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Navigating sustainable innovation: An exploratory study of entrepreneurial ecosystems for coastal regeneration

Reflections on promoting best practices from the European project Bauhaus of the Seas Sails[1]

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Abstract: This study explores the topic of entrepreneurial ecosystems for coastal regeneration by combining an analysis of relevant literature with the experiences lived within the European project Bauhaus of the Seas Sails, in particular relating to the development of a key framework called "Territorial Identity Card", a tool designed to capture the essence of each coastal territory. By identifying ten key parameters common to the seven cities involved, this tool serves to guide the development of future strategies.
Although the overall goal of the research is to define a sound strategy to promote sustainable entrepreneurial ecosystems in coastal regions, this paper focuses primarily on the preliminary phase of the research, laying the groundwork for subsequent in-depth analysis. This working paper serves as a compass, charting the course for future research efforts to translate key insights into actionable strategies.

Keywords: Urban and territorial regeneration, entrepreneurial ecosystems, innovation, sustainability, inclusion, coastal areas, replication

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1. Introduction

The concept of entrepreneurial ecosystems today

The notion of entrepreneurial ecosystems has gained significant attention from policymakers, scholars, and practitioners in recent years. It has become a crucial framework in discussions on regional economic growth. Entrepreneurial ecosystems are now widely acknowledged as crucial elements that influence the development of creative start-ups and cultivate a conducive atmosphere for entrepreneurial activities (Spigel, Harrison, 2018).

This movement in regional strategies for entrepreneurship represents a change from only prioritising the number of entrepreneurial activities to a more refined emphasis on improving the quality of entrepreneurship (Stam, 2015). The upcoming development in this path is ready to go beyond entrepreneurship policy alone and shift towards a comprehensive framework for an entrepreneurial economy.

This study aims to explore the complex aspects of entrepreneurial ecosystems and their impact on regenerative processes associated with the European project Bauhaus of the Seas Sails. Although previous studies have mostly provided typological observations, it has become more apparent that a theoretical foundation is necessary.

The purpose of this study is to fill this void by presenting a paradigm that defines entrepreneurial ecosystems as dynamic entities influenced by a combination of cultural, social, and material characteristics.

The entrepreneurial ecosystem concept acknowledges that entrepreneurship is not just a result of the system, rather that entrepreneurs have a crucial role in establishing and maintaining the ecosystem. This viewpoint redirects attention away from only highlighting entrepreneurial individuals and instead takes into account the broader environment in which successful entrepreneurship flourishes. Gaining insight into the interaction between entrepreneurs and their surrounding environment is essential for understanding the composition and impact of entrepreneurial ecosystems.

Following Spigel's idea of 10 essential characteristics of entrepreneurial ecosystems that include cultural, social, and material aspects, our research aims to find similar indicators for the seven European coastal areas that are part of the project (Spigel, 2017). We will look at the similarities and differences between them based on their unique geographical, cultural, and social contexts. Collectively, these traits will provide a supportive framework for promoting and replicating regenerative processes in urban areas and territories.

This research seeks to enhance the theoretical understanding of entrepreneurial ecosystems by combining current literature with direct experiences coming from seven European coastal areas. It intends to provide insights into the complex structure of these ecosystems and their significant influence on the process of entrepreneurship.

Our goal is to gain deep knowledge of the fundamental elements of entrepreneurial ecosystems. By doing so, we want to offer significant insights to policymakers, researchers, and practitioners. This will contribute to a more complete understanding of how regional contexts influence and support entrepreneurial activities.

2. Research context

The Bauhaus of the Seas Sails project

The Bauhaus of the Seas Sails (BoSS) project is a significant undertaking within the broader context of the New European Bauhaus framework. BoSS is a movement designed to drive the implementation of the European Green Deal, focusing on sustainability, social inclusion, and beauty.

This ambitious project encompasses the connection between coastal communities and the surrounding seas, oceans, and water bodies, creating a revolutionary triangle focused on sustainability, inclusivity, and design.

