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Small Rural Enterprises and Innovative Business Models: A Case Study of the Turin Area

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Abstract: Small businesses and farms are today struggling to find an innovative solution to a globalizing market and a challenging society. Among different aspects, small businesses, especially in rural areas, need to find a balance among tailor-made innovative solutions, specific customers engagement strategies, creative value creation solutions, and new business concepts able to reshape existing markets. In this study, 16 small enterprises of rural areas near Turin belonging to different sectors collaborated to co-create innovative business models. To guide this discussion through a sustainable innovation path, a territorial Living Lab set up the four macro-topics of the co-creation workshops linked to the United Nations' Sustainable Development Goals. Innovative business ideas were elaborated through the Brainstorming and Business Model Canvas tool and data were examined with SWOT and cross-case analysis. The results of the workshops pointed out four different innovative business ideas elaborated by the entrepreneurs, all linked by the need to translate innovation into sustainable adaptive solutions to local specificities. This case study showed that a range of enabling factors, such as the creation of a shared vision among local actors, can be codified to clear barriers and/or create innovative business solutions linked to economic, environmental, and social sustainability in rural areas.

Keywords: small enterprises; rural areas; socioeconomic integration; innovative business models; sustainable business models; co-creation; Living Lab; Business Model Canvas

Citation: Galardi, M.; Moruzzo, R.; Riccioli, F.; Granai, G.; Di Iacovo, F. Small Rural Enterprises and Innovative Business Models: A Case Study of the Turin Area. *Sustainability* **2022**, *14*, 1265. https://doi.org/10.3390/su14031265

Academic Editor: Riccardo Testa

Received: 8 December 2021
Accepted: 20 January 2022
Published: 24 January 2022

1. Introduction

In front of many diverse natural, social, and economic challenges and in an era of fast technological evolution, new business models need to reorganize their focus to answer customer needs and societal–public and private–demands [1,2]. In times of change, entrepreneurial attitudes towards a well-developed business model that "*articulates the logic and provides data and other evidence that demonstrates how a business creates and delivers value to customers*" [3] become pivotal. Despite the will of entrepreneurs to innovate, small- and medium-sized enterprises might often find barriers to this process. As reported by Rizos et al. [4], barriers can be grouped into macro-categories concerning a lack of financial resources, a lack of technical and technological knowhow, institutional barriers, or sometimes a lack of support from the supply and demand network. The mentioned barriers are confirmed by studies on samples of small- and medium-sized enterprises [4], which always assume the firm as an individual decision-maker in front of the everyday, more complex socio-technical environment. A different perspective reflects on positive and enabling solutions [5] which can facilitate the creation of innovative ideas by the way of the involvement of a larger number of actors in the decision-making process.

In such a perspective, social innovation and participatory processes are considered to be key elements for the co-design of new solutions and the generation of emerging business

opportunities. Participatory processes facilitate the expression of interest groups, and the development of innovative solutions [6] through the involvement and the discussion between actors, by encouraging collaboration around converging visions and goals. This is also true in sustainable business model innovation and design [7–9].

The concept of "business model" was introduced to better communicate complex business ideas [10], so that business models are therefore seen not only as an object of innovation but also as a vehicle for the innovation itself [11], as well as in the perspective of more sustainable business models. Sustainable business models represent a valuable resource that can integrate sustainability objectives into value creation and value acquisition activities by firms [10,12].

In their study, Evans et al. [11] provide a pattern, in five steps, essential for a transformation toward a sustainable business model:

- design sustainable value incorporating value forms in terms of economic, social, and environmental benefits;
- create a system of sustainable value flows among multiple actors, where the primary stakeholders are the natural environment and society;
- suggest a new purpose, design, and governance that will generate a value network;
- consider the interests of every stakeholder and their responsibilities for mutual value creation;
- internalizing the externalities through the Product Service System ("*a market proposition that extends the traditional functionality of a product by incorporating additional services*" [13]) that enables innovation towards sustainable business models.

Sustainability innovations, compared to traditional ones, require increasingly integrated thinking and the consideration of a wider range of business aspects such as skills, stakeholder relationships, and knowledge management, to ensure that the sustainable business model is followed for every decision and process [14].

