Cluster development in rural tourism areas of South Kerry - Reflections on the process.

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According to Melisidou et al (2013) clusters are considered as being efficient management and marketing tools for tourist destinations and as a local strategy for combating regional disparities and social inequality. A common element of many cluster definitions is the emphasis on networking and collaboration between companies and institutions as 'groups defined by relationship, rather than membership' (European Commission, 2008:9).

South Kerry Development Partnership is a local area development company established to promote and support the development of sustainable, vibrant communities in the South Kerry area and region. Between 2008 and 2010, SKDP assisted in the establishment of enterprise clusters in 5 distinct rural areas within its area of responsibility. Each cluster had a vision for their region and rural communities that centred on economic development for social and cultural sustainability. Due to their location in a tourism intensive region, the development of tourism related experiences, activities and services were identified as potential opportunities that could be capitalised upon.

In 2013 SKDP engaged the services of Boland Marketing, a consultancy company offering services in strategic enterprise development and community / social enterprise development. Their role was to offer facilitation to each cluster to self-evaluate, to identify private and public funding sources and to strategically plan a sustainable future by producing an action plan with agreed short and long term objectives. This facilitation was in the form of key actions including meetings, workshops, mentoring and networking events which focused on practical, results driven outcomes.

As a result of the process, a template of good practice emerged for cluster development in rural areas which addresses 3 key areas - cluster development (remit, structure, communication) cluster operation (project planning, team development, training, implementation and evaluation) and cluster sustainability (building capabilities and skills, resilience, resources and support).

The objective of this paper, which is the result of an academic / industry collaboration, is to present a template of good practice for the development of rural tourism clusters using the example from South Kerry as a basis for discussion.

**Keywords:** Clusters, Collaboration, Sustainability, Rural Tourism.

#### Introduction

This paper will discuss the creation of clusters to foster and encourage sustainable tourism development in rural areas. The aim is to present a template of good practice, using an example from South Kerry as a basis for discussion. The paper will frame the debate by drawing on current theories of cluster development designed to create dynamic, successful tourism regions in all areas of the tourism value chain.

This conference paper is an academic / industry collaboration between the Institute of Technology Tralee, South Kerry Development Partnership (SKDP) and Boland Marketing who acted as cluster animator for the project. Although not originally an academic study, the process of animating the clusters was underpinned by an evidence based philosophy of cluster development.

The following section synopsises the large body of literature relating to clusters and their impact on Small and Medium Tourism Enterprise (SMTE) development in rural areas.

# **Introduction to Cluster Theory**

According to the European Commission (2008), the cluster concept is just a modern re-working of a well-established phenomenon i.e. the agglomeration of economic activities considered important for generating economic benefits. Referred to as 'swarms' (Schumpeter 1939), 'industrial districts' (Becattini 1979) and 'networks' (Perez and Sanchez 2002) among other terms, it was Porter (1998 p.1) who described clusters as 'geographic concentrations of interconnected companies and institutions in a particular field'.

Contemporary clusters are often cross-sectoral (OECD 1999) containing both competing and complimentary firms involved in the production of complex goods and services through a value chain (Moric 2013) as in the case of tourism. Although often discussed together, clusters differ from networks in that they have open membership, are based on social values that encourage reciprocity, generate demand for more firms with similar capabilities and have a collective vision (Nordin 2003). Indeed, a common element of many cluster definitions is the emphasis on networking and collaboration between companies as 'groups defined by relationship, rather than membership' (European Commission 2008 p.9).

The Economist (2009 p.1) describes the act of clustering as 'the phenomenon whereby firms from the same industry gather together in close proximity', using the banking centres of London and New York and the potteries of Staffordshire as examples. The purpose they argue was to allow small firms to enjoy the economies of scale usually reserved for their larger competitors. Co-locating firms together does not however guarantee economic success, it merely increases the potential for that to happen. For the economic benefits to be realised, it is the social aspects of the cluster (common interests, personal contacts, sense of belonging etc.), 'the social glue' that facilitate access to valuable assets such as information and resources contained within the cluster (Porter 1998).

