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**Keeping Up with the Neighbors:
The Role of Cluster Identity in Internationalization**

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Abstract

This paper explores the implications of regional cluster identity on firms' internationalization. Prior research has established the value of cluster "insidership" through access to knowledge and resources. We find that cluster identity, through distinct identity claims, provides imperatives that motivates firms to internationalize. These imperatives stem from cluster identity seen as defined features of regional collectives, extending reference theory to encompass the role of social cues from firms in the cluster. The imperatives are particularly salient in the early stages of firms' internationalization, adding the role of cluster identity to explain the differences between inexperienced and experienced firms in internationalization.

Keywords

Cluster identity, internationalization, multinational enterprise, longitudinal study

1. Introduction

This paper examines the motivations for cluster firms to internationalize. Since the 1990s, industrial clusters have, in general, become more international, both inwardly through foreign investments in multinational enterprises (MNEs) and outwardly through the internationalization of cluster firms (Amdam & Bjarnar, 2015; Bellandi & Caloffi, 2008; Bertolini & Givannetti, 2006; deMartino, Reid, & Zyglidopoulos, 2006; Hervás-Oliver & Albors-Garrigós, 2008; Pelegrín & Bolancé, 2008; Phelps, 2008; Yeup & Le-Yin, 2008). Extant research shows that cluster membership has a positive impact on early internationalization through access to collaborative networks and resources (Porter, 1998; Storper, 1992; Zucchella, Palamara, & Denicolai, 2007). Whereas most previous studies have focused on the resources that are accessible to firms embedded in networks and clusters, location within a cluster also shapes member firms' behaviors and actions. Through interactions over time, norms emerge among firms within a geographical area, defining the "rules of the game" and "recipes for behavior" (Beebe, Haque, Jarvis, Kenney, & Patton, 2013; Tallman, Jenkins, Henry, & Pinch, 2004). These norms form an identity among cluster members, which is expressed in questions such as: "Who are we?" and "What characterizes us as a cluster?" (Corley et al., 2006).

Identity in industrial clusters is receiving increased attention (Beebe et al., 2013; Romanelli & Khessina, 2005; Staber, 2010; Staber & Sautter, 2011; Zamparini & Lurati, 2012). Cluster identity refers to individual members' shared perceptions of a collective's central, distinct, and relatively enduring characteristics and is defined as "the shared understanding of the basic industrial, technological, social, and institutional features of a cluster" (Staber & Sautter, 2011, p. 1350). The collective identity of a geographically defined entity, such as an industrial cluster, can positively influence the economic development of a region (Romanelli & Khessina, 2005) and improve cluster firms' external communication (Zamparini & Lurati, 2012). Social cues from geographically proximate firms are shown to stimulate the early internationalization of

entrepreneurial firms (Vedula & Matusik, 2017). This body of research demonstrates that collective identities influence firm behavior, however, academic insights on how cluster identity claims relate to firms' motivations to internationalize, is limited.

In this paper, we examine the role of cluster identity and ask the following question: *How does cluster identity motivate firms to internationalize?* Internationalization can be viewed as “the process through which a firm moves from operating solely in its domestic marketplace to international markets” (Javalgi, Griffith, & White, 2003, p. 185). The internationalization decision is seen as an ongoing process rather than a single decision (Aharoni & Brock, 2010). Through a longitudinal case study of a regional cluster in the western part of Norway, we find that cluster identity conveys moral imperatives that motivate firms to internationalize. Our study offers two distinct theoretical contributions.

First, our study shows how cluster identity claims form moral imperatives that influence internationalization. This finding complements internationalization theory (Johanson & Vahlne, 2009), pointing out the role of social cues offered by relevant others in internationalization (Aharoni, Tihanyi, & Connelly, 2011; Greve, 1998). The moral imperatives, we argue, include a “push” to internationalize and an imperative to commit to other cluster firms, escalating the firm's commitment to the internationalization process (Aharoni, 1966). Second, our study reveals a timing effect, as the moral imperatives from the cluster are replaced when the firm generates idiosyncratic international experiences. These findings offer support for the “big step hypothesis” of early internationalization (Pedersen & Shaver, 2011; Vedula & Matusik, 2017). In the next section, we review the literature on the role of cluster identity in internationalization.

2. Literature Review

2.1 A Social Lens on Internationalization

Internationalization decisions involve high levels of uncertainty and risk. Internationalization theory (Johanson & Vahlne, 1977; 2009) proposes that initial international expansion to physically and culturally close markets allows for learning that facilitates the gradual escalation of foreign operations' geographic and activity scope. An alternative view on internationalization suggests that firms take decisions to expand abroad based on cues from other firms located in their geographical vicinity. The internationalization process is associated with high levels of risk and uncertainty, and decision makers operate in a highly socialized context in which they take cues from relations within and outside the firm (Aharoni, Tihanyi, & Connelly, 2011). Reference theory posits that firms tend to construct their actions through reference to the behavior of a group of peer firms (Greve, 1998). These "similar others" are firms that produce the same types of products or operate in similar markets (Porac, Thomas, Wilson, Paton, & Kanfer, 1995), and are located in physical proximity, as closeness eases the ability to observe (Greve, 1998). Through observations of and interactions with similar and geographically proximate firms, aspiration levels increasingly guide firm actions.

