THE ROLE OF INTEGRATED MARKETING COMMUNICATION IN CLUSTER DEVELOPMENT

Professional Paper

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Summary

Clusters are currently recognized as instruments to increase the competitiveness of national economies and that is why they are receiving an increasingly important role in the European, as well as Croatian economy. Nonetheless, the main objectives, activities and benefits that clusters provide to their members, as well as their impact on the development of certain areas of the economy often are insufficiently visible and transparent. Integrated marketing communication (IMC) is a key activity in creating greater visibility and recognition of clusters in the Republic of Croatia. Precisely, the implementation of integrated marketing communication creates prerequisites for attracting new cluster members, including not only companies but also the scientific community and public institutions, in order to ensure the high-quality work of clusters.

The concept of integrated marketing communication today, unlike in the 80s of the last century, takes on a whole new meaning, because marketing experts are facing the challenge of harmonizing the communication message with consumers using classical channels with those using interactive digital media. In this matter, it should be borne in mind that digital media provide incredible opportunities for creative expression, but also do not tolerate literal taking over of creative strategy developed for traditional media. It seems to be a great challenge for managers, related to both clients as well as marketing agencies, often insufficiently informed on this matter (especially the elder generation).
This paper is based on secondary research and consists of a theoretical part explaining the concept of clusters and their basic features, including the specifics of cluster marketing and communication, as well as the analysis of some cluster cases.

**Keywords:** marketing, clusters, integrated marketing communication, message, media.

1. **Introduction**

In today’s globalized economy clusters are regarded as an excellent form of leverage which encourages cooperation among members, incites faster innovations and increases competition and economic growth not only of the company, but also of the region in which the cluster is active. In economics, the term cluster was first coined by Michael Porter in his famous book “The Competitive Advantage of Nations”. The sentence “Geographical concentration of interlinked companies and institutions in related branches of industry that complement each other by joint relations of exchange activities along one (several) value creation chains” which was uttered by Michael Porter in the 1990s (as cited in Maxwell Stamp PLC, 2012, 7) is still regarded as the best definition of the term cluster. The main goals of forming clusters are networking and a more efficient cooperation of members from the private, public and science/research sectors, increasing competition as well as creating products with a higher added value (Hodak, 2014, 34). It is also interesting to note that “clusters promote both competition and cooperation. Rivals compete intensely to win and retain customers. Without vigorous competition, a cluster will fail. Yet there is also cooperation, much of it vertical, involving companies in related industries and local institutions. Competition can coexist with cooperation because they occur on different dimensions and among players.” (Porter, 1998, 79)

2. **Concept of Clusters**

Clusters operate on the principles of activity integration and member cooperation with a goal to achieve common benefits, and it is exactly cluster benefits which are visible on three levels; individual companies level, sector and regional level and the wider economy level. The most obvious benefits which individual companies can achieve by joining a cluster are in regard to opening new market possibilities which could not be achieved individually, such as
decreased costs and risk when entering new (international) markets. Aside from the challenges of entering new markets, companies (especially small and medium enterprises) are faced with the need to live up to their customers’ expectations while at the same time keeping up with the development of technology and innovations. A company’s development is usually achieved in two directions. The first is the operational development which is carried out within the framework of existing production programmes and customers, while the other, strategic type of development, requires the company to systematically follow market and development trends and continuously adapt to said trends which serve as a basis for introducing new innovations, products and services. In these processes of strategic planning the role of the cluster as a tool to enhance competition is vital. Cooperation between members of the cluster also brings about new information and experiences, mutual sharing of know-how which can enhance the capacities of the members. Merging companies into clusters brings a number of benefits to the members, but the formation of the cluster structure also poses new challenges. The most difficult challenge to overcome is building trust and cooperation among the members of the cluster. Therefore, a system of management and establishing mechanisms of control, the rules of engagement and the “way we will work together” should be carefully thought through at the very beginning and agreed with each cluster member (Maxwell Stamp PLC, 2012, 11). The aforementioned challenges emphasize the importance of communication within/among members of the cluster as well as the communication between clusters and the public.

With regard to the fact that clusters most commonly represent a specific sector, the regional and sector benefits from clustering derive from the ability of a cluster to raise the profile of a specific sector in a specific region locally and internationally, and this, of course, opens up new possibilities to attract investments in the sector as well as the region.