To continue talking about stakeholders and the importance of their participation in the innovation process, "*sustainable business models aim at employing proactive multi-stakeholder management*" [10], where the simultaneous achievement of the benefits of all stakeholders is seen as a necessary paradigm [15]. In mountainous rural areas, the organization of innovative solutions might be complicated by the isolation of the actors involved as well as by the need to integrate resources, knowledge, and sectors towards unconventional solutions.

The discussion around emerging challenges, small firm adaptation, and new co-design processes in the perspective of larger sustainability is today an open field of work also involving the design of more coherent research methodologies.

Along this path, our paper presents the results of a case study investigation in the mountainous area of Turin, aimed at creating a methodology able to facilitate the discussion and co-creation of innovative sustainable business solutions linked to economic, environmental, and social aspects among small-scale entrepreneurs in rural areas. The study was organized with local public and private stakeholders in the frame of the PITER GRAIES Lab project, aiming at designing innovative solutions in the economic sector in the Piedmont/France trans border area and answering to effective demand for innovation. From this point of view, the case study of the Italian side of the project reported in this article fits with a more general issue related to the evolutionary role and business models for small firms in our society, especially in front of the emerging social, environmental, and economic challenges, as well as community and territory evolution.

2. Materials and Methods

As summarised in Table 1, the methodology of this case study is divided into three parts: in the first, a Desk analysis was set up to understand the features of the territory; in the second part, the Living Lab methodology [16] was used to define aims, relevant topics, and to recruit entrepreneurs; and in the third, the Modelling approach, entrepreneurs were involved in co-creative workshops by the way of Brainstorming and Business Model Canvas (BMC).

Table 1. The framework of the proposed co-creation process.

Methodology Steps	Outcome
Desk analysis	Increasing knowledge and understanding of the territory involved in the study
Living Lab approach	Process of collaborative participation to define the shared objectives between political and research institutions and representatives of the different categories of entrepreneurs of the territory
Modeling approach	Planning and co-creation of new sustainable business models through specific workshops to stimulate the discussion between small entrepreneurs' representatives of the study area

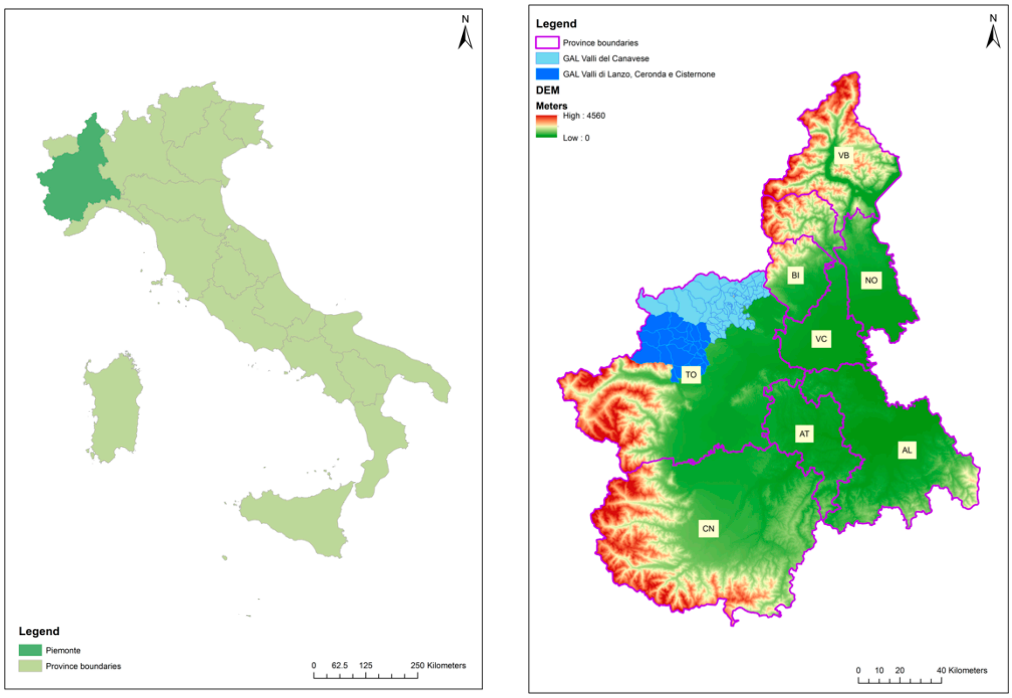
All the activities were carried out online (due to the pandemic situation) in a period between October 2020 and February 2021 with the pivotal logistical support of Coldiretti Torino. Methodological steps, tools, and data analysis are detailed below.