Imitating the behavior of others can signal quality and increase a firm's legitimacy; however, through imitation, firms ignore private information and follow lead firms as "herds" (Lieberman & Asaba, 2006). One mechanism that explains this behavior is mimetic isomorphism, which is defined as a process through which organizations change over time to become more similar to other organizations in their environment (DiMaggio & Powell, 1983, pp. 151–152). Another mechanism is "obligatory action" (March, 1981), pointing to actions that become institutionalized and undertaken by firms without thinking. In a study of savings and loans firms, Haveman (1993) finds that firms follow similar and large firms into new markets. Social influences, we argue, may be important in firms' internationalization without

necessarily resulting in identical strategies or actions that firms take “without thinking,” or behaving in “herds.”

Observing the actions of others may offer cues that influence other firms’ decisions to internationalize, shaping their strategies to internationalize in processes whereby they act and learn. Prashantham and Birkinshaw (2015) find that relating to a reference group of industry peers invigorates internationalization attempts, as it stimulates new ways to pursue and support new international activities, although the outcomes of internationalization are not identical. Thus, the internationalization process is not herd-like or thoughtless but a process that shapes motivations. In a study of exit decisions, Gaba and Terlaak (2013) find that imitating the actions of others is related to the firm’s ability to observe and understand these actions. Consequently, firms do not necessarily imitate the actions of others automatically but process them cognitively.

Some social cues are stronger than others, depending on the visibility of the sender and the ability of the firm to interpret signals. Vedula and Matusik (2017) build on this idea and find that firms that are located in geographical proximity emit stronger and more interpretable signals, which, in turn, relate positively to early internationalization. Entrepreneurs, they argue, are especially susceptible to social cues from geographically co-located firms in early internationalization processes due to their lack of experiences and routines.

Whereas early internationalization is characterized by high levels of uncertainty and risk due to a lack of experience and knowledge, later internationalization endeavors differ due to the idiosyncratic experiences that firms gain through each international entry (Johanson & Vahlne, 1977; 2009). Pedersen and Shaver (2011) put forward the “big step hypothesis,” which is supported by their empirical findings. They argue that international expansion is a discontinuous process, as inexperienced firms need time to build and adjust its architecture (i.e. templates and routines) needed in internationalization and that, once this is in place, subsequent

entry into other foreign markets can happen much more quickly. Vedula and Matusik's (2017) study confirms that early internationalization differs from later entries and conclude that, when firms have generated their own experiences, they are less likely to be influenced by the social actions of other firms.

In sum, this body of literature identifies how actors in the firm's environment influence its actions, for example motivations to internationalize. These social cues are particularly influential in situations in which they can easily be observed and understood and more important for firms with limited internationalization experiences. The messages contained in these social cues are, however, not identified in these studies. We also know less about how these cues are shaped by a geographical context and the imperatives for action embedded in it.

2.2. Cluster identity

Industrial clusters are geographically proximate groups of inter-connected firms and associated institutions in a particular field, linked by commonalities and complementarities' (Porter, 2000, p. 254). Within a limited geographical space in which face-to-face interactions are frequent, a shared culture emerges over time (Paniccia, 1998). Regions often display distinct values (Beugelsdijk, Maseland, Onrust, van Hoorn, & Slangen, 2015), and specific norms develop between firms within a common regional and industrial context (Cantwell & Santangelo, 1999). Several studies refer to identity or related concepts, such as a shared mindset, the social milieu, and a sense of belongingness, as central features of a cluster (Romanelli & Khessina, 2005; Staber, 2010).

Cluster identity is a form of collective identity that has its parallels in notions such as industrial district identity (Sammorra & Biggiero, 2001), regional identity (Paasi, 2003), regional industrial identity (Romanelli & Khessina, 2005), and strategic group identity, to the extent that this identity is shaped by shared macro environments (Peteraf & Shanley, 1997).

Based on Albert and Whetten's (1985) seminal study on organizational identity, Staber (2010) defines cluster identity as the cluster members' shared perceptions of the cluster's central, distinctive, and relatively enduring characteristics. Cluster identity concerns "what characterizes us in this cluster" and is based on how the members themselves define the cluster and how the cluster is perceived as distinctly different from other clusters. Cluster identity varies its character and strength as well as its impact on behavior (Romanelli & Khessina, 2005; Staber, 2010).

Individuals within a geographical area share a common history, language, culture, values, and norms, which shape identity claims of the cluster (Bell & Zaheer, 2007; Staber & Sautter, 2011). This context includes economic, historical, and institutional forces that form the conditions for cooperation and perceptions (Peteraf & Shanley, 1997). Identity claims emerge and are maintained through social interactions (Corley et al., 2006; Romanelli & Khessina, 2005), fostering social learning (Bandura, 1986). Cluster identity does not rely exclusively on face-to-face interaction; however, such mechanisms as imitation based on subtle signals and observations, mutual recognition due to co-location, sentimental notions of belonging, and common institutions contribute to this collective identity (Staber, 2010). Collective identities can be expressed in collective narratives and exist as social and cultural practices, discourses, and actions (Paasi, 2003; Somers, 1994). Next, we look at studies that address how distinct claims of collective identities shape firms' actions, such as internationalization.

