

## Creating Effective Knowledge Exchange through Mini-Innovation Vouchers

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### Abstract

*Many Reports have been published over the past decade stating that Universities have a critical part to play in the continued growth of a knowledge-based economy. The relationships between them, and Business, needs better to be nurtured to support the creation of sustainable global competitiveness. Simultaneously, University curricula and pedagogy need to reflect the needs, nature and structure of modern economies. Targeted State intervention can help to achieve the quest for multi-lateral knowledge exchange, and this Paper considers one innovative scheme, mini-innovation vouchers, which is designed to encourage university-business partnership and collaboration.*

### Introduction

We live in a global, knowledge-based and information driven world, notably characterised by unprecedented and accelerated speed of change. This impacts on all aspects of life where arguably, existing political, economic and social structures no longer work efficiently nor effectively. If that is the case, Schumpeterian [9] economists might advocate innovative approaches that both feed, and feed off, the consequent disequilibrium, possibly stimulated by focussed Keynesian type interventions that encourage and support change and growth. This paper will consider a scheme which actively encourages entrepreneurial innovation through publicly financed intervention, with a view to stimulating economic growth and creating sources of sustainable competitive advantage.

### Context

Over the past decade, a plethora of Reports have been commissioned to investigate many aspects of the British economy, with a significant number specifically questioning the nature of relationships between Universities, traditional creators and disseminators of knowledge, with business, as the commercial applicators. To politicians of all hues, as the creation and power of knowledge intensifies, and where global competitive advantage can be gained, or lost, through political intervention, or otherwise, there is an imperative to create sectoral synergies which match the environment in which we operate.

Significant direct and indirect individual and State investment is made in the funding of our Universities, Higher Education and Business. There have always been both formal and informal links between them, but arguably, these are often inconsistent, whimsically based around individual interests and relationships, with relatively little analysis of multifarious benefits and medium and long term impact. That is not to negate the potential importance of this modus operandi, but rather, to pose the question as to whether, of itself, this sufficient in the context of the economic, technological and social environment of today?

Politicians and the Business Community have frequently expressed concerns that there is too little genuine and systemic connectivity between our academic and commercial bases, and this is a recurrent theme throughout the many Reports that have subsequently appeared. From an economic health and wellbeing perspective, this potentially has very significant, adverse implications on revenue, GDP and employment opportunities, which when considered alongside a shrinking home and European economy, in the context of a developing global, knowledge and information-based world, at the very least represents opportunities lost, which ultimately are likely to end up in diminished relative standards of living.

It is worth quickly considering the headline content of some of these Reports. The Review of Business and University Collaboration [6] highlighted the need, in the context of the knowledge-based economy, for Business and Universities to work much more closely, and synergistically, together. It highlighted the critical importance of ensuring effective bi and multi-directional flows of information between those that create, apply and commercialise knowledge, thereby ensuring that through collaboration, value is added in many ways and at many levels, with significant emphasis on long term sustainability. The Lambert Report is seminal, and has subsequently driven funding policy in multifarious ways which in turn has led to many Universities shifting their mission and focus, giving greater emphasis to economic impact and benefit.

The *Review of Creativity in Business* [3] highlighted the relative advantages that low cost base economies have in a world where transportation is cheap and pervasive. 'This has already led to the diminution of many long established industries and a consequent loss of jobs, particularly those requiring lower levels of skill. The expectation has always been that these would be replaced by those requiring higher levels of skill, but what has become increasingly apparent is that this is not necessarily the whole picture. The now rapidly developing economies have no desire to remain as suppliers of cheap, low-skilled labour to the world. And indeed, why should they?'. The implications from Cox are that training and up-skilling alone is not likely to be enough to create sustainable competitive advantage. He emphasises that to think in this way 'would be both wrong, and dangerously complacent' and what is needed is a fundamental shift in business capability, predicated on not only higher level skills, but more upon curiosity, creativity, ingenuity, innovativeness and entrepreneurialism. These are attributes that need to be encouraged and nurtured, implicitly becoming embedded into our culture and upbringing. If successful, for others to simply copy them is neither easy nor indeed possible, and therefore they do provide the potential for longer term economic sustainability.