The experiences of cluster initiatives in EU countries confirm the aforementioned benefits to individual sectors and regions which are brought about by networking. In the 1990s specific initiatives were put in place in Italy (Veneto) and Spain (Catalonia and Basque Country) and by way of encouraging cluster development these regions have become among the most developed in Europe. Experiences of some members of the EU show that sector specialization and clustering is the best instrument in enhancing the competitiveness of a country’s economy.
The Republic of Croatia recognized the importance of cluster initiatives in enhancing national competitiveness even before it became a member of the EU. The formation of clusters in Croatia can be tied to the collapse of planned economy in the late 80s which wiped out a large number of national companies and was followed by a massive loss of work places. A large number of small new companies were formed on the “ruins” of that system (number of SMEs was 10,259 in 1990, and 600 big companies) (Singer, 2005, 12) which were faced with a lack of management know-how and financial means, and a poor grasp of the market. The influence of the Croatian accession process to the EU brings about a number of new information about the ways economy functions and especially about the rebuilding of cooperation between small and medium enterprises. A major shift in cluster development was seen in 2004 when the government, namely the Ministry of Economy took initiative and became the central body which supported clustering. After that, in the following years the Ministry encouraged cluster formation and management through its operational programs. The beginning of cluster formation in Croatia was achieved by applying the top-down method of clustering because it was encouraged by the government, seeing as, at the time, the bottom-up clustering initiatives started by the business sector achieved very limited success. Regardless of the method of cluster formation in Croatia, in these processes no systematic cluster development methodology has been developed and this (could be) represents a significant problem for future cluster development. However, thanks to the preparations preceding the Croatian accession to the EU, Croatia adopted a new approach to the development of cluster initiatives which represents an integrated, collaborative and systematic approach which connects the private, public and science-and-research sectors, the so-called The Triple Helix concept. The following picture illustrates how the cooperation created by connecting the three sectors looks in practice – an example of a Croatian car parts manufacturing cluster.
2.1. Clusters’ Basic Features

In recent years the EU (i.e. European Commission) has created a new generation of clusters policies, especially visible in the documents published on their websites. Some of these are EU Cluster portal which includes The European Cluster Observatory and the European Cluster Observatory which provides data and analysis on the clusters and European cluster policy. According to the European Cluster Observatory more than 2000 cluster organisations act in the EU. (European Commission, 2015)

Also some cluster policy makers are designing programmes for cluster labelling which are characterized by high specialization and great potential for innovation and visibility. One such programme was developed by the European Secretariat for Cluster Analysis (ESCA) which has been supporting cluster managers and policy makers in particular by giving advice on cluster development since 2008. After the Commission launched the European Cluster Excellence Initiative (ECEI) in 2009, under the Competitiveness and Innovation Programme,
it developed quality labelling scheme for cluster organisations which covers three different levels: Bronze, Silver and Gold. Each label corresponds to a specific assessment scheme. The ESCA experts have continued to work on that programme and they have developed a methodology for cluster benchmarking that is acknowledged by both cluster managers and policy makers throughout Europe. The labelling scheme is used by different cluster programmes throughout Europe to support cluster organisations in their efforts to develop good management practice.

In the period from 2010 to September 2014, 621 cluster organisations from 35 countries (also non EU members) have participated in cluster benchmarking and have been awarded with Bronze Label of Cluster Management Excellence (ESCA, 2014). The results of the analysis offered various interesting insights into the clusters nature and their management organisations. The interesting fact regarding the cluster programme is that 14 clusters from Croatia (3 from food industry, 7 from engineering/production, 1 from transport and mobility and 2 from information and communication clusters) took part in it. (ESCA, 2014) The analysis of cluster benchmarking was divided into four groups (A, B, C, D) with regard to the differences in the economies of the countries in which the clusters are operating. It is interesting that the analysis of the cluster organization weaknesses (ESCA, 2014, 16) displays some mutual weaknesses:

- 57 percent of European cluster organisations have a critical relationship between committed and non-committed cluster participants;
- 77 percent of cluster organisations do not pay enough attention to further education and training of their staff (life-long learning);
- 65 percent of the cluster organisations do not have a stable financial outlook that extends beyond the following two years;
- Communication is the area in which European cluster organisations can improve;
- Clusters should have the right balance between companies, universities, research institutions, service providers and government agencies (“composition of the cluster participants”). Fifty-three percent of the cluster organisations in Europe face challenges in this regard, either because the companies share is too small compared to the number of research factors or they lack research factors at all.