2.1. Desk Analysis

The territory examined involves two LAGs (Local Action Groups): Valli del Canavese and Valli di Lanzo, Ceronda, and Cisternone, located both in the northern part of Turin province (Figure 1). The territory is characterized by municipalities located on the plain as well as in the mountain, with a clear predominance of "mountain municipalities", six of which constitute more than 50% of the municipalities studied, while the seven "hillside villages" appear fragmented within the large portion of the plains. It also shows the greatest signs of marginality and the simultaneous presence of two factors with a strong impact on socio-economic dynamics: the mountainous location and a very high percentage of municipalities with fewer than 5000 inhabitants (and, among these, many municipalities with a population of fewer than 1000 inhabitants).

In the period 2010–2018, Valli del Canavese recorded demographic stability; industry is still an important source of employment (36%), the services sector covers about 60% while the agricultural sector counts around 4%, with a prevalence of meadows and pastures, and therefore livestock farming, a scarce presence of arable land and fruit and vegetable cultivation at low and medium altitudes. Tourism is mainly linked to outdoor activities such as trekking.

Data from 2010–2018 about Valli di Lanzo, Ceronda, and Cisternone recorded a demographic decrease (about 3%); as in the previous case-study, agriculture accounts for 4%, industry for 39%, and services for 57%. As far as agriculture is concerned, there has been an increase in meadows and pastures and an important production of fruit and horticultural products. Tourism is based on wilderness areas and outdoor sports activities, such as mountain biking, climbing, and canoeing.



(**a**) (**b**)

Figure 1. The analysis was performed in Piedmont, a region of northern Italy (**a**), in the Turin provinces: the case studies are represented by Valli del Canavese and Valli di Lanzo, Ceronda, and Cisternone (**b**).

2.2. Living Lab Approach

Among participatory processes, the one taken into consideration for this project as the tool to create a co-design aimed at solving social challenges, especially in rural areas, is Living Lab (LL) methodology. In Europe, the first experiences of LLs applied to operating environments involving users date back to around 2005 in the Nordic countries, and 2008 saw its expansion beyond European borders [17] afterward, as stated in the review of Hossain et al. [16]. The interest of several journals in Living Lab has increased significantly, as well as the number of publications on the topic.

In the literature, we can find different definitions of Living Lab, such as the one of Leminen et al. [18] that defines them as "*physical regions or virtual realities in which stakeholders form public-private-people partnerships of firms, public agencies, universities, institutes, and users all collaborating for creation, prototyping, validating, and testing of new technologies, services, products, and systems in real-life contexts*." The definition given by the European Network of Living Labs (ENoLL), an international non-profit organization to promote and to enhance Living Labs around the world, says "*user-centred open innovation ecosystems based on a systematic user co-creation approach, integrating research and innovation processes in real-life communities and settings*." (https://enoll.org/about-us/, accessed date 1 December 2021). In more detail, the Living Lab methodology is a tool used to effectively involve a "*gathering of public–private partnerships in which businesses, researchers, authorities, and citizens work together*" [19] in the co-creation of new services, at all stages of the research, development and innovation process, providing open innovation environments in real-life settings [20].

In our study, the Living Lab was used to define the shared objectives and to conduct the "Exploration" phase [21], and so it was established between political and research institutions and representatives of the different categories of entrepreneurs of the territory. In detail, there was the participation of:

- Confederation of business owners "Camera di Commercio";
- Confederation of artisans "CNA—Confederazione nazionale dell'artigianato e della piccola e media impresa";

- Trade association of farmers "Coldiretti Torino";
- Metropolitan city of Turin;
- Start-up of the University of Turin "Incubatore 2i3T";
- The University of Pisa.

During the Living Lab meeting, participants shared their knowledge and organized converging visions on sustainable innovative business models and possible territorial integration in the perspective of a higher prosperity achievement in the Turin area.

