

Proposing a Process Evaluation Methodology for Territorial Value Co-creation Activities in Local Revitalization Policies

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Abstract

Japanese cultural policies for regional revitalization face a fundamental evaluation challenge: government funders demand measurable short-term outcomes, while practitioners recognize that sustainability depends on long-term community ownership. This paper proposes a process evaluation methodology for Territorial Value Co-creation Activities (TVCAs)—resident-led initiatives that diagnose sustainability through observable activity artifacts. We developed a five-level rubric assessing centripetality (coordination mechanisms) and endogeneity (resident-driven expansion) based on analysis of Book Town Hachinohe (2015–2024), collecting 20 official documents, 700 citizen surveys, approximately 300 social media posts, and 200 observation records. Results revealed Level 5 centripetality in value recognition and Level 4 endogeneity in activity expansion, but showed 73% budget dependency, demonstrating how conventional KPI evaluations (exceeding 100,000 annual visitors) can mask sustainability risks.

Keywords: evaluation, place-based development, sustainability, co-creation, cultural capital

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Introduction

Japanese cultural policies for regional revitalization confront a critical evaluation gap. Government agencies require demonstrable annual outcomes—visitor numbers, economic impact, participation rates (Ministry of Internal Affairs and Communications, 2019)—while sustainability emerges from decade-long phenomena: trust networks, autonomous initiatives, and cultural capital. This gap results in critical consequences: projects deemed successful by conventional KPIs sometimes collapse after public support ends.

Conventional economic policy evaluates through KPI-based short-term measurement, effectively serving budget allocation but not evaluating autonomous continuation mechanisms. Cultural policy practitioners focus on Territorial Value Co-creation Activities (TVCAs), targeting post-funding continuation potential. The fundamental difference lies in temporal perspective: whereas conventional approaches evaluate past targets, assessing continuation potential requires asking whether residents can thrive without ongoing administrative support.

Case Study: Book Town Hachinohe

Hachinohe City (220,000 inhabitants, Aomori Prefecture) confronts typical population decline challenges. In 2013, the city announced the Book Town Initiative, activating the Edo-period “Shomotsu Nakama” practice wherein residents collectively financed book purchases, establishing the Book Center in 2016 (City of Hachinohe, 2015).

The initiative demonstrates four critical dynamics. First, symbolic connection to historical identity enabled residents to recognize book culture as inherent rather than externally imposed. Second, intergenerational transmission mechanisms—the “My Book Promotion Project” coordinating with schools to distribute recommended books to all children, and ICT integration through “Hachisuku Tsushin LINE” engaging mothers with parenting advice (City of Hachinohe, 2020, 2022)—created structured value-sharing opportunities. Third, activity bases diversified citywide: museums, centers, clinics, and online platforms enabling universal participation. Fourth, information dissemination evolved from center-centric to distributed networks, with residents autonomously producing theatrical performances and influencing other municipalities (Ando Shoeki Museum Blog, 2025; Otokita, 2025).

However, structural vulnerability exists: 73% of Book Center operating costs derive from municipal budgets (City of Hachinohe, 2024). We collected data spanning 2015–2024: 20 official documents, 700 citizen survey responses, approximately 300 social media posts, and 200 observation records.

The TVCA Framework: Process Evaluation Methodology

Existing theoretical frameworks—value co-creation theory (Prahalad & Ramaswamy, 2004; Vargo & Lusch, 2004), social capital research (Putnam, 2000), and place-based development theory (Barca et al., 2012)—provide conceptual vocabularies for understanding regional value but lack practical evaluation methodologies. Our framework development followed an inductive approach: analyzing what actually determines continuation potential in Hachinohe's practice, then operationalizing these insights into observable evaluation criteria.

Through data analysis of Hachinohe City, we identified two concepts that determine the possibility of continuity. First, continuity requires a coordination mechanism to maintain a

shared direction. We call this centripetal force. This concept was derived from how the symbol of the “Book Club” functioned to connect diverse stakeholders. Second, continuity requires actions and mechanisms through which residents autonomously expand the initiative without being swayed by administrative directives. We call this endogeneity. This concept was derived from observing how residents independently launched new activities, adjusted existing programs, and disseminated information without waiting for official approval. These two characteristics of activity emerged from our data analysis on what actually distinguishes sustainable from unsustainable aspects within initiatives.

Analysis revealed two critical operational dynamics determining continuation potential. Centripetality maintains coordination among stakeholders through shared symbols and mechanisms. In Hachinohe, the “Shomotsu Nakama” symbol functions as centripetal force, enabling diverse stakeholders to recognize common regional identity. Endogeneity reflects residents' autonomous activity expansion independent of administrative direction—social media dissemination, theatrical productions, cross-organizational coordination initiated without administrative approval.

These dynamics generate four sustainability patterns: (1) Balanced Type (high centripetality, high endogeneity): robust sustainability; (2) Infrastructure-Dependent Type (high centripetality, low endogeneity): favorable KPIs masking post-funding collapse risks; (3) Spontaneous-Dispersed Type (low centripetality, high endogeneity): active residents lacking coordination; (4) Dissipation-Risk Type (low centripetality, low endogeneity): minimal sustainability.