Other potential benefits of the clustering approach have been identified as the increased coordination and trust fostered amongst the companies involved in addition to advantages in terms of efficiency, effectiveness and flexibility (Porter 1998). Clusters are also deemed critical to competition as they can increase productivity, enhance motivation and contribute to mutual improvement although as Rowe-Setz (2004) explains competitive advantage is not automatically assured by clustering but through a system whereby the competitive capability of the cluster is enabled by a range of factors – including government policies in the sector, the existence of supporting industries and, as is argued by Kachniewska (2013), the actions of the broker or (cluster animator) who coordinates the process.

Malmberg 2003 (cited in Nordin 2003) suggests distinguishing between different dimensions of clusters – namely *functional* (related firms connected by a network or production system), *spatial* 

(geographic clusters) and *developmental* (clustering as a development strategy to create a regional brand). Nordin (2003) also proposes a 4<sup>th</sup> type – that of *thematic*, where many providers work in synergy to create packages based on a specific theme. Increasingly popular in tourism, thematic clusters can be based around heritage, adventure or rural tourism amongst others. The clusters discussed in this paper showcase a range of dimensions – spatial, development and thematic.

## **Clusters, Innovation and Entrepreneurship**

An increasing focus in research is the relationship between clusters, innovation and entrepreneurship (Nordin 2003; Novelli et al 2006; Cruz & Teixeira 2010; Perles-Ribes et al 2014), which is of particular relevance to the tourism industry in Ireland today.

Clusters have been described by Seng (2002 p.1) as 'the ultimate networks' and as 'incubators of innovation' (Louis 2003 p.8) that promote entrepreneurship by allowing entrepreneurs to identify product gaps in their own cluster and by providing opportunities for them to bring new products and services to market, while reducing the costs and the risks involved (Louis 2003). Hjalager (2002) agrees and suggests that new enterprises should be local in scale and scope, which has direct application for the rural areas profiled in this paper.

Entrepreneurship has been determined as being central to Ireland's recovery and critical 'to rural economic development and wellbeing' (National Policy Statement on Entrepreneurship 2014 p.24). Tourism products particularly, based around food, heritage, culture, adventure, ecology and wildlife have been identified as offering significant growth potential, particularly for peripheral areas e.g. food and drink business clusters have been proposed along one of Ireland's newest tourism routes, the Wild Atlantic Way (National Policy Statement on Entrepreneurship 2014). Current research on tourism trends also supports local entrepreneurship as a key mechanism toward providing the local, authentic experiences desired by the visitors to Ireland today (Fáilte Ireland 2013).

Fostering a culture of innovation, defined by Hall & Williams 2008 (cited in Hjalager 2008 p.2) as 'the generation, acceptance and implementation of new ideas, processes, products or services' has also been identified as being of vital importance to the Irish tourism industry (Fáilte Ireland 2009) as contemporary tourists demand the development of niche products and creative innovations to increase the quality of their experiences (Carlisle et al 2013). Cluster development, it is argued, contributes to innovation as it provides a framework for small and medium enterprises (SMEs) to cooperate, essentially each individual provider is part of a wider, integrated system, a critical mass capable of working collaboratively to create innovative product offerings. Innovation might also be encouraged as competitors can observe and learn from each other. Bathelt et al 2004 (cited in Perles-Ribes et al 2014) argue that forms of knowledge (both local and global) available to the cluster can also benefit the innovation process. Hjalager et al (2008 p.38) discuss the concept of 'Reverse Community Innovation' for tourism which is described as 'development and innovations that are channelled backwards to the benefit of the local residents'. This approach will be further examined through the process profiled in this paper.

