

tom fleming / creative consultancy

The Digital Arts and Culture Accelerator

An evaluation

June 2017

nesta

 **ARTS COUNCIL
ENGLAND**

Acknowledgements

Nesta and Arts Council England would like to thank the following people and organisations for their work on the programme:

- The nine participating organisations on the Digital Arts and Culture Accelerator
 - The members of the programme advisory group (listed in Appendix 1)
 - The Accelerator Network and their associated team and mentors
 - Tom Fleming Creative Consultancy
 - Steve Taylor for delivery of the pre-accelerator workshop
-

About Tom Fleming Creative Consultancy

This report has been authored by Tom Fleming Creative Consultancy (TFCC). TFCC are the leading international consultancy for the creative economy. They offer strategy and policy leadership across the creative, cultural and arts sectors. Through research, evaluation, collaboration and advocacy, they are a 'think and do' tank for the creative economy. TFCC offer technical expertise, strategic thinking and the tools to position creativity to the heart of society.

About Arts Council England

Arts Council England champions, develops and invests in artistic and cultural experiences that enrich people's lives. We support a range of activities across the arts, museums and libraries – from theatre to digital art, reading to dance, music to literature, and crafts to collections.

Great art and culture inspires us, brings us together and teaches us about ourselves and the world around us. In short, it makes life better. Between 2015 and 2018, we plan to invest £1.1 billion of public money from government and an estimated £700 million from the National Lottery to help create these experiences for as many people as possible across the country.

www.artscouncil.org.uk

About Nesta

Nesta is a global innovation foundation. We back new ideas to tackle the big challenges of our time.

We use our knowledge, networks, funding and skills - working in partnership with others, including governments, businesses and charities. We are a UK charity but work all over the world, supported by a financial endowment.

To find out more visit www.nesta.org.uk



The Digital Arts and Culture Accelerator

An evaluation

June 2017

Foreword	4
Executive Summary	5
1. Introduction – Setting the scene	9
1.1 The evaluation scope and methodology	12
2. The Digital Arts and Culture Accelerator Programme	14
2.1 The accelerator projects	16
2.2 The accelerator experience	20
3. Outcomes: Did the accelerator deliver?	26
3.1 Improved investment readiness	28
3.2 Investment secured	31
4. Conclusions and considerations	33
Appendix 1: Digital Arts and Culture Accelerator Advisory Group	36
Appendix 2: Consultees	36
Endnotes	37

Foreword

Both Arts Council England and Nesta are committed to exploring ways in which the resilience and enterprise of arts and cultural organisations can be improved. As an expression of this, we jointly introduced the Digital Arts and Culture Accelerator to enable nine of the arts and cultural organisations that developed prototypes through the Digital R&D Fund for the Arts go through an intensive programme of business planning and investment readiness training. This was launched at a time when accelerator models have become mainstream in the business support and investment landscape, with an estimated 163 programmes across the UK.¹

We wanted to explore whether this process of short and intense cohort-based venture development could prove as effective in the arts and cultural sector as it has in the tech sector. Could organisations driven primarily by an artistic or cultural mission also exploit their intellectual property in a manner commercial enough to attract investment from beyond conventional grant funders, freeing up their grant capital to be used elsewhere?

Tom Fleming's evaluation report highlights the successes and some shortcomings of this style of intervention. On the one hand the evaluation points to the significant and sustained impact the programme made on individual participants (and indeed some of the organisations) - with a higher degree of confidence and aptitude shown in developing ideas and in understanding the correct financial instruments to support their work. However, in some instances a lack of senior level commitment, the struggle to reconcile commercial goals with organisational objectives or the overall investment readiness of their ventures held organisations back.

The programme raises important issues in terms of the accelerator, or condensed business development, approach for the arts and cultural sector. It highlighted clear barriers to organisations getting to a point where they can receive investment. These might be practical - such as establishing trading subsidiaries, or appropriate compensation models for individuals involved if the venture is successful; or philosophical, ensuring that senior staff and boards are comfortable enough to reconcile this commercial activity with charitable or artistic objectives. Nevertheless, the accelerator format does allow organisations to rapidly test the validity of ventures and propositions - meaning that ideas with potential can be quickly distinguished from non-starters.

We would like to thank all those involved in the programme: the participating arts and cultural organisations; The Accelerator Network and their associate mentors who delivered the activities; Tom Fleming Creative Consultancy; and finally the advisory board that generously gave their time and wisdom to help steer the programme.

Helen Goulden,
Executive Director,
Innovation Lab, Nesta

Francis Runacres,
Executive Director, Enterprise &
Innovation, Arts Council England

Executive summary

The Digital Arts and Culture Accelerator (DACA) programme ran from May to September 2016. It was developed by Arts Council England and Nesta to explore what happens when arts and cultural organisations participate in a dedicated accelerator. It involved nine organisations selected through an application process open to the original 52 participants of the Digital R&D Fund for the Arts - a £7 million funding programme supporting collaboration between arts and cultural organisations, technology providers, and academic researchers.

The DACA was one of a number of investment and support projects being tested by Arts Council England, Nesta and other partners at a time when the investment landscape for arts and culture is changing. Broadly speaking, arts and cultural organisations are, with support and guidance, seeking ways to reduce the proportion of the funding they receive from public sources and increase their share of earned income and unrestricted finance from other sources. Some arts and cultural organisations are now exploring opportunities for commercial investment – either as sponsorship, or as equity in products and services deemed capable of generating revenue. Together, these approaches attend to the requirement for arts and cultural organisations to become more resilient but also allow them to have greater freedom. For some this might be via a process of commercialising specific products or services as a route to income which isn't as restricted and time-bound as a grant, loan or even crow-funded activities. Digital technology is viewed as an enabler here – providing opportunities to develop content or applications which can be scaled and distributed to generate revenue.

The DACA was delivered by The Accelerator Network on behalf of Arts Council England and Nesta. It was supported by an advisory group of experts in arts, culture and creative industries investment. The programme was designed to follow a mainstream accelerator process. It involved a set of themed workshops where diagnostic and review processes were undertaken and coaching was delivered on the core elements for effective business development, growth and investment readiness. These sessions were complemented by distance learning – where the arts and cultural organisations undertook 'homework' related to each workshop session, geared toward wider business and organisational development, and where mentoring and ongoing advice was provided. The programme culminated in a pitching session in the City of London where organisations presented their proposition to a specially invited audience of investors.

The DACA was positioned as an explorative exercise and demonstrator project: to test what happens when arts and cultural organisations are put through a classic accelerator process. Its aims and objectives were under constant review and notions of impact changed as the process developed. The model overall was designed to improve the commercial potential and thus investment readiness of participating organisations to the extent that by the end of the programme they would be in a stronger position to pitch to investors with a set of realistic and investable propositions. It was also designed to heighten awareness of and appetite for arts and cultural propositions among investors; build a community of interested investors; and raise the profile of arts and cultural investment opportunities more generally.

The DACA has demonstrated the following positive and qualifying issues around investment readiness and investment in arts and cultural organisations seeking resilience and growth:

Positive issues

- Participants were positive regarding the impact of the DACA on their knowledge of different organisational and business models, types of investment and investment opportunities. It was viewed as a well-run programme which was impactful in delivering improved confidence and introducing new skills and ways of working which have enhanced awareness of investment readiness.
- Some participating individuals used the DACA process to review how content and products are developed, supported and brought to market. For two participating organisations, this included the development of new ventures to increase the likelihood of reaching investment by de-coupling from the complex mission and structure of the organisation.
- Although it required a significant commitment of time and energy, all participants welcomed the opportunity to explore and test commercial business models and language and to push the boundaries of organisational practice. Though at times painful or a 'steep learning curve', the rigour and pace of the DACA was valued.
- The DACA demonstrated that with dedicated and intensive support and guidance, arts and cultural organisations can develop clear product ideas which are at least notionally investable. They can also through an accelerator process gain knowledge on the limits of their commercial ambition or potential and make informed choices regarding their organisational structure and focus going forward. This indicates that an accelerator process in itself can be a valuable approach, with investment raised not the sole outcome to be considered.

Qualifying issues

- None of the participants has achieved new commercial investment, although most are better placed to achieve such investment or know what they need to do if investment is to be secured. It is unclear to what extent this is an outcome of the appropriateness of investors who were brought to the pitch day; a reflection on the extent to which organisations were sufficiently investment ready; or whether there is yet genuine appetite for commercial investment in arts and culture organisations.
- Some of the participants point to a set of structural and cultural barriers to investment readiness which ideally would be overcome in a pre-accelerator process – e.g. building commitment to commercialisation opportunities at board and senior management level, including potential spin-outs as new ventures; incentivising salaried staff to push hard for commercial opportunities; and building a more engaged community of investors throughout the process.
- While all participants feel the DACA has been impactful in terms of raising awareness of what might be involved in commercialising and attracting commercial investment, all question whether the model worked for their specific needs. For example, for some it was at times contrary to the mission and values of the organisation, with growth outcomes overpowering discussions on social outcomes, resilience and a more nuanced approach to diversifying revenue. For others, discussions relating to resilience were viewed as distracting attention from commercial outcomes and thus diluting the offer to investors.
- All of the partners would have favoured a clearer 'exit and next steps' strategy from the DACA – with clear guidance on and more bespoke approaches to investment, board development, and legal issues.

Overall, the DACA has acted as a positive and productive influence on the participating arts and cultural organisations and the individuals involved. All have benefited through the rigour, intensity and profile generated by the programme; each is in a stronger and more confident position; some are nurturing new relationships with funders and / or mentors; and some will most probably generate new types of finance which would not have been otherwise accessible. For some, DACA operated more as a pre-accelerator which primed a team and a product now ready for an accelerator journey. For others, it functioned with the speed and clarity of purpose of an accelerator and demonstrated that arts and cultural organisations can withstand the rigour and discipline of a process designed notionally for 'business'.

However, given that none of the organisations have yet raised additional finance and that some have pivoted back to the normal business within their existing business model, the DACA achieved modest rather than transformational impact. The challenge of organisational change in a context of low levels of investor awareness and appetite for arts and cultural organisations, suggest that sustained commercial investment in arts and culture will require significant strategic development over a sustained period. In other

words, accelerators can be part of the solution to growing and diversifying investment in arts and culture, but they will need to be more appropriately targeted and situated as part of a broader process of increasing management and entrepreneurship skills and capacity, in nurturing investor interest, and in supporting organisational change (e.g. setting up new ventures).

