

**EUROPEAN  
EXPERT  
NETWORK  
ON CULTURE  
(EENC)**

***New Business Models in the  
Cultural and Creative Sectors  
(CCSs)***

**EENC Ad hoc question**  
June 2015

The present paper has been prepared, at the request of DG EAC, by the European Expert Network on Culture (EENC).

### ***Background***

Being at the crossroads between arts, business and technology, the cultural and creative sectors find themselves in a strategic position to trigger innovation and spill-overs in other sectors. The 2012 Communication on promoting cultural and creative sectors for growth and jobs in the EU contributed to mainstreaming their potential into other EU policies. Beyond possible spill-overs, innovation is also vital within the cultural and creative sectors themselves in order for them to further grow and to adapt to a constantly evolving technological and financial environment.

The decreases in public funding, the challenges of globalisation, the opportunities of digitisation or the increasing empowerment of audiences have already pushed the cultural and creative sectors to test new approaches and to explore new business models. These innovative approaches can be powerful drivers for the strengthening of cultural diversity and for the development of entrepreneurship, as well as for growth, jobs or social inclusion.

As specified in the Regulation establishing the Creative Europe Programme 2014-20, in order to promote transnational policy cooperation, the Cross Sectoral Strand shall support "transnational exchange of experiences and know-how in relation to new business and management models, peer- learning activities and networking among cultural and creative organisations and policy-makers related to the development of the cultural and creative sectors, promoting digital networking where appropriate".

In order to pursue the above-mentioned policies, more insight into new business models in the cultural and creative sector across Europe is needed.

### ***Request***

Against this background, DG EAC has requested the EENC a paper on "New business models in the Cultural and Creative Sectors" (Ad hoc question 28).

The paper will identify the main types of new business models in the Cultural and Creative Sectors (CCSs), which follow a genuinely innovative approach, typical for the CCSs (for example creative hubs/co-working spaces, but also other approaches using business concepts different to the ones used in traditional business; different innovative methods such as creative vouchers, crowd-funding etc.). The paper will present a brief typology of new business models found in the CCSs and explain in which way they are different from normal business logic. In annex, the paper will list 15 names of key experts in the field and 5-10 academic articles.

The paper is intended to serve as a supporting document for the Open Method of Coordination Working Group (OMC) of Member States on Cultural and Creative Sectors (CCSs).

The paper has been written by EENC member Dr. Cornelia Dümcke. The views expressed in the paper are the sole responsibility of the author and the EENC and in no way reflect the views of the European Commission.

***About the author***

**Dr. Cornelia Dümcke** is a cultural economist and works as a project developer and arts consultant. She is the founder of Culture Concepts, an independent institute based in Berlin, which provides research and consultancy services for clients in both the cultural and the development sector. Her thematic specialisation focuses particularly on issues of culture and development, cultural economy, cultural tourism, as well as on the museum, theatre and festival market. She is board member in several cultural foundations in Germany and in Austria. In 2011, she was nominated to the pool of experts in the field of cultural policies, set up by UNESCO Paris in the context of the implementation of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions. Since 2011, she is a member of the European Expert Network on Culture (EENC). See [www.cultureconcepts.de](http://www.cultureconcepts.de) and [www.eenc.info](http://www.eenc.info).

Ms. Dümcke is or has been member of various network boards and juries and has published extensively on issues of the Cultural and Creative Sectors from a cultural economy perspective.

## 1. Definition of Business Models (BMs)

The concept of the “business model” (BM) first appeared in the economic literature in 1957. The term became more fashionable in the 1990s and, today, it is a term frequently used not only in literature but also by the business sector. It should be noted that, historically, the purpose of the “business model” concept has been defined by emphasizing value creation as a part of managing the development of new emerging technology.

