# GOOD PRACTICES HANDBOOK







# about this handbook

When in a rural depopulated area the last local shop closes, the territory dies. SARURE wants to find feasible solutions to made rural shops to survive. Local Shops supply the population and are a social hub, contribute to the quality of local life, encourage the population to stay and are a prerequisite for the development of other diversification activities. Also, SMEs and micro SMEs` weight in terms of employment is very significant in demographically fragile rural areas.

However, even if retail shops are a basic service in sparsely populated areas, their existence is not inevitable. Small villages need shops to survive but small rural shops need also a minimum number of customers to survive.

SARURE is an Interreg Europe project with the aim to improve the partner regions policies in force supporting retail SMEs towards survival, innovation and overall competitiveness. Given the fact that today European regions from the diverse latitudes face the issue, Interreg Europe is deemed an excellent area to exchange on successful experiences and policie.

### This handbook is comprised of Good Practices encountered during the SARURE Project under three themes;

- **1.** Complementary services and initiatives to retail in rural areas
- **2.** Potential of ICTs in Rural Retail SMEs
- **3.** Innovative promotional and financial options for rural retail SMEs

During the first phase the partners extensively exchanged experiences on these different aspects.

This handbook serves not only to form a compendium of the encountered good practices, but also to disseminate these findings outside the project. The handbook itself is aimed to reach a broad audience of both technical, managerial and policy minded individuals in the hopes of providing demonstrated alternatives and inspiration when tackling the complexities of rural retail survival in depopulated areas.

Each featured good practice is based on projects executed by the member States. The description of each practice has purposefully been kept as simple as possible. Should the reader have a particular interest in a practice, they can contact with us.

The SARURE Project team hopes you find this reading inspiring.



The Chamber of Commerce, Industrie and Services of Teruel (Spain) Advisory Lead Partner SARURE Project www.interregeurope.eu/sarure





#### 1.- Complementary services and initiatives to retail in rural areas

- (1) Service Points in Söderhamn (Sweden) PAGE 6
- (2) Village Shop 'Utula Kyläkauppa' in South Karelia (Finland) PAGE 8
- (3) Rural MultiServices in Aragón (Spain) PAGE 10
- (4) Ferry Kiosk of Jänkäsalo in South Karelia (Finland) PAGE 13
- (5) Open Malls in Aragón (Spain) PAGE 15
- (6) Open Mall in Amyntaio (Greece) **PAGE 18**
- (7) Wimlandia in South Warmia (Poland) PAGE 21
- (8) Breakfast in South Warmia (Poland) PAGE 23
- (9) Tubbercurry Old Fair Day in Sligo (Ireland) PAGE 25
- (10) Direct Marketer Association in Burgenlandkreis (Germany) PAGE 28

(11) Programme to ensure Generational Relay in Rural Retail in Aragón (Spain) **PAGE 30** 

(12) Programme for Direct Entrepreneurial Support to Rural Entrepreneurs (PAED) in Aragón (Spain) **PAGE 33** 

# AG-

#### 2.- Potential of ICTs in Rural Retail SMEs

(13) Local Food Nodes in Söderhamn and the REKO System in South Karelia (Sweden and Finland) **PAGE 37** 

- (14) Zaragoza's Innovation in Retail Center (T-ZIR) (Spain) PAGE 41
- (15) Digital Platform 'Aceros de Hispania' (Spain) PAGE 43
- (16) Networking Platform of smaill stores to maintain customer's loyalty (Spain) **PAGE 45**

(17) E-commerce experience by Binéfar Retailers Association (Spain) PAGE 48(18) Online platform promoted by Calanda Retailers Association (Spain)PAGE 50

(19) The Grow Remote Conference Experience in Sligo (Ireland) PAGE 52(20) INKA+ the interactive map for the Burgenlandkreis – online presentation of small retail (Germany) PAGE 54



### **3.- Innovative promotional and financial options for rural retail SMEs** (21) The Extended Store in Zaragoza (Spain) **PAGE 57**

(22) Hand-made Saale-Unstrut (Germany) **PAGE 59** 

(23) Commercial Revitalization through Fairs in Aragón (Spain) **PAGE 61** (24) Coupons issuance by the Administration as an economic reactivation

measure (Spain) **PAGE 54** 

(25) Sligo 2018 Retail Support Programme (Ireland) PAGE 66
(26) Funding Programme Village Community Shops (Germany) PAGE 68
(27) Financial Programme for Rural Development available by the Swedish Agency for Economic and Regional Growth (Sweden) PAGE 69

(28) Kaakonkantri tool for applying for funding in South Karelia (Finland) **PAGE 72** 

(29) Subsidies for rural retail provided by the Government of Aragón (Spain) **PAGE 74** 

(30) Grants for rural retail provided by Provincial Government of Teruel (Spain) **PAGE 76** 

(31) Sligo BID (Ireland) PAGE 78

Complementary services and initiatives to retail in rural areas

### 1. Service Points

The Service Point is a hub in the local community. The main aim is to expand the service level in the local shop and unite several services in one location.

The problem addressed with this practice is the need of a local shop in the rural areas, the difficulties for them to make a profit and survive with a small customer base. When a shop is appointed to be a Service Point, they receive a reward for carrying out several services on behalf of the Municipality. These services are agreed upon together with the municipality. They receive an amount between 3000 to 5000 euros (between 30,000 to 50,000 SEK) per year to operate as a hub for the local community. This also creates a natural meeting point for the residents in the village, have a cup of coffee and a chat or using the public computer. The amount paid depends on the number of services the Service Point is capable of performing. To be appointed means the creation of opportunities for the business owners to apply for special grants from the government to further develop their businesses. There will be six Service Points instated in the Municipality, three are already up and running. The initiative is going to be implemented over a three-year period with the aim to establish six Service Points in the Municipality of Söderhamn. The grants are instated as a basic part of the Municipality's annual budget, therefore assuring the survival of the practice in the long term.



The main beneficiaries are the locals in the area due to the fact that this practice can help the local shops to survive and develop their services, but it is also good for tourists and visitors as it becomes a natural place to go to and get information and help.

Sweden



Funding is granted and calculated in the Municipalities yearly budget with an amount of SEK 300,000 (EUR 30,000) per year.



The initiative allows business owners to apply for regional funding that would not be accessible otherwise. this funding aims at the development of businesses, the upgrade of equipment and to help businesses to expand. One of our appointed Service Points in Trönö has received SEK 1,5 million (EUR 150,000) from our government development fund for rural areas to expand the shop and upgrade the facilities. They are also able to expand their business and offer more services, as more space in created in the shop.



One possible challenge is the reticence of owners to either establish a Service point or to further develop their businesses when the Municipality considers it necessary.



### Potential for learning or transfer

The importance of having a secure budget allocated for this best practice to continue even after the period of implementation. The business owners get a chance to develop their business over time. It is very important that allocate enough time for the concept to consolidate and for the Service Point to be the natural choice when you are looking for service in the rural areas.

# 2. Utula Village Shop

Utula shop is a good example of combining additional services and retail of goods. In addition to retail, the shop has social activities to attract customers.

Utula village shop is located in the Ruokolahti municipality. It serves some 100 local residents and 300 leisure time residents. Shop selection includes food, daily consumption goods, tools and small appliances. It also has a cafeteria & bar, gas pump and reception centre for events and lodging in the village cottages. Nearest shop providing food and daily consumption goods is located 20 km away. Therefore, Utula shop has a significant role in maintaining services in a rarely populated area in Ruokolahti.



Utula shop-keepers have created multiservice as the key success factor for profitable business. In addition to over 1000 shop articles, the cafeteria and bar serve as a social hub for people to meet. Shop owners also organize events in summer (approx. dozen per summer) that attracts both locals and summer time residents.

Finland

Along the commercial services, special attention is given to the services and actions carried out by the community. Shop owners cooperate with the Utula village association and other players. The shop acts as a reception centre for the local village lodgings. The multiservice concept offers customers the premises to spend time and organise events. The latest activity is a "pensioners' parliament" that is held in the shop bar. This increases the amount of shopping customers. The diversity of incomes has grown and the customers are more bound to the shop. Beneficiaries of the shop's multiservice concept are local residents, summertime residents and tourists.



Described practises require knowledge of segmented customer needs, an ability to innovate and good networking skills. A key factor for the success is the combination of services that results in the willingness to visit the shop. The service concept is important and working, yet financial support will be needed.



The multiservice concept has developed over the past years and it reacts to needs marked by the surroundings. The shop does not market itself but it has gained reputation and publicity among customers and local media. At the beginning of 2020 the shop was the only village shop in South Karelia to state aid from the receive government program for multiservice village shops.

### Difficulties encountered

The challenge is the low population in the village, as such; special efforts are needed to attract the leisure time residents. The skills to make new innovative multi services and marketing in a changing society make it even more challenging.



Utula village shop is an example of a wholly privately owned business that recognised the value has and meaning of services with a social aspect in rural areas. The practice encourages participants to study the needs of the potential customer segments and to conceptualize them which services, is а fully as transferable operating model. As a daily open working shop, Utula shop is available for learning and its bar/restaurant offers also premises and services for learning sessions.