2.3. Cluster identity and internationalization: Moral imperative and relational commitments

Prior studies establish the role of clusters (Morgan, 2007; Richardson, Yamin, & Sinkovics, 2012; Saxenian, 1996) and networks (Andersson, Forsgren, & Holm, 2002, 2007; Casillas, Barbero, & Sapienza, 2015; Ciravegna, Majano, & Zhan, 2014; Ellis & Pecotich, 2001; Johanson & Vahlne, 2009) in the internationalization of firms primarily as providing resources,

such as knowledge. We explore how clusters not only provide resources but also form collective identities that influence cluster firms' motivations to internationalize. Decision makers are sensitive to the norms of appropriate behavior (Kogut & Zander, 1996, p. 513). Identification with a group may exert an influence on organizational behavior and performance that is distinct from firm-level and industry-level effects if this identity is strong (Peteraf & Shanley, 1997, p. 173). This influence is facilitated by the way in which co-location within a geographically limited and culturally conformed space facilitates the observability and understanding of other firms' actions (Gaba & Terlaak, 2013; Vedula & Matusik, 2017).

Cluster firms are co-located in geographic regions and share a common culture, language, and history that facilitates the understanding of deep and contextual knowledge exchanges. More importantly for this study, cluster identity signals identity claims that, according to Staber and Sautter (2011, p. 1351), become normative imperatives. The claims act as imperatives, since they are related to criteria such as social legitimacy, reliability, and accountability. Consequently, distinct cluster identity claims signify actions that are considered appropriate for cluster firms. Their comparative study of two clusters in south-west Germany shows that the core identity claims of one cluster, centering on "craft mentality," deterred innovation, whereas the other cluster's identity claims of industrial professionalism were able to align cluster firms' actions better with new external, innovative ideas. Consequently, the expectations shaped by identity claims may "honor the past" (p.1351) but may also signal directions for desirable actions in the future. Romanelli and Khessina (2005) see regional industrial identity as a social code that arises from shared understandings of members of the cluster and argue that these social codes influence future investment decisions. Sammarra and Biggiero (2001) show that industrial district identity affects actors' behavior and cognition, providing a lens for interpretation that affects strategic decision making.

Internationalization processes often take place in collaboration with other firms and are therefore highly socialized (Aharoni et al., 2011). When collaboration is initiated between actors sharing an identity, identification implies adherence to symbolic values and rules directing coordination and learning (Kogut & Zander, 1996), and the loci of learning and interaction are other firms sharing the same identity (Peteraf & Shanley, 1997). It follows that one firm's action within a cluster is shaped by the actions of other cluster firms in terms of both information (other cluster firms are important and trusted sources of information) and collaborative opportunities (other cluster firms are important collaborators). By engaging in collaborative arrangements, such as internationalization endeavors, firms make commitments to other firms (Aharoni, 2015), which may be risky and irreversible. These commitments, we argue, are especially pronounced in clusters, as firms are geographically co-located and embedded in multiple social relationships. Transparency among cluster firms discourages opportunism with strong "shadow of the future" effects (Heide & Miner, 1992), easing the costs of governing transactions. On the flip side, social attachment to other cluster firms may make firms escalate their commitments beyond rational parameters (Röber, 2018). Attachment to other cluster members can bias firms' perceptions, distort their assessments (Peteraf & Shanley, 1997), and induce over-commitment (Verbeke & Greidanus, 2009). Commitment through social collaboration may be highly beneficial, but, as our discussion indicates, also leads to firms making commitments that are not necessarily founded in rational calculations.

Our understanding of how the distinct identity claims of a cluster relate to internationalization is still limited in terms of both which claims affect internationalization and how they do so. In this study, we shed light on these questions by exploring how cluster identity affects internationalization in a maritime industry cluster in Norway.

3. Method and data

3.1. Research Design

Cluster identity claims are naturally context dependent and distinct. Our aim is to contribute to theorizing the role of cluster identity in internationalization, and the field of IB is highly appropriate for the development of rigorous yet context-sensitive theory (Welch, Piekkari, Plakoyiannaki, & Paavilainen-Mäntymäki, 2011). Previous studies suggest that the character and strength of cluster identity may vary from one cluster to another (Paasi, 2003; Staber & Sautter, 2011). Consequently, a deep understanding of the context, as well as the ability to identify identity claims, becomes crucial for our study. We also need access to data that unravel the motivations for internationalization, which requires an empirical examination of mechanisms that may be difficult to elucidate.¹ These concerns favor insights facilitated by a longitudinal, qualitative case study of one industrial cluster. Case studies allow the exploration of the context and the ability to study changes over time (Welch et al., 2011), which is interesting for this study since cluster identity claims and motives have the potential to change over time. Our research is based on what Yin (2003) classifies as a single embedded case study, in which the case is a regional maritime industry cluster in Norway, located in the region of Møre and Romsdal in Western Norway. We study the motivations for internationalization of firms within this cluster.