A further consideration here is the value proposition of the DACA. The focus on proportionately reducing public investment is central to Arts Council England's push for 'resilience'. However, commercial investors are not interested in resilience; they seek a significant return on investment. The DACA commenced with slightly mixed messages in terms of whether it was a tool for resilience, innovation, growth, or all of these elements. Arts organisations can all diversify income streams and restructure their business models to allow for greater resilience, but this does not necessarily equate to generating major financial returns. The DACA process enabled organisations to find the most appropriate balance for their future planning, but it did not set out a clear growth proposition to investors – largely because none of the organisations could pivot to the point where it was just about growth.

By grappling with these issues and the questions they raise, the DACA offered a compelling insight into the strategic and operational dilemmas of arts and cultural organisations as they seek to generate viable business models which align a set of pre-existing values with a set of new opportunities. The small sample size of participating arts and cultural organisations and the diversity of this cohort (with a range of art forms, legal and business models, and project starting points represented), mean that it is difficult to establish clear points of relevance for the wider arts and cultural sector. Harder still is articulating what this means for investment in the arts more generally.

Overall, the DACA pointed to the potential for growth and investment for all participating organisations should they wish to pursue a more business and commercially driven approach. As such, it represents an important intervention in the early stages of a new era of arts and cultural investment and, more broadly, of value creation in the arts. It cannot offer a 'replacement mechanism' for public funding; and it won't yet be relevant for arts and cultural organisations which are not in the business of generating products of commercial value. But it can usefully open up and improve the quality of the conversation regarding how arts and cultural organisations diversify their income streams and attract different types of investment.

Note: the evaluation of DACA required exploring a wide range of information, some of which is commercially or organisationally sensitive. This has required the exclusion of some detail.

1. Introduction – Setting the scene

This report provides an independent evaluation of the Arts Council England and Nesta Digital Arts and Culture Accelerator (DACA) programme.² It provides a view of key outcomes and introduces a set of strategic questions for partners and the wider sector to consider. It was written five months after the concluding 'pitch day' event of the 12-week Digital Arts and Culture Accelerator Programme and builds on the interim report written a month after the pitch day. The aim of this final report is to gauge the medium-term outcomes generated by the programme.

The core DACA programme ran from May to September 2016, funded by Arts Council England and Nesta.³ It provided a dedicated Accelerator⁴ service to nine organisations that had previously participated in the Digital R&D Fund for the Arts - a £7 million funding programme⁵ supporting collaboration between arts and cultural organisations, technology providers, and academic researchers. The purpose of the Digital R&D Fund was:

*"To enable use of digital technologies in the arts sector to engage audiences with art in new ways and/or to create opportunities for new business models for arts and cultural organisations."*⁶

The DACA was set up as an explorative process. With the support of an external advisory group, the anticipated outcomes of DACA were continually open to review and not rigidly fixed. The approach overall was one of an open learning process which allowed for critical review of how success should be understood. The overarching strategic focus of the DACA was to:

- Create and test the conditions for connecting arts and cultural organisations to the investment community and in doing so secure investment for the commercialisation of products and services.
- Test and build arts and cultural organisations' entrepreneurial capacity within a supportive framework. This includes a focus on how such organisations can more effectively manage the balance between commercial aims and a wider set of embedded aims (e.g. social and of course artistic outcomes) for which the pursuit of surplus has not been a priority for some or is not permitted (e.g. as charities).
- Demonstrate to social and commercial investors that the arts sector offers attractive opportunities for investment and support.
- Develop sustainable links between Arts Council England, Nesta and the private investment community.
- Provide evidence to the sector that R&D/structured innovation can open up opportunities for continuation funding from non-arts sources.
- Demonstrate the continued commitment of Arts Council England and Nesta to support Digital R&D.

The DACA followed a similar model to other accelerators in that it took a cohort of organisations through a rapid and intensive development process geared toward improving investment readiness (see Section 2 for an introduction to the standard accelerator model).

However, it differed from other accelerator models (such as those aimed at technology startup businesses) in that:

*"Participants were not ambition-driven tech company founders. They were, in the main, professionals working for arts charities whose mission is to deliver experiences to audiences and visitors week in, week out. Knitting together rapid product and business development with their day-to-day responsibilities called for considerable flexibility in working with colleagues and trustees."*⁷

The nine participating arts and cultural organisations were selected for the DACA by Arts Council England and Nesta from a total of 21 applications received from the 52 arts and cultural organisations that had received funding to lead Digital R&D projects. Fifteen applicants were shortlisted before the final nine were selected. The participating organisations were of different sizes, a range of organisational and governance models, several art-form specialisms, and drawn from different parts of England. They also varied in terms of the types of product or service they wished to develop through the DACA.

Selected organisations were expected to participate in every element of the accelerator programme and to commit to fully exploring its influence on the organisational and business development, including ongoing engagement with staff teams and boards. To reduce the disruption caused by committing a core staff member to an intensive accelerator process, and to cover expenses, organisations were awarded £20,000 for their participation.⁸ The selected organisations and projects were as follows:

Table 1: The Digital Arts and Culture Accelerator cohort

Examples	Location	Cultural/art form specialism	Legal status	Arts Council National Portfolio organisation?
Abandon Normal Devices (AND)	Manchester	Combined arts	Company limited by guarantee	Yes
Circus Starr	Cheshire	Combined arts	Community interest company	No
Comma Press	Manchester	Literature	Company limited by guarantee	Yes
Firestation Arts Centre	Berkshire	Combined arts	Community interest company	No
METRO-BOULOT-DODO	Leicestershire	Theatre	Company limited by guarantee	No
Ministry of Stories	London	Literature	Company limited by guarantee and registered charity	Yes
Miracle Theatre	Cornwall	Theatre	Company limited by guarantee and registered charity	Yes
National Holocaust Centre and Museum	Nottinghamshire	Museum	Company limited by guarantee and registered charity	No
Orphans of the Storm	Northamptonshire	Multi-media creative business	Company limited by guarantee	No

A **specialist accelerator provider** – The Accelerator Network (TAN)⁹ – was selected through a competitive tender process to deliver the programme. TAN has expertise in the delivery of accelerator programmes and a successful record of helping organisations become investment ready. The team for the DACA included specialist arts and cultural advisers and mentors. TAN were expected to adapt their approach to suit the profile and position of the arts and cultural organisations, while retaining the core structure, focus and elements of a tried and tested accelerator curriculum. This focus on applying a standard or ‘classic’ accelerator model to the arts and cultural sector was a key consideration for DACA funding partners.

An **advisory group**¹⁰ of seven sector and investment specialists was set up to input to the development of the DACA and reflect on its deliverables in terms of the knowledge they generated around investment and business support for the arts and cultural sector. They met three times and contributed online and by phone. The remit of the Advisory Group was to:

- Provide advice and input on the programme design of the DACA.
- Provide guidance on the process of pitching projects to investors towards the end of the DACA.
- Facilitate contacts and access to networks to ensure an appropriate range of investors and stakeholders are connected to the project.
- Provide input to the programme evaluator through a phone interview.
- Be available to provide advice to the programme management team on specific queries or issues that might arise.

The DACA was positioned to stimulate arts and cultural organisations to explore in a structured and intensive way in which to develop more commercial activities. It was also positioned to develop and test different types of investors’ appetite for arts and cultural products or services developed through an accelerator process.

The DACA was delivered at a time of change for the sector: as the investment landscape changes, with greater opportunities and requirements to diversify income streams beyond subsidy; and as digital technology continues to open new ways to reach audiences and generate revenue both within and outside the arts. Many arts and cultural organisations are actively seeking to build products or services which while not necessarily designed to reduce the amount of investment from public sector sources (such as via Arts Council England or local authorities), are geared toward reducing the proportion of such investment. This is a core commitment of Goal 3 of Arts Council England’s Goal in its ten-year strategy Great Art and Culture for Everyone, which focuses on Resilience and Sustainability.

