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Content

1. Introduction

According to the *Green paper – Unlocking the potential of cultural and creative industries* (European Comission, 2010): “Cultural industries are those industries producing and distributing goods or services which at the time they are developed are considered to have a specific attribute, use or purpose which embodies or conveys cultural expressions, irrespective of the commercial value they may have. Besides the traditional arts sectors (performing arts, visual arts, cultural heritage – including the public sector), they include film, DVD and video, television and radio, video games, new media, music, books and press. This concept is defined in relation to cultural expressions in the context of the 2005 UNESCO Convention on the protection and promotion of the diversity of cultural expressions. Creative industries are those industries, which use culture as an input and have a cultural dimension, although their outputs are mainly functional. They include architecture and design, which integrate creative elements into wider processes, as well as subsectors such as graphic design, fashion design or advertising.“

„With revenues of €535.9b, the creative and cultural industries (CCIs) contribute to 4.2% of Europe’s GDP. The sector is its third-largest employer, after construction and food and beverage service activities, such as bars and restaurants. More than 7m Europeans are directly or indirectly employed in creative and cultural activities — 3.3% of the EU’s active population. Performing arts (1,234,500), visual arts (1,231,500) and music (1,168,000) employ more than 1m people each, followed by advertising (818,000), books (646,000) and film (641,000).” (EY, 2014)

Ceramic and porcelain sector is part of creative and cultural industries, especially in its designing and small-scale production. In some regions, this sector is part of regional cultural heritage. Thus, we are providing desk research information about both ceramic and design sector in this analysis. Some CerDee project partners (museums) are naturally part of cultural industry.

The most exact and recent data collected on the creative industries in Italy refer to 2018. they testify a growing Italian situation both for the economic value brought by these industries, 96 billion euros, equal to about 16% of the “internal product”, and for the number of people involved: 1.55 million workers (6% of Italian workers). The Italian present situation shows a great development of the creative industries, in particular the sector linked to ceramics and design, mainly in the regions of northern Italy including Emilia Romagna (Lombardy in first place).

The cultural and creative industry of the Emilia-Romagna Region is showing signs of good results: in 2018, the sector is worth more than 7 billion and employs 80 thousand people.

An extremely important element for the development of the creative industries, which must be taken into account, is the MULTIPLICATOR equal to 1.77: it means that for one euro of value produced by one of the activities in this segment, another 1.77 on average is activated on the rest of the economy. Faenza was able to verify this richness brought by the cultural system, through a specific study carried out on the occasion of Argillà 2018. The event dedicated to ceramic art and handicraft, has brought a gain not only on ceramists and artists, but on the tourist and entrepreneurial activities of the territory, in fact multiplying every euro spent on culture.

Chapter 2 describes the methodology, chapter 3 provides an analysis of the sector based on the secondary data and outputs of our own stakeholder desk research analysis. Chapter 4 uses the primary data from the survey and informs about the results. Chapter 5 summarizes the highlights and defines strengths and weaknesses of the sector in Italy.

2. Methodology

There were few steps to make project CerDee successful. Firstly, it was necessary to analyze the current situation of the ceramic sector in Italy, and international situation of the sector as well, to make exact suggestions how to boost entrepreneurial and creative skills to optimize the economic performance, competitiveness and market position of the creative players. Secondly, use existing data such as official statistics, marketing studies, research reports, strategic documents or scientific publications about market and stakeholders in the region or country.

The situational analysis is worked out using the Eurostat statistical data on a country level as the first step. The data shows the sector of "Manufacture of other porcelain and ceramic products" (NACE C234), which consists of manufacturing ceramic for household and ornamental articles (NACE C2341), manufacturing ceramic sanitary fixtures (NACE C2342), manufacturing ceramic insulators and insulating fittings (NACE C2343), manufacturing other technical ceramic products (NACE C2344), and manufacturing other technical ceramic products (NACE C2349). Following part shows the status and development of Design sector in CerDee countries (NACE M741 - Specialized design activities). However, it is necessary to mention that not only the designers for ceramics and porcelain industry are included in following statistics. Therefore, the results have to be considered as an overview of the whole sector of specialized design activities.

This report describes the situation of overall entrepreneurial capacities in Italy in comparison to other CerDee countries using the following indicators:

- Number of enterprises
- Production value
- Persons employed
- Employees
- Persons employed per enterprise

The second step was to collect primary data from stakeholders of ceramic sector about their expectations and needs. Enterprises representing private sector and students as a part of educational sector are important stakeholders of ceramic industry, but the research also involved public sector, cultural institutions and professional associations. A unique questionnaire was made for each of these groups and the respondents, except the ones from educational sector, were interviewed face-to-face, by telephone, or online by answering the questionnaire on the internet. Students were interviewed mainly online. To research deeply the educational system in ceramic sector, the focus group or qualitative semi-structured interviews with managers, teachers or lecturers could be organized, if needed.

The survey results are used for the analysis of the situation in Italy. The primary data from interviews of stakeholders in ceramics sector were collected and analyzed. The surveys of enterprises and students as potential entrepreneurs are used for the descriptions of the entrepreneurial capacities. Especially, the perceived situation of ceramic sector, trends, level of cooperation, position and stability, educational needs, or marketing activities are analyzed in this report.

This report shows the answers on several questions describing the entrepreneurial capacities situation in Italy based on the opinions of enterprises and students as potential future entrepreneurs:

Questions for enterprises were focused on:

- a situation of ceramic sector within the whole creative sector in your country
- general trend in terms of the ceramic sector/market size
- the cooperation between private and public sector and other institutions
- a membership in an association or organization
- the history of their business
- position and stability of their business
- a cooperation with educational institutions
- employee (self) training
- further education and training
- a need of an international portal about history of ceramics
- marketing activities of the overall craft development in the city/region/country.
- financial situation of their business
- subsidies use

Questions for students were focused on:

- their study direction
- what are they intending to do after you finish school/university
- lack in knowledge/skills you might be facing during your work life
- knowledge/skills they gained at school/university
- What would help them with starting their own business / finding an appropriate job

3. Ceramic and design – secondary data overview

The situational analysis is worked out using the Eurostat statistical data on a country level. First, the Manufacture of porcelain and ceramic products is described. Second, design sector in Italy is introduced. However, it is necessary to mention that not only the designers for ceramics and porcelain industry are included in following statistics.

3.1. Manufacture of porcelain and ceramic products

Table 1 Number of enterprises

GEO/TIME	2010	2011	2012	2013	2014	2015	2016	2017	2018
Austria	153	146	148	156	153	142	137	144	132
Czechia	1 482	1 449	1 392	1 295	1 282	1 257	1 231	1 178	1 180
Germany	780	771	763	760	958	883	723	823	818
European Union	:	13 745	13 400	13 237	13 677	13 142	13 300	13 147	13 764
Italy	2 812	2 696	2 528	2 416	2 284	2 242	2 226	2 198	:
Poland	531	504	476	499	490	513	522	552	697
Slovenia	47	51	50	65	56	58	53	51	53

Source: Eurostat

Table 2 Production value (million EUR)

GEO/TIME	2010	2011	2012	2013	2014	2015	2016	2017	2018
Austria	199.1	195.2	187.1	126.0	210.0	184.6	173.2	185.4	168.5
Czechia	182.9	196.7	201.2	197.6	188.7	198.2	203.4	218.3	227.8
Germany	2 276.7	2 383.5	2 324.0	2 325.4	2 588.9	2 509.5	2 481.6	2 509.2	2 599.3
European Union	:	8 196	8 000	7 694	9 030	8 490	8 609	8 476	8 866
Italy	1 135.5	1 243.1	1 053.4	987.4	1 066.7	901.3	1 029.1	998.9	1 014.8
Poland	612.1	635.8	614.6	626.1	747.9	823.7	904.7	959.7	1 014.7
Slovenia	6.5	7.8	7.9	4.0	1.9	2.0	2.4	3.8	4.4

Source: Eurostat

Table 3 Persons employed

GEO/TIME	2010	2011	2012	2013	2014	2015	2016	2017	2018
Austria	1 480	1 490	1 493	1 215	1 556	1 579	1 496	1 503	1 378
Czechia	5 855	5 660	5 740	5 656	5 630	5 719	5 733	5 647	5 560
Germany	20 874	21 264	21 344	21 333	22 208	21 386	20 803	21 696	21 955
European Union	:	109 144	107 345	105 000	106 763	106 050	105 352	106 785	:
Italy	14 699	14 219	13 471	12 836	11 711	11 166	11 091	10 629	10 671
Poland	12 394	11 669	11 565	11 639	11 762	12 154	12 158	13 285	14 442
Slovenia	296	371	372	175	98	109	92	154	161

Source: Eurostat

Table 4 Employees

GEO/TIME	2010	2011	2012	2013	2014	2015	2016	2017	2018
Austria	1 338	1 355	1 350	1 064	1 407	1 441	1 364	1 364	:
Czechia	4 891	4 705	4 769	4 782	4 737	4 845	4 865	4 771	:
Germany	20 165	20 670	20 600	20 647	21 263	20 536	20 126	20 922	:
European Union	:	98 058	96 506	94 800	95 101	95 155	94 011	95 296	:
Italy	11 087	10 970	10 396	9 874	8 915	8 415	8 368	7 959	:
Poland	11 784	11 169	11 110	11 155	11 313	11 661	11 690	12 786	:
Slovenia	267	339	342	124	53	64	51	115	:

Source: Eurostat

Table 5 Persons employed per enterprise

GEO/TIME	2010	2011	2012	2013	2014	2015	2016	2017	2018
Austria	9.7	10.2	10.1	7.8	10.2	11.1	10.9	10.4	:
Czechia	4.0	3.9	4.1	4.4	4.4	4.5	4.7	4.8	:
Germany	26.8	27.6	28.0	28.1	23.2	24.2	28.8	26.4	:
European Union	:	7.9	:	8.0	7.8	8.1	:	8.1	:
Italy	5.2	5.3	5.3	5.3	5.1	5.0	5.0	4.8	:
Poland	23.3	23.2	24.3	23.3	24.0	23.7	23.3	24.1	:
Slovenia	6.3	7.3	7.4	2.7	1.8	1.9	1.7	3.0	:

Source: Eurostat

There is highest number of enterprises in the industry of Manufacturing porcelain and ceramic products in Italy in comparison with CerDee countries. However, the number of enterprises has been decreasing year by year from 2010. In 2017, the biggest portion of businesses operates in manufacturing ceramic for household and ornamental articles (1,757), followed by enterprises manufacturing ceramic sanitary fixtures (204), other technical ceramic products (35), and ceramic insulators and insulating fittings (7). In comparison with other CerDee countries, the contribution of Italy to the whole industry is significant. The production value reaches yearly about 1 billion EUR in Italy. In comparison with other CerDee countries, the production value is comparable with Poland. However, the production value in Poland increases constantly, while there is no permanent growth in Italy. The average number of persons employed per 1 enterprise is 4.8 in 2017. The development shows slight decrease from 5.3 (2013) to 4.8 (2017). The average number of persons employed per 1 enterprise in Italy is the same as in Czechia (4.8). It shows that relatively small enterprises operate in manufacturing ceramics and porcelain in Italy.

3.2. Specialized design activities

Table 6 Number of enterprises

GEO/TIME	2010	2011	2012	2013	2014	2015	2016	2017	2018
European Union	:	143 954	157 342	164 307	176 777	179 757	192 446	207 719	:
Czechia	2 118	2 160	2 256	2 261	2 353	2 399	2 530	2 727	:
Germany	16 732	18 398	20 464	21 530	23 083	26 170	26 307	30 079	:
Italy	27 612	27 481	28 408	27 450	29 065	29 201	30 828	32 277	:
Austria	1 398	1 484	1 507	1 540	1 542	1 558	1 594	1 631	:
Poland	3 641	5 450	6 184	6 899	7 768	8 635	10 005	11 204	:
Slovenia	733	815	869	1 001	1 100	1 249	1 374	1 502	:

Source: Eurostat

Table 7 Production value (million EUR)

GEO/TIME	2010	2011	2012	2013	2014	2015	2016	2017	2018
European Union	:	17 739	19 164	19 816	21 380	23 863	22 959	24 368	:
Czechia	81.0	87.5	86.8	81.0	76.4	91.0	104.9	126.7	:
Germany	1 930.1	2 209.0	2 522.4	2 838.9	2 825.6	3 028.6	3 277.3	3 703.8	:
Italy	3 703.2	3 838.4	3 696.7	3 894.8	4 271.5	4 363.4	3 913.2	3 880.7	:
Austria	109.2	124.4	130.8	133.8	133.9	:	:	:	:
Poland	148.2	279.5	281.8	425.9	390.5	416.5	431.4	441.2	:
Slovenia	29.3	31.6	33.2	34.3	38.9	47.3	53.8	61.3	:

Source: Eurostat

Table 8 Persons employed

GEO/TIME	2010	2011	2012	2013	2014	2015	2016	2017	2018
European Union	:	213 551	234 291	239 533	261 727	269 542	293 800	310 798	332 846
Czechia	:	2 065	2 194	2 191	2 264	2 397	2 537	2 783	3 011
Germany	31 261	33 340	37 151	40 226	43 505	48 842	51 402	58 222	60 712
Italy	44 857	43 682	44 723	44 790	46 526	47 216	49 292	50 273	51 687
Austria	2 183	2 318	2 393	2 460	2 511	:	:	:	2 945
Poland	5 206	8 755	9 450	10 145	11 756	13 990	15 344	17 616	20 410
Slovenia	889	973	1 064	1 182	1 286	1 462	1 590	1 752	1 928

Source: Eurostat

Table 9 Employees

GEO/TIME	2010	2011	2012	2013	2014	2015	2016	2017	2018
European Union	:	103 000	115 190	117 791	131 775	137 727	155 980	162 331	:
Czechia	678	633	676	658	677	736	781	894	:
Germany	13 103	13 336	15 042	16 959	18 566	20 563	22 610	25 738	:
Italy	14 026	12 573	14 734	15 773	16 172	16 806	17 471	17 363	:
Austria	762	815	843	859	921	:	:	:	:
Poland	1 447	2 836	3 075	2 993	3 685	4 764	4 756	5 797	:
Slovenia	325	334	379	361	369	409	430	466	:

Source: Eurostat

Table 10 Persons employed per enterprise

GEO/TIME	2010	2011	2012	2013	2014	2015	2016	2017	2018
European Union	:	1.5	1.5	1.5	1.5	1.5	1.5	1.5	:
Czechia	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	:
Germany	1.9	1.8	1.8	1.9	1.9	1.9	2.0	1.9	:
Italy	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	:
Austria	1.6	1.6	1.6	1.6	1.6	:	:	:	:
Poland	1.4	1.6	1.5	1.5	1.5	1.6	1.5	1.6	:
Slovenia	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	:

Source: Eurostat

The number of enterprises in design sector has been raising constantly since 2013. In 2017, there were 32,277 enterprises on the Italian market, which is the highest number from CerDee countries. It is comparable with Germany (30,079). The production value in design sector reached the peak in 2015, but it has been decreasing since that time. In 2017, the production value of Italian market in design sector was 3,880.7 mil. EUR, which is the highest number from CerDee countries. The second highest production values is registered Germany (3,703.8 mil. EUR). The number of persons employed in design sector has been raising constantly since 2010. In 2018, there were 51,687 persons employed in design sector in Italy, which is the second highest number from CerDee countries. The highest number of persons employed in design sector is registered in Germany (60,712). The number of employees in design sector is the second highest from CerDee countries. In 2017, there were 17,363 employees in design sector in Italy. The highest numbers of employees in design sector are registered in Germany (25,738). The average number of persons employed per 1 enterprise is 1.6 in 2017. The development shows no changes of this indicator between 2010 and 2017. The average number of persons employed per 1 enterprise is the second highest in Italy, as well as in Poland (1.6). The average number of persons employed per 1 enterprise is the lowest in Czechia (1.0), while the highest number is registered in Germany (1.9).

