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Strategic Design, Regenerative Economy, and Resilient Rural Communities. The Creative Nature Hub

Ana Margarida Ferreira[1,2,3] and Ângela Ferreira[3]

[1]LabCom, Universidade da Beira Interior, Rua Marquês D'Ávila e Bolama, 6201–001 Covilhã, Portugal

[2]UNIDCOM/IADE, Unidade de Investigação em Design e Comunicação, Av. D. Carlos I, 4, 1200–649 Lisboa, Portugal

[3]Creative Nature Hub, R. Monte d'Além sn, 6160–262 Mosteiro, Oleiros, Portugal

ABSTRACT

OECD (2021) emphasizes rural places' critical role in driving sustainable, inclusive growth. It also reinforces the need to strengthen place-based and place-led opportunities and resilience to go against global challenges and ongoing societal transformations, such as digitalization, climate change, ageing, migration, and population decline. This reality presents significant challenges but also opportunities. According to some authors, rural communities have a critical role in tackling issues such as sustainable food supply chain development. The unique potential of rural areas to address these challenges and drive sustainable growth and people's well-being and happiness is also recognized. On the other hand, boosting community-based innovations and organizations is crucial to unlocking local opportunities, attracting investment, delivering improved essential products and services, and boosting growth and inclusive, sustainable development towards regenerative economies. In this line of thought and within the framework of the European Project Creation (Ferreira et al., 2020), this paper presents the main outputs of a research work that envisioned a new and sustainable creative hub business model. The regenerative economy understanding and the social innovation and sustainability background in Portugal's forest and rural setting are underlined. The design of the Creative Nature Hub's (CNH) business model, a cultural and creative non-profit association, was supported by the analysis of three case studies of European organizations in the cultural and creative industries acting in rich cultural and human environments with similar sustainable goals. These hubs focus on social innovation, exploring collaborative processes, social learning, networking, and partnerships as strategic drivers for sustainable development. Applied research practices and people and nature-centric approaches allow new social interactions, respecting old cultural practices and ecosystems' dynamic balances. Technology democratization and literacy facilitated generational knowledge transfer and value co-creation in the contemporary digital paradigm. In line with the stress by (British Council, 2015), creative hubs have numerous advantages for those participating in their functioning and the community. These hubs provide short- and long-term support in the form of products and services, facilitating communication within the community, creating a network and a wider audience, promoting the emergence of talent and creative thinking, or nurturing inclusive development. As the output of the design-driven research activity, a modular and evolutive CNH business model emerged. It allows the transformation and adaptation of the organization over time, highlighting circular design, green technologies, and sustainability to respect natural environment patterns of change and promote territory restoration while nurturing community well-being.

Keywords: Design for transformation, Community-based innovation, Collaborative learning, Rural communities resilience, Social innovation, Sustainability

INTRODUCTION

At the end of the 20th century, the industry underwent a phase of decline and restructuring that negatively affected the industrial city centres. With this, some industries got lost, and unemployment increased, weakening these cities' social and economic foundations. In response to these new challenges, several urban regeneration programs were activated: "It was notable that some innovative city authorities, mindful of youth unemployment and the need to restructure economies and support communities radically, turned to consider the possibilities of the creative economy - or cultural industries as they were then termed" (British Council, 2016, p. 11). In 2000, the development of cultural and creative industries began to be noticeable; there was even a set of empty buildings - old factories, i.e., industrial buildings - that were renovated as studios for the creative industry businesses, resuming spaces that had been abandoned, thus re-populating the interior of cities. Today, we know some of these spaces as Hubs.

