



A cluster in a time of transition

The 19th Nordic Symposium
in Tourism and Hospitality Research



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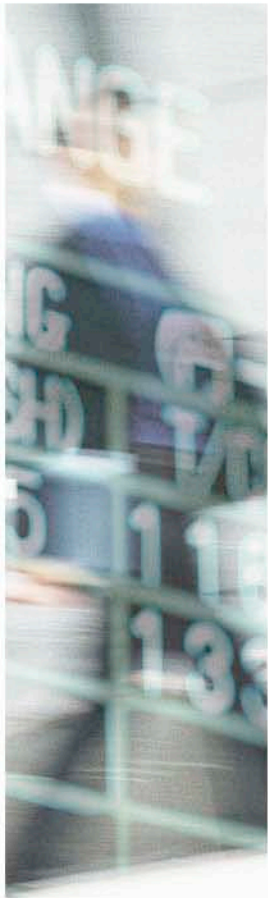


The Eyjafjordur “Local food” cluster (ELfc)

- Established as a food innovation cluster in 2004 evolving into a company in 2006
 - as a part of the first “Eyjafjörður Growth Agreement” (EGA) policy plan of the Ministry of industry from 2005 - 2007
 - Funded along with an education and research cluster, a health cluster and a tourism cluster
 - housed in the beginning at the University of Akureyri (UNAK) as a “triple helix” program
- Not directly funded by the subsequent
- EGAs

The objectives of collaboration ..

- “within the Food Industry Cluster are to reinforce the business base of participating companies in the greater Eyjafjörður area and to increase their cooperation, thereby creating an area basis for added value, innovation and further development
 - Eyjafjörður is one of Iceland’s leading areas for food production, with some of the country’s most advanced food producers in the fish, meat and milk industries, as well as other food-processing sectors”



Akureyri's Regional Growth Agreement Publication, not dated
<http://www.klasar.is/files/36/20071018144704434.pdf>



The Elfc as a company ..

- “has the aim of drawing attention to culinary culture in the Eyjafjörður region
 - to increase cooperation between those local parties involved in food handling, to connect those involved in producing and serving food, to take part in exhibitions and events offering the opportunity to promote local food and cuisine”



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The Elfc's logo

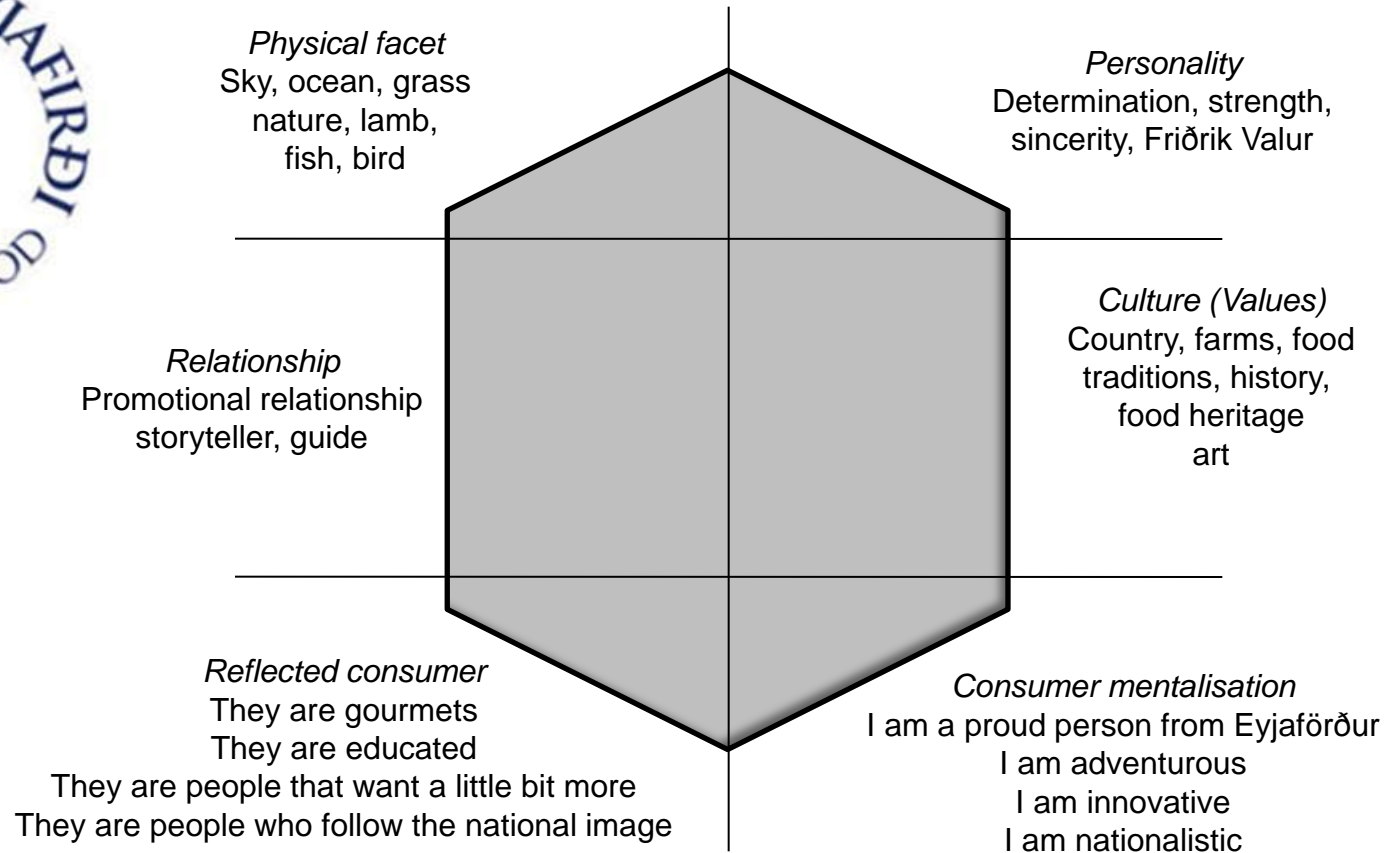
- “Under company auspices, a logo has been designed as a future emblem for the Eyjafjörður area foods and catering
- Such labeling for food products in a defined region is an innovation for Iceland”