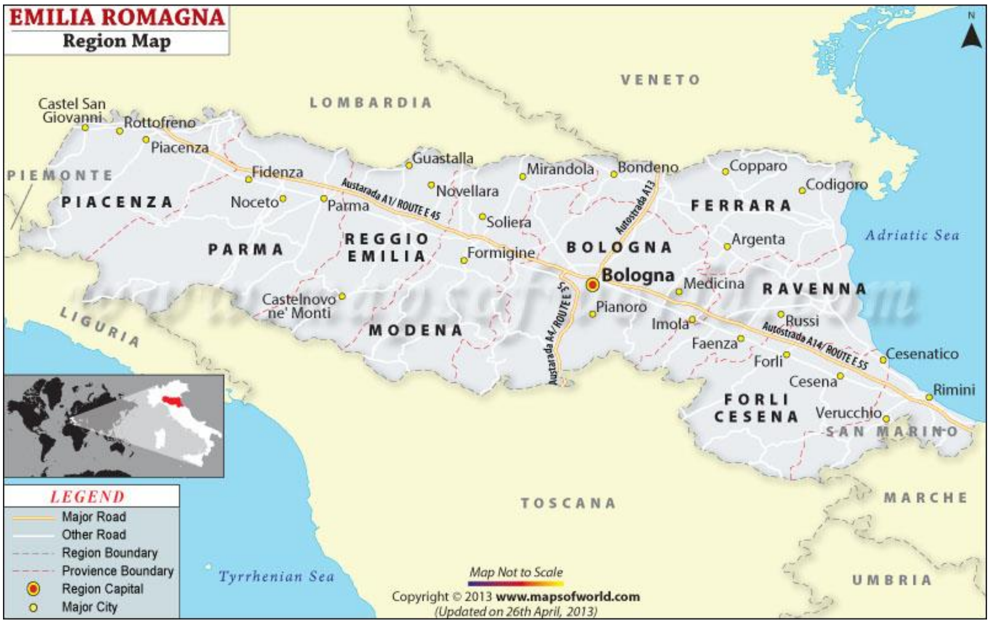
3.3. Basic information about stakeholders in ceramic sector in Italy – Assesment of the CerDee partners

Italian partner of the CerDee project is the International Museum of Ceramics in Faenza (MIC), hence the focus of project in Italy is concentrated to the Faenza region in the region Emilia-Romagna, province Ravenna. The city of Faenza inhabits about 58700 people, Emilia-Romagna about 4.4 million people and province of Ravenna about 394 000 people. Figures 1 and 2 show the regional division of Italy and the region Emilia-Romagna.

Figure 1 Italy - regions

Source: https://www.map-of-italy.org/map.htm, 2020

Figure 2 Emilia Romagna - provinces



Source: https://www.mapsofworld.com/italy/regions/emilia-romagna.html

Within the project, we will target predominantly from the Emilia-Romagna region and specially its province of Ravenna. Nevertheless, we have to cover also some national institutions etc. In the educational sector is Bologna a logical centre of activities for the region. Faenza is located only 50 kilometres away, so an intensive exchange can happen.

Figure 3 Typical product of Faenza region - Majolica

Source: https://ceramicsanditsdimensions.eu/glossary/faenza/

Within our desk research, we have developed a stakeholder database to support our project. This database is divided into several stakeholder groups. Further, we provide short insights in to the ceramic sector in Italy – with special interest to the Faenza region and its surroundings, based on our experience, knowledge and research.

Faenza ceramic system has managed to combine different skills that interact with each other: art, technology, industrial research processes, design, handicraft and marketing. A union of intent under the keyword "ceramics", developed by an educational system (Institute of ceramic Ballardini) that for many years supported the training of hundreds of operators of ceramics, technicians, curators, artists and national managers.

1. **Private sector**

In Emilia Romagna there is the highest density of industries dedicated to the ceramic sector in all of Italy. There are industries of tiles, building materials, sanitary ware and production of decorative and design elements. The craft sector sees the presence of about **140 workshops**, 40 of them are in Ravenna province, **35 in Faenza** (the number is susceptible to changes due to the closure of historic shops. In some cases, they see generational changes within families). All these companies are flanked by plant producing materials for ceramics, such as plaster, different kinds of clay, glazes and so on. These companies have different "souls" from an administrative point of view. We start from **big plant** involving many workers and among them the creative operators, such as the designer play a fundamental role. There are **family-run businesses**, with only one owner or with several family members, in these companies, the roles are often interchangeable and the skills have been acquired in ceramic institutes or specific ceramic courses. There are many **workshops** with owners possessing a VAT certification, in some cases the VAT number has a minimum register (few earnings, few taxes). There are **studio potteries** where the production is artistic or design. The presence of these private operators is very important in Faenza and in general, in Emilia Romagna, all of them represent the Italian ceramic sector.

Within our desk research, we have indicated: 59 private institutions.

2. **Market/trade information and professional associations**

In Faenza there are different professional associations, with different roles. **Confartigianato** and **CNA** for the ceramic sector, represent an important support for the ceramic companies, the workshops and the studios, in all phases of their activity: from the development of the business idea to the establishment, from financing to the operational start-up, from the management of administrative requirements to the implementation of technologies and market positioning. In particular artisans, self-employed and small businesses find in these association of category a help to have relations with public and national institutions. In Faenza the **Ente Ceramica** has successfully carried out important activities including legal protection, promotion and education in art ceramics through the organization of exhibitions, events, initiatives and the production of catalogues and other publications.

Within our desk research, we have indicated: 3 professional associations.

3. **Education and training information**

The educational system for ceramists in Emilia Romagna, and in particular in Faenza represents a good base for students who are oriented to the design, ceramic handicrafts and ceramic technology. The "**Institute for Ceramic art and design** Ballardini", in Faenza is a high school that allow the access to the University. The **ISIA University** in Faenza has a specific course for ceramic design. The **IFTS - Technical course for ceramic entrepreneurs** is arranged by a provincial institution, in collaboration with Emilia Romagna region. **The ITS** – high level technician for developing ceramic design, offers competences and technical-professional skills. In addition to these possibilities, the **University in Bologna** offers courses for Art and design Curators, Fine Art teachers and operators, the **Emilia Romagna region** arranges courses offers professional training courses, often in agreement with ceramic companies.

Within our desk research, we have indicated: 12 educational institutions.

4. **Cultural institutions**

The Italian association of Town of ceramic tradition AICC, gives a wide idea of the quantity of ceramic museums and institutions are active in Italy. In the northern part of Italy (CERDEE area), beside the International Museum of Ceramics in Faenza, partner of CERDEE, there are ceramics Museums in all the regions (Albissola, Savona, Fiorano, Laveno Mombello, Lodi, Castellamonte, Mondovì, Bassano del Grappa, Este, Nove). In Faenza there are also private museums such as Museo Tramonti, Museo Zauli and Museo Gatti, that have been found over the heritage of important artists. The cultural associations have established collaboration with the MIC, such as the FACC – Faenza Art Ceramic Centre that is also collaborating in CERDEE.

Within our desk research, we have indicated: 66 cultural institutions.

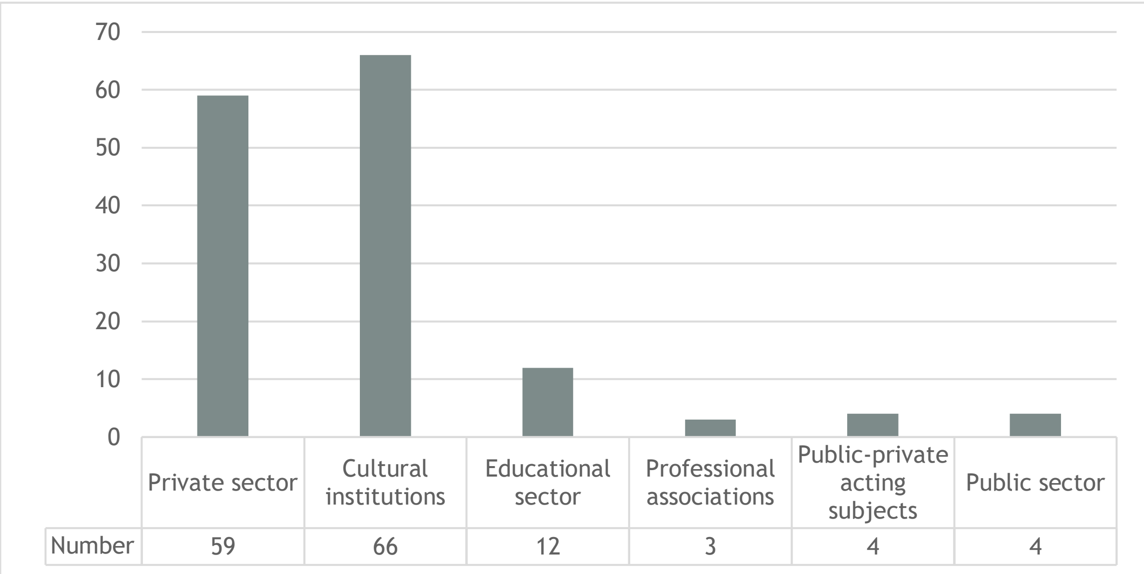
5. **Public and public-private sector**

Our research focused on public sector, which collaborate with MIC Faenza. The **Ministry of Culture** has offered a substantial support to ceramic cultural activities and museum with ad hoc laws. The **Faenza Town municipality** has established a specific councillorship devoted to the ceramic culture and production. The **Emilia Romagna Region** support ceramic projects from different point of view, in particular for ceramic training.

The institutions we contacted for an analysis are: CNA Ravenna; Confartigianato Ravenna; Confartigianato Emilia Romagna; IF – Imola faenza Tourism; Confindustria ceramica; Club UNESCO Forlì.

Within our desk research, we have indicated: 4 public institution and 4 public private acting.

Figure 4 Italy – CerDee Stakeholder Database (03/2020)



Source: Own database, 2020

4. Survey results – primary data overview

The survey results of enterprises in Italy show the **attitudes and situation of current businesses** as well as **students as potential entrepreneurs** for the future in ceramic sector in the market. However, it is necessary to mention that most of the responses were obtain **before the COVID-19 pandemics**. Therefore, the entrepreneurial capacities based on the entrepreneurs' responses are related to the situation before the pandemics and **we expect dramatical changes** in the sector after this crisis.

4.1. Businesses as existing entrepreneurial capacities

To do a deeper analysis of entrepreneurial potential and to find out their opinions on current situation, financial conditions etc. in Italy, the database of businesses in ceramic sector has been made. The database is open and will be updated continuously. It contains information about **59 businesses** in Italy (related to 3/2020).

The sample of Italy contains only **4 respondents** (n). Not all the respondents answered every question; therefore there are fewer responses in several cases of particular question (n ≤ 4). It was impossible to get more respondents from private sector in Italy, because especially entrepreneurs experienced crisis due to **COVID-19 pandemic**. It is planned to repeat the research after pandemics when more respondents will participate to get more accurate results from the survey.

The legal forms of almost 50 % are self-employed and 50 % of respondents answered 'other' (Fig. 1). About 75 % of enterprises involved in the survey are in the ceramic sector more than 10 years (50 % more than 20 years, 25 % between 11 – 20 years) and 25 % of respondents are starting their businesses (up to 2 years). (Fig. 2)

The respondents see the **overall situation in ceramic sector more positive than negative** and 75 % expect a **growth of the sector in next 5 years** (Fig. 3). Half of the respondents (50 %) consider the **cooperation in this sector** as a sufficient, 25 % as **insufficient (Fig. 4)**, even though all of the respondents are members of some association or organization in ceramic sector in Italy (Fig. 5). Half of them **cooperate with some educational institution** (Fig. 6).

There is a **need for further education and training** visible among the respondents. Only 25 % of them work actively on employee or self-training (Fig. 7). Interesting and helpful topics for further education and training in craft and design skills are **modern techniques**, **design management**, **design techniques** or **foreign inspiration** (Fig. 8). From the viewpoint of management, marketing, and business skills, **export to foreign countries** and **social media marketing** were found as the most helpful and interesting for further education and training, followed by distribution, online marketing, presentation skills, courses with some ceramic personality or entrepreneur, and dealing with investors or clients (Fig. 9). About 75 % of the respondents participate in the marketing activities of the overall craft development in the city/region/country, the rest is undecided. However, 100 % of **respondents are interested in participating in a marketing campaign** to promote creative sector in the region (Fig. 10). An **international portal about history of ceramics**, including pictures and videos from different regions, would help all of the respondents in their activities in ceramic sector (Fig. 11).

The **financial situation** shows that 25 % of the respondents see their situation as in **average**, while 50 % as good or very good; 25 % as bad or very bad. However, 67 % of the respondents do not use any financial indicators to monitor the efficiency of their businesses. Just 25 % of the respondents have already used or required some kind of **subsidy** in last 10 years. (Fig. 12)

4.2. Students as potential entrepreneurial capacities

The survey results of students in Italy show the **attitudes and situation of students as potential entrepreneurs in ceramic sector**. However, most of the responses were obtain **before the COVIC-19 pandemics**. Therefore, the entrepreneurial capacities based on the students' responses are related to the situation before the pandemics.

The sample contains 37 respondents (n) who are students from Italy. Not all of them answered every question; therefore there are fewer responses in several cases of particular questions (n ≤ 37). These students are mostly from 15 to 18 (76 %), lots of them are from 19 to 21 (11 %) and only 3 % of respondents are from 22 to 26, rest of them is 27 and more years old (11 %) (Fig. 13). Only one respondent comes from Argentina and one from Cuba, other respondent's country of origin is Italy (92 %).

Study direction of respondents is **design** (86 %), **technology** (3 %) and some **other directions** (11 %) (Fig. 14). Most of the respondents consider **future studies** (35 %), lots of them want to **be employed** in the industry (22 %) and 11 % would like to start their **own business**. They plan to settle down at the same place they come from (45 %). Only 18 % of the students would like to live somewhere else (Fig. 15).

For many students is the dream job after finishing the school to **be an employee in a small studio** (19 %), **designer in the private company** in ceramic sector (14 %) or a **freelancer** (14 %). **Five years after finishing the school** respondents want to become a **designer in the private company** in ceramic sector (16 %), **freelancer** (16 %) or **manager of small studio** (14 %) (Fig. 16).

Interviewed students developed in creativity (62 %) during their studies, got the knowledge about tradition and history (46 %) and gained craft skills (30 %) (Fig. 17). Students as potential entrepreneurs feel **lack of knowledge** for future work mostly in **languages** (49 %), **entrepreneurial skills** (43 %), as well as in **managerial skills** (27 %), **dealing with clients** (24 %) and **law** (16 %) (Fig. 18).

For starting own business or finding an appropriate job, they would appreciate some **help from support organization** (49 %), **professional community** (43 %). They would appreciate help with **exhibitions** (43 %), **marketing support** (46 %). The respondents could choose more than one answer (Fig. 19).

The students consider themselves mostly as **artists** (76 %) and **designers** (68 %). This fact does not exclude the possibility to start own business in these fields. 29 % think about their future careers as a **businessman**, 27 % as a **freelancer**, 21 % as a **technologist** and only 14% of them want to **be employed**. The respondents could choose more than one answer (Fig. 20).

4.3. Expectations and needs of stakeholders

Expectations and needs are aspects which make up important part of the research. Expectations of stakeholders give the way how the sector and industry may develop in few years horizon. The essential step to give exact recommendation is to find what the needs of the stakeholders are. These two aspects are closely explained in this part of the report.

