. When there's a feeling that this time it is a success, and when there is also feedback... Usually, when what I think is also confirmed by colleagues, or, for example, by theatre critics, or theatre or concert company."* (LI5M50s)

The insights from professional critics or recognized specialists in the field seem valuable not only to already experienced cultural and creative workers but also to students studying creative subjects, who value feedback from professors and other professionals to support them on their chosen path.

> *"It's hard for me to acknowledge my success myself. Then it is very, very important to me that these people around me, with whom I work, that they tell me that the goal has been achieved and that everything is fine."* (LI23F20s)

This interconnectedness among young and emerging artists and cultural workers and their more experienced mentors is a way to get accustomed with the ways how the local creative community functions and what are the necessary skills and connections to become a full member of that. Interviewed creatives suggested that while for some these important links and the sense of belonging were established already during the study period, for others they are formed at different workplaces, in collaborative projects or joining an interest or volunteer groups.

<u>Proximity of creative community and trust as a prerequisite for collaboration</u>

The moderate size of the city and the physical and emotional proximity to other members of the creative community in Liepāja play a role in building trustful relationships that are beneficial both for informal and business activities. The solid reliance on collaboration partners is voiced in several interviews, especially when they talk about situations where ad hoc solutions had to be found.

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> *"When I organised an international agent who was coming to Liepāja, I could draw up a programme in 20 minutes. I would call a hotel, call restaurants, call tour guides, call... museum or the venue where the programme takes place. And that's it, the programme is ready."* (LI15F40s)

Although the proximity and relatively fast accessibility to the resources of the creative community is praised by many, there exist different opinions on the availability and diversity of, mainly, performing artists based in Liepāja – while some event and cultural product producers and institutions say that Liepāja has a rich ecosystem of various artists who are available and ready to get involved, others consider that the variety of cultural professionals is insufficient and they often invite musicians, DJs, entertainers and other creatives from Riga or elsewhere. This is especially highlighted among those who work in the entertainment and event production industry, aiming to provide original content in each event. Below two opposing opinions of cultural event producers are voiced.

> *"If [..] there is an emergency situation, I know where to get artists, illuminators, tuners, I can organise all that in an hour, let's say. [..] And here on site we have plenty of professionals, that's an advantage."* (LI9F40s)

> *"The creative resource we have is not so large, we work with partners very often, they're from the capital."* (LI12M30s)

Many event producers, as well as other creative professionals, prefer to work with the same partners, especially, when it comes to technical support. Firstly, local service providers can offer lower prices; secondly, long-term cooperation that has been mutually beneficial, has created close personal ties that make it easier to trust the service provider and to find non-standard solutions when needed.

> *"We have some 3-4 partners that we are so absolutely loyal to, that we know there at the owner level. [..] Well, it's trust, you know, and it's absolutely, really unconditional, even sometimes really unconditional, [..] they are also the ones that [..] will have our back."* (LI3M30s)

Although Liepaja, and even Latvia, are considered too small a market to be particularly attractive to large foreign companies or event organisers, there are other advantages for those local businesses who aim to organize large-scale international events. The small size of the country and established contact networks offer a relatively easy access and reachability of important state figures. There are different instruments at use when looking for partners and sponsors in a large country compared to a small country, and sometimes it is the prominence of these relationships and the prestige to be able to invite high-level officials to the event that makes the difference.

> *"I talk with other organizers in the world, [...] they dream about such things. Yes, they have a large market, it is easy for them to sell themselves to sponsors, but such involvement of municipalities and the government; well, when they all saw our President at one of our events, they were are all taken aback."* (LI11M30s)

The value of important contacts is recognised not only by long-standing members of the creative economy, but also by students of the creative industries, highlighting a certain hierarchy of the value of contact networks that exists within the creative community. The more well-known, popular or influential a member of the creative community is, the more the young professional hopes to benefit from this acquaintance.

> *"In my opinion, certainly, any contact is valuable. But, well, yes, the more valuable the contact, the better. Well, in the sense that, perhaps, the customer you have to work with,*

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> *if he is perhaps more recognizable to a wider audience, then definitely, it is clearly more valuable than to work with perhaps a less recognizable customer. In that sense, given that it will affect my future actions."* (LI23F20s)

Thus, as demonstrated by the opinions of the creative community in Liepāja, the emphasis is not only on the proximity and accessibility of interpersonal contacts and networks, but also on the long-term relationships, trust as well as the hierarchy, value and, sometimes, exclusivity of the contacts.

Community resources for expanding creative entrepreneurship opportunities

This section will illustrate how being a part of Liepāja creative community facilitates operation of some of the creative businesses and organisations and vice versa – how local creative businesses help the local creative community to get by and develop, demonstrating some aspects of the community's collective interest in the sustainability and inclusiveness of its ecosystem.

Firstly, one can observe some solidarity between the small creative entrepreneurs who have just started their operation, as they seem more empathetic to others who are at the beginning of their business journey. Sometimes they would even tailor their services and prices to subtly support other small businesses, as this graphic designer:

> *"It's very unprofessional, but I think that is the way I can help small businesses grow, in cases where I am aware that they don't have the money to pay € 200 to create a logo, well, of course, I apply a discount, for them to succeed."* (LI24F20s)

A different individual support mechanism and adaptation to the crisis situation was proven to exist among owners of a private creative quarter and their tenants. With the onset of the Covid-19 lockdown, the property owners negotiated rent rebates with each of their tenants to allow these small creative businesses to survive the crisis while their activities, and hence their income, were restricted. During this period, owners took some of the losses on themselves, placing more value on long-term cooperation and tenant loyalty as a future asset. The vitality and creativeness of their tenants is described by their ability to create a small inner ecosystem that strives to function together and involve each other in reaching the common business and community goals.

> *"I think good examples in our yard are bars that we have there, whom no one ever considers a part of creative industry. We simply have super excellent bar owners, who also see their offering in the yard context. They self-organize, and organize cinema screenings, organize concerts, cooperate, because there are also musicians, then they invite musicians that live one floor higher in our building so that they would play music there. Yes, it is such a synergy and maybe also what that environment gives to people, that... that they in the context of that environment also see their development."* (LI14F40s)

While the preservation and development of the creative community organisations in Liepāja partly depend on the relationships with the premise owners, which may or may not be conducive to long-term cooperation, other important way in which the creative community benefits from the internal connections is by getting new work opportunities. It is an important way to keep and employ creative professionals locally, especially to keep recent graduates from moving away from Liepāja. One of the creative departments at the University of Liepāja involves its former students in temporary projects but is also hoping to develop its capacity to become a full-time employer if there was a possibility to attract the necessary funds for workforce remuneration.

> *"We do involve graduates, for example not on our permanent team, but just for projects, but, yes, I would like to have more long-term projects to people on the ground, because*

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> *we have big problems because many of our academic staff live, say, in Riga and they have nothing to do in Liepāja most of the time. Yes, I would like to get more into long-term projects and create jobs."* (LI18F30s)

The intangible resources of the creative community are often the main way in which creative individuals, businesses and organisations gain access to a range of other benefits, such as access to internal information circulating in the professional circles, helping to find out news about exchange projects, trips, study grants and vacancies, or serving as a word-of-mouth recommendation for a new job or a new client. The personal position and recognition inside the community can facilitate better access to information about such opportunities. Some of the examples below provide an insight in the ways how informal community networks have proven to be beneficial to individual creative and cultural workers.

> *"In the theatre environment and outside the theatre the so-called our community is quite narrow, and people know each other and offer opportunities, for example, I went to [an international exchange] thanks to a [name of a grant]."* (LI5M50s)

> *"I have never in my life taken part in any competition. Somehow, I have always been asked to come and work or participate."* (LI1F60s)

> *"I don't advertise myself very much, and mostly my clients find out about me through acquaintances."* (LI24F20s)

On the other hand, many creative sector workers, for example, those who are self-employed or run their own company, admit that creating and widening the contact network and advertising to reach a larger number of customers is quite demanding and requires continuous work to keep the brand visible. If used wisely, the known network of creative and cultural workers, can benefit several entrepreneurs at the same time. There is an awareness among some young designers that together they have bigger chances to reach a wider audience than when competing with each other.

> *"The course-mates who have chosen to work in these niches and offer some brands, they, too, are helpful in enlarging my circle of clients by collaborating and creating, say, some… friends competitions or something similar to attract people to our profiles [..]. Collaboration is a great foundation to it all, because as I already said, if you are just on your own, it is very difficult to climb very high and stay there."* (LI7F20s)

Furthermore, in the community of creative professionals working in the same field, forms of cooperation have developed such that sometimes when they are unavailable, they send another trusted person from their immediate circle of professionals to carry out the task, e.g. the stage lighting. Similarly happens with the mutual recommendations for the products or services that are outside one's area of expertise.

Overall, the circulation of information within the creative and cultural community, including employment or business opportunities and collaborations, play an important role in fostering creative entrepreneurship and deepening interpersonal relationships contributing to the sustainability and functionality of the local creative economy. As with many new businesses, the first customers are often friends and acquaintances, but this network expands later on the basis of personal recommendations.

Social and ethnic differences as a challenge for developing sustainable and inclusive creative economy

Although the creative community in Liepāja has many intangible resources available that help building wider collaborations, get better job offers or commissions, or expand contact networks, locals also point to a number of nuances that can make it difficult to reach a wider audience and disseminate the creative and cultural products to all social and ethnical groups in this city.

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One of the aspects is that the population of Liepāja is quite heterogenous in terms of ethnicity, citizenship, social status and education levels. Being an industrial manufacturing centre with large numbers of manual workers in the Soviet period and partly also today, in addition to a large presence of Soviet military personnel, part of which stayed in Liepāja after the disintegration of the USSR, the creative economy developments in the direction of sustainability and inclusivity have to withstand various hindrances. According to several interviewed cultural workers, the cultural habits and values inherent to different community groups Liepāja strongly differ based on their social class. Some point to existence of a high-brow culture and a low-brow culture that most often do not come in close contact with each other.

> *"What is missing for an average person living here is the breath of the world, yes. The situation differs for intelligent people, who manage to travel and hold high positions and are constantly evolving, they are doing fine, it is nice to communicate with them."* (LI8F40s)

Organisers of cultural and entertainment events are well aware that these different audiences exist and that each has different interests and requirements that need to be catered for. Often event organisers have also segmented the local market so that they know roughly which companies represent which market niche, or, alternatively, companies diversify their offer for each audience.

> *"If we talk about events, then events must be such, where a person can come, who is very demanding, and some events also must be accessible to a person just searching for real pop-culture, some mass culture."* (LI12M30s)

To tackle further social division in the city some creative community members believe that one solution to this situation is creation of high-value added jobs that would attract high-profile specialists to the city, that, in turn, would not only alter the social structure but also generate new, innovative business initiatives and add to the profitability of creative economy. As explained below, such social changes and more efforts to invest in the creative economy could also contribute to audience development for the cultural and creative products and services.

> *"The good thing, of course, is that there is an extremely extensive offer of culture, art at a very good, professionally high level. And the bad thing is that the new jobs that are being facilitated and created do not actually contribute to the expansion of the audience of these arts and cultural institutions, because they are, for the most part, um, not highly intellectual production sites. [..] It seems to me that this gap should be closed so that this two-level Liepāja would not exist. If we were to strive for the more intelligent and higher value-added industry, then in fact we would also bridge the gap between the urban population, their intellectual and social strata."* (LI20F60s)

In addition to the social stratification characterised by the education and income gap, another division of the local population is based on ethnic and language differences that also affects the cultural consumption and participation patterns. That is illustrated by the statistics that indicate that in 2020 the share of Latvians in Liepāja was 59%, while the second largest ethnic group was Russians – 28% from all inhabitants, and the remaining population consisted of smaller shares of Belarussians, Ukrainians and others (Liepājas pašvaldība, 2022). Several interviewees pointed out that there exist separate cultural, mental, and physical spaces that characterise the ethnic division in the city, where cultural preferences and cultural product consumption manifest as rather distinct from each other, and even the everyday life patterns are perceived as not quite overlapping between the different ethnic communities.

> *"It seems to me that they also live in a little bit of their own cultural space, their own [name of the neighbourhood] and their own daily life."* (LI10F20s)

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The ethnic division and some tension in the cultural sector are described by a young student in Liepāja who belongs to an ethnic minority group. She engages in different cultural and educational activities for youth, crossing the borders between the ethnic communities. She describes her experience at a youth amateur theatre studio and youth organisation as follows:

> *"Those actresses who were [name of the ethnic minority], and they had friends, [name of the ethnic minority] friends, only they would come. But other people, if don't know anyone there, they won't go to that Latvian show. I think it's a very relevant subject in Liepāja. That's why I try, say, in summer I had another project where I wanted do develop both in Latvian and in [name of the ethnic minority language]. But, well, it didn't really work, and with guys from [name of the local youth NGO] we discussed it, to do it in both Latvian and [ethnic minority language] so that to move it further. They did say yes, that's great because they are trying there now... to do many of those things intended for young [ethnic minority members]. Because in reality few [name of the ethnic minority members] want to go somewhere where things happen in Latvian."* (LI25F10s)

According to the interviewee, the lack of Latvian language proficiency and the lack of sense of belonging to the Latvian community could be among the reasons for reluctance in cultural participation and cultural and creative product consumption. If there are any events or performances that are presented in the minority language, then it is more likely that that ethnic community would attend them.

> *"If there any performances in [the ethnic minority language], then... well, as far as I know from my parents, if there is a performance they will go to a performance, which is in [name of the ethnic minority language], or without any dialogue."* (LI25F10s)

There was a couple of creative community members who spoke positively about a particular mixed-language theatre performance, which may have encouraged a larger share of minority language speaking audiences to visit theatre and thus contributed to bringing these two rather separate communities closer.

> *"During Covid, there was one performance in the theatre, which was in Latvian and in [name of the ethnic minority language], because it is already another step. [..] I really liked it because I had the feeling that the [name of the ethnic minority] audience, or [name of the ethnic minority] fellow citizens, fellow human beings ... are very much ignored in the Latvian environment, and we live a completely parallel life and it is not acceptable."* (LI6F40s)

Some of the reasons why the Latvian language proficiency is low among the minority populations is largely related to the immigration and language policies of the Soviet era, which facilitated influx of different ethnic groups to Latvia and the position of Latvian language declined. State-funded general basic education in minority languages is still being implemented in Latvia, with a gradual increase in the proportion of the curriculum taught in Latvian and the transition to full Latvian-language education in secondary schools. While it had granted minorities the rights to learn in their own language and preserve their own culture, it has also contributed to maintaining a bicommunal state, where different ethnic groups live in quite separate informational and cultural space. However, with higher education being offered only in Latvian or other EU languages since 2021, more minority-language-speaking youth is becoming aware of the need to learn the national language at a sufficient level to be more competitive in the local job market.

> *"I think that young people begin to understand, because they learn, because they live in Latvia, in Liepāja, and they understand that here they can't do anything without Latvian. If, say, you go to secondary school, you will have like three years to learn Latvian and it*

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will help you in the future. I think this something that kids realise. And maybe their parents have begun understanding something that without Latvian their kids will have hard time in Liepāja and in Latvia." (LI25F10s)

According to the interviewed cultural event producers, the municipal and state funded cultural offer generally target the Latvian speaking population, while the private sector caters for the ethnic minority audience. However, the Liepāja audience seems to be divided not only by the social and language factors but also by differing values and cultural preferences which for many creative and cultural workers seem quite difficult, if impossible, to overcome.

"If we are looking from the point of view of the municipality, everything is positioned mainly for the Latvian audience. So, the [name of the ethnic minority] audience takes more what private producers offer, because we have strong players in Liepāja, who has found their niche, who have a very wide range of the [name of the ethnic minority language] speakers, and they are not those most often, who go to, I don't know, the concert of 18 November [Latvian Independence Day] at the centre of Liepāja, where some Latvian choir and some Latvian singer sing, right. They'll go to Kirkorov's [pop-musician from Russia] in the [name of the venue]. Therefore, the interests are very different, and, probably, to tell the truth, they'll never be the same, and it's more than clear, because values differ in some sense perhaps, and these views differ." (LI12M30s)

One of the largest cultural centres in Liepāja also admits that it is facing difficulties to reach the local ethnic minority audience. Although this community is more concentrated in several residential areas somewhat away from the centre, the mental distance seems to play a more significant role than the physical one.

"We have to work hard to attract the [name of the ethnic minority] audience, you know. For those who live in [name of the neighbourhood] [..], they don't even cross the bridge, you know, they don't... The [name of the ethnic minority language] speaking audience, they've never been at the [cultural centre], and then we think what projects might be of interest to them, so that the [cultural centre]+ is also theirs. That it is not an exclusive project, or untouchable. That is, there's a lot of work to be done, those are our challenges." (LI6F40s)

The participants of the creative community in Liepāja mostly acknowledge that there exist different cultural localities and communities in the city, separated by both social and ethnic composition. Several creative and cultural workers in Liepāja argued that major efforts are needed to reach out to audiences of ethnic minorities and to integrate them more in the creative processes of the city. However, given the ethnic proportions, language barrier, contested historical interpretations and divided social memory in Latvia in general, the issue of integration is not just a matter of the creative sector to address, although targeted and well-considered cultural and artistic activities and co-creation opportunities could serve as a bridge to bring emotionally detached communities closer to each other.

Tangible resources

<u>The city itself as a creative resource</u>

Liepāja city has been quite industrialized and militarized area for a long time, however, the gradual shifts in its economic profile highlight the potential for the creative economy development. The city has pointed out in its development strategy that also the creative industry is one of the prospective areas for the city development (Liepājas pašvaldība, 2017). Also, the cityscape has changed due to the closure of some large, resource-intensive factories and that has, in turn, opened up a space for business sector diversification.

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> *"In Soviet times Liepāja landscape was shaped by grimy walls with huge, tall chimneys which in industrialisation era were a sign of economy and growth, black smoke, factories, that's how it should be. Now I see that the... chosen direction is the right one and Liepāja is being formed as tourism and creative industry centre and I hope it will work out fine. [..] I think it's a step in the right direction."* (LI17M30s)

Geographical location by the sea, nature, compactness of the locality, accessibility, cultural and recreational offers and the relative calmness in comparison to the capital city seem to provide a comfortable working and living atmosphere for many creative and cultural workers.

> *"The human resources available here, the place, which is fantastic in terms of its volume, opportunities offered by the geographical location, it is perfect in order to create, to produce, easier communication with each other, in turn, accessibility, we know everyone."* (LI9F40s)

For businessmen and investors, the medium-sized city offers other benefits in comparison to large, metropolitan cities. The overall living costs in Liepāja are lower than in Riga, that in turn can attract new businesses with the condition that there were enough relevant specialists available, but that, however, depends on the professional qualifications offered by the educational institutions in Liepāja. Other conditions seem to be competitive enough to attract at least some new businesses and start-ups in the creative and cultural sector to Liepāja, as described by a representative of a state run agency that facilitates new business development.

> *"When [an entrepreneur from Riga] received the funding, he wanted to open an office in Liepāja. He said that an investment worth millions in Liepāja is much more valuable than an investment worth millions in Riga, London or California. [..] If you can find employees in Liepāja that are useful for your specifics, then the rent is lower, the entertainment is cheaper, the salary is also in theory cheaper, because, well, people just have to spend less money than they would in Riga, but you get the same quality, you have the sea here, you can go to the same restaurants that there are plenty of and of very high quality in Liepāja, we also have a lot of high quality entertainment, because you get all that volume, just at a cheaper price."* (LI2M20s)

Despite the optimistic opinions about the future of Liepāja's creative economy, several interviewees were rather concerned about the declining population in Liepāja, including pupils and students, which naturally leads to fewer specialists and smaller workforce later. While there have been several outmigration waves due to the economic crisis in the past, currently some of the interviewed young specialists consider themselves quite attached to Liepāja and see the benefits of developing their own city instead of devoting their skills and knowledge to other localities.

> *"Because I've never loved Rīga and I have never seen it as a place where I want to be. I [..] know that I want to develop towns. I don't want Latvia to have just one centre where there is that lucky... a whole separate country full of luck, in fact that's what I call Rīga. So, I wanted to stay here."* (LI16F20s)

In general, many members of the creative community in Liepāja express their sense of belonging to the locality, see enough tangible resources in the city for the operation and development of their business or cultural organisations, and choose to stay and contribute to the creative atmosphere in the city rather than leave.

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Creative physical spaces as pre-requisite of building diverse creative communities

A reoccurring topic in the interviews about the tangible resources that are necessary for successful development of creative and cultural ecosystem and facilitation of creative economy, especially via cross-disciplinary cooperation, was the availability of suitable premises, studios, co-creation spaces, informal meeting points for artists, creative workers, small business owners, NGOs, etc. such as creative quarters or artist-run spaces. This face-to-face working and mingling practices in an informal manner are seen as one of the most fruitful forms of communication and collaboration in order to strengthen sustainable and inclusive creative economy. For example, if it is an organisation that promotes the development of various start-ups and new companies, one of its objectives is to facilitate face-to-face meetings or work at least occasionally so that members could establish better connections among themselves.

> *"We also tell the participants that they should come at least once a month if they also have another office or production somewhere else, but that they come to the [name of the organisation] once a month and work a day in the [name of the organisation], thus getting to know the other participants, and just being closer to our team, because then we can remember them more often, first of all, and make better suggestions."* (LI2M20s)

Many of the interviewees pointed to a privately run creative quarter in Liepāja as a great example of a physical space where mutual exchange among local creative community takes place. It is a renovated industrial complex that was purposefully developed into a creative quarter by property developers who are not originally from Liepāja, however, saw the niche and opportunity to run their business through providing premises for small creative businesses, thus creating another creative spot in the city.

> *"We initially saw those creative people as one target group that complements our idea of the yard, as our idea is that it is not a sterile environment, that there you have both sneakers, and high-heel shoes, and money, and ideas, that it is a sort of democratic space."* (LI14F40s)

There is also an opinion that having more creative spaces or creative quarters would be beneficial for community development in a more inclusive way, also providing platforms for some of the more marginalized communities. A multifunctional and multidisciplinary space is seen as an ideal type of bringing together artists and cultural workers from different fields. In addition to that there could be creative spaces that would allow more international collaboration and exchange. While a private initiative to create a creative quarter for small creative businesses has proven to work in Liepāja, there are local artists and creative workers who would also welcome a creative space where more non-commercial creative and cultural initiatives could be developed.

> *"I think creative neighbourhoods should be created where minorities or different communities can meet. Likewise, institutions of different art genres could meet. Or to build residencies internationally with some experts from abroad to create something jointly, interdisciplinary projects. I would say in that direction, yes, some workshops, residences, meeting places could be organized more."* (LI6F40s)

While there are few artist run spaces in Liepāja, some creative and cultural workers envision how to organize the creative community spaces in future and develop some small creative quarters or clusters, if only they got an empty building from the municipality for no or a small rent, which then could be populated with various creative initiatives. They see the role of the municipality as a possible partner and facilitator for increasing creative activities and development of creative economy.

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> *"I would definitely like to have some kind of place ... really like a quarter, where to come together and crowd along with each other, and somehow more to implement creative things. In fact, when Covid started, together with [a person's name] we tried to create something like that ... as a concept, identifying different creative minds in Liepāja. Not many, in fact, only key people, and writing an application to the local municipality, with a desire and with a simple request - give us an empty building, please give. We will fill it with content, we are abnormal enough, and we will find a job for ourselves, and we will figure out how to pay for the utilities, but just give the building."* (LI10F20s)

Besides having a space for creative interaction, another issue for some smaller enterprises or individual producers such as artisans or designers, is the question of showcasing and realisation of their produced goods. Some of them would like to have a permanent open studio/shop instead of relying on selling their produce online or at temporary fairs and pop-up markets. These small entrepreneurs cannot compete with larger brands that can afford to rent shop premises at shopping centres or shopping streets, but they lack alternative possibilities to have their work seen and sold. Similarly to others, artisans and designers are also looking for suitable collective spaces where they can showcase their work and sell it, not being reluctant to self-organise and run such a place.

> *"The majority of artists, me including, I don't have a specific shop, place, because it is expensive and currently it does not pay off. [..] People ask, where is the shop, where can I see those things, not only browse them online? I am a supporter of positive changes so that these artists who sit in their chambers can come out, work together and show their work not only at fairs, but that people can find them all in one place, find what they need, and in any case – I would support development of what it would be, say, a centre or something else, I would even get involved in creation of such a place [..]. I even might go to the incubator myself one day and ask for financial help to create something like that."* (LI7F20s)

In addition to having more available premises for the small creative entrepreneurs and NGOs, there are many practical and technical needs that have to be addressed for creative and innovative production sites, especially those that require expensive technical equipment, prototyping facilities, digital and multimedia equipment and similar resources. A solution for having a hi-tech infrastructure available for several small and medium creative entrepreneurs or educational organisations in Liepāja could be a technological centre that is shared by multiple users, reducing the costs for a single entrepreneur. In addition such space could facilitate possibilities to experiment and prototype new products instead of mass production only. Such ideas are appearing from the local multimedia and technology education experts:

> *"I have this dream to develop this kind of common technology centre which can be used by all that creative folk, where there are all sorts of equipment, which may be useful for, say, prototyping, not only for quantity production, but also for new product development. Let's say... a co-working space, but a large one where there could be some real production. Kind of a large building for development so that all those creative companies could network and share resources, [...] 3D printers, and a sound studio, and similar stuff."* (LI18F30s)

Finally, type of physical locations that are considered necessary to ensure access to cultural resources and providing cultural inclusivity for the local population, are the amateur cultural centres, which allow larger communities to involve in daily creative practices. Although that is not connected directly to creative business development, such access to cultural self-expression, is seen as crucial for building stronger community,

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spending a quality leisure time and preserving cultural traditions, while at the same time provides jobs for those running these cultural spaces.

> *"I must also mention such a very significant culture as the amateur culture which is quite powerful in Liepāja. Let's say, different amateur groups, choirs, dance groups, theatre, folk groups and so on. [...] These go along with the cultural spaces, and they ensure such everyday culture which in my view is very, very important. [...] The most important thing for a single town or community is to maintain their everyday culture, which often is being underestimated by ourselves, creators as well as users."* (LI9F40s)

Overall, to keep the creative ecosystem and economy developing, one of the essential questions is the availability and affordability of various physical premises and spaces for creation, experimentation, production, showcasing, commerce and creative exchange. Socialising and connecting at creative physical spaces and face-to-face interaction are described as facilitators of co-creation, creative business and project development and community and network building, Still, the type of the physical space and need of the technological supplies vary for different creative sectors and organisations, depending on where they operate in, be it performing arts, visual arts, new media, design, creative services, innovation and technology, cultural heritage or others.

4.3.3. Organisation of Liepāja's creative community

Drawing on the three modes of community organisation developed by Rothman et al. (2001) – *locality development, social planning* and *social action,* this section will look for examples of how these modes are manifested in Liepāja. These modes are seen more as an analytical tool and don't exist in their pure forms in reality. The way how communities are organised is largely a sum of different aspects of practices that each of these modes encompass. This approach will allow to look at the way how the creative community is organised or self-organises in Liepāja.

Locality development

Locality development mode emphasises the engagement of the local community in organising itself, including democratic procedures, voluntary movement, self-help in changing the environment of the local creative and cultural ecosystem (Rothman et al., 2001). As pointed out by the interviewees, there are some artist-run and grassroots community spaces in Liepāja, which have emerged out of local creative initiatives. One of such places is a cultural house that is run by local musicians, involved in all processes, starting from renovating the building to organising events, running the bar, taking care of the sound and light systems, and also performing and recording music.

> *"When we first got into the [name of the building], the situation was quite dire, the building had not been managed for a very long time, and it required a lot... a lot of effort and work for us to repair all of it more or less. But that idea was for the musicians to have a large room where to have practice sessions in Liepāja. […] The story is that musicians in principle created this place. […] Possibly, it was also an interesting factor, that when visitors come to Liepāja, to [name of the cultural centre], they can at the same place meet people and guys that they may have already seen, possibly, on stage."* (LI13M30s)

In contrast to initially non-commercial creative initiatives of artist run spaces, there are also creative spaces that have emerged with the aim to pursue creative entrepreneurship. Such is a creative quarter in the centre of Liepāja. In this case, the company is working with the intention of deliberately building a creative quarter in the city, coming as an idea and investment from outside, but found interested tenants and partners in the

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form of small Liepaja creative companies and NGOs who rent the premises and organize the public programme.

> *"But the idea in itself is nothing really ingenious, or new. That's the same in the entire Europe, including starting with [the name of a creative quarter in Riga] and ending with anything in Berlin, Amsterdam, Barcelona, anywhere. Simply, I believe that we were in the right place at the right time. And it was also the time when Liepāja was ready for something like this, there was an adequate number of people in Liepāja that needed this."* (LI14F40s)

The emergence of this cultural space is perceived differently among the long-standing local creative community members. Many praise its capacity to revitalize an abandoned industrial building and offer various opportunities for creative entrepreneurship, leisure and entertainment, creating a new spot on the map of the creative and cultural ecosystem in Liepāja. However, some of the local cultural workers consider this initiative not "native" and not characteristic to the identity of Liepāja, since it comes from "outside" and does not necessarily show the originality of the locality with the borrowed concept from elsewhere. The emergence of such businesses creates a breeding ground for internal competition and the development of new local ideas.

> *"… for these Liepāja residents who are born here... some kind of [name of the creative quarter] that represents the Riga hipster culture, that has occurred here. From the side it seems "wow". Well, not everyone thinks so, because that is something rather specific... [..] It is both plus and minus, indeed... It somehow encourages those residents of Liepāja to move forward and when they see that someone has created there such a place as [name of the creative quarter], then they are forced to work hard and to invent something interesting in order to represent Liepāja and to show those others what is Liepāja style."* (LI9F40s)

Still, while much of the creative activity seem to be concentrated in the city centre, several creative workers also drew attention to a less central neighbourhood of Liepāja that many consider quite a creative albeit nevertheless marginalised place. Some pointed to the important conceptual difference between institutionalised creative spaces and hubs and those that emerged as grassroots initiatives.

> *"In the centre, in [...] that incubator, it gathers those people around it, and then, well, they're there sort of concentrated not because the place is so attractive or something, but, well, because there they get their support. But [name of the neighbourhood] is such that it just, they go there and they create there. They create out of thin air. It's the environment that affects them, well, we still want to fix it up, but it will not be so creative anymore, right. But at this point, it seems to me that [name of the neighbourhood] with its old heritage, with its environment, it is where people simply create."* (LI1F60s)

Overall, either local or inspired from outside, both grassroots initiatives, artist-run spaces, creative interventions in marginalized neighbourhoods, or private entrepreneurs developing run-down urban areas as creative quarters can all be seen as locality development practices deriving from the creative and entrepreneurial interest of creative and cultural workers.

Social planning

Social planning mode is seen as a deliberately planned technical intervention in addressing the needs or problems of the community, mostly using professional expertise, research and data-based solutions, aiming at implementation substantial changes and improvements by experts and professionals (Rothman et al.,

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2001). Such interventions mostly come from the municipal or governmental side and the involvement of the local community can vary from low to high.

The municipality of Liepāja has included development of creative economy in its long-term strategy (Liepājas pašvaldība, 2017) as one of the prospective economic sectors. One of Liepāja's current goals is to successfully carry out the programme of the European Capital of Culture in 2027 (Liepāja 2027, n.d.; 'Liepāja wins the title of European Capital of Culture 2027', n.d.), which would also provide more opportunities to develop creative economic activities.

Municipality of Liepāja manages a number the cultural organisations in the city, most of them are municipal units, while some operate as municipal capital enterprises. Municipal units are direct subject of the Liepāja Cultural Department which also is responsible for carrying out the municipal functions of cultural administration, including small project grant competitions for community initiatives ('Liepājas Kultūras pārvalde', n.d.). The relationship between the municipality and the Liepāja local creative community differs, there are different perspectives how the local creative organisations evaluate and envision the collaboration with the municipality and vice versa.

One municipal representative explained that the community group and NGO inclusion in the social planning strategies and practices for the local government was not that obvious at the beginning (referring to the period after Latvia re-established its independence, given that during the Soviet period NGOs and civic associations were not officially allowed), it was especially difficult to get some budget to support these community initiatives. Now, however, that situation has improved.

> *"When I started working, every four years the composition of the municipality changed, I had to convince them that the NGOs are very good, that they are not just asking for money. I no longer have to do that."* (LI1F60s)

But change was also needed in the other direction, where entrepreneurs' attitudes towards the public administration had to change, for example in relation to programmes designed to create new and innovative businesses and start-ups.

> *"The biggest problem for everyone in the beginning was to change the entrepreneur's view of the public administration, how public administration works. It was the case that some merchants came to us simply because we gave money here. [..] And then there were some problems with convincing entrepreneurs that you don't just have to get money for the sake of getting money that you take money if you want to grow."* (LI2M20s)

Besides, public administration workers also have to deal with some civic organisations that deliberately try to work around the system to receive funds from the municipality without fulfilling the tasks, or deal with some players in the local ecosystem that seem to have more protection from the political elites.

> *"Quite often I see that they have project competitions, that people, who implement these projects, well, that they cheat. And [..] sometimes when you tell them, they almost tell you that it is your fault... And then I have trouble forgetting it [laughing]. I really can't forget it, if someone has been dishonest, it's hard for me to trust again. And the biggest challenge is that ... well, when politics is starting to get in there. That they say, well, that they say to each other, he says - don't touch this organization, you better get along with them. And that is my biggest problem. This dishonesty, and that I have, unlike others, in a way, to turn a blind eye."* (LI1F60s)

Beyond project competitions and municipal grants, there are other tools aimed to facilitate growth of the local creative economy and to fight the depopulation that is one of the substantial obstacles that hinder

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development of the city and region. One of them is the nationwide re-immigration programme that tries to address those nationals who have moved to work or study abroad. Although the flow of repatriates is not large, the municipality and other creative entrepreneurs hope that the returnees will contribute to the creative economy in Liepāja with their global experiences.

> *"Where I feel that all sorts of ideas come in, and where they can express themselves, these are those people, re-immigrants. They come up with their own new ideas, they come with their own ability, with their own experience, you know, they bring into the city such a completely different view."* (LI1F60s)

Especially supportive for re-immigrants to the creative economy and change the social composition of the city are those who have themselves returned from abroad, and have been able to find fulfilling and competitive employment in Liepāja, and have a relatively good outsider's view of the local ecosystem to assess what it lacks. However, the experiences of re-immigrants vary. There are others, who, in contrast, have fewer contacts, skills or a less impressive CV to find a desired job immediately, and therefore feel less secure and don't seem to be particularly satisfied with the support from the government. A young repatriate who has had a less inspiring experience with the support programme and suggests some possible improvements like employing re-immigrants themselves as such service providers.

> *"But when I tried to use the service myself, I was very, very disappointed. I think that the structure needs to be changed, I think that people who have returned, who know what it is like to face those difficulties, should also work there in the first place. Who knows that the first year actually seemed very depressing back in Latvia?"* (LI16F20s)

While many cultural and creative workers expressed concern about the negative effects of depopulation on the creative economy, there, for instance, was little discussion whether to attract foreign professionals or students to the local universities and motivate them stay and enter the local labour market. The focus mostly has been to attract Latvian nationals either from the surrounding localities, or those who have out-migrated. The only talk in the interviews about foreign professionals revolved around the IT sector – either these were students from South Asia or Belarussian IT specialists who left their country because of the political tension. As for foreign students, one interviewee said that this group also keeps to themselves and leaves Liepaja soon after finishing their studies, which could be due to the fact that the local society is not very keen on integrating new ethnic groups or sees foreign students as temporary residents.

> *"[..] In [name of the university] there are IT specialist programmes available, as far as I know every year young people come from…, well, they are [name of nationality]. And in fact they have already formed such a community, yes, that they are already [..] on one of the central streets, occasionally they open a [name of a fast food] [laughing]. Then they come here with the whole family [laughing], and then they live there, someone finishes studies and leave. [..] I'm not aware how is the environment within the [name of the university], but let's say I've never seen them in the concert hall, nor I've ever seen them in the theatre."* (LI10F20s)

In comparison to reluctant integration of foreign students and involving them in the local creative economy, there was a different approach when the city welcomed IT specialists from Belarus in times of political unrest and oppressions in their country.

> *"Perhaps you know that Liepāja local authorities were the first in Latvia to invite representatives of Belarusian IT companies at the time of those protests and ensured them all necessary conditions."* (LI17M30s)

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If one of the ideas to foster viability of Liepāja's creative economy is an increase and social change of the local population, others expect fading of some adverse political and business legacies and problems of public engagement in the local creative and cultural ecosystem. One of the public administration representatives shared an idea how different municipal and state institutions could help emerging businesses, if they would not compete for some benefits themselves and would put the interests of the new entrepreneurs at the forefront.

> *"Of course, the incubator or other clusters or associations are there for the same purpose, there are educational institutions, the municipality is there [..]. The question is - how well do they all talk to each other, compete with each other as little as possible, and whether everyone really aims to help specific pillars, entrepreneurs or personalities. So that these institutions could also honestly say that although, for example, I would benefit from you being in my incubator, I know that you will be better helped by another instance. [..] That is, that they always, always put the goal of their entrepreneurs above their own goals. And, yes, it would be the transparency and the exchange of information."* (LI2M20s)

Finally, the way how the creative economy and creative and cultural ecosystem in Liepāja are expected to regenerate is through educating new art, culture and technology professionals with skills and knowledge that would be competitive in the market. In that respect, many locals point out the specialized music, art and design secondary school that prepare the majority of the young creative professionals from the city and its surroundings.

> *"What we have that is such a big generator or a kind of a resource, or a kind of our gem, is, in fact, we have a very good high school of music and art. It is a college-type school of art and music, which nurtures the creative potential and therefore Liepāja actually has such a creative potential."* (LI6F40s)

This school can be seen as one of the central creative and cultural education institutions in the wider region of Liepāja, however, there sometimes is struggle to convince other schools in the region to encourage their artistically gifted students to transfer to this school after the 9th grade to develop their talents more profoundly. One of the reasons why schools fight for each pupil is the national financing model that the "money follows the pupil", thus they see other schools as competitors for the available budget.

> *"This means that essentially every school, especially in the smaller regional centres, in villages and small towns are especially interested in keeping pupils there rather than allowing them to make their decision freely based on their desires or abilities."* (LI17M30s)

Not only the secondary education institutions are struggling to reach sufficient number of pupils, but also the local higher education institutions need to think about how to create an attractive university image and provide high quality and marketable study programmes. According to young people who have studied at a higher education institution in Liepāja, there is an interest from students from other places in Latvia to study in this city, however, not everyone is quite satisfied with the public image that the higher education institutions in Liepāja have created so far.

> *"I've also observed, it's not so that only people from Liepāja study at [name of the university]. Some people really come from other cities, because they see this city as attractive, and, who knows, after graduating from the university they stay here, and they have established contacts already during the study work, and they have jobs. And, it means, it seems to me, the image of the [name of the university] should be strengthened even more, it's not quite successful for now. It's not successful, because it's a bit lame, the*

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> *public relations and marketing are lame. Very lame somehow, I don't feel, while living in Liepāja myself, I don't feel any prestigious influence from the [name of university].”* (LI12M30s)

Liepaja offers a number of study fields relevant to the creative economy providing specialists in design, new media art, acting, philology and cultural studies, IT, smart technology, business, organizational, cultural as well as recreational and tourism management. Several interviewees expressed opinion that the secondary and higher education institutions should build even stronger collaboration with the local creative entrepreneurs and cultural organisations, who could support the practical teaching of young professionals in creative subjects.

> *“In my opinion the best way how to learn a profession is to acquire knowledge from experts within the particular profession, those who work in this profession on a daily basis. And I guess that this is what the [name of the university] lacks, and, particularly, the cultural management programme, that the school doesn't invite and employ people who work directly in the field of culture and who are professional in this field. Because while studying these four years, I have had such lectures in the study course, which I think were absolutely ... absolutely not on the topic.”* (LI24F20s)

At the same time, higher education institutions seem to be plagued by lack of finances for developing new study programmes and other issues, and it is also currently affected by the reform of the higher education system in Latvia, that demands increase in the scientific excellence.

> *“We are fighting to keep the university status, it is very difficult at the moment. Secondly, the university is constantly struggling with an insufficient funding. We are constantly lacking funding. For example, it is not possible to fund development of new study courses. That is all based on enthusiasm again. Not to mention some kind of technologies.”* (LI20F60s)

Despite the various nuances and shortcomings observed in the municipal and public administration's solutions to develop the creative economy in Liepāja, both the local creative community and public sector representatives see a number of directions that need to be improved to foster the city's cultural and economic growth. These include development of the non-governmental sector, promotion of creative entrepreneurship, improvement of the offer of educational institutions and cooperation with professionals in the sector, attracting students and young professionals to the city, including re-emigrants. At the moment, there are not many opinions expressed on how to use the existing pool of international students to boost the city's creative economy.

