

Coworking - a progressive work model not only for the Creative Industries

Situation and potential of coworking to promote the Creative Industries in rural areas of Baden-Württemberg

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Abstract

The branches of the cultural and creative industries (CCI) represent an important economic factor in the rural areas of Baden-Württemberg (Germany). Therefore, the visibility of creative actors and their business impact is becoming increasingly important to direct future promotion activities. They CCI cover disciplines as diverse as architecture, broadcasting, design, film, music, performing arts, publishing, advertising and software & games industries. The company size is almost very small. In politics and administration, there is still a lack of knowledge on how these creative companies work and how they could be strengthened by political decisions, e. g. by adapted funding programs.

The research project "*Creative industries in rural areas: communication concept and funding approaches*" was initiated by the *Baden-Württemberg State Ministry for Rural Areas, Nutrition and Consumer Protection* to get deeper insights in the creative industries in rural areas in Baden-Württemberg. Based on the results, a common understanding on the CCI as an important sector in politics and administration was created to direct political decisions and promotion on existing needs. For this purpose, existing funding programs and evaluated with regard to their perception and relevance in the target field. In addition, new

decisive impulses for an extended support of creative companies and networks were identified by concepts of coworking. The importance of this modern work model is reflected in the rapidly increasing number of coworking spaces and creative centers in metropolitan and rural areas. The research findings will help creative actors and political supporters of the creative industries in rural areas to focus future promotion activities. The results are even relevant across all industry and spatial boundaries.

The results are basis on an empirical study that combines different survey methods in the field: structured in-depth interviews, an online survey of creative actors and community representatives and case studies on coworking spaces with regard to their success factors. As a result, helpful information on the CCI sector and recommendations for promotion opportunities for the CCI in rural areas were identified. In particular, the application of the coworking model provides many benefits for stakeholders and regions at multiple levels, even by experimenting with new work approaches and as an opportunity, to get talented creatives to rural areas.

Keywords: creative industries, rural area, funding approaches, communication, coworking

1. Introduction

The CCI have developed into an independent and one of the fastest-growing economic sector within the international economy. Also in Germany economic data confirm the steady upward trend of the CCI: Throughout Germany, 256.600 companies with around 1.685 million people in the CCI generated gross value added of 100.5 billion EUR in 2018.¹ This positive development confirms that the CCI are now catching up to the core sectors of the economy in terms of turnover and added value, and in some cases even surpassing them. In addition, synergy effects based on the collaboration of creative actors provide important social impulses, so that their innovations often contribute to the growth of other industries (spill-over effects). In the study "*Creative industries in Rural Areas: Situation description and development potentials*", a different perception of the branches itself

and their significance as an economic factor was identified as a central problem with regard to the development and growth potential of the CCI.² This problem has a particularly high relevance in rural areas, because the existing network structures and the possibilities of exchanging experiences as they exist in agglomerations, are less pronounced here. In addition, the characteristic small scale and heterogeneity of the market participants of the CCI, constitute an obstacle for the creative actors themselves and for those responsible in politics or administration with regard to adapting promotional measures. In order to counteract this challenge, it is important to increase the visibility and significance of the CCI in the overall economic situation of rural regions and to create a common understanding between creatives and political administration or economic development corporations.

¹ See BmWi 2019

² See Engstler & Mörgenthaler 2014, p.43 f.

In this context, the study "*Creative Industries in Rural Areas: Communication Concept and Support Approaches*" (2015-2018) was initiated by the *Baden-Württemberg State Ministry for Rural Areas, Nutrition and Consumer Protection*. As a first research step, existing funding programs for the CCI sectors in rural areas were collected and evaluated by their relevance to the field. As a second step, an empirical study in the field was carried out integrating creative companies and representatives of public administration in rural areas in Baden-Württemberg to get deeper insights to the specific situation and the demand for promotion activities. The assessment of promotion opportunities was focused on the work situation of creatives and the empowerment of local and regional networks in this sector. Based on this findings, new work models such as coworking were investigated and evaluated by cases studies on existing coworking spaces in rural areas to sum up with recommendations for funding approaches.

2. Theoretical part

2.1 Current state of research

In the preliminary study "*Creative Industries in Rural Areas: Situation Description and Development Perspectives*" (2012-2014) on behalf of the *Baden-Württemberg State Ministry for Rural Areas, Nutrition and Consumer Protection* the CCI was identified as an important economic factor in rural areas in Baden-Württemberg.³ In addition, the attractiveness of entire regions is closely connected to a strong CCI sector. However, the CCI branches are highly fragmented and cover almost small companies, but they are closely connected within networks of cooperation. Nevertheless, in the regional political awareness of the CCI and its impact on the economic development of other sectors has to be strengthened.⁴ Also, previous political aspirations as well as top-down-initiatives of the administrations met with little response among the creative actors.⁵

Visibility & Regional Clustering

For the professionalisation of creative companies and to increase the visibility of the CCI in the markets, networking activities between creative actors itself as well as networks with business partners and administration are seen as a crucial factor of success.⁶ In this context, the increased formation of regional brands, which is specifically driven by an economic region, can be used in any kind of communication. Although the identified intermediaries cover only sub-sectors and do not have extensive structural data, the deliberate networking of regionally distributed experts as CCI ambassadors can facilitate promotion approaches and strengthen regional business in total.