The idea of "Valuable Food and Territories" labelled the common aims with four different topics inside the general title, all linked to United Nations' Sustainable Development Goals [22]. The selected topics were: (1) Circular Economy and innovation opportunities; (2) Environmental sustainability in the creation of goods and services; (3) Ecosystem Services and "Green" perspectives; (4) Social innovation and *Civil Food* in the post-COVID-19 era. Therefore, four thematic seminars opened to all the entrepreneurs and citizens were organized, and after each, the entrepreneurs that participated were invited to join the Modelling phase.

2.3. Modelling Phase

This was the main phase of the research, where four specific co-creation workshops were designed to stimulate the discussion around innovative business solutions linked to the four different themes.

After the seminars, 16 people decided to participate in the Modelling, all of whom were representatives of the small entrepreneurs in the Turin area in the sectors of agriculture, farming, rural tourism, and food services.

Each meeting had a duration of 2.5 h and was led by a moderator from the University of Pisa. To encourage participants in the discussion and development of the innovative ideas (after a small introduction to explain the organization of the meeting) the workshops were divided into two parts: (a) general Brainstorming [23] on the theme of the day and selection of a relevant idea; (b) Business Model Canvas (BMC) analysis [24] of the idea elaborated.

This process for Modelling was selected taking into consideration other research in the business model innovation field [25,26]. In particular, Brainstorming is a widely used tool with which a group of people are made to generate new ideas together [23], in our case was employed to start between the participants a discussion focused on the theme of the workshop. The Business Model Canvas, instead, followed the Brainstorming and was considered the primary tool because, with its specific nine sections to fill in all dedicated to key parts of the business organization (Partners, Activities, Resources, Value Proposition, Customer Relationship, Channels, Customer Segments, Costs, Revenues) [27], it is the best support to approach new business models step-by-step and helps those who use it in taking all of the important features into adequate consideration.

2.4. Data Analysis

Data that emerged from the study were analysed in a qualitative way using both within-case and cross-case analysis, with which the ideas were compared [28]. To analyse the single innovations after every meeting, a SWOT matrix [29] of every business idea was filled in by the researchers, putting together all the entrepreneurs' input. The SWOT was chosen because its simple sections (Strengths, Weaknesses, Opportunities, and Threats) can clearly summarize and explain the main features of the single business ideas [29]. However, to compare the business models in the cross-case analysis, all BMC and SWOT data were taken into consideration together and analysed concerning the characteristics of the territory and from the perspective of sustainability. This way of analysing the data of small case studies on sustainable business models has already been used in the field [30,31], and was chosen so that the features of the different ideas that emerged in the territorial integration and sustainability points of view could be deeply understood.

3. Results

The methodology designed adequately fit the overall process and was favourably accounted by participants. The Desk analysis allowed the research group to understand the main features of the territory and to fix aspects to introduce in the discussion with local stakeholders. The Living Lab managed to bring different stakeholders to decide together a common final goal for the territory and to introduce the sustainability macro-concept through the four topics. During the co-creation workshops, people actively interacted, started knowing each other (the 16 participants did not know each other before the workshops) and then, with moderator support, gradually focused on each topic by presenting and discussing their ideas for innovative business models.

The Business Model Canvas analysis was the most relevant part of the process allowing us to explore the potential of ideas presented, and detail them through the participant contribution. Table 2 presents the most relevant information that emerged during the BMC discussion. Table 3 presents the SWOT analysis of the different projects.

Table 2. Business ideas detailed description after delineation with the BMC tool.