In *Increasing the Economic Impact of Research Councils* [10], it was clearly stated that 'Chief Executives of each Research Council are responsible for the economic relevance of their programmes, and for the impact of their spending ... there are a range of policies now in-place to deliver a step change in the economic impact of Councils, but the potential of these policies needs to be realised'. The subsequent implication of this shift in funding policy, has been that all applications for government supported research funding have to place greater emphasis on future economic impact, and this measure significantly influences ultimate resource allocation decisions. This, of course, is academically controversial, but the impact can already be seen that this has had on funding policy and aligned to this, many Universities' Research, Enterprise and Knowledge Transfer strategies.

*Prosperity for all in the Global Economy – World Class Skills* [7] was commissioned to look at the UK's skills base, both where we are and where we need to go. 'In the nineteenth century, the UK had natural resources, the labour force and the inspiration to lead the world into the Industrial Revolution. Today, we are witnessing a different type of revolution. For developed countries who cannot compete on natural resources and low labour costs, success demands a more service-led economy and high value-added industry. In the 21<sup>st</sup> Century, our natural resource is our people – and their potential is both untapped and vast. Skills will unlock that potential. The prize for our country will be enormous – higher productivity, the creation of wealth and social justice'.

This report highlighted demographic, technological and global changes which together present significant challenges to our national modus operandi, but at the same time, huge opportunities. The latter is predicated on being able to respond quickly, efficiently and effectively to closing the gap on the emerging skills, knowledge and cultural issues that are often hidden away. Leitch highlighted the fact that one third of adults in the UK do not hold the equivalent of a basic school leaving qualification; half of adults have difficulty with numbers and 15% (5 million) are functionally illiterate. All of these statistics are much worse than our benchmark comparators. Critically, the Report emphasises that improving our schools is not in itself sufficient, as over 70% of the 2020 workforce have already completed their compulsory education. The Report makes many important recommendations, but at the heart of these is the need to effect radical change 'right across the skills spectrum' at basic, intermediate and higher levels, with specific emphasis on adult skill engagement and development, and upon 'economically valuable' skills. 'Too many of us have little interest or appetite for improved skills. We must begin a new journey to embed a culture of learning, and as a society, we must invest more'.

*Race to the Top* [8] focused on innovation performance in the UK, and in many respects gives an upbeat message relating to this. Specific reference is made to the proportion of GDP generated through high technology, knowledge intensive industries and services, and to the 'dramatic' improvements in knowledge transfer partnerships between British universities and business, with 'the emergence and growth of exciting high-technology clusters around many of our world-class universities'. The Report goes on to emphasise 'our outstanding record of scientific discovery' with the critical caveat 'in the future, it will no longer be necessary to start every report of this kind with dreary statement that, while the UK has an excellent record of research, we have a poor record of turning discoveries into products and services. While we believe that our record of innovation is better than is commonly supposed, we have not yet produced the best possible conditions to stimulate innovation in industry'. This Report has been used to underpin further new policies relating to the commercialisation of research, incentivising universities and business to work closely to ensure a market-led approach at all stages of research and knowledge transfer activity.

'*Innovation Nation – Unlocking Talent*' [4] emerged from the then newly, and perhaps significantly, renamed Department of Innovation, Universities and Skills. The preface from the Secretary of State, John Denham, stated 'that the government wants to create a stronger and fairer Britain, equipped to meet the challenges of the future ... we want innovation to flourish across every area of the economy, and in particular, wherever high value business can develop and grow.'

Innovation will be the key to some of the biggest challenges facing our society such as global warming and sustainable development ... we can achieve this by investing in people and knowledge, unlocking talents at all levels, by investing in research and in the exploitation of this. Government can foster innovation, but only people can create an Innovation Nation'. Following this White Paper, funding policy in general, and to Higher Education specifically has fundamentally shifted to reflect the ambitions outlined.

In 2008, the Confederation of British Industry (CBI) produced their own independent Report, '*Stepping Higher*' [1]. This concluded 'that a strong relationship between the business and university sectors is critical to helping the UK maintain competitiveness. Both sides benefit from this – businesses from new thinking and high quality graduates, universities from practical insights that enrich their teaching, research as well as funding'. Particular emphasis is placed upon workforce development, and the need for new skills and innovative ways of doing things upon which sustainable competitive advantage can be built. The Report also emphasises that employers are not confident that there will be sufficient skilled people available to them to meet their anticipated needs. It also highlights the challenge of a future economy where perhaps half the jobs (in ten years time) will be in areas as yet unknown. This salutary reminder very much re-enforces Sir George Cox's comments that it is not just skills, but creativity and talent that will be so important, as it is these attributes that will actually define what skills and competencies will be required.