Social action

Social action as community organisation mode implies calls for inclusion of more marginalized groups in decision-making and allocation a larger share of community resources to these groups. This mode is also seen as a more radical type of community change which tries to review or rework various social practices and political decisions that would grant more rights to empower less represented groups (Rothman et al., 2001).

For the most part, the interviews did not show very strong manifestations of social activism in the local cultural and creative ecosystem. Yet some issues emerged that were bothering local creative community members and where they decided to take some action. Intense problems appeared during the Covid-19 pandemic and several locals expressed a deep disappointment with the strict restrictions on the cultural sector that were adopted in 2020 and 2021 to curb the spread of infection. Cultural workers tried to express their bitterness in different forms, including protests and campaigns. Nevertheless, they were left with a

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feeling that the views of the cultural sector are not taken into account when important political decisions are made in crisis situation, thus some of the cultural workers perceive themselves and policy makers as antagonists.

> *"Unfortunately these decision and restriction makers, very often these people are not one of us, they may not know. But perhaps very often they simply lack the time or inspiration look into this in depth, and therefore there are adopted some kind of decisions unfriendly to the particular field and without any empathy, which really affects so many people, particularly within the creative field."* (LI10F20s)

Some cultural activists in Liepāja started a social campaign "Do you need culture?!?" in 2020 to draw attention to the situation when cultural workers who could not work and lost the possibilities to earn their living and pursue their creative careers. Sometimes they felt that they were even shamed by the general public telling them not to complain but to re-train and take "ordinary" jobs, while the public spending to help people who lost their jobs due the Covid-19 maybe did not reach all the employed in the creative and cultural sector because of the alternative types of employment, e.g. authorship agreements, project based jobs, self-employment, for some, probably, also working partly in informal economy. This awareness rising campaign by the Liepāja cultural event organisers involved also well-known Latvian music celebrities to reach wider audiences.

> *"It was a campaign in order to simply raise this matter through creative tools and make people think. Well, but really in a suggestive way, not as a draft law or something. But, also [name of the Latvian pop musician] played a key role within this process [..]. We are working on many projects together, and he also established an association of self-employed musicians during this Covid situation, with a purpose to actually address the government and to speak with everyone else."* (LI10F20s)

Beyond the activism features of the pandemic, a slightly different picture is painted by one of the creative sector workers on the extent to which it is or is not accepted from creative and cultural workers to express political positions in public. This may affect their further cooperation with the local authorities, especially, if they have been critical of some political powers that have been in charge at a particular period of time. For some creative and cultural workers the political stance and defence of their political views seem to be an obvious part of their freedom of expression, they also see their role as empowering the community for social action.

> *"The only case of discrimination which I have encountered, that was a little bit politically oriented. Because I have been, if I may put it that way, politically active... I have never gone into politics, but what I have done is standing up for particular things at the municipal level, as well as expressing publicly my support for a political candidate, or criticized the current one, and that is when discrimination commences. [..] Let's say, if I have hosted an event while the specific political force is in power in municipality, and they have invited me themselves, and then some kind of... public exchange of views has taken place there, or I have expressed some kind of support, which is not in line with their ideology, you won't see me on official pictures. Or I have been included in some kind of lists of people not to be invited. [..] Currently we have many artists, but there aren't such a strong personalities. That is when I came to the conclusion that art needs resistance."* (LI9F40s)

In addition to political and civic participation from the cultural and creative workers directly to address the problems that the creative community is facing, there is also an understanding among several interviewees

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that cultural and creative activities are one of the most effective tools to bridge the gap between communities divided by the social and ethnic status in Liepāja and to create more sustainable and inclusive creative ecosystem. Some have voiced the need to bring art and culture to those residential areas where more marginalized groups reside thus making them feel more welcomed into the creative and cultural community of Liepāja.

> *"What we need, is a wider synergy with the entire community in Liepāja. And then we might talk about inclusive. The [name of a festival] takes place every year, and in recent years, there have been attempts to create some kind of projects directly in residential areas, in the urban environment, aimed at the general public, at any passers-by, actually. And it seems to me that this is the way we can accustom people to consuming the products of the creative industries."* (LI20F60s)

In general, the political and social activism of the creative community in Liepāja, although not identified on a large scale, tries to be visible, either through individual social and political advocacy or by forming cooperation and activism groups in response to specific difficulties in the creative sector, such as the Covid-19 crisis. The local municipality and creative and cultural institutions could also use the creative potential to work towards the transformation of the social and ethnic division in the city.

4.4. Case study of Pécs

Similarly to the case study in Liepaja, the interviews with the representatives of the creative community in Pécs were analysed according to the same principles and grouped into thematic clusters, which are revealed below. This section will also look at themes such as the identity of the creative community in Pécs, intangible and tangible resources of the creative community, as well as models of community organisation.

4.4.1. The identity of the creative community of Pécs

Belonging to the city of art, music and cultural heritage

Many representatives of the creative community of Pécs expressed their pride about belonging to this city with long cultural traditions and described it as a place that has a rich offer of art, music, cultural heritage and other creative expressions. The interviewed people admit that Pécs for them symbolises creativity and vitality, manifested in various events and festivals that take place in the city annually. Although many cultural resources seem to be concentrated in the historic city centre, creative and cultural workers with a wider knowledge of the local community practices believe that creativity is expressed in different parts of the city.

> *"The creative economy permeates the entire city. Not only the historic downtown is of paramount importance, but also the suburban parts. [..] The buzzing is clearly noticeable in the city centre, but the city is never said to sleep."* (PE22F30s)

For some, Pécs is associated precisely with its diverse music scene, which shapes the city's image as a bold platform for young musicians. The underground music scene gives the urban identity a certain character of rebellion and youthfulness.

> *"Pécs is the Hungarian Liverpool with many famous bands. [..] The underground bands are innumerable, there is this [name of the festival] which introduces them."* (PE16M30s)

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Pécs' image as a creative city seems to be known nationally, attracting a variety of creative people, artists and musicians to the city's atmosphere. This creative identity of the city has led to a greater interest from creative people.

> *"A lot of creatives come to Pécs....like artists and musicians. We can reach really a lot of creatives in the city and we can build on that."* (PE5M30s)

The history of the city Pécs goes back to early medieval times, it has an impressive architectonic heritage that shapes the visual identity of the old city, where many cultures have intermingled historically, leaving the city with an impressive cultural heritage. This environment is also appreciated among the local creative community, who consider this place as the next most vibrant after Budapest, the country's capital.

> *"I love the beauty and the cultural heritage. Spectacular, starting from really early history. Pécs could be highlighted as an artistic city. [..] I think artistic life in Pécs is the next most vivid in Hungary after Budapest. The artistic society is very good here."* (PE8F40s)

The city of Pécs was the European Capital of Culture in 2010, which brought a lot attention to the cultural development in the city and this status has also contributed to strengthening the identity of Pécs' as home to a varied and recognisable creative community. The European Capital of Culture status introduced a new dimension to the cultural offer, which also allowed creative communities and individuals to express themselves in a much broader and more diverse way, as well as to identify their city with this important internationally recognized status.

> *"When Pécs was the cultural capital, the programmes were very good. I love innovative and bold things. I miss them now."* (PE23F40s)

Achieving this status resulted largely in renewal of the local cultural infrastructure and building of new cultural spaces. While the municipality got quite a lot investment during that period, some of the interviewees consider that the city could have capitalized more on the former status of the Capital of Culture, using that as a brand-building asset for long-term purposes and creating a more sustainable strategies for supporting the local creative and cultural workers.

> *"Communication should be one more aspect, it would have been nice to really use that we were the Capital of Culture and move on with this in the future."* (PE6F50s)

Some cultural workers suggest that there was a substantial base of cultural resources developed during that period but there could have been more opportunities for the local municipality to bring these improvements further.

> *"The cultural industry should have been spurred on in the context of the European Capital of Culture, but it has become nothing. The government in power since 2010 has not had this as its priority."* (PE19M30s)

There is also a perception that through this Capital of Culture status, a greater desire to compete with the Hungarian capital has been created, in a way creating a juxtaposition with it, rather than focusing directly on the internal processes of the city's creative community and its development.

> *"I do not consider the European Capital of Culture to be a failure. But I find it damned that we wanted to build a cultural decentralization against the capital. That shouldn't have been the case. Let us be a regional centre that addresses other countries, but we must not work against something."* (PE11M40s)

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Overall, the city's creative and cultural workers are proud of their community, its history and its status as European Capital of Culture in 2010. There is no shortage of creative people in the city, but the question of whether this Capital of Culture status has been used to its full potential for the future development of the creative sector and community building is not assessed unanimously.

Rivalry with the capital city

The city of Pécs is more than 200 km away from Budapest, the capital city of Hungary. It is located in the Southern part of Hungary, in a region that shares a border with Croatia. Although the city with more than 100.000 inhabitants is the fifth largest in Hungary, many interviewees assert that the whole country is Budapest-centred and it drains a lot of the creative and intellectual resources from the regions.

While there are people who have left Pécs to work in the capital, others, including freelance creative workers, especially those who can work remotely, seem to benefit from collaboration with the companies based in Budapest while dwelling in Pécs. In a way they can benefit from the resources of the capital city, not leaving their hometown, if they succeed in marketing their products and services to the target audience.

> *"I work as a freelancer. It means that I work for an agency based in Budapest and I have also other clients."* (PE25M40s)

While some are satisfied with cooperation with the capital, others are more disappointed about the peripheral status of Pécs in relation to the capital. Either way, this kind of rivalry and comparison emerges as a specific feature of the identity of the local creative community, who wants to contrast itself with Budapest and stands up for its distinctive status. Quite often this resentment is connected to lesser economic opportunities, income disparities and competition in the market, yet some entrepreneurs find ways how to promote business with their identity and origins from Pécs and compete on the national market from their hometown. Still, this results in less income for the same amount of work, as they also have to offer lower prices than the competitors in the capital city.

> *"I also had a personal campaign like this – "professional quality, rural price". [..] But I experience that a lot of people love Pécs based entrepreneurs, so I had customers from Budapest who told me that they look for Pécs enterprises, because they know we are so creative. Somehow they realize the creativity and good quality and they know we work for rural prices."* (PE17F40s)

When intercity collaborations do happen, the entrepreneurs from Pécs and from Budapest are not considered as equals, and the competition seems to be fiercer, according to the experience described by one of local entrepreneurs. But they still identify themselves as similarly capable in the creative sphere, trying to fight stereotypes of people from the regions as less powerful market players.

> *"We work with the Budapest people too, we had a lot of nice and not so nice experiences. We need to bear the countryside handicap. We need to work on this a lot. People do not believe that I want to really work on something and they would rather choose a Budapest based firm. I have to stand up for ourselves. [..] My spirit tells me to always look up because sky is the limit. We are not different from producers from Budapest."* (PE18M40s)

The physical distance from the capital can affect also the emotional and interpersonal distance among the members of a specific creative communities of practice, as demonstrated by a person active in the field of literature based in Pécs. The knowledge of valuable information and collaboration opportunities often are exchanged in more informal physical settings which require human presence to make more out of the professional networks.

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> *"All the book publishers are in Budapest. [..] It's like when you don't smoke, the others go out to smoke, and you're left out of everything. This feeling. You need to deepen your relationship with people, but if you're away, it's strictly limited to work, it doesn't deepen human relationships."* (PE23F40s)

Judging by the attitudes of local creative community representatives, they often feel opposed to the capital, both in terms of economic opportunities and of the concentration of creative community resources in one place, which reduces formal and informal networking and the benefits of day-to-day work. However, there are people who find opportunities to work remotely or to provide services to companies in the capital, but this is through overcoming certain disadvantages and stereotypes.

Uncooperative mentality

Despite many cultural connections and creative expressions in the city, some members of the creative community point out to characteristics of their contemporaries that seem to hinder development of the creative economy in the city. One of them is the limited collaboration skills and the focus on competition rather than cooperation among local entrepreneurs and creative workers. The individualistic approach of not crossing the borders of one's discipline and rather mingling within an enclosed professional circle is observed to be present already among university students.

> *"In the past, writers and artists moved together. Together they went to a cafe, a cinema, a pub. Now it is not happening. Those who listen to art history or aesthetics should know their contemporaries. I think it would be important to bring this together even in education. I think that would help a lot. Respectively, communication. I don't see any cooperation. Someone should be open. Maybe the university. This attitude should come back. The competition goes on while they should work together."* (PE14M30s)

Ideas to develop a creative economy breakthrough through closer cooperation between local entrepreneurs and organisations are often met with internal antipathy and competition within the creative community. This is illustrated by the example of initiating cooperation projects by one of the public administration institutions that facilitate collaborative projects.

> *"There are serious obstacles when local entrepreneurs tell me that they, for example, don't want to work with others. Involve 20 entrepreneurs in one project so that 10 don't hate the other 10. So that there are also personal conflicts between entrepreneurs within a given sector. [..] The basic position is that everyone is our opponent. So that we are in a competitive market and everyone is competing with everyone."* (PE4F40s)

At the same time, Covid-19 restrictions and economic slowdown have forced some entrepreneurs to change this lukewarm attitude towards one another and allowed some positive change by inviting former competitors to look together for some new ways how to keep their businesses running and trying not to shear off each other's customers.

> *"They say, come on, let's make friends because they won't climb out of it alone. Because it won't get any better. In addition, it must be recognized that each of these, so each business, really has its own target market." (PE4F40s)*

Also the recognition that their target groups are not always overlapping and they could adapt their services to different segments of market, could facilitate a more collaborative business atmosphere instead of mutually exclusive approach. There are already some initiatives that facilitate cooperation among creative entrepreneurs or some cluster members, looking into ways how to get into more long-term projects.

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> *"I see such aspirations, we also have concrete examples of such projects in the cluster, our community is very inclusive. Entrepreneurs should deal less with competition, it would be more expedient to start working on a cooperative basis."* (PE22F30s)

Some entrepreneurs admit that, among other issues, they have not developed their communication and marketing skills so well or their personality traits are standing in their way of attracting new clients, workers and business partners, and that altogether could have been one of the reasons why their search for collaborations inside the local community haven't flourished.

> *"The fact is that I put more energy into networking, gathering information during the Covid period. In the first wave, I kept advertising stuff for free, but no one signed up… I'm obviously doing something wrong. It is often said that I am too determined and tough. I have to look in the mirror too, but I feel old enough not to change myself. I am very happy to clash my opinions with others. There is nothing better than engaging in a good professional discussion."* (PE24F60s)

The difficulty of collaborating and communicating successfully within a creative community can be a barrier to further co-creation and developing innovative interdisciplinary ideas. Opportunities to get to know people from other specialities and professions would be desirable already during the study period, allowing early establishment of good contacts that would be useful in later when entering the work market or establishing a company.

4.4.2. Creative community resources

Intangible resources

Knowledge of other players and relationship building across the creative community

Although the local creative community has pointed to problems in communication and collaboration, these two things are considered to be the key to optimal functioning and development of the creative economy. Knowledge of other players in the sector is essential for many creative professions, whose work requires the exchange and synergy of different skills to achieve the desired results.

> *"I think is very important for entrepreneurs in the creative industry to understand that they need to build a very diverse relationship, a relationship of many qualities."* (PE4F40s)

Knowledge of the local creative community and the creative organisations and entrepreneurs is also highlighted as an important facilitator for the local audience and customers to choose the local production and thus promote the growth of the local creative economy.

> *"Well, people probably need a definite change of attitude. I had a project proposal to discover local creatives, so people would be informed about locals, and they do not need to travel to Budapest to find the things they want. "* (PE3M30s)

Relationship building can be a highly demanding reciprocal process, requiring intensive networking and exchange of tangible and intangible values in order to maintain one's position within the creative community. Some community members recognise that they have limited skills and abilities to extend their circle of contacts beyond the usual daily contacts.

> *"I am very bad at relationship building. University is important, and the environment. But I couldn't say anything else."* (PE8F40s)

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Reciprocity is also present between members of different creative professions, who see themselves as working towards common goals within the creative community. Similarly, creative entrepreneurs who go beyond their own self-interest and advocate for the needs of other players in the market also help the community building.

> *"Appreciation is also important when professionals stand by me. It was a huge success for me when I was called by a painter that he was in a situation where he stood up for me and defended my interests. Because our interests are parallel. When market participants stand up for each other. A market arrangement is successful when market participants do good to each other because it takes it forward."* (PE16M30s)

Overall, the interviewed creatives from Pécs consider knowledge of other members of the creative sector as important community building resource that can help improve the chances of business development across the sector. At the same time people admit that communication and network building is quite time consuming and also complicated, much trust and mutual respect should be shown to enable long-term relationship and benefit from it.

Community as a resource and a bridge to career and business development

While some members of the creative community of Pécs lament the lack of collaboration and network building skills and opportunities, others, on the contrary, deliberately build on their wide circles of acquaintances that help them to find new business opportunities and embody a certain status of a resourceful person in the local community.

> *"I have a very large relationship capital, I have consciously built this for several years and I use this as well. I hold my hand on the pulse of the city. [..] Acquaintances are looking for me to answer their questions because they know I know the situation. Many people associate my name with knowing the artists. [..] I know a lot of people from different places, cultural centres, cafes, pubs. This is a consciously crafted thing. I like to be clearly visible and noticed."* (PE14M30s)

Knowledge of other entrepreneurs in the sector as well as having a loyal circle of customers often serve as a connecting thread in running one's business, when referrals and recommendations serve as the main channel of new commissions or orders.

> *"I'm in a lucky situation because I don't have to search for new clients myself because to this day I have always had enough clients and my clients recommended me to each other or to new clients, so that was the method how I got new clients."* (PE25M40s)

Sometimes companies and individual entrepreneurs who deal with creative technology solutions use the opportunity to team up with each other, and also exchange their resources, occasionally renting the necessary equipment one from another, or joining forces for larger projects.

> *"Many times with [name of the professional field] we are either suppliers or customers. Sometimes I ask him for a tool, sometimes they ask me for a tool. You can put together a team from an existing circle. I think it's important that this can be done by helping each other."* (PE12M30s)

Still, the amount of networking, contact seeking and possible benefits from having a solid knowledge of the sector vary, e.g., between the company owners/staff members at leading positions and employees who work for them. While some employees might be in a more disadvantaged position for building a professional network at their job, especially if their job responsibilities do not involve direct communication with partners

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or clients, employees who have more direct interaction with the customers, consider that they benefit from their employers' professional networks, which they receive access to when performing their work duties.

> *"You also build a lot of relationships already in your work. And obviously, it's easier, because [name of the company owner] needs to have relationships, from then on we get the job and do it, but as soon as we have the job, we communicate with the client and from then on I build relationships too."* (PE7M20s)

Some artists hardly reach wider audiences than the circles of their closest network of acquaintances, who express support by buying their artworks. Sometimes the artistic community seems to be revolving around itself, providing both the supply and demand side for the artistic creation.

> *"So far, those who have bought from me have mostly been artists and teachers. People related to art."* (PE15M30s)

This example, however, also could indicate the lack of sensitizing general audiences to the value of artworks and cultural products, which shows that the cultural consumption patterns are quite different between people who belong to the creative community and those who do not. On the other hand, the distance and lack of understanding between the wider community and the artist circles could possibly be signalling about a somewhat elitist environment in the art sphere.

Overall, belonging to the local creative community can open up new opportunities for those who themselves are seeking to build a wider network of contacts and interact with other players in the field to promote their business and strengthen their position and visibility in the market. For those employed as creatives in a company, the situation may depend on whether the work involves dealing directly with clients and whether the employee can build their network as a result. Some artists and creators tend to stay within their own community, where the main clients are also members of the community.

Local and international recognition and audience development as a driver for success

Local creative entrepreneurs acknowledge that their visibility and recognition in the sector is what helps their companies succeed. At the same time, it is more often about the personal recognition and status in the creative community rather than the name of their company which plays the biggest role in building the partnership networks.

> *"I have an employee to communicate for me, but basically I like personal relationships. And I can't even really delegate my person, because I am some kind of a face of the company. People connect everything with me personally even though I tell them not to."* (PE18M40s)

Those who work more with product design and creating visual artworks more often rely on the social media for building their community of followers and potential customers. There are less opportunities to interact with wider audiences face-to-face, therefore appreciation expressed with "likes and comments" give the expected feedback and appreciation to the creator or performer, even if it does not directly result in a purchase.

> *"Success is not always related to business, success is to put it in one of the Facebook groups and get 5 thousand likes and get messages from people about how beautiful the [type of the product] are. Recognition coming back from the audience is like applause in the theatre, because the actor does not only do it because he gets paid, or earns a lot, it's not the point. But what he gets is feedback from there, that he's good at it."* (PE3M30s)

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There are artists who have set exquisite personal standards of their preferred professional status in the creative community. Those who have high ambitions to become recognized artists do not want to engage with producing consumer products which could bring them more income today but distract them from their goal to reach artistic excellence. Some therefore express more dismissive attitude towards engaging in commerce for its own sake.

> *"I set boundaries for myself. Even if I have to eat bread with margarine for 3 days, I won't make garden dwarfs either. My mother told me to make prints with horoscopes on them. But I don't want to serve people, I want to use my own art. [..] . I once had a pub conversation with older sculptors – a man and a lady. The man asked me if I was career oriented. It was all built in the word "career". I told him that sculptors who choose this profession to make a career are not good. It can be a career for a doctor or a lawyer, but not for someone who is into art. I want to create an oeuvre so that at the end of my life I can show what I created. I made it for the world. I don't want to be a fancy artist, although the recognition is appreciated."* (PE15M30s)

There are creative and cultural organisations whose main tasks are to preserve art and heritage, and educate and involve audiences in understanding and appreciating cultural and artistic processes and values. Although there are organisations that work effectively to interact with wider audiences, there are other institutions that get some critique for being too passive in audience development, which then results in a lack of vibrancy and attractiveness.

> *"The [type of cultural institution] has triple functions. Research, value preservation, presentation. They put the pictures on the wall and that's it. They don't care who goes into the showroom. [..] It needs to be brought closer to the people. [..] They live comfortably but they are not modern or have a contemporary attitude. Teenagers don't care. It could be made interesting for them, but there is no openness."* (PE11M40s)

In addition to building local audiences and partnerships, some creative entrepreneurs explained that they are looking also in the direction of international recognition. International visibility somehow seem to play a strong role in convincing the local-level audience that the creative or cultural worker, their product or company are successful and therefore should be more respected locally.

> *"We are trying to invest more energy in what is generally national recognition [..], and this is supported by the international recognition, which does not interest us so much, but unfortunately it is such a stupid trend in Hungary, if foreigners know it, you can already be someone here, but the opposite is difficult. And as long as you're known abroad, you'll be known at home too."* (PE3M30s)

Generally, different creatives and companies have different approaches to growing audiences. While some emphasise the benefits of engaging more deeply with the local audiences, others are more concerned with reaching new targets on a national scale, boosted by international visibility. At the same time, there are artists that are reluctant to betray their personal ambitions and values in order to cater to popular tastes and demands, not necessarily being interested in reaching as wide an audience as possible, but looking for a quality relationship with it.

<u>Changing society attitude towards the status of creative work</u>

Many interviewees expressed their concern and disappointment about the existing attitudes towards artists and cultural work in general and the lack of overall understanding and appreciation of this sector. A reoccurring topic outlined the limited financial opportunities for creative and cultural workers and ability to

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ensure their subsistence from creative work. For example, the underlying concern about financial stability can be an inhibiting factor for parents to motivate their child to choose a career in the creative sector.

> *"We need a change of attitude. Now that I am teaching, I see that when a child starts drawing and is interested in it, the parent immediately worries about the child's livelihood. Things should be evaluated differently."* (PE15M30s)

The insecurity and instability of creative business is something that concerns a lot of local creatives. In a way, art and creative activity is seen as a kind of distant phenomenon from traditional commerce, where market principles don't really work, but a different kind of pricing policy is expected, and the general public is often unable and unwilling to pay adequate price for high quality artistic creation.

> *"The city is full of inspired artists. The bad thing is that they are hungry. They should be given a normal financial esteem. They don't have to compete with each other. We live in a market economy, but they go down in price all the time, and that is detrimental to the profession. Customers should also understand this. We need more market awareness. I really miss the awareness that is good for the local economy."* (PE16M30s)

Also the inherent feeling that the city of Pécs is considered to be a province in comparison to the capital city makes a number of creative workers feel insecure also in their daily work. The creative community of Pécs sometimes seems to lack self-esteem and autonomy, which is manifested in viewing themselves from the perspective of the capital, rather than seeking the inner strength to represent themselves as a self-sufficient creative community.

> *"Support should be one and a change of attitude. As a girl from the countryside I am considered to be different, but I would be handled differently if I were someone from the downtown of the capital. Social acceptance makes a big difference."* (PE6F50s)

After all, one of the preconditions for the development of the creative economy and culture is a change in attitude towards the creative and cultural work as an occupation and as a viable livelihood. If society becomes better educated and general prosperity increases, a better understanding of the value of art and culture could emerge. This would also allow creatives to get more appreciation and economic security that would benefit the sustainability of the creative and cultural sector in long-term.

Tangible resources for developing Pécs creative community

Creative physical spaces as pre-requisite of building diverse creative community

The Pécs creative community is no different from others who want more accessible spaces and places for creative expression, co-working and creative entrepreneurship. That would help building more frequent and lasting collective interaction and collaborations in creative economies. Local artists say that the opportunity to meet other creatives, to interact in their daily work and at events, helps to inspire their creativity. In turn, the desire is for spaces that are not too formally organised, in order to create an opportunity to easily exchange ideas and try to build new collaborations.

> *"There should be a space where creative people have the opportunity to exchange experiences and meet. They need stimuli."* (PE23F40s)

Young students and emerging professionals in creative and cultural field would also like to see similar creative hubs in the city, where artists from different fields could come together and have access to various workshops and locations, where young professionals could collaborate and learn from experts and experienced artists.

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Young people are also looking for greener lifestyles and more sustainable business practices in the organisation of such spaces.

> *"A house of culture would be very good with different branches of art. Music, dance, crafts. It would be a knowledge centre-like place with programmes, classes, shorter and longer courses. It would make it sustainable to have artists to lead all of this and for students to stand by them and learn from them. This could always expand the presence and give more talented people a chance. We can also look at sustainability from an environmental point of view. Operate these places with renewable energy sources. Separate waste collection, small buffet."* (PE21F20s)

One of the options that has been put forward, which would be of interest to many creative professionals in Pécs, is to use an empty building for creative activities and opportunities to develop both creative entrepreneurship and to be open public. This could be achieved with collaboration between the public sector and the non-governmental sector or creative and cultural entrepreneurs. By revitalizing an empty buildings in this way, it could also contribute to a more sustainable urban development.

> *"There are plenty of creative and artistic people in town, however, I really miss a huge building that is reserved specifically for them to connect them with the general public. I would also like to create such an implementation plan in the cluster, in which I hope for the openness of the city management. There is a new city leadership right now, we hope they will be more open to developing similar ideas. I think the role of the Chamber of Industry and the local government in this type of work is definitely important, so they would be best places to find a solution for this lack of empty buildings for reuse."* (PE22F30s)

Adapting and dedicating a part of the urban space to cultural and creative workers would bring additional benefits not only to the creative community, but to the municipality as a whole. Developing more interesting and appealing places to attract tourists would also benefit the municipal budget.

> *"It is a huge problem that Pécs doesn't use the good ideas... Actually I think a lot about Pécs. Why are we here at the [name of a creative quarter]? I always go past [name of an area next to the creative quarter]. It is a potential place to give something new. It could be connected to [name of the creative quarter]. It would make it more attractive. Why do people come to Pécs? Museums, Zsolnay, Csontváry exhibition. I said that we as artists would need a building. On the other side, creating a creative shop street. I have these ideas. Is it utopistic? I think this should be done. That could recreate tourism in Pécs. But there is no support unfortunately. There should be unions, collaborations. The museum should be around there. These values should be together."* (PE2M60s)

Many members of the local creative community envision and want to see the creation of a centre in Pécs. This would involve many creative and cultural workers in its creation and organisation, finding different ways of cooperation, representing different sectors, creating opportunities for creative work, showcasing, organising cultural and educational events and being an accessible space for creative economy development.

University as the stronghold of the creative community in Pécs

The creative community of Pecs not only longs for a new community and business centre for the creative economy, but also sees great value in the regeneration of the creative community, where the local university plays a major role in training new creative professionals. The University of Pécs is a long-established and traditional higher education institution attracting students from the surrounding areas and also other

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counties. Many of the interviewees from the creative community are graduates of the university and speak positively of its training of new professionals.

> *"I think University of Pécs has a very good reputation in the country with its professionals."* (PE17F40s)

The provision of art and culture studies are also highlighted as important directions, attracting many young and promising artists to the city, and ensuring the continuity of the creative and cultural community in the city. While the university expands its educational and training possibilities, the allocation of financial resources does not seem to be evenly distributed, according to the views of the local creative professionals. Locals would like to see that the university becomes more competitive nationally to avoid student drain to the capital.

> *"Also, I would like to highlight, that in Hungary, the centrum-periphery issue is really happening in higher education. Budapest has a very strong effect on the countryside's universities, they take away our students. A lot of state support is there. Yet, universities from the countryside are getting better and better."* (PE1F50s)

The university has art departments and it also hosts a gallery where students can apply with their exhibition proposals. At the same time, not all students seem to be fully satisfied with the existing opportunities for exhibiting their artworks and hope to get more opportunities to get involved in the art scene. Those students who have had possibilities to go on international exchanges also see where the improvements could be implemented by referring to the best practices from foreign universities.

> *"What I've experienced in many places, is that foreign universities, for example, have better connections to galleries. There is the [name of a gallery] in Pécs, with which the university is connected, but it is quite a special place."* (PE10F20s)

University of Pécs also aims to attract international students to its programmes, thus increasing the number of students and raising the international recognition of the institution. While the number of foreign students seems to grow, some employees and local students question the capacity of the university to deal with this influx efficiently from the managerial and resource planning side.

> *"We have a huge number of foreign students, which brought a different life here. At our department, we have as many foreign students as Hungarians. It is a lot. We can't even handle it. English programme is not paid well. We told this to the management. It takes some time, of course, because we started the programme 2 years ago. It took Pécs in a good direction, however."* (PE2M60s)

On the one hand, university and city benefits from influx of new students, but on the other hand some local Hungarian students feel a certain competition for financial resources and for the quality and accessibility of education and accommodation, which they perceive as unfair.

> *"What I see as the biggest disadvantage is not necessarily related to the creative sector, but it is important. There are a lot of foreign students in Pécs, the university gives them a lot of support. The city builds on foreign students. This is also reflected in the rental prices. However, as a Hungarian student, I did not feel that I was sufficiently cared for. The university is not prepared for so many foreign students. There was a time when I had to interpret for the teaching assistant. I received a very low scholarship while a foreign student received multiple ones. They also received it from the state, the university, and their own country."* (PE9F20s)

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Given that the university as a whole is an important developer of the creative community, other considerations should also be taken into account to encourage graduates to stay in the city, to have access to spaces for creative work, studios, rehearsal rooms and other resources, as well as spaces for running small businesses and creative organisations. Some local members of the creative community feel that the city does not currently have enough of these resources to be successful in the creative and cultural sector.

> *"I must mention that, thanks to the university and economic measures, rental and property prices are terribly high, and I am not just thinking of the residential users here. Few* CCIs *players have the opportunity to rent their own space, making this difficult everyday."* (PE22F30s)

While locals point to things that could be improved about the university and its impact on the wider functioning of the creative and cultural ecosystem, they are generally positive about the higher education institution. The university recognises its role in strengthening the identity of a creative city, regenerating the creative community through training new professionals, and attracting new creative and talented people to the city, filling it with a student atmosphere and multi-directed creativity.

4.4.3. Organisation of Pécs creative community

<u>Locality development</u>

The views expressed in the interviews on the active involvement of the community in its self-organisation are directed in several ways. One of the ideas which could encourage a greater community involvement in its own development is less adherence on a provincial identity, which is linked to its peripherical location, insularity and passivity. Internal activation and the ability to develop more resources for the creative community in one's own city are seen as a major step towards the community being more able to stand on its own.

> *"The bad thing is internality. We have become a limit to ourselves with provincialism, and that is achievable with action. Let no one from the outside tell us what to do, we know."* (PE11M40s)

A number of creative professionals, in particular young artists and students are looking for their interest representation groups that can lobby more broadly for their needs as upcoming professionals in the creative and cultural sector. The need for associations and advocacy groups are seen as possible chance to affect decisions of the public administration in favour to the creative and cultural workers.

> *"How will I make my money for the potter's wheel, the oven, the studio? This is a huge problem, especially in a city where there is an arts education. We produce 30 ceramicists in 5 years, but approximately 5 people continue as potters, that is a crappy rate. Obviously, the finances are the biggest problem, and to get started. If there is no help from family, they have nothing to go on with. I can go to work like an office work, bartending. An association would be a huge help in this."* (PE21F20s)

In this context, some private initiatives are emerging to create youth hubs that would help young people to learn a creative profession from experienced creative and cultural sector professionals, and in addition represent their interests more broadly through associations and self-organisation within the creative community.

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> *"The other important part is teaching and education, vocational training for photography students. Now I have around 60 students. [..] We have big plans. Now for example we would like to establish an association to help the young. Also, I'd like to establish a creative industry education centre. It would be a serious educational centre."* (PE5M30s)

Several professionals in their fields asserted that they have the capacity and potential to help young artists to integrate into the creative community and the market, contributing their knowledge and experience to help regenerate the creative community and support particular professions.

> *"This is how the training of the young people is done. If someone wants to become a [name of a field in arts], we help them learn, we don't keep the market away from them."* (PE12M30s)

As some creative and cultural workers assert, it is often personal initiative and passion for change that drives development, and this activity needs to be promoted in partnership with local government, which manages the allocation of resources and the implementation of major development projects.

> *"I always try to be very active in developments and tried to start programmes where creative industry and applied arts can be developed. Pécs had a very nice creative industry and a lot of applied artists are here, but a lot of them went to Budapest unfortunately. I feel that this is one of my missions to reorganize and replan this."* (PE2M60s)

In general, the internal organisation of the creative community itself depends to a large extent on personal leadership and initiatives to build its representation at municipal level. A number of creative professionals also see opportunities for self-organisation into associations and societies to achieve the necessary goals. In addition, multi-generational cooperation is welcomed where experienced professionals take on the role of bringing new professionals into the creative community.

Social planning

In terms of approaches to organising and intervening in the creative community from the part of the public administration, many local creatives have found them rather unsatisfactory and disappointing, as has been expressed in many interviews. Still only few elaborate more on what they mean by the "political situation" and what are the questions that they find bothering in the way how the resources for creative and cultural sector development are managed.

> *"Look, I love Pécs. I think it is a very nice and good city. When one speaks offensively about the city, I always tell you to drive or walk around town as if you were a tourist. This is the tip of my heart, it is very beautiful. Besides all, you have to go to the [name of a creative quarter], the [name of a historic religious building], and a lot of cultural institutions, of which 80% of the people of Pécs have no idea. I am very sorry that the [name of a creative quarter] was ruined in this way, but there is still a huge opportunity in it. There were a lot of wrong decisions, but it didn't matter. That is very regrettable. This is sad on a national level as well, I don't think it's the city's fault. In 90% of the cases, the city has always been on the opposite political side. Anyway, I don't want to talk about this much. Maybe your grandchildren will see something else in the place of democracy and culture. We need to learn how to handle politics. Everyone is increasing their own wallets, but unfortunately this is normal."* (PE24F60s)

For the most part, members of the creative community are rather cautious in their criticism of the political situation, which also affects various public institutions and organisations and the distribution of existing

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resources. However, creative and cultural workers also have faced some difficulties in gaining access to public resources if they are not supporters of the ruling establishment or are not involved in specific cultural and arts organisations that distribute financial support.

> *"First of all, financial [challenges]. Many times it was a huge struggle to get money for certain works, I had experienced discrimination because of personal disagreements. It took one year for me to get the money for that project. There is a central organization that provides money, but I don't really want to be part of that because of their attitude. Politics regularly influences them, these organizations are based on ideology, not expertise. I don't want to talk about this too much in the interview because I think it is a very sensitive topic to talk about political issues."* (PE8F40s)

At the same time, many creative entrepreneurs, especially small and medium-sized organisations or freelancers, see many problems in the support tools available for setting up and expanding creative businesses. Some feel that it is not possible to be fully transparent to operate a business in order to make a sufficient profit and cover all expenses and taxes. Many wish that some tax reductions could be tailored to certain sectors or workers to make them more competitive in the market.

> *"The whole Hungarian economic policy is a joke. You have to find side paths. You can't do everything legally, because most businesses would die. There is a very, very high VAT and the money you have to pay for your employees. If you do not have a huge amount of money at the beginning, it is impossible to stay afloat."* (PE5M30s)

In addition to the tools that the authorities could use to promote creative entrepreneurship and the diversity of the cultural environment, some believe that the mentality and value system of some people in Pécs is also different, which they feel is reflected also in the city administration.

> *"I think Pécs has different bad things but this distance from the capital generates another kind of thinking in the heads of the leaders of the city. It is not so western or European thinking but it is a kind of Balkan thinking."* (PE25M40s)

Despite the fact that many seem to be rather disappointed with the work of the public institutions of the municipality, local creative workers are hopeful that the city will evaluate the locally accumulated knowledge, skills and creativity and find ways how to use their creative resources wisely and support the development of the creative economy in a sustainable direction.

> *"The good thing is that there are a lot of creative people, there are a lot of educated people, but it is also bad. Too many hunters for a few seals. A balance should be struck. This would be a big challenge for the city management. Have external insight and internal strength."* (PE11M40s)

Local creative economy actors expect more democratic and inclusive changes in the way the sector is governed, looking for more opportunities for development and access to public resources, regardless of political preferences or influences. Better support mechanisms for creative entrepreneurship are also expected, for example by reducing the tax burden for small creative enterprises or self-employed. Local people also believe that a change in attitudes towards the sector in general, including in government, would make a big difference.

Social action

A general support for more social activism and a more cohesive creative community to represent its interests has been expressed in several interviews, but no specific discussion of how such activism would stand out in

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the city was recorded. The ability and courage to build activist movements is attributed to the cultural characteristics of the mentality of the whole nation, including upbringing, education, cultural and historical context and other social practices that seem to have influenced the wish, skills and justifications to self-organise.

> *"Interviewee: I may see it wrong, but I miss the creative community that works with creativity in guerrilla programmes. This could be offbeat and unexpected.*
>
> *Interviewer: Does it depend on policy makers or the creative community?*
>
> *Interviewee: This may include the Hungarian mentality. We are not form-breaking.*
>
> *Interviewer: Is it due to fear?*
>
> *Interviewee: That's what we grow up with. Hungarian children are much less free, they are much less able to think independently. It starts here.*
>
> *Interviewer: So it depends on the education system?*
>
> *Interviewee: Yes."* (PE23F40s)

The change in educational approach and also the shift of values and attitudes that could bring more people closer to the creative and cultural sector is seen as a possible enhancement that is needed for the local population, including changes in how the art and cultural subjects are thought at school.

> *"If you want to develop a cultural industry, you need people who are culturally inclusive. Creativity cannot be taught, but an environment can be created that supports this. This will transfer you to the field of education. Educating the love of art, this change is needed. This should involve cultural institutions from the city. You could have art fairs where you show the kids drumming, or ballet, or whatever."* (PE19M30s)

Not only does the promotion of cultural and creative expressions seem to be an issue for the education of the new generations, but the recognition of the creative economy as a fully-fledged business sector is an important issue. One of the representatives of the local creative community thinks that participation in social action is unfortunately not that common, not least because the entrepreneurs who actually work in the sector do not always feel part of it themselves.

> *"Unfortunately, the concept of cultural and creative industry is not so well known in Hungary, our mission is to make people understand this as widely as possible. And by people I mean not only general public or decision makers, but also those who are part of the sector. Many people don't even know they belong in this sector."* (PE22F30s)

Finally, several members of the creative community believe that the main way to bring about change in community organisation and development is through generational change, or at least a greater involvement of younger generations in community governance processes. There are members of the younger generation who feel that their voice is not represented in community interventions, especially when it comes to progressive and innovative ideas that appeal to young people.