There are, however, many different definitions of BMs in academic literature. A few examples might demonstrate the differences existing in both the understanding and the definition of a BM:

- A business model describes the rationale of how an organization creates, delivers and captures value. (Osterwalder and Pigneur, 2009)
- A business model is an abstract representation of a given aspect of a firm’s strategy; it outlines the essential details one needs to know to understand how a firm can successfully deliver value to its customers. (Magretta, 2002)
- A business model is a representation of a firm’s underlying core logic and strategic choices for creating and capturing value within a value network. (Shafer et al., 2005)

Although there is no single, universal definition of the term of “business model”, many authors refer to the definition by Osterwalder and Pigneur (2009).

For the purpose of the present paper, **a business model in the CCSs is understood as a set of assumptions about how an individual entrepreneur or an organization create value, deliver value to a customer, and capture the value and turn it into economic, social and / or cultural output.**

In recent years, considerable research has been conducted into “business model innovation” in traditional business sectors. Various methods have been developed, each with its own unique understanding and perspective. When it comes to **BMs in the Cultural and Creative Sectors (CCSs)**, the academic literature and applied empiric research is less developed, if not scarce. A great deal has been written about BMs in the commercial world of the CCSs (e.g. games sector, publishing sector, film production and others), yet very little about new BMs in the publicly funded art world which is part of the CCSs.

This is surprising as in the last years the economic crisis has deeply affected cultural and creative organizations by cuts in governmental budgets for culture. However, as a counter movement, the crisis has, contemporarily, pushed forward the search for new BMs in both the commercial and the publicly funded CCSs.

It should be noted that actors in the CCSs are particularly confronted with a **rapid pace of change of their BMs**. Many of the examples reviewed in the literature show that the CCSs are far from reaching equilibrium in BMs. **As the technology evolves, both researchers and policy makers should expect further, rapid changes in the development of BMs in the CCSs.**

## **2. The “Value” dimension to define BMs in the CCSs**

If we apply the definition of BMs by Osterwalder and Pigneur to the CCSs, the “value” of new BMs cannot be identified just in simple monetary terms. The many dimensions of the value of the CCSs in society include also cultural and social values. Against this background, two remarks are of relevance for the mapping of BMs in the CCSs.

Firstly, **a business model is much more than the financial transactions undertaken by an organization. Financing models** (such as models for accessing capital for investment purposes below market rates, tax-exempt bonds, loans, microfinance, etc.) **are not BMs *per se* but are, or can be, one of their components.**

Secondly, **a purely commercial understanding of the BMs in the CCSs cannot be applied to the whole sector.** In many branches or companies of the CCSs the enterprise delivers value to customers, entices customers to pay for value, and converts those payments to profit. For example, arts organizations which are part of the CCSs are more “welfare dependent” and in many Member States (still) less entrepreneurial. Nevertheless, many of these art organizations – delivering cultural, social and economic value – are currently reframing both their language and behavior, and last but not least find the path towards new BMs (see examples below).

## **3. Typology of new BMs in the CCSs**

Despite the large amount of professional attention to BMs, the **academic and applied empiric literature lags a representative survey** on new emerging BMs in the CCSs from a “helicopter perspective”.

In order to create a useful review of BMs in the CCSs, **many different streams in the literature have been reviewed**, such as literature on the influence of the digital to the CCSs, new consumer patterns, social and open innovation literature, etc. Most of the literature reviewed on new BMs is focused on specific areas in the CCSs, e.g. publishing, music, design, fashion, performing arts, games and software development etc., each with a different methodological approach and understanding of the term. In the course of the review of BMs in the CCSs it became apparent that the CCSs *per se* are immensely diverse, as they vary in size,

operating markets, main activities, value chains, and last but not least, the application of new BMs.

Research findings, based on this literature review, show on the one hand that **currently many actors and branches in the CCSs are in a phase of new BMs application and experimentation**. On the other hand, the result of the literature screening per sub-sectors or branches of the CCSs shows that **there is not a single BM valid for all the CCSs**. Instead, there are many opportunities and options towards new BMs in the CCSs which are currently applied or are in an experimental phase.