1.1 The evaluation scope and methodology

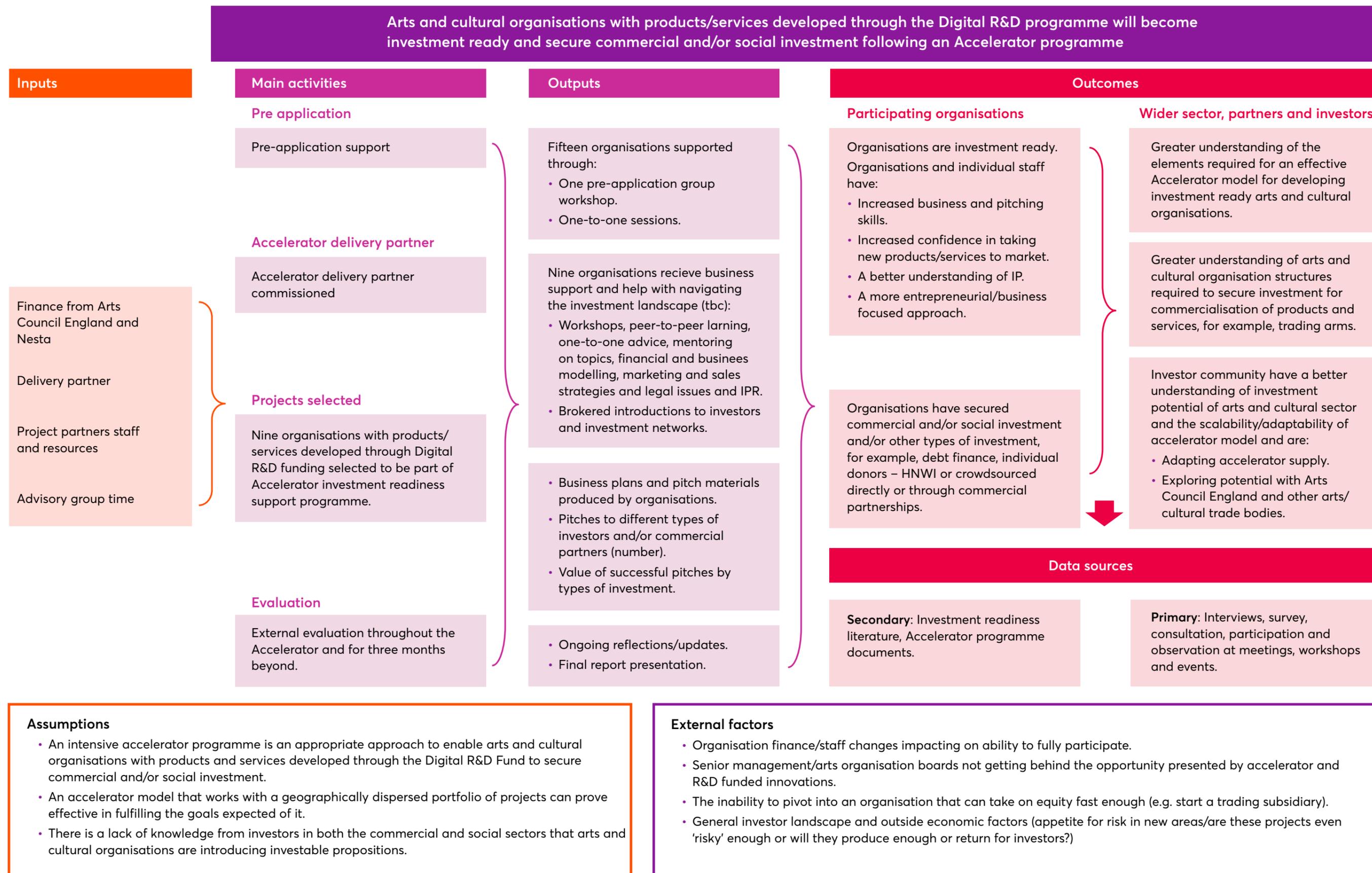
To form its analysis, the evaluation uses interviews with funders, partners and participating arts and cultural organisations (including project leads and some senior management staff); discussions generated at and by partner review and Advisory Group meetings;¹¹ and a review of literature and content such as expressions of interest from arts and cultural organisations, project proposals, and written updates on progress from TAN (including pre- and post-accelerator surveys to help monitor progress and development for participating arts and cultural organisations). The evaluation also involved observation of a pre-accelerator development session and at the DACA pitch day where arts and cultural organisations presented their investment proposition to an invited audience of investors. A short review of existing accelerator models was developed to inform understanding of other approaches.

The evaluation is then based on qualitative tools and active participation in the development process which was ongoing from the inception of the DACA to its completion. This influences the type of evaluation findings presented in this report, not least because partners openly positioned the DACA as a pathfinding experiment for which success would not solely be judged in terms of the delivery of outputs (such as a target for investment attracted), but in terms of the knowledge generated from the process.

The DACA did though have some clear outcomes to be tested as a way of generating knowledge on the utility of accelerator-type models for arts and culture; and on broader issues for arts and cultural organisations as they seek to improve their resilience through generating additional revenue streams from elements of their operations and/or specific projects.

The logic model developed with the funding partners (presented in **Figure 1**), sets out the core desired outcomes for organisations participating, the wider arts and cultural sector and investors. These outcomes provide the focus of this evaluation as part of a critical journey where the challenges and opportunities of commercialisation, investment and investor readiness in the arts and culture are considered.

Figure 1: Digital Arts and Culture Accelerator Logic Model



2. The Digital Arts and Culture Accelerator programme

There are different types of accelerator, with a growing marketplace of specialised models such as those which target the technology, environmental, education and social sectors. Typically, accelerators support teams of entrepreneurs with growth potential business propositions to 'start up' investment ready businesses. They differ from traditional business incubators in generally having a number of characteristics in common. A 'classic accelerator' will involve:

- An application process that is open to all, yet highly competitive.
- Provision of pre-seed investment (around £10k to £50k), usually in exchange for equity.
- A focus on small teams rather than individual founders.
- Time-limited support, usually between three to six months, comprising programmed events and intensive mentoring.
- Cohorts or 'classes' of startups rather than individual companies.¹²

Accelerators vary in their intensity and focus – including those which hot-house activity in the same location and those which are highly specialised. There is no agreed format or model for accelerators and the entry point for businesses may vary. The model and certainly the anticipated outcomes for accelerators are therefore, to an extent, context and sector specific, with different sectors showing varying levels of investment and investor readiness. The starting and finishing points for an accelerator in the technology sector in California will vary to those in the social sector in England. However, all accelerators share a commitment to building sustainable commercial models from the product(s) or service(s) supplied by participating businesses; and these models are viewed as scalable and thus investable by third party investors.

The DACA process followed what might be termed a 'classic' accelerator approach – as introduced above. However, it is important to note that Arts Council England and Nesta did not require an equity stake from organisations in advance of the programme, or make co-location a pre-requisite of involvement. The accelerator therefore involved a combination of:

- **Themed workshop sessions** - where the cohort of nine arts and cultural organisations convened. This is where diagnostic and review processes were undertaken and coaching on the core elements for effective business development, growth and investment readiness was delivered by the core TAN team and external speakers.
- **Distance learning and development** – where the arts and cultural organisations undertook 'homework' activities related to each workshop session and geared toward wider business and organisational development, and where mentoring and ongoing advice was delivered (e.g. by phone, Skype and face-to-face). Each arts organisation was matched with a mentor. Additional ongoing support and guidance was provided by the TAN team – by phone and email.

The model overall was designed to improve the commercial potential and thus investment readiness of participating organisations to the extent that by the end of the programme they would be in a strong position to pitch to investors with a set of realistic and investable propositions.

TAN delivered the 12-session accelerator programme between 10 May to 14 September 2016, with a break over the summer where distance support was provided before the final session and pitch day. One to three days of further support was provided to the organisations post pitch day. The DACA's main features and modules are summarised below in **Figure 2**.

Figure 2: The Digital Arts and Culture Accelerator programme

Workshop session	Content	Date
Session 1	Getting started: Elevator pitch and introduction to mentors	Tues 10 May
Session 2	Defining the opportunity: Market research and testing	Mon 16 May
Session 3	Stand out from the crowd: Brand, online presence, positioning	Tues 24 May
Session 4	Build your profile: Marketing and promotion	Thurs 2 June
Session 5	Proving the concept: Sales and CRM	Thurs 9 June
Session 6	Mid-point review presentations then product/service development	Wed 15 June
Session 7	Building your team: People and resources	Tues 21 June
Session 8	Business finance: Modeling, forecasting, accounting and tax	Tues 28 June
Session 9	Protection and protocol: Business structure and governance	Tues 5 July
Session 10	Raising finance to scale: Investment readiness	Tues 12 July
Seven week summer break with phone and email support from TAN team		
Session 11	Pitch practice	14 Sept
Session 12	Pitch day	15 Sept

Ongoing support from mentors at each session and/or between sessions

2.1 The accelerator projects

The nine DACA projects are presented in brief below. Their starting point upon application to the DACA is described, followed by an overview of whether and how they pivoted toward different investment propositions for their final investment pitch and finally their focus on the proposition five months post-pitch and overall outcomes of the accelerator programme for the organisation. Participating organisations and their initial projects were selected by Arts Council England and Nesta because they demonstrated potential to be successfully developed via an accelerator process with a good chance of attracting

investment as a direct outcome. Some consideration was also given to the types of product or service being developed - art form, governance model, and geographic location - so the DACA could be viewed in terms of its adaptiveness to different types of proposition. However, selection here did not seek representativeness of different types of arts and cultural organisation, product or service. In addition, it sought commitment, but did not involve a detailed assessment of the level of ownership and support for the DACA project across each organisation - e.g. with senior management and boards.

Table 2 below describes in brief the nine DACA projects.

Note: Descriptions of the organisations and their projects are based on content provided by the organisations.

Organisation and proposed project at start	Project development and pitch	One month after pitch	Five months after pitch
<p>Abandon Normal Devices (AND) creates multi-media, multi-platform events and happenings working with an eclectic mix of academics, filmmakers, artists and scientists to push the boundaries of arts production.</p> <p>Their starting proposition for the DACA was to develop a high quality production studio - Studio Normal - creating content for 360 environments and screens. Through the Digital R&D Fund, AND had explored how arts and cultural organisations could use drones to create rich audience experiences. One thing they identified was a need for high quality creative VR content production, that many organisations did not have the capacity or expertise to produce themselves.</p>	<p>Through the DACA, AND continued to research and develop the Studio Normal proposition. Part way through the process they also started exploring the potential to become a VR distributor for other people's content, based on the www.tunecore.co.uk/ model for music.</p> <p>AND pitched 'Studio Normal a producer and distributor of VR content, 'virtual reality experiences, which invite you to abandon the norm'.</p> <p>They were seeking £75,000 startup loan investment. They were also looking to secure technology partners to support hosting and processing power plus expert advice with their business model.</p>	<p>The aim was to set up Studio Normal as an independent company with Gabrielle Jenks transferred from AND part time as CEO.</p> <p>AND was still seeking startup funding for Studio Normal to launch and then aimed to bring on board a small team to start content creation.</p> <p>One positive outcome from the pitch day is potential expert support with developing a new business model.</p>	<p>The proposition:</p> <p>AND has continued to seek investment for Studio Normal as part of their broader fundraising activities. This has proved difficult - mostly because it is one of many priorities for a small and growing organisation. A key requirement will be to attract further investment in R&D to test Studio Normal further and to build the profile of AND as a leading player in VR R&D.</p> <p>Changes for the organisation</p> <p>Studio Normal has not yet been set up as an independent company; sign-off has not yet been provided by the AND Board.</p>
<p>Circus Starr is a not-for-profit UK circus troupe with world class artists touring throughout the country, bringing disadvantaged and disabled children and their families a fun day out.</p> <p>Circus Starr developed the award-winning Show and Tell app through the Digital R&D Fund. The app uses an interactive visual story designed to encourage children with disorders on the autistic spectrum to attend and have fun at a live arts event.</p> <p>The starting proposition for the DACA was to develop Show and Tell into a 'white label' for Android and iOS that could be licensed and re-purposed for other arts and cultural experiences, including family attractions and entertainment venues.</p>	<p>Managing the development and roll out of the Show and Tell app was a concern for the small Circus Starr team.</p> <p>They pivoted to develop a more manageable proposition for the team - an online/digital one-stop shop for venues who want to become more accessible to people with autism and their families. Circus Starr pitched 'Trepidexplorer: The ultimate guide to services and events for the world's most wary'.</p> <p>Trepidexplorer is a mobile app and website providing a space for venues and other businesses to connect with families with autism. It allows the most wary to try new things virtually, through compelling visual content, before experiencing new places in reality.</p> <p>Circus Starr did not make a direct request for investment, their pitch was for tech partners, mentors and advisors.</p>	<p>Circus Starr committed to maintaining the iOS Show and Tell app and had secured a small amount of funding to convert it to android.</p> <p>Developing the web platform, Trepidexplorer, was the priority, to build new revenue and extend the business offer more slowly. The aim was to prove the concept within the arts and culture sector and then focus on the development of a product that can work within the wider economy, e.g. major retailers.</p>	<p>The proposition:</p> <p>Circus Starr is committed to developing Trepidexplorer but is still seeking funding to do this. There has been interest in the Show and Tell app with the iOS version now up and running following support from a medical communications agency. The organisation has explored a number of partnership arrangements but is cautious about the idea being taken in a direction that moves away from their core mission of providing positive experiences for young people.</p> <p>Change for the organisation:</p> <p><i>"(DACA) has completely revolutionised the inner workings of what we do day to day. We now have the confidence to be bolder and think about things in different ways."</i></p> <p>The organisation has a new mission and has rearticulated its values. In the past they raised money for other charities. They are now looking at how some of the money raised might be reinvested in their own development.</p>