	Leather Accessories from Local Bovines	**Eco-Friendly Packaging for Local Products**	***Worth Agreement* for Stakeholders**	***Civil Food* through the Work of Marginalized People**
Partners	Local bovine farmers, tanneries and leather artisans for production. Local shops and touristic services for distribution.	Food producers and restaurants of the territory, Polytechnic University of Turin, packaging industries and trade association.	Small enterprises, touristic facilities and local institutions (as municipalities and Metropolitan City of Turin, Local Action Groups etc.).	Food production, transformation and distribution enterprises, Local Health Units, associations for marginalized people.
Activities	Produce high quality local bovine leather accessories from butchery waste through eco-friendly tanning procedures.	Creation of a new eco-friendly packaging dedicated to local products that describes the territory with attention to food safety and design.	Coordinated promotion of the territory trough the activities and products of the members of the *Worth Agreement*.	Networking between the firms and the social and health services of the territory to promote a constant work inclusion.
Resources	Experience and instruments given by the partners. A dedicated website for the promotion.	Technological skills for the development and equipment for the production given by the University and industries.	Entrepreneurs and administrators will in collaborating for the objective demonstration of their commitment in the *Worth Agreement*.	Communication channels for firms and services to match the social need of the territory and the availability in social inclusion.
Value Proposition	High ethical background (with respect to animal welfare, traceability, traditions, and low carbon footprint).	Avoiding the production of non-recyclable waste while communicating the high quality of the products and the strong bond with the territory.	Commitment in respecting shared rules and values for conducting their entrepreneurial activities, preserving the territory in its entirety.	Social inclusion for marginalized people that gives ethical added value to local food products that, in this way, can be considered *Civil Food*.
Customer Relationship	Communication of the values behind the products. Possibility to customise the accessory because of its handcrafted nature.	Direct communication of the eco-friendly aim, quality and bond with the territory of the food product that they are buying.	Possibility for customer to be sure in investing in activities and products that take with them preservation values.	Coherent communication of the social and ethical values behind the product with explanation of the importance of social inclusion.

Table 2. *Cont.*

	Leather Accessories from Local Bovines	**Eco-Friendly Packaging for Local Products**	***Worth Agreement* for Stakeholders**	***Civil Food* through the Work of Marginalized People**
Channels	Promote and valorise designed products both on internet and in the touristic services (e.g., accommodation and restaurants).	Local food shops and street markets managed by trade associations where the packaging could be used for specific local products.	Institutional promotion on their communication channels to reach consumers of the territory and tourists.	Promotion and distribution of the *Civil Food* in local food shops, street markets and in the restaurants of the territory.
Customer Segments	People sensitive to environmental issues and that want original and characteristic accessories.	People of the territory and tourists that are interested in local products and also give value to waste reduction.	Locals and tourists looking for an experience that connects the holiday with preservation of nature and traditions of the place.	Local consumers that give importance to social issues so are willing to pay more the goods for their *Civil* value.
Costs	Changing of the tanning processes to more eco-friendly ones, creation and maintenance of the website.	Investment on technology and equipment for the development and the production in large scale of the new packaging.	Creation of a shared certification system to guarantee to consumers the respect of the shared rules and values.	Need of financing marginalized people and reorganizing the work to include in an easier way this category of workers.
Revenues	Higher price of the leather for farmers and higher price for accessories because of the ethical values behind it.	Less production of non-recyclable waste, reduction of the cost of advertising the territory because the packaging communicates itself.	Better promotion of the activities of the members of the *Worth Agreement* with less individual expense in advertising.	Possibility to access to financing projects for social activities and to obtain a higher price for the *Civil Food* products.

The four innovative business ideas elaborated by the small entrepreneurs were rather different, but all of them hinged upon an effort to translate innovation into sustainable adaptive solutions to local specificities in a territorial integration framework.

We can see this, for example, in the "Leather accessories from local bovines" that wants to create a new network between farms with the typical "Piemontese" bovines breed and leather artisans of the territory. According to this project, leather (a product that for, farmers today, is a waste) might become a high-quality material for the artisans' leather products from a local circular economy point of view.

In the second idea, waste is taken into consideration from a different perspective. The "Eco-friendly Packaging for local products" aims at two possibilities: (a) minimize the impact of the packaging needed for safe food commercialization; and (b) convey the unique characteristics of the products of the territory. This idea for a new packaging is aimed at communicating with the consumer and expressing not only the local offer of food products but also the commitment of producers in preserving the environment.

For the "*Worth Agreement* for stakeholders," the innovation is oriented on the services offered in rural areas. In this idea, the creation and participation in the *Worth Agreement* implies that the entrepreneurs accept to share the same rules and values to respect and promote the characteristics of the territory in all their aspects (especially tourism, food production, food services, etc.). In this way, the cohesion of different services provided gives them the opportunity to promote their activities together in a more effective way.

The last business idea, "*Civil Food* through work of marginalized people", has an impact on both social and food aspects. This happens because it creates new and stable collaborations between small local farms and social and health services, giving marginalized people the opportunity to follow job-inclusive paths and achieve social justice while

innovating entrepreneurial attitudes towards civic embedment and giving, at the same time, an ethical value to the products obtained that can make them *Civil Food*.

Table 3. Result of the SWOT analysis of the innovative business ideas.

