D.T1.5.2

SACHE STRATEGY ELABORATED

WP T1: A.T1.5 Elaboration of the SACHE strategy able to make culture an entrepreneurial engine of local goals

Version 5
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Content

A.Aim of the Strategy

This document is created in the frame of the project SACHE “Smart Accelerators of Cultural Heritage Enterpreneurship” in the frame of Interreg Central Europe Programme.

The overall goal of Interreg Central Europe Programme is to enhance interregional cooperations through helping regional and local governments across Europe to develop and deliver better policies. Creating a preferable environment and opportunities for sharing solutions, the aim is to ensure that government investment, innovation and implementation efforts lead to integrated and sustainable impact for all regions, their population and assets.

The project actions of SACHE were implemented in order to develop a complex strategy for the different actors working in the field of cultural heritage including entrepreneurs, researchers, cultural institutions, municipalities etc.

The project is implemented by 12 partners from 6 different EU countries (Italy, Croatia, Germany, Poland, Hungary, Slovenia). One of the main objective of the project is to develop and deliver a local development strategy that would foster creative entrepreneurship around the cultural heritage sector.

The partnership provides an exceptionally complex background for the development of the project with partners from the public and private sector, the business and NGO, the creative, industrial and technological sector.

The model should contribute to increase the capacities of local actors to promote the sustainable use of tangible and intangible cultural heritage based on uses and re-uses of smart, innovative technologies in cooperation with different creative sectors.

The strategy intends to strengthen the role of cultural heritage on a regional level by transforming involved actors into “smart accelerators of creative heritage” in order that the cultural sites, items will not only be conceived as venues of contemplation, education or entertainment but also as accelerators, i.e. cultural engines that enthuse, mobilize and nurture the energies of small creative business. This would of course expand the access to Cultural Heritage but also the production of value enhancing services, the development of innovative clustering of CCIs around and the fostering of cross-sectorial cooperation with other industrial and service sectors, especially in the area of digital technologies.

The strategy will support their activities by giving a clear view of this sector, its social, economic and creative dimensions while presenting sustainable, feasible options in order to strengthen the related sectors while ensuring the deep, visible integration of the cultural heritage in every region.

In order to facilitate the effectiveness of the strategy, herein below some practical guidelines with short action plan descriptions.

The proposed cooperation model will help improving capacities of the public and private sector dealing with the protection and sustainable use of cultural heritage and resources by supporting integrated approaches. This will allow for coordinating the preservation and the management of cultural heritage and resources with sustainable growth. Implementing these steps for valorizing cultural heritage and exploiting potentials of cultural and creative industries will trigger economic opportunities and employment at regional level.

B.Mission

Cultural heritage is one of the crucial element of the European economy. In general, it consists of cultural sites, intangible heritage, events etc., which are site specific, they cannot be subject to the movements of globalization, as most other businesses. 40% of all UNESCO cultural world heritage sites were located in EU member states as of 2019.[1]

Cultural heritage can't be talked about without mentioning related sectors such as tourism, service or creative which makes them a main factor in the existence, maintenance, preservation and development of any and all type of heritage and a significant economic force.

This sector accounted for 3.4% of global GDP in 2007[2] that in 2019 was close to 9%[3]. It's crucial to see that cultural heritage assets have an economic value, although this is not always easy to be measured and quantified. This economic value should, however, be considered in the development planning, especially for cultural heritage sites that are embedded in urban environment.

The inclusion of cultural heritage sites in the decision-making process for development is based on the consideration that their socio-economic value is considered as that of an "unpriced good" characterized by attributes and society links that are not included in the conventional market metrics commonly used in assessing the economic outcome of an investment.

The other unavoidable aspect is cultural tourism that can be defined as tourism based on local and regional cultural resources. These include cultural traditions, language, history, cultural landscapes, built environment, archaeological sites, museums and cultural activities such as festivals, galleries, arts attractions, theatres but also attractions related to primary production, crafts, manufacturing, social history and life. Cultural tourism is related to human activities and history in a broad sense.

Cultural Tourism can be defined as tourism based on available local, regional, national cultural resources. It includes cultural traditions, cultural landscapes, built environment, language, history, archaeological sites, museums and cultural activities such as festivals, galleries, arts attractions, theatres but also commerce activities related to primary production, crafts, manufacturing etc. and additional activities from the service sector.

[1] UNESCO - World Heritage Lists Statistics

[2] Economy - Contribution to cultural activities to GDP

[3] Eurostat

Cultural tourism is one of the leading sector in the EU's economy. It consists of cultural sites, cultural heritage, intangible heritage, events etc. which are site-specific and cannot be influenced by the movements of globalization, as most other businesses.

Based on the implemented project activities the partners were able to outline the frame of the existing socio-economic environment where the cultural assets are embedded and assess the available resources, tools, barriers and opportunities that should be taken into account and used more efficiently in order the maximize cultural heritage as an economic driver in terms of diversification into high value added economic activities.

The projects partners reached the Cultural and Creative actors via various channels: not only through different online channels (web page, newsletter, e-mail, Facebook, Instagram, Twitter etc.) that supported the mapping of these sectors.

It's clear that in the involved regions the related organization are divided in to two major types; one is mainly under government control while the others are NGO's with private funding. It can be also said that the majority of the businesses in cultural and creative industries (CCI) are SME's, more specifically micro enterprises and few small ones. On average the CCI make up 4-6% of the regional economy which rate can reach 10% when all the additional sectoral revenues are taking into account.

The products, services of these industries are also responsible roughly 8-10% of the regional added value which already shows the significant potential in that area that's only just beginning to be explored in many EU countries, specifically in the rural, less centralized areas. Based on partners' reports it is typical that the expanding CCI' are building on the existing industrial, cultural heritage of each region by revitalizing their characteristics and focusing on their unique traits that can be originated from there.

The dynamic growth that can be observed worldwide in the cultural heritage and the related CCI are continued to effect and reach the rural areas and so an exponentially create the opportunities to fully utilize the recognized capacities.

At present most co-operation between cultural heritage actors and CCI businesses are limited by the learned mindsets in a centralized, in uncompromising systems on both sides, meaning that they are not aware exactly what kind of activities the other parties are involved in, what should their role be in any joined activities and how could they find the common ground.

In most cases the co-operation is exhausted in a simple transaction where the organization representing or involved through a creative, cultural heritage organization place an order to a CCI business and there is no further dealings where they could build long-term partnerships, facilitating diverse actions and establishing a well working network of the local, regional cultural and creative actors.

In more than one examined region were already implemented initiatives for this purpose but they're short-lived attempts that usually lack of financial, government support and only lead to lasting effect when one organization or business steps up, undertake the lead role and becomes fully engaged in order to continue to facilitate the joint actions and find more ways to keep the connections alive.

It also can be traced back to the project-based system that became a general approach and only looks ahead for a short period of time. What also seems clear that due to the fact of centralization of powers, regional and/or thematical management authorities are needed in most of the involved territories, though at present only a few attempts were made for the creation of a complex, integrated system that would be responsible for the coordination of all involved actor and acting as a bridge that mediate between them while also ensure the information flow to all partners in every cultural and creative industry sector.

The project aims to develop a suitable strategy and practical guidelines and educational materials for all actors whom directly or indirectly can be involved in connection of cultural heritage and tourism.

The strategy itself only the first milestone that unavoidable for the beginning of the acclimatization of the appropriate approach to this topic since in most of the examined region stand inflexible, clinging to the traditional views on the topics of culture, heritage, creative industry and tourism.

C.Analysis of the situation

In the frame of the project several actions were implemented in order to collect the most accurate and up-to-date information in connection of the current situation of creative and cultural domains with the involvement of all relevant actors.

These actions were the following:

- Elaboration of the transnational methodology to give evidence to the cultural and creative ecosystem
- Identification of the cultural engines and the actors for their valorization
- Mapping of creative industries and high-tech SMEs to support the valorization of cultural heritage
- Collection of trends, benchmarking and emerging cultural, creative and digital practices

Based on the collected information the frame of the existing socio-economic environment where the cultural assets are embedded show the available resources, tools, barriers and opportunities that should be taken into account and used more efficiently, in order the maximize cultural heritage as an economic driver in terms of diversification into high value-added economic activities.

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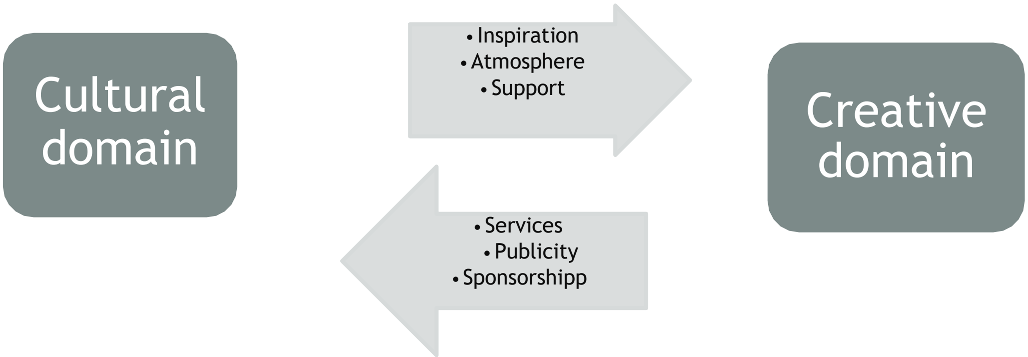
The mapping of the cultural assets in the involved regions showed the cultural atmosphere embedded in the different socio- and economic environments while proved to us that the preliminary assumptions and the terminology of cultural assets are only partially correct, in proportion to the main categories there are predominantly cultural assets that can be interpreted in the classic sense are found in the partner regions.