- only a few cluster organisations can present success stories that qualify as an “excellent success story”;
40 percent of the cluster organisations do not conduct satisfaction surveys among their cluster participants, although such surveys help to collect information about the support needs of cluster participants and provide feedback on how successfully the cluster organisation is working.

Independently from the fact which European Union economies they belong to and regardless if they are marked with Bronze, Silver and Gold label.

For successful cluster management and development it is necessary to define cluster strategy which should be developed by the cluster organisation and if possible in collaboration with all cluster members. ESCA research (ESCA, 2014) shows that different cluster initiatives develop various thematic and geographical priorities in their strategies which is visible in Figure 2.

![Figure 2: Thematic strategic priorities of cluster organisations (Source: ESCA, 2014, 24)](image)

Thus from the Figure 2 it can be concluded that the cluster organisations in the “strong” European economies (Group C) put more emphasis on “exchange of information, matchmaking and experience among participants” than cluster organisations from the Central European EU Members States (group B) and Southern part of Europe (group D). However, they put more emphasis on promotion of business activities and not on business activities only. An especially important role in the strategy of cluster organisations in the Central and
Eastern European Countries (including Croatia) as well as in Spain, Portugal, Italy and Greece has “collaborative technology development, technology transfer or R&D”, but these activities concern in most cases “incremental innovation” in the sense of replicating or adapting already existing products and services (ESCA, 2014, 25).

Figure 3: Thematic strategic priorities of cluster organisations: differences between industrial sectors
(Source: ESCA, 2014, 27)

The notions that occur in the cluster organisation strategies are very well complemented by Figure 3 which displays thematic strategic priorities of the cluster organisations i.e. differences between the industrial sectors. A special emphasis is put on the “collaborative technology development, technology transfer and R&D” almost in all industrial sectors with the exception of the industrial sector of sports/leisure/tourism where cluster organisations put more emphasis on the promotion of business activities.

As afore mentioned the clusters contribute to development of innovativeness of their members since the innovativeness is not created in the isolated organisation but in dynamic environment in which capable organisations and qualified labour force collaborate mutually.
and are adjusting to the existing knowledge in a constructive and complementary way and generate new ideas and products (Hodak, 2014, 38). This explains the reason why today an increasing number of the policy makers and cluster managers are shifting their policies, programmes and respective activities towards nurturing of the cross-industry linkages (ESCA, 2014, 27) and also the experience of the global financial crisis underlined the importance of real economy and strong industry.

3. Marketing Communication in Cluster Development

The role of marketing in cluster development is extremely important because marketing related activities hold a special place in the array of activities (areas) which cluster members jointly conduct. Companies and institutions in a cluster have joint projects for the development of new products and services which enable development on the existing market and entering new ones (Hodak, 2014, 7). Even though marketing is a vital component of cluster management in practice, unfortunately the topic of cluster marketing is poorly represented in professional literature and marketing concepts methodology are most commonly taken from the practice of specific companies, so even in the cluster marketing practice we could start from the well-known American Marketing Association (AMA) marketing definition: “Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.” (AMA, approved July 2013)

As previously mentioned, the main challenge in establishing a cluster and successfully managing it is establishing a relationship of trust and cooperation between the members, and this relationship is indispensable in conducting cluster marketing activities. Namely, each individual member independently decides on marketing management processes in its company, while successful marketing management in a cluster requires the individual members to agree upon a united marketing strategy. The last few years in the competitive and dynamic environment of the European Union the new cluster politics were established with an emphasis in regional development. Nowadays, no territory or clusters can think of itself as self-contained and sufficiently endowed of resources and competences to operate in international markets and world-scale value chains. Local actors and territories should define their position within global value chains and re-think their functions within the global space
(TACTICS, 2012, 11). Therefore it is not surprising that thousands of European clusters and cluster organisations are striving to be recognized as competitive and excellent, and this is only possible if a special emphasis is placed on the development of marketing and IMC cluster strategy. Clusters who are seeking to break out into the world stage, the so-called world class cluster, on the one hand are trying to attract the attention of outside factors, such as skilled people and capital. On the other hand the fact remains that it is without mobilising the cluster members and creating a united marketing and especially marketing communication strategy, it is impossible to conquer international markets in order to secure long-term growth and competitiveness of a cluster.

IMC as an essential element of the marketing strategy, which the company attracted the attention of the general public, gets a specific dimension and importance for the cluster development.