Another obstacle to promote creative actors through politics can be identified in regional differences and peculiarities of the CCI. The heterogeneity of the industries and grown (regional) struc-

tures are main challenges in understanding the CCI as a business factor. Local and regional initiatives are trying to effectively integrate existing sub-sectors into a economic structure in order to pool existing strengths and create a creative milieu. In addition, the erroneous assumption that "urban bias"⁷ as agglomeration areas with a high density of people and companies has greater potential for innovation prevents a more in-depth look into rural regions. This seems particularly abstruse, considering that the rural area of Baden-Württemberg in particular has the highest density of global market segment leaders.⁸ Many small companies of the CCI struggle by activities to increase their visibility, even though their affinity for collaborative networking⁹ provides opportunities to counteract to this misconception.

Current subsidies policy & its challenges

The state of *Baden-Wuerttemberg* strives for the equal promotion of urban and rural regions. In addition, all funding programs should not be restricted to selected industries. However, most of the current measures do not address the specific needs of the CCI and they are neither advertised by creative actors in rural or urban areas.¹⁰ This can sometimes be attributed to the concept of innovation used in established funding initiatives, which is anchored in the promotion context with technological developments and above all with a connection to physical goods.¹¹ Consequently, the evaluation of grant applications relates to expenditures on research and development or patent applications.

As the creative industries tend to be more characterised by so-called *hidden innovations* that result from the combination, reuse, or restructuring of existing knowledge, established processes and existing technologies, they often miss the evaluation criteria and are not recognised as relevant innovations.¹² Another crucial reason for rejection is the lack of relevant assets or financial securities which many of the sub-sectors of the CCI can't offer banks due to their digital approach when entering the market and comparatively low start-up investments.¹³

Furthermore, first barriers can be found on the applicant's side and the sponsor's side. The applicants rarely have time to deal with many complex forms and rules within the application process. Moreover, they are worried about the restrictions imposed by funding targets which rarely fit to their needs. For the latter, the already mentioned heterogeneous structures of the CCI form a major obstacle for being able to evaluate ideas, concepts and working methods with regard to economic potential across all subsectors. In addition, the sponsor can't guarantee the livelihood of creative actors which would be necessary in their phase of idea and concept development.

3 See Engstler & Mörgenthaler 2014, p.43 f.

4 See Engstler & Mörgenthaler 2014, p.50 ff.

5 See Lange et al. 2016, p.7 f.

6 See Engstler & Mörgenthaler 2014, p.51 f.

7 See Shearmur 2016, p.441 ff.

8 See Heise et al. 2013, p.1

9 See Engstler et al. 2015, p.23 ff.

10 See KfW banking group 2011, p.23

11 See Green & Miles 2008, p.6; Arndt et al. 2012, p.7 f.

12 See Harris et al. 2008, p.4; OECD & EUROSTAT 2005, p.47 ff.

13 See Engstler et al. 2015, p.49

The listing of the CCI as an autonomous sector in the federal funding database since 2016 can be considered as a first step. Creatives thus have the opportunity to search for appropriate funding programs based on specific criteria. Also the state of Baden-Württemberg lists available programs on its pages at the so-called “Gründung Baden-Württemberg” [Start-up Baden-Württemberg].¹⁴ Both lists are a starting point to find information to the targeted promotion of creatives, even though the available information does not lower the bureaucratic hurdles and reduce the necessary effort for applicants. An increased awareness of promoting arts and culture can be seen by targeted information for this group. Besides founders and entrepreneurs from the CCI, actors from the fields of architecture, design, applied arts, visual arts, performing arts and media arts are now served with two funding databases and extensive advertisements for scholarships, competitions and prizes: The catalog of the “German Information Center for Cultural Promotion”¹⁵ with private and public foundations and the digital version of the “Handbook of Cultural Prizes”.¹⁶

Another funding instrument is the “MicroCrowd”, which was launched in 2017. This program combines public funding and crowdfunding. First of all, the market potential of an idea is assessed via the crowd which firstly relieves the grantors and secondly, if the crowdfunding objective is achieved, the project is additionally supported by funds from a state subsidy fund. The crowd has to cover 50% of the total capital requirement. In addition, the feedback from the crowd gives the company or the founder a realistic assessment of the possible success of his idea and the platform also increases their reach and visibility.¹⁷

Importance of Networks & Cooperation Work

Cooperative forms of working are highly relevant in the daily business of creative actors and can be seen as a strategic measure¹⁸, since they are necessary to secure the company's success due to their firm size. Cooperations that are set up in the CCI are characterised by knowledge spill-over, a personal basis of trust and a collective and creative harmonisation. There are hardly any differences in the design of cooperations between urban and rural areas. Although it is much easier to initiate cooperation in agglomeration areas because of the higher density of creative actors than in rural areas. The effort to overcome space instead was not perceived as a barrier to cooperate.¹⁹

Innovation Strength for Economy & Society

The actors of the CCI also have an influence on other economic sectors. Especially their way of work within different kinds of cooperation and to implement flexible structures are of interest even for other sectors. Organisational innovations such as new

concepts for work and workplace are closely related to CCI branches, especially *coworking*. Another key aspect is the management of networks within the CCI sector and with other sectors. Occasionally, structures are established that resemble to clusters and they are strongly linked to personal initiators or regional initiatives. They provide an important contribution to the regional identity and the formation of creative clusters.

