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**Cluster organization as a pro-internationalization form
of cooperation in the SME sector – a Polish case
in the European context**

Abstract

Research conducted by some authors indicates that an internationalization strategy is less effective if SMEs cooperate in an informal manner. This could be due to the fact that informal cooperation may promote opportunistic behaviour. A formal way of cooperation can be implemented through cluster organizations.

The aim of this article is to present the role that a cluster organization can fulfil to promote the internationalization of SMEs. The author focuses on the case of a cluster organization established within the food sector in one region of Poland and presents the case in the context of activities of other European cluster organizations.

Keywords: internationalization, cluster organization, SME.

JEL classification: L14, M2.

Introduction

J. Hessels and S.C. Parker [2013] investigate, how SMEs can capitalize on different types of external coalitions, including trade relationships and inter-firm collaborations, to achieve growth in the face of constraints. Their studies show that SMEs can gain access to valuable resources such as knowledge about foreign markets and the methods of operating in these markets. These resources on the one hand are essential for the internationalization process and on the other hand can be expanded through internationalization, as well as by means of mak-

ing purchases abroad. The findings regarding the importance of formalised cooperation are very interesting. Research conducted by Hessels and Parker [2013] indicates that an internationalization strategy is less effective if SMEs cooperate in an informal manner. This could be due to the fact that informal cooperation may promote opportunistic behaviour. The thesis of Hessels and Parker inspired the author to look at cluster organizations as potential internationalization vehicles for SMEs.

A popular form of cooperation among micro-, small and medium firms are business clusters. The prominent expert in clustering – M.E. Porter [1998a, 1998b, pp. 148-154] underlines that although clusters are a local phenomenon, they are conducive to firms internationalization. The cooperation within a cluster can be formalized by establishing a cluster organization. Those organizations operate on the principle of formal links between the participants and at the same time, if they are efficient, they rely on a network of social contacts. Their principal aim is often to support the internationalization efforts of their members, in particular SMEs.

The issue of SME internationalization and clusters have up till now been extensively investigated in the context of Italian industrial districts that are a particular type of clusters [Corò, Volpe and Bonaldo 2005; Grandinetti, Nassimbeni and Sartor 2009; Chiarvesio, Di Maria and Micelli 2010]. But the Italian industrial districts have their own specificity and not all practices can be transferred to other institutional context. That justifies the research focused on cluster organizations as “pro-internationalization vehicles”. Such studies presenting good practices can deliver benchmarks for other cluster organizations aspiring to foster internationalization of their members and SMEs among others.

In order to examine the role of cluster organizations in promoting the internationalization of SMEs, it is useful to apply the resource-based theory of competitive advantage. This theory views a company as a bundle of resources: assets, competences and skills. Possessing certain resources is crucial for obtaining a competitive advantage, but also for embarking on internationalization. SMEs often experience shortages in respect of financial and human resources, which prompts them to look for those resources elsewhere, such as in cooperative associations.

The aim of this article is to present the role that a cluster organization as formalized type of cooperation can fulfil to foster the internationalization of SMEs. The structure of the paper can be divided into two bigger parts: the conceptual and empirical one. Within the conceptual part there are briefly presented the theories of internationalization that can be applied to SMEs. Then the author refers to clusters and cluster organizations that are interlinked phenomena but are not the same. The notion of a cluster and cluster organization shouldn't be used synonymously. The same remark applies to the idea of a cluster initiative. Those terms are pre-

cisely and broadly defined and described in the literature focused on the process of clustering. That is why the author just concisely refers to the nature and characteristics of a cluster, a cluster initiative and a cluster organization and pays particular attention to the pro-internationalization mechanism that can work within a cluster organization. The empirical part starts with methodological remarks and then the author presents the data relating to the degree of internationalization of SMEs in Poland. Next, some examples of cooperation among cluster organizations in Europe are described. Finally, the author focuses on the case of one cluster organization in Poland.

The added value of this paper consists in presenting the pro-internationalization activities of some cluster organizations in Europe and offering the insight into the activities undertaken by the Food Cluster of Southern Wielkopolska¹ being a formalized platform of cooperation for firms from the food sector, R&D institutions, business-support entities and regional government in the region of Greater Poland (Wielkopolska).