The literature review has identified several frameworks and different types of BMs in the CCSs. However, it should be noted that insights into the intrinsic design and development of BMs in the various parts of the CCSs is still limited.

**In recent years, both the invention and the application of new BMs in the CCSs appeared as a response to a number of interconnected global technological, cultural and social challenges**. The identification of these challenges facing public, non-profit and private actors within the CCSs in a direct as well as indirect manner supports the mapping of new BMs in the CCSs (see table below).

(1) **The change from analogue to digital:** The response to the digital challenge was by far the largest number of new digital BMs used in different ways in any settings of the CCSs, such as Micropayments/Crowdfunding, Streaming/Pay-Per-View, P2P, Gamification, Self-Publishing, etc.

In the context of the establishment of these new digitally driven BMs, the role of new emerging intermediaries must be underlined. Examples such as the market dominance of iTunes in the music sector and the success of Facebook suggest that the digital era is creating fewer, yet more powerful intermediaries.

The development of new BMs as a response to the digital challenge is particularly strong in sectors such as *music*, *computer games* and *television*. All three sectors of the CCSs are confronted with reduced sales of physical products, as, in particular, is the music industry, correlated with increased copyright piracy.

In the case of cultural heritage, the impetus to invent new BMs comes from the same drive towards the digital. Over the past decade, *museums*, *archives and other cultural heritage institutions* have made a good start at digitizing important cultural heritage collections and developing digital services based on new BMs. Experimentation in the heritage sector is currently taking place at various levels. Some of the new BMs are still experimental in nature, yet continue to gain more strategic significance as they strengthen the role of cultural heritage in society.

In the case of *music and performing arts*, the sectors have made use of the new BMs based for example on streaming. Technological developments have allowed *operas, orchestras and theaters* to record their performances, which can then be marketed through platforms that make use of the new technologies to stream this product for a wider audience. Interesting examples include the Berlin Philharmonic and the New York Metropolitan Opera. An example from May 2015 is the launch of the Opera Platform<sup>1</sup>, supported by the Creative Europe Programme: the website links the cultural broadcaster, ARTE, and fifteen opera companies in Europe. Through the Platform, recent productions will be streamed online on a monthly basis, subtitled in six languages and be enriched with a selection of additional content.

- (2) **Changing consumer behavior:** The importance of consumers/customers in cultural participation and in business transactions, places the issue of changing consumer behavior at center stage. In particular, digital tools have offered possibilities so that consumers are not simply consumers but also the producers and generators of their own content.

Enhanced by technology, BMs in the CCSs towards self-publishing as a phenomenon in the *publishing sector* incorporate the idea of consumers participating in the content production and/or creation process. *Many other BMs are based on user-generated content (UGC)*. UGC covers all types of creation developed using digital-age technologies including videos, blogs, forums, podcasts, social media sites, photography, wikis, and even eBooks. The growing tendency that the consumer becomes value creator also limits, standardizes and democratizes excessively the artistic process, which ultimately dilutes criteria of quality-driven cultural goods. Indeed, this reality reshapes the relationship between producer and consumer in ways that impact the very status of creativity and creative behavior.

- (3) **Gaps in financing of new and innovative ideas and cost reduction:** Many publicly funded sectors, as well as non-profit and private initiatives, in the CCSs are looking for financial sustainability especially in times of crises.

As a response to gaps in financing of innovative ideas in the CCSs, crowdfunding, together with crowdsourcing, is meanwhile applied in several sectors of the CCSs, possibly even in all CCSs. It became popular in the CCSs very quickly also thanks globally established online platforms<sup>2</sup>.

Beside crowdfunding, new BMs in the CCSs were established as an answer to the need to demand-driven financing models and to cost reduction.

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<sup>1</sup> <http://www.theoperaplatform.eu/en>.