An important factor for staying in or moving into rural areas are seen by the lower costs of living, nature and the personal connectivity to a place or a region. Nearly two-thirds of creatives are fully or at least partially still working in their private homes.²⁰ However, people and companies need to be connected to the world, because CCI are often characterised by digital work. So the availability of excellent broadband infrastructure (including Wi-Fi everywhere) is important.

The CCI are seen as pioneers and sometimes even leaders in digital transformation.²¹ It is the deep-rooted willingness to cooperate, the use of the latest technologies and the position as outsider in cooperative situations with other sectors which places actors of the CCI in a unique position with regard to open-innovation processes. In the context of these interdisciplinary and often decentralised processes, experienced interface actors represent the central figures of change management and the initiation of innovation processes in companies and society. CCI mainly generate non-technological innovation such as media content and software or even hidden innovations, such as the improvement of product characteristics, the development of new business fields and also the change of established work processes. Compared to other economic sectors, the consideration of digitisation as a crucial part of a sustainable business strategy is decisive for actors of the CCI. The special artistic and social aspirations of the CCI on their performance also promotes a special dialogue within the process of digital change that integrates cultural identity, the discussion of values in the economy and society as well as the social framework of cooperation.

Coworking-trend in rural areas

The working model of *coworking* is considered to be a progressive promotion option for creatives in rural areas. Research has confirmed the belief that staying in coworking spaces counteracts existing challenges of creative actors at the internal, market and cooperative levels.²² This is due to the numerous services such as the technical and spatial equipment as well as business coaching, funding initiatives and events as public relation activities measures offered by the operators of coworking spaces. Basically, the use of any offers in the coworking space is optional for the members. Any compulsion contradicts the liberal principles of the coworking community.

14 See founding of Baden-Württemberg 2018

15 See Federal Association of German Foundations 2018

16 See Cultural Awards 2013

17 See L-Bank 2017

18 See Georgieff et. al 2008, p.44

19 See Engstler et al. 2014, p.46

20 See Engstler et al. 2014, p.48 f.

21 See Lange et al. 2016, p.23 f. and 28 f.

22 See Engstler & Heinzel 2019, p.186 ff.

In order to be able to offer their users different work situations, coworking spaces connect different settings that can be described as shared office, makerspace, project office or creative space.²³ Also the operator models vary depending on the owner situation and the area marketing concept between commercial operators, semi-commercial operators and public institutions. The structures that have been created in coworking spaces are also proving to be conducive to the professionalisation of cooperation work, which is indispensable for the service provision of creatives and thus also for their individual growth. Therefore, coworking spaces provide new components for modern working cultures - they are seen as living places of cooperation and inspiration for innovations as well as creativity in urban and rural areas. Moreover, they create important links between public and private spaces as visible creative spots in the markets.

2.2 Research question and research goal

The first study on creative industries in rural areas in 2014²⁴ addressed key challenges of the CCI in rural areas in Baden-Württemberg. These include the lack visibility of the CCI in rural areas, the identified gaps in the funding structures and the high application requirements for available funding program. Furthermore, the demand for existing promotional programs from the creative industries is less pronounced compared to other sectors. This is due to resentments, lack of awareness, lengthy application procedures and lack of knowledge.

In line with the principle of funding policy to create equal opportunities for all sectors, the development and establishment of a new special support program for creative actors is quite close, yet it is not considered to be effective. On the other hand, the public relations work for existing funding programs in Germany and Baden-Württemberg and above all for the funding databases of the state and the federal government can be strengthened as well as advisory structures for small and micro enterprises can be expanded. The perception of the CCI sectors as an economic factor must be increased immensely and the exchange between the creative actors must be encouraged or simplified.

From this context, the following research questions emerged which led the research throughout the entire period:

- *How can the challenges of the CCI be addressed through support approaches without developing a new funding program?*
- *How can existing funding programs and funding databases be brought to the awareness of the creative actors and which networks promote this?*
- *How can the different structures and regional conditions be incorporated into new concepts?*
- *How could a promotional approach with the use of coworking and coworking spaces which contribute to the professionalisation of collaboration of creative actors look like?*

²³ See Engstler & Mörgenthaler 2018, p.22

²⁴ See Engstler & Mörgenthaler 2014

According to the research questions, the following theses could be established which were examined during the investigation:

- *The identified challenges of actors of the CCI can be met without the implementation of another funding program.*
- *Regional networks can be identified and used to raise awareness of existing funding programs.*
- *The different structures and regional circumstances can be translated into sustainable concepts that can be applied.*
- *The collaboration of creative actors at a workplace, such as a coworking space, contributes to the professionalisation of the CCI and generates economic and social spill-over effects.*

Based on the research questions and initial theses, a research approach was chosen that focuses on the promotion of concepts for coworking as a working model for strengthening creative industries in rural areas. The related research objective was to identify approaches to strengthen and professionalise activities focused on the CCI in rural areas and, associated with this, to increase the perception of society, politics and economics.