1. Theoretical background

1.1. SMEs internationalization and its links with the concept of cluster organization

The issue of determinants of SMEs internationalization and in particular the constraints faced by SMEs, as well as the implications of the barriers for a company's growth, have been investigated by a great number of researchers [e.g. Buckley 1989; Westhead, Wright and Ucbasaran 2001; Manolova et al. 2002; Beck, Demirgüç-Kunt and Maksimovic 2005; Freeman, Edwards and Schroder 2006; Holmlund, Kock and Vanyushyn 2007; Malo and Norus 2009; Thomas-Morgan and Jones 2009; Laghzaoui 2011]. Despite the popularity of the studies focused on SMEs internationalization, that topic is still up-to-date since SMEs operations are crucial for the performance of national economies.

In the literature there are many definitions of internationalization. L.S. Welch and R. Luostarinen [1988, p. 36] in their seminal paper defined internationalization of a firm as "the process of increasing involvement in international operations". The most popular and rather traditional approach to internationalization is the stage approach and the Uppsala model [Johanson and Vahlne 1977]. Internationalization is described as an incremental process of firm's commitment to foreign

¹ The author is grateful to Mrs. Eliza Piotrowska (the Bachelor Student of Poznań University of Economics and Business) for the cooperation in collecting valuable data concerning internationalization of the Food Cluster of Southern Wielkopolska.

market entry – from exporting to foreign subsidiaries and from markets with low towards markets with higher psychic distance. Within the stage approach there is a group of innovation-related internationalization models, but they interpret internationalization as a sequential process too [Bilkey and Tesar 1977; Reid 1981; Czinkota 1982]. The stage approach was recognized as the right and adequate explanation of SMEs internationalization until some SMEs embarked on rapid, broad internationalization. Since then, the approaches of born globals and the concept of international new ventures have been winning more and more supporters and followers [Oviatt and McDougall 1994]. As O. Kuivalainen noted, the explanations of SMEs internationalization have been divided into two main general approaches: stage models and born globals [Kuivalainen et al. 2012]. However, the growing importance of the concept of relationships in business has brought implications for the approach to firm internationalization too. There has emerged the network approach [Ruzzier, Hisrich and Antoncic 2006]. In the network approach, internationalization is identified with the network development through the commercial operations carried out by firms with foreign partners [Johanson and Mattsson 1988; Szymura-Tyc 2015].

According to M. Seppo [2007], networks can accelerate the internationalization of firms as they can get the information about foreign markets from the partners in the business network. However, it was noted that conflicting interests, objectives or values of network members can hinder the process of internationalization [Seppo 2007].

The cooperation of companies, as well as the impact of its formalization on the internationalization of enterprises, was the subject of research by A. Hahti et al. [2005], as well as L. Zhou, W. Wu and X. Luo [2007]. The former group of researchers showed that SMEs employing cooperative strategies to enrich their knowledge base about export markets can consequently improve their performance. L. Zhou, W. Wu and X. Luo [2007] explained that home-based social networks play a mediating role in the relationship between inward and outward internationalization and company performance. In their research involving SMEs in China they showed that social networks in the form of *guanxi* effectively accelerate internationalization and increase the profitability of such processes. The positive impact of social networks is connected primarily with the ability to obtain information relating to potential opportunities in foreign markets, mutual consultancy and experiential learning, as well as promoting trust and solidarity between the cooperating companies.

Business networks are the manifestation of co-operative relationships among firms. If the firms are at the same time competitors, one can talk about cooptation. In that context, it is possible to signal the significance of cluster or-

ganizations for the internationalization of their members. Cluster organizations, dedicated to local or regional networks of firms, R&D institutions and public administration, can develop relationships among their members, being quite often competitors, and among themselves. In the next part of the article, the author explains the pro-internationalization mechanism of cluster organization.

1.2. Cluster organizations and their pro-internationalization mechanism

The notion of cluster organization is related to the notion of cluster and cluster initiative. By some researchers and practitioners those three terms are used synonymously. They are interlinked phenomena, but they are not the same. The concept of cluster was defined by many researchers [i.a. Anderson 1994; Rabellotti 1995; Enright 2000; Sölvell 2002; van Dijk and Sverisson 2003; Andersson 2004; Ketels 2004; Yehoue 2005] and the definitions are quite similar. The most popular definition is the one presented by M. Porter [1998c, p. 78] – the cluster is a group of companies existing in a geographical neighbourhood along with the organizations which are related to them and deal with a particular activity, connected by similarities and competing with one another. The set of features of a cluster was discussed broadly in the literature [i.a. Waits 2000; van Dijk and Sverisson 2003; Ketels and Memedovic 2008). The most typical features of that phenomenon are: firstly, the geographical proximity of actors, which is crucial for the interactions among enterprises, R&D organizations and public administration; secondly, the common goal that is the foundation for the creation of relationships among cluster entities; thirdly, the above mentioned interactions that are cooperative and in the case of cluster firms cooperative in nature. Last but not least, the critical mass is indicated as an attribute of a cluster. It is the number of interdependent enterprises within a cluster that is necessary to achieve significant economies of scale and synergy among cluster members. However, the term cluster is sometimes used while describing phenomena that don't possess each of the features characteristic for the Porterian cluster [Feser 1998]. That is not only a difficult issue for researchers, but even for practitioners, for managers of cluster organizations. There emerges confusion in the terminology and it has unfortunately very often justified the absorption of public money for clustering by entities having very little in common with a real-life clusters that are predisposed to generate positive spillovers and synergies. However, that is a topic to be discussed within another, more conceptual paper.