In the face of current difficulties in conserving cultural property, managing the effects of tourism, dealing with increasing sea levels, promoting sustainable supply chains, and restoring nature and ecosystems, BoSS establishes itself as a leader in climate neutrality solutions.

This cooperative endeavour involves the participation of five countries in implementing seven pilot projects, accompanied by six work packages. The common thread that brings together this

varied collection is a shared vocabulary, developed to better communicate among this heterogeneous and multidisciplinary team.

The term "drop" symbolises the ultimate goal of every pilot, "demonstrator" encompasses the specific actions taken to accomplish the drop, and "ripples" and “waves” represent the localised and broader effects of the project, respectively.

Overall, BoSS can be described as an interdisciplinary project that tackles pressing contemporary concerns and offers creative solutions for a resilient and sustainable future.

3. Methodology

The study technique aims to provide a strong strategy for promoting sustainable entrepreneurial ecosystems in coastal locations. This study primarily focuses on the initial phase of the project and serves as the foundation for future in-depth assessments.

The research is part of Work Package 4, which focuses on providing expert support to the pilots in effectively implementing solutions in their local contexts. The goal is to empower the pilots to replicate these solutions in their cities and beyond by the end of the project.

3.1. Literature review

Entrepreneurship as cause and effect of ecosystems

To get a thorough comprehension, our research utilised a two-fold strategy: a rigorous examination of existing literature and a practical analysis conducted in the field.

In order to gain a deeper understanding of entrepreneurial ecosystems, we extensively studied influential publications and extracted valuable insights from the combined knowledge of renowned experts. Our inquiry focused on three important works.

The first to be mentioned is Spigel's influential study in 2017, titled “The Relational Organization of Entrepreneurial Ecosystems”, which proposed that ecosystems consist of ten essential cultural, social, and material factors that are crucial for promoting entrepreneurial activities. This perspective was particularly interesting in relation to the BoSS project because

a similar approach could have been taken for the pilot projects, defining 10 indicators characterizing the seven coastal areas.

The second work belongs to Stam in 2015, "Entrepreneurial Ecosystems and Regional Policy: A Sympathetic Critique", asserting that entrepreneurship is not just a result of the system but a central force in its formation and maintenance. This is a crucial factor for the BoSS project, given the predominance of artistic and cultural approaches within the pilot projects over entrepreneurial ones.

The third and last relevant work is related to Spigel and Harrison's "Towards a process theory of entrepreneurial ecosystems" in 2018, which presented entrepreneurial ecosystems as a regional economic development strategy that aims to create supportive environments for innovative start-ups. For the first time, the authors introduce the element of regional policies inside the discussion, a local level never considered before, which perfectly combines with the local initiatives of the BoSS pilot projects.

These studies were crucial in defining the important role of entrepreneurs and the local development of these ecosystems. They not only influenced our theoretical foundations but also provided vital ideas for implementing our local projects.

3.2. On field analysis

Applying theory to the seven experiences

Our study method involved closely analysing the activities of each pilot project over the first year.

A significant achievement in this process was a well designed two-day online training aimed at creating a replication handbook. This immersive experience permitted a deep investigation of the original setting of each pilot and utilised visual management tools to uncover the distinct difficulties faced by these regions and the inventive solutions pilots envisioned for tackling them.

Our investigation thoroughly examined each pilot based on four crucial criteria: the precise drops associated with it, the characteristics of the geographical region (including oceans, seas, rivers, and lagoons), the type of demonstration, and the expected impact. Nevertheless, this procedure posed some obstacles, mainly arising from the heterogeneous characteristics of water bodies, with each test case engaging with oceans, seas, rivers, or lagoons in unique manners.

This modification included a complex element, increasing the complexity of the replication process.

The addition of a varied assortment of drops totaling eight further complicated the project. In particular, they were *Multispecies Assemblies*, *Regenerative Menus*, *Blue Makerspace*, *Ocean Literacy*, *Inclusive Digital Storytelling*, *Wellbeing Reefs*, *Blue Seniors,* and *Future Tidal Architectures*.