3. Empirical part

3.1 Research design

The research design combines different survey methods to provide an overall picture of the situation and specific needs in the field investigated. The results provide helpful information for decision makers in companies and in politics. In addition, the study gives insights to coworking as a new working concept to be promoted in rural areas of Baden-Württemberg. The following three survey forms for determining the funding requirements and approaches were designed and implemented with special attention to the coworking spaces presented in chapter 2.1 as infrastructure for modern forms of work.

3.2 Structured in-depth interviews

On the basis of already existing studies and findings in the field of investigation, structured in-depth interviews with networkers and business promoters in Germany were conducted. Creative actors from agglomeration areas and rural areas were selected. A total of seven experts were interviewed, four of whom were network managers in networks founded by the CCI participants and three of whom were also responsible for CCI network activities in their capacity as business promoters. The interview partners came from different federal states in Germany: Baden-Württemberg, Bremen, Hessen and Nordrhein-Westfalen. The interviews were conducted in the period from September to November 2016 by means of telephone interviews lasting approximately 60 minutes. Within the survey the following topics were focused: network structures, ideas & goals, tasks & performance, financing, success and situation of the CCI. The differences that arise when the networks are initiated by administrations and business development agencies (top-down) or by actors of the creative scene (bottom-up) were also addressed.

Results of the in-depth interviews:

The structure and composition of creative networks is similar to more or less loose networks of persons or companies within an innovation community. However, there is a major difference in the network's objective, which is not the ideation, development or dissemination of a specific innovation, but rather the increase of visibility, cross-industry links and the ability to collaborate in contract work.²⁵ Networks initiated by administrations or business development agencies are better funded, but are also controlled within longer-term plans and fixed milestones, which are evaluated to decide on future funding. On the other hand, networks initiated by creative actors can act more independently regarding planned activities, since they are not accountable as long as they are not supported by subsidies. The networks in the CCI sector strive to improve the visibility of the CCI sectors in general, promote networking, improve the innovative capacity, activate existing creative potential, support the exchange of experience and sometimes also establish or maintain regional (creative) value chains. All activities within the networks depend on the engagement of an individual or a small but closely working group. The interviewees sum up the situation by a high degree of idealism and the willingness to foster change.

As already stated in previous studies in the field,²⁶ networkers also confirm the need of creative actors for advisory services. These mostly refer to areas that can be assigned to normal business processes. To this end, individual networks offer workshops and courses and promote the professionalisation of the actors. Events and the use of digital platforms serve to initiate and simplify the initiation of contacts between the actors and in some cases also serve as a showcase for the services of the CCI in the town and region. The networks initiated by creative actors are less restrictive for new members than those initiated by business development agencies or public administrations. These networks integrate mainly creatives from different sectors of the CCI (sometimes with a regional tradition), the willingness to cooperate and personal aspects are of major importance. The networks of the administrations and business development agencies are increasingly focusing on the visibility of the services of the CCI sectors and support the opportunities for meeting with business and industry by means of cross-sector events.

According to the networkers, the field of monetary promotion or the financing of projects and ideas as well as their monetisation is also being asked by the actors. Also the networkers and business promoters do not see many of the existing financing offers as suitable for the needs of the CCIs. Open-ended subsidies are only offered in isolated cases, and complicated or lengthy application procedures make it difficult for creative actors to submit applications. In addition, there is the heterogeneity of the sectors involved.

3.3 Online-survey

An online survey was carried out among companies in the creative industries and representatives of municipalities on their assessments of structural conditions, developments with a focus on the topics of funding policy in the nuclear power plant and coworking in rural areas. The survey was conducted by an online questionnaire in the period from August to October 2017.

The questionnaires contained a basic part for all participants and a target group specific part and give insight into the working and living conditions of the creative people and the perception of their work and working methods. It is illustrated to what extent the concept of coworking and cooperative work situations are relevant for creative workers in rural areas. The creative people were asked about their direct working environment, today's cooperative work situations and their experiences with coworking and support measures. In addition, the community representatives were asked about their general perception of the creative industries, their integration into the community and their experiences with the coworking work model.

Potential participants were invited by a preselected address pool in the relevant field of creative actors and municipal representatives. 1,450 people and companies from all parts of the CCI were researched in the rural areas of Baden-Württemberg for the survey among actors of the CCI. The selected sample was contacted by personally addressed e-mail to join the survey. The adjusted net-participation of the first question was 229 and 157 participants have ended the survey, which corresponds to a termination rate of 40.99 %. 330 people from the rural areas of Baden-Württemberg were researched for the survey of representatives of municipalities. The adjusted net-participation in the first question was 117. 71 participants finished the survey, which corresponds to a termination rate of 46.71 %. The participant structure of the creative actors surveyed is made up of ten of the eleven sub-sectors of the CCI. An unlimited multiple naming of sub-sectors was possible.