Despite its importance, research suggests that although increasing, innovation in the tourism industry is rare particularly amongst SMTEs who do not regard it as a priority (Nordin 2003). Other reasons given include the lack of funding available, poor access to research and development (R&D), low levels of mutual trust amongst competing businesses, frequent ownership changes in many tourism enterprises and an overall reluctance of SMTEs to collaborate (Hjalager 2002; Nordin 2003;

Fáilte Ireland 2009). Ross and Faulkner 2004 (cited in Harrington et al 2010) argue however that tourism is an industry of significant innovation, although much of it may not be acknowledged or recognised as it differs from that of other industries - being more about making a number of incremental behavioural or process improvements rather than radical shifts in technological applications (Fáilte Ireland 2009). It is interesting to note here that the arguments presented in the research supporting cluster development amongst SMTEs correspond almost directly to the reasons given for the lack of innovation in the sector.

## **Clusters and the Tourism Industry**

Although the cluster concept was initially developed with the manufacturing sector in mind, more recent discussions have focused on its application to the service sector – and the tourism industry in particular (Da Cunha & Da Cunha 2005; Kim & Wicks 2010; Melisidou et al 2013). According to Melisidou et al (2013) clusters are considered as being efficient management and marketing tools for tourist destinations and as a local strategy for combating regional disparities and social inequality. Kachniewska (2013) meanwhile identifies a number of key objectives tourism clusters should aim to achieve including the identification of the tourism potential of existing SMTEs in the area, balancing the co-operative/competitive relationships between cluster members, carrying out systematic efforts to research new product development and marketing opportunities and undertaking a periodic audit of the destination to capture any changes in the operating environment.

In the case of the tourism industry in Ireland, and in the rural area in particular, the tourism industry is dominated by small and medium enterprises as well as by sole traders, with many of them operating as part-time tourism providers (Gorman, 2005). Developing mechanisms by which these firms create linkages and collaborate to develop new products and service bundles, not only contributes to the sustainability of their businesses but also to the viability of their entire region in the long term. Indeed as Price (2010) discovered, the lack of complimentary products available in rural areas was highlighted by Irish rural tourism entrepreneurs themselves as a barrier to further development. This paper will document how the theory outlined above has been applied in practice.

## **Barriers to Cluster Development**

A number of barriers to cluster development have already been identified and discussed in this paper, but for clarity they can be grouped under the following headings: the reluctance of competitors to share information and knowledge, mistrust, greed and self-interest and a lack of time, interest, expertise and leadership (Lade 2006). These barriers will be addressed directly in the following example from practice.

## The South Kerry Area

This paper discusses the process of cluster development in the South Kerry area, a region primarily focused on the twin industries of agriculture and tourism. Although largely rural, South Kerry (pop. 47,000 approx.) contains a number of key urban centres including Killarney, Kenmare, Killorglin and Caherciveen (O'Keeffe 2007) and features significant tourism resources including an area of outstanding natural beauty, with a varied landscape of mountains, coastline, lakes, national park, diverse flora & fauna and the UNESCO World Heritage Site of Skellig Michael.

# **South Kerry Development Partnership**

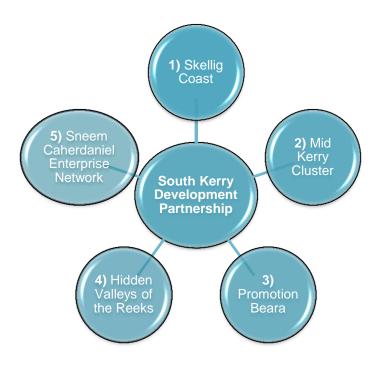
South Kerry Development Partnership Ltd. (hereafter SKDP) was established by the Government in 1991 as part of the Programme for European and Social Progress (PESP) initiative. Central to the success of PESP was that solutions to the economic and social challenges experienced in communities would most likely be found within the affected communities themselves. Local communities, working in partnership with statutory agencies, were therefore encouraged to take responsibility for meeting local needs by devising appropriate development strategies based on local knowledge. This 'bottom up' approach to development is now enshrined as a core value of SKDP and it provides the organisation with a methodology of working which informs the design, development and implementation of its rural development initiatives (<a href="https://www.southkerry.ie">www.southkerry.ie</a>).