The sample of Italy contains only **4 respondents** (n). Not all the respondents answered every question; therefore there are fewer responses in several cases of particular question (n ≤ 4). It was impossible to get more respondents from private sector in Italy, because especially entrepreneurs experienced crisis due to **COVID-19 pandemic**. It is planned to repeat the research after pandemics when more respondents will participate to get more accurate results from the survey.

The respondents were asked to rate the **current situation of ceramic sector** in Italy at the beginning of the questionnaire. On the scale where 1 point means worst and 10 points mean best, 75 % of the respondents rated this statement with 6 and more points, on the other hand 25 % rated between 1 and 5 points (**Fig. 21**). Also 75 % of the entrepreneurs think that the **sector will grow in next 5 years**; only 25 % rest of the respondents think that the condition of the ceramic **sector will not change** (**Fig. 21**).

In next part of the questionnaire were respondents asked to rate intensity, importance of cooperation with each sector and also rate the influence of each sector on the scale between 1 and 10 points based on same principle again. Answers of each stakeholders sector are compared to the mean of stakeholders sector form all CerDee countries.

Intensity of current cooperation with **all stakeholder sector** was rated **higher** in Italy in comparison to other CerDee countries (Fig. 22). The **cooperation** with all Italian stakeholder sectors is thought to be **more important** than in the other CerDee countries (**Fig. 23**). Also the **influence level** of each is seen **bigger** than is the average from all countries (**Fig. 24**).

Big problem for ceramic sector in Italy seems to be education in this industry. Many entrepreneurs think that education in this industry should have bigger quality. They would appreciate more cultural activities, which could promote ceramic sector in their region (**Fig. 25**).

As 50 % of the respondents consider the **cooperation in the ceramic sector as a sufficient** (**Fig. 26**) many of them would appreciate to participate in some project and the cooperation between their businesses and public sector to be closer. Especially, connection with national or regional institutions like ministries, professional associations, tourist information centers, television and other mass media.

For 100% of the respondents is the most important **benefit from the cooperation** is **help with accessing new markets** and **joint marketing**, for 75 % it is a opportunity to get some kind of **subsidy** (**Fig. 27**). **Subsidy** is one of the main goals for entrepreneurs when taking part in cooperation, but only 25 % of the respondents feel that they **have enough information** about how to get it, 50 % disagree and the rest is undecided (**Fig. 28**). On the statement '**I am going to apply for a subsidy in the future**', 25 % negatively and the rest is undecided (**Fig. 28**). **External capital**, as an instrument of financing a business, was used by 33 % of the respondents in last 10 years and 33 % plan to use it in the future (**Fig. 29**).

Next part of the report is focused on expectations and needs of each sector of the respondents. Description of each sector is based on their answers on the scale from 1 to 10, where 1 is lowest and 10 the highest, on questions 'Intensity of current cooperation', 'Importance of cooperation' and 'Influence level' towards other sectors. But it is necessary to keep in mind the structure of respondents' sample. The structure is following: 3 cultural institutions, 0 educational institution, and 4 respondents from private and 6 respondents from public sector. The results of the research would be more accurate with bigger sample of the respondents.

4.3.1. Expectations and needs of cultural institutions

The respondents from **cultural institutions** see the **current cooperation** with **almost all stakeholder sectors** as **intensive** (> 6.50), only cooperation with **educational institutions** is seen as an **average** (6.33) in their opinion.

In comparison, the **importance of cooperation** with **all stakeholder sectors** was rated **high** (> 6.50).

The respondents from **cultural institutions** consider **influence level** of other **cultural institutions** (6.00), **educational institutions** (6.00) and **private sector** as an **average**, and influence of **professional institutions (**6.67), **public sector** (7.00) and **public-private acting sector** (6.67) is seen as **high**.

4.3.2. Expectations and needs of educational institutions

The sample do not contains respondents from educational institutions, because all stakeholder sectors experienced crisis due to **COVID-19 pandemic**. It is planned to repeat the research after pandemics when more respondents will participate to get more accurate results from the survey.

4.3.3. Expectations and needs of private sector

The respondents from **private sector** see the **current cooperation** with **almost all stakeholder sectors** as an **average**, except cooperation with **educational institutions** is seen as **extensive** in their opinion (4.25).

In comparison, the **importance of cooperation** with **almost all stakeholder sectors** was rated as an **average**, only cooperation with **public sector** is considered to be **important** (6.75).

The respondents from **private sector** consider **influence level** of almost all **stakeholder sectors** as an **average**, just influence level of **public sector** is seen as **low** (3.50).

4.3.4. Expectations and needs of public sector

The respondents from **public sector** see the **current cooperation** with **all stakeholder sectors** as **intensive** (> 6.50).

The **cooperation** with **all stakeholder sectors** was rated as **important** (> 7.00).

The respondents from **public sector** consider **influence level** of **each stakeholder sector** as **high** (> 6.50).

4.4. Marketing activities

Marketing is one of the most important processes in company. Its aim is to get the knowledge, influencing and satisfying customer's needs and wishes and also achieving goals of the organization in an effective way. That is why all companies choose their marketing activities properly.

The sample of Italy contains only **4 respondents** (n). Not all the respondents answered every question; therefore there are fewer responses in several cases of particular question (n ≤ 4). It was impossible to get more respondents from private sector in Italy, because especially entrepreneurs experienced crisis due to **COVID-19 pandemic**. It is planned to repeat the research after pandemics when more respondents will participate to get more accurate results from the survey.

Nowadays, in the ceramic and porcelain sector in Italy, are mostly used own websites for marketing activities (100 %). Social media such as **Facebook** (75 %) and **Instagram** (75 %) are also used. There are some other ways used for marketing in companies such as **advertising in traditional media** – press (25 %) and TV (25 %) (Fig. 30).

Companies plan to do **marketing activities on their own websites** (50 %) and point-of-sale promotions (25 %) in the future. Using of social media is important; the plan for the future marketing activities includes **Instagram** (25 %) and **some others** (25 %) (Fig. 31).

Own forces of the company (75 %) are mostly responsible for the marketing activities. Only 25 % interviewed entrepreneurs in Italy use **specialists and specialized agency** (Fig. 32). Respondents mostly **participate in the marketing activities** of the overall craft development (75 %) and only few of them do not (25 %). A half of them is interested in **participating in a marketing campaign** to promote creative sector (Fig. 33).

Marketing activities on social networks are mostly a **promotion of the product** (100 %) or a **promotion of the company** (50 %). Very common is **offering technical information** (50 %) and **post-sales information** (25 %) (Fig. 34). Through the social media companies improve their **reputation and brand image** (100 %), they **get new customers** (50 %), **get feedback from clients and general public** (25 %) and also **collect information about their customers** (25 %). Some of the companies have **closed sales operations through the social media** (50 %) (Fig. 35).

Markets, fairs (50 %) and **own brick-and-mortar stores** (50 %) are the most common distribution channels. **Retails** (25 %) and **wholesales** (25 %) are also used often. Online distribution channels such as **own online stores** (25 %) are also used (Fig. 36).

Greater use of **own online stores** (50 %) and **retails** (50 %) **is planned for the future**. Other channels planned for the distribution are **markets**, **fairs** (25 %), **wholesales** (25 %), **own brick-and-mortar stores** (25 %) and **multi-brand online platforms** (25 %) (Fig. 37).

5. Strengths and weaknesses

Strengths

The respondents see the **overall situation in ceramic sector more positive than negative** and 75 % expect a **growth of the sector in next 5 years**. Half of the respondents (50 %) consider the **cooperation in this sector** as a sufficient, 25 % as **insufficient**, even though all of the respondents are members of some association or organization in ceramic sector in Italy

They plan to settle down at the same place they come from (45 %). Only 18 % of the students would like to live somewhere else. That goes hand in hand with expected **growth of the sector in next 5 years.** This percentage is higher than in Germany and it is almost the same as in Poland, Slovenia and the Czech Republic.

Intensity of current cooperation with **all stakeholder sector** was rated **higher** in Italy in comparison to other CerDee countries. The **cooperation** with all Italian stakeholder sectors is thought to be **more important** than in the other CerDee countries. Also the **influence level** of each is seen **bigger** than is the average from all countries.

The number of **cultural institutions** is the highest in Italy from all the CerDee countries. **The Italian association of Town** of ceramic tradition AICC, gives a wide idea of the quantity of ceramic museums and institutions are active in Italy. In the northern part of Italy (CERDEE area), beside the **International Museum of Ceramics** in Faenza, partner of CERDEE, there are ceramics Museums in all the regions. In Faenza there are also **private museums** such as **Museo Tramonti, Museo Zauli and Museo Gatti**, that have been found over the heritage of important artists. The cultural associations have established collaboration with the MIC, such as the FACC – **Faenza Art Ceramic Centre** that is also collaborating in CERDEE.

Although there are only three **professional associations** in Italy, they support companies in ceramic and porcelain sector very well. In Faenza there are different professional associations, with different roles. **Confartigianato** and **CNA** for the ceramic sector, represent an important support for the ceramic companies, the workshops and the studios, in all phases of their activity (development of the business idea, the establishment, financing, administrative requirements, the implementation of technologies and market positioning). In Faenza the **Ente Ceramica** has successfully carried out important activities including legal protection, promotion and education in art ceramics through the organization of exhibitions, events, initiatives and the production of catalogues and other publications.

For the marketing activities are mostly responsible **own forces of the company** which means lower costs for the entrepreneurs.

Weaknesses

There is a **need for further education and training** visible among the respondents. Only 25 % of them work actively on employee or self-training. Interesting and helpful topics for further education and training in craft and design skills are **modern techniques**, **design management**, **design techniques** or **foreign inspiration**

However, 67 % of the respondents **do not use any financial indicators** to monitor the efficiency of their businesses.

Big problem for ceramic sector in Italy seems to be **education** in this industry. Many entrepreneurs think that education in this industry should have **bigger quality**. They would appreciate more cultural activities, which could promote ceramic sector in their region. Students as potential entrepreneurs feel **lack of knowledge** for future work mostly in **entrepreneurial skills**, **languages**, **dealing with clients**, as well as **in managerial skills** and **law**.

As **crucial barriers of the sector** (Question 14) were mentioned many different aspects. Respondents see the problem in **tax rate** in the country that discourage young people from starting business. Another problem is that the pandemics affected **economic situation** in Italy and forced customers to **buy cheaper products**. According to Italian entrepreneurs, people **do not appreciate handmade ceramic articles**, they are not willing to pay a higher price. There is **not enough of educational institutions** in the artistic field in Italy according to respondents.

5.1. Summary

The situational analysis using the Eurostat statistical data shows that the total number of enterprises in **ceramic and porcelain sector** is 34 475 (manufacturing and design) in Italy. The number of enterprises in **ceramic manufacturing** was declining from 2010 to 2017. Data from 2018 has not been published.

If we should quantify the potential of the ceramic sector in **Italy**, the total number of enterprises **manufacturing ceramic and porcelain** products was 2 198 (in 2017). If we take also the **design sector** in account, the total number of enterprises in Slovenia was 34 475.

Based on the survey, we found out that About 75 % of enterprises involved in the survey are in the ceramic sector more than 10 years (50 % more than 20 years, 25 % between 11 – 20 years) and 25 % of respondents are starting their businesses (up to 2 years The respondents see the **overall situation in ceramic sector more positive than negative** and 75 % expect a **growth of the sector in next 5 years** see their situation as in **average**, while 50 % as good or very good; 25 % as bad or very bad. However, it is necessary to mention here that most of the responses were obtain **before the COVID-19 pandemics**.

Therefore, the entrepreneurial capacities based on the entrepreneurs' responses are related to the situation before the pandemics and **we expect dramatical changes** in the sector after this crisis. The future development is hardly predictable in the moment and the forecasts will require more secondary, as well as primary data analysis in the future.

There is a **need for further education and training** visible among the respondents. Only 25 % of them work actively on employee or self-training. Further education will be needed especially in modern techniques, **design management**, **design techniques**, as well as in **foreign inspiration**, **export to foreign countries**, and **social media marketing**.

The **potential entrepreneurs** in ceramic sector are represented by students of different types of schools. The responses on the future career direction show that 35 % **think about further education, others want to be employed** (22 %) and the rest want to **start their own business** (11 %) (fully; or partially in combination of to be also an employee in some other company at the same time). However, for starting own business or finding an appropriate job, **they require some help sharing promotion and sell platform** and help in marketing support or help with **exhibitions**.

The respondents consider themselves mostly as **designers** and **artists**. This fact does not exclude the possibility to start own business in these fields, especially as self-employed. Only 7 % think about their future careers as **artists** (76 %) and **designers** (68 %), while 27 % as a freelancer, 21 % as a technologist, and 29 % as a businessman. If we consider the 14 % of the students planning their future carriers as employees, the rest represents a **big potential for business sector**, such as artists and designers as **self-employed** persons, **freelancers** and **businessmen** in the ceramic and porcelain sector.