Innovative Business Idea	Strengths and Opportunities	Weaknesses and Threats
Leather accessories from local bovines	Possibility of gaining a higher price for the leather and creating a territorial circular economy with local artisans and farmers that can preserve traditions and create new job opportunities. More attention to the environmental aspects of the treatment of leather because everything is done locally.	Need of the involvement of a good number of farms to have an adequate supply of leather. Consideration of the methods of manufacturing because some leather tanning methods have a high impact on the environment and this prejudice can give a negative image to the project if there is not clear communication to consumers.
Eco-friendly Packaging for local products	The presence on the territory of actors with the skills to develop the technology (Polytechnic University of Turin) and to organize the supply chain (the trade association of farmers) taking advantage of the awareness of environmental issues. The packaging itself could become a communication tool for the initiatives of the territory oriented to sustainability and territorial integration.	Creation of a network between the interested farmers and clear definition of the products that have to be packed to help in the development of adequate packaging that have to guarantee the safety of the food. The probable high costs. The stiffness of the laws in the field may be an obstacle in the testing of new materials to pack the food.
Worth Agreement for stakeholders	The presence of lots of local products and services that could be potentially involved in the *Agreement* and the near metropolitan city of Turin to promote it. The fact that the *Worth Agreement* is a starting point for constant collaboration between different local stakeholders that could help the development of further projects on ecosystem services.	A mistrust in some stakeholders in this kind of large collaboration agreement could increase bureaucracy. The difficulty in the promotion and communication of the values at the foundation of the project and the fact that some consumers are still not so sensitive about the positive effects of correct management of the services and supply chains in the territory and the costs that this implies.
Civil Food through the work of marginalized people	Possibility to grow new entrepreneurial perspectives through social inclusion that can give both a reduction of costs for the health and social services and a diversification alternative for farms. The ethical value that the products gain when obtained with the work inclusion of disadvantaged people enables the possibility to reach a new market niche and to promote the territory as an inclusive one.	Problems in creating a stable network with the social and health services that could guarantee an adequate selection and follow-up of the disadvantaged people involved. Difficulties in translating the ethical value into a commensurate monetary value and conveying it to the consumers to make them understand the reasons for the higher price of *Civil Food* products.

All ideas were coherent with the idea of sustainable innovation in rural areas. It must be pointed out that while participants were able to fill in all the BMC in a collaborative way, clarifying the nine important features of a business model, of course, each solution has to be seen as part of the territorial understanding and development; the same territory in which they would be developed, detailed and organized.

The "Leather accessories from local bovines" idea focuses on adding value to leather, deepening the chain and involving farmers with leather artisans. Nevertheless, the scale economy and the number of farmers involved emerged as an issue and an adequate number of farmers able to collaborate was seen as a bottleneck. The environmental part was also important, because some treatments needed to tan leather have a high impact on the environment, so they need to manage this part by introducing sustainable technical solutions.

Regarding the "Eco-friendly Packaging for local products" the main strengths and opportunities are related to the technical and logistical knowledge needed being available in the territory. Besides this, the package could become a communication tool to consumers, but at the same time, the cost of the development and the stiff laws on food security that are different for various products must be taken into consideration.

In the "*Worth Agreement* for stakeholders", the multiplicity of services and products of the territory were a key point to achieve more prosperous areas and communities. This is particularly relevant in the rural–urban perspective, as it is in the proximity of the metropolitan city of Turin. Entrepreneurs, at the same time, need to capture the opportunity given by the *Agreement* and overcome technical and institutional challenges. Moreover, the value has to be communicated to consumers that should recognize and pay (also through public policies) for the services and products guaranteed by the *Worth Agreement*.

Finally, the "*Civil Food* through work of marginalized people" could give opportunities to small entrepreneurs to reach new market niches with the added ethical value of the product and, at the same time, help the social services that struggle in supporting less empowered people in rural areas and in times of public funding scarcities. However, to do this, a stable network is needed among diverse stakeholders and sectors (public–private, agriculture/social–health sectors) and at the same time communicate and translate the added value of marginalized people's work in the price of the final product.

