Project co-financed by the European Regional Development Fund

Deliverable No. 3.5.1.

MARKET STUDY ON EMERGING BUSINESS AND INNOVATION MODELS

February 28, 2018

PROJECT INFORMATION	
Project name	Social innovation research on coworking clusters
Acronym	COWORKMed
Axis	1. "Promoting Mediterranean innovation capacities to develop smart and sustainable growth"
Programme specific objective	1.1 To increase transnational activity of innovative clusters and networks of key sectors of the MED area
Project website	https://coworkmed.interreg-med.eu/
WP (name and number)	3. Studying
Activity (name and number)	3.5 Analysis of new business & innovation models
Partner in charge	BIBA Venture Partners
Partners involved	Avitem, BIBA, Cowocat, IED, PACA, RAZA
Status	Draft
Distribution	Restricted

Index

Introduction

The present report is oriented to analyse economic dimension of coworking spaces activities, and is the result of:

a) Desk research: consultation of available literature on coworkings – articles, publications, etc – to introduce primary concepts; explain major theoretical issues (coworking organisation, evolution patterns, organisational & business models, economic trends and forecast), advance primary questions about business model & innovation models;

b) Online Surveys carried out among coworking spaces in each reagional territory of the CoworkMed Project.

It is worth noting here that data used for market study result from collection made through online questionnaires carried out within the framework of 3.3.1 activity (*Catalogue on MED coworking spaces and service*). The results presented in this report have therefore to be read and evaluated in parallel with the report regarding *Catalogue on MED coworking spaces and service* (3.3.1). The dataset resulting from the online questionnaires has been split in two parts, between IRIS and BIBA, in order to produce two different reports (as required by the application form).

Coworking concept and evolution

Coworking origins

The spread of coworking practices have ransformed 'coworking' into a buzzword with increasingly high expectations concerning the improvement of the socioeconomic conditions of workers in the knowledge economy.

Contemporary coworking originates in 2005 in San Francisco, as a result of a 'hybrid' infrastructure of interaction able to connect technologies, spaces and people. It brought the possibility of envisaging a 'third way' of working, halfway between a 'standard' worklife within a traditional, well-delimited workplace in a community-like environment, and an independent worklife as a freelancer, characteristic of freedom and independence, where the worker is based at home in isolation.

Since the earliest coworking phenomenon reports, the **primary rationale** of coworking was not, in principle, business-oriented. On the contrary, a significant element that seems to characterise coworking practices is an **'open source community approach'** to work, intended as a collaborative practice that seeks to establish communitarian social relations among the member-workers (Leforestier, 2009).

Reasons behind coworking rise

Coworking is the most eminent example of the new models of 'distributed work', intended to be a flexible organisational arrangement whereby different subjects pursue objects and produce outcomes across network-based, collaborative schemes of production (Gandini).
The shift to knowledge economy with its emphasis on creativity and innovation has triggered big changes on individual and organizational levels (Rus, Orel, 2015). On an individual level, work is becoming multi-layered. Pursuing the goal of achieving work-life balance between formal commitments and private life, self-employed individuals are looking for choices regarding the ways they work. They are attempting to work in flexible ways, seeking workplaces that are used by other creative self-employed people who would otherwise work in isolation.

How to interpret the coworking phenomenon in the landscape of the knowledge labour market, connoted with the expectation of being the 'new model of work' in the context of the 'collaborative and 'sharing' economy (Botsman, Roger, 2011)?

Coworking practices efficiently respond to the needs of the contemporary knowledge worker, among which, networking is central. Coworking is a manifestation of a broader transformation in the employment and organisational regimes in the knowledge economy, based on the socialisation of value production – whereby coworking spaces seem to be functional to enable the circulation of information that leads to valuable outcomes.

Because **technological developments** enable continuous access to an organization's information resources (i.e. mobile technologies coupled with cloud computing, fostering continuous and distant access to the company's applications), knowledge work has grown untethered and independent, free from the physical boundaries of the organization, in terms of both space and time. The knowledge economy, coupled with the digitization of both processes and organizations, has led to deep changes in both the production and consumption of spaces dedicated to knowledge work (Moriset, 2014).

Three waves of work virtualization, and thus three models of work organization, have developed in the past two decades, reflecting changes in employee priorities, evolutions in employer demands and the emergence of new information and collaborative technologies (Johns and Gratton, 2013)

- The first wave appeared at the end of the 1980s and intensified during the 1990s, corresponding to the first democratization of personal computing at home

- Developed during the 2000s, the second wave corresponded to the development of mobile technologies in organizations and teamwork at a global level, thus favoring spatial and temporal dispersal of work and enabling employees to work anywhere and anytime

- Finally, a third wave of virtualization is embodied in the current development of "coworking spaces" (Johns and Gratton, 2013), characterized by work that spreads beyond private and professional spaces

Coworking spaces are specific "third places", where coworkers seek a sense of socialization and community (Garrett et al., 2014). The emergence of the knowledge economy sparked the third industrial revolution, in which work shifted and became devoted more to tasks requiring discernment, creativity, judgment and initiative.