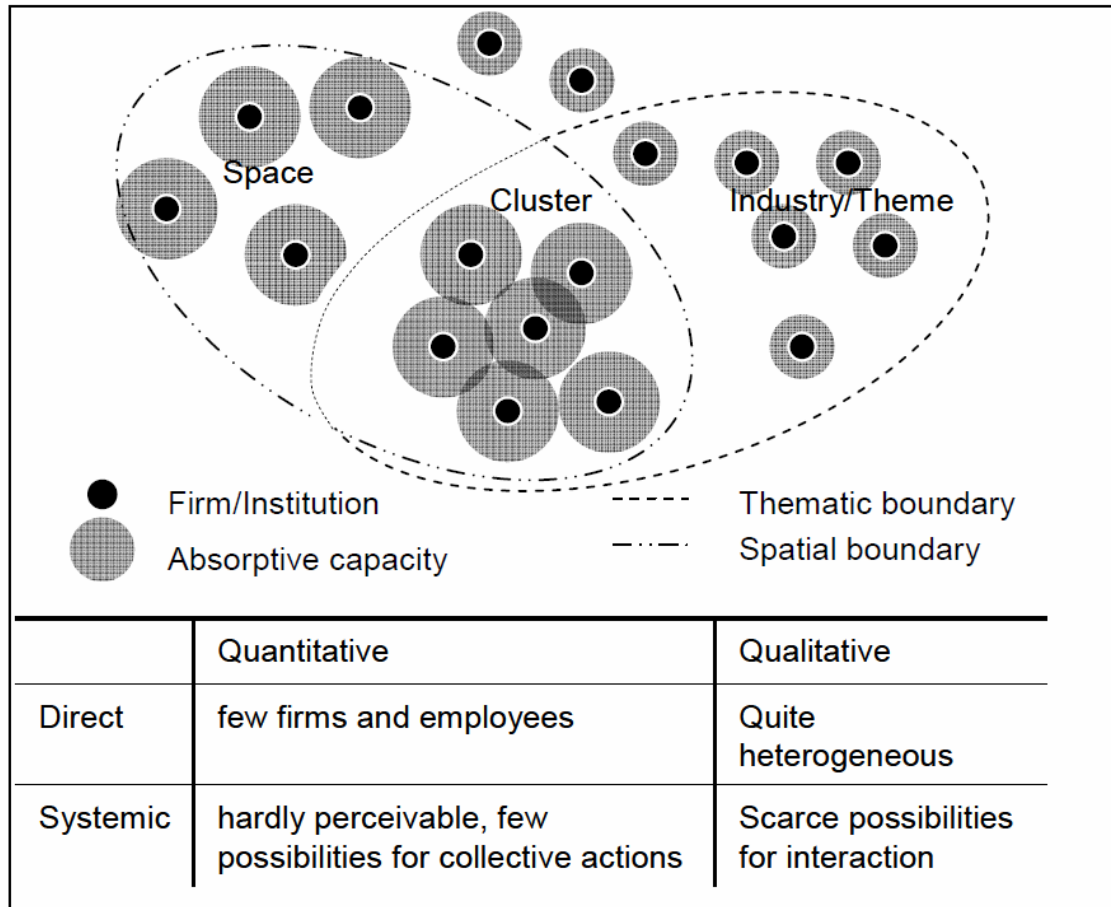
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Kapferer's Brand Identity Prism