In November 2009, against the economic backdrop of the global banking crisis, the Department for Business, Innovation and Skills published '*Higher Ambitions – the future of Universities in a knowledge economy*' [5] This took a fifteen year economic perspective, and tried to anticipate the impact of impending changes, some of which are known, and others that need to be anticipated. It states that 'the most recent estimate is that UK universities' economic output is £59bn per annum, and amounts to 2.3% of UK GDP'.

In February, 2102, Professor Tim Wilson produced a Government commissioned Review of Business-University Collaboration. The Government brief was laid out in the White Paper: Putting Students at the Heart of Education [11]. 'We want our Universities to look again at how they work with business across teaching and research activities, to promote better teaching, employer-sponsorship, innovation and enterprise ... and how we make the UK the best place in the world for university-industry collaboration'. In the preface, Wilson quoted Lord Dearing (September 2002) 'Just as castles provided the source of strength for mediaeval towns, and factories provided prosperity in the industrial age, universities are a source of strength in the knowledge-based economy of the twenty-first century'. Wilson states 'in a globally competitive environment, never before has there been a greater need for a talented, enterprising workforce, for constant innovation in product and service development, for a thriving culture of entrepreneurship, for dynamic leading-edge scientific and technological development and for world-class research that attracts investment'. He goes on to say that 'in collaboration with business and with the support of government, the UK University sector has the capability to fulfil Lord Dearing's vision: to be the source of strength in the UK's knowledge-based economy'. Wilson makes clear that University capacity and capability is multi-faceted – the education of highly skilled graduates, pure and applied research, bespoke collaborative programmes, higher level apprenticeships,

in-company workforce development and giving access to resources and infrastructure. He is also clear that Universities have different strengths and weaknesses, and that businesses may need to work with a number and range of university partners to get the commercial benefits that they seek. He recognised that achieving this could be challenging for cultural and commercial reasons, and that and future government interventions needed to focus on ways of gaining commitment to an agenda of specialisation, excellence, partnership and multi-faceted value-adding collaborations. He identifies the key to long term sustainability of new models as commitment and leadership in Universities, Business and Government, and the culture change that together can be created.

**Figure 1: Value-Adding  
Collaboration:** Birch 2013

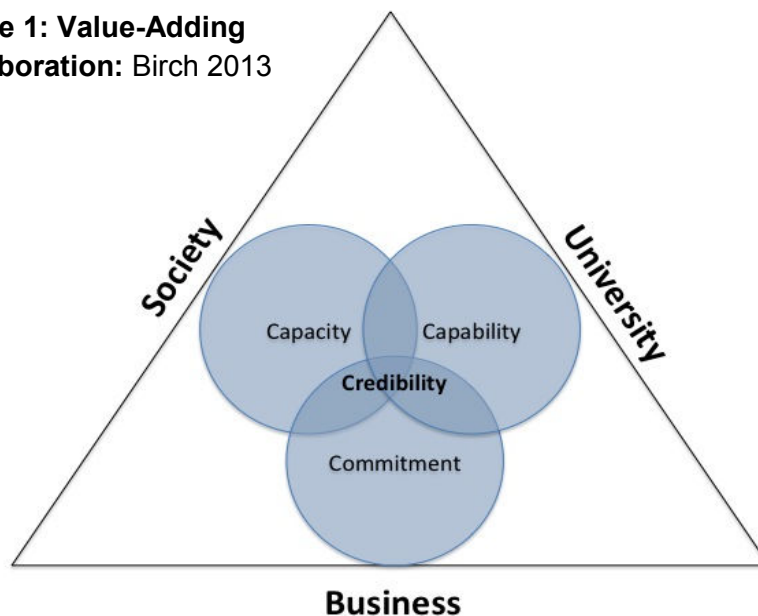


Figure 1 represents a multi-dimensional approach reflecting the core messages from the many Reports cited. At a time when resource is less plentiful than it once was, and where the speed of change continuously accelerates, fuelled by new technologies and global markets, then as a principle, we need to try to 'get more from less'. That infers creative, smarter and synergistic thinking whereby the whole does become more than the sum of the parts. The short Flash Innovation Vouchers programme should very much be seen as an attempt to achieve this. It is important to understand the structural landscape of the UK economy. Of around 4.5m registered businesses (2011), less than 50,000 employ more than 50 people, and less than 10,000 of those employ more than 250. Put the other way round, 99.9% of registered businesses are (very) small in size, yet aggregated, they employ more than half of the privately employed working population, and generate more than half of our GDP, used as a proxy for wealth. Small and Medium sized Enterprises (SMEs) are the engine room of our knowledge-based economy, and Wilson comments of the 'significant misalignment between the aspirations of graduates to obtain jobs in the corporate sector, and the number of

