Letz Retail

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Letz Retail

Output 1
Skill-set and Competence Framework

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INTRODUCTION

The LETZ RETAIL project consortium aims to improve the competitiveness of small businesses by supporting the development of their knowledge and skills related to collaboration, co-design and co-creation. The primary target group of the project is owners, managers and self-employed persons of small retail, commerce, hospitality and cultural/creative businesses in commercial areas in decay (or at risk of).

The current document is the OUTPUT 1 of the project - LETZ RETAIL skill-set and competence framework. It is based upon an evidence- and research-based analysis related to the core skills and competences, which those active in the targeted sectors need for successful ideation, development and implementation of new experiences, activities, products and/or services, using co-creation, co-design and co-working techniques.

The need for development of skills was researched using a common approach in all partner countries, so that the findings are comparable, and learning methodology and resources developed in the project meet the most expressed needs of the target group.

Output 1 serves as a starting point for the project and as a basis for the development of LETZ RETAIL learning programme and environment. The document includes an overview and context of the project, the methodological approach that was used in the needs analysis, the results of the analysis and conclusions/ recommendations.

1. UNDERSTANDING THE CONTEXT

Over the last years, small businesses set in previously successful commercial areas have faced a number of challenges, including the crisis and the growing competition of online shopping. Many businesses that operated in areas which were once the commercial centre of the town or neighbourhood, were forced to close. This had a spill over effect on the hospitality and cultural businesses, which suffered from a reduced number of visitors.

In many medium-sized and bigger towns, large malls on the outskirts offer a "one-stop-experience" for shopping, culture and hospitality, generating even more difficulties for the smaller ones in the centres to subsist. COVID-19 crisis has created additional challenges and put more pressure on small businesses trying to compete with established online shopping companies and large malls.

The deterioration of commercial areas is raising interest from municipalities and civic organisations, as the reduction in retail, commerce, hospitality and cultural activities in these kind of areas results in an overall deterioration of the area, with less movements of persons. Many municipalities are looking for solutions which can help them give new life to these areas and spaces.

Trends related to increased awareness among consumers about sustainability issues, the impact their decisions have on the environment, and the "slow"-movement (which advocates a cultural shift toward slowing down life's pace, and of which the "slow-food" movement is the most well-known), generate ample opportunities to bring about the so-much desired change. Proximity products and services are gaining ground.

Also, consumers nowadays not only acquire a product or services, but look for an "experience" or a statement with regards to their preferences and lifestyles. Attracting consumers to the commercial areas requires added value to be provided, e.g. an experience, or a combination of products or services not easily found somewhere else, or with clear added value, e.g. sustainable, ecological, environmental-friendly.

Although there are already some initiatives springing up in commercial area, which cover the consumer demands with regards to sustainability, proximity and the slow movement such as shops which offer products in bulk so the consumer can buy exactly the needed amount, or those offering local ecological produce, there are many which have not adapted to this new setting.

It is difficult for a small commerce, retail, hospitality or cultural/creative business to provide answers to the aforementioned challenges individually, and when they do, the impact is limited to the specific type of consumers they address. Hence intense collaboration through the joint creation, design and implementation of new products and/or services, offering the consumer the needed experience is key.

LETZ RETAIL project aims to provide an answer to the aforementioned challenges by offering a learning programme aimed at owners, managers and self-employed persons of small retail, commerce, hospitality and cultural/creative businesses in commercial areas in decay (or at risk of) which gives them the knowledge, skills and competences to:

● Adapt their individual offering to the new environment;

● Co-design, co-create and co-work to develop new (or adapt and combine) existing products, services and experiences.

● Respond to trends related to sustainability, green & circular economy.

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By acquiring these skills, they will be able individually and jointly provide an answer to the demands of the sustainable conscious and digital-native consumer, open to the slow-movement concept and compete through differentiation offering a different and unique experience.

LETZ RETAIL will go to the root of the problem, the lack of a collaborative spirit between actors to unite willingness, needs and opportunities in an informal and constant way, that leads to the success of local businesses.

LETZ RETAIL learning programme will help develop the knowledge and competences, through the use of co-creation, co-design and co-working techniques and tools, to find relevant solutions such as offering the clients/visitors new experiences, activities, products and/or services.

In the end of the learning programme, the participating businesses will have developed a concrete action plan for a specific experience, activity, product or service, which will help attract visitors/clients to their area. These action plans are expected to be taken forward by the involved businesses and implemented. Special attention will be paid in the action plans to initiatives, experiences, products and services in line with sustainability, ecology and green and circular economy, as high potential market trends for the targeted sectors and commercial areas.

The targeted sectors, in particular the retail, commerce and hospitality businesses) are characterized in majority by a low degree of qualification and training, with high levels of low skilled and precarious jobs, used by many as access to the labour market. This implies that continuing training must address cross-cutting aspects in a non-formal, and even informal way. LETZ RETAIL will increase the quality, supply and accessibility of continuing VET by providing a low barrier learning programme which provides the target group with a set of key competences vital for business survival and growth in the current economy.

Output 1 defines the skills and competences needed, and also formulates concrete methodological and design guidelines for the online training approach for the VET context in general and for the online LETZ RETAIL learning programme specifically.

Even though the framework has a specific focus on a particular set of sectors and with a particular goal, it is perfectly transferable to other sectors, where businesses from different sectors need to work together to find common or joint solutions to challenges faced due to their sector, geographical situation or other reasons.