Elaboration of the transnational methodology to give evidence to the cultural and creative ecosystem

The developed methodology of SACHE can be traced back to the findings of the preliminary benchmarking activities and the feedbacks of the organized world cafés in the topic of cultural heritage, creative and industrial actors.

The partnership had to establish the baselines for the implementation of the project activities therefore the project had to specify and get involved in two main "domains", because they are the direct target group on which we have to test the SACHE service portfolio. According to the experience of the project partners, the cultural and the creative domains don't work together as often as it is supposed. During the project we have to help bring them closer to improve the collaboration between them and maintain their involvement throughout -even over exceeding - the implementation period.

Museums, galleries, theatres and festivals manage their activities separately from the local economy. They have some connections to the creative industry, but they don't think or deal of each other as potential partners who can work and develop together on long term. With the SACHE strategy we would like to make their collaboration much stronger to force the accelerator role of the cultural domain. With cross-sectoral cooperation with other industrial and service sectors especially in digital technologies the local economy will develop and the business oriented creative industries will drive innovation and competitiveness.



The connection between the two domains will be reciprocal: innovative enterprises can support the management of the "cultural heritage" with giving services, publicity and sponsorship.

Project partners had to take on a special role in the communication with/between cultural and creative domains. Since they speak different "languages" because of their distinct business/operation/financial models. Project partners needed to facilitate communication between them and play a mediating role so that they can more easily recognize the potential for collaboration and move out of their comfort zone.

Identification of the cultural engines and the actors for valorization

Based on the implemented project activities the partners were able to outline the frame of the existing socio-economic environment where the cultural assets are embedded and assess the available resources, tools, barriers and opportunities that should be taken into account and used more efficiently in order the maximize cultural heritage as an economic driver in terms of diversification into high value added economic activities.

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The goal is the long-term empowerment of this sector, that increases additional value, and by that the competitiveness and competitive advantage of the creative SME's exponentially grows, while the cultural assets reach higher visitor numbers; that leads to the expansion of the workforce, the amount that will be used for further development, preservation and reconstruction activities.

The mapping process and the examination of the cultural assets also highlighted the missing of “industrial and technological tourism” sectors in the Area: they could offer additional synergies between SMEs and cultural assets, opening up new niche markets with more possibilities and intersectoral co-operations.

By these common goals that obviously also benefits the end user, can the interested parties motivated to cooperate and go beyond those obstacles that previously prevented them in these actions.

By taking the first steps and evaluating the current creative and cultural environment, raising awareness of these untapped potentials the establishment of new relationships and fruitful co-operations can be started, and that eventually could lead to a creation of a complex value chain in the process. The creation of a supply chain on regional or sectorial level would ensure a sustainable, constantly evolving and strengthening system.

Further development is needed in the fields of:

- Inbound tourism – wider creative and cultural offers, targeted tourism sectors
- Clusterization of Cultural and Creative enterprises – SME’s form alignments
- Participatory management of the neglected spaces
- From the local project, the international project Contemporary Community Network in other cities is being developed, as well as a series of other interventions with the same mission

Mapping of creative industries and high-tech SMEs to support the valorization of cultural heritage

During the mapping phase, **417** actors belonging to ‘Creative Domains’ were identified and listed, where mainly companies were represented from various CCI fields (49%), as well as the specifically categorized creative experts, professionals (app. 29%), while nonprofit organizations were slightly less illustrative (22%).
In order to get first-hand feedbacks regarding project SACHE’s objectives and to gain in-depth information on their market-based needs, world café events were organized, where at the same time the participants were presented with a networking possibility to all relevant actors from the field of cultural heritage.

These events made possible for SME’s to use a new approach and gain an inside look to the operations of CAs and consider the possibility of cooperation with cultural domains. It also provided the chance to develop their social capital and experience on a higher level and find a platform, where they can share their ideas, experiences on local or national level to support the local economy or to receive business partners, investors.

This information were the bases of the SWOT analysis.

Collection of trends, benchmarking and emerging cultural, creative and digital practices

The partners were focusing on the collection of socio-cultural, technological, economic and political trends, which directly on indirectly affect and form cultural heritage and its role in the tourism and creative sector.

The increasing recognition of creative and cultural heritage leaded to the change of its embeddedness of the regional economy. The main trends that impacted – and still do – cultural heritage are:

- Slow economic growth leading to increasingly declining public heritage funding
- Increased emphasis on the involvements of local people and 'heritage communities'
- Focus on authenticity, quality and value
- Emphasize of purpose-driven activities
- Dominance of social media.

Socio-cultural trends

Aging population of EU: in 2018, nearly one fifth (19 %) of the EU population was aged 65 and more[4]. As a result, the proportion of people of working age in the EU-28 is shrinking while the relative number of those retired is expanding. The share of older persons in the total population will increase significantly in the coming decades, as a greater proportion of the post-war baby-boom generation reaches retirement. This will, in turn, lead to an increased burden on those of working age to provide for the social expenditure required by the ageing population for a range of related services.

On the other hand, it could create the opportunity to the development of different policy instruments that would facilitate the employment of older age groups or the exploitation of their unused knowledge base.

[4] Population structure and ageing - EUROSTAT

Social and democratic changes – geopolitical revolution: better informed and connected individuals are more creative, dynamic and less attracted to life-time jobs, but they will be more conscious and critical. Evolution such as this could allow countries to fundamentally rethink their 'social contracts', even invent new forms of governance (like in Estonia[5]). However, it will make it more difficult to design collective agreements and to shape common models through the traditional structures, like political parties or unions. It seems an increasingly urgent issu, in the light of the shift of geopolitical scenery – the rise of Asia, that further consolidates the globalization efforts.

Technological trends

Social media: more than 4.5 billion people are using the internet at the start of 2020 and social media users spending an average of 2 hours and 24 minutes per day multinetworking across an average of 8 social networks and messaging apps. Nearly 60 percent of the world's population is already online, and trends suggest that more than half of the world's total population will use social media by the middle of this year.[6]

Gamification and serious games: representing the integration of game elements in non-game scenarios (sometimes usingpoints, stickers, etc.). A serious game is a video or a computer game with the main purpose of discovering and learning new things. Entertainment is of secondary importance, in some cases even excluded (military topics). In heritage games stimulate participatory engagement and creativity, more and more cases cultural institutions using them for entertaining education.

Virtual reality: (VR) is three-dimensional (3D) computer-simulated space that enables immersive experience. The various contents can be experienced in a form of a virtual tour (e.g. virtual museums). It establishes endless opportunities for co-operations between creative and cultural domain, through the product development for enhanced user experience f.e. using goggles, helmets, gloves, headsets and other accessories.

3D printing: a layer-based additive technology which builds physical parts from a 3D computer model. Various building techniques and materials provide different qualities of products or models. The use of this technology is already widespread fir the reconstruction, mapping of heritage sites.

Geocaching: real-world treasure hunt using a global positioning system (GPS). There are close to 3 million active geocaches and over 6 million geocachers worldwide.

[5] E-Estonia

[6] https://www.smartinsights.com/social-media-marketing/social-media-strategy/new-global-social-media-research/

Economic trends

Search for authenticity, quality and value: changing work patterns and reduced vacation time mean that visitors are seeking to maximize the quality and value of all visits. Their more conscious, value-money correlation matters more and more. They require local sources and they want to know from where and how the products are being created.

Instant gratification: choices are practically endless and specific commitments are often left to the last possible moment mainly due to technological developments. The challenge of new developments is that those who deliver the tourism services find it difficult to keep up with the latest trends in technology. They find it hard to respond to the speed of change and connect with the new markets that are developing.[7]

Concerns for environment, circular economy: they can have a direct impact on the type of holiday and destination that tourists choose. This inevitably impacts on long-haul travel for those coming to Europe, but may result in more Europeans staying on their own continent. Visitors also make choices on the basis of the environmental credentials of their destination. They seek environmentally friendly accommodation; low road miles for food and drink and communities that clearly demonstrate their commitment to their own environment. Unfortunately, in many cases CH and CA providers fail to respond adequately to demand, and offer sufficient authenticity in environmental and cultural experiences.

Political trends

Cultural heritage is acknowledged to be a resource for result-oriented programmes: policies no longer narrowly focus on the conservation of cultural heritage as an end in itself, but highlight and recognize its instrumental values, economy development role.

The potential of cultural heritage for attracting visitors, generating income, bolstering political claims, and instilling self-esteem in present-day collectivities is increasingly recognized and exploited.

Conservation and promotion of heritage at the international level are often used as leverage and contribute political factors such as the involvement of countries in the World Heritage Committee, influence the inscription of national heritage sites on the List.

[7] Journal of Travel & Tourism Marketing

SWOT analysis of Cultural Heritage in the frame of project SACHE

SWOT analysis helps to identify and qualify strategic goals by making judgment calls about where -in this case - the examined sector currently stands, with regard to its development, market position and competition.
The two-by-two matrix is used with horizontal pairings of internal (strengths and weakness) and external (opportunities and threats) factors and vertical pairings of helpful (strengths and opportunities) and harmful (weaknesses and threats) factors in achieving an objective. The results of the analysis will help to determine whether objectives, products, services, projects or goals are a strategic fit.

The listed attributes and focus points are based on the feedback of the involved actors in the SACHE project from both the institutional and economic side.

