

Cluster Concept: What Lessons for the Sport Sector? Towards a Two-step Model of Sport Cluster Development based on Socio-Economic Proximity

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Introduction and relevance of the topic

The cluster concept refers to a well-established field of research and has been an enduring element in national economic policies around the globe. The traditional cluster model is based on spatial concentration of primarily small-and medium-sized enterprises and associated institutions that are complementary but also competitors (Porter, 1998).

Also the sport sector has seen political and economic initiatives for cluster development on national and international level. Shilbury (2000), pioneer in conceptualizing sport clusters, advances the concept as the third wave of the organization of sport systems.

In this research we understand clusters as socially constructed (Granovetter, 2002). Hence, their development process is dependent on the social and historical context as it relies on linkages between organizations or individuals, i.e. non-spatial proximity (Boschma, 2005) that we label as socio-economic proximity.

Objectives of the study

Linking the above described constructivist approach with the typology of proximity put forward by Boschma (2005), we address the following question: how does socio-economic proximity influence the development and properties of a sport cluster?

Review of relevant literature

The cluster concept is grounded in location theory and argues that in spite of increasing globalization of markets through faster and cheaper transportation and communication, locally available knowledge, relationships, and motivation are key in achieving sustainable activities (Porter, 1998). While for a long time cluster research focused on effects based on neoclassical economics (e.g., economies of scale), the interest on social interactions in clusters grew in the 1970s with the rediscovery of Marshall's (2000[1890]) "industrial atmosphere" and the emergence of socio-economic geography.

Research on sport clusters mainly applied Porter's traditional cluster concept to various sport contexts including the Australian surfing cluster (Stewart, Skinner, & Edwards, 2008), the New Zealand sailing cluster (Chetty, 2004) and others. However few conceptual studies exist besides Shilbury (2000) and Gerke, Desbordes, and Dickson (2015) who investigate locations-specific factors that lead to the emergence of sport clusters.

Neither general cluster literature nor sport cluster literature investigate in depth the heterogeneity of clusters and their development process. However, our constructivist approach implies that each cluster develops relying on particular historical and social circumstances and hence, clusters are different from another. Thus, this research aims at classifying sport clusters depending on predominant types of socio-economic proximity.

Methodology

This study compares two clusters from the sailing industry to two clusters from the surfing industry. The use of a multiple case study with pairs of similar case studies permits theory development through literal and theoretical replication. Similar results amongst similar cases strengthen theory through literal replication. Differing results across different pairs of cases deepen theory (Yin, 2009). This qualitative research uses interviews (n=117) and observations (n=17) as the primary data sources, and organizational information (n=47) and archival data (n=27) as secondary data sources.

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Results

The results reveal two diametrically opposed models for clusters in the sport industry in terms of socio-economic proximity (Gerke et al., 2015). These two models represent the fundamental logic of community and society (Storper, 2005).

The logic of a society like cluster is founded in the paradigm of organizational proximity. The two sailing clusters rely on the logic of society because the boat-building projects are complex and require a variety of specialized and complementary skills that are supplied by small-and medium-sized cluster members. The creation of a formal cluster governing body accompanies an existing collective logic between much diversified and specialized local actors.

The logic of a community like cluster is founded in the paradigm of cognitive proximity (Dalla Pria & Vicente, 2006). The two surfing clusters rely on the logic of community because cluster members have similar business models, competencies, and value creation processes. There are few buyer-supplier relationships and interorganizational linkages tend to be competitive in nature.

These different forms of collective organization lead to different resilience capacities of sport clusters. Too strong cognitive proximity risks lock-in effects and prevents the development of organizational proximity. This is the case for the Torquay surfing cluster. The Aquitaine surfing cluster is on an intermediary stage between community and society. The two sailing clusters can be considered as organizational forms where the society model is predominant. With these insights this research contributes to knowledge on strategic management in sport industries.