The region has several hundred years of history of fishing and fish exports (Døssland & Løseth, 2006). To support fisheries, the region developed a maritime industry in the mid-nineteenth century, including yards and mechanical shops for equipment. In the 1960s, this industry emerged as an industrial cluster with yards, producers of engines, propellers, winches and other equipment, local supporting institutions, and demanding customers represented by the local fishing fleet. From the 1970s onwards, the cluster transformed into the most important

¹ This idea was brought forward by one of our reviewers. We are grateful for this insight.

maritime industrial region in Norway by extending its market to the oil and gas sector through the production of offshore supply vessels (OSVs) (Amdam & Bjarnar, 2015). The cluster contains all the parts of the maritime value chain and therefore is considered complete. Table 1 provides an overview of the firms in the cluster.

< Insert Table 1 about here >

3.2 Data and data collection

As previous knowledge on the potential role of cluster identity in internationalization motivation is limited, we were open to exploring whether any connections exist between identity claims and internationalization and, if so, what the mechanisms underlying these relations are. The research was conducted in two steps. First, we designed a project to identify the cluster identity claims that we assumed could lay the foundations for cluster identity imperatives. Since the identity of a collective is constructed from a flow of different narratives (Paasi, 2003; Somers, 1994), we started to collect a broad set of quotations and expressions that could relate to cluster identity, drawing on a process of extensive reading of local historical literature on individuals, firms, and activities within the cluster. The literature consisted of books and papers in local historical journals written by historians specializing in the social, cultural, and economic development of the region. We chose to focus on the district of Sunnmøre as the core area for the maritime cluster.

As the second step, we conducted interviews with managers in a number of cluster firms. Our study was part of a larger project, and, in our research activities, we talked to many firms in the region. A challenge of tapping into mechanisms that are difficult to elucidate (Paasi (2003) is that firms may not openly express or be aware of whether and how cluster identity can affect their motivations to internationalize. These motivations may still be important and

valid. We used narratives developed from interviews with core informants from firms (Haley & Boje, 2014; Vough, Bataille, Noh, & Lee, 2015). We posed open-ended questions to allow the interviewees to express their views and opinions and allowed each person time to tell his/her own story to describe their firm's internationalization processes. These interviews provided insights into individual internationalization motivations as well as firms' internationalization processes in general. Qualitative interviews are well suited to tap into organizational members' accounts and interpretations (Maitlis, 2005).

In addition to interviews, we collected written documents that described the motives for internationalization decisions, such as annual reports and press releases. These were used to validate the statements in the interviews. Methodologically, we drew on hermeneutics by defining interviews as texts that are interpreted in their own historical context (Kets de Vries & Miller, 1987; Kipping, Wadhvani, & Bucheli, 2014). Cluster identity is perceptive and tacit, and it was important for us to get at the firm managers' sense of belonging to the cluster as well as to unravel the role that the cluster played as a motivating factor in internationalization decisions.

Our data come from twelve firms within the central and indisputable core parts of the cluster. These firms represent all the parts of the cluster value chain, including ship designers, manufacturers, yards, and shipping firms. In addition, we conducted an interview with a sales agent representing several of the cluster firms in a foreign market. Of the twelve cluster firms, three were fully integrated, which means that they undertook activities in several parts of the value chain (see Table 2, firms A, B, and C). These were also the largest firms. Of the integrated firms, two had foreign owners—one of them with headquarters located within the cluster and the other with global headquarters located abroad but with strong divisional headquarter functions in the cluster. Due to the division's autonomy, we regard it as one firm in this study. The foreign owners both entered the cluster (in 1999 and 2006) through the acquisition of local

cluster firms. The other firms in our sample were local firms established between 1917 and 1986 with local owners. The three fully integrated firms had between 800 and 9000 employees, among whom 400 to 2000 were employed in the cluster. The other firms had 200 to 1000 employees.

< Insert Table 2 about here >

3.3. Data analysis

In the first part of the study, from the extensive reading of local literature, we extracted four notions that we propose as central identity claims for this cluster. Our understanding of these four core elements of cluster identity was tested on representatives from the cluster, and adjusted based on our interviews. Through this process, it became clear that the four identity claims had evolved over time from economic and social events. The four cluster identity claims and their historical backgrounds are illustrated in Appendix 1 with representative quotations from the literature. We discuss this further in section 4.2.

The study draws on a database of 64 in-depth interviews conducted over a period of fourteen years from 2000 to 2013, covering three related research projects. These projects took place in 2000–2001, 2007–2008, and 2011–2013. Of the authors, one participated in the first project, two participated in the second project, and all the authors participated in the third project. In Table 2, the 64 interviews are distributed according to the three different time periods of the three projects, and the involvement of different firms is shown. We conducted interviews with three firms in all three time periods, whereas the informants from one firm were interviewed in two time periods. Since all the interviews also included conversations regarding experiences in the past, our data may be prone to recollection biases. We are confident, however, that our empirical insights cover the longitudinal aspects of our study well. We have

used multiple sources when possible, consistently applied secondary sources to validate facts and events, and discussions with cluster firms in workshops to control that our impressions were correct.