<p>Comma Press is a not-for-profit publishing house dedicated to promoting and developing new writing within and beyond formal educational settings, with an emphasis on short narrative forms.</p> <p>Comma Press built and launched MacGuffin through the Digital R&D Fund, as a 'proof of concept' platform hosting literary content in text and audio form.</p> <p>The initial proposition for the DACA was to modify MacGuffin into Spittah, an educational resource to support spoken-word poetry workshops in schools.</p>	<p>Following a number of pivots during the DACA process, including the idea for a rap battle app, Comma Press arrived at the proposition for a political debating app – Barney. This took the best parts of the idea for rap battle app, to address the problem of lack of political debate society.</p> <p>'Barney: debate beyond the echo chamber', was pitched. Barney is a website and app that helps influence public opinion, through competing short head-to-head video debates, put to the public vote.</p> <p>They were seeking £125,000 angel investment, and the expertise of a mentor with experience in customer acquisition, to prototype, build and launch Barney.</p>	<p>Comma Press was looking to develop partnerships with developers to build and prototype the Barney app.</p> <p>They were working with MadLab in Manchester to create an arts/tech matching service where they hoped to identify some of those partners.</p>	<p>The proposition:</p> <p>Barney has not been taken forward by Comma Press as the lead, Jim, left the organisation. There is an ambition in organisation to take Barney and pitch it to political lobbying groups as they still believe it fills a gap in political debate. Time and resources are the barriers to taking it forward.</p> <p>Change for the organisation:</p> <p><i>"(DACA) made the team think more commercially ... We are a lot more equipped to take forward other digital ideas."</i></p> <p>DACA took Comma Press beyond the traditional artform and arts funding parameters and gave them the space to use their skills and explore new potentially more commercial ideas.</p>
<p>Firestation Arts and Culture is a social enterprise with a portfolio of cultural projects. These include Firestation Arts Centre in Windsor, Lemonade Gallery and Beat Magazine.</p> <p>Firestation's starting proposition was to develop VeeGee, the working title for a cloud based, subscription model ticketing solution, bringing together ticketing, F&B sales, retail sales, memberships schemes, room booking and hire, into one easy to navigate package. Nothing is currently available that combines all these elements. The exploration of VeeGee was inspired by the positive revenue impacts demonstrated by the dynamic pricing experiments during the Neo-Ticketing project developed through the Digital R&D Fund.</p> <p>DACA provided an opportunity to further develop the proposition.</p>	<p>Firestation developed the initial proposition throughout the DACA and pitched 'Neon, a ground-breaking ticketing and retail sales system for cultural venues and event promoters'. Neon gives users the freedom to sell everything they do from one borderless platform, with revenue boosting and time saving tools like smart data feeds, dynamic pricing and ticket reselling.</p> <p>The pitch was for £150,000 to fully develop the platform, which was being tested by two cultural organisations.</p>	<p>Firestation was continuing the beta research on Neon and talking to investors.</p> <p>A project manager for Neon had been hired and they were moving ahead to set up a company to facilitate the £150,000 investment being sought. Options being considered included the Arts Impact Fund or SEIS investment. In addition, angel investors were being approached – including Dorset Angel Investors and London-based Prelude Ventures.</p>	<p>The proposition:</p> <p>Neon has gone live with a pre beta site. This is allowing Firestation to test assumptions and understand better conversion rates. Investment-raising has been slower than anticipated. As a pre-revenue business proposition, it has been hard to de-risk the investment to potential investors, although some progress is being made. Options for grant funding are also being pursued.</p> <p>Changes for the organisation</p> <p>Neon has been set up as an independent venture to Firestation – to allow for maximum flexibility and to ensure any investment proposition is as 'clean' as possible. The DACA process helped facilitate this and with Neon being led by the director of Firestation, this made the decision-making process to set up a new venture relatively frictionless and straightforward.</p>
<p>Metro-Boulot-Dodo (MBD) blend live performance, original soundtracks and cutting edge new media to create installations, performances, interactive tours, large-scale spectacle and site specific heritage work.</p> <p>MBD worked with Leicester City Council, Leicester University and Locally via Digital R&D funded activity to create a Bluetooth Beacon activated heritage interpretation app, Leicester Castle Tells Its Story.</p> <p>Their initial DACA proposition was to create a Content Management System (CMS) platform, designed to offer a range of functionality to be used across heritage and museums sectors. The aim being to enable MBD to create engaging and educational tours, trails and games for the sector.</p>	<p>MBD performed a number of pivots during the DACA, from their original proposition, to the development of VR project HACT, to a business development strategy to build on their core business.</p> <p>They settled on pitching the set up and launch of a set of artistically creative Escape Rooms.</p> <p>MBD was looking for £85,000 startup investment and expertise from leisure sector specialists.</p>	<p>MBD had identified a space to open their first Escape Room with the aim to move in by January 2017.</p> <p>They had also joined Creative Industry Finance, a business development programme, to support their organisational business planning.</p>	<p>The proposition:</p> <p>MBD has been focusing on business planning and an Arts Council National Portfolio Organisation (NPO) application since the pitch day. Escape rooms are still very much part of the plan for the organisation and a pop-up Escape Room will be trialled at Curve, Leicester as part of a festival later in 2017.</p> <p>Change for the organisation:</p> <p><i>"(DACA) and support from the TAN team has been absolutely invaluable in helping us to look objectively at our business strengths, weaknesses and opportunity for growth and ambition."</i></p> <p>The learning from the DACA has been applied to the core business. MBD is now taking a more commercial approach to project viability and organisational sustainability.</p>

<p>Ministry of Stories (MOS) is a local writing and mentoring centre with its HQ in east London, where anyone aged eight to 18 can go and discover their own gift for writing. Working with partners in Brighton and Rotherham, two additional writing centres have opened.</p> <p>MOS developed The Story Engine, through the Digital R&D Fund, an online platform to widen their reach. The Story engine aims to support creative writing through engaging tools, providing an interface for dialogue between learners and mentors operating remotely.</p> <p>The proposition for the DACA was to explore the further development of The Story Engine, identifying new audiences, markets and the potential for licensing the platform.</p>	<p>MOS continued to develop and research the potential for The Story Engine throughout the DACA.</p> <p>'The Story Engine: The digital toolkit to set up and run your own creative writing club for children', was pitched. The Story Engine is aimed at schools, libraries, community centres and arts venues.</p> <p>MOS was seeking £150,000 SEIS or social investment.</p>	<p>MOS was exploring Arts Impact Fund support. There was still some concern about taking on the liability of investment for the organisation.</p> <p>They had secured £25,000 in kind investment from their tech partner and were in discussion with a major publisher to explore further in-kind support, building on a pre-existing relationship. Their immediate focus was on a sales strategy and getting their product into schools.</p>	<p>The proposition:</p> <p>MOS is committed to a further 12 months to get The Story Engine up and running. Seeking non-equity investment. Intelligence from an investor in a similar product highlighted challenges with growth and breaking into the education market. Applications have been submitted to Nominet and Comic Relief Tech for Good. Both unfortunately unsuccessful. Exploring a partnership with Crowdfunder looking at offering match funding of £10,000. Also looking at grant/loan mix for next phase. Fidelity Foundation and Arts Impact fund possibilities.</p> <p>Changes for the organisation:</p> <p><i>"The DACA process put strategic and long-term thinking at the forefront of people's mind".</i></p> <p>The long-term sustainability of the organisation was brought into focus but DACA experience also clarified the responsibilities of the board in managing the risk the organisation was exposed to. Putting a large loan on the balance sheet would not be acceptable.</p>
<p>Miracle Theatre is a touring theatre company based in Cornwall.</p> <p>Miracle explored digital capture and distribution of two of their productions during their Digital R&D Fund project. This included live-streaming and self-distributing a filmed production across regional cinemas and on DVD and digital platforms.</p> <p>The DACA proposition was to take the production and distribution of independent 'made for screen' theatre to the next level, optimising production and developing routes to market for small-scale theatre productions.</p>	<p>During DACA Miracle Theatre explored variations on the digital platform distribution for theatre, including becoming a distributor for content for other small touring theatres.</p> <p>Miracle Theatre's pitch was for 'Digital Miracle: Bringing Miracle Theatre to the screen, for Miracle fans and new online audiences, anywhere and everywhere'.</p> <p>They were seeking £40,000 start up funding to:</p> <ul style="list-style-type: none"> • Capture Cinderella as a flagship production. • Complete post-production on eight past shows. • Establish and launch the Digital Miracle platform. 	<p>Miracle Theatre was concentrating on raising funds and is considering options for doing this through crowdfunding.</p> <p>The priority was to complete post-production on existing shows alongside the development of the Digital Miracle platform.</p>	<p>The proposition:</p> <p>Launching Digital Miracle has become less of priority but still an aim for the future. Miracle was commissioned by The Space to deliver a 'lo-fi extend' digital project alongside Facebook Live stream of their production Cinderella, which was launched on YouTube in February. This gave them excellent experience of creating digital content and a better understanding audiences of digital arts products.</p> <p>Changes for the organisation:</p> <p><i>"DACA was part of range of activities that have played a role in digital progression of the organisation".</i></p> <p>DACA has made the small team much more commercially focused on raising revenue from different aspects of their work.</p> <p>DACA helped clarify that their core mission is the arts and that they should start small and grow digital audience.</p>

