Letz Retail

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Letz Retail

Output 1
Skill-set and Competence Framework: Full analysis report

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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.

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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.

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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,

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- 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.

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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.

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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.

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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.

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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 following questions are relevant to defining LETZ RETAIL core skills and competences:

Question 1: Our primary research had identified the following skills as the most important ones for co-design, co-work and co-creation. Which of them you think are the most important? (Please rate them from 1-5 with 5 the most important)

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%

Summing up the important and the most important answers per skill the graph below represents the categorisation of the skills. From the answers provided from the experts it is evident that the majority of the skills are equally important. Still the most important ones are **Creativity, Problem solving, Co-creation & Co-design, Networking & partnership building, Teamwork**.

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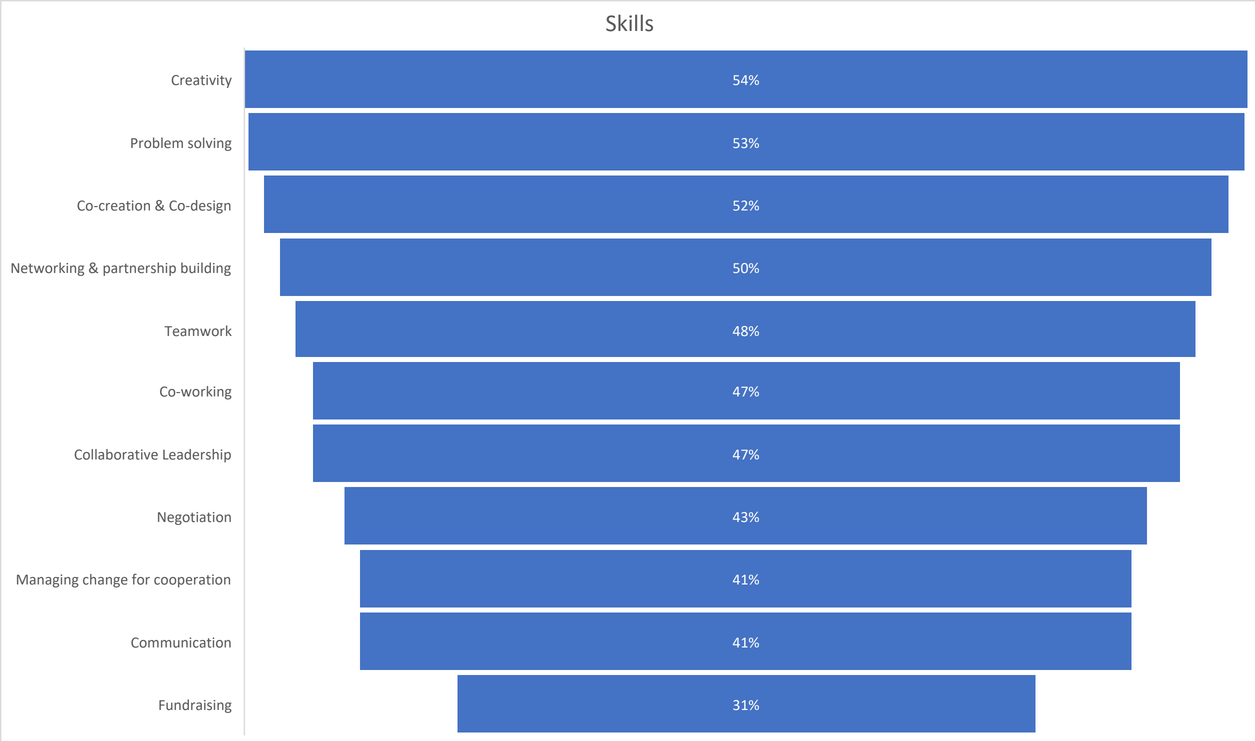

Question 2: In case you think some are missing, which are not included in the 10 above skills, please share them with us. (You can list maximum 5 skills)

The answers provided by the experts was a diverse set which they had been grouped. The most common answer provided was **Social media Presence; Marketing and online advertising.** This was followed from another set of skills **Empathy, Tolerance, Openness, Acceptance of opinions**. The third set was skills related to way of thinking and more detail the experts requested a module on **critical and strategic thinking**. Other skills that were expressed by the experts were Financial literacy, Talent, Inspiration, Soft skills, social skills, Definition of Unique Selling Proposition (USP), Digital Transformation Technics and traditional business mindset needs to be changed, Presentation skills (but maybe it's already included under communication), Negotiation with public authorities.

Question 6: In which of the following categories do you belong to?

The respondents came from all types of stakeholders, and also the direct target group of the project:

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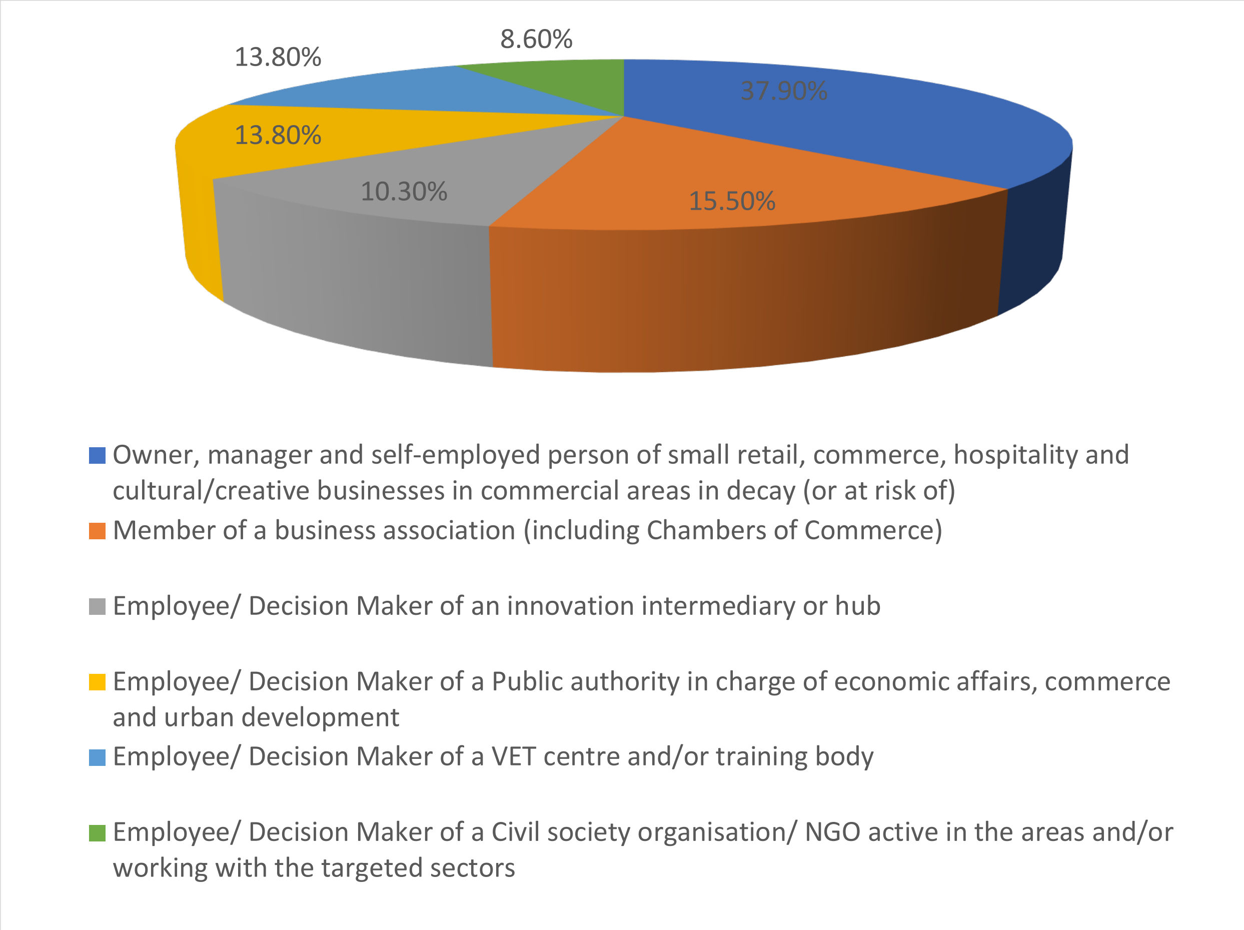

The Stakeholder Survey has confirmed that all skills and competences identified in the preliminary research are important to small companies in order to successfully engage in co-design, co-creation and co-working activities. Creativity, Problem solving, Co-creation & Co-design, Networking & partnership 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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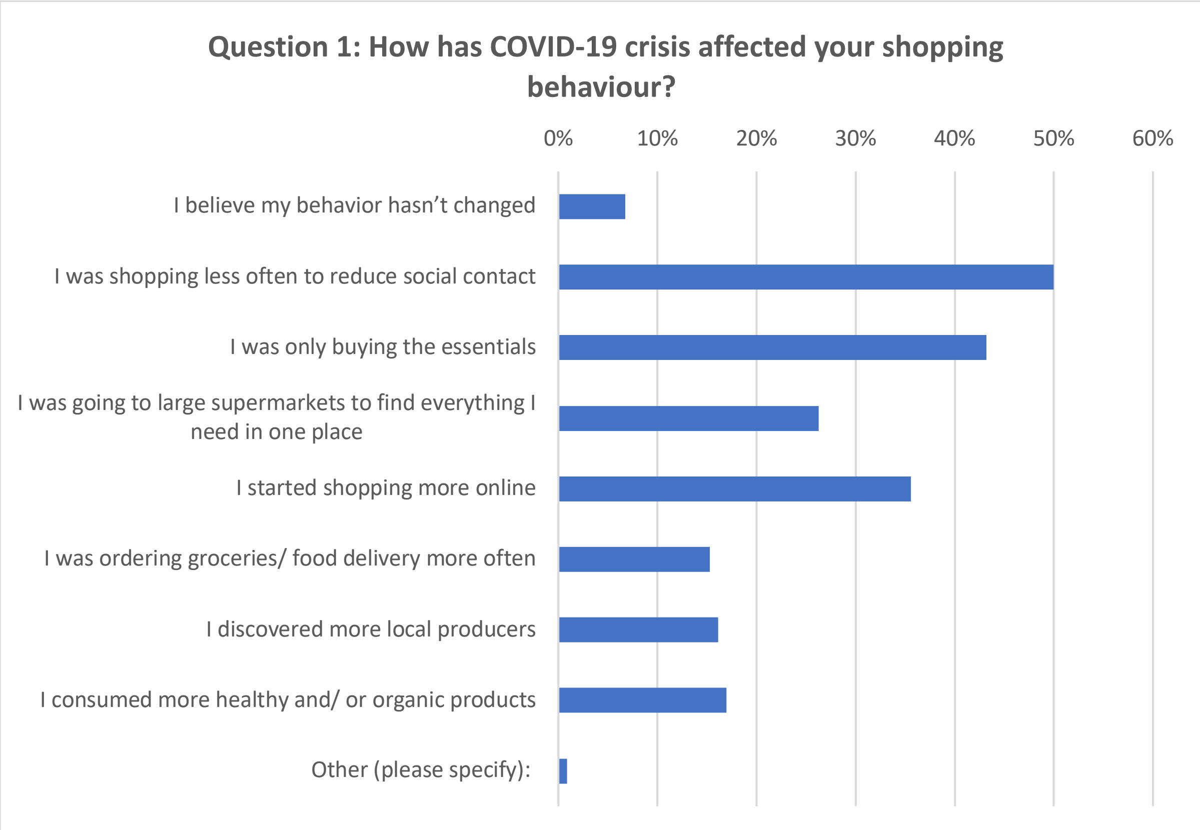
6. CONSUMER SURVEY - RESULTS

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 results are presented below.



All (118) respondents have answered the Question 1. Only 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%). At the same time the above responses show that despite social distancing was encouraged or even required, 50% were not shopping less frequently, 57% didn't limit their shopping to the essentials and 64% didn't shop online more often. 26% preferred going to large supermarkets, so that they find everything at the same place, however at the same time 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.

Question 2: After the restrictions related to COVID-19 are over, in the near future (please indicate how much you agree with the following statements):

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	Definitely no	Probably not	Maybe	Probably yes	Definitely yes
I will go to physical stores more often	6%	19%	**29%**	26%	14%
	7	*23*	*34*	*31*	*17*
I intend to buy more from small local businesses to support them	3%	10%	24%	**36%**	25%
	4	*12*	*28*	*43*	*30*
I will visit local cafes/ restaurants regularly	6%	**25%**	**25%**	**25%**	19%
	7	*29*	*29*	*30*	*23*
I prefer to stay with at-home entertainment instead of going out	15%	19%	24%	**33%**	9%
	18	*22*	*28*	*39*	*11*
I will keep avoiding social contact	19%	16%	**28%**	**28%**	9%
	22	*19*	*33*	*33*	*11*
I will do most of my shopping online	14%	**39%**	22%	22%	3%
	17	*46*	*26*	*26*	*3*
I plan to spend this summer holiday traveling in my own country/ region	6%	8%	16%	29%	**41%**
	7	*10*	*19*	*34*	*48*
I plan to spend this summer holiday at home	23%	**25%**	**25%**	16%	11%
	27	*30*	*29*	*19*	*13*

The question was answered by all respondents. The answers clearly show the trend of reduced travel plans in the near future, which will impact travel businesses but can encourage to offer more local tourism services: 70% of respondents probably or even definitely plan to spend this summer holiday traveling in their own country/ region. 27% said they were planning to spend the summer holiday at home, however 48% were not willing to do so, and 25% were not sure. Increased attention to local customers may encourage more of them to visit local cafes/ restaurants regularly (at the moment 31% of respondents are sceptical about this, and 25% are not sure). 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. 25% will do most of their shopping online, but 53% do not foresee that. 40% plan to visit physical shops more often, while 29% were not sure about that at the time of the survey.

Online or off-line, 61% of respondents intend to buy more from small local businesses to support them; 24% said "maybe" in answering this question, and only 13% answered negatively. 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 use this opportunity? The next question aimed to clarify the steps small businesses could take. The respondents were asked to select 3 actions from a given list, or make own suggestions.

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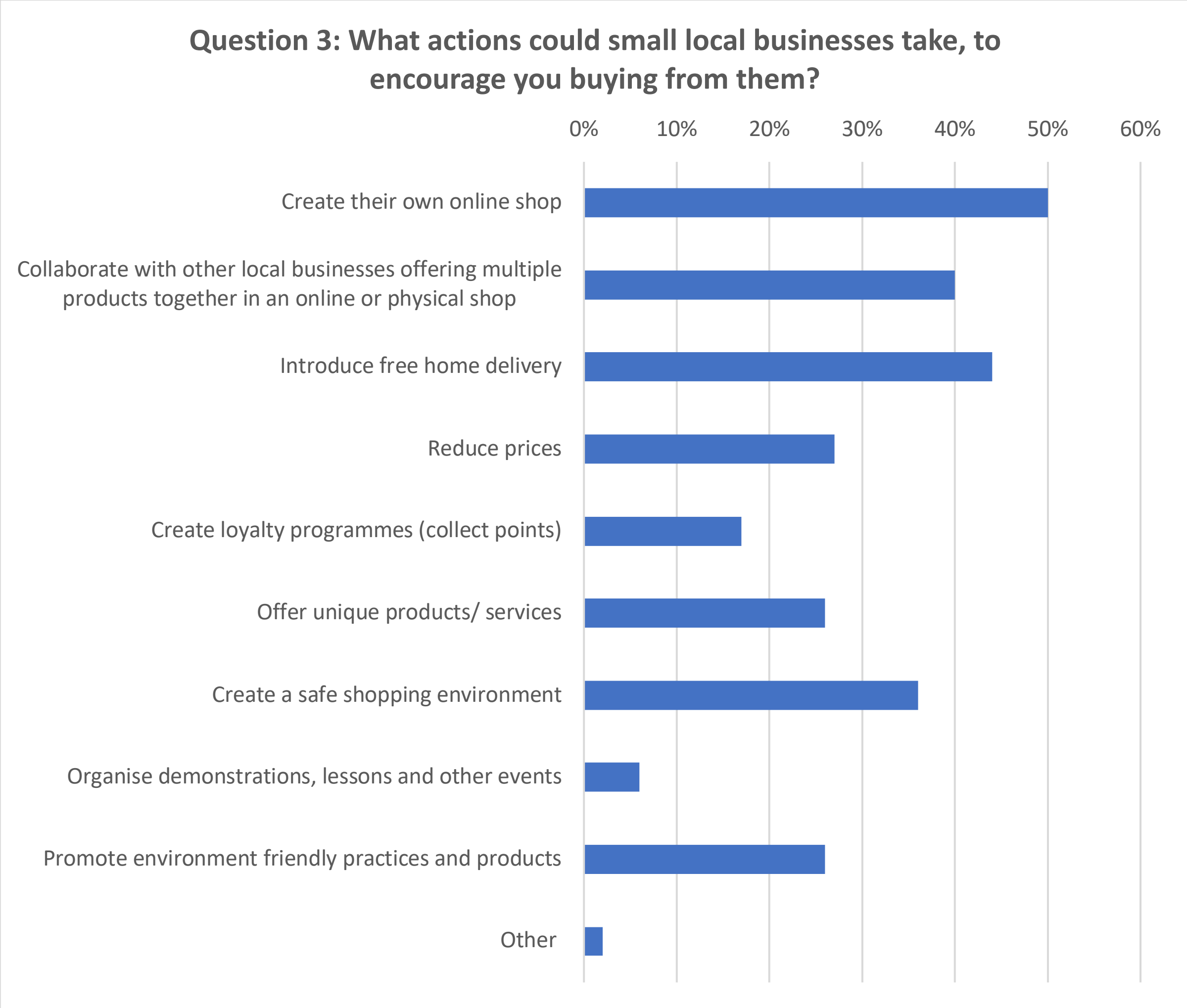

Online presence, either as independent online shop of one company, or as an e-shop of several businesses would encourage 90% of consumers to buy from small local businesses. 44% would also appreciate free home delivery. Safe shopping environment is important to 36% of customers. 26% of respondents are interested in buying from businesses that promote environment friendly practices and products; also 26% think that small businesses should offer unique products or services. Reducing prices is important to 27%, while only 17% are interested in loyalty programmes, and 6% - in demonstrations, lessons or other events. One respondent has noted that small businesses should pay more attention to marketing, as sometimes potential customers don't know what those businesses offer.

The last question of the survey aimed to find out the geographical distribution of respondents. 20% of them came from the Netherlands, 19% - Spain, 10% - Bulgaria, 10% - Cyprus, 7% - Luxembourg, 6% - Greece, 31% - other countries (Portugal, Austria, Lithuania, France, Denmark, Germany, Italy, Switzerland, UK, Moldavia, Turkey, Brazil).

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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.

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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 24 companies that were identified as success stories in partner regions. The survey was carried out in July-September 2020. The questionnaire is enclosed as Annex 3.

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

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 getting 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 Annex 5.

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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.
- 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 accusable and the participants should be able to choose only the knowledge they are looking for

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- 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,

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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.

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10.Annexes

Annex 1 – Stakeholder Survey questionnaire

LETZ RETAIL is an Erasmus+ project that will create a learning platform for small businesses affected by crisis, and will help them work together to offer products and services that customers really need.

We kindly invite you to participate in this 5 minute survey and share your experience which will help us to offer to the end users (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 needed skills and competences that will help them to achieve co-creation, co-design and co-working.

Please help us support small businesses around Europe!

Thank you!

LETZ RETAIL Team

Question 1: Our primary research had identified the following skills as the most important ones for co-design, co-work and co-creation. Which of them you think are the most important? (Please rate them from 1-5 with 5 the most important)

	1	2	3	4	5
Creativity: thinking out of the box; Looking at the problem from different perspectives; Ability to combine ideas from different areas					
Collaborative Leadership: Granting rights and sharing responsibility with team members; Building a conductive atmosphere for an open discussion					
Teamwork: ability to inspire others and the team					
Communication: motivate others; engage others (inc. Identifying the right people for the goals)					
Networking & partnership building					
Negotiation					
Problem solving					
Managing change for cooperation: Analytical approach in understanding needs, processes and challenges; Flexibility in adapting to changing conditions. Risk management on different stages of developing ideas					

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Fundraising: Ability to obtain sponsors (including crowdfunding, fundraising)					
Co-creation & Co-design					
Co-working					

Question 2: In case you think some are missing, which are not included in the 10 above skills, please share them with us. (You can list maximum 5 skills)

Your answer:

Question 3: 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?

Your answer:

Question 4: 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)?

Your answer:

Question 5: Do you have any other comments/ suggestions for the LETZ RETAIL learning programme and environment?

Your answer:

Question 6: In which of the following categories you belong to?

- ☐ Owner, manager and self-employed person of small retail, commerce, hospitality and cultural/creative businesses in commercial areas in decay (or at risk of)
- ☐ Member of a business association (including Chambers of Commerce)
- ☐ Employee/ Decision Maker of an innovation intermediary or hub
- ☐ Employee/ Decision Maker of a Public authority in charge of economic affairs, commerce and urban development
- ☐ Employee/ Decision Maker of a VET centre and/or training body
- ☐ Employee/ Decision Maker of a Civil society organisation/ NGO active in the areas and/or working with the targeted sectors

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Annex 2 – Consumer Survey questionnaire

LETZ RETAIL is an Erasmus+ project that will create a learning platform for small businesses affected by crisis, and will help them work together to offer products and services that customers really need.

We kindly invite you to participate in this 5 minute survey and share your experience of how COVID-19 has affected you as a customer. The survey is anonymous and does not collect any personal data. Please help us support small businesses around Europe!

Thank you!

LETZ RETAIL Team

1. How has the COVID-19 crisis affected your shopping behaviour? Please mark all that apply.

   ☐ I believe my behavior hasn't changed
   ☐ I was shopping less often to reduce social contact
   ☐ I was only buying the essentials
   ☐ I was going to large supermarkets to find everything I need in one place
   ☐ I started shopping more online
   ☐ I was ordering groceries/ food delivery more often
   ☐ I discovered more local producers
   ☐ I consumed more healthy and/ or organic products
   ☐ Other:

2. Please indicate how much you agree with the following statements: 1=Definitely no; 2=Probably not; 3=Maybe; 4=Probably yes; 5=Definitely yes.

   After the restrictions related to COVID-19 are over, in the near future:

   ☐ I will go to physical stores more often
   ☐ I intend to buy more from small local businesses to support them
   ☐ I will visit local cafes/ restaurants regularly
   ☐ I prefer to stay with at-home entertainment instead of going out
   ☐ I will keep avoiding social contact
   ☐ I will do most of my shopping online
   ☐ I plan to spend this summer holiday traveling in my own country/ region
   ☐ I plan to spend this summer holiday at home

3. What actions could small local businesses take, to encourage you buying from them? Please choose up to 3 actions that are most important to you.

   ☐ Create their own online shop
   ☐ Cooperate and offer an opportunity to purchase from several small companies on one website
   ☐ Introduce free home delivery
   ☐ Reduce prices
   ☐ Create loyalty programmes

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- ☐ Offer unique products/ services
- ☐ Create a safe shopping environment
- ☐ Organise demonstrations, lessons and other events
- ☐ Promote environment friendly practices and products
- ☐ Other: ____

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Annex 3 – Company Survey questionnaire

LETZ RETAIL is an Erasmus+ project (2019-2021) that addresses the learning needs of 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 face a growing competition of online commerce and large malls.

LETZ RETAIL survey aims to clarify what competences small businesses need to develop in order to successfully work together and co-design/ co-create products and services that meet the needs of a modern customer, and are friendly to the environment.

Co-design (also called participatory design) actively involves stakeholders (customers, partners and/ or others) in the design process to make ensure the result meets their needs. Co-creation is a form of collaborative innovation where companies work together with partners or customers to ideate, problem solve, improve performance, or create a new product, service or business.

We would be grateful for your participation in this research. Completing the questionnaire should take about 10 minutes of your time. Please be assured that all answers you provide will be kept confidential.

Thank you!

LETZ RETAIL Team

1. In which sector does your business operate?

- [ ] Retail
- [ ] Hospitality
- [ ] Cultural/ creative
- [ ] Other – please specify: ____________________________

2. How many people does your company employ?

- [ ] < 10
- [ ] 10 - 49
- [ ] 50 - 249
- [ ] 250 or more

3. Your country

- [ ] Bulgaria
- [ ] Cyprus
- [ ] Greece
- [ ] Luxembourg
- [ ] Spain
- [ ] The Netherlands

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☐ Other (please specify)

4. The following statements represent general European trends. Please mark the statements that, in your opinion, apply to YOUR TOWN/ BUSINESS AREA.

☐ Small businesses face a growing competition with large shopping malls and online shops
☐ Customers are increasingly looking for unique products and experiences
☐ There is a growing demand for local, organic and healthy products
☐ More customers prefer to buy from socially responsible businesses
☐ Social networks and media have a strong influence on consumers

5. Do you think your business is affected by the trends of sustainable and green economy?

☐ Yes
☐ No
☐ I am not sure

Comment (optional): ____

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

☐ Quality of products/ services
☐ Unique products/ services
☐ Offering value for money
☐ Customer loyalty and satisfaction
☐ Management and leadership skills
☐ Responding to market trends
☐ Cooperation with other organisations
☐ Talented employees
☐ Marketing expertise
☐ Business financing
☐ Location
☐ Other (please specify): ____

Comment (optional): ____

7. Do you have any experience in cooperation with other organisations, for example in the area of design, production or marketing?