Coworking organisation patterns

Coworking spaces as 'microclusters' that enable knowledge transfer among members from a networkbased perspective (Capdevila, 2013). Under this perspective, 'innovation networks' constituted by networked microbusinesses, whereby larger firms operate as 'anchors' and attract new businesses into the cluster. In his view, coworking spaces provide the necessary intermediation to this network activity, as well as a physical platform for this purpose.
As a result, coworking spaces seem to function, not just as hubs, but mostly as relational milieus providing workers with an intermediate territory to enact distributed organisational practices made of continuously negotiated relationships in a context where professional social interaction is simultaneously physical and digital.

From an organisational point of view, it implies a new form of work that enables collaboration opportunities and encourages a sense of community inside a shared space, gathering together workers from different companies or even freelancers with different profiles and objectives[1]

Beyond the emergence of a new working space, coworking challenges classic organizational approaches and raises human, social, managerial and organizational issues that are particularly salient to management sciences, as well as to society as a whole (Marzloff, 2013).

As per the internal relationships dynamics, coopetition seem to ocurr among coworking members: this because, although coworking spaces are populated by professionals working in thesame industry, it may be reasonable to imagine that the competition for contracts among them is not completely suppressed.

On the other side, researches (Colleoni, Arvisson, 2014) show how both traditional intellectual professionals directly related to the creative industries (architects, designers, etc.), and 'digital professionals' such as community managers, social media content producers and PR or branding consultants, make up part of the fluid aggregation of coworkers. This means that across

[1] Johns, T. and Gratton, L. (2013).

coworking spaces we can find a 'multi-functional' set of professionals whose skills are both the result of education and training as well as of 'commonly available knowledge, especially knowledge that directly pertains to the digital economy.

Workers have begun to initiate new ways of working for themselves which address their expectations and needs in both professional and personal areas. More employees adjust work spaces to adapt to their personal habits and ways of working, instead of the contrary.

The idea underlying this assumption is that social relations are the main factors of productivity across coworking spaces, conceived as collaborative environments where microbusinesses and freelancers deploy new production opportunities in non-hierarchical situations

Coworking & business approach

Co-working can be part of an effective business strategy, and generating revenues, in many ways.

On a side, co-working can create an extra revenue stream in unused pockets of space, leading to develop business-models based on exploiting underutilised real estate portfolios.

This approach has led to the rise of global operators which monetise their real estate assets, transforming and adapting buildings located in large urban areas and leasing vacant office space to current vendors, subcontractors and business partners with whom they collaborate regularly.

Some of these global operators have stepped beyond a business model purely based on real-estate portfolio explotation, adding service offerings which leverage on the creation of intangible but high-rated value, such talent attraction, knowledge transfer and networking effects.

At the WeWork Manhattan location, for example, KPMG rents about 75 desks which it splits between workers who provide business services to start-ups, and another team that advises corporate clients on technological innovation7. This company has furtherly expanded its operations to Southern Europe, with particular regard for Madrid and Barcelona.

Other multiple-location business ventures are being developed by serial entrepreneurs, primarily in the USA and across Europe. Second Home, a members-only workspace based in London, recently performed European expansion, with the opening of a Lisbon location in late 2016.

As a result, companies have tended to place primarily research and development (R&D) and innovation teams and, to a lesser extent, human resources (HR) associates in co-working spaces. Business members are also choosing to use the space for employees whose organisational roles fall outside the realm of those traditionally associated with co-working spaces.

Business & innovation models

Corporations are starting to bring the coworking experience to their buildings as an amenity and hiring coworking space operators to professionally manage them: some of them, in particular, have embraced coworking spaces, as evidenced by the development of "internal coworking spaces" and desk-sharing practices in companies such as Ernst & Young, Deloitte, Orange and IBM[2]

But which are the perceived benefits leading to the ongoing rise coworking spaces?

Coworking spaces address the five conditions that characterize knowledge work: access to information; access to knowledge; access to symbolic resources,; access to social capital and opportunities for serendipity (Leclercq-Vandelannoitte, 2017).

Today, a broad range of businesses — ranging from technology and professional service firms to consumer product companies — form a growing ecosystem that recognises the value of flexibility, community and shared resources. Businesses of all sizes and types — ranging from small start-ups to global enterprises — choose to locate employees or teams in shared work environments, either temporarily or on an ongoing basis.