The secret of creating solid relationships in any company, as well as a relationship of cooperation between cluster members, lies in successful communication. Whether it is a company or a public institution, communication is vitally important on both the strategic and the operational level. It is important to emphasize that actually every action we take is communication (Leinert Novosel, 2012, 55), and it is also a fact that communication is a type of universal medium we utilize to achieve a number of goals which we define consciously or those goals which we are not even aware of (Leinert Novosel, 2012, 16). The changes and developments which are occurring in the 21st century on an almost daily basis in the field of communication technologies contribute to the development of better communication connections and relations in society, especially in the business world. These changes are evident in marketing and marketing communication, and they started to appear in the 1980s. In those years many companies recognized that, if they wanted to maintain more successful communication with their clients, they needed to integrate promotional tools as strategic in their business which in turn would contribute to the creation of an integrated marketing communication (Hodak, Rocco, Geric, 2014, 827). By way of coordinated management of marketing programs, integrated marketing communication allows companies to send out a consistent message to its customers/clients about the company itself or its products and services. In this way the company has the opportunity to establish the most suitable and most efficient methods of communication with their buyers as well as with other partners, such as employees, suppliers or the public.
IMC as a philosophy suggests that an organization may subscribe to the concept of integrating communication whereby the emphasis is on raising awareness of the benefits, and hence intention, to integrate communication messages. While strategic-level IMC relates to effecting the brand-positioning strategy in a holistic sense, the tactical aspects of IMC primarily relate to the planning and implementation of individual holistic campaigns that, over time, work to build and reinforce brand positioning and contribute incrementally to building strong customer-based brand equity (Reid et al., 2005). When talking about the brands and their importance for the consumers, end-users – the core value of brands is a well designed visual identity, which then becomes recognizable creating an image with emotional meaning by communicating with the consumers as well as with public, again using design (packaging, advertising, interactive design, social media etc) (Rocco, Hodak, 2013, 526).

Several authors presented different models for measuring the degree of IMC. Duncan and Moriarty (1997) propose a five-dimensional model in which they measure: (1) interactivity, (2) strategic consistency, (3) organisational infrastructure, (4) mission marketing and (5) planning and evaluation. Pickton and Hartley (1998) propose a measurement instrument with nine dimensions of integration: (1) promotional mix integration, (2) promotional mix with marketing mix integration, (3) creative integration, (4) intra-organization integration, (5) inter-organization integration, (6) information and database system, (7) integration of communication targeted towards internal and external audiences, (8) integration of corporate and „unitised“ communication and (9) geographical integration. The last model of measuring the degree of IMC that we will mention is proposed by Low (2000) through three dimensions: centralisation of planning, strategic consistency and message consistency.

The question about top management involvement in the IMC activities and the process of decision-making is also very interesting. According to the research conducted in Slovenia, top managers are mostly involved in the decisions about the marketing communication budget, followed by involvement in IMC strategies and after that decisions about targeting. However, top management does not have much involvement in the IMC control (Hočevar, Žabkar, Mumel, 2007).

Digital media, particularly their extension to cell phones and other mobile devices, has given consumers control over how they engage with advertisers, in contrast with traditional media engagement, which relies on interruption of a captive audience. Mastering new modes of communication is critical to the marketers driving business innovation. Marketers must
deliver ROI, but measuring the return on investments in new-media channels remains difficult because of fast changes in trends. Managers are usually not aware of such changes and are not prepared to take risk giving more of the IMC budget to digital media. Since its emergence, social media, especially social networking sites, have introduced radically new means of interaction and engagement between consumers and brands. Consumers increasingly use social media, not only to research products and services, but also to engage with the companies they purchase from, as well as other consumers who may have valuable insights about these companies (Garretson, 2008). Brands are able to reach consumers using both, their own communications and the communications of consumers. In this new environment, achieving consumer engagement is critical for brands to fight against increasing consumer immunity from and skepticism toward traditional commercial media (Bagozzi, Dhlokia, 2006). Moreover, this new form of engagement in social media opens up many new opportunities for brands to extract value from existing and potential consumers. They can now receive feedback and suggestions more easily from their consumers through these social networking sites, allowing them to respond to their consumers, enhance their offerings, handle problems and provide better service. Facebook brand pages have become a major channel through which consumers are able to interact with brands in a direct way by liking and/or commenting on brands’ posts and messages. Therefore, it is not surprising that these Facebook brand pages and the subsequent engagement they facilitate have become integral parts of brands’ marketing and public relations campaigns (Kabadayi, Price, 2014).