☐ Yes, extensive experience
☐ Yes, some experience
☐ No experience yet

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8. In LETZ RETAIL, we will focus on co-design, co-creation and cooperation. Please indicate maximum three sub-topics to be included:

- ☐ Creativity
- ☐ Collaborative Leadership
- ☐ Teamwork
- ☐ Communication
- ☐ Networking
- ☐ Negotiation
- ☐ Problem solving
- ☐ Managing change for cooperation
- ☐ Fundraising

PERSONAL INFORMATION (OPTIONAL)

9. Your name: ____

10. If you would like to receive further information about LETZ RETAIL project, please provide your email address and/ or phone number:

____

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ANNEX 4 – PRELIMINARY RESEARCH COUNTRY REPORTS

PRELIMINARY RESEARCH - BULGARIA

General description of the selected region

Ruse Chamber of Commerce and Industry is situated in the city of Ruse and it is only natural that the region where we are going to implement the activities of the project will be Ruse.

The city of Ruse is part of the Ruse Municipality and it is located in Norhteastern Bulgaria, situated on the high right bank of the most international river in the world – the Danube. It is the fifth largest city in Bulgaria and the largest port city on the Danube coast in the country. Not only Ruse is a dynamic center of economic life, a major transport hub and a lively cultural center, but also the most important educational, industrial, commercial, medical, and touristic center in the Northeast Bulgaria.

Since the beginning of the XVII century, Ruse has developed as a trading center, its port is especially important for the trade exchange between Central Europe and the Balkans.

Today District Ruse is located 324 km from the capital of Bulgaria Sofia and only 60 km away from the Romanian capital Bucharest. The Northern border of the district runs along the Danube river and coincides with the state border with Romania, an area adjacent to the Romanian town of Giurgiu.

Ruse region is also located, both in the Danube macro-area and in the Black Sea region, which significantly favours the socio-economic development of the city. Until recently there was only one bridge connecting Bulgaria and Romania and it was the Frindship bridge between Ruse and Guirgiu, build in 1952-1954.

The economy of District Ruse has a specific structure, different from that of other economies in the Norhteastern Bulgaria. It is characterized by many SMEs, not micro-enterprises. According to recent statistic data, over 91.6% of enterprises are medium or medium-sized and only 9.2% are micro-enterprises.

The reasons for this specific situation can be drawn from the historical heritage of the regional economy. Until 1989, it was characterized by strong industrialization. The structure remained the same during the transition period. Some of the most important industrial companies (especially in industries such as the chemical industry, automobile construction, etc.) continued their operations, while others (mostly of the textile industry) were divided into SMEs, maintaining this form of activity. Therefore, the structure is clearly identified as an industrial component of the old regional economy, leading to a small number of micro-enterprises and a large number of SMEs.

The labor market in 2018 shows an increase in the demand for labor force and a relative decrease in unemployment in District Ruse. The employment rate continues to increase and, according to the National Statistical Institute, the average number of employees with employment contracts in the Ruse region reaches 69 406 people at the end of 2017.

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The unemployment rate in the municipality of Ruse is below the national level, while in rural municipalities it exceeds the national level. Rural municipalities tend to have higher rates of unemployment and difficulties in job creation. The large industrial zone in Bulgaria, especially in the east and in the city of Ruse, contributes to the high unemployment rate in the rural areas.

In 2017 according the data from the National Statistical Institute the GDP per capita in Ruse was 11 152 leva (= 5 701 euro).

There are many public policies that aimed at improving the small commerce, hospitality and cultural and creative sectors. For example, the regional development strategy of Ruse region for the period 2014-2020 in which concrete measures for the construction of the fishing village in the village of Pirgovo are proposed.

Another policy is the Tourism Development Strategy in Ruse Municipality by 2020, which highlightens the two main priorities when it comes to tourism in Ruse - Increasing the number of tourists visiting Ruse and the region and Increasing tourism revenue.

There are many organizations in Ruse 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 and Ruse Chamber of Commerce. Through their project activities and international work, these organizations help bringing new technologies, exchange of experiences and good practices to the interregional and international level.

Description of the small commerce, retail, hospitality and creative/cultural sector in Ruse

Ruse maintains sustainable traditions in a wide range of business sectors but at the same time creates conditions for the development of new industries. The economic activity in Ruse District is concentrated mainly in Ruse Municipality: about 80% of the total number of enterprises, the volume of the net revenues and the production of the region.

The biggest number of enterprises is of those operating 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. These are the economic activities of decisive importance for the economy of Ruse – they contribute to most of the production in Ruse Municipality, with the largest number of active enterprises with the largest number of hired and employed workers concentrated in them.

Although the sectoral structure is well-balanced, Ruse Municipality has a strong industrial profile and a well-developed industry. In 2016, the manufacturing enterprises in Ruse represented 86.7% of those in the district. The metallurgy, mechanical engineering and metalworking are of key importance for Ruse Municipality.

Despite the serious share of enterprises in the industry, there are more and more freelancers in Ruse that create handmade goods and keep traditional crafts alive. This may be due to the fact that in Ruse is located the Danube Artisan Cooperative of handcrafts and folk art – an association that is an independent creative organization with the task of preserving the traditions of centuries-old applied folk art.

What is more in the nearby city of Veliko Tarnovo is located Samovodska charshia – one of the most famous craftsmen streets in Bulgaria, which is visited by everyone interested in traditional Bulgarian craftsmanship and creativity.

In addition to these the influence of the creativity and culture can be felt everywhere in the region. The city is famous for the many cultural events it holds annually, such as The "March Music Days" – an international festival that has a longstanding traditions in attracting artists from the European and world stage; The traditional Ruse Carnival, with its rhythm taking over the whole city for one day in the year; 3D Street Art Festival; Vintage Vehicles Parade, Green Rock Fest and many other events.

Since Ruse is the main city of District Ruse the museums are mostly concentrated here –The Regional Historical Museum – Ruse with open air exhibitions (Sexaginta Prista and Medieval town of Cherven), Pantheon of the National Revival Heroes, Museum of Urban Life, Baba Tonka House Museum and Zahari Stoyanov House Museum and Ecomuseum with aquarium.

In a way Ruse is a hub for traditional crafts, in the region are preserved traditions of local crafts, connected to the Danube river, that can be offered as a tourist attraction - boat manufacturing, carpentry, stone extraction and processing by traditional means, fabrics, hand knitting and embroidery with traditional motives.

This maybe one of the reasons why there are so many artists in Ruse who create handmade items - from jewellery, candles, dolls, toys, clothes to paintings and decorative items.

Periodically events aimed at artists take places in the city of Ruse. From spring and Christmas markets, to handmade goods markets and tourism exhibitions, the city of Ruse together with the organization Ruse Free Spirit offer many attractions for the citizens and opportunities for the artist to express themselves.

Description of Ruse area where Letz Retail will be implemented

Ruse is the largest cultural and tourist center of the district. It focuses on prestigious institutions for the creation of spiritual values - theatre, opera, museum complex with rich exposition, art galleries, regional library, amateur groups. Their activities are of national and international importance. With its unique architecture and a wealth of architectural and historical monuments, the city is an attractive tourist destination and a center of cultural life with outstanding achievements in the cultural map of Bulgaria and Europe.

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 migration (to Sofia, Varna) and external migration mostly towards Western Europe. The downward trend in the population is expected to continue in the coming years. This migration of the population towards the capital or towards Western Europe is one the main threat that the region is facing. When the aging of the population and the demographic crisis are added to the existing problems, it is clear that Ruse has to combat some difficult problems.

Since the Letz Retail project is focused on the cultural and creative, small commerce, retail and hospitality sectors it is important to note that Ruse is a region with huge cultural and touristic potential.

The cultural, historical and architectural heritage of District Ruse is preserved relatively well. The specific resources for tourism development are the rich and unique national architecture of the XIX century Baroque and Secession Ruse, presented by the works of Italian, Austrian, German and Bulgarian architects.

The vast and rich cultural activity of Ruse attracts many tourists and visitors from Romania, other Bulgarian cities and all over Europe (since Ruse is one of the ports for cruise tourism).

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When we implement activities, such as multiplier events or project dissemination we can use the popularity of Ruse as destination in order to reach more people and spread knowledge about the Letz Retail project. This makes the city perfect for the implementation of the activities regarding the Letz Retail project.

Examples of already existing cooperation/projects

Since Ruse is situated on the border with Romania and it is very well connected to the Romania state with a bridge, it is natural to say that there are many cross-border projects between Bulgaria and Ruse that go under the INTERREG programme.

An example of a project, implemented between Romania and Bulgaria is the project “Improving the workforce mobility and employment in cultural and creative industries from the RO-BG cross-border area – CREATWIN”, which aims to improve some of the situations identified as problems within the programming documents for INTERREG V-A RO-BG, namely the “deficits in creative industries”, the “brain drain of young and creative talents”, the “insufficiently explored and recognized potential of creative industries for the economy and the competitiveness of the region” and the „lack of cross border mobility for goods and persons”.

Another similar project is CREATINNES, an Erasmus+ project aiming to create new training programs for the Creative and Cultural Industries based on the in-depth analysis of the segments’ needs, which currently is an on-going project, implemented in partnership between France, Germany, Hungary, North Macedonia and Bulgaria.

Your local guide is also an Erasmus+ project, whose aim is to train more than 400 seniors with low digital skills to become tourist guides.

Bibliography

1. REGIONAL DEVELOPMENT STRATEGY OF RUSE REGION FOR THE PERIOD 2014-2020

2. INVESTMENT PROFILE OF RUSE MUNICIPALITY

3. TOURISM DEVELOPMENT STRATEGY IN RUSE MUNICIPALITY BY 2020

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PRELIMINARY RESEARCH - CYPRUS

1. General description of the region/city in which you will implement LETZ RETAIL

a. Main characteristics and location

Larnaca is a city on the southern coast of Cyprus and the capital of the eponymous district. It is the third-largest city in the country, after Nicosia and Limassol, with a population of about 100,000.

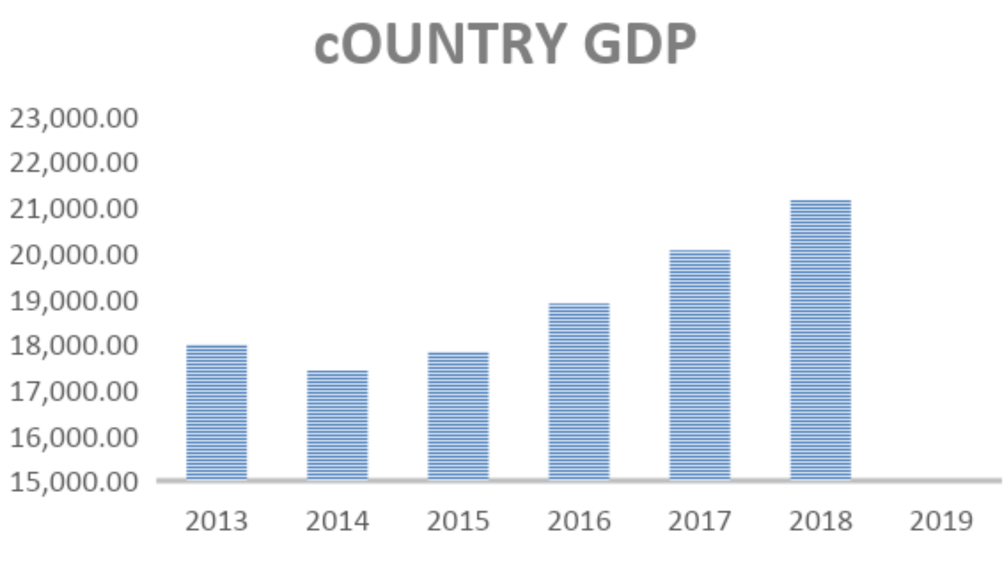
Larnaca is considered to be Cyprus's oldest town, with a history of 10.000 years. It was built on the ruins of ancient Kition, which was the birthplace of Stoic philosopher Zeno.

Larnaca's economy has been growing since 1975, after the loss of the Port of Famagusta, which handled 80% of general cargo, and the closure of Nicosia International Airport, meant that Larnaca's airport and seaport had increasingly important roles in the economy of the island.

The service sector, including tourism, employs 75% of Larnaca's labour force. Many travel and tour operators and other travel-related companies have their head offices Larnaca.

b. General economic data (GDP, unemployment/employment rates….)

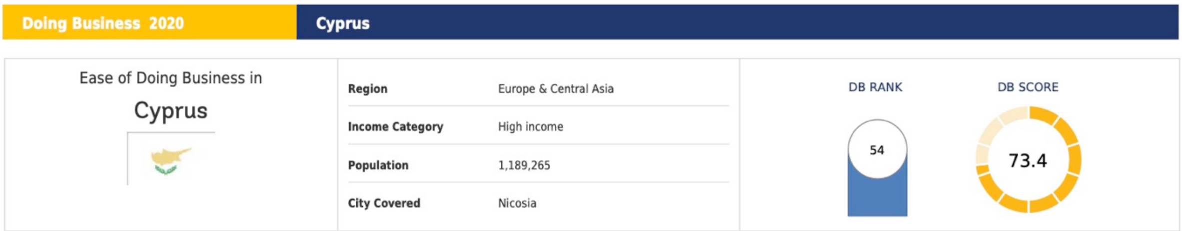
The total GDP of Cyprus in 2018 reached a level of €21,137.8 m at current market prices. The GDP has been growing at an average of 2.9 since 2013. The economy was expected to grow by around 3.3 % in 2019.



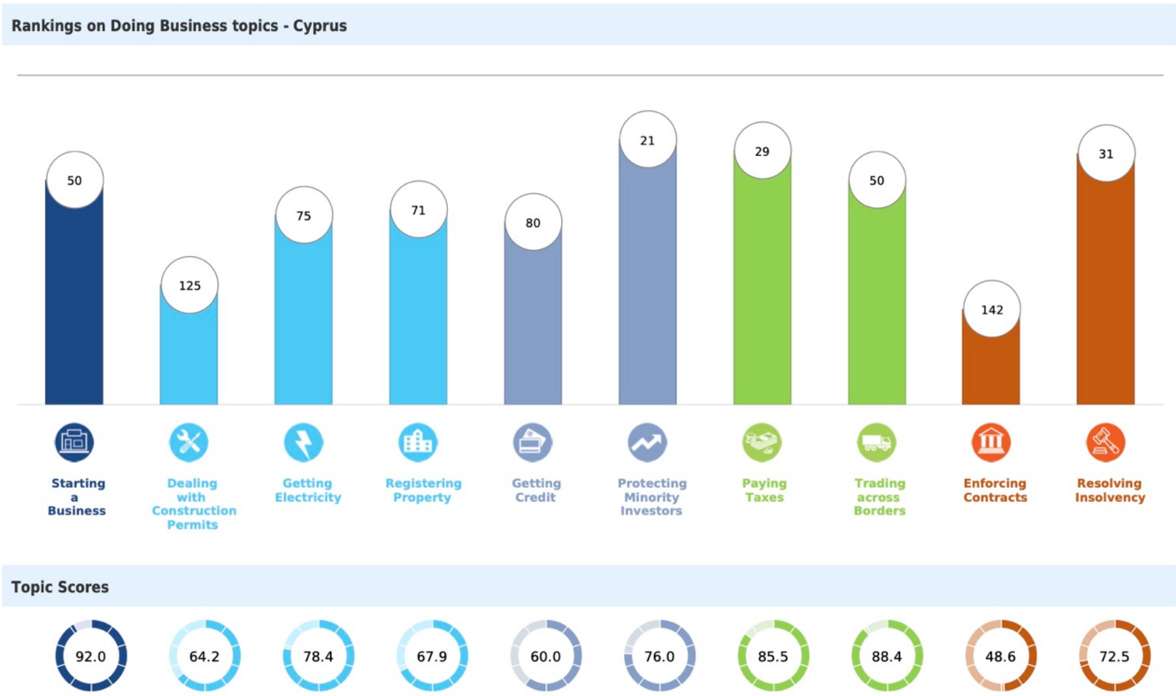
The total value at current market prices of the Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles sector in 2018 was at €2,040.68 m, growing at an average rate of 4.5% per year since 2013. The Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles sector has a share or about 10% of total GDP, while it employs about 19% (74,328) of the total Country workforce (400,878).

c. Public policies aimed at improving/supporting the small commerce, retail, hospitality and creative/cultural sector in the region/city you will implement LETZ RETAIL

In general, the support systems for doing business in Cyprus are quite developed although there is always room for improvement. The Doing Business Report 2020 gives Cyprus a score 73.4/100 and a rank of 54 out of 190 countries.



In more detail Cyprus does well in the areas of starting a business, getting electricity, protecting minority investors, paying taxes, trading across borders, resolving insolvency and employing workers, and not so well in dealing with construction permits, registering property, getting credit and enforcing contracts.



POVEK is the main body for the representation of the interests of professional shopkeepers and small and medium-sized businesses. POVEK was originally founded as an Association of Small and Medium Enterprises in 1942 during the World War II to help professional craftsmen and shopkeepers collectively cope with the shortage of raw materials and merchandise for their craft and shops. In 1952, it was renamed Pancyprian Organization of Craftsmen. In 1997 it was converted into a Federation and 2006 into the General Confederation of Pancyprian Craftsmanship Professional Organizations (POVEK).

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Today POVEK has offices in all the major Cities of Cyprus. The Confederation has demonstrated a number of important achievements for professional shopkeepers and small and medium-sized businesses such as commercial real estate (rent law) statutory hours of operation, shop law, regulation of technical professions, public transport laws, etc.

While these are important achievements in favor of small business, there is room for improvement in the areas of Strategy Formulation and Innovation at the level of individual businesses.

d. Networks and mutual support mechanisms (umbrella organizations, associations of social enterprises) in region/city which provide support for the target sectors/companies

POVEK as the main body responsible for professional shopkeepers and small and medium-sized businesses, participates as an active, consistent and responsible body in the following committees and bodies:

- European Programs Monitoring Committees
- Industrial Development Council
- Social Security Council
- Competitiveness Council
- Consumer Advisory Committee
- Cyprus Health and Safety Council
- National Rural Network
- Turkish Cypriot Property Management Committee
- Rental Court Court House of Parents

Confederation also participates in committees of various Ministries, in Parliamentary Committees of the Cyprus Parliament, in the activities of the Human Resources Development Authority.

At a Local District level POVEK participates in project development and monitoring committees within the different Municipalities and Communities in an effort to promote the interests of its members and ensure that appropriate policies and initiatives are planned and implemented to support the sustainability and success of micro and small businesses.

POVEK currently hosts the following professional shopkeepers and small businesses associations:

- Car Dealers Association (PASEA) Larnaca
- Larnaca Clothing and Footwear Association
- Association of Professional Photographers Larnaca
- Association of Woodworking Contractors
- Association of Blacksmiths
- Owners Association of Larnaca Palm Leisure Centers
- Association of Motor Vehicle Owners (SISMO) of Larnaca
- Association of Car Washers - Car Washers
- Aluminum Alloy / Amplifier Manufacturers' Association
- Larnaca Historical Trade Center Shop Owners Association
- Steel Structure Association
- Association of Larnaca Peripherals
- Larnaca Petroleum Association
- Association of Tire Technicians

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- Association of Turkish Cypriot Real Estate Professionals in Larnaca

2. Description of the small commerce, retail, hospitality and creative/cultural sector in the region/city you will implement LETZ RETAIL

a. Main characteristics of the companies

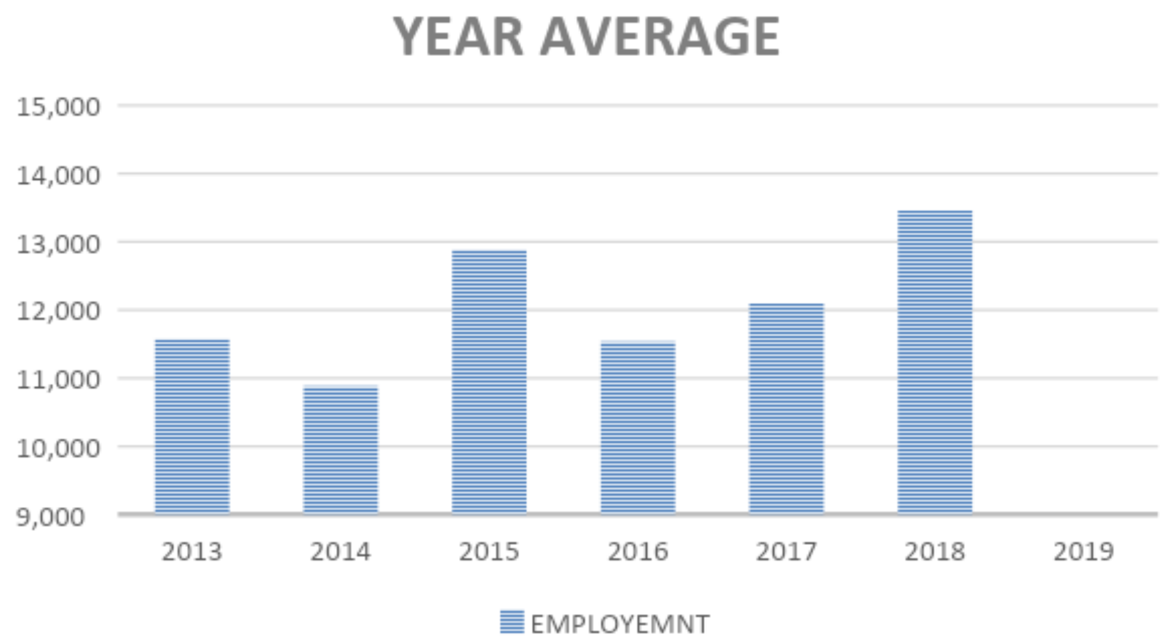
According to the results of the 2005 Census of Business Statistics, there were 67,000 small and medium-sized businesses operating in Cyprus beyond the agriculture and fisheries sector with a total of 314,000 employees. Of the 67,000 businesses, 60% (40,000 businesses) employed only one person, while 34% - between 2 and 9 people.

According to the definition of the European Union, 94% of businesses in Cyprus are classified as very small businesses.

Businesses in Larnaca are no different from the rest of Cyprus. Very small, family-owned businesses represent the largest proportion of professional activity, and their contribution to the steady and upward trend in the development of the Cypriot economy is very important.

b. Weight in the local/regional GDP, employment etc.

In 2018 the average employment in the Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles sector in Larnaca was 13,454 about 18% of the employment in the Sector.



Based on these figures the contribution of the district of Larnaca to the whole Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles sector in 2018 was about €369.38 m (1.7% of the Country's GDP).

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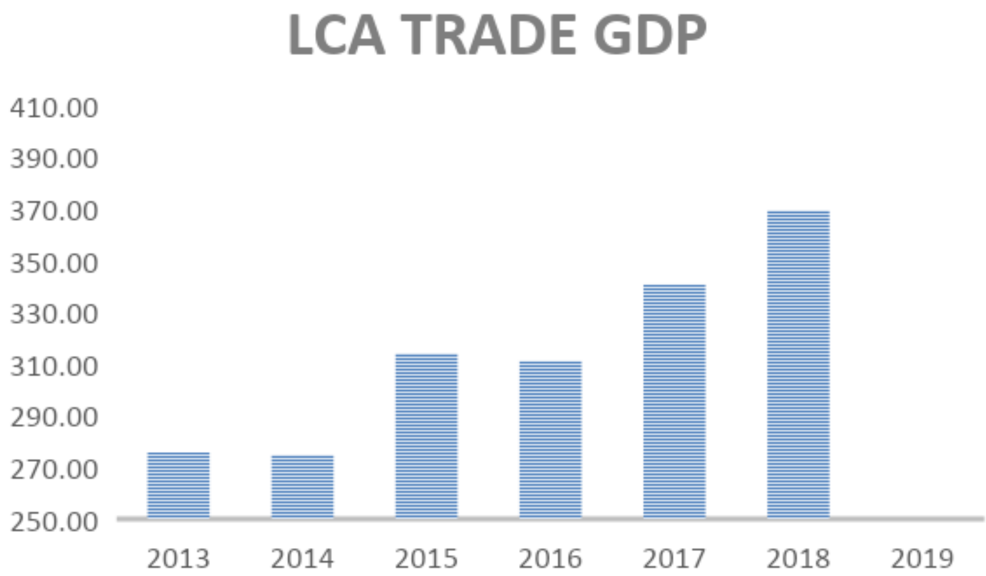

While these are positive trends the numbers can be misleading, as there is no distinction or analysis, which companies benefit from this growth. In reality much of this growth can be attributed to larger traders than smaller ones, who are the ones who usually lag behind or are even driven out of the market when difficult time hit.

c. Regional/local tendencies in consumer/customer demands

According to Y. Kedem, the manager of one of the malls in Cyprus, currently there is a convergence of physical and digital retailing. Consumers are searching online and buying offline or searching offline and buying online or buying online and collecting their purchase in store. At the end of the day, consumers buy where they get higher value – this can be the most convenient or the most cost-effective way available to them. Millennials may be the first truly digital generation but when it comes to shopping, they are still interested in brick & mortar shops. The retailers must also remember that this is a generation eager to make a difference in the world and favour companies that are socially responsible and environmentally sustainable.

Based on PWC Cyprus Annual Review 2018, Cyprus retail industry is going through significant changes, also because of new market entrants with international presence and the construction of new shopping malls. The retail companies need new, customer-centric business models and strategic plans, which enable the delivery of a personalised, convenient and omni-channel customer experience to consumers.

To our knowledge, there is no data available on consumer behaviour related specifically to Larnaca or its centre. Further research is necessary to detect any local trends or preferences.

3. Description of the specific area/neighbourhood in your region/city selected for the implementation of LETZ RETAIL

a. Short description of the area/neighbourhood (focus on problems and challenges faced)

For the purpose of implementation of LETZ RETAIL, we will focus on the centre of Larnaca.