jobs that are available there'. Importantly, he adds that 'Universities have an important role in helping students to understand the opportunities that are available in the SME sector, or in self-employment'. A decade earlier, Richard Lambert made similar observations, noting also that smaller businesses themselves were often unaware as to the value that graduates might bring to them. Wilson's recommendations include encouragement and support for potential graduate entrepreneurs, 'sandwich' placements and internships, collaborative open innovation projects, knowledge transfer projects and partnerships and innovation vouchers, all appropriate to the needs of SMEs as well as larger Corporates. Explicit mention is made to the need to modernise the University curriculum, with greater emphasis on employability skills, behaviours, attitudes and mindsets, set in a framework of knowledge creation and acquisition (see Appendix 4). From the University perspective, a re-designed philosophy towards curriculum and pedagogic delivery might provide differential advantage that is increasingly sought in a highly competitive marketplace.

Against this background, the University of Greenwich (UoG) have become involved with a number of large-scale projects, each of which is strategically and operationally aligned to the emergent agenda as laid out over the past decade. This Paper will outline one strand, Flash Innovation Vouchers (**F**acilitation, **L**earning and **S**haring), which were a key output for the Flash project ([www.enterprise.gre.ac.uk/employer-services/flash](http://www.enterprise.gre.ac.uk/employer-services/flash)).

This project was facilitated through the then new University of Greenwich Centre of Innovation, Imagination and Inspiration. The objective was to create, nurture and develop new partnerships and collaborations with London-based SMEs, helping participants to become more profitable, sustainable and bigger, predicated on becoming more innovative in terms of products, services and processes, thereby creating new sources of sustainable competitive advantage based upon clear market differentiation. Participants had to conform to EU criteria relating to business size, namely employing less than 250 people (full time equivalent), turning over less than €40m pa, and supportive of the low carbon agenda, and willing to try to support achievement of environmental targets set. Our own aim was to align this project to culture and curriculum change, giving academic staff and students the opportunity to engage with SMEs in new and interesting ways, which dovetailed with their own research and teaching commitments. This gives practical meaning to actively engaging the people in universities with the knowledge triangle, namely the creation, dissemination and application of useful knowledge.

The concept [2] and value of innovation vouchers has been recognised for the past eight years, and many Regions have provided support for voucher type initiatives and interventions. Originally, they were piloted in the West Midlands in a scheme administered by Aston University on behalf of all thirteen Universities in the Region ([www1.aston.ac.uk/research/innovation-voucher-scheme](http://www1.aston.ac.uk/research/innovation-voucher-scheme)). The intention was that they would be demand-led, whereby a company specified a project or challenge that it needed expertise and help with; Aston University communicated this opportunity around its University Partners who could then tender to undertake a five to ten day consultancy project with them, funded from Regional resources. The demand was high, from both beneficiaries and providers and the scheme quickly became embedded, eventually to feature in the Regional Economic Strategy.

Headline statistics (2010), externally evaluated and audited, were:

- *Demand for the vouchers exceeded supply by a factor of 3*
- *46% of SME had no previous experience of working with a University*
- *56% continue to work with the same or different University in the West Midlands*
- *Total net additional economic impacts include 85 jobs created / safeguarded and £5.9 million in GVA*
- *A return on investment of £11.89 for each £1 of public sector funding, higher than the national average for science , R & D, innovation interventions of £8.30.*

A similar scheme was piloted in Scotland (2009-2010), and the key findings were: [www.sfc.ac.uk/web/FILES/Our\\_Priorities\\_Knowledge\\_Exchange/Evaluation\\_of\\_SFC\\_Innovation\\_Voucher\\_Scheme\\_first\\_phase\\_final\\_report.pdf](http://www.sfc.ac.uk/web/FILES/Our_Priorities_Knowledge_Exchange/Evaluation_of_SFC_Innovation_Voucher_Scheme_first_phase_final_report.pdf)

