

# Business Partnership Models and Creative Strategies for Co-operation between Technology Companies and Cultural Organizations

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**Abstract** Digital technologies have changed the way people access, produce and use the cultural content. What are background needs, problems, and advantages for co-operation between technology companies and cultural institutions? The paper maps existing platforms and business models creating art, cultural content and experiences in Latvia.

**Keywords:** technologies and art; creative entrepreneurship; digital tools.

## 1 Introduction

The research addresses four major needs, which are in compliance with EC Directorate-General for Education, Youth, Sport and Culture work plan for culture 2015-2018 "Policies and strategies for audience development. (Directorate-General for Education, Youth, Sport and Culture, 2018):

- 1) The growing importance of criteria related to technology and art partnership, which is not sufficiently understood or met by co-operation parties.
- 2) The necessity to improve the competitiveness of culture sector organizations by providing the digital format to their products and services, according to a profile of a modern product, audience demands etc.
- 3) The need to turn European cultural resources into important digital economy pillar and provide a competitive edge for Cultural and Creative industries in Latvia.
- 4) The need for new methods for the public, private and educational sector co-operation and digitalization management.

One of the greatest impacts of the global digitalization process has been on data - the creation, acquisition, interrogation, and storage of data. The main problem the research is trying to solve is a lack of skills in data analysis, that is preventing cultural organizations from a collection of data and using it to develop their business models. On another hand, there are audience expectations- scholars, artists etc., who expect digital content to be easy to navigate and open for them to enjoy, contribute to, participate and share. Technology and culture collaborations can give cultural organizations

access to digital talent, space, data, equipment, funding, peer to peer learning opportunities and new ways of working. Education as well plays a significant role in informing artists and other creators and promoting their creative process. Further content of the paper covers the methods and best practices of main tech and culture players in Latvian digitalization scene, based on the theory of digital data management process.

## **2 A Conceptual Framework**

In a final report “Promoting access to culture via digital means: Policies and Strategies for audience development” EU expert group has divided the digitization process into the following elements:

- People- as creators, curators, and audiences;
- Products, production, and services - the cultural resources;
- Promotion and distribution, payment and property - access options, channels and business models;
- Process - management of user data and collection data. ( Directorate-General for Education, Youth, Sport and Culture, 2018)

The paper is based on the above-mentioned concept with a focus on a process of data management, as this is one of the core competencies of cultural institutions.

In 30/5/2017 Latvia the new law regarding collection of official statistics in the field of culture came in force, which was developed in accordance with 'Science, Technology Development and Innovation Guidelines 2014-2020' and cultural guidelines “Creative Latvia”, determining priorities and action directions that are related to digitalization of the cultural heritage. The law foresees Digital Culture Map of Latvia (kulturaskarte.lv) as the main instrument for collection and accessibility of cultural statistics.

## **3 Current Strategies for Co-operation between Technology Companies and Cultural Organizations**

### **3.1. Data Creation.**

Nowadays, the creation of cultural products is no longer a strictly professionally limited process. Professor Pier Luigi Sacco in its popular *Culture 1.0-2.0-3.0 transition* theory has clearly outlined the strategic importance of active cultural participation. ( Sacco P.L., 2011). People, arts professionals have always been the main source of cultural product creation. But also general public nowadays can be involved in creation and expression of culture products. Social environment and tools allow each individual to openly express his creative ideas and become an author of cultural products, even if he does not have a professional artist's education and experience. So people as creators still are the first category to be mentioned under data creation process.

The institutions, both public and private, such as museums, galleries, art centers etc. cultural organizations are involved in cultural performance as well as in the quality

measurement of its cultural and creative practice. According to official statistical needs, they generate a lot of reports, which usually has little to no value to the organization. In order to become more effective in audience data collection and usage, cooperation with technological partners is realized. There are numerous best practices, showing how digital technology is used to assess quality in the arts. One of the recent examples is NESTA R&D Culture Metrics project in the United Kingdom which involved researchers from the Institute for Cultural Practices, The University of Manchester, in collaboration with a partnership of arts and cultural organizations and a technology partner, Culture Counts. The research and tools consider how digital technologies, social media and big data might help arts organizations benchmark and demonstrate the quality of their work, and assess and evaluate its impact on audiences and for funders. In Latvia similar initiative 'Study of culture consumption and audience participation' was realized in 2016, in collaboration with the partnership of Culture-Lab, Academy of Culture and State Culture Capital Fund. In the *Izdziedam 100* project, using a mobile phone features, everyone can sing its favorite Latvian song and add to the choir in the interactive platform, thus keeping your song as a testimony of history. The primary goal of the project, developed by company Electrum, was to create a platform with a sustainable cultural and historic value for our future generations, a testimony of the first 100 years of Latvia.

### **3.2. Interrogation.**

Majority of cultural organizations have a significant amount of reusable data about their products, collections, libraries etc, and this information can be combined with other sources to encourage discovery and learning. New systems are needed to deal with metadata, big data and also with open data to ensure its availability to an audience, classified according to the research topics, audience trends etc. Cultural organizations and their digital collections are still trusted sources of their own cultural information and products, but in order to efficiently use and re-use data for research, learning etc needs, artists and other professionals need to have more modern channels providing opportunities to combine data from different sources.