Despite the difficulty of defining a creative hub, the British Council (2016, p. 8) suggests: "a creative hub is a place, either physical or virtual, which brings creative people together. It convenes, providing space and support for networking, business development, and community engagement within the creative, cultural, and tech sectors". These spaces have numerous advantages for those participating in their operation and the community they are a part of. These are organizations that offer short and long-term support, in the form of services or facilities, to the ideas, projects, organizations, and businesses they host; they also facilitate communication within the community, creating a network and a broad audience; promote and celebrate emerging talent; and pay attention to developments in the creative and non-creative industry, exploring the barriers of
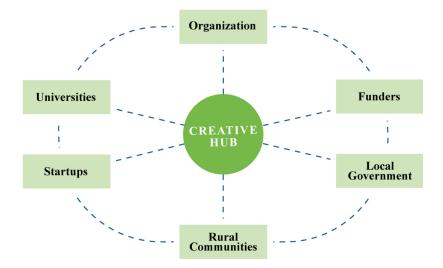

Figure 1: Interaction ecosystem. (Adapted by the authors from the British Council, 2015).

Table 1. Network effects. (Adapted from (Plastrik & Taylor, 2006, p. 18)).

Rapid Growth	Network can expand rapidly and widely, because its members benefit from adding new links and, therefore, they seek to make new linkages.
Rapid Diffusion	As more nodes are added, the network diffuses information and resources more and more widely through its links. This diffusion effect allows networks to spread ideas and generate feedback rapidly.
"SmallWorld" Reach	Network can bring people together efficiently and in novel combinations, because it provides remarkably short "pathways" between individuals separated by geographic or social distance.
Resilience	Network can withstand stresses, such as the dissolution of one or more links, because its nodes quickly reorganize around disruptions or bottlenecks without a significant decline in their functionality.
Adaptive Capacity	Network can assemble capacities and disassemble them with relative ease; it can adapt nimbly. Links among people or organizations can be added or severed, or they can become "latent," meaning they are maintained at a very low level of connectivity, or more active.

contemporary practices, in a constant search for innovation (British Council, 2015).

We also highlight the importance of a network within a Hub, which is fundamental to enabling innovative processes since it allows a greater exchange of information, theoretical and practical, that is necessary for companies, especially for start-ups that need guidance making decisions regarding administrative, financial, and innovation measures (Hogeschool vor de Kunsten Utrecht, 2010). "An empowered network creates a collective and cohesive voice, increases capacity and provokes innovation" (British Council, 2015, p. 16). Overall, the network has an immensely positive impact on the people and organizations that are part of it (Fig. 1) and that benefit from it - so much so that Plastrik and Taylor (2006) point to five beneficial and fundamental effects of a network: adaptive capacity, resilience, reach, and rapid growth and diffusion, as presented in Table 1.

THE CASE STUDIES

For developing the Creative Nature Hub Business Model, three European Creative Hubs were selected as case studies - Culture Hub Croatia, Creative Hub Darwin, and Impact Hub - which share the values and direction proposed by the intended Hub. Guided by different concepts, each defends and progresses toward sustainability, inclusion, and social innovation.

The first case study selected - Culture Hub Croatia - (Fig. 2) presents the most significant similarities from a conceptual and thematic point of view with the reference project in this investigation. Culture Hub Croatia, similar to the Creative Nature Hub, has strong ties with education and pays special attention to the cultural and artistic areas, promoting all people's participation in its projects.

The Darwin creative hub (Fig. 3), with larger dimensions than Culture Hub Croatia, was selected for being considered an Urban Ecosystem, paying particular attention to ecological and sustainability issues, so much so that the businesses it integrates are - necessarily - sustainable. At the same time, creativity, culture, and physical activity promotion are prioritized with ecological thinking.

Finally, we have the case study of Impact Hub (Fig. 4). This project is about sustainability, inclusion, and innovation - just like the Creative Nature Hub concept. It stands out for having a global impact, characterized by a network of influential partners, allowing for large-scale action and intervention. Among its goals is creating collaborations between entrepreneurs and investors, which aim to build better businesses and design impactful solutions.

Figure 2: Culture Hub Croatia, the building. (Culture Hub Croatia, n.d.).

Figure 3: The Darwin creative hub. (Darwin, n.d.).

Figure 4: Impact Hub, a team and the physical locations. (Impact Hub, n.d.).