The emerging cluster



In Cluster Life Cycles - Dimensions and Rationales of Cluster Development
 Max-Peter Menzel* and Dirk Fornahl** January 4, 2007



A visionary and an ideologist

- The cluster formed much as an emergent innovation system centring on the energetic ideas of a single entrepreneur, the restaurant owner Fridrik Valur Fridriksson
 - *“Don´t ever forget Adda's [his wife] part in this. If Friðrik can be seen as the one adding the content to a package then Adda added the frills”*

From an interview with a member of the ELfc conducted in September 2010





The Friðrik V restaurant

- “The restaurant offers modern European cooking based on local raw materials.
 - The owner-manager (and founder) has been instrumental in creating a community of local food providers in the Akureyri area, including hotels and restaurants as well as suppliers
- In 2007 the restaurant got the 2007 New Nordic Food Diploma”

Nordic Innovation Centre. EXPLORE –EXPerincing LOcal food RESources in the Nordic Countries. February 2010



Supporter of suppliers

- -“In many cases he [Friðrik] has helped to develop and promote their products, and to improve quality control routines
 - He has been instrumental in increasing cooperation among suppliers and other service provider in the area. This has resulted in a special organization for promoting local food in the Eyjafjordur region”

Nordic Innovation Centre. EXPLORE –EXPerincing LOcal food RESources in the Nordic Countries. February 2010





Five managerial challenges..

- were identified “as being most critical for creating and maintaining the experience value chain in high quality [rural area] restaurants
 - addressing seasonality of demand and supply
 - creating uniqueness based on location
 - building supplier infrastructure
 - assuring complementary services and experiences
 - creating or linking into mechanisms of promotion”
 - Nordic Innovation Centre. EXPLORE –EXPerincing LOcal food RESources in the Nordic Countries. February 2010



The restaurant closed in April 2010...

- and Friðrik and Arnrun moved from the Eyjafjörður area



- They have this summer been introducing gourmet local food tours in different regions around Iceland for the Edda Hotel chain as Friðrik is writing regular articles about local food in a daily paper





The semi-structured interviews

- 5 interviews in August and September
 - The last project manager employed
 - The former chairman of the board and currently a board member
 - A former board member and a close working companion of Friðrik Valur
 - The director of the AFE - The Akureyri region Business Agency
 - The non ELfc participating restaurateurs that took over the Friðrik V locals



Interview themes

- Cluster emergence
- Roles and power structures
- Cluster development
- Cluster performance
- Impact of lead actors departure
- Future Vision





Findings I

All agree that one of the single most important strengths of the cluster is the synergy and creativity that was created through the interactions of the group members

The importance of the cluster for the local tourism sector was also named by some as an important strength as was the clear vision shared by the group





Findings II

- The most obvious weakness is generally found to be the non sustainable limbo in which the cluster operates and the need to find a suitable, long term solution to its form of operations
- Also named is the conflict between actors





Findings III

- Most important improvements for the cluster are connected to finding a sustainable solution to its operational structure
- Increasing the number of actors involved
- Establishing a stronger connection to or cooperation with the relatively new Akureyri municipality event office





Findings IV

- The cluster has not found a credible solution to loosing its visionary and strongest spokesman
- Most believe that a successful solution is possible but point out that this will not be by finding another Friðrik Valur, rather that a different kind of a person or persons will have to step up or a different type of cooperation and operating structure has to be found





Findings V

- There is not a shared vision of stretching but realistic efforts for improving performance of the cluster in the next 3-5 years
 - Some are happy if they can carry on as they have till date
 - Some want to find ways to strengthen the brand/logo and through that increase product development and SME involvement
 - Others seek ways to increase the pull of domestic and foreign tourists to the area through the cluster's culinary importance