*Europeana* collection is the most known project of the European Union having the library of 55,045,757 artworks, artifacts, books, videos and sounds from more than 3,500 museums, galleries, libraries and archives across Europe (n.a., 2018). In 'Creative Latvia' is defined, that one of the measures to be performed in the field of cultural heritage digitization is an incorporation of Latvian digital cultural heritage content into *Europeana*. However, the content update is occasional and not all cultural organizations are eager to share their resources. Although the private-public partnership is encouraged, the activity focus is more likely to public cultural organizations rather than private companies. Culture sector sets great expectations on tech start-ups, but big and open data are emerging concepts and it is still difficult to grasp their application and benefits. This prevents new companies from creating a reliable product for sponsors, investors, and attracting funding for product development. There are also numerous technical and legal obstacles when it comes to interrogation of data e.g. digital products are stored on

different IT systems and limits aggregated searches, as well as data protection and copyright issues, are impacting the further use of data.

### **3.3. Storage.**

Primary source materials are digital collections, but the digital object is more than just a file, as it has many parts ( metadata, preservation/archival files, delivery files) and used software is a very complex system. Libraries, archives, and museums need to retain an increasing number of large-scale digital objects. It puts memory institutions in front of great challenges, as they must be able to continuously ensure the prerequisites for using their digital funds.

World class archives and digital collections as *Europeana* or *Internet Archive* is able to adapt digital objects to the current technical environment, but for smaller organizations and countries like Latvia, where many institutions working on digital long-term archiving have so far paradoxically been dependent on short-term project funding, it becomes a great development barrier.

Digital business model is, however, entirely dependent on trust and security issues. Institutions must ensure, that their unique digital collections and archives are properly safeguarded and more importantly remain accessible and readable for generations to come. In 2018 situation in Latvia has significantly moved forward along with launch of Digital Heritage Centre at Latvia National Library and ERDF co-financing project “ Guidelines of Culture Heritage Digitalization”, where aspects of the collection and long-term preservation of the digital heritage will be formally defined. The co-operation with the private sector in terms of outsourcing of IT solutions, data preservation and storage also is being reviewed as most appropriate solution, as in a majority of cases cultural heritage institution does not have long-term preservation of the ICT system. The project is organized by Latvia National Library, national news agency LETA and financial automation company Fitek.

‘Collaboration with LETA and Fitek will allow the National Library of Latvia to digitize several millions of newspapers, books and sheet music that the library could not do at its own expense in such a short period (18 months)’ ( A.Žogla, Head of Digital Library of LNB, 2017)

Thus, resources of technology companies can be used to create best conditions for culture digitalization process both in terms of ICT skills and infrastructure.

### **3.4. Acquisition**

Website is usually assumed to be the core location for digital objects. Theatres without walls, virtual museums, artists work online as the direct marketing tool to connect with new audiences- all that and many other cultural products are made available or managed online in digital form with a lofty aim of openness. Use of digital tools is often used in education and research in order to give individuals immediate access to open knowledge and information.

However also in the sector of cultural heritage, openness needs to be perceived critically, as “all forms of openness entail forms of closed-ness” (Edwards 2015, 253). The

easy access and retrieval of digitalized culture objects is challenged with copyright and licensing of digital images and assets.

Another way of access to digital culture collections is specific software, providing controlled acquisition and use of its content. The city of Liepāja has been the pioneer in the development of digital culture treasure. Within this initiative, the digital storage software of the Liepāja Cultural Heritage was developed in order to ensure the preservation of cultural testimonies in audio, video and photo formats. It is a sophisticated system that allows to accumulate, systematize and select information by specific parameters. The system is currently installed in the Liepāja Museum and the Scientific Library. In the near future, it will also be installed at the University of Liepāja, thus providing access to the wider public.

The acquisition is thus, in fact, enhanced by digital literacy from both producers and consumers. To increase the awareness and effective use of the tools available to the public, the initiative ‘Latvian digital agents’ was started in April 2018. The most important part of the program is the training of 6000 digital agents - librarians, teachers, state and local government staff in Latvia, who will give advice and encourage arts practitioners and general consumers to use opportunities provided by the range of digitalized products.

## 4 Conclusions

Adoption of creative strategies for co-operation between technology companies and cultural organizations has become the essential first step for countries wanting to provide accessible digital cultural services. In Latvia, much attention is given to the establishment of private-public partnerships in development and provision of digital culture products. The best practices show, that both commercial and non-profit (NGO) organizations, as well as involving the general public can be a resource in terms of creativity and innovative ideas for attractiveness and sustainability of digitalized cultural products. Also, alternate strategies are used, e.g. large proportion of digital activities are outsourced (e.g. via Google).

Official policy and strategy towards digitalization of cultural heritage encourage various scenarios of digitalization process management, which offers opportunities creation of new business models, building of new kinds of partnerships with communities and individual users.

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