> *"The local smallness and woodiness is the mentality of Pécs. Unfortunately, there are also generational problems, the old ones don't let us go there for things. Young people are said to be stupid because old ones have been doing it for 20 years. But I'm saying it's been crap for 20 years. But the old people still won't let us in. Because the shortcomings are revealed. I'm not saying I accept that, but I understand. I'm getting old too. But keep in mind that*

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for 20 years you told others what to do. There are very intelligent people who can step back and let the young people in. It's more important to be good to the city or the community, not good to me individually. Let's not stick to our positions." (PE11M40s)

The interview participants express ideas how socially active members of the creative community should act in order to promote more positive change in the directions they want to see in their sector, but the manifestations of social activism itself are not particularly visible at the moment. Some believe that it is necessary to teach different values and an independent way of thinking from an early age, which would encourage social activism later on, enabling people to stand up for the interests of themselves and their community. Second, there is a need to strengthen the recognition of creative economy as fully-fledged forms of economic activity in society at large. Finally, one of the ideas expressed by creative people in Pécs is the need for an intergenerational collaboration in cultural organisations and public administration to allow a circulation of actual and innovative ideas and initiatives, involving also younger members of the creative community in decision-making and implementation.

4.5. Conclusions on identity, resources and community organization patterns in Liepāja and Pécs

The analysis of the creative communities in Liepāja and Pécs shows a rich interpretation of how these communities in the creative and cultural sector describe their identity, community ties and networks, as well as outline the available and desired intangible and tangible resources. It also outlines the ways in which local creative communities are organised or self-organised according to the Rothman's et al. (2001) model of community organisation.

Although the analysis part focused on each of the creative communities separately, the summary will present a tabular overview of the main findings, highlighting the characteristics of the creative communities found in the analytical sub-categories. However, the aim is not to compare these communities on identical parameters, as each is linked to a specific locality, culture and historical context, but rather to present the conclusions in an illustrative format. Moreover, the specific findings presented do not exclude the possibility that similar or related characteristics could also be observed in the other community, but the characteristics listed in this study were more prominent in the collected data. (Table 9)

Table 9 Identity, resources and community organization patterns

LIEPĀJA	PÉCS
Identity	
Pride as community strength Pride in belonging to a particular city and region is a characteristic of the creative community in Liepaja, and is generally seen as a positive trait that makes one feel more part of this local community, as well as strengthens one's resilience to changing circumstances and to stand out in competition with other cities.	**Belonging to the city of art, music and cultural heritage** Pécs' creative community are proud of belonging to this city with a rich cultural history and heritage, and for its status as European Capital of Culture in 2010. There is no shortage of creative people in the city, yet they question whether the status of capital of culture has been used to its full potential for the creative community development.
Bohemianism and free-thinking spirit Identifying their city and community as free-thinking and bohemian, many locals see this as a positive feature that gives the city a special aura, attracting visitors who	**Rivalry with the capital city** Local creative community members often feel opposed to the capital, both in terms of economic opportunities, income level and the disproportional concentration of resources, which reduces formal and informal

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appreciate artistic freedom, creativity and a relaxed and independent lifestyle.	connections in the sector. At the same time many strive to form collaborations with other entrepreneurs from the capital city to be more competitive on the national scale.
Reservedness towards others Among the less desirable qualities, there is a closedness and distrust of others, especially those who are not considered part of the 'native' local creative community and are newcomers to it. Similarly, introvertedness and a lack of diverse international cultural exchange experience are said to hinder cooperation and innovation.	**Uncollaborative mentality** The difficulty of collaborating and communicating successfully within the local creative community creates obstacles to co-creation and innovative interdisciplinary cooperations, if the members of the creative community are busy with mutual outcompetition. Opportunities to get to know people from other specialities and professions is expected be more encouraged both in study period and with establishing more informal professional organisations.
Creative community resources	
Intangible resources	
Belonging to interest and professional groups The way in which members of the local creative community identify their belonging to it is often through membership in interest groups, volunteering, or belonging to professional groups or organisations. Many start to build their position within the creative community either already during their studies or through experiences in different creative workplaces or collaborative projects where young specialists are familiarised with the practices and actors of a particular community.	**Knowledge of other players and relationship building across the creative community** The knowledge of other members of the creative sector is perceived as an important community building resource, that can provide access to a wider range of opportunities for entrepreneurship and creative work. At the same time, people admit that this network building requires a lot of time and inner capabilities, however, if it is established, it is more likely that people will stand up for other community members in case of need.
Proximity of creative community and trust as prerequisite of collaboration The accessibility and proximity of the creative community is highly valued, allowing easy access to its internal resources, such as useful information, new opportunities, collaborations, and the possibility to use members of the community of practice to cover for each other when necessary. However, for such opportunities to arise, mutual trust is a prerequisite, which is only established after verified previous cooperation.	**Community as a resource and a bridge to career and business development** Belonging to the local creative community can open new opportunities for those who are seeking to build a wider network of contacts and interact with other players in the field to promote their business and strengthen their position and visibility in the market. The creative community sometimes serves as its own economic engine, with its members buying services and products from other members, and individual entrepreneurs fluidly joining together in various collaborative constellations to carry out specific commissions, and then working individually again.
Community resources for expanding creative entrepreneurship opportunities The circulation of information within the community and the opportunities and collaborations offered play an essential role in fostering creative entrepreneurship and deepening interpersonal relationships. As with many new businesses, the first customers are often friends and acquaintances, but this network expands later on	**Local and international recognition and audience development as a driver for success** While some creative organisations and enterprises emphasise the benefits of engaging more deeply with the local audiences, others are more focused on reaching public at national or international level. Some entrepreneurs point out that often only international recognition convinces local audiences about the value of

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the basis of personal recommendations and in the form of collegial suggestions.	a product or service. At the same time, there are artists who do not believe in cultivating as large an audience as possible by creating works that please masses, but to remain true to their artistic ambitions, which may not automatically translate into monetary terms immediately.
Social and ethnic differences as a challenge for creative community development One of the unused resources that potentially exists in the city and could lead to more successful entrepreneurship, is the possibility for creative communities to broaden and integrate rather divided audiences, which are currently segregated along social and ethnic lines. Cultural choices are often influenced by education and income levels, as well as stigmatisation and exclusion from the creative and cultural sector. One of the groups that are not being reached that often are those who are not identified as intellectuals or middle class. Another important difference is ethnic division, which is closely related to the way culture is consumed and how participation in specific creative communities is manifested. In the case of Liepāja, the community is also divided along ethnic lines, into speakers of different languages. Given the ethnic proportions and contested historical interpretations and divided social memory in Latvia in general, this issue of integration is not just a matter for the creative communities to address, however, targeted, well-considered and specially tailored cultural and artistic activities and co-creation opportunities could serve as a bridge to bring mentally distant communities closer.	**Changing society attitude towards the status of creative work** One of the preconditions for the development of the creative economy and culture is a change in societal attitudes towards the arts and creative work as an occupation and as a viable livelihood. If society becomes better educated in the cultural and creative subjects, a better understanding of the value of art and culture could emerge in wider audiences, allowing creative and cultural workers to feel more appreciated and financially secured. That in turn would facilitate development of creative entrepreneurship, relying on it having a sufficient audience and customers.
Tangible resources	
The city itself as a creative resource The local creative community values the city itself as a tangible resource, which has gradually become more diverse and also more attractive for creative individuals and organisations wishing to develop their businesses in this region. The proximity to the sea and nature, the compactness of the city, its accessibility and the peaceful small-town life are appreciated by many cultural and creative workers, both 'natives' and those who look for inspiration outside large cities.	**University as the stronghold of the creative community in Pécs** The local community considers the university to have a generally positive impact on the functioning of the creative community, recognising its role in strengthening the identity of the creative city, regenerating the creative community, training new professionals, and attracting new creative and talented people to the city. There are also issues that could be improved in terms of support to local students and education for international students.
Creative physical spaces as pre-requisite of building diverse creative communities	**Creative physical spaces as pre-requisite of building diverse creative communities**

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One of the essential questions for creative community is the availability and affordability of suitable premises and spaces for creation, experimentation, production, showcasing, commerce and creative exchange. Socialisation and connection through face-to-face interaction are described as facilitators of mutual support, better connections, exchange of information and collaborative ideas, and serve the community building that can not be exclusively substituted by online platforms.	The creative community in Pécs also envisions and welcomes the idea of more creative community centres, artist-run spaces, available spaces for artist studios and production sites, involving the community members directly in all processes of development and organisation of such places. Such multifunctional places could facilitate new ways of cooperation, covering different sectors, creating opportunities for creative work, education and interaction.
Organisation of creative community	
Locality development	
Local grassroots initiatives. artist run spaces, creative interventions in marginalized areas or private entrepreneurs with ideas to develop run-down urban areas as creative quarters all can be seen as locality development practices realised by the creative community in Liepāja. Places and processes created by the community itself are considered to be more creative and authentic than those promoted by state or local authorities.	The internal organisation of the creative community itself depends to a large extent on personal leadership and initiatives to strive for a stronger agency on a municipal level. A number of creative professionals also see opportunities for self-organisation into associations and societies to achieve the intended goals, as well as multi-generational cooperation where more experienced professionals take on the role of involving the emerging ones into the creative community.
Social planning	
The local creative community and public sector representatives see a number of directions that need to be improved to foster the city's cultural and economic growth. These include development of the non-governmental sector, promotion of creative and higher added-value entrepreneurship, improvement of the offer and branding of the higher educational institutions. A crucial issue to be solved for the creative economy to develop is increasing the number of residents and entrepreneurs in the creative and cultural sector. It is currently envisioned to happen by attracting students in secondary and higher creative education, as well as people from other regions and re-immigrants from abroad.	Local creative economy actors expect more democratic and inclusive changes in the way the sector is governed, looking for more opportunities to be represented and supported, regardless of the political preferences or influences. Support mechanisms for creative entrepreneurship are also expected, for example by reducing the tax burden on the creative sector. Local creative community also believes that a change in attitudes towards the sector in general, including in the government, would make a big difference to its development.
Social action	
Political and social activism of the creative community in Liepāja, although not identified on a large scale, tries to be visible occasionally either through individual advocacy or by forming cooperation and activism groups in response to specific difficulties in the creative sector, such as the Covid-19 crisis. The creative and cultural workers also feel a considerable distance from the authorities, which for them often act in an unsensitive and unempathic way, not taking the views of the sector into account when making decisions affecting the livelihoods of creative communities. Members of the creative community assert that the creative sector should engage more in	Few expressions of social activism were mentioned in the city, however, people are discussing issues more about what should be done and how. Some of the points emphasise the early habituation to independent thinking and active social participation, which could be changed in the education system. A greater awareness of the role of the creative sector in the economy was stressed, rejecting the idea that artists and creative workers enjoy doing their work without decent remuneration. Also, creative community members believe that there should be a generational change in the public administration to allow new, innovative and contemporary ideas to be exchanged and implemented.

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social activism to reduce inequalities and social exclusion based on ethnicity and social status, however, new initiatives are slow to emerge.

These two case studies of creative communities in Liepāja in Latvia and Pécs in Hungary within the DISCE case study framework on inclusive and sustainable creative economies provide an in-depth context on the role of tangible and intangible resources that help creative communities to define themselves and set boundaries or, conversely, to develop broader and more fluid community aspirations.

While these two locations also provide insights into the universal patterns of progression and constraints for creative communities and creative economies, in line with other DISCE research findings, the choice of these locations is also significant. Liepāja and Pécs are different from the other selected EU cities as they have been part of the communist bloc for a long time, and, therefore, they were able to start and leap into the creative and cultural economy of the EU more belatedly.

The opinions expressed maintain a relatively fluid understanding of who does and does not belong to the creative communities of the localities, a distinction that is often not possible at all, as it changes with the arrival of new people and new initiatives and businesses in the city. In this analysis, we have kept the assumption that the creative community is defined within the city as an administrative area.

In general, the positive **identity-forming aspects** of creative communities in these case studies include belonging to and originating from a particular city, which in turn is characterised by either a creative, stubborn and bohemian atmosphere or a special and ancient cultural heritage, as well as a wide representation of different creative professions.

Among the aspects that play a less positive role in the identity of the city's creative community are, in one case, characteristics such as closed-mindedness, distrust of others, introversion and lack of international experience; in another, competition and antagonism with the capital and an uncooperative mentality, negative rivalry and lack of interdisciplinary exchange in the city.

As for the **intangible resources** of the creative community, several features seem to be common: the proximity of the community; the applicability of contacts to their economic and creative activities; the mutual trust between professionals when it comes to replacing each other or creating fluid forms of cooperation; and the need to be in the bubble of the community's information circulation in order to obtain relevant and necessary inside information for creative activity and business, and to find out about new opportunities, projects, scholarships, exchanges, which is rarely offered by the virtual environment only. They all speak for the need for a face-to-face meeting of the community members.

Another key question is how new members of the creative community are integrated into the existing creative environment. Our findings suggest that it is mainly through training and study process, volunteering or migration between different projects, sectors and workplaces. In addition, networks and hierarchies of contacts are important for many, opening up new opportunities for more successful entrepreneurship and creative work, and if networks are strong, more public advocacy of common interests is possible. Sometimes the creative community seems to be its own economic engine, creating and providing services for each other and working within its own internal ecosystem.

Some of the phenomena in the two communities differed in terms of the intangible resources of the community. In one case, social and ethnic differences in both consumption patterns and creative and cultural participation were highlighted. More could be done by the creative and cultural sector, in partnership with

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the state and local government to bridge these societal gaps and, thus, to develop a more inclusive and sustainable creative economy and community.

In the second case, the issues of public perceptions and values of the cultural and creative sector and the choice of creative careers were more prominent. The creative community calls for strengthening the competitiveness of the creative economy and its identification as a separate and strong economic sector so that young creatives should be motivated to choose it as a career.

Another characteristic of companies in the cultural and creative fields is that the local public often starts to appreciate the excellence and value of a product or service only after it has first been appreciated by a foreign audience. On the one hand, this motivates creative entrepreneurs to focus on foreign markets, which contributes to their growth, but it needs to be taken seriously not to deplete the local creative and cultural ecosystem by shifting their entire profile abroad.

Regarding the availability of **tangible resources**, both localities' creative communities expressed a strong desire for suitable places where the different creative professionals could practise their trades and build creative entrepreneurship. Many pointed to the need to both provide spaces where informal meetings, creative exchanges and events could take place, and to establish creative entrepreneurship hubs where it would also be possible to manufacture and produce relevant products, which for example require complex or expensive technologies, which could be set up as a shared space.

In addition, in the case of Liepaja, the creative community appreciates the compactness and accessibility of the urban environment, the proximity to nature, and the city's relatively low costs of starting a business and living. In the case of Pecs, the local community highlights the university and its role in regenerating a community of young creative professionals as one of the most important drivers of the creative economy.

Regarding **community organising and self-organising practices**, Liepaja locals regularly highlight various creative initiatives related to the active participation of the creative and cultural workers in the self-organisation of creative entrepreneurship, creative community building and the development of the urban environment that forms the creative core of the city. Yet they also expect the municipality to be more involved in the more fundamental issues, such as strengthening the non-governmental sector, promoting small and medium-sized creative entrepreneurship, attracting higher value-added businesses, enhancing the prestige of higher education institutions and maintaining or increasing the overall population in the city. The preconditions of the social activism model are relatively less pronounced, but there is either individual advocacy on issues of importance to the community or a fluid coming together of individual community members in times of crisis or difficulty.

Regarding the features of the Pecs creative community organisation models, local creative community representatives expressed high need to join advocacy groups or associations, as well as to create private initiatives to help young professionals better integrate into the creative economy. But relations with local and national authorities do not seem to have borne the expected fruit from the perspective of the creative communities, especially in terms of the opportunity to exploit the potential offered by the European Capital of Culture status. Some point to political preferences related to the redistribution of resources towards the new strategic priority of framing Pecs as a ‘smart city’ or a ‘digital city’ and call for more support for those working in the cultural and creative fields and for small and medium-sized enterprises. As for social activism, there is also little expression of it in the community, most people write off this inability to self-organise as a manifestation of mentality. At the same time they point to the need for generational change in public administration to bring in new ideas and practices in the management of the creative community.

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5. Innovation in creative economies

5.1. Scope of the chapter

This chapter focuses on generating knowledge of the types of innovation and innovative activities within the creative economies. Creativity and innovation are closely intertwined, and cultural and creative industries can be the sources of many different kinds of innovations and innovative activities. As noted by one interviewee based in the Leuven creative economy: *"Leuven has the, is obliged to play a very exemplifying role into Europe, which it does, it like just won the iCapital European capital of innovation award."* (LE18M40s) The innovations produced by creative economies can benefit the broader economy and society as a whole. However, creativity and innovation are not necessarily synonymous. Therefore, it is important that we first clarify what we mean by 'innovation' and how it relates to creativity. Anderson et al. (2014) provide a broad definition of creativity and innovation and their relationship to one another:

> *Creativity and innovation at work are the process, outcomes, and products of attempts to develop and introduce new and improved ways of doing things. The creativity stage of this process refers to idea generation, and innovation refers to the subsequent stage of implementing ideas toward better procedures, practices, or products. Creativity and innovation can occur at the level of the individual, work team, organization, or at more than one of these levels combined but will invariably result in identifiable benefits at one or more of these levels of analysis. (Anderson et al., 2014, p. 1298)*

To identify and analyse the types of innovation and innovative activities that are carried out within creative economies, we applied this broad definition. We examined how actors within creative economies engage in new innovative activities and make changes in businesses and organisations, or in their everyday lives. Interviews were coded for any talk relating to doing things in new ways (as individuals or within organisations); e.g. setting new goals, creating new types of services/products, with new networks, targeting new audiences, new sources of income. This chapter focuses on the cases of Enschede and Leuven for a detailed examination of what kinds of innovation occur in these regions, and how individuals and organisations perceive that innovative activities are promoted or inhibited and why.

Empirically the chapter relies on the regional case study data (see Appendix 1 Case Study Methodology) and draws on interview data from a range of actors engaged within creative economies. These actors included artists and musicians, entrepreneurs, representatives of various cultural and educational institutions and groups, and public sector policy makers. The regions of Enschede (the Netherlands) and Leuven (Belgium) were chosen as the starting point for analysis. The regions of Enschede and Leuven were a logical choice for a close analysis of innovation as, out of the ten case regions, these were two case locations in Central Europe that have a strong overall emphasis on promoting innovation. Enschede is home to three Higher Education Institutions (HEIs) that have a strong focus on technology, innovation and creativity: University of Twente, Saxion University of Applied Science, ArtEZ (University of the Arts), and ROC van Twente (a vocational training college). Additionally, the city collaborates with four nearby municipalities through the Netwerkstad Twente partnership which emphasises supporting economic growth through knowledge and innovation. As mentioned above, Leuven was awarded the title of European Capital of Innovation in 2020 by the European Commission for its efforts to improve the quality of life of its inhabitants through innovation. The city is also home to three universities, the Katholieke Universiteit Leuven (KU Leuven), University Colleges Leuven-Limburg and LUCA School of Arts. For more detailed profiles of Enschede and Leuven, see the Regional case study reports (2022) on disce.eu. The analysis is based upon the ecologies of Enschede and Leuven but was subsequently subjected to some verification against the broader set of data from other locations.

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Based on the initial coding for the analysis (see Appendix1 Case Study Methodology) this chapter used the first-order code (31) New / innovative activities & changes (in businesses / organisations & in everyday life). Subsequently, this first-order coding was re-coded; inductively drawing out key words and phrases and grouping them into second-order codes or theoretical themes. The second-order coding was then compared to and analysed using influential theoretical frameworks for the analysis of innovation and creativity from extant literature. This analysis revealed accounts of actors within creative economies producing different kinds of innovations themselves, engaging in various forms of innovating and innovative behaviour, as well as utilising new innovations to facilitate or enhance their creative pursuits. Sub-chapter 5.2 is primarily descriptive - we first describe the different kinds of innovations and innovative activities that actors within *creative economi*es produce and engage in. Secondly, in sub-chapters 5.3 we examine how creative economies function as innovation ecosystems (Granstrand & Holgersson, 2020). Finally, in sub-chapter 5.4 we adapt the component theory of innovation (Amabile, 1997) as a framework to identify the drivers and obstacles to innovation within creative economies.

5.2. Innovation in creative economies

According to the OECD and Eurostat's Oslo Manual, which offers guidelines for collecting, reporting and using data on innovation, an innovation is "*a new or improved product or process (or combination thereof) that differs significantly from the unit's previous products or processes and that has been made available to potential users (product) or brought into use by the unit (process)*" (OECD/Eurostat, 2018, p. 60). This definition is broadly in line with how interviewees considered their activities within their industries and communities. A common sentiment among interviewees was that they create solutions for problems. These solutions only become innovations once they have successfully been brought to market. For example:

> *"We often also say innovation is not just if you come up with the part, but then also put into the market, realize the solution, and that to me is really entrepreneurship, that you've recognized the problem, you've tackled the problem, you tried and you really identified a great solution, and then you actually managed to realize that solution and to turn that into a sustainable business."* (EN24M)

Likewise, an owner of creative business emphasises the importance of the business model when it comes to implementing new innovations:

> *"Like actually technology wise I think everything is possible but developing something within a certain cost, within a certain timing which is important to have a business model that asks a lot of creativity and the thing is we always have to find a solution."* (LE13M30s)

For some working in creative economies, innovating is not necessarily a choice they have, it is simply something that they must do in order to survive: *"I have to be innovative because when I don't my competitors get the job. So, of course, I have to be innovative."* (EN29M50s)

Although there was some resistance to the term "innovating" as a buzzword, another common understanding was that what creative economy actors do involves coming up with new ideas, and then packaging these ideas in such a way that they can be brought to market.

> *"What I do with this is really kind of my own time, really thinking, developing myself, developing my own products. And coming up with new ideas. We can also call it innovating. I hate that word, but that's kind of my innovation time, my innovation space. And then once I come up with a new idea, I can apply the research behind it. Create some*

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> *documentation around that and then I can bring that to a client or – whatever it might be."* (EN11M)

More specifically to creative economies, interviewees emphasised that the combination of old and new is an essential part of innovating. Often this means using new technologies and applying them to old cultural knowledge or recombining cultural knowledge in new ways.

> *"I guess it's a blend of it's like making something new with something old. ... being innovative is mixing up some prior culture or knowledge that you have. And try to do something completely new or completely something that may be."* (EN1M20s)

When it comes to developing innovation skills or capabilities, there were diverse opinions on the extent to which innovation is something that can be learned or whether it is something one simply does. On one side is the argument that innovation, by definition, cannot be learned:

> *"Because if you can learn to innovate, surely, it's not innovative! These are kind of my problems with these kinds of words, is, they become such a high, this sort of buzz word that people kind of lose the action behind it. So, you know, innovation, to innovate, is something that you have to do ... it's only something that can be in the past tense. So, you can't say, 'okay, let's have a meeting at four o'clock and we're gonna innovate...' you know, we can only look back on something and say, that was innovative."* (EN11M)

On the other hand, others suggested that there are beneficial and learnable techniques, such as brainstorming, that can help individuals become better innovators:

> *"We learned techniques how to brainstorm and how to come up with more ideas. And that's something that I've never been learning in the past which, and which is a pity because when you just learn these tricks, how to come up with new ideas you can think about a lot more and that's something that I'm also adding in the guest lecture that I'm giving at the moment, is I [teach] the engineering students how to brainstorm."* (LE13M30s)

When relating innovation to creativity and commercial activity, interviewees noted that while there is overlap between these terms, they do not necessarily always go hand in hand. For example, one interviewee from creative services commenting on recent innovations in food delivery suggests that this kind of innovation may not fall into what he defines as being creative:

> *"Is it creative? Is innovation on delivering goods to people at home and make it an effective and also in an efficient way, is that creative? Or is it highly commercial? Well yeah, there is also a gap between those two words. Creative and commercial."* (EN16M)

A similar sentiment is shared by EN6F20s, who states that her idea of innovation is different from how she perceives it is understood by mainstream culture. She states: "*I feel that people have an idea that something innovative is an app for a problem that might not exist".* Furthermore, she suggests that terms such as "entrepreneurship" and "growth" and their meanings are often taken for granted, while the reality is that growth is not always a good thing, and that entrepreneurship is not the only way to promote better outcomes.

The discussion above provides a broad overview of how actors within creative economies personally perceive the general concept of innovation and what it means to them. Later in this chapter we will delve more deeply into the role different actors play in the innovation process, what kinds of activities these actors engage in, and in what kinds of innovation artefacts are both utilised in and result from these activities. However, first

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we will briefly discuss specific examples of different types of innovations that have been produced by individuals and firms in Enschede and Leuven. These include product innovations and business process innovations. Finally, we conclude this section with a brief discussion of the potential negative outcomes of innovation.

5.2.1. Product innovation

Product innovation involves the development of new goods and services, including knowledge-capturing products (innovations relating to "*the provision, storage, safekeeping, communication and dissemination of digital information that users can access repeatedly*" (Oslo Manual 2018, 72), and combinations thereof. Product innovation also includes the design characteristics of goods and services. Actors within creative economies in Enschede and Leuven described a wide variety of activities they have undertaken which can be categorised as product innovations. Examples described by interviewees ranged from innovations applied incrementally to develop their existing goods or service lines, as well as far more radical innovations developed from the ground up through careful research and development.

One interviewee, a designer based in Enschede, described in detail a current innovation project her firm is undertaking in collaboration with local universities and a hospital which aims to address a perceived social need, i.e. a wearable breathing trainer for children with asthma and dysfunctional breathing:

> *"It's a really cool project where I get to design and make … sure that the technology and design preferences from the target audience are coming together. And the prototype is in development right now, it's to coach them in their breathing training, once they get diagnosed with asthma or dysfunctional breathing, they get transferred to a physical therapist and they have to train their breathing technique. […] So, we basically already did a big study how do you motivate this target audience, children from eight to twelve-years-old, that we're aiming it at, how do you motivate them to follow a therapy? And there's things like that's why the games education element came from. And that they are able to personalise parts of the product they work with. So, it becomes more their own. So, it's a lot about being able to make own decisions in the therapy and make more playful and set goals and challenges that are smaller than some kind of big abstract result of that I get to feel better or something, that's a bit difficult to grasp for a child. And then now we're working on the prototype of all the working elements in it. So, then we get to test it on a small group and we get some actual results on what we've made with all this previous information. We've also talked to physical therapists, the doctors that diagnose the children are part of the group, so, it's a really diverse, yeah, research group."* (EN9F30s)

In this case, product innovation is being approached in a systematic way, in direct engagement with various stakeholders including universities, a hospital, and the intended end users. In effect, all parties are co-creating the product with the designer driving the process. The outcome of the process promises to be a highly novel and radical innovation.

In another case, an entrepreneur based in Enschede, describes how his firm developed an innovation, in this case a novel business process model, for one customer, which they then packaged as a radical new product for many customers that promises to change industry standards.

> *"So, we changed whole organisations just with one model, and we started doing that just for one university, and we do it now for the biggest welfare organisation in Netherlands,*

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> *we do it for six communities, municipalities, and shortly for eight, I think it's gonna be the new standard in Netherlands."* (EN10M40s)

Through such innovation activities, even small firms can have a large impact on the economy, both locally and internationally.

Other product innovations developed within creative economies emerge incrementally, through processes such as entrepreneurial bricolage (Baker & Nelson, 2005; see bricolage also in the report D4.2 Between labour markets and entrepreneurship). This involves devising new and creative ways to make use of limited resources that one has at hand. As an example:

> *"So, you get some parts of the textiles that has irregularities in it that are a problem for the normal client ... And that causes some parts of the production to be waste. But that doesn't mean that that product or that piece of fabric is a bad quality or is useless, it just means it doesn't meet the requirements of that client. It's not this homogenous same surface. So, I wanted to put that in a different context. Because at the same time, people are always looking for something unexpected and new and special."* (EN9F30s)

The product innovation examples given above are typical of how innovation and innovations are conceptualised within business and policy literature. However, creative economies need not be limited to such commercial forms of innovating. Cultural innovations may also be one of the more important outputs of creative economies, as is discussed later in section 5.3.3. First, however, we will discuss the second broad category of innovations as defined by EU policy literature – business process innovations.

5.2.2. Business process innovation

Business process innovations includes innovations in: 1) production of goods or services; 2) distribution and logistics; 3) marketing and sales; 4) information and communications systems; 5) administration and management; and, 6) product and business process development. According to the Oslo Manual, "*A business process innovation is a new or improved business process for one or more business functions that differs significantly from the firm's previous business processes and that has been brought into use in the firm*" (OECD/Eurostat, 2018, p. 72).

For some firms within the creative economies, such as strategic consulting firms, the service they provide is helping other firms to innovate their processes, as an interviewee recounts:

> *"I learned more and more that what we do is changing processes. It's changing processes of buyer or a client or a patient or a student, so that has a lot to do with marketing psychology but changing processes or behaviour of people has a lot to do with process improvement."* (EN10M40s)

He also explains in detail how organisational and individual learning drives business process innovation; continuous learning to develop the firm to better serve their clients:

> *"The interesting thing is that we changed in our work a lot of the last three years. We found out that regular or traditional way of building a strategy, online strategy, didn't work for our clients, because we found that most of the strategies that were there, the organisational, business strategies, were lagging behind. And they didn't envision enough the power of the client, or the power of the student, or whatever."* (EN10M40s)

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For others, innovating their own business processes is seen as necessary for finding new ways to generate income. For example, one research participant from creative services is exploring new earning models to get more value out of the activities his firm already conducts:

> *"We are thinking about is maybe there are, there is another earning model by for example that we earn with the amount of products that are sold at the end. for example. And that's another type of earnings that we don't earn immediately, invoicing our engineer hours but that we take part of the risk actually together with our customer and if the product becomes a success, we can join the success as well because we get a certain fee for product that is sold."* (LE13M30s)

In another example, a company owner working with audiovisuals created a sister company to diversify his firm to be less dependent on existing revenue streams.

> *"You try always to reinvent yourself as a business, yeah also, we're going to become less dependent on financing for television programmes. We established also a company, sister company, that is orienting itself more to events … and that was also the start to try to diversify our business a little bit, we are investing in this building."* (LE15M50s)

In a similar vein, a museum director turned to creative marketing strategies to boost ticket sales:

> *"That's one thing we are working on quite constantly and we're trying to find innovative solutions to this. For instance, we've got a family annual ticket, annual family ticket, and family of two adults and three children can move and only time they pay and this is even cheaper when they buy separate tickets. They can also come to the other museum then and the same tickets and they can come as many times as they want. So, some people who really do it and so...it makes the threshold to come into the museum much, much lower. And we sold quite a few of those family year tickets and people were saying well, this is quite foolish because you cut into your own arm in a way because you will get less money. That's true, but we make it also that it is being automatically...next year it's repetitive. Next year to sell, then you get more money. So, in the end, you get quite a lot of money."* (EN7M50s)

The Covid-19 pandemic highlighted that sometimes business process innovations are driven as a response to exogenous shocks.

> *"So, in March, April, May, we went for 200% alternative courses, online courses, alternative programmes … and we have nicer alternatives, not only Zoom courses, but also more creative online courses, we do outside programmes with, so I think the benefit now, maybe what I say that it was a lost year is not completely true, because we learned a lot. It was a difficult year, and in terms of output, it was extremely poor. But for example, on the digital evolution or revolution point of view, now we achieved things that we wouldn't have achieved for 20 years without Covid."* (LE20M40s)

Not all process innovations generated by actors within creative economies are necessarily geared towards economic ends. While working with youth organisations in Croatia who were working with children in refugee camps, an interviewee developed a transferable organisational innovation for supporting people in refugee camps:

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> *"The kind of things that were kind of transformed into a kind of manual for the group, and then the World Health Organisation asked if this could be implemented in other cultures. So, that was the reason why I got to Ethiopia and Cambodia."* (EN14M70s)

Overall, business process innovation was generally a continuous and necessary activity for creative operators to adapt and respond to, and create value within an ever changing operating environment.

5.2.3. Using innovations

In addition to engaging in innovative activity and producing their own innovations, actors within creative economies incorporate new innovations into their creative activities. For example, an electronic artist, explains how he is beginning to incorporate virtual reality (VR) technology into his work:

> *"The digitalisation is more of a ... tool, I guess, I know it's like networks are changing, stuff is happening but this digitalisation really helps me to create this exposure, the virtualisation that I need. The fact that I've had an idea for a certain stage, I could work it out and make it 3D, give someone a VR glasses and they can look around and see what it's like, ah, so, meaningful like."* (EN13M30s)

In another example, a director of an educational institution explains how developments in information technology have enabled musical artists to collaborate across large physical distances:

> *"So, they have been experimenting with co-creation, like setting up a really big stream capacity so you could actually make music at the same time with someone who is not here, and they live far away. Then it becomes interesting again, because then you don't lose any quality, then it is an addition and you can overcome the physical distances but not the artistic distances let's say or something."* (EN17M50s)

In this third example, a coordinator in creative services describes how podcasts have transformed the way that artists communicate and share their work with others:

> *"So, it's the ideas and all that when we put the podcast in the world, that it has a thousand of listeners, the ideas that what is said in it is important for the artist. The artists can use it when a curator asks for the work or wants to get to know this artist, that she or he can share this podcast. And so, it's a very supportive way of communicating."* (LE12F20s)

Technological change and the introduction of new innovations are a fundamental part of the creative economy operating environment. Alert creative operators seize upon these new innovations as inputs to expand and evolve their creative activities.

5.2.4. Negative aspects of innovation

Much of the discussion surrounding innovation regarded it as both as a necessary and generally positive activity. However, some interviewees suggested that innovation is not without its negative sides. Broadly, one interviewee expressed that the pursuit of growth for its own sake is not always a good thing: "*sometimes entrepreneurship and growth create more problems than what they seek to solve*" (EN6F20s). Another interviewee noted that being innovative is more difficult for mature firms who have been doing things the same way for many years – putting them at risk from disruptive technologies:

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> *"So, there is creativity also in the existing companies, but for them I would even say it is the biggest risk, because here [points to a part of the pie chart] in the start-up kind, most people will still not make it, because it's a risk, it's like a trial, it's like being creative, but in the existing one, you never know, somebody is smarter than you, like if you see Nokia for instance, years ago, not even that long, 15 years ago or whatever, they had like a market share of more than 50 percent, now it's not even two or three, maybe even less."* (EN24M20s)

Lastly, as an interviewee points out, not all innovations are destined to be used in a positive, ethical, or even legal way:

> *"Ticketing has been taken out of our reach, and it's now a big sea of sharks who are all trying to be the biggest, so that they can be bought by Amazon. And they are selling all these data that I want to have for us, are selling. And it's just like […] Surveillance Capitalism, […] But that is, of course, one of the big problems with most theatres, most venues at the moment are kind of outsourcing ticketing. This is, in fact, completely illegal. It's also one of the things that now I am explaining to the ministers, that makes deep impression."* (EN14M70s)

Innovation by its very nature always involves a level of uncertainty and unpredictability, which in turn presents risks. The two significant risks for creative operators identified above are that innovation can end in costly failure, and some innovations can be used in a harmful or predatory way against actors within creative economies.

5.3. Creative economies as innovation ecosystems

The previous section provides illustrations of how innovation is perceived by actors within creative economies, examples of different types of innovations these actors have produced, and some ways in which innovations are used in creative work. In this section, we will now examine how creative economies facilitate and promote innovative behaviours and the production of new innovations, i.e. how creative economies function as "innovation ecosystems".

In a definition provided by Granstrand & Holgersson (2020, p. 3), an innovation ecosystem *"is the evolving set of actors, activities, and artefacts, and the institutions and relations, including complementary and substitute relations, that are important for the innovative performance of an actor or a population of actors".* This definition is illustrated in Figure 5.

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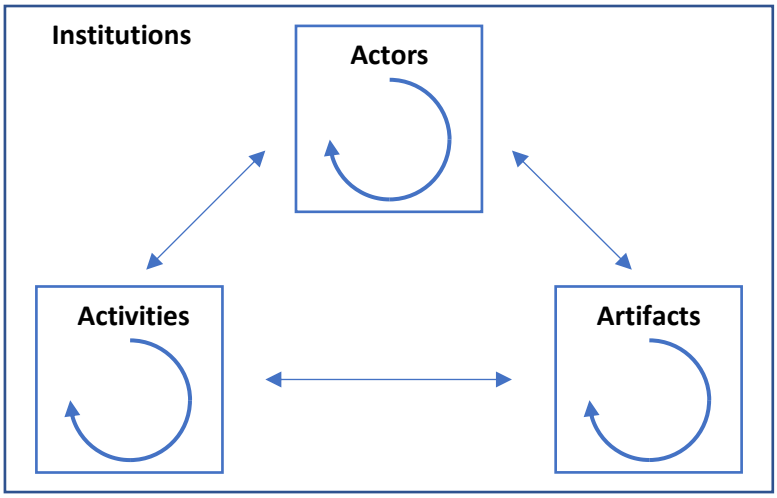

Figure 5 Illustration of the innovation ecosystem definition (Granstrand & Holgersson, 2020)

Using Granstrand and Holgersson's (2020) definition of an innovation ecosystem as a framework and applying it to the interview data from the case cities of Enschede and Leuven, in the following sub-sections we will analyse how these creative economies uniquely function as innovation ecosystems. It is also possible to look at innovation ecosystems at regional and national contexts and the related interconnections of different layers, but it goes beyond the scope of this chapter. Our intention is to illustrate not only how creative economies resemble innovation ecosystems in general, but also how they are perhaps unique in relation to other innovation ecosystems. We categorise the various actors based on the role they play in the ecosystem, we examine the different activities carried out by these actors, and we examine the resulting artefacts these actors produce. Institutions are what dictate the "rules of the game" for actors operating within the ecosystem. The intuitional environment of creative economies is generally influenced by policy – which we discuss later in section 5.4.3.

5.3.1. Actors

A diverse range of actors or stakeholders are involved and included in the innovation activities and processes of creative economies. However, one way to meaningfully categorise them to analyse the role they play in the innovation ecosystem is to look at both the activities they carry out and their motivation for acting, or their generic primary objectives. We identify six general types of actors that are the each serve an important role in the creative economy as an innovation ecosystem: creatives, entrepreneurs, support organisations, cultural institutions, institutions of education and research, and policy makers (Table 10).

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Table 10 Key actor roles in the creative economy as an innovation ecosystem

Actor type	Activities	Generic primary objective(s)
Creatives	Art, music, literature, etc.	Pursue intrinsic motivation to create (art for art's sake)
Entrepreneurs	Creating new ventures, products, services, markets	Successful enterprise and profit
Support organisations (Consultants and consulting firms, Incubators)	Support and facilitation of businesses	Supporting other businesses to success
Cultural institutions	Community, arts, cultural practices, cultural support	Facilitating cultural activities and support for specific groups
Education and research institutions (Universities, Polytechnics)	Teaching, research	Education, knowledge creation
Policy makers (local, regional, and national government)	Creating policy, supporting business and community	Local/regional/national economic and social development, the public good

While Table 10 summarises the main players in the innovation ecosystem as indicated by the data, one individual may take on two or more roles. For example, many of those interviewed fulfil the role of both a creative, as well as entrepreneur, or other decision-making role within cultural or support organisations etc.

The first and arguably most important actors in creative economies are the creatives, as they are the ones who engage in the creative work that defines the industry. A common refrain among these individuals is that they are intrinsically motivated to pursue creativity over extrinsic or financial gain.

> *"Some people need to do sports, you know, I need to do arts, like it's important for my mental health, this got to happen. And this is 25 per cent of me searching, might even be the most important part. I keep running into new projects, new stuff to do and that also challenges me to keep finding new solutions to common problems or to make a certain project my own and it keeps it fresh that's what I get from this."* (EN13M30s)

In other words, they believe in *l'art pour l'art* – "art for art's sake". In some cases, these individuals have left well-paying careers to pursue their passion for art:

> *"I can make a living of this but it's not a living like "wow, we're going like the big spender living, yeah". Not like that. But it's okay. Because if I wanted the big spender living, I should have stick to my [previous job] … that was paid like very good but okay […] it's not just about paying."* (EN12F50s)

Many of the personal behaviours and characteristics that lead creatives to pursue creative professions also lend themselves to innovativeness and entrepreneurship.