The centre of Larnaca is where most of city's monuments and tourist attractions are located. The most important landmarks of Larnaca city center include Saint Lazarus Byzantine Church – a Byzantine Monument built around 900 AD, the Palm Trees Promenade, Larnaca Medieval Castle and Museum founded in the 12th century, now hosting a Medieval Museum and a Garden Theatre; Ancient Kition dated from the 13th until the 4th century B.C, Europe Square consisting of the first colonial buildings built by the British Administration in 1881.

Despite the many advantages deriving from its location, environment and history, Larnaca city center suffers from a number of economic and demographic problems:

- Aging population.
- Non-existence of a distinct economic base.
- Weak business culture.
- Small market (inability to exploit economic scale).
- Low investment in research and technology.
- Low level of product differentiation and lack of composite tourism products.
- Ineffective utilization of programs for development.
- Reduced level of development of intra-regional cooperation and communication.
- Poor quality in hotel beds.
- Low share in the distribution of tourist beds.
- Insufficient interconnection of tourism with other sectors of the economy
- Seasonality of tourism.
- High level of unemployment.
- Rudimentary use of infrastructure of national importance in the local economy.

b. Description of the type of small commerce, retail, hospitality and creative/cultural sector in the selected area/neighbourhood

The center of Larnaca has many shopping centres and boutiques – both small traditional ones, and those that are part of worldwide chains/ franchises - with plenty of choice for the local shoppers as well as tourists. Larnaca is the place to buy famous local products like handmade lace, silverwork, pottery and jewellery.

Larnaca is the last city in Cyprus to get its own Shopping Mall. Initially there was interest from three different investment groups to establish shopping malls in Larnaca, but after one of the three made significant progress the other two groups decided the small market of Larnaca could not sustain three malls.

Larnaca is set to see the construction of its first Mall within the next 12 months, while local authorities prepare to address the challenges it will bring. The Authorities agree that this development does not come without its share of negative effects. While the town's municipality has already earned about €100,000 from the various permits, it expects to receive another €2 million as part of a deal made with the South African investors. The money will be given as a form of compensation to be used to revitalise the town's commercial centre. The town's commercial heart will to some extent be negatively affected as studies have shown.

The Mall is to host over 100 stores, a supermarket, a cinema, as well as accommodate 1,530 parking spaces. Investments of this size always bring along some positive effects, such as job opportunities and add value to the area. However, they do come with some challenges that need to be addressed. Such a big mall will of course put stress on local small businesses.

c. Conclusions (mainly summarising the arguments on why you selected this specific area.

Officials promise that the municipal authorities will do all that they can to minimise the impact on local shopkeepers and that the Metropolis Mall has a role to play in the overall development of the town. Apart from the Mall, the town is set to see significant development in almost all areas of life. The municipality alone has four projects worth €13 million in the pipeline.

Despite the efforts of the municipal authorities, shop owners in Larnaca and the small shopkeeper's organisation POVEK do not agree with the government's support for a mall to be constructed in Larnaca. The shopkeepers condemned the decision of the Cyprus government and local authorities, claiming that the shopping centre will harm the businesses in Larnaca's old town. They are threatened by this new development and fear that this will drive away people from the old town and hurt business in the town centre, and the cafés and restaurants in the city. They hold the position that "The investment is not productive, it does not contribute to culture, education, sports, tourism and generally does not contribute in any way to the economic development of the area, or to the social development, or improvement of the standard of living of the citizens,".

Despite the objections, the Mall is going to be constructed and the impact on small businesses cannot be avoided. Because of this, and potential other threats (further large shopping centres, growing trend of online shopping) it is important that small businesses in the centre of Larnaca receive support to revise their strategies, increase cooperation and become more competitive.

d. Examples of already existing cooperation activities/projects in the area/neighbourhood in your region/city selected for the implementation of LETZ RETAIL

Although at the Municipality level, there are different initiatives to improve the general infrastructure of Larnaca and improve the quality of life of the citizens, 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. The main focus of most business networks or associations are in the areas of commercial real estate (rent law), statutory hours of operation, shop law, regulation of technical professions and public transport.

There are some marketing businesses that try to develop various ad campaigns, through special offer websites, or discount coupons. Other activities on the marketing side include town maps or local magazines.

An interesting example is a start-up company that is a spin-off from an IT company is trying to develop a games platform, where consumers can play different games and earn points which they can then exchange for promotional products from sponsoring businesses e.g. Shops, cafes, restaurant, etc.

The efforts of the Municipality focus on improving the general city environment and restoring old buildings in the old town, creating new centers where people can seek entertainment or a more traditional shopping experience in smaller shops. It would of course be a very important step in the right directions if these initiatives were accompanied by appropriate business support, in the form of training or discussion forums to promote more strategic thinking and cooperation in creating new or improving traditional products, services and customer experience.

PRELIMINARY RESEARCH – GREECE

1. General description of the region/city in which you will implement LETZ RETAIL

a. Main characteristics and location

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. Many of Classical civilization's intellectual and artistic ideas originated in Athens, and the city is generally considered to be the birthplace of Western civilization. Athens lies 5 miles (8 km) from the Bay of Phaleron, an inlet of the Aegean (Aigaíon) Sea where Piraeus (Piraiévs), the port of Athens, is situated, in a mountain-girt arid basin divided north-south by a line of hills. Greater Athens has an area of 165 square miles (427 square km). The Athens Urban Area has 40 municipalities, 35 of which are referred to as Greater Athens municipalities in North Athens, West Athens, Central Athens, and South Athens. The Athens Metropolitan Area is in the Attica region with 58 municipalities. Today, Athens is a cosmopolitan metropolis that is the financial, political, cultural and economic center for the country. The city has a population density of 44,140 people per square mile (17,040/square kilometer). According to December 2019 information, currently in Athens they live 3.154.152 people. In Athens between January 2019 and November 2019 had landed 6.112.675 tourists in its International Airport and is the leading of Greece's Top 10 destinations.

Athens ranks in the lowest percentage for the risk on frequency and severity of terrorist attacks according to the EU Global Terrorism Database (EIU 2007-2016 calculations). The city also ranked 35th in Digital Security, 21st on Health Security, 29th on Infrastructure Security and 41st on Personal Security globally in a 2017 The Economist Intelligence Unit report. It also ranks as a very safe city (39th globally out of 162 cities overall) on the ranking of the safest and most dangerous countries. According to the Mercer 2019 Quality of Living Survey, Athens ranks 89th on the Mercer Quality of Living Survey ranking.

b. General economic data (GDP, unemployment/employment rates….)

The Hellenic Statistical Authority (ELSTAT) announced on 5th of December 2019 the Gross Domestic Product (GDP) for the 3rd quarter of 2019, which indicated that it was increased by 0.6% in comparison with the 2nd quarter of 2019, while in comparison with the 3rd quarter of 2018, it increased by 2.3% leading to an amount of 44.164 million €. Real GDP growth is projected to gather pace in 2019 and 2020. Investment is set to become the biggest contributor to GDP growth while the contribution of net exports is expected to stall as domestic demand strongly relies on imports. Labour market conditions are expected to continue to gradually improve, though from a very weak base. Following substantial improvements in cost competitiveness over the past decade, wage rises are expected to remain moderate and aligned with productivity growth. Investment as a share of GDP bottomed out in 2015 and is slowly increasing; but at less than 13% in 2018, it is still the lowest in the EU. Both private and public investment fell significantly during the crisis and foreign direct investment is the lowest in the EU. There have been substantial reforms to improve the business climate and to unlock private investment. While reforms are expected to bear fruit, they need to continue for a long-lasting improvement of the investment environment.

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Table 3: Gross Domestic Product (Non-seasonally adjusted figures)

(In million € at current prices)

Gross Domestic Product	2017		2018				2019		
at market prices	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Production method	48497	45483	41926	46287	50074	46427	42561	47757	50811
Gross value added (at basic prices)	42495	39378	36452	40583	43525	40228	36874	41758	44164
+ Taxes on products	6500	6485	5819	6123	6987	6592	5998	6383	7031
- Subsidies on products	497	380	346	420	438	394	312	384	385
Expenditure method	48497	45483	41926	46287	50074	46427	42561	47757	50811
Final consumption expenditure	40443	40982	37992	40596	41006	41382	38141	41964	41392
Households and NPISH	31588	30889	29850	32099	32347	31319	29957	32502	32632
General Government	8855	10093	8142	8498	8660	10063	8185	9463	8760
+ Gross capital formation	1759	6530	7630	5623	4157	6809	8526	5874	3148
Gross fixed capital formation	6477	7274	4202	5809	5034	5410	4674	5574	5104
Changes in inventories	-4718	-744	3428	-186	-876	1399	3852	299	-1956
+ Exports of goods and services	19999	13564	12252	16918	22127	15438	12889	17750	23695
- Imports of goods and services	13704	15594	15948	16851	17217	17202	16996	17830	17425
Income method	48497	45483	41926	46287	50074	46427	42561	47757	50811
Compensation of employees	14214	15891	14530	16082	14824	16342	15206	17111	15443
+ Gross operating surplus/mixed income	27041	21210	21870	24358	27621	22534	21776	24462	27730
+ Taxes on production and imports	8460	9498	6511	6923	8760	8652	6636	7295	8706
- Subsidies	1218	1116	985	1076	1131	1102	1057	1110	1068

*Small deviations in sums are due to rounding.

The labour market shows further improvements, although the decline in unemployment halted in October 2018 at 18.6%, hovering around that level until February 2019. Employment still showed year-on-year growth of 2.4% in February, though this reflects earlier gains in employment rather than recent improvements. Detailed monitoring is foreseen to assess the impact of the recent increase of the minimum wage and the abolition of the sub-minimum wage on the pace of the recovery in the labour market. Inflation is expected to remain muted throughout 2019, and to pick up only beyond 2020 as the output gap closes.

Start-ups and scale-ups can play a pivotal role in Greece's economic recovery, but their full potential is still untapped. Greece presents some key conditions for start-up activity and investment, including a favourable geographical location and a high number of graduates. Yet Greece continues to perform below the EU average on most entrepreneurship indicators, including education to entrepreneurship, media attention and the share of high growth businesses. In 2017 and the first quarter of 2018, several significant measures were adopted to support innovation. These included tax exemptions for innovative companies; a regulatory framework for mediation principle in civil and commercial cases; stronger enforcement of intellectual property rights; and a licensing system for essential patents though the operation of the Industrial Property Organisation.

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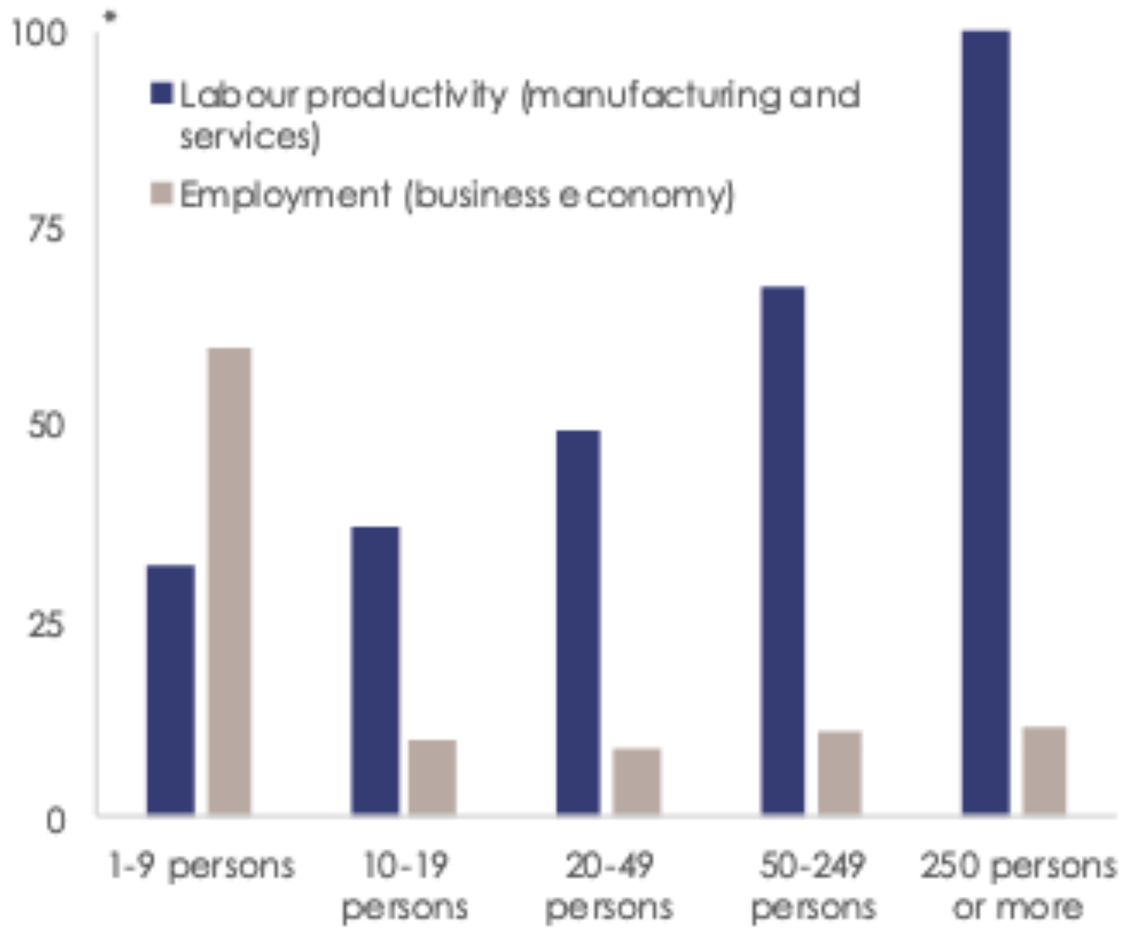
Graph 3.4.3: **Structural and demographic business statistics Employment and productivity according to company size**



*Labour productivity: Value added per person employed, index 250+=100, 2014.
Employment: Percentage of total business economy employment.
Source: OECD, "Entrepreneurship at glance 2017"

e. Improvements in the business environment and administrative practices should increase consumer trust, which was harmed by ***widespread*** unfair commercial practices.

The Overall Turnover Index in Retail Trade in September 2019 increased by 4.5%, compared with the corresponding index of September 2018, while, compared with the corresponding index of August 2019, decreased by 0.5%. The Overall Volume Index in retail trade (i.e. turnover in retail trade at constant prices) in September 2019, increased by 5.1%, compared with the corresponding index of September 2018, while, compared with the corresponding index of August 2019, decreased by 3.9%. The seasonally adjusted Overall Turnover Index in September2019, compared with the corresponding index of August 2019, increased by 1.1%. The seasonally adjusted Overall Volume Index in September 2019, compared with the corresponding index of August 2019, increased by 1.5%.

Graph 2. Evolution of the Overall Turnover Index in Retail Trade (2015=100.0)

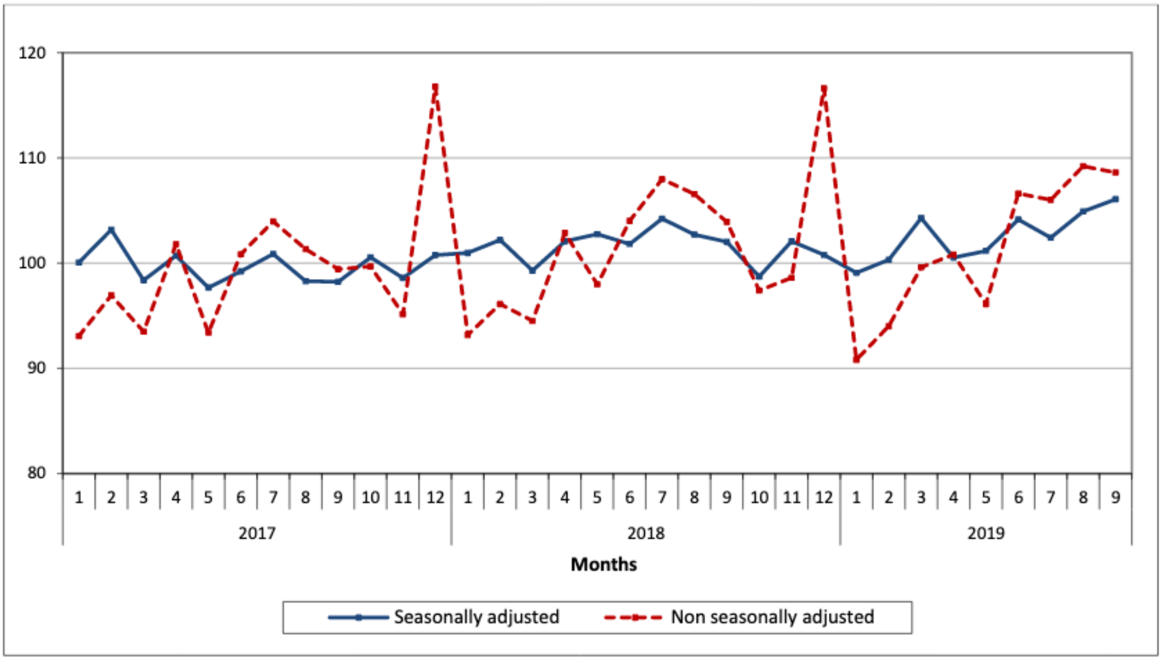


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Table 1. Annual rates of change of Turnover Index and Volume Index in Retail Trade
(Data adjusted for working days)

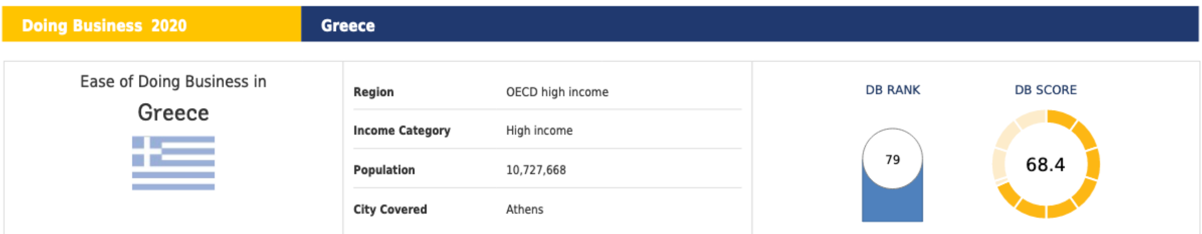
Base year: 2015=100.0

Retail Trade Store Categories	Turnover Index			Volume Index		
	September 2019*	September 2018	Annual rates of change (%)	September 2019*	September 2018	Annual rates of change (%)
Overall Index	**108.6**	**103.9**	**4.5**	**107.3**	**102.1**	**5.1**
Overall Index except automotive fuel	109.4	104.1	5.1	109.0	103.5	5.3
I. Main store categories						
Food sector	109.4	107.5	1.8	109.0	106.9	2.0
Automotive fuel	105.9	104.6	1.2	97.4	93.5	4.2
Non-food sector except automotive fuel	107.8	99.5	8.3	109.7	100.8	8.8
II. Specialized store categories						
Supermarkets	111.7	108.4	3.0	112.9	109.3	3.3
Department stores	100.8	99.0	1.8	102.1	99.3	2.8
Automotive fuel	105.9	104.6	1.2	97.4	93.5	4.2
Food,beverages, tobacco	95.1	102.2	-6.9	93.5	100.5	-7.0
Pharmaceutical products, cosmetics	103.4	92.7	11.5	105.1	95.9	9.6
Clothing and footwear	103.0	93.6	10.0	95.3	86.4	10.3
Furniture, electrical equipment, household equipment	111.3	99.2	12.2	121.1	105.2	15.1
Books, Stationery, other goods	126.2	117.9	7.0	136.4	124.9	9.2
Retail sales not in stores	124.5	122.7	1.5	:	:	:

*Provisional data.
: Volume Index for the "Retail sale not in stores" is not calculated.
Note: The indices and the percentage changes are published rounded up to one decimal digit.

c. *Public policies aimed at improving/supporting the small commerce, retail, hospitality and creative/cultural sector in the region/city you will implement LETZ RETAIL*

According to the Doing Business Report 2020, Greece is currently in position 79 out of 190 countries with a score of 68.4.



The table below illustrates the situation per criterion:

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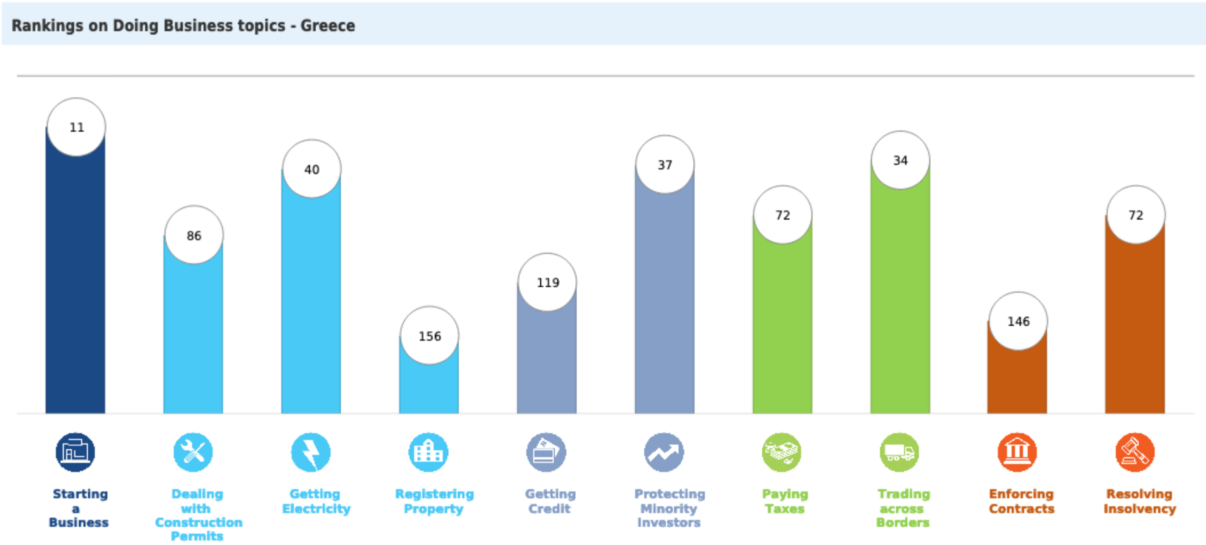

The Public Body responsible for the representation of trades professionals in Athens is the ***Athens Chamber of Tradesmen,*** *supported by* the **General Electronic Commercial Registry (Geniko Emboriko Mitroo-G.E.MH.)** and the ***Hellenic Confederation of Professionals, Craftsmen & Merchants (GSEVEE).***

In terms of the policies, these are initiated and monitored by the Ministry of Development and Investments and more in detail by the Directorate for the Support of SMEs. The specific Directorate is constituted by three different units: a) Unit for Policies & Structures Supporting SMEs, b) Unit for Policies Supporting Micro-Enterprises, Small Industries, Handicraft & Education on Entrepreneurship and c) Unit for the Development of Entrepreneurship, Improvement of SMEs Competitiveness & Access to Financial Institutions.

Its main responsibilities are the following which are achieved through specific programs and initiatives categorized in terms of company size, company type and company sector:

- Planning, undertaking and promoting policies and initiatives aimed at supporting and developing SMEs, with a focus on expanding the country's manufacturing base, modernizing their facilities, improving their production process, enhancing entrepreneurship including specific population groups (e.g. youth, women entrepreneurship etc.) and the creation of new modern SMEs, as well as the development and operation of new modern and effective tools for information and management. enhancing SME information at all levels.
- Policy making, as well as monitoring its implementation in support of Greek crafts (after the merger of EOMMEX with ETEAN SA).
- Responsibility for the reopening of the National SME Observatory and its separate actions under the NSRF 2007-2013 & 2014-2020. The National SME Observatory is an infrastructure project aimed at systematically recording, monitoring and processing quantitative and qualitative figures of SME business at national, sectoral and regional level, collecting, processing and disseminating responsible information on their situation and prospects. small and medium-sized businesses, as well as developing user-friendly "tools" and business decision-making and management guides in critical areas of business development.
- Planning and monitoring the implementation of State Aid Acts / Programs to support small and medium-sized enterprises in their areas of competence with emphasis on developing

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manufacturing and supportive sectors, extroversion, business innovation and improving the competitiveness of Greek SMEs.

- The promotion of new financial institutions and tools through the collaboration with competent and supervised entities (ETEAN SA - Entrepreneurship Fund - TEPICH) to improve the access of Greek SMEs to funding sources.
- Monitoring and participation in European and international bodies on Small Business Act (EU) level and their implementation (e.g. OECD - Working Group on Small and Medium Enterprises and Entrepreneurship, Working Group on Financing Small and Medium-sized Enterprises Euro-Mediterranean Cooperation, European Commission - Competitiveness SMEs Program Management Committee, COSME 2014-2020, etc.).

d. Networks and mutual support mechanisms (umbrella organizations, associations of social enterprises) in region/city which provide support for the target sectors/companies

The Public Body responsible for the representation of trades professionals in Athens is the ***Athens Chamber of Tradesmen***, with a council of 51 members elected every four years by its companies-members and a 9 member management committee. It was founded in 1925 and it is the Chamber with the largest number of members in Greece. Its registries comprise more than 150.000 active members in the commerce and services sector. In order to effectively elaborate issues within the responsibilities of the Chamber and to provide its members with continuously improved services, the council is supported by a number of committees that are processing various issues that are within the interests of its members such as competition, brokers, development, city issues etc.

The Athens Chamber of Tradesmen is a part of the Greek Chambers' network that is member of Euro Chambers. It participates in the National Chamber Network of Women Entrepreneurs and cooperates with UEAPME (European Association of craft, small and medium sized enterprises). It is also a member of the Arab-Greek Chamber of Commerce and Development and the Greek National Committee of the International Chamber of Commerce (ICC). Additionally, cooperates with other European chambers, organizations, and SME stakeholders.