Strengths

- Rich and vast cultural, historical, creative sites, contents, tradition:
  each and every region has its own tradition with several tourist attraction that already in the public consciousness. Typically, its developed along some tourism strategy and has various subtypes specific for the region, such as religion tourism, cultural tourism, wine tourism etc.
- Experienced, respected professionals in the field of cultural heritage: in the past decades the professions attached to cultural heritage more and more took their places in the industry and gained prestige. In many EU Member country, the management of cultural institutions linked to appropriate professional qualification.
- Good technological platforms, digital infrastructure: the cultural heritage assets realized they had to catch up with the challenges of the 21st century and in addition to using the technological innovations for customer relationships they became must have for the preservation and excavation for many cultural heritage.
- Specialized support organizations and platforms: because cultural heritage is a relatively new field the support organizations are mainly established centrally, under governmental management, mostly handling traditionally classified cultural heritages. In parallel appearing mostly non-profit organizations that focusing to one region and one specific aspect, theme of cultural heritage.
- Involved and participative (often young) audience: the new generations of tourists are more conscious, therefore have higher expectations, focusing on the full experience with complex services in connection of any destination, attraction. Which allows more targeted service portfolio development both for the Cultural heritage assets, institutions and the actors of creative industries.

Weaknesses

- Limited cooperation between sectors, difficulties with networking: the actors of related sectors, activities don't see the co-operation potential in cultural heritage and refuse possible joint partnerships based on their preliminary assumptions.
- Lack of financial support, difficulty to attract additional investments: due to the fact that cultural assets in many cases state-run with limited budget and at the same time the smaller attractions are privately maintained, often thanks to local initiatives the funding is restricted and uncertain.
- Limited educational opportunities for professions related to cultural heritage, tourism: the faculties in educational institutions linked to cultural heritage and tourism are less typical and often found only on large universities. The existing training also differ and not based on a unified training material. The EU level standards considered more of a recommendations, guidelines since the education regulations are determined primarily on national level.
- Size of companies - mostly SME's, micro businesses: due to the sizes of the typical businesses connecting to cultural heritage with different product and service portfolio many of them have limited opportunities and have difficulty following market changes, as a result the co-operations usually ad hoc in nature.
- Difficulty of development and implementation of business models: the cultural assets are not seen as profitable units, don't operated on market basis while the business sector, which composition is basically SME's, micro businesses lack the entrepreneurial background and approach which would be the preconditions for developing fitting business models.
- Gap between public and private approach of Cultural Heritage: due to differences in organizational structures insuperable difficulties emerge when it comes to the co-operation between cultural heritage institutions and creative industries. They don't see the other part operating framework and evidently, they incapable to flexibility and ca not see alternative ways in order to step forward.

Opportunities

- Dynamic ecosystem, innovative potential: since in the rural regions we can mostly talk about cultural heritage in a classical sense, presented in classical institutional framework there are various untapped potential for innovative approach and attraction development. It also means that the product and service portfolios can be widened with the elements of cultural heritage subtypes that were overlooked until now, like industrial heritage, intangible heritage.
- High demand for cultural offers: thanks to the information society and its numerous digital advantages the tourists are more conscious and they can be targeted more directly, they require a complex experience with cultural, historical offers that at the same time introduce them to the local milieu.

- Possibilities for digital technology, e-solutions: near the significant attraction are more likely that the suitable digital infrastructure is already built while in the smaller, rural areas still extreme levels can be experienced. It also means there are e-solutions, digital tools that can and should be introduced in the rural areas to highlight the less familiar destinations and attractions, putting on them to the cultural heritage map.
- Use of innovative management tools and techniques: as a result of the complexity and extent what cultural heritage means and how these assets should be connected there is a great opportunity to implement at least a base level CRM system or other management tool that will ease the coordination of the daily, operative work at any asset or business.
- Attractiveness of new forms for content distribution, promotion through innovative ways, tools: one of the great ways that the digital channels can be used is targeted marketing, especially if a cultural asset or a creative, innovative SME pinpoint their audience. There are endless innovative approaches in promotion which can be specific for each region and can play a big part in branding.
- Awareness of advantages through synergies between actors, projects: slowly the different sides can realize that due to the market needs, which is focused on the complex touristic packages that they need each other and with the establishment of long-term partnerships they can achieve their goals sooner while creating a fostering environment where further developments can be realized.
- Strengthen the participation of local communities and economic entities: there are great potential in mobilizing local communities. Plenty good practices show that the involvement of local groups and businesses with bottom-up initiatives many cases were more affective in creating results than the one started from the institutional management.
- Funding, EU assistance to support cultural heritage: in the last decades the national and EU-level calls, financial aids were more inclusive and cultural heritage as one a strategic pillar gained significant attention and with it additional fundings. The managing authorities have started to see the value of cultural heritage in the frame of tourism and the increased GDP numbers, thus started to support this sector with more targeted financial constructions.

Threats

- Globalization, growing competition, other actors gaining market share: the fact is now even the smallest cultural asset have to truly think in the global implications as well. With the digitalization everyone can present their offers and try to attract their target audience to their location with the right services that built around a cultural asset.

- Insufficient coordination and knowledge transfer among local stakeholders, relevant actors: the potential in the networking of rural areas are mostly untapped. In many cases there are promising initiatives that soon disappear due to inactivity of the participants. There are mostly informal communities without coordination and structure.
- Lack of support organization: there is a need both from the cultural asset management organizations and the entrepreneurs for a coordinating organization that can serve as an information hub, helping them disseminate the relevant information for their sectors and presenting opportunities for networking, establishment of partnerships and co-operations based on sectors, service portfolios, different themes.
- Underestimation of the economic impact of cultural heritage: because cultural heritage even in the development of national strategies are often only presented within the frame of tourism it predetermines a mindset without the consideration of its diversified reaches and the additional sectors that its impact. Beyond the horeca, service sector it’s in connection with logistic, creative industries, telecom sector etc.
- Lack of funding: the financial support often exclusively aimed at the cultural assets themselves without recognizing the related actors in the field of the cultural heritage assets maintenance, management and the more broadly related aspects.
- Different legislative frame in EU Member States: the fact that in most EU Member country is a different legal background for the maintenance, preservation, management of cultural heritage or even what can be classified as one. That makes difficult to reach a similar level and create strategic actions that can be implemented parallel.
- Lack of institutional support for CCIs, causing the lack of credibility of them: the creative sector in most EU country significantly grew, gaining greater market share and showed increased percent of GDP in the last decades, the average on EU level is over 6%. The institutional background of this sector and more importantly the lobby force behind them is still low level.
- Focus only on touristic access instead of mutually consider with local needs: the integration level of cultural assets in their local areas vary and the impact of the tourism built around them are not fully comprehended. There are efforts for the preventions of possible problems but there is no single comprehensive concept that could be implemented in various regions.

SWOT analysis of Cultural Heritage in the frame of project SACHE

Strengths

- Rich and vast cultural, historical, creative sites, contents, tradition
- Experienced, respected professionals in the field of cultural heritage
- Good technological platforms, digital infrastructure
- Specialised support organizations and platforms
- Invovled and participative (often young) audience
- Advanced level of development digital and technological infrastructures

Weaknesses

- Limited cooperation between sectors, difficulties with networking
- Lack of financial support, difficulty to attract additional investments
- Limited educational opportunities for professions related to cultural heritage, tourism
- Size of companies: mostly SME's, micro businesses
- Difficulty of development and implementation of business models
- Gap between public and private approach of Cultural Heritage

Opportunities

- Dynamic ecosystem, innovative potential
- High demand for cultural offers
- Possibilities for digital technology, e-solutions
- Uso of innovative management tools and techniques
- Attractiveness of new forms for content distribution,promotion through innovative ways, tools
- Awerness of advantages through snyergies between actors, projects
- Strengthen the participation of local communities and economic entities
- Funding, EU assistance to support cultural heritage

Threats

- Globalization, growing competition, other actors gaining market share
- Insufficient coordination and knowledge transfer among local stakeholders, relevant actors
- Lack of suport organization
- Underestimation of the economic impact of cultural heritage
- Lack of funding
- Different legislative frame in EU Memeber States

D.Strategic domains

The project aims to foster creative entrepreneurship within and around cultural heritage through the identified two key actors:

- Cultural and Creative Industries (CCIs)
- Cultural Heritage

And seeks to accelerate the dialogue between the two to prepare the conditions for at least three types of medium-term goals:

- More creative entrepreneurship being inspired by cultural heritage
- More creative entrepreneurship collaborating with cultural heritage
- More creative entrepreneurship being established within cultural heritage

The proposed activities in the strategy are based on the hypothesis, reinforced during the conducted research, that the dialogue and collaboration between the two actors is potentially fruitful but largely unexplored at present, because Cultural Heritage and CCIs tend to function in different ways:

CULTURAL Heritage actors *tend* to:	**CCIs** *tend* to:
Be controlled by public administrations.	Be controlled by private entrepreneurs.
Offer cultural services with a collective orientation.	Produce creative services and products with a managerial orientation.
Focus on the achievement of broad political and social goals.	Focus on the achievement of specific business goals.
Rely more on public financing.	Rely more on revenues from customers.
Be protected from market dynamics.	Be embedded in market dynamics.

In order to lay a strong foundation for the strategies we took an in depth look of all the involved countries and partner regions, their present situation in connection of cultural and creative

industries, cultural and creative heritage considering all impact points, not just in relation to the tourism but also the economic links must be examined.

Cultural domain

In line with European policy, the objective of any institution or organization in connection of creative and cultural heritage is to preserve, promote and provide access to all those elements, which together define the culture of a country or region.

In order for that, the interpretation of cultural asset was specified, as their types and relevance in the involved countries. The collected data allowed us to size up the assets and the proportion of their presence in each region, that consequently helped us to evaluate their relevance and the type of business ventures, activities that could be the most suitable for future or further co-operations between the cultural assets and the local entrepreneurial communities.