The CEO was the key informant in ten interviews, whereas other representatives from the top management teams were interviewed in the rest of the interviews. We needed access to informants who could report the motives for internationalization, and top managers have this insight. In five firms, we also interviewed middle managers who worked internationally, to obtain their accounts of internationalization. About eight out of ten interviewees grew up in the region. The majority of the interviewees had worked in cluster firms and lived in the region for more than ten years. When the interviewees are quoted, we refer to their firm and position as well as the periods for the interviews, according to the abbreviations shown in Table 2.

The interviews offer reflections on decisions made over a period covering more than 30 years, starting from the early 1980s; fifteen managers were interviewed multiple times, and, in six firms, we interviewed more than one manager (individual and group interviews). The interviews focused on the motivations to internationalize and the implications of internationalization decisions, such as strategic or organizational changes. Each interview lasted about one to two and a half hours, was tape recorded, and was transcribed verbatim. We used Atlas.ti in our data analysis. To ensure that our interpretations were correct, we held multiple workshops, particularly with three central cluster firms, but we also arranged two workshops that were open to all the cluster firms. In these workshops, we had the opportunity to discuss incidents in greater detail as well as to validate our evolving findings.

Based on our interview transcripts, we identified and categorized 41 internationalization decisions. Of these, eleven decisions were made before 2000, nineteen took place from 2000 to 2007, and eleven were made in the period from 2008 to 2013. These decisions reflect the historical development concerning the speed and depth of internationalization of this cluster. A

majority of the 41 cases were early entry decisions: establishing a wholly owned greenfield operation (14), starting exports through an agent (8), performing an acquisition (7), and establishing a sales office (4). These decisions represent situations in which the firm had limited internationalization experience. A further three decisions were made in more mature internationalization stages, such as demerger, offshoring, and diversification.

We carefully analyzed the narratives from the interviewees who described these decisions, and we looked for clues that offered insights into the motivations driving each decision. Although we were particularly interested in the role of cluster identity, we cautiously identified all the types of motives, including market opportunity motives and firm-specific motives, which we defined as non-cluster motives. Our analysis followed a process in which we tacked back and forth between theory and empirical data to try to identify the factors that motivated these decisions and determine whether the cluster played a role in these motivations. Based on this analysis, we identified decisions in which the cluster played a prominent role; in others, firm, industry, or market factors were more salient. Many decisions displayed multiple motives (Benito, 2015). Cases encompassing both cluster and non-cluster motives for decisions have been included in the study but only if the cluster motive played a prominent role.

4. Findings

4.1. Internationalization of a cluster

The maritime cluster has internationalized in two phases since the mid-twentieth century. The first phase of internationalization started in the 1950s, when two yards began to export fishing boats to the Faroe Islands and Iceland (Grytten, Opdahl, & Eide, 1992). In the early 1970s, a producer of hydraulic winches established a subsidiary in Spain (Hatlehol, 1991), and, in the 1980s, the Union of Soviet Socialist Republics (USSR), Canada, United States, and several European Union countries became important export markets for trawlers based on local designs

(Bjarnar, Berge, & Melle, 2006). Local designs became a trademark for the production of offshore supply vessels, which sped up the internationalization process in the 1990s. Together with the long history of fish exports, this first phase of internationalization formed the historical context for the second phase, which is the focus of our study.

The second phase of internationalization started in the last part of the 1990s. This phase differed from the first in two ways. First, foreign MNCs became interested in the knowledge of local cluster firms. In 1998, a foreign MNC acquired the largest local designer and manufacturer of ships and equipment. Second, a variety of cluster firms increased their international investments. Several local firms became MNCs, with gradually increasing foreign direct investment (FDI) portfolios. In this phase, the cluster transformed from a local into an internationally oriented cluster in terms of production, sales, and services. Pushed by a crisis in the domestic market in 2001–2002, this transformation escalated. After the turn of the millennium, several firms entered China and Brazil, and exports increased. In 2003, 36% of the equipment was exported, and foreign shipowners ordered 55% of the ship-building projects. From 2003 to 2014, the balance between domestic and global activities was remarkably stable. Since the total turnover increased by 288% from NOK 18.2 billion in 2004 to NOK 70.7 billion (EUR 7,500 million) in 2014 (Menon, 2015), the scale and scope of international activities increased substantially. The high degree of internationalization of the cluster is illustrated by the fact that, out of the 20 counties in Norway, Møre and Romsdal was the county with the highest export per capita in 2012 (Menon, 2012). An indication of the extent of internationalization of the cluster is its presence in China. Shanghai is a global hub for maritime firms, and, in 2012, the cluster was represented in Shanghai with ten subsidiaries within the equipment industry, three subsidiaries focusing on design and engineering, nine units working with aftersales, and one Chinese yard being a strategic partner to a cluster firm.