Most companies, particularly market leaders with strong brands, typically have long-term relationships with large well-known marketing agencies. Not all of these relationships may be suitable in the digital age. Although all traditional advertising agencies embraced new-media into their offer, some of them still rely on old-media business models. They charge clients big budgets for new-media content that costs much less to produce. Another trend is that they engage small specialized digital agencies to do the job for them and they only charge their percentage. The main problem is that marketing communication for the new media can not just be literally taken over from traditional media which often hapens, but needs to be transformed into a new language, because they communicate with clients in a totally different way which is hard to understand by elder generations. The decades-long shift in media priorities for marketers is evident in the Economist Intelligence Unit’s survey results, which underscore the growing demands for customer and
stakeholder engagement. Conferences and events (45%) topped respondents' ranking of the most important media for meeting key marketing objectives, outranking magazines (33%), television (30%), newspapers (24%) and radio (10%). Face-to-face engagement is still essential, even as various forms of digital media continue to gain a foothold. All types of digital media are cited by double-digit percentages of respondents as the most important medium: online content sites (24%), e-mail newsletters (22%), search engine enquiries (22%) and online portals (18%). And the trend will continue (Garretson, 2008, 16).

Vertical integration requires that marketing and communication objectives be aligned with higher-level corporate objectives and corporate missions, whereas horizontal integration focuses on the marketing mix and coordination across business functions such as production, finance, and distribution. All personnel in these functional areas are required to work cooperatively and consistently, conscious that decisions made by any of them can send messages that ultimately influence customers. IMC requires the adoption of an “outside-in” approach that enhances customer connectivity and organizational responsiveness to change by putting the customer first (Reid et al., 2005). This is where the problem lies with the IMC of clusters. There is no unified strategy, no conciousness about the need to act in coordination with each other, to send a unique message, building the consistent cluster’s brand image. The integrated marketing communication of clusters should be based on cooperation between its members, the academic community, the public sector and all the other stakeholders, having in mind the task of attracting new memebers to the cluster, as the main goal and the prerequest of its development. Members of the cluster and their partners should strenghten their connections through continual exchange of experience, organizing seminars, workshops and conferences where they could meet in person, but also through cooperation with relevant research and development centers, technology parks and centers of expertise. Such continuous cooperation provides a platform for the dissemination of knowledge and information in order to prepare high-quality projects that will ensure the development and increase the competitiveness of the cluster members.

4. Cluster Trends and Cases

The European economy can defend its leading position in the global economy only if completely new chains will be developed to generate new, globally competitive products and
services. Precisely the clusters create the possibility of experimenting with new business models. A number of examples from good practice of the European clusters can be found on the EU Cluster website of the European Commission, such as Chemie-Cluster Bayern, Bavarian Environment Cluster, the Mechatronics Cluster (Austria), the Copenhagen Cleantech Cluster (Denmark) which confirm that clusters create a possibility for experimenting with new business models “as they offer a lot of opportunities for the creation of new value chains and new customer” (ESCA, 2014).

Despite the slow acceptance of the cluster initiatives by the business community, the Republic of Croatia has started giving incentives through government institutions for cluster development (top-down approach). During 2012 and 2013 Ministry of economy and Ministry of Entrepreneurship and Crafts together implemented the project Support to Cluster Development which was also supported for a 24-month by European Commission. At the begining The Support for Cluster Development project has undertaken a cluster mapping and identification analysis in all three regions of Croatia. 60 active clusters were mapped in Croatia (i.e., clusters formally registered to receive state support/funding). Adriatic Croatia is home to 12 active clusters, Pannonian Croatia contains 17 active clusters and Northwest Croatia contains 31 active clusters. Although cluster concentration is highest in Northwest Croatia – in particular the City of Zagreb, which is home to 18 clusters – there are five counties without an active cluster (Maxwell Stamp PLC, 2012, 25). At the end the Project three pilot Cluster of Competitiveness were established (Food processing industry, Wood processing industry and Automotive industry). After that a dozen clusters of competitiveness were founded, and precisely the clusters of competitiveness represent a powerful tool in the implementation of incentives in networking and better collaboration of members from the private, public and scientific-research sectors in the Republic of Croatia. This networking and collaboration of all relevant participants will enable a more efficient system of work on innovations and product development with higher added value.