Companies are encouraging their remote or work-from-home employees to join co-working spaces to reap the benefits reported by independent co-workers. These benefits include enhanced collaboration, productivity and job satisfaction. Other companies have launched satellite offices or incubators at existing co-working spaces, enabling employees to collaborate with outside partners, researchers and customers on a consistent basis. Such shared office environments allow companies the flexibility to devote dedicated space to facilitate these activities on an as-needed basis, without the stringent terms of a typical 10-year commercial lease. Co-working also

[2] Aurelie Leclercq-Vandelannoitte and Henri Isaac The new office: how coworking changes the work concept

enables organisations to provide the additional amenities and built-in flexibility which are increasingly essential to attracting and retaining talent in today's competitive marketplace.

A broad range of SMEs and large organisations have chosen co-working strategies as part of their supplementary, and sometimes even primary, office solutions. The most common strategies adopted by companies engaging with coworkings, include following (Knoll, 2016):

- Placing individual employees in community co-working environments so they can experience the communal benefits reported by independent co-workers. This alternative is most often used for remote or work-from-home employees who are physically disconnected from co-workers.
- Integrating co-working spaces within the company's office workplace strategy, either by leasing portions of an off-site co-working space to accommodate specific employee teams or by creating a co-working environment on site in an existing corporate-owned or leased office. This strategy is most commonly used for innovation, engineering and R&D teams as well as for HR professionals.
- Leasing corporate facilities to vendors, sub-consultants, business partners or other non-employees for use as co-working space. This strategy has been embraced by firms with progressive cultures, primarily those in the technology sector.

It also helps organisations to better identify the profiles of individuals and teams that are most likely to thrive in these co-working spaces. Worldwide, the ongoing shift towards free-agent employment is contributing to the proliferation of these corporate co-working strategies.

Although business approaches to co-working vary widely, the goals that drive a co-working strategy are primarily focused on several common ideals (JLL; 2015):

a) Attract and retain talent

As businesses seek to attract junior-level employees to their organisations, they are discovering the importance of replicating the environments offered on today's college campuses, where an estimated one-third of US business incubators are located. Influenced by their campus experiences, millennials are entering the workforce with an expectation that they will have access to similar environments where they can collaborate, explore and create.

b) Drive innovation

The dynamic energy and start-up vitality present in co-working spaces support efficient product or process development, enabling businesses to generate and commercialise ideas quicker to gain a competitive advantage in the marketplace. The flexibility and culture of co-working spaces also provide businesses with the opportunity to leverage external R&D expertise without making a capital-intensive investment. By providing organisations with a line of sight to local networks of innovators and entrepreneurs, co-working spaces offer companies valuable opportunities to connect with local talent and broaden their innovation pipeline. Co-working also allows businesses to expand into new markets with little risk

c) Build community

Co-working spaces can provide people with greater opportunities to meet a wider variety of new people and discover new ideas, identify talent, make deals and host events that target potential customers, partners and collaborators.

d) Optimise productivity

Co-working spaces also allow individuals control over their work environments, enabling them to choose how, when and where they work. This inherent flexibility contributes to a 'judgment-free' environment where work schedules are expected to be variable.
Because of the breadth of people and resources available in co-working spaces, they are effective learning environments. Knowledge-sharing opportunities include traditional workshops and presentations as well as online coursework peer-to-peer exchanges and mentoring programs.

e) Use space more efficiently

Co-working can be more cost-efficient than creating dedicated office space in certain markets with a large percentage of highly mobile employees. For businesses seeking to quickly enter new geographic markets, co-working also provides a more efficient alternative to planning, designing, constructing and relocating to a new permanent office space.

f) Cost reduction

Companies continue to face intense pressure to reduce the operating expense of their real estate portfolios. Cost reduction is not typically the primary driver of coworking; nevertheless, it can create an opportunity for more efficient utilisation of space, helping companies to reduce costs without compromising on the quality of workspace. Coworking hubs can even act as a revenue generation opportunity, when approached in the right way.

Coworking trends & forecast

Coworking shows a significant global diffusion together with an impressive annual growth rate, particularly since 2007-08, interestingly coinciding with the onset of the global economic crisis: as a result, the number of co-working spaces around the world has increased by nearly 700 per cent since 2011.(Knoll, 2016).

As co-working continues its mainstream expansion, the movement is also extending its reach from primarily urban areas to less populated locations, as well as taking place in non-traditional venues.

According to Global 2017 Coworking Survey performed by Deskmag[3], coworking market is still growing at high rate, with 13.800 spaces; 1,2 mln members worldwide.

Reasons behind the rise of coworkings can be found in the increasing profitability, as declared by 41% of interviewed, which should lead – according to the abovementioned survey – to further market expansions: 67% of interviewed coworking spaces, in fact, plan to expand adding new locations.