## 3. Rural MultiService establishments in Aragón

# Spain



The Chamber of Commerce, Industrie and Services of Teruel (Spain) creates this project to facilitate the survival of rural retail in depopulated areas in the Province of Teruel through the creation of complementary services and municipal support.

It is a business activity that provides basic services to the population in places where there are no shops or where those existing are bound to disappear.

The main objective is to improve the activity of rural retail with complementary services such as:

- Shops for basic consumer goods.
- Cafés, restaurants and leisure areas as meeting points.
- Information desk for tourism.
- Tourist accommodation.
- Internet (Wi-Fi), hairdresser, handicraft, library, post office, medicines, etc.
- Additional services (home delivery, theme parties, play centre, etc.)



The problem addressed and the context are:

- Low feasibility of private initiatives in depopulated territories
- Depopulation
- Ageing of the population
- Lack of services
- Poor know-how of the entrepreneurs
- Poor knowledge of the reality of rural surroundings



Since 2003 this project has consolidated thanks to the collaboration of the Official Chamber of Commerce, Industry and Services of Teruel with the provincial and regional administrations; providing a specific line of financing to this model through local Governments that decide to open and equip a MultiService centre. The brand has been registered by ©CámaraTeruel since 2010 and the main tasks of the Chamber amount to the supervision of the network of Multiservice establishments, the performance of viability analysis, the promotion and dissemination of this kind of centres, the providing of training to entrepreneurs and the promotion of local consumption.

The participants involved are city councils, entities, entrepreneurs and the population as a whole.



# Resources needed

Human resources: Staff belonging to the Chamber of Commerce. -Financial resources: About €23,500 per year in the Aragón region, through an annual collaboration agreement: 80% financed by the Regional Government of Aragón and20% financed by Aragon's Official Chambers of Commerce (Huesca, Zaragoza, Teruel)



85 Rural **MultiService** (RMS) establishments in the Province of Teruel, 18 RMS in the Province of Huesca and 20 RMS in the Province of more than 100 Zaragoza, SO entrepreneurs= jobs, mainly female, because each RMS centre is managed by at least one self-employed person who becoming aims at an **Maintains** entrepreneur. the population and the quality of life. In some cases helps to maintain schools active.

### More info in <u>www.multiserviciorural.com</u>



To improve the services and the attractiveness of rural life, promote rural pride and its quality of life. Establishment of population and potential entrepreneurs.



#### **Key success factors:**

- Public-Private collaboration: the owners of the RMS centres are the localGovernments and they equip part of the establishments (furniture, painting, etc.) thanks to an annual financial aid provided by the Administrations of the Region and theProvinces. When the RMS centres are ready for operations, the local governmentslooks for people who want to become entrepreneurs.

- Accompanying and personal counselling: The Chamber of Commerce offersassistance to all these centres.

- Economic support from Local and Regional Governments: annual subsidy to launchthe RMS centres.

- Training and specialisation techniques: The Chamber of Commerce provides trainingto the entrepreneurs who manage these centres.

### 4. Jänkäsalo selfservice kiosk-shop

Sports club operated self-service kiosk-shop in response to the needs of residents, summertime residents and visitors in Jänkäsalo island, South Karelia.

Jänkäsalo is an island in the Taipalsaari municipality. Its self-service kiosk serves local people, summer residents, boaters of Lake Saimaa and tourists. The operation would not be profitable if carried out using traditional business models. The 2007 establishment of a ferry connection between mainland and the island activated traffic and created needs for services. A free ferry ride attracts people, who are potential customers.

The kiosk operates from April to September, from morning to evening. It works in a small hut at the boarding point of the ferry. Selection of goods consists of ice cream, sweets, canned products, biscuits, basic everyday products and souvenirs. The articles for sale amount to around 400.

There is also a hut serving as library with daily newspapers, mobile phone charging points, waste recycling point and a pier for boats. Kiosk-shop customers select the desired goods, record them into a notebook and pay in a cash register. Sports association volunteers maintain the kiosk-shop; take care of the cash, replenish products and open and lock the doors on a daily basis.

Volume of sales is low. Profitability is based on volunteers and cooperative partners. The summer residents are actively supporting the service point. Some are in high positions in the business sector. The association running the kiosk-shop buys most of the goods from another rural shop - partnership instead of rivalry.

In addition to retail sales, the kiosk yields liveliness to the community. Surplus from the kiosk is used to support local welfare.

Finland



# Resources needed

self-service The kiosk has low operating costs; no salaries or rent for premises. Heating costs are minimal for summertime operation. Hut serving as kiosk-shop is а donation. Yet public funding in needed for further investments and development. Construction of the pier for example.



Profit from the Kiosk-shop support the länkäsalo community's actions for welfare. It was used to build for, for example, a marketplace (paved plaza) in front of the kiosk-shop, a waste recycling point and storage space for the sport association's equipment. Besides physical results. the supports other association associations' operations in Jänkäsalo thanks to the annual financial aid.

### Difficulties encountered

Challenge is to find volunteers for the operation, to replace current ones in the future. Additionally, a government funded ferry boat should be in operation.



### Potential for learning or transfer

The practise is an example of alternative approach to organize services in an environment where profit-making traditional business models would not work. First, the practice presents the potential of selfservice, when the need exists but is not large enough to cover heavy operational costs (salaries). Secondly, it shows how local third parties may, with this kind of actions, benefit the potential local customers as well as the local community.

### 5. Small towns' open-air malls in Aragón

# Spain

Small retailers must compete with large commercial areas. They need to join and work as Open-air malls in the high streets of their towns.

Since 1995, large investments have been made in shopping centres in Aragón, located in the largest city of Aragón, Zaragoza. As a consequence, people have modified their shopping habits and the shopping centres experience high sales in weekends and during peak season.

These grants are necessary given that small retailers must compete with large commercial areas that have greater financial capacity, more resources to advertise their offerings, and to attract customers. The awarding of grants will be processed in a competitive manner, as per the regular procedure used for granting financing provided in article 14.2 of Law 5/2015, of March 25, regarding financial aid in Aragon, and in accordance with the principles of publicity, objectivity, transparency, equality and non-discrimination.



One of the aspects that have led to the success of this financing programme has been the participation of the merchants and their professionalization, as well as that of the dynamizer. The Regional Government of Aragon approved the first Retail Plan of Aragón through Law 112/2001 of May 22.

### The Plan provides subsidies to retail associations for:

Promotion of small towns' open-air malls: up to 80% of the cost

Salary of the commercial developers: up to 60% of the cost Salary of the NT Technician (since 2018): up to 60% of the cost

### Participants involved:





# Resources needed

Human resources: Staff belonging to the Government of Aragon. Financial resources: about 2 million euros per year.



#### **Key success factors:**

•Close private and public collaboration.

•Experience and know-how of the associations' commercial developer.

•Innovative actions that attract a large number of buyers.

•City councils take care of the state of the high streets that are part of the open-airmalls.

#### **Negative aspects:**

•Without public financing they would decay, it's important for retailers to participatefinancially in promotional activities.

•Large retail stores or their franchisees do not participate in promotional activitiesalthough they benefit from them.



14 small town open air shopping centres in Aragon and other 45 retail associationsorganize frequent activities to promote retail in the high commercial streets of theirtowns. These help to promote the consumption of goods in the rural environment andto retain the population.

In the 2015-2018 period grants were given to 1353 retail SMEs. Total investment made by SMEs in the retail sector was 17,6 million euros and public Budget was 8,6 million euros.

### Difficulties encountered

To compete with eCommerce, digitalisation of small retailers and their Associations is necessary and urgent.

### 6. Open Mall in Amyntaio

Creation of open air markets in small towns in rural areas. Areas with natural and cultural tourist attractions aim at bringing visitors to their refurbished marketplaces.



The Open-air mall initiatives have been in place for several years in Greece, in big cities aiming at upgrading shopping areas with the consent of shopkeepers and the help of the Municipality. The centre's renovation, technological upgrades (Wi-Fi, infokiosks, smart lightening, etc.), visual interventions, etc. are among the activities included in the creation of an Open-air market. Rural areas with natural and cultural tourist attractions aim at bringing visitors to the small town markets to buy unique, local products, and require high quality goods at low prices.



The municipality of Amyntaio transformed its city centre by creating a promising economic and social environment for SMEs and VSEs that do not address only locals but also (potential) visitors' needs. Open Mall is the participating creation of an attractive market for all visitors from broader areas whose primary interest is the natural and cultural wealth of the area, but who never considered spending money in local retails shops: Over 90 retailers agreed to participate in the action, initiating a new era of cooperation among the municipality, society and the community of entrepreneurs. This will be achieved through a set of cohesive and interrelated interventions that aim at upgrading the functionality and aesthetics of the public space and organizing the economic activity by adopting and using smart city applications within the areas of intervention. Complementarities and synergies with open malls in neighbouring areas are taken into account.



The resources needed amount to around 1,500,000 euros to finance all interventions required in public spaces, including smart applications (Wi-Fi, info kiosks, etc.) and renovation of storefronts of the companies located in the open malls. Open mall can generate additional investments in a broader area.

# **Evidence of success**

Since it is a new ongoing initiative that applies to Greece as a whole, the evidence of "success", for now, is the high number of proposals submitted for funding and the unanimous adoption and participation by SMEs and VSEs in small towns ("centres" of rural areas). The preparation stage showed that businesses see open malls as an initiative that besides increasing the target market itself can attract and mobilize funds/investment in other sectors and areas; thus increasing the sustainability of development.