With the exception of one firm, a “born global,” the firms in our sample began their internationalization with a focus on the domestic market and internationalized gradually. All the firms in our sample had entered multiple foreign markets before 2005, through FDI, exports, agents, or a combination of these. In 2012, ten out of twelve firms engaged in FDI or had agents or sales offices in more than ten countries. Most markets were located in countries with strong offshore and/or shipbuilding industries. For example, eight of the twelve firms had operations in both Brazil and China.

4.2. Constructing elements of the cluster identity

From the narratives describing the cluster’s identity, it was evident that cluster members had a strong feeling of belongingness with other firms in the region, seeing themselves as distinctly different from firms located outside the cluster. One statement made by a veteran in the cluster was retold by several of the interviewees and points to the role of network relations between firms in the cluster: “It is not possible to explain how important networks are here; you cannot put a number on them” (Bjarnar, Løseth, & Gammelsæter, 2004, p. 79). Given its status among the cluster members in our study, this quote reflects a taken-for-granted commitment to the cluster as a collective of independent and interdependent members.

We constructed the set of cluster identity characteristics from narratives presented in the local literature. We identified four distinct cluster identity claims that are central, distinctive, and relatively enduring (Staber, 2010): *egalitarianism*, *cooperation*, *entrepreneurship*, and *resilience* (see Appendix 1). We regard these as identification claims that existed prior to our period of investigation and were stable throughout this period (1980–2014).

Historically, this region has been a relatively *egalitarian* society with no nobility. In the pre-industrial society, the region consisted of a high percentage of free peasants who owned their own land and made their living from combining small farms with fishery. In a context of

harsh living conditions, a long tradition of sharing profits among all the men on a fishing boat emerged. One actor in the cluster illustrated this cognition in the following way: “In this part of the country we share the pride of our company across social position” (Bjarnar et al., 2004, p. 80).

Cooperation denotes that it was easy to organize cooperative arrangements among cluster members. An overarching norm established that firms should cooperate, share knowledge, and help each other when possible. One key actor in the cluster had already expressed this in the 1990s, and several of the interviewees referred to his device when characterizing the cluster: “We compete when we have to, and cooperate when we can.”

Entrepreneurship as an identification claim legitimizes risk taking, not only when operating a fishing boat but also in company start-ups. As expressed by one of the entrepreneurs: “Starting a firm is positively received by the local people and establishment” (Bjarnar et al., 2004, p. 80). The power of this narrative for the construction of the core cluster identity was strong, since it contradicted an overall norm in Norwegian society of following established actions and norms and not venturing outside these (“Janteloven”) (Bromgard, Trafimow, & Linn, 2014).

Finally, *resilience* is rooted in the tradition of fisheries, a core part of the maritime cluster heritage. Resilience means, for example, that “in difficult times, never give up.” Many families and small local communities were involved in both fisheries and OSV (Offshore Supply Vessels) production and operation, and the mentality of the fishers of never giving up if no fish were caught spread to other ocean-related activities. One example of the resilience narrative was expressed by an OSV owner after a severe business mistake: “As fishermen, we know that we have to try again if we don’t get any fish” (Aam, 2015).

In the next section, we investigate whether and how these four characteristics influence firms’ internationalization decisions.

4.3. Cluster identity and internationalization

We identified 41 internationalization decisions and generated a list of the motives that were reported in the interviews. We divided these motives into cluster- and non-cluster-related motives. Drivers for internationalization containing socially framed arguments of local cluster relationships or other general statements related to the cluster were categorized as cluster-related motives. Several of the decisions were driven by multiple motives.

Our findings show that, in 26 decisions, the cluster was a factor that played a distinct role in motivating internationalization decisions. Of these, eight referred to following a business partner from the cluster to a foreign market. In twelve cases, we found evidence that firms that were not directly linked to the focal firm offered social cues that motivated internationalization. The information and experiences from such firms were deemed interesting and relevant. For example, in 2011, firm E decided to enter Latvia based on cues from a cluster firm that was not directly related to firm E. A third category of cluster motives consisted of a group of eight firms that highlighted mediators in foreign markets established by the cluster as motivating their internationalization. One example of this is firm E, which was motivated by an agent in Brazil that already represented several other cluster firms in the Brazilian market. Several firms (A, E, and G) were encouraged by the activities of a business association that was located in Shanghai and organized the cluster firm's activities in China.

In the remaining fifteen of the 41 decisions, we could not find evidence that cluster firms or cluster identity played a role in the internationalization decisions. This means that, for the firms in our sample, in about six out of ten of the decisions concerning internationalization, the local cluster played an important role as a driver of internationalization. In the fifteen internationalizations that were not cluster related, we identified motives that described searching for low costs (1), developing one's own competence (2), firm-specific strategy development (5), initiatives from external partners (6), and market opportunities (8) as non-

cluster motives. The numbers in parentheses indicate the number of decisions for which these motives were mentioned.