Often creative entrepreneurs themselves contribute to the innovation ecosystem by creating new innovations and then bringing them to the market to create sustainable new ventures. They may be driven by a means orientation that leads to innovativeness through entrepreneurial effectuation behaviour (Sarasvathy, 2001). In this case, rather than focusing on specific goals, they may look inward at the means they have at hand or that are embodied within themselves to find new and possibly unexpected courses of action. For example: "*…when things are not going as you wish, you have to look by yourself. And look how can I change it to move further? And not look at it at the other things, but first yourself*" (EN4F40s). They also might display entrepreneurial alertness – always looking for opportunities in their environment (Baron, 2006); e.g.: *"…seeing new things. But also, old things. And seeing the chances in it. And be positive."* (EN4F40s)

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What is clear from the interviews is that many of the creatives turned to entrepreneurship to pursue value-based or ideological ends. This might be an innate desire to problem solve and invent, as a fashion designer puts it:

> *"My most important goal is to make exciting new products or solutions that are something that [no] other companies are already making. So, that's also why I do these, kind of, more research projects which is really focusing on innovations. … So, it's a little bit more idealistic approach, I guess, as to a really business approach."* (EN9F30s)

Or it can be motivated to find a career path that provides the actor with some kind of deeper meaningfulness to life through their work. This may occur gradually through learning and personal growth when engaged in other activities in creative economies. For example, a visual artist and storyteller picked up a course to learn a new skill which led to her revaluating her life's direction:

> *"I had this idea - oh my god is this all there is? You know the classical question when you are about 40 … and that made me change my work and I did this extra course in Amsterdam. It's called camera journalism and then you learn to interview and also to use the camera and to edit. So, you make your interviews and make your own edit. That's the thing you do. And that's also my business now is making documentaries and making a personal, I call these personal portraits."* (EN12F50s)

Entrepreneurs also often man the helm of support organisations which operate based on a business model geared towards facilitating firms new and old to survive and succeed in the business environment. When these support organisations are led by creatives, they can support innovative firms by injecting into them new ideas from the art world:

> *"So, for example, we're now working on a programme with a small house robot who is self-learning. And, this company is not really creative. They make creative products in the sense that they use artificial intelligence to make a better product. But, you can do, as an artist, a lot more with it."* (EN33F50s)

Other support organisations are incubators, which can also be attached to learning institutions such as universities. They overarching motivation is to support people with ideas to turn their ideas into new businesses: "*The incubators related to the university. They have a different kind of identity and they are more about making a business…I think I have a good idea, and I want to make a business for it. And, where I refer to the other places, they are because they are.*" (EN25F50s)

Cultural institutions are generally non-profit organisations that exist to promote cultural activities or support for specific groups. Cultural institutions can contribute to innovation ecosystems in a number of ways including fostering individuals towards creative pursuits as well as engaging in the creation of cultural innovations, which are discussed in section 5.3.3.

Universities and other institutions of learning, such as art schools, are integral to the innovation ecosystem. They generate new knowledge that can be applied by the other aforementioned actors towards innovation activities, they provide a source of new creative talent for firms and entrepreneurship, they create new ventures in the form of university spin-offs, and they are an important stakeholder with whom creative firms can collaborate. Finally, there are the policymakers. The policymakers provide both legislative pillar of the institutional framework within which the innovation ecosystem's activities are carried out, and also often are a source of vital resources for firms and individuals engaged in creative work and innovation, as is discussed in section 5.4.2.

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5.3.2. Activities

The actors discussed in the section above engage in a variety of activities, both individually and collectively across different actor roles, that have the effect of fostering innovation in creative economies. Interviewees highlighted many such activities. Probably the most important activity for innovation which is carried out by actors in creative economies is the promotion and disseminating of novelty. A musician describes a typical theme among creatives that they are motivated and driven to generate new experiences and share these with broader audiences.

> *"I want people to be impressed. I want to give them something they don't know yet and I want them to like it you know. I don't really like giving them something that they do know and they want. … I don't enjoy playing something that people know and that everybody is jumping and shouting and raising their hands. It's fun but that's not the end game for me. What I really like is when I'm playing something very strange but good, and that everybody is loving it you know. And they don't have to jump and shout but that you can just see, like they really feeling it. That's when I really feel good so I guess it's the same. I'm chasing an experience that I want to share."* (EN8M20s)

Disseminating novelty into society is planting the seeds of innovation, as is exploration and experimentation. A quote highlights the importance of exploration as part of the innovation process:

> *"It means that you know what materials can do it, how you can explore materials, how you can explore things that you don't know yet, so studying is core business and finding out new methods. Working it out and looking through all the direct and duct tape models, looking through it to what actually do you see, what is behind the surface. Does it really, is it proof of principle for something new? That's one of my core businesses."* (EN26M50s)

Exploration is an integral activity for organisational learning and includes "*things captured by terms such as search, variation, risk taking, experimentation, play, flexibility, discovery, innovation*" (March et al., 2009, p. 71). Linking to exploration, an entrepreneur describes the important activity of applying new innovations as tools to facilitate creative work. Innovations are both inputs into, and outputs from, creative activities:

> *"Actually, there's this is a thing, I'm putting a lot of effort right now because I noticed it's not really there yet but also there's a lot of people working on it, surely realising that it creates tools to make it much more comprehensible in a of like bizarre ideas to see them and to work through them, especially make it like 3D experiences […] I think that's something that the future brings already, we can already use it. It's not really accessible yet but, ah, we will make it work, it's very important."* (EN13M30s)

Next to creating novelty through exploration, experimentation, and creating novel experiences, interactions between multiple actors within the ecosystem are an important starting point for innovation. This includes building personal networks from which secure means, share ideas, or foster a sense of community:

> *"I think innovation is a next level thing, next step. You first have to, eh, yeah, create this network or to be part of this network and when you have the luxury, yeah, to have this network and understand it then you, yeah, then you can innovate."* (EN5M30s)

Furthermore, collaborations and partnerships with other actors in the ecosystem are also important for driving projects and synergistically combining diverse skills and knowledge:

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> *"We do a project starting next year, it's called Make Health. And, we go to develop new health instruments, together in an inter-disciplinary team, with people who need the tools, and medical staff, and designers. And, that project, for example, UT is participating. And, in this case, Saxion are."* (EN33F50s)

Balancing commercial and creative activities is a common issue for actors within creative economies. A quote from a research participant working with strategic development highlights the important and delicate task of finding balance in activities:

> *"Balance in between commercial activities, and the focus at education, like universities of polytechnics, we can buy the bread of it, let's call it that way. And it gives us space to invest, and invest also in new ideas, in new models, so in our own creativity. But like I said, it's delicate balance, always, and especially because we are an, we're a consultancy firm, so our hourly tariffs and the number of hours that we can make makes if we're profitable or not. And you have to be profitable in the long run, because I had some almost bankruptcies as well over the 25 years, so I know how important money can be, let's put it that way. So … finding balance, but also discussing a lot with other entrepreneurs about how they do it."* (EN10M40s)

Without a sufficient emphasis on commercial activity, creative operators will not be able to generate enough finance to survive, but not enough emphasis on creativity likewise exposes them to the risk of becoming stagnant and losing out to more innovative competitors.

Other strategies for managing innovation suggested by the interviewees include, on one hand, reducing "noise", and letting people focus on what is most important:

> *"…it's this innovation management, a thing that I learnt in realising that if you want to make something special, you have to make sure that there is no too much noises and other stuff around, so, that people can really focus on this process, so, it has to be super special. So, that's a skill I can bring, where other managers maybe would be focusing on all kinds of stuff, I only focus on this one thing that has to produce which makes is a super special experience."* (EN13M30s)

On the other hand, managing innovation also includes working outside one's comfort zone:

> *"It's not having the largest amount of publications. It's really having a new idea. And I think that is really, it's so important that the comfort zone, even if you work very hard, you may not feel comfortable, but let's say the comfort zone in the sense uniformity is not good for creativity. I'm absolutely convinced of that. New things can only, new ideas can only come from a confrontation with what you did not expect, did not programme."* (LE17F50s)

Finally, actors within creative economies often engage in, and combine, multiple activities. For example, one recent graduate is simultaneously engaged in studying, coaching, production, and creating platforms:

> *"I just think it's good to try and do these projects on top of studying, for example, to already have some, like have some people in the field know you. So, yes, I do multiple things. Like sometimes, I'm a theatre coach or a dance coach. I have been asked to like judge at this like theatre competition. I also work in production or I did a little bit theatre production. And in 2019, I co-founded with 3 other people, I co-founded something called*

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Platform In De Maak, which is a platform trying to help new makers in the performing arts to get an audience and to get into contact with one another." (LE27F20s)

5.3.3. Artefacts

The artefacts of creative economies as innovation ecosystems are generally the product and business process innovations that we discussed above in section 5.2. However, an additional type of innovation that is more specific to creative economies, and for which interviews revealed a number of examples, are cultural innovations. A cultural innovation is defined as organization's capability to design, implement, and distribute products that support new aesthetic and symbolic propositions (Coblence & Sabatier, 2014). Many of the interviewees expressed the idea that the primary value of the goods and services they produce or coordinate relate to the aesthetic and symbolic value they bring to the consumer or their audience. The commercial side exists to support the creative side rather than the other way around. For example: *"the commercial … thing is for the money, the festival thing is because I think I can create a lot of innovation there, do new stuff and the music and art thing."* (EN13M30s) As this quote suggests, one of the most common artefacts or cultural innovations produced by creative actors within creative economies are cultural events such as concerts and festivals: *"we have that and festival going in Leuven, and it's a very good example on how we use creativity in innovations for the better, and so, it's one of our international projects that puts us also on the map."* (LE18M40s)

Other cultural innovations are directed to address societal issues. For example, an interviewee working within cultural heritage creates programmes to foster intercultural and interreligious understanding:

> *"I'm now working on programme, which is dialogue guiding, and then we have our traditional collection which has mostly Christian heritage, and we have guides with different cultural background. I have some Muslim ladies, I have a person from Guatemala, I have a person who is a Hindu, and they guide the collection, but they don't the visitor what they see but they give their opinion like, okay, you see here that in my religion or in my culture, I live in that way. And then you have this broader perspective. So, that's one of the concepts we are working on."* (LE11F30s)

In another example, an interviewee developed an innovative way to use musicals to address a specific social problem (in this case prostitution/pimping) that was afflicting a particular ethnic community:

> *"It was in, let me see, 2007 it was started. And, 2009, yeah, we had started first with musicals about it. Well, first with meetings, but, as you know, if you have a meeting about a very sensitive subject, the people won't come and talk about their problems. So, we had decided to make, like, a musical, to learn the people how such things can become a problem, and, are the girls acting, or are the guys acting, in such problems, to prevent. So, not just to debate or your daughter did this or that. So, that's the musical we made. This problem is clear for the people, that these are problems that we had. And, after that, there were professionals talking with the people, how to solve. When they have to […], when they think their daughter or their boy is included in such a problem."* (EN20M)

Other cultural innovations were created to communicate, share, or otherwise subject the consumer to novel experiences such as the transformations of reality: "*So under this notion of modding there was like okay, how do people also change reality or, we're starting questioning what is reality and how in video games reality is changed and therefore how can people understand reality more in order to transform their reality."* (EN6F20s)

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While the examples above are innovations that are not directed towards generating financial returns, this is not to say that cultural innovations cannot do so. One interviewee aims to create an entrepreneurship club for cultural entrepreneurs. He argues: "*It's really important to show people that culture doesn't only cost money, it also can create money*." (EN13M30s)

Creative economies function as innovation ecosystems through the interactions between different actors, the activities they conduct, and the artefacts they produce. Creative, entrepreneurs, support organisations, cultural institutions, educational institutions and policy makers have their role to play in an innovation ecosystem. The most important innovation activity is the promotion and disseminating of novelty. Cultural innovations link to the aesthetic and symbolic value they bring to the consumer or their audience for instance by addressing societal issues.

5.4. Components of innovation and creativity in creative economies

In the preceding sub-chapter, we discussed how creative economies function as innovation ecosystems through the interactions between different actors, the activities they conduct, and the artefacts they produce. In this subchapter, we now examine how the different components of this ecosystem help creative actors bridge the gap between creativity and innovation.

Amabile's (1997) influential componential theory of organisational creativity and innovation describes the impact that the work environment of an organisation has on creativity and subsequently innovation. An individual's creativity will be higher the higher is his or her task motivation, expertise and creativity skills, and that it will be highest where all three of these components overlap. On the other hand, an organisation's work environment surrounding innovation consists of organisational motivation towards innovation, resources, and innovation fostering management practices. Like the component model of individual creativity, innovation activity is highest when all three of these components are strong and overlap.

To use Amabile's componential theory of innovation as a framework to analyse how innovation is fostered in creative economies, we must first expand it from the organisational context to the broader ecosystem. In this case, instead of organisational motivation, the work environment for actors in the creative economy's innovation ecosystem is characterised by its community. Furthermore, rather than being constrained or enabled by management practices, creative actors are enabled or constrained by policy considerations. (Figure 6)

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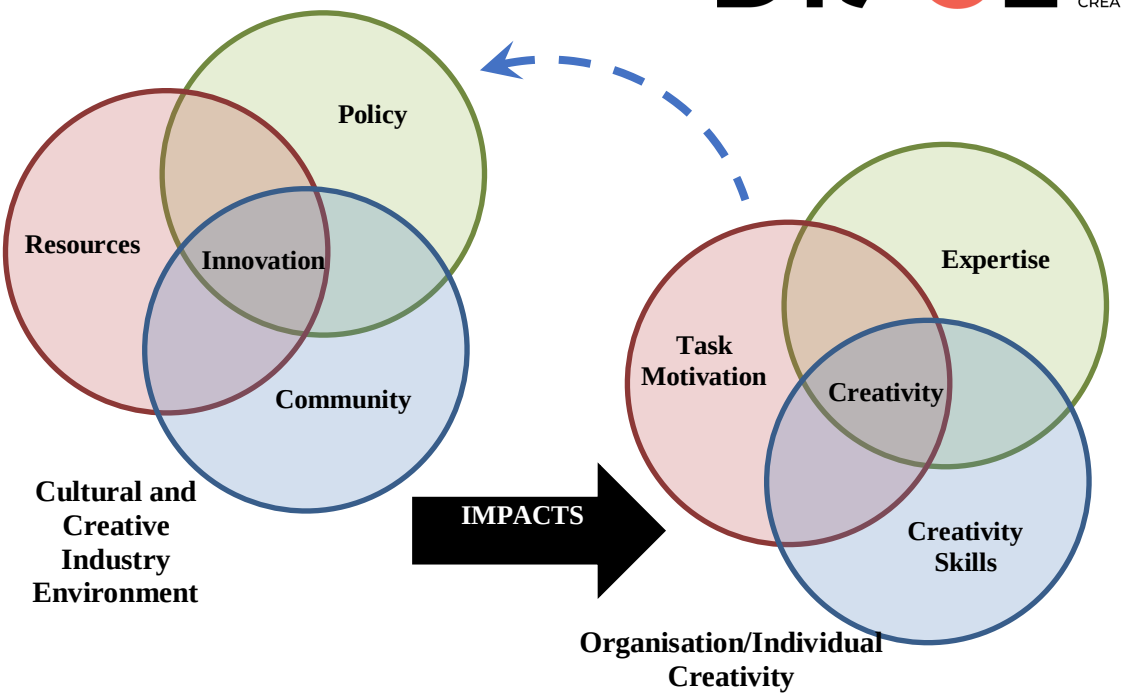

Figure 6 Impact of the creative economy environment on innovation and creativity (adapted from Amabile 1997, 53)

According to Amabile (1997, p 52): "*The most important feature of the theory is the assertion that the social environment (the work environment) influences creativity by influencing the individual components*". In this chapter, we have adapted the work environment as the cultural and creative industry environment. In other parts of the overall DISCE project we have discussed cultural ecologies and creative ecologies as representing the interactions between various actors and activities of the creative economies. However, what we mean by the cultural and creative industry environment here is the social environment as it is experienced by the individual cultural operator – and how this social environment influences the interactions between the individual's creative and innovative activities. As we have already discussed many elements of organisation and individual creativity in the preceding subchapter and elsewhere in this report, below, we focus on the components of the environment of the creative economies that either promote or may inhibit the connections between creativity and innovation.

5.4.1. Community

Factors supporting innovation

Amabile's original explication of the componential theory of organizational creativity and innovation suggests that "the most important elements of the innovation orientation are: a value placed on creativity and innovation in general, an orientation toward risk (versus an orientation toward maintaining the status quo), a sense of pride in the organization's members and enthusiasm about what they are capable of doing, and an offensive strategy of taking the lead toward the future (versus a defensive strategy of simply wanting to protect the organization's past position)" (Amabile, 1997, p. 52). A similar innovation orientation revealed in discussions with interviewees in the Enschede and Leuven creative economies, except in this case the orientation permeates the community in which they are imbedded rather than just individual organisations.

Comments by interviewees emphasise the importance of building a community in which diverse networks of stakeholders engage in different kinds of creative activities and interaction. For a creative worker in arts, this

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is not just a desirable exercise, but one that increasingly his educational institution needs to do to attract people and engage a broader audience:

> *"we are changing along with society, which means that we get more and more involved in a community, in community building, we do all kinds of projects, which are always related to the artistic developments, but not straight, nothing in the traditional way of organizing a course with 10 evenings or something, because the main difference is that the target audience is changing along with society. And you have a lot of groups, like non-younger people, who tend to live in a different way than they used to be, or non-native Belgian people. And it's a totally different approach of getting in touch with them. So, just giving like a catalogue or a website with courses and people will come to you, it doesn't work like that anymore. You will get the same people, but you will not get everybody. So, we are, yeah, we have to adapt our way of working quite intensively over the past, let's say five to, five to 10 years."* (LE20M40s)

An artist and recent graduate, states that it is important to her that those within her community are receptive to working collaboratively:

> *"I think as an artist, it's very important for us that you want to work together. So, which doesn't mean that you cannot make a solo performance. That's not really what we mean. You can, but it would be great if, you know, for that solo performance, you work together with people who we bring into contact with you."* (LE27F20s)

Furthermore, entrepreneurs who operate consultancy firms, speak of the importance of mixing and mingling people from different demographics, sectors, and industries to stimulate innovation:

> *"Ideal world, you take physical place, where you invite people from different industries, and different sectors. And they sit together. Essentially. So, rather than just putting a room full of graphic designers, you get someone, a graphic designer and a product developer and someone in a larger industry and someone in textiles or someone in the food industry, and put them together. Because I think that's when you start to get real innovation. When you can start to look into, not just outside of the box, but into the boxes of other people."* (EN11M)

> *"I like the place here because of the people around me, I like the young entrepreneurs around here, I like the more experienced guys here. So, if I have a workshop or drink a beer over here in this region, sometimes I'm looking for specific partners then I mainly focus at the university, because of the level of thinking and there's a lot of research going on there, so that's interesting for us."* (EN10M40s)

Involving diverse actors injects the new and different viewpoints to generate and stimulate innovation. To this end, an interviewee coordinates a creative coworking space that specifically aims to bring different actors together, occasionally resulting in creative "clashes":

> *"Like it's really an amazing thing to see how a space like [coworking space] connects to, like sometimes it clashes, but sometimes it connects in a great way. For example, in the new project, when they work together with a company, and I mean, they get a new solution, attractive ideas. It's a great way of like valuing an artist in a different way and valuing their work properly."* (LE12F20s)

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Various interviewees, each of them creatives, all express the importance of inclusivity and diversity for the cities and communities they work in. A freelancer musician discusses how diversity as opposed to homogeneity is important source of new challenges that stimulate new ideas:

> *"I think it is important for every city to have diversity. You know, that's the only way you can move forward because, what is the opposite of diverse? Homogenous? … It doesn't give you any challenges and you just move away. You won't meet new people, you won't get new challenges, there's no space for your ideas."* (EN8M20s)

Another freelancer echoes this sentiment, emphasising that innovation requires new influences, which in turn requires inclusivity without barriers or restrictions:

> *"For me, it's really important because this innovation or anything new, you need like new influences. The only way to get new influences is if new people join in. If there are boundaries to join, inclusivity is not completely, how do you call it, like restrainless like everybody should be able to join without restriction."* (EN13M30s)

Yet, another one recent graduate provides an example of how she manages inclusivity in practice:

> *"And so, we organize a festival, and it is organized for, with, and by new makers. So, we have a team of only four people who run the platform during, like on the daily, but for the festival, we have an open call, and everyone can actually join. So, we don't, we are not a gatekeeper ourselves. We aren't the ones who say like, 'Your work is good enough, you can show, you can play, you can't'. But what we ask, so everyone can join, you just have to be, you can still be a student at like a conservatory or something, or like, an art school, or you can already be a professional new maker, so you need to be professional or you need to have the aim to be professional, to do it as a career, and you need to be willing to organize a festival with us, because we cannot organize a festival with just four people."* (LE27F20s)

Homogeneity offers no room to be challenged, to be exposed to new influences, and to generate new ideas. As such, these interviewees emphasised the importance of not acting as gatekeepers and restricting who can participate.

A freelancer suggests that the geographical location of creative economies is also important for psychological reasons relating the entrepreneurial exploration:

> *"Germans are pretty close, still it has, like, the border city effect. ... It's a little bit more room to play with than in a city in the centre of the Netherlands. And besides, you get to experiment things in Germany, something that somehow never really works but it creates this mental option, "fine, it doesn't work here but I can always do it Germany."* (EN13M30s)

Being close to another country's border provides a sense of security that fosters experimentation – knowing that if you fail locally, you are never too far away from another testing ground, which may offer a different culture. Along similar lines, a policy maker, understands the importance of creating an environment where people can feel able to experiment freely.

> *"And, maybe, there is an idea that starts and that's going to be a new economy. But, that's not the goal. The goal is to create an environment where people exchange ideas. Where they can experiment, where they can do things together. It's more about feeling at home,*

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> *have the room to be yourself and to create new things, than it's a goal, I have a business case and I have to earn money."* (EN25F50s)

Finally, an entrepreneur in Enschede makes two noteworthy observations. The first is that a stable and sustainable SME ecosystem is one that has resilience; that the firms that comprise it are able to survive crises: "*I realise, in past years, SME ecosystem has a lot of resilience to crisis. And, I think that when this grow, and grows medium sized companies, you have a good economic, sustainable situation for our inhabitants here.*" (EN32F). She notes that in other economies, when crises occurred, as they were made comprised of large corporations, the effect was that the whole market may collapse. Enschede, with many small and immature firms still may face a struggle, but when a small firm in this ecosystem fails, another "*will stand up and take over the developments in another angle, or in another domain.*" (EN32F) Lastly, she notes that creative economies such as Enschede, on the whole, are innovations in and of themselves – as communities where art, education, and entrepreneurship coexist in close proximity and in close interaction, all in one place:

> *"That's innovative. Nobody talked about making here a, sort of, city campus where housing, educating and working is in the same building and organise it in a way that people meet each other and do things with each other. Research and working as a student already for a company, start-up, things like that. So, that was really new in this city. So, I think that was already the most innovating thing."* (EN32F)

Barriers to innovation

Working in opposition to the factors discussed above, interviewees identified a number of aspects of the community environment that they identify as stifling to innovation and creativity. The first issue identified by a respondent is resistance to change:

> *"Innovation has to do with change and changes are difficult for people. Especially in this domain, because the people work here, they like to stick in a job for a long time, and we are changing stuff. So, I think, and I think that can be a blockade for any kind of creativity, is that you want to stick to the current situation."* (EN10M40s)

Resistance to change comes about because people feel safe with the status quo. This leads to a resistance to innovation because innovation represents change. Similarly, a social entrepreneur, faces potential customers' resistance to newness as what she does is very novel and unfamiliar. One strategy she uses to combat this resistance is to "fully go for it" and prove to her potential clients her expertise:

> *"When I tell I'm soul-base coach here, they're like, oh, my god, what is that!? So, it's being the new one in a community where it's not quite normal to look at it like that, or work like that. Or to really be different from what's normal here. It's a kind of, people here are kind of close, but they're not that open to new things, they really want to keep things as they were, because that's safe. So, new things always take a lot of time to touch ground here. And for me, that means the only way to do it is to fully go for it, because otherwise, if you don't trust it, they won't trust it."* (EN21F)

Furthermore, an entrepreneur suggests that certain organisations within the ecosystem (or the community as a whole) may foster a mind-set or culture that lacks risk tolerance. He suggests that this lack of risk tolerance can manifest itself in a humbleness that inhibits the community from celebrating its achievements (e.g. hosting world class artists):

> *"Yeah, it's a, it's a mindset. I mean, [the university] has a culture by itself, right. And now, I don't use the word culture I would usually like, let's say, region's culture, right. And their*

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> *culture needs a bit of change it needs. Again, accept risk, be more tolerant, be more diverse. If you have the spaces available. Let them try it. You have nothing to lose and also stop being so humble, for example, if Basic Grooves, right, manage to get on their artist line-up, someone fly all the way from Brazil to perform two hours in Enschede, please like [university] or Enschede talk about it."* (EN2M20s)

Likewise, a director discusses how some innovative actors are not very good at communicating their activities so as to draw the attention of policy makers and others. This leads to much of what they do being concealed within a black box:

> *"I think we also have ourselves to blame because for many years the art schools were big advocates for a sort of a black box construction, so it's a sort of mystery you know a very specific collaboration between, you know the sort of art and you go in there and for four years you are invisible, and then you come out and you are an artist or not or like."* (EN17M50s)

A freelancer suggests that some of the artefacts created by the ecosystem, such as a platform for promoting innovation, themselves do not foster creativity – to their own detriment.

> *"I'm also part of the Leuven MindGate platform, and they try to give Leuven international attention for health, high-tech and creativity. But if we're honest, the creativity is, you know, they don't do anything for creativity. It's about health and high-tech. And it's a constant fight to convince those managers, those people, that being an attractive city internationally is important that creativity plays a role. It's a constant fight, I think, against the classic idea that artists or creatives are poor, that they all are selfish. You know, they just want to create, but they don't want to contribute to a society. That culture is not part of the economy. I hate that."* (EN18M)

Conversely, an interviewee highlights that their exist tensions between organisation and artistry - many creatives have a fear of organisation. The question then becomes how to maintain creative freedom while imposing organisation?

> *"There is the problem that most artists are afraid of organization, of organizing themselves … The intellectual property, yeah, so the designers, the illustrators, the writers, the lay-outers, etcetera, they have all a part of the intellectual ownership of a book. And the libraries want to lend it out, but you have to pay for it, so they have to create a disk and once they have created it, they have made it in such a way that all artists can put their name in there, and also all the aliases, etcetera, they could also choose have an alias disconnected from their original name … for the producers and so on, it's quite a good, well thought system."* (EN14M70s)

A director notes that the research and knowledge creation generated by his educational institute provides its "*innovative power*", however the rigid structures of the organisation suppress that innovativeness. One way around this is to find collaborations with external actors.

> *"Well like this system is very susceptible to the hard world of calculation, this is very easy to translate in, okay, one student went, or 25 students, one teacher, so many teachers so many square meters, you know then that kind of thing, so this is very vulnerable in a sense, it's very hard to maintain any progression in this, it's fixed when it's fixed and in order to facilitate this the best way and we have to find some collaborations in here."* (EN17M50s)

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5.4.2. Resources

Discussion by interviewees on the important resources that support creativity and innovation activities in their creative economies revolved around two main themes: space and funding. Linking to community as discussed in the previous section, interviewees emphasised the need for creative spaces within which to work and collaborate with other diverse actors.

Creative spaces

Interviewees raised a number of issues relating to creative spaces. An interviewee explains how space is very important for creative work. This can be as simple as a room where artists can come to relax, think about their work, rehearse, and talk about their activities with others:

> *"But then, we would also really like, for example, to give new makers rehearsal space, and give them like, we see it as like a space where they can go rehearse … like there is just like a room they can chill and there is a coffee machine and some tea. And you can just go in and like talk about your projects or talk about, not about your project, talk about other things that inspire you, and just like get together with all these different people. Like the idea is that we have a room, like a space, where people can just go in and out, to get into contact with one another, and yes, to rehearse … Yes, that's a bit of a dream of us, to have like a space also, in Leuven, they are currently building like a new building for the performing arts."* (LE27F20s)

Similarly, a freelancer artist discusses the importance of having such a fixed location where one can invite others whom they know to visit, so as to initiate collaboration:

> *"And then, I'm starting a gallery, I have a building now in Brussels that I can use and I'm starting a gallery there. This is also a very good way of inviting people that I kind of know in Brussels, that I think we could work and like to collaborate with … invite people and to get to know more people and to be aware of other people."* (LE14M30s)

Additionally, he suggests that doing everything alone is difficult, and it would be helpful to have a space that provides administrative assistance (e.g. access to an administrative team) for creative actors to produce and disseminate their work, or to help organise or host events.

> *"I would just really like to have some kind of team to help me to manage everything and to also be able to work on more videos, and to add contexts in which I could build the kind of landscape as a project or as an exhibition, to really, not being the only one making choices, not being the only one that has to arrange everything. To have a place to be a guest, to host something."* (LE14M30s)

Removing the administrative burden from creative actors allows them more time to focus on creativity and innovation.

A company owner discusses the characteristics of a space necessary to attracted people to creative economies. He emphasises the need for a space where activity is not stifled by rules; where people can be and feel like they can do whatever they want. He argues that such a space is important not just to attract creative actors to the locality, to build new things and generating new ideas, but also to motivate talented people to stay in the area:

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> *"If you are creative and you want to stay in a certain area, you have to have the feeling that you [can] do whatever you want. If you can create an area like that, that will really help you stick people to, in this case, Enschede. Or other places like in other places in the Netherlands where they say 'Okay, this area right here is a wasteland' you know, people could start building houses here, could build events here. People flock to that place and they start building their stuff, come up with new ideas. So, very motivated to stay and not move to another city. I think that's something that is very slowly happening in Enschede but very valuable for me but also for other people working in the creative industry, to make it happen."* (EN13M30s)

A professor discusses the importance of making a space that draws people in for example creating a café or restaurant area. A space which makes people want to be in the area just to hang out:

> *"So, we have been talking about all kinds of things, making something here in the middle like a pavilion just to have a good sort of restaurant or coffee place just to draw people there, this is sort of the starting point, because now even in the midst of summer you don't see anyone here, not sitting here or lying, if this would be Amsterdam it would be crowded. So, ask yourself why, it's not because of lack of people it's lack of [attraction]."* (EN17M50s)

This sentiment is further emphasized by an entrepreneur, who argues that it is a matter of some urgency to support local artists and initiatives that there is a space for artists to express themselves. He argues that such a space would attract visitors, both local and from further afield. That this will improve the image of the city, attracting more people to come and live, which in turn attracts more companies and helps the economy to grow. He suggests that a reason preventing the creation of such a space may be due to a lack of tolerance to failure:

> *"It seems that there needs to be more awareness of how … how urgent it is to support local artists and initiatives to have a space to express themselves to attract citizens, visitors, tourists, so that the city can have a better lifestyle, an image which then attracts more people to stay and live here which attracts more company, which makes the people and economy grow. It's all intertwined with each other, but it all starts right there. Are we open and tolerant enough to failure?"* (EN2M20s)

Other interviewees discuss their own efforts to create the kinds of spaces outlined above. One developed a coworking space to bring artists together with universities and companies to promote cross-sectoral cooperation work-spaces.

> *"There are the huge silos of Leuven, they really define the image of like the new part of the city. It's kind of the Brooklyn part of Leuven. And there, we provide residencies that are focused on cross-sectoral cooperation. So, these are artists that work together with companies or with the university to achieve a certain result."* (LE12F20s)

Another one has developed a platform that serves as a space to support newcomers to the performance arts through residence, and also through the organisation of festival to showcase their work. The platform allows new artists to network with established artists, and provides them with a space to continue to experiment following graduation:

> *"In this platform, we try to make space for the new makers in the performing arts, by supporting them, for example, to give them residency space, but also to organise the festival, where they can show their work even if it is still in the making, to have this kind*

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> *for network between a young artist and new artists and at the same time to create the safe environment where they can still experiment after they graduated."* (LE22F20s)

Finally, creative spaces do not necessarily have to be physical locations to connect people and facilitate interaction. A recent graduate has developed a website for creative actors to showcase themselves and their work, thereby bringing different creators together:

> *"We have a website … and on the website, we have an online archive of work by new makers. So, if you are a new make, you can send us an email with some imagery or some videos from your work and a little text about yourself and a way people can contact you. And then, we will show that on our website. Because what we really aim with the platform is to, one, to bring new makers together, which is what we do with the organization of the festival, because all of these people, like they really come together, and they organize something together, and they learn what it is to work together on something other than their own personal projects, which I think is a really beautiful thing."* (LE27F20s)

Access to funding

In addition to space, the issue of funding is a perennial concern for creative actors; i.e. the availability of funding, how to attract different sources of funding, and the strings attached to funding once it is received. An entrepreneur highlights the issue that some new creative and innovative firms suffer from a liability of newness when it comes to attracting funding. Because they are engaged in activities that are so novel, they have difficulty securing traditional financing from institutions such as banks:

> *"That's a very, very big problem, because, we don't have any finance, banks or whatever. Because, it's new product. When you make an office building, it's very clear for the bank. Because, you make an office building, they know it, and you have a company which wants to hire it, so you can build it and you can finance it. This is difficult to understand. This, with housing and working and educating together in one building. Oh, it's, they don't understand it. It's a new product. So, we don't find any banks. So, what we did was, we first built the student houses and we sold them to an investor, investing company."* (EN32F)

A similar issue is identified by the director of cultural organisation. He states that although there is funding available in the region for traditional cultural activities, such as theatres and music schools, there is not a lot of funding available for new and emerging cultural activities, such as eGaming. He argues that regional funding needs to be more receptive to different forms of culture:

> *"The debates are, for example, we put a lot of money in the traditional ways of culture. So, all the theatres, music schools, etc. And, that's all the ways how we spend money. And, the new kinds of culture, who are more about incubators, or more about eGaming, that kind of thing. We don't give money, this little. 95% of all the money we have here in the region goes to the traditional culture we have. And then, we are asking, when you want to be a high-tech region in Twente, then you also need to have other kinds of cultures."* (EN23M)

For creative actors who have successfully secured funding, there is another issue - how to balance creativity versus the results demanded by those who are providing the financing? Creative worker states that creativity requires room for playfulness, and the clearly defined goals or conceptions of results held by those who are providing financial support has the effect of stifling exploration:

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> *"Being creative it's so important to be playful, and that's sometimes when these programmes become important and you have to fulfill requirements that are so clear for people who wrote the plans, that is not easy to come over, you must laugh about it, you must say oh, come on. On the other hand, they are supporting you the money and they are all integer and they all want to have some good results, but sometimes the results are too clear and the finest point on the horizon becomes a horrible thing and sometimes you have to just explore other ways to find out that beyond that horizon there are other horizons."* (EN26M50s)

Other interviewees outline their efforts to overcome some of the challenges associated with securing funding or income while maintaining the ability to work creatively. For a company owner this involves experimenting with innovative new pricing models:

> *"I still experiment with all formulas existing. I think at the moment, 50% of our clients pay by hour. I think, and that's what happens in those tender parts, or by three defined deliverables. And of course, I'm experimenting on two levels, one of value-based pricing in just saying, "Yeah, but we're not offering." I don't know, sometimes... sometimes it comes quick, sometimes it comes very hard and people don't want to take the risk, but want to have the lowest price. And I am very open at the moment in looking for paying for what think it's been worth. So very open pricing models, but people are still very fearful about it. Yeah. So, it's 50-50 value-based and hourly rates."* (LE18M40s)

An entrepreneur interviewed discusses how her firm is diversifying out from reliance on municipality funding by exploring crowd funding:

> *"The balance is, our company turnover is growing from 2.6 million in the past five years. And, it mainly comes from the other funds. Our business is growing, we actively started to, and in this is also crowdfunding. So, we have a lot of people supporting us. So, that's growing. And, the other funds we are applying for is growing. So, active policy trying to get more funding from other sources than the municipality."* (EN21F)

Likewise, a creative worker describes her cultural organisation's novel way of attracting crowd funding by rewarding it with token cultural products they produce:

> *"We did some crowd funding for our campaign, people could give for the museum and then they received a reward, for example a beer brewed in the abbey, or a visit or whatever."* (LE11F30s)

Lastly, an entrepreneur describes the importance storytelling plays in securing funding – a phenomenon that has been recognised within academic literature (e.g. Martens et al., 2007):

> *"I think we have quite an undiscovered potential yet and telling stories differently to get more support to get more funding to get more investments for let's say, good cause projects who still need a louder voice."* (EN2M20s)

5.4.3. Policy

The third and final component that contributes to fostering an environment that encourages innovation is policy. The way policy can encourage innovation in creative economies is by facilitating the community and resource environments supportive of creative and innovative work that are described in the preceding two

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sections. This is reflected in comments made by interviewees on their views on how policy can support, or better support, their activities.

Highlighting a policy issue relating to community building, a company owner stresses the need for policymakers to enable a rule free environment to encourage creative or cultural innovation. He argues that creative actors would prefer to squat than to use a space with too many rules:

> *"Like this area, there was nothing and now it is a thriving cultural space but they input money to just create the rules, I think that's really important too here in Enschede as well. Right now, some people are forcing that by squatting, for example, squat in a building, there is not as many rules as if you would rent it. So, forcefully, this no rule environments are being created … That's also the main thing, communicating with like everybody in the municipality. What's needed is this place with less rules. The example I use for them, it's like if you have a business, you want innovation, you create like a place for knowledge. You can make sure that they get money, you have a free workspace. Knowledge, money for workspace is not that important for innovation in culture or creativity. You only need this no rule environment because they don't care about money."* (EN13M30s)

Also relating to community building, one policy-maker discusses the need to foster an "underground scene" to attract talented people:

> *"When you want to have talents, and you want to have that people move to Enschede, you need an underground scene. It's now the case that, those kinds of people, a lot of those artists are going to Arnhem, are going to other towns. You have a brain draft here, in Enschede, and when you, if you don't want that you need to, yeah, to stimulate another sector, another scene."* (EN25F50s)

Relating to interaction between different actors within the innovation ecosystem, a director of a network community notes current policy in place aimed at networking, and connecting different organisations.

> *"Yeah, innovation is active. And, also, something we want to make new policy about … And, it's active in the conversations we have with the cultural organisations and, also, in the new policy we have [a programme] for the incubators. And, that's where we try to connect the traditional cultural organisations with the new, innovative organisations. So, they can learn from each other. Because, we see also that the new organisation, the small ones, are too little and they don't have knowledge of different kinds. They are important to develop. And so, we try to connect them, so they can grow."* (EN23M)

Connecting traditional cultural organisations with new, innovative organisations, so they can learn from one another. Connecting new organisations to established ones injects innovation into the latter while providing the former with a protected environment in to learn and grow.

Some interviewees offer suggestions for how policy can and should help to create the kinds of cultural and creative spaces discussed in the previous section. Firstly, an interviewee suggests cultural spaces should be integrated into every shopping centre:

> *"I would say that in every, every shopping centre, there should be cultural spaces, so a space that allows performances and shows of paintings and gallery combined, with good food and so on, because in fact, the food sector is also starting to be cultural in Enschede."* (EN14M70s)

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Secondly, a communication manager emphasises the need for direct engagement between policymakers, organisations, and the public in the co-creation of shared spaces. To do this, he argues, requires finding the right tools for facilitating such engagement:

> *"But it's also the first step on how do we run this big thing, because of course, there's going to be the big productions and it's going to be, it has a venue capacity in the big hall for about 1000 people, and it's going to be huge shows and big names, but we all, and I think that came, not just me, not my organization, but also the city council, we're all concerned about, if you want this to make this a successful thirds-space, it's the people going to co-decide on what's going to happen here. So, my question, my response would be, or my answer would be, finding the right tools to get people involved."* (LE7M40s)

Thirdly, a volunteer and community activist points out that space is limited, and services such as parking are expensive. At the same time, she argues that spaces owned by companies is underutilised, particularly outside standard office hours. Why not ask the policymakers to make the private companies share their spaces with the public?