<sup>2</sup> See for example <http://www.Kickstarter.com>; <http://www.KissKissBankBank.com>.

*Heritage preservation and conservation*, for example, are extremely costly and demand amounts of financial resources. Many historic assets are facing functional redundancy. The costs for alternative uses are often so high that a traditional private sector or public sector model will not succeed. As stated in the Report by the Horizon 2020 Expert Group on Cultural Heritage *Getting cultural heritage to work for Europe*: "...we propose a number of demonstration projects to show demand-driven re-use of heritage using innovative financing and governance models." (e.g. adaptive re-use of industrial heritage, establishment of crowdfunding platforms for cultural heritage).

*Internationalization strategies in the museum sector based on new BMs can serve as another example*. These new BMs operate via coproduction, co-organization and export of exhibitions, supporting an increase of revenue due to the reducing of production costs and the increase of resources.(e.g. co-produced exhibition model for international touring; co-organized exhibition model between several museums that pools costs; export exhibition model).

- (4) Changing working methods and patterns:** Co-working spaces, innovation labs, start-up accelerators are increasingly relevant for specific actors and branches in the CCSs. It can be stated that they are a global trend and constitute an answer to the challenge of changing working methods and patterns in the CCSs.

Innovation labs for example can demonstrate new "grassroots-driven" practices of urban coordination, collaboration-centric architecture and technology-based work. In the various branches of the CCSs, countless examples exist, demonstrating different modes of working methods, each following different objectives.<sup>3</sup> In the case of Berlin for example, the following types of labs have been identified: grassroots labs, co-working labs, company-owned labs, research and university-affiliated labs, incubators and accelerators as well as temporary lab formats in the shape of events.<sup>4</sup>

**Based on the challenges for the CCSs identified above, a mapping of types and examples of new BMs in different branches of the CCSs is provided below.**

**On the one hand, the literature review indicates many differences between the actors and branches of the CCSs**, particularly in terms of content production, consumption patterns, delivery method etc., which all together form the basis for each specific BM. This suggests that future analysis of BMs in a given sector or branch of the CCSs may not be transferred to other CCSs (e.g., for example, the BM practice in the game sector as a prominent part of the CCSs stands in contrast with relatively traditional sectors such as performing arts, music or even

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<sup>3</sup> See for example: Labs in the context of urban settings: <http://www.connective-cities.net>;

Cooperation between science and art: [www.hybrid-plattform.org](http://www.hybrid-plattform.org).

<sup>4</sup> See Berlin, Project Future, 2013, Innovation and Creative Labs in Berlin, Survey, Spaces and Events as Interfaces for Innovation and Creativity.

[http://www.berlin.de/projektzukunft/uploads/tx\\_news/2013\\_Innovation\\_and\\_Creative\\_Labs\\_in\\_Berlin.pdf](http://www.berlin.de/projektzukunft/uploads/tx_news/2013_Innovation_and_Creative_Labs_in_Berlin.pdf).



television). **On the other hand, the literature review indicates that there are also similarities between the various branches of the CCSs in the application of BMs** (e.g. regarding the application of crowdfunding).

A model mapping of new types of BMs in the CCSs, based on main features of the BMs, is provided in the following **Table 1**. From a micro-perspective, a further typology of BMs in the CCSs is given in **Table 2**.