6. Annexes

6.1. Businesses as existing entrepreneurial capacities - graphical overview

Figure 1 Sample – Legal form of respondents

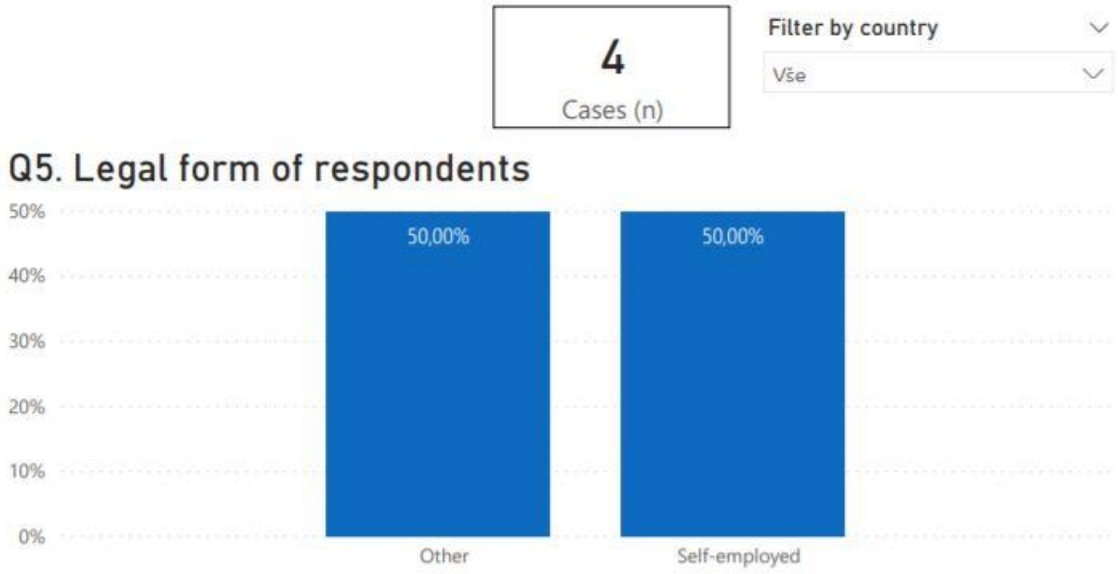


Figure 2 Sample – Length of managing business

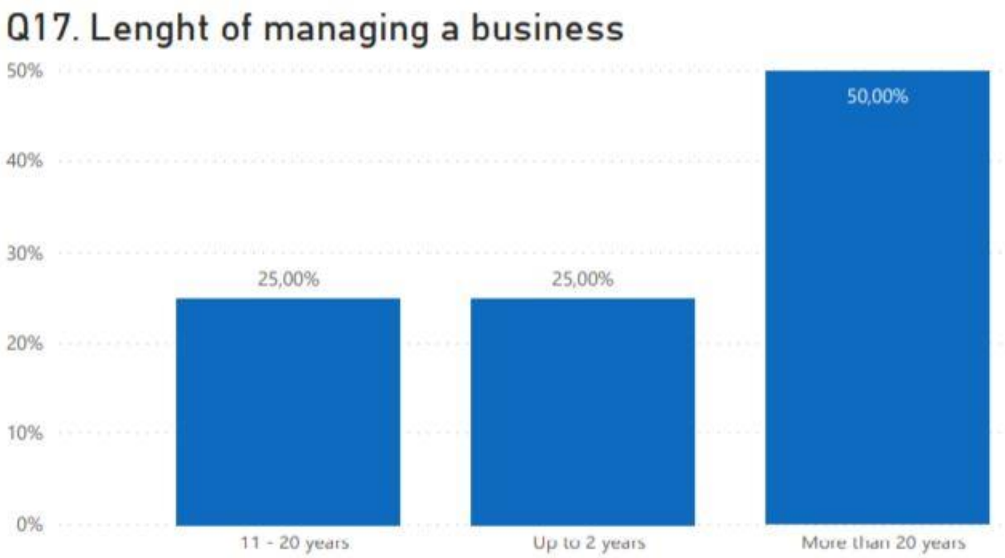


Figure 3 Situation in ceramic sector

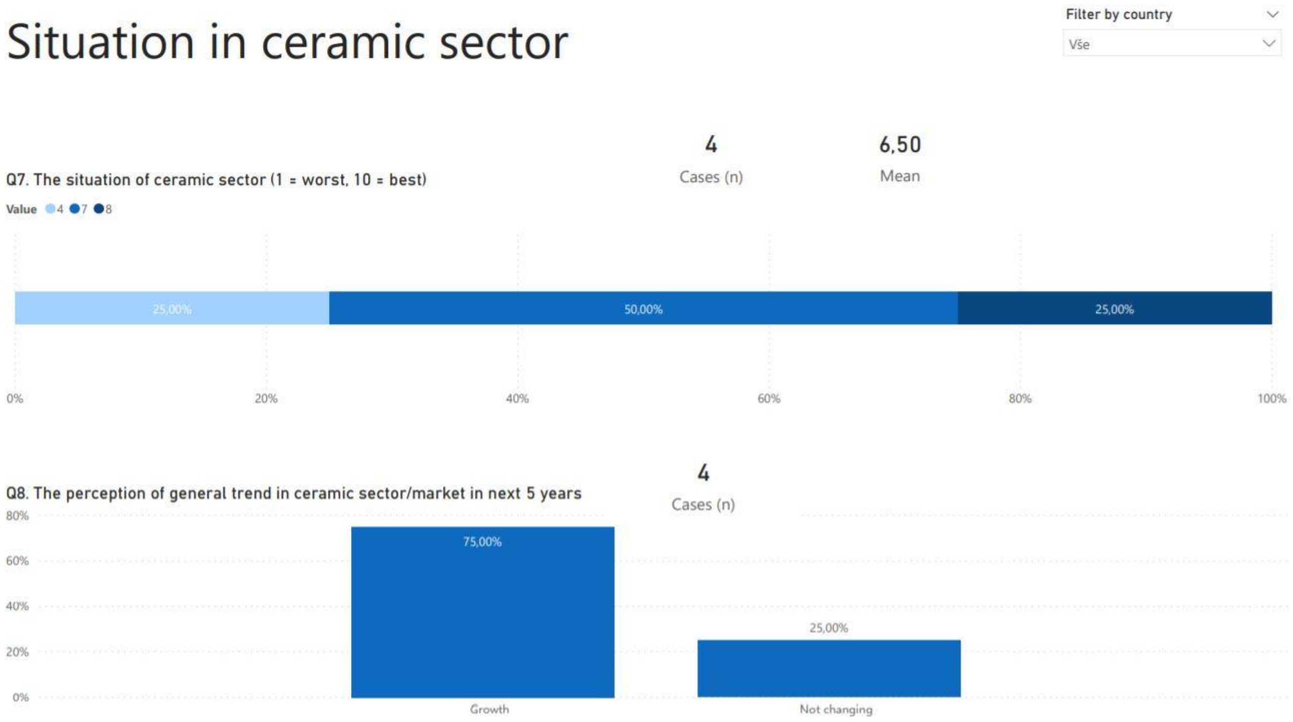


Figure 4 Level of cooperation

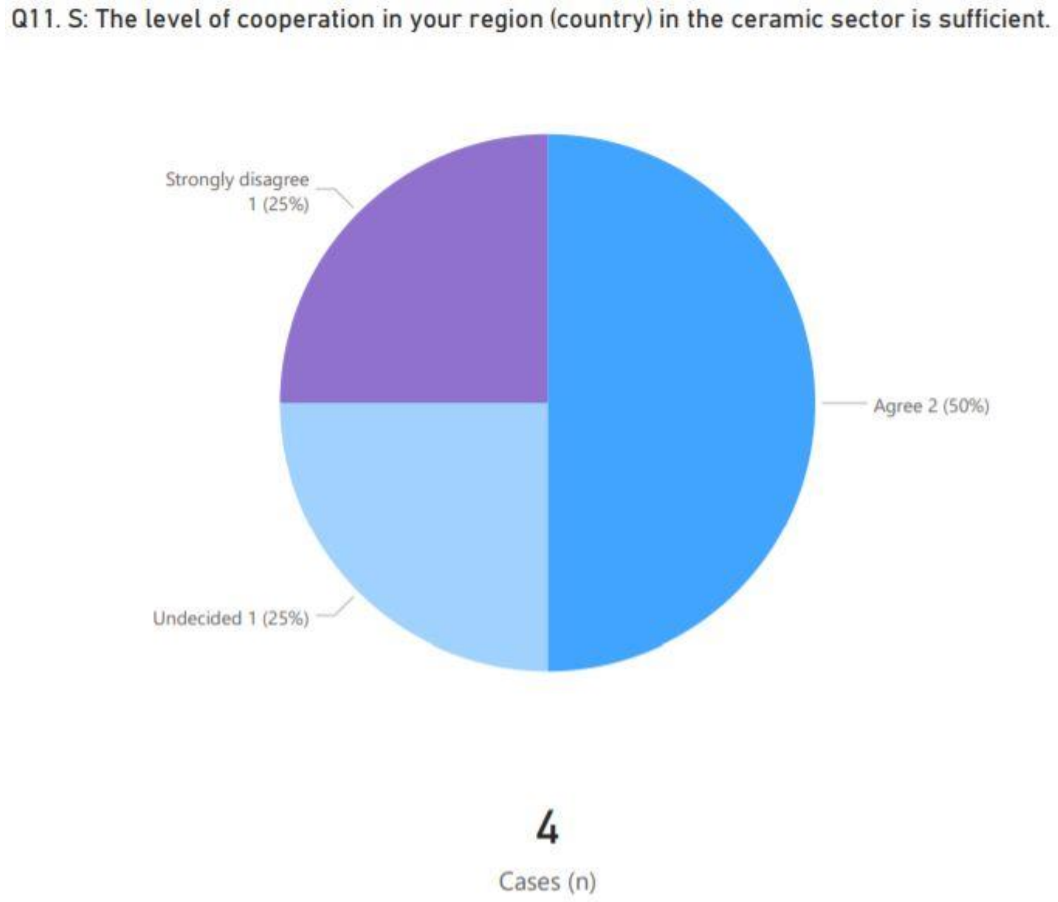


Figure 5 Membership in an association

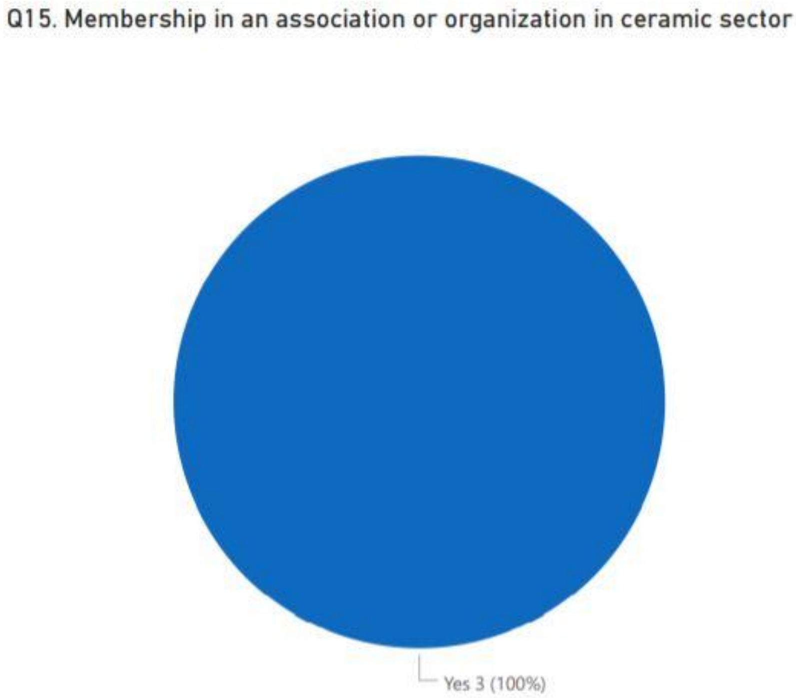


Figure 6 Membership in an association

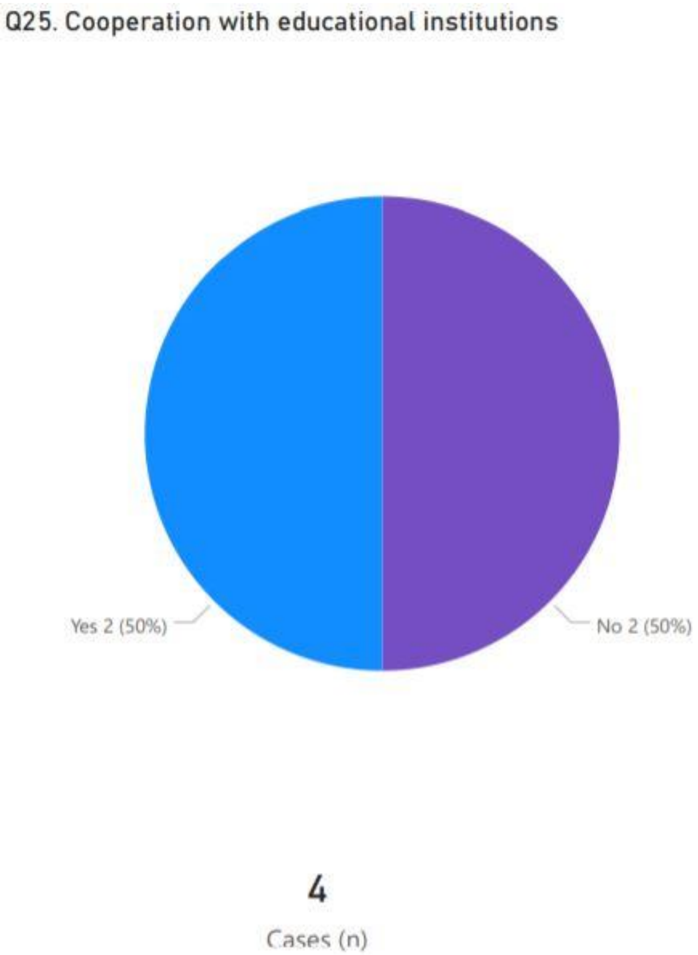


Figure 7 Employee and self-training

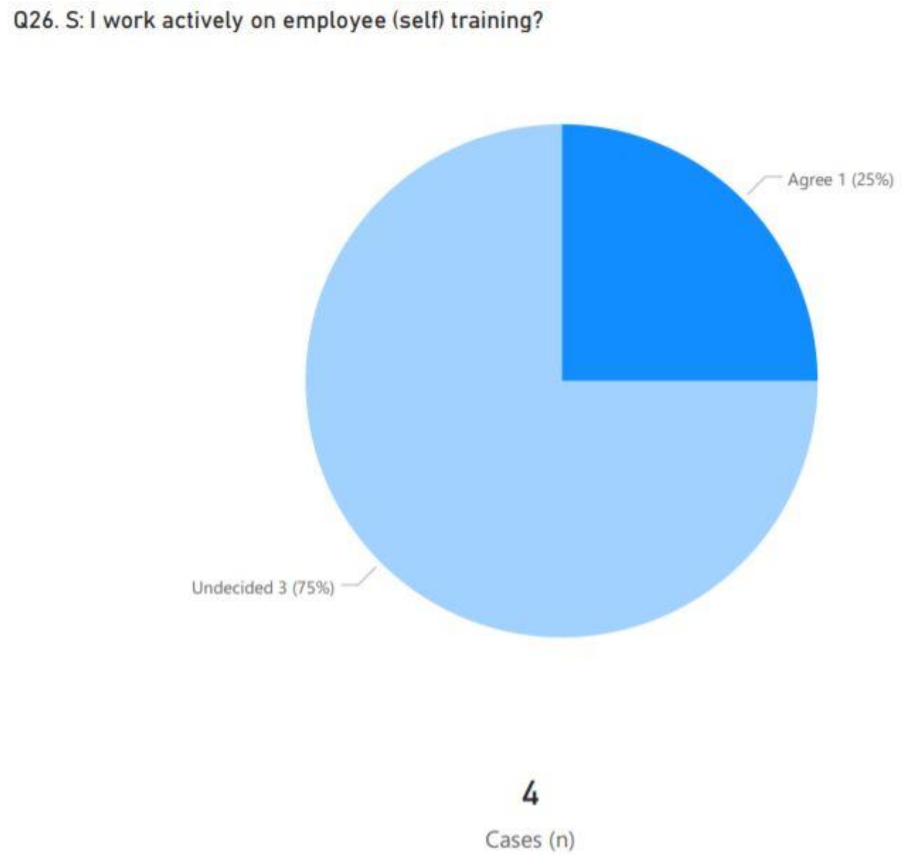


Figure 8 Further education and training topics (craft and design skills)

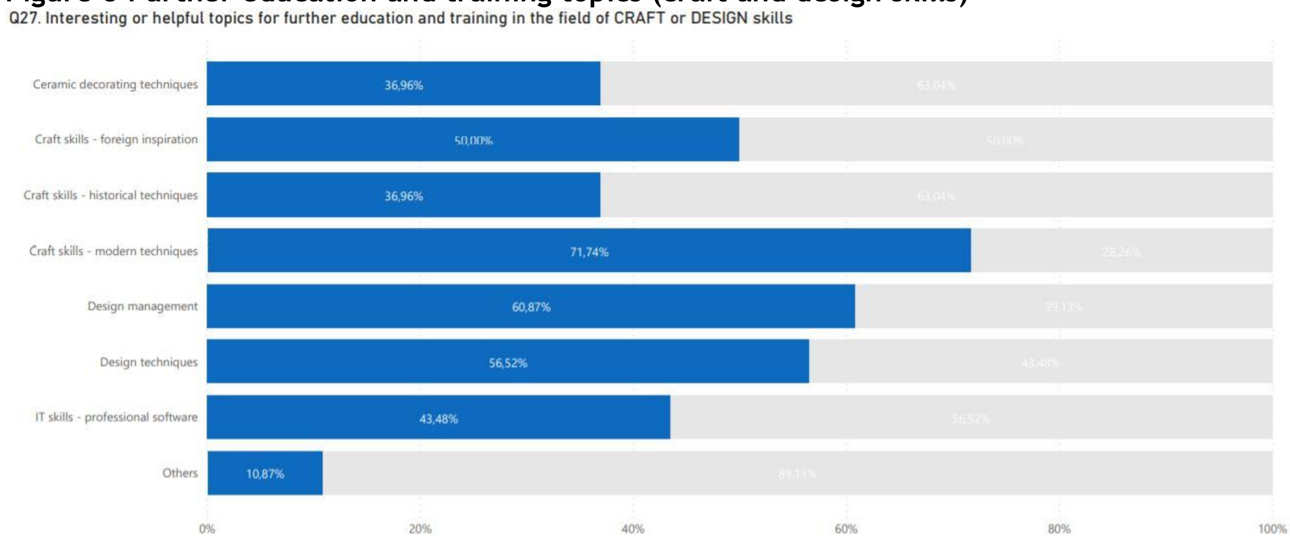


Figure 9 Further education and training topics (management, marketing, and business skills)

