



Rubizmo

REPLICABLE BUSINESS MODELS FOR MODERN RURAL ECONOMIES



MID-TERM SET OF PRACTICE ABSTRACTS

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¹ PU = Public

PP = Restricted to other programme participants (including the Commission Services)

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1. PROJECT INFORMATION

1.1 OBJECTIVE

RUBIZMO is a new European initiative working to foster sustainable growth and job creation in rural areas by discovering the vital ingredients for developing entrepreneurship and successful business models in high potential sectors such as food and agriculture, new bio-based value chains and services. In each of these three complementary sectors, the project will identify and analyse promising business ideas, creating the recipe for their successful replication. The key ingredients will be shared across Europe through a set of practical tools and dedicated training and coaching activities supporting collaboration, entrepreneurship and business development in rural communities.

1.2 DESCRIPTION OF PROJECT ACTIVITIES

Experts of the RUBIZMO consortium are analysing hundreds of previous funded and private enterprise initiatives to discover the reasons for their success - and failure and share the key ingredients to recreate innovative business ideas all over Europe. Based on this recipe, RUBIZMO partners will develop a set of practical tools supporting collaboration, entrepreneurship and business development in rural areas. In addition, active coaching and peer-to-peer training will be provided to rural entrepreneurs and networks to instigate sustainable business transformation.

1.3 DESCRIPTION OF THE CONTEXT OF THE PROJECT

Rural areas cover more than 50% of Europe's surface and are home to over 20% of its population. They host the continent's natural resources, nurture its biodiversity and feature spectacular landscapes. They also play an important role in Europe's economy, with the agricultural sector in particular supporting millions of jobs. However, rural areas face numerous challenges. Global competition, automation, changing markets and environmental challenges significantly impact their activities. New technologies and forms of collaboration amongst actors and sectors, as well as growing acknowledgement of biodiversity and climate change mitigation offer strong opportunities to bring about a new wave of entrepreneurial and economic activity in rural areas. RUBIZMO believes that this new set of dynamics mean that rural economies are ripe for change. For these opportunities to be fully exploited, rural entrepreneurs and networks need support to cultivate fresh business ideas, choose the right business models and develop thriving environments for economic prosperity. To tackle this challenge, RUBIZMO experts are analysing business models from hundreds of previous funded and private enterprise initiatives. By examining the reasons for their success - or failure - in the context of their collaboration and support networks, the project will discover and share the key ingredients to recreate innovative business ideas all over Europe.



2. PRACTICE ABSTRACT 1: EXPLOITING NEW OPPORTUNITIES FOR THE DEVELOPMENT OF MODERN RURAL AREAS

2.1 SHORT SUMMARY FOR PRACTITIONERS

In the first months of the RUBIZMO project, partners reviewed existing literature and EU policies related to rural entrepreneurship to outline emerging opportunities for the development of modern rural areas and identify practical solutions to achieve that objective. The first opportunity identified by RUBIZMO partners is the use of new technologies, and in particular information and communication technologies, to reduce the distance in sales and marketing and provide relevant platforms to improve logistics and knowledge exchange. The second type of opportunity laying ahead in rural areas is the development of a bio-based industry with a strong rural base to support long term growth and job creation through the use of renewable resources. Finally, the valorisation of ecosystem services could be supported by the increasing interest of urban population in touristic activities linked to nature and rural environments, fostering the development of new business opportunities. As these emerging opportunities are primarily based on disruptive innovations, their implementation relies heavily on newly established enterprises, able to link up with the research sector to facilitate technology transfer, and engage in networking activities to foster knowledge exchange and create new value chains connecting markets with their customers. But beyond these factors, the successful uptake of these opportunities relies on the ability of policy makers to develop favourable business environments, providing the necessary infrastructures but also financial and advisory support for the new companies taking up the challenge of investing in disruptive innovations.



3. PRACTICE ABSTRACT 2: SCREENING AND SELECTION OF BUSINESS CASES

3.1 SHORT SUMMARY FOR PRACTITIONERS

To foster the replication of innovative business models in rural areas, the RUBIZMO project first established a database of related projects and initiatives previously funded by European and national programmes that could have led to the creation of inspiring rural business models. For the European programmes H2020, FP7, LIFE and EUREKA, RUBIZMO partner Zabala used its BUSCO tool to create a database of projects based on the use of relevant keywords (Rural, Bioproduct, Bio-Based, Bioeconomy, (Agro)Forestry, Agrofood, Tourism/Recreation and Infrastructure). The mapping of Interreg and national partners was split across partners depending on the country of origin. This led to the creation of a database of 400 rural initiatives. This database will be made available on the RUBIZMO project website at <https://rubizmo.eu/publications>. The public version of the database will include the title and short summary of the project, start- and end-date, budget, source of funding and coordinating organisation. Private initiatives were added to this list based on partners' knowledge to increase the scope of the analysis. To select the most promising business ideas, RUBIZMO partners designed a dedicated Evaluation sheet. A first round of interviews with rural project coordinators was conducted by RUBIZMO partners, using this Evaluation sheet to organise and rank rural business ideas. Information collected covered key preconditions needed for development of the business, novelty of the business idea, replicability and upscaling potential, as well as economic, social, and environmental impact of the project. From the 137 businesses interviewed, RUBIZMO partners selected 65 business ideas that will be further analysed by the project.