4. Discussion

Along with all steps, comparing and reflecting on the information we collected during the Desk analysis with the results of the Living Lab and Modelling phases, the main evidence is related to the coherence and the sequentially of the overall co-design participatory process. Entrepreneurs of the territory were able to generate a new framework for their activities within territorial integration. During the workshops, all the ideas that emerged were discussed by participants, taking into consideration the features of their territory (e.g.,the opportunity offered by the proximity with the metropolitan city of Turin, the categories of enterprises that work in the territory, the difficulties in the organization of innovative networks, etc.) and some possible innovative solutions able to fit emerging challenges.

The Modelling phase shows all the steps [11] essential for the transition from traditional business models to sustainable ones. In particular:

The proposed business models incorporate all the dimensions of sustainability; not only economic but also environmental and social factors [12,32] were highly considered. A higher priority was given by local entrepreneurs to solutions able to fit with emerging environmental challenges. Indeed, during the workshops, the peculiarity of the ecosystem (with a particular focus on typical landscape and resources) and the need for better preservation and management emerged as clearly evident in the first three projects. All the proposals took into consideration the re-use of waste and a greater coherence among economic and environmental value creation in the new businesses, both for products and services. Regarding the social aspects, they were explicitly considered in the last business proposal, although some features were present in all four. *Civil Food* emerged as a hybrid object [33] able to engage in a potentially stable collaboration with farmers with social/health actors in the provision of innovative services beneficial for the local community and especially for the less-empowered members of it. In this case, the co-production among agricultural activities and services, of public and private goods, should be organised along with win–win solutions able to generate at the same time new hybrid concepts and networks, new economic opportunities, new rural services, and new job positions, with positive outcomes on the overall social framework of the areas involved.

A system of sustainable value flows among multiple actors, where the primary stakeholders are the natural environment and society, was created. In all four ideas, the local economy emerged at the core of the projects also in connection with external flows and nets. In all four ideas, actors and resources potentially activated were selected among those available at the local level, although sometimes in connection with opportunities in

the near city of Turin. From this point of view, entrepreneurs considered: (a) to root their new businesses within specific territorial resources and also to increase evidence, business reputation, and opportunities; (b) to recognize the relevance and the potential of a better rural–urban dialogue in terms of both the innovative design of emerging business solutions (taking advantage from existing research centres in the city of Turin for innovative packaging solutions and technologies); and (c) to establish a greater dialogue with consumers and citizens for the innovative product and ecosystem services designed. The power of the locality and its endogenous stock of resources was considered as pivotal to locate a business and initiatives, activate the workforce, establish networks, and take advantage of intellectual and technological resources.

A value network was generated. In this network, the idea that territorial and business prosperity could move on hand-to-hand was socialized among participants, also highly prioritizing the need for increased collaboration among private and public bodies and the reorganization of new driving principles within the local dialogue. From this point of view, the engaged stakeholders underlined the need for both the correct management of territorial natural resources and local prosperity, as well as for the new business ideas, assuming a positive relationship among the organization of public goods and private ones.

The interests of every stakeholder and their responsibilities for mutual value creation were considered. Along with all steps, comparing and reflecting on the information we collected during the Desk analysis with the results of the Living Lab and Modelling phases, the main evidence is related to the coherence and the sequentially of the overall co-design participatory process. Entrepreneurs of the territory were able to generate a new framework for their activities within territorial integration. During the workshops, all the ideas that emerged were discussed by participants, taking into consideration the features of their territory (e.g., the opportunity offered by the proximity with the metropolitan city of Turin, the categories of enterprises that work in the territory, the difficulties in the organization of innovative networks, etc.) and some possible innovative solutions able to fit emerging challenges.

Coming back to the opening question related to the future of small firms within rural/mountainous territories, in the case of the Turin area it emerged that future effective and sustainable business ideas for small enterprises can emerge when: the community is an actively engaged actor for future opportunities and businesses; individual small businesses can collaborate within a larger network of actors (public and private); there is a greater link in the provision of both public and private goods and between the firm and territorial prosperity; and the co-design of new businesses ideas and solutions should emerge as the outcome of a multi-stakeholder activity able to merge ideas, perception, and visions in convergent paths.

From a methodological point of view, the main outcome is related to the opportunity to link innovative methodologies and local support to small firms and business evolution, especially when they can break the traditional isolation of small firms and facilitate a new process of common and community understanding and design.