This complex environment required a detailed comprehension not just of different situations but also of the many goals that each element aimed to accomplish within its own setting. The research highlighted the crucial importance of art in the implementation of the project while also acknowledging the complexities involved.

In contrast to the commonly held belief derived from literature, which generally focuses on entrepreneurship, art is seen as a crucial element within the BoSS project, serving as a catalyst towards achieving economic sustainability. This realisation has initiated a crucial investigation into the interactive relationship between art and entrepreneurship, leading to a more profound comprehension of how entrepreneurial pursuits materialise in the unique circumstances of each trial.

4. Results

The "Territorial Identity Card"

The study has produced significant discoveries that are crucial to the Bauhaus of the Seas Sails (BoSS) project. By utilising our extensive analyses of the pilots, we effectively achieved two crucial project milestones: "D4.1 - Operations manual outlining a replication strategy for the entire project" and "D4.2 - Summary document providing an overview of the different local contexts (baselines)." These deliverables provide a fundamental plan for a replication strategy and include a comprehensive overview of various local settings, which are crucial for the strategic development of the project.

By combining scientific ideas and practical experiences, we have identified the essential components that influence entrepreneurial ecosystems. We gained clarity on the combination of top-down policies and bottom-up entrepreneurial initiatives, the significant impact of governance structures on the success of regeneration, the connection between the economic

environment and entrepreneurial activity, the changing dynamics of stakeholders influenced by geographic context, and the emphasis on cultural offerings to drive initiatives rather than immediate economic benefits.

Based on these observations, we developed a comprehensive analytical framework for evaluating pilots and facilitating future replication. This framework consists of 10 factors that are divided into four core categories: governance, sustainability, inclusivity, and culture. These criteria encompassed a wide range of factors, including societal structure, institutional framework, population characteristics, employment trends, social cohesion, environmental effects, patterns of movement, features of water bodies, the educational system, and cultural offerings.

In order to ensure smooth duplication and accurate comparisons between cities, the 10 factors were carefully matched with data obtained from well-known European sources such as Eurostat, JRC, and the European Environment Agency. The culmination of this process was the development of a "Territorial Identity Card", which is a versatile instrument that includes various indicators such as *cultural engagement*, *government effectiveness*, *population size*, *economic output*, *employment rates*, *proportion of foreign residents, air pollution levels*, *traffic density*, *types of water bodies*, *educational demographics*, *distribution of creative and knowledge-based occupations*, and the *frequency of annual events*.

Significantly, the "Territorial Identity Card", while powerful in its present state, is intended to develop and change throughout time. The project will be enhanced by working together with other work packages and incorporating feedback from pilots. The goal is to find the best combination of general traits that can be used in many situations while also considering particular attributes that are tailored to the individual features of each pilot. The primary objective is to create a comprehensive database that combines pilot data, enables a thorough analysis of similarities and differences, and guides the project towards an educated and flexible replication plan.

5. Conclusion

Next steps for the research

BoSS is positioned to revolutionise coastal areas by focusing on sustainability, social inclusion, and design. The combination of thorough literature evaluation and on-field analysis in our

research has provided useful insights and established the foundation for the next step.

Our current priority is to submit the Replication Roadmap, a strategy document that outlines the plan for replicating successful and sustainable entrepreneurial ecosystems. Concurrently, we are proactively maintaining an extensive database, gathering data from many cities to influence our next research.

An important future undertaking includes establishing a shared trajectory by combining various urban experiences. The objective of this synthesis is to extract general principles while acknowledging the distinct characteristics of each location, which is an essential step in promoting a unified vision.

In addition, we focus on developing a sophisticated comprehension of the connection between entrepreneurial and creative endeavours. This investigation guarantees to uncover intricate interactions, adding to a more comprehensive strategy for our next initiatives.

Fundamentally, the initial year establishes the groundwork for a forward-thinking and all-encompassing future. The next year offers the potential for groundbreaking advancements, cooperative efforts, and a revitalised bond with coastal ecosystems.

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