Digital platform will becoming an increasingly critical membership benefit to coworking, allowing coworkers to better communicate and collaborate with one other providing a more rewarding and productive coworking experience, to easily connect with the experts they need to help support, nurture and grow their small businesses while in turn, connecting independent consultants, creatives and solopreneurs with the kind of projects that will be key to their succes.

This trend is reflected in the fact that Community building is one of the top tools to attract new members. According to Deskmag, top activities performed to attract new members include: social & online activities: (80%); Community building (78%); events for potential members (62%)

On the business model side, there will be a significant evolution towards diversification and provision of added value services to attract new users and retain existing ones. Services and conveniences are truly what drive people to cowork.

Many of the smaller independent coworking spaces are creating a “workplace as a service” model, focusing efforts on other value added services and revenue streams that enhance member

3 http://www.deskmag.com/en/coworking-statistics-all-results-of-the-global-coworking-survey-research-studies-948

experiences, they give workers an edge over a home office, the coffee shop, or even a corporate office. It’s not just the profitability piece that’s driving these evolved types of coworking spaces.

Despite that, current surveys[4] show how most recurrent revenue stream for European coworkings (48%) is still represented by renting desks or similar form of exploiting physical assets, such as renting private offices (12%) or meeting spaces (11%) or event & class spaces (10%).

In terms of internal activities organisation, there seem to be a significant increase in engagement and collaboration strategies among cowork members: wherase 7 members out of 10 declare to have generically collaborated with other members, at least 40% of coworkees have been partnering on a project, and 27% of them has contracted a project from other coworkees.
Such internal collaboration dynamics seem to be confirmed also when extending the perspective to the degree of engagement of external business communities with coworking spaces, with particular regard for corporates. These are not only using but adopting coworking: outposts of large corporate companies camping in small coworking spaces. The approached followed by those companies when planning new facilities, is to incorporate coworking as part of their concept.

[4] Coworking Europe 2017 – Global Coworking survey.

Survey among CoworkMed territories

Demographics

As explained in the introducion, data used for the present study are the result of collection made through online questionnaires carried out within the framework of 3.3.1 activity: further details regarding adopted survey methodology are included in the *Catalogue on MED coworking spaces and service* drafted by project partner IRIS.

The stage of the census has been carried out from September to November 2017. The resulting dataset was finalised at the end of December (in view of the Larissa workshop in January 2018). The decentralised management of the census proved to be effective, as shown in table 1: the response rate, increased to more than 30% (99 coworking spaces out of a total of 320).

Table 1. respondents by country/region and rate of response (%)

Country/Region	*Respondents (a.v.)*	*Census*	*Resp. on census (%)*
Catalunya	40	172	23,3
Croatia	9	22	40,9
PACA	20	79	25,3
Greece	16	16	100,0
Tuscany	14	31	45,2
Total	99	320	30,9

Specialization

The first issue addressed in the survey among coworking spaces regards their degree of specialization. Out of the availble data, 2/3 of the interviewed coworkings (64 responses) do not have a clear sectoral specialization (see fig. 1)

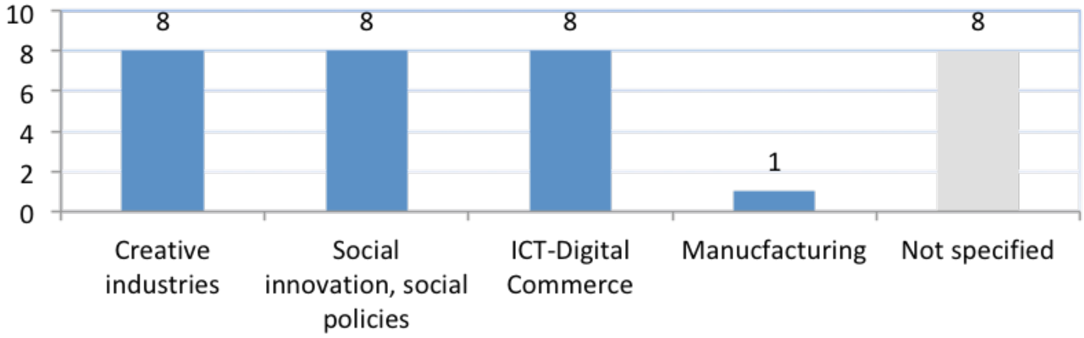
Fig. 1: co-working sectoral specialization

Does a sectoral specialisation of the coworking space exist?