# Animation Support for the Development and Support of Rural Enterprise Clusters Programme Background

Between 2008 and 2010, as part of its regional development strategy, SKDP assisted in the establishment of 5 rural area clusters. Since then however, these clusters have changed in various ways and are all at different stages of development – one well established, one unknown and three starting all over again. In 2013, SKDP proposed to revisit the cluster groups and to re-engage with them, supporting them to address their social and economic challenges by maximising the potential of their area. Concentrated as they were in a high value tourism region, tourism product development and marketing became the focus of the clusters' efforts.

Entitled the 'Animation Support for the Development and Support of Rural Enterprise Clusters Programme' (SKDP 2013), the initiative aimed to evaluate the development of each cluster group to date and then to actively build the skills and capacity of the 5 clusters, supporting them to work together to develop the tourism related potential of their area and to collectively engage in the subsequent marketing of their region to visitors. The programme aimed to build the 'social glue' (Porter 1998) bringing together those who have extensive local knowledge but might otherwise have little opportunity to interact or engage collaboratively with other enterprises (both competing and complimentary) in their area.

The 5 Cluster Areas are identified below:



**Table 1: Cluster Group Overview** 

| Cluster Group   | Cluster<br>Dimension | Status      | Active<br>Membership            |
|---|----------------------|-------------|---------------------------------|
| Skellig Coast   | Spatial              | Operational | 85                              |
| Promotion Beara (formerly Kenmare<br>Beara Tourism cluster)           | Developmental        | Operational | 20 +<br>Subcommittee<br>members |
| Hidden Valleys of the Reeks (formerly Greater Rural Killarney cluster | Thematic             | Operational | 40                              |
| Mid Kerry Cluster   | Developmental        | Operational | 52                              |
|   |                      |             |                                 |
| Sneem Caherdaniel Enterprise Network                                  | X                    | Withdrawn   | N/A                             |

# **Programme Objectives**

Facilitate each individual cluster to self-evaluate, taking into account their particular products, services, structures, members and achievements to date. This is in line with the strategy as advised by Kachniewska (2013), who advocated a systematic approach to researching the potential of the area and the benefits of an occasional destination area audit for tourism clusters. It is also a critical component of the 'bottom up' (local solutions to local problems) approach advocated by SKDP.

- Assist each cluster to strategically plan a sustainable future as a group for their region economically, socially and environmentally. The potential of tourism to have a negative impact (in a social and environmental sense) on a destination is well established in the literature (Hall & Lew 2009; Page & Connell 2009; Robinson et al 2013). As well as delivering economic sustainability, the ability to contribute to the protection of the environment and the sustainable development of their local area should be highlighted. Cluster participants should 'communicate, cooperate and agree on the fact that high quality natural attractions are a strong competitive advantage, which constitutes the key strength of the area' (Nordin 2003 p. 27 (cited in Melisidou et al 2006).
- Assist each cluster with the production (write up and edit) of an agreed action plan including tactical and strategic objectives. Documenting and prioritising short, medium and long term plans has a number of effects on the cluster as it stimulates discussion and debate amongst members, encourages collaboration and agreement, and formalises the process thereby increasing its chance of success. This is consistent with the research on clusters already discussed in this paper.
- > Build the capacity and skills of each cluster group, enabling them to implement their own agreed plans.
- Identify private and public funding sources that may be available to the clusters to support their development initiatives.

## Methodology

For each cluster, to ensure an inclusive programme, stakeholders in all areas of the tourism value chain were invited to become involved through a series of public meetings open to businesses, local development groups, tourism and community groups, development agencies and individuals with an interest in tourism in the region. As is the nature of tourism clusters, there was a broad range of businesses involved including:

- > Seasonal businesses, part-time operators and all-year-round tourism enterprises.
- > Sole traders and medium sized businesses.
- Accommodation providers, activity providers as well as food and drink businesses.
- Both competing and complimentary tourism enterprises.
- Cross-sectoral representation agriculture, fishing and transport.