The framework is also transferable to more formal education paths, where the co-creation, co-design and co-working skills can be integrated into the educational cycles which offer education or training for future staff or entrepreneurs in the targeted sectors, e.g. hospitality education, creative professions, or commerce studies.

2. DEFINING THE SCOPE

Defining the scope ensures that the project team has a clear understanding of what the project aims to do and who it is targeting. The scope of the project has primarily been defined in project application (Annex of the Grant Agreement), and discussed in the kick-off meeting. The scope of the LETZ RETAIL project is as follows:

Table 1: Scope of the LETZ RETAIL project

Category	Description
Project Aims	To improve competitiveness of small retail, commerce, hospitality and cultural/creative businesses in commercial areas in decay (or at risk of), by offering a learning programme aimed at business owners, managers and self-employed persons, which gives them the knowledge, skills and competences to: • Adapt their individual offering to the new environment; • Co-design, co-create and co-work to develop new (or adapt and combine) existing products, services and experiences. • Respond to trends related to sustainability, green & circular economy.
Project Objectives	• Gain an in-depth understanding of the issues faced and the skills most needed by the target group, • Identify and exchange the best practices and innovative methodologies for the development of skills in small businesses, • Create a new, tailored, multilingual learning programme specifically and directly aimed at skills development of owners, managers and self-employed persons in small retail, commerce, hospitality and cultural/creative businesses in commercial areas in decay (or at risk of), • Develop an e-learning environment and present the developed learning resources to the target group in an attractive, accessible and user-friendly way, • Guarantee the programme's quality and adequacy by carrying out a thorough pilot testing with target group in all partner countries, • Ensure the widespread uptake and use of the LETZ RETAIL learning programme following its launch by implementing comprehensive dissemination and exploitation plans, • Encourage and support small businesses in partner regions to develop products, services and experiences that are in line with trends of sustainable, green and circular economy, • Foster stronger links between the small companies, associations and VET providers and institutions to achieve expected results and ensure the desired impact and sustainability of the initiative.
Aims of needs analysis	• To establish the list of skills that are considered the most important by the small companies in areas affected by crisis and decay (or at a risk of it), • To identify, classify and compare the skills that small companies in different partner regions would like to develop,

	• To identify the difficulties in the development of the required skills, • To determine how the LETZ RETAIL learning programme should be delivered.
Target group	• Owners, managers and self-employed persons of small retail, commerce, hospitality and cultural/creative businesses in commercial areas in decay (or at risk of)
Other potential beneficiaries	• Associations that represent small businesses • VET organisations providing training to the target group • Students - future self-employed, owners or managers of businesses in target sectors
Enterprise size	• Enterprises employing less tan 50 persons
Sector	• Retail, commerce, hospitality and cultural/creative
Approach	• Preliminary research in partner regions • Collection and analysis of case studies • Dialogues to confirm the defined skill-set and competence framework • Analysis of the existing training landscape

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3. METHODOLOGICAL APPROACH

The aim of LETZ RETAIL needs analysis is:

- To establish the list of skills that are considered the most important by the target group,
- To identify, classify and compare the skills that target group in different partner regions would like to develop,
- To identify the difficulties and preferred ways in the development of the required skills,
- To determine how the LETZ RETAIL learning programme and environment should be delivered.

LETZ RETAIL skill-set and competence framework was developed in several stages as described below. The initial approach foreseen for needs analysis was adapted to the situation that was developing due to the COVID-19 crisis.

3.1. LETZ RETAIL Preliminary Research

Preliminary research was carried out before and at the beginning of the project, defining the areas that the partners would focus on in the project, providing initial assessment of the issues the small businesses are facing, and the necessary support.

Although all partners had already identified the municipality in which they would concentrate their pilot, in this activity they jointly discussed the areas which they would like use as specific focal point. The selected areas were those that have recently experienced decay or are in danger to suffer from it due to crisis, growing preference of customers to shop online or at large shopping malls, or other reasons. These areas are selected aiming to support small local business to increase/ regain their competitiveness, by developing their capacities to work together and co-create products and experiences that meet the changing needs of the customers and are in line with the trends of sustainable, green and circular economy.

The initial selection of focus areas was done before the actual start of the activities, not only to have sufficient time for recruitment and engagement, but also to ensure active support and involvement from the key players from day 1.

The main results of the Preliminary Research are presented in Section 4; the country reports are included in Annex 4.

3.2. Stakeholder Survey - definition of the LETZ RETAIL core skills and competences

In line with the user-centred view of the LETZ RETAIL approach, where the (future) users are actively involved in the design of the solution, the consortium has analysed the results from the preliminary research, the experience and expertise gained from other projects and own activities and an initial training landscape mapping exercise, and identified a set of core skills and competences that was to be presented to representatives of the target group, co-creation, co-design and co-working experts and relevant stakeholders.

The aim of the Stakeholders Survey was:

- To introduce the LETZ RETAIL project to target group and stakeholders,

- Collect feedback on skills development needs in small businesses of participants' regions, especially in the area of co-design and co-creation,
- Influence the development of the LETZ RETAIL learning platform.

Project partners have established contacts with education and training organisations, business associations, networks or clusters, business support organisations, policy makers and other relevant stakeholders in their regions/ countries. These were to be used to select the representatives of the target group and other experts for the needs analysis.