> *"They have a lot of places where citizens could meet each other instead of building again a culture house where people could meet each other, and I said; "there are more than enough buildings, but let's share it. Make the opportunity that a citizen can park his car on the Cera building for example or IMEC". They have a huge parking building, it's empty! If you go now, look, it's empty, and that is what I think yeah make the circle with the politicians to say; "okay, it's good that you give money to be innovative, bet let the research or the companies who are here, let them share their buildings and parking places also with the citizens."* (LE10F50s)

The final theme relating to how policy can facilitate creativity and innovation relates to funding. A policy maker and freelancer argues that policymakers (i.e. the government) have a responsibility to finance innovation:

> *"I think the government has the responsibility to finance innovation, because that's the most difficult thing to do. That's innovate, and that's always a start-up, or some young people with a marvellous idea, but with no money."* (EN32F)

Relating to this, a recent graduate recounts the city of Leuven funding to her cultural organisation:

> *"And the city of Leuven was very happy with this because they were like, "Oh, this is a solution to our problem." Which is why they are so happy to support us, because the city also told us that we are the organization currently that gets the most amount of money from them for the cultural projects. So, they are giving us a lot of money to do this, but it's because it aligns with their own … like this is what they wanted to do, they just didn't really know how. So, instead of doing it themselves, they decided to let it come bottom up, which is a great, which we are very grateful for. And yeah, so in general, I feel like Leuven is currently very, very open to new projects and to new initiatives and is very willing to support them, because they have their bigger goal of becoming the cultural capital, which is great for us, you know."* (LE27F20s)

This account shows how funding creative and cultural activities can achieve the city's goals, or solving policy problems, in a way that the policymakers do not or cannot know how to do themselves. This emphasises the importance of bottom up support of new creative and innovative organisations without the necessity of ex ante clearly defined goals.

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Different components of the environment (community, resources and policy) either promote or may inhibit the connections between creativity and innovation of the creative economies. Our findings suggest that it is important to build a community in which divers networks of stakeholders engage in creative activities and interaction. Creative spaces and access to funding are seen as crucial resources for innovation. Policy can encourage innovation by facilitating the community and resource environments supportive of creative and innovative work.

5.5. Fostering innovation in creative economies

This chapter focused on generating knowledge concerning how actors within creative economies perceive innovation, and what they consider to be the most important factors that either facilitate or hinder their innovative activities. A summary of these issues is provided in Table 11, below.

Table 11 Summary of issues pertaining to innovation in creative economies

Creative economies as innovation ecosystems			**Components influencing innovation in creative economies**		
Actors	**Activities**	**Artefacts**	**Community**	**Resources**	**Policy**
Creatives Entrepreneurs Support Organisations Cultural institutions Education and Research Institutions Policymakers	Promoting/ disseminating novelty Sharing Experiences Exploration/ Experimentation Using new tools, innovations, to facilitate creative work Creating networks, collaborations, and partnerships Balancing creativity and commercial activity Developing innovation skills and strategies	Cultural innovations E.g.: Solutions to societal issues/ problems New ways to communicate, share, novel experiences Commercial innovations to facilitate ongoing creative work	**Supporting factors:** Inclusivity, collaboration, diverse actors Proximity to different markets Environment to experiment freely Fostering resilience Creative economies are innovation **Barriers:** Resistance to change Resistance to newness Lack of risk tolerance Poor communication regarding activities Tensions between organisation and artistry Rigid systems	**Attractive creative and collaborative spaces, with:** Administrative support No/few rules Cross-sectoral cooperation Support for newcomers Virtual spaces **Funding for novel products/ emerging cultural activities, with:** Balancing creativity versus "results" for funders Different funding models Crowdfunding Storytelling/ communication to secure funding	To enable rule free, inexpensive shared cultural and creative spaces Fostering an "underground scene" Facilitating networking, collaboration, interaction Connecting traditional cultural organisations with new, innovative organisations Working with creative operators to more effectively apply funding

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Innovation ecosystem in creative economies consists of a variety of actors, activities and artefacts. Community, resources and policy serve as supporting or hindering factors for innovations in creative economies. By addressing any of these components it is possible to foster innovation in creative economies.

An important distinction between the traditional innovation ecosystems as conceptualised within innovation and entrepreneurship literature and the types of innovation system that are represented by creative economies, as discussed above, is that the creative actors at the centre of these innovation systems tend to emphasise creative activity over and above commercial success. While their creative activities often do result in commercial outputs and spin-off benefits for the economies in which they operate, they tend not to be motivated by profit. Innovation, as it relates to commercialisation, is a means to simply to finance further creative work. In short, these creative actors often innovate in order to survive doing what they love.

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6. Role of digitalization in enabling innovations

6.1. Scope of the chapter

This chapter focuses on the role of digitalization in enabling innovations among the cultural and creative sector, and it raises up some issues and concerns that actually seem to prevent the creative workers and organizations from being innovative. Innovation and being innovative can be defined as implementation of entirely new inventions and novelties, products and services that create new value[3] (see also previous Chapter 5). In this chapter 6 however, being innovative does not necessarily imply the implementation of things that are universally new but are new to the individual or to the organization. Many interviewees describe "taking over social media, creating websites or blogs" as new things that they themselves have never done before. In some cases, the interviewee has clearly coined or applied a digital or social media related technique, but does not necessarily consider it as innovative, yet in here it is interpreted as such. Being innovative can also mean freedom to do mistakes, as an organizational interviewee describes their working culture:

> *"Agile operator I mean. Since it's not so bureaucratic, our [organization] works internally in a really democratic way. It's been easy for us to innovate, to do. We've always had that freedom, always from the [organization's] management, employees have been free to innovate, to do, to experiment, to fail."* (PO24F40s and PO24F50s)

To understand the role of digitalization in innovation or being innovative, it is also important to separate the terms of *digitization* and *digitalization* of media. According to Donoghue et al. (2021), *digitization* of media means "*the technological effect of converting continuous, analogue information into discrete units of digital data represented in the form of numerical values*", while the *digitalization* of the media industries refers to "*the organizational effect of restructuring business practices through the application of digital technologies and data*". Equally important, is to separate the born-digital or digitally native (audiences or industries) from the digital immigrants, those who were born and grew up before the internet and digital era (see e.g. Palfrey & Gasser, 2008; Prensky, 2001; Vadana, 2020; Vadana et al., 2020.) Creative workers and organizations have digital identities, which determine the ways in which digital tools, platforms, and products are approached as possibilities.

Empirically the chapter draws from the regional case study data (see Appendix 1 Case Study Methodology). For the purpose of this chapter, the quotations for the code *digital technology* for each case location were first carefully examined. The analysis of the coding results is based on close reading techniques, which is described as an analytical method used with texts. In close reading, the texts are carefully read several times, analysed and interpreted. The first reading comprises the understanding of the text as a whole, while the next rounds can deepen the interpretations or controvert them, and the focus of the reading turns to details. (e.g. Pöysä, 2015). During the close reading of the quotations, several discourses such as mastering, usefulness, datedness, Covid-19, devices / software / social media and other were recognized and selected as themes for a closer look in terms of innovation or innovative behaviour.

This chapter highlights issues related to digitalisation and innovation. The structure of this chapter is following. First, the subchapter 6.2 focuses on (new) digital products, services and new opportunities that have been recognized from research material outside the Covid-19 discourse. The subchapter 6.3 then moves on to discuss the digital divides that have emerged in terms of skills and possible exclusion caused by digital

[3] [1] ISO 56000: 2020

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technology. The subchapter 6.4 turn the focus on Covid-19 and the digital leap took by the cultural and creative industries, the reactions, pros and cons and the innovative agents that are involved in the leap. It is impossible to totally exclude Covid-19 from the preceding subchapters as the interviews took place during the pandemic. The last subchapter 6.5 is conclusive and discusses the factors which are important in digital opportunities both before and during Covid-19.

6.2. Digital products, services and opportunities

This subchapter takes the focus of (new) digital products and services, or digital possibilities and opportunities that interviewees had recognised. As noted earlier, new digital products or services might not be new in general but for the interviewees they are **new ways of doing things**. Typical born-digital products discussed were, for instance, games, podcasts, e-books, VR, and web pages (CH14M50s; LE6M30s), and some of them were the main revenue source of the organizations, while others were made as side-jobs. This chapter will first discuss freely offered digital products and services, which in this part are separated from the Covid-19 discourse. It then moves on to discuss the change from physical products to digital products, and then considers the online presence as an opportunity for businesses.

Free digital products (for communication)

The freely offered digital products and services could in many cases be described as communicational products: several discussions point to plans in taking over communicational methods such as starting a newsletter and/or a blog (e.g. PO23F30s), and were meant to advertise and introduce offerings. However, in some cases it was difficult to distinguish the product or a service from a communication tool, and these concepts clearly overlap. For instance, a platform for different types of professionals to meet (artists, technicians etc.) functions both as a type of digital service (LE27F20s), and as a communicational tool as well. Here, an interviewee describes the creation of an archive and a podcast, both as a product and a communication method to present the artists and their work:

> *"(W)e are working on a new website. It's maybe important to mention. What we try to do is create a kind of an archive on our website of people that are passing by and the things they are working on. And so, this is not a sort of communication that really works social media wise, but for example, when you look up an artist that is quite young, that hasn't got a huge portfolio, but she or he has done a residency in [anonymized], like the explanation about the work and about their products, it will easily pop up. And so, I think this is for us very important, the fact that we create an archive, a new text, new ways of speaking about artists, so that the artists can really use this. It's like a communication that they take along, and that becomes like important throughout their career. So, I would say this is really a sort of communication that is useful for the artists themselves. We also recently started with a podcast. And I think this is very much in the same kind of communication. So, it's the ideas and all that when we put the podcast in the world, that it has a thousand of listeners, the ideas that what is said in it is important for the artist. The artists can use it when a curator asks for the work or wants to get to know this artist, that she or he can share this podcast. And so, it's a very supportive way of communicating."* (LE12F20s)

Obviously, these freely offered communicational products were distributed by using free social media channels, such as Facebook, Instagram, Twitter, YouTube, LinkedIn, websites, e-mails and newsletters. Usually, it was noted that multiple different channels are used to convey the message in order to reach out as many customers or as much audience as possible (LU15F30s; LU5M30s). One interviewee described their

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communication method as *a snowball effect*: by asking people to forward their e-mails, they would get more customers and attention (LE27F20s).

It was not always implied how these social media platforms were chosen, but it is worth noting that the nature of the platform (e.g. humorous or political), their functions and user groups differ quite a lot. The oldest and established platforms, whose user groups are still active, can also be considered as more sustainable and enduring channels, which can affect how the channels are chosen even when some of the target groups exist elsewhere. Another reason can be the actual purpose of the organisation. However, some interviewees mentioned entirely different platforms from the "established" ones (e.g. LU15F30s; LU5M30s), but these platforms were mainly meant for internal communication.

From physical to digital

Digitalization has, to some extent, increased the obsolescence of physical products (see e.g. Wolf, 2019), and for instance in the game industry, digital distribution and online content have long ago surpassed the revenues from physical games (Kerr, 2021). Kerr (2021) also reminds that technological change is a part of innovation process and punctuated by various factors, and examination is required to understand how organizations, individuals and institutions adapt to and resist it. Technological change can force the organization to change their offerings. For instance, a publishing house decided not to print books anymore, but to produce and sell books only in digital format such as audio books or e-books. This is due to the tendency on the book market. Part of their innovation process has been the analysis of certain services and products and their possible connections. The interviewee mentions podcasts as new service type that they are trying out, and also anticipates how the future of the printed book will develop, seeing an upcoming trend but also describing obsolescence to some extent:

> *"You have to be really building that part so now we're looking at what's happening now you have the audio and e-books, and this transformation to a digital community and society. Is there a connection, for example, between podcasts and books? Can you make a podcast out of a book or vice versa? So we started 2 new podcasts to try to understand that part as well. That is a part of the analysing structure. -- I think that's going to happen for a lot of people and when you get used to reading, you start reading printed books as well. Of course on the other side, we're going into a position where the digitalization is even stronger and people interact more with their phones than the surrounding people, or whatever, which means that audio and digital books will be stronger and stronger. There's also a pressure on the bookshops themselves which sort of drives the public towards digital books. So, in a few years' time, I think the bookshops will have lost at least 20% more of their turnover and it might have slid over to Amazon, or some of it, and the rest to audio and e-book which are probably coming on strong as well. There is a tendency going in that direction, but I think that more people will read."* (LU7M60s)

From the organizational point of view, obsolescence can be seen as forced, when external forces e.g. legislation or fashion compels the company to make changes into their offerings, or as adaptive decisions, when external impacts e.g. customer feedback or upcoming changes in the industry are considered and anticipated and changes are made voluntarily and gradually (Sihvonen, 2020). Thus, changing one's offerings, services and products can also be considered as adaptation to the situation, harnessing the benefits of digitalization. One interviewee explains how with the help of social media and Google analytics they have been able to change the kind of content they produce and are able to follow the trend patterns (LE25M20s). Another one implies that digital technology has had an impact on their business model, which has forced them to carefully consider what is worthy of putting on the stage because the risks and the punishments for failing are high (LU13F40s).

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Online presence: strategies and opportunities

While some products are designed to be free of charge, for communicational purposes, and take the shift from physical to digital, the virtual world has a lot of opportunities to offer. Social media requires presence, activity and an understanding of the target groups which is connected to the functions of the platform. One interviewee notes that their organization's *social media plan* is lacking target group thinking, and he finds it problematic (PO17M50s). One may also have an online appearance, which is not maintained well enough (LE18M40s). Even in the cases where the use of social media is active, some interviewees still do not know their target groups (LE27F20s). In the next quotation, another interviewee describes the organization's presence in social media and the changes they have made; how and why, and the channels they choose to use. This could also be referred to as having *a media plan*:

> *Interviewer: "Are you present in social media? Is it important channel for you?*
>
> *"Yeah. And that's what we learned in the beginning of Covid that then we decided we had less work so we decided to spend more time on marketing and it really helps. To spend more time on marketing, to spend more time on networking, that's also very important. And in the beginning years we didn't do that enough. But now we are...we put more effort in."*
>
> *Interviewer: "Is it only social media or do you use maybe more traditional channels or is it all digital channels?"*
>
> *"It's digital channel. Yeah digital channels. It's LinkedIn, it's Facebook, it's writing blogs on the side of the radio station. The radio one station at [anonymized]. It's doing more interviews, it's going to networks, it's going to webinars, or follow webinars and write down all the people that are in the webinar and then contact them through the social media."* (LE1F40s)

An online strategy can also be turned into offering itself, as a paid service. A company representative describes how they noticed their previous products did not work, and instead they decided to develop their business model, and started creating media strategies for their customers and help them with digital innovations (EN10M40s). Online environments create possibilities for the interviewees to explore and exploit. However, certain solutions can actually prevent the recognition of opportunities or function as exclusive actions as the next subchapter will demonstrate.

In creative economies, new digital products or services are not necessarily new in general but represent new ways of doing things. Born-digital products discussed include games, podcasts, e-books, virtual reality, and web pages. They can be the main revenue source of the organizations, but function also as side-jobs. In addition, there are freely offered digital products and services. Further, it is possible to observe the change from physical products to digital products, and the online presence as an opportunity for businesses.

6.3. Digital divides

Digitalization is never neutral, nor can exclusion be avoided entirely. Palfrey and Gasser (2008) define the digital divide as separation between those who have access to the network and to those who are without the access. There are several other issues and factors that can also be the cause of digital divide. This subchapter discusses the mastering and skill discourse as an issue for creative workers and organizations, as well as for audiences as a cause for divide. It also raises the issues of expensive devices and vulnerable target groups that play a role in creating gaps.

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Mastering and skills

IT literacy, individual techno-experiences, and technological and digital skill discourse have been the focus of academic research for some time now, and even today the skill discourse is strong in the DISCE interview material. One of the key issues with (digital) technology, and nowadays with social media too, is mastering it: does one master the digital technology and social media and how well? (see e.g. Kennedy, 2003; Lüders & Brandzaeg, 2017; Talja, 2005.). In this section, the skill discourse is divided into positive or negative skill discourse and having or lacking skills. The positive skill discourse meant that the interviewee either described herself/ himself as a geek or other ways as talented, or s/he recognized that hers/his skills were inadequate, but s/he understood that by education, new opportunities might open up. In some cases, the interviewees did not necessarily mean that they lacked the actual skills and knowhow in terms of devices, apps, software etc., instead they meant that they had not yet deployed them. They saw the potential for their business purposes and planned to take control over social media accounts, blogs, websites etc. This kind of discourse is repeated in several interviews, including those that can be described as born-digital creative industries such as graphic designer. An organization in general can see itself as a pioneer of the digital work:

> *"Or well of course the fact that we're trying to develop our collection work and research too. And in that sense we are kind of, I don't know if pioneer is the right word. But still really, we have solid expertise on all kinds of digital collection work. And things like open data and development projects related to that. Like how we can make information related to the collections available to the public and bring it to [Public Collection Platform] and so on. Yeah and that work is done in the collection or research side of things. And in pedagogy, we've spent a fair amount of energy developing new ways of thinking about them."* (PO24F40s and PO24F50s)

Negative skill discourse meant that despite lacking skills, the necessity and benefits of social media for business and organization was understandable to them (PO17M50s), or that they considered themselves as unskilled and uninterested in developing their skills. In these cases, they also told that they had received some support. However, the strong skills discourse, even the positive ones that recognize educational needs, raises questions of how much do inadequate skills prevent creatives and organizations from innovation? Can they be excluded from some opportunities? The next section takes the focus of exclusion.

Exclusion: costs, investments, "online only"

One obvious reason for digital divide are the extremely expensive devices, software and other costs, which can limit technological innovations and creativity (LE13M30s). They can prevent people from buying the needed software (CH19F40s), and also leave out especially young people who (particularly during Covid-19) have not been able to take part in cultural activities due to lack of proper devices and Internet connections (CH17F40s). However, young, born-digital generations are also the reason to keep up with the digitalization in museums and other cultural organizations:

> *"You already mentioned this digital museum. How important part are digitalization and technology of your organization activates?*
>
> *For us it is really important. The digitalization of our culture is moving in an incredible pace and it's really, really going fast. If we don't address this, if we don't participate in this, our audience will not rejuvenate and we will not have a younger audience and it will stop in the end. So, we have to. We do it in different ways. We do it in digital presentations and digital enhanced presentations that mostly also in the museum factory. And but, further we also are working on a digital museum where we make digital exhibitions, but also where research groups can work together on specific subjects, if we have an interesting*

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painting, there are groups working on separate paintings doing research on it. They share this information through the internet and then it results in digital publication and those digital publications are being published also, they are on the internet. So, we are constantly working together on this." (EN7M50s)

Certain vulnerable audience groups such as children can be extremely difficult to reach out on social media. One interviewee describes the digital research they have done for their form of art and a home site they have built in order to find these target groups, yet, according to the interviewee "*they are somewhere else.*" (LU2M60s) It is unclear, whether this is caused by choosing the wrong channels or algorithms that determine what you see on your social media channels.

As discussed previously, the communication of organisations within creative economies happens usually digitally, or "online only": through the social media channels, websites and others. In addition to these, communication also happens face-to-face. Nowadays, to avoid exclusion, a mixture of different accounts or channels is needed in order to reach out the audience. An interviewee from Lund makes an interesting point how some communication channels, such as printed media, are left out from their communication plan, which means they do not use newspaper ads or alike, unless things are brand new (LU13F40s). Despite the ubiquitous nature of digital channels, these types of choices can still exclude some target groups and audiences who do not for one reason or another use social media. In digital game industry, some audiences have been able to resist the "online only" offerings, and many game consoles are still hybrid consoles (Kerr, 2021). In the next quotation, an interviewee describes the change in uses of social media platforms in reaching their audiences, and how new communication methods are needed, when the nature of the platform changes:

"Yeah, it has changed a lot and it is constantly changing. When I started this business, we communicated with our audience by only putting our posters and we could do an email list like a newsletter. 10 years ago that was not when Facebook started but when Facebook was booming and it was all over, everyone Facebook started and they started making ads on Facebook. That was a real game-changer for many people in the music business but not only in the music business whatever business that you are in that is how you tell people about yourself. I feel that's kind of changing now. Facebook is still like a platform, social media in general, like Facebook, Instagram and Twitter but i feel our ads is not getting the recognition that they did before. We are not trying to go away from it, but we are trying to find other ways in communicating with our audience. Facebook, Instagram, our website, of course, Google, social media is where it's happening and this is where you can find your audience and even where you talk with them straight away but I think everyone is [unclear] for the next thing to come and that's not like Facebook." (LU11M30s)

The exclusion can also happen to those who work and produce content only online and "*live on the internet*". One interviewee describes the digital phenomenon of amateur culture where young, talented people produce online content without ever performing in live concerts or events. These groups are still unknown to many, and can be left out from the public funding:

"So that's also like I think with the developments in technology and that everyone can access like these music softwares and media softwares and such has created a new and very strong wave of sort of amateur culture in a way, and some of it is quite successful online, but it's, that's also something that is not really, I would say respected enough on the, sort of when it comes to public funding and such, it tends to be more leaning towards fine arts and so on and so we are not really pushing this big wave of amateur culture that

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> *I think is happening right now. I think that deserves a lot more attention, and I think the connection between the cities and the venues and the spaces and all these talented young people needs to be strengthened."* (LU17M30s)

Other funding related issues are created by either the lack of awareness or by fear of Intellectual Property Rights (IPR), which was pointed out by one interviewee. This can be one cause for the financial gaps that some artists and creative workers suffer:

> *"Artists are afraid to be put in a box, so they feel they want to be free. And they don't want to think about it. Of course, when somebody steals their intellectual property, they're very angry. So, that is the power that you can use to organize them. But in fact, the unions and those other organizations have already organized it, so they say to the artist, "Don't worry, we are doing that for you." So, this has made the artist quite lazy, and at the same time in the illusion of liberty and they don't have to do anything. But now they see how much money is created, for instance, in YouTube, or iTunes, etcetera, that kind of things. So much money is disappearing. And they start to wake up. --*
>
> *Nobody knows that, but it's one of the aspects of moral law that is rather strictly defined in Geneva and Peking conference, but we, our… the artists are not aware of that. And the obligation is that all producers and stages have to let know who is creating the product they sell, unless it's too complicated. And at the moment it's too complicated, so nobody does it, everybody has forgotten about it."* (EN14M70s)

Not all interviewees make notes on gaps caused by digital technology. For some, digitalisation and digital tools are a way to create inclusion. An interesting finding from Lund is how digital technology such as VR or audio books are emphasized and linked to caring (and also to inclusion): in health care helping people in physiotherapy or making it easier for dyslexic to "read" the books by listening to them. Culture has already an acknowledged strong influence on people's mental health, and with digital devices this influence can be extended to audience groups that would otherwise fall out of these services. Some interviewees are interested in making technology more accessible to people, more useful, following the SDGs (LE4M40s). Another interviewee was advocating for people to become self-conscious of technology. The interviewee was creating an exhibition on technology to demonstrate how it changes our lives, to raise awareness and understanding. (EN33F50s).

Digitalisation is not equally available to all but digital divide separates those who have access to the network and to those who are without the access. There are several other issues and factors that can also be the cause of digital divide. This subchapter discusses the mastering and skill discourse as an issue for creative workers and organizations, as well as for audiences as a cause for divide. The divide can also result from expensive devices and vulnerable target groups that play a role in creating gaps.

The sub-chapters 6.2 and 6.3 have enlightened the discourses of digital technology outside the Covid-19 pandemic. Next, we will discuss the role of pandemic in contributing to the digital innovations in the creative economies.

6.4. Digital experiences during the Covid-19 pandemic

The Covid-19 pandemic actualized in Europe in the early spring 2020, and for many it meant working remotely and online from home. The pandemic has had very diverse impacts on different types of cultural and creative economies. For instance, researchers Thorsten Quandt and Karin Wahl-Jorgensen (2021) have proposed the

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pandemic as a critical moment for journalism, and as an opportunity to reconsider past, present and the future. They have recognized it e.g. as a turning point to change direction of the ongoing developments, as a starting point for new things, as a transformation of things to reorganize staff, as an amplifier for processes that had been started before the pandemic, and as destruction of old things (Quandt & Wahl-Jorgensen, 2021). This subchapter sheds light into different digital experiences during the pandemic, and what can be learnt from them. First, it discusses the negative impacts and downsides, and then moves on to the positive experiences. Based on the narratives of the interviewees some of the experiences will have lasting effects on their working culture and some were described as once-in-a-lifetime experiences.

Downsides

The pandemic has had several negative impacts on people and the sector. Forcing everyone to go online and working from home, it lessened the physical encounters and many cultural institutes had to be closed from visitors. The interviewees describe mental issues, the amount of time spent on online meetings, the problems with online platforms, the exclusion, resources that the organizing of the online events take, and the problems to monetize the digital offerings. Some of these issues are presented with solutions, trying to adapt to the situation. For instance, one interviewee noted that the online meeting hours have to be limited, and alternative communication channels such as phone were more preferable to use (LU15F30s).

Obviously many different online solutions have occurred during the pandemic: from virtual meetings to online streaming, online fairs and exhibitions. Some of the problems of these streamings were pricing and quality. An experience from the case city Lund sheds light on to the problems of pricing the live-streaming: an online gig cannot have the same price as a live gig, and born-digital services can have an effect on these prices. Free online offerings also take time, money and resources to produce, and there is still the general expectation that the quality is always the same (LU2M60s; LU6F40s). Digital technology is expensive, and some interviewees also note the investments they have made in technology during the pandemic (LU17M30s).

> *"(B)ut still I think it is difficult to get enough income from that. What we are doing are live experiences and you can film it very well, we did, for example, at the festival. We live streamed, I think, 15 shows, and very neat and tidy and nice, it looked very well, it came out very well on the screen, but I said already from the beginning, we can't count on any income of this, I don't think we can sell tickets on it, so we had it for free, live streaming, and then we asked people to donate a little sum, whichever sum they wanted to, to send it to us. And yes, we did receive some money from that, but still, I don't think that, I mean people want to have the live experience, they're not prepared to pay a lot of money for something they can see on the screen, the tradition on the screen is also that most of it is free and you can have your Netflix or HBO for 100 Krona a month, or something, and that's what you want to pay."* (LU13F40s)

Digital platforms and technologies have enabled price experimenting and normalized it to some extent. Different solutions from free to freemium, subscription-based services, micropayments and auction pricing are some examples of diverse digital pricing models. Lobato (2021) has argued that especially digital media has had an effect on how culture is valued. Price is an important factor in how audiences are included or excluded by their ability and willingness to pay and can be determined by norms how media such as television have been consumed before (paid or free). Quite often, digital media services and other are offered freely in exchange for user data. (Lobato, 2021).

There are also several consumer generations, who are used to have their digitally distributed products and services free of charge or with a very low price (Palfrey & Gasser, 2008). Some interviewees suspect that it is due to the current video on demand (Vod) streaming services such as Netflix (LU13F40s). While this is partly

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true, it is also caused by the intangible nature of the digital (Palfrey & Gasser, 2008; Parikka, 2012). To offer the digital services for free of charge seems been possible for non-profitable organizations such as museums, but Covid-19 has revealed a clear need to develop online services with pay walls for these types of organizations as well (PO24F40s, PO24F50s).

As the digital services increased during the pandemic, some interviewees shared their experiences and thoughts on charging for these digital services and the ways in which services could be monetized. Asking for fees and monetization were not seen as easy issue or even as realistic, as audiences are not willing to pay much for digital events. Some asked for donations or considered to go after sponsors (CH16F60s). Yet, it would be important to be able to charge for the events, as the events have a double role: while they offer something to the public to enjoy and distract themselves, they are also meant to support the artists and their income (LE7M40s). Here, an interviewee links values with certain digital services:

> *"I think a lot of people went digital. A lot of people are still delivering. A lot of people have been very inventive in terms of they're doing. I think the challenge for everybody, is how you monetize digital. The(re) is an expectation out there that digital content is free. People, particularly from cultural creative sources, people think it's perfectly alright to pay a subscription to Disney or subscription to Netflix or whatever, but anything that's coming from organisations that people perceive to be publicly funded should be free. That's something that is a challenge [inaudible]. I had an organizational meeting with a selective group of schools looking at school responses to covid the other day that I sat in on, and you do have to start facing up to, are you prepared to pay for it. It was an interesting set of arguments."* (CH22M60s)

Not only was a lack of payment a hinder organizing the events, but the time spent at the computer also meant for many customers or audience members that they did not want to take part in online events after the workday (LE7M40s). They were able to choose not to attend, while for others this was not a choice. One of the serious effects of the pandemic has been the exclusion of people who do not have access to the internet. It has been acknowledged for quite some time that the digital environment and technology are not democratic nor neutral (Hesmondhalgh, 2013). The expensive devices, reliance on technology and mental health problems are concerns that have worried especially those creative workers and organizational representatives who work with various types of audiences such as young people without internet access or a laptop. (CH17F40s, CH16F60s) For instance, one interviewee from Treviso raised up strong concerns for the duration of the pandemic and the illusion of digital democracy, while making undisputedly clear that the social differences and issues are present (TR25F20s). However, while it is extremely important to be aware of these downsides, the experiences were not all negative.

Getting used with it and positive effects

This section discusses the positive sides and experiences during the pandemic. As Covid-19 has launched the development of online culture in work, interviewees also acknowledged that they have gotten used to it and the ways in which it has made them think space in a different way. Some of them are hinting of innovative actions to take place in the future. Several interviewees share their positive experiences and thoughts during Covid-19. While the online meetings have been experienced as stressful by some, others have considered them as saving time and money from travelling, and to have new collaboration partners. While the live-streaming have been difficult to monetize, on the positive side they have functioned as inclusive methods since they allow bigger audiences and people with disabilities to take part in the events. One interviewee also anticipates a change in the structure of the cultural sector:

> *"I think it definitely has accelerated the behaviors of consuming culture online and people are getting more familiar and used to having online meetings and such, I think like it's*

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> *quite unusual that we are so many people that are paid staff, in an cultural organization in Sweden like [anonymized] is and I think this is, this development is probably going to accelerate sort of this structure in a way that of culture being more based on freelancers, people working digitally with different things, basically I could do most of my work digitally, I don't really need to be at my office, it's something that I can do pretty much all aspects from a computer, I think that is something that we are, I think that makes us think differently around space and how we use our spaces, for example, it also, I think we are sort of a sector that likes... All the actors are quite small, it's based on freelancers and small organizations and we need to work with the municipalities and such, there's a lot of meetings all the time. I think with this acceleration it might get easier to get to sort of initiate and engage in this sort of what do you say, cross networks in a way."* (LU17M30s)

Even though many interviewees note that they were aware of the need to develop digital services and products *before* the Covid-19 pandemic, it was until the pandemic forced everyone to improve their digital skills and to provide digital services, and to develop them further. For cultural institutions, for instance, this meant closing the doors from visitors, uploading more and more freely available content such as exhibition videos or pedagogical assignment packages to the web, having entirely new tasks such as making of presentation videos, documentation work and marketing materials, and to work remotely from home whenever possible. The organizations highlighted their work on social media by pointing these *social media days* for each department in order to introduce their personnel, purposes and the invisible work that they do. It is anticipated that in the future some of these *new ways of doing things* during Covid-19 will become permanent parts of the work, but these will depend on the employees' own willingness and tasks. Whether or not the online services will become chargeable remains to be seen (PO1M30s, PO17M50s, PO24F40s and PO24F50s), while for others it was clearer that the digital solutions and charges will be incorporated to their business models in the future. However, the online competition for people's attention is considered hard, and was left as unsolved issue. (LU17M30s)

Some of the born-digital companies have been only modesty affected by the pandemic. For instance, a game company representative describes the situation quite positively for them aside due to remote work and a lack of social interaction. Game companies have done well because games are played at home oftentimes in physical isolation. They have also been able to hire new staff, and consider having these *one office day per week* in the future. The rest of the days are for the staff to decide whether they want to work at the office or at home (LE3M40s). Even though physical meetings are still considered important, e.g. for brain storming, many interviewees anticipate a more digitally connected social world or life, activities or even a revolution (LE11F30s, LE13M30s). They speak for inclusion when the whole town can be digitally connected or people with disabilities can join events they traditionally cannot (LU8M20s; LI6F40s), and plan to turn these online solutions as permanent parts of the future festivals to increase inclusion:

> *"Well, we'll talk about the pros first because I always like to look at the positives. So the positives were that our reach was much greater than the physical [Festival] would be. We were looking at some of statistics. I mean, we haven't compiled the actual report yet, but the festival had viewers from across 72 cities in England it was viewed in 25 countries worldwide, he had hits from places like Saudi Arabia, Iran, Russia, lots of hits from California and other places in the USA. on you, But yes, in the UK that was distributed right across the UK people tuned in at some point. We had, we put out a survey for feedback, again I haven't seen the results of the survey but some of the comments that had come in were from people who wouldn't have been able to go to a physical event because of disability. They may not, even if we'd been able to do the event physically they may not have attended because they might have been, they might be conscious that Covid was still*

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> *around and there could be an infection. So those people were able to view. We streamed it across both our websites, Facebook and Vimeo which is a platform which is a Livestream platform that we use to broadcast and that meant that it could be viewed on smart TVs as well. So it was, those are all positives and another positive is that when we come to do the physical event if we can next year, is that we think we can still livestream what we can because, for the people who can't be there it allows them an opportunity to view what's going on. The negatives were it, we didn't have any negative feedback from the artists themselves but you can imagine it's difficult when you're performing to a camera and there's no audience, so that makes it difficult for the artist."* (CH10F60s)

There is a surprising amount of good experiences of online streaming and organizing exhibitions during Covid-19: *"(O)n the night of the art, as you said, this Saturday, we usually have an exhibition, but now we had a PowerPoint on the facade of the building. So, that was really fun and I think a lot of people appreciated it and got to see and meet us. So, that was really fun."* (LU1F20s) Some of these experiences are considered as *once-in-a-lifetime* experiences such as a gala event that was organized in a different, smaller-risks scale, with the help of digital technology and social media: people were divided in the groups of eight to these private dinner parties in different households. Dinners were delivered, and the parties were connected over Zoom. People were able to have some social interaction, which was also increased by different social media activities when participants needed to publish Instagram or TikTok videos during the event. (LU10F20s) While the live-streaming organized through Zoom and other related platforms clearly dominate the experiences, one interviewee shared a creative solution that was organized via WhatsApp:

> *"There have been a few very creative solutions here in Belgium. We have, for instance, a few (unclear, theatre?) companies who do podcasts, and we have also one (theatre?) company who created even a WhatsApp production, where you pay the ticket and you were invited into a WhatsApp group, where you got actually a play or a conversation between two (?) voyeurism. So, you could participate in a conversation between two actors. It's fun to do. And now, they've even created a version with video fragments in it, but also the chat. So, I think that whole crisis, the whole pandemic, has also stimulated creativity in order to get, create new forms. And those were quite successful I must say."* (LE7M40s)

The mastering and skill discourses are also related to Covid-19, as not everyone has the skills or the proper devices to provide the online services. Some services simply do not function online. But it was also seen as a learning opportunity. One skilful person who was not able to do what she was originally hired to do, provided help in arranging online teaching and other solutions (LU3F40s). Another interviewee taught others how to use Zoom but also considered the pros and cons of digital solutions. He saw possibilities for new collaborations and partners because people do not have to be in the same room anymore:

> *"I had to learn how to make good coaching this way, but then I did it, I really went into it and made some courses also for my colleagues and [anonymized] members how to use Zoom basically, basic functions of Zoom, so you feel more at ease doing it and basic functions of what's the difference between having an analogue meeting and a digital meeting and what you have to consider, and what should be the same and stuff like that, the culture around digital meetings. But what I also learned was this became totally different. It was like we said earlier, random meetings are much harder to achieve nowadays. On the other hand, social distancing also made as a consequence you can do distant socializing. I can't actually know if you're sitting in the house next to me, or on the other side of the world. It's the same thing, as long as you use some broken English to communicate and we have time zones to consider, but apart from that, it's the same thing.*

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So, this gives rise to new collaborations in a very easy way. It's still, it will be different to sit in the same room and speak with you, but this is okay, and it's much more than a telephone conversation." (LU19M50s)

These positive sides and experiences during the pandemic are surprising. Interviewees describe the mutual understanding of sharing their ways of doing things, the creation of some new products and trying to include people (CH11F50s). It is possible that as the interviewees were selected, those who were hit the hardest by the lockdown (financially, socially) did not reply to the interview invitations and thus these experiences are scarce in the research material. It is also possible that many do not want to speak of difficult and delicate matters such as suffering financially. Catching Covid-19 did also create exclusion at the beginning of the pandemic. The following Table 12 comprises a simplified summary of some of the downsides, their solutions as well as the positive sides to the downsides, if applicable, during the Covid-19 pandemic.

Table 12 Summary of the Covid-19 downsides, their solutions and positive sides.

Downside	Solution (presented in the quotes)	Positive side
Pricing: same prices for online gig are not possible	For free/donations	Inclusion
Live-streaming	Exclusion: those who do not have access	Inclusion: those who have disabilities or are not otherwise able to attend, larger audiences
Time spend on online meetings, competition for attention	Use of phone/other communication methods, limiting digital hours	Saving time and money from traveling, being able to collaborate over distance
Lack of quality	Investments, if possible	
Expensive devices	Investments, if possible	
Close from visitors	Free online exhibitions, downloading material from online	New opportunities to think space
Problems with online platforms	Acquire help, talented individuals	Learning opportunities

It shows that while many of the downsides had positive side to them, a few were unsolvable without proper investments such as a quality of live-streaming. Obviously, the experiences have been far more diverse than the table summarizes. However, it provides an overview of the experiences and communicates also the resilience needed to survive during hard times.

The Covid-19 pandemic operated as an external shock forcing digitalization into the discussion if not in action. The digital experiences are varied including negative impacts and downsides, but also positive experiences. Some of the experiences will have lasting effects on their working culture and some were described as once-in-a-lifetime experiences.

The last sub-chapter is conclusive, and will discuss the important factors in benefitting from digital opportunities.

6.5. Enabling the use of digital opportunities before and during Covid-19

Every case location differs slightly in terms of who and what are involved or considered as important factors in enabling the innovations both before and during the pandemic, but there are also several similarities in the research material. These similarities could be described as supportive actions that enable digital opportunities and innovations in the region. For instance, interviewees from cultural institution elaborate how their organization functions as a support centre for lending equipment (PO24F40s, PO24F50s), thus

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enabling creativity and innovativeness for volunteer groups and associations. While, for instance in Enschede, the university has a clear role in these matters lending devices for their students. (EN15F20s) Innovation can also be supported and made easier by organizations whose existence and actions democratize the industry:

> *"But back then, it wasn't possible because you had to be really smart, because it was really hard to do actually, video game development. And so, in the last 10 years or so, there's like these game engines, like Unity and Unreal that popped up, which sort of allowed people to make games more easily, they democratized sort of the gaming industry."* (LE3M40s)

The support is reciprocal: during the pandemic, the organizations have received donations from audiences, and cities and states have shared Covid-19 funding to help organizations to survive hard times. Supportive actions take place also on the individual level, when creative workers and employees share good practices and give advice to each other. The interviewees often note that skilled and talented people are needed in terms of digital technology and social media marketing. Some organizations such as game companies already have a dedicated person who handles the social media channels and marketing. (LE3M40s) Talented and skilled individuals, "geeks", are clearly involved somehow in every case city. These people acknowledge themselves for being known for their enthusiasm, expertise, and their digital equipment archives, and others come to them for help. (CH31F50s) For instance, an interviewee sees opportunities in social media, but skilled people are needed in the organization to take over the channels so that the opportunities can be utilized:

> *"I think a more, we need more people with good skills in media. Like from working with social media and spreading content and such but also to become producers of our own media content. I think that's partly where we could eventually start making some extra money, it could be part of our income in a way, if we can ourselves through live stream really good shows, you can have people buying tickets online and such and we are not there on that media, we are not on that level when it comes to media yet."* (LU17M30s)

In abstract terms, technology itself can take part in enabling the innovation. One interviewee explains how the co-operation of creative economy takes place: *"In my context, it means the co-operation between technology, creative makers, education, science. So, it means, the whole field I'm working in"* (EN33F50s). This can be interpreted as technology taking part in innovations, having its own agency, and not being only the means of innovation. Digital technology enables the creative solutions that artists, creative workers, organizations and municipalities plan and execute. Social media channels function as platforms to both advertise and organize the events, making people aware of the presence of cultural and creative organizations despite the cancelled events and closed doors. In addition, proper spaces to use tools and devices support the agency of technology and the innovative behaviour:

> *"There's also a place, I haven't started working there but nearby my place there's sort of like a hacker place you know, where you have a bunch of 3d printers and laser cutters that kind of machines and just a workshop where you have tools and such so that's also something that I need to get to pretty quick actually. It is more for crafting. Right now it's a totally different thing I'm need to build. We have this party where I come back from France with friends I need to build a wheel you know, like a spin. So I need a workshop to cut wood and stuff like that."* (EN1M20s)

> *"What we do, is we have a public part, and in this public part we make exhibitions about art, but especially about technology and how technology changes our li(v)es. And, we have exhibitions that make people understand how this technology works and what it changes, you know, how they can influence changes. And, how they can, so that they can find a way to build a better life with this technology. And the same with changes in society. So, how*

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does society change because we have a much more inter-cultural landscape? Or we change because the climate changes, or things like that." (EN33F50s)

The research material shows that recognizing digital opportunities, pursuing innovations and integrating them into business models is in progress. While many reject the idea of online offerings, others are keen to develop and deploy them. While digital technology has established its place in European culture, it continues to raise issues and problems. The following Figure 7 summarizes the sustainable/unsustainable and inclusive/exclusive aspects and methods of digital technology.