### **Difficulties encountered**

During the preparation phase it was difficult for all entities involved in the project (public authorities, municipality, business support organizations, SMEs, citizens, private investors) to share and formulate a common vision of the open mall and the interaction with visitors and neighbouring rural and urban areas.



### **Potential for learning or transfer**

The Open Mall is a best practice that supports a specific approach for the support of retail in rural areas. The creation of attractive towns / small cities that act as the centre or entrance to rural areas, interesting to residents, visitors, and investors alike, is a challenge that can help to achieve sustainability of development and social cohesion. A network of open malls located in strategic locations in a region can serve a much broader area than initially designed. Open malls can also help regions in transition and become a reference for innovation for retails and SMEs from other sectors. Open malls must be part of a broader plan that will unite said efforts with support actions for entrepreneurship, innovation hubs, large investments and sustainable tourism so that initiatives are long term and yield permanent results. Therefore, with small differences, these can be transferred to most rural areas in Europe, especially since rural areas must be redesigned in terms of population and job creation, investments & services offered.

### 7. Wimlandia

The goal is to cooperate with entities in the promotion of a common idea in the field of regional and local production of high quality products and services.

### Poland

One of the problems faced by producers operating in rural areas is the effective promotion of the product sold, especially among urban residents in nearby cities. In order to meet their problems, the Southern Warmia LAG has established cooperation with the "Wimlandia" Association and proposed and implemented the "Wimlandia" project. Its goals were to create an informal group of producers, processors, craftsmen, service providers, non-profit organizations and scientific representatives focused around the imaginary land - Wimlandia (Land of Warmia and Mazury -WiMLandia). The goal is to cooperate with entities in the promotion of a common idea in the field of regional and local production of high quality products and services that also offer emotions and stories about products and their manufacturers. Common activities include trade exchange, promotional campaigns and mutual knowledge exchange of all entities participating in the group. Participation of entities operating in the city areas as points serving customers from cities - the largest purchasing potential is important. As a result, entities in rural areas can operate throughout the year and also act for the benefit of rural residents.





The project is still under an ongoing status, so it is difficult to determine 100% what financial or non-financial resources are used. The LAG estimates that at the moment the entire project costs about PLN 50,000 and is 100% related to the work carried out by all the project's partners.

# **Evidence** of success

At the moment we do not have physical evidence of the success of the project (they will appear after completion). Our determinant is feedback from entrepreneurs participating in the project, who talk about a noticeable increase in orders and, consequently, in profits.

# ¢.

### **Potential for learning or transfer**

The "Wimlandia" project illustrates an exemplary example of the establishment of cooperation between various business entities who have the same goal - increasing the sales range of their products. The members of this Project produce goods that range from regional dishes to sweets, from workshops for women to running hotels. The purpose of cooperation is to present offers from partners at every service point, every partner. However, this is not about simply "displaying" the partners' goods. It's about familiarizing yourself with their service and advertising it like yours, which ultimately translates into increased exposure that every partner should care about. The process is still ongoing and all people involved in the project express themselves in superlatives.

### 8. Breakfast of South Warmia

Pilot project implemented by the Southern Warmia LAG in 8 communes. Promotion of local foods and handicraft producers during local events.

### Poland

South Warmia LAG during meetings with entrepreneurs from the LAG region diagnosed one of the reasons for the low profitability of their operations, i.e. lack of knowledge of the product sold by the customer not from the direct vicinity as the manufacturer. For a business operating in a rural area to be profitable, it must attract customers from the nearest cities. Trying to solve this problem, the LAG proposed the implementation of the "South Warmia Breakfast" Project.



The project was implemented by the Southern Warmia LAG in 8 communes. Its main goal was the promotion of local foods and handicraft producers during local events. Consumers had the possibility of tasting and direct conversations with producers, as well as listening to lectures on the differences between handicrafts and industrial products. As part of the project, each producer received a video about themselves and their products / services, and was also placed on the promotional map. Films disseminated through social media have become very popular, which translated into an increase in orders, and locally distributed maps have increased the knowledge about products and producers among neighbours and tourists who were unaware of the products and their availability locally.



The project is being implemented, so it is difficult to provide the final amount of financial or non-financial expenses incurred. At the moment, the project costs around PLN 40,000, of which approximately PLN 10,000 account for the remuneration to people involved in the project.

# **Evidence of success**

At the moment we do not have physical evidence for the success of the project (it will appear after completion). Our determinant is the feedback from entrepreneurs participating in the project, who talk about a noticeable increase in orders and, consequently, profits.

### Potential for learning or transfer

In the opinion of the LAG South Warmia, the "South Warmia Breakfast" project can be perfectly adapted to any region - mainly because of its modern formula. The project itself was based on three pillars. The first is the opportunity to try food and also directly communicate with the producer, who is able to answer all questions about the production process. The second pillar was participation in the lecture, which through examples showed the superior quality of homemade food as compared to industrial food. The third and most important pillar was movies and their impact through social media. The third pillar shows how to easily implement such activities in any region. A very large pool of potential consumers uses various social media, therefore the exposure of products sold in the world is growing significantly.

### 9. Tubbercurry Old Fair Day Festival

Tubbercurry Old Fair Day Festival is a 5 day festival that celebrates all aspects of traditional Irish life, including music, food, crafts and agriculture.

### **Ir**eland

This festival is a vibrant community led event that attracts 30,000 people p.a. to South Sligo. The festival showcases traditional culture, crafts, music and food and is a living representation of rural Ireland and has been operating for over 30 years. South Sligo is a region that was heavily affected by the recession resulting in significant job losses. A significant demographic change has resulted in a dispersed, older population, reliance on farming activity, lack of opportunities, loss of services and a reduced retail offering. South Sligo is currently experiencing a commercial vacancy rate of 21.4%, almost twice the national average.



The erosion of the traditional fabric of this part of rural Ireland is what fostered the drive to produce, sustain and nurture the Tubbercurry Old Fair into the thriving festival it is at present. This festival is reliant on a voluntary committee with support from state agencies, local organisations and volunteers. Sligo County Council provides funding to the festival along with logistical and health and safety expertise. Supporting organisations include Civil Defence, Order of Malta, Tubbercurry Development Company, Sligo Leader Partnership and South & West Sligo tourism. The main stakeholders are the local community, Tubbercurry Chamber of Commerce and Sligo County Council. The main beneficiaries are the local community, the diaspora and the business community (particularly food, beverage & accommodation) that benefits significantly in terms of turnover.



- Sligo County Council investment of ca. €10,000 p.a.
- Stalls generate ca. €20,000 p.a.
- Local sponsorship of ca. €20,000 p.a.
- In excess of 300 local volunteers
- Sligo County Council, Sligo Leader Partnership, Order of Malta, Police all support the event with relevant personnel.



This event represents an example of a vitally important social enterprise. The attendance is quantified at 30,000 p.a. and estimated to be worth ca. €1 million p.a. to the local economy. Canley's Hotel owner Teresa states "Our turnover during festival week is a mainstay of our business and underpins our viability over the winter". Named 14th in the list of global festivals in Canadian Travel Flight Network with coverage from the Huffington Post / LA Times / New York Post.

# Potential for learning or transfer

- Maintaining sources of public & private financing.
- Maintaining the high number of volunteers required to administer and steward the festival.
- The primary lesson involves the power of a local community to achieve significant success once appropriately aligned and focused.



### Potential for learning or transfer

This best practice has the potential to be transferable to all rural areas across Europe where there is a dispersed rural population. The staging of events is considered to be one of the main pillars of the creation of spaces and has a central role in attracting tourism to places which are not traditionally seen as tourist destinations. Event development is one of the ways in which a rural area can adapt and fight against ongoing demographic and economic trends which are running against rural areas, not just in Ireland but all across Europe. Tubbercurry Old Fair Day is a shining example of what a committed and engaged community can do to help itself in the face of seemingly insurmountable macroeconomic forces. Tubbercurry has built up a very strong knowledge base in terms of staging large scale events and much of this knowledge is transferable. The community led approach of this event is one from which other communities can learn.



### 10. Establishment of Direct Marketer Association for regional products in Burgenlandkreis



### In the municipal district Burgenlandkreis companies have established a network to jointly promote and sell their products, which are regionally produced.

With the support of the municipal district, the network of direct marketers of the Elster-Saale-Unstrut region was founded in 1996. The goal of the network is to offer customers products from the region in direct, short distances. The association currently has 23 members. It is made up of farms of various structures and sizes: from small one-man businesses to agricultural companies.

Each company is unique and individually designed. Whether baked goods, honey, eggs, juice, fruit, juice, fish or plants. The companies strive to offer always fresh products to the consumer. Direct marketing not only includes sales in the farm shops or ex-factory sales outlets, but they are also present at weekly and farmer's markets with fresh products and enrich rural life. The members also like to exchange their products with each other in order to make the entire range of regional products on site more attractive for individual customers.





The association is financed by membership fees from the participating companies.



Stable membership and several regular joint promotion activities of all members.

### 3. 5.

### **Difficulties encountered**

One possible challenge is the reticence of owners to either establish a Service point or to further develop their businesses when the Municipality considers it necessary.