Critical to the success of each cluster was understanding and acknowledging the individual needs, expectations and resources of each stakeholder within the cluster, as this is essentially what contributes to making each area unique. Utilising the Reverse Community Innovation approach (Hjalager et al 2008), which recognises the importance of actions that directly benefit the communities, the animators devised and delivered targeted, bespoke workshops to build trust, establish the vision and deliver collective action which directly responded to the stated needs of each individual cluster.

Once the cluster participants had been identified the process of delivering the Animation Programme began. This took place between the months of October 2013 and June 2014. The programme was rolled out using a number of different mechanisms – including public meetings, workshops, networking events, and resource folders. Although these elements were common to all clusters, a number of other specific requests from individual clusters (guest speakers) were also facilitated, reinforcing the bespoke nature of the programme. Skellig Coast cluster members also

successfully applied to participate in SKDP's Mentoring Programme (a separate initiative) and were given 10 hours of expert guidance on marketing and digital marketing.

The purpose of the workshops was to build the capabilities and skills of cluster participants in relation to strategic planning for tourism development and marketing of their regions. This created an atmosphere conducive to innovation, where participants were enabled to identify product gaps for enterprise opportunities. Workshops were also designed to assist the development of the cluster strategic action plans. Facilitation, mentoring and training were incorporated into these sessions which were adapted to fit the specific requirements of each cluster (bespoke delivery). The ethos was to foster engagement and encourage collaboration at a local level to deliver tangible results and economic opportunities for the individual participants and the cluster area as a whole. Workshops typically lasted approximately 4 hours, 3 for face-to-face meeting delivery and 1-11/2 hours for informal discussions and feedback. Table 2.0 provides an overview of the schedule and content of workshops delivered to the Promotion Beara Cluster.

**Table 2.0 Promotion Beara Cluster Workshop Schedule** 

| Meeting           | Agenda  | Date                          | Location           | Attendance |
|-------------------|---|-------------------------------|--------------------|------------|
| Public<br>Meeting | Introduction About the programme Group discussion: What do we need? How we'll do it? The next steps                                     | 26 <sup>th</sup> Nov<br>2103  | Kenmare            | 11         |
| W'shop 1          | Introductions Group discussion: Ring of Beara Brand How we'll do it? WAW preparation  | 17 <sup>th</sup> Dec<br>2013  | Castletownb<br>ere | 18         |
| W'shop 2          | The Next Steps About the programme Review workshop 1 Building your brand Designing Positioning Cluster Structure                        | 22 <sup>nd</sup> Jan<br>2014  | Glengarriff        | 27         |
| W'shop 3          | WAW Community meetings Review workshop 2 Group structure building Embedding the cluster in your region Financing your brand development | 19 <sup>th</sup> Feb<br>2014  | Tuosist            | 17         |
| W'shop 4          | Review of workshop 3 Embedding your cluster in your region Quotes & examples for brand  | 3 <sup>rd</sup> March<br>2014 | Allihies           | 30         |

|          | development Financing your brand development Tasks for next meeting   |                                |             |    |
|----------|---|--------------------------------|-------------|----|
| W'shop 5 | Review of Workshop 4 Group Presentations on Top Things to See & Do Nominations of Reps & Officers WAW Packages & Activities                               | 25 <sup>th</sup> March<br>2014 | Bere Island | 22 |
| W'shop 6 | Geocoding Session (Brian Coakeley,<br>ActiveMe)<br>Brand Development Session<br>(Lorraine Carter, Persona Design).  | 19 <sup>th</sup> May<br>2014   | Bonane      | 15 |
| W'shop 7 | Beara Brand Project Select 1 / 3 Brand Quotations Agree Financing Project Approve Constitution Monitoring & Evaluation Resources & Supports Going Forward | 4 <sup>th</sup> June<br>2014   | Adrigole    | 12 |

Between each workshop, the cluster participants were sent e-mails and text reminders. Other forms of social media and poster displays in prominent locations were also used by the animator with information updates and notices of upcoming events. This highlights the important role of the cluster animator (Kachniewska 2013) in co-ordinating the process and keeping the participants engaged in the programme.