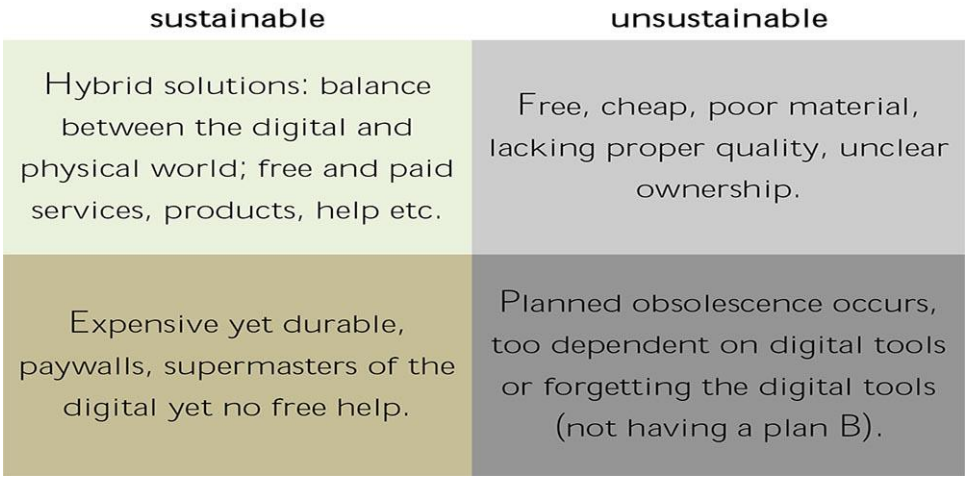

Figure 7 Summary of sustainable/unsustainable vs. inclusive/exclusive methods of digital technology.

The most sustainable and inclusive approaches are hybrid; balancing between the physical and digital solutions, and having either skills of one's own or being supported by skilled people. Expensive devices and solutions rule people out, while cheap devices can end up in poor quality. Planned obsolescence occurs when the solutions are both exclusive and unsustainable. Noteworthy, digital should not be considered as another dimension beyond human understanding and skills, but as something that is beneficial and can be used in right, sustainable and inclusive ways.

Interviewees are aware of the pressuring need to innovate and develop paid digital services but find it difficult to produce them with adequate prices. Digitally native generations are used in getting digital products for free or with low costs directing the cultural and creative organizations and individuals to create free digital products. Second, even today digital technology and social media require skills and talented individuals among organizations. Mastering digital technology and social media is a time-consuming professional activity which need time and devotion from individuals. It is also an area in which many creative professionals claim that their skills need developing. Third, (digital) experiences learned from Covid-19 highlights the need to develop paid digital services.

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7. Discussion and conclusions

The overall aim of this report has been to gain deeper insights on value creation modelling, networking, innovations, and digitalization at the organizational level in creative economies in Europe. We have addressed the following research questions:

- What are the value creation models in the creative economies? How can inclusive and sustainable value creation (i.e. artistic, societal and monetary value) modelling in the creative economies be supported?
- What is the role of networks and networking in the creative economies? How can inclusive and sustainable networking be supported?
- What is the role of innovations in creative economies? Specifically, what is the role of digitalisation as a form of or enabler of innovation? How can inclusive and sustainable innovation activity be supported?

Methodologically we have relied on the regional case study framework of DISCE and the related case study data from 10 creative ecologies across Europe. We have applied different analytical strategies and theoretical lenses in each chapter, in which they have been described. Next, we will discuss the core findings and provide answers to our research questions based on which this subchapter is structured. However, the discussions have some overlaps as networks, innovations and digitalization are embedded in value creation models. Suggestions for policy and practice are discussed in a report dedicated to policy recommendations of the DISCE WP4 (D4.4 Policy Recommendations).

7.1. Emergent value creation models

Our findings illustrate that cultural and creative operators generate various types of value simultaneously serving both self-interest and altruism. Creative organisations pursue value through different, interwoven forms that reach beyond the idea of economic value creation. In addition or alongside with economic value, creative operators aim to contribute to human wellbeing, societal issues, harmony or influence over others. Hence, creative economies are a heterogeneous group of operators who pursue different value creation goals, utilise different ways and means to balance with different goals and operate differently in the market. Economic value goals are seldom a top priority among creative professionals. However, they all operate in the context of a market economy in which money is the medium of exchange, and, therefore, the reality of making one's living is present in their everyday actions.

By building on and combining the different nuances explored with regards to value creation goals (subchapter 2.2), solutions utilised in balancing between different value creation goals (2.3), the target groups, pricing and income sources concerning capturing the value (chapters 2.3 and 2.4), we identified five prototypical value creation models (VCM), which the operators apply in response to the prevailing profit-driven rules of the game in the society: free spirit, adaptive, transformative, high-end and brand-building. The models are described along two dimensions, inclusiveness (accessibility) and sustainability (economic viability) (Figure 8). In each VCM creative operators navigate in continuous interaction between themselves, their audience, and their value creation goals.

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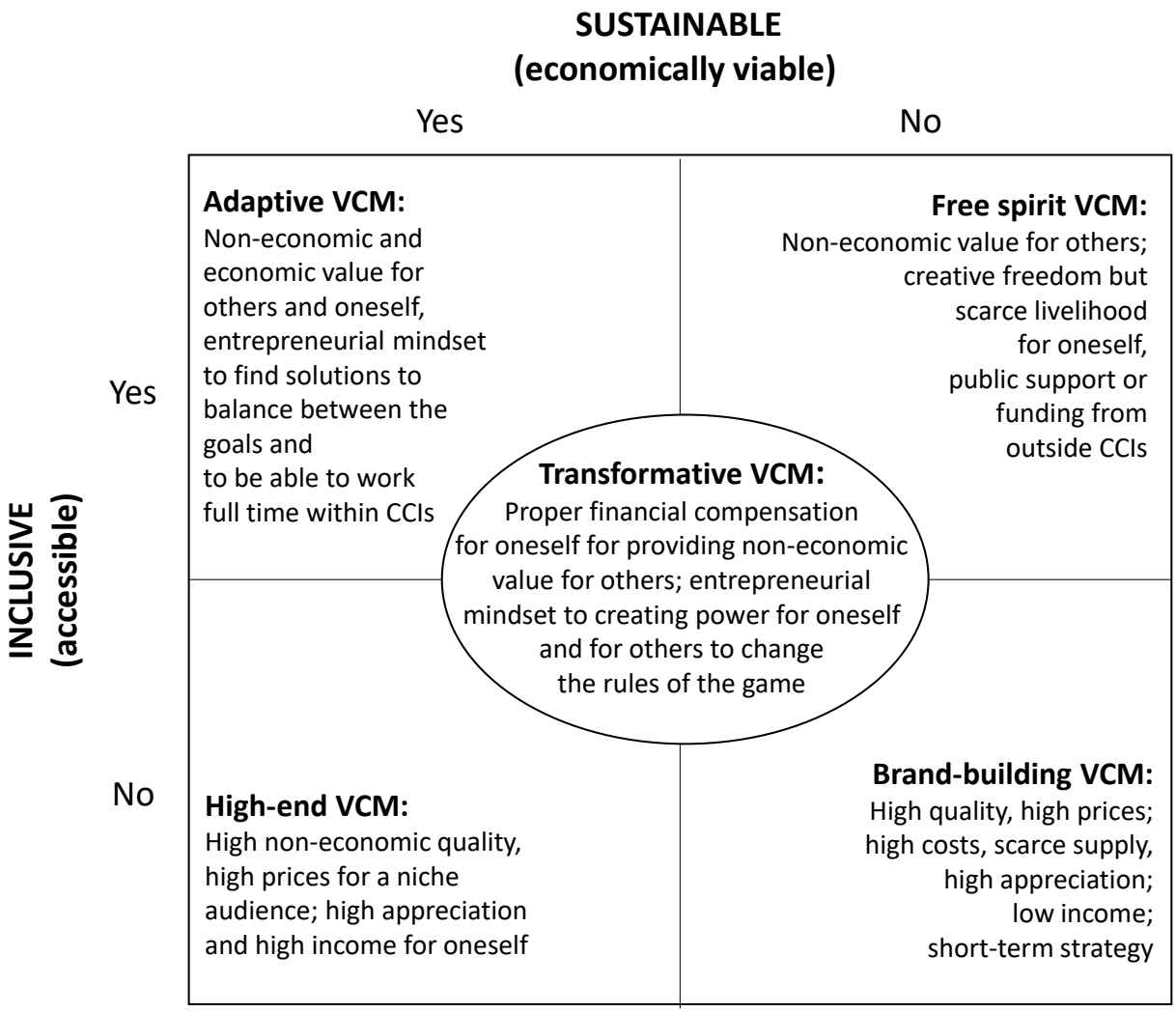

Figure 8 Five value creation models in creative economies

'Free spirit' value creation model means that creative operators have little interest in creating economic value for themselves. Instead, they focus on providing social or harmony value for others while enjoying their creative freedom. They apply passion-based pricing criteria that lead to affordable prices, pro bono projects, or volunteering. In order to maintain their creative or artistic autonomy, they rely on public support (funding) or have other sources of income outside the creative economies, including side jobs, savings, family income, or pension. They are self-sufficient in their activities, operate on a shoestring budget and build networks to save costs, for example by borrowing equipment. They may have a narrow base of offerings and only a vague understanding about who their customers might be. This shows that they are taking a 'push' or 'passive' approach to marketing so that they do not jeopardise their offering hoping that there is someone somewhere who needs or wants it. Creative operators, who follow the free spirit approach, have a limited entrepreneurial mindset, which means that they may be interested in experimenting with their creative or artistic content or production techniques.

'Adaptive' value creation model suggests that creative operators actively look for ways to reconcile financial and non-economic goals. They aim to provide enjoyment, economic, social, influence or harmony value for others, while capturing enjoyment, social and economic value for themselves. Such diversity of goals is possible by actively building different portfolios of offerings, products and customers and income sources, each of which serves different goals in part. This can mean that operators try to compartmentalise activities by having different spheres (e.g. different companies) for fulfilling the artistic and economic goals. Creative

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operators want to work entirely within creative economies and, therefore, put a lot of effort on generating income by themselves, but may also apply for public funding in projects which focus more on creating social or harmony value for others. The operators apply various pricing criteria, including cost- and value-based pricing but engage occasionally also in pro bono assignments or low prices to provide harmony or financial value for others, respectively. They have a business orientation in their activities meaning that they, for example, commit to 'pull' marketing by doing commissioned assignments or co-create value with the customer. Moreover, creative operators build networks to acquire, amongst others, lacking business-related skills, other resources or customers. Those applying an adaptive value creation model have quite an entrepreneurial mindset, which allows them to experiment and take risks with new products, services or processes.

'Transformative' value creation model indicates that creative operators aim to question the one-dimensional profit-driven value-system prevailing in the society, and to eventually transform it into something which recognizes the multitude of factors contributing to human wellbeing, including financial, social, and environmental sustainability. These operators want to create enjoyment, social and harmony value for others as well as for oneself, and are also interested in pursuing economic value for themselves to be able to earn their living within creative economies. The central driver is the aim to change the norms both among the creative operators themselves as well as in the society at large so that there will be a proper economic compensation for the operators for providing non-economic value for others. Those following this value creation model put a lot of effort into creating influence value for themselves to become role models in their field, and invest into building networks to empower people and to have a stronger sectoral voice. They are business oriented as they are interested in learning business related skills and 'rules of the game' in order to become strong change agents and to influence both sectoral and societal norms from inside and from bottom to top. These creative operators have an entrepreneurial mindset in that they have strong agency and are willing to find new ways to shape existing administrative power structures and to demonstrate the diverse contribution of creative economies to the society. Such rule breaking entrepreneurial activity is labelled as 'institutional entrepreneurship' (Battilana et al., 2009) which has potential of catalysing a complex institutional change process involving different types of forces and agents.

'High-end' value creation model depicts a situation where creative operators want to provide high enjoyment value, for example beauty or entertainment, for their target groups. It is important for them to be either economically successful or at least viable with a positive revenue flow and to gain international recognition. They provide ambitious, state-of-the-art content for those who can afford it, but on balance, they have a wide range of activities and they also commit to pro bono projects. Alternatively, they focus on creating scalable high-quality items that are sold in abundance. The demand for their work may exceed supply and even Covid-19 have not had a negative impact on their activities. On the contrary, it may have even boosted the demand or created other opportunities, which they have been able to exploit. The professionals following this value creation model have already a well-established position in their field and may employ a number of people or at least have a high interest in growing the organisation. The top-management may have a strong business-orientation so that they put effort on the economics or their attention is more on the artistic content. However, common to both styles is that they pay attention to understanding the customers' needs and wants, and there is someone in the top-management whose task is to take care of customer development and human relations.

'Brand-building' value creation model describes an approach, where creative operators aim to provide high enjoyment value for others. Personal wealth is not of importance, but they want to capture enjoyment and influence value for themselves. They put effort into working on a very high level and want to be the best in what they do. They apply pricing criteria, which is based on branding and costs. These operators create high quality artefacts, which are highly priced and not available for everyone. The artefacts are large and slow to

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create, and therefore expensive and rarely available. Scarce supply is also based on a conscious choice to control the number of items available at the aftermarket to build a financially sustainable career in the long run. This is an early- or mid-career strategy to establish a desired position as a high-level operator in the field, after which it is possible to start making pieces cheaper and target a wider clientele. A share of the operator's income comes from direct sales even if these operators are not business-oriented but focus on the artistic part and want to be free from financial pressures. They also prefer to have low cost working facilities to alleviate economic pressure which they fear might otherwise penalise their creative thinking.

Due to multiple possible ways to create, deliver, and capture value, creative operators face the sustainability and inclusivity of their value creation endeavours differently. The adaptive value creation models allows creative operators to pursue different types of value in way in which inclusivity and sustainability are present simultaneously. The intentions to follow passion, creative freedom and autonomy remain strong, but at the same time, seeking for ways to balance them with economically viable ways, sets a fertile ground for sustainable ways of working. If creative operators allow themselves to see the economic realities of their work and the economic value of their creative offerings, it may be beneficial for their sustainable creative activities and existence. This kind of adaptive approach would also allow creative operators to adjust their activities and offerings according to the needs of their audiences. This we see as an opportune source of inclusivity: The offerings are meant for many, not only for few.

Based on our findings, a least sustainable and inclusive value creation model is a brand-building value creation model. In this case creative operators aim to provide high enjoyment value for others and influence value for themselves, but possibly this takes place on their own cost by ignoring economic realities. This often means a pursuit of high-end offerings with high prices, which narrow the inclusivity of the offerings but also risks the demand. With regards the economic sustainability, brand-building is especially difficult for early-stage creative operators when the strategy is to establish a desired position as a high-level operator in the field.

An intriguing VCM is the transformative, which aims to challenge the one-dimensional profit-driven value-system that prevails in society by transforming it into something that allows the recognition of the multitude of factors contributing to human wellbeing, including financial, social, and environmental sustainability. This value creation model is driven by the aim to change the norms both among the creative operators themselves as well as in the society at large so that there will be a proper economic compensation for the operators for providing non-economic value for others. If successful, this would amplify the sustainability of creative operators, but also set a new ground for thinking for whom the creative economy is for and who should be included. One of the key issues is who holds agency for change?

Two of the value creation models are asymmetric concerning sustainability and inclusivity, but in opposing ways. In the free-spirit model cultural and creative organisations contribute in many ways to the sustainable development in the society and pursue value to a wide audience, although the value is not co-created as the operators emphasise their creative freedom. At the same time, however, the operators sacrifice their own livelihood and this results in an imbalance between providing sustainable non-economic value for others but not being able to capture sustainable economic value for oneself. A key question is whether such a tension in sustainability is an unavoidable 'liability of caring' for others and for common good? Or would it be possible to solve it, if those who benefit from the offerings would be willing to pay a higher price, in the form of, for example, strong public support and investments and through increased crowdsourcing (such as donations and volunteering)? And, at the same time, would the creative operators themselves be willing to ask for a higher price for what they put on offer?

High-end value creation is a model in which cultural and creative operators provide a very specific form of value (enjoyment) for the target group, but they do it in a financially sustainable manner for themselves.

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However, the offering is accessible only for those who can afford it. Cultural and creative organisations who follow this approach resemble any market-based business in other sectors. Consequently, the same degree of public intervention is allegedly enough for them as for any other venture it the economy, since the activities are financially well-balanced. The assumption then is that it is not possible, or even desirable, to only have operators who follow this model, since it would mean, other things being equal, that creative economies would provide a rather narrow range of value to their target groups as opposed to creating a full spectrum of sustainable value for the society.

7.2. Role of networks, networking and communities

Creative professionals are constantly looking for partners and networks to complement the skills, knowledge and facilities, which are the foundation for market survival. In Pori we have investigated cultural networks from the perspective of creative place brand, whereas in Liepãja and Pécs we have focused on identity, resources, and organizational patterns of creative communities. The findings highlight that networks and networking are deeply embedded in the creative ecology in question, and the findings are, thus, context specific. Something that works well in one creative ecology does not necessarily transfer into another one.

The case studies provide a wealth of examples of factors and practices that are considered to support or hinder networking and collaboration in creative economies. When considering barriers to networking, it is easy to point to a lack of money, time and contacts. Networking is time-consuming activity and often creative entrepreneur or freelancer invests one's time in networking with an ultimate goal to reap benefits in a form of new assignments or learning, for example. Time spent on coordinating and running a network is out of one's own business earning. Therefore, public sector actors, such as municipalities, are considered more appropriate coordinators, although their planning-oriented approach is not always appreciated – creative entrepreneurs and freelancers would prefer less planning and more grass-root level, bottom-up activity in supporting networking. Provision of creative spaces and premises to support creative activities and networking was considered something very natural and appropriate for public sector operators. Our findings show that city administrations and local contacts play an important role in providing opportunities for creative entrepreneurs and freelancers to network. Particularly, offering facilities to local cultural operators was highly praised whereas funding was not necessarily expected from the city.

Regardless of how the coordination or leadership of networks are organised, networking often stems from passionate individuals who catalyse the community to collaborate and work jointly on something which is considered important and inspiring. Therefore, a joint vision or value propositions including a dream or something to be passionate and enthusiastic about are important for networking and collaboration to flourish (Go & Govers, 2010). It is also important that private operators within creative economies have viable connections with the municipality and other public sector stakeholders. The findings suggest that key players supporting the networking in creative economies simultaneously have multiple roles, such as a matchmaker, scene-maker, and co-creator, and that public sector operators are to provide opportunities for networking. In addition, volunteers seem to be an important additional resource financially, but such voluntary work can be difficult to steer towards mutual goals.

Our findings indicate that networking and collaboration are deeply embedded in the local culture and mindset of citizens. Overall landscape of mind in the ecology, such as passion and pride or reservedness and seclusion for example, may shape networking and collaboration. Indeed, the significance of locality was emphasized: it is important to know local people, and the ways in which the community acts. As a "native" it is easier to engage with others with whom one has gained personal contacts already at school or in hobbies or previous jobs. It is important for those coming outside the region and especially for early stage creative

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entrepreneurs and freelances to become known and get to know local people for support and advice. Furthermore, it is important to reach out from one's own creative community and field of expertise in order to find new avenues for creative activities and networking.

Not only local mindset and people shape the creative economies of a city, but the local cultural heritage, history and tradition of activities are also important factors when developing local creative economies. Due to the limited size of markets, it is also important to have access to national and even international markets, audiences and target groups although forgetting or ignoring local roots was considered harmful or even dangerous for the development of the creative economy of the city and the related networks.

Education was highly appreciated in proving possibilities to engage to creative economies already from a young age as well as to gain networks to be further exploited during one's career (see more on the role of education during cultural careers the D3.4 report on Creative workforce). Local institutions of education may also provide an impressive pool of international students who bring new perspectives and flavour, perhaps even boost locally driven cultural activities and networking. Social and ethnic diversity of the city was considered as an asset for creative economies, but its potential is not necessarily well exploited. Similarly intergenerational diversity and collaboration in creative economies were considered to contribute to a circulation and creation of new ideas and initiatives in cultural networks.

Interestingly, these medium-sized European towns whose creative economies we closely investigated seem to have a variety of sub-communities and cultural localities. Then cross-fertilisation between the communities is an asset, which further expands cultural networks and opportunities for the development of creative economies. However, some towns, such as Pori, have also joint efforts to develop local creative economies or even place branding by uniting the forces of different stakeholders. Importantly, such development processes can also boost collaboration and networking within creative economies if stakeholders find them interesting and inspiring enough to engage with them. The focus should be in bottom-up, everyday creative activities and not be guided too much by administrative procedures and planning. Empathy, encouragement and empowerment are important for networking and collaboration to flourish.

Our finding suggest that networking and collaboration have also implications on the inclusivity and sustainability of creative economies. Cultural and creative networks are a way to complement one's own resource-base providing possibilities for more viable and sustainable creative activities. On the other hand, networking requires time and money and can therefore have the opposite effect on economic sustainability, although the crucial role of networks is widely accepted and appreciated. Sustainability is not limited to economic sustainability, but also to governance, environment, technology and innovation, and social issues. When it comes to social sustainability, for example, networks provide the mental support and inspiration that contributes to an individual's well-being – an issue that is equally important for monetary implications.

Networks and networking are also a way to engage a variety of actors to joint creative activities. Although our findings suggest that some freelancers and entrepreneurs were more inclined to work with their friends and familiar partners, they also recognise the need to have good connections with other creative freelancers and entrepreneurs, as well as stakeholders from different sectors. Networks can be very inclusive for those with good connections to their networks, while there are also operators, such as early stage freelancers and entrepreneurs, as well as non-locals, who may have difficulties finding the necessary contacts and getting recognized as a trustworthy partner.

It is evident that the creative ecologies differ, they are highly context-specific, and therefore also the ways in which inclusivity and sustainability are visible and experienced by the stakeholders vary. The contextual nature of creative ecologies is a local asset, but at large it may also challenge the sustainability of creative economies. For instance, if a creative ecology faces crisis, copying or trying to transfer a viable solution from another creative ecology might not necessarily work, and hence, local networks and similar resources need

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to be adaptive enough to the crisis and other changes. Digital platforms and new technologies were recognized as useful in boosting inclusivity and sustainability. In many cases they are seen to deeply change the process of cultural value co-creation by enhancing the cultural, artistic and historical ongoing experience exchange between the cultural service ecosystem actors.

7.3. Role of innovations, innovative activities and digitalisation

Creativity and innovation are closely intertwined, and creative industries can be the sources of many different kinds of innovations. Innovation is essentially about generating new value or value in new ways. Our findings show how innovations can stem from creating solutions for problems. Creative operators engage in a number of innovation activities that contribute to all three key elements of the value creation model. Creative operators create new value propositions (e.g. products and services), new processes to form value (e.g. marketing strategies and digitalisation) and new ways to capture value (e.g. earning logics). Accordingly, their innovative actions contribute to business model innovation (Teece, 2010) and sustainable business model innovation (Geissdoerfer et al., 2018).

Creative operators' innovativeness can involve continuous and necessary action to enable themselves to adapt, respond to, and create value in an ever-changing operating environment. For instance, technological change and the adaptations of new technology are a fundamental part of the creative economy's operating environment. On the other hand, innovations are needed in finding meaningful ways to generate income. Hence, innovations are highly relevant for the sustainability of creative economies*:* For some working in creative economies, innovating is not necessarily a choice they can make, it is something that they must do in order to survive.

The challenges of innovation in creative economies may be due to varying levels of skills and competences needed in innovating, but innovation is always associated with uncertainty and unpredictability, which in turn presents risks. Hence, resistance to changes or initiating innovations comes about because people feel safe with the status quo. Digitalisation has influenced innovation processes and the ways through which creative operators adapt to and resist technological change. Creative operators identified that innovation can end in costly failure, and some innovations can be used in a harmful or predatory way against actors within creative economies.

Our findings suggest that external shocks may support innovation. Despite its' widely recognised negative impacts on creative economies, the Covid-19 pandemic has pushed creative operators to rethink their work routines. Although online meetings, for instance, have been experienced as stressful, they have also allowed saving travel time and money and to find new collaboration partners. While the live-streaming has been difficult to monetize, on the positive side streaming has served as an inclusive method as they allow larger audiences and participation of people with disabilities. Moreover, although many creative operators noted that they were aware of the need to develop their digital approach before the Covid-19 pandemic, it was the pandemic that forced them to improve and further develop their digital skills and services.

The interplay between digitization and digitalization and between born-digital and digitally native characterise the role of digitalization in innovation in creative economies. Creative workers and organizations have digital identities, which determine the ways in which digital tools, platforms, and products are approached as opportunities. Thus, innovation can mean new ways of doing things, and not only the outputs or artefacts that creativity brings up. Accordingly, creative economies do not have to be limited to commercial forms of innovating. The unique feature in creative economies are cultural innovations that address new aesthetic and symbolic values, which are difficult to measure in terms of economic value. Cultural innovations may also be key outputs of creative economies, and thus, creative operators'

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innovations can be geared beyond economic goals to stress societal or ideological issues, for instance. Thus, creative operators do not only ideate something that people readily know and want but an aim is to generate new experiences to the audience. Such realities can pose a challenge to the sustainability of individual creative entrepreneurs and freelancers, even if their value for the sustainability of society is highly appreciated.

Innovation in creative economies implies collaboration with different stakeholders who either participate in supporting the innovation process or who are the beneficiaries or end users of the innovative outputs. From the perspective of a creative ecology, innovation involves a diverse range of creative workers, entrepreneurs, support organisations, cultural institutions, educational institutions and policy makers that have their role to play in a creative innovation ecosystem. Accordingly innovation can be very inclusive and opportune for new ideas, when people with diverse backgrounds, skills and knowledge meet each other. Our findings underline the importance of building a community in which diverse networks of stakeholders engage in different kinds of creative activities and interaction. Involving diverse actors injects new and different viewpoints to generate and stimulate innovation. For instance, co-creating and sharing new ideas and innovations with the audience and combating audiences' resistance to newness can increase the inclusivity in creative economies. To support inclusivity no one should act as a gatekeeper restricting who can participate in innovation in creative economies.

An important distinction between the traditional innovation ecosystems and the creative innovation systems discussed in this report is that the creative actors at the heart of these innovation systems tend to emphasise creative activity over and above commercial success. While their creative activities often do result in commercial outputs and spin-off benefits for the economies in which they operate, they tend not to be motivated by profit. Innovation, as it relates to commercialisation, is a means to finance further creative work. In short, these creative actors often innovate in order to be able to do what they find meaningful and are passionate about. Hence, one of the most important innovation activity is the promotion and disseminating of novelty, which can be pursued by creating art, profit, supporting other creative operators or by promoting the public good that creative economy generates.

Concerning both the sustainability and inclusiveness, creativity and innovation activities in creative economies are often characterised by need for space and funding. Creative spaces combine diversity of actors, activities and aims, but creative spaces do not necessarily have to be physical locations. Income-related challenges are also present in innovation: General availability of funding, how to attract different sources of funding, and what are the possible strings attached to funding. Our findings highlight that higher the novelty of outputs and activities, higher are the challenges of gaining funding for such activities.

Recognizing digital opportunities, pursuing innovations and integrating them into business models is in progress. While many reject the idea of online offerings, others are keen to develop and deploy them. Digitalisation can boost separation between those who have access to digital creative offerings and those who are without the access. Such divide can arise from mastering or not mastering the skills needed to utilise digitalisation in the work or outputs of creative operators. The divide can also result from utilising expensive devices or focusing on vulnerable target groups, such as children, that play a role in creating gaps. These divides obviously pose threats for both the sustainability and inclusivity of creative economies. If only some can produce, access or enjoy innovative creative offerings, how beneficial it is for creative economies and the society at large? While digital technology has established its place in European culture, it continues to raise issues and problems.

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Appendices

Appendix 1 – Case Study Methodology

Introduction

This appendix includes detailed information about the data collection processes and initial data analysis undertaken by DISCE consortia.

It builds on the DISCE case study framework that has been compiled from the deliverables D3.1, D4.1 and D5.1 (Gross et al. 2019). In the case study framework we set-up the DISCE approach and motivated the choice to undertake 10 regional case studies across Europe (in Northern Europe, the UK, Central, Eastern and Southern Europe) building on "the desire to understand complex social phenomena." (Yin 2014: 4) . We also provide extensive details about the motivation behind the case studies choice. Ten, small-scale European cities with populations of between 100-150,0000 were selected as case studies with a series of research methods undertaken to explore the overarching DISCE research question:

What are inclusive and sustainable creative economies and how can they be developed?

Building on the case study research framework and ecological thinking (De Bernard et al. 2021; we approach each case study via the need to investigate across scales (Comunian, 2019) from micro (individuals) to meso (organisation and interconnecting structures) and macro (the broader policy frameworks and contexts).

Going in reverse order, the macro level of analysis led by Work Package 2 explored macro-level interactions and outputs – specifically, creative economy manifestations in terms of geographical ecosystems and the interactions between creative production and consumption, and the role of policy within these. At this level, we examined the overall profile of the city-region, in quantitative but also policy terms, providing an overview of the relevant data and policy literature presented in a series of regional case studies that summarised available information on local creative economies and their relationship with the DISCE approach (see Regional Case Studies, 2022). The meso level enabled an exploration of the organisations, institutions and infrastructure at the city level that brought actors within the creative/cultural ecology together and at the micro-level we were able to focus on individuals: creative and cultural workers, freelancers and entrepreneurs, aspiring creatives, students, graduates, as well as individuals that contribute to the local creative economies in a multitude of ways, these have been the focus of WP3, WP4 and WP5. WP3, WP4 and WP5 adopted other methods and collected other data alongside the main case study framework shared here. These are explained in further details within each WP deliverables.

In terms of actual research methods deployed, the initial fieldwork visits which took place in the pilot city of Enschede, The Netherlands from October 2019 – February 2020 included a series of four Asset-Based Community Development (ABCD) workshops (see Hargreaves and Hartley 2016) with citizens from across Enschede cultural ecosystem. The ABCD workshops were held across three different locations in the city, one being the Saxion University located in the city centre, one in an Assyrian Cultural Centre located in a South-West suburb of the city and one in an Artists co-working foundation and exhibition space located in a former textile mill in the South-east part of the city. Each event attracted different communities that contributed to Enschede's creative economy, from policy makers and academics, artists, cultural producers and migrant workers from Syria, Turkey and Iraq. Alongside the ABCD workshops we held 35 interviews with a range of stakeholders some of whom had attended the workshop and some that we met for the first time. In total, we engaged with 94 participants from the city of Enschede in The Netherlands.

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In March 2020, the outbreak of the Covid-19 virus and subsequent pandemic interrupted the research approach. At this point it was necessary to pivot to a digital approach to data collection and all subsequent research activities were conducted online.

Building on Gross et al. 2019, this appendix details the steps undertaken in the initial data collection and analysis. It is structured in 3 parts which outline the collaborative stages of qualitative data collection undertaken by DISCE Researchers from across the consortium. Firstly, we discuss how data collection and preparation took place across the case studies; secondly, how data was prepared and coded for analysis. Finally, we direct readers to each WP deliverable to consider how the data were used by each specific WP.

Phase 1: data collection and preparation

Sampling and fieldwork

Building on the plans outlined in Gross et al. (2019) and with the awareness of the importance of adopting an inclusive approach, DISCE researchers paid attention in mapping the local creative ecology of each case study from the bottom-up with a commitment to inviting a broad range of participants associated with the creative economy, from creative and cultural producers and representatives from cultural institutions alongside participants from various charities, training bodies, volunteers, educational establishments. We invited workshop participants (for Enschede, Liepaja and Pori) and interviewees to recommend other people or organizations for the study. Hence, snowballing is an important technique for identifying the research participants (Neergaard, 2007) and it will be prioritized over the sectoral coverage, for example. However, given the goal is to develop a holistic understanding of each ecology, the DISCE Consortium applies a heuristic checklist for including the multiple voices from within each ecology. In particular, following shared guidelines developed in Gross et al. (2019, p. 23) we made sure recruitment included a minimum of representation across these broader categories in each city:

- Policy makers (1 to 3 individuals)
- Network / community managers (1 to 3 individuals)
- Companies (10 to 16 individuals)
- HE providers (1 to 3 individuals)
- Creative worker or recent creative graduate (20 to 30 individuals)
- Volunteer and community groups (16 to 20 individuals)

In addition to checking that the various categories will be covered in each case study, interviewees in each category are selected to represent maximum diversity (Neergaard, 2007). This means that for example business representatives will be selected not to represent only one industry but the variety within the ecology. On the other hand, given our approach of bottom-up mapping of the ecologies, it does not make sense to specify a-priori the industries that the business representatives need to represent.

Altogether, we conducted 280 interviews for the DISCE. Some interviews had multiple participants i.e. two or three persons were interviewed at the same time resulting into a total number of 290 interviewed individuals. The Appendix 1 Table 1 below summarises the overall number of participants in each case studies articulated across the categories highlighted above. Moreover, many interviewees were involved in multiple activities at the same time reflecting portfolio careers which are typical in cultural and creative sectors (see e.g. Ball et al., 2010; Eikhof, 2013; Hennekam & Bennett, 2016). For example, a person was simultaneously a business owner and an employed worker, or a student and a volunteer, or a creative worker and a representative of a company, and the interview covered his or her multiple roles. This portfolio nature of work greatly enriched our data collection and resulted into a total number of 533 roles across the six categories (see the last row of Appendix 1 Table 1).

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Appendix 1 Table 1. Interview participants in each case study locations

	Policy maker	Network/community manager	Company	Higher education provider	Creative worker or recent creative graduate	Volunteer and community groups	TOTAL
Chatham	1	2	16	4	5	3	31
Dundee	2	0	16	2	7	3	30
Enschede	3	4	16	2	9	1	35
L'Aquila	2	2	12	1	9	0	26
Leuven	1	5	9	2	8	2	27
Liepaja	1	2	11	2	9	1	26
Lund	1	3	14	2	6	0	26
Pécs	0	3	11	2	9	0	25
Pori	1	3	19	3	10	3	39
Treviso	1	1	12	1	10	0	25
TOTAL (individuals)	**13**	**24**	**135**	**21**	**82**	**14**	**290**
TOTAL (roles)	**21**	**57**	**197**	**48**	**175**	**35**	**534**

Note to the table: 'Network/community manager' category includes venues for cultural life (e.g. cultural centres) and various public or private 'umbrella' organisations (e.g. national or international sectoral associations); 'Company' category includes private companies as well as cultural and creative institutions (e.g. museums and theatres); 'Creative worker or recent creative graduate' category includes also students, and the number of freelancers/entrepreneurs is divided equally between 'companies' and 'creative workers' based on the rationale that many of them are one-person businesses; 'Volunteer and community groups' category includes volunteers as well as participants representing civil society (e.g. members of a local ethnic community). The regional breakdown of participants is based on their primary role (e.g. a policy maker who is also a part-time entrepreneur is categorised here as a policy maker). The multiple roles each participant may have had is acknowledged in the 'TOTAL (roles)' in which Interviewees were categorized based on all their roles across the six categories. An average, each individual had just under two work roles.

The DISCE-approach included co-creation activities with a variety of stakeholders throughout the project. To this end we organised various workshops at different project stages. ABCD and Visioning workshops focused on mapping a range of assets a community has (Gross et al., 2019) in a total of ten events in Enschede (five events), Liepaja (two events) and Pori (three events) regions between October 2019 and May 2021. Co-creation Labs were aimed at facilitating and observing interaction between creative professionals (DISCE, 2019) in three events in Dresden, Timisoara and Bratislava (one in each) between May 2019 and September 2021. Policy workshops were organized to test and validate our preliminary research findings in each of the ten case study regions between November 2021 and January 2022. The DISCE workshops were organised onsite until the outbreak of the Covid-19 pandemic, which resulted into online meetings and in one instance to a hybrid format. The breakdown of workshops across different categories of participants is presented in the Appendix 1 Table 2.

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Appendix 1 Table 2. Workshop participants in all case study cities/regions

	Policy maker	Network/ community manager	Company	HE provider	Creative worker or recent creative graduate	Volunteer and community groups	SUM
ABCD & Visioning workshops	28	1	31	13	31	27	131
Co-creation labs			7		8	69	84
Policy workshops	7	8	17	6	15	2	55

Note to the table: participant categories are described in more detail in the Table 1. 'ABCD and Visioning workshops' includes participants from five workshops in Enschede, three in Pori and two in Liepaja. 'Co-creation Labs' includes participants from workshops in three location: Dresden, Timisoara and Bratislava (one in each). 'Policy workshops' includes participants from all the ten DISCE case study locations (one in each). All DISCE workshops were organised between May 2019 and January 2022, either onsite, online or in a hybrid format.

Overview Participants' data

In total, the DISCE research project interviewed 290 individuals across the ten case study locations. Slightly over half (55%) of the interviewees were females, but the gender ratio varied across the locations so that females were in clear majority in Liepaja and Chatham and males in Enschede (see Appendix 1 Table 3). The age range of interviewees formed a bell-shaped curve, the peak being those in their 40s. Again, there were regional differences in the distribution so that youngest participants were from Liepaja and oldest from Chatham.

Appendix 1 Table 3. Interview participant demographics across the ten case study locations (%, n=290)

	Gender (%)			Age groups (%)					
Case region	Female	Male	Sum	20-29	30-39	40-49	50-59	60 or over	Sum
Chatham	71	29	100	3	10	32	32	23	100
Dundee	63	37	100	3	17	33	27	20	100
Enschede	40	60	100	27	14	14	41	5	100
L'Aquila	50	50	100	8	27	35	19	12	100
Leuven	44	56	100	22	30	26	22	0	100
Liepaja	72	28	100	32	32	20	4	12	100
Lund	54	46	100	15	23	23	27	12	100
Pécs	48	52	100	16	36	32	8	8	100
Pori	56	44	100	6	28	39	19	8	100
Treviso	48	52	100	12	24	28	28	8	100
TOTAL	55	45	100	13	24	29	23	11	100

Following the aims of the DISCE project, we reached out for a large variety of different types of stakeholders. This inclusiveness was reinforced by the fact that portfolio careers are common in cultural and creative sectors (see e.g. Ball et al., 2010; Eikhof, 2013; Hennekam & Bennett, 2016). Consequently, individuals in our data were typically involved in several work activities at the same time. The largest groups of interviewees were those representing a company or cultural institution, or those being creative workers or graduates (or both), while policy makers constituted the smallest participant group (see Appendix 1 Table 4). There were some regional differences, for example Dundee had the largest share of those who were interviewed in their capacity as a company or a cultural institution representative, whereas creative workers had a dominant role in Lund. Moreover, network managers had a relatively large share among interviewees in L'Aguila and higher education institutions in Pécs.

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Appendix 1 Table 4. Interview participant types (multiple types per person possible) across the ten case study locations (%, n=534)

	Policy maker	Network/ community manager	Company or cultural institution	HE provider	Creative worker or recent creative graduate	Volunteer and community groups	SUM
Chatham	4	10	39	10	27	10	100
Dundee	4	2	48	13	24	9	100
Enschede	7	13	36	6	34	4	100
L'Aquila	8	22	37	12	19	2	100
Leuven	2	16	36	4	37	5	100
Liepaja	2	8	33	14	33	10	100
Lund	2	5	32	4	46	11	100
Pécs	0	7	36	18	37	2	100
Pori	3	9	34	8	38	8	100
Treviso	7	14	39	5	33	2	100
TOTAL	4	11	37	9	33	6	100

Reflecting the inclusiveness of the DISCE project, we interviewed people from a rich array of cultural and creative sectors. Based on the UNCTAD's (2008) classification, our data include participants from all the eight major fields so that creative services and performing arts were the most common ones (see Appendix 1 Table 5). The distribution of interviewees varied by the region, for example creative services had a largest representation in Liepaja, whereas visual arts were most common in Dundee and performing arts in Lund.