**Table 1: Mapping of types of new BMs in the CCSs and its application (selection)**

BMs	Main features	Branches in the CCSs in which the BM is most widely accepted
<b>Crowdfunding/ Crowdsourcing</b>	Crowdfunding is based on what is known as micro-sponsorship, or the mass funding of a project, service, content, platform, production, work, etc. In short, anything that is susceptible to being funded by several sponsors who voluntarily decide to participate in the creation or implementation of an idea can become a crowdfunding project. Crowdfunding is also a very powerful marketing tool and provides a sense of ownership to the donor ('giver'). This instrument reshapes the system of donor ship in the sense that it allowed mass participation and affordable, direct involvement.	The BM is applied in many branches of the CCSs.  The BM is most widely applied particularly in: <ul style="list-style-type: none"> <li>▪ Cinema</li> <li>▪ Music Sector</li> <li>▪ Museums / Cultural Heritage Sector</li> </ul>
<b>Innovation labs, creative hubs, co-working spaces</b>	Innovation and creative labs are spaces – mostly in cities- for trying out, testing, experimenting and implementing ideas and creativity.  Labs create spaces for creative practices supporting innovation processes.  Innovation and creative labs provide spaces for an interdisciplinary exchange of information, knowledge and ideas between stakeholders.  They offer the chance to test out and utilize a range of diverse creative methods and	The BM is applied in many branches of the CCSs.  The BM is most widely applied particularly in: <ul style="list-style-type: none"> <li>▪ Music</li> <li>▪ Design/Fashion</li> <li>▪ Games / Software Development</li> <li>▪ Architecture</li> </ul>

	innovative solutions at one location.	
<b>Streaming</b>	<p>Based on technological progress in high-definition audio and video, opera houses, theaters and orchestras can record their performances, which can then be marketed through platforms that make use of the new technologies to stream this product under optimal conditions for an interested international audience.</p> <p>The BMs include different pay models (pay-for demand, pay for use etc.)</p>	<p>The BM is most widely applied in selected branches of the CCSs, particularly in:</p> <ul style="list-style-type: none"> <li>▪ Music (Opera, Classic Concert, Popular music sector)</li> <li>▪ Performing arts</li> <li>▪ Cinema</li> </ul>
<b>Self-Publishing and Printing on demand</b>	<p>With the existence of the E-book, books are printed only on demand to fill actual orders.</p>	<p>The BM is most widely applied in selected branches of the CCSs, particularly in:</p> <ul style="list-style-type: none"> <li>▪ Publishing sector<sup>5</sup></li> <li>▪ Music Sector</li> <li>▪ Fine arts</li> </ul>
<b>Gamification</b>	<p>Gamification refers to adding game-like features to contexts that have nothing to do with the gaming industry.</p> <p>The BM is relatively new and seems in an experimental stage.</p> <p>The idea is to stimulate and motivate users' actions, ideas, interests, and interactions. In other words, to condition behavior entertainingly in any setting, whether cultural (museums, theaters, books), corporate, leisure, commercial, etc.</p>	<p>The BM is / might be applied in many branches of the CCSs in the future, particularly in:</p> <ul style="list-style-type: none"> <li>▪ Print media/Publishing</li> <li>▪ Fine arts</li> <li>▪ Museums / Cultural heritage sector</li> <li>▪ Performing arts</li> <li>▪ Music</li> </ul>
<b>P2P Peer to Peer Models</b>	<p>The model has its roots in technology and P2P networks in which computers are directly linked to each other and no server support is needed. The evolution of this model stands in context with what is known as "peer review". Peer review is the review of one or more people from the field of research that an author wants to publish in.</p>	<p>The BM is / might be applied in selected branches of the CCSs.</p> <p>The BM is most widely applied particularly in:</p> <ul style="list-style-type: none"> <li>▪ Print Media / Publishing</li> <li>▪ Cultural sector with educational entities /</li> </ul>

<sup>5</sup> See for example <http://www.LuLu.com>

Over 1.1M authors from 200 countries use Lulu.com to publish and sell their books.

		tasks, such as museums, archives, libraries
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To complete the elements outlined above, **Table 2** herewith contains a selection of criteria outlining a **typology of new BMs in the CCSs from a micro-business perspective**. Nevertheless, it should be noted that a micro-perspective approach as regards new BMs in the CCs is currently not in the centre of CCSs research and that scientific networks are just starting to study the phenomenon<sup>6</sup>. In difference to Table 1, the main focus in Table 2 is to identify differences of new BMs in the CCSs compared to the traditional business logic in other sectors<sup>7</sup>. This is done alongside a set of relevant criteria: for example, the process of founding a new BM in the CCSs; the specific product types; the identification of financial resources and the preparation of a budget; the specific role of intermediaries und new physical platforms; the copyright and licensing issues; and, finally, gender issues in BMs in the CCSs.

