

**Public-private
cooperation schemes
between culture
tourism
and industry
the CMC
Clusters Meet Culture
project's experience**



REGIONE DEL VENETO



Unioncamere
Veneto



PROVINCIA
DI RIMINI



CULTURAL CREATIVE
INDUSTRY CLUSTER



PCCP BARANTINI
KOBREKNEZELNI
IZ PIVKAMARJA
Maribor 2017



Camera de Comerț,
Industrie și Agricultură Sibiu



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THE CMC – CLUSTERS MEET CULTURE PROJECT

An Opportunity For Development



The proposed brochure has been published in the framework of the Project CMC Cluster Meet Culture funded under the South East Europe Territorial Cooperation Programme 2007-2013, IV call.

Website: www.cmc-project.eu

CULTURE is an added value to the development of local products and is a good marketing tool for those enterprises interested in promoting their products on foreign markets. Local production and sales potential can be improved if closely linked to the promotion of local territories as a whole. Synergies between culture, tourism and industry support the promotion of integrated actions in local areas.

Project's overall objectives:

CMC Project wants to enhance local clusters production and their capacity to attract tourist flows, through specific actions addressed to improve their awareness and capacity to combine tourism, production and culture.

In particular, the project aims at attracting new tourist flows in less known touristic areas where clusters are located thanks to the promotion of new integrated itineraries able to propose a multiple/integrated offer of cultural attractions, touristic attractions and local products.

Facilitate connections between art, culture, tourism and industry allows to promote a unique and integrated tourism offer valorising the overall identity of a determinate territory.

The CMC project foresees:

- the search for strategic partnerships between the public and private sectors in the cultural / tourism / industry as a tool of governance and facilitation of integration paths;
- the creation of a common participatory approach at the local level to attract tourists increasing new forms of thematic tourism (such as industrial tourism, museums, etc.) so as to enhance the visibility of local production and also increase direct sales;
- the promotion of public-private synergies among local territories thanks to a new innovative dedicated web platform able to promote tourism itineraries with the aim of allow visitors to be aware about local know-how, local traditional production and the identity of the involved territories.

WHY INVESTING IN PUBLIC-PRIVATE COOPERATION MODELS BETWEEN CULTURE AND INDUSTRY?

CULTURE, INDUSTRY AND TOURISM: NEW BUSINESS OPPORTUNITIES

Within the CMC Clusters meet Culture project, funded by the South East Europe Territorial Cooperation Programme 2007-2013, it has been studied a methodology to support the different actors of culture, tourism and industry, in the South Eastern Europe area, in the preparation of a specific Public-Private Cooperation Agreement (CPP).

The main goal of this document is to allow the target groups to investigate:

- which are the best opportunities of development and cooperation between the productive sector culture and tourism;
- how to exploit culture and cultural heritage in order to create new business opportunities; and
- various models of PPCs that have ended up creating direct links between the tourism sector and the productive sector, enhancing the multiplier effect.

Cultural heritage represents a strong asset not only for attracting people and increasing tourism services but also as a way to improve and strengthen sales of local and regional products.

Major cultural tourist destinations have a strong potential to expand the tourism economic impact on their hinterlands, not only by attracting tourists but also by attracting other human and financial resources.

There are numerous business opportunities in developing destinations bringing together industry, cultural heritage, creative



production and tourism in the SEE region. By strengthening cooperation and partnership developments, the CMC survey showed that bringing together entrepreneurial spirit and initiatives boosts creativity and strengthens the tourism multiplier effect. Plenty of material and immaterial cultural heritage can be connected to existing industrials or handicrafts products, providing numerous opportunities for further development of a destination.

FOCUS > THE CMC APPROACH: A METHODOLOGICAL PROPOSAL THROUGH THE ANALYSIS OF SOME SUCCESS STORIES:

The CMC –Cluster Meet Culture project has gathered some empirical data on existing cooperative efforts among culture, tourism and industry (organized as cooperative efforts in the form of clusters or similar) in the SEE region. To be able to identify the content of existing PPC model methodology, several steps have been developed for deeper study of the existing best practices in the project countries.

First step

Identified cases were analysed in depth to define some basic concepts of PPC models. A questionnaire was developed to provide the required information. The questionnaire was completed by the local stakeholders to obtain an effective territorial survey. The questionnaire contained qualitative questions regarding the forms of cooperation and the types of combinations between culture/tourism/industry.