A comparison of the participant structure of the study with the surveys of the "Trendbarometer Baden-Württemberg" (2012-2015) and the structural data of the number of companies by sub-sectors of the CCIs in Baden-Württemberg 2013 shows that there are significant differences in the survey: In the sub-sectors architecture market, book market, film industry and music industry there is an almost complete or complete agreement with the structural data of the CCIs in Baden-Württemberg (2013).²⁷ The sub-sectors design industry, art market, performing arts market and the advertising market achieve above-average values. In particular, the participation of the sub-sectors of the art market, the performing arts market and the advertising market were many times higher than the actual industry figures. The press, broadcasting and the software and games industries were

²⁵ See Bundesverband der Kultur- und Kreativwirtschaft 2017, p.35 ff.

²⁶ See Engstler et al. 2012/2013/2014/2015.

below average or did not reach the average and 10.5 % remained under the category "others".

Results of the online survey:

Visibility & Working Environment of the Creative Industries

The visibility and recognition of CCI in society and politics remains one of the greatest challenges. One reason for this is that the definition and demarcation of the individual sectors established by the *Conference of Economics Ministers* some ten years ago does not follow any natural demarcation or has no clearly connecting physical aspect (e.g. metal, cars, chemicals) and is therefore still difficult to grasp for many. For almost two thirds of the creative actors the visibility of the CCI is very low (21.3 %) or rather low (43.8 %). In contrast, only a good fifth of the participants consider the visibility of CCI to be at least sufficient (15.6 %), good (4.4 %) or very good (1.3 %) (Fig. 1). The elusive presence of the CCIs is directly related to the small-scale nature of the creative industries. In addition, they require only little visible infrastructure and are therefore hardly present within the city.

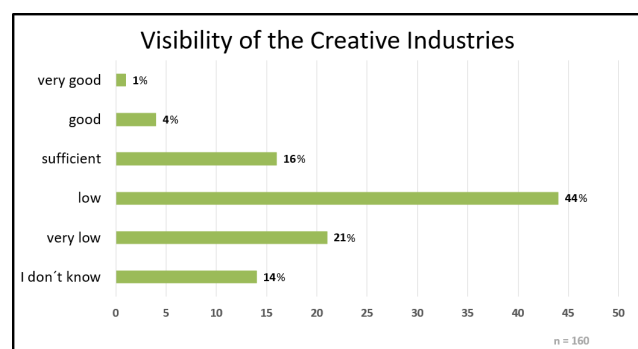


Figure 1: Visibility of the CCI according to the creative actors.

The concept of CCI has not yet reached the broad public debate. Only 27.4 % already had an accurate imagination of the concept behind it. A third had at least heard the term coworking before. This result runs counter to the fact that the municipal representatives can assign companies from the CCI in their region very well to their specific branch. However, their official summary to an economic sector is hardly noticed.

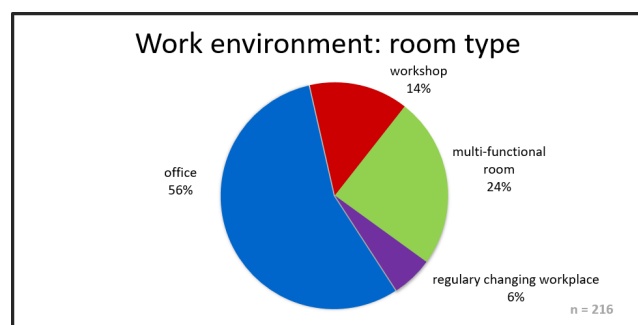


Figure 2: Room types used by creative actors for working.

In the previous study on the CCI in rural areas in 2014 it was already found that almost two thirds of the survey participants work either entirely or at least partly from home.²⁸ Three quarters (78.3 %) of the participants stated that they do not strictly separate their work and private lives (mainly women). A good half of the participants use office space for their work, another quarter use multifunctional rooms and only 13.4 % use the classical workshop (Fig. 2).

Coworking: awareness & expectations

In order to determine the basis on which coworking concepts for rural areas could be built, both creative actors and community representatives were asked about their familiarity with the term (Fig.3). Here 38.2 % of the participants from the CCI and only 12.5 % of the community representatives stated that they were familiar with the concept of coworking. Considering that coworking is a relatively new working model, which can be found mainly in urban areas, the number of participants which don't know the concept is hardly surprising.

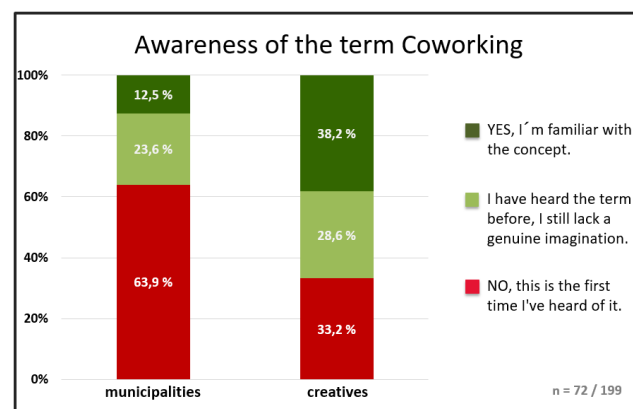


Figure 3: Awareness of the term coworking.