As Stakeholder Survey was carried out at the time of restrictions and lockdowns in project countries, an online survey was developed as the most appropriate tool to complete this task. A total of 10 questionnaires were expected to be collected in each country; the results to be integrated into the initial set of skills and competences defined at earlier stages of the analysis.

The Stakeholder Survey allowed to collect information for the skills and competences framework, and at the same time complement the mapping of existing training landscape.

The Stakeholders questionnaire is presented in Annex 3.

FOUND was responsible for the analysis of stakeholder survey; LD was responsible for integrating the conclusions into the LETZ RETAIL skill-set and competence framework.

3.3. Consumer Survey

The approach to O1 was adapted to cater for the difficulties encountered due to COVID-19 but also to take advantage and gain more insight into the changing consumer behaviour as a result of the crisis, and create added value to the work while safeguarding the initial objectives of O1.

The lockdowns in project regions have influenced the operations of many small businesses. Those set in areas of decay (or at risk of it) trying to compete with large malls and online shopping, now have faced even more problems and stronger need to boost their competitiveness.

At the same time, due to the COVID crisis consumer behavior was changing and new trends emerging, including the willingness of the consumers to support small and local shops and entrepreneurs. This trend could be an opportunity for the LETZ RETAIL target sector, and having information on this aspect could support the outreach to the case studies to be identified in the framework of the project, and motivate the ones already identified to participate.

It was decided to carry out an additional Consumer Survey, and to collect data that would allow to reach out and interact easier with potential case studies, as well as generate relevant contextual information to update the preliminary research done before the COVID crisis.

The survey aimed to collect information on how consumer behaviour was influenced by COVID-19 pandemic, and provide insights on what steps small local business could take to maintain or even expand their customer base. It was expected that the results of the survey would support the efforts of the target group of the project and would also facilitate the dialogue and cooperation in the framework of LETZ RETAIL.

A short questionnaire was developed and made available online, while the partners have invited potential respondents to take part in the survey, mainly through social media, as that was the communication channel most available and effective in the time of crisis. The aim was to collect at least 60 questionnaires in 6 partner countries. LD was responsible for analysing the responses.

3.4. Analysis of Success Stories

This task aimed to map examples/case studies of the successful application of co-creation, co-design and co-working in specific environments and with the aim to upfront a particular challenge. The partners were to collect relevant success stories, and for each of the selected cases a short on-line survey (developed by LD) with the coordinators/owners was to be conducted to identify a set of core co-creation, co-design and co-working skills and competences.

As the sample of examples/case studies for the LETZ RETAIL target group and identified challenge is quite small, the consortium was to build upon a wider sample of examples from sectors with similar characteristics as our target sector (small businesses, owner-run and managed). Apart from the examples stemming from the partner network, other existing projects, such as SOG-TIM, SOFE, and the projects belonging to the H2020 Collective Awareness Platforms initiative of the EC could be used to find suitable examples.

COVID-19 restrictions were introduced in time of collection and analysis of case studies, and the Consortium decided to extend the timeframe of this task, completing it just before the finalisation of O1, to make sure that a sufficient number of case studies is collected, the insights of success story companies (company survey) are benchmarked with the results of the initial analysis and expert survey, and included into the final framework of LETZ Retail skills and competences.

Efforts were made to ensure that the maximum possible cases are related to **sustainability, and green & circular economy**.

The goal was to identify **at least 20 cases** that have sufficient relevance and quality to be analysed. RUSE was responsible for the coordination of collection and analysis of case studies.

The case studies have a common structure:

1. Introduction

   Short description of the company and its environment

2. Problem

   What problem did the company face? E.g. related to changes in customer behaviour/ preferences, new market trends, growing competition of online shops?

3. Solution

   How has the company resolved the problem? Have they applied co-creation, co-design and/or co-working to upfront the challenge?

Length of a case study – 1 page.

For each the selected cases a short on-line survey with the coordinators/ owners was conducted to identify a set of core co-creation, co-design and co-working skills and competences.

The Company Survey was available online; the partners could choose to either collect the information online or offline.

Company Survey questionnaire is presented in Annex 3 of this document.

3.5. Mapping the existing training landscape

This task aimed to identify the key training providers in the field, including professional training offers by academic and VET bodies as well as continuous training activities. Once the existing training offer is mapped, further analysis would allow to identify the key training gaps of current programmes with regards to the core skills and competences as defined through the preliminary research and Stakeholder Survey, and provide recommendations for the training content as well as the learning approaches and way of providing the training. As such this task attempted to benchmark the results from the previous task with the present mapping, and develop a clear reference framework that ensures that the LETZ RETAIL programme is adequate, relevant and useful for the target group.

FOUND was responsible for creating the template for the mapping of the training landscape and all partners would provide an analysis of their countries, LD was in charge (with input from all partners) to analyse the European training landscape.

Although the initial methodology relied on the expertise and local knowledge of project partners, in the course of implementation it was decided to also get the input of local stakeholders by including a question about the existing training offer in the Stakeholders Survey.

4. RESULTS OF PRELIMINARY RESEARCH

Most partner organisations have chosen to focus the activities of the project in central areas of their town/ region.