The emergence and development of a cluster can be fostered by a cluster initiative and than the cluster may be the foundation for the establishment of a cluster organization. The notion of cluster initiatives was defined by prominent experts in the field of clustering – Ö. Sölvell, G. Lindquist and Ch. Ketels [2013, p. 1]: “Clus-

ter initiatives are organized efforts to increase the growth and competitiveness of clusters within a region, involving cluster firms, government and/or the research community". A cluster initiative can be formalized in the form of an agreement of cooperation or through the emergence of a cluster organization with legal personality. In Poland cluster organizations with legal personality can operate as associations, foundations, limited liability companies or cooperatives. Thus, it becomes a formalized platform for cooperation and its activities help to reduce information asymmetry as well as limiting opportunistic behaviour. A cluster organization is a tangible manifestation of cooperation between cluster members, though it usually does not include all the cluster inhabitants.

The pro-internationalization mechanism of a cluster organization works in two ways: links are created between one cluster organization and other organizations. International cooperation develops between cluster organizations from different countries; or actions which support the efforts of the companies themselves are undertaken. The internationalization activities of a cluster organization are often equated with the internationalization of a cluster, which is incorrect. Cluster internationalization is a broader notion than the internationalization of a cluster organization [Jankowska 2010, 2013].

The internationalization of companies which belong to a cluster can be assisted by creating partnerships between cluster organizations. Establishing relations at the level of cluster organizations is assumed to result in creating ties between enterprises or research and development institutions which are part of the organizations. The pro-internationalization activities of a cluster organization are connected with initiating international cooperation as well as acting as an intermediary in contacts with foreign partners. These activities are expected to help companies gain access to foreign markets through identifying potential business partners as well as organizing foreign business trips and trade missions. Thus, cluster members can promote their products without incurring large costs, and the cluster brand which a cluster organisation uses can also be very helpful in that respect. A cluster organization can also supply information about foreign markets obtained through market research, as well as representing its members in business negotiations with larger and stronger business partners.

2. Methodology of the study

Since the aim of this article is to present the role that a cluster organization can fulfil to promote the internationalization of SMEs, the author applied the case study method. R.K. Yin [1984, p. 23] defined the case study research method as an empirical inquiry that investigates a contemporary phenomenon within

its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used. Applying that method, the author attempts to answer the research question: how can cluster organizations foster the internationalization of SMEs. Case study being a quantitative method of the research is the right approach when we want to understand a complex issue. Conducting the research presented in the paper, the author attempts to extend the knowledge on the role of cluster organizations, in particular in the area of the internationalization of their members and further develop the perspective of collaborative internationalization of SMEs. The study is to add some new findings and arguments to what is already known from the previous research focused on the broad topic of internationalization of SMEs and to bridge the concept of cluster organization with the concepts of internationalization of SMEs.

The case chosen for the study – the Food Cluster of the Southern Wielkopolska, was rather unique in the Polish context since the active involvement of cluster organizations in the internationalization of SMEs being their members was at the initial stage while the author was preparing the paper. The author followed the single-case study approach. There was chosen a case that helps to understand the phenomenon under the study [Pauwels and Matthyssens 2004; Siggelkow 2007]. As A. Dubois and L. Gadde [2013] noted, there is no consensus which approach is better – the multiple or single case study. Those authors mentioned that being aware of different limitations while collecting the data, e.g. lack of financial or human resources, it is better to use the single case-study approach. Their thesis is supported by R. Gomm, who underlined that statistical significance does not influence the quality of the qualitative case study [Gomm, Hammersley and Foster 2009]. However, to cope with the threat of the lack of external validity of the results, the author has referred to the activities of cluster organizations at the European level and embedded the Polish case study in the context of the evaluation of the internationalization of Polish SMEs.

3. Results of empirical research

3.1. The degree of internationalization of SMEs in Poland: Are pro-internationalization actions necessary?

Identifying the internationalization tendencies among SMEs in Poland may seem difficult without conducting primary research. However, data collected by the Polish Agency for Enterprise Development (PAED), which regularly publishes reports on the condition of the SME sector in Poland, can provide useful information in this respect.

