01 THE TRAINART SWOT ANALYSIS

A BIRD'S-EYE VIEW ON THE CULTURAL&CREATIVE MARKETS IN ITALY, IRELAND, SWEDEN, SERBIA AND SPAIN

TRAINART

Building new skills
for innovative business models
in the performing arts sector

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INTRODUCTION

Due to the progressive shift into the Creative Economy - where "the new is normal" - the call for innovations is loud and clear in all European countries. In the new world we are living, the old rules don't work anymore: organisations must continually re-invent themselves to find new ways to better serve their clients and audiences in order to survive in a hyper-competitive environment.

Cultural and Creative Industries (CCIs) need to innovate and to find new opportunity of growth and business. Moreover, as direct consequence of the economic changes and of the financial crisis, cultural organizations need to become more business-oriented to achieve a long term sustainability. For building based cultural organisations the key is to look for the contamination between arts, business, technology and social innovation, providing many different services (i.e. spaces for laboratories, exhibitions, shows, workshops, conferences, co-working and artistic residences). At the same time, CCIs can extend their audience by positioning themselves in the business system as providers of cultural services/activities, as they represent more and more important factors for social change or for performance improvements of organizations operating in traditional sectors. TRAINART project focuses on two particular aspects of the CCIs: the introduction of innovative services in partners performing art portfolios (i.e. live performances in non-conventional contexts) and innovative business ideas for the management of cultural spaces (i.e. theatres).

TRAINART addresses the need of artists and cultural operators to shape their entrepreneurial mindsets, to ensure the financial sustainability of their activities, to turn their talent into a profession and to become fully able to make a living from their art. Thanks to TRAINART, partners coming from Italy, Spain, Sweden and Serbia will firstly assess the missing professional skills needed in both the fields, then they will participate in a blended-long term Capacity Building programme and finally they will pilot new models of revenue, management and marketing in their territories. However, before to launch any new business model for their artistic and cultural activities, TRAINART partners are called to reflect on their Cultural and Creative Markets in order to find out their own idiosyncrasies, needs, opportunities, and constraints to further improve their economic performances. Thus, to carry out a SWOT analysis it's always a good starting point to bring new perspectives in the framework market by sparking vitality and creating an environment conducive to new ideas.

METHODOLOGICAL APPROACH

This activity is scheduled in the WP "PREPARATORY PHASE" of TRAINART project and it is addressed to all the project partners that will implement the pilot actions. The main objective of the SWOT analysis is to let the partners reflect on the main features of the Cultural and Creative Markets in which they daily operate.

TRAINART partners involved in the elaboration of SWOT analysis for their Cultural and Creative Markets are:

CO_P1: Consorzio Marche Spettacolo (IT)
P2: TEATER NU (SE)
P3: KULTURANOVA (RS)
P4: HACERIA ARTEAK (ES)
AP1: LIMERICK COUNTY COUNCIL (IE)

Please note, the participation of the Associated Partner in the SWOT analysis wasn't initially scheduled by the project. In effect, the participation of associated partners in project activities uses to be restricted to a series of specific supporting actions. Nevertheless, Limerick County Council showed its interest and commitment in giving its contribution to the SWOT analysis by adding European value to the research carried out by partners.

The SWOT territorial frameworks are the following:

CO_P1: The Marche region in Italy
P2: The Västra Götaland region in Sweden
P3: The Vojvodina region in Serbia
P4: The Basque region in Spain
AP1: The Limerick county in Ireland

Partners carried out their SWOT analysis mixing their directly experiences and impressions and official research data on Cultural and Creative Markets. P5: WELCOME is the partner in charge of summarising the partners SWOT analysis in the present report.

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STRENGTHS

We asked to TRAINART partners to think about the main good features of their Cultural & Creative Markets by focusing on their innovative resources and features. Here below the C&C markets strengths according each territory involved.

ITALY

_The Marche region cultural and creative sector is dynamic and vibrant.
_The interest for innovative ideas is strong and widespread within cultural operators and audience.
_Regional authority is open to innovation and experimentations.
_There is an intermediate level of coordination and connection represented by the Consorzio Marche Spettacolo.

SWEDEN

_The Västra Götaland region has a long tradition of an independent, dynamic and self-organized creative sector and the interest for innovative ideas is strong and widespread.
_The region has a strong and stable budget for culture and the regional culture committees are willing to support new ideas.
_The region has a good support system for small scale businesses and organizations within the arts sector.

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STRENGTHS

SERBIA

_Creative and Cultural operators in Serbia are becoming aware of the diverse platforms for financing art, culture and creative innovations, such as Indiegogo, Patreon, etc.
_Traditional culture is still affordable and consumable for the highest level of society.
_There are some financial aids available to the Creative and Cultural scene on a national, regional, and European level.

SPAIN

_Live shows culture. High number of live shows and events during the year.
_The use of ICTs guarantees access to cultural services, products and expressions.
_Programs, projects and actions that have given a "brand name" to the city of Bilbao.
_Own Basque language and culture.
_Support to local artists, groups and formations through grants, scholarships, prizes and circuits by administrations.
_Culture and Creative markets became part of public policies.
_Several good artists expert not only in performing arts but also in audio-visual, music, etc.