In Bulgaria, the project activities will be implemented in Ruse. It is the fifth largest city in Bulgaria and the largest port city on the Danube coast in the country. Ruse has a wide range of business sectors and at the same time creates conditions for the development of new industries. The biggest number of enterprises operate in the trade sector, followed by those in the manufacturing industry. Many companies are also active in the fields of transport, hotel and restaurant services, real estate and construction. Ruse is also the largest cultural and tourist center of the district. However, during the period 2015-2017, the number of residents of District Ruse has decreased by 9.3% due to the negative natural growth, internal and external migration. The downward trend in the population is expected to continue in the coming years. This, together with the aging population, is one the main threats that the region is facing. There are many public policies that aimed at improving the small commerce, hospitality and cultural and creative sectors, and many organizations that support the development of companies, entrepreneurs and businesses. These include the Ruse Chamber of Commerce and Industry, Business Innovation Center INNOBRIDGE, Bulgarian-Romanian Chamber of Commerce and Industry.

In Cyprus, the project will focus on the central part of Larnaca. Larnaca is a city on the southern coast of Cyprus and the capital of the eponymous district. Larnaca is considered to be Cyprus's oldest town, with a history of 10.000 years. It is the third-largest city in the country. The service sector, including tourism, employs 75% of Larnaca's labour force. The centre of Larnaca is where most of city's monuments and tourist attractions are located. Despite many advantages deriving from its location, environment and history, Larnaca city center suffers from a number of economic and demographic problems, including aging population, high level of unemployment, low level of product differentiation, reduced level of development of cooperation and communication, etc. The first large shopping mall is expected to open in Larnaca in about 12 months. Small businesses in feel threatened by this new development and fear that this will drive customers away from the city centre. At the Municipality level, there are different initiatives to improve the general infrastructure of Larnaca and improve the quality of life of the citizens, but at the business level there is no significant cooperation. Individual shops or restaurants often have their own loyalty or promotional offers, but not much in terms of common initiatives involving many small businesses. In the current situation it is important that small businesses in the centre of Larnaca receive support to revise their strategies, increase cooperation and become more competitive. POVEK (General Confederation of Pancyprian Craftsmanship Professional Organizations) is the main body for the representation of the interests of professional shopkeepers and small and medium-sized businesses.

In Greece, the focus area of LETZ RETAIL will be the historical center of Athens. Athens is the capital of Greece and the largest city of the country. It is one of the oldest cities of the world with a history of more than 3.500 years. At the historical centre of Athens, there are thousands of registered businesses. They vary in terms of product, size, turnover and type of owners and clientele. It's an area that currently is going under several regeneration efforts both from the state and private investors. Regardless the fact that is an extremely lively area, it has a plethora of issues that need to be tackled, including the need of buildings'/ shops renovation, over-dependency on tourism, weak business culture, low level of R&D, etc. There are two major networks and cooperation mechanisms operating in the area. The Athens Partnership (AP) is a non-profit organization that was designed to develop projects with local government and a network of partners to effectively target needs, identify gaps and maximize resources. Facilitating cross-sector collaboration is the core of their work. The Network of Organizations and Citizens for the Historic Center of Athens is an initiative designed to unite and empower citizens and organizations who share a common vision for a Sustainable Historic Center and provides them with the resources to pursue it successfully. The Public Body responsible for the representation of trades professionals in Athens is the Athens Chamber of Tradesmen, supported by the General Electronic Commercial Registry and the Hellenic Confederation of Professionals, Craftsmen & Merchants (GSEVEE).

Luxembourg is the country that has the highest GDP per inhabitant in the EU, an unemployment rate of 5,4% and an inflation rate of 1,2%. In Luxembourg, LETZ RETAIL will focus on the district Gare, and the adjacent districts Bonnevoie-Nord and Bonnevoie-Sud, which account for almost ¼ of the City's population, more than 73% being foreigners. Ideal for its proximity to the Luxembourg train station and shops, the area offers a diverse and very lively environment. Animated by its many shops and by the round trips of many travellers, it has a great commercial concentration, appreciated for its shops, restaurants and lively neighbourhood life. The main recent problems are the public construction sites that disturb traffic and access to shops. Other problems are lack of car parks and the opening hours of shops, that close quite early and are often closed during the weekend. Despite numerous efforts in terms of securing the area still suffers from a bad reputation due to the problems of prostitution, drugs and petty crime. The main challenges faced by the small retail are the shopping centres that continue to open in the capital, and online shopping. In a recent Eurostat survey, Luxembourg came in as the EU member state with the sixth-highest share of online shopping. The main developer of activities and projects is Luxembourg's City Council. Letzsho funded by the Ministry of Finance is the national online sales platform which allows all traders in Luxembourg to present themselves and put their products for sale online. Another project aligned with Letz Retail objectives is Lët'z go local – an association which promotes products and services 100% made in Luxembourg.