To fully understand cluster marketing it is important to note the factors which significantly affect the choice of concept for branding and marketing of clusters. Two factors are very important, first the size of the geographical location the cluster covers, and second, the stage of a cluster's development, described by its position in a life-cycle perspective (Tendensor, 2012, 12). Three geographically defined clusters types are: city or district clusters which cover a city or municipality or parts thereof such as Milano fashion cluster (Tendensor, 2012,
regional clusters cover several municipalities and cities and they may have one or several concentration around cities, universities or science parks. Examples include Triple Steelx steel cluster in Sweden and the Medicon Valley life science cluster spanning parts of Sweden and Denmark (Tendensor, 2012, 12). The last type is virtual clusters and these are networks of several clusters or clusters that span one or several nations, but without one particular regional concentration. The Airport Cluster Finland and the Living Business cluster in Finland are examples (Tendensor, 2012, 12). The stage of cluster development described how clusters develop over time and four stages are: embryonic (early stage of growth), established (having a room for further growth), mature (stabile or find growth difficulties) and declining (have reached their peak and are failing or declining) (Tendensor, 2012, 13).

Cluster cognition in a specific region is also related to the cognition of certain regions; a well performing cluster, with a reliable and consolidated image, is a powerful tool to attract talents, companies and investors since it acts as multiplier and catalyst of opportunities and resources (Tactis, 2012, 12). In recent years the industrial policy of Europe has experienced some changes, which then reflected in the cluster policy implementation. Thus policy makers put a special emphasis on the clusters excellence and they create cluster programmes to enhance the visibility of the best ones.

Good example of policy action related to cluster marketing and branding is Medicon Valley, spanning the Greater Copenhagen area in Denmark and the Skåne region of southern Sweden, is the “transnationalcluster” case by definition. It was established in the mid-1990s with the aim to make of it the most attractive bioregion in Europe. Medicon Valley is presented in terms of uniqueness and uniformity, as “the Scandinavia’s life centre”, “a powerful region for life science”, “a Danish-Swedishlife science cluster”, “region of the future”, “business-friendly region”, “world-class bio-region” (TACTICS, 2012, 54).

Design District Helsinki can be mentioned as an example of good practice and implementation of IMC in cluster marketing strategy. Cluster Design District Helsinki was created in 2005 with the intent to bring together local actors of the creative industries. The cluster of creative businesses located around 25 streets in the heart of Helsinki aims to make the Helsinki’s design area known worldwide as a creativity hub and to reinforce Helsinki’s role as a design city. A major value embraced by the city of Helsinki and embodied by the design district is the concept of “embedded design”, where design acts as a connector between
different disciplines, developing innovations suitable for use. Since the beginning of its activities the district has been very dynamic in social networks and web marketing activities. As a step further to the publication pinpointing all district members on a map“ (TACTICS, 2012, 51).

5. Conclusion

In today's globalized economy, when companies are faced with global competition, clusters are recognized as a tool that contributes to increased competitiveness and innovation, not only for cluster members, but also for national economies. Over time, different approaches to cluster formation evolved, from the initial approach of individual companies association (clustering), to pooling companies, public institutions and the scientific community (Triple Helix), which is present on the global economic scene today. The story of clusters exceeds national borders and there are cluster associations at regional levels. Examples of European as well as other international best practices prove that networking contributes to the development of specific national and regional economies. However, knowledge about the benefits of networking has to reach out to new potential cluster members and to the public, whether it be the business sector, the scientific community or public institutions. It is necessary to create a marketing strategy in order for clusters to function successfully. The creation of cluster brands is an extremely important marketing task of cluster management, but without integrated marketing communication it is impossible to attract new potential cluster members who will recognize the advantages of joining the clusters. In doing so, it is necessary to include the use of a new generation of communication tools and social media in IMC. This does not mean that the use of traditional communication tools and channels such as brochures, fairs, conferences etc. will disappear, but they need to be updated and accompanied by new media tools to attract and engage the audience.

Finally, the responsibility of policy makers in the development of clusters is also of great importance because they are expected to create an institutional framework by implementing measures that will support cluster development through communication with the entire public. Croatian institutions have already recognized the importance and the role of clusters in economic development and increased competitiveness. The initiatives for clusters of competition establishment have been implemented, still more time will be necessary for these
clusters to function effectively and bring benefits to its members, as well as to the national economy.

6. Reference List

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