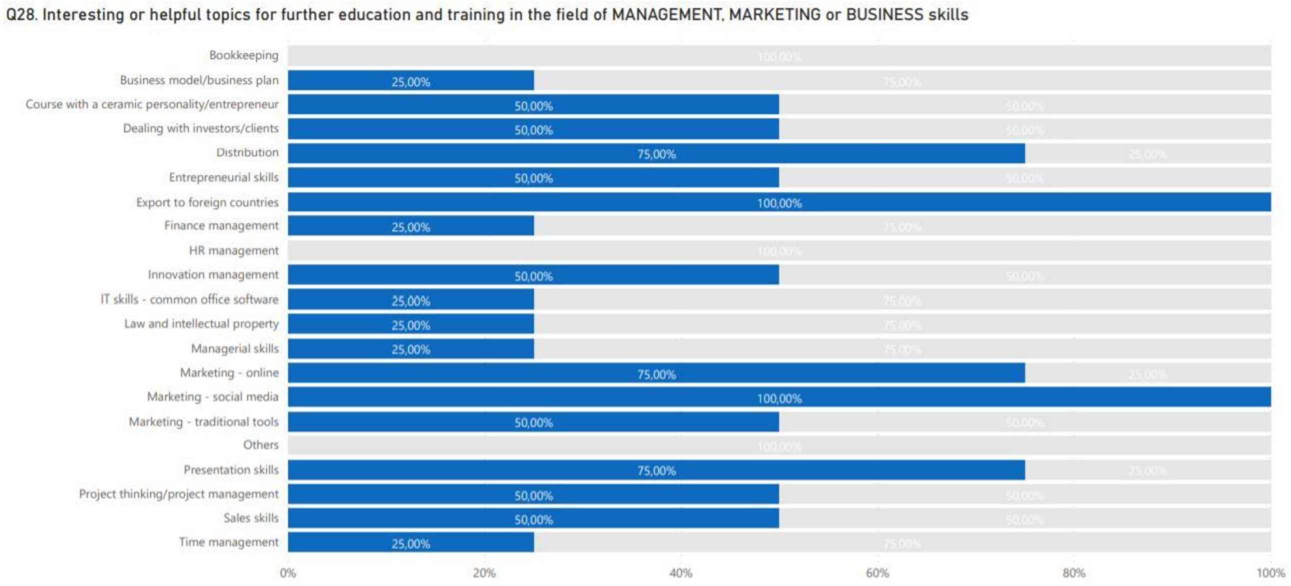
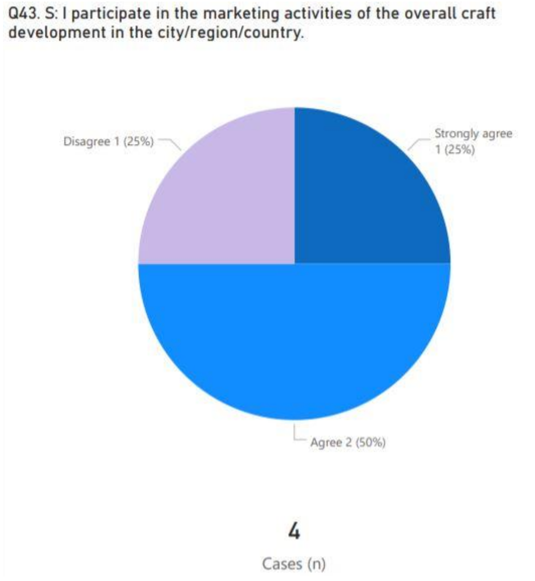


Figure 10 Participating in marketing activities in the city/region/country



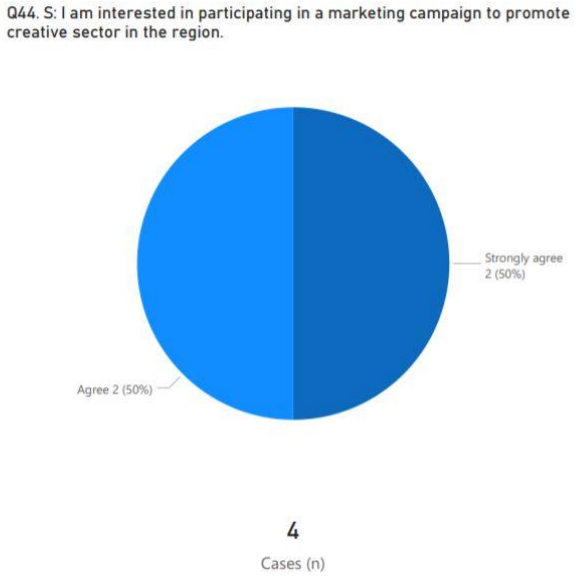


Figure 11 A need of international portal about ceramics

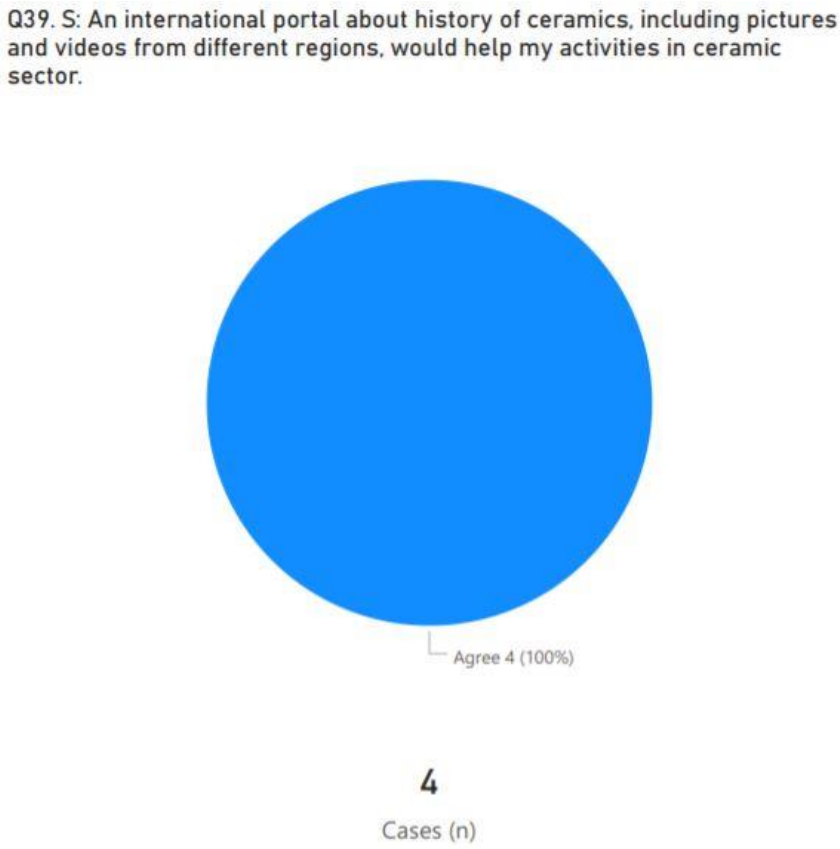
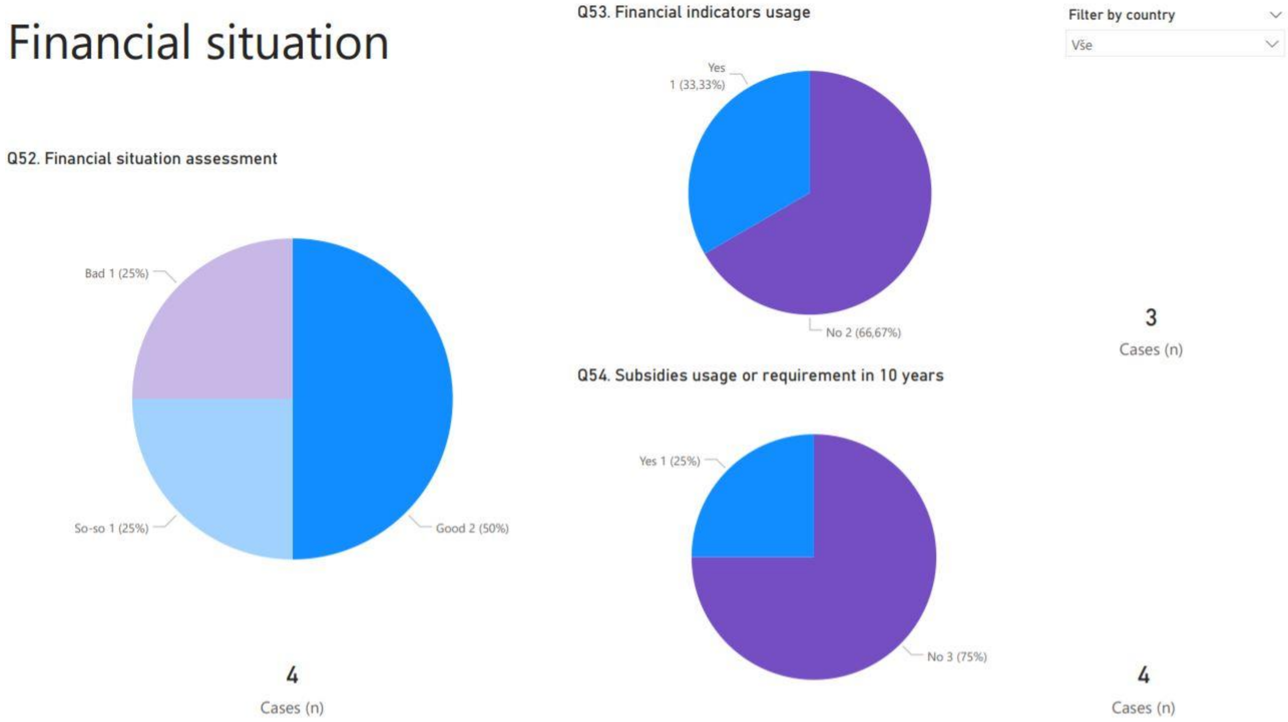


Figure 12 Financial situation



6.2. Students as potential entrepreneurial capacities – graphical overview

Figure 13 Sample - students

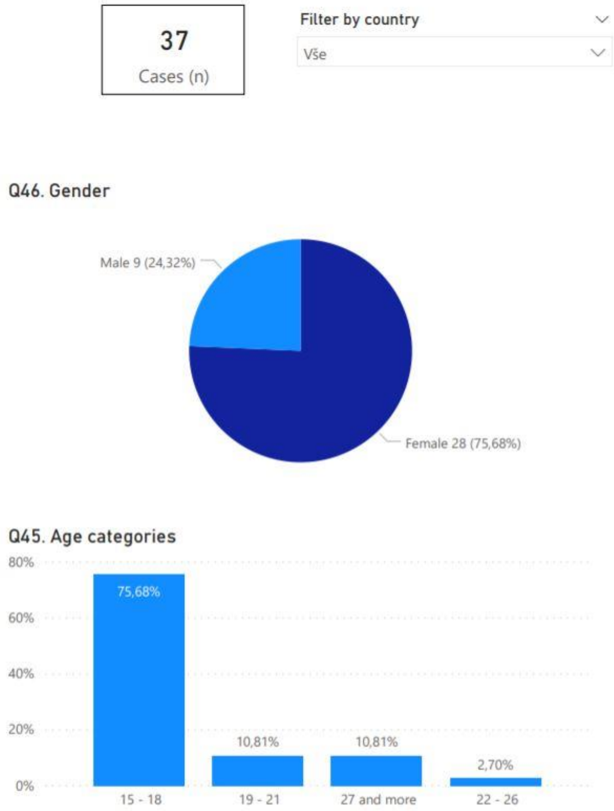


Figure 14 Study direction of students

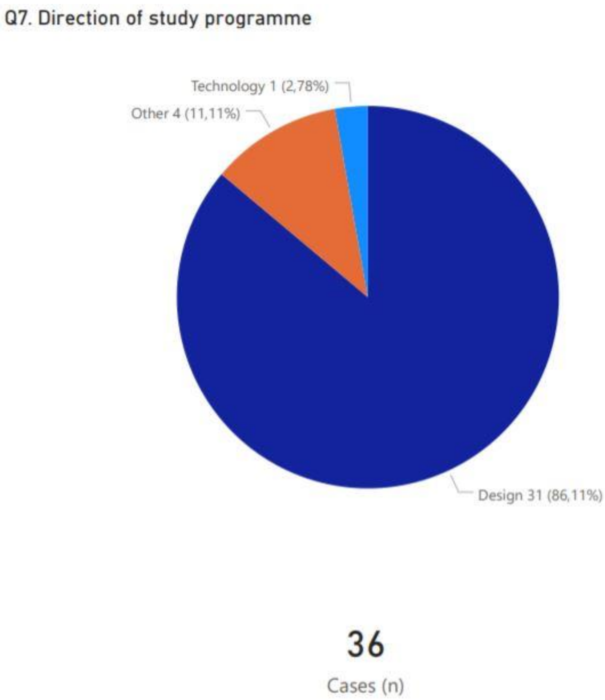
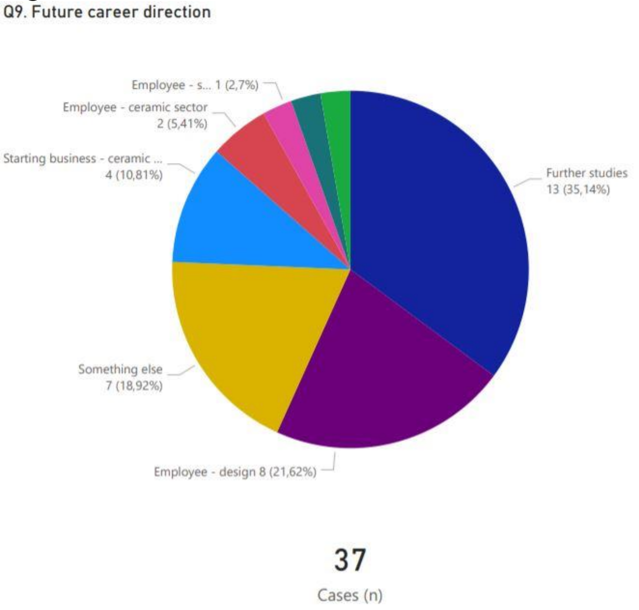


Figure 15 Future direction of students



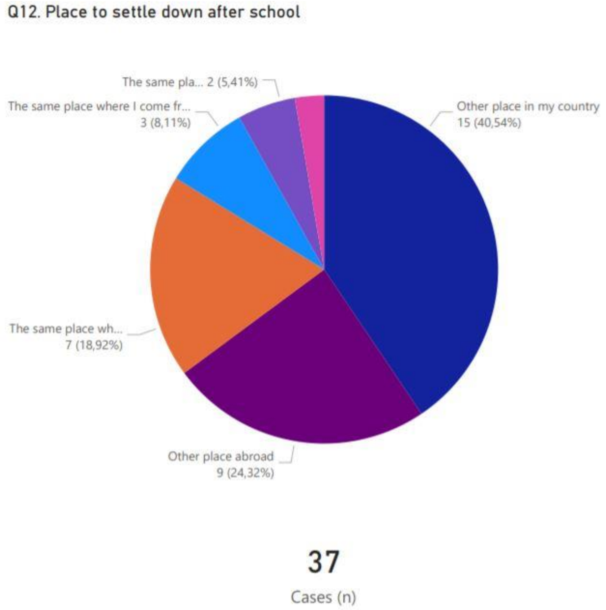
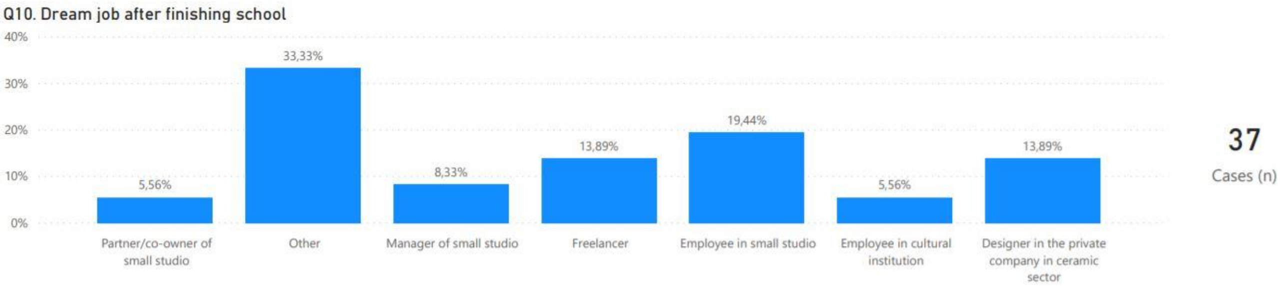