In the Netherlands, for the purpose of implementation of LETZ RETAIL, we will focus on the centre of Leeuwarden. Leeuwarden is the capital of Friesland province and it was the European capital of culture in 2018, which has stimulated its small commerce, retail, hospitality and creative/cultural sector. Leeuwarden offers jobs especially in the service sector, but also in governmental sector. The centre of Leeuwarden has many shops (small and large), restaurants, bars and cafés. Leeuwarden has 617 national monuments, which is also a factor that attracts tourists. However, the number of shops in Leeuwarden has decreased from 475 in 2007 to 408 in 2017, a decrease of 14,1%. Online shopping is extremely popular, people in Leeuwarden are more attracted the large shopping chains, some people prefer to shop in other Frisian cities/villages, some people find the city unclean, and recent road constructions made shopping in Leeuwarden less attractive. Province Fryslân, Frisian municipalities and other organisations put quite some efforts in Leeuwarden to be a „healthy" city regarding small retail, hospitality and culture/leisure. This is identified in the Frisian Retail Approach 2018 – 2020 and the „smart growth" approach for cultural activities and tourism. It is now easier to rent space as it is possible to have short term rental contracts and it is becoming cheaper. Some shopping streets have entrepreneurship clubs, which make sure the new entrepreneurs are located there and thus, new customers visit those streets. There is an increase in (new) initiatives to make sure unoccupied spaces are being occupied with small retail, restaurants, etc.

In Spain, LETZ RETAIL will be implemented in the historical centre of Badajoz. Badajoz is a municipality and a city located in Extremadura and it is also the capital of the eponymous district. The municipality is the most populated one and the economic centre of Extremadura. Badajoz is a services sector city, mainly based on retail commerce and small business, hotel and restaurant industry and Public Administration. Recently, the historic centre of Badajoz is experiencing an alarming situation. There are many unfinished and destroyed houses and abandoned plots of lands; traffic is increasing; drugs are being trafficked and consumed. The Old Town trade has been suffering lower sales, mainly due to the opening of large shopping centres and increase of e-commerce. Entrepreneurs and inhabitants, little by little, have been moving from the city centre to new areas. Hotel occupancy barely reaches 30% in the dates when there is a greater influx of tourists. The cooperation between businesses engaged in commerce is yet an unresolved matter. The Comprehensive Plan to Support Retail in Spain, mainly directed towards self- employees, retail commerce SMEs and entrepreneurs, financed by the State Secretariat for Trade, Ministry of Industry, Trade and Tourism and European Regional Development Fund (ERDF), has proposed some actions to support innovation and competitiveness, revitalise commercial zones, etc. The local government has also implemented some proposals, including opening businesses on the first Sunday of each month, guided tours around the main shopping streets of the city, free parking on specific hours; the project called La Noche en Blanco, etc.

5. LETZ RETAIL core skills and competences

Based upon the research done at the start of the project and the experience and expertise gained from other projects and own activities and an initial training landscape mapping exercise, the LETZ RETAIL consortium has identified an initial list of possible skills relevant to be included in the project curriculum. Instead of first benchmarking the skills against the results from the survey of the case studies, it was decided to first to present a proposed list of possible skills to the experts from the field of co-creation, co-design, co-working, education and training and the target sector of LETZ RETAIL and ask their opinion about it. The overall aim was to help the consortium decide if the identified list included all of the information needed or if new courses should be included.

A Stakeholder questionnaire was developed (see Annex 1) and made available online. It was expected to collect the input from at least 10 experts per project country/ region.

The questionnaire included questions related to both O1/T3 – confirming LETZ RETAIL core skills and competences, and O1/T4 – mapping the existing training landscape.

The survey took place in June 2020. The partners have contacted potential respondents through email and social media inviting them to take part in the survey in order to help small businesses around Europe become more resilient. In total, 59 experts took part in the survey and the results are presented below.

The Stakeholder Survey aimed to collect feedback on required skills and competences, as well as support the exercise of mapping the existing training landscape (see Section 7).

The table below presents the answers of the experts.

	1	2	3	4	5
Communication	33%	16%	10%	16%	26%
Teamwork	31%	9%	12%	12%	36%
Creativity	29%	12%	6%	17%	37%
Co-working	21%	16%	17%	21%	26%
Co-creation & Co-design	19%	14%	16%	29%	22%
Collaborative Leadership	19%	16%	19%	21%	26%
Networking & partnership building	19%	17%	14%	29%	21%
Managing change for cooperation	17%	26%	16%	19%	22%
Fundraising	17%	16%	36%	14%	17%
Problem solving	14%	19%	14%	17%	36%
Negotiation	9%	26%	22%	26%	17%

The full analysis is included in the O1 LETZ RETAIL Skills and Competence Framework: Full analysis report

The Stakeholder Survey has confirmed that all skills and competences identified in the preliminary research are important to small companies in order to successfully engage in co-design, co-creation and co-working activities. Creativity, Problem solving, Co-creation & Co-design, Networking & partnership building, and Teamwork were considered slightly more important than the other skills listed in the survey. A number of additional skills was suggested; some of them can be considered as part of the original skills list (e.g. Empathy is closely related to Communication and Negotiation, Acceptance of opinions – to Negotiation and Collaborative Leadership, etc.), while other proposals should be considered when analysing and benchmarking the results of the next steps of the analysis.

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6. CONSUMER SURVEY - RESULTS

LETZ RETAIL consumer survey aimed to raise awareness about LETZ RETAIL, find out how consumer behaviour was impacted by COVID-19 crisis, and how small businesses could better respond to the needs of their clients and thus maintain or expand their client base. The survey took place in June 2020, and was conducted online. The partners have contacted potential respondents through email and social media inviting them to take part in the survey and help small businesses around Europe. In total, 118 persons took part in the survey.

The full analysis of the results is included in O1 LETZ RETAIL Skills and Competence Framework: Full analysis report.