IRELAND

_Resilient
_Resourceful
_Personnel tend to be highly educated and dedicated
_Some national and international partnerships
_Arts Council of Ireland/Creative Ireland

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WEAKNESS

We asked to TRAINART partners to highlight which aspects should be improved in their markets by focusing on financial resources issue? Here below the C&C markets weakness according each territory involved.

ITALY	_The regional cultural and creative sector is fragmented and competitive. _The Marche region is a small region (1.5 million inhabitants) so it hasn't a strong and stable budget for culture, especially regarding performing arts and innovative actions (public funds are more oriented towards traditional sectors).
SWEDEN	_The Cultural and Creative Market is fragile, and freelance artists and small scale cultural organizations work with very small margins. This can make it hard to invest in new and bold ideas. _It's easier to get funding for new projects but harder to sustain new ideas and structures over time. This can affect the long lasting effect. _A stronger economical safety net is required, making it possible for artists to more easily try new ways of working.
SERBIA	_C&C market in Serbia is centralized (mostly focused on Belgrade and Novi Sad). _Access to public fund is frequently questioned by the C&C operators since there are suspicions that it reflects the general corruption of the country. _Public funding for C&C is small and inadequate to support emerging companies and individuals. _Except from public funding, there is a lack of support from other sources of funding for start-ups. _Support for start-ups is mainly investment-oriented or a bank credit, not so much in a form of grants. _The tax level of financing platforms mentioned are quite big. _There is no financial support from the Government for emerging C&C enterprises (such as tax-return etc.). _Many C&C innovators are migrating to the EU countries to find support for their projects, and in this way there is fewer circulation of knowledge and resources within the country.

WEAKNESS

SPAIN

_Lack of technological resources or digitization in management models and creative proposals.
_Excessive economic dependence on the administration for the development of programs.
_Lack of knowledge of the sector by banking industry, which is translated into less financing.
_Very diverse technical profiles, coming from very different backgrounds and with very heterogeneous motivations.
_Cultural consumption is promoted instead of the cultural revitalization.
_Patterns have been repeated since the 1980s and 1990s.
_Scarce art education: guided visits, educational concerts, etc.
_Lack of stable cultural circuits.
_Lack of management skills and entrepreneurial mind-set.
_Lack of cooperation between cultural organisations/companies and public authorities.
_Negative economic balance in the Concert Halls and Programmers subsectors between 2015 and 2017.
_Performing Arts companies of the Basque Country have little presence abroad, of the total number of performances made annually, 7.8% approx. take place abroad.
_Disconnection with new audiences.

IRELAND

_Lack of innovation.
_Learning of new models.
_Leveraging advantages from national and international networks.
_International partnerships and connections.
_Still developing philanthropic supports.
_Greater box office income/audience growth.

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OPPORTUNITIES

We asked to TRAINART partners to think about entrepreneurial positive trends to turn C&C Market strengths into opportunities. Here below the C&C markets opportunities according each territory involved.

ITALY

_CMS has been working for many years in the field of artistic interventions in non-conventional context (enterprises), and the road to this new market is now opened for cultural operators.
_In the Marche region there are almost 100 working theatres; developing new management models is crucial in order to make them sustainable.
_Marche regional authority is now writing the new Regional Operative Programme related to European fund 2021-2027 so, it is a good time for ideas about how the C&C Market can work with, and contribute with crucial competences.
_Marche regional authority is very interested in developing international relations within the cultural and creative sectors.
_Opportunities offered by European funds are not fully exploited by competitors.

SWEDEN

_It is a good time right now for ideas about how the C&C Market can work with, and contribute with crucial competences to, site development. This is one of the goals within the region's vision for the culture.
_One of the region's goals is also to strengthen the Västra Götaland region as a cultural region and emphasize in particular the importance of participation and quality. "Culturally interesting places attract both business and tourism, for the benefit of site development.". This is a good opportunity for the C&C Market.
_There is a trend right now in politics in our region to collaborate across policy areas. "At both regional, national and international levels, there is a need to build a common knowledge together with public organizations, the business community, the free cultural life and civil society." The C&C sectors tradition of innovative ideas and collaboration can be useful here.

OPPORTUNITIES

SERBIA

_There is an uprising trend for supporting the Western Balkan C&C by the EU foundations and institutions.
_C&C from Serbia are becoming more recognized on an international level and are becoming desirable partners.
_From a European perspective, the investments in Serbia are less pricey, which can be presented as a small-investment return of capital for international investors.

SPAIN

_Consideration of culture as a basic and fundamental right in European, Spanish, regional and local legislation. Culture and art are manifestations that raise the educational level of the population and can lead to improvement in individual and social creativity.
_Cultural activities lead to the social inclusion of people and minorities.
_CCIs are strategic in small and medium cities by generating not only economic incomes but also cultural activities and cultural identities.
_Tourist boom. New national and foreign audiences.
_Crossing of opportunity niches of culture market such as music and gastronomy, tourism, etc.
_Sinergy and hybridization between live and online performing art shows.
_Body and personal well-being cult can be related to personal "enrichment" through culture.
_DIGITALIZATION as a mean to guarantee access to culture.