Second step

In the second step, a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis was made to study the role of public stakeholders and the role of private stakeholders involved in each case.

Third step

All relevant information achieved and identified through step 1 and step 2 were summarized to fill the specific PPC models matrix organized around the key model elements: conditions, characteristics, performances and processes.

Key axes of the PPC models matrix were identified regarding:

- the leadership of the cooperation (public, private) and
- the level of formalization of decision-making processes (low, high).

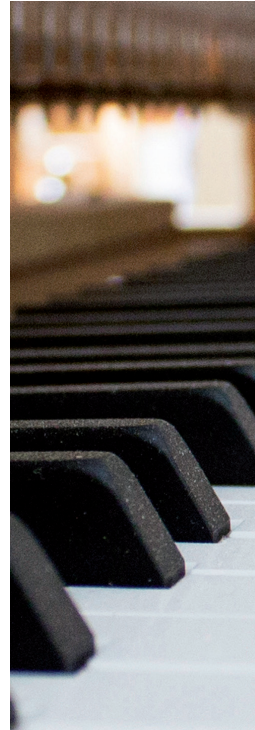
HOW TO DEVELOP PUBLIC-PRIVATE COOPERATION BETWEEN CULTURE TOURISM AND INDUSTRY

Starting something new always implies expecting change from ourselves and others. Changes in tourist behaviour is opening new windows of opportunity for using cultural heritage as a business opportunity.

Who are the initiators of the process and how can this process be facilitated?

There is no “correct” public, private or business cluster actor to start the PPC process, but it is crucial to approach the phasing and engagement with commitment and pragmatism. All stakeholders, be them public institutions, private organizations, or local government, need to have a clear and unambiguous role in identifying, selecting and implementing project idea proposals.

In reality, these processes are based upon existing fertile grounds: the presence of business associated locally or regionally in a formal or less formal way, existence of cultural heritage needed to be conserved or promoted, existing institutional and governmental framework set-up in the field of cultural heritage conservation.



Graphic 1: CMC Public Private Cooperation cycle

The cycle of public-private cooperation, however, can generally be divided into 4 phases, each of which will have to take into account the peculiarities due to the single case. These phases were analyzed as part of the CMC project and can be described as follows:



First phase:

initiating an idea, Being cooperative means engaging stakeholders in the earliest phase of the process into a basic organizational structure. This phase encompasses a situation analysis, developing tools and methods for its implementation, assessing the needs of various stakeholders, defining the overall values of the PPC project. This stage also includes a risk analysis and management.

Second phase:

planning and decision phase, Includes definition of the PPC, development of the vision, possible development scenarios, establishment of development objectives, definition of future functions, analysing, evaluating and ranking alternatives, including exploration and presentation of potential financial options, and finally, a decision on the selected scenario.

Third phase:

implementation phase, Includes detailed planning of functions to be developed under the PPC process, including identification of the target users and actions to be accomplished to achieve the planned function. In this stage, the legal and ownership structure, image building, marketing issues, promotion actions and organisational aspects, i.e. management and staff involved, and not least, the financial planning should be considered in detail.

Fourth phase:

monitoring, it covers the whole process indicated above, including special monitoring plans for planning each stage (e.g. monitoring plan for planning, communication and stakeholders' engagement, measuring satisfaction of target groups and stakeholders, etc.)

INITIATING AN IDEA

Initiative means to start something new, from the beginning (to start it before someone else does) and have the ability to start independently. There are many favourable circumstances that can trigger such initiatives – presence of a built heritage or a potential site to be valorised, strong regional or local tourist organisation, etc. Before jumping into the planning phase, some preparatory work is needed, developing a situation analysis, a work plan and an engagement strategy including status and stakeholders needs.

HINT:

Planning and managing communication from the beginning is crucial for the successful implementation of the project idea. Early involvement of the community and co-authorship of all the stakeholders is crucial.

At the beginning of a project, the initiator should set up a management structure with human resources and funds to support the cooperation process, or a ‘Start Team’.



PLANNING

This stage is usually the most demanding one, as it entails building an agreement around a common vision, which means reaching agreement on common goals related to PPC and identification of strategies to be implemented, outcomes to be provided and actors to be involved in all stages of the PPC planning process.