Supporting to the *Athens Chamber of Tradesmen*, is the ***General Electronic Commercial Registry (Geniko Emboriko Mitroo-G.E.MH.)***, which in conjunction with the upgrading of the role of Chambers through their transformation into "one-stop shops", are key changers in the axis of simplifying the overall processes of the business environment, which aims at meeting both the needs and demands of any kind involved and the effective use and exploitation of collected information.

The Final responsible body is ***the Hellenic Confederation of Professionals, Craftsmen & Merchants (GSEVEE)*** which was founded in 1919, in the wake of the need for the Greek professionals and craftsmen to join forces, initially under the name "Hellenic Craftsmen Association". GSEVEE is a so-called third level, cross-sectoral, employer's organisation across Greece, and one of the major social partners that co-sign the National General Collective Agreement (GSEE, GSEVEE, ESEE, SEV, SETE).

It constitutes the major and most massive association of Professionals, Craftsmen and Merchants all over the country. GSEVEE is active in promoting and consolidating the professional, economic, cultural and broadly social, interests of small and medium entrepreneurs (SMEs).
GSEVEE incorporates:

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- 90 federations, out of which 59 local, 30 sectoral and 1 of pensioners;
- 1.100 main unions with 140.000 natural persons (entrepreneurs) registered.

It represents the Small and Medium-sized Enterprises:

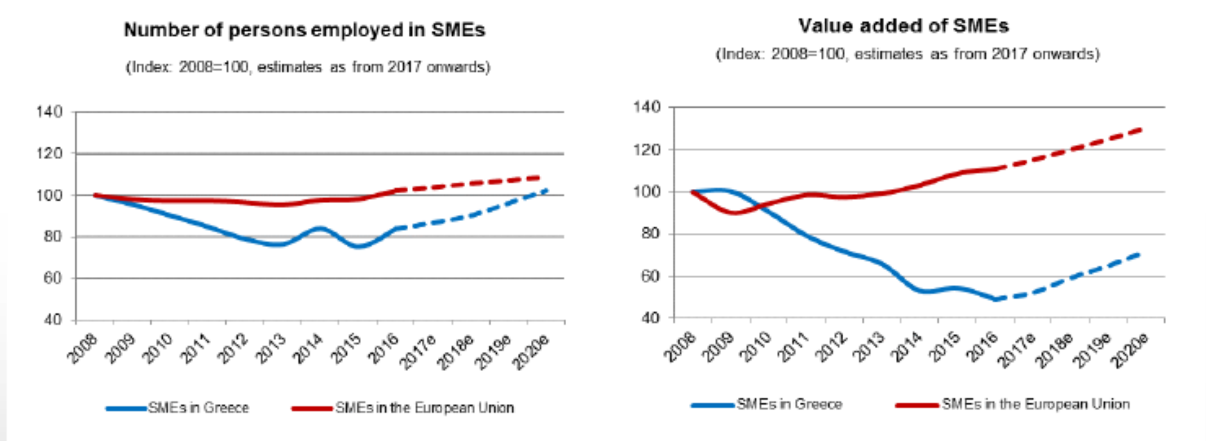
- Micro (up to 10 employees and ≤ € 2 million turnover;
- Small (up to 49 employees and ≤ € 10 million turnover;
- Medium-sized (up to 250 employees and ≤ € 50 million turnover;

GSEVEE has created its own certified vocational training centre -considered as one out of the best in the country-, KEK GSEVEE, as well as the Small Enterprises' Institute (IME GSEVEE), aimed at managing and diffusing knowledge, know-how, technology and carrying out studies and surveys that concern the micro, small and medium-sized enterprises of the so-called secondary and tertiary sectors of the Greek economy (that is manufacture, services, commerce).

2. Description of the small commerce, retail, hospitality and creative/cultural sector in the region/city you will implement LETZ RETAIL

a. Main characteristics of the companies

Greek SMEs represent 63.5% of total value added (EU average 56.4%) and an employment share of 87.9% (EU average 66.6%). In 2014-2018, overall SME value added increased by 11.8%, with small firms generating the largest rise (25.7%) and micro firms showing a fall of 11.9%. The overall outlook for Greek SMEs is positive, with predicted growth of 21.3% in value added and of 13.1% in employment in 2018-2020.



In 2018, there were 34,558 new business registrations and 20,232 de-registrations in Greece. This was a 6.9% increase in new registrations and a steep drop in de-registrations of 23.0% compared to 2017, leading to a net increase of 14,326 businesses overall. In 2016, 1,920 firms (7.2% of all firms in the 'business economy' with at least 10 employees; EU average 10.7%) were high-growth firms, an increase of 1.2 percentage points in 2015-2016. In 2018, Greek SMEs in the specialised knowledge-intensive services and high-tech manufacturing sectors, both of which are usually R&D intensive, accounted for 24.5% of SME value added in the manufacturing and services sectors. This is significantly below the EU average of 33.0%.

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Class size	Number of enterprises			Number of persons employed			Value added		
	Greece		EU-28	Greece		EU-28	Greece		EU-28
	Number	Share	Share	Number	Share	Share	Billion €	Share	Share
Micro	800,075	97.4%	93.0%	1,527,075	62.0%	29.7%	9.0	17.6%	20.8%
Small	18,958	2.3%	5.9%	398,514	16.2%	20.1%	11.8	23.1%	17.6%
Medium-sized	2,176	0.3%	0.9%	239,627	9.7%	16.8%	11.7	22.9%	18.0%
SMEs	**821,209**	**100.0%**	**99.8%**	**2,165,216**	**87.9%**	**66.6%**	**32.6**	**63.5%**	**56.4%**
Large	331	0.0%	0.2%	297,411	12.1%	33.4%	18.7	36.5%	43.6%
Total	**821,540**	**100 0%**	**100.0%**	**2,462,627**	**100.0%**	**100.0%**	**51.2**	**100.0%**	**100.0%**

b. *Weight in the local/regional GDP, employment etc.*

SMEs play an important role in the 'non-financial business economy' of Greece. They generate 63.5% of total value added (EU average 56.4%) and an exceptionally high employment share of 87.9% (EU average 66.6%). Greek SMEs employ an average of 2.6 people, about one third less than the EU average of 3.9. The two most important SME sectors, wholesale and retail trade and manufacturing, together generate nearly half of all Greek SME value added. The average productivity of Greek SMEs, calculated as value added per person employed, is approximately €15,000, roughly two thirds lower than in the EU as a whole.

SMEs in the wholesale and retail trade sector, which is the largest sector in terms of SME value added, have grown significantly in recent years. In 2014-2018, SME value added increased by 21.3% and SME employment by 6.1%. Although the value-added growth of large firms, at 22.9%, was very similar to that of SMEs, performance was significantly worse in terms of employment, with a fall of 14.2%. In general, the steady rise of taxation in Greece since 2013 has led to a contraction of disposable incomes and consumption. Resulting shrinking business profits, especially in the wholesale and retail trade sector, have had a negative impact on employment. Since 2015, however, when Greek GDP growth resumed, value added has increased strongly and the number of SMEs has increased markedly. The striking discrepancy between SME employment growth and the decline of employment in large firms can be further explained by regulatory changes that increased the tax and insurance charges of self-employed workers. As a result, in order to cut costs, many SMEs switched from operating on a self-employed basis to operating on the basis of being a company employee, which explains the rise in SME employment. Large firms, on their part, were particularly affected by increasing tax rates and falling consumption. Reducing employment costs was one way for large firms to maintain profitability, thereby explaining the fall in their employment rate.

For Greek SMEs, the outlook is positive overall, with predicted growth in value added of 21.3% and in employment of 13.1% in 2018-2020. As a result, around 284,400 new SME jobs are likely to be created by 2020, predominantly in micro firms.

c. *Regional/local tendencies in consumer/customer demands*

The Foundation for Economic and Industrial Research (IOBE) is a private, non-profit, public benefit research organization that publishes on a quarterly basis a report illustrating the trends and challenges of the Greek economy. On its last Quarterly bulletin, it is pointed that there are strong expectations for positive developments in the economy, with stronger growth rates and rising household well-being. Ten years after the onset of the crisis, after eight years with three economic adjustment programmes,

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with the last of the three formally completed last August, the economy has steadied also due to the effects of the accumulated deep recession.

There are many crucial challenges in the short term, inherited from the crisis and prior economic policy choices. To transform the energy sector, with market opening, streamlining of rules, and investment in cutting-edge technologies. To strengthen the protection of vulnerable households, with targeted guaranteed minimum income and support of young families. To attract investment and improve the business environment. To modernise the education system and support research and innovation. However, there are three main pillars that manifest the structural transformation of the economy. From these three pillars only one is focused on the market and more particular on the functioning of them. Markets need to be made much more open, with stronger competition, driven by the pursuit of profits from innovation, rather than from rents from non-transparent relations. The transformation of the State and the modernisation of the State and the education system will contribute crucially to this purpose.

The very good export performance in recent years will be sufficient incentive for investment in certain sectors and companies, regardless of this year's trend in exports. Besides, in Tourism, certain branches of Manufacturing and Transport, exports continue to expand this year, but to a lesser extent than in previous years, mainly due to the weakening of demand from the Euro area. The implementation of investment will be carried out by the construction industry, while many investment plans will involve the acquisition of machinery and equipment, information and communications technologies, and means of transport, covered to a large extent by imports.

Overall, suitable structural reforms are required to ensure that the expected inflow of capital will strengthen mainly the productive activities that express the innovative and export-oriented parts of the economy.

To our knowledge, there is no data available on consumer behaviour related specifically to Athens. Further research is necessary to detect any local trends or preferences.

3. Description of the specific area/neighbourhood in your region/city selected for the implementation of LETZ RETAIL

a. Short description of the area/neighbourhood (focus on problems and challenges faced)

In the framework of LETZ Retail the focus area will be the historical center of Athens. From the ancient times and until early 1900s, the city of Athens slightly surpassed these boundaries since there were settlements north and northeast of the Rock of Acropolis. The main archaeological sites are located in it with Acropolis having the leading position. The area is mainly constituted by small shops, pedestrian paths, hotels, touristic attractions and is considered one of the most lively parts of the city. The central meat, fish and vegetables markets of the city are located in in, as well as many coffee shops, bars, restaurants, bistros, etc.

Regardless the fact that is an extremely lively area it has a plethora of issues that need to be tackled:

- Many buildings need renovation
- A lot of the spaces in the area are empty (both houses and shops)
- There are a lot of people selling products on the street with no license
- The majority of shop owners are old without the proper mentality

- Very few companies in the area focus in R & D
- The shops need renovation
- Area mainly dependent on tourism
- Weak business culture
- Currently under redevelopment and regeneration

b. *Description of the type of small commerce, retail, hospitality and creative/cultural sector in the selected area/neighbourhood*

The historic center of Athens is an area that is constituted by a mix of businesses, places and things to do and houses. It is the place that even the Athenians themselves make an appointment to meet (it's called the "center"). On the beautiful pedestrian street, international chains have sidelined local brands, although smaller shops are flourishing on the streets as well. The shops on the sidewalks have a big selection of clothes, linen, fabrics, sewing supplies, ribbon stores and jewellery. At the area someone can find also, sewing, fabrics and lampshades, meditation crystals, wings, pearls, fasteners and beads, souvenirs, leather accessories, cheap shoes, and even military items. Bookstores, malls, bakeries and spices, sausages and cheeses stores. Additionally, is located the main fish, meat and vegetables market of the city, popular cafes, handicrafts stores, street trade and street shows. Galleries, theaters and artists' residences, a big number of entertainment venues (coffeeshops, bard, restaurants, etc). Finally, companies headquarters, hotels, apartments and the three impressive neoclassical buildings: the Academy of Athens, the University and the Library.

c. *Conclusions (mainly summarising the arguments on why you selected this specific area.*

At the chosen area there are thousands of registered stores and business. They vary both 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. The whole look and feel is going to be changed in the near future and the project itself it could be a great opportunity to help in the shaping/ formulation process. It's an extremely lively area and constantly new shops are opening and old ones are renovating. It includes all the elements that any pilot action could be implemented at and is going to be in the centre of news and actions for the next 5-10 years.

4. **Examples of already existing cooperation activities/projects in the area/neighbourhood in your region/city selected for the implementation of LETZ RETAIL**

There are two major networks and cooperation mechanisms operating in the area.

<u>Athens Partnership</u>

The Athens Partnership (AP) is a non-profit organization that leverages government resources and secures cross-sector support for public priorities in Athens. The organization 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. By leveraging both public and private resources, AP works to pilot programs and support successful efforts. Once funding is secured, AP works with municipal agencies as well as community partners. AP serves as a convener and connector of community members, non-profit organizations, corporate entities, and government agencies. The projects it runs are on the following areas: a) education, b) culture, c) community and economic development, d) digital and tech and finally e) social inclusion and special projects.

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The Network of Organizations and Citizens for the Historic Center of Athens

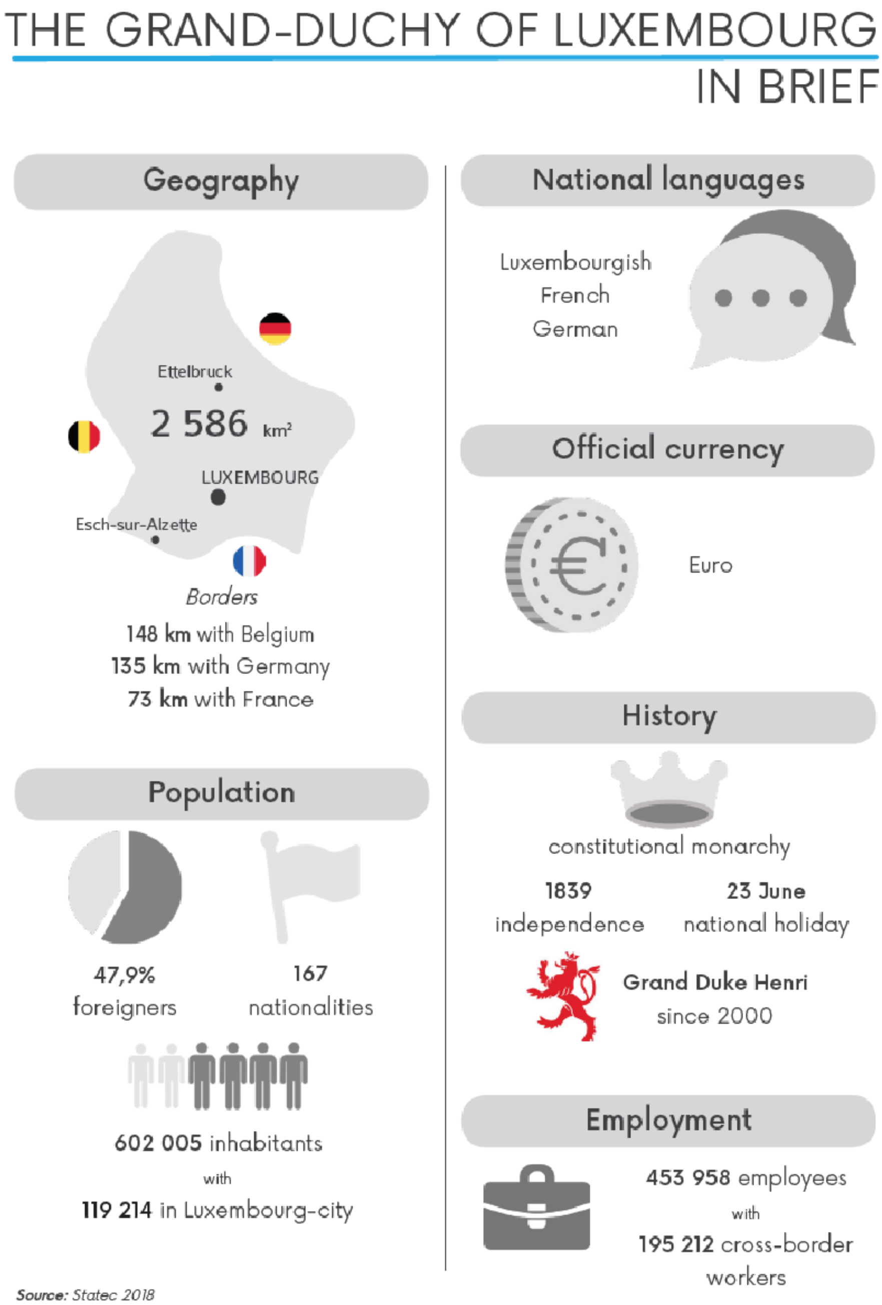
It was created in 2014 when for the first-time associations and organizations from all areas of the Historic Center were coordinated and cooperated. It is an organizations and citizens' initiative designed to unite and empower citizens and organizations who share a common vision for a Sustainable Historic Center and provides them with all the necessary resources to pursue it successfully, always on the basis of substantiated proposals. It operates under the auspices of the Hellenic Society for the Environment and Culture. It gets know-how and knowledge from the active involvement of various professionals such as lawyers, architects, planners, engineers, businessmen, economists, journalists, etc. Amongst its goals are to: a) unite and empower citizens' voice, b) support collective action and active citizen participation, c) support the implementation of land use and other urban planning, which create conditions for quality housing and healthy entrepreneurship. Acting as a Knowledge Tank on real problems, legal status, responsible services, structures and procedures, etc. concerning the Historical Center of Athens the Network provides valuable information as much as possible to Historic Center citizens and business people facing a problem.

PRELIMINARY RESEARCH – LUXEMBOURG

1. General description of the region/city in which we will implement LETZ RETAIL

a. Main characteristics and location

Located in the "heart" of Europe, Luxembourg is a small country with 602.000 inhabitants, neighbouring France, Belgium and Germany, with three official languages: French, German and Luxembourgish. Multicultural and diversified, almost half of the population are foreigners.



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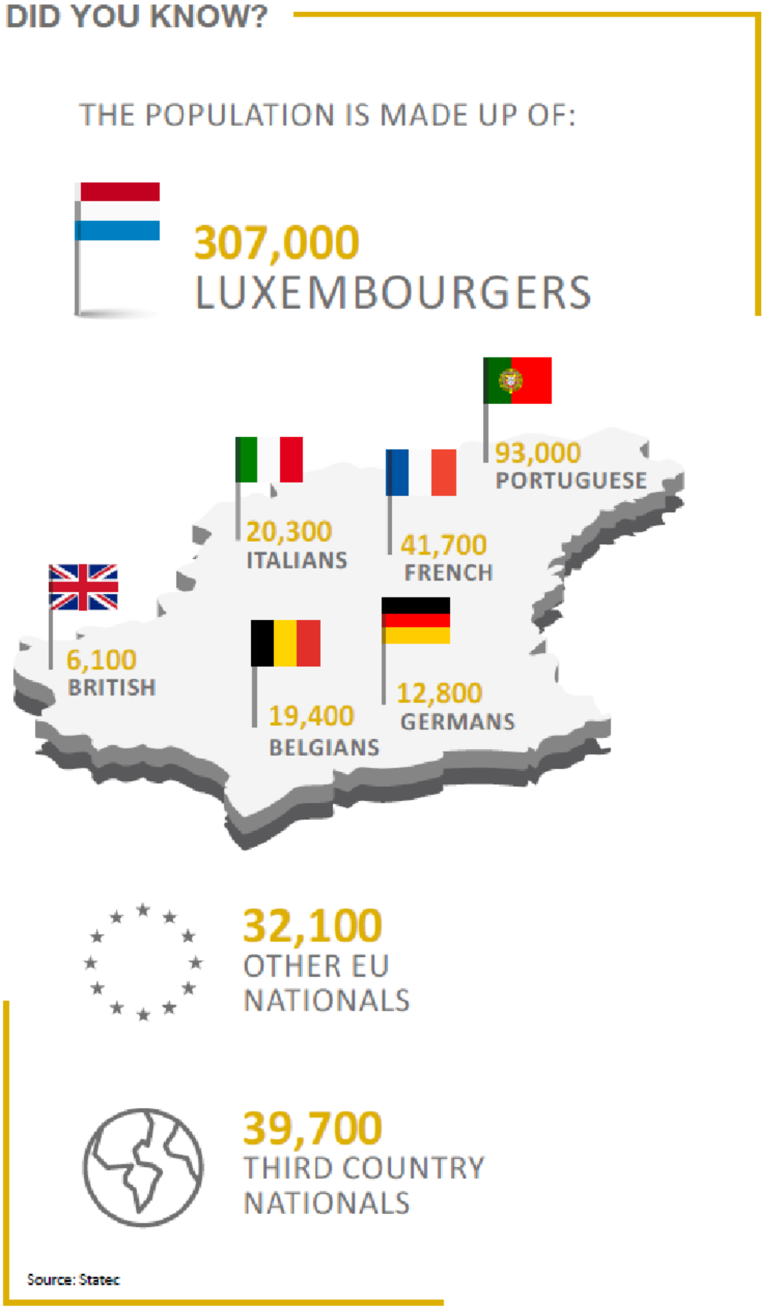
The capital is Luxembourg, usually identified as Luxembourg City, to differ from the homonym country. It accounts circa 119.000 residents, the majority (70,59%) foreigners, comprehending 167 nationalities, most of them (108.885) Europeans.



b. General economic data

The country has the highest GDP per inhabitant in the EU, an unemployment rate of 5,4% and an inflation rate of 1,2%. The population of Luxembourg City doubles on workdays. This is due to the large number of cross-border workers who come primarily from France, Belgium and Germany. There are

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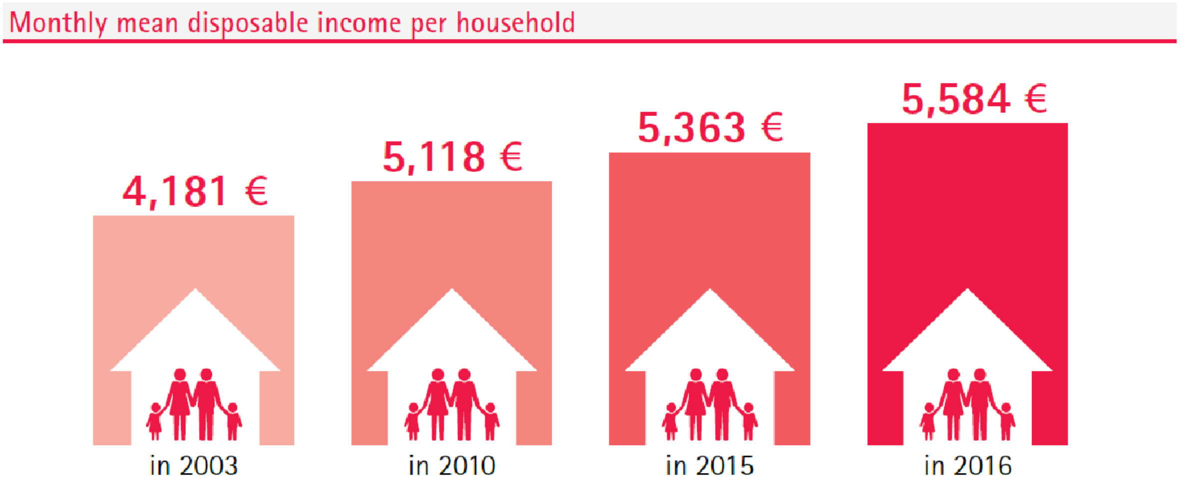
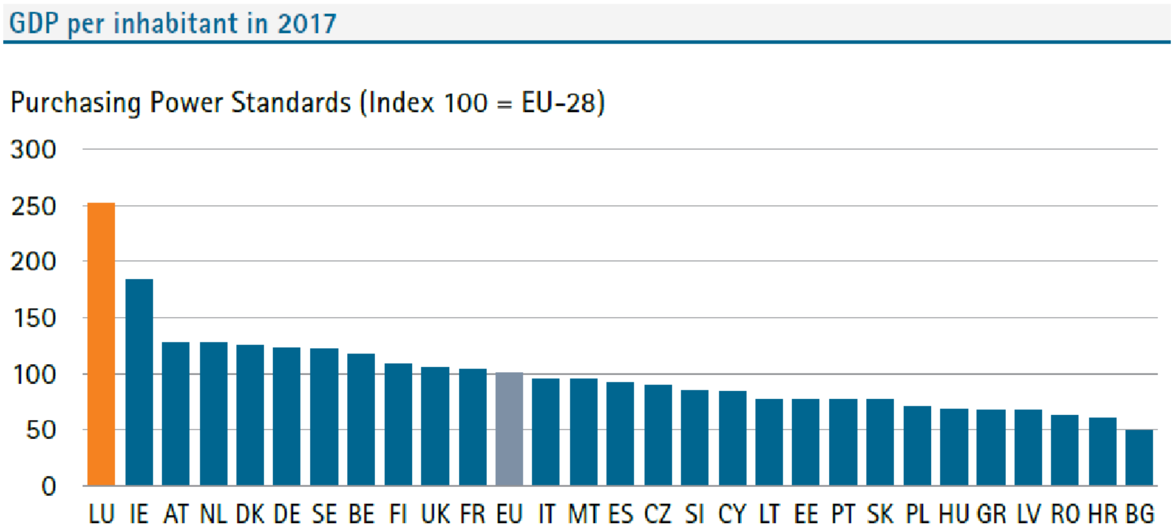
also some 10.000 international officials and civil servants. 45% of domestic employment is accounted for by cross-border workers.





The ease of doing business in Luxembourg varies according to the different rankings of the World Bank, and the country gets an overall rank of 72.