During the workshops, each cluster was supported as they developed Strategic Action Plans. Critical to the successful development of the cluster was the assistance provided to participants to firstly identify actions they wished to take and then to prioritise these into short (immediate), medium and long term objectives. The actions were then organised into 3 categories – Marketing, Product & Service development and Organisational development. Table 3.0 provides an overview of the Strategic Action Plan of the Skellig Coast Cluster.

**Table 3.0 Skellig Coast Strategic Action Plan Overview** 

| Categories                       | Key Actions | Immediate | Medium | Strategic | Ongoing |
|----------------------------------|-------------|-----------|--------|-----------|---------|
| MARKETING                        | 27          | 3         | 22     | 7         | 4       |
| PRODUCT & SERVICE<br>DEVELOPMENT | 24          | 3         | 9      | 13        | -       |
| ORGANISATIONAL<br>DEVELOPMENT    | 6           | 3         | 1      | 2         | 5       |

This cluster group identified 57 key actions to be included in their action plan. Taking on too many projects and tasks would have a detrimental effect on progress as the sheer scale and number would overwhelm the 8/10 committee members, so the group selected 3 immediate actions in each category. (See Table 3.1).

**Table 3.1 Skellig Coast Immediate Action Plan** 

| Category    | MARKETING                  | PRODUCT & SERVICE<br>DEVELOPMENT | ORGANISATIONAL<br>DEVELOPMENT     |
|-------------|----------------------------|----------------------------------|-----------------------------------|
| KEY ACTIONS | 1a. Social Media           | 2a. Gathering Content            | 3a. Databases                     |
|             | 1b. Brochure Map<br>Update | 2b. Develop Skellig<br>Michael   | 3b. Communication                 |
|             | 1c. Digital Marketing      | 2c. Geo-coding                   | 3c. Financial Structure and Model |

By deciding on and documenting key tasks as a group in a transparent manner, the cluster of SMTEs had a framework to operate within, thereby increasing the chance of a successful outcome. This is consistent with the literature on good practice in clustering for an often fragmented tourism supply (Perles-Ribes et al 2014). Following on from the key actions identified in each category (Table 3.1) the group identified the tasks necessary for successful completion. Table 3.2 (below) provides an example from the 'Marketing' Category.

**Table 3.2 Skellig Coast Marketing Action Plan** 

| MARKETING ACTION PLAN                    |
|--|
| Tasks: Immediate Key Actions             |
| (1a) Social Media                        |
| (1b) Brochure Map Update                 |
| (1c) Digital Marketing                   |
| Strategic Key Actions                    |
| Benchmarking                             |
| Destination Building & Brand Development |
| Promotional Opportunities                |
| Digital Marketing                        |
| Timeframe:                               |

Each key action has been assigned an immediate, medium, strategic or ongoing priority

Who is responsible?

Committee

Project Teams

Resources:

Training
Mentoring
Information Sheets
Financing

Having identified priorities and assigned roles, the project teams began work on their individual projects. Updates, discussions and difficulties were discussed in workshops and meetings and collective decisions on how to proceed were agreed, with the support of the animator.

# **Programme Outcomes**

One of the clear findings of this programme was that tourism businesses in each cluster area understood the importance of coming together to develop tourism products, services and innovations that would lead to far reaching and sustainable outcomes, not only for their individual businesses but for their destinations. Participants in small businesses particularly were keen to work together as they felt isolated and wanted to feel included in the tourism developments in their region. They believed that this collective action would benefit their business and strengthen their ability to lobby for beneficial policy decisions alongside more influential and larger stakeholders. Clusters also felt that the process was beneficial in giving them an identity and 'a voice' to participate in the discussion around tourism developments in the county.