In the further course of the survey, the participants were informed about the concept of coworking and asked to name elements as an important basis for the use of a coworking space, regardless of whether they are willing to use the work model. Regarding the equipment of the space, the establishment of representative meeting rooms as well as adequate information technology are desired. Furthermore, services or events for increased networking and visibility are considered important and also have a positive effect on the common branding (Fig.4).

With regard to other tenants or users of coworking space, two thirds of the participants prefer companies from the other sub-sectors of the CCI. About 40 % accept potential competitors of their own sub-sector as users of the space. Nearly one of four participants are in favor to open the space to all sectors of the economy, and cultural institutions are also considered suitable tenants in space by over a third.

27 See Söndermann 2014, p.18

28 See Engstler & Mörgenthaler 2014, p.47

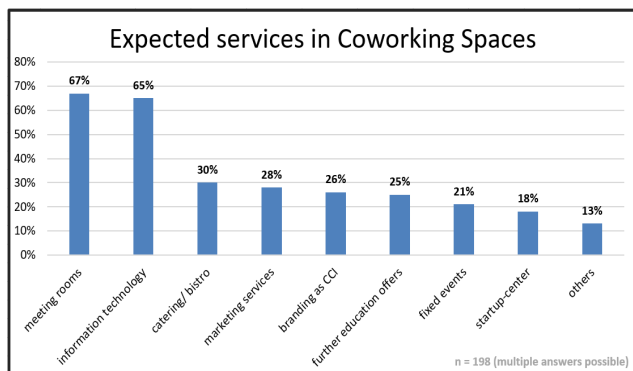


Figure 4: Expected services in Coworking Spaces.

Participants on the side of the CCI give preference to operator models in which private and public authorities share ownership (43.3%) or coworking space is managed by operator initiatives (33.3%) over those operated solely by public authorities (25.7%) or private operators (24%). In contrast, municipal representatives see themselves primarily in the role of business promoters (43.7%) and less as operators (9.9%) of coworking spaces. As many as 14.1% can imagine that the municipality is involved as a tenant in a coworking space. However, the statements on this must be viewed with caution, as the coworking concept was not explained to the necessary extent during the survey.

Cooperative Work Situation

Cooperations with creative actors as well as other economic sectors characterises the day-to-day business of the CCI, since for most actors, due to their company size, they are necessary to ensure the success of the company. They represent one of the characteristic features of the CCI and at the same time one of the most important factors of successful coworking spaces. In addition to long-term partnerships, about half of the creative firms involve occasional or ad-hoc partners, other service providers or clients in cooperative work situations (Fig.5).

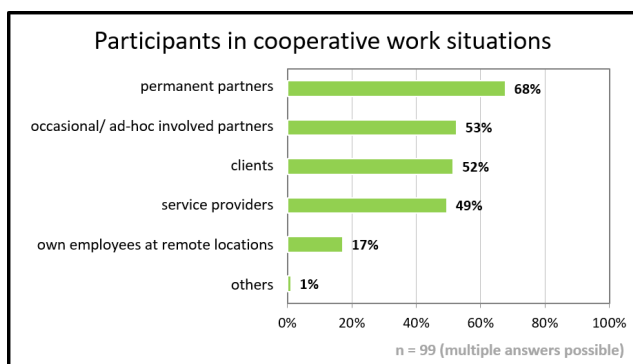


Figure 5: Different participants in collaborative work situations.²⁹

Although creative professionals often offer their services jointly to partners, the actual creative work is often carried out alone. This can be seen as a further confirmation of the small-scale

29 See Engstler et al. 2015, p.34

nature of the sectors and illustrates the specific work situation. Here, modern work situations such as those offered in coworking spaces can create the possibilities of a social environment based on the principle "Working Alone, Together".³⁰

Reputation & use of funding programmes

The low visibility of the sectors is also reflected in the funding approaches that the players in the sectors want and expect. Although monetary funding is the most frequently requested by almost two thirds (65.2%) of the participants, the second most frequent request is for funding offers that focus specifically on increasing awareness or improving the individual visibility of companies (Fig. 6).

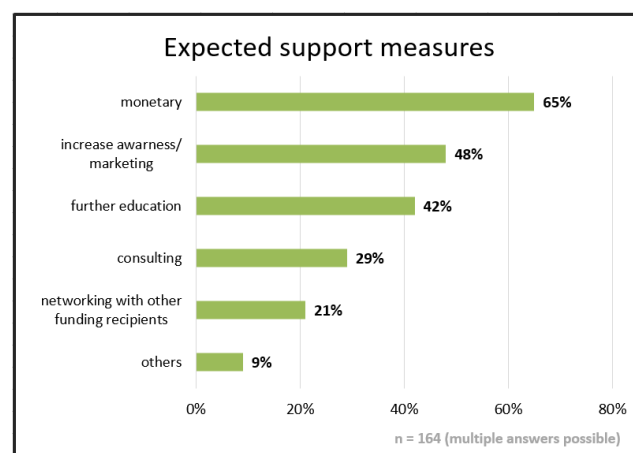


Figure 6: Expected support from creative actors.