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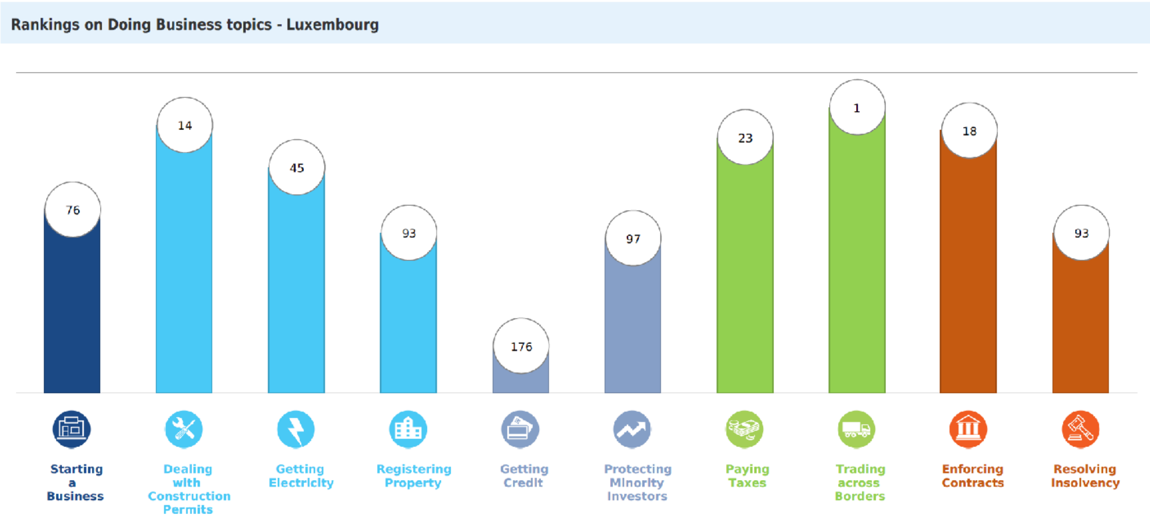

c. Public policies aimed at improving/supporting the small commerce, retail, hospitality and creative/cultural sector in the region/city we will implement LETZ RETAIL

The City Council of Luxembourg City has contributed to creating an environment conducive to commercial development on its territory, notably through:

i. the provision of the free "City Shopping Bus" shuttle, connecting the Glacis car park to the city centre, with extended runs on Saturdays and Sundays
ii. free buses on Saturdays and Sundays when stores open (from March 2020 Luxembourg will become the first country in the world to make all its public transport free)
iii. free parking at Schuman and Stade car parks on Saturdays and Sundays
iv. strengthening the service of P + R in the Bouillon car park on Sundays when stores open
v. the organization, in collaboration with the Luxembourg City Tourist Office, of numerous events in the public space: (bi) weekly and monthly markets, garage sales, concerts, events for families, etc.
vi. the annual allocation of a subsidy to the Commercial Union of the City of Luxembourg (UCVL), to the "Lëtzebuerger Maarteverband" and to the associations of "Glacismaart" and support in matters of communication
vii. the logistical assistance of the various departments of the City during commercial events, such as the Braderie or the Stroossemaart
viii. taking into account a certain number of criteria when evaluating applications for the rental of premises belonging to it, in order to promote the diversity of the offer, in particular the originality of the concept, the integration of trade into the location, the professional qualification of the candidate or the general business plan.

On a national level, covering all Luxembourg's districts, we have Letzshop (www.letzshop.lu).

Letzshop is the national online sales platform which allows all traders in Luxembourg to present themselves and put their products for sale online. The project is funded by the Ministry of the Economy, 17 cities and towns in the Grand Duchy of Luxembourg, the Trade Confederation (CLC) and the Chamber of Commerce (CC). Letzshop is managed by the Economic Interest Grouping "Luxembourg for Shopping".

In what concerns the creative and cultural sector, Luxinnovation, the Luxembourg Creative Industries Cluster brings together various interconnected players in order to increase their visibility and enhance their innovation potential. A recent survey carried out among 40 local cultural bodies and non-profit institutions that receive state support, shows that by June 2018, nearly 640 people were in full-time

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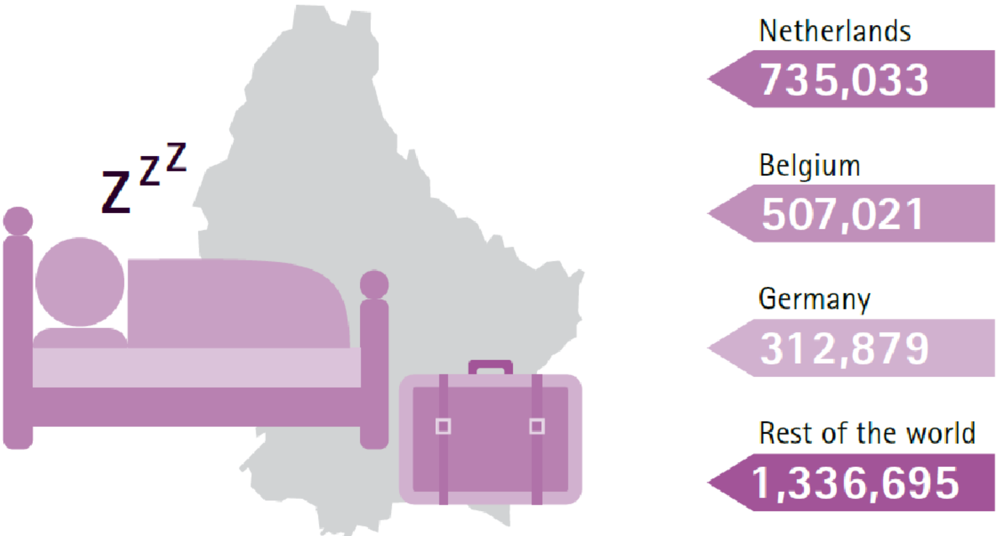
employment in a cultural capacity, with 387 people working on a part-time basis and 125 individuals acting as volunteers. A further 58% of respondents said their institutions had an influence on an international scale, having attracted over 1.2 million visitors in 2017. The sector's overall expenses were estimated last year to be standing at €120 million, including €22 million in investments. Nearly €105 million was spent in 2017 to support cultural activities, with 48% of funds being granted by the Ministry of Culture, 23% being self-funded by institutions, while 19% of costs were covered by local municipalities. The remaining 10% was equally split between other Luxembourg ministries and sponsorship or co-production funding streams.
The number of hotels and similar establishments in Luxembourg decreased from 343 in 2000 to 225 in 2017, as well as the capacities (rooms) in the same period, from 8.103 to 7.262. However, the number of overnight stays of tourists increased from 2.6 to 2.8 million.

Overnight stays by country of residence of the guests in 2017

(All types of accomodation)



d. Networks and mutual support mechanisms (umbrella organizations, associations of social enterprises) in region/city which provide support for the target sectors/companies

On a national level, the Chamber of Commerce (CC www.cc.lu) is a public institution which brings together all businesses, apart from those in the agriculture and crafts sectors, which have their own professional chambers. In the Grand Duchy of Luxembourg, all commercial companies and branches of foreign businesses located in Luxembourg, which carry out a commercial, financial or manufacturing activity, must become affiliated to the Chamber of Commerce.
Another national key stakeholder is the Trade Confederation (CLC www.clc.lu), an umbrella organisation which consists of around 50 professional federations from the commerce, transport and services sectors. It is an Employers' representative organisation working at national level.
As for the City, the main stakeholder is the Commercial Union of the City of Luxembourg (UCVL www.ucvl.lu), the official representative organization of traders in Luxembourg City, in particular with public authorities. By shops are understood all commercial, craft, industrial and service activities located throughout the urban territory (24 neighbourhoods of the capital). Since 2011, the UCVL has also created the Cityshopping Info Point (www.cityshopping.lu), an information and promotion space

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for the commercial offer in the City of Luxembourg to the general public, and also a space dedicated to traders: they can find information and access services, create synergies and projects.

2. Description of the small commerce, retail, hospitality and creative/cultural sector in the region/city we will implement LETZ RETAIL

a. Main characteristics of the companies

Business demography

Enterprises by economic activity in 2015	Active	Births	Deaths
Active enterprises			
Industry	946	35	58
Construction	3,608	304	270
Services	32,148	3,001	2,408
Wholesale and retail trade	7,484	613	649
Transportation and storage	1,217	92	82
Accommodation and food service activities	2,758	268	264
Information and communication	2,238	302	193
Financial and insurance activities	1,663	114	76
Real estate activities	3,219	317	210
Professional, scientific and technical activities	6,688	684	507
Administrative and support service activities	2,085	260	176
Other service activities (education, health,...)	4,796	351	251
Total	**36,702**	**3,340**	**2,736**

Enterprises, by employee size class, 2015	no employees	1 to 4 employees	5 to 9 employees	≥ 10 employees
				in %
Active enterprises	38.8	37.5	10.7	13.1
Enterprises births	57.7	37.1	3.8	1.4
Enterprises deaths (2014)	59.9	34.4	4.1	1.6

More than half of Luxembourg's companies are concentrated in the following major sectors:
1st - specialized, scientific and technical activities (operation of head offices, legal and accounting activities, R&D, advertising, etc.)
2nd - automobile trade / repair
3rd - construction
4th - accommodation and food service businesses
5th - information and communication businesses
6th - administrative and support service activities

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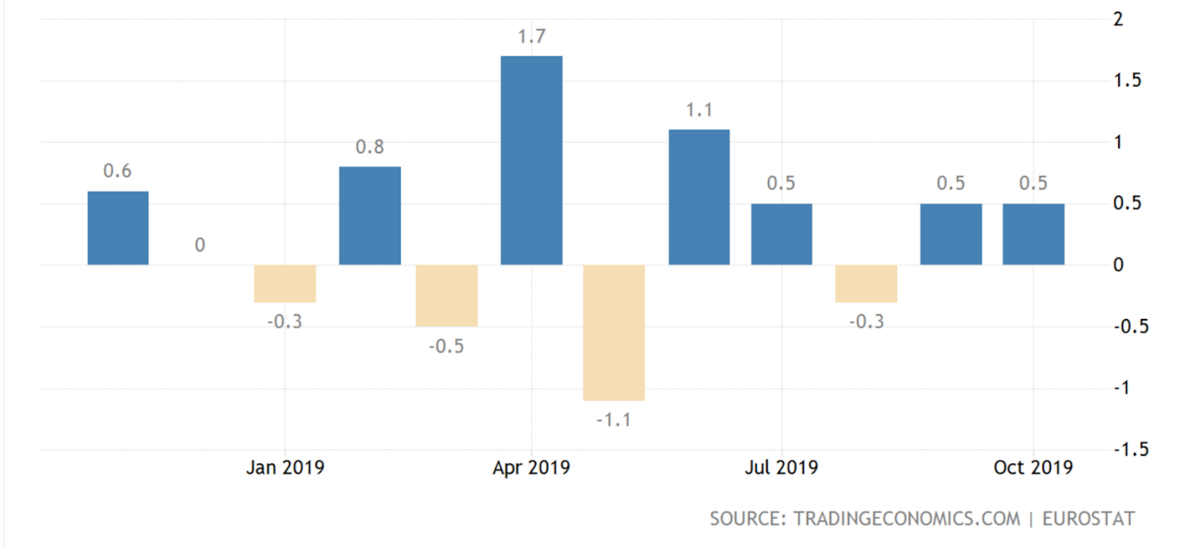
Almost half of the companies has no employees and almost 1/3 has fewer than 4. More than 90% of Luxembourg companies has less than 20 employees. Companies with more than 250 employees represent only 0,5% of the economic fabric.

b. Weight in the local/regional GDP, employment etc.

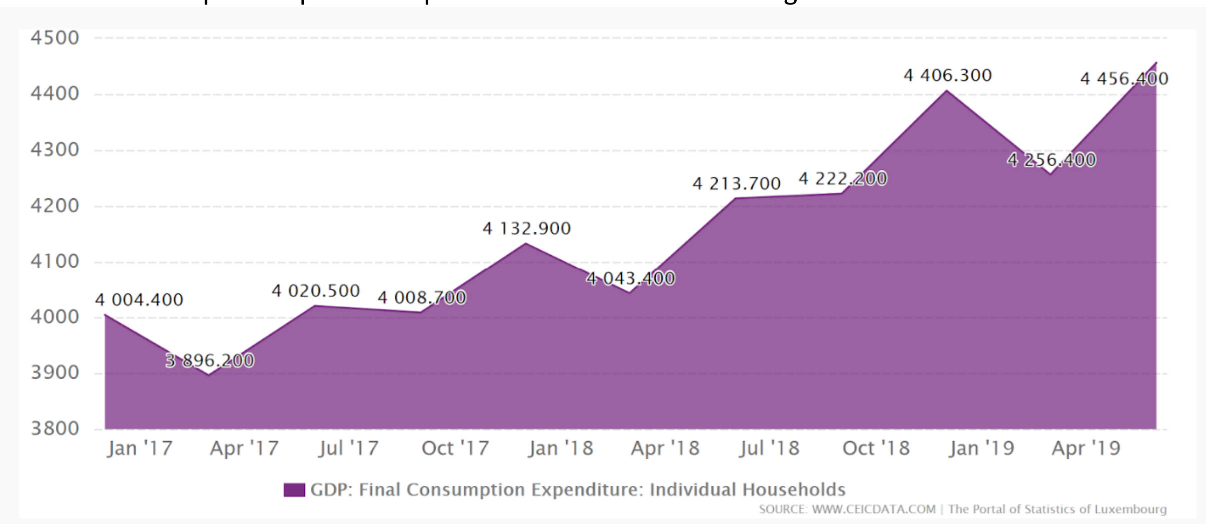
Most companies are located in the canton of Luxembourg (29.8%) and Luxembourg City is by far the municipality with the highest concentration (29.81%).

c. Regional/local tendencies in consumer/customer demands

Retail Sales averaged 0,11% from 2000 until 2019, reaching an all-time high of 11,9% in January of 2016 and a record low of -66,10% in August of 2015. It increased 0,5% in October of 2019 over the previous month.



The final consumption expenditure per individual households has grown since 2017.



3. Description of the specific area/neighbourhood in the region/city selected for the implementation of LETZ RETAIL

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a. Short description of the area/neighbourhood (problems and challenges faced)

The district Gare, and the adjacent districts Bonnevoie-Nord and Bonnevoie-Sud, account for almost ¼ of the City's population, more than 73% being foreigners. 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 (17h-19h) 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 which remain a handicap, especially in the evening.

Most Luxembourg businesses are active online, but only 4 out of 10 Luxembourgers have shopped online in those commerce's.

The main challenges faced by the small retail are the shopping centres that continue to open in the capital. To the existing Auchan Kirchberg, City Concorde and La Belle Étoile, the offer has recently grown with the Royal-Hamillius, the Cloche d'Or and the Infinity Shopping Centre.

But the principal challenge is online shopping. In a recent Eurostat survey, Luxembourg came in as the EU member state with the sixth-highest share of online shopping, with 72% of the population shopping online. The share of women shopping online rose from 42% in 2008 to 68%, whereas more men were - in line with the European figures - already shopping online, corresponding to 57%, and rising to 75%. Foreign-born residents tend to shop online more, but only marginally.

In 2017, online sales in Luxembourg were valued at 730 million euros and were forecast to reach 796 million euros in 2018. Holiday or travel arrangements, books and clothes were among the most popular products to buy online in 2018. Online grocery shopping, however, was far less common (14%).

Luxembourg has several big companies that are active in e-commerce in Europe. For example, it is home to the European division of Amazon, Amazon EU S.à r.l. Amazon Europe's total revenue was 24.9 billion euros in 2017.

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b. Description of the type of small commerce, retail, hospitality and creative/cultural sector in the selected area/neighbourhood

Ideal for its proximity to the Luxembourg train station and shops, it 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. It is strategic for residents who do not have a car.

One can find many clothing, decoration and cosmetic stores, as well as bakeries, supermarkets, cafes and restaurants. For example, supermarkets like Monoprix, Delhaize and Cactus, stores like H&M or Sephora, international restaurants and small retail: Portuguese, Brazilian, Cape Verdean, Vietnamese, Turkish, Chinese, Taiwanese, among many others. Such commercial diversity makes this one area where everything is accessible in one place.

c. Conclusions (summarising the arguments on why we selected this specific area)

Diversity is one of the main characteristics of Luxembourg City, hence we will focus on an area were diversity can be found in its residents/consumers, as well as on its business owners and employees. Another key criteria for this selection are the problems and challenges, described above, that constitute a going concern for small retail. By comparison, the city centre, although faced with specific challenges, is a must visit spot for tourists and hosts multinational retail stores, including luxury brands.

N.B.: the selected area can be enlarged to other neighbourhoods during the development of our project, as Luxembourg is quite a small country with an entangled small retail ecosystem and further contacts with identified stakeholders might point in other directions.

4. Examples of already existing cooperation activities/projects in the area/neighbourhood in the region/city selected for the implementation of LETZ RETAIL

The main developer of activities and projects is Luxembourg's City Council, as described above in 1. c.

Another project aligned with Letz Retail objectives is Lët'z go local – the community for local products, designs and services (www.facebook.com/letzgolocal). Let'z go local is an association which promotes products and services 100% made in Luxembourg: fashion, jewellery, design, children, wellness, publishing, food & drink and services. Several times a year in Luxembourg City or elsewhere, Lët'z go local organises market events to highlight local products and make them known to the general public: De Lokale Maart. Each time more than 50 stands present the know-how and Luxembourgish specialties.

PRELIMINARY RESEARCH - THE NETHERLANDS

1. General description of the region/city in which you will implement LETZ RETAIL

a. Main characteristics and location

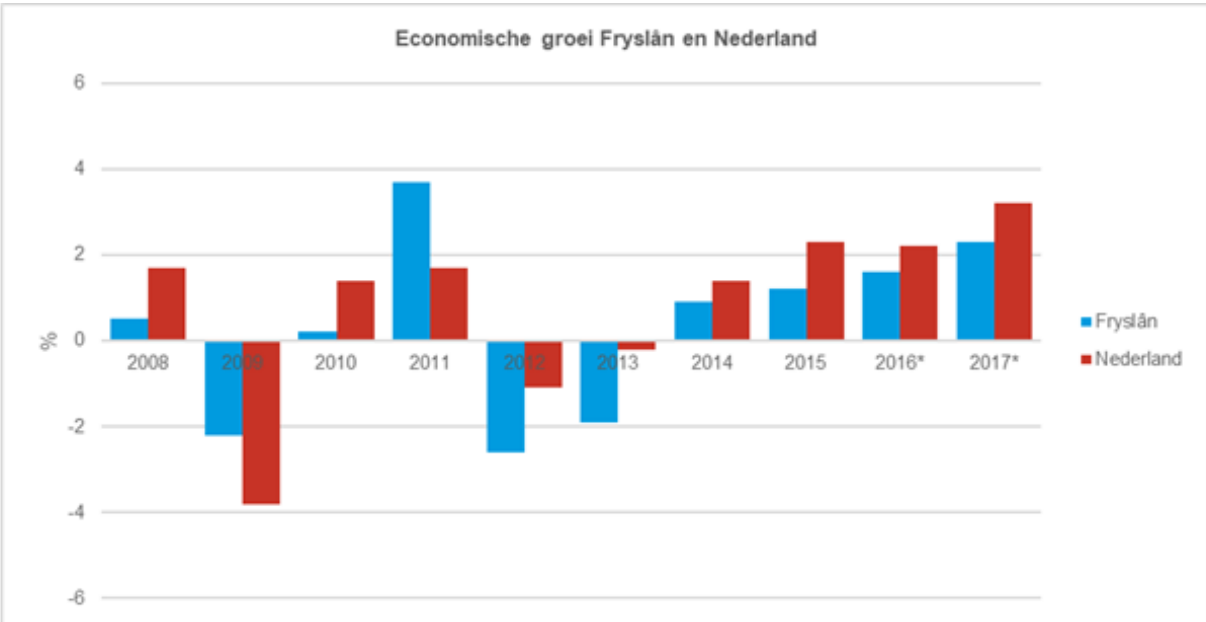
Friesland is a region in the west northern part of The Netherlands and has a population of 647.672 people on the 1st of January 2019. Friesland was already a developing region since 400 – 200 B.C. Friesland is also the only province that has its own language, Frisian, which is being spoken by lots of Frisians and has different dialects itself.

Leeuwarden is the capital of Friesland province and it was the European capital of culture in 2018. The number of people living in Leeuwarden is 123.107 on the 1st of January in 2019. The city was already populated during the Roman time but obtained city rights in 1435.

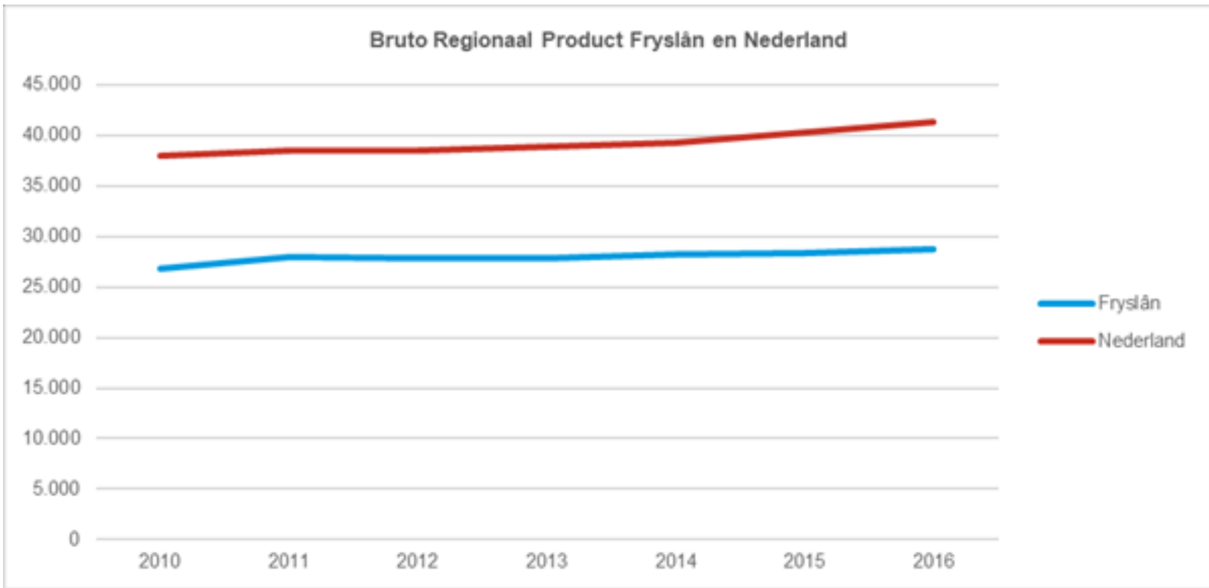
Leeuwarden offers approximately 55.000 labour placements. It has quite some head and regional quarters of large corporation, such as ING (a bank), FrieslandCampina (dairy industry) and Friesch Dagblad (a regional newspaper). Leeuwarden offers jobs especially in the service sector, but also in governmental sector with Chambers of Commers and Vliegbasis Leeuwarden from Dutch Royal Airforce.

b. General economic data (GDP, unemployment/employment rates….)

According to Eurostat data (2018), the regional gross domestic product (GDP) of €18.6b is 2.6% of Dutch GDP. The GDP in Friesland is lower than compared to the overall one in The Netherlands. That is because of the sectors in Friesland which are low in production and because there are less residents that are involved in labour activities, compared to the rest of the country.

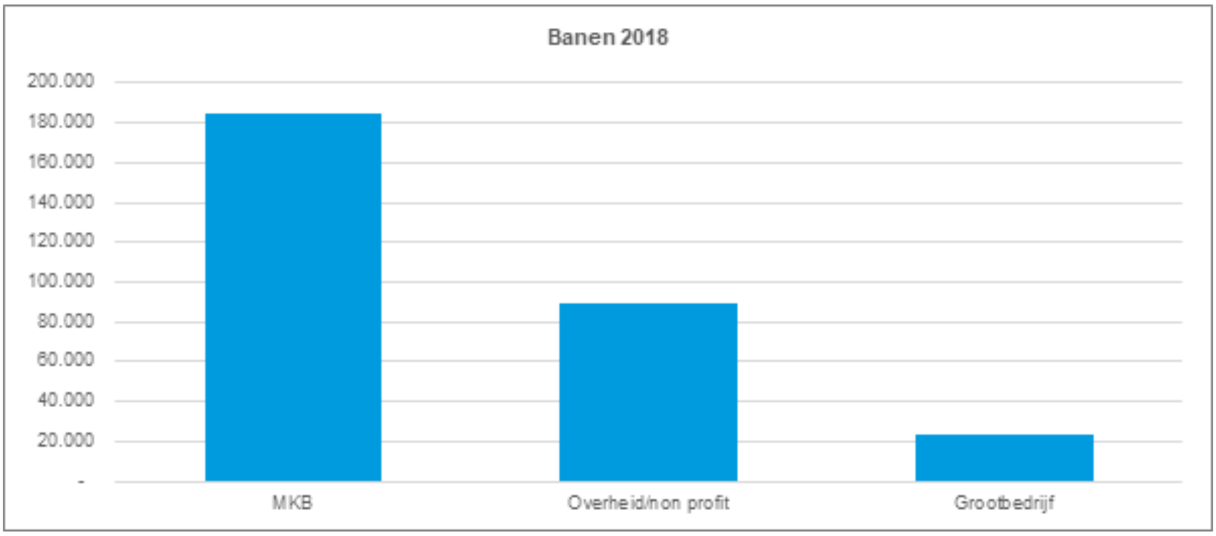


Frisian economic growth (in blue) compared to the one of the Netherlands (in red)



GDP in Friesland (in blue) compared to the one in The Netherlands (in red) over the years

The Friesland region counted 297.035 jobs on 1 April 2018 of which 56% was occupied by men and 44% by women.



Number of occupied job positions in Friesland in 2018 in 1. SMEs, 2. Government/non-profit and 3. Large companies

In the last quarter 2018, there was 3,7% of unemployed Frisians. In The Netherlands overall, it was 3,5%. In Leeuwarden, the unemployment percentage was 5,9% back then.