Traditionally a cultural asset is described as an item of heritage and cultural significance, resulting from the natural world or human concept and classified as cultural property, natural heritage or intangible culture. The legacy of physical artifacts, properties and intangible attributes and all its attached values for a specific group of people are maintained in the present, with the implementation of different tools aiming to preserve, restore and conserve for the future.

Cultural Assets (CA) in the SACHE project are defined as museums, galleries, festivals that can operate as "cultural engines", i.e. mobilize and nurture the energies of small creative business. A further element of the definition is therefore the degree of innovation of the CH itself. Cultural heritage in SACHE is therefore composed of cultural institutions that have some significant contact with the domain of scientific and technological innovation, either because they collect or preserve scientific knowledge or because they use digital innovation to perform their institutional task.

For a consistent data pool, the partners agreed on a common system to classify the existing cultural assets in their regions considering the previously formed definition of CAs in this project.

Our preliminary assumptions and the terminology of cultural assets proved to be partially correct, in proportion to the main categories there are predominantly cultural assets that can be interpreted in the classic sense are found in the partner regions.

Those that are science, technology and/or innovation, design related are still more likely to be found in the frame of temporary exhibitions, showcased as more part of special fields, with more concentrated target audience thus in a sense represented as a niche segment of cultural assets.

This also seems to be supported by the fact that even in the examinations of subcategories showed that within them mostly the availability and design of these assets are still closer to the initially formed concept of cultural heritage and for example the intangible ones gradually enter to cultural heritage items only slowly moving away from the usual type of spaces these assets were to be found.

Based on our findings the main characteristics of the cultural assets in the examined regions were:

- museums are the most significant assets regardless the examined sector
- science and technology related cultural assets are limited but based on the preliminary research there would be demand for them
- the level of digitalization, use of e-tools in connection of cultural assets are low
- many assets' maintenance causes major concerns in the light of the lack of a well-developed business model applicable to the various characteristics of each asset
- festivals are becoming more and more important as tools that can signify certain regions, heritage sites, intangible values and at the same time generate economic boost

This categorization of the collected information at this point don't allow a deeper analysis, it is not possible to have definitive and specific conclusions from them, only take it in a general perspective.

The information received from the project partners so far confirm that the next steps in order to facilitate the establishment of smart accelerators should be:

- to build a working communication line between CA actors regionally and thematically
- narrow the target groups for one or two main audience
- based on that adjustments, develop consistent marketing strategy
- determine possible joint activities between CAs
- development of unique touristic products

The mapping revealed the fragmented nature and the lack of a collective, coherent strategy in the partner regions that contributes greatly to the inability of the utilization of any and all cultural assets both in cultural, social and economic side.

Cultural and Creative domain

The approach of the creative domain had a peculiar focus on building of relationships, mobilizing the competences of the actors that are the target of the actions.

Representative of creative and innovative SMEs presence were measured and mapped in order to lay the foundations of the effective cooperation. Cultural Industries are defined as a group of economic activities that produce and distribute cultural goods and services.

Their specific feature is that they carry, use or transmit cultural meaning, regardless of their commercial value[8]. The EC Green Book has essentially taken over this definition. In addition to traditional art sectors (performing arts, fine arts, cultural heritage, etc.), this includes film, DVD and video, television and radio, video games, new media, music, books, and the press as well.

The Creative Industry mentioned together with Cultural Industry is a sector that uses culture as input and has a cultural dimension, although the output it produces is often functional. This includes architecture and design, and includes sub-sectors such as design, fashion, or advertising.

[8] UNESCO (2005)

E. Goals

This concept aims to assess culture and heritage as a leverage for economic and social development of local communities and thus of Central Europe Area.

There is a strong link between cultural heritage and cultural and creative industries, and ultimately the cultural heritage can be conceived as engine for the development of CCIs, in line with new European Agenda for culture, cultural heritage should be seen as a shared resource. Foster favorable ecosystems for cultural and creative industries, promoting access to finance, innovation capacity, fair remuneration of authors and creators and cross-sectoral cooperation is a priority at EU level: cultural heritage is meant to be considered as a pivotal part of this ecosystem.

Culture and creativity are important assets for the economy. Culture contributes directly to jobs, growth and external trade. EU cultural employment increased steadily between 2011 and 2016, when it reached 8.4 million. There is a EUR 8.7 billion trade surplus in cultural goods[1], and cultural and creative sectors are estimated to contribute 4.2% to EU gross domestic product[2].

Cultural heritage arts, creativity, CCIs and SMEs are interdependent combining knowledge and skills specific to cultural and creative sectors with those of other sectors helps generate innovative solutions, including in information and communication technology, tourism, manufacturing, services, and the public sector.

Restoration and upgrading of cultural and natural heritage contributes to growth potential and sustainability[3]. Integrated management of cultural and natural assets encourages people to discover and engage with both[4].

By preserving and strengthening the diversity of material heritage, its professional activities and its actors' know-how we create sustainable conditions for:

- strategies in related areas: intercultural dialogue, immaterial heritage, cultural industries

- social cohesion and identity building through education and skills training

We also directly connect to multiple sectors of the economy (SMEs, tourism, transports, commerce, infrastructure, employment, etc).

The study Cultural Heritage Counts for Europe[5] (Culture Programme of the European

[1] Eurostat 2016 (culture statistics: employment, enterprises, participation, trade, expenditure);
[2] 2014 Ernst & Young study "Measuring cultural and creative markets in the EU"
[3] 2016 ENRD Factsheet on Arts and Culture in Rural Areas
[4] Natura 2000 case studies linking cultural and natural heritage
[5] http://blogs.encatc.org/culturalheritagecountsforeurope//wp-content/uploads/2015/06/CHCfE_FULL-REPORT_v2.pdf

Union, p.297, Published On behalf of the Consortium by CHCfE the International Cultural Centre, Krakow June 2015) highlights the impact of cultural heritage on society and economy, on various levels (at micro-level, macro-level, European level). The study notes that:

- economic impact may be seen as an influence or as a result of changes brought about by either implementing a special programme, policy or a project, or the existence of a certain object or project;

- the effects of cultural heritage on the social domain can be described as an enhancement of social capital. This sort of capital is inherent to social relationships and may be conceived as a resource in which we invest to generate a stream of benefits.

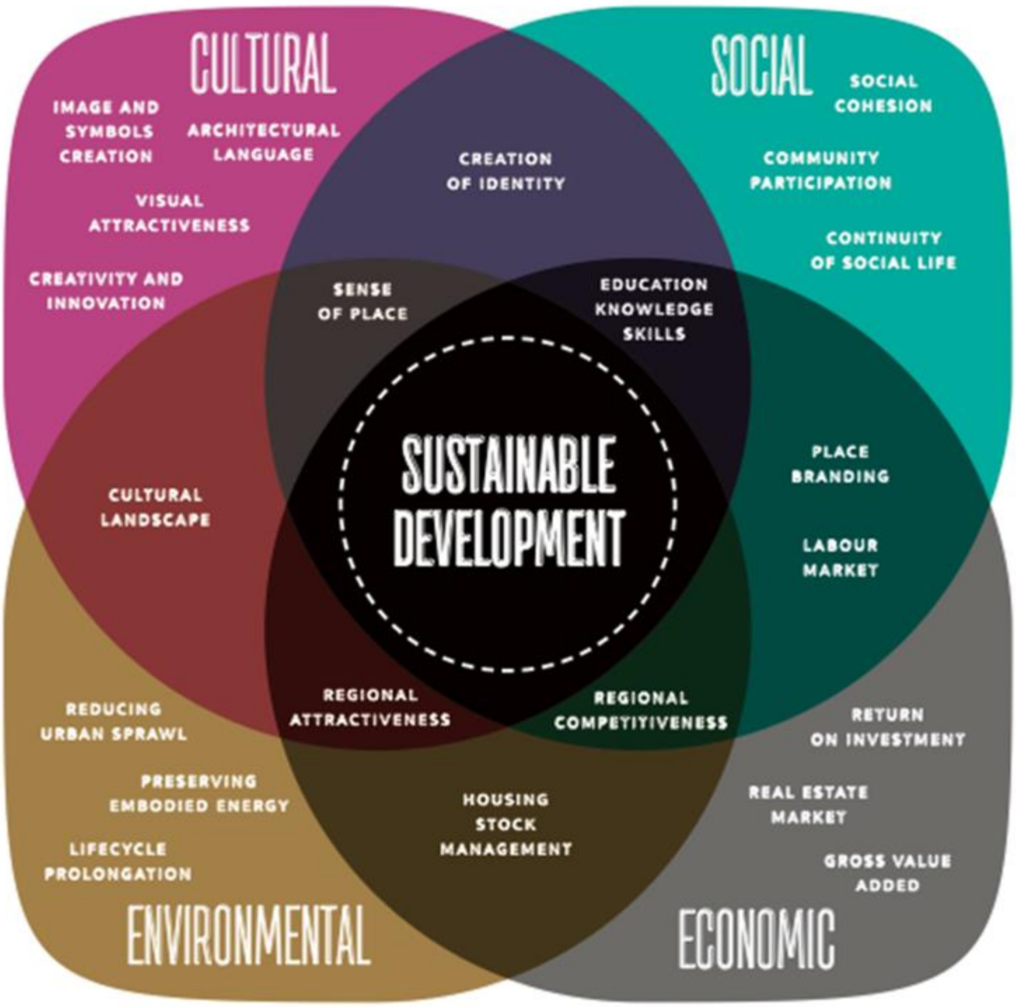


FIGURE C. THE DIFFERENT SUBDOMAINS IDENTIFIED IN THE COLLECTED STUDIES MAPPED IN THE HOLISTIC FOUR DOMAIN APPROACH DIAGRAM

Moreover, cultural heritage is a key element for tourism sustainable development, including contribution of intangible heritage, industrial heritage, as well as cultural and creative industries. In order to achieve that our objectives are to review and examine current issues for cultural heritage and options related to regional development, including innovative approaches enhancing the potential for economic growth through cultural heritage and creative industries.