The most important conclusions with regards to shopping:

- 7% believe that their shopping behaviour was not affected by the crisis. The biggest changes in shopping behaviour were the reduced frequency (50% of respondents), buying only the essentials (43%), and increased online shopping (36%).
- 16% discovered more local producers, while 15% were ordering their groceries/ food more often – delivery services became more popular. 17% consumed more of healthy and/ or organic products.

The most important conclusions with regards to travel/leisure:

- There is a clear trend of reduced travel plans in the near future, 70% of respondents plan to spend this summer holiday traveling in their own country/ region.
- Increased attention to local customers may encourage more of them to visit local cafes/ restaurants regularly; 42% prefer to stay with at-home entertainment instead of going out, even when restrictions related to COVID-19 are lifted, and 37% say they will probably or definitely keep avoiding social contact.

The most important conclusions with regards to on-line or off-line shopping:

- 61% of respondents intend to buy more from small local businesses to support them; 24% said "maybe.

Opportunities for small businesses:

- Online presence would encourage 90% of consumers to buy from small local businesses.
- 44% would also appreciate free home delivery.
- Safe shopping environment is important to 36% of customers.
- 26% of respondents are interested in buying from businesses that promote environment friendly practices and products;
- 26% think that small businesses should offer unique products or services.
- Reducing prices is important to 27%,

The results of the survey will be presented to the target group of LETZ RETAIL project - small businesses in retail, hospitality and cultural/ creative sectors – as well as stakeholders, mostly through social media but also in face-to-face meetings and events. It is expected that the survey will provide useful ideas on how to improve small businesses and make them more competitive, and will encourage to take part in learning and cooperation activities organized in the framework of the project.

7. SUCCESS STORIES

7.1. Success stories in LETZ RETAIL countries

Following the methodology presented above and as Task 2 of Output 1, LETZ RETAIL success stories were collected in partner countries in March - September 2020.

The aim was to identify examples of successful small companies that work in retail, hospitality and cultural/ creative sectors, and have positive experience in cooperating with other companies/ stakeholders, which could inspire other small businesses to co-design/ co-create successful products and services. In total, 25 case studies were identified: 4 in Bulgaria, 4 in Cyprus, 4 in Greece, 4 in Luxembourg, 4 in the Netherlands and 5 in Spain.

The selected case studies come from all target sectors and show different ways in which co-design, co-creation and co-working lead small companies to improved or new products/ services, new marketing and sales channels, better customer experiences and increased competitiveness.

The case studies will be used as good practice examples, to inspire other small companies and make them consider different ways of working together. They will supplement the learning materials that will be developed in LETZ RETAIL Output 2.

The success stories/ case studies are included in **Annex 5**.

7.2. Company survey

Following the collection of case studies, the consortium has carried out a survey among the case study companies, which contributed to the identification of core set of skills necessary for small businesses for successful co-design, co-creation and co-working activities. The results of the survey are presented below.

The company survey involved the 22 companies that were identified as success stories in partner regions during O1/T1. The survey was carried out in July-September 2020. The questionnaire is enclosed as Annex 1.

The analysis of responses is presented below.

1. In which sector does your business operate?

			Response Percent	Response Total
1	Retail		33.33%	8
2	Hospitality		20.83%	5
3	Culture/ creative		29.17%	7
4	Other (please specify):		25.00%	6
			answered	24

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The businesses of the respondents that answered “Other”, operate as local food shops (2), food production (1), restaurant and seminars (1), e-commerce (1) and cultural/ education foundation (1). Thus the respondents come from the main target group and related sectors.

2. How many people does your company employ?

			Response Percent	Response Total
1	< 10		75.00%	18
2	10 - 49		20.83%	5
3	50 - 249		4.17%	1
4	250 or more		0.00%	0
			answered	24

The majority of respondents represent small companies, almost all of them micro-enterprises, and only one is a medium-sized enterprise.

3. Your country:

			Response Percent	Response Total
1	Bulgaria		16.67%	4
2	Cyprus		16.67%	4
3	Greece		12.50%	3
4	Luxembourg		16.67%	4
5	Spain		20.83%	5
6	The Netherlands		16.67%	4
7	Other (please specify):		0.00%	0
			answered	24

As we see from the response distribution above, the respondents come from all LETZ RETAIL countries.

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4. The following statements represent general European trends. Please mark the statements that, in your opinion, apply to YOUR TOWN/ BUSINESS AREA.			Response Percent	Response Total
1	Small businesses face a growing competition with large shopping malls and online shops		54.17%	13
2	Customers are increasingly looking for unique products and experiences		66.67%	16
3	There is a growing demand for local, organic and healthy products		54.17%	13
4	More customers prefer to buy from socially responsible businesses		66.67%	16
5	Social networks and media have a strong influence on consumers		62.50%	15
			answered	24

The majority of respondents agreed that the stated European trends apply to their regions as well. About 67% agree that customers are increasingly looking for unique products and experiences, and that more customers prefer to buy from socially responsible businesses. More than half of the respondents have noticed the influence of social media and networks on consumers, a growing demand for local, organic and healthy products, and at the same time a growing competition with large shopping malls and online shops.

LETZ RETAIL learning programme should take the above trends into account and help small businesses co-create unique products and experiences (where possible focusing on local, organic and healthy), become more socially responsible and/ or better communicate their social responsibility, so that they become more competitive and contribute to the green and circular economy.