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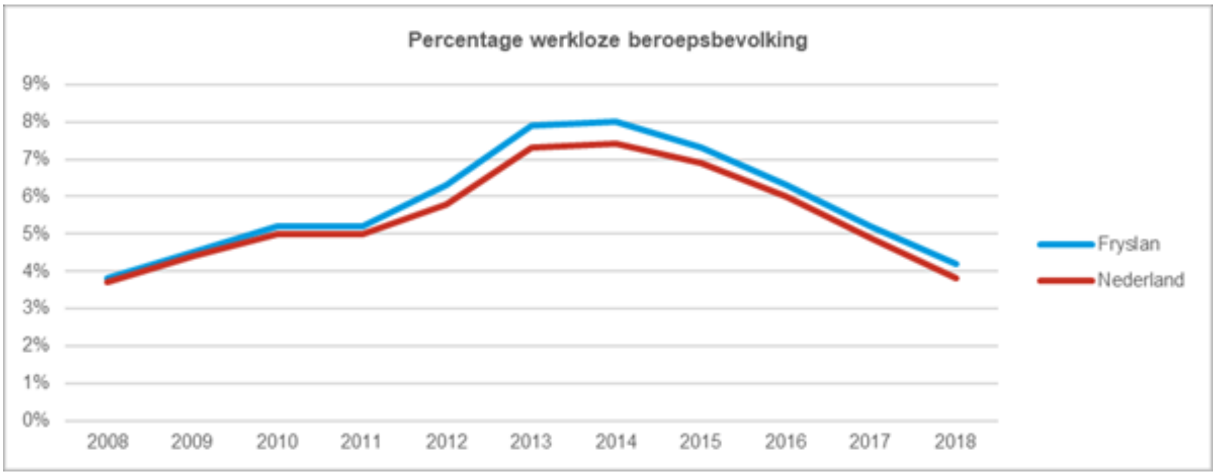

Percentages of unemployed population in Friesland (blue line) and The Netherlands (red line) over the years

c. Public policies aimed at improving/supporting the small commerce, retail, hospitality and creative/cultural sector in the region/city you will implement LETZ RETAIL

The Provincie Fryslân (regional governmental institution), Frisian municipalities and other governmental bodies are collaborating on the Frisian Retail Approach 2018 – 2020. This approach focuses on:

- A healthy retail market with a “healthy” number of shopping meters;
- Enhancement of entrepreneurship;
- Enhancement of the looks, experience and attractiveness of the shopping areas;
- Clear casting of shopping areas.

Leeuwarden was of course the European Capital of Culture in 2018, which has stimulated its small commerce, retail, hospitality and creative/cultural sector. Leeuwarden is also now number 3 on Lonely Planet of the most beautiful undiscovered destinations. All this was enough to have a strong growth in the numbers of visiting national and foreign tourists in Leeuwarden.

Provincie Fryslân approaches tourism and cultural activities to be a ‘smart growth’. This means that this governmental body acknowledges that tourism is healthy and beneficial for the whole region, but that the tourism should not expand too much in order to preserve the region’s best qualities. This also means, that the tourism should be present throughout a whole year and in various Frisian areas, instead of only summer tourism in some Frisian areas.

d. Networks and mutual support mechanisms (umbrella organizations, associations of social enterprises) in region/city which provide support for the target sectors/companies

Provincie Fryslân is a governmental body which puts a lot of effort to support the target sectors/companies. They invest in several organisations which help them to do so:

- Ynbusiness
- Toerisme Alliantie

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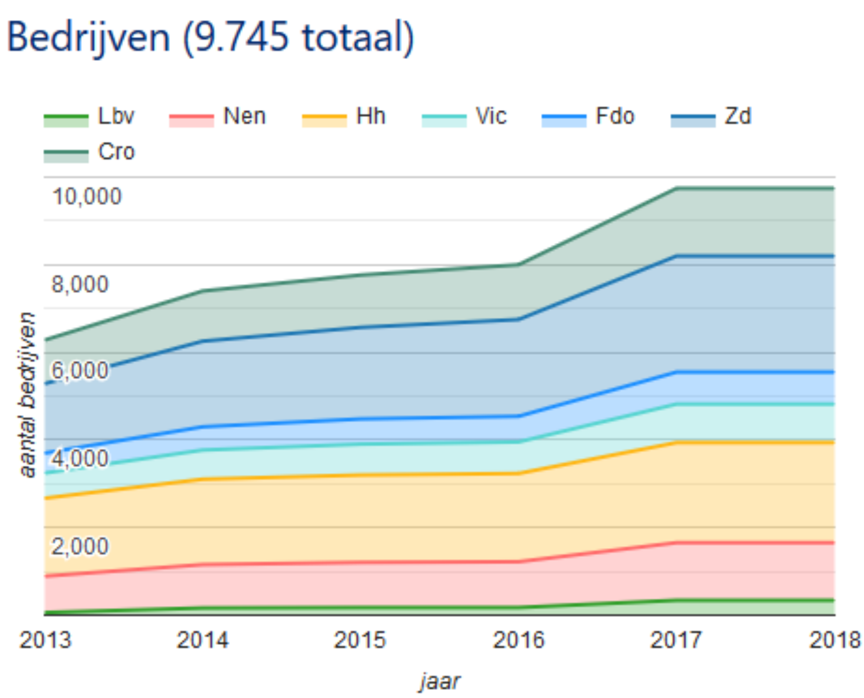
- Innovatiepact Fryslân
- Merk Fryslân
- VFG: Vereniging Friese Gemeenten
- VNO NCW Noord
- MKB Nederland Noord
- Koninklijke Horeca
- Recreatieschap Marrekrite
- DataFryslân
- Innovatiepact Fryslân

2. Description of the small commerce, retail, hospitality and creative/cultural sector in the region/city you will implement LETZ RETAIL

a. Main characteristics of the companies

The number of jobs in the Frisian hospitality sector was 20.355 in 2017, which was 7% when compared to all sectors in Friesland. When looking at the number of LETZ RETAIL relevant organisations, Retail and Hospitality (Hh in the graph on the next page) and Culture, Leisure and other services (Cro in the graph on the next page) have the biggest share:



Number of companies per sector in Leeuwarden over the years

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Friesland and especially Leeuwarden offers quite a hospitality, cultural and small retail experience to the visitors. There are several hotels and several B&Bs which can accommodate visitors. There are different price ranges fit to each type of customer. Leeuwarden has also a large number of restaurants, cafés and bars, being a city where a lot of students live in and being a former European capital of culture. Here again, all price ranges apply, and the restaurants, cafés and bars of Leeuwarden try to offer an experience of high quality. The hospitality of Leeuwarden, just the city itself, represents cosiness and warmth, trying to engage all Leeuwarden citizens and visitors herein.

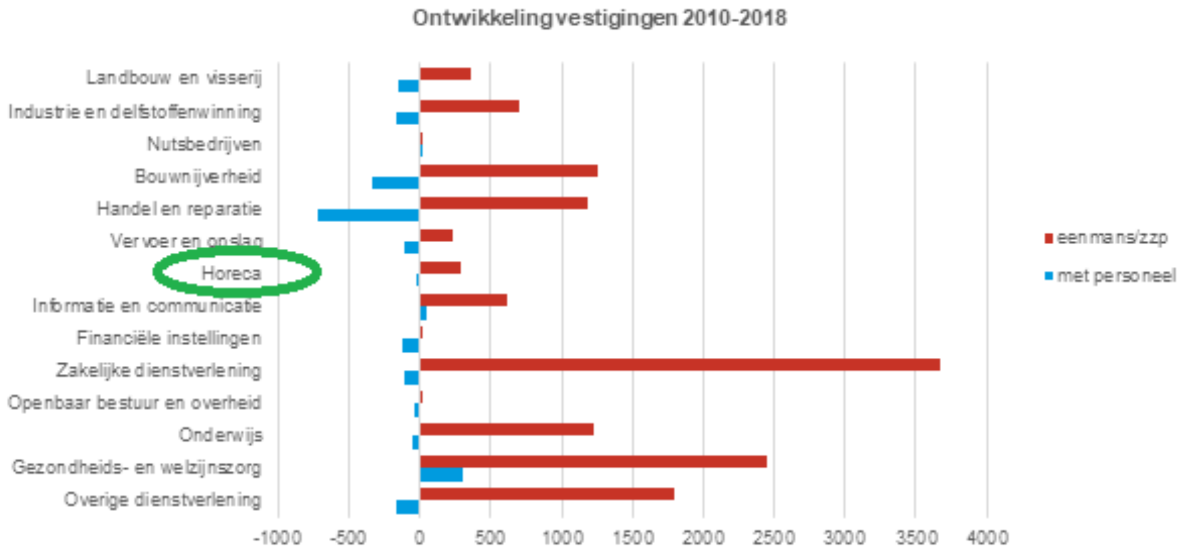
Unfortunately, the retail sector is getting smaller in Leeuwarden. The number of shops in Leeuwarden has decreased from 475 in 2007 to 408 in 2017, a decrease of 14,1%. This also concerns the small detail space used. In 2007 it was 75.848 m2 and in 2017 it was 73.061 m2.

When it comes to cultural activities, Friesland offers 20 podia, where in 2017, there were 1.440 shows were organised. In 2018, the number of festivals in Friesland was 16 and had compared to 400.000 in 2013, more than 640.000 visitors in 2018. Friesland also counts approximately 600 art- and culture associations.

The vacancy rate in Friesland is 11% for the unoccupied spaces where LETZ RETAIL target groups could be located. For Leeuwarden city centre, the most recent numbers are from 2017 and it concerns 10,6%. This is because of the online shopping being extremely popular, some people prefer to shop in other Frisian cities/villages, some people find the city unclean, the earlier road constructions that made shopping in Leeuwarden less attractive. Also, because people in Leeuwarden are very familiar with the large shopping chains, like Zara and H&M, which attract them more than the less familiar smaller shops, which are targeted by the LETZ RETAIL project. Thus, these shops, restaurants, cafes, unfortunately have a much greater chance of not surviving and leaving unoccupied spaces. Leeuwarden's percentage of these spaces should be minimised to offer Leeuwarden locals and visitors a better experience of Leeuwarden.

b. Weight in the local/regional GDP, employment etc.

The number of jobs in the Frisian hospitality and tourism sector, was 21.000 in 2018. This is 7,1% of all sectors. When comparing it nationwide, the percentage of jobs in this sector in the whole Netherlands, is 6,8%. 35% of the Frisian hospitality and tourism sector jobs, are the ones related to sports, cultural activities, (small) retail and others.



The development of number of premises for the period 2010 – 2018 in Friesland regarding one-man business (in red) and businesses with personnel (in blue). Horeca (in green) is specifically for the hospitality sector

c. *Regional/local tendencies in consumer/customer demands*

When looking at the hospitality sector in Friesland, there are some trends discovered in what people appreciate in Friesland and thus, why they visit Friesland. These are a the most ones:

1. Sincere hospitality
2. Frisian local products in restaurants
3. A region with quite some festivals

3. Description of the specific area/neighbourhood in your region/city selected for the implementation of LETZ RETAIL

a. Short description of the area/neighbourhood (focus on problems and challenges faced)

For the purpose of implementation of LETZ RETAIL, we will focus on the centre of Leeuwarden.

The centre of Leeuwarden is a cosy and crowded environment that invites locals and tourists to visit many shops (small retail and large shops), restaurants, bars and cafés. There are 4.630 people living in the centre of Leeuwarden. Leeuwarden is a city that has 617 national monuments, which is also a factor that attracts tourists. For example, you can find a leaning tower, Oldehove. It represents Leeuwarden and thus, just as the town of Pisa, Leeuwarden has its own leaning tower. Also, very interesting for Leeuwarden visitors, is the Blokhuispoort, a former prison since 1560 until 2008, where among others a library, a restaurant, a café and micro SMEs are located. It is also possible to get the prison experience there, by taking a tour with a former guard for example.

b. Description of the type of small commerce, retail, hospitality and creative/cultural sector in the selected area/neighbourhood

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Although there are huge worldwide known brands represented in the centre of Leeuwarden, it also has some small, authentic boutiques and shops for everyone's taste. The Kleine Kerkstraat has been even named the loveliest shopping street in the whole Netherlands. Leeuwarden city centre offers sustainable shopping, shops with regional products and markets, where customers can buy fresh products for a cheaper price.

As diverse as the shopping offer of Leeuwarden city centre is, the same diversity it also provides regarding the restaurants, bars and cafés. There is a possibility to eat in a former prison and a former post office, which contributes to the whole eating experience, but there is also a possibility to eat in various ways (small bowls/street food/etc.), with various surroundings (near water, surrounded by plants, etc.) and with various price ranges (high class restaurants, but also low key pizzerias and cafeterias).

The centre of Leeuwarden also provides nice places to visit for cultural activities, like Neushoorn and Stadsschouwburg De Harmonie, which offer their visitors nice events and performances. The city centre has also numerous party streets, where for example bars can be found for each taste.

c. Conclusions (mainly summarising the arguments on why you selected this specific area.

Based on all the information above, it can be stated, that Friesland and Leeuwarden are investing in the small retail, cultural activities and hospitality, especially since Leeuwarden has been European capital of culture in 2018. Leeuwarden attracts now more and more tourists and thus, is being explored by more people who discover the beauty of the Frisian province and Leeuwarden city. Friesland and Leeuwarden have a great share of people working in the hospitality, small retail and cultural sectors. However, large Frisian places still have 11% of unoccupied spaces where small shops, restaurants, etc. could be located. This is also the case for the city centre of Leeuwarden, which has a vacancy rate of 10,6%. In order to make Leeuwarden nicer to visit/experience and to help local entrepreneurs to become more familiar to the locals and visitors, it is needed to lower that percentage of 10,6% and to make sure more unoccupied premises are occupied with local entrepreneurial talents which provide the hospitality experience of high quality to all.

4. Examples of already existing cooperation activities/projects in the area/neighbourhood in your region/city selected for the implementation of LETZ RETAIL

Province Fryslân, Frisian municipalities and other above-named organisations put quite some efforts in Leeuwarden to be a „healthy" city regarding small retail, hospitality and culture/leisure. This is already identified by the Frisian Retail Approach 2018 – 2020 and the „smart growth" approach for cultural activities and tourism.

Also, it is now easier to rent space, as it is possible to have short term rental contracts and it is becoming cheaper for example. 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.

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PRELIMINARY RESEARCH – SPAIN

1. General description of the region/city in which you will implement LETZ RETAIL

a. Main characteristics and location

Badajoz is a Spanish municipality and a city located in the Autonomous Community of Extremadura and it is also the capital of the eponymous district. The municipality is the most populated one and the economic centre of Extremadura, with a population of 150.543 inhabitants (INE, 2017). The Guadiana river crosses the town from east to west and then turns south, along with the Portuguese border.

Over the centuries, the land occupied by the currently city of Badajoz has witnessed the settlement of many different cultures and people. However, the municipality, as it is known today, was founded in 875 A.D. above a previous Visigoth settlement by the Emeritus Muladi called Ibn Marwan al-Chilliqui. During the almost four hundred years that the city was under the Muslim rule it was given the name of Batalyaus or Batayaws. In 1230, the city of Badajoz was conquered by Alfonso IX of León for the Christian cause.

Now-a-days, Badajoz is a services sector city, rather than an industrial one, mainly based on retail commerce and small business, the hotel and restaurant industry and Public Administration. The current territory of the city (which it is 1440,37 km^2, so Badajoz is the largest city of its province) is bordered to the north by the province of Cáceres, to the south by the provinces of Cordoba, Seville and Huelva in Andalusia, to the east by the fields of Castilla la Mancha and to the west by the neighbouring lands of Alentejo of Portugal. Precisely because of its proximity to the Portuguese border and the continuous cross-border relationships with the neighbouring Portuguese people, in 2013 the Eurocity-Badajoz-Elvas-Campo Maior was created in aims to foster cooperation and the joint growth of these cities.

b. General economic data (GDP, unemployment/employment rates….)

Extremadura recorded a year-over-year increase of its overall activity of 2,1% (GDP growth) in the second quarter of 2019, according to new accountability data estimations of Economy in Extremadura, made by the Institute of Statistics of Extremadura (IEEX, 2019).

On one hand, fields such as construction, services and industry research positive annual variation rates of 8%, 2,9% and 1,6% respectively. But on the other hand, agriculture, ranching, forestry and fishing sectors' rates suffered a decrease of 5,9%, according to IEEX.

In fact, it is especially noteworthy the increase sales of the service sector in Extremadura, which reached the previous month of September a business growth of 7,1% compared to the same month of 2018 (INE, 2019). This growth also brings an increase of 2,5% of the employment created in the services sector in Extremadura along 2019.

Badajoz has an unemployment rate of 20,23% of the working population the last month of October (this rate is almost the same as the province's rate, which reached a 20,15% the third quarter of 2019, according to INE data). The 15,3% of the unemployed are men and the 25,1% are women. Luckily, the unemployment rate of Badajoz has decreased compared to previous years, since in 2017 the unemployment rate was 22,28% and in 2018 was 20,63%. However, the employment rate in the city reached a 56,26% during the third quarter of 2019.

Unemployment in Extremadura

c. Public policies aimed at improving/supporting the small commerce, retail, hospitality and creative/cultural sector in the region/city you will implement LETZ RETAIL

The cooperation between businesses engaged in commerce is yet an unresolved matter in terms of revitalizing a sector with a great importance in both local employment and economy. The business entrepreneurs of commerce must be awareness of the importance of collaborative work in order to improve their results, be more competitive and ensure the consumers' perception of Badajoz as a "*city of commerce*". That is the reason why the creation of a cooperative network is here proposed, so it allows the development of a "joint mark" that can make a difference but, at the same time, can give them all a common shared characteristic. It is necessary, in order to make this network work properly, that it is composed just by those entrepreneurs that are truly committed to achieve it, so that a strong co-working will can really exist.

The hotel and restaurant sector is also a major employment provider for the city. As Badajoz is mainly based on the services sector, which is widely open to a great potential consumers' environment, it propitiates the importance of the business. That is why the aim is to create permanent training and retraining programs for hotel and restaurant professionals, which the goal of highly raising the standards of service quality, as well as the diversification as the local supply.

It is therefore proposed to analyse the demand data and also adjust the offer as an element to energize the cultural environment and make it grow because, in turn, it will improve the job creation and related activities too.

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d. Networks and mutual support mechanisms (umbrella organizations, associations of social enterprises) in region/city which provide support for the target sectors/companies

The *Comprehensive Plan to Support Retail in Spain*, which is mainly directed towards self-employees, retail commerce SMEs and entrepreneurs, is financed by the State Secretariat for Trade, Ministry of Industry, Trade and Tourism and European Regional Development Fund (ERDF).

In that sense, there are some lines of actions proposed such as:

- Support for innovation.
- Improvement of competitiveness.
- Adaptation to new commercial formulas and consumptions habits of SMEs and salespersons.
- Revitalization of commercial zones and/or sub-sectors.
- Improvement of the competitiveness of commercial facilities in areas with a high influx of tourism or areas with a free access regime.
- Promotion of shopping tourism.
- Promotion of Electronic Commerce.

2. Description of the small commerce, retail, hospitality and creative/cultural sector in the region/city you will implement LETZ RETAIL

a. Main characteristics of the companies

The target businesses selected to apply the LETZ RETAIL Project on are settled in Badajoz, especially standing out the ones whose headquarters are located in the most centric and touristic areas of the town.

Most of that businesses located in Badajoz share the characteristic of the traditional independent business. The entrepreneurs use to have almost no previous commercial training or a poorly one, plus a low entrepreneurship, in both entrepreneurial and innovating ways, but, quite the opposite, they use to be highly individualized. As being self-employees they combine their expectations and needs as owners but as employees as well. In their role as owners, they use to have no vocation to grow because of their fear to lose the control of their business, because of the difficulties of human resources management and because of their lack of vision in terms of new markets and opportunities. But, on the other hand, as they are employees too, they use to claim for living conditions that they are not disposed to resign from.

This situation means that, despite the large number of businesses in Badajoz, the competitive pressure of companies outside the city has been needed in order to recover Badajoz's competitiveness and commercial dynamism. Traditionally, lots of the city's commercial opportunities have been missed, such as: Portuguese festivities, its proximity to Lisbon and some others neighbouring Portuguese areas, congress, fairs and festivals that take place in Badajoz, its strategic geographic location, holiday seasons along the year, visitors that come in seeking for the services, floating population, etc. Campaigns or joint activities promoted by entrepreneurs to take advantage of this sort of commercial opportunities and energize the potential of their business area have been practically non-existent.

The existence of a large number of SMEs around Badajoz provides the city with some social stability, which it is true that reduces its dynamism, though it is also true that it is really positive cushioning periods of recession. The main commercial areas in town count on trade associations that really try to energize those areas and to promote the modernization of the commercial sector, but their success is variable. However, despite the efforts made by these associations, there is a low level of involvement, since there is not a real awareness of the importance of collectively attracting buyers to commercial areas. Nevertheless, the collective actions in town, and especially those developed in each area, are the main tool to increase the demand for consumption. Therefore, this kind of associations are one of the main assets for the trade of the city and their strengthening will help to develop Badajoz as a commercial area.

b. Weight in the local/regional GDP, employment etc.

There are some interesting data on that subject, such as:

1. Labour force participation: over the period 2007-2018, the labour force participation of people in working age in Extremadura increases in 2,4%, from 52,9% to 55,3%, while the national rate decreases to 58,7%.
2. GDP in Extremadura: in 2018 Extremadura reached the figure of 19.397 million euros of regional GDP, being the 15th economy of Spain by volume of GDP.
3. GDP per capita: in 2018 the GDP per capita in Extremadura was 18.174 €, being the lowest in Spain with 29.7% less that the national average of autonomous communities. This means that, comparing to the national average, Extremadura has a low standard of living.
4. Contribution of trade to local GDP: the contribution of Extremadura's GVA (gross value added) in the trade sector represents 27% of total regional GDP.

c. Regional/local tendencies in consumer/customer demands

It is also possible to point out some of the trends that may affect both the functioning and development of trade in Badajoz:

- Technology allows to improve social well-being and increase the speed in which information in transmitted. So technology is going to radically transform companies by modernising them, but also markets as extending the boundaries of business in a significant way.
- Innovation supported by computer systems, *Internet of Things, machine learning,* Big Data analysis and the industry 4.0 are also going to transform the way of producing and focusing on customers.
- The companies are moving towards a network structure and into new working forms and collaborative teamwork.
- The groups of consumers will be born perfectly segmented by technology, which will allow to easily identify their profiles and manage individuals offers.
- Engineering degrees and digital profiles will have a nice future if they both are coordinated with experts on different areas of knowledge linked with creativity.

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- In order to train future entrepreneurs, it is necessary to promote a change of attitude in Universities: entrepreneurs require transversal skills and it would also be helpful to promote contact between graduated and business reality and researching groups that exist at Universities.
- Entrepreneurship environments involving entrepreneurs themselves, Public Administrations, research centres, Universities, companies and those teachers willing to get involved with new entrepreneurs along their entrepreneurship process, are highly necessary.

3. Description of the specific area/neighbourhood in your region/city selected for the implementation of LETZ RETAIL

a. Short description of the area/neighbourhood

The historic centre of Badajoz is experiencing an alarming situation, especially the area which is near to the Alcazaba. There are plenty of unfinished and destroyed houses and abandoned plots of lands which are full of trash all around a city that, literally, seems to be tearing apart. So it is necessary to add some other problems such as traffic increase and drugs trafficking and consuming in the city centre, since it equally worry inhabitants and tourist at the same time.

The damage area in Badajoz is still increasing, especially on San Juan street, which is the main street to get to the historic centre. The Civic Association Ciudad de Badajoz claims what it seems to be a lack of interest of local Public Administrations in the historic heritage and its remarkable damage since 2008. They also assure that the actual situation is even so much worse than previous years.

One of city council's proposals developed in aims of solving this sort of problems has been fill the sensitive areas in conflict with night pubs and nightlife leisure activities seeking for increase customer's attendance. However, entrepreneurs and inhabitants totally dislike this proposal, who, little by little, have been moving from the city centre to new areas (such as Francisco Pizarro street and Menacho street) because of the noise level and the damage in the area.

The Associations of Hostellers of Badajoz, has also expressed its complaints about the situation by exposing that the occupation barely reaches 30% in the dates when there is a greater influx of tourists and they point out that the state of the historic quarter as one of the main causes of this decline in occupation.

Political Parties and neighbourhood associations blame the local government team of the Popular Party, headed by Mayor Francisco Javier Fragoso, for his lack of interest and planning to solve the problem.

b. Description of the type of small commerce, retail, hospitality and creative/cultural sector in the selected area/neighbourhood

In the Old Town of Badajoz there are a large number of SMEs dedicated to retail shop, many of which belong to an active Trade Associations. The main streets of this area are: Menacho, San Juan, Soledad, Méndez Valdés y Juan Carlos I, as well as other remarkable streets and adjacent squares. Pubs and restaurants are mainly settle on the streets that go down from San Juan Square or the Cathedral, although they can also be found near Santo Domingo or Puerta Pilar. In recent years Plaza Alta has been successfully restored, becoming one of the most beautiful areas of the city, so have proliferated quite successfully bars and restaurants in there.

c. Conclusions

Badajoz's most attractive area for visitors and tourists in 2010 was the city centre, which involve the trade areas of the Old Town, Menacho Street and adjacent streets to Conquistadores Square. In these three areas there were more than 700 commercial businesses, more than 100.000m^2 of trade surface and more than 2.000 stable jobs. The area used to have the traditional structure of a shopping centre: it has a great parking surface on the bottom, next to a big shopping surface (El Corte Inglés), it also had a first floor based on fashion and textile business mainly thanks to clothing chains (Menacho Streets and adjacent) and then an upper floor with specialized shops and leisure options (Old town).