- *55% of businesses did not have a 'close relationship' with the higher education sector prior to the Innovation Vouchers Scheme*
- *A total of 60% of businesses said they had never participated in a joint project with a HEI before.*
- *87% of businesses found the application process either 'easy' or 'very easy'.*
- *Of the businesses involved with Interface, 75% found the assistance provided 'very helpful' and 25% found it 'helpful'.*
- *In general, the application process was regarded as very straightforward by the vast majority of respondents and several people commented favourably on the simplicity of the application process and the lack of bureaucracy involved.*
- *Several respondents were also impressed by the speed of the decision making process.*
- *Perceptions of working with Higher Education - all of the businesses said that the project they were involved with had either met (65%) or exceeded (35%) their expectations.*

Overall, evaluations of the multifarious schemes are very positive, often re-iterating the points made above. The focus of evaluation, though, has very much been on benefits and impacts on business, which given that sources of funding were for usually for economic regeneration, is not surprising, with much less emphasis on the reciprocal value to Academia and students. As the broader political agenda now diversifies placing greater emphasis on graduate employability as a part of social and economic regeneration, then other collaborative factors become more important, which the UoG scheme exemplifies.

## Impact

For twenty years, medium sized and established companies had been able to participate in a two or three year knowledge transfer partnership ([www.ktponline.org.uk](http://www.ktponline.org.uk)) whereby an associate is employed within a company,

working with an allocated Academic to support and mentor them, and whilst very successful in its own right, companies had commented on the need for shorter, more focussed interventions, giving them access to an expert resource when the need arose. Innovation Vouchers have successfully filled this gap, and since the pilot scheme, adapted models have been experimented with widely, and positive feedback from all stakeholders persuaded Wilson to call for a more systemic approach to these.

Innovation Vouchers were one part of the support that UoG offered to local SMEs. Sixty eight one-day workshops were also run over an eighteen month period, with 320 companies engaged in more than 12 hours of support, and with 800 attendances in total. Those who attended Workshops were invited to apply for a 24 hour innovation voucher, based on a business problem that they had identified, and which we supported them in articulating (Appendix 2). Having received the specification, we identified an Academic who could help them to solve the challenge that had been identified. Ultimately, we delivered 113 innovation vouchers, spanning many sectors, business sizes and type of challenge, and over fifty different academics were involved. Feedback from both supply and demand side was universally positive, and longitudinal research will later evaluate long term impacts and benefits, as well as the more immediate ones.

As part of the voucher scheme, academics were asked to write up a 750-1000 word case study, summarising the challenge and steps taken / recommended to address this (Appendix 1). The purpose was twofold – firstly, to give the company (and funding bodies) a clear narrative relating to the project, and secondly to create new case content that can be used within our curriculum, providing unique perspectives to our students, based on real SMEs, thereby addressing many points made by Wilson and others. Furthermore, we have carefully built up and nurtured relationships with the businesses whereby we continue to work together. Owners have come into the lecture halls to talk through about their businesses with the students, bringing them to real life. We have recently placed 35 graduate interns in these companies, helping with subsequent challenges that they have identified, thereby using graduates in a quasi-consultancy role, supporting their future employability. Some Flash beneficiaries are now working with us to deliver other projects, thereby extending our talent and expertise base, whilst at the same time providing new revenue streams to the companies. In short, what has been created are self-perpetuating, synergistic virtuous circles that bring immediate, and longer term benefits to all stakeholders, and which give meaning and substance to the needs and requirements of a knowledge-based economy.



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## Appendix 1: Artbridge – Providing Unique Fine Art Solutions for Projects<sup>1</sup> Professor CJ Birch January 2012

'Artbridge' is a company based in the heart of Mayfair, alongside many other prestigious fine art studios, galleries and consultancies. It is one of the places that the very wealthy go to when they have a particular fine art requirement to enhance their global real estate. Those paying for the Art often commission experts to source their requirements, be it a Picasso, a Monet or a piece of work from an up and coming artist. Whilst money, per se, is rarely a major consideration, the intermediary buyers have expertise on value, and are expected to protect their clients' interests and to achieve the best value for money possible on any acquisitions made. The Art is often to be enjoyed, but also it forms part of an



investment portfolio, which historically has been shown to outperform many other investment classes. From the intermediaries' perspective, repeat business is based on their reputation and credibility, both in terms of understanding the client's aesthetic requirements, but also their financial ones. The former is to an extent, subjective, and is about fully understanding the client's tastes and needs, but the latter is extremely tangible,

in that expert valuations clearly show, over time, the level of return (or otherwise) likely in the market. These valuations are conducted regularly for insurance purposes, so there is no hiding place from this reality!