The analyses conducted by PAED relate to companies using the exports strategy for entering foreign markets; but do not include micro-enterprises which employ up to 9 people and which are not obliged to produce and submit F-01 reports to the Polish Central Statistical Office. In terms of numbers SMEs are the most significant group of exporters: in 2011 nearly 90% of Polish exporters belonged to the SME sector [Polska Agencja Rozwoju Przedsiębiorczości, 2012, p. 48] and although the figure is slightly lower than the figure for 2009, it still remains high (Table 1). In the total population of SMEs in 2011, 29.3% were exporters. Interestingly, the majority of them were small companies with between 10 and 49 employees, and medium enterprises employing between 50 and 249 people were in the minority [Polska Agencja Rozwoju Przedsiębiorczości, 2012, p. 48]. Also, since 2007 there has been a noticeable steady increase in the number of small enterprises engaging in export activities, whereas the number of medium-sized exporters has been on the decline (Table 2). Moreover, it is worth noting that in the total population of SMEs small companies outnumber medium ones.

Table 1. SME exporters in relation to the total number of exporters

Specification	2007	2008	2009	2010	2011
Total number of exporters analysed	15 845	16 290	17 079	15 719	15 828
Number of SME exporters	13 785	14 249	15 178	13 798	13 888
Percentage of SMEs in the total number of exporters (%)	87.0	87.5	88.9	87.8	87.7

Source: Based on: [Polska Agencja Rozwoju Przedsiębiorczości 2012, p. 48].

Table 2. SME exporters, according to company size (%)

Specification	2007	2008	2009	2010	2011
Small exporters	48.5	48.7	50.2	50.3	51.1
Medium exporters	51.5	51.3	49.8	49.7	48.9
Total SME exporters	100.0	100.0	100.0	100.0	100.0

Source: Based on: [Polska Agencja Rozwoju Przedsiębiorczości 2012, p. 49].

As regards export value, in 2011 the value of the exports of the analysed SMEs amounted to 131.3 billion PLN, and there has been an upward trend in this respect since 2007. An increase in the value of exports in the SME sector pertains to both small and medium companies (Table 3). However, in terms of value it is large companies that dominate and the share of SMEs in exports dropped slightly from 26.8% in 2007 to 25.7% in 2011. What can be observed is an upward trend in terms of exports for both SMEs, the increase being more rapid in the case of the former.

Table 3. Value of SME exports, according to number of people employed (in billion PLN)

Specification	2007	2008	2009	2010	2011
Small companies (10-49 people)	19.03	20.63	22.56	26.41	31.77
Medium companies (50-249 people)	78.27	80.16	81.26	86.45	99.53
Total SMEs (10-249 people)	97.30	100.79	103.81	112.86	131.30

Source: Based on: [Polska Agencja Rozwoju Przedsiębiorczości 2012, p. 56].

The exports trends in the SME sector were assessed by means of the proportion of exporters in the total number of enterprises, as well as the share of exports revenue in the total revenue of a company. Looking at the first of the indicators one can observe that the tendency for internationalization increases together with the size of a company. According to the 2011 data, both the indicators were highest in the case of large companies, with medium-sized enterprises taking second position and small enterprises being third.

For the majority of SMEs (74.5% in 2011) the share of exports in sales revenue is less than 50%, and such companies are referred to as non-specialised exporters [Polska Agencja Rozwoju Przedsiębiorczości 2012, p. 51]. The dominant sector is the manufacturing industry.

Two-thirds of specialised exporters operated in 7 subsectors of the manufacturing industry in 2011:

- manufacture of fabricated metal products excluding machinery and equipment – 447 firms (419 firms in 2010);
- manufacture of rubber and plastic products – 209 (194);
- manufacture of wood and cork products excluding furniture – 198 (182);
- manufacture of food products – 182 (193);
- manufacture of furniture – 177 (176);
- manufacture of machinery and equipment not classified in other categories – 174 (181);
- manufacture of clothing – 155 (163).