Response	Catalunya	Croatia	PACA	Greece	Tuscany	Total
No	24	5	14	13	8	64
Yes	15	4	5	3	6	33
Total	39	9	19	16	14	97
Yes percentage	38,5	44,4	26,3	18,8	42,9	**34,0**

Creative industries, social innovation, ICT-digital commerce are the most recurrent *specializations* of coworking spaces, with territorial peculiarities: in the case of Tuscany 2/3 of *specialized* coworking are in areas related to creative industries, whereas in the case of PACA, 60% of them are focused on ICT-Digital commerce (see figure 2 below):

Fig. 2: specialization focus



These data are quite consistent with those findings emerged from literature researches which showed how both traditional intellectual professionals directly related to the creative industries (architects, designers, etc.), and 'digital professionals' such as community managers, social media content producers and PR or branding consultants, make up part of the fluid aggregation of coworkers.

If we focus on the main reasons behind specialization, we can see how in most cases these are linked to the nature itself of the coworking spaces, meaning, these were originally born as a focus oriented or specialized space (figure 3 below).

Fig. 3: specialization reasons

Main reasons of the specialisation

Reason	Catalunya	Croatia	PACA	Greece	Tuscany	Total
Birth	4,3	4,8	4,8	4,0	3,7	4,3
Changes users/members	2,1	2,3	1,2	2,7	3,2	2,2
Changes in environment	2,7	3,8	1,4	3,3	2,5	2,7

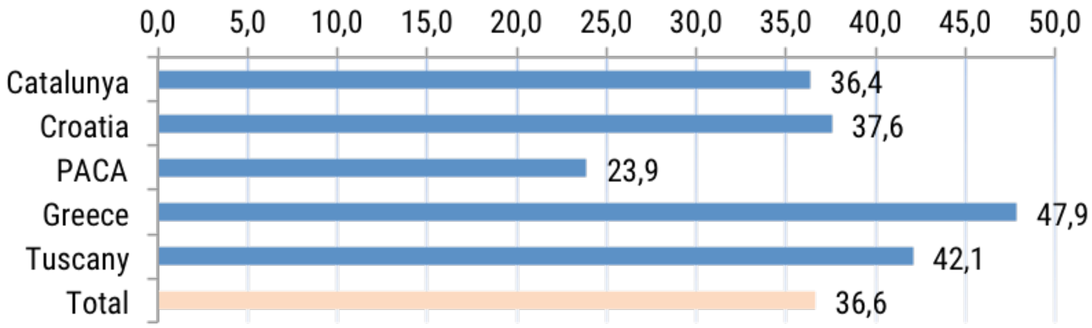
(From 1= strongly disagree to 5= strongly agree)

Other reasons which explain the specialized focus of coworking space regard changes ocurred in the labour or business environment: this is in particular the case of Greece, which not surprisingly can be explained if considering the Greek government debt crisis and the bailout process experienced by the country since 2010.

Coworking Services

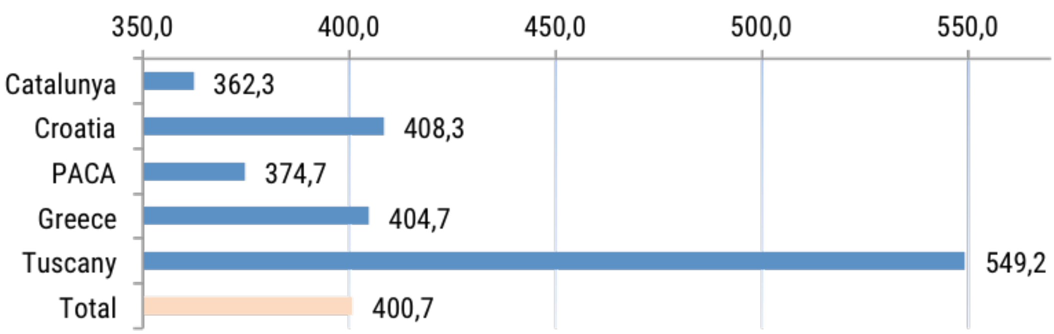
Coworking spaces have an average of 36,6 desks / workstations. There are significant difference between average n. of desks in PACA región and Greece, this latter being on an average the double than in the French region (see figure 4 below). These data are fell below the average n. of 48 working places registered in Europe in 2017[5]

Fig. 4: n. of desks



Coworking surface analysis reveals significant differences among regions: whereas the average surface is 400 sqm (see figure 5 below) - below the European average of 495 sqm -, in the case of Tuscany average surface is 550 sqm, beceause of the presence of two large players (respectively 1.000 sqm and 3.400 sqm). This data seems to suggest an increasing polarisation between a few of large coworking areas and the rest.