Cultural Tourism offers attract general tourists who wish to participate in cultural activities as part of a general holiday and cultural tourists whose main motivation for travel is culture and heritage. When examining the market for cultural tourism, consideration has to be given to how cultural tourism is defined and measured.

For the measurement of cultural tourism, a product-based definition is needed, and a process-based definition is also needed to describe cultural tourism as an activity. Tourism Boards recognizes that the general public have different interpretations on the word culture and for the purpose of cultural tourism research defines the following two key interpretations:

- Generic culture – sense of place, 'local' culture and 'scenery', which includes architecture, natural landscapes and the people

- Specific culture – which relates very narrowly to performing arts, galleries and possibly museums.

Other cultural sights, such as gardens, castles, industrial heritage, cathedrals etc. are commonly described as 'things to do' and 'places of interest'.

It is usually difficult to find comparable data on cultural tourism as the cultural and tourism sectors collect data against differing performance indicators and for differing purposes although heritage attractions surveys traditionally include visitor data.

The main characteristics of cultural tourists are traditionally viewed as:

- Bias towards professional, higher income socio-economic groups.

- 55-plus age group, although survey found young people between 20 and 29 are the largest single age group, accounting for 40%. The youth market is important because their experiences of visiting cultural attractions may influence their future tourism behavior

- Some cultural activities such as visiting artistic or heritage exhibits and watching the performing arts are more popular with women, then men.
- Higher spenders.

Generic cultural factors form an integral part of any destination and play a pivotal role in the choice of almost any break. They play a major role in potential tourists' perceptions of a destination and have a wider influence on the appeal of an area than specific cultural sights and places of interest, which play a secondary role. Experiencing the atmosphere, finding out about local culture and sightseeing motivates cultural tourists.

Important aspect is the capacity building for the sectors concerned but it's clear as we have seen it in the research and specifically in the SWOT analysis that the development and use on the maximum level of any cultural heritage asset, destination can only work well if all the actors are willing and open to the co-operation which has to be implemented in the frame of a detailed strategic work plan.

Through the implementation of a strategy developed for the purpose to any rural region, which has its own cultural heritage can adjust their development plans and create an action plan where with the involvement of the local cultural institutions, creative industry and high-tech actors helps in the positioning of the area and find those products, services that can be build in to a complex touristic package.

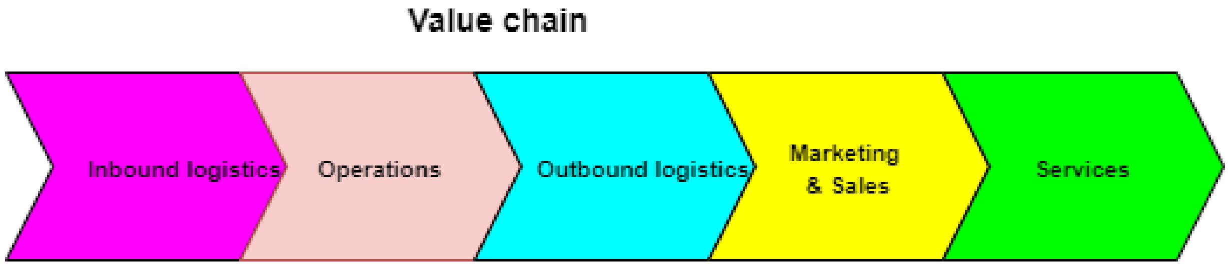
The cultural heritage assets purely themselves in rural areas not enough anymore to attract large number of visitors. The last decade social changes that directly caused significant shift in the economic sectorial composition shows the rise of cultural heritage caused the increase of revenue in the related business fields.

Our goal to raise awareness to that fact and facilitate the utilization of the opportunities provided Cultural Heritage.

F.Value chain

Due to the ever-increasing competition for exceptional products, customer loyalty business organizations must continually examine the value they create in order to retain their competitive advantage. A value chain can help them discern areas that are inefficient, in need of improvement, then develop and implement strategies that will optimize its procedures for maximum efficiency and profitability. Its practical, describing the steps that involve bringing a product or service from conception to distribution, and everything in between.

A value chain typical components:



The study, "Mapping the Creative Value Chains - A study on the economy of culture in the digital age"[6], of the European Commission, analyses further the economic impact of creative value chains, for each subsector, including the cultural heritage.

A value chain would involve cross-sectoral activities and assume a working, strong relationship between the representatives of each sectors. That means the preliminary examination of the available sources that follows the development of an action plan that outline the activities of the participants of the value chain.

That will make necessary the development of internal systems, creating a common infrastructure, background that allow the complement activities implementation.

In order to the chain work efficiently and successfully a complex marketing and sales strategy will be developed to deliver the cultural products, services directly to the consumers.

A preliminary research will be needed to assess the viability of any value chain and the necessary participants for the successful and sustainable functioning of the chain.

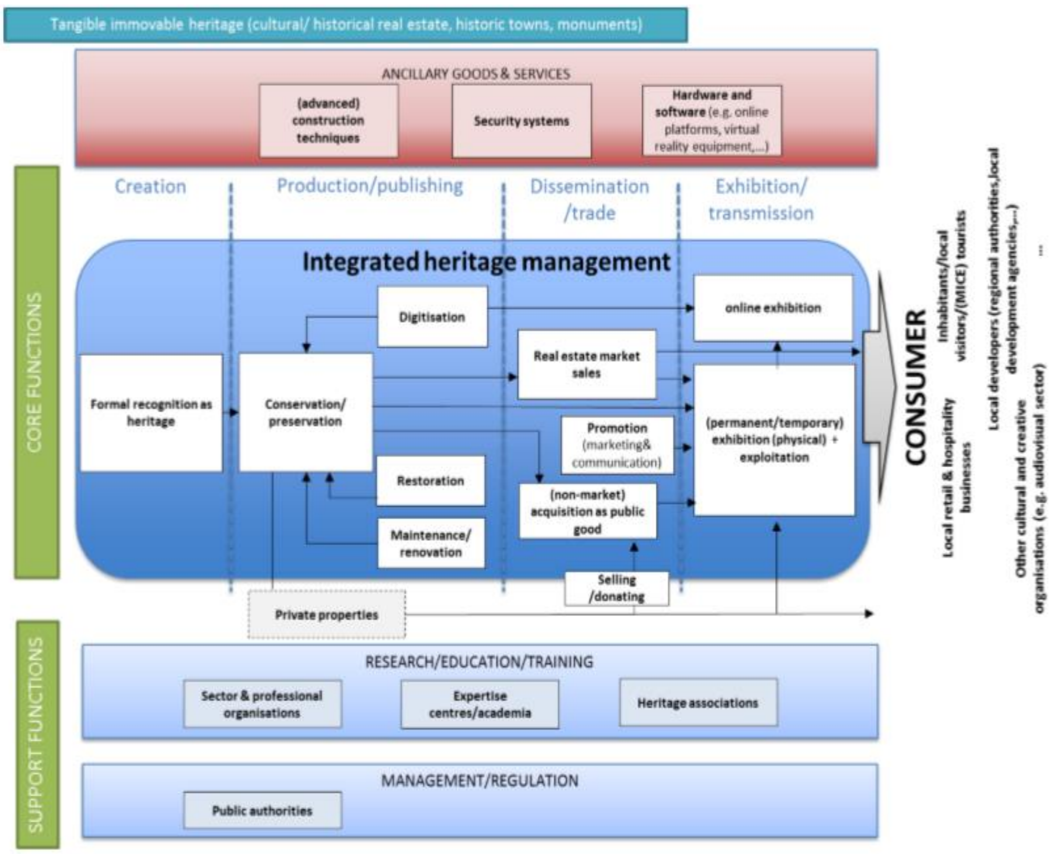
To implement a successful value chain, it's required:

- Critical mass of resources, natural, cultural, human and capital
- Education and implementation of destination management