The network can be an example for other regions, where producer of local products can jointly cooperate to be more visible and attract a broader target audience of consumers.

### 11. Programme to ensure Generational Relay in rural retail in Aragón

Program to facilitate the transfer of shops, especially in rural areas, so as to avoid closing them when the person who manages it retires.

### Spain

It is a free program for the user, co-financed by the Government of Aragon and the Official Chambers of Commerce of Aragon, developed by these Chambers.

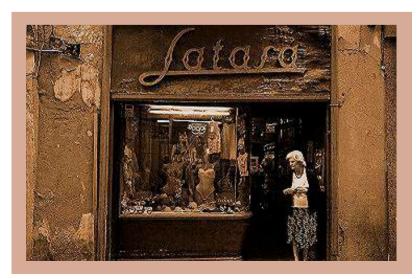
This program offers technical services to both the retailer who wants to transfer the business and to the entrepreneur who wants to buy it.

The transfer of small retails is difficult when the person who manages it retires or is ill, especially in rural areas.

As a consequence, the stores close even if the business is profitable, and the retailer's know-how is lost.

Since 2005, there is a program co-financed by the Government of Aragon and the Chambers of Commerce of Aragon.

The programme offers free technical assistance services to both the retailer who wants to transfer the business, and the new entrepreneur who wants to acquire it.





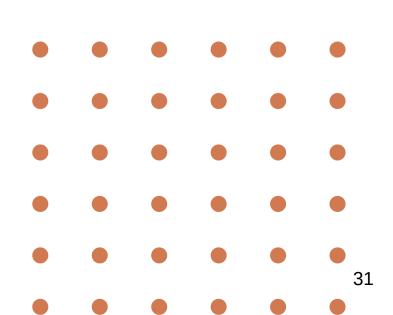
- Retail SMEs
- Chambers of Commerce

# Technical assistance to retailers seeking to transfer their businesses:

- Legal advice for transferring contracts.
- Economic valuation of the business being transferred.
- Facilitate contacts & dissemination of the transfer.
- Fiscal & administrative procedures

### Technical assistance for the new entrepreneur:

- Legal advice for transferring contracts.
- Feasibility study of the business project.
- Training.
- Fiscal & administrative procedures.





> **Human resources:** Staff from the Chamber of Commerce.

> Financial resources: About 50,000 euros per year, through an annual collaboration agreement: 80% financed by the Regional Government of Aragón, and 20% financed by Aragón's Official Chambers of Commerce.



In the period between 2015 and 2018 we provided our services to 268 people interested in transfers. About one third of the transfers materialized.



Effectively disseminate the initiative to achieve widespread knowledge.



- > Key success factors:
- Close previous/new retailer collaborations.
- Training and experience of the new commercial developer.
- Maturity or novelty of the business transferred.

#### > Negative aspects:

- Difficulty of access to financing for new retailers.
- Little benefit if they have to pay transfer fees and monthly rents for the new business.
- Less attractive to start in rural areas.

### 12. Programme for Direct Support for Businesses (PAED)

# Spain

PAED is an answer in terms of providing support to business initiatives in the Region of Aragón, especially for the process of starting a new business.

It is through this programme that the Chamber of Commerce supports all entrepreneurs throughout the process of starting a new business.

#### The business lines in the programme are:

1. Development of business initiatives

2. Competitiveness

3. PAED business network

The main objective is to focus on the promotion of business initiatives for SMEs while providing them with support. Both new companies and companies wanting to grow or expand their competitive edge would benefit from the programme, whose main difference resides in the proximity and the follow-up of the promoter or entrepreneur, who would receive support from a local expert.





### > Financial resources for the programme

Agreement in 2019: Contribution from the Government of Aragon:
€450,000 in the Region of Aragón/
€135,000 in Teruel Contribution from the Chambers of Commerce
€112,500 from the Region of Aragón / €33,750 in Teruel

>**Human resources:** 4.2 working hours per year



Year 2018: The Chamber of Commerce of Teruel has taken upon 218 projects during 2018, 86 consolidated into new companies, and 120 the created iobs, consolidated investment being €5,371,691.92.

Years 2004 to 2018: From the start of the programme some 1,347 business have been started, meaning the creation of 2,243 Jobs, the consolidated investment being €90,190,501.08. It has been proven that the survival rate of companies using the PAED procedure is 20% higher than those not using it.

### Difficulties encountered

The European Union regarded the PAED programme as an excellent initiative for supporting entrepreneurial initiatives during the 2008-2009 call.

### Potential for learning or transfer

#### > Key success factors:

-Proximity to both entrepreneurs and companies thanks to the PAED network of offices.

-Training and specialisation of PAED Experts.

-Support provided to entrepreneurs from the initial idea to the actual implementation of the project and onwards.

-Provided at no cost for the beneficiaries. DGA financing.

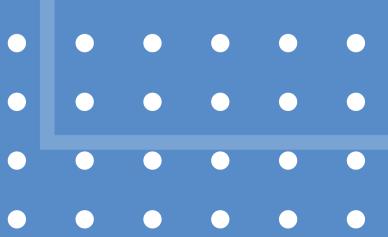
#### > Negative aspects:

-Resources to support
entrepreneurs become scattered.
-There is the need to improve the knowledge and know-how of entrepreneurs.

#### > Challenges:

- There is a need to further expand the project to rural areas through a larger number of offices that will promote business initiatives and stabilize the population in rural areas.

# Potential of ICTS in rural retail SNES



## 13. Web and social network based distribution channels -Local Food Nodes and REKO System

This describes two best practices with the same topic where the main difference is how the technical platform and financing is created. Based in Sweden and Finland

Local Food Nodes is an open digital tool in the form of a website and app where local food producers can market their products, customers place an order, and payments for the pre order go straight from consumer to producer. Deliveries and pickup take place at a predetermined place and time.

Sweden

Finland



The organization operates as a cooperative, and therefore own the sales channel and can develop it at the same rate as the model expands and grows. The other example, REKO, has the same aim but functions a bit differently: REKO connects producers and customers in rural areas far apart.



The model shortens the supply chain for the selling of products. REKO groups give well targeted visibility to local producers and help them to connect with potential customers in a very cost efficient way. REKO groups operate in social media platforms (Facebook closed group) that are easy to access for both sellers and buyers. In the group, delivery dates for products are announced well in advance.



Having these delivery dates established beforehand allows producers to place products for sale and offer them and members of the group to place orders. Deliveries are carried out as agreed to collection centres (always same) where products are picked up and paid for.



The model is not owned by any certain body or organization - in this sense it is kind of an "open-source" model for retailing. The main beneficiaries for both best practices are local food producers and residents. The model offers low-cost distribution and marketing channel and can help reduce the costs of marketing and packaging.



To place orders on Local Food Nodes, the customer needs to become a member and pay an annual fee to use the tool. It is an annual fee and all consumers determine the amount to be paid. As a social network based system, REKO does not require monetary resources and is operated on a voluntary basis.

## **Evidence of success**

Local Food Nodes is available all over Sweden, with 118 local nodes active right now and expanding every year. In Söderhamn, there are 32 producers using the tool and the number is growing every season due to the high demand. The model is also expanding to other countries internationally. REKO system started in 2013 and since then spread nationwide but also internationally. In the South Karelia region the demand for products is at present higher than the offering. The number of members is increasing

# Difficulties encountered

The challenge is to get enough crowd funding and members to use the tool to get enough funds for the development of the platform. Facebook as a tool has many benefits for REKO, but it also creates challenges. As you don't own the media platform, you don't have the means to control the development of the platform and the changes made.



## Potential for learning or transfer

This type of sales channels can motivate small scale producers to increase their production due to the availability of a tool like this. The waste of product is virtually non-existent due to the fact that you always know how much you have sold before you meet up with the customers. The idea is that Local Food Nodes can be set up in any country under this business model and crowd funding is becoming more and more popular. Customers are also becoming more aware and want to know the origin of the food they eat. With this tool, it makes it easy for the customer to purchase without having to drive around. If the regions have active producers, the REKO model is very easy to adopt and adapt to all sort of retails, not only food. This is proved by the popularity of the model internationally. The activity of producers is a key success factor to run REKO successfully. To maintain the interest of the members of the group, there has to be enough offering and the group has to be active.

## 14. Zaragoza's Innovation in Retail Center (T-ZIR)

Zaragoza's Innovation in Retail Center (T-ZIR) implements two digitization projects for local stores: miZesta and zerca!

Nowadays, consumers want to be able to find companies whenever and wherever they want. But local retailers face some problems when they try to adapt to this new environment.

There is a lack of economic resources and time, a lack of information and a lack of online trading. So, in order to solve these problems, T-ZIR offers 2 digitization projects for local shops.

The project that was initially launched was miZesta, an online food market that allows people to do their shopping by combining products of different markets or supermarkets in a single order. It includes a workforce of pickers who are in charge of the whole process and resolve queries.



Spain

Then, a second project was launched in November 2019: Zerca! It was based on a digitization kit for local stores that included: digitization of the catalogue, a local ecommerce platform, on/off marketing, integrated logistics, customer service, loyalty programme, big data, chatbot and product modelling, SEO/SEM positioning- Remarketing, training in digital skills, regular reporting on business trends and comparison of the sector, geolocalization of each store and the products, QR codes and machine learning/ IA/ Blockchain /IoT+AR.