In recent years, the Old Town trade has been suffering lowers sales, mainly due to the following factors:

1. The opening of large shopping surfaces, such as El Corte Inglés and, more recently, El Faro shopping centre. These surfaces allow customers to buy with greater comfort, without the problems causes by the parking issue in the Old Town and not needing to be worried about every day's climate, so they can go shopping no matter if it is hot or cold, raining or not. And, at the same time, they offer a larger competitive offer that the shopping area in the city centre, which is quite negative for the development of the Old Town. That is why local small business need to find new ways and improve their competitiveness against big shopping surfaces that, a priori, can offer better advantages for the customer to shop in and they also can count on a greater amount of resources in order to eventually keep competing for public's attendance.
2. The increase of Electronic Commerce has also affected to local trade by decreasing the amount of young people who attend to traditional shopping areas to purchase physically. In fact, online commerce in Spain already reached in 2014 at 20,3% of the total transactions, which were mainly promoted by comfort and time saving (INE, 2015). This trend is affecting SMEs that cannot cope with the potential technological development of big companies. In this sense, as early as 2017, the 40% of the Spanish population between 16-74 years old claimed that they had made purchases via internet in recent months (INE, 2018). Because of that, it is so important for SMEs retail business to attract young customers and to promote their loyalty, even when they are so used to new technologies. It is, in fact, an urgent issue for local retail businesses that should be imposed as a need.

Now a day, the 10% of the hotels, restaurants and life night clubs located in the Old Town have closed or abandoned the area during the last year, mainly due to the "poor facilities" provided by the local Council and Public Administrations and because of the pressure of civil associations which claim about the noise in the area, but it is important to point out that the main cause for the closure, nor the desertion, has not been a lack of clientele.

On several occasions, Antonio Martínez, President of Association of Tourism Services Entrepreneurs from Extremadura (Setex), has stated that some council decisions, such as not allowing wider opening

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time when large and mass events, has caused that lots of entrepreneurs decided to move into remote areas of Badajoz, as Valdepasillas or the surroundings of Alféceres Square, for example.

The impossibility, for example, of these establishments being able to take advantage of the opportunities brought by festivities such as *"Almossassa",* for increasing their sales is harming Old Town's businesses, area in where are currently located over one a hundred establishments.

If, in addition to all of the above, there are difficulties in setting up a new business in the Old Town or the current problem of a stagnant economic situation, it becomes difficult to develop and grow a business and the stakes are high, on the other hand, for other growing areas of the city.

For Antonio Martínez (2019), the arrival of this kind of establishments in all areas of the city, and especially in the historic centre should be encouraged because of the impact it has for Badajoz, as they are businesses that generate economic activity at a time when "*it is so necessary in Extremadura to promote these sectors that create employment*".

4. Examples of already existing cooperation activities/projects in the area/neighbourhood in your region/city selected for the implementation of LETZ RETAIL

The local government has proposed some proposals aimed to stimulate the small and medium trade businesses in Badajoz, some of which are the following ones:

1. In order to stimulate local trade, the Councillorship of Commerce of Badajoz has scheduled the following activities: businesses can open the first Sunday of each month, children's workshops at Menacho Street, guided tours around the main shopping streets of the city from the Plaza Alta, the shops of Menacho Street and its adjacent streets are allowed to place some clothes racks outside their doors as a clothes fair, Menacho's parking is free between 10-22h for those customers that make their purchase in the historic centre of the town and a tourist train from Huelva Avenue to Campillo will be running through the main centre streets on Sundays.
2. Badajoz's main open shopping centres are now opting for innovative formulas to compete against the big malls and the Internet too, so they are now adapting their shops in order to offer different proposals not found in the large shopping centres, with exclusive designs thanks to the designers of Extremadura.
3. For three years in a row now, a project called *La noche en Blanco* has been celebrated in Badajoz. This festivity allows locals and tourists to visit the main monuments of the city, as well as museums, exhibition halls and some other cultural spaces that remain open during that night. Equally, some shops and small business from the city centre also participate. The aim of this project is to achieve a greater tourist influx by providing them a pleasant night in the city, because it is usually celebrated late summer, while the weather is still warm.

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ANNEX 5 – SUCCESS STORIES

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Letz Retail

AWA KERMEL FASHION

Luxembourg

CONTEXT

For 20 years AWA KERMEL has been designing handmade collections of clothing and accessories that are sold in its own boutique in the neighborhood Gare of Luxembourg city and in its website's e-shop.

The numerous journeys AWA KERMEL paid around the world enabled her to explore different cultures and promote the know-how of African craftsmen.

At the heart of her creations, AWA KERMEL combines all models of clothing, accessories, shoes, bags, among others, with the famous and traditional African fabric Super Wax as the main textile, with the characteristic and identity patterns of African design since more than 150 years, to which are added even rarer materials such as wild silk, Andalusian tanned leather or muslin.

PROBLEM

Due to COVID-19 measures determined by Luxembourg Government, AWA KERMEL had to close temporarily its boutique and reopen it with the restrictions imposed for health safety purposes.

The business main pillars are the direct relationship with its selected clientele and the possibility of showing AWA KERMEL's creations in fashion events and exhibitions around the world, with focus in Luxembourg and France.

This impediment of profiting from the fashion momentum caused a disruption in the brand's marketing model and in the business outlook for the next months or even years.

SOLUTION

AWA KERMEL increased its presence and activity online in order to, on the one hand, keep the proximity with her usual customers and, on the other hand, reach new potential customers.

Despite not being able to participate in fashion shows and other similar events, AWA KERMEL developed the photography of models wearing creations from her collections, which she publishes with great frequency on the brand's Facebook and Instagram pages.

In the spirit of co-creation and co-design with her manufacturer’s suppliers, AWA KERMEL created original facial masks with African themes and patterns, also made in the environmentally friendly and fair-trade Super Wax textile.

The e-shop on AWA KERMEL's website was also incremented as the new way to sell her creations to usual and new customers. Over one hundred original creations can be shopped, from skirts and dresses to sandals, bags and jewelry.

LIKABA
Luxembourg

CONTEXT

LIKABA is a cultural organization established in 2013. Today, the team has around 10 members who actively contribute to the development and proper functioning of the association. The non-profit association ("asbl" in the French acronym) LIKABA, which means "sharing" in the Bassa language, has set itself the goal of becoming a cultural hub in the Grand Duchy of Luxembourg.

Its activities aim to introduce people to Afro-Caribbean cultures in all their diversity through various activities and events. One of Its main events Is the Lux African Market, organized every year In Luxembourg, namely in the Cultural Centre of the Gare neighborhood. Food, music, culture, African books, clothing and fashion accessories, parade and dance lessons are the main offers of the Lux African Market.

PROBLEM

Due to COVID-19 measures determined by Luxembourg Government, LIKABA announced the postponement of the 5th edition of the Lux African Market, initially scheduled for October 3 and 4 2020 at the Tramsschapp Cultural Center, in Luxembourg's capital.

After careful consideration and consultation with the Ministry of Culture, the Directorate of Health and the City of Luxembourg, LIKABA had to make the hard decision not to maintain their biggest annual event. Their team of volunteers had been working hard for months to prepare a great event.

The Lux African Market started in 2015 and was reaching its momentum, with great media coverage, being one of the main financial supports for LIKABA.

SOLUTION

LIKABA increased its presence and activity online in order to reach a broader audience and, doing so, increase the potential number of attendees for the 2021 edition of the Lux African Market. The goal being to minimize the losses incurred with the cancellation of their biggest annual event due to be held in October 2020 and postponed for public health reasons (COVID-19).

On the other hand, LIKABA has been able to keep their volunteers engaged, despite the setback of the Lux African Market 2020 event. This engagement is possible through the co-creation and co-working LIKABA's direction has implemented with all the volunteers involved with the association and, in particular, with the organization of the Lux African Market.

LIKABA will organize a bigger Lux African Market event in 2021 in Lux Expo, the biggest event space in Luxembourg, and is also considering the possibility of charging for the entries. LIKABA will also co-work with other Luxembourgish NGO's, like the Chamber of Commerce Luxembourg-Cape Vert, in order to get more expositors.

Letz Retail

REAL NATA Luxembourg

CONTEXT

Real Nata is part of a family-based business with 25 years. Created in Portugal, the franchise spread to all countries with big Portuguese speaking communities, and in Luxembourg almost 20% of the residents are Lusophones.

The business model consists of a street food truck that sells the typical pastry "pastel de nata", an egg-custard tart with a crispy crust producing an unrivaled snack that is considered one of the top best culinary experiences in the world, and other grab and go foods and drinks.

The specialty "pastel de nata" business is growing at a healthy pace in all countries, with top vendors selling up to 700 pastries per day.

In Luxembourg, the business started in 2019 with one food truck, with and outlook of reaching up to three until 2021.

PROBLEM

The grab and go street food trucks have some seasonal restraints in cold weather countries like Luxembourg, where adverse meteorological conditions discourage consumers to eat outdoors. Nonetheless, the price of city licenses for selling food on the street must be paid all year, as well as the franchise royalties.

To achieve good selling results, the business should be maximized to work almost 24h/7. That represents several working shifts and wages weight heavily of the business returns, making even more important to make the exploitation during the summer and spring as much profitable as possible in order to compensate for the downturns of the cold months.

SOLUTION

REAL NATA profited from the sanitary restrictions imposed by Luxembourg's Government to food businesses to face the COVID-19 pandemic. The upside of a street food truck is that it does not have a limit of clients it can serve at the same time.

Although there has been less office workers in the city, due to the work from home trends, and also a reduction in the number of tourists, REAL NATA took advantage of the fact that their competition was either closed or working at half its capacity. Also, the clientele concerned with keeping the recommended social distances became more interested in eating outdoors.

REAL NATA increased its presence in Luxembourg's city from April 2020 onwards, covering more selling points than before and working on a 24/7 basis in order to expand the sales and raise the brand awareness. So far, REAL NATA maintains the projected outlook of growing to up to three street food trucks in 2021 and cover other cities in Luxembourg.

Letz Retail

VISION 2020
Luxembourg

CONTEXT

VISION 2020 is a television producer and digital marketing manager company based in Luxembourg since 2015. Its activities in the television field covers features, documentaries, biopics, interviews, advertising, among others. It produces contents in the Central and Western Europe region (Luxembourg, Belgium, Germany, France, Netherlands) that sells to clients, mainly broadcasting companies, all over the world.

In the digital marketing management, VISION 2020 is specialized in Search Engine Optimization (SEO) as well as creating and managing social networking for its clients, mainly companies from southern European countries and for third countries, like Brazil, that want to market their products and services in the Central and Western Europe region.

PROBLEM

VISION 2020 chose Luxembourg to start its business due to the strategic business location and easy access to surrounding countries like Belgium, Germany, France and Netherlands, and also because of the ease of doing business.

The main problem were labor costs, as wages in Luxembourg are among the highest in the European Union. This increase substantially the costs of all television productions making it harder to sell to countries from southern Europe and non-EU countries, used to pay lower prices for similar contents in their countries. Even the fact that these clients lack contents from the Central and Western Europe region, in some cases it would be less expensive for them to send a crew to produce the content in these countries.

SOLUTION

The solution VISION 2020 found after two years struggling to sell their productions was to implement a co-working strategy in order to lower the production costs. It established partnerships with other companies in the same field but based in countries where production costs are reduced, like Brazil, Spain and Portugal, and started developing co-productions for television, keeping, however, the copyrights of all creations.

In fact, video and audio editing, 3D, animations, graphic design, virtual sets, among other services necessary for the majority of television productions can be executed outside Luxembourg, although the content and all the creativity is developed and produced in the country.

With this co-working strategy, VISION 2020 was able to reduce its production costs up to circa 45%, hence selling a higher volume of productions to its clients, as well as find new clients and increase its annual revenue from 2017 onwards.

CONTEXT

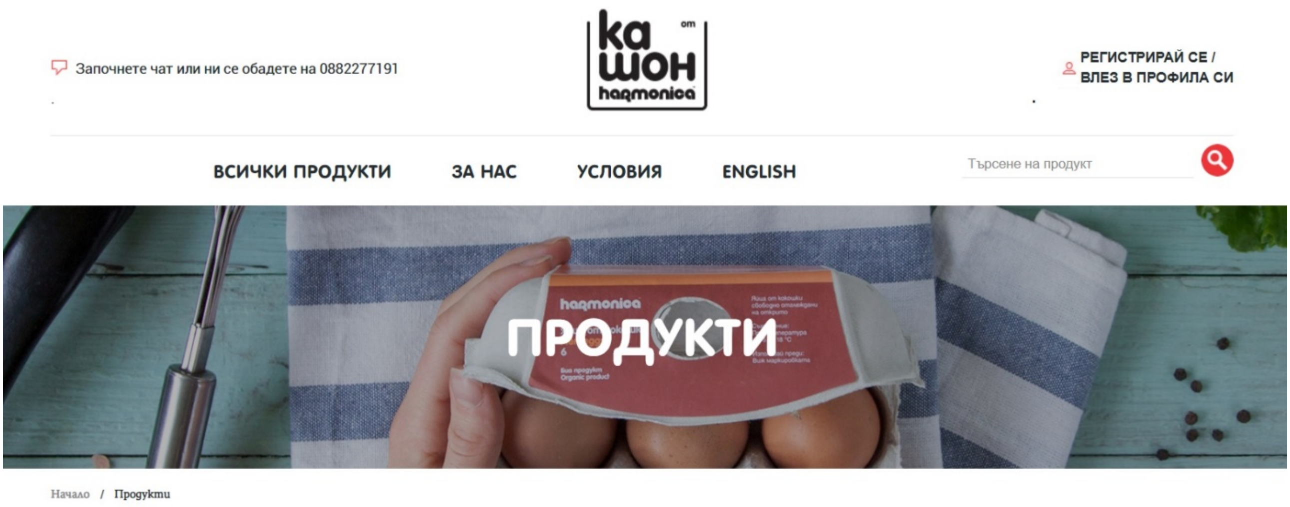
The company Organic BG EOOD was founded by Lydia and Ivaylo Zarkovi in 2010 in the village of Dolno Belotintsi in Montana Municipality, North-Western Bulgaria. Initially, the two were involved in growing fruit trees, but when faced with the unsuccessful sale of their apple crop, the idea of developing a new business – the production of natural vinegar – was born. By putting their crops in the production and development of a new product, they limited the amount of food waste and expanded their business portfolio.

PROBLEM

However, starting from scratch is not easy. In order to begin the vinegar production, the company had to comply with several food standards and most important to develop a good vinegar recipe that matches the consumers' expectations and requirements. That is why Organic BG EOOD contacted national experts in the field of production and processing of bioproducts, namely the professors Elena and Stoycho Karovi. With their help the company began developing a recipe.

SOLUTION

Indeed, after the consultation, the development and perfection of the recipe began and the production technology was improved. Soon after that the company had not only launched on the market its first vinegar, but also began expanding the range of products it offers. After mastering the apple vinegar, the company started working on producing vinegar from rare and healthy fruits and herbs – aronia, raspberry, rosehip and elderberry. In 2019 Organic BG EOOD managed to produce the world's first wolfberry vinegar. The wolfberry vinegar was honored at the Plovdiv Fair with first prize for innovation in competition with 56 other products developed by 36 companies and scientific institutes. The original work was also recognized by the Chefs Association.



CONTEXT

Box by harmonica is an online store that offers healthy and organic food choices produced by small local farmers. The company is a pioneer in this field and offers its customers products from the most responsible producers of clean and sustainable food. This is a service that has been offered in Western Europe for years, but which first appeared on the Bulgarian market in 2018. Box by harmonica gives everyone the opportunity to order all the necessary food products they want online via their website: https://kashonharmonica.bg/bg/products then the company packs them and sends them by courier. Doing so they support small producers and organic farmers.

PROBLEM

Offering something on the market, which, although not unknown, is new for Bulgaria, is a labor-intensive endeavor. Before the covid-19 lock down in Bulgaria Box by harmonica's customers used to be mostly busy people looking for quality food. Today the company has gained more popularity, due to the search of online food shops and deliveries during the quarantine. But the company Box by harmonica had faced many difficulties on their way. For example, there are strict requirements set by the National Food Agency in Bulgaria. As the Agency categorizes Box by harmonica's service as a type of production, the company had to make serious investments in facilities, staff and suppliers, which was a risky and difficult task for start-up company, especially in the time of crisis.

SOLUTION

The investment in facilities, staff and suppliers has paid off. There is growing number of people interested in organic food and a high demand for quality and organic food. These turn Box by harmonica into success. Not long ago they partnered with local producers and develop their own brand of organic food, which now can be purchased from their online store and even found in specialized Bio stores. Box by harmonica currently cover a wide range of products – from dairy products such as cheese and yogurt to nuts and dried fruits. When the crisis caused by covid-19 occurred, Box by harmonica was one of the first stores to adapt to the growing demand for online nutrition products purchases and home deliveries. In the conditions of physical distancing, this service is of special importance for the health of each of us and ensures that the small farmers and producers can still sell their products and in the bigger picture supports the economy.

CONTEXT

Cookit is a service that provides delivery of a box with a recipe and the necessary ingredients for its preparation. The aim of the company is to guarantee complete nutrition without compromising on the variety and quality of dishes. Cookit offers original recipes for home-made meals, that are quick and easy to prepare, following steps-by-step instructions and using the ingredients that come in the box with the recipe. All fruits and vegetables packed in the box come from small farms. The company is partnering with local farmers in order to support them and ensure the quality of the delivered products.

PROBLEM

Cookit supplies all the necessary products for the recipe that is purchased. The headquarters of the company is in Sofia, so the residents of the capital benefit from the same-day delivery. But in the past months Cookit has gained popularity all over Bulgaria. The lock down caused by covid-19 made eating out impossible, therefore the demand of fresh products and food has risen up everywhere. But in order to meet the growing request, the company had to find solution to 2 problems: finding a way to keep the raw meat or fish fresh during the next-days deliveries to other cities and reducing the use of plastic packaging.

SOLUTION

The above-mentioned problems were solved by removing the plastic boxes for cherry tomatoes and mushrooms. Moreover, products that will be mixed together in the given recipe are send pre-mixed in a single package so that the number of single disposable packages in the delivery box is significantly reduced. Where it is possible, the plastic packaging in the Cookit boxes is replaced with such made of compostable material (usually corn bioplastic, which decomposes completely within 8-12 weeks). Gel cooler and thermal bags are used for the next-day delivery of raw meat or fish. And in order to even further reduce waste, Cookit is asking its customers, to keep the thermal bags and gel cooler after cooking the recipe and to return them with their next order.

Letz Retail

[Las Tartas de Sisi]

CONTEXT

Las Tartas de Sisi is small home-based creative bakery comprised of two employees, who also own the business. It specializes in designer cakes for any occasion - birthday, baby shower, wedding cakes, as well as various types of cookies. The two owners are also in charge of all aspects of the work process: buying supplies, sales, design, contact with customers, social media, deliveries as well as additional services like event catering.

PROBLEM

The biggest issue so far has been a noticeable seasonal trend during which orders are significantly less (e.g. right after the Christmas season) or completely stop (summers). Christmas festive season is the time when everyone has bigger expenses which often leaves non-traditional cakes and creative pastry aside and lowers the number of orders. Summers are problematic for home-based businesses like Las Tartas de Sisi mostly due to high temperatures and humidity - all that is challenging for cake building and transporting due to the specific ingredients.

SOLUTION

The main way Las Tartas de Sisi deals with the mentioned problem is making sure to get additional orders and find extra work the rest of the months to compensate. To achieve it they try to visit fairs and thematic gatherings, cooperate with local communities and work with other similar companies. One example of cooperation is their teaming up with local farmers who supply them with fresh and biological eggs and dairy products. This way Las Tartas de Sisi not only supports local producers, but also makes sure that the ingredients they use for their bakery goods have good quality. They follow and adapt to new trends so that their products are competitive, as well as test new recipes and techniques to get some diversity and even a better product quality. Las Tartas de Sisi also tries to create regular clients and maintain the ones we already have with promotions and bonuses. They find it helpful to maintain some presence in social media too because the different online platforms can be great source of potential clients. Additionally, they often conduct extensive research of similar small businesses in order to keep prices adequate.

CONTEXT

Stories day&night, one of the most beautiful and stylish bars in Larnaca (Cyprus), opened in 2015 in a renovated building set on a small street in the Old Town. The area where the bar is located was originally occupied by warehouses and craftsmen. Some craft workshops are still operational, but most buildings were abandoned and have recently started to be rejuvenated and re-purposed. The street itself has just been repaired (2020) and is becoming a new dining and entertainment area, competing with the main palm/ beach promenade that is just a few steps away.

With tasty drinks and snacks in the afternoon and signature cocktails at night, STORIES have created a live space that became popular with a large audience, especially on weekends. But it's more that coffee, snacks and wine!

PROBLEM

As it happens, when an area starts attracting customers, more cafes and bars open in the neighborhood. It may make the area even more successful, but each establishment needs to find its own way to attract and retain the customers.

How does a hospitality business stand out in a crowded marketplace? The answer is, to be different. But the question is HOW? Trying to be different is never easy, especially when you have to compete with well-established and familiar brands all around, and quite risky. How do you win the hearts of the crowd?

SOLUTION

STORIES solution is to create a competitive advantage using own special skills and cooperation with local partners.

STORIES is famous for its unique atmosphere and design. The special vintage decor is due to the background of the families owning the place – the father of one of the owners is a furniture restorer. Careful selection of furniture enhanced by special lighting creates the atmosphere of the old days, perfectly matching the area where the bar is located.

Music is another tool helping to create a special atmosphere. STORIES cooperates with a number of DJs and bands, and offers live music evenings on many weekends. During the COVID-19 crisis, they have offered to watch live music performances online, through their Facebook page, helping their fans to stay connected and inviting to come back to STORIES when it becomes possible.

This is STORIES, the place to create your own story which you can tell your friends.

Letz Retail

Lazarís BAKERY BAR

CONTEXT

In Saint Lazarus Square, the heart of Larnaca (Cyprus) Old Town, Lazaris Bakery Bar is serving authentic coffee made in a traditional hovoli coffee maker, exceptional Cyprus breakfast, and a small daily menu of cooked meals for lunch and dinner. Outstanding among many other hospitality establishments, this small café invites its customers to experience the real local hospitality.

PROBLEM

Customers are overwhelmed with more of the same! Cyprus market is dominated by foreign international chains and brands (Starbucks, McDonalds, Costa Café, etc.) which look and offer very similar products and experiences. It is sometimes difficult to know where you are! At the same time competition is very intense, customers have many options, and unless you have something new and different to offer, the chances of success are little.

New challenges created by COVID-19 have pushed even small hospitality businesses to look for new options, including online ordering systems, take-away, and delivery. But again, it is not easy to compete with established larger businesses.

SOLUTION

Lazaris Bakery Bar is located in a beautiful renovated building that dates back to the late 18th century. The cafe is proud of their menu, which in addition to drinks includes freshly baked pastries, salads, traditional meals, vegetarian friendly, vegan and gluten free options. Particular attention is paid to the selection of ingredients and raw materials. The owners have searched and identified a number of local suppliers – a cooperation that allows to ensure the high quality of their meals. Another important aspect is the atmosphere and the relationship with the clients – at Lazaris everybody feels at home, and wants to come back.

The chosen strategy helps the company offer outstanding quality, enhance customer experience, boost marketing messages and ensure that what they offer is different from their immediate competition (international café chains).

"While roaming around in Larnaca, we came across this bakery and coffee corner right behind the Church and settled in right away for a break. The girl at the bar asked if we needed help to make up the mind and why not ..so she recommended the fresh milk puffed crunchy Larnaca speciality and also an orange pie ..we went with her recommendation topped with Cyprus Coffee ..and heaven on earth.. the pastries were yummmmm.. so fluffy, so crunchy and delicious.. portion size was pretty big even for carb lovers like us.. all in all, we ended up gaining few pounds for sure yet having the perfect satisfaction from our sinful, delicious sweet coffee break.." (from customer reviews)

CONTEXT

The Green Shop is set in Larnaca, Cyprus and offers organic and natural products since 2010. It was one of the first shops in the city oriented to serving health and environment conscious people. The Green Shop’s commitment to its clients is “..having the deepest variety of fresh organic and natural products from all over Cyprus and abroad. Whether you're trying to eat clean, stick to a vegan diet, use natural body and home cleaning products or just feel that you want to explore a new option, we've got you covered...”

From the start, the owner of the Shop has managed to create a friendly and enriching experience for the customers, always there to advise and share her knowledge on healthy living, or just allow to quietly explore and enjoy this positive space.

PROBLEM

The Green Shop is unique because of its focus on serving a specific customer segment with specific needs. It was originally established in a quiet residential area, off the center of Larnaca in a much smaller and somewhat isolated space. In the beginning, the main challenge was to find reliable and flexible suppliers. After a few years of successful operation, when this issue was resolved, the owner started feeling the need to move to a bigger place and closer to the center, but was worried about the change, the investment, and maybe losing some customers, most of which were living nearby. However, it was clear that the old location, although known and familiar to its regular clients, offered no room for expansion of the business and no opportunities of contact and cooperation with other businesses in the neighborhood.

SOLUTION

Eventually the decision was made, a new location was identified, closer to the center of the city, in an area with a stronger commercial character and bigger visibility. The new space was much larger and would allow to create jobs, expand the product range and offer more variety to the customers.

The new, more central location made the shop more accessible to tourists. Due to the niche nature of the business, the local customers remained loyal and moved together with the shop. Although more organic businesses opened in the city, the Green Shop managed to maintain a special relationship with its customers through personal attention and exceptional service.

Three years ago the owners have opened a small café and coffee roastery right next to the Green Shop, which created further opportunities for expansion, marketing, co-creation of promotional campaigns, organisation of events, as well as joint loyalty programmes. Furthermore, the Green Shop finds itself now is a location with more businesses (pharmacy, a number of shops, cafés, etc.) and is open to co-operation.