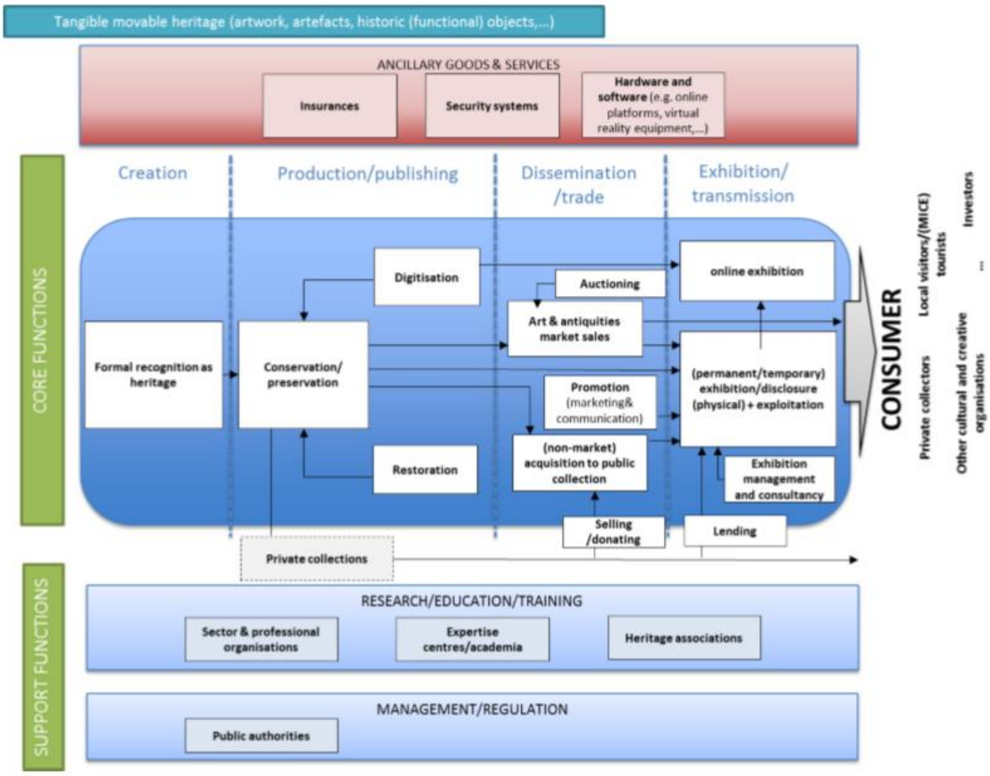
[6] Mapping the Creative Value Chains - A study on the economy of culture in the digital age https://eusea.info/wp-content/uploads/2019/06/Mapping-the-value-chain.pdf

- Close cooperation between cultural heritage actors and local CCI businesses
- Community involvement and support.

Herein below stylized Value Chain for tangible immovable (a) and tangible movable (b) cultural heritage:



Mapping the creative value chains - a study on the economy of culture in the digital age, p.89, https://eusea.info/wp-content/uploads/2019/06/Mapping-the-value-chain.pdf



Mapping the creative value chains – a study on the economy of culture in the digital age, p.90, https://eusea.info/wp-content/uploads/2019/06/Mapping-the-value-chain.pdf

The report of the NESTA Foundation "Innovation in Arts and Cultural Organisations"[7] highlights the role of innovation for the value creation: Cultural institutions create value in many ways and for many beneficiaries, not only for those people who consume their services directly but also in a broader sense for society at large. The standard approach to interpreting such value within economics is to distinguish between use value and non-use value. The former refers to the benefit that consumers derive from their own consumption of the goods and services produced; a person attending a theatre performance, for example, enjoys a private benefit whose value to them, in financial terms, is at least as great as the price they paid for the ticket.

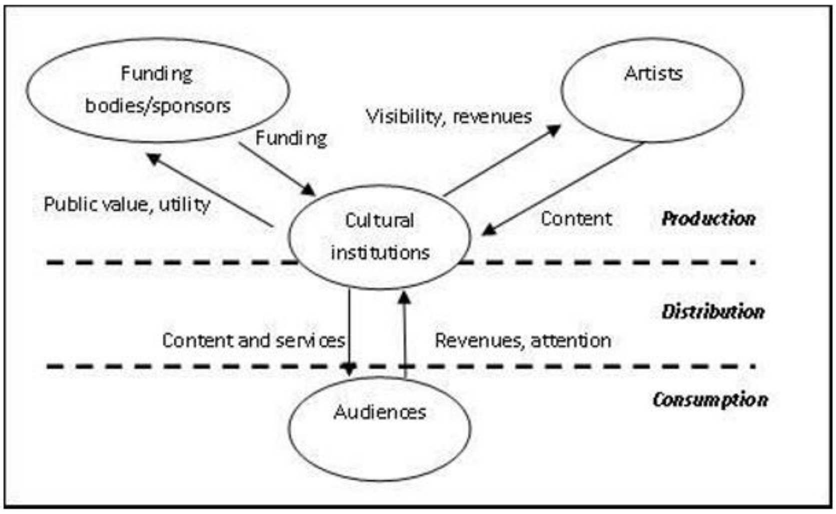
Non-use value relates to the wider community benefits that cultural institutions may provide; for example, people may value the knowledge that such organizations exist in our society even if they don't attend them themselves (so-called existence value). The monetary value of these sorts of non-market benefits can be assessed using techniques such as contingent valuation (CV) methods to find out how much people are willing to pay for the public-good benefits they receive.

[7] Innovation in Arts and Cultural Organizations, 2009, NESTA Foundation report: https://www.researchgate.net/publication/265748057_Innovation_in_Arts_and_Cultural_Organisations#pf7

Moreover, the study examines value chain for cultural institutions and highlights the various trade-offs which cultural institutions may face in pursuing their missions, including access versus revenue generation, creative vision versus responsiveness to audience, artistic experimentation versus revenue maximisation, and public value generation (which is difficult to measure) versus – readily measured – revenue generation. Changes in consumer behaviour, rapid technological progress – particularly in the digital sphere – and shifts in the funding environment are all disrupting the terms of these trade-offs, forcing cultural institutions to re-evaluate their strategies.

Cultural heritage and sustainable development are strongly linked. The goals of sustainable development are assisting heritage conservation and help raising awareness about the importance of heritage conservation for maintaining our identity. On the other side, both tangible and intangible cultural heritage can be used as a catalyst for the sustainable growth and can strongly contribute to the social cohesion and enhancing the sense of identity, stimulating local communities and young people to engage with their environment. Moreover, cultural heritage can be seen as a vital resource for production and competitiveness and an initiator for introducing environmentally friendly solutions.

The overall aim is to use cultural heritage as a driver for sustainable development in terms of having a sustainable approach in regeneration of cities, urban and rural landscapes which are part of the heritage;



Source: Innovation in Arts and Cultural Organizations, 2009, NESTA Foundation report, p. 6
https://www.researchgate.net/publication/265748057_Innovation_in_Arts_and_Cultural_Organisations#pf7

Value chains should be intended as a component of cultural and creative ecosystems in which the different and variable components (Cultural Assets, CCIs, creatives and artists, incubators, cluster and districts, public bodies, founders, local communities, local innovation systems, etc.) interact and form effective social circulation chains that facilitate the transformation of new ideas into business practices, through the cooperation of multipleof social and economic actors. The local events of the SACHE project highlighted the role of cultural assets as a source of inspiration not only for artists and performers, but also for urban projects involving local communities and in which the role of digital technologies (VR and Augmented Reality) and approaches like gamification are central.

Cultural and creative value chains are essentially anchored to a place and to the dynamics of a particular location. In this perspective it should be noted that particular sub-sectors of the CCIs are more oriented to co-location: Advertising and Software; Music, Film, Publishing and Radio and TV. This type of dynamics at local level determine the set of possible cross-sectoral synergies that can lead to the creation of a new value chain involving a Cultural Asset.

However, it should also be noted, as does the study “Mapping the Creative Value Chains - A study on the economy of culture in the digital age”, that the creation of economic value via cultural heritage is always a balancing action with the scope of maintaining and preserving the heritage value. Many of the actors engaged in cultural heritage and in its valorisation do not have an economic role/ interest but are merely involved in conservation and preservation activities of cultural heritage for the local community and its future generations.

It became a worldwide phenomenon the trend of making chains of attractions, thematic routes from sporadic, scattered attractions, sites, creating thereby a frame for a unified attraction development in the context of destination approach that are much stronger and competitive.

Cultural Heritage is, was and always will be one of the leading engine of tourism industry but in recent years, alternative tourism activities has attracted the attention of tourists, economic actors and policymakers as well.

People are looking for the experience of intangible local cultural assets like; local cultures, life styles, food etc. That tendency undeniably has the potential to enhance sustainability in tourism as we can see it in regions where this concept already became a common practice. It strengthens the local economy also contributes to the authenticity of the destination.

From a wider perspective we are taking into account that one of the keys to the success of tourism businesses is innovation. However, the sector is characterized by the predominance of small and medium-sized enterprises, whose innovation capacity far behind compared to large companies. In most European Union countries rural regions, especially in Central and Eastern European countries, the emphasis is often still on product innovation, while less emphasis is placed on organizational and process innovation. The service product and the complexity dominate in the interpretation of the tourist product. From this point of view, thematic trips can be considered as a special tourism product, which can also be an innovative solution if backdrop, less frequented areas, less well-known attractions form the framework for the development of complex products.

Moving regional tourism development in this direction can provide a solution to the critical points of tourism such as seasonality and spatial centralization. Selecting the optimal theme (f.i. ceramics, porcelain, wine, religious tourism, world heritage etc.) and tourism product development based on it will create a cultural offer tailored to the region which satisfies the needs of the local population, enhances the competitiveness of the region's tourism and provides an opportunity to establish and develop local value chains at the same time.

To create successful co-operations and determine suitable action plan the baselines have to be established and considered from all relevant point of view:

- Travelers point of view
- Entrepreneurs point of view
- Region’s (the economic development) point of view.

In that perspective it is worth to visit UN World Tourism Organisation (UNWTO) that uses tourism indicators that are based on international tourist arrivals, tourism receipts and expenditure, number of visitors etc.

UNWTO´s list of top tourism destinations is based on arrivals and receipts. Other indicators adopted in their statistics are outbound tourism by generating region and the ranking of the top tourism spenders. This is an economical basis for defining success that can be applicable for different regions.

G. Tasks

In the previous paragraphs we have seen how many are the possible factors that can make a cultural asset accelerator of creative entrepreneurship. A strategy needs therefore to consider - in a perspective of local development that takes account of all the resources (available or potentially available) of the territories - also the local productive structures, focusing on the co-location of creative sub-sectors and on the characteristic of the local ecosystems. If tourism is certainly an essential driving force for growth and the transition to an actual cultural and sustainable tourism is not accomplished in many realities, it cannot be, especially here, the exclusive focus of a cultural heritage strategy.