**Table 2: Typology of criteria of new BMs in the CCSs from a micro-perspective and its differences compared to traditional BMs in other sectors**

Micro-perspective criteria of new BMs in the CCSs	Main features	Differences to traditional BMs in other sectors
<b>Founding / start up-phase of a BM in the CCSs</b>	Many new BMs start with a project approach. Typically, the following project starts upon completion of the ongoing project.	Founders of new BMs in the CCSs: <ul style="list-style-type: none"> <li>▪ are young and well educated;</li> <li>▪ are able to develop a vision on their own creative firm;</li> <li>▪ have a preference for urban settings;</li> <li>▪ have mostly a one-year scope in their cultural and creative business;</li> <li>▪ are well informed via Internet and personal and social networks</li> <li>▪ use less the supply of house</li> </ul>

<sup>6</sup> See for example <http://www.create.ak.uk>

The academic research network which has a strong link to digital technologies and IP rights considers good, bad and emergent business models for the cultural and creative industries. It will explore which existing business models can survive in the digital world, which cannot, and, most importantly, which new models will succeed and scale to drive growth and jobs in the creative economy.

<sup>7</sup> By traditional economies such sectors and enterprises are meant that are still heavily reliant on traditional economic and social paradigms. They either have not completed the transition to the knowledge economy, or are still in the process of completing such a transition.

		<p>banks and other providers;</p> <ul style="list-style-type: none"> <li>▪ start often as a part-time job beside a permanent employment, therefore require in the startup-phase less funding.</li> </ul>
<b>Product types of new BMs in the CCSs</b>	<p>Specific product types in the CCSs are prototypes, small series, one-offs, intangible products etc.</p>	<ul style="list-style-type: none"> <li>▪ Short innovation phases.</li> <li>▪ No clear forecast of consumer demand and product quality.</li> <li>▪ After the 'pioneering' phase there will come a differentiation phase with a variety of product combinations in the maturing phase.</li> </ul>
<b>Financing / Budgeting</b>	<p>Access to finance and the skills to deal with the financial side of new BMs in the CCSs are a general issue. The reality of new BMs in the CCSs is characterized by a hybridization of finance and mixing of income sources.</p>	<ul style="list-style-type: none"> <li>▪ Business models are focused mainly on components of value propositions, relationships with visitors and clients, less on the cost structure and income/profit which is different from the normal business logic.</li> <li>▪ The process in terms of finance is characterized from simple-to-complex financial support.</li> <li>▪ The cultural and creative entrepreneur is responsible for his or her own business model and the financial sources: bank loans, guaranteed loans by governmental or non-profit agencies, crowd-sourcing, grants and subsidies. The channels to get entrance into these hybrid financial resources are different from normal business logic.</li> </ul>
<b>Methods of working</b>	<p>New BMs in the CCSs are characterized by different working types and models.</p>	<ul style="list-style-type: none"> <li>▪ Higher cooperative methods of working, involving low-profile hierarchies and greater</li> </ul>