Artbridge is a relatively new company with two Principals, one of whom is the financial backer, and the other the fine art expert. They occupy a space in a shared gallery, which has a prime location, is both professionally laid out and staffed, and sends all the right messages to those that walk in that this is a classy and credible place to do sophisticated business in. This real estate model not only spreads the fixed costs, it also engenders genuine synergies between the other co-located businesses.

The company needs now to grow, based on a wider client base, but also perhaps into diversified markets. Whilst the Principals are central to the venture, both would like this dependence lessened, so that the real value lies in the brand rather than the value that they themselves bring. Ultimately, this will create value that can be sold.

There are many other players in the market, but all are different in both their modus operandi and product offering. That should create clear space in which Artbridge can expand. The competitor assessment below is that of one of the Principals:

<http://www.internationalartconsultants.com/> Great company but very 'corporate' - although they use the word 'inspiring' it feels more like the website of a construction or a finance company

<http://www.artlink.com/> Also a wonderful company but they deal with emerging

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<sup>1</sup> <http://www.artbridge.biz:88/>

talents only.

<http://www.smc-artconsultancy.com/> They deal only with contemporary art and have a limited choice of artists

<https://www.paddle8.com/> Very good reputation, mostly working with institutions and private collectors.

<http://www.murmurart.com/> Vey 'hip' company, linked to 20 Projects

The Artbridge business model has been well considered, and is developing. They have an excellent website ([www.artbridge.biz](http://www.artbridge.biz)) which contains useful information, testimonials, pictures and examples of 3D Art – all very beautiful and desirable, and an excellent virtual shop window. There is also a password protected section, which only selected clients can access, where hundreds more examples of high quality, innovative work can be seen. This exclusive approach is critical to the market position that Artbridge are establishing themselves in.

Their USP is both interesting, and sustainable. They provide unique fine art solutions for projects. The business is built around commercial expertise, subject knowledge and complex supply networks. Artbridge have established excellent working relationships with many hundreds of lesser known, but highly talented artists who produce fantastic and unique fine art work, and can source others when needed, thereby providing a bespoke and professional service. The focus is on the art rather than the artist. Price points span a wide spectrum, from modest to very expensive. Perhaps the most important element of their USP is the 'one-stop solution' to any art requirement – a holistic start-to-finish model making the life of the buyer simpler and less risky.

Work can be bought, or leased. If a client can articulate the sort of thing they are looking for, Artbridge can quickly find them options, which they can then investigate further. The protected part of the website contains selected portfolios of their work,



which can be searched easily, and in a number of ways, so that the buyer can get a clear indication of style, technique and medium. It also gives details of the artists themselves, which in this market is important.

Buyers could be those that want original and bespoke work, but either cannot afford, or do not want the work of known, perhaps more established artists. Furthermore, on a speculative level, investment in up and coming artists can be highly lucrative for those that commission early, and of course, there is in part a

self-fulfilling element to this in that if a well-known person buys from a potential rising star, then it is easier for them to become stars in their own rights.

Understanding the buying process is important. Some clients will source and buy art for themselves, creating a fairly sophisticated retail market. This however, is hard to penetrate or predict – Inevitably, there is a degree of personal whimsicality and identifying and promoting to these buyers is quite difficult. Over time, this base builds up through word of mouth, repeat purchases and from contacts built up through networking events. It is an important potential market, but not easy to influence overnight. However, it is one to which thought needs to be given.

Perhaps the more important market are the intermediary buyers – interior designers in particular. Often, when expensive and prestigious new real estate developments are created, specialist interior designers, with specific budgets, are commissioned to work with clients (who may be the Developers themselves, or those that have actually bought off-plan) to get the interior design, look and feel right. They will not want to buy work off-the-shelf, as originality is critical. Those with wealth do not want to see their chosen art in somebody else's home! The critical market for Artbridge are these interior designers, and the value-added that they provide is the ability to give a unique fine art solution at a given price point, and to be able to offer a product range that others cannot match. They also have a reputation for reliability and delivering to specification, on time, which is essential to Developers and Designers who have very precise deadlines to work to, often around prestigious launch events. This is both a competitive and complex market, and is one that Artbridge want to further build up their presence in.