Several of the clusters also recognised that their collective approach to regional development would facilitate them to feed into wider tourism policy plans such as the Kerry County Development Plan. Peer learning and access to expertise was also a contributing factor, which is consistent with the literature on the benefits of clustering. Although research around barriers to cluster development suggests that some stakeholders might be unwilling to collaborate due to mistrust or fear of oversharing with competitors (Nordin 2003; Lade 2006), in this case, the perceived benefits appear to have over-ridden any resistance felt by the participants.

# **Innovations from the Cluster Development**

In the Hidden Valleys of the Reeks cluster, participants identified the potential for developing the 'Hidden Treasures' promotion – which showcased some of the lesser known attractions in their area. The group designed and produced a map, developed a website and have plans for a mobile app.

# **Hidden Valleys of the Reeks Website**



Following on from this initiative, a bed & breakfast owner has linked up with an activity provider to offer a package to walkers and hikers who wish to explore the region. They are also examining the potential of collaborating with local heritage and culture providers to enhance the visitors experience but also to prolong their stay in the area. They also produced promotional material with practical tourist information such as 'Top Tips' and 'Frequently Asked Questions', filling a gap in the information available for visitors to the area. In the literature on clustering already outlined in this paper, the benefit of local knowledge is acknowledged by Bathelt et al (2004) as a key contributor to innovation.

Promotion Beara, which was a renewed cluster developed under the programme, used the workshops and meetings to develop a new brand identify for their region. The group benchmarked their destination and identified gaps in the current provision of marketing and promotional material for their area. They also considered the appropriate channels for promoting their destination. Through the process, the participants decided on the brand name and slogan 'Beara: Where Spirits Soar'. The cluster participants also agreed on the key brand elements, unique selling points and iconic images and colours to be used in creating the brand. These specs will be used for the project brief when a brand designer is employed to create the logo, stationary, etc. as commissioned through Rural Alliance. After the content was gathered, a project team was put together and an application was successfully made for 50% Rural Alliance grant aid.

**Table 4.0 Promotion Beara Brand Specification** 

| Brand Name   | Tag Line   |
|--|--|
| Beara<br>Key Brand Elements  | Where Spirits Soar Unique Selling Points                                   |
| Living Cultural Heritage<br>Maritime Culture<br>Unspoilt Scenery of Mountains, Coastline & Sea | Cable Car<br>Beara Way<br>Concentration of Heritage & Archaeological Sites |

Spiritual Buddhist Centre

#### **Conclusions and Recommendations**

# **Good Practice**

This paper set out to provide a template of good practice for the development of rural clusters, using the experience gained in South Kerry as an example. We propose that creating strong, viable, innovative and resilient clusters involves sub-dividing the overall clustering process into 3 key category areas — namely development, operations and sustainability. This paper argues that successful, sustainable outcomes will ensue if these 3 areas are addressed in a systematic, focused manner. The recommendations outlined below are a synopsis of those contained in the final report compiled for SKDP. Table 5.0 illustrates the sub areas that should be addressed within each category.

**Table 5.0 Cluster Category Areas** 

| Cluster Development                         | Cluster Operation        | Cluster Sustainability         |
|---|--------------------------|--------------------------------|
| Remit                                       | Project Planning         | Building Capabilities & Skills |
| Identify the Destination & its Stakeholders | Project Team Development | Resilience                     |
| Structure                                   | Training                 | Resources & Supports           |
| Communication                               | Implementation           |                                |
|   | Monitoring & Evaluation  |                                |

# **Cluster Development**

Each cluster had a vision for their community and their region that centred on economic development for social and cultural sustainability – ultimately communities wished to retain their way of life and continue to live in rural Ireland by making a living through tourism related experiences, activities and services. The remit of SKDP and the cluster animator therefore was to organise the interested parties and provide the guidance and the expertise to realise their objectives.

