The Position of Agriculture in Regional Development
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INNOVATION THROUGH NETWORKING TO ENHANCE REGIONAL DEVELOPMENT

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Innovation through networking to enhance regional development

Evelien Lambrecht – Ghent University, Faculty of Bioscience Engineering, Department Agricultural Economics

Outline

1. Introduction of concepts
2. Results of Flemish research project
3. Success story in Flanders: Pure Kempen
4. How to enhance regional development processes?
Innovation through networking to enhance regional development

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1. Introduction

What is “innovation”?

- (Lundvall, 1995, Pittaway et al., 2004).

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1. Introduction

Research

Innovation

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1. Introduction

INNOVATION

Innovation → Competitiveness → Growth → Welfare → Well-being

How? Knowledge (generation and transfer)

→ Research

→ Build/participate in networks

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1. Introduction

What is a “network”?

A set of relations through which the company acquires, assimilates, transforms and exploits knowledge, thus serving as the medium for the combined transformation of the company’s internal and external resources into an innovation (Cowan and Jonard 2004, Omta 2004, Zahra and George, 2002)
1. Introduction

What is a “network”? 

Source: based on Ritter and Gemunden 2003

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1. Introduction

GENERATION OF INNOVATION

- Networks become increasingly important as external sources of innovation

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1. Introduction

REGIONAL DEVELOPMENT

• Nature, culture and agriculture
• Geographical situation of the region
• Cooperation and coordination

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2. Results of Flemish research project:
Networks as a catalyst for innovation in the agricultural sector

- Case study approach
- Flanders
- In-depth interviews with
  - 38 farmers
  - 23 network coordinators
- Focus groups
  - 7 focus group discussions, reaching 48 farmers
- Total: 109 respondents
- NVIVO & MSVisio
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Network behaviour of farmers

Network behaviour

- Background factors
  - Personal
  - General attitudes
  - Personality traits
  - Values
  - Emotions
  - Intelligence
  - Social
    - Age, gender, race, ethnicity, education, income, religion
  - Information
    - Experience
    - Knowledge
    - Media exposure

- Behavioral beliefs
- Normative beliefs
- Control beliefs

- Attitude toward the behaviour
- Subjective norm
- Perceived behavioral control

- Intention
- Behaviour

Network types

- Network characteristics
  - Membership
  - Ties
  - Configuration
  - Strategy
  - Management
## Behavioural beliefs

### Expected outcomes of network participation

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>You learn something</td>
<td>Low perceived return on investment</td>
</tr>
<tr>
<td>Reduce distance between sector and</td>
<td>Obtained information is not objective (one</td>
</tr>
<tr>
<td>policymakers</td>
<td>sided)</td>
</tr>
<tr>
<td>Prevent from isolation</td>
<td>You receive a lot of negative attention</td>
</tr>
<tr>
<td>Know the right people/place when</td>
<td>Information from outside the sector (management</td>
</tr>
<tr>
<td>information is needed</td>
<td>thinking)</td>
</tr>
<tr>
<td>Exchange of knowledge with</td>
<td>Higher awareness of things that happen/new</td>
</tr>
<tr>
<td>colleagues</td>
<td>trends</td>
</tr>
<tr>
<td>Creation of better image for</td>
<td>More bargaining power</td>
</tr>
<tr>
<td>sector as well as personal</td>
<td></td>
</tr>
<tr>
<td>Behavioural beliefs</td>
<td></td>
</tr>
</tbody>
</table>
Normative beliefs

<table>
<thead>
<tr>
<th>Influential Reference Groups</th>
<th>Approval</th>
<th>Disapproval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network coordinator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spouse</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colleague</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colleagues/competitors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chain partner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chain partners</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spouse</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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## Control beliefs

<table>
<thead>
<tr>
<th>Facilitators or barriers for participation in network activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilitators</td>
</tr>
</tbody>
</table>

### Facilitators
- Networking skills
- Internal

### Barriers
- Only one person who can manage business
- Not willing to share information
- No networking skills
- External

### External
- Calm period
- Perceived restraint to communicate openly
- No time
- Not aware of activities
- Difficulties to find connections with others
- Dependency on weather
- Control beliefs
Consulted network partners differ for product, process, marketing and organizational innovations

**Product**
- Buyers
- Suppliers (of young plants)
- Research institutes

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Consulted network partners differ according to innovation process stage