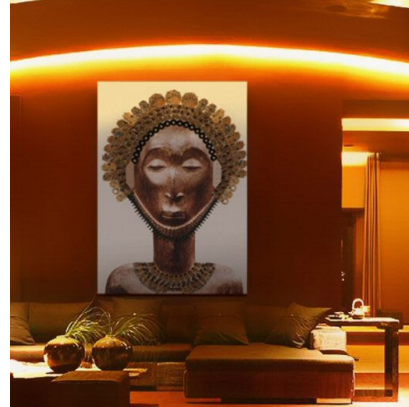
The number and proportion of wealthy people in the world continues to grow, perhaps with a shift in balance Eastwards. It is not unreasonable to assume therefore, that the demand for bespoke fine art solutions will continue to rise. Throughout history, those with resources have always commissioned and acquired pictures, paintings, sculptures etc. to adorn their living spaces. Potentially, therefore, Artbridge is operating in a growing market, where value is more important than price, and where good commercial margins can be made for the right product and service.



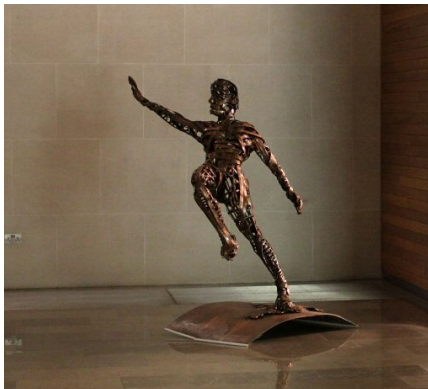
The key to success will hinge around building the brand, centred on the promise of provision of unique fine art solutions, and the ability to communicate this. The primary audience will be those very busy intermediaries who work on behalf of clients, commissioning work for a number of settings including homes, hotels, prestigious offices and possibly public spaces. Artbridge needs to become embedded as the brand and solution of choice in the minds of these intermediaries, and a competitor analysis indicates that its USP is sufficiently different

to make this feasible. Furthermore, the business model will not be easy to copycat because it is based upon a combination of expertise and knowledge, contacts and a supply chain based on long nurtured relationships which at the very least would take much time to penetrate.

Currently, the emphasis of the promise upon which the Artbridge brand is built is the provision of unique fine art solutions for projects. Competitors would probably make similar claims! Whilst this phrase neatly and accurately describes what Artbridge does, the real value to a client in using them is that they deal with one person who provides an exclusive, bespoke, expert and complete service. From the perspective of the busy interior design intermediary, working under significant time pressure, this is the real value-added, as effectively, it gives them one less, albeit very important, thing to worry about.



Key supporting brand values are; **exclusivity, expertise, trust, originality and inspiration.** Through these, clients can turn dreams and aspirations into reality. These values need softly and subtly to permeate and inform marketing communications, and they are not easy for others to imitate or copy, thereby providing sustainable competitive advantage and company value.



Thought needs to be given to brand building and awareness, around the promise and the values, which open up new routes to markets through more and diversified design intermediaries. A number of factors may be considered here. The web address has a .biz suffix. In itself, that is not a major issue, but it does negatively impact on search engine optimisation, and also, in the minds of some, might not have a positive impact of credibility. In a global market, if the .com address could be acquired, this could be helpful in supporting enhanced brand

recognition. Currently, it is unavailable, but also unused, as is the case with many URLs. In the main, the web site is used by those who are referred to it, and random searches / finds are not especially important in the context of the business model. However, .com URLs do provide a tangible asset that adds to both financial and brand value, and could have an impact on resale value.

The art world is very much one of human interaction, communication and networks. The most important means of interaction is that on a one to one, personal basis, supported by other marketing communications.

At one level, the website itself has a part to play in this, but increasingly, also needs to be supported by



other enhanced digital communication technologies. Using new social media channels selectively, and in the right way, could help to nurture and build up relationships in an effective and affordable manner and influence buyer behaviour and decision making. How people in general and Art intermediaries in particular use social media, why they use it and what they expect from it is at the emergent phase, and for Artbridge, as part of their brand development and building, research into this with a social media strategy created around the findings could be very beneficial.