Next, we report the motivations and the contexts of the 26 cluster-motivated decisions. We also try to gain an understanding of these and to explore the relations with our identified cluster identity claims. Our overall aim is to try to understand how firms that enjoy an insider position in clusters with this particular identity were influenced by cluster claims when deciding to internationalize.

The 26 cluster-motivated decisions were made by seven firms of different sizes and activities (A, B, C, D, E, F, and J in Table 2). All decisions, except one (diversification in China), concern first entry into a country (eleven in Brazil, nine in China, two in Brazil and China in parallel, one in Vietnam, one in Latvia, and one in USA). Eight decisions were taken between 1988 and 2000, thirteen in 2001–2007, and five in the period 2008–2013. Regarding non-cluster-motivated decisions, three were taken before 2000, six in 2001–2007, and five in 2008–2013.

In the following paragraphs we will discuss our findings regarding the role of moral imperatives for cluster firm internationalization decisions and commitment. We show how social cues from cluster identity claims motivated internationalization, by denoting it as attractive and socially desirable. Our findings will show that the identity claims shaped motivations to internationalize by increasing the attractiveness of internationalization as well as committing to others to enter and engage in internationalization processes. Cluster identity claims shaped the norms for cluster firms' behavior towards other internationalizing firms, by offering cues about what behavior was socially desirable. We will argue that the identity claim of entrepreneurship motivate internationalization decisions that involve risk taking. Egalitarianism, cooperation, and resilience, are identity claims that particularly relate to norms

and values inducing commitments. We present our findings in line with these two groups of identity claims. Our emergent findings are summarized in Model 1.

< Insert Model 1 about here >

4.4 “Entrepreneurship” motivating internationalization

The *entrepreneurial* orientation of the regional cluster firms had been prevalent for decades. Expanding abroad and seeking new opportunities were socially desired and admired. One interviewee told us that the previous CEO, when he heard about the opening of the Chinese market in 1980, had sent him to China for some weeks “to see if there were some opportunities” (Firm A, TM, 3). Nothing came out of this trip, but several interviewees reported that riskier decisions had been taken after 2000. One CEO, who was well informed about other cluster firms in China, said about a decision in 2006: “The establishment in Ningbo was spontaneous” (Firm E, Chairman, 3).

From 2000, most of the new foreign operations from cluster firms were located in Brazil and Shanghai. One reason for these agglomerations of cluster firms’ subsidiaries was the global structure of the oil- and gas-related maritime industry, with hubs close to offshore oil and gas fields. The experiences of the cluster firms that located early in these regions were expressed in an entrepreneurship identity claim that encouraged others to participate in the exploration of these opportunities. One manager stated this as follows:

Observing firms being present in certain markets makes many other firms think that opportunities exist for them. The existence of Norwegian firms motivates other cluster firms to get out and establish themselves in Brazil. (Firm A, MM, 2)

In Brazil, an informal network had already emerged in the 1980s among Norwegian shipowners who had been in Brazil for a long time, and Brazilian agents were working actively to expand maritime activity by inviting companies from the Norwegian cluster to participate.

One company had already been inspired by this network to start exporting through agents to Brazil in the 1980s. This early event was retold over the years and in 2000 was mentioned by one of the interviewees as an example of how the cluster motivated firms to take risks and how he was proud to be among the first to establish a subsidiary:

I was the first man from our firm who visited Brazil in 1984–1985. Then we considered establishing a unit, but that happened later. (Firm B, MM, 1)

The entry of the cluster firms into Brazil demonstrates how the pioneers' early experiences were discussed and developed among cluster firms, resulting in a "shared vision" that shaped aspirations and provided cues for other cluster firms to enter Brazil. This was expressed by another interviewee:

It is of course an advantage to go where others [from the cluster] have been when you move into new areas. We look at each other, what do they do, and what is sensible for us. (Firm E, MM, 3)

4.5. "*Egalitarianism, cooperation, and resilience*" inducing commitments

The *egalitarian* claim's inducement for internationalization was described by a CEO when he reflected on his and other firms' decisions regarding their first entry into Brazil. The firms acted jointly, based on a shared vision:

A vision or idea was developed horizontally among shipping firms, shipyards, and equipment producers. (Firm F, CEO, 3)

The narrative of the internationalizing pioneers was characterized by a strong focus on egalitarian norms. They succeeded in their internationalization attempt due to the industrial relationship practices that emerged over time in the Norwegian region, characterized by flat structures and strong employee involvement. This vision induced commitments from all the cluster firms to contribute to internationalization, across the value chain, creating expectations that all the cluster firms would contribute to fulfilling this vision. One CEO expressed the commitment in this way:

Entering China, there were three strong persons from the X firm who wanted very strongly that we do that. These people strongly induced us to commit to this decision. ... We are very cautious in our internationalization, but when X comes to ask, we cannot refuse. (Firm D, CEO, 3)

This firm was not forced to comply with the imperative to internationalize, and was free to develop their strategy as the firm's managers saw fit. The quote shows that the moral imperative from other cluster firms to jointly internationalize was strong, to bring everyone in the cluster on board for this common endeavor.