IRELAND

_Interest in on-line activities.

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THREATS

We asked to TRAINART partners to highlight which aspects could harm entrepreneurial opportunities by focusing on the related weaknesses of the C&C Markets.? Here below the C&C markets threats according each territory involved.

ITALY	_COVID19 impacts on cultural and creative sector both from operators and audience. _C&C operators are usually occupied with ordinary activities and innovations seems risky and time wasty to most of them. _C&C operators usually aren't equipped with the skills needed to innovate their business models.
SWEDEN	_Miscommunication and lack of a good dialogue between the C&C Markets and other sectors. A lack of a "common tongue", a way to talk about the work you do. _It can be hard to find common measurable goals. _Collaborations with bigger companies or municipalities can add a heavy administrative task to the artist or small scale cultural organization. _Unequal working relationships between clients and a freelance artist, where they work with completely different financial conditions.
SERBIA	_C&C operators are usually occupied with jobs in other industries, and starting their own entrepreneurial initiative seems risky to most of them. _There might be a lack of empowerment for C&C operators, since these initiatives don't have a history of being supported and sustainable. _C&C operators in Serbia usually aren't equipped with the skills needed to start the entrepreneurial initiative (they aren't investment-ready), so the rate of success wouldn't rise with the increase of investment capital, unless the entrepreneurial education is well-approached.
SPAIN	_Economical and health crisis. _Absence of promotional laws for culture. _Reduction in budgets for the cultural sector. _Job insecurity regarding this sector and professional recognition. _Low interest and cultural level of the population. _TV and internet activities are competitors of cultural events. _Strict conditions as a consequence of Covid-19 crisis to be able to celebrate shows in cultural centres in a short-term period.
IRELAND	_COVID 19. _Audience reductions. _Dramatic fall in income.

14 CONCLUSION

Resulting from to the analysis carried out by TRAINART project partners, we are able to identify some common trends i n the Cultural and Creative Markets addressed. Those common features have been summarised in the following SWOT matrix giving a bird's-eye view of the European C&C markets framework.

Partners will use all these inputs when they will start to think about feasibility of their pilot activities regarding the introduction of innovative services in their performing art portfolios (i.e. live performances in non-conventional contexts) and the implementation of innovative business ideas for the management of cultural spaces (i.e. theatres, cultural hubs, polyfunctional centres, etc.).

STRENGTHS

CHARACTER
Cultural & Creative Market is dynamic, resilient and resourceful.

CALL FOR INNOVATION
Artists and cultural producers have a strong interest in developing innovative ideas.

FUNDRAISING
Artists and cultural producers have an active role in searching ways to finance art, culture and creative innovations.

COOPERATION
Public authorities are interested to cooperate with creative operators to support the local development.

WEAKNESSES

FRAGMENTATION
Cultural & Creative Market is complex, competitive (i.e. small scale cultural organizations, freelance artists, big companies, etc.) and centralised in urban frameworks.

SUSTAINABILITY
Sometimes cultural structures and creative ideas are hardly sustainable in the long time from an economic point of view.

MIND-SET
Artists and cultural producers come from very different backgrounds and they lack of management skills and of the entrepreneurial approach needed to innovate business models.

BUDGET
Public authorities do not promote a stable financial policy (i.e. tax-return etc.) supporting Cultural and Creative start-ups.

CREDIT ACCESS
Banks and investors have a few knowledge of Cultural & Creative Market and this is translated into low level of financing for Cultural and Creative business initiatives.

OPPORTUNITIES

ADAPTATION
Public spaces (i.e. traditional theatres, cultural hubs, polyfunctional centres, etc.) could be granted to artists and cultural producers under the condition to be managed with economic sustainability.

EU STRUCTRAL FUNDS
Public authorities are drafting their Regional Operative Programmes for the period 2021-2027 and this is a good time to suggest ideas on how Cultural & Creative Market can contribute to the local development (i.e. making the Region a culturally interesting places able to attract both business and tourism as well).

CROSS FERTILIZATION
Specific sectors of the Cultural & Creative Market can open stable synergies with other markets (i.e. music and gastronomy, tourism for cultural festivals, etc.)

DIGITALIZATION
Cultural & Creative Market promote the hybridization between live and online performing art shows.

THREATS

COVID-19
Impact of the economic and health crisis on cultural and creative sector both from the operators and the audience perspective as well.

MISCOMMUNICATION
Lack of a “common tongue” between the Cultural & Creative Market and the public authority sector.

SKILLS MISMATCH
Usually artists and cultural producers aren’t equipped with the skills needed to innovate their business models, if they won’t be properly empowered they won’t be able to sustain entrepreneurial initiatives.

CORE BUSINESS
Artists and cultural producers are occupied with their creative ordinary activities and innovation seems risky and time wasty to most of them.

AUDIENCE REDUCTION
TV and internet activities are the direct competitors of live cultural events.

www.rossodigrana.it

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Partners

Associated partner

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