There is no set formula as to how best this can be done, but a few important considerations are around the message, consistency and regularity of participation and engagement. Effective use of social media is, on the one level, not an expensive form of promotion – what it does necessitate is thought, time and technique, backed up by priority, patience and perseverance. In the medium to long terms, this could be a very efficient and effective way to build brand presence. How this is to be done needs much consideration.

Aligned to this could be set piece events – ranging from selective cocktail parties and exhibitions, to lectures and presentations, perhaps by artists, academic experts, developers and designers. These events can easily provide substance to the social media messages, and further build up cache and credibility. The events themselves will provide the opportunity to capture video image, which with careful editing, can provide further content for both the website, and other social media outlets such as 'YouTube'. This begins to create a self-fulfilling model whereby one thing leads to another, and indeed, they are all holistically integrated.

In addition, more traditional channels of marketing communication can be used. As with all such exercises, there is unlikely to be a single solution, and what is really needed is a multi-faceted approach that is affordable, monitored, evaluated and then further developed. What is increasingly important is to try to be innovative in the way that the mix is assembled, and with the rapid adoption of sophisticated mobile devices, is perhaps that the particular opportunities that these provide are given priority. It would be interesting, for example, whether a simple Artbridge 'App' could have benefits and value. This might just provide a portal through to the website, but it could provide that one click option to those busy potential clients who are on the move. There is a growing expectation that business and communication processes are conducted digitally, and there is no reason to think that this trend will revert, as the overall benefits are too great. Smart working includes significant environmental gains from requiring less expensive physical

office and storage space, less time consuming travel and less paper-based back office functions.

## Appendix 2:

### Facilitation Learning and SHaring (FLASH)

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#### Innovation Project Support Form

This form will capture the information required to specify and approve an Innovation project that can be undertaken with the help of university experts. Projects should be directly related to research and development or product development, and should demonstrate support towards sustainable business growth.

Business Name: Maintain Eco

FLASH Membership Number: UOG135

Project idea:

*Please outline the business challenges, opportunities or goals that you would like to address (200 words max.)*

Maintain Eco was established in June 2011, but started trading in the Autumn. The company provides ecologically friendly cleaning and maintenance services to commercial and residential properties within the M25 area. At present business is generated mostly through referrals of two main clients which is a potential vulnerable situation and need to be redressed. The strong ethos of the company focusing on ecological products and practices provides a unique selling proposition to the client, but the challenge is to communicate this message to both the existing customers and to use this message to generate new business.

The company already use Facebook, Twitter, FLASH workshops and flyers, together with word of mouth and most recently have started to attend networking events as mechanisms for business development but require additional support to improve their marketing/business development strategies.

Requested support input:

*What areas of expertise and input would university experts deliver? (100 words max.)*

Expertise is required in the form of a marketing / business development expert to identify new and more effective methods to expand the business. Although Maintain Eco are currently investing time and effort in their marketing, the intervention will undoubtedly help to identify and communicate their unique message more effectively.

Anticipated impacts:

<i>How would your business benefit from this project, in the short term and long term? What is the anticipated impact on your business? (Approx 50 words)</i>
In the short term, it is anticipated that the intervention will lead to increase sales, a deeper and wider client understanding of the ecological agenda in the maintenance market. Ultimately this will place the business on a long term sustainable level.

Please return the completed form to:

Project Approval

To be completed by the University:					
1. Is the project idea, input and anticipated impacts in line with the deliverables of the programme and the capabilities of the University?					
Yes	<input checked="" type="checkbox"/>	Proceed to q. 4.	No	<input type="checkbox"/>	Proceed to q2.
2. Would the project be supportable with further refinement of the idea, input or proposed impacts?					
Yes	<input type="checkbox"/>	Proceed to q. 3	No	<input type="checkbox"/>	Please inform the business that the project cannot be supported
3. Please outline proposed refinement of idea, input and/or proposed impacts & return form to business for sign off.					
4. Please clearly identify the innovation aspect of the project					
Innovative use of marketing technologies to identify new target audiences for business development					
5. Please identify any related FLASH Programme Indicators that can be anticipated to arise from the project					
LR11 – New products, processes or services	<input type="checkbox"/>				
R3 – Improved performance	<input type="checkbox"/>				