Appendix 1 Table 5. Interview participant sectors (multiple sectors per person possible) across the ten case study locations (%, n=400)

	Audio visuals	Creative services	Cultural heritage	Design	New media	Performing arts	Printed media	Visual arts	SUM
Chatham	9	31	12	6	3	24	3	12	100
Dundee	12	0	4	20	8	20	0	36	100
Enschede	4	37	10	6	14	19	2	8	100
L'Aquila	8	11	17	9	6	19	11	19	100
Leuven	5	32	2	5	10	27	2	17	100
Liepaja	2	42	9	14	5	14	7	7	100
Lund	4	28	14	4	4	28	4	14	100
Pécs	10	32	8	13	0	10	5	22	100
Pori	10	19	21	9	3	21	0	17	100
Treviso	14	8	27	13	3	22	0	13	100
TOTAL	8	25	13	9	6	20	3	16	100

Appendix 1 Table 6 summarises – maintaining anonymity – the key characteristics of the individual interviewees across all the case study locations. The information includes citation code, region, age, gender, occupation, participant type and sector. Participant type is slightly more accurate in this table in comparison to the other tables in this subchapter as cultural institutions (labelled 'other organisation'), students / recent graduates and freelancers/self-employed are identified separately before merging them to broader categories for the other tables.

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Appendix 1 Table 6. Interview participant characteristics (n=289)

Case region	Citation code	Age	Gender	Occupation or job title	Participant type	Sector (adopted from UNCTAD 2008)
Northern Europe						
Lund	LU1F20s	20s	Female	Student	Creative worker (employee), volunteer & community groups, student / recent graduate	Cultural heritage, visual arts
Lund	LU2M60s	60s	Male	Managing director	Other organisation, creative worker (employee)	Performing arts
Lund	LU3F40s	40s	Female	Unit manager	Educational institution, creative worker (employee)	Performing arts
Lund	LU4F50s	50s	Female	Freelancer (co-owner of two companies, fully owns yet another company)	Company, freelancer / self-employed / entrepreneur / business-owner	Creative services
Lund	LU5M30s	30s	Male	Community & communications manager	Network/ community, creative worker (employee)	Creative services
Lund	LU6F40s	40s	Female	Curator	Other organisation, creative worker (employee)	Visual arts
Lund	LU7M60s	60s	Male	Owner	Company, freelancer / self-employed / entrepreneur / business-owner	Printed media
Lund	LU8M20s	20s	Male	Policymaker (vice-chairman of the board)	Policy maker	Cultural heritage
Lund	LU9M40s	40s	Male	Museum director	Other organisation, creative worker (employee)	Cultural heritage
Lund	LU10F20s	20s	Female	Station manager	Other organisation, creative worker (employee), volunteer & community groups, student / recent graduate	Audiovisuals
Lund	LU11M30s	30s	Male	Promoter	Other organisation, creative worker (employee)	Performing arts
Lund	LU12M40s	40s	Male	Architect & owner	Company, creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Creative services
Lund	LU13F40s	40s	Female	Managing director	Company, creative worker (employee)	Performing arts
Lund	LU14F50s	50s	Female	Project manager, entrepreneur	Other organisation, creative worker (employee)	Creative services
Lund	LU15F30s	30s	Female	Network/community manager/coordinator, freelancer	Network/ community, creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Performing arts
Lund	LU16M60s	69	Male	Researcher, photographer	Freelancer / self-employed / entrepreneur / business-owner	Visual arts
Lund	LU17M30s	30s	Male	Producer	Other organisation, creative worker (employee)	Performing arts
Lund	LU18F30s	30s	Female	Festival director	Other organisation, creative worker (employee), volunteer & community groups	Performing arts
Lund	LU19M50s	50s	Male	Incubator director, freelance composer, musician, project manager, a workshop leader)	Network/ community, Creative worker (employee)	Creative services
Lund	LU20F50s	50s	Female	Graphic designer, self-employed, owner-manager	Freelancer / self-employed / entrepreneur / business-owner	Design
Lund	LU21F20s	20s	Female	Student, executive director	Other organisation, creative worker (employee), volunteer & community groups, student / recent graduate	Creative services
Lund	LU22F50s	50s	Female	Potterist, self-employed, owner-manager	Freelancer / self-employed / entrepreneur / business-owner	Creative services, cultural heritage
Lund	LU23F50s	50s	Female	Film maker, vr-artist, self-employed, owner-manager of two companies	Freelancer / self-employed / entrepreneur / business-owner	New media
Lund	LU24F50s	50s	Female	Art teacher (employed); painter & illustrator (self-employed, owns a company)	Creative worker (employee), freelancer / self-employed / entrepreneur / business-owner, volunteer & community groups	Visual arts
Lund	LU25M40s	40s	Male	Academic advisor, communication officer, doctoral student	Educational institution, creative worker (employee)	Creative services
Lund	LU26M30s	30s	Male	Performance artist, self-employed (owns a company)	Freelancer / self-employed / entrepreneur / business-owner, volunteer & community groups	Performing arts

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Case region	Citation code	Age	Gender	Occupation or job title	Participant type	Sector (adopted from UNCTAD 2008)
Pori	PO1M30s	30s	Male	Customer service assistant	Other organisation, creative worker (employee)	Cultural heritage
Pori	PO2F40s	40s	Female	Coordinator	Other organisation	
Pori	PO3F40s, PO3F40s	40s, 40s	Females	Head of cultural center	Creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Creative services
Pori	PO4F40s	40s	Female	Freelancer, creative worker, project coordinator	Network/ community, freelancer / self-employed / entrepreneur / business-owner	Creative services, new media
Pori	PO5M70s	70s	Male	An artist, retired teacher	Educational institution, freelancer / self-employed / entrepreneur / business-owner	Visual arts
Pori	PO6F40s	40s	Female	An artisan, entrepreneur (yarn manufactory)	Freelancer / self-employed / entrepreneur / business-owner	Design, visual arts
Pori	PO7M40s	40s	Male	Cultural producer in free and public sector (events, films)	Network/ community, creative worker (employee), volunteer & community groups	Audiovisuals, creative services, performing arts
Pori	PO8F40s	40s	Female	Director	Creative worker (employee)	Performing arts
Pori	PO9F40s	40s	Female	Freelancer, director of cultural community	Network/ community, freelancer / self-employed / entrepreneur / business-owner	Creative services
Pori	PO10M30s	30s	Male	Cultural manager	Policy maker	
Pori	PO11M30s	30s	Male	Project coordinator, creative worker	Network/ community, educational institution, creative worker (employee)	Audiovisuals
Pori	PO12M40s	40s	Male	An artist, musician	Freelancer / self-employed / entrepreneur / business-owner	Audiovisuals, performing arts
Pori	PO13F50s	50s	Female	General manager	Creative worker (employee)	Performing arts
Pori	PO14F50s	50s	Female	Key account manager	Company	Cultural heritage
Pori	PO15M50s, PO15M40s, PO15F30s	50s, 40s, 30s	Male, male, female	Team leader, lecturer/project mgr, student	Educational institution, student / recent graduate	Visual arts
Pori	PO16M40s	40s	Male	Media instructor, self-employed film maker	Other organisation, creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Audiovisuals, performing arts
Pori	PO17M50s	50s	Male	Museum director	Policy maker, other organisation	Cultural heritage
Pori	PO18F30s	30s	Female	Museum assistant (collections), museum director's substitute	Other organisation	Cultural heritage
Pori	PO19F50s	50s	Female	Specialist in tourism	Other organisation	
Pori	PO20F50s	50s	Female	Curator	Creative worker (employee)	Cultural heritage
Pori	PO21F20s	20s	Female	Student in cultural production and landscape studies, oriented in game industry	Student / recent graduate	New media
Pori	PO22F30s	30s	Female	Librarian, poet	Other organisation, creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Creative services, cultural heritage, performing arts
Pori	PO23F30s	30s	Female	Graphic designer, entrepreneur	Company, creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Creative services, design, visual arts
Pori	PO24F40s, PO24F50s	40s,50s	Females	Av: museum director; mrs: intendant	Other organisation, creative worker (employee)	Audiovisuals, creative services, cultural heritage, performing arts, visual arts
Pori	PO25M40s	40s	Male	Poet	Freelancer / self-employed / entrepreneur / business-owner	Performing arts
Pori	PO26M30s	30s	Male	Creative worker, independent researcher	Network/ community, creative worker (employee), volunteer & community groups	Creative services, cultural heritage
Pori	PO27M40s	40s	Male	Founder and promoter of a festival	Company, freelancer / self-employed / entrepreneur / business-owner	Creative services, performing arts
Pori	PO28F30s	30s	Female	Scenographer (theater); graphic designer	Creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Design, visual arts
Pori	PO29M30s	30s	Male	Bartender / an artist, rapper	Other organisation, freelancer / self-employed / entrepreneur / business-owner	Performing arts
Pori	PO30F30s	30s	Female	Self-employed graphic designer	Company	Design
Pori	PO31F20s	20s	Female	Shoe designer, self-employed	Freelancer / self-employed / entrepreneur / business-owner, student / recent graduate	Design

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Case region	Citation code	Age	Gender	Occupation or job title	Participant type	Sector (adopted from UNCTAD 2008)
Pori	PO32M60s, PO32M70s, PO32F30s	60s, 70s, 50s	Male, male, female	Volunteer, volunteer, representative of the museum	Volunteer & community groups	Cultural heritage
Pori	PO33M40s	40s	Male	Community, artist	Network/ community, creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Performing arts, visual arts
UK						
Chatham	CH1F40s	40s	Female	Musician, songwriter, university lecturer	Educational institution, Freelancer / Self-employed / entrepreneur / business-owner	Performing arts
Chatham	CH2F40s	40s	Female	Dancer, examiner for IDTA, runs a dance school	Company, Freelancer / Self-employed / entrepreneur / business-owner	Performing arts
Chatham	CH3F50s	50s	Female	Co-chair	Network/ community, Freelancer / Self-employed / entrepreneur / business-owner	
Chatham	CH4M40s	40s	Male	Chief Executive Officer	Company, Creative worker (employee)	Creative services
Chatham	CH5F50s	50s	Female	Programme Manager	Policy maker, Company, Creative worker (employee)	Performing arts
Chatham	CH6F40s	40s	Female	Project Director	Policy maker, Other organisation, Creative worker (employee), Freelancer / Self-employed / entrepreneur / business-owner	
Chatham	CH7F50s	50s	Female	Theatre designer / lecturer / advocate	Network/ community, Educational institution, Freelancer / Self-employed / entrepreneur / business-owner	Design, Performing arts
Chatham	CH8M10s	<20	Male	Student / volunteer	Network/ community, Volunteer & community groups, Student / Recent graduate	
Chatham	CH9F30s	30s	Female	Arts manager / director	Network/ community, Company, Freelancer / Self-employed / entrepreneur / business-owner	Creative services
Chatham	CH10F60s	60s	Female	Electrologist / volunteer	Network/ community, Freelancer / Self-employed / entrepreneur / business-owner, Volunteer & community groups	Creative services
Chatham	CH11F50s	50s	Female	Artist	Freelancer / Self-employed / entrepreneur / business-owner	Audiovisuals, Performing arts, Visual arts
Chatham	CH12M40s	40s	Male	Fashion Designer	Company, Freelancer / Self-employed / entrepreneur / business-owner	Design
Chatham	CH13F60s	60s	Female	Professor of Contemporary Art and Photography	Educational institution	Visual arts
Chatham	CH14M50s	50s	Male	Deputy Chief Executive Officer	Company, Creative worker (employee)	Audiovisuals, New media
Chatham	CH15F60s	60s	Female	Director of Culture	Educational institution	
Chatham	CH16F60s	60s	Female	Director	Company, Other organisation, Creative worker (employee)	Creative services
Chatham	CH17F40s	40s	Female	Director of Education	Educational institution, Other organisation	
Chatham	CH18F50s	50s	Female	Artistic Director	Company, Freelancer / Self-employed / entrepreneur / business-owner	Audiovisuals
Chatham	CH19F40s	40s	Female	Theatre Director	Company, Freelancer / Self-employed / entrepreneur / business-owner	Performing arts
Chatham	CH20F30s	30s	Female	Creative Practitioner, Founder	Freelancer / Self-employed / entrepreneur / business-owner	Creative services
Chatham	CH21M40s	40s	Male	Head of Culture and Libraries	Policy maker	
Chatham	CH22M60s	60s	Male	Head of Heritage, Learning & Outreach	Company, Creative worker (employee)	Cultural heritage
Chatham	CH23M60s	60s	Male	Lecturer, Director of Employability, music practitioner / consultant	Educational institution, Freelancer / Self-employed / entrepreneur / business-owner	Performing arts
Chatham	CH24M50s	50s	Male	Events producer, DJ, local historian & tour guide	Freelancer / Self-employed / entrepreneur / business-owner, Volunteer & community groups	Creative services, Cultural heritage
Chatham	CH25F40s	40s	Female	Freelance researcher & strategy consultant	Freelancer / Self-employed / entrepreneur / business-owner	Creative services
Chatham	CH26F30s	30s	Female	Independent Artist	Network/ community, Freelancer / Self-employed / entrepreneur / business-owner	Creative services, Printed media
Chatham	CH27F50s	50s	Female	Creative Director	Company, Educational institution, Creative worker (employee)	Performing arts

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Case region	Citation code	Age	Gender	Occupation or job title	Participant type	Sector (adopted from UNCTAD 2008)
Chatham	CH28M40s	40s	Male	Co-Ordinator	Network/ community, Other organisation, Creative worker (employee), Volunteer & community groups	
Chatham	CH29F60s	60s	Female	Co-chair	Network/ community, Other organisation, Freelancer / Self-employed / entrepreneur / business-owner, Volunteer & community groups	
Chatham	CH30F50s	50s	Female	Independent Artist	Freelancer / Self-employed / entrepreneur / business-owner, Volunteer & community groups	Creative services,Visual arts
Chatham	CH31F50s	50s	Female	Printmaker/Director	Company, Freelancer / Self-employed / entrepreneur / business-owner	Creative services, Visual arts
Dundee	DU1F50s	50s	Female	Creative Practitioner	Company	Performing arts
Dundee	DU2M40s	40s	Male	Creative Arts Lead	Other organisation	
Dundee	DU3M40s	40s	Male	Manager	Company	Performing arts
Dundee	DU4M60s	60s	Male	Voluntary Community Organiser	Network/ community, Volunteer & community groups	Cultural heritage
Dundee	DU5F30s	30s	Female	Project Manager	Other organisation	Design
Dundee	DU6F60s	60s	Female	Head of Print Studio	Company, Creative worker (employee)	Visual arts
Dundee	DU7F40s	40s	Female	Director	Company	Visual arts
Dundee	DU8M30s	30s	Male	Head of Centre for Entrepreneurship	Educational institution, Freelancer / Self-employed / entrepreneur / business-owner	Audiovisuals, New media
Dundee	DU9M20s	20s	Male	Artist	Freelancer / Self-employed / entrepreneur / business-owner, Student / Recent graduate	Visual arts
Dundee	DU10M50s	50s	Male	Technology Entrepreneur	Company	Audiovisuals, New media
Dundee	DU11F40s	40s	Female	Principal Events Officer	Policy maker	
Dundee	DU12F40s	40s	Female	Student and Artist	Student / Recent graduate	Visual arts
Dundee	DU13F30s	30s	Female	Lecturer, Artist, Curator, Festival Founder	Educational institution, Freelancer / Self-employed / entrepreneur / business-owner	Visual arts
Dundee	DU14F40s	40s	Female	Manager	Other organisation, Volunteer & community groups	
Dundee	DU15F70s	70s	Female	Retired - Ex Deputy Principle	Educational institution	
Dundee	DU16F40s	40s	Female	Director	Other organisation	
Dundee	DU17M50s	50s	Male	Dean of Design & Informatics, Professor of Applied Creativity	Educational institution	Design
Dundee	DU18F40s	40s	Female	Social entrepreneur	Other organisation, Freelancer / Self-employed / entrepreneur / business-owner, Volunteer & community groups	
Dundee	DU19F50s	50s	Female	Artist, curator, educator	Freelancer / Self-employed / entrepreneur / business-owner	Visual arts
Dundee	DU20M40s	40s	Male	Executive Director and Joint CEO	Company, Volunteer & community groups	Performing arts
Dundee	DU21F30s	30s	Female	Designer	Educational institution, freelancer / self-employed / entrepreneur / business-owner	Design
Dundee	DU22F50s	50s	Female	Artist and educator	Freelancer / self-employed / entrepreneur / business-owner	Visual arts
Dundee	DU23M60s	60s	Male	Runs a Service Design and Innovation company	Educational institution, Freelancer / Self-employed / entrepreneur / business-owner	Design
Dundee	DU24F60s	60s	Female	Artists and sculpturer	Freelancer / self-employed / entrepreneur / business-owner	Visual arts
Dundee	DU25M30s	30s	Male	Runs a design agency	Company, creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Design
Dundee	DU26F50s	50s	Female	Project Manager	Other organisation	
Dundee	DU27F50s	50s	Female	Story Engineer	Company, Other organisation, Creative worker (employee), Freelancer / Self-employed / entrepreneur / business-owner	Audiovisuals, Performing arts
Dundee	DU28F50s	50s	Female	Head of Print Studio	Company, Creative worker (employee)	Visual arts
Dundee	DU29F40s	40s	Female	Music Teacher and Musician	Company, Creative worker (employee)	Performing arts
Dundee	DU30M60s	60s	Male	Director (retired) of leisure and culture	Policy maker	
Central Europe						
Enschede	EN1M20s	20s	Male	Freelancer	Company, freelancer / self-employed / entrepreneur / business-owner	New media

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Case region	Citation code	Age	Gender	Occupation or job title	Participant type	Sector (adopted from UNCTAD 2008)
Enschede	EN2M20s	20s	Male	Co-founder, director of communications (bachelor's degree in creative technology)	Company, freelancer / self-employed / entrepreneur / business-owner	New media
Enschede	EN4F40s	40s	Female	Account manager	Policy maker	Creative services
Enschede	EN5M30s	30s	Male	City poet, marketing professional, communications studies	Freelancer / self-employed / entrepreneur / business-owner	Printed media
Enschede	EN6F20s	20s	Female	Quality engineer; master's degree in philosophy of science, technology and society	Student / recent graduate	New media
Enschede	EN7M50s	50s	Male	Museum director	Other organisation, creative worker (employee)	Cultural heritage
Enschede	EN8M20s	20s	Male	Musician	Freelancer / self-employed / entrepreneur / business-owner	Performing arts
Enschede	EN9F30s	30s	Female	Fashion and textile designer	Freelancer / self-employed / entrepreneur / business-owner	Design
Enschede	EN10M40s	40s	Male	Strategic development (online), visionaire	Company	Creative services
Enschede	EN11M		Male	Founder	Company	Creative services
Enschede	EN12F50s	50s	Female	Visual artist and storyteller, student	Freelancer / self-employed / entrepreneur / business-owner, volunteer & community groups, student / recent graduate	Audiovisuals, cultural heritage, performing arts, visual arts
Enschede	EN13M30s	30s	Male	Chairman, electronic artist, performer	Company, freelancer / self-employed / entrepreneur / business-owner	Creative services, new media, performing arts,
Enschede	EN14M70s	70s	Male	Project initiator	Other organisation	Creative services, performing arts
Enschede	EN15F20s	20s	Female	Artist, printmaker, works for two foundations	Network/ community, creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Creative services
Enschede	EN16M		Male, female		Other organisation	Creative services
Enschede	EN17M50s	50s	Male	Director	Educational institution	Design, visual arts
Enschede	EN18M		Male	Co-Founder	Company, Freelancer / Self-employed / entrepreneur / business-owner	New media
Enschede	EN19M		Male	Director of city marketing	Policy maker	Creative services
Enschede	EN20M40s	40s	Male	Multiple.	Network/ community, creative worker (employee)	Cultural heritage
Enschede	EN21F		Female, female	Entrepreneurs, start-up programme for immigrants, community manager for a community of entrepreneurs, inter-cultural NGO	Creative worker (employee), Freelancer / Self-employed / entrepreneur / business-owner	Creative services
Enschede	EN22F		Female	Culture coach (coaching e.g theatre and music groups)	Creative worker (employee)	Creative services
Enschede	EN23M50s	50s	Male	Director	Network/ community, creative worker (employee)	Audiovisuals, creative services, performing arts, visual arts
Enschede	EN24M20s	20s	Male, male		Network/ community, creative worker (employee), student / recent graduate	Creative services
Enschede	EN25F50s	50s	Female	Local government advisor	Policy maker	Cultural heritage
Enschede	EN26M50s	50s	Male	Creative worker	Educational institution, freelancer / self-employed / entrepreneur / business-owner	Creative services, design
Enschede	EN27F		Female	Lecturer	Educational institution	New media
Enschede	EN28M50s	50s	Male	Family social worker	Network/ community, volunteer & community groups	Creative services, performing arts
Enschede	EN29M50s	50s	Male	Musician	Freelancer / self-employed / entrepreneur / business-owner	Performing arts
Enschede	EN30F		Female	Musician	Freelancer / self-employed / entrepreneur / business-owner	Performing arts
Enschede	EN31M		Male	City programmer	Network/ community, freelancer / self-employed / entrepreneur / business-owner	Creative services, performing arts
Enschede	EN32F		Female	Entrepreneur, civil cervant	Policy maker, freelancer / self-employed / entrepreneur / business-owner	Creative services, cultural heritage, new media
Leuven	LE1F40s	40s	Female	Managing director	Company, Creative worker (employee)	New media

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Case region	Citation code	Age	Gender	Occupation or job title	Participant type	Sector (adopted from UNCTAD 2008)
Leuven	LE2F30s	30s	Female	Artist (painter, photographer)	Freelancer / Self-employed / entrepreneur / business-owner	Visual arts
Leuven	LE3M40s	40s	Male	Managing director	Network/ community, company, freelancer / self-employed / entrepreneur / business-owner	Creative services, new media
Leuven	LE4M40s	40s	Male	Entrepreneur; managing director	Network/ community, Company, Freelancer / Self-employed / entrepreneur / business-owner	Creative services
Leuven	LE5M30s	30s	Male	Entrepreneur	Company, Freelancer / Self-employed / entrepreneur / business-owner	Creative services
Leuven	LE6M30s	30s	Male	Bartender; self-employed	Network/ community, Other organisation, Freelancer / Self-employed / entrepreneur / business-owner, Volunteer & community groups	Audiovisuals, Creative services, New media, Performing arts
Leuven	LE7M40s	40s	Male	Communication manager	Network/ community, Other organisation, Creative worker (employee)	Creative services, Performing arts
Leuven	LE8M40s	40s	Male	Furniture designer, university teacher	Creative worker (employee), Freelancer / Self-employed / entrepreneur / business-owner	Design
Leuven	LE9F30s	30s	Female	Manager	Network/ community, Company	Creative services, Visual arts
Leuven	LE10F50s	50s	Female	Volunteer at theatre, community activist	Volunteer & community groups	Creative services, performing arts
Leuven	LE11F30s	30s	Female	Expert in dialogue, diversity and immaterial heritage	Network/ community, other organisation, creative worker (employee), student / recent graduate	Creative services, cultural heritage
Leuven	LE12F20s	20s	Female	Coordinator, freelance curator	Network/ community, other organisation, freelancer / self-employed / entrepreneur / business-owner	Creative services, visual arts
Leuven	LE13M30s	30s	Male	Owner	Company	Creative services, design
Leuven	LE14M30s	30s	Male	Artist	Freelancer / self-employed / entrepreneur / business-owner, student / recent graduate	Performing arts, visual arts
Leuven	LE15M50s	50s	Male	Lawyer, company owner	Company, freelancer / self-employed / entrepreneur / business-owner	Audiovisuals
Leuven	LE16M50s	50s	Male	Runs a music venue	Network/ community, creative worker (employee)	Performing arts
Leuven	LE17F50s	50s	Female	Professor	Educational institution	
Leuven	LE18M40s	40s	Male	Company owner	Company	Creative services
Leuven	LE19F30s	30s	Female	Creative industries expert, dramaturg	Policy maker, company, freelancer / self-employed / entrepreneur / business-owner	Creative services, performing arts
Leuven	LE20M40s	40s	Male	Work for a social profit organization that provides art courses for adults	Other organisation, creative worker (employee)	Performing arts, visual arts
Leuven	LE21M50s	50s	Male	Runs an art studio	Network/ community, creative worker (employee)	Visual arts
Leuven	LE22F20s	20s	Female	Musician	Creative worker (employee), freelancer / self-employed / entrepreneur / business-owner, student / recent graduate	Performing arts
Leuven	LE23F50s	50s	Female	Professor	Educational institution	New media, visual arts
Leuven	LE24F20s	20s	Female	Actress	Volunteer & community groups	Performing arts
Leuven	LE25M20s	20s	Male	Journalist	Freelancer / self-employed / entrepreneur / business-owner, student / recent graduate	Performing arts, printed media
Leuven	LE26M20s	20s	Male	Musician	Freelancer / self-employed / entrepreneur / business-owner, student / recent graduate	Performing arts
Leuven	LE27F20s	20s	Female	Student	Student / recent graduate	Creative services
Eastern Europe						
Liepaja	LI1F60s	60s	Female	Public administration specialist	Policy maker, network/ community, volunteer & community groups	
Liepaja	LI2M20s	20s	Male	Director	Network/ community	Creative services
Liepaja	LI3M30s	30s	Male	Director	Company	Creative services
Liepaja	LI4F30s	30s	Female	Board member	Other organisation	Performing arts
Liepaja	LI5M50s	50s	Male	Light artist	Company, freelancer / self-employed / entrepreneur / business-owner	Design, performing arts
Liepaja	LI6F40s	40s	Female	Artistic director	Company	Performing arts
Liepaja	LI7F20s	20s	Female	Product designer and teacher	Educational institution, freelancer / self-employed / entrepreneur / business-owner	Design, visual arts

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Case region	Citation code	Age	Gender	Occupation or job title	Participant type	Sector (adopted from UNCTAD 2008)
Liepaja	LI8F40s	40s	Female	Writer, teacher, pr specialist, volunteer	Educational institution, creative worker (employee), freelancer / self-employed / entrepreneur / business-owner, volunteer & community groups, student / recent graduate	Creative services, printed media
Liepaja	LI9F40s	40s	Female	Singer-songwriter, culture event director and moderator, director of a foundation	Freelancer / self-employed / entrepreneur / business-owner, volunteer & community groups	Creative services, performing arts, printed media
Liepaja	LI10F20s	20s	Female	Pr specialist, museum educator	Other organisation, creative worker (employee)	Creative services, cultural heritage
Liepaja	LI11M30s	30s	Male	Director	Company	Creative services
Liepaja	LI12M30s	30s	Male	Event manager, producer	Company	Creative services
Liepaja	LI13M30s	30s	Male	Musician, culture event manager	Network/ community, other organisation	Audiovisuals, creative services, performing arts
Liepaja	LI14F40s	40s	Female	Co-founder	Network/ community, company	Creative services
Liepaja	LI15F40s	40s	Female	Co-owner	Company	Creative services, cultural heritage
Liepaja	LI16F20s	20s	Female	Youth mentor, client and communications manager	Creative worker (employee), volunteer & community groups, student / recent graduate	Creative services, cultural heritage
Liepaja	LI17M30s	30s	Male	Career consultant, project manager	Educational institution	Creative services, design, performing arts, visual arts
Liepaja	LI18F30s	30s	Female	Head of creative lab, director of a bachelor's degree program	Educational institution	New media
Liepaja	LI19F70s	70s	Female	Teacher/tour guide	Educational institution, freelancer / self-employed / entrepreneur / business-owner	Creative services, cultural heritage
Liepaja	LI20F60s	60s	Female	Theatre critic, lecturer, journalist	Educational institution, creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Creative services, printed media
Liepaja	LI21F30s	30s	Female	Freelance event organizer, career consultant	Educational institution, freelancer / self-employed / entrepreneur / business-owner	Creative services
Liepaja	LI22F20s	20s	Female	Ba student in functional design	Student / recent graduate	Design, visual arts
Liepaja	LI23F20s	20s	Female	Ba student in culture management, attendant at concert hall, assistant	Creative worker (employee), volunteer & community groups, student / recent graduate	Creative services, design
Liepaja	LI24F20s	20s	Female	Entrepreneur, student, designer	Company, freelancer / self-employed / entrepreneur / business-owner, student / recent graduate	Design, new media
Liepaja	LI25F10s	<20	Female	High school student, social media manager	Creative worker (employee), student / recent graduate	Creative services
Pecs	PE1F50s	50s	Female	Professor, head of department, entrepreneur	Company, educational institution	Creative services
Pecs	PE2M60s	60s	Male	Professor, vice-dean, ceramist	Educational institution	Cultural heritage, visual arts
Pecs	PE3M30s	30s	Male	Entrepreneur, fashion designer	Company	Design
Pecs	PE4F40s	40s	Female	Representative of the chamber of commerce and industry	Network/ community	Creative services
Pecs	PE5M30s	30s	Male	Photographer, entrepreneur	Company, educational institution	Audiovisuals, visual arts
Pecs	PE6F50s	50s	Female	Entrepreneur, journalist, editor	Freelancer / self-employed / entrepreneur / business-owner	Creative services, printed media
Pecs	PE7M20s	20s	Male	Cinematographer, tv editor	Creative worker (employee)	Audiovisuals
Pecs	PE8F40s	40s	Female	Sculptor, lecturer	Educational institution, freelancer / self-employed / entrepreneur / business-owner	Visual arts
Pecs	PE9F20s	20s	Female	Tattoo artist	Creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Design, visual arts
Pecs	PE10F20s	20s	Female	Student	Student / recent graduate	Visual arts
Pecs	PE11M40s	40s	Male	Head of tourism association, entrepreneur	Network/ community	Creative services
Pecs	PE12M30s	30s	Male	Light artist, paper art designer	Other organisation, freelancer / self-employed / entrepreneur / business-owner	Creative services, design, performing arts
Pecs	PE13F40s	40s	Female	CEO	Company	Creative services, visual arts

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Case region	Citation code	Age	Gender	Occupation or job title	Participant type	Sector (adopted from UNCTAD 2008)
Pecs	PE14M30s	30s	Male	Exhibition organizer at an art gallery	Educational institution, other organisation, creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Creative services,cultural heritage, design, performing arts, visual arts
Pecs	PE15M30s	30s	Male	Sculptor, teacher	Educational institution, freelancer / self-employed / entrepreneur / business-owner	Visual arts
Pecs	PE16M30s	30s	Male	Light and sound artist	Company, freelancer / self-employed / entrepreneur / business-owner	Audiovisuals, creative services, performing arts
Pecs	PE17F40s	40s	Female	Entrepreneur, creative content creator	Freelancer / self-employed / entrepreneur / business-owner	Creative services
Pecs	PE18M40s	40s	Male	Tv and film producer, co-founder, general manager	Company	Audiovisuals
Pecs	PE19M30s	30s	Male	Doctoral student, news editor	Educational institution, freelancer / self-employed / entrepreneur / business-owner, student / recent graduate	Creative services
Pecs	PE20M30s	30s	Male	Musician, stage manager, student, social media manager	Company, educational institution, creative worker (employee), freelancer / self-employed / entrepreneur / business-owner, student / recent graduate	Creative services, performing arts
Pecs	PE21F20s	20s	Female	Ceramics artist	Creative worker (employee), freelancer / self-employed / entrepreneur / business-owner, student / recent graduate	Cultural heritage, visual arts
Pecs	PE22F30s	30s	Female	Manager	Network/ community, volunteer & community groups	Creative services
Pecs	PE23F40s	40s	Female	Children book writer, poet	Freelancer / self-employed / entrepreneur / business-owner	Printed media
Pecs	PE24F60s	60s	Female	CEO	Company	Design
Pecs	PE25M40s	40s	Male	Freelancer, social media manager	Creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Creative services
Southern Europe						
L'Aquila	LA1M40s	40s	Male	Mayor	Policy maker	Cultural heritage
L'Aquila	LA2M50s	50s	Male	Director	Policy maker, company, other organisation	Cultural heritage, performing arts
L'Aquila	LA3M40s	40s	Male	Artist	Network/ community, freelancer / self-employed / entrepreneur / business-owner	Audiovisuals, new media, performing arts, visual arts
L'Aquila	LA4M40s	40s	Male	Artist	Other organisation, freelancer / self-employed / entrepreneur / business-owner	Visual arts
L'Aquila	LA5M30s	30s	Male	Writer	Network/ community, other organisation	Printed media
L'Aquila	LA6F40s	40s	Female	Director	Educational institution, other organisation	New media, performing arts, visual arts
L'Aquila	LA7M50s	50s	Male	Librarian	Company, freelancer / self-employed / entrepreneur / business-owner	Printed media
L'Aquila	LA8F40s	40s	Female	Curator	Network/ community, educational institution, other organisation	Cultural heritage, new media, performing arts, printed media, visual arts
L'Aquila	LA9M50s	50s	Male	Artisan	Educational institution, freelancer / self-employed / entrepreneur / business-owner	Creative services, visual arts
L'Aquila	LA10M40s	40s	Male	Director	Network/ community, freelancer / self-employed / entrepreneur / business-owner	Audiovisuals
L'Aquila	LA11M60s	60s	Male	Artist	Network/ community, freelancer / self-employed / entrepreneur / business-owner	Design, performing arts, visual arts
L'Aquila	LA12F20s	20s	Female	Artist	Creative worker (employee), volunteer & community groups, student / recent graduate	Visual arts
L'Aquila	LA13F40s	40s	Female	Vice-director	Company	Performing arts
L'Aquila	LA14M30s	30s	Male	Artist	Freelancer / self-employed / entrepreneur / business-owner	Visual arts
L'Aquila	LA15M50s	50s	Male	Creative worker	Company, creative worker (employee)	Creative services, design
L'Aquila	LA16F30s	30s	Female	Teacher/tour guide	Educational institution, freelancer / self-employed / entrepreneur / business-owner	Creative services, cultural heritage
L'Aquila	LA17F40s	40s	Female	Photographer	Network/ community, other organisation, creative worker (employee)	Audiovisuals, design
L'Aquila	LA18F30s	30s	Female	Art historian	Network/ community, educational institution, freelancer / self-employed / entrepreneur / business-owner	Cultural heritage
L'Aquila	LA19F50s	50s	Female	Mayor	Policy maker	Creative services, cultural heritage
L'Aquila	LA20M60s	60s	Male	Musician	Network/ community, other organisation	Performing arts
L'Aquila	LA21M30s	30s	Male	Journalist	Network/ community, other organisation	Printed media

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Case region	Citation code	Age	Gender	Occupation or job title	Participant type	Sector (adopted from UNCTAD 2008)
L'Aquila	LA22F30s	30s	Female	Student	Student / recent graduate	Design
L'Aquila	LA23F40s	40s	Female	Vice-president	Network/ community, other organisation	Audiovisuals, creative services, cultural heritage, printed media, visual arts
L'Aquila	LA24F60s	60s	Female	Director	Policy maker, educational institution	Cultural heritage
L'Aquila	LA25F30s	30s	Female	Musician	Network/ community, company	Performing arts
Treviso	TR1F40s	40s	Female	Art historian	Other organisation, freelancer / self-employed / entrepreneur / business-owner	Performing arts
Treviso	TR2M30s	30s	Male	Entrepreneur	Policy maker, company	Cultural heritage
Treviso	TR3M20s	20s	Male	Entrepreneur	Freelancer / self-employed / entrepreneur / business-owner, volunteer & community groups, student / recent graduate	Performing arts
Treviso	TR4F30s	30s	Female	Musician	Freelancer / self-employed / entrepreneur / business-owner	Performing arts
Treviso	TR5M50s	50s	Male	Musician	Network/ community, other organisation	Creative services, performing arts
Treviso	TR6M50s	50s	Male	Creative worker	Company, creative worker (employee)	Audiovisuals, design
Treviso	TR7M60s	60s	Male	President	Network/ community, company	Creative services, cultural heritage
Treviso	TR8F40s	40s	Female	Artisan	Freelancer / self-employed / entrepreneur / business-owner	Design
Treviso	TR9M50s	50s	Male	Entrepreneur	Policy maker, network/ community, other organisation	Cultural heritage, visual arts
Treviso	TR10M60s	60s	Male	Designer	Company, creative worker (employee)	Design
Treviso	TR11M50s	50s	Male	Councellor	Policy maker	Cultural heritage
Treviso	TR12M40s	40s	Male	Professor	Educational institution	Cultural heritage
Treviso	TR13M30s	30s	Male	Photographer	Creative worker (employee), freelancer / self-employed / entrepreneur / business-owner	Audiovisuals
Treviso	TR14M40s	40s	Male	Media manager	Company	Audiovisuals, design
Treviso	TR15M50s	50s	Male	Artisan/entrepreneur	Freelancer / self-employed / entrepreneur / business-owner	New media, visual arts
Treviso	TR16M30s	30s	Male	Curator	Network/ community, company	Cultural heritage
Treviso	TR17F30s	30s	Female	Curator	Network/ community, company, creative worker (employee)	Cultural heritage, performing arts, visual arts
Treviso	TR18F50s	50s	Female	Creative worker	Company, creative worker (employee)	Audiovisuals, design
Treviso	TR19F30s	30s	Female	Art historian	Other organisation, freelancer / self-employed / entrepreneur / business-owner	Cultural heritage
Treviso	TR20F50s	50s	Female	Head of museum office	Network/ community, educational institution	Cultural heritage
Treviso	TR21F20s	20s	Female	Student	Student / recent graduate	Performing arts
Treviso	TR22F40s	40s	Female	Museum educator	Creative worker (employee), student / recent graduate	Cultural heritage
Treviso	TR23F40s	40s	Female	Curator	Other organisation	Performing arts, visual arts
Treviso	TR24F40s	40s	Female	Entrepreneur	Freelancer / self-employed / entrepreneur / business-owner	Creative services, performing arts
Treviso	TR25F20s	20s	Female	Student	Student / recent graduate	Audiovisuals, visual arts

Data collection and follow-up data preparation

Data collection took place in each case studies over several months, to allow for snowballing and consideration of inclusivity as discussed above.

Overall interviews followed the 'Interview template' presented by Gross et al (2019, p.130) allowing for flexibility and openness as recommended in the case of semi-structured interviews (Galletta, 2013). Each interview was consequently verbatim transcribed by the local research team and in the case of interviews not undertaken in English a process of translation was adopted to allow for each researcher across the consortia to use the data. Transcriptions and translations were conducted either within the local research team or the team used external service providers. In the latter case, each transcription and translation was proofread by a member of a local research team.

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Appendix 1 Table 7. Data processing steps and schedule

Research Team	Case study	Data Collection	Data Transcription	Data Translation
UTU	Lund	Jun – Nov 2020	Oct – Nov 2020	[English interviews]
UTU	Pori	May 2020 – Jan 2021	Oct 2020 – Jan 2021	March – May 2021
KCL	Chatham	Sept – Dec 2020	Jan – May 2021	[English interviews]
KCL	Dundee	May – Oct 2020	Jan – May 2021	[English interviews]
UTU, KCL, SSE Riga, GSSI	Enschede	Feb 2019 – Aug 2020	Oct – Nov 2020	[English interviews]
UTU, KCL, SSE Riga, GSSI	Leuven	Mar – Jun 2021	Apr – Jun 2021	[English interviews]
SSE Riga	Liepaja	Oct 2020 – May 2021	Nov 2020 – May 2021	March-May 2021
SSE Riga	Pecs	Nov 2020 – Mar 2021	Nov 2020 – Mar 2021	Jan – Jun 2021
GSSI	L'Aquila	Jun 2020 – Nov 2020	Jun 2020 – Nov 2020	Dec 2020 – Mar 2021
GSSI	Treviso	Jun 2020 – Dec 2020	Sep 2020 – Dec 2021	Dec 2020 – Mar 2021

Phase 2: initial data systematisation

Codes generation process

The DISCE codebook was developed collaboratively with involvement of each of the four DISCE university partners: University of Turku, King's College London, Stockholm School of Economics in Riga, and the Gran Sasso Scientific Institute. The process involved the following stages:

1) Members of the research teams from each of the partner universities made initial proposals of codes to include in the codebook. These initial code suggestions drew on:

- The research questions for each work package
- The literature reviews for each work package
- Initial insights from and discussion of the Enschede (pilot case study) data

2) The research teams annotated the initial set of proposed codes. This served to identify:

- Codes that needed to be added to the codebook
- Codes that could be combined, and codes that needed to be separated into two
- Codes that were unclear

3) A further round of code suggestions was made by each university partner. At this stage, additional information was added to the codebook, with more detailed description and possible 'sub codes' added for each of the codes.