We constructed evaluation criteria assessing three aspects: regional value recognition (centripetality), activity establishment and maintenance (combined), and activity expansion (endogeneity). Each aspect is assessed on a five-level rubric where Level 1 indicates insufficient capacity, Level 3 represents basic functional mechanisms, Level 4 demonstrates next-generation readiness, and Level 5 reflects change-adaptive systems. We employed systematic document analysis (Bowen, 2009) through four stages: comprehensive reading, thematic coding using the centripetality-endogeneity framework, evidence triangulation, and level assignment.

To make these abstract dimensions operational, we developed evaluation criteria with five levels representing progression from insufficient (Level 1) to change-adaptive capacity (Level 5). Table 1 presents the criteria for Levels 3 and 5 across three assessment dimensions, illustrating the critical transition from basic functional mechanisms to adaptive systems. Level 3 represents the minimum threshold for autonomous continuation after administrative support ends—mechanisms are established but require stability. Level 5 represents robust sustainability—mechanisms can adapt to environmental changes, integrate new technologies, and extend beyond the original community. We focus on these two levels as they clarify the practical distinction between “barely sustainable” and “highly resilient” states that practitioners must diagnose.

Table 1*TVCA Evaluation Criteria: Key Levels of Centripetality and Endogeneity*

Evaluation Axis / Item	Level 5 (Change-Adaptive)	Level 3 (Basic Conditions Met)
Centripetality: Regional Value Recognition	Mechanisms established for flexibly updating regional value recognition through symbolic adaptation to environmental, generational, and temporal changes	Mechanisms confirmed for utilizing project symbols to maintain regional value recognition, preventing erosion or forgetting
Centripetality + Endogeneity: Activity Establishment & Maintenance	Distributed participation opportunities where anyone can contribute anytime, integrating traditional symbols with new technologies for next-generation preparation	Mechanisms enabling manageable participation frequency for those wishing to join, utilizing region-specific common resources
Endogeneity: Activity Expansion	Information systems for disseminating regional value enhancement beyond local communities, adaptable to other regional systems	Mechanisms for sharing activity information within community-accessible ranges for specific goal-oriented activities

Note. Levels 1–2 represent insufficient/emergent states; Level 4 represents next-generation readiness.

Applying these criteria to Book Town Hachinohe: Regional value recognition achieves Level 5 through demonstrated capacity to adapt the historical symbol across generations and technologies. Activity establishment reaches Level 4 through citywide distributed opportunities integrating traditional venues and ICT platforms. Activity expansion attains Level 4 through resident-initiated dissemination extending beyond Hachinohe.

The diagnostic process involved official documents revealing institutional mechanisms, citizen surveys capturing resident perspectives, and social media posts demonstrating voluntary initiatives. Multiple examples of each criterion were required for level assignment. For example, Level 5, Centripetality, required evidence of active adaptation rather than merely preserving symbols (integration of traditional practices with ICT, intergenerational transmission mechanisms).

However, 73% budget dependency reveals structural vulnerability. Conventional EBPM indicators classify this as successful (100,000+ visitors, 200+ events annually), but these metrics mask continuation barriers. High resident spontaneity coexists with infrastructure dependency, creating single points of failure. This diagnosis enables evidence-based interventions: short-term (1–2 years)—diversify funding, secure alternative venues, cultivate citizen coordinators; medium-term (3–5 years)—establish NPO structure, formalize tripartite governance, construct peer-to-peer platforms.

Discussion and Conclusion

This evaluation methodology addresses the temporal mismatch between cultural-social transformation (10–20 years) and short evaluation cycles (3–5 years), proving applicable to diagnosing sustainability states requiring preventive intervention. The centripetality-endogeneity framework identifies four sustainability patterns valuable for practitioners in diagnosing intervention priorities.

For policymakers, this approach suggests reconsidering evaluation timing: rather than asking “Did we achieve goals?” at project completion, asking “Did we establish sustainability

mechanisms?” at project conclusion. These operational dynamics align with value co-creation theory (Prahalad & Ramaswamy, 2004; Vargo & Lusch, 2004), social capital research (Putnam, 2000), and place-based development theory (Barca et al., 2012), but operationalize these conceptual vocabularies into practical evaluation methodologies.

This study has four key limitations. First, the criteria were developed from a single case (book culture initiative in Japan), requiring validation across diverse cultural domains and governance contexts before claiming broad generalizability. Second, this study did not test inter-rater reliability; future research must develop training protocols and assess agreement between independent evaluators. Third, comprehensive application requires substantial time and expertise in qualitative analysis. Fourth, confirming whether high TVCA scores actually predict long-term sustainability requires longitudinal tracking beyond project conclusion.

This methodology plays a crucial role in PPP projects by enabling periodic diagnostics to strengthen resident centripetality and endogeneity, facilitating pre-termination interventions for post-withdrawal self-sustainability. As aging societies address cultural heritage sustainability amid population decline, questions shift from “Which projects achieve short-term goals?” to “Which initiatives establish self-sustaining mechanisms?” The Hachinohe case demonstrates how high KPI achievement can mask fundamental sustainability risks—Level 5 centripetality and Level 4 expansion indicate strong engagement, yet 73% budget dependency creates single points of failure requiring intervention.

Declaration of Generative AI and AI-Assisted Technologies in the Writing Process

The authors utilized Claude (Anthropic) during the manuscript revision process for language refinement, structural editing, and manuscript clarity enhancement. All core ideas, research design, data analysis, findings, and contributions represent original research outcomes by the authors.

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