Egalitarian values were closely intertwined with norms of *cooperation*. How the identity claim of cooperation contributed to forming a moral imperative was illustrated by one CEO, who pointed to the "duty" to facilitate the internationalization of other cluster firms:

We have a duty to bring with us other firms out in the world ... we have always looked outside, New York is as central as Oslo. (Firm E, CEO, 3)

Describing expected cluster firm behavior, this interviewee explained how firms in the cluster not only consider their own business when operating abroad but also see it as their obligation to bring cluster firms along with them whenever possible. This obligation to cooperate was also expressed by another interviewee, who explained how stronger cluster firms supporting weaker cluster firms could benefit both:

When a firm with a certain brand and reputation collaborates with a colorless firm, they both get confidence when going abroad. (Firm F, Chairman, 3)

These statements imply benefits for other cluster firms during internationalization but also inducements for these firms to commit to the internationalization process.

Many of the interviewees emphasized the cluster's unique cooperative norms in terms of sharing knowledge. One interviewee from a firm that internationalized relatively early on said that the firm felt an obligation to encourage other cluster firms to enter Brazil as well:

Do you feel some kind of pressure to include other firms when you visit Brazil? No, it is a pleasure to do that. (Firm B, MM, 3)

This process involved bringing in local partners in a process whereby these partners met with customers and gradually committed to internationalization:

It would be very difficult for us to internationalize by ourselves. It is crucial for us to bring in a partner. We take them to meet customers, then a customer meets with us and our partner, and we start talking. Then the customer and partner exchange business cards, and in this way the partner gradually is becoming part of the environment. This is how it develops. It is great for us to know someone (from the cluster) when we do business in Brazil. (Firm A, MM, 2)

This quote expresses how cluster firms bring in other cluster firms, for example to meet customers in Brazil, and how these partner firms gradually become committed to internationalization processes. Through a visit to a large maritime fair in Brazil, we observed the 30 or so firms from the Norwegian cluster that shared a rather large section of the exhibition, tagging onto each other, confirming the spillover effects to newcomers from already-established cluster firms. Experienced actors who felt they had an obligation to help others to internationalize expressed the desirability of entrepreneurship and cooperation through sharing experiences, referring to the cluster identity norms that resonated with the entrepreneurial, cooperative, and egalitarian values of the old fishing society.

In Brazil, the collective shared vision of the cluster also included intermediary organizations in which the cooperative norms were represented. We interviewed several respondents working in a Brazilian agency firm, established in 2003 by eight non-competing cluster firms. The Brazilian employees saw themselves partly as locals and partly as members of the Norwegian cluster, for example by having multiple business cards and identities:

We represent everybody. We try to be the shipyard turnkey, like I can offer the thruster, I can offer everything. (Firm L, CEO, 3)

Through frequent contact, including visits to the regional Norwegian cluster firms, these agents' actions influenced other cluster firms' decisions to internationalize. For example, one producer of maritime equipment expanded as a result of an invitation from another agent

recruited by the Brazilian agency. The Brazilian agent reported that a Norwegian CEO had visited Rio, and they both met an interesting man at a fair:

So we started to talk and to be friends. Then he knew a person who worked with a platform that needed some products, some units. And then he called me and asked if he could start to prospect some business with this guy, I said of course. (Firm L, TM, 3)

In China, the first movers from the cluster, together with a few other Norwegian maritime industry firms, established the “group of 17” in 1983, with the purpose of increasing exports from Norway to China. The organization’s mission was to share knowledge, give the cluster firms face and legitimacy with Chinese counterparts, provide language services, and facilitate entry processes, for example by helping newcomers to find agents. One firm said that it had obtained an agent through the group (Firm E). The services and networks provided by the “group of 17” resembled the cluster at home, as expressed by two of our interviewees:

We have moved the cluster to Shanghai. (Firm E, CEO, 3)

Everyone does not of course share the same agent, but there is a sort of cluster there, and a few agents that are rooted in the same environment that we share at home. (Firm E, MM, 3)

The establishment of the cluster in China encouraged other cluster firms to seek opportunities there. One of our respondents reported feeling pressure to act in the same way as other cluster firms and follow the aspirations emerging among other cluster firms and the “group of 17”:

That, actually, pushed us to establish this unit in Ningbo. (Firm E, CEO, 3)

The internationalization to China was similar to the establishment in Brazil, as a group of early entrants together with intermediaries encouraged other cluster firms to internationalize by pointing to entrepreneurial activities and opportunities for collaboration and support.

In addition to China and Brazil, we observed smaller mini-agglomerations in other host markets. When one firm established itself in a Latvian industrial park in 2010, the top

management stated that it was attracted by the fact that several other cluster members had co-located in the park. As our interviewee explained:

When several Norwegian firms in the advanced maritime industry cluster collectively searched for an attractive place to outsource production in the late 1990s, good rumors about the pioneer had reached Norway. (Firm E, CEO, 3)

The entrance of the mentioned firm in 2010 was conducted together with a non-competing firm from