One of the subsectors listed above is the manufacture of food products, which is the core industry of the cluster discussed in the later part of this article. The internationalization of SMEs in the whole of the European Union as well as in the individual member states is analysed by the European Commission. Data pertaining to the SME sector on the European scale are included in the *Internationalization of European SMEs* report, and data relating to individual countries including Poland are published in the *SBA Fact Sheet 2013*. The data which describe the situation on the European scale are based on questionnaire surveys conducted among 9480 SMEs from 33 European countries [*Internationalization of European...* 2010, p. 25]. Poland is a country where the SME sector is relatively large and in this respect it is similar to Germany, France, Italy, Spain, and the United

Kingdom. The percentage of Polish SMEs involved in one of the forms of internationalization (exports, imports, foreign direct investment, international cooperation, international subcontracting) is slightly higher than the EU average [*Internationalization of European...* 2010, p. 26]. The data presents a favourable picture – the proportion of Polish SME exporters in the total number of enterprises is higher than the EU average of 25%. However, a closer look reveals that the position of Polish SMEs as regards the simplest form of internationalization, exports, is weaker than the EU average [*SBA Fact Sheet...* 2012, p. 11].

Increasing the level of internationalization of SMEs is connected not only with increasing the value of exports to international markets, but also with embarking on more advanced forms of internationalization than exports as well as entering markets outside the European Union. Analyses relating to these issues are conducted twice a year by the Department of Strategy and Analyses at the Polish Ministry of the Economy in the form of questionnaire surveys. The two latest surveys focused on developmental trends in the sector in 2012. The two surveys were conducted electronically, and the sample of respondents was selected from the pool of entrepreneurs on the National Official Business Register REGON who had an e-mail address. The questionnaires were sent to 12 000 entrepreneurs. The return rate for the last questionnaire was at a level of approximately 8%.

The questions which the entrepreneurs were asked to answer included questions relating to the international involvement of companies. The results of the studies conducted in the years 2006-2012 indicate that the analysed population was quite actively engaged in international operations. The most common form of international expansion is the export of goods and services abroad. The companies declared that they maintained contacts with foreign partners. It is evident, though, that the percentage of companies which opted for direct foreign investment is significantly lower. During the period analysed, only 1% of the companies made direct investments abroad.

The data related to the level of the internationalization of SMEs in Poland revealed that pro-internationalization actions are needed. Something has to be done to increase the level of internationalization in terms of the sales generated thanks to foreign operations and in terms of the strategies used – not only exporting, but even foreign direct investment. Next to different measures that function within the policy facilitating the OFDI in Poland [Éltető et al. 2015], one should mention the activity of cluster organizations.

3.2. Pro-internationalization activities of cluster organizations

3.2.1. The cooperative involvement of Polish cluster organizations at the European level

Part 1.2 above outlines some possible actions of cluster organizations which promote the internationalization of cluster enterprises. An example which invokes the pro-internationalization mechanism inherent to the activity of cluster organizations is the launch by the European Cluster Collaboration Platform in March 2013 of 13 Strategic Cluster Partnerships which are oriented towards specific sectors as well as expansion into specific foreign markets (Table 4).

Table 4. European Strategic Partnerships

Name	Sector	Partners/Countries	Target countries
1	2	3	4
European Lighting Cluster Alliance (ELCA)	Lighting technologies	11 partners from 10 countries (Belgium, Denmark, Estonia, Finland, France, Germany, Holland, Italy, Sweden, UK)	China
European Aerospace Cluster Partnership (EACP)	Aviation and space	9 partners from 5 countries (Estonia, France, Germany, Italy, Portugal)	United States, Canada, Japan
ICT4Future	Information and Communication	7 partners from 5 countries (France, Poland , Portugal, Spain, Sweden)	United States, Brazil, Russia
European Sports Cluster Partnership	Sport	5 partners from 4 countries (Estonia, France, Holland, Italy)	United States, Taiwan, South Korea, Japan, Brazil, Argentina, Chile
European Semiconductor Cluster Consortium (ESCC)	Micro- and nano-electronics	6 partners from 6 countries (Belgium, France, Germany, Greece, Holland, Italy)	United States, Taiwan, South Korea, Israel, China
Food, Health & Wellbeing Partnership	Food	12 partners from 9 countries (Austria, Estonia, France, Germany, Holland, Hungary, Italy, Israel, Poland)	Israel, Chile, United States, Brazil, India, China
Textile2020	Advanced textiles	8 partners from 6 countries (Czech Republic, Estonia, France, Germany, Italy, UK)	Brazil, Japan, South Korea, Tunisia, Morocco, Canada, United States, India
ESCP Energy in Water	Eco-technologies	9 partners from 8 countries (Denmark, Estonia, Finland, France, Germany, Poland , Sweden, UK)	United States, Canada, Brazil, China, Mediterranean region, Baltic region, probably also India
Mind the Gap – Health and Wellbeing for the elderly	New materials	7 partners from 5 countries (Denmark, Estonia, Finland, Germany, Sweden)	Brazil, Russia, India, China
International Clean Tech Network (ICN)	Clean technology	13 partners from 12 countries (Austria, Canada, China, Denmark, Estonia, France, Germany, Italy, Norway, Singapore, South Korea, United States)	United States, Singapore, South Korea, China, Canada
Photonics & Packaging for Innovation (3P4I)	Packaging and value chain in the food industry	5 partners from 3 countries (Denmark, Estonia, France)	–
ESCP for Personalized Healthcare	Healthcare	5 partners from 5 countries (Estonia, France, Germany, Italy, UK)	United States, China, Brazil, Japan, South Korea, North Africa

Table 4 cont.