Fig. 5: Coworking average surface

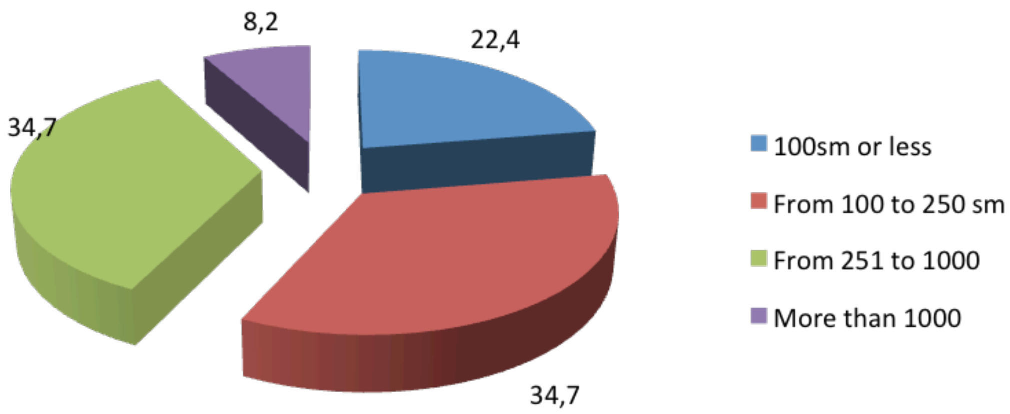


In any case, about 70% of analyzed coworking spaces have surfaces ranging from 100sqm to 1.000 sqm, as shown in the figure below. These data are in line with the EU average, where 60%

[5] Coworking Europe 2017 – Global Coworking survey:

of coworking spaces size is comprised between 150 sqm and 1.000 sqm.

Fig. 6: most recurrent coworking sizes



How is structured and oriented the surface usage of coworking spaces?

Data available from the surveys carried out in the Coworkmed partner regions, show how 60% circa of available space is dedicated to shared coworking areas, with significant differences between Croatia (78,3%) and Greece (45%).

Fig. 7: coworking spaces usage:

Which percentage of the coworking space surface is dedicated to the following activities?

Space is dedicated to	Croatia	PACA	Greece	Tuscany	Total
Shared working areas	78,3	56,0	45,0	61,4	57,2
Private meetings rooms	4,1	19,3	24,3	17,4	18,1
Conference rooms	12,7	9,0	18,9	5,2	11,8
Other spaces (bar/cafè etc.)	4,9	15,7	11,8	16,0	12,9
Total	100,0	100,0	100,0	100,0	100,0

When comparing the main kind of facilities which are present in the surveryed coworking spaces (fig. 8 below), the most recurrent ones are: conference rooms (67,1%); bar/café (56,1%); recreational spaces (45,9%). There are significant differences among the surveyed regions: in Catalonia and Croatia, in particular, recreational spaces (respectively: 15% and 11,1%) are far less likely to be met in coworking spaces, if compared with Greece (93,8%), PACA (73,7%) and to a less extent, Tuscany region (64,3%). In the case of Tuscany, also, it is interesting to note how more than 40% of interviewed coworkings have childcare facilities.

Fig.8 : Available facilities

Which of these common spaces/facilities are present in the coworking space (percentage of 'yes')

Common spaces/facilities	Catalunya	Croatia	PACA	Greece	Tuscany	Total
Conference rooms	70,0	66,7	73,7	81,3	35,7	67,3
Bar/cafès	37,5	44,4	63,2	87,5	71,4	56,1
Recreational spaces	15,0	11,1	73,7	93,8	64,3	45,9
Childcare facilities	n.a.	22,2	10,5	12,5	42,9	12,2
Restaurant	-	11,1	31,6	6,3	14,3	10,2
Other	72,5	11,1	15,8	0,0	28,6	37,8
Total	100,0	100,0	100,0	100,0	100,0	100,0

Available dataset suggest specific patterns in designing services leveraging on space usage and facilities availability. In fact, in the case of Greece the higher dedication of spaces to private room meetings (24,3%) and conference rooms (18,9%), coupled with a higher presence of bar/cafés, recreational spaces and conferece rooms, can be interpreted as a strategy for adding other revenue streams, so to increase profitability for the coworking spaces.

If we look at the kind of services provided to members (Fig. 9), we can see clearly how informational, training and educational activities are the most recurrent forms for engaging with cowork members. These data are in line and confirm the function and the interest of coworking spaces for offering added value services to its members, creating a communinty beyond the simple location and renting of a workplace. Despite that, as seen in the precedent chapter, under a business model perspective the most important revenue streams for coworking spaces come also from renting meetings, event & class spaces.