		<p>autonomy, such as group- und team-work.</p> <ul style="list-style-type: none"> <li>▪ Particularly in the 'pioneering' phase, expanding of collective and cooperative forms of work, which are not profit oriented but contribute to human and cultural development.</li> <li>▪ Networking is almost a 'second nature' within the CCSs. For many creative people networking begins during their education and takes on a more professional structure in the workplace.</li> <li>▪ A new term is "co-opetition" as a description of new working arrangements in the CCS which comes from the English terms of co-operation und competition.</li> <li>▪ Working in networks is a collective working method particularly in the art world.</li> <li>▪ In general, teamwork is a quality that is strongly connected with most enterprises and sectors in the CCSs.</li> <li>▪</li> </ul>
<b>Cultural intermediaries</b>	Cultural intermediaries, defined as journalists, bloggers, radio DJs / producers, play a significant role.	<ul style="list-style-type: none"> <li>▪ The meaning of cultural intermediaries is higher than in traditional BMs.</li> <li>▪ Entry to the market is often higher through an established intermediary.</li> <li>▪ In general, cultural intermediaries operate as facilitators of success or failure in the CCSs.</li> </ul>
<b>New physical platforms</b>	New physical platforms such as mobile phones, e-book readers, tablets, social media networks	<ul style="list-style-type: none"> <li>▪ The role of these new physical platforms might be stronger than in other business models.</li> </ul>

	etc. have considerably transformed BMs in the CCSs.	<ul style="list-style-type: none"> <li>▪ In sectors such as games, e-publishing, comics, journalism the influence is obviously stronger.</li> <li>▪ Further comparative research on the issues is needed.</li> </ul>
<b>Copyright licensing</b>	Copyright licensing is part of the BM in many CCSs, particularly in media, music, and film industry.	<ul style="list-style-type: none"> <li>▪ Transaction costs associated with copyright licensing are a significant problem for many BMs in the CCSs, particularly in media, music and film industry.</li> <li>▪ Transaction costs for copyright licensing are higher or at least more difficult to solve than in other branches.</li> </ul>
<b>Gender aspect</b>	Share of women in the CCSs.	<ul style="list-style-type: none"> <li>▪ The running of new BMs in the CCSs is characterized by a higher degree of women (according to different research reports).</li> <li>▪ In many new BMs new and innovative forms of reconciling of work and family are tested.</li> </ul>

#### 4. Key questions

A number of key questions stem from the analysis and review carried out.

CCSs raise significant and distinctive challenges for research and knowledge transfer within the digital economy. This is particularly true regarding recent BM developments in the CCSs. According to changes in the digital age, the new BMs in the CCSs reflect a constant search for providing better solutions for customer service that are flexible and user-friendly and possibly even co-designed by customers themselves.

To fully reap the benefits offered by the CCSs, **it is essential to establish new approaches to BM research and knowledge transfer** that are properly grounded in an interdisciplinary approach combining practice-based and theoretical work, and drawing from perspectives from creative practice, the arts and humanities, social science and business studies. A number of

specific developments and also tensions need to be addressed in order to **better understand the different BM logics in the CCSs.**

**More empirical research based on some good (and bad) practices** may help to create insight as to the development of effective BMs in the CCSs. It might also be helpful to create **guidelines to design BMs useful in the CCSs.**

- What is the role of governments in terms of *reviewing and researching new BMs in the CCSs?*
- What is the role of governments in terms of *promoting new BMs in the CCSs?*
- Given that the environment is dynamic and complex, what are the main challenges for different BMs in the CCSs in the future?
- Are the CCSs up to date to master the challenges of the digital age, compared to traditional business sectors?
- There is a further need to explore new ways of understanding and investing in new BMs in the CCSs. What kinds of strategies are appropriate to foster the understanding of new MBs in the CCSs?
- How is it possible to review and to understand the interior logic of various BMs in the CCSs, given the fact that many new BMs are in still in a stage of experimentation?
- As the technology evolves, how can both researchers and policy makers keep pace with the rapid changes in the development of BMs in the CCSs?
- Given that intrinsic insight regarding the design and development of BMs in the different parts of the CCSs is still scarce, how can this knowledge gap be overcome in the future?
- Small and Medium sized enterprises in the CCSs have different needs at different times (e.g. access to finance, entrepreneurial knowhow, support in networking capacities etc.) and operate in a context that requires several levels of decision making. How can this be translated into policy and implementation strategies that aim towards the strengthening of the CCSs?

## **Annex 1 – References to literature**

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