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Consulted network partners differ according to innovation process stage

### Table 1: Network partners consulted along the three stages of the innovation journey, WWVD results, N=20

<table>
<thead>
<tr>
<th></th>
<th>Initiation</th>
<th>Development</th>
<th>Implementation-termination</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>references 1</td>
<td>sources 1</td>
<td>references 1</td>
</tr>
<tr>
<td><strong>Horizontal network</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colleagues</td>
<td>48</td>
<td>16</td>
<td>7</td>
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<tr>
<td>home</td>
<td>32</td>
<td>14</td>
<td>4</td>
</tr>
<tr>
<td>abroad</td>
<td>11</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>other sector</td>
<td>5</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Producer organization</td>
<td>3</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Auction</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>Suppliers</strong></td>
<td>34</td>
<td>12</td>
<td>12</td>
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<tr>
<td>Infrastructure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>home</td>
<td>21</td>
<td>12</td>
<td>7</td>
</tr>
<tr>
<td>abroad</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Input</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>seeds-young plants 1</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>phyto products 1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>feed merchant 2</td>
<td>4</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>hatchery 2</td>
<td>6</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td><strong>Buyers</strong></td>
<td>10</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td><strong>Third parties</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Research institute, university</td>
<td>11</td>
<td>8</td>
<td>8</td>
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<tr>
<td>Consultants</td>
<td>3</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>Sector association (extension)</td>
<td>9</td>
<td>6</td>
<td>0</td>
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<tr>
<td>Innovation support center</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Financial provider</td>
<td>2</td>
<td>2</td>
<td>10</td>
</tr>
</tbody>
</table>

1: Frequency with which the network partner was referred to; 2: Number of interviews in which the network partner was mentioned; 1: vegetable or ornamental plant sector; 1: poultry sector
Bottlenecks for innovation networking relate to the types of innovation

**Product**

- Finding right partner
- Knowledge is limited
- Time consuming
- Lack of communication of research results

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3. Success Story in Flanders:
Case regional development ‘Pure Kempen’
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Case regional development ‘Pure Kempen’

Quality label with which producers of regional products and services from the Antwerp Campine can distinguish themselves from their colleagues of other regions.
By building up a network of entrepreneurs working with each others’ products in different sales places, bed & breakfasts, campings, events, etc.
Coördinator of the network:

Rurant vzw: platform for rural development in the province of Antwerp (northern Belgium)

Partners:

Toerisme Provincie Antwerpen, Unizo Kempen en vzw Kempens Landschap

Financial support:

European and Flemish government and province Antwerp
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• Method:
  • Coordinator organizes and facilitates meetings
    • Invitations, location, appetizers and drinks
    • To decrease threshold, someone has to organize meeting points
    • No powerpoint presentations
    • Trigger attendants to talk
    • Informal way
    • Good location
    • Everybody has the opportunity to tell his story
  • Oblige entrepreneurs to work together
    • Members have to offer 2 regional products of their colleagues
    • Members have to attend at least 2 meetings per year
  • Stakeholder management
    • include partners that have a decisive role of what will happen in the region
• By bringing entrepreneurs together, collaboration is stimulated and ideas generated:
  ‣ bed and breakfast serving regional products
  ‣ New products, services, packages
  • E.g. coffee maker becomes conscious about fact that packages of 5 kg are not interesting and adapts packages

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• Into the future
  ▶ Shift weight from coordinator to entrepreneurs
  ▶ They have to think and tell coordinator what they expect
  ▶ We-story
  ▶ Important role of **regional identity** – entrepreneurs, research institutes over different sectors feel connected
4. How to enhance regional development processes?

• Regional identity
  ▸ Important resource for collective action and placing innovative branding strategies

• Regional identity can be created
  ▸ Gradual, time-consuming
  ▸ Participation of all stakeholders
4. How to enhance regional development processes?

⇒ There is no catch all solution that fits every region
  • No blueprint institutional organisation
  • Top-down versus bottom-up?

⇒ Start from the local context
  • Creation of regional identity and implementation of identity-based policy depends on regional assets to anchor the regional identity on:
    • Regional characteristics
    • Presence of motivated leaders and networks among regional actors
  
  • Some regions are more eligible for innovative regional branding than others
Thank you for your attention!

Questions?

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