<p>National Holocaust Centre and Museum (NHM) is a memorial and education centre promoting an understanding of the roots of discrimination and prejudice.</p> <p>NHM developed Interact through the Digital R&D Fund. It provides an interactive experience with Holocaust survivor Steven Frank, allowing people ask questions of and get responses from Steven without him being present. The project tested tools and technologies for filming interviews and producing the final interactive experience.</p> <p>The proposition at the start of the DACA was to develop the reach of the existing Interact application (Holocaust survivor testimony) and develop a service to deliver similar products for different arts and heritage organisations and potentially beyond.</p>	<p>NHM further developed the Interact proposition and pitched 'The Forever Project: Conversations with heroes'. The Forever Project preserves the stories of real people, through filmed interviews. Interactive digital recreations are then produced that allow audiences to ask questions of the digitally preserved people and their stories.</p> <p>They were seeking investment of £300,000 to support phases 1 and 2 of the business development:</p> <ul style="list-style-type: none"> • Phase 1: Creating on-site installations for interactive conversations with people not present • Phase 2: An online portal for conversations with significant people e.g. David Attenborough, JK Rowling, Grayson Perry. 	<p>Further discussion with the board and team were taking place on the set-up options for the new company and the lead officer's role as founder on the new project.</p> <p>Initial conversations with investors were underway a month post pitch day. These included a philanthropic investor. NHM had also applied to participate in the BBC Lab Accelerator. An approach to the Arts Impact Fund loan was also being considered, to provide a bridge to equity finance.</p>	<p>The proposition:</p> <p>NHM is setting up a new venture for The Forever Project – with the full permission of the board. This will be led by the same staff member who led the project through DACA. Like startups in other sectors, this new venture will involve considerable investment by the lead individual and therefore a level of personal risk. Such an approach would not have been possible with a product launched within the existing governance and operational structure of an arts and cultural organisation such as the NHM. Investment has not yet been raised.</p> <p>Changes for the organisation:</p> <p>DACA helped NHM to identify new ways of working, assisting the development of a new venture which is now being prepared for a process of fundraising:</p> <p><i>"We have gone through an accelerator to get to the point where others would start an accelerator".</i></p>
<p>Orphans of the Storm (OOTS) is an independent transmedia production company, led by writer Alan Moore, photographer/director Mitch Jenkins and TV/film producer Pete Coogan.</p> <p>OOTS developed a complete a digital comics self-publishing platform - Electricomics - through the Digital R&D Fund. This enabled users to make an interactive digital comic, read it on the iOS app, or an OS neutral desktop reader. This was a free open source platform.</p> <p>The proposition for DACA was Electricomics as a commercial platform creating an Android version of the iOS app, making creation of content easier, faster and with more functionality. The ultimate aim was to creating an account-based marketplace, which would enable creators to sell, buy, and promote their content, and provide Orphans with a revenue stream from the sales and traffic.</p>	<p>OOTS developed and pitched 'Electricomics – Etsy for comics'. A one-stop platform for publishing digital comics, allowing comic creators to make innovative digital content and sell it themselves in a vibrant marketplace.</p> <p>They were seeking a £150,000 investment.</p>	<p>The CIC, which was originally set up for the R&D-funded project, was being dissolved. The technology partner had agreed to dissolve the CIC but was pushing for compensation. Once dissolved, it was anticipated that this would make the proposition more attractive to potential equity investors.</p>	<p>The proposition:</p> <p>Electricomics generated interest at the pitch day, but the priority was to separate the company from the R&D tech partner before discussing any future partnerships or investments. The spilt from tech partner is now complete. The board are now ready to review the future of the project. An application to Arts Council has been made for a new VR comic which would come under the Electricomics brand.</p> <p>Changes for the organisation:</p> <p>OOTS is a micro cultural organisation - effectively one person with a Board. This gives some flexibility to pursue different projects but also limits the capacity to develop projects from ideation to investment readiness. The delays caused by negotiating with the technology partner demonstrate how fragile such micro entities can be, which has implications in terms of risk and growth. However, these issues have now been resolved and opportunities to attract investment for Electricomics are being explored.</p>

2.2 The accelerator experience

"There was something valuable in each session. Even when I didn't learn anything new, it confirmed something you knew you should be looking at".

A DACA participant

"Some people are really scared of making money. Not us. The DACA has helped to sharpen our approach and has helped a lot with core business development considerations".

A DACA participant

The DACA process, which is described in **Figure 2** above, introduced a new approach to organisational and business development for all those who participated. While some of the participants had received business support or participated in training and mentoring activities, none had embarked on an accelerator programme or experienced other activities of a similar intensity and singularity of purpose. The DACA was thus a genuinely novel approach which required participants to step outside their day-to-day business and for most, outside of their comfort zones. There are three main elements which we can reflect on in this evaluation:

- The culture of the DACA: the language, atmosphere and sense of shared purpose.
- The quality of the DACA: the extent to which participants felt supported and engaged.
- The adaptiveness of the DACA to perceived requirements from participants; and thus the outcomes it delivered for each organisation.

Feedback from participants with regard to these elements is described below. Each influenced the overarching outcomes of the DACA: i.e. the level of investment readiness reached for each organisation. It should be noted that for most DACA organisations, participation was led by one or two individuals. This means feedback is mostly from an individual rather than organisational perspective and that assumptions regarding the position of the wider organisation (e.g. senior management and boards) is limited.¹³ Where possible, additional perspectives from the wider organisation has been introduced. This is explored in **Section 3** below.

2.2.1 The culture of the Digital Arts and Culture Accelerator

The intensity and singularity of purpose of accelerators requires considerable investment: of time, energy and openness to new ways of working. Each of the participating organisations had pledged such commitment to the DACA process – this was one of the selection criteria. The £20,000 investment in their participation helped cement commitment by subsidising the time and capacity of key staff to participate. It was also a welcome acknowledgement that for salaried arts and cultural workers in small organisations with very fully work programmes, exiting 'normal business' to participate in an accelerator is a very significant commitment which inevitably displaces other activities. This is one key area where arts and cultural organisations differ from the types of venture normally associated with an accelerator: the participating staff, with two exceptions, were employees, salaried and thus not under any financial or performance related incentive to 'grow the business'.

Key considerations on the cultural experience of the DACA include:

- **The language and symbolism.** For some participants, the language of the DACA was, at least in the early stages, quite novel and a little inaccessible. The language of business in the arts differs slightly from that of the wider economy, with notions of growth, profit and market often described with a perhaps softer set of terms – such as development, revenue and audience. There was some initial resistance to deploying some terms. This stems in part from a reluctance to embrace commercial concepts where a tension exists across the arts between the pursuit of great art, of social value, and their perceived compatibility with the generation of surplus. While most arts and cultural organisations are aware of and committed to a mixed economy approach (and this is certainly the case for the nine participants), many are uncomfortable with what might be termed the 'language of business'. For the DACA participants, the language did 'take some getting used to.' The specialist arts and cultural advisers of TAN played an important role as interpreters – which was reassuring for the more nervous or sceptical participants:

"They adapted well to us...and helped to show that we mustn't draw hard lines between commercial and not-for-profit".

A DACA participant

- **The style.** The DACA was, by design, intensive and challenging. This approach was accepted by all participants and when interviewed none would have preferred a gentler treatment. One participant described TAN's role as 'appropriately pushy'. The trade-off between TAN advisors was also appreciated – a 'good cop/bad cop' approach which helped participants to reflect on their journey and negotiate practical ways forward. For some participants, greater appreciation by TAN of their distinctive organisational cultures would have helped reduce some of the initial asymmetries of purpose:

"The starting point...wasn't really focused on the specificities of the arts and cultural organisations. They are not 'startups' and they have their own organisational memories. It would have been helpful for TAN to do more pre-work with the organisations".

A DACA participant

The most common issue here was the perceived gap between arts and cultural charities or not-for-profit companies and the DACA's immediate focus on profit. A more sensitive diagnostic process to explore the current legal status and mission of organisations might have enabled a more nuanced discussion on what growth and profit mean and the structural implications of this (e.g. setting up new companies as a spin-out from the core organisation). The DACA was for some a little 'macho' in its early stages, and it took some time to strike a balance between loyalty to organisational mission and the demonstration of business savviness expected of DACA participants.

Furthermore, as it became apparent that commercial investment was not forthcoming to participating organisations, some of the participants and their boards would have welcomed, and expected (once it became clear their propositions were unlikely to attract equity investment), more focus on other forms of investment and introductions to more social investors/funders. This relates to a clear structural and cultural challenge throughout the DACA: on the one hand it focused on growth – testing arts and cultural propositions in a commercial investment landscape. But on the other hand, it was also about resilience, exploring different revenue opportunities to proportionately reduce reliance on public sector investment. This generated some mixed messaging for participating arts and cultural organisations and for commercial investors, which in turn created some tension and confusion on the accelerator journey.