An individual financial support for creative companies does not sufficiently meet the needs of all creative actors. In the study in the creative sector 2012³¹ and the survey in rural area in 2018³², only 10% and 9% of the participants in support programmes reported having used them. One of the most important reasons for the low demand is that programmes are well known and easy to find. Support approaches that aim at the professionalisation of the CCI sectors and thereby focus on creative work, business management processes and cooperation and networking are explicitly preferred by the actors. The best known promotion is the offer of the "Kreditanstalt für Wiederaufbau" (KfW) among the actors. In contrast, only just under a quarter (24.4%) or less than a fifth (17.1%) of the participants are aware of offers created specifically in Baden-Württemberg (e.g. L-Bank, Ministry of Economics/Labour and Housing).

The survey of creative actors and municipal representatives confirmed existing deficits in the visibility of creative industries in rural areas. This is particularly evident in the survey group of community representatives, and the special features of these sectors are still not very transparent. Therefore, measures to

30 See Spinuzzi 2012

31 See Engstler et al. 2012, p.52

32 See Engstler & Mörgenthaler 2018, p.52 f.

improve the visibility, but also the associated appreciation and recognition as a relevant economic field have to be designed. As a result, the concept of regional coworking spaces cope with the ideas of promoting creative industries by strengthening the cooperation between relevant actors and increase the visibility in the field.

3.4 Case study analysis

In Germany and other European countries, existing case studies on coworking spaces were evaluated, own case studies were added, projects and examples of coworking in rural and urban areas were identified. The detailed examples illustrate the different concepts and models of coworking and smart working spaces. The examples were examined with regard to e.g. their founding motives and objectives, operator models, integration into the community or neighborhood and the challenges. The case studies are the basis for identifying the key factors of successful coworking spaces and show possibilities for the practical design of coworking spaces.

Results of the case study analysis

Table 1: Success Factors of a Coworking Space by Category

Categories	Success
Infrastructural Basics	<i>Broadband Availability, Accessibility by public. & private Transport, Office infrastructure including. Meeting Rooms & Break Situation, public. Meeting Areas in the Building, Commuter Distance to Agglomeration Rooms (optional)</i>
Planning & Implementation	<i>Realistic Needs assessment (E.g. involving regional Network managers), Role Distribution When Working on expertise, take local Specifics & Strengths into account, create flexible Usage models, Entry-level & Expansion concept (E.g. options area Extension)</i>
Organisation	<i>Bottom-Up Approach (promising), Kümmerer/Driver (in ther Scene rooted Person or Organisation), Use of virtual Networks, Establish cooperation & Networking with Companies, involve economic Development, Network with educational institutions (optional)</i>
Marketing & Integration	<i>Space branding, Offer public. Rooms and/or event & exhibition spaces, regular Events & Integration of the Space into Community Activities</i>

The heterogeneity of coworking spaces in terms of operator models, user types, services and infrastructure used has already been presented in chapter 2.1. This heterogeneity of imple-

mented concepts is sometimes due to the heterogeneity of the various CCI. Despite perceptible differences in local implementation, however, overarching success factors of a coworking space can be derived. For the case study analyses, fixed categories were selected for evaluation, which were particularly relevant in previous research (table 1).

Selected Co-working concepts

The coworking network “La Cordée”³³ from France was created in Lyon in 2011 in response to the needs of a community and now maintains a network of 13 locations. Two of these are in rural areas, and start-ups there have been strongly promoted by local communities, with the municipalities taking on the role of investors for a limited period. In this way they sometimes sought to counteract the migration of skilled workers to nearby agglomerations or countries (e.g. Switzerland). “La Cordée”³⁴ is thus also an example of how a coworking space in rural areas can be linked to a coworking network. In Switzerland, the “Village Office” cooperative has made it its business to use its experience to ensure that people can work where they live. In the meantime, the cooperative has helped set up 57 spaces in towns and villages in cooperation with companies, communities and project developers.