Expected outcomes are:

- Common vision on the PPC being developed and agreed upon
- PPC scenarios developed, discussed and evaluated with an agreement reached among stakeholders
- Complete work plan developed: objectives (measurable), actions (projects), processes and actors identified, costs and financial resources determined



- Decision-makers endorsement in place as they have the authority for adopting decisions that affect any further action and finally determine the procedures related to the launch, implementation and funding of PPC process.

PARTNERSHIP

In PPCs, involved partners are not limited to a public partner and a private partner as there is also a close connection with civil society, particularly for cultural initiatives. Below, the main reasons pushing each actor to be involved in cultural PPCs as a partner are described.

Public Partner

PPC arrangements are often driven by limitations of public funding to cover investment needed or to increase the quality and efficiency of existing services (provided by the public or the private actor). This is especially true for cultural activities as they are not necessarily a core service of the public sector. Public participation is often initiated in order to reach sustainable development or increase the quality of life. Examples: securing historical heritage and improving the image/reputation of the whole region.

Private Partner

A private commitment is not necessarily built only on economic value in forms of profit maximization; nevertheless, the cooperation needs to be economically feasible. In fact, the creation of value may not only be directly economical but indirectly through increased promotion, improved image, etc. The enhancement of a destination image able to attract more customers is a common objective and often at the core of corporate social responsibility policy. Companies gain from the valorisation of the territory where they are operating.

Civil Society

Civil society comprises the totality of voluntary social relationships, civic and social organizations and institutions that form the basis of a functioning society that is different from the

force-backed structures of a state and the commercial institutions of the market. As the user or initiator, civil society plays a special role.

Cooperation among public and private partners can take various legal forms, from association to new company. By rule, cooperation happens among equal partners, free to form whatever cooperative form they find suitable. From CMC PPC analysis, it can be derived that if cooperation efforts are led or at least initiated by public institutions (local or regional authorities seeking new development opportunities), a higher level of formalization will be requested.

IMPLEMENTATION

The whole process of PPC planning and implementation must be “market-oriented”, otherwise the project will fail to be sustainable.

Accordingly, the PPC initiator has to encourage or facilitate certain activities aimed at creating or improving the market in order to motivate the potential beneficiaries (tourists, residents, consumers, etc.) to use the PPC framework products/services.

A PPC project marketing strategy should primarily define the target groups.

The most important element is to develop a comprehensive image that will clearly distinguish the PPC objectives – a new brand for the PPC – and to communicate it among interested parties.

A PPC project should not compete with existing initiatives or projects but should emphasize bringing in new qualities for creating synergies to foster further local or regional economic development with new services and products oriented toward new customers or new sales channels.

The key element of the marketing strategy is a communication plan, clearly elaborating the channels and methods to reach and “convince” the identified target groups, including promotion materials (printed/electronic) and advertising actions and events.



MONITORING



Monitoring and evaluation starts once the project is in full operation. It helps to identify problems, impacts and benefits as well as to ensure the sustainability of the activities. It examines the extent to which the project is meeting its objectives. It should also result in efforts to compensate for weaknesses, correct problems, overcome barriers, etc.

Monitoring and evaluation is a participatory process. All stakeholders should play a role in gathering the monitoring data.

The monitored aspects include: resource consumption, project outputs, project results, cultural impacts, social impacts, economic impacts and efficacy of the PPC as a development tool. The tools used for monitoring can include: questionnaires, interviews, checklists, guestbooks, etc.

It is important to ensure that information and data collected are: accurate, timely and representative.

Collected data needs to be brought together, analysed and presented in such a format as to provide partners, stakeholders and the public with useful and understandable information. However, analysis shall be done in such a way that the management of the PPC project is able to evaluate PPC performance and efficacy.

CONCLUSION

The survey analysis carried out as part of the CMC project has shown that strengthening the development of cooperation and partnership and enhancing the spirit and entrepreneurial initiatives, stimulates creativity and enhances the multiplier effect of tourism. To increase awareness and knowledge of the tools available to achieve these objectives is certainly the first step towards such forms of cooperation.

The full document [Development of public-private cooperation scheme between culture, tourism and industry in South Eastern Europe](#), is available on the project website www.cmc-project.eu

Brochure realizzata nell'ambito del Progetto CMC - "Clusters Meet Culture: an opportunity for development", numero di riferimento: Eol SEE/D/0302/4.3/X, finanziato dal Programma di Cooperazione Transnazionale South East Europe 2007-2013, Asse n. 4.3 - Promuovere l'uso di valori culturali per lo sviluppo.