1	2	3	4
Natural Resource Efficient Europe (Natureef)	Exploitation of natural resources	10 partners from 10 countries (Austria, Belgium, Czech Republic, Denmark, Estonia, France, Germany, Hungary, Poland , Portugal)	China, India, South America, Australia, New Zealand

Source: Based on: [www 1].

Among the cluster consortia there are three Polish clusters. The Mazovia ICT Cluster is part of the *ICT4Future* and *Energy in Water* consortia; the NutriBioMed cluster belongs to the *Food, Health & Wellbeing* partnership; and the West Pomerania Cluster Association “Green Chemistry” is a partner in the *NATURAL Resource Efficient Europe* consortium. Polish cluster organizations hope that being members of the consortia will help them establish cooperation with partners from the countries of origin of the other cluster organizations. Although, in principle the partnerships comprise participants from European countries, one of them, *International Cleantech Network*, also includes cluster organizations from the United States, Singapore, South Korea, China and Canada.

Each of the partnerships aims to develop and implement a long-term cooperation strategy between different industry sectors, as well as facilitating the access of SMEs to new markets and their cooperation with large multinational companies.

This cooperation will involve such areas as research and development, technology transfer, building new brands, organizing trade missions, upgrading skills and competences, creating international standards, exchanging good practices, etc. The involvement in the partnerships of cluster organizations from different locations is also expected to enhance the attractiveness of the places where these organizations operate.

Involvement with the European Cluster Collaboration Platform guarantees preferential access to the services that it provides; e.g. trade missions. The clusters which are members of the consortia can also play an important role in the promotion of emerging industries.

The studies related to cluster internationalization were conducted within the CNBC project (Cluster and Network Cooperation for Business Success in Central Europe). The study was focused on clusters and clusters-like organizations and they were conducted among 96 entities from Hungary (number of entities – 25), Italy (17) and Poland (17), the Czech Republic (14), Slovakia (10), Austria (9), Slovenia (3) and Lithuania (1). The researchers didn’t distinguish between clusters with or without cluster organizations. The research revealed that the requirement to have internationalization strategy is a new topic for cluster managers and there are still few clusters having it formulated. The study recommended

the transfer of good practices and know-how from well-performing clusters at the international stage.

Below, in part 3.2.2. there is presented the case of one Polish cluster organization that is committed to fostering internationalization of its members.

3.2.2. The case of a cluster organization from the Wielkopolska region – the Food Cluster of Southern Wielkopolska and its internationalization

The Food Cluster of Southern Wielkopolska operates in the central-western part of Poland. The economic strength of this region is manifested through its 9% share in Poland's GDP, which puts Wielkopolska in third position among all the provinces in Poland in this respect. In 2010 the level of GDP per capita in Wielkopolska was higher by 4.1% than the national GDP per capita. In the ranking of Polish provinces for 2010 Wielkopolska is in fourth place, behind the regions of Mazowieckie, Śląskie and Dolnośląskie [GUS 2012, pp. 58-59]. The largest proportion of its population works in manufacturing industry [GUS 2012, p. 86]. The leading sector is food and beverage production. The dominance of the food sector is related to the traditional prominence of agriculture; which supplies raw materials for the meat, dairy, sugar, spirits, milling, food concentrates, as well as fruit and vegetable processing industries. The food sector is quite heavily penetrated by foreign investors and this factor is the core aspect of the cluster which the discussed organisation is associated with.

The Food Cluster of Southern Wielkopolska was formally established in October 2009 in the form an association. The mission of the cluster organization is to undertake common actions for increasing the competitiveness of the food manufacturing companies operating in and around Kalisz as well as introducing new products, solutions and innovative technologies. The chairman of the cluster's board is the owner of *Jutrzenka Colian*. The association was founded by 17 representatives of companies which were the first to declare their willingness to form a cluster. The supporting members include such companies as *Jutrzenka Colian*, *Paula*, *J.A.M.*, *Eljon*, *Spomasz Pleszew*, *Edal Lisków*, as well as the Chambers of Commerce in Kalisz and Ostrów Wielkopolski.