2.2.2 The perceived quality of the programme

Quality is impossible to benchmark because it is the first Digital Arts and Culture Accelerator and the first time participating organisations have been involved in such a process. The core outcomes of this Accelerator – described in **Section 3** – are in this instance the most effective way to understand quality. However, we are able to describe the perceived quality of the experience. This, overall, was a unanimously positive experience. None of the nine participants regret participating. On balance, none of them saw the process as a waste of time and resources and all would recommend it as a valuable exercise – whether this be for building confidence, developing new skills and/or ultimately enhancing investment readiness. TAN was credited for its professionalism, commitment, passion and the seriousness with which it approached the process. Where positive feedback is qualified, it relates to:

- **The relevance of certain aspects of the DACA.** Notions of relevance varied because of the different needs and levels of investment readiness of each participant. For example, some felt they did not significantly benefit from the workshops on marketing and promotion and would have preferred this time to be spent on developing their business model(s). Others requested more detail on certain areas – such as on shareholding. Some participants have suggested a more bespoke approach might have improved the quality of experience, with the level and intensity of different elements attuned to organisational need and thus different organisations having a modified accelerator experience. One participant also questioned whether the DACA focus on 'productisation'

was the most helpful approach for their particular business model: even though they were developing products, these were viewed as an outcome of a broader portfolio of arts and cultural services. In addition, there was some perception that organisations, which were finding the transition to the DACA toughest, were slowing down progress for the others. Conversely, those organisations which found the going particularly tough have described the value of focusing on the basics and for the step-by-step approach:

"This helped me to constantly re-assess where I was going and what it all meant for the organisation. I wasn't ready to go straight into discussions on markets and sales and we pivoted several times anyway...so each workshop gave me the chance to reflect and to discuss where this was taking us."

A DACA Participant

- **Access to the mentors:** Participants were nominally granted access to mentors for one hour a week. While the quality of the mentors has not been questioned by any participant, some would have preferred greater access to them – especially in the later stages of the DACA. However, even those harder-to-reach mentors have provided a much-valued service – reassuring participants of the path to follow and introducing key contacts to pursue (such as investors, networks or other accelerators).
- **The pitching day:** this was the ultimate focus activity for the DACA – the ten minutes (with a five-minute pitch and five-minute Q&A) when participants were required to 'nail it' in front of an invited audience of investors. Most participants valued this focus because it gave them a deadline and a destination to reach in terms of agreeing on and presenting a firm investable proposition. However, two of the participants suggest a more tailored approach would have been more beneficial: such as one where they had a more intimate encounter with specially selected investors (which would have involved different events for different organisations). The diversity of organisations and differing stages in investment readiness was seen by some as limiting the appeal of those in the cohort with firmer investable propositions. Additionally, some participants were unsure as to whether more and better suited investors could have been attracted to the pitching day and/or whether introductions could have been made earlier.

2.2.3 The appropriateness of the Digital Arts and Culture Accelerator

As a pathfinding opportunity, participants approached the DACA with an openness and commitment to 'learning by doing'. However, all of the participants have explained how greater clarity of purpose would have been appreciated at the outset of the DACA. Put simply, it wasn't entirely clear what was expected of them: for example, if they don't secure investment, have they failed? Or if they choose not to pursue a recommended approach, does this have implications for how they are viewed by Arts Council England and other funders going forward or is it entirely acceptable and understandable given the nature of a pathfinding programme?

A core consideration here, and one which is developed in **Section 4**, is the extent to which an approach honed in the commercial marketplace is adaptable to the arts and cultural sector. Participants of the DACA reflected on this throughout the consultation process. Key issues include:

- **Balancing organisational mission with the scalability of a product or service.** Arts and cultural organisations are, for the most part, driven by a mission to deliver an element of public value. This might be in terms of generating great art, in reaching and engaging diverse audiences, in enhancing community cohesion, and so on. The pursuit of surplus is configured as a commercial means to a social or creative end. This is reflected in the legal status of many arts and cultural organisations - e.g. as charities or social enterprises where a trading arm generates value to be re-invested in core not-for-profit activities and where public subsidy is required for the delivery of core outcomes. Many inhabit a way of working shaped by an organisational memory for which commercialisation or even business-led approaches are far from instinctive.

For the DACA, it was difficult for almost all participants to de-couple historically embedded organisational missions with the quick-fire approach to growth required by the programme. For some, there was resistance to pursue clear commercial opportunities for which there was a good chance of securing investment because this would have required such a radical diversion from the core organisational mission. For the most part, TAN negotiated through these 'sticking points' and found a compromise solution. But an issue persists where from the outside looking in an arts or cultural organisation may have value to exploit (or the potential to generate such value); but from the inside looking out, it is not necessarily in the professional interests of the organisation to do the exploiting. The opportunity, then, is where commercial exploitation and organisational values converge.

- **Ownership and incentives.** The above tensions are also reflected in the governance and staffing structures of many arts and cultural organisations, with boards less likely to be motivated by commercial outcomes and staff salaried to work to specific job descriptions that do not, for example, incentivise the generation of intellectual property for commercial returns. In turn this influences how value is created, understood and owned. Most accelerators work with entrepreneurs, many of whom are startups or early stage, and a high proportion of whom are motivated by attracting investment to achieve envisaged impact of their idea (and grow the business). In arts and cultural organisations, including most of those in the DACA, the motivations of staff are different.

Boards and senior management teams were not consistently engaged in the DACA process – for example, some boards met just once during the 12-week process. Although senior management and boards did increase their involvement toward the end of the DACA and as its outcomes were assessed, the approach overall limited how embedded the DACA programme was across organisations and localised ownership of the agenda to specific individuals. This clearly impacted on their ability to make commercial decisions in terms of which direction to pivot a product or service. It also meant that the structural task of spinning out a new business capable of maximising the growth potential of a given product or service was viewed by some as a pivot too far.

In addition, the pressures on time and capacity varied for different participants of the DACA. Some simply could not dedicate as much time as they wished and /or were required to make the most of the programme. The travel to the London-based DACA compounded the issue for some of the participants. The grant awarded to organisations to invest in the capacity required for participation was a considerable help, but it did not guarantee a smooth passage toward the level of involvement required, especially in terms of engaging the knowledge and commitment of the wider organisation (e.g. senior management). This is not to say the grants did not deliver value for money overall, but that their role in enabling active participation in the DACA varied by organisation.

This was in part a consequence of having underdeveloped investment propositions at the start of the DACA: they would perhaps have benefited from more 'pre-accelerator' services (where businesses are given intensive business support to identify and codify value – e.g. in a product; and to undertake initial work in shaping a growth and investment strategy for said product) or lead-in time to prepare a more investable product. This meant much more energy was required to develop an investable proposition within rather than in advance of the programme. It was also in part an outcome of very strained resources in small organisations. Where the direction of travel generated by the DACA was viewed as a departure from the core business of such organisations, it proved challenging to integrate this direction into the 'day job'.

"It can be incredibly lonely as an employee in an organisation trying the push things through. You don't really have the scope and freedom to be really gung-ho and just go for it".

A DACA participant

At its weakest moments, the DACA was viewed as something extra to do and the tasks it required as additional rather than central to future organisational development. However, these were just moments, with each participating organisation eventually improving its terms of engagement with the DACA that proved beneficial across a range of outcomes. Where the relationship was strongest, senior management and Boards were involved from the outset. Where it proved (and continues to prove) challenging, Boards and senior management had a partial engagement in the process and see DACA as an interesting departure – an experimental exercise which plays an invigorating if not transformational role.

The DACA did, broadly, prove adaptive to the needs of participants. That all participants continued to actively participate throughout the 12 weeks is evidence of this. TAN steered the process with real skill and sensitivity, ensuring a balance of commercial focus (i.e. staying focused on the whole purpose of an accelerator) and arts-specific values (e.g. recognising the complexity of ownership and that commercialisation can only be achieved if a set of wider social and creative agendas are equally championed). In addition, the Advisory Group played an important role in asserting that TAN, Nesta and Arts Council England that the DACA can deliver different types of outcome which are of significant value to the long-term business development of arts and cultural organisations, even if it does not immediately and directly leverage new investment.

3. Outcomes: Did the accelerator deliver?

The DACA produced some positive outcomes for all participating arts and cultural organisations and in particular for the individuals involved. Broadly, it improved levels of investment readiness overall by enabling participants to identify elements of practice which have a commercial application and for which unrestricted income might be generated; and in some cases to set up ventures which are now better positioned to attract commercial investment or give greater freedom to raise revenue from a variety of sources. This was because the DACA experience required the adoption of business thinking alongside more familiar approaches to organisational development. The DACA also helped to nurture a community of shared endeavour as this small cohort of nine collectively experienced something new. The clear instruction given, the ongoing and accessible support and mentoring, and insightful technical and illustrative materials all contributed to a very productive and focused development programme which has, without doubt, left at least the participating individuals in a stronger and more confident position.

However, the lack of investment raised does limit the overall success of DACA. It was impactful as a process but it has not delivered investment which was aimed for and for some participants anticipated. The extent to which participating organisations were sufficiently 'investment ready' on entering DACA, the effect of the process in enhancing this investment readiness, and the appetite from investors for arts and cultural organisations, are all considerations here. They are explored further in 3.1 and 3.2 below.

The extent to which the DACA experience was a radical departure or continuation of an existing pathway varied by organisation and/or for the individuals involved. For some, it consolidated existing thinking and gave licence to explore commercial options not possible in the day-to-day running of an organisation or department. For others, it was a more disruptive experience. This made it more challenging but no less rewarding:

"It was a steep learning curve for me personally and a real challenge to how we see ourselves and what we think we can achieve".

A DACA participant.

"We had to go through the DACA process to know what was possible and whether or not to launch a new venture. This should probably have been worked through without the accelerator but it was a vital process for us in identifying what we could do and now we are going to do it".

A DACA participant.

Overall, the DACA at the very least gave sight of the potential for growth and investment for all participating organisations should they wish to pursue a more commercially driven approach. This has in turn introduced a set of strategic dilemmas, in terms of:

- How to retain the strengths of the existing business model and organisational mission while diversifying income through a set of more commercial activities. This includes the dilemma of whether or not to set up a new business so as not to compromise the mission and focus of the existing organisation.
- How to articulate and measure value – e.g. where the generation of intellectual property (IP) through R&D activities introduces new business opportunities which might not fit neatly in the core organisational mission or structure; or where technology partners co-own IP but are not required to be duty-bound to the organisational priorities of an arts and cultural organisation.
- How to incentivise and reward staff to pursue commercial opportunities with the same vigour and passion as individual entrepreneurs (e.g. those creative and digital startups).
- How to balance a set of creative and social outcomes with commercial ones in ways that are attractive to commercial investors while delivering to the expectations of public funders, strategic partners, trustees and audiences.