The beneficiaries are the businesses that thanks to these projects can adopt the digitalization process and offer a better service to their clients and the consumers that can profit from this better service.



Both projects require two profiles of workers. One corresponding to advisors and consultants and another one corresponding to IT and technical support. T-ZIR is financed by a monthly fee of €39 paid by clients from month 6 and by a commission to sales that they set depending on the sector.

## **Evidence** of success

The 2018 results of the miZesta project are 522 unique customers, 70% recurrence of these clients and an average bill of  $\leq$ 115. In 2019, the business results improved with an increase of 800 unique customers, 75% recurrence of these clients and an average bill of  $\leq$ 125. The results of the zerca! project are 500 local retailers who have already joined the platform and implemented the digitization kit.



## Potential for learning or transfer

These projects are interesting as they offer competitive advantages with respect to the competition. The miZesta project has the following competitive advantages: 1. Shopping from both traditional market retailers and supermarkets. 2. Shopping assisted by pickers from MiZesta. 3. Delivery in two hours, to your home or anywhere you want. The Zerca! project, for its part, offers a varied local offer with outstanding advantages as gamification, geolocation of products and businesses, loyalty programme, etc.

## 15. Digital Platform 'Aceros de Hispania'

<u>www.aceros-de-hispania.com</u> is a web platform where we sell our particular products; sport articles, knives, airguns, etc.

## Spain

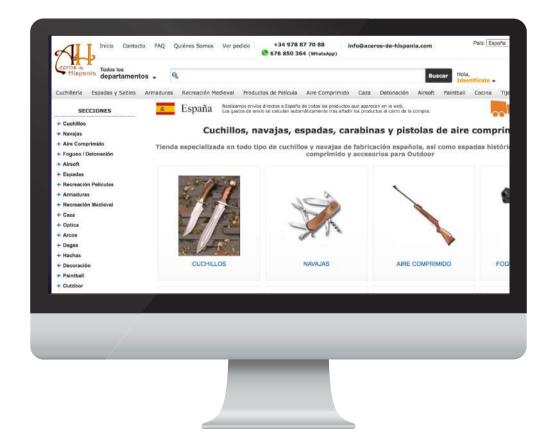
We offer consumers main brand products (sport articles, knives, airguns, etc. as well as decorative products like swords, sabres and medieval armours) directly from our store to your home everywhere.

#### We found the following problems:

- Low feasibility only with the physical channel
- Depopulation
- Ageing of the population (old way of thinking)
- Lack of services



This practice was implemented in order to solve the above problems and get a greater number of customers without having them come to the establishment. We, as well as our stakeholders, are the main beneficiaries of this initiative.





#### Personalized advice, PIPE Programme and 10 people

**Evidence** of success

- Best e-commerce Award 2010
- Teruel Enterprise Award 2010 because of the internationalization
- 10 jobs (currently 3).
- International sales in 2019: €700,000
- Hired local companies for external services.
- Change of mindset
- Participation in several National Programmes on TV

Moreover, it has 4,000 visitors a day to the website and 3,500 fans on Facebook page.



The key success factors are advice & training.

#### The negative aspects are:

- Selling of some products not allowed in countries like Russia, Australia or North Korea.
- Lack of (digital) training
- Internet in the 90s (prices of telephone rate, lack of speed, etc.)

And the challenge is to get a global vision of the business from a small rural area.

## 16. Networking Platform of small stores to maintain customer's loyalty

## Spain

ICT network project for the client's commercial promotion.

Teruel Open Mall is composed of 180 stores (15,000 m2 sales area) and more than 600 professionals located in the historic city centre of Teruel. In a context in which the client increasingly shows a lack of loyalty, it is necessary to look for ways and ideas that can help increase loyalty with the store's brand.

The shops of the historic city centre of Teruel use the same card for all the shops associated to the project. Each time a customer buys in a store a discount of 2% is applied and credited to the "virtual card wallet", so that the customer can spend it on future purchases at any of the establishments connected to the network. An associated retail cannot refuse to apply that discount (2%) and, on the contrary, can increase it if they want, in that case the additional discount can only be spend in the store offering the discount. Each retailer can choose the amount of discount to be applied, the season of the year, the type of product to which it applies, and the specific customers. The success of the project is that all parties benefit.



The establishments associated are mainly shops, but there are also restaurants, bars, hairdressers and professional services. The some major benefit comes from the group as a whole and from the commercial area. Each business also benefits from the generation of loyalty from their customers. Customers are beneficiaries as well because they see how every time they buy, they save; since whenever they do, they get money back loaded on their cards.



#### **Initial investment:** €36,000.

**Annual maintenance:** €800 Every store needs a computer, tablet or notebook and an Internet connection. A card reader is also convenient. The association needs at least one person to strategically direct the Project.



It has been running successfully since 2010. We currently have 20,400 clients from the city of Teruel, which has 36,000 inhabitants. The annual turnover is 7 million euros. We have created our own direct means of communication with the client. In just a few minutes we can launch personalized communication campaigns and gifts that improve the customers' shopping experience. This has allowed the association to increase its revenues, which we invest in the promotion of activities for the associated businesses.

## Potential for learning or transfer

It is key to define the strategy properly: • The shops supplies and the customers' demands must match at the same time. • Both types of discounts must be allowed. • There has to be a fee applicable (self-management) that allows for the reinvestment in the project. • It has to have an attractive commercial mix.



## The practice has the common benefits of any commercial relationship regardless of the country, which is obtained in the short term:

- Creation of a direct communication channel with customers to carry out relational marketing almost immediately during promotional campaigns.
- Optimizes Big Data management to better adapt the offer to the needs of customers.
- Enhances customer-brand engagement.

• Improve the financing of the Association, since clients accumulate a balance, which takes on average 9 months to spend. During that time, the Association has in its bank account between 40.000 and 45.000 euros.

• The system improves the customers' shopping experience with numerous campaigns, such as random gifts with money to spend on purchases, prizes to be collected at the stores, small prize campaigns with the amounts credited to the card, for example, of 10 euros for future purchases, free purchases, etc.

### 17. Electronic Commerce Platform for the retail associated in the small town of Binéfar

## Spain

Binéfar & Litera's Electronic Commerce Platform: a cooperative project led by the Local Retailers Association in a small municipality of Spain.

Binéfar is a town of about 9,400 inhabitants in the province of Huesca, Spain. In 2003 a group of merchants decided to start sales online, in order to develop their traditional stores and attract new customers. They began by coming together into an electronic commerce platform in which each store had its own space, but they shared services such as training, updating of new technologies or promotions.

The e-Commerce Platform is managed by an Electronic Commerce Commission and an IT expert, who ensure the development and improvement of e-commerce integrated in the Platform. It has the support of the Government of Aragón, through the current public call for proposals. Today we can find a wide variety of products in the Binefar's Electronic Platform.

Their success stories endorse and inspire many small retailers who opt for electronic commerce. Internationalization: The platform receives around 20,000 daily visits from many countries (Spain, France, Portugal, Italy, Belgium, Germany, Austria, Ireland, Greece, Finland, Holland, Sweden, Switzerland, Denmark, Slovakia, Latvia, Slovenia, Czech Republic, United Kingdom, Poland, or Norway).

Several of the shops occupy first positions in Search engines. The success of the platform is given by: Cooperative: The experts in internet sales share their knowledge and training. Economic: It works a Several of the shops occupy first positions in Search engines. The success of the platform is given by: Cooperative: The experts in internet sales share their knowledge and training. Economic: It works as a team to grow all together, looking for improvements that reduce individual costs.

## Resources needed

It is a "code platform" (own design) fully adaptable to the requirements of each retail. The initial investment was about 40,000 euros, and the annual maintenance cost is about 1,400 euros.



For the companies at the Binéfar's Ecommerce Platform, it has become an ally, a driver of their business, and a commercial alternative. We can talk about successful companies that have used technology well to improve their business, put the customer at the centre of the business and sell more. It's very important to be aware of the differences in strategies between e-commerce and onsite stores. Both electronic commerce and physical stores must coexist.



## **Difficulties** encountered

The main reason why e-commerce sites fail is because the entrepreneur is not truly committed or convinced of the potential for sales offered by Internet. Merchants believe an increase in their sales should be achievable in a matter of few weeks and therefore many of them do it wrong.



Getting entrepreneurs and future retailers to learn and experience how Internet can help them improve the quality of their business.

A successful electronic business should be able to share, disseminate and expand its knowledge of online sales and how it works. Increasing the chances of success on the internet allows them to see and take advantage of new opportunities for online commerce more easily.

### 18. Digital Platform 'We move Calanda'

movemoscalanda.com is a website designed by the associated businesses who want to sell their products online in rural areas.

## Spain

The main reason behind the development of this project was the decrease in traditional off-line sales of the Associated stores in Calanda (Teruel).

If other companies sell on the Internet, why not us? In addition, we could obtain additional revenue from physical commerce with the help of online sales. The website has been redesigned, turned into a platform that supports 20 stores, where each store sells its products, the Association manages orders and payments and the stores manage the preparation of the products and their shipment. At the end of the month, each store receives the total amount of their sales. The main beneficiaries of this initiative are the businesses associated.