As the answers to the next question showed, most respondents feel that their business is affected by the trends of sustainable and green economy:

5. Do you think your business is affected by the trends of sustainable and green economy?			Response Percent	Response Total
1	Yes		66.67%	16
2	No		12.50%	3
3	I am not sure		20.83%	5
			answered	24

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As some of the respondents have commented, they use ethical production methods; being prepared for future and geting along with important environmental trends makes them unique in their market and helps attract specific guests; their business is part of the green economy; customers look for environmentally sustainable clothes and accessories; clients demand more products to be sustainable; the cultural sector depends on the spirit of their consumers, thus if they have a more sustainable and green vision, the business needs to anticipate this trend.

6. In your opinion, which are the 3 most important factors that contribute to the success of YOUR business?

			Response Percent	Response Total
1	Quality of products/ services		75.00%	18
2	Unique products/ services		50.00%	12
3	Offering value for money		12.50%	3
4	Customer loyalty and satisfaction		50.00%	12
5	Management and leadership skills		8.33%	2
6	Responding to market trends		25.00%	6
7	Cooperation with other organisations		29.17%	7
8	Talented employees		8.33%	2
9	Marketing expertise		12.50%	3
10	Business financing		0.00%	0
11	Location		20.83%	5
12	Other (please specify):		4.17%	1
			answered	24

Based on the responses to Question 6, quality and uniqueness of products/ services, and customer loyalty and satisfaction are considered the most important success factors of a business. Cooperating with other organisations and responding to market trends is also quite important. The least important factor, according to our respondents, is business financing. Product/ service design is one of the main areas where co-design and co-creation principles and techniques can be successfully applied, thus improved skills in this area should help LETZ RETAIL target audience develop their competitiveness. One of the respondents has commented that co-working and co-creating with other organisations allowed them to reduce the prices of their services keeping the same quality.

The answers to the next question show that almost all companies considered success stories have some or even extensive experience in cooperation with other organisations.

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7. Do you have any experience in cooperation with other organisations, for example in the area of design, production or marketing?				
			Response Percent	Response Total
1	Yes, extensive experience		25.00%	6
2	Yes, some experience		70.83%	17
3	No experience yet		4.17%	1
			answered	24

Question 8 has asked the respondents about the training areas that are important for small companies, in addition to learning the techniques of co-design, co-creation and co-working.

8. In LETZ RETAIL, we will focus on co-design, co-creation and cooperation. Please indicate maximum three sub-topics to be included:				
			Response Percent	Response Total
1	Creativity		41.67%	10
2	Collaborative Leadership		29.17%	7
3	Teamwork		54.17%	13
4	Communication		50.00%	12
5	Networking		20.83%	5
6	Negotiation		29.17%	7
7	Problem solving		16.67%	4
8	Managing change for cooperation		33.33%	8
9	Fundraising		20.83%	5
			answered	24

Teamwork, communication and creativity are the sub-topics that seem to be the most important to our respondents. Collaborative leadership, negotiation and "Managing change for cooperation" were also marked by about one third of respondents. Each presented option had at least a few respondents thinking that it's one of the three most important sub-topics. It is therefore advised to compare the results with the opinion of stakeholders/ experts from partner regions.

The remaining questions were included to collect optional contact information of the respondents that would like to receive further information about LETZ RETAIL. Independent on whether this information was provided in the survey, the project partners are in contact with all companies whose case studies are included in O1 LETZ RETAIL Skills and Competence Framework: Full analysis report and will be fully available in the LETZ RETAIL Learning content.

8. Existing training landscape

LETZ RETAIL Stakeholder Survey had as objective to collect stakeholders' input regarding the identified set of skills (O1/T3), as well as carry out a deep analysis of the training landscape with regards to co-creation, co-design, co-working in general and for the LETZ RETAIL target groups in particular (O1/T4). Through Task 4, the consortium aimed to identify the key training providers in the field, including professional training offers by academic and VET bodies as well as continuous training activities. This analysis allows to identify the key training gaps of current programmes with regards to the core skills and competences as defined in T3, and provide recommendations for the training content as well as the learning approaches and way of providing the training for IO3.

The survey took place in June 2020, and was conducted online. The partners have contacted potential respondents through email and social media inviting them to take part in the survey in order to help small businesses around Europe become more resilient. In total, 59 experts took part in the survey and the results are presented below. The survey included several questions that helped analyse the existing training landscape.

Question: Do you know/ think of any extra courses or existing training materials on co-design, co-creation or co-working that should be added to the training landscape presented above?

The experts provided a diverse set of answers, some relevant and some very country oriented as for example courses provided by the House of Training in Luxembourg. The extra material that could be added, as expressed by the experts was to include good examples of co-creation, co-design and co-working for small businesses. A module should be included with information on design thinking, service design, UI design. In that framework it was suggested by an expert to visit http://creativityandcollaboration.com/ which includes Materials on design thinking and human centred design that could provide to the participants some practical skills for co-design and collaboration. Another expert had suggested to include as a resource in the overall training a handbook on co-design http://www.cocreate.training/wp-content/uploads/2019/03/co-design_handbook_FINAL.pdf. Dutch experts suggested to include information from https://www.ikgastarten.nl/ and the Chamber of Commerce of the Netherlands.

Question: Do you have any suggestions to make the LETZ RETAIL learning programme (in its combination of on-line learning & face-to-face activities) more attractive for the small businesses of the target sector)?