THE CREATIVE NATURE HUB BUSINESS MODEL

The business model presented for the Creative Hub (Fig. 5) aims, primarily, to meet the sustainability values that guarantee good economic practices - such as the circular economy - facilitating access to new resources and tools that provide innovation and creativity, adding socio-cultural value, and enhancing the territory, namely, in the centre of Portugal and a forest and rural setting. For these goals' achievement, the business model is developed under a modular system, making it possible to evolve and transform, adapting to Nature, people, and the territory.

The Creative Nature Hub proposes a crossing between artistic practices, research, and innovation, under the lens of social and creative entrepreneurship, with an ecological conscience and sustainable values. In this dynamic space, the intention is to create collaborations between large and small entrepreneurs with larger organizations to bring together innovative ideas to companies with the capacity to execute them. Involving the Hub's initiatives within the region, it operates is a critical factor in expanding development and proximity to - and with - local communities.

Among the various consumer segments, we highlight those who develop and promote commercial exchanges, start-ups, or other well-established local companies and entrepreneurs. Also, schools and institutions - both public and private - and considering this Hub's social and inclusive values, it is worth mentioning the segment that includes vulnerable groups and government entities. With these, the Hub shares common values, and through a network, it stimulates co-creation, learning, and collaboration.

The great pillar of the new Business Model is the incessant search for innovation through creativity and network cooperation, having the people and communities at the centre of the process. This practice depends on sharing fundamental knowledge and opportunities, instigating research and technology transfer, making it possible to ideate and implement new products, services, and business models, aggregating cultural value, and respecting regional and national identity and heritage.
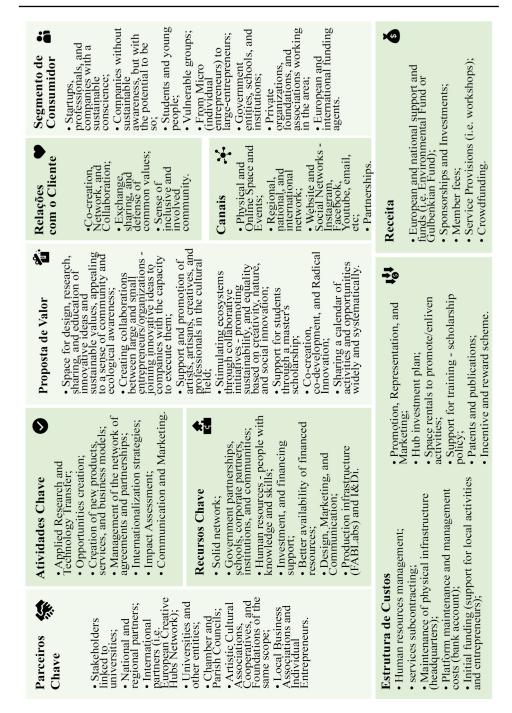
Parceiros Chave
- Stakeholders linked to universities;
- National and regional partners;
- International partners (i.e. European Creative Hubs Network);
- Universities and other entities;
- Chamber and Parish Councils;
- Artistic Cultural Associations, Cooperatives, and Foundations of the same scope;
- Local Business Associations and Individual Entrepreneurs.

Atividades Chave
- Applied Research and Technology Transfer;
- Opportunities creation;
- Creation of new products, services, and business models;
- Management of the network of agreements and partnerships;
- Internationalization strategies;
- Impact Assessment;
- Communication and Marketing.

Recursos Chave
- Solid network;
- Government partnerships, schools, corporate partners, institutions, and communities;
- Human resources - people with knowledge and skills;
- Investment, and financing support;
- Better availability of financed resources;
- Design, Marketing, and Communication;
- Production infrastructure (FABLabs) and I&Di.

Proposta de Valor
- Space for design, research, sharing, and education of innovative ideas and sustainable values, appealing to a sense of community and ecological awareness;
- Creating collaborations between large and small entrepreneurs/organizations joining innovative ideas to companies with the capacity to execute them;
- Support and promotion of artists, artisans, creatives, and professionals in the cultural field;
- Stimulating ecosystems through collaborative initiatives - promoting sustainability, and equality based on creativity, nature, and social innovation;
- Support for students through a master's scholarship;
- Co-creation, co-development, and Radical Innovation;
- Sharing a calendar of activities and opportunities widely and systematically.