4. PRACTICE ABSTRACT 3: ADVICE AND METHODOLOGY FOR RURAL CLUSTERS AND NETWORKS

4.1 SHORT SUMMARY FOR PRACTITIONERS

Collaboration offers many opportunities for economic development in rural areas. Reasons for encouraging actors to collaborate with each other can be multiple: to share resources to reduce costs, to access new markets thanks to local partners, or to exchange knowledge and good practices. Existing collaborative structures include several types of business networks, which train or connect businesses, support the exchange of best practices, drive joint investments or integrate existing supply chains, as well as business clusters, gathering different types of actors in the same region willing to work together on a specific topic. To facilitate the creation of clusters and networks, the first step is to define the objectives of the collaboration, by identifying the challenges that lie ahead, and the opportunities that could be offered by collaboration. Then, you need to carefully select your partners, making sure that they have a similar understanding of the situation, and similar goals, to reduce the risks of conflicts. Finally you have to decide which form of collaboration you would like to adopt, including the form of leadership, but also the way to handle IPR, the origin and amount of resources allocated, and the geographical location. The main success factors will rely on the context in which the network or cluster is created, and the complementarity between the choice of partners and their objectives. Confidence between partners, the ability to adapt and solve conflicts, joint planning, good participation and communication, as well as the availability of relevant knowledge and technology are proven to foster successful collaboration. The role of catalysts and facilitators, including advisors, is also critical to foster networking in rural areas.



5. PRACTICE ABSTRACT 4: A VIRTUAL LIBRARY TO FIND BUSINESS INSPIRATION

5.1 SHORT SUMMARY FOR PRACTITIONERS

The virtual library is the first business support tool launched by the RUBIZMO project. The objective of the tool is to provide inspiration to rural actors, mainly entrepreneurs, to support the replication of new business ideas across Europe. Inspiring business ideas selected and analysed by RUBIZMO partners are featured in the library, together with examples of replicable business models. You can navigate through the virtual library easily, either by screening through the thumbnails, or by using the tool's advanced search function. The search function allows you to apply one or several filters to obtain a selection of matching business ideas and business models. These filters include the sector (e.g. tourism, aquaculture, or biofuel), the country of origin of the business idea, your type of organisation (e.g. entrepreneur, research centre, policy maker), and the type of innovation you are looking for (e.g. new technology, new collaboration model, new product or service, etc.), as well as a free search function to look for specific words in the library. If you would like to know more about a specific business idea or business model, you can click on the thumbnail to get more details. For practical business examples, you will find some background information on the company, including its main activities and markets, the amount and source of funding that was necessary to start the business, as well as key challenges and advice for other related businesses. The content of the virtual library will be updated regularly in the coming months, to feature over 50 business ideas and provide examples of replicable business models. The virtual library is available at the following link: <https://rubizmo.eu/business/virtual-library>.



6. PRACTICE ABSTRACT 5: CHARACTERISATION OF BUSINESS ENVIRONMENTS FOR INNOVATIVE BUSINESSES

6.1 SHORT SUMMARY FOR PRACTITIONERS

Business success is facilitated by a high degree of alignment between the business model and the business environment in which it is implemented. In practice, it means that the adaptability of businesses and business environments is crucial to foster rural business success. To achieve this objective and develop supportive business environments, actions are required in the following fields: institutions, technology and knowledge, funding, market structure, resources and infrastructures, consumers' needs and value, as well as training and education. Results from the analysis of business environments in 67 cases selected by the RUBIZMO project in 11 countries proved the importance of institutional development, customers' needs and training and education, in successful business development. While market development conditions were mostly perceived as supportive by interviewed businesses, small and new businesses reported a lack of support related to the use of innovative technologies. In that sense, businesses acting as members of an association, network, or cooperative, showed higher levels of performance, with an increased capacity to influence their business environment, and to access technology, knowledge, funding and resources. Finally, the awareness of consumers regarding the products or services offered was identified as a key precondition to increase demand and support the development of an adapted institutional framework.



7. PRACTICE ABSTRACT 6: CREATING HOTSPOTS FOR RURAL ENTREPRENEURSHIP

7.1 SHORT SUMMARY FOR PRACTITIONERS

The RUBIZMO project developed a guidance document targeting investors, innovation intermediaries, and policy makers, to support the development of regional hotspots for rural business success. In that sense, the report analysed six practical examples of hotspots for rural business success selected in different countries, to identify best practices and key factors for the development of similar hotspots supporting rural entrepreneurship across Europe. The key factors necessary to attract new entrepreneurs in rural areas can be summarised as follows: access to the means of production (e.g.. land or livestock), ability to establish a supply chain, access to market, but also to workforce (including skilled workers), as well as the availability of adequate financing, technologies, infrastructures and knowledge. As already concluded by RUBIZMO partners, the creation of rural hotspots for business success is strongly linked to the development of supportive and adaptable business environments, providing the right incentives to attract entrepreneurs in rural areas. More information on business environments can be found in Practice Abstract 5 'Characterisation of business environments for innovative businesses'.