The evaluation of DACA immediately after the pitch day found there had been more impact for the individuals who participated rather than the organisations they represent. It was only relatively late in the process and for some after the DACA that senior staff and boards have been properly engaged. In turn this has influenced some key decisions – e.g. on whether or not to launch a separate venture and then how to structure that. It proved challenging over such a short time frame to change perceptions and approaches of some staff teams and to achieve the board-level support required for any significant new business development activity (especially where this involved setting up a new company). As one DACA participant put it:

“Scale and internal complexity are key issues. A lot of cultural organisations are adapting their existing approach and developing their mission in different ways. But it can be slow and isn't without pain. Engaging trustees is paramount in this process”.

A DACA Participant

However, five months after the programme there is some evidence of organisational change as a result of participation in DACA. Members of the TAN team worked with a number of boards and directors over the summer, facilitating reviews of organisational missions and values and supporting strategic planning. This has led to the establishment of new ventures in some instances and in others to hold back and focus more on the existing core mission.

It is likely that approaches and concepts which may prove challenging today, may prove less so in the future, with arts and cultural organisations constantly evolving so that entrepreneurship increases, business skills improve and commitment to commercial models are mainstreamed. A future DACA might then operate in a different strategic, investment and operational climate, where investment readiness is more widespread and investor appetite for arts and culture commonplace. The DACA marks an important step in this direction and offers one development tool amongst others if the sector as a whole is to flourish in a mixed economy.

3.1 Improved investment readiness

Each of the nine participants successfully completed the DACA and delivered pitches to assembled investors at an event hosted by Royal Bank of Scotland on 15 September 2016. Moreover, these pitches were regarded to be of a high quality, with clear business cases set out as investment propositions. To reach this point, each of the participating individuals had travelled far, become more business focused, commercially savvy, resourceful, confident, and had acquired some of the tools required for economic viability and improved resilience. In addition, some of the organisations had committed to setting up new companies/ventures which focused explicitly on the products/services being put forward for investment, thus providing a cleaner investment proposition than for proposals coming from a complex arts and cultural organisation. Broadly, these are characteristics associated with investment readiness.

There were, though, marked differences in the level of any notional investment readiness for participants. This was linked on the one hand to the quality of their investment proposition (i.e. its ability to deliver commercial returns attractive to investors); and on the other to a set of factors such as their business skills, business and organisational model, level of IP retention, and evidence of organisation-wide commitment to commercialisation. Broadly, participants could be grouped into two cohorts:

- **Early stages of investment readiness.** Those which struggled to develop a firm commercial proposition and pivoted at least twice before settling on a preferred option. Typically, these organisations were challenged when faced by the dilemmas introduced above and did not satisfactorily resolve which direction to take. To this extent, the pitch was for a work in progress with some outstanding structural, legal and strategic issues still to be resolved. Levels of senior management and/or board involvement was also limited. All would have benefitted from a more business focused pre-accelerator experience, which for up to two of them might have led them to a different path from that of the DACA. This is due for the most part to the challenge of reconciling creative and social outcomes with commercial ones.

Within this cohort, some participating organisations developed clear business-led solutions which can underpin viable economic activity going forward and should in theory be more attractive to loans and a wider range of grants. However, none have yet raised finance through loans – e.g. applications to Nesta's £7 million Arts Impact Fund have not been successful, with the small scale of the organisation and/or proposal a factor. Indeed, a mix of factors – such as the scalability of the product, ongoing IP issues, or the extent to which there is a willingness to pursue it beyond ways that clearly complement core organisational activities – these organisations are not likely to be attractive to commercial investors such as business angels.

There is some scope in the future through the Seed Enterprise Investment Scheme (SEIS). There is also the potential to be attractive to social investors looking to build a relationship with an arts organisation over the medium to long term – offering a combination of mentoring and finance in return for some equity. However, considerable work will need to be undertaken to structure any such deals and it is clear that, in retrospect, a commercially facing accelerator was not the right vehicle for these organisations.

- **Investment readiness for commercial finance – e.g. equity.** Two participating organisations - **Firestation and National Holocaust Museum** - showed levels of investment readiness which might be highly attractive to commercial investors. These organisations showed a clarity of mission and were very targeted toward establishing a viable commercial model from the start of the DACA process. This included a willingness and appetite to take the business outside of the arts and cultural sector. They were also, at an early stage, able to establish a clear organisational structure and business plan for scaling their product/service and to reconcile this with their core organisational mission. In both cases this involved setting up a separate venture to the core organisation. It also involved a significant level of personal investment (finance and time) by key individuals, with risk and potential reward taken outside the complex structure and mission of the hosting organisation. This has (and is an ongoing process) involved establishing separate ventures to the main arts and cultural organisation, to which the project leads invested personally (and will be rewarded with any investment) and where the 'parent' organisation are shareholders in the new venture.

For both organisations, DACA operated as a pre-accelerator, enabling the establishment of a business model and governance structure appropriate for an accelerator in, for example, the technology or creative industries. Indeed, both are now pitching alongside businesses in such sectors in search of investment. However, for both there is still considerable work to do, such as demonstrating revenue potential, agreeing on the exact shareholding mix and ultimately finding the right investor/mentor mix.

Notwithstanding the differences in starting and finishing points¹⁴ for each participating organisation, today all have stronger investment propositions underpinned by greater clarity on how to present these propositions within a wider business. For example, participants point to their improved investment readiness overall:

"We've got a much stronger proposition now and I feel clearer and more confident in talking about what that is."

A DACA Participant

"I am much clearer about business planning. This will help for the National Portfolio Organisation business plan, which will be much more focused and robust."

A DACA Participant

"We are more entrepreneurial thinking now in our approach to all aspects of the business...and more confident in taking ideas to the Board."

A DACA Participant

These outcomes are also reflected in the survey undertaken by TAN to test changes in attitude and confidence:

Figure 3: Organisational self-assessment of their confidence in business competencies pre and post accelerator¹⁵



3.2 Investment secured

Despite evidence that the DACA has been impactful in terms of perceived investment readiness, in confidence and business know-how, none of the DACA participants have raised new investment. In fact, most have pivoted back to 'business as normal' – searching for small grants and loans.

In addition to investment readiness, a major intended outcome for the DACA was that organisations have secured commercial and/or social investment and/or other types of investment.

At the interim stage of this evaluation, participating arts and cultural organisations were broadly positive in terms of their anticipation of investment or at least in opportunities to engage with investors and mentors. All the organisations had follow up post-pitch day conversations (of varying levels of focus and quality) with investors, mentors and startup specialists. Yet none of these conversations have yet led to new investment and in some cases relationships with investors did not progress beyond immediate contact.

There is a perception from some participants that the DACA was impactful in terms of raising awareness of what investors are looking for and the types of proposition which might ultimately be termed 'investment ready'; it perhaps established false hope that investment would be leveraged. For other participants, the DACA was understood as an explorative process with no guarantees of investment. Indeed, the process has highlighted where barriers to investment in arts and culture exist and what this means in terms of attracting investment going forward. Broadly, the following are given as reasons for the lack of investment leveraged via the DACA.

- **Organisations rather than ventures.** All the participants in the DACA have, to a differing level, faced challenges in separating the investment proposition from the core business and culture of the organisation. The DACA has certainly helped some to identify the route to launch a new venture. Some have followed this through and are now much better placed to attract investment. Others were able to make informed decisions not to pursue this option – largely because of how it represents a radical departure from the core mission of the organisation; because of perceptions of risk; or due to the workload involved. In such cases, the board or senior staff were resistant to generating a new company and have pivoted back toward seeking investment through more traditional means.
- **Issues of ownership and IP.** Some organisations have continued to struggle with their investment proposition, with a lack of clarity on how to negotiate IP with technology companies who they worked with in previous product development; and/or apprehension with regard to releasing equity to investors if investment were to be secured.
- **Issues of access and the quality of the conversation.** Some organisations did not develop rich and productive relationships with investors of different types. Some suggest that the right mix of investors was not attracted to the pitch day and that subsequent introductions were not appropriate for their needs. Others have shown some concern that investors were not briefed and primed throughout the DACA – building an awareness of the how arts and cultural organisations operate and nurturing some appetite for the mentoring required to reach investment readiness.

- **Issues of presentation and association.** The more investment-ready organisations have struggled to provide attractive investment propositions in a marketplace where they are competing with young startups that are specifically structured to take on large initial injections of capital. This is seen as an outcome of a long-term lack of mediation to build appetite in arts and culture as a sector which can generate investable propositions.

Following the pitch day, the nine organisations engaged with investors, funders and potential partners across a broad spectrum. While some of these conversations remain in train the individual outcomes are not reported on. However, it is possible to give a sense of how these conversations have developed.

A number of the organisations have met with other accelerator programmes or regional technology networks in the hope of building links with both product development communities and the investor community. Other organisations have looked at follow-on or specific creative industries business support as a way to keep the momentum from the accelerator up – one organisation joined the Creative Industries Finance cohort, for example. A few of the organisations have focused on grant applications to programmes such as The Space (and in some instances, due to timing, National Portfolio applications).

It is clear, however that the organisations are each at a different position in terms of their investment readiness and thus their likely success in securing investment. Just two are actively pursuing equity investment. Others have decided to pursue grant funding, partnerships and some self-financing to deliver their projects. Just two organisations are actively seeking loan finance. The DACA then helped to identify barriers to investment readiness for different types of finance and was formative in influencing the direction that organisations took next.

With the DACA, there is consensus from the participating organisations, TAN and the Advisory Group that all the participating arts and cultural organisations experienced a marked uplift across a range of investment readiness measures and that some will achieve success in terms of new finance tangibly linked to the accelerator process. This might not come immediately or at all for some participants, but a process of organisational reform and targeted professional development has been initiated.