The productive-creative inclination of an area, as already emerged in the meetings of SACHE local stakeholders (World Cafè etc.), and the participation of the local community must be included within each territorial development plan, favouring existing or emerging value chains. In a development plan of a territory (roadmap) tourism becomes a co-factor of local development, strongly characterized not only by the specificity of cultural assets, but also by the combination with the local productive-creative system and the communities. If these dimensions are not considered, the Strategy risks to "accelerate" only tourism businesses and their entrepreneurship, neglecting a whole series of connections.

I.e., the new European Agenda for culture[8], underline the link between the levels of education and the participation in culture, and the huge capacity of cultural and creative sector to experiment, anticipate trends and explore models for social and economic innovation for cities and regions. Moreover, the Agenda underline the needs of a favourable framework conditions to turn opportunities in work and jobs: a regulatory environment that rewards creation, better access to finance, opportunities to scale up and internationalise, and a supply of specific skills. The New Agenda prioritises a cross-sectoral approach to EU collaboration, as digitisation and co-creation continue to break down artistic and economic boundaries.

Anyway, with high quality tourism services EU countries have the world leading tourist destinations and thus tourism sector plays a significant role in the attainment of economic growth and jobs strategy goals.

Consequently, a cultural heritage strategy does not only reflect the identity of a nation or a region or promote creative and cultural activities but emphasize the economic factor

[8] COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS , 22.05.2018 https://ec.europa.eu/culture/sites/culture/files/commission_communication_-_a_new_european_agenda_for_culture_2018.pdf

of this sector.

The main steps to be implemented in order to one become a “smart accelerator of cultural heritage entrepreneurship”:

- assessment of available assets, infrastructure, financial and human resources
- assessment of local communities and business needs
- market research, entrance point, target groups, demand, competitors, potential partners
- determine our role in context of a value chain - existing or to be established
- development of a business plan – based on previous findings
- implementation of business plan

The mutual strategy and activities will raise the future generations with cultural education providing an entirely different mindset that will determine how they see the world not just in the viewpoint from culture but from economic and social point too. This will affect how to form future businesses, market partners and new products, basically how will the worldview evolve not just from cultural but social, economic and historical point.

As a first step we assess all the available or at least potential sources, assets that can be utilized in order to establish or strengthen a creative, innovative business focus on the possible connection and integration of a value chain built around a cultural heritage attraction, destination.

In case of a “SACHE” it is important to have a clear picture about the limits they can face and the possible forms of support that they can offer for creative, innovative businesses while placing themselves in a certain point of a value chain with clear indication of their own position.

The knowledge of local history, natural resources and changing economy intertwine in a SACHE model and a potential accelerator needs at least one person designated specifically to analyze the organization position in the existing environment from social, cultural and economic angle too.
Therefore, education in (destination) management is required in order to create a suitable background for the establishment of a support organization that can facilitate the growth of creative entrepreneurship. Ideally it would lead to the creation of a cultural-heritage- team, department.

From the view of a potential entrepreneur with a realistic account of the resources we can later determine the feasibility and sustainability of our venture with the careful survey of the target market. In order to do that any potential entrepreneur should have a basic knowledge about the current mainstream concepts regarding the given field.

Cultural Heritage destinations focus on:

- Increasing competition between traditional European destinations and new emerging destinations in different regions
- Shift of creative resources
- Shift of intangible resources
- Serious diversification within the ‘cultural tourism market’
- Increasing additional value.

With a preliminary survey about the sectors in connection of cultural heritage the planned business model can be tailor-made for a specific region.

To successfully create an action plan it’s important to define our customer base. It can potentially vary based on our product, service portfolio and whether or not we are planning our activity on b2c (business to customer) and/or on b2b (business to business) bases. That’s why it is crutial to get a full picture at least on a regional level on:

- competitors with similar/same products, services
- possible partners – local stakeholders, cultural institutions etc.
- market shares in the region
- searching for possible niche markets that underrepresented in you region
- potential customer base

In context of cultural heritage customer base we primarily can talk about the tourist (both inbound and outbound) who possibly visit that destination that links to our products, services.

By examining the visitor groups, they can evaluate the economic value linked to the different segments. We can speak of multiple tourist type, for example a minority, who selects they holiday only on the basis of the cultural opportunities it could offer (represent probably c.10% of visitors). They are motivated by ‘concrete culture’, a higher than average learning opportunity or significant event, maybe even one specific place of interest. They are generally middle to high-income visitors who spend several nights at a destination. Thanks to their high spending characteristics they still valuable visitors to attract. Or the ones, who spend most of their time visiting places of interest when on a holiday or break. They want variety and flexibility. Visiting an internationally famous historic site or cultural center as a once in a lifetime event and are difficult to motivate for a return trip. They tend to try to exploit as much as possible and at planning take into account the generic cultural landscape of a region than specific individual places of interest on their choice of destination.

In any case it’s likely that individuals will be different ‘types’ of tourist on different trips. The key is to identify the different types of cultural tourists, the specific cultural factors and places of interest and target them with the suitable ‘cultural heritage package’.

Cultural Tourism can be used as a tool to foster awareness while utilizing the economic potential of cultural heritage sites, assets. That seems to underpin the findings of UNWTO that shows the characteristics of tourists below[9]:

- Cultural tourists are generally well educated with high status profession, good income
- Levels of cultural motivation varies choosing cultural heritage destination
- Demand of visitors is complex mixture of culture, entertainment & relaxation
- Younger tourists becoming more significant.

Communication between the cultural and tourism sectors are important to facilitate sharing cultural tourism marketing, product development and research, therefore it is absolutely necessary to reach out to every potential partner in the region wo could foster the competitiveness of a creative entrepreneurship.

Cultural Heritage Destinations must ensure the establishment of a value chain that could year around can offer:

- Accommodation: quality and customer relations
- Available up-to-date information on heritage sites, cultural events, programmes
- Couisine: high quality, ideally local specialities
- Creative supply: shops with local specialities, souvenirs and crafts
- Marketing tools: unique and memorable
- Authenticity and innovation to attract repeat visitors.

The development of a complex business plan will ensure the implementation of a well thought action plan with a complex financial, marketing and management plan that will help the future creative entrepreneur to see the existing and potential business opportunities linked to the cultural heritage destination(s) in their region, how they can integrate to the complex or partially established local value chain. And later determine which creative and innovative entrepreneurs can they support, what type of services, joint action is possible for them.

[9] UN World Tourism Organisation (UNWTO)

Practical guideline

The value chain five stages any cultural assets have to keep in mind while creating a business plan:

1. **Creation:** the originating and authoring of ideas and content (e.g. sculptors, writers, design companies) and the making of one-off production (e.g. crafts, fine arts).

2. **Production:** the reproducible cultural forms (e.g. online, TV program), as well as the specialist tools, infrastructure and processes used in their realization (e.g. the production of musical instruments, copies of artifacts).

3. **Dissemination:** the bringing of generally mass-produced cultural products to consumers and exhibitors (e.g. the wholesale, retail and rental of recorded music and computer games, copies of cultural attractions).

4. **Positioning/Reception:** refers to the place of consumption and to the target audiences by granting or selling access to consume/ participate in cultural activities (e.g. festival organization, theatres, museums). Realization the transfer of knowledge and skills that may not involve any commercial transaction and which often occurs in informal settings.

5. **Consumption/Participation**: the activities of audiences and participants in consuming cultural products and taking part in cultural activities and experiences (e.g. book reading, participating in workshops – creation of their own, visiting galleries).

Key questions:

1. Who are the key players in each of the value chain phases: creation, production, distribution, consumption?
2. To what extent can the different value chain phases (artists, producers, distributors, exhibitors etc.) access mainstream business support?
   Where are the work places for each of the value chain phases?
3. Is the business and trading environment supportive to the creative industries (craft, music, sculpture etc.)?
4. What do you know about the regulatory framework and how supportive is it for each of the value chain phases?
5. Does the education and training environment support and align to the respective creative industries?

H.Sustainability

Sustainable cultural heritage aims to preserving cultural heritage for forthcoming generations, and at the same time to finding an harmonic equilibrium between the cultural heritage and the publics who would like to experience it or who is in contact with it every day (urban communities, tourists, businesses, other actors). As "Cultural Heritage and Sustainability"9 analysis points out, the sustainability and durability of cultural heritage need to be seen in the social, cultural, economic and environmental dimensions; this broad and complete the concept of sustainability and offers many opportunities of cooperation between cultural heritage and CCIs.

Cultural heritage conservation as well as its management/operation need to be funded. To secure funding different sources are available: direct funding; retail; accommodation and catering; private hire; events; interpretation; and user fees. For example, direct funding includes sponsorship and co-branding activities in (potential) collaboration with artists, designers, creative industries, and manufacturing. Accommodation usually implies historic houses renewal in rural surroundings or art/historic hotels in urban areas. Accommodation-can be financed thanks to the organization of events (e.g. organisation of conferences, courses, workshops, conferences).

The socio-cultural facet of cultural heritage sustainability means to face constraints related to modernisation/revitalisation (with appropriate materials, techniques, and skills) of the use and function of the cultural asset. This means also looking for new solutions for the repurposing of the heritage asset to adapt to the current needs of the community, securing its preservation and economic sustainability.
The sustainability of a cultural asset is also linked to the public perception of its value, by the local community. A cultural asset must be recognized as such by the local community and therefore education and awareness-raising innovative activities are useful to enhance the sense of belonging and identity.