Letz Retail

Solar Kitchen Bar goes online

CONTEXT

Solar Kitchen Bar was a vegan café in the centre of Larnaca, Cyprus. Established several years ago by the yoga teacher Korina Kontaxaki in cooperation with other like-minded people, it soon became a popular lunch and meeting spot for health-seeking customers and friends.

Solar Kitchen Bar was one of a few places in Larnaca that offered healthy vegan meals and snacks, and the only one promoting Activated Vegan Diet. It's a system that encourages sustainable, eco-friendly lifestyle, and through healthy, nutritious food boosts energy, immunity and overall wellbeing.

PROBLEM

Following its mission to support people in the pursuit of healthier and more sustainable lifestyle, from the start of its activities Solar Kitchen Bar has offered seminars on Activated Vegan Diet and taught its customers how to implement this system at home. A community was created that could grow and learn from nutrition professionals, but also from each other's experience.

But how could this knowledge reach people from other locations, and those that couldn't visit Solar Kitchen Bar and join the seminars at their specific time and place? How could a small niche business grow and serve a wider community?

SOLUTION

Solar Kitchen Bar has joined forces with another company – Perfect Planet LLC and a number of friends and collaborators, to create an online Activated Vegan Food® seminar http://www.activatedveganseminars.com. It is currently available in Greek and English, and contains 22 video lessons, an e-book that explains the Activated Vegan Diet system, a number of "formulas" based on which many recipes can be created, as well as a dedicated Facebook group allowing the participants to connect and share experiences. The seminar is aimed at everybody who wants to increase and sustain vitality, even if they don't intend to become vegan.

The original Solar Kitchen Bar cafe has recently been closed, while the online education activities are expanding and reaching new audiences all over the world.

The online Activated Vegan Food® seminar is an example of successful cooperation that may take a small business to the next level, spreading its ideas and knowledge far beyond its original reach.

Letz Retail

ATHENS IS BACK

CONTEXT

"Athens is Back" is an initiative of the City of Athens, in partnership with the Athens Traders Association and implemented by the Athens Development and Destination Management Agency. The goal of the initiative is to support the revival of the Greek capital's commercial center in the aftermath of the coronavirus (Covid-19) outbreak. The idea, according to the Mayor of Athens, is to strengthen and upgrade the local market *"with actions and using technology"*. "Athens is Back" initiative is just one among many aimed at reviving the Greek capital's commercial center.

PROBLEM

Athens City Center has been heavily affected by COVID-19. Athens city's historic and commercial center after the lockdown which was in place in Greece from March 23-May 4 2020, seemed empty and shop owners felt that a new difficult financial period will lay in front of them. Athens Traders Association ran a survey which, according to the association's president, revealed that *"80 percent of respondents said that in the first 10 days of the restart of the economy they had zero revenues or chose to keep their stores closed. It is obvious how dramatic is the situation for the city's center"*. In order to deal with the aftermath of the lockdown, Athens is Back e-platform had been launched that aims to support businesses operating in Athens which have been hit hard by the COVID-19 pandemic. The goal of the platform is to motivate shoppers and stimulate the market.

SOLUTION

"Athens is Back" e-platform has been launched, inviting local businesses to showcase their current offers and discounts to all residents and visitors. It helps owners of retail businesses and cultural institutions to promote their businesses and encourage Athenian residents and visitors to go out, socialise, and shop in the city. Currently more than 250 shops are part of the whole initiative, offering to them the opportunity to engage with residents and visitors by posting offers and discounts. The participants can be all Food and Beverage businesses, retail shops, cinemas and cultural venues that are active in the 7 city districts of Athens. The initiative has already an impact since according to shop-owners that participate *"every day more and more people are coming downtown to get the offers available"*.

Letz Retail

SHOP IN THE CENTRE

CONTEXT

The "SHOP IN THE CENTRE" project, provides exploitation opportunities of abandoned shops in the centre of Athens and aims to upgrade areas that have been "wounded" by the crisis. "SHOP IN THE CENTRE" started in the first area of intervention, the historic Theatre Square. Culture was selected as the first thematic strand for the proposed uses, and the open call of interest was addressed to artists, designers as well as individuals active in the creative industries. Once the whole initiative presented the high results it had, a second call was launched, focused on the co-creation and co-operation of shops at the Merchants Arcade, the second point of intervention, addressed to a dynamic community active in the social and solidarity economy, providing significant incentives for businesses to settle, such as rental and operational needs.

PROBLEM

Over the last years and due to austerity measures Greece faced, many small shops were closed and areas in the city centre started to get abandoned. That affected both the historic City Centre financially and of course the tourists and travellers of the city.

SOLUTION

The Municipality of City of Athens launched a series of actions aimed at promoting economic development and upgrading of areas in Athens that have been hit hard by the crisis, resulting in their so-called desertification, as the wider "commercial triangle". The objective of the intervention is to open up closed-door shopping centres located on specific streets of the Centre to accommodate some activity. The initiative stimulates existing and new economic activity, contributing to the maintenance and sustainability of interventions of aesthetic upgrading of the image of areas that are important attraction for visitors and residents.

CONTEXT

During the last decade many refugees arrived in Greece, with many of them been victims of trafficking as well. In order to help them integrate in the Greek Society, SOFA had been created which is the Sustainable Fashion Factory that provides work integration to trafficked survivors and refugees, produces from natural, man-made or recycled biodegradable materials, provides to its members access to machinery and training on how to be an ethical and sustainable fashion entrepreneur through SOFE HUB, raises awareness through various activities being the founding board of Fashion Revolution for Greece. SOFFA is the result of co-creation among various stakeholder groups, incorporating NGOs and the excluded populations themselves as shareholders and co-creators.

PROBLEM

The fashion industry is the world's second-largest polluter, behind oil. 30m people are trapped into trafficking; many of them are enslaved in fashion. European Production flew to the cheap labor countries leaving behind high rates of unemployment. New Designers are artisans struggling to survive: high costs, isolated, small scales, often very innovative. High Youth Unemployment, in Greece is 60%; face risks of dying earlier & mental illnesses.

SOLUTION

SOFFA Factory is an automated production line for clothing, footwear and accessories targeting the repatriation of production in Europe; SOFFA Textile, an open source online and offline sustainable textile marketplace fighting for the protection of the environment; SOFFA Hub an online and offline incubator of young fashion entrepreneurs battling against youth unemployment; SOFFA in the war against trafficking provides work integration to survivals victims of trafficking. SOFFA enhances economic and social equality in urban cities its premises are situated in areas of crises. SOFFA Replication Strategy is to scale social impact through social franchising in other industries & areas.

CONTEXT

synAthina is a social innovation online platform. Citizens, policy-makers and private sector representatives come together to build a collaborative, grassroots vision for change in Athens. SynAthina is the common space which brings together, supports and facilitates citizens' groups engaged in improving the quality of life in the city. By coordinating the invaluable resource of citizens' groups, the City of Athens actively listens to the needs of its people and is thus revitalized. By supporting the activities of the citizens the City creates a new perception about the relationship between civic society and local governance and cultivates their dynamic, bidirectional bond. SynAthina is an initiative of the City of Athens.

SynAthina **a) collects:** the activities of citizens and through them the Municipality learns what their priorities are for the city, **b) connects:** the groups and the citizens to actualize their activities and encourages them to cooperate with other groups, sponsors, and institutions, c) incorporates: the Municipality picks out those activities which have a greater impact on the city and explores their potential for use in local governance.

PROBLEM

The operational capacity of Athens' city government was drastically reduced by the country's economic crisis and austerity measures. To compound the problem, outdated regulations were stifling reforms that could have made the government more effective in leaner times. As a result, trust between citizens and government had broken down. Against this backdrop, community groups across the city were taking it upon themselves to find solutions to newly-emerging problems and bringing fresh ideas and energy to the task. In order to deal with the above issue, a new model for making use of the capacity of public-spirited citizens to find simpler, faster and more sustainable solutions for the city was launched, synAthina. synAthina seeks to demonstrate a way of government working more effectively with the community, supporting community activity as part of an agenda for change and connecting government to what is important to citizens.

SOLUTION

synAthina is an online platform to engage members of the community in problem-solving and reform. Citizens and groups can submit ideas such as volunteer activities and improvements for their city and are connected with relevant government representatives, non-governmental organizations, and private businesses to support their efforts. Thousands of people from all political and professional backgrounds, many of them unemployed, have uploaded information about their initiatives as well as proposals for city improvements under categories such as public spaces, cultural activities, the environment and health. A matchmaking facility then connects them with relevant sponsors including government representatives, NGOs and businesses who can offer knowledge, equipment or funding to help strengthen and scale-up their projects. From when it was launched, up to August 2020, the webpage and the kiosk of synAthina have hosted 4131 activities which have been realized by 449 groups of citizens and institutions in cooperation with 148 sponsors.

Letz Retail

Blokhuispoort – sustainable initiatives in a former prison

CONTEXT

Blokhuispoort is a large castle like building, which used to be a prison. Now this is a place for the creative businesses, that use the former prison spaces, like the cells as their offices. There are about 100 creative minds working separately and together In the Blokhuispoort. This results in great products and services. Thus, Blokhuispoort has a sustainable element of being a former prison turned into a housing for different product and services businesses, but some of those businesses are also sustainable on their own through co-creation, co-design and/or co-working. One of the examples Is the D'Lab, a fablab, which Is a part of a VET institution (Friesland College) which works closely with Frisian Design Factory (part of a University of Applied Sciences, NHL/Stenden). Students can work on innovative assignments from the "clients" (companies) and those companies have access to the latest innovative methodologies and technologies. D'Lab has its own Circulair Plastic Hub, which cooperates with a primary school to recycle plastic.

Now, Blokhuispoort is being exploited by Stichting BOEI, a non-profit organisation, which has as its objective the reallocation of industrial heritage.

PROBLEM

Of course, back in 2008 - 2009, the transition from the prison to the Cultural Business Center had to be made and there had to be thought of approaches on how to form Blokhuispoort as this Cultural Business Center. The main question was back then: how can the former prison, with all its space, be optimally used and attract as people as possible?

SOLUTION

So how has Blokhuispoort become successful, with about 100 businesses, which are regularly visited by the locals and the tourists? Stichting BOEI has decided to place different businesses and organisations In Blokhuispoort, which attract different visitors, like a library, a restaurant, educational initiatives, a great number of several (cultural) businesses, innovation driven organisations, a café, a hostel etc., with a creative prison touch (like calling the café De Bak, which is slang for jail). Thus, it attracts all kinds of visitors and tourists.

Letz Retail

Frisian Food Market

Traditional Frisian crafts within reach

CONTEXT

This case study includes three entrepreneurs in Workum who has united their forces and started a joint market, offering their traditional Frisian crafts. Workum Is a small village in the west of Friesland, situated near to the beautiful coast of Friesland. Therefore in summer, Workum is famous for its water sport and has a cozy, small and traditional city center. A Frisian butcher, bakery and cheese-maker were situated in three different places in Workum and all offered local and Frisian products assortment.

PROBLEM

As online delivery and large supermarkets, offering all-in-one services, are getting more popular nowadays, traditional products are slowly undermined by less traditional products, simply because they are better accessible for customers. Therefore, three entrepreneurs (a butcher, cheese-maker and baker) came together and started thinking about a strategy on how to approach the tough competition of the large supermarkets.

SOLUTION

The owners of the butchery approached the cheese-maker and bakery decided to cooperate and started a great initiative to collaborate and set up a joint market, offering fresh local bakery, cheese and butcher products . By combining the three craft companies and offering their products under one roof, they can strengthen each other and attract customers in one place; the market. The best part? You can find them at the same square where the 2 large supermarkets are situated in Workum.

It took the entrepreneurs a lot of preparation, stress, renovations, meetings and planning, but they have managed to open a public market where they offer their facilities and products. **Frisian Food Market** (formerly: "De Drie Ambachten") is a public market offering fresh, traditional products when it comes to the three traditional crafts of the Frisian province; a bakery, a butcher and a cheese-maker.

Customers can buy their daily groceries and also find beautiful gift boxes to surprise their loved ones. In addition they are offering an assortment of local beers, wines and snacks.

A great example of co-work, co-design and co-creation!

Letz Retail

Frisian Food Market

Traditional Frisian crafts within reach

Letz Retail

Gewoon Zijn & Gewoon Mooi Buiten – co-working with a sustainable twist

CONTEXT

In a Frisian city (in the northern part of The Netherlands) there is a very nice initiative of two entities combining their work for their clients, to make their services even more attractive. They do this with focus on sustainability. One of the entities provides yoga, meditation and coaching (Gewoon Zijn) and the other one is a café where customers can enjoy coffee/tea, pastries and lunches (Gewoon Mooi Buiten). Together they offer arrangements. For example, every first Monday of the month, they organise a Goede Start-ochtend (Good Strat-morning) for women. This starts with an hour of yoga, followed by an extensive brunch, consisting of fresh and pure products. Gewoon Zijn and Gewoon Mooi Buiten also organise special offers for large groups (more than 10 persons). They provide teambuilding with inspiring workshops and trainings for examples, and Gewoon Mooi Buiten makes sure there is coffee/tea, some treats and a delicious lunch.

Gewoon Mooi Buiten uses pure and biological products and Gewoon Zijn makes use of ecological yoga mats and other sustainable materials, while giving yoga and meditation classes as well as providing coaching.

PROBLEM

Gewoon Mooi Buiten, which provides delicious coffee/tea, pastries and lunches had a problem in attracting clients. Gewoon Zijn provided yoga classes in the same building, where Gewoon Mooi Buiten was also located. There was the question, how both could co-work together in order to complement and reinforce each other.

SOLUTION

The owner of Gewoon Zijn, which provides yoga classes, has seen a concept of providing both yoga and brunch and the idea was born to do the same for Gewoon Zijn and Gewoon Mooi Buiten. Both entities went for it, first approaching the clients personally. At the moment there is a group of 10-15 women coming every month to the Goede Start-ochtend, so this is very successful, both for Gewoon Zijn and for Gewoon Mooi Buiten. They also provide offers for team building or specific groups, like teachers, which are successful and provide them with permanent clients. Gewoon Zijn and Gewoon Mooi Buiten will continue their co-working to provide great offers/arrangements, thus attracting more clients for both enterprises.

Letz Retail

Van der Valk Leeuwarden
Most sustainable hotel of the Netherlands

CONTEXT

Hotel Van Der Valk Hotel and Restaurants is a famous hotel chain in the Netherlands. It is a family business and started in 1939, when Martien van der Valk converted a liquor store into his first hotel. He had 11 kids and wanted to appoint one hotel to each one; once the hotel chain grew bigger, they changed their business plans and it became one of the biggest hotel chains of the Netherlands. Currently, the chain is still growing and counts 77 hotels in country and 36 hotels abroad. All hotels are owned by a member of the Van der Valk family. The logo of the hotel (a toucan) became one of the most famous and popular logos in the Netherlands.

Van der Valk Leeuwarden is situated just outside the city centre of Leeuwarden and opened its doors in December 2017. It has 117 royal rooms and luxurious suites. Martinus' and 'Us Mem' are the names of the restaurants, which serve honest, healthy and delicious food. The hotel has facilities to organize conferences and offers perfect spaces for events and meetings.

The hotel received an award for the best hotel in Leeuwarden and is the most sustainable hotel in the Netherlands; all heat released during the generation of electricity is reused, the organic waste from the hotel is used as raw material for bio-power plants, all trucks owned by Van der Valk that supply the hotels save fuel through aerodynamic spoilers, the hotel has the international quality mark "Green Key" for sustainable business in the hospitality industry and offers parking spaces and charging points for electric cars.

PROBLEM

Since environmental issues are getting more important nowadays, Van Der Valk hotel is anticipating these customer needs and tries to invest in sustainable activities to make sure it will match the current customer needs. During construction of the building, sustainability was on top of the priority list and so the hotel became the best sustainable hotel in the Netherlands. But how to make sure your guests are experiencing a sustainable stay in Leeuwarden, even when they are not using facilities of this hotel?

SOLUTION

Now, the hotel reuses heath coming from restaurants, conference rooms and the electric kitchen. Besides these measures, it has intelligent lightning programmes, air treatment in all rooms and a cold- and warmth storage in the ground. A total sustainable business plan got realised, which makes Van der Valk Leeuwarden a Dutch leader in sustainability. Regarding the sustainable experience of guests, Van der Valk suggested to cooperate with other sustainable companies to organise activities in the same spirit as Van der Valk; a joined force in sustainability. A perfect example; The hotel collaborates with "GreenJoy", which is a company that rents out electric boats in order to take care of the environment. As Van der Valk is situated directly at open water, guests can hop on and off right at the hotel, without any transfer to the GreenJoy location.

“LA RAYA MARKET” (BADAJOZ)

CONTEXT

La Raya Market has celebrated its first edition during the weekends of 11 and 12 July and of 8 and 9 August 2020, in the gardens of the University Residence of Foundation CB (RUCAB) of Badajoz. This is a joint initiative of the CB Foundation, Ibercaja and the Badajoz City Council, in collaboration with the Almattia training centre in Badajoz. Its main objective was to provide local and regional commerce with a joint free space in which to show and sell their products, while contributing to create a safe space for entertainment and meeting for all audiences.

PROBLEM

The celebration of "La Raya Market" is a clear commitment to local and regional commerce, especially aimed at promoting the retail sector in the city of Badajoz, which has experienced a complicated situation in recent months as a result of social isolation. That is why this public-private initiative has vindicated local creators and merchants in a playful environment, seasoned with live music, various activities and a varied gastronomic offer to replenish strengths after a day of shopping. In addition, in order to comply with the sanitary measures of prevention, the entrance to the Market has been free until full capacity in both weekends, always respecting the necessary security measures in the wake of the COVID-19, such as: the mandatory use of mask, the maintenance of safety social distances or the arrangement of hydroalcoholic gel along the venue.

SOLUTION

The first edition of this market has counted on the presence of shops from various sectors, such as: fashion retailers, accessories, footwear, organic cosmetics or crafts, among others. Some artists, such as the illustrator Anzo Ruiz, the sculptor Manuel Vega or the painter Ignacio Rodríguez-Arbaizagoita had their own space where they could sell their creations and make their work known to the public. There was no lack of space to enjoy the regional gastronomic proposal, as well as a stage for the enjoyment of live music, by the local group "Lluvia". Children’s activities were also scheduled to entertain the little ones. About thirty shops, artists, hospitality, entertainment and training companies have participated in the event, which have found in the gardens of the University Residence RUCAB a perfect and safe setting to promote the retailer activity and boost local sales.

MERCADO DE ARTE "MERCAO COLGAO" (CÁCERES)

CONTEXT

The second edition of the Art Market "Mercao Colgao" was held throughout the month of August 2020 in the Belleartes Space, in the historic center of the city of Cáceres. This market, which was held for the first time in the summer of 2019, aims to bring together the work of various local and regional artists (illustrators, painters, graphic designers,...) to offer them a joint space where they can sell their works at an affordable price, appropriate to the times, and make their work known to the public. As the philosophy of this space proclaims, "Belleartes intends to promote creators by offering in the artistic heart of Cáceres a place to exhibit their work in a quality space".

PROBLEM

Culture is a particularly vulnerable sector in times of crisis, precisely as local economies are currently experiencing. Of particular concern is the art sector, which suffers more intensely from the economic difficulties of the general public than other cultural events (e.g., cinema).Espacio Belleartes has a long experience in the field of cultural collaboration in the town of Cáceres, since it has given its space on numerous occasions for the presentation of books, the holding of small intimate concerts or the exhibition of proposals of the most varied (as is the case of the recent exhibition Stigma by the artist from Cáceres Paul Eme or the presentation of the poem "Shadow with two bodies" by Rafa Mellado, both held last July, during the new normal).

SOLUTION

It is for this reason that the space of art and creation Belleartes has decided to lend its premises on this occasion as exhibitor and point of sale to different multidisciplinary artists, in order to democratize culture in the city of Cáceres and bring local art closer, regional and national contemporary to its neighbors. In this way, during the month of August it will be possible to enjoy and acquire the pieces of different participating artists, guaranteeing, at all times, the necessary security measures to face the consequences of the COVID-19.

“DE VECINO A VECINO” (BADAJOZ)

CONTEXT

As a consequence of COVID -19 and the confinement that Spain has lived between the months of March and May 2020, many national SMEs have been forced to close their doors permanently after failing to cope with the prolonged closure of their establishments. In this context, the initiative "De Vecino a Vecino” (which means “*From Neighbor to Neighbor*") was conceived and developed by two young women from Badajoz, Alba Muñoz, a specialist in digital marketing, and Bea Serrano, a web designer and graphic designer. It is a completely voluntary business collaboration initiative, for which they do not receive any commission, but whose main objective is to support and help their entrepreneurial neighbors and local commerce.

PROBLEM

Its founders assure that the idea to create the platform "De Vecino a Vecino" arose when observing the concern of relatives and friends for their entrepreneurship projects during the isolation experienced in the wake of the Coronavirus health pandemic. In order to alleviate the pressure felt by many small local businesses due to the closure of their establishments, Alba and Bea, inspired by similar initiatives in other cities, as well as by other local proposals, decided to do their bit and create an online platform that would encourage neighborhood consumption through a system of redeemable bonds once the pressures of confinement had been alleviated.

SOLUTION

On its website you can find different types of establishments, from restaurants to hairdressers or pastry shops, as well as services such as tourist experiences or photo shoots. In this way, bonds are offered with some of their products or services so that these businesses could receive some type of income during confinement, although the initiative is still maintained due to the peculiarities of the current situation of "new normality". These bonuses are acquired online, through electronic transfer, and can be enjoyed when businesses can open normally and resume their activity again. At the moment the initiative has only been developed in the city of Badajoz, although its creators claim that they have contacted them from other locations to make their proposal extensible, this option is being considered in the event that the containment situation recurs.

"EL CHICO DE LOS RECADOS" (BADAJOZ)

CONTEXT

"El chico de los recados" ("*The Errand Boy*") is an initiative born during the #stayathome movement due to the COVID-19 situation in recent months. The project was created as a result of joint efforts form different small commerce and groceries SMEs from Badajoz. Their owners had to find an alternative for the deliveries to the restaurants and bars (closed during the period) whill at the same time providing their services and sell their products to individual costumers. They decided to join forces and work together giving consumers the opportunity to obtain groceries and some complementary products from different local shops while staying at home maintaining high quality standards. The main objective of these entrepreneurs is to provide a quick and effective response to the needs of buying fresh food, such as meat, fish, fruits and vegetables, within the locality. With success during the confinement, entrepreneurs have decided to continue providing this joint service through a website created expressly to allow the joint purchase of all their products.

PROBLEM

As a result of the health crises experienced internationally due to the COVID-19 pandemic, confinement and social distance have been mandatory for months. In this way, the shops had to close their doors and the general population could only leave their homes to buy food and basic necessities. This has led to significant losses, especially for local small businesses, and it is precisely for this reason that the initiative of El Chico de los Recados or in English: "The Errand Boy" emerges in this context, as a joint venture of small merchants from Badajoz who have sought to alleviate the economic situation of their businesses by providing an alternative service together. In addition, it has been possible to provide a home shopping service to the residents of Badajoz who have not had the means to go out to do their shopping or who have preferred to receive it directly at home.

SOLUTION

In order to face a problem which was affecting both enterprises and consumers, local owners decided to start El Chico de los Recados as a response to the situation. They developed an online shop where clients can search for their desired products. Nowadays, there are also different types of products in addition to groceries, such as stationery and office supplies or footwear-related products. In order to carry out the deliveries, a weekly plan has been organized, which consists of taking home customers' orders (via website or even Whatsapp) everyday, except fresh fish on Mondays. Currently, in addition to delivery within 24/48 hours with free shipping on orders exceeding 30 euros, customers can choose to pick up in store within 24 hours, since the doors of these shops are now open again to the public.

"SEMILLA Y GRANO" (BADAJOZ)

CONTEXT

The dynamics of excessive consumption are a serious environmental problem that consumers are only now beginning to be aware of. The disproportionate consumption of packaged food products, mostly in plastic packaging, has caused enormous environmental damage and it is for this reason that in recent years trends of responsible consumption have been emerging and consolidating that in addition, they allow for waste reduction while providing a quality product. Another of the current big challenges of small local commerce, especially in sectors such as retail, hospitality or culture in the city of Badajoz (Extremadura), is the growing competition due to the powerful rise of electronic commerce and large commercial areas to the detriment of the traditional commercial areas of the city.

PROBLEM

In the city of Badajoz there was no store similar to Semilla y Grano, since the business concept of selling food products to weight was still in the process of introduction when Bayu and Sergio launched their company back in 2016. These pioneers from Badajoz discovered a niche in the local market and saw the opportunity to provide added value to their own community. In this way, they are committed to working with reliable local suppliers, as well as to ensuring that the products offered to their neighbors and customers are of the highest quality, applying as a conscious and environmentally more responsible consumption alternative. The aim is to achieve a significant reduction in packaging and waste, with special emphasis on the production processes and the properties of their food, and food and consumer information through the development of various activities in collaboration with different professional and experts within various fields of knowledge and expertise.

SOLUTION

In this regard, Semilla y Grano is postulated as a Social Project, with initiative, direction and capital 100% from Extremadura, which sells bulk food (such as legumes, seeds, algae, oils, different drinks,...), as well as environmentally responsible cosmetic products, for customers committed to responsible consumption. In addition, with the aim of raising awareness about the importance of obtaining new sustainable forms of consumption and also about collaborative work, they organize different workshops open to the public (private customers, business customers of Hospitality and Tourism, etc.), informative talks or exhibitions in collaboration with other local or national professionals, as long as they align with the purpose of the store. Similarly, they develop, collaborate and service various activities of the Social Fund.