The funds used for this initiative come from the Department of Industry, Economy and Employment from the Government of Aragon, 60% to 80%. The rest comes from fees from the trade association.



We get to sell our products throughout Spain and some of them in France.



We will get better results because we are stronger working united. This works the same in the digital channel, we can get better professionals who work for us and achieve more difficult goals and save costs. We can learn from each other, both from our success and failures.

## 19. Grow Remote South Sligo

Grow Remote is an organisation which seeks to use the power of remote working as a tool to promote community development.

**Ireland** 

Grow Remote is a community development concept that focuses on the potential of remote working to act as an economic generator in rural locations.

The project seeks to attract remote workers to rural locations, thus developing a broader economic base and thereby supporting rural businesses, particularly local retailers and service providers.

South Sligo is a region that has been significantly affected by demographic changes resulting in a dispersed, older population, over-reliance on farming, lack of opportunities, loss of services and a reduced retail offering. South Sligo is currently experiencing a commercial vacancy rate of 21.4%, almost twice the national average.

The erosion of the economic base has fostered the South Sligo Grow Remote movement.

The Sligo Grow Remote Project will:

• Develop South Sligo as a preferred remote working destination.

• Foster the use of innovative technologies to improve the economic outlook of this rural area.



These goals will be achieved through the setup of a local chapter of Grow Remote, organising/attending local/national events and regular meetings, thereby providing a ready-made network of colleagues for the remote worker to "plug into".



In addition, a pilot project is being rolled out that seeks to promote and target remote working in Tubbercurry/South Sligo by the end of 2019. The main beneficiaries are the local community and the business community that will benefit significantly from a broader more local employment profile.



### 20. INKA+ Development of interactive map and networking platform for the Burgenlandkreis

An interactive map and networking platform for the rural area of Burgenlandkreis (BLK) has been developed - rural retailers get support to encourage its use.

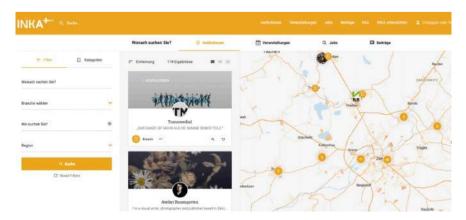
## Germany

INKA+ addresses the problems of BLK, where many (young and creative) people are leaving and the region is not showing its benefits in terms of life and career perspectives. The creative industry is not networked enough and economic potential is not pooled. BLK is also lagging behind in term of digitalization.

The objective is to provide an economic contribution to the rural region, digitize our region and generate higher regional added value through the development of a digital network of regional institutions. A sub section offers retail companies the possibility to present their offers.

INKA+ is a combination of a route guidance system, a company platform, a social network, an industry network, a regional online newspaper and a corporate blog. All institutions private and public can be part of it. Furthermore, job offers, events and other content can be published.

The first idea was developed in 2015. INKA+ received the funding of Cross Innovation in 2016. In 2018 INKA+ beta version went online, INKA-event with 90 guests, 65 users registered. In 2019 a new version of INKA+ goes online, second INKA-event, 120 users registered.





**Human Resources:** All members of the TRANSMEDIAL-TEAM (about 10 people)

Financialresourcesneeded,fundingfromCrossInnovation:€140,000,following€30,000andfurther€40,000TRANSMEDIAL:€80,000



INKA+ platform has been established and there are 120 registered users who publish their information now.

More rural retailers should be attracted to join the platform.

## Difficulties encountered

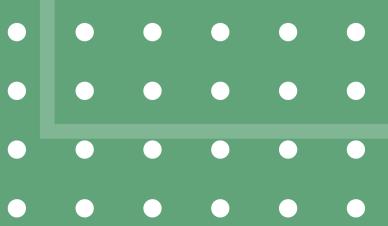
#### **Negative aspects**

- High costs
- Large amount of time and perseverance needed Key success factors
- Unites a lot of different types of tools and possibilities
- Combines marketing with inspiration and entertainment
- Ensures transparency Challenges
- Building a network and increasing the numbers



The project was presented during the SARURE Workshop in Sweden in INKA+ September 2019. is an interesting tool to promote local businesses, which are not visible in the big online markets, in rural areas, Also, the networking and cooperation of all stakeholders in rural areas could be promoted. Other regions have developed similar collaborations and networking at the digital level.

Innovate promotional and financial options for rural retail SMES



## 21. The Extended store

This initiative is based on the transferring of good practices of successful local stores through informal events and conferences.

## Spain

The problems addressed with this initiative are the drop in numbers of stores in the Province of Zaragoza over the last few years and the willingness of the retail sector to attend these events and conferences.



We could say that its main objective is to improve the adaptation of the retail sector to new consumer habits. But, what does the Chamber of Commerce do? It identifies the main strengths of the leading companies and invites them as speakers to tell their experience to other stores. As such, the stores learn in an informal and direct way successful best practices that they can transfer and use to inspire their own business. Furthermore, the Chamber of Commerce of Zaragoza has also developed a website (http://tiendaextendida.camarazaragoza.com) that compiles all these experiences.





#### The Human Resources are:

- 4 part-time technical & management advisors
- 4 independent collaborators for graphic and audio-visual tasks
- 1 journalist

The Monetary Resources come from an agreement between the Government of Aragón (Spain) and the Chambers of Commerce of Aragón.

# **Evidence of success**

#### The results achieved are:

>500 store members in Retail Club 4.0.

More than 30 participating stores per month in the 'The Extended Store' events (and they repeat).

25 Best practices exchanged from the top stores.

The users/ beneficiaries/ stakeholders are the local store owners, shop sales associates, trade technicians, Trade associations and the entrepreneurs.



Potential for learning or transfer

#### The key success factors are:

Different and unique activities for stores of similar nature.

Training and learning for retailers through benchmarking techniques.

Events scheduling adapted to retail (usually at lunchtime). The negative aspects are the limited number of shops in the database and small number of members at the beginning. The main challenge is to be the point of reference for the retail sector in the Province of Zaragoza, as a forum where the stores can connect with other shops from different areas and municipalities, learn and get training.

### 22. Hand-Made Saale-Unstrut

An initiative for the promotion of hand-made regional products from Burgenlandkreis has been developed. Germany

'Hand-Made Saale.Unstrut' combines regional products from traditional crafts, agriculture, the creative industries and the manufacturing sector and brings the producers behind them together in a strong regional network. It enables locals and guests to experience at first hand where all these magnificent products come from and how they are made. Do it yourself is the motto!

The initiative makes it possible for people to do something with their own hands through bookable offers. Like a weekend as a winegrower, a spectacular Racu ceramics event or a herbal cooking course.

Following activities are implemented: development of Brand design and handbook, purchase of an sales trailer for promotion and sale of products, purchase of promotion equipment like clothes, deckchairs and exhibition equipment, Content creation for social media and advertisements and events.

The idea was generated in a competition organized by "Metropolregion Mitteldeutschland" and "Unternehmen Revier" in 2018. By winning the competition, the Saale-Unstrut-Tourismus e.V. received the appropriate funding to implement this project.







The funding is provided as a seed capital; Marketing budget for 18 months. For the implementation one position of a project manager is financed. Total amount of Budget is 200.000€.



Results achieved so far:

- About 20 signed "Handmacher"
- "Hand-made" car
- Constantly on the road to promote the project
- As well as a mobile shop concept for the ,hand-maker'
- Content Creation for 7 participants
- Growing community on social media
- Website with inspirations, links and contacts



## Difficulties encountered

It is quite hard to find the right partners for the realization of some visions (too expensive, not flexible enough, not suitable for the project)

Of course 2020 with all its challenges: Covid-19 brought a hard time for tourism and especially small business owners like the "Handmacher".



The project has been presented during the SARURE Online Workshop in June 2020. It represents a good example for regions that have local produces in their rural regions and who want to combine economic promotion of theses businesses with promotion of tourism and improvement of attractiveness and image for the Region.

### 23. Commercial Revitalization through Fairs

Law 1/2007 regarding the activities of official fairgrounds in Aragon, to modernize the fairgrounds activities. These are developed throughout the territory, in both urban and rural areas.

## Spain

## - What are the problems addressed and the context that led to the introduction of the practice?

The commercial activity has dropped due to the loss of population.

Rural surroundings have difficulty attracting new buyers.

The commercial offering has virtually reduced to the most demanded and basic products

## - How does the initiative achieve its objectives and how is it implemented?

- Annual publication of the official calendar of fairs.
- Annual calls of grants

#### Participants involved:

- The leadership and initiative regarding the activities in the fairgrounds is responsibility of the municipalities (City councils).
- Local businesses will benefit directly or indirectly depending on their level of participation and in based on the influx and attendance of visitors, potential buyers.
- The Government of Aragon cooperates through public grants.





#### Human resources:

- Staff from the General Directorate of Trade, Fairs and Crafts and from the Provincial Services.
- Hiring of specialized companies or in-house staff. Financial resources:
- Amount granted in 2019 reaches EUR 184,585.19
- Approved expenditure of EUR 442,415.13 in 2019.



• In 2019, the indirect impact of the fair sector in Aragon reached 145 million euros.