Figure 16 Dream job



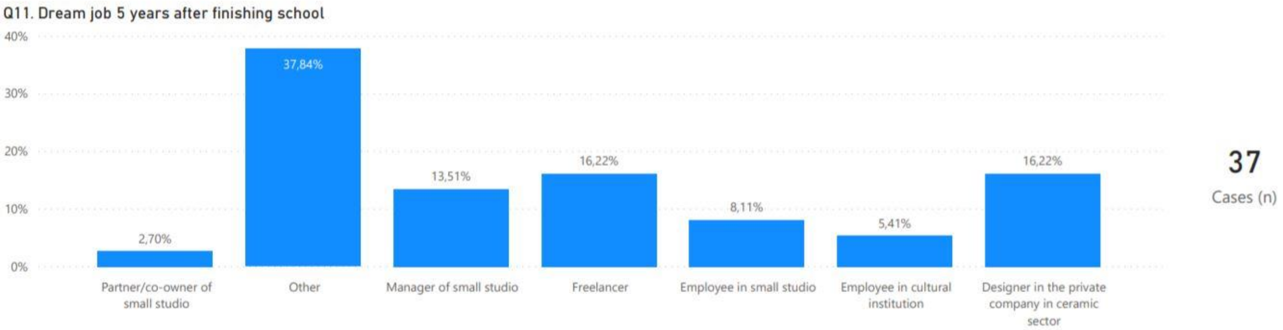


Figure 17 Important students’ knowledge/skills gained

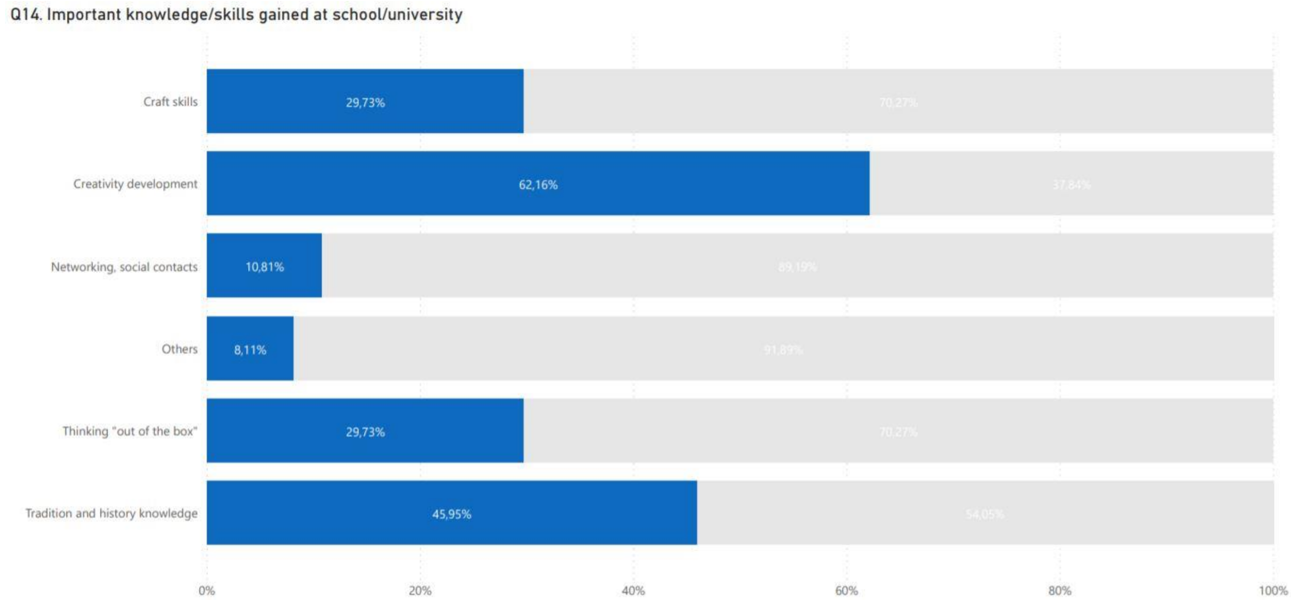


Figure 18 Lack in students’ knowledge

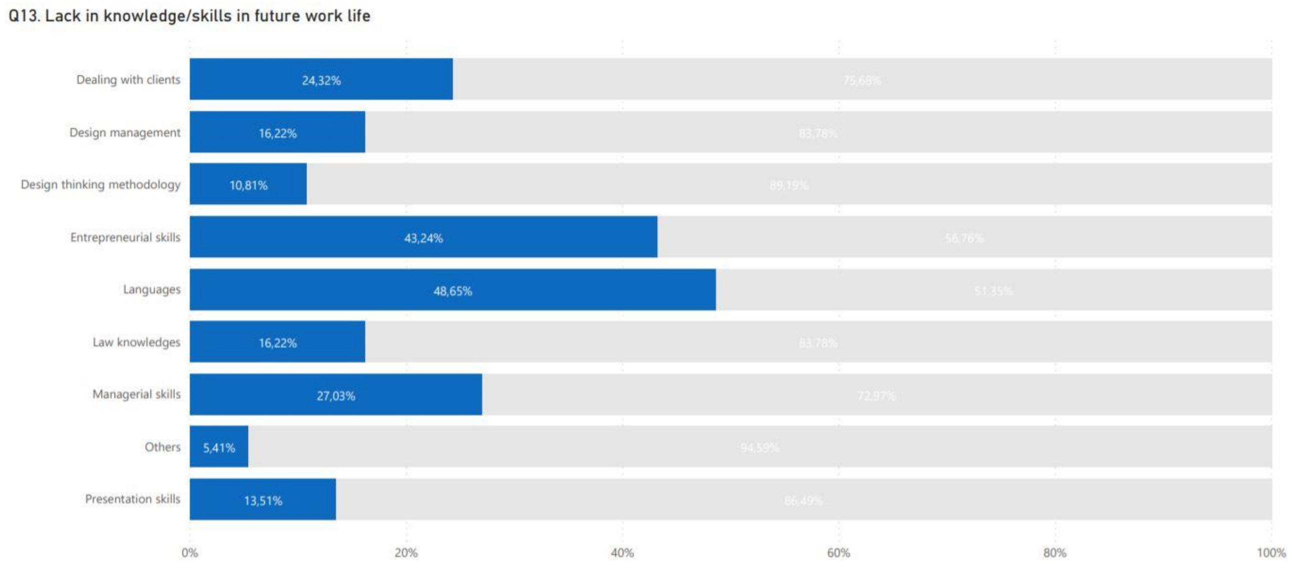


Figure 19 Help with starting own business of finding a job

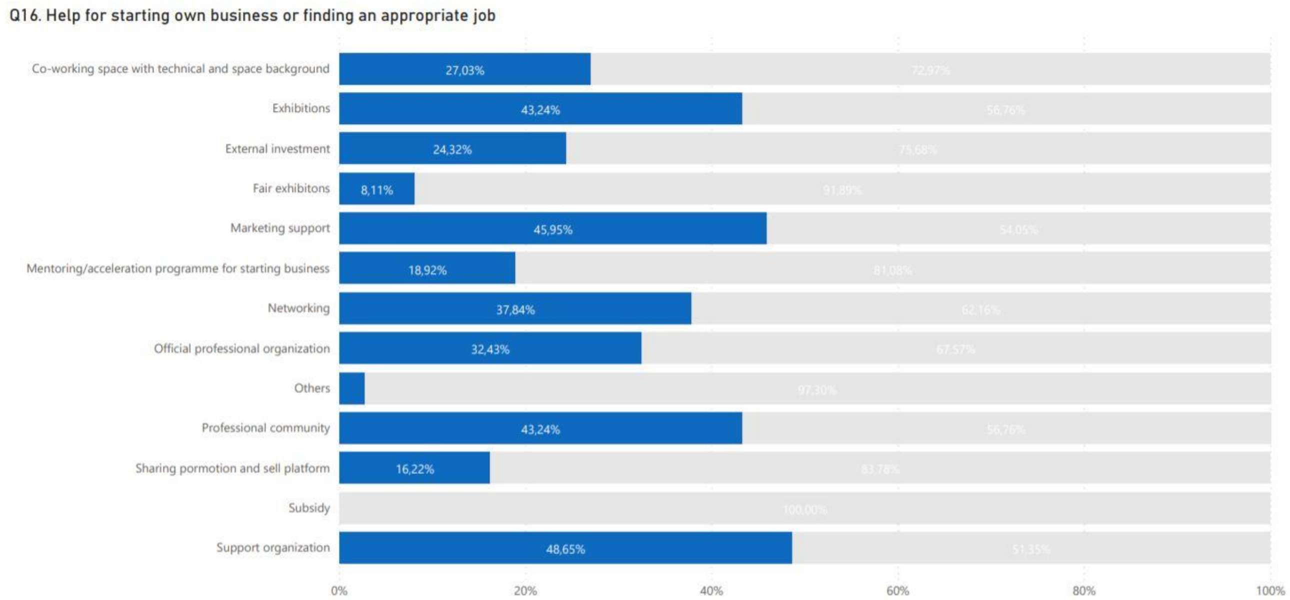
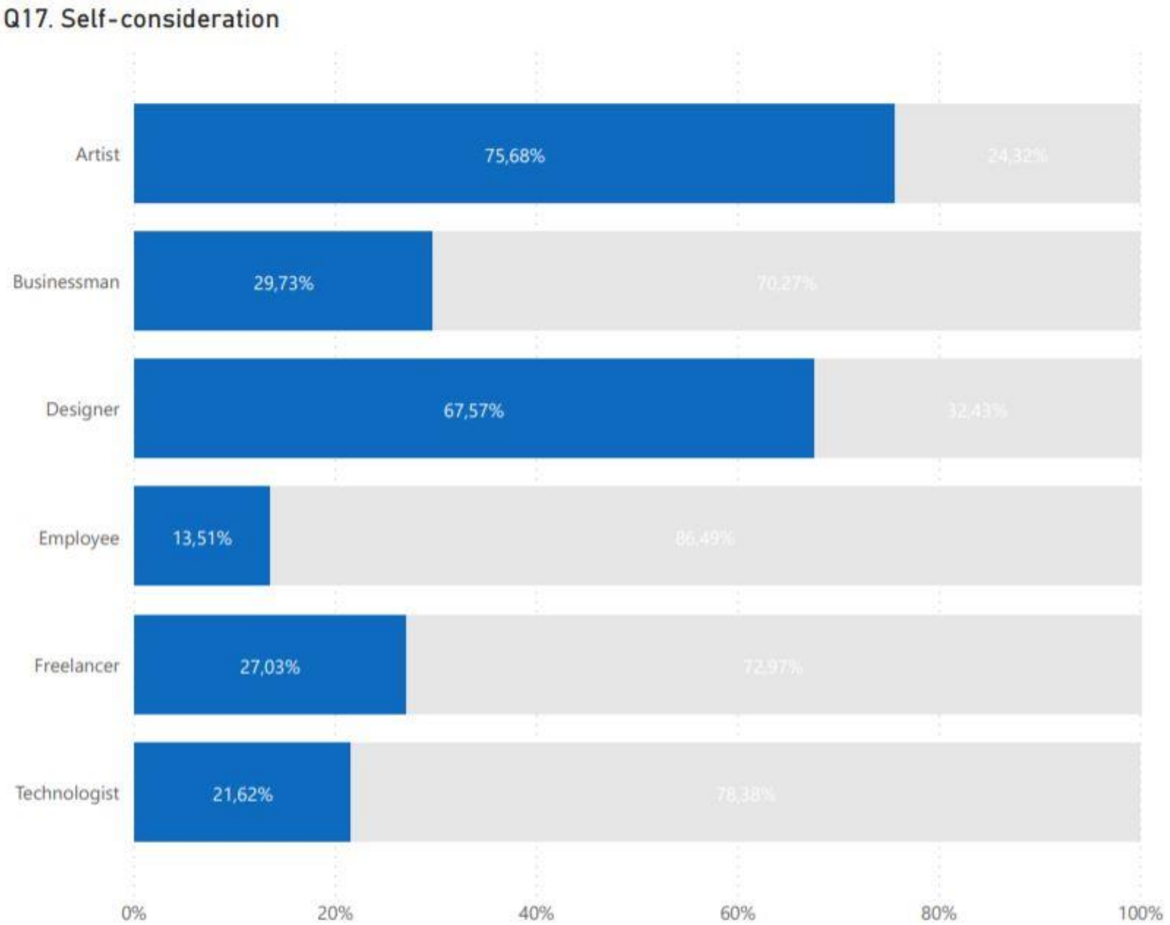