Relações com o Cliente
- Co-creation, Network, and Collaboration;
- Exchange, sharing, and defense of common values;
- Sense of inclusive and involved community.

Canais
- Physical and Online Space and Events;
- Regional, national, and international network;
- Website and Social Networks - Instagram, Facebook, Youtube, email, etc;
- Partnerships.

Segmento de Consumidor
- Startups, professionals, and companies with a sustainable conscience;
- Companies without sustainable awareness, but with the potential to be so;
- Students and young people;
- Vulnerable groups;
- From Micro (individual entrepreneurs) to large-entrepreneurs;
- Government entities, schools, and institutions;
- Private organizations, foundations, and associations working in the area;
- European and international funding agents.

Estrutura de Custos
- Human resources management;
- services subcontracting;
- Maintenance of physical infrastructure (headquarters);
- Platform maintenance and management costs (bank account);
- Initial funding (support for local activities and entrepreneurs);
- Promotion, Representation, and Marketing;
- Hub investment plan;
- Space rentals to promote/enliven activities;
- Support for training - scholarship policy;
- Patents and publications;
- Incentive and reward scheme.

Receita
- European and national support and funds (i.e. Environmental Fund or Gulbenkian Fund);
- Sponsorships and Investments;
- Member fees;
- Service Provisions (i.e. workshops);
- Crowdfunding.

Figure 5: Creative Nature Hub's business model canvas.

CONCLUSION

The Strengths, Weaknesses, Opportunities, and Threats analysis (SWOT) is fundamental to understanding the business's competitive position and establishing the Hub's implementation and management strategies as ground pillars. Within these four areas, we highlight as one of the Creative Nature Hub's strengths the differentiating proposal of the service it provides within its geographic context, where, beyond necessary, it is nonexistent. The

support given to the country's creative industry is also of great value, and it stimulates entrepreneurship by implementing innovative practices developed and supported by knowledge and research.

There are also a set of Opportunities that enhance the use of the Creative Nature Hub's strengths and validate the need to make them fundamental structures of the strategies to be implemented. The recognition of a decentralized economy's importance, the support given to arts and culture (by the government), or the material and immaterial value intrinsic to Portugal's interior regions are key factors when developing a project that will prove to be relevant and necessary, as Creative Nature Hub is.

As for any project, a set of threats - the external dimension of the analysis - can hinder the Hub's implementation and development. Identifying them is as important as defining the structuring of the short, medium, and long-term strategies. These threats help to prioritize the Hub's actions, ensuring that the issues developed therein also concern the surrounding community.

The proposed strategies aim to prevent threats using the Hub's forces; adapt to its strengths by using the opportunities; use opportunities to minimize weaknesses; and help minimize the dangers between the intersection of weaknesses and threats.

Considering the embryonic phase of the project, these strategies were placed in one, three, and five-year timeline (Fig. 6) marks as an exploratory exercise. As a flexible structure, it should be rethought and redesigned to
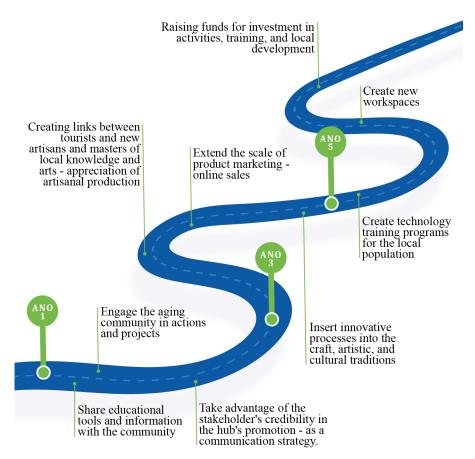

Figure 6: A roadmap synthesis. Short, medium and long-term strategies.

adapt to the emergent needs as an evolutionary system (Ferreira, 2009) and as presented in detail by Ferreira (2022).

ACKNOWLEDGMENT

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