• 120 official fairs were organized in 2020:

-The Biescas Fair (located in Huesca, 1500 inhabitants), 15,000 visitors and 6 tons of cheese sold

-FITRUF in Sarrión (located in Teruel, 1100 inhabitants), since 2001, 43 exhibition stands and 20,000 visitors

-Graph of the sales data from the first edition of the Nuit Blanche with 265 sales between 12 am and 2 am.



To help the fairs become more professional and specialized, increasing their number and their involvement in the territory.

## **Potential for learning or transfer**

#### **Key success factors**

a<sup>‡</sup>

• Involvement of municipalities aware of the importance and impact of holding trade fair activities in their regions and who seek the greatest socioeconomic impact in their territorial scope and area of influence.

- Low difficulty in organizing a basic fair.
- Cultural tradition of holding fairs of festive nature in their regions, which contribute to the generation of a satisfying and rewarding shopping experience.

#### **Negative aspects**

- Generation of specialized fairs of much added value.
- Consolidation of basic fairs and innovate content year after year.
- Professionalization of the organization and management, especially in rural areas.

### 24. Coupon issuance by Administrations and Entities

The Administration contributes an amount of money in coupons placed in circulation to try to reactivate the economy in the city, helping local companies and residents.

# Spain

Customers can use the coupons to obtain an extra discount, 20% discount in our specific case, from the total amount of their purchase.

This initiative works through a website (<u>https://deteruelparateruel.com/</u>) where consumers choose a local business and then purchase a voucher with a 20% discount. This extra discount is covered by the Administration. For example, a customer pays  $\in$ 40 and gets a voucher worth  $\in$ 50.

Bonuses are aimed at all people who want to support the local trade and professional services in their city, and this also means a small financial aid to help maintain their purchasing power.



The local Government has injected €100,000 in the local economy (enterprises of our territory):

-€20,000 by Local Government

-€80,000 by consumers

#### Participants involved:

-Administration (coupon issuer).

-Chamber of Commerce (manager).

- -Trade and business Associations (collaborators and advisers).
- -Citizens (financial beneficiaries)
- -Local business (they are promoted)



An injection of funds by Administrations and/or any Entities to launch the project.

-The Local Government in Teruel (Spain) has injected €20,000.

-A technical advisor & administrator (Chamber of Commerce, Trade and Business Associations).

- -Computer Technical support
- -Digital platform



-By buying this coupon customers obtain an extra discount for free, in our specific case, 20% of the total amount of their purchase. For example, a customer pays €40 and gets a 50 euro voucher.

-The final injection of cash flow in the local economy is a minimum of €100,000 (and we have estimated that it will be more than double). -We have already implemented the initiative in five different municipalities of our Province.



-Awareness of the importance of local consumption by the population and by the participating entities that work towards the maintenance of the SMEs' competitiveness after the COVID-19 pandemic.

-Coordination of several Entities.



Local business support as a means to reactivate the local economy after the COVID-19 pandemic.

#### **Key success factors:**

Agreement to work together (Local Government with local entities)
Collaboration and involvement of Business Associations
Simple and intuitive digital platform

#### **Negative aspects:**

-Bureaucratic procedures -Completion times due to the Administration's processes -Limited knowledge of digitalization by the retail sector

## 25. Retail Support Programme - Sligo City

The programme involved the carrying out of a 'business site audit' analysing all aspects of retail business from front of house to production/warehousing space.

**I**reland

The programme sought to enquire what retailers are currently doing within their business, and to look at real world solutions to improve sales growth and profitability. To this end, a site audit and follow up sessions were scheduled with each business.

The site audit carried out an analysis of business performance under a range of headings, including:

- What's good about the Business Strengths;
- Challenges facing the Business;
- Overview of the Businesses' online presence;
- Management overview;
- Sales targets;
- Margin improvement;

- Average transaction value;
- Staff motivation;
- Management development -Developing the skills of key staff;
- Succession planning;
- Marketing;
- Shop layout importance of 'Look and Feel'.

The programme was aimed ONLY at Owner/Managers, they were facilitated to stand back and take a more comprehensive approach to their business. Their businesses were also challenged on their current method of operation.

A retail expert that was part of a national television series was brought on board to provide credibility and renown to the programme and the support programme received positive feedback for being both innovative and successful in terms of its real-world outputs and in terms of the profitability of the businesses that participated.





#### **Human Resources:**

Sligo Local Enterprise Office Staff Retail Expert

17 participants – all businesses with direct contact with customers, incl. Pub/Restaurants, Cafés, Draperies, Craft/Jewellers, Household/Furniture shops, etc.

#### **Financial Resources:**

Prog. cost approx. €6,000, funded by Local Enterprise Office Sligo



The participating businesses reported increased sales due to the realization of the importance of an increased Average Transaction Value (ATV) ->5% increase in sales was recorded in some instances. A post programme survey allowed the registering of an increased awareness of key success factors as follows: Co-ordinated Marketing activities Identification and upskilling of key staff members **Improved Management Skills** Awareness of business succession planning, traditionally a weakness of Irish retail businesses



## Difficulties encountered

depended primarily Success on adopting Owner/Manager their individual report assessment and implementing changes. lf the programme is to be rolled out again, a 'follow-up' after 6 months should be included to map progress.



### Potential for learning or transfer

The problems associated with high street retailing are common to all countries in Europe. The issues raised in Sligo are universal and the potential solutions are entirely transferrable.

The focus of the programme on Average Transaction Value made it accessible, tailored to each business and practical. This type of practical focus was seen as the biggest strength of this particular programme.

### 26.Funding Programme Village Community Shops

Saxony-Anhalt promotes the establishment of village shops in rural areas.

Germany

In 2019 the Ministry for Environment, Agriculture and Energy of Saxony-Anhalt started a call to allocate funding for "Village Community Shops".

These shops are important contributors to the integration of rural development. The aim is to preserve the rural regions and their villages as independent living, working, social and cultural areas.

With the help of village community shops, the quality of life in the countryside can be improved:

•They are pivotal social points of village community life.

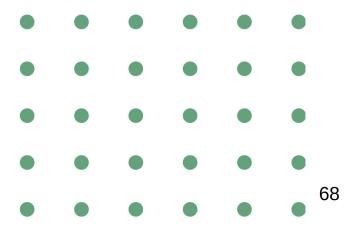
•They supply food and other goods.

•They provide the ideal conditions for mutual exchange and, thus, for life in the community.

•They offer services (postal acceptance, etc.).

•They contribute to the preservation and design of the nature of the village.

Institutions, initiatives or villagers from villages with less than 2,500 inhabitants inSaxony-Anhalt are invited to participate in the model program "Village CommunityShop" in Saxony-Anhalt. Together with their community, they should be able to establish a village community shop that will function as a lively village centre. It is about local supply and, services, and about creating a social meeting place that brings together the residents so as to promote cohesion in the village.





The Ministry allocated 300,000 euros for the "Village Community Shop" call for proposals in 2019; to provide support for the expansion or further development of existing facilities, as well as for market analyses and preparatory concepts for new community village shops. The financing rate is 90%.



The programme will be implemented in the next months and evidences of success will be identified in the course of the implementation. 7 projects have been selected in the first round.



## **Difficulties** encountered

The programme will be implemented in the next months and challenges will be identified in the course of the implementation.



### **Potential for** learning or transfer

First applications were submitted in May 2019 and the funding decisions were to be made in June 2019. The Burgenlandkreis supported the application presented by Schleberoda for a concept of a village community shop.

This shop is planned to be developed using the experience from the SARURE partners. The mayor of participated Schleberoda in the SARURE Workshop in Greece in March of 2019. The partner meeting in Burgenlandkreis in June 2019 will also visit the village.

### 27.Financial program for Rural Development of SMEs

Financial support system for home delivery of food items from rural grocery stores, so as to give the rural stores the opportunity to expand and extend their services.



This grant helps the rural shops to expand their business and grow by adding extra services to what they already offer.

Extra services like this often lead to an increase in staff and therefore can create new employment possibilities. It gives the rural business owner the possibility to compete with bigger supermarkets and create a larger customer base. The rural population in the villages can support the rural grocery store instead of going to the bigger supermarkets in the city, who often offer this kind of services.

The grant is provided by the Municipality of Söderhamn and The Swedish Agency for Economic and Regional Growth, where 50% is paid by each participant. The business owner receives 20 Euros per household and week for the home delivery service. This service is implemented in collaboration with the municipality and the business owner and is often, though not necessarily, an extension of being an appointed Service Point.

The main stakeholders are the rural grocery stores and the main beneficiaries are the people of all ages from the local community. This service can be used by everyone, whether it is busy families or the elderly without means of transportation.







There are some financial resources required for the business owner to set up this practice. There is often need of some kind of online solution where the customer can place the order, as well as equipment to be able to deliver the groceries in a safe way, particularly fresh and frozen goods.



This grant has been available for a few years already with proven results of success from the rural grocery stores that provide the service. The number of customers and users of the service has increased steadily and the businesses are also seeing an increase in sales. Now, due to the Covid-19 pandemic, this has proven to be a very important and necessary service and now all our rural grocery stores in the municipality are providing home delivery of food to rural customers.



This initiative has proven to be even more useful and important now due to the situation the world is facing with the Covid-19 pandemic.