Fig. 9 – kind of services offered to members

Which of the following common spaces/facilities are offered to coworkers/users? (percentage of 'yes')

Services	Catalunya	Croatia	PACA	Greece	Tuscany	Total
Events and/or workshops	92,5	88,9	78,9	93,8	85,7	88,8
Training sessions	60,0	66,7	68,4	93,8	71,4	69,4
Seminars	30,0	77,8	47,4	100,0	71,4	55,1
Videoconferencing	35,0	77,8	47,4	87,5	57,1	53,1
Library	22,5	22,2	36,8	50,0	57,1	34,7
Parking	12,5	44,4	36,8	31,3	57,1	29,6
Web hosting	15,0	22,2	31,6	62,5	21,4	27,6
Registered office hosting	–	44,4	42,1	37,5	35,7	23,5
Total	100,0	100,0	100,0	100,0	100,0	100,0

Employment & human resources

Available data regarding employment generation in coworking spaces show how the direct impact on market labour is relatively low: on an average there are 3,5 employees per space[6] (in Europe the average n. is 2,9 full-time employees) and 32% of coworking spaces do not have permanent employees at all witihn their structures (figure 10 below).

Fig. 10: n. full-time employees (excluding Catalonia)

Permanent employees employed in coworking spaces		
Employees	a.v.	%
0 emp.	18	32,1
1-2 emp.	13	23,2
3-5 emp.	10	17,9
More than 5	15	26,8
Total	56	100,0

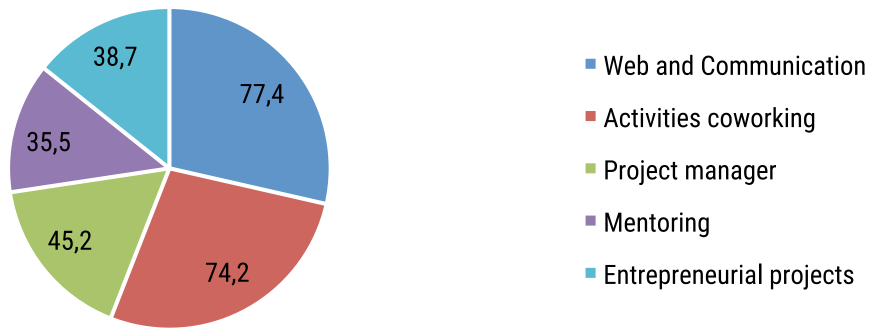
In the case of Catalonia, although no quantitative data are available on the n. of permanent employees, only 7 of participating areas in the study have hired permanent employees within its internal structure of human resources out of the 40 interviewed – corresponding to 17,5% - which is far below the average of full-term employees of the other partner regions.

As far as human resources are concerned, data on the kind of professional profiles employed by coworking spaces are only available for Catalonia region. Here, the typical functions of persons assigned within the Organization of the coworking space, profiles or most noteworthy activities are as follows (table 11):

The large % of profiles focusing on engagement activities, web and communication seem to confirm the trends underlined in the precedent chapter: the fact that Community building is one of the top tools to attract new members. According to Deskmag, top activities performed to attract new members include: social & online activities: (80%); Community building (78%); events for potential members (62%).

[6] if excluding 2 coworking spaces for which data are not clear.

<u>*Fig. 11: most recurred functions by coworking employees*</u>



Relationship with eco-system

The survey conducted among the partner regions was meant to highlight the connections that coworking spaces have with the local ecosystem.

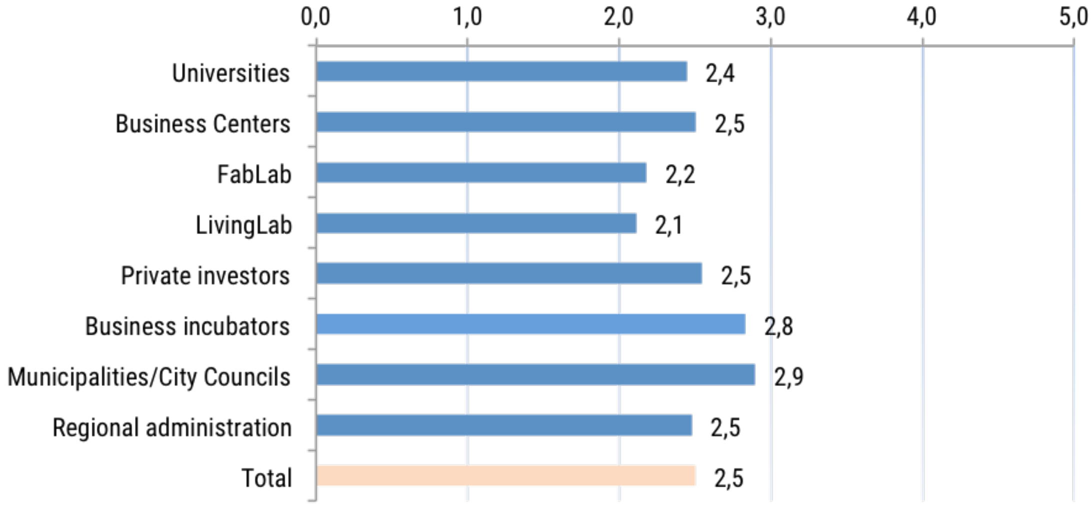
With this regard, a specific question on how likely the collaboration with the different stakeholders (*with which of the following stakeholders are you working?)* was introduced, ranging from 1 (very low collaboration) to 5 (very high collaboration).