Finally, heritage product development can significantly add to heritage sustainability in improving its economic but also educational and community values. Heritage product development includes: spin-off products closely related to the heritage asset (souvenirs, workshops, etc.); related services (e.g. catering services); heritage experience focused on design approaches supporting practices of heritage valorisation socially sustainable for the communities.

Cultural heritage and sustainable development are connected: cultural heritage (tangible and intangible) can prompt sustainable growth and can reinforce social cohesion and the sense of identity, motivating local communities and young people to engage with their environment.

[9] "CULTURAL HERITAGE AND SUSTAINABILITY - Practical Guide", KEEP ON: Effective policies for durable and self-sustainable projects in the cultural heritage sector, INTERREG EUROPE, https://www.interregeurope.eu/keepon/library/

Cultural heritage it is explicitly mentioned in the goal 11 of 2030 Agenda for Sustainable Development, that is referred to the cities, in particular to the need of making cities and human settlements “inclusive, safe, resilient and sustainable”, through “inclusive and sustainable urbanization, planning and management” (Target 11.3) and more “efforts to protect and safeguard the world’s cultural and natural heritage” (Target 11.4).

The New Urban Agenda (NUA), the outcome document of Habitat III, the UN 2016 Conference on Housing and Sustainable Urban Development, recognizes cultural heritage as an important factor for urban sustainable development. There are a lot of points stressing the role of cultural heritage (both tangible and intangible) in the urban sustainable development. The point 10 New Urban Agenda highlights that Culture should be taken into account to promote and implement the sustainable consumption and production patterns. The New Urban Agenda (points 45 and 60) underlines the role of cultural heritage in developing sustainable, and inclusive urban economies, and in sustaining and supporting urban economies to progressive transition towards higher productivity.

“Global Report on Culture for Sustainable Urban Development” of UNESCO’ affirms that the incorporation of cultural elements into urban strategies from their start is the best method to lessen the possibly negative effects of fast urbanisation and change of the character of city areas. Initiatives such as Agenda 21 for culture, Networks (e.g. URBACT) and projects (e.g. Culture for Cities and Regions) offer tangible evidence that culture can spur sustainable urban and regional development.

Moreover, ICOMOS Concept Note titled ‘Cultural Heritage, the UN Sustainable Development Goals [SDGs], and the New Urban Agenda’ argues for the positive integration of culture and cultural heritage into urban development plans and policies as a way to enhance sustainability of urban areas through heritage, in the context of Agenda 2030/ SDGs.

One of the strongest sustainability issues for heritage conservation literally is that material conservation is an inherently waste-avoidance activity. This issue is entirely consistent with a common definition of sustainability as the reduction of environmental impact by not consuming non-renewable resources.

But in a closer definition during the ‘European Year of Cultural Heritage 2018’ a new definition of Sustainable Cultural Tourism was proposed by the Open Method of Coordination (OMC) in the Work Plan for Culture of the European Commission DG EAC with the EU member states:

“Sustainable Cultural Tourism is the integrated management of cultural heritage and tourism activities in conjunction with the local community creating social, environmental

and economic benefits for all stakeholders, to achieve tangible and intangible cultural heritage conservation and sustainable tourism development."

In this case we can talk about sustainability in a double sense. For the environmental view during the realization of a value chain described previously we should pursue at all times the most eco-friendly solutions in order to further ensure the existence of any and all cultural heritage assets.

In light of the recommended strategy the establishment of a value chain in line with the basics of circular economy itself provides the frame for a sustainable and long-lasting co- operation between each actor without the fear of the collapse of the partnership.

Since these value chains are relatively shorter and focusing on the stable supply on a regional level they require trust and reciprocity between the members that itself will strengthen the local economy, raise added value, on a larger scale potentially lead to the development of local transport, growth in employment etc.

I. Post COVID-19

The global health crisis caused by COVID-19 corona virus severely impacted the cultural heritage and related sectors. The effects were significant on both economic and social level. In response to the pandemic, governments have issued strict guidelines and restrictions to shut down theaters, museums, cultural heritage sites, libraries, schools, restaurants etc.

Over the past decades, cultural heritage has been negatively impacted by extreme circumstances such as terrorism, illicit trafficking, climate change, lack of funding, or neglect. The current situation has had similar effects, but practically immediately.

COVID-19 has had a massive impact on the travel and tourism industry, both of which are vital for the cultural sector. The significant economic impacts of the pandemic have made many member countries available additional funding. Efforts to raise awareness of the benefits of cultural heritage sites and to ensure sites stay open are already underway but unfortunately, we cannot be sure of their long-term effects and further conditions of their sustainability.

During the 21st century, so far there were two event similar in magnitude to the Covid-19 crisis. Firstly, the terrorist attacks of September 11, 2001, and secondly, the SARS epidemic of 2003.

Despite the necessary distinctions, there were two types of effects caused by these crises. The first is a short-term effect closely linked to the subsequent fear of getting sick, to be infected and so forth. The second, long-term, concern the signs that the crisis will have left. These will generate behavioral models with consequent changes in needs and choices and their effects on the tourism connected to cultural heritage.

In all cases they led to a change in the perception of travel risk, the extent of safety systems to which we have had to get used to.

It is expected that tourism after the crisis will resume but it will shift to 2021. Safety, health, insurance, as well as cancellation and reimbursement policies will be the important selection criteria for future travelers, followed by the options of maximum flexibility on travel and personalization.

The travel budget for 2020/2021 was already been cut by around 10 to 30% compared to 2019 spending, according to recent surveys by Interface Tourism group. It still changes with behaviors that will consolidate after the short-term effect.

Countries and regions where cultural and creative tourism play a significant role in the economy must have a specific and constant focus with clear definition of their target audience and service portfolio. Promotion and tourism package offers must be done taking into account how the modern market-oriented companies constantly case about their brand and the marketing of their products, services.

The activity must be structured and systematic with strategic objectives shared with the stakeholders. There is no question that the permanent effects of the crisis will redesign the tourism industry. Those who will be able to create a personalized and targeted offer, different from the mass proposal, will come out successfully.

The tailor-made offers will have to meet the trends for the need for sustainability and regenerative recreation that the public already demonstrated. Among the public, needs related to the environment, social and economic well-being and safety will grow significantly. There will also be a tendency to seek a niche rather than mass attractions.

The cultural assets and the economic actors have to incorporate the presented opportunities like the latest coercive trend of 2020 that sucked in every possible target group- staycation, which is also the latest trend in sustainable tourism. Staycation is an increasing trend because it’s an easy way to take a break without travelling too far. It is a wonderful way of spending joyful vacations while aiding one’s pocket and the environment. In fact, staying close to house eradicates the budget for accommodation (15% of the funds of average households on vacation) and transport.

In this context the recommendations of SACHE strategy slightly shifted based on the feedback from local stakeholders and relevant actors who were already involved in the project.

Thanks the know-how acquired during the activities related to European projects performed in the period of lockdown caused by to the covid-19 emergency, the use of digital tools to create and attend virtual meetings (for example the ZOOM platform or similar) has significantly increased, substituting the real ones; this occurred for all the actors of the cultural and creative sector (cultural heritage, ICC, public administration). These new methodologies favor the interaction between the various actors and can help to strengthen the dialogue between them (the current lack of dialogue has been highlighted during the World Café organized by certain partners).

In the implementation of future activities, the SACHE strategy should encourage a greater interaction between the digital world and the physical world, allowing "smart" events to take place, capable of taking the advantages of each of the two worlds.

Before any future activity to be carried out, a preliminary analysis on which is the most suitable method of completing an activity should be performed, in order to obtain the best results in terms of effectiveness and of stakeholder engagement (in real life or online, or alternatively still in a mixed mode).

The main focus should be in the next period:

- revival of previous professional concepts, joint projects with particular reference to its creative industrial and economic focuses
- elaboration of cross-sectoral solution packages
- coordination with local project managers
- facilitation of cluster representation, clusterization
- trend analysis, service and product development based on consumer needs
- enhanced digitalization, development of new digital solutions, in particular for project related activities
- governmental intervention – legislation changes, taxes etc.
- program development for international visibility
- reload of mentor programs, new trainings
- integrated program calendar – at least on national level
- development and/or establishment of local value chains

Partners

The project is implemented by 12 partners from 6 different EU countries (Italy, Croatia, Germany, Poland, Hungary, Slovenia).

List of the partners:

ITALY

Camera di Commercio, Industria, Artigianato e Agricoltura di Venezia Rovigo

https://www.dl.camcom.it/

Università Ca' Foscari Venezia

https://www.unive.it/pag/13526/

Regione Autonoma Friuli Venezia Giulia - Direzione centrale cultura e sport

https://www.regione.fvg.it/

CROATIA

Zagrebački inovacijski centar d.o.o.

https://www.zicer.hr/eng

GERMANY

Aufbauwerk Region Leipzig GmbH

https://neu.aufbauwerk-leipzig.com

Bayern Innovativ GmbH

https://www.bayern-innovativ.de/

SLOVENIA

Mariborska razvojna agencija

http://www.mra.si/

Tehnološki park Ljubljana d.o.o.

https://www.tp-lj.si/en

POLAND

Rzeszowska Agencja Rozwoju Regionalneg o S.A.

http://rarr.rzeszow.pl/

HUNGARY

Laser Consult Ltd.

http://www.lcinnoconsult.com/en/

INNOVA Észak-Alföld Regionális Fejlesztési és Innovációs Ügynökség NKft.

http://www.innoregio.eu/en

Chamber of Commerce and Industry of Pécs-Baranya

https://pbkik.hu/