This is a very good solution for preventing the spreading of the disease, especially for the elderly population, more so when we all should take into account social distancing. In this way everyone can get their basic goods delivered to their doorstep in a safe way. This initiative offers a good opportunity for the rural grocery stores to be able to compete with the supermarkets in the city and to get the local population to choose to do their shopping locally. It creates employment possibilities and helps the rural stores to survive and expand their supply as their sales increase.

### 28.KaakonKantri – Communicational platform for promoting EARDF funding possibilities

KaakonKantri is a communications platform for media content, events and training to support the use of EARDF funding for the development of rural areas and SMEs.

## Finland

KaakonKantri is a communicational development project implemented by the local Leader Länsi-Saimaa Association. The project serves needs and objectives of the regional public authority Centre for Economic Development, Transport and the Environment, SE Finland (KAS-ELY) for improved communication of EAFRD funding possibilities for SMEs. KAS-ELY recognised the needs to improve the promotion of funding possibilities, to encourage SMEs to apply more actively for funding aimed at the development of their businesses.

KaakonKantri is an answer to this need. It is funded by KAS-ELY and implemented by a Leader group. It was launched in 2015. KaakonKantri has a website (https://kaakonkantri.fi/) and social media platforms (Facebook, Twitter, Instagram). It also produces videos for YouTube. Project workers write articles in cooperation with project stakeholders. They are published either in the KaakonKantri website or other digital or printed media channels. The project organises training sessions, workshops and events to serve the purpose. Its daring style aims at testing new ways of promoting funding. In addition to activating SMEs, KaakonKantri's objective is to develop the communication skills of people working in regional development projects. Project phase 1 started in October 2015 and ended in December 2016. The project received funding to continue, so the 2nd phase of project started in February 2020.







Full-time worker and a seasonal parttime worker. In addition to staff costs, financial resources are needed to maintain accounts and programs. Minor amounts have been spent for marketing and events. Funding for the 1st phase was €112,700, €299,999 for the 2nd phase and €299,818 for the 3rd phase.



Objectives of the project relate to communication indicators: potential applicants reached and the numbers of followers in different media channels. Kaakonkantri has obviously increased its number of followers largely following the production of the communication content project. Feedback gathered from participants events yield a the positive in response. The project has proven to positively influence the expectations local SMEs have regarding the possibilities provided by the Rural Development Programme.



## Difficulties encountered

The sustainability of the actions is a challenge given that the actions are implemented as part of a project.



Methods and tools of KaakonKantri for the promotion of public / programme funding are fully transferable.

## 29.Subsidies for rural retail provided by the **Government of Aragón**

Programme for the modernization and refurbishment of establishments and Commercial advisory

-What is the problem addressed and the context which triggered the introduction of the initiative?

- Common problems:
- High level of depopulation
- Ageing society
- Effects of seasonal peaks in population.
- Deficient transportation system

-How does the initiative reach its objectives and how it is implemented?

-Collaboration Agreements between the Central Government and the Government of Aragon signed for the periods between 2016 - 2019 and 2020.

- 2023 to finance actions in the depopulated areas of Teruel. As well as annual announcements for subsidies for business initiatives aimed at investment and improvement of trade for SMEs in the province of Teruel since 2017.

-The Collaboration Agreements signed annually since 2005 between Chambers of Commerce, Industry and Services and the Government of Aragon-Who are the main stakeholders and beneficiaries of the experience? Participants involved: oFITE: Commercial SMEs and Government of Aragon Chambers of commerce: Trade Associations, Commercial SMEs, Town Councils and Government of Aragon.



Spain



#### Human resources:

- Personnel from the General Directorate of Trade, Fairs and Crafts and from theTeruel Provincial Service.
- Chambers of Commerce
- Trade associations, Local entities

#### **Financial resources:**

Amount 1,250,000 euros in grants from the "Fondo de inversiones de Teruel (FITE),and 375,000 euros from collaboration agreements for 3 years



•In the period between 2017 and 2019 the budget dedicated to the various programs generated an investment of 4,250,000 euros.

•The Collaboration Agreements signed with the Chambers of Commerce, Industry andServices, the amount spent in consultancy services has reached the amount of470,000 euros



## Difficulties encountered

Improvement of the evaluation of projects in order to focus the financing on those that have the greatest impact in the territory.



### Potential for learning or transfer

#### **Key success factors**

•Many trade SMEs that benefited from the FITE subsidies were able to refurbish and equip their establishments.

•Advice and support received from the Chambers of Commerce tanks to the agreements between the Chambers of Commerce, Industry and Services, and the Aragon government.

#### **Negative aspects**

•The low co-financing capacity of the SMEs in the sector.

### 30.Grants for rural retail granted by the Provincial Government of Teruel (PGT)

## Spain

The Provincial Government of Teruel provides grants to build businesses as grocery stores, bars and restaurants in depopulated areas.

In the majority of the villages of Teruel, we face a difficult demographic and economic situation. Due to the existing seasonal, scarce and ageing population that in most cases cannot buy anything due to the lack of physical and mobile shops.

Consequently, the idea of providing services to depopulated areas has emerged and the Provincial Government of Teruel has decided to support this initiative by offering them financial support.

The Chamber of Commerce manages these multirural services, and their funding is shared between the Provincial and Regional governments. Nevertheless, the investment costs are usually between 30k and 250k and the operational costs don't receive any grants. So, the business must also be financially autonomous. As for the budget of the PGT grants, it was of €100,000 in 2016 and 2017, and of €50.000 in 2018 and 2019. The estimated budget for 2020 is €110,000, out of which €72,000€ will be dedicated to new MSRs openings (max. €12,000 per applicant) and the remaining €38,000 will be dedicated to existing MSRs (comprising the acquisition of equipment and maintenance costs).





As previously mentioned, the funding comes not only from the Provincial Government of Teruel, but also from the Regional Government of Aragón. In 2019, the funding from both governments resulted in a total in €175.000.



The results of this initiative are very good, as a significant development has been experienced since its start, even if the perspectives depend on local dynamics. Besides, it has had a positive impact on the population reflected and that is in the revitalisation of the village. In some cases, the number of inhabitants has also increased due to the appearance of 'second home' owners and tourists that feel more attracted to visit or spend a few days there. It's also a great advantage for people without vehicles.



## Difficulties encountered

Some difficulties encountered with this initiative have been:

-It's not always profitable as the only job and consequently income has to be supplemented.

-People are happy having a meeting point but keep buying in supermarkets too much.



Conditions for the success of this initiative:

-Manager is from the village or has access to cheap accommodation-Inhabitants, managers, municipalities and government must have a commitment with the initiative

-The area has potential for tourism (to increase the number of clients).

## **31.Sligo BID**

Sligo BID is a company founded to develop the town of Sligo. Rate payers contribute an agreed proportion of rates to further mutually beneficial actions.

**Ir**eland

Sligo made history in 2016 in adopting a Business Improvement District Scheme, the first such entity located on the west coast of Ireland.

The objectives of the BID include:

a) Continue to promote and advocate that Sligo progresses towards becoming avibrant, exciting, sustainable town, attracting businesses and visitors, driving the localeconomy, and enhancing the quality of life of residents and visitors to Sligo.

b) Promote close cooperation and collaboration with local key stakeholder agenciesand amongst BID members.

c)E nsure that Sligo realizes its ambition of a regional centre for growth as per theNational Planning Framework, Ireland 2040.

d) Facilitate and support programmes of actions that will enhance the cultural identity of the town and boost its national and international profile and image.

e) Continue to develop external key relationships that may influence Sligo'sperformance such as Fáilte Ireland, Heritage Council of Ireland, Coach TourismCouncil of Ireland, Irish Tour Operators Association.

f) Deliver value for money to ratepayers in Sligo

The BID is based on contributions from local businesses toward the future development of Sligo and is set in law where the ratepayers of a designated geographical area contribute an agreed additional percentage of their rates to be ring fenced for particular actions and projects. The BID has The BID has been adopted in Sligo at 1.43% of the "Rateable value" of each business premises.



- •Sligo County Council input into governance
- •BID Management.
- •Voluntary BID Board of Directors.

•Annual BID Contribution of €444,264 from 758 local businesses within the BID zone.

# Evidence of success

Development of data relating to footfall, land use, consumer & business surveys. Improving Sligo's profile through new events Repurposing of vacant retail stock Focused marketing campaigns Retail and hospitality programmes, destination vouchers and shop local campaigns. Leverage BID funds as a match funding for suitable community led schemes. Secure additional funding for projects (ca. €100,000) Purple Flag designation -night time economy Coach Friendly Destination status.



• Maintaining the ongoing collection of BID payments.

• Maintaining the high level of volunteerism required to administer the BID Company.



Town Centre's are changing across Europe and no longer operate as monofunctional entities.

Consumers now want towns to be multifunctional including services and amenities such as food, beverage, events, entertainment & exercise in addition to retail.

Last year, Irish consumers spent €7B online – approximately 70% of which was outside the EU. In 2019, for the first time, more consumers went into Dublin to eat and drink than shop.

The multiple challenges facing towns are centred in the cost of physical trading and the need to augment that with an online presence. The mix of indigenous and multiple stores that provide an attractive retail offering is the strength of towns and this needs to be highlighted.

A BID is driven by a primary metric – footfall. All actions are based around increasing footfall by developing high quality experiences in a coordinated fashion. Sligo has built up a transferable knowledge base in terms of establishing and running a successful BID Company.