Figure 20 Students' self-consideration



6.3. Expectations and needs of stakeholders

Figure 21 Situation in ceramic sector

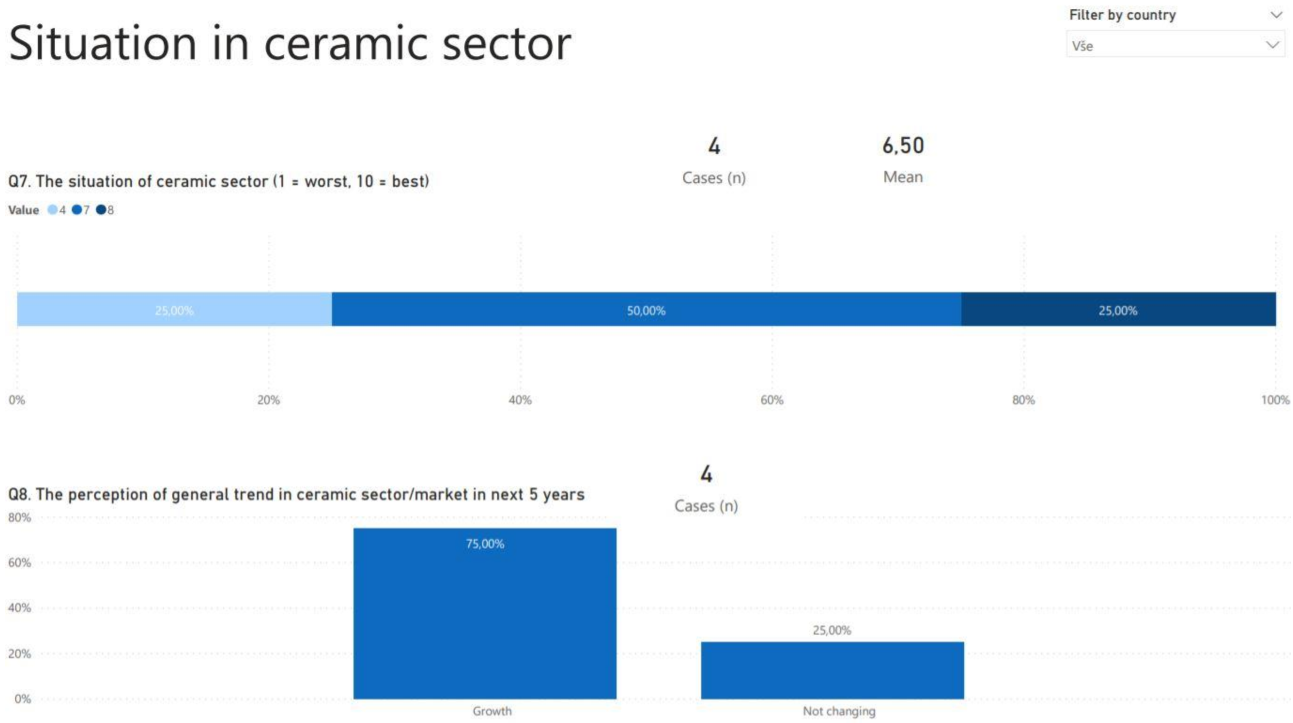


Figure 22 Intensity of current cooperation

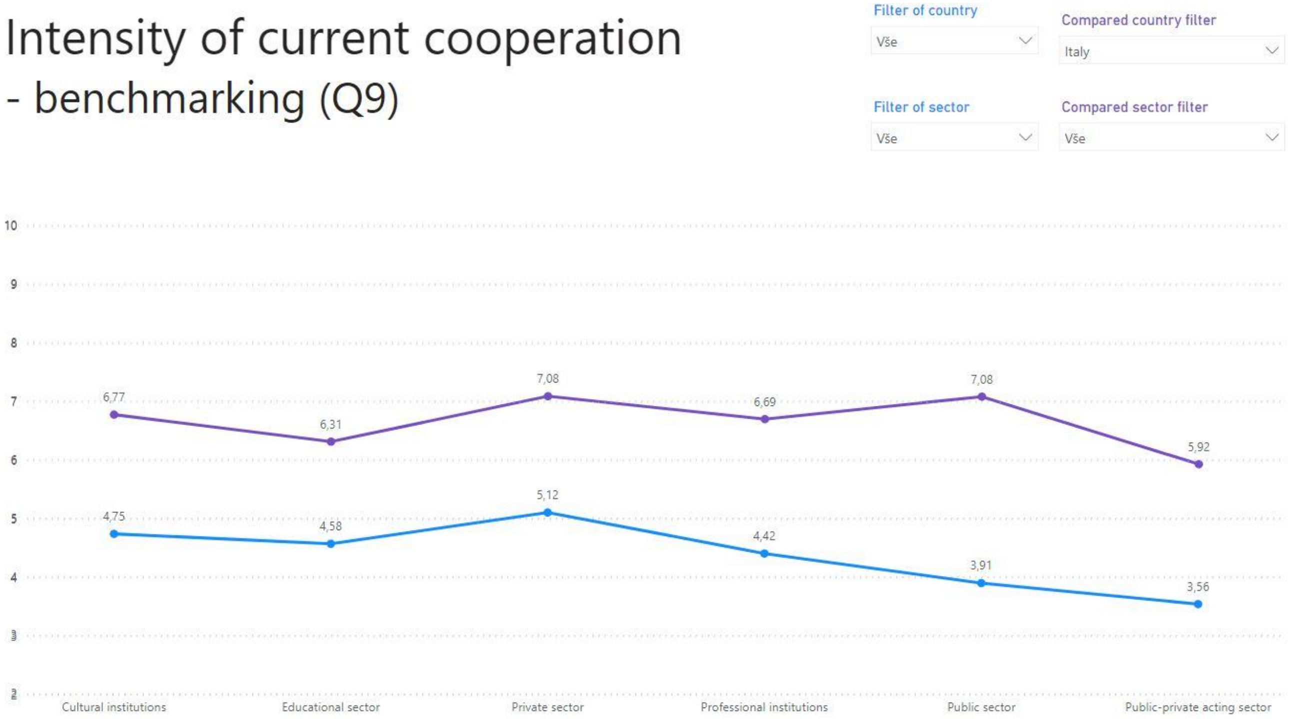


Figure 23 Importance of cooperation

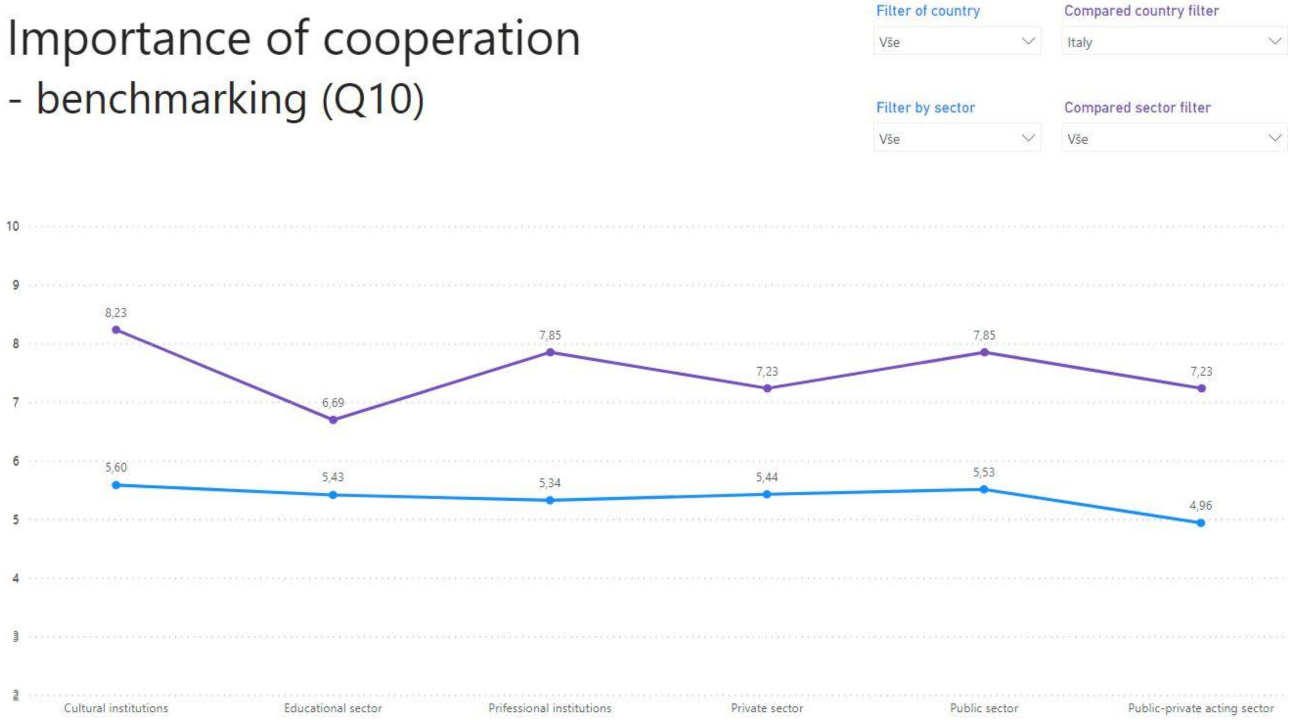


Figure 24 Influence level

Figure 25 Activities to support the sector

Activities to support the sector (Q13)

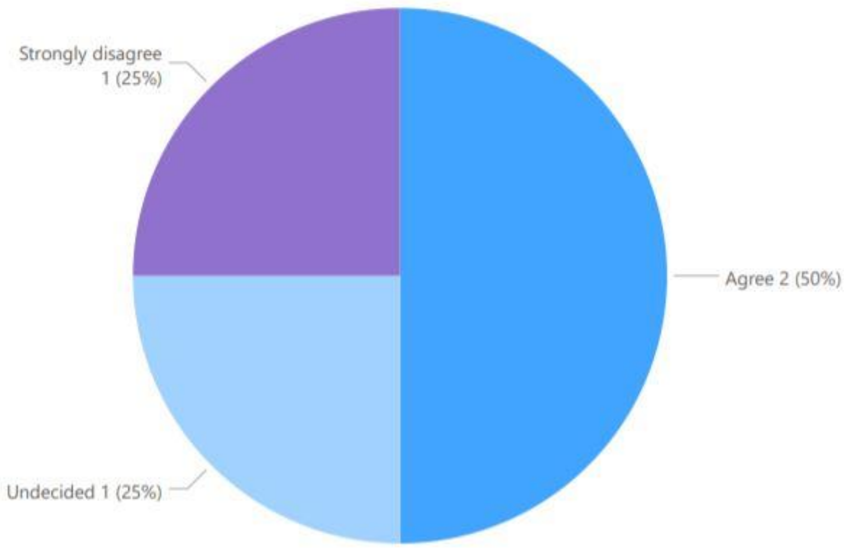
3
Cases (n)

Filter by country
Vše

Value	Cases
Aiuto da parte del settore pubblico. Maggiori attività legate al turismo.	1
Riduzione carico fiscale, ripristino degli istituti artistici, valorizzazione del Made in Italy e dell'Artigianato	1
SUPPORTO ECONOMICO E DIVULGATIVO DA PARTE DELLE ISTITUZIONI, RIDISEGNARE A LIVELLO GOVERNATIVO LA POSIZIONE FISCALE DEGLI ARTIGIANI CERAMICI E DEI LIBERI PROFESSIONISTI, METTERE IN ATTO AZIONI EDUCATIVE PER IL VASTO PUBBLICO	1
Celkem	**3**

Figure 26 Level of cooperation

Q11. S: The level of cooperation in your region (country) in the ceramic sector is sufficient.



4
Cases (n)

Figure 27 Support or cooperation

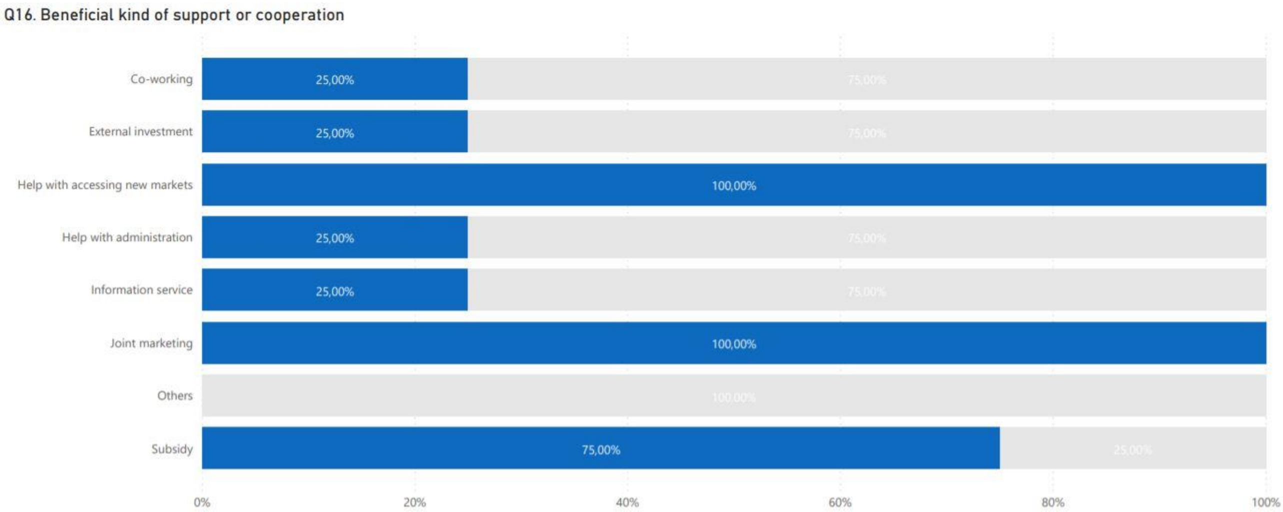


Figure 28 Attitude towards a statement

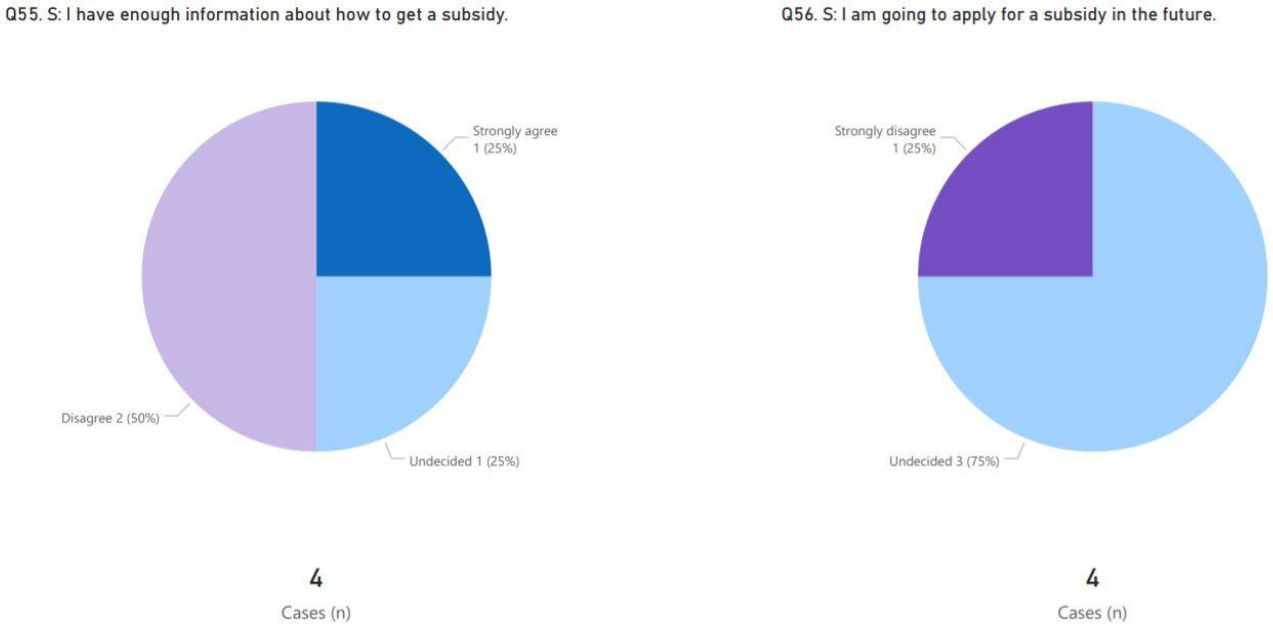
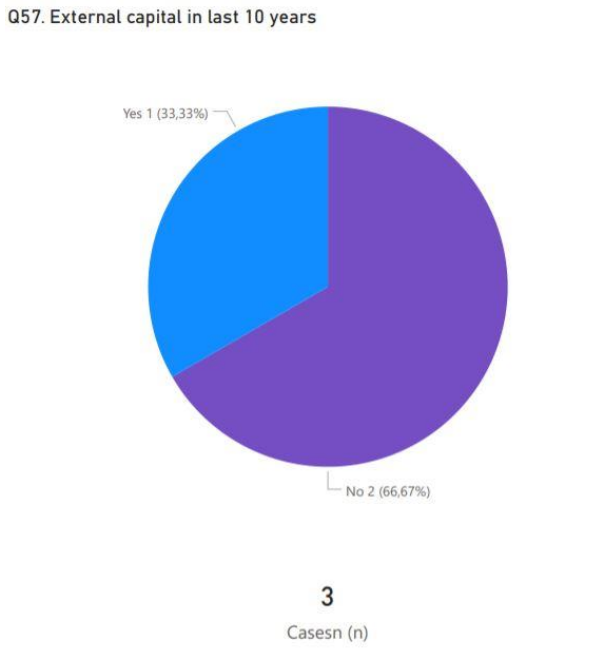
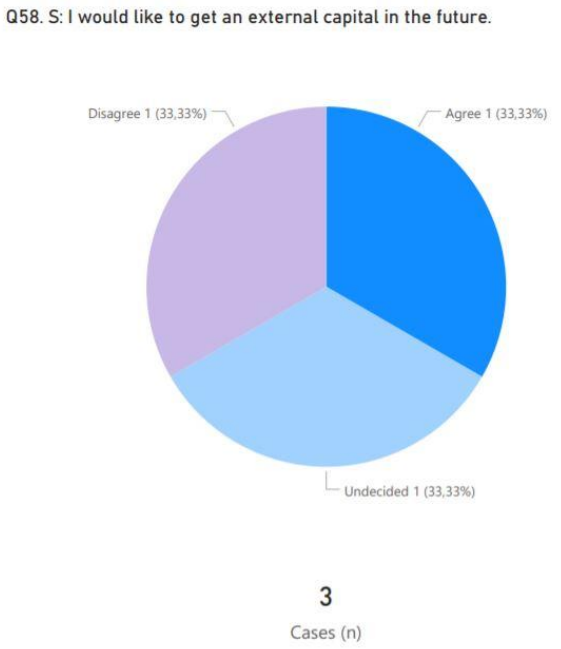