Although the “Tabakfabrik Linz”³⁵ is not located in rural areas, it is an example of branding with an economic history background. There the former tobacco factory became a centre for the CCI in Upper Austria, which continues to use the name of the original trade and makes the achievements of the CCI visible from afar. The “Tabakfabrik Linz” offers space for start-ups from CCI and other industries and is the contact for the CCI, business and industry in the region. Furthermore, the establishment in commuter distance to agglomeration in the region of Upper Bavaria south of Munich has led to the opening of several coworking spaces in rural areas in recent years. At a distance of 50-60 kilometers from Munich, the spaces between the seas “Starnberger See” and “Tegernsee” offer jobs for creative people, the self-employed and commuters.³⁶ In the Stuttgart metropolitan area, too, offshoots of spaces with a base in the Stuttgart city area are creating new offers for interested people in smaller towns in the surrounding area such as Herrenberg, Böblingen and Esslingen.³⁷

The variety of usage models for coworking spaces that are already operating successfully today and the observable heterogeneity of the user structures show that, on the one hand, there is no “one-best-way” of implementation and, on the other hand, sufficient experience with different settings is available to facilitate the start of one's own concept implementation.³⁸

33 www.la-cordee.net

34 See Village Office 2018

35 See Tabakfabrik Linz 2018

36 www.gschaft.com; www.stadtplatz10-0.com; www.coworkerei.com

37 www.coworking0711.de/standorte/herrenberg, www.liveatwork.com

38 See Krüger et al. 2017

4. Discussion and recommendations

Based on a thorough examination of the quality and quantity of existing funding programmes, it can be confirmed that the current funding initiatives are in line with the expectations and funding principles of the programs. However, existing funding options should be promoted through regionally defined contact persons and assistance with applications should be stepped up. In addition, the specific conditions in the creative industries sector are hardly reflected in that programs.

Furthermore, the adaptation of existing funding initiatives to the specific needs of creative professionals is required to encourage creative professionals to apply for funding and to profit from indirect promotion via improved infrastructures for creative work. Especially the stronger focus on cross-sectoral cooperation between SMEs and the CCI holds enormous potential for the promotion of rural areas and would be of mutual value for the parties involved. For this, the search for regions with the necessary conditions for collaborative innovation processes is crucial. This conscious regional specialization perspective would also correspond to the principles pursued in the so-called "Smart Specialisation Strategies", an initiative at the level of the European Union, which sets regional development priorities precisely to fields of strategic strength (available knowledge, reputation, technology leadership).³⁹

Recommendation for the implementation of a Coworking Space

Looking at the identified need in the creative industries sector in rural areas, the described approach of coworking space closely meets infrastructural needs of users in the field. Within this work model, several levels of target groups are addressed: the level of creative actors and their specific work situation, the level of cooperation and networking as well as the level of integration and visibility in the economic area. In addition, it is societal trends (e.g. work-life-blending) and business aspects (e.g. shared economy), as well as regional economic aspects (e.g. location attractiveness) that make a more detailed study on the potentials and funding approaches for rural areas seem particularly interesting.

Therefore, the establishment of coworking spaces should be aimed at as a cooperation between actors of the CCI and the interested regional municipalities. Both parties take responsibility on tasks that correspond to their respective abilities. As an operator of the coworking space, for example, creative people and start-ups can be considered who act on an equal footing with other tenants and contribute and use their own experience as industry participants. In this case, the cooperative concept is considered to have more potential for success than the top-down principle alone, since the use of the space can hardly be guaranteed without the local participation of the creative actors.

In addition, existing examples and experiences should be used to evaluate how communities and municipalities can cooperate with each other and with already existing networks in order to assess the potential for setting up a coworking space. The joint conception and implementation of a coworking space would also contribute to intercommunal cooperation to a particular extent. In addition, a decentralised approach of coworking also allows the integration of new concepts in rural areas to counter vacancies, revitalise town centers and increase the visibility of companies. Premises in the center of a village are suitable to open up new opportunities of creative spots. A central location also conveys the feeling of new beginnings and positive change.

5. Summary and outlook

The CCI are an important economic factor in urban and rural regions in Baden-Württemberg. Their structural characteristics and specific work situations require a funding model that is tailored to their needs. By surveying the situation of creative workers in rural areas from the perspective of creative companies and from the perspective of community representatives, a comprehensive picture of the perception of the creative industries and their specific funding needs could be gained. Furthermore, there is a discrepancy between the desire for monetary support and the lower number of actual applications in the field. At the same time, the existing funding programmes are little known or too difficult to manage.

The new working model of coworking was reflected and cases of coworking spaces in the field were analysed as new working places that can contribute to the regional strengthening of the CCI and their partners in economy and society. The establishment of this coworking spaces also increases the attractiveness of rural areas as a place of work where economic activities can be combined with the advantages of rural areas. The findings of the empirical work in this study led to an idea for a coherent funding concept for municipalities, local authorities and networks. The implementation of experimental projects with different settings that fit to regional requirements, especially the local actors, is recommended. This new work model for creatives also stimulates the settlement of creative or opens the opportunity to attract creative people in rural areas. Finally, it also promotes new integrative platforms for economy and society, which contribute to the quality of work and life in a sustainable way.

For future research in this field, the analysis and observation of the implementation of new coworking approaches for the promotion of rural regions is recommended. In addition, innovation and creative work concepts can be disseminated to sectors outside the CCI. These new working models are particularly influenced by the interactions between corporates and creative professionals. Furthermore, research into the economisation effects of CCI in rural areas still needs to be expanded. The scattering effect of CCI in rural areas has not yet been investigated and evaluated on a comprehensive basis.

³⁹ See Lange 2016, p.14

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Stuttgart: January 2020