## **Key Recommendations: Cluster Development**

Research the geographical area and understand the natural boundaries or shared natural elements that can create a dynamic synergy.

Conduct a destination audit – taking into account both tangible and intangible assets (local hospitality, knowledge etc.).

Identify the barriers to cluster 'buy-in' for stakeholders.

Identify key community leaders whose positive engagement will encourage others.

Provide an opportunity for all stakeholders to come together (public meetings).

Make the meetings welcoming and inclusive.

Listen!

Create a structure – steering committee, secretary, sub-committee members.

Identify communication channels, policy and tools.

Build and manage a database to include all stakeholders.

Create links between the cluster and other relevant tourism and state organisations.

Identify revenue streams.

# **Cluster Operation**

Having established the structure, the next phase is addressing the operations of the cluster. In order for clusters to be efficient and effective, the capabilities and the skills of the committees and individuals need to be developed. This section relates to project planning and addressing the training and development needs of individual project teams.

# **Key Recommendations: Cluster Operation**

Take each project one step at a time.

Keep projects simple and task related.

Meet regularly.

Communicate regularly.

Create project teams utilising the skills and experiences of members.

Establish ground rules – supportive, allow for feedback etc.

Respect the project teams for the voluntary work they do – even though they are accountable at meetings.

Identify and provide for specific training needs – Marketing (benchmarking, research, marketing planning, and promotions) Digital Marketing (website development, social media, geo-coding) Tourism Product Development (project management, scoping, farm diversification etc.).

Training and mentoring supports must be practical and provide up-skilling opportunities.

Cluster groups should share their activities and plans with others in the local area to increase local support and avoid duplication with any other existing or potential groups in the regions.

Benchmark the area against other destinations with similar characteristics but at a more advanced

## level.

Report progress on the status of projects and the overall strategy regularly to stakeholders.

## **Cluster Sustainability**

Tourism has an important role to play in rural development as it can have profound economic, social and environmental impacts on fragile rural areas and peripheral tourism regions. Tourism clusters can contribute to the sustainability of rural communities by developing successful enterprises that are appropriate in size and scale (Hjalager 2008) and truly reflect the character and social fabric of their particular destination. This can only be achieved by enhancing the skills and capabilities of the cluster participants and by providing appropriate resources and supports. In this way, the cluster is building resilience for the future.

# **Key Recommendations: Cluster Sustainability**

## Be inclusive.

Recognise and officially acknowledge the cluster as the promotional arm of tourism in their region representing local interests - in this way their work is endorsed.

Establish connections with relevant local agencies and personnel. Their support (often in the form of advice or mentoring) will be crucial to the viability of the cluster in the long term.

Agencies have a responsibility to reach out and engage with clusters also!

Demonstrable, tangible achievements are key to maintaining the interest and participation of cluster members.

'Follow on' training to support the on-going development of the clusters should be available (not just one-off).

New tourism developments and services should directly benefit local businesses in the form of new income streams and business opportunities.

#### The Future

This programme has been successful in mobilising communities to come together as clusters to enhance the economic and social benefits of tourism for a sustainable future in their regions. The official animation programme has now ended and although there are still some supports available to the clusters, the authors advocate for a more formal programme to build on the success achieved – perhaps in the form of a cohesive Cluster and Community Tourism Strategic Action Plan addressing the following areas:

- Structure / Group Formation, Resilience and Sustainability
- Communication
- Destination Building
- Branding
- Destination Marketing
- Digital Marketing

- Ambassador Training
- Public Relations
- Networking
- Community Enterprise Development
- Project Development and Scoping
- Financial Planning: Traded Income, Fundraising, Sponsorship and Social Financing

Community Tourism must be acknowledged for the important role it plays at *grassroots* level, supporting rural communities to pro-actively plan and deliver sustainable outcomes that will empower and promote the individual and unique rich fabric of local rural life and improve the tourism product for regions - not only in South Kerry but in all rural tourism regions of Ireland.

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