5. Conclusions

Small firms are at the forefront of the emerging challenges in today's society, especially in smaller rural/mountainous communities. Both territories and firms are always poised among risks of marginalization and newly emerging opportunities. In front of such a crossroad, small firms, local resources, and community activation might support positive changes and new stability by the way of co-design and collaborative initiatives. To support paths able to answer emerging challenges and to capture potential opportunities, new and coherent methodologies able to link research and actions should be designed and planned.

We can say that the methodology utilized in the Turin case study gave positive feedback (although at distance) in fostering discussion and co-creation among actors involved, also opening unexpected links among public institutions, trade associations, and small firms. During the Living Lab our small group of participants and small-scale

entrepreneurs, with different backgrounds and perspectives, was able to link the emerging crisis in public and private goods provision and the potential risks for both territories and small firms with the potential for innovative business based on values in a co-productive model. Along with this path, participants were also able to share and design common visions and strategic areas for intervention.

In the Modelling phase, where we tried to foster the co-design of innovative solutions, the attempt was fertilized by the active dialogue among participants that, at the beginning, did not know each other. It is interesting to note how this project breaks isolation among small firms, as well as between them and local actors, and how much this was appreciated during the meetings and was confirmed by the fact that many of them started to exchange contacts for further collaborations. The potential power of dialogue could be noticed also in the participants' creation of a shared vision able to link the (societal, environmental, and cultural) territorial peculiarities and qualities, their stability and management with the possible future of small firms and their innovative businesses. The idea of a coherent framework to create "Valuable Food and Territories" in the Turin area could be interpreted as the sign of an emerging common view.

Reflecting on the outcomes from the Turin case study and fostering innovative solutions and small firms' adaptation to the existing challenges, supportive methodologies need to be designed and introduced aiming at a better integration of the small firms' decisional processes within diverse actors in a local co-designing arena.

The three methodology steps implemented in this study (Desk Analysis, Living Lab and Modelling) demonstrated to be a possible support for the process of bringing individual, sectorial and isolated ideas, and views into a process of progressive integration of needs, ideas, and innovative business solutions able to include economic, environmental and social sustainability in rural areas and small firms. The peculiar methodology has to be considered an outcome of the process of co-planning with local actors involved in chairing the PITER GRAIES project; this result was achieved not without any tension and debate between the traditional way of splitting areas for intervention among the sectors and the actors involved, and a real co-planning initiative able to merge local actors. Thanks also to the collaborative effort and to the guided discussion between different stakeholders, the four projects co-designed in the frame of the "Valuable Food and Territories" idea that resulted were precise and multifaceted.

In the end, we have to say that collaboration, co-creation, and sharing are becoming pivotal words for processes able to start from the bottom and to find innovative solutions that go behind the usual sectoral and professional divides. The organisation of new business, the sustainability of small firms in rural areas, and their ability to intercept emerging challenges should move hand-in-hand with the reorganization of the set of rules, institutions, and shared visions able to facilitate the co-production of environmental and social public goods with economic viability. Such a process cannot be carried out by small entrepreneurs alone, but can only be achieved by facilitating the organization of a new decisional environment able to incorporate, besides the market, other institutions and principles, such as public policies in case of the ecosystem services, or ethical consumption beside policy integration and public support in the case of civil food. In this framework the Turin case study can be seen as a possible example of the existing evolution of territorial politics.

Author Contributions: Data curation, R.M., G.G. and F.D.I.; methodology, R.M., F.R. and F.D.I.; writing—original draft, M.G.; writing—review and editing, M.G., F.R. and G.G. All authors have read and agreed to the published version of the manuscript.

Funding: This research was funded by the PITER GRAIES 2942 Lab project, part of the INTERREG program ALCOTRA.

Institutional Review Board Statement: Not applicable.

Informed Consent Statement: Informed consent was obtained from all subjects involved in the study.

Data Availability Statement: Not applicable.

Acknowledgments: The project displayed in the article is part of a larger INTERREG program between Italy and France, the ALCOTRA (ALpi Latine COoperazione TRAnsfrontaliera) financed by the European Regional Development Fund (ERDF) in collaboration with the member states and through public–private funding. In particular, this project is part of the PITER GRAIES Lab—INNOVLAB line lasted from 1 October 2018 to 30 September 2021. The authors thank all the participants and the partners.

Conflicts of Interest: The authors declare no conflict of interest.

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