Figure 29 Financial situation, attitude towards a statement





6.4. Marketing activities

Figure 30 Currently used marketing activities

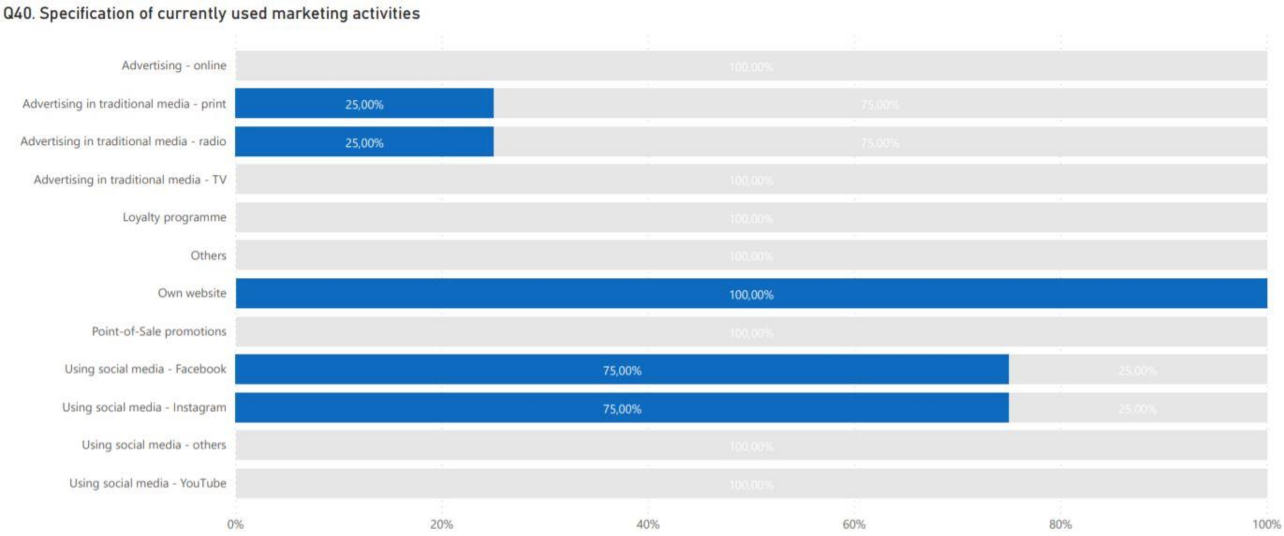


Figure 31 Marketing activities planned for the future

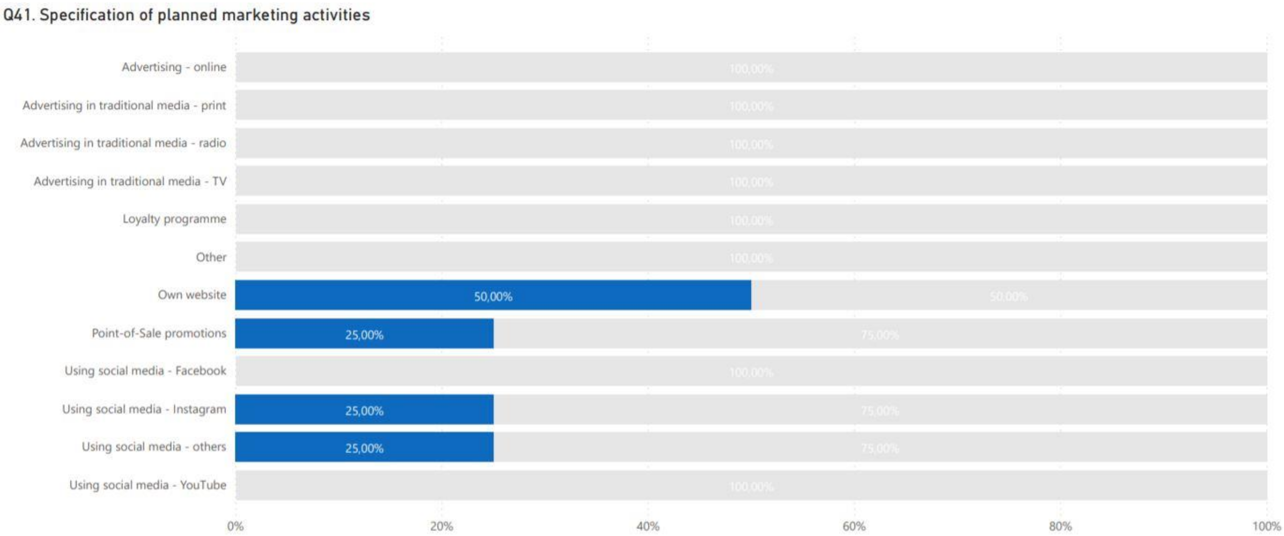


Figure 32 Responsibility for marketing activities

Q42. Subject carrying out the marketing activities

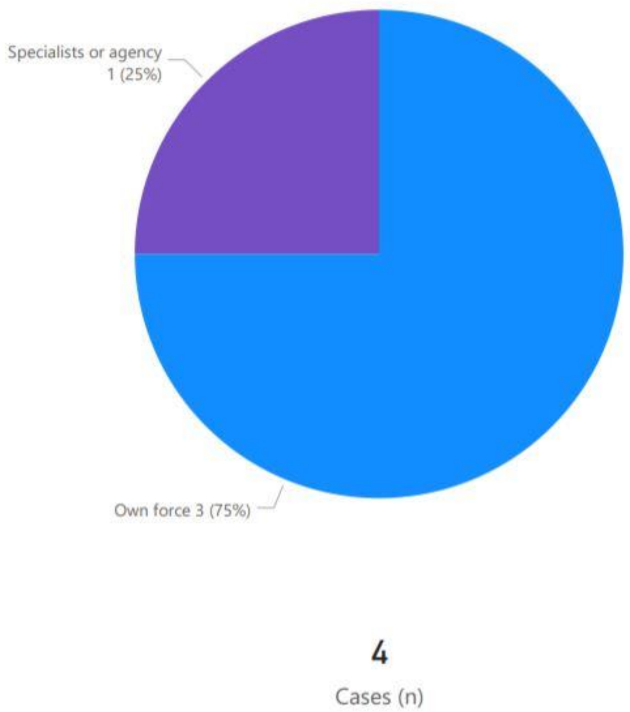
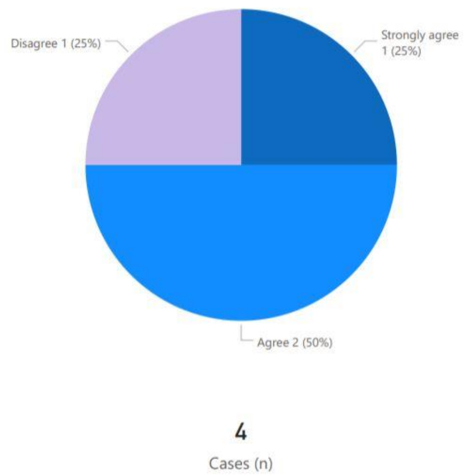


Figure 33 Participating in the marketing activities

Q43. S: I participate in the marketing activities of the overall craft development in the city/region/country.



Q44. S: I am interested in participating in a marketing campaign to promote creative sector in the region.

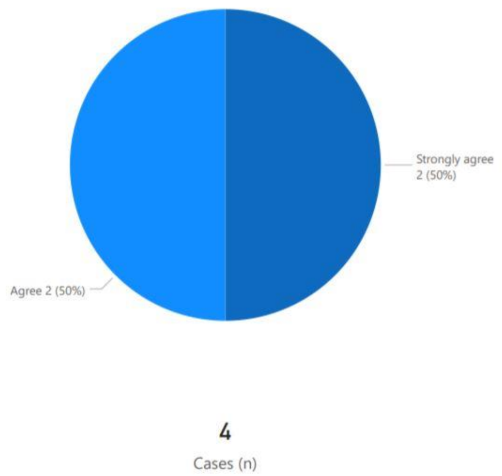


Figure 34 Marketing activities on social networks

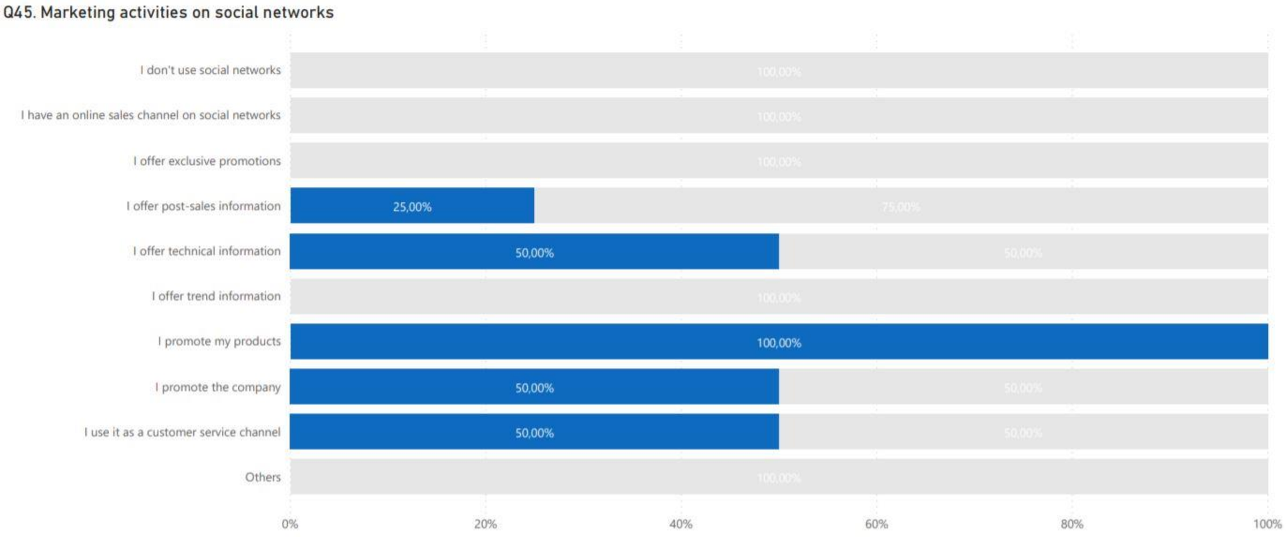


Figure 35 Feedback on social media

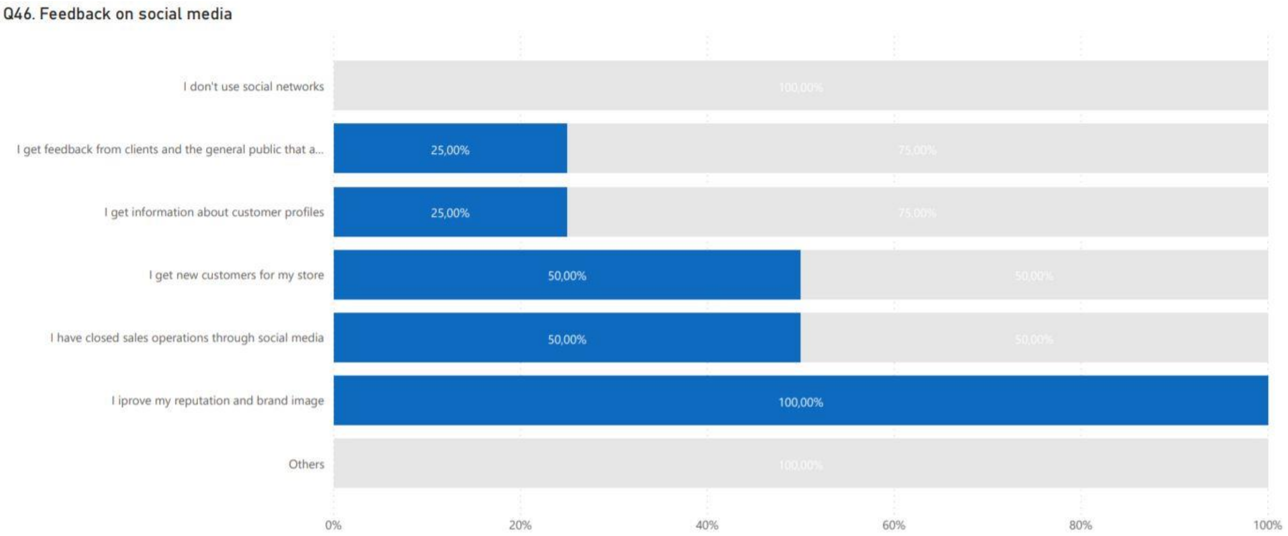


Figure 36 Currently used distribution channels

Q47. Currently used distribution channels

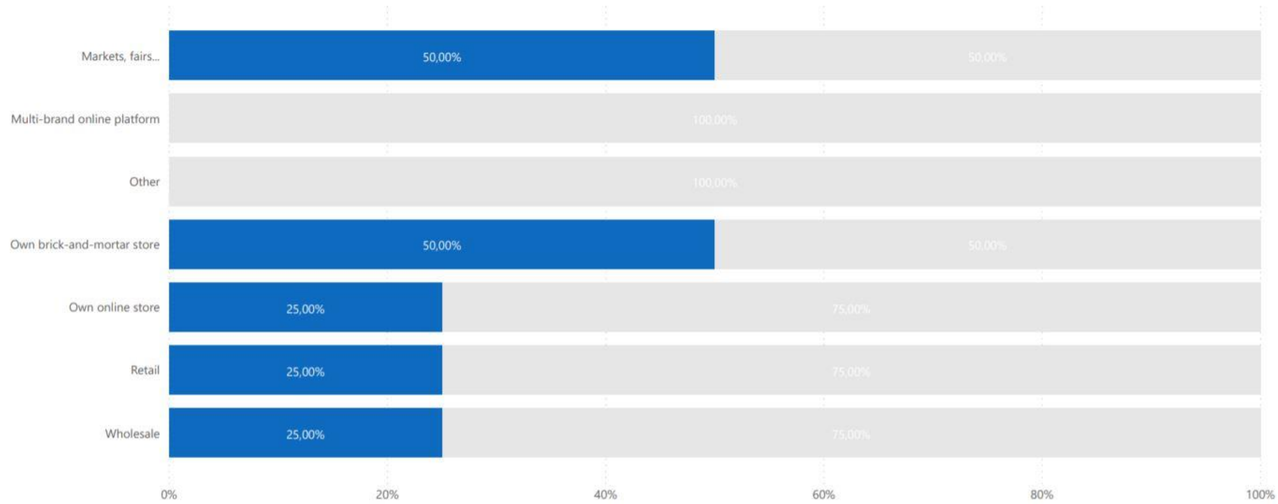


Figure 37 Planned distribution channels

Q48. Planned distribution channel