The cluster organization comprises 21 businesses, including, among others, *Ziołopex*, *Kaliszanka*, *Goplana*, *Jutrzenka*, *Hellena*, *Apetita*, *J.A.M. Inox Produkt*, *Spomasz Pleszew*, *Paula*, *Eljon*, *Edal* and *Rolmex*. These are manufacturers of sweets, confectionery, beverages, fruit and vegetables, dairy and meat products, food additives, food seasoning, equipment and machines for food production, as well as distributors of food products for the Wielkopolskie, Łódzkie, Dolnośląskie and Śląskie regions. The majority of the cluster members are from the SME

sector. Additionally, the cluster organization also includes research and academic institutions, such as the Poznań University of Technology, the Poznań University of Life Sciences, the Poznań University of Economics and Business, the Institute of Logistics and Warehousing and the Industrial Institute of Agricultural Machinery in Poznań, as well as local government units and business support institution [www 3].

Some of the companies in the cluster are active in terms of internationalization; the directions of their foreign expansion being the European Union, Asia and North Africa.

The board of the cluster has always been aware of the potential benefits of international cooperation. Since 2011, the cluster organization has consistently been implementing pro-internationalization measures; including participating in international exhibitions and trade fairs, taking part in international trade missions, as well as building relations with cluster organizations and supporting institutions from other countries [*Umiejdzynarodowienie klastra 2012*].

In September 2011 members of the cluster made their first appearance at an international fair. Two companies, *Spomasz Pleszew* and *J.A.M. Inox Produkt*, exhibited their products at the Riga Food fair in Riga (Latvia). Participation in the fair resulted in the companies finding new foreign partners.

A month later, in October 2011, thanks to the cooperation of the cluster with the Enterprise Europe Network centre, affiliated to the Kalisz Business Incubator Foundation, the cluster members participated in the Anuga fair in Cologne, which is considered to be one of the world's leading food fairs. During the fair, representatives of the cluster's board as well as the *Ceko*, *Elena*, *J.A.M. Inox Produkt*, *Jutrzenka Colian*, *Kupiec*, *Paula* and *Spomasz Pleszew* companies participated in business matching meetings, which provided an opportunity for further expansion into the markets of Europe, Asia and North Africa.

The cluster also organized a trade mission to Russia combined with participating in the Peterfood food fair in Saint Petersburg in November 2011. The cluster companies which took part in the mission included *Elena*, *Jutrzenka Colian*, *J.A.M. Inox Produkt*, *Spomasz Pleszew* and *Gospodarstwo Ogrodnicze Miklas*. During the fair contacts were made with a number of potential clients, as a result of which the companies acquired several major Russian partners interested in buying confectionery, vegetables, spices, as well as machinery. A year later the cluster companies under the brand of the cluster organization again participated in the Saint Petersburg fair and had cooperation talks, this time as a separate regional exhibitor. In 2012, twelve companies also took part in a trade mission to Moscow, which included participation in the WorldFood Moscow fair.

The cluster's pro-internationalization activities also included participating in the SIAL food exhibition in Paris in 2012, where cooperation talks were held with potential partners from the whole of Europe. The trip was organized with substantial help from the Enterprise Europe Network centre affiliated to the Kalisz Business Incubator Foundation.

The following year the cluster participated in WorldFood Moscow 2013. In all, fifteen companies from the Wielkopolska region took part in the fair, including the following cluster members: *Jutrzenka Colian* (producer of confectionery, herbs and seasonings, nuts, dried fruit and beverages), *J.A.M. Inox Product* (producer of machinery, equipment and production lines for fruit and vegetable processing), *Kupiec* (producer of organic foods), *Lazur* (producer of cheeses with a blue mould and a bloomy rind), *Mipama* (wholesale supplier of herbs and seasonings), and *Agrico* (producer of canned meat and convenience foods). Participation in the fair turned out to be a particular success for *J.A.M. Inox Produkt* and the *Fruit and Vegetable Processing Plant* in Środa Wielkopolska, which established contacts that should generate a significant increase in the volume of frozen fruit and vegetable exports.

The cluster organization not only initiates actions which directly support the internalization of its companies through participation in trade missions and fairs, but, having a legal personality, it also enters into cooperation with similar organizations from other European countries. The participation in the Cologne fair mentioned earlier resulted in establishing contacts with cluster organizations from Finland, Greece, Holland, Germany, and Portugal. One of the aims of developing cooperation with the organizations from other countries is to build partnership structures within which it will be possible to apply for EU funding for the years 2014-2020, which is intended to help enhance business innovation.