In question 4 the experts had provided more or less a similar way of answers. In detail the experts expressed that the learning programme should include:

- As much as possible practical and inspirational examples, case studies, tips and advises that can be used from the small business. The participants should be able to test the knowledge they have gained after taking part in LETZ RETAIL learning programme.
- The content should be short, to the point, attractive, interactive and include videos/podcasts
- The content has to be well-balanced between learning texts and important bullet notes of the most important parts.

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- Make the structure of the course flexible/ modular, so that they have an option to choose the parts that are really interesting for them.
- Easily accessible and the participants should be able to choose only the knowledge they are looking for
- Basic co-learning activities like solving a problem together or reaching out small teams working for parts of a project together. The groups should be categorized per sector so participants can share common problematics that might be solved with an innovative perspective. Also, the course could offer some kind of matchmaking for entrepreneurs who want to co-create and offer practical advice on how to co-work effectively.
- Due to the fact that no one knows if a second wave of COVID19 will appear soon, to avoid the face to face section and have everything delivered only in e-form
- Multilingual and W3C compliant

Question: Do you have any other comments/ suggestions for the LETZ RETAIL learning programme and environment?

In terms of the learning environment itself, the experts suggested that it should be interactive and easy to use, should be operated easily through mobile phones. Also, it should have a peer community where learners can communicate, study together, exchange ideas, etc. Finally, the overall programme should pay attention to the economical side of co-design, co-creation and co-working, so that those businesses will have financial benefit as well.

In addition to Stakeholders survey, the partners have analysed the training materials used at training activities of their own organisations. The analysis shows, that although there are training courses and materials available, they are quite fragmented and do not provide a comprehensive training offer on co-design, co-creation and co-working. Most of the existing training materials are not specifically focused on the target group of the project. However, some of them can be adapted for the needs of the project (especially the materials owned by the partner organisations) or suggested as additional/ support materials.

9. Conclusions and recommendations

LETZ RETAIL consortium aims to improve the competitiveness of small businesses by supporting the development of their knowledge and skills related to collaboration, co-design and co-creation. Based on preliminary analysis of the project regions and the needs of the target group – owners, managers and self-employed persons of small retail, commerce, hospitality and cultural/ creative businesses in commercial areas in decay (or at risk of) – the initial skills-set was identified. It was further analysed, by identifying 25 success stories related to co-design, co-creation and co-work in project countries, and number of surveys carried out in the framework of LETZ RETAIL Output 1. The owners/ managers of 24 case study companies, 59 stakeholders in LETZ RETAIL regions, as well as 118 consumers took part in the surveys.

The analysis of case studies and surveys' results have confirmed that there is a number of skills that need to be developed, if a small business is to engage successfully in co-design, co-creation and co-working activities. According to the results of the research, the most important skills, and the themes to be included in the LETZ RETAIL learning programme, are:

1. Creativity
2. Collaborative leadership
3. Teamwork
4. Communication
5. Networking
6. Negotiation
7. Problem solving
8. Change management
9. Co-creation and co-design
10. Co-working

Although some of the above skills can be seen as quite general and necessary for any business, the learning materials of LETZ RETAIL should approach them with the main focus of the project in mind: helping small businesses to get ready for co-design, co-creation and co-working. The more general learning materials on the above subjects that are owned by the project partners or freely available online (as indicated by the experts in the Stakeholder survey) could be adapted or otherwise included as additional resources for the learners.

The consumer survey carried out in the framework of the project shows that consumer behaviour was impacted by the COVID-19 pandemic. As a result of lockdowns and movement restrictions, required social distancing and other measures and concerns, about half of the consumers started shopping less often, about one quarter were choosing large shopping malls and about one third increased their shopping online. At the same time, more than half of respondents said that in the future they intended to buy more from small local businesses to support them. This positive attitude is encouraging small businesses to continue serving their loyal customers the best they can, and offers an opportunity to bring their products and services to new customers and thus recover of even expand their business.

How can small businesses in the areas of decay benefit from these positive trends? Our respondents suggest that online presence would encourage 90% of consumers to buy from small local businesses. Free home delivery and/ or safe shopping environment is also important. These consumer needs clearly present an opportunity for small businesses to work together and find joint innovative solutions. Developing the skills identified in LETZ RETAIL analysis – creativity, problem solving, communication, etc. – as well as understanding the concept and being able to use co-design, co-creation and co-working techniques, will help small businesses respond to these and other market needs and cope with the challenges posed by COVID-19 or any other change to come.

The recommendations for the upcoming LETZ RETAIL learning programme and environment, based on the surveys of successful small companies and stakeholders in partner regions, are mainly focused on practicality and user-friendliness. The learning materials should include inspirational examples and useful tips; the material should be short, to the point, well-balanced between more theoretical and practical parts, and attractively presented. The programme should be modular and flexible, offer possibilities for learners to network and cooperate, and at the same time the possibility of 100% online learning should be examined, taking into account potential further restrictions due to the current public health crisis.

Based on the survey of companies that are considered success stories in partner regions, LETZ RETAIL learning programme should take the European trends into account and help small businesses co-create unique products and experiences, where possible focusing on local, organic and healthy, and also become more socially responsible and/ or better communicate their social responsibility, so that they become more competitive and contribute to the green and circular economy.