4) On the basis of this updated codebook, a team of researchers from all partner Universities then undertook an exploratory coding exercise with one interview transcript, using the ATLAS.ti qualitative data analysis software. The researchers then met to discuss their experiences of applying the codebook to the interview transcript.

Discussions covered a range of topics including whether the codebook covered all the codes it needed to, and the range of ways in which different researchers applied the codes to the transcript. (For example, there were variations in the length of quotations that different researchers typically coded, and variations in the extent to which different researchers applied multiple codes to a single piece of text.) Drawing together some of these conversations, one member of the research team drafted a document providing guidelines / reminders for how to make use of the codebook. This document was later added to by another member of the research team, incorporating subsequent suggestions.

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5) Following those discussions, two further steps were taken. Firstly, one more round of testing the codebook – applying it to interview transcript extracts (again, using the ATLAS.ti software). This was undertaken with the same purpose as the previous round of exploratory coding: to enable the researchers to compare their experiences of applying the codebook to a transcript, testing whether the codebook contained the codes we needed it to, and identifying any points for discussion in terms of the practicalities of the coding process – such as the use of multiple codes on the same piece of text. Secondly, a further and final set of edits to the codebook was made, adding a new column in which researchers suggested potential 'clusters' of codes: indicating which codes are likely to often be used in conjunction with each other. The purpose of this was to support the research team to be actively thinking about the potential connections between different codes, helping to further clarify what is distinctive about each code, but also to recognise the ways in which quite often a single quotation will need to be marked with multiple codes.

6) The researchers met for a final codebook conversation. This was focused on the relationship between different codes, concluding the exercise described above: clustering codes together. This conversation rounded off the process of developing the codebook. The final version of the codebook contained 47 codes with short descriptions of each (see Appendix 1 Table 8).

Appendix 1 Table 8. DISCE Codebook

Code no	Code name	Description for the code
1	Accessibility	Any talk about accessibility to the creative and cultural sector (for example, linguistic, cognitive, physical); Includes talk about accessibility to career opportunities; accessibility as an audience member, customer, participant; and/or accessibility to particular spaces - e.g. for financial, physical, or psychological reasons.
2	Activism / political action	Any talk about being an activist/engaging in political action such as political protests / manifestations; Campaigning / changemaking; Art as a protest, etc. societal statements.
3	Aims, goals, aspirations (individual)	Any talk on i*ndividual / personal* aims, goals and aspirations (distinct from *organisational* aims, goals & aspirations); Any talk about indicators / measures of success / achievement of goals.
4	Aims, goals, aspirations (organisational)	Any talk on *organisational* aims, goals and aspirations (distinct from *individual / personal* aims & goals & aspirations); Any talk about indicators / measures of success / achievement of goals..
5	Audiences, customers, constituencies, participants	Any talk on the people that matter to the organisation / individual in doing what they do; Any talk about the duration of the relationship (e.g. one-time, new or regular customers)
6	Care (individual)	Any talk concerning what people care about and care for (practices of care); Any talk about what people feel they have a responsibility for. This might focus on traditional caring practices, such as caring for children and elderly relatives, but it might also include caring for a neighbourhood, caring for an art form, caring for nature, etc.
7	Care (structures)	Any talk on structures, institutions, infrastructures, resources etc. that support people caring (structures of care); Any talk about conditions that support people to take responsibility for what they care about. (For example, does the town have a strong network of voluntary organisations? Does the interviewee have a strong network of friends who support each other? Does an organisation have any policies for environmental responsibility, or for looking after the wellbeing of their staff?)
8	Career steps/changes/transitions	Any talk about past or future decisions to become a freelancer or start a business; any talk about previous professions, employers, unemployment etc.; any talk about the past or future/alternative careers; career plans.
9	Communication / dialogue / marketing	Any talk about the communication, sharing of information and/or dialogue between different actors involved in the creative/cultural sector (lack of,

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		constant, occasional), including talk about specific modes of communication (e.g. annual town hall meetings about culture in the city, monthly Zoom calls for creative industries CEOs, Facebook groups for audience members); Any talk about communication channels (marketing, advertising).
10	Competition	Any talk about competition; can be negative or positive aspects: e.g. competitors as 'enemies' or as collaborators.
11	Covid-19	Any talk of Covid-19 (effects of, responses to)
12	Cultural ecosystems (city-wide / region wide / sector wide)	Any talk about the ecosystem across the city / region / sector / industry as a whole. Several other codes will of course speak to the theme of cultural ecosystem, but this code is specifically for any comments about the cultural ecosystem of the city or region or industry / sector as a whole.
13	Cultural/creative clusters, creative hubs & cultural quarters	Any talk about creative clusters / creative hubs / cultural quarters (groups or constellations of people or organisations) in which they work / live. (e.g.) What does it consist of? Characteristics? What is its size?
14	Cultural institutions (local arts organisations)	Any talk about the role of local cultural institutions (museums, orchestras, etc.) in the CC sector (valorisation, promotion, cooperation, relationship, etc.); Any comments about a particular cultural organisation (arts organisation) and its place in the ecosystem - rather than comments about clusters or networks of cultural institutions, which will be coded within other codes.
15	Digital technology	Any talk on digital tools, social media [used or not willing to use, enthusiasm or fear of using, necessity, starting up a web shop, a blog etc.], e-products (digital-born products or products that are turned into digital versions e.g. books to e-books, audiobooks etc., any products that are used with digital devices), digitalisation (positive or negative talk, change).
16	Education – individual	Any comments about educational experiences; also what people are learning in work / on the job
17	Education – system	Any talk of institutional/systemic/organisational aspect of education (including teaching)
18	Entrepreneurial mindset / behaviour	Any talk (positive (having) or negative (lacking)) about opportunities, adaptability, proactiveness (forward thinking, leader vs. follower, courage or boldness), lack of ideas / having ideas, taking initiative, attitude towards mistakes / learning from mistakes. Individuals or organisations.
19	Entrepreneurship: starting up / running a business	Any talk about starting up or running a business, starting or acting as freelancer / entrepreneur, being self-employed (difficulties, success, strengths, weaknesses, practices).
20	Family & friends	Any comments about family & friends
21	Festivals & temporary events	Any comments about festivals or other temporary events; may include comments about temporary exhibitions.
22	Financial resources, money, costs & debt	Any talk about financial resources, money and/or debt. This includes any talk about income, revenue, investments or costs either at individual or organisational level. This can include description of in-kind support, including in-kind support from family members, etc.
23	History	Any comments about the history of the neighbourhood, city, region, sector or organisation.
24	Hobbies, interests, everyday creativity & play	Any discussion on free-time (creative) activities outside the profit-making 'creative industries' and the publicly-funded 'arts'. (e.g. singing in a community choir, making Christmas cards with family at home, school kids making up a dance with friends in the park.); Any talk around use of time for non-work (leisure, hobbies).
25	Inclusion & exclusion / equality & inequality / social (in)justice	Any talk about individual, organisation or structural dimensions of inclusion / exclusion / social (in)justice. May include: descriptions of personal experiences of inclusion / exclusion / social (in)justice; comments about inclusion / social justice at an organisational level (including strategies & initiatives for achieving inclusion / social justice); comments about structural / social factors influencing inclusion / exclusion / social (in)justice.

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26	Keywords & terminology	Any discussion of terminology and vocabulary. For example, some interviewees say, 'I never use the phrase creative economy, I call it the cultural economy', others say, 'sustainability is such a buzzword, it's meaningless".
27	Location & physical setting, buildings	Any comments about the significance of location and place, physical setting, buildings, workspaces, equipment.
28	Mobility (and immobility)	Any comments on having moved / not moved from location to another, for any reason (including work, family, education travel for its own sake), or mobility [travel] as part of current work.
29	Modes of employment	Any talk about the individuals' or organisation's modes of employment and/or contractual arrangements: Employed, self-employment, multiple contracts / multiple contract types; Also any comments about the challenges of working in these ways, such as describing feeling precarious or stressed.
30	Networks, partnerships & collaborations	Any talk (e.g. names, availability, value, size) about organisational or individual networks, partnerships and collaborations, both formal and informal; any talk about personal relationships that have supported or hindered something, for example career development (e.g. mentoring, role models)
31	New / innovative activities & changes (in businesses / organisations & in everyday life)	Any talk about doing things in new ways (as individuals or in their organisations); e.g. setting new goals, creating new types of services/products, with new networks, targeting new audiences, new sources of income
32	Offering / products / services	Any talk about products, services or pieces of (art) work which individual or organisation provides / offers to audience or customers; e.g. range of products/services; developments in the offering(s) over time; including any talk about barriers and challenges that are experienced with relation to offering/product/services
33	Organisational type	Any comments on organisational form or legal status, and its significance. E.g. any comments about the importance / consequences of being a charity, a community interest company, etc.); Any talk about organisational structure, owners / ownership, or organisation's size.
34	Peripheral	Any talk about where people consider the city and the cultural/creative offer/sector to be peripheral/marginal/ unattractive or comments about where an interviewee considers themselves or their work to be peripheral, (e.g. 'my work is outside the mainstream of the arts scene in this town, nobody notices me'.)
35	Policy & policymaking (including governance of civic bodies / funding bodies)	Any comments about policy and policymaking, including any comments about decision-making processes and governance of civic bodies (e.g. town council, citizens' council, neighbourhood council) or funding bodies (e.g. the national or local arts council). Also including comments about any specific policies.
36	Pricing	Any talk about pricing (practice, satisfaction, etc), including alternatives to pricing for example discussion of offering services for free
37	Regional development	Any talk about territorial enhancement/regional development (through cultural and creative economies)
38	Risk, uncertainty, failure	Any talk about risk, risk-taking, (fear of) failure, learning from failure, (experiences of) uncertainty, ways of managing uncertainty; includes all kinds risks / uncertainty, e.g. financial, health, social.
39	Sales and delivery channels	Any talk about the ways in which individual or organization sales / delivers its offerings / products / services, such as through exhibitions, on-line-shop, ticket sales, renting or contract work / ordered work.
40	Satisfaction / dissatisfaction (with career, personal life or education)	Any talk about whether this person is satisfied with their overall situation as an individual or in their organisation; Or specific aspects of their career / work, personal life, education

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41	Skills and other human resources	Any talk around skills (one has / has not, needed for, shortages of) or other human resources (needed for, shortages of); Any talk about the importance of particular skills; Any talk about the strengths or unique characteristics of individual or organisation.
42	Sustainability	Any talk around different meanings of sustainability, strategies for achieving sustainability, now and in the future)
43	Time use – work/professional arena	Any talk around use of time related to individual's or organisation's professional activities [either paid/unpaid]
44	Trust	Any talk around trust (value of, presence of, lack of, strategies for achieving). For example, interviewees may describe a presence (or lack) of trust between different actors within their ecosystem or processes through which trust has been developed (or lost).
45	Value creation & co-creation	Any talk about the value / benefits (value creation as an outcome) that the individual or organisation is seeking to create/provide for the audience/customer. Any talk about the ways in which audience or customers participate in the 'production' or 'value creation' as a process, e.g. provide ideas, content, feedback, wishes or instructions or other type of 'co-creation'.
46	Values as principles of action	Any talk about of the values the individual or organisation holds to be important as they do their work / live their life, any talk about processes of valuation / evaluation, e.g. how do people reach judgements about value / what's valuable.
47	Working conditions in the sector (systemic)	Any talk about systemic working conditions in the sector: the rules of the game (in the sector), barriers and challenges to working and progressing in the sector, as well as aspects of the systemic working conditions in the sector that are positive. Negative examples may include: precarity, exploitation, 'old boys network' hiring practices; but positive examples could include conditions such as the availability of good information about new job opportunities, a supportive trades union, good employment practices across the sector in supporting flexible working hours for parents, etc.

Analysis via Atlas.ti across DISCE team

The first cycle of coding was conducted jointly among the DISCE researchers each of whom was assigned a number of interview documents. The 9th edition of Atlas.ti programme was utilized for the coding. To organize the first cycle of collective coding, it was agreed that one researcher operates as a technical master, who creates a Master file in Atlas.ti and manages the process of creating and sending Project Bundle files to each coder, who would then return the coded file back to the technical master to be merged to the Master file (see ATLAS 2018). Every coder was also advised to consult the Teamwork Manual (ATLAS 2018) provided by Atlas.ti. The coding was done on transcribed, translated (if needed) and proofread English interview documents. All the 272 documents where coded following the final codebook (containing 47 codes), and those documents which were already initially coded during the codebook development process were recoded applying the final version of the codebook.

Some level of individual variation in coding was considered unavoidable, but a number of guidelines and good practices were created and shared with all coders in order a) to align/harmonise our coding process and b) to give some hints and tools (e.g. use of a coding diary) for identifying possible individual differences in coding practices. Furthermore, after each researcher had coded their first document(s) a joined online meeting was organized in which everyone shared their experiences and various practicalities were discussed and agreed upon, if needed.

The following guidelines and good practices of coding was shared with all coders:

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- As the DISCE project is covering a wide range of topics and research questions the researchers shall code in rather great detail to allow all the codes to gather the valuable information from the rich material gathered.
- Before coding the researchers have got acquainted with the codebook and more detailed descriptions and explanations as well as with the file in ATLAS.ti where coding of several researchers are visible. From these materials each researcher coding the interviews shall align his/her coding approach to the DISCE team in terms of interpretation of the codes as well as detail level and styles of the codes. Still the differences among individuals and even for the same researcher on different moments in time are reasonable and expected.
- Relatedly, it is probably impossible, and at least impractical, to try to fully align all researchers' coding practices. This results in a situation, where two researchers might well apply two different codes to the same quotation. Therefore, it is important that the researcher who is analyzing the coded texts has an understanding about the codes that will speak to the same broad theme and, therefore, could have been applied by another researcher. As an example, the code for 'Cultural ecosystems' is closely related to such codes as 'Creative clusters, creative hubs & cultural quarters', 'Local cultural institutions', 'Location & setting, buildings' and 'Networks, partnerships & collaborations'. As a consequence one coder might have applied 'Cultural ecosystem' to an extract, while another coder might have ended up applying 'Creative clusters...' to the same extract instead.
- In case the coder is unsure about any of the coding practices, it is advisable to do one or all of the following, to consult a) the codebook, b) the coding materials from the test rounds, c) this guideline document, d) the fellow coders, e) and to make notes.
- The coded text shall not be only one word, but often more than one sentence to ensure that the reader who reads the coded text as an excerpt can understand the meaning and context.
- Despite trying to code concisely, there are situations when a whole long paragraph shall be coded to convey the main facts plus the contexts rather than trying to select few sentences (e.g. in test round 2 the question about the aims of the organisation).
- If case of doubt the researcher shall rather apply a code than not.
- In case the researcher feels that the interviewee talks about a relevant topic to which there is no code in the codebook, it is advisable to do the following: to apply the closest possible code as a 'second best option', to make notes, and to inform fellow researchers (especially if the same relevant topic appears often – so that all the researchers can possibly align their coding practices in regard to this possibly missing code). NOTE: the coder does not add any new codes to the ATLAS.ti master project file but only applies the existing codes.
- After the first coding of the interview which might be rather more technical, researchers are advised to look back on less used codes and review the coding by checking for more subtle and indirect messages (especially for less often used codes or codes that the researcher feels less familiar with). So, a quotation (extract) may contain the same word as in the name of the code in which case coding is rather straightforward, but very often the coder needs to interpret the text with the help of the 2nd ('Description of the code'; this info is also available in ATLAS.ti) or in same instances even by checking the 3rd ('Why a code matters') column of the Codebook (this info is only available in the Codebook file in Seafile) to figure out a suitable code.
- Each researcher is advised to create a coding diary.
- It is quite possible, often even likely, that several codes are relevant to a single segment of text (extract); sometimes this may mean that the coder has been unsure about which code to apply but oftentimes it means that even a short amount of text is so rich that it contains multiple themes, each of which is subject to a different code. As a very simple example, if the interviewee would have said something like 'my goal is to reduce social injustice from the world', one would apply two codes here: 1) the code for 'Aims, goals, aspirations (individual)' and 2) the code for 'Inclusion & exclusion / equality & inequality / social (in)justice' . Similarly, if the interviewee would have said something like 'It would be awesome if I had an online store but I wouldn't know how to set up one', the coder would apply three codes to the sentence: 1) 'Digital technology' , 2) 'Sales and delivery channels' and

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3) 'Skills'. Moreover, if the interviewee would have said something like 'Economic goals are important to our company, but we also want that as many young people as possible can attend our events, for which reason we do not charge a fee for admission for children under 12 years of age', one would apply four codes for this sentence: 1) 'Aims, goals, aspirations (organisational)', 2) 'Audiences, customers, constituencies, participants', 3) 'Accessibility', and 4) 'Pricing'. Note also, that in each of the above examples the coder would mark the whole sentence and apply all the codes to the entire sentence rather than try to split it into smaller segments and apply separate codes for each.

- Every code is applicable to all types of interviews, whether individual, business, higher education institution, policy maker, association etc.
- Every researcher utilizes the whole codebook. In the analysis phase different researchers might be interested in different codes, but during the coding phase everyone applies all codes to the interviews.
- Any code may be applied to any part of the interview text i.e. although there are specific questions about various themes (e.g. time use, skills or income), the interviewee may talk about any topic at any point during the interview.
- It is a good idea for each coder to review their coding practices from time to time, especially in the early stages of coding. For example, it is useful to the check which codes one has been using the most and which the least to avoid a situation where one (or more) of the codes have become a ''catch-all' / 'miscellaneous' in one's mind or, alternatively, one has forgotten the existence of a code. The frequency of use of each code is marked in parenthesis after the code name in ATLAS.ti (the list of codes and their names can be found under 'Codes' heading in an open ATLAS.ti project).
- The coder does repetitive coding. This means that coding is not selective in a sense that a code would be applied only when an interviewee speaks about something for the first time, but the code is applied every time the interviewee talks about the same thing. Repetitive coding may be more likely with some, relative broad codes, such as 'Offering, product or service' than some other codes.

Statistical overview of data and codes

The first cycle of coding resulted into creation of over 16700 quotations across the coded documents. Several codes were typically applied to each quotation summing up o over 48700 quotations across the 47 codes (Appendix 1 Table 9), the average being 1037 quotes per code and 179 code uses per document. The most often applied code was related to 'Financial resources, money, costs & debt' (4.7% of the quotes), while the least frequently used code was about 'Sales and delivery channels' (0.5% of the quotes).

Appendix 1 Table 9. Number of quotes per code

Code no	Code name	No. of quotes per code	% of quotes per code
1	Accessibility	1486	3.0 %
2	Activism / political action	348	0.7 %
3	Aims, goals, aspirations (individual)	1428	2.9 %
4	Aims, goals, aspirations (organisational)	1057	2.2 %
5	Audiences, customers, constituencies, participants	1395	2.9 %
6	Care (individual)	520	1.1 %
7	Care (structures)	725	1.5 %
8	Career steps/changes/transitions	1145	2.3 %
9	Communication / dialogue / marketing	1280	2.6 %
10	Competition	332	0.7 %
11	Covid-19	1132	2.3 %
12	Cultural ecosystems (city-wide / region wide / sector wide)	1523	3.1 %
13	Cultural/creative clusters, creative hubs & cultural quarters	682	1.4 %
14	Cultural institutions (local arts organisations)	1155	2.4 %

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15	Digital technology	749	1.5 %
16	Education (individual)	1769	3.6 %
17	Education (system)	1641	3.4 %
18	Entrepreneurial mindset / behaviour	859	1.8 %
19	Entrepreneurship: starting up / running a business	533	1.1 %
20	Family & friends	941	1.9 %
21	Festivals & temporary events	712	1.5 %
22	Financial resources, money, costs & debt	2203	4.5 %
23	History	499	1.0 %
24	Hobbies, interests, everyday creativity & play	545	1.1 %
25	Inclusion & exclusion / equality & inequality / social (in)justice	1842	3.8 %
26	Keywords & terminology	646	1.3 %
27	Location & physical setting, buildings	2072	4.2 %
28	Mobility (and immobility)	997	2.0 %
29	Modes of employment	719	1.5 %
30	Networks, partnerships & collaborations	2104	4.3 %
31	New / innovative activities & changes (in businesses / organisations & in everyday life)	948	1.9 %
32	Offering / products / services	1511	3.1 %
33	Organisational type	643	1.3 %
34	Peripheral	429	0.9 %
35	Policy & policymaking (including governance of civic bodies / funding bodies)	1340	2.7 %
36	Pricing	342	0.7 %
37	Regional development	694	1.4 %
38	Risk, uncertainty, failure	1322	2.7 %
39	Sales and delivery channels	234	0.5 %
40	Satisfaction / dissatisfaction (with career, personal life or education)	1280	2.6 %
41	Skills and other human resources	1630	3.3 %
42	Sustainability	746	1.5 %
43	Time use – work/professional arena	1101	2.3 %
44	Trust	291	0.6 %
45	Value creation & co-creation	986	2.0 %
46	Values as principles of action	1048	2.1 %
47	Working conditions in the sector (systemic)	1182	2.4 %
TOTAL		**48766**	**100 %**

Phase 3: WPs analysis

Each work package built on Phase 1 and 2 and applied specific consideration approaching the data across particular codes or focusing on particular case studies. Details of each WP analytical approach following the data coding process is described in more details in each specific deliverable.

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Appendix 2 – Survey Data and Variables

Data and Sample

As part of the DISCE-project, we collected scientific survey data from Finland although not originally planned in the DoA. The complementary survey was conducted to provide some quantitative data on the important and relevant topics focused in this report.

In this report, chapter 2 we present results from Finnish CCI organisations in the snapshots to selected topics (value creation goals and value creation skills). Data were collected via Internet-aided survey tool during May-June 2021. Due to the lack of publicly available registers, we applied convenience sampling (Etikan et al., 2016), and the sample population covers 937 cultural and creative organisations whose contact information was available on various cultural websites. The sample population comprises among others theatres, museums, production (music, film) companies, game developers, and festivals. After data cleaning, the final sample comprises 246 Finnish CCI organisations, which means a response rate of 26%. However, due to the nature of our survey data, the results are not generalizable to the Finnish population of CCI organisations.

Based on KEA's classification, 41% of the studied organisations are cultural industries (that produces reproducible offering for consumption and distribution, such as film, video, live music and publishing), 35% in core arts (in which non-reproducible offerings are produced and consumed at the same moment, such as crafts, theatre, festivals, and museums) and the rest belong in the creative industries (that produce offerings in which the creative output is embedded in non-cultural goods, such as design, advertising, and architecture). (Crociata, 2020). Almost half of the organisations are non-profits and 39% are for profits. Among the studied organisations, hybrids are most often operating in cultural industries whereas non-profits are most prevalent in core arts. For-profit are most prevalent in creative industries. 44% are privately owned and 34% are community-based organisations. 36% of the studied organisations focus on national markets, and 65% locate in urban centres. Moreover, 89% of the studied organisations are located in urban areas, which makes our data also geographically biased.

The average age of the studied organisations is 34 years ranging from 1 to 122 years. In 2021, the studied organisation employed on average 21 full- or part-time employees. On average, the studied organisations had 9 volunteers and 19 working on a freelance basis. Slightly over 60% of the studied organisations have more than one source of income: Most (84%) receive income from selling their offerings, but 58% received public funding and 43% receive grants from trusts or foundations.

Variables used in the snapshots

In exploring the value creation goals of studied CCI organisations, we crafted a scale of items on different types of value creation. This scale adapts Lackeus's (2018) framework of value creation which was matched with Hirschman's (1983), Rodner and Kerrigan's (2014) as well as Carter and Carter's (2020) approaches in modelling value creation. The respondents were asked to evaluate concerning their organization "*how well the following statements describe its artistic or creative goals*." The scale ranged from 1="*Totally disagree*" to 5="*Totally agree*".

Value creation skills was measured with a new scale comprising nine items, which reflected the nine dimensions of business model canvas (Greene, 2020; Osterwalder & Pigneon, 2010). Concerning their organisation the participants were asked to "*Please indicate how well the following statements describe its artistic or creative work*" with items, such as "*We are good at identifying who our audience(s)/customers is/are*". All items were measured with a Likert-scale ranging from 1="*Strongly disagree*" to 5="*Strongly agree*". We employed the nine items as a composite index in which higher value means higher perceived

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skills. The reliability statistics of this index (α=0.82) also reach the common threshold of 0.70 (Hair et al., 2010).

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Appendix 3 – Inclusivity and Sustainability in Cultural Networks and Ecologies

Data

The appendix is expanding the ideas of inclusivity and sustainability in cultural networks and ecologies presented in Chapter 3 From cultural networks to a creative place brand. Empirically, the appendix relies on the regional case study data (see Appendix Case study Methodology) and draws on interview data from a range of actors including all the target groups (policy makers, network/community managers, companies, HE providers, creative workers/recent graduates, and volunteer/community groups) engaged within creative economies in the rest of the case study location (extending the findings from Pori, which was discussed in chapter 3). As to the data we use a focused combination of five interview codes: (25) Inclusion & exclusion/equality & inequality/social (in)justice, (30) Networks, partnerships & collaborations, (12) Cultural ecosystems (city-wide/region wide/sector wide), (42) Sustainability, and (13) Cultural/creative clusters, creative hubs & cultural quarters.

Observations

Many studies connect creative economy and its implications to sustainable development. Among others Kirchberg and Kagan (2013) and Rodrigues and Franco (2019) argue that economic sustainability is closely related to creative industries and more broadly to innovations and creativity in all fields (d'Orville, 2019). Florida (2014) and Florea (2015) point out that urban sustainability is a key driver for the growth of cities due to the multiple interconnected underlying activities linked to creative sectors. Cultural industries can enable the economic diversification of rural (and urban) areas in sustainable and smart ways, which does not rule out simultaneous economic exploitation (more than preservation) of art, heritage and traditions (Cooke & Propris, 2011). Increasingly regional and local policies promote the role of creativity in the sustainable development of industrial networks, cities and regions. Typical challenges of creative economies, especially in peripheral areas, include a lack of finance and business skills and capabilities (Imperiale et al., 2021), yet technological development and new training and networking opportunities, are expected to help actors to operationalise resources and to overcome these barriers to interact and perform activities in networks. Based on our research data, we next discuss how inclusivity and sustainability are visible in the cultural networks and ecologies.

Inclusivity

The festivals and events as a source of inclusivity

In Pori festivals and events were considered to be a significant contributor of place branding and inclusivity. Similarly, festivals and events can be seen as a source of inclusivity in other studied case ecologies. As an example, a municipality leader emphasizes Umbria Jazz with Perugia, as the great event that catalyses the attention of the whole city.

> *I hope to achieve greater visibility and greater authority over time, to ensure broad participation, an openness to all audiences and all people who want to take part in L'Aquila's cultural life. I think this is a duty for every artist and musician living in a medium-sized city like L'Aquila, which still needs a push, a greater stimulus to express its full potential. We are on the outskirts of the major cultural centres, but there is a ferment and an opportunity, a potential to be expressed that remains under the radar, and I think this can be solved with a more sustainable and longer-range management of human resources. (LA1M40s)*

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An Artistic Director in Chatham again, states:

> *And we do, you know the activities that we do, the main activities are our annual festival of international artists. So, we attract, you know, artists from all over and on a different level. So very established artists and upcoming, as well as young artists. … So, there is like a parallel, a network and mentoring that happens, you know, within this process of putting up festival events from the beginning. So, from pre-production end to delivery, we are working in parallel with established and young artists so there is a peer group environment of learning. (CH18F50s)*

Furthermore, festival director in Lund emphasizes the curation work in the film festival:

> *I'm thinking about other festivals that work within the same framework, like the same content as us, with Fantastic Films, is that we are highly curated when it comes to selecting the films. [..] a tradition, which is also great, but it's also kind of a little bit of favouritism, I would say. That if you know someone who made a film then the movie will probably play a lot of festivals, and that movie's not necessarily good. So, we curate the festival a lot. In terms of what we screen. (LU18F30s)*

Belonging to communities supports inclusivity

The case of the city of Pori demonstrated how the strategic re-branding process had engaged a variety of individual and organisational actors to jointly work for the development of the city and the region. Such engagement and belonging to the community and networks promoted inclusivity. Similarly networks, relationships, and collaborations were considered important resources in other studied regions. In connection to the role of the academia the Director of Culture from the University of Kent states: "*So, I think it's always resources, but there are ways you can [inaudible]. You know, and universities are huge resources, but it's not about money. It's about people, it's about space, we want to look at how we can unlock more of that*." (CH15F60s)

When addressing how networks, relationships and collaborations might be improved, a culture coach emphasized entrepreneurial training:

> *"We wish that would be an ongoing program...but we need 15 to really start. But we're working with Delight Labs, they come from Amsterdam, they're doing the entrepreneurial training to give […] the skills and to get more knowledge about what it is what they really want. […] And then, when they're ready, like after three months, they've taken the first step. It's not a business yet, but it's the first step in developing your business". (EN22F)*

A representative from Liepaja pointed out the significance of the city authorities in coordinating the networks: "*Undoubtedly, Liepāja city authorities. Again, I will mention that cooperation with the local city council. It's, in fact, important, because if you have support from local authorities, you know that they have your back*". (LI16F20s)

The informants were asked how did they see their own role in supporting networks, relationships, and collaboration in the city, or in their 'sector'. One of the Dutch informants pointed out a common goal to create new businesses in the field:

> *"So, that is like the common goal that we work on, and jobs are then created by creating new business, or start-ups, or for instance, helping existing business grow because then you also create jobs, and the way how we do it is innovation, so technology-driven*

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innovation. And using that tech transfer was the delivery for years as a sort of starting point to do that." (EN25F50s)

The informants were asked to describe their city and the surrounding area as an operating environment (i.e., as a place for their organization to produce and offer its goods and services.) A Dutch informant sees the strength of the network in Enschede but also a danger that it is almost entirely the same people involved and who "*…spend a lot of time on it and energy, for the cultural sector….Over and over, hey, you again. And few of them are so important for the network when they will go away, phoo. It will be, yeah, hard for Enschede to yeah get someone as, as, it's not impossible but yeah, takes time again so it's maybe a little vulnerable*". (EN6F20s)

The examples demonstrated how different actors are engaged with the creative networks. Operators such as universities and municipalities are considered to have an important role in connecting the operators and perhaps even coordinating the networks.

Sustainability

To highlight the sustainability perspectives based on the interview data, we divide the insights into **governance** related, **environment** related, **social sustainability** and **economy** related and **technology** and **innovations** related categories and will discuss them next. In the case of the Pori ecology sustainability was linked to the development of the region and everyday actions ranging from materials used to economic sustainability of creative activities.

Governance related sustainability

Among the interviewees a wide consensus seems to exist about the importance of sustainability and sustainable development of creative economies and networks, especially in relation to the future. "*Being sustainable means being sustainable in all areas*" (TR25F20s). However, the focus areas typically vary by the industry. "*It is also a question of the political will to make this sector a driving force with respect to the others*" (LA13F40s). Many interviewees consider that creative and cultural sectors are not treated equally or generally recognised as important as other industries when it comes to funding opportunities and regional development initiatives and projects. "*Perhaps there is this thing that we don't trust the decision-makers*" (PO23F30s), as one interviewee crystallised the perceptions. Florida (2002) pointed out that creativity is associated with a tolerant social environment and flexible and soft management rather than 'hard' conditions and hierarchical relationships. To fully benefit from creativity of the creative economies' networks in the areas and regions, it may be wise to pay attention to the governance and perceived conditions by the actors within creative economies. In Netherlands, there are good experiences about no-rule environments and buildings that have become thriving cultural spaces without high monetary compensation and investments into knowledge and workspace, which are not considered key drivers for innovation in cultural and creative sectors (EN13M30s). The shift in perception towards governance and the new communication means and channels (Kozina et al., 2019) affect the promoting of sustainable cultural development and creativity. In most cities the interviewees recognised the narrative and urge for (constant) change to be present. *"Being a city of culture requires you to be open*" (CH25F40s). Indeed, inclusive and sustainable creative economy is recognised to require openness for cooperation among stakeholders (PE22F30s).

Sustainable strategies need to include cultural characteristics and creative solutions that are essentially local by nature (Rodrigues & Franco, 2019). Grand nominations for cities may bring glory but some considered the preparation and inclusive processes more valuable outcome than titles received. "*European Capital of Culture and UK City of Culture titles are revising what it means to be a kind of annual designation*" (DU16F40s). Participation and accessibility to networks should be made easy at every level so that the utilisation of operators' potential and resources become maximised. The sector and policymakers should cherish and

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employ bottom-up efforts to engage others. For this aim to actualize, "*it would be (more) sustainable if longer-term projects were born and there was a follow-up and statistics*" (PE22F30s). Along with inclusive human interaction, some recognise the importance of sustainability signaling labelling and certification to motivate businesses and organisations to get involved and engaged.

Environmental sustainability

Throsby (2015) argues that natural and cultural capitals, cultural and economic values and finally cultural sustainability, as well as environmental sustainability, are parallel. Thus, the policies supporting creative economies are inseparable from the aims of sustainable development of cities and regions. In the European Union, the Commission promotes the digital and green double transition for the long-term sustainability. Different industry representatives recognise and emphasise the significance of natural environment and their approach to environmental sustainability with different focuses.

Some interviewees emphasised the importance of sustainability aims due to their direct links into the natural environment as the operating milieu which for some represents e.g., the source of inspiration and raw materials, the place of production, the service scape and medium of delivery. Some emphasise the welfare benefits of environment and space (EN32F). Sustainability is also seen as a local and ethical cause where creative actors want to be active participants, e.g. when it comes to local or domestic production and transparency. Some also see environmental sustainability as a central value concept that drives value to the customers: Cultural and creative industries are often engaged to promote cities and extend their networks at international level and to attract new workforce and investment (Bayliss, 2007). The demand for better usability and more natural and sustainable products may also be seen as a result of a wider creative and green shift that is represented by emphasing recycling, composting and minimizing waste.

In general, there are also views that consider creative industries as leaders walking in the forefront of sustainable development (e.g. Fazlagic & Skikiewicz, 2019; Florida, 2003; Howkins, 2001; Nalkamura, 2018). "*For me, it's important that growth adds up to a lot of people, not only one or two that are running their businesses*" (EN32F). For some networks and organisations environmental sustainability e.g. in relation to travelling and transportation, may be primarily a result of convenience and also bound to limited resources. It was also perceived as a customer-driven issue. Some also felt strongly that communication about sustainability and the choices they have made to the customer is important.

Economic sustainability

Local perspectives, individual level experiences and support for smaller actors appear as strong themes in the collected data especially in relation to funding cultural and creative activities. Additionally, more strategic timescale was suggested: "*…we need to think broadly and stop raining down funding but to build a real five-year and even ten-year promotion plan for the city and create systems for investing in art.*" (LA3M40s) Accordingly, bottom-up perspectives and evenly distributed economic support are seen crucial to support cultural livelihood. E.g. support for district and suburb projects was perceived as vital ingredient or stage in generating wider local or regional projects. Similarly, there is willingness to protect these micro-level players from financial burden and bureaucracy.

A lack of resources in the cultural sector is considered a challenge and an obstacle for creativity. Some interviewees demand more job opportunities for creative professionals *"…so that they can focus more on the content and less on working in a bar for example*." (LE22F20s) Although rare among the interviewees, some communicate goals for operational scaling-up and business growth e.g. in the context of events. With the help of segmentation and market orientation, some have built added value to services by approaching nature as an experience scape for fantasy and fiction. Pandemic have made its impact and for many the government Covid-19 funding has given some relief and the post-Covid-19 era is in the horizon already.

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Although it is evident that creativity ensures the vitality and livelihood of cities and regions and strongly connects to urban economic growth (Gruia et al., 2019; Kipfer & Keil, 2002) and regeneration (Hesmondhalgh, 2007), the regional or local strategy level importance of creative economies is frequently neglected. "*You need the public/private co-operation for growth... So, growth needs to be organised, arranged, and you need also free space for growth*" (EN32F). Too often, the scares funding resources, low profit margins and tight budgeting realities in many creative projects cause individual level pressures and frustration, which inevitably destabilise the system level sustainability. This is especially apparent in the events development context were organisers have to regain people's trust every time.

Social sustainability

Sustainable development also covers social sustainability. According to Krueger and Buckingham (2012, p. 489), "*any policy or process must account for social inclusion, not merely environmental concerns*". Some scholars (e.g. Kong, 2012) analyse the interconnection between social sustainability and cultural/creative clusters. According to Rodrigues and Franco (2019), one of the sources of social sustainability is cultural identity and vitality. Some interviewees emphasise the future perspective and the empowering role of community and the educational dimension of cultural creation. "*Sustainability also means transmitting the value of what you do and making people understand that investing in culture is not just about image, it is also about creating the community of tomorrow and educating*" (TR25F20s). In relation to events promoted in the region some interviewees called for maintaining a balance between smaller and bigger events and learning to be proud of what local actors do.

Social inclusivity and engagement are cherished as vital values for both network and individual level identity building. Yet, at an individual level, some may also find critical perspectives to inclusiveness, for example, relating to perceptions of self-sufficient engagement and interaction as a burden to wellbeing or professional identity development. Novel organizational designs and inclusive management practices of urban socio-ecological innovation processes may not be the only features to characterise a sustainable creative city and creative society (Dennis & James, 2018). Some interviewees emphasised for example the role of designated areas for non-limited cultural creativity and housing as vital ingredients of social and economic welfare (EN32F).

> *"The administration has organised cultural activities free of charge, and this is already a great thing, to be able to have the support and the space in which to carry out shows or activities, and the community itself seems to me to have welcomed all these young people who have come from so far away without having any difficulty, and it seems to me that it really is a possible model for development" (LE22F20s).*

Social networking and transparency of regional connections in creative economies were considered important for enhancing accessibility to resources.

Technological sustainability and innovations

Some interviewees brought up how digital and creative success stories already in the past have pointed the way forward to cities and areas undergoing a structural change from manufacturing-dominant economy towards a post-industrial society. In the context of Dundee's gaming industry

> *"…there's a tradition of comics and publishing in the city, there's a tradition of Electronic Engineering in the city, there was this growing computing expertise in the city. When Lemmings came out it was the kind of coming together of all these different parts and then they followed up Lemmings with Grand Theft Auto, the city really got put on the map" (DU17M50s)*

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More recently the most topical transformative technological phenomena have emerged around the internet and social media. As one interviewee put it: "*You have to be on Instagram and everything. ..digitalisation, these are huge things that require skills. And you need know how to do everything.*" (PO24F40s) Keeping up with technological development and creating multi-channel awareness with high quality contents require resources. Some claimed that they have witnessed and felt pressure in smaller cities with universities that the needs of, for example, the topical healthcare and ICT industries run over cultural and creative sectors. "*So, in that matter, creative economy, cultural economy and university are not a perfect marriage*" (LE19F30s). This goes back to the issue of whether and how the value of creative economies is appreciated by decision makers.

Elsewhere different opportunities arise. To many, innovativeness and sustainability can be realized through novel approaches to everyday concerns that may or may not include anything digital.

An inclusive and sustainable creative ecology in the future?

The informants were asked to imagine an inclusive and sustainable creative economy in the city in the future. What would its features be? Who needs to be involved to make this happen? And what recommendations would they make to policymakers: For a Dutch freelancer, an ideal network would be a network that can bring business projects and find projects that can bring money.

> *"It would be a network with a lot of diversity in the sense that it would not just be a network of developers or musicians: but something a bit like Sick house is, a blend of people that have skills in you know for example, raising money for a festival; that's the whole job finding the finances, communicating about it. All of that, so yeah, ideally a network where I could find all […] relationships and collaboration [that] are important". (EN1M20s)*

For the Liepaja representative, inclusivity was highly important and the concept extended beyond the professional environment as such to include the target audience:

> *"Well, for me it's important...Not to lose contacts in the professional environment, exchange of information, exchange of ideas, research, well, level exchange. And, of course, it is very important that the target…not to lose contact with the target audience…Well, actually Liepaja is in a very good position in this matter. And here the cooperation between different cultural institutions, between creative industries, if we can call them that, is quite good." (LI20F60s).*

The notions of inclusivity and sustainability are highly visible in creative networks. The observations from the other creative ecologies resonate with the findings from Pori. However, it is evident that the creative ecologies differ, they are highly context-specific, and therefore also the ways in which inclusivity and sustainability are visible and experienced by the stakeholders vary. Digital platforms and new technologies are recognized as useful in boosting inclusivity and sustainability. In many cases they are seen to deeply change the process of cultural value co-creation by enhancing the cultural, artistic and historical ongoing experience exchange between the cultural service ecosystem actors.

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