In May and June 2012 the cluster organization attended European Food Cluster conferences in Portugal. This gave rise to the initiative of creating a network of cooperation between European food industry clusters under the aegis of one of the most experienced and prosperous food clusters in Europe, AgroCluster Ribatejo from Portugal, as well as the Plant InterCluster network from France.

The group of foreign partners in the formalized Food Cluster of Southern Wielkopolska includes the agro-industrial Ribatejo cluster from Portugal, the food Kompetenznetzwerk Ernährung KNE Schleswig-Holstein cluster from Germany, the INOVcluster from Portugal, the Plant InterCluster network from France, the Turku Science Park from Finland, the Chamber of Kavala from Greece, the East Netherlands Regional Development Agency Oost NV, the Basque Institute of Competitiveness (Orkestra) from Spain, as well as the Business Area Oy enterprise from Finland. Thus, the international partners of the

cluster include cluster organizations and business institutions whose activities focus primarily on innovation, but also on regional competitiveness.

In addition to activities aimed directly at developing internationalization, the cluster organization also undertakes promotional and advertising actions. An important element in this respect is the visual identification system of the Food Cluster of Southern Wielkopolska, including the cluster's logo, which is widely used for promotional purposes, for example on the web page or on the exhibition stands during trade fairs.

Conclusions

In this article the author presents examples of actions that a cluster organization can take to support the internationalization of its participants, in particular Polish SMEs, as research findings indicate that their internationalization is still not very intense. The value added of this paper lies in presenting cluster organization as a vehicle of firm internationalization and in referring to the topic of collaborative internationalization. Collaborative internationalization is not a novel in the international business research but it has been a little neglected [Camison and Villar 2009]. And yet it is worth conducting more research as the topic is not just conceptual in nature, but deeply embedded in the changing competitive landscape of many industries, especially those penetrated by SMEs. Collaborative internationalization employs different types of partnerships and cluster organizations are a case among others. The case described in that paper confirms the thesis that the collaborative market entry may be the beginning of international growth [Camison and Villar 2009]. In the context of SMEs being members of cluster organizations the international operations of cluster organizations can work as a springboard to enter foreign markets. Firms may exploit the resources of the cluster organization that is a network to fulfil their internationalization ambitions [Zen, Fensterseifer and Prévot 2011].

The author's aim was the presentation of a particular cluster organization that is involved in real-life internationalization tasks. The presentation of the pro-internationalization actions of the particular cluster organization was to highlight good practices in the field of internationalization that can be exploited by other cluster organizations. The activity of the cluster organisation described in this article clearly shows that specific resources such as knowledge or relationships are essential for internationalization; but those resources, according to the assumptions of the resource-based theory, do not necessarily have to be the property of a given entity [Dhanaraj and Beamish 2003]. And it is important to enter into alliances and cooperation with other enterprises so that access to new resources can help a company exploit its own assets more efficiently [Street and Cameron 2007].

The case of the cluster organization presented above shows that cooperation within a formal structure can lead to the transfer of competences and knowledge about foreign markets, which is highlighted in the literature [Haahti et al. 2005]. The opening up of the small and medium companies from the Food Cluster of Southern Wielkopolska to the pro-internationalization stimuli generated by the cluster organization signifies the low level of concern regarding the opportunistic behaviour of partners.

The tasks performed by cluster organizations in terms of internationalization support can be divided into two groups: those that are directed outwards and those that are directed inwards. The former involve forging partnerships between cluster organizations, and the latter involve measures aimed at improving the competences which are necessary to enter foreign markets by the firms. These competences concern not only specialist knowledge about conducting international transactions, but also psychological barriers, which particularly in the case of small companies can often be quite high. In the case of companies belonging to clusters with such an extended value chain as the Food Cluster of Southern Wielkopolska, it is even possible to design pro-internationalization tasks addressed to companies active within the various stages of the value creation process in the cluster. The degree of internationalization and the pace of internationalization can be different depending on the particular link of the value chain. That fact is reflected in the growing fragmentation of value chains embedded in clusters and especially in their Italian counterparts – industrial district that undergo the processes of relocation [e.g. Sammarra and Belussi 2006].

The actions for the internationalization of clusters on a European scale, which have been briefly outlined in this paper, will produce tangible results only when they are combined with activities at the level of single cluster organizations participating in cooperative agreements. In order to assess the pro-internationalization impact of cluster organizations, it is necessary to define the instruments for measuring changes in the internationalization level of SMEs being cluster members.

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