4. Conclusions and considerations

"The programme was an ambitious and welcome prototype to understand the support needs and potential for arts and cultural organisations as they accelerate digital projects towards commercial exploitation. We feel that, overall, it has been a success, both in helping to build entrepreneurial capacity and in helping some of the R&D projects to become investment ready."¹⁶

The DACA has acted as a positive and productive influence on the nine participating individuals and, to a lesser extent, the arts and cultural organisations in which they are based. All have benefited through the rigour, intensity and profile generated by the programme; each is in a stronger and more confident position; some are nurturing new relationships with funders and/or mentors; and some have the potential to generate new types of finance which would not have been otherwise accessible. However, none of the organisations have yet raised finance through the DACA. Some continue to pursue opportunities introduced through the accelerator process, others have reflected on the learning generated and pivoted back toward what they see as core business considerations.

The challenge of organisational change in a context of low levels of investor awareness and appetite for arts and cultural organisations, suggest that sustained commercial investment in arts and culture will require significant strategic development over a sustained period. Or in other words, accelerators can be part of the solution to growing and diversifying investment in arts and culture, but they will need to be more appropriately targeted and situated as part of a broader process of increasing management and entrepreneurship skills and capacity, in nurturing investor interest, and in supporting organisational change (e.g. setting up new ventures).

A further consideration here is the value proposition of the DACA. The focus on proportionately reducing public investment is central to Arts Council England's push for 'resilience'. However, commercial investors are not interested in resilience; they are targeting specific financial returns. The DACA commenced with slightly mixed messages in terms of whether it was a tool for resilience, innovation, growth, or all of these elements. Arts and cultural organisations can diversify income streams and restructure their business models to allow for greater resilience, but this does not necessarily equate to a growth strategy. The DACA process enabled organisations to find the most appropriate balance for their future planning, but it did enable all the organisations to set out a clear growth proposition to investors.

Furthermore, there are still some questions regarding how far and fast arts and cultural organisations can go or indeed should go. Fundamentally, participating organisations were compelled ultimately to consider on what terms growth should be pursued. Many arts and cultural organisations will be generating ideas and content which, with the right model, could be scalable or plausibly monetised. But many of these organisations will be somewhat compromised should that growth trajectory depend on a radical shift of core purpose.

A development issue here is the requirement of an accelerator to focus on ventures and products (and a process of productisation), whereas the focus of an arts and cultural organisation is more often on nurturing an ecosystem of activities and relationships. Most accelerator models intervene in a reasonably clear process of productisation where it is clear at the outset what product will provide the focus and the likelihood of pivoting assessed as a condition for enrolment. Then the accelerator provides a structured process for the business to test and iterate the product. Sometimes there will be a need to pivot, but the more usual trajectory is one of a continuation and iteration. This is not how most arts and cultural organisations operate, especially for those where any product is itself a spin-out of a wider set of activities. An accelerator then requires a different way of locating value and an alternative approach to development.

By grappling with these issues and the questions they raise, the DACA offered a compelling insight into the strategic and operational dilemmas of arts and cultural organisations as they seek to generate viable business models which converge a set of values with a set of new opportunities. The small sample size of participating arts and cultural organisations and the diversity of this cohort (with a range of art forms, legal and business models, project starting points represented), mean that it is difficult to establish clear points of relevance for the wider arts and cultural sector. Harder still is articulating what this means for investment in the arts more generally.

However, the DACA is an important intervention in the early stages of a new era of arts and cultural investment and, more broadly, of value creation in the arts. It is not a programme which will be viewed as a 'replacement mechanism' for public funding; and it won't yet be relevant for arts and cultural organisations which are not in the business of generating products of commercial value. But it can usefully open up and improve the quality of the conversation regarding how arts and cultural organisations diversify their income streams and attract different types of investment that in turn enable them to attract more 'traditional' forms (such as grants) as part of a balanced mix. It will not do this alone – the Arts Impact Fund, Arts a Technology Pilot Programme, pathfinder activities in crowd-funding, and a strategic campaign to raise private giving to the arts – are also contributing to the first stages of this new era.

As Nesta, Arts Council England and their partners in the public and private sector consider their next steps in this changing investment landscape, it will be worthwhile considering:

- **The value of continual piloting, pathfinding, experimentation and knowledge generation.** Interventions such as the DACA can play a vital and productive role in changing the terms of reference for arts and cultural investment and in building awareness of and improving competencies in activities which improve the economic viability of arts and cultural organisations. This includes exploration of unrestricted income (unlike grants, loans, even crowdfunding), with organisations better at generating revenue from their talent and ideas. Pathfinder activities enable the prototyping of approaches and help demonstrate what works and what does not. They also help to build a wider strategic conversation – opening up opportunities for new ways of working.
- **Staging accelerator and pre-accelerator programmes for organisations selected from a wider sample than the Digital R&D Fund.** Although there was a clear logic for recruiting organisations from this programme, with the whole sector to select from organisations at very similar stages could be grouped in future activities – e.g. for pre-accelerator support programmes and for accelerators that are more amenable to leveraging investment. Whether such activities should be named as such should also be considered – given how these terms are not yet accessible to most arts and cultural organisations and might be suggestive of something being imported to the arts rather than developed in a more bespoke and sector-driven manner. However, it is clear there is significant merit in staging accelerator programmes for arts and cultural organisations as a rapid delivery tool for skills development and as a productive environment to explore how an idea can be taken forward.
- **Building the conversation and mobilising investor readiness.** The DACA has enabled participating arts and cultural organisations to undertake a serious and purposeful exercise in investment readiness. It has also initiated some conversations with prospective investors and helped to build awareness of the sector as a potential investment proposition. However, the lack of investment suggests the scale of the investment gap. There is much to be gained by building on the brokerage role of the DACA and inviting investors of different types to play an active role in reshaping the arts and cultural investment landscape. Pathfinding activities such as the DACA have an important summoning power, bringing investors 'to the table' and demonstrating that there is some appetite to explore further opportunities. More extensive investment readiness support for arts and culture, co-designed by investors keen to explore the potential of this large and dynamic sector, would in turn help to identify bespoke tools which work for the sector and deliver promising returns for different types of investor.
- **The right type of money at an earlier stage.** Arts and cultural organisations participating in early-stage product development would benefit from smaller injections of investment to prototype, embed R&D, and explore new ways of generating income. With a stronger support environment in 'normal business' (such as access to mentors, brokered introductions to networks of investors, and closer working relationships to universities and commercial creative businesses); such organisations would be in a better position to enter an accelerator environment.

Appendix 1: Digital Arts and Culture Accelerator Advisory Group

Jon Kingsbury, KTN (Chairperson)

Vicki Hearn, Nominet Trust

Graham Hitchen, Directional Thinking

Jane Tarr, Arts Council England

Justin Cooke, Northzone and FutureLearn Ltd

Shaun Beaney, ICAEW.

Peter Gilson, Northstar Ventures

Appendix 2: Consultees

Project Participants

Gabrielle Jenks, Abandon Normal Devices.

Rachel Oliver and **Michelle Crossley**, Circus Starr

Jim Hinks and **Ra Page**, Comma Press

Dan Eastmond, Firestation Arts and Culture

Paul Long, Metro-boulot-dodo

Ben Payne, Ministry of Stories

Annie Ukleja and **Mandy Berry**, Miracle Theatre Company

Sarah Coward, National Holocaust Centre and Museum

Leah Moore, Orphans of the Storm

Funding Partners

Anna Dinnen, Nesta

Tim Plyming, Nesta

Fran Sanderson, Nesta

Rachael Chesterman, Nesta

Sam Mitchell, Nesta

Paul Glinkowski, Arts Council England

Ross Burnett, Arts Council England

The Accelerator Network (TAN)

Ian Merrick

Katie Lewis

Ellen O'Hara

Paul Sturrock

Project Advisory Group

Graham Hitchen, Directional Thinking

Jon Kingsbury, KTN

Justin Cooke, Northzone and FutureLearn Ltd

Peter Gilson, Northstar Ventures

Vicki Hearn, Nominet Trust

Jane Tarr, Arts Council England

Shaun Beaney, ICAEW

Other strategic stakeholders

Steve Taylor – delivered the pre-accelerator workshop

Endnotes

1. BEIS (O. Allen, J. Bone, C. Haley), Business Incubators and Accelerators: The National Picture: BEIS Research Paper Number 7 (2017).
2. It is undertaken by Tom Fleming Creative Consultancy: www.tfconsultancy.co.uk
3. Arts Council England contributed £280,000, Nesta £105,500.
4. Accelerators are short-term programmes (usually aimed at tech businesses) that offer intense mentoring by experts and other resources for a small group of startup companies. Companies are selected through a competitive application process, and enter and exit the programme as a 'cohorts'.
5. Or £8.3 million if in-kind contributions are included.
6. Evaluation of Digital R&D Fund, May 2016 Undertaken by TFCC.
7. Anna Dinnen, Rachael Chesterman, Nesta and Paul Glinkowski, Arts Council England: 'From pivots to light bulbs', their blog on the Digital Arts and Culture Accelerator.
8. This included travel expenses to/from London, backfill of staff time and some additional consultancy support for some organisations.
9. www.theacceleratornetwork.com
10. Members are listed in Appendix 1.
11. A list of the Advisory Group members is included in Appendix 1 and all other consultees in Appendix 2.
12. Bound, K. and Miller, P. (2011) 'The Startup Factories: The rise of accelerator programmes to support new technology ventures.' London: Nesta.
13. Board members and/or senior managers in addition to the main participating individual were interviewed for three of the participating organisations. See Appendix 2.
14. Finishing points is perhaps the wrong term here, because the DACA was positioned as part of a longer-term journey for each organisation.
15. Pre DACA surveys carried as part of the assessment before the start of the programme. Post surveys carried out straight after pitch day.
16. Jon Kingsbury, Chair of DACA Advisory Group in Letter to Arts Council England and Nesta. Jon is also Head of Digital & Creative Economy, Knowledge Transfer Network.



nesta

58 Victoria Embankment
London EC4Y 0DS

+44 (0)20 7438 2500

information@nesta.org.uk

 [@nesta_uk](https://twitter.com/nesta_uk)

 www.facebook.com/nesta.uk

www.nesta.org.uk

Nesta is a registered charity in England and Wales with company number 7706036 and charity number 1144091.
Registered as a charity in Scotland number SCO42833. Registered office: 58 Victoria Embankment, London, EC4Y 0DS.