The results show how municipalities and business incubators result to be the most engaging stakeholders for coworking spaces.

There are various spill-over effects which have emerged during the surveys, which regard the kind of benefits coworking gain from cooperating with local stakeholders, and which have been introduced as open questions. The most recurrent benefits include:

- Involvement in educational, local community and business (SME) sectors.
- Creation of spin-off companies from collaboration between coworkees and external agents (incubators, universities);
- Joint european projects presented with external stakeholders;
- Taking advantage from external talent (universities);
- Creating common events within the coworking space.

Fig. 11: interaction with eco-system



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In the case of the survey conducted in Catalonia, more specific questions have been posed to understand the way in which coworking are cooperating with the local eco-system. The results have been:

- 64.1% of the spaces are promoting the participation of their coworkers in external projects. Of these projects, 80% are regional/local level.
- In terms of the coworking spaces, 55% is actively participating in external projects, of which a 59.1% are local.
- And also a 70.3% said yes to use the community to promote projects among his coworkers and external stakeholders.

Conclusions

Evolution and focus

Literature review has underlined how coworking is a manifestation of a broader transformation in the employment and organisational regimes in the knowledge economy, and that such shift to knowledge economy with its emphasis on creativity and innovation has triggered big changes on individual and organizational levels.
Surveys conducted in the CoworkMED partner regions have underlined how a part of the coworkings have a specialized focus on creative industries, social innovation, ICT-digital commerce, and that reasons behind such specialization are linked to the nature itself of the coworking spaces, meaning, these were originally born as a focus oriented or specialized spaces.

The other observation about coworking evolution and focus relates to their capacity of being resilient organisations –capacity to adapt to external changes in the environment – which in the case of the CoworkMed partners can be found in particular in the case of Greece.

Business models

Review of literature and market trends have underlined how co-working can be part of an effective business strategy, and generating revenues, in many ways.

The emergence of global operators which monetise their real estate assets is coupled with the increasing interest from diverse stakeholders – expecially large companies – to start approaching and get closer to the coworking experience.

In the case of the CoworkMed partner regions, available data (this is the case of Italy) suggest an increasing polarisation between a few of large coworking areas and the rest.

On the other side, surveys show how most recurrent revenue stream for European coworkings (48%) is still represented by renting desks or similar form of exploiting physical assets, such as renting private offices (12%) or meeting spaces (11%) or event & class spaces (10%) and that there is a linear correlation between coworking size and profitability.

Despite no data are available on profitability, in the case of the CoworkMed partner regions we can see how coworking average size is smaller to the EU mediane, and that specific patterns in designing services leveraging on space usage and facilities availability emerge. These data are in line and confirm the function and the interest of coworking spaces for offering added value services to its members, and that the most important revenue streams for coworking spaces come also from renting meetings, event & class spaces.

Skills & Resources

Despite the direct impact on market labour is relatively low, literature and market trends review show how critical skills and capacities are required within coworkings to attract and engage with users.
Community building is one of the top tools to attract new members, as digital platform allow coworkers to better communicate and collaborate with one other providing a more rewarding and productive coworking experience.

The survey conducted among CoworkMed partner regions confirms the (low) direct employment generation capacity is in line with the European average.

As far as human resources are concerned, data on the kind of professional profiles employed by coworking spaces are only available for Catalonia region, but largest % of profiles focusing on engagement activities, web and communication seem to confirm the trends underlined.

Relationships with eco-system

Literature review has shown how coworking spaces seem to function, not just as hubs, but mostly as relational milieus providing workers with an intermediate territory to enact distributed organisational practices made of continuously negotiated relationships.

Within ths framework, a broad range of stakeholders — ranging from technology and professional service firms to consumer product companies — form a growing ecosystem that recognises the value of flexibility, community and shared resources.

Data stemming from interviews with coworking spaces in the CoworkMed regions confirm that there are stable relationships with a diverse numbers of stakeholders, whereby municipalities and business incubators are most likely to be engaged with.

Spill over effects or benefits analysed in the literature and which are confirmed through the surveys indicate how the main benefits for coworkings relate to:

- attract & retain talent
- drive innovation
- build community
- optimise productivity

In the case of the surveys conducted among CoworkMed regions, most of the spill-over effects collected are in line with these, as the most recurrent benefits include:

- Involvement in educational, local community and business (SME) sectors.
- Creation of spin-off companies from collaboration between coworkees and external agents (incubators, universities);
- Joint european projects presented with external stakeholders;
- Taking advantage from external talent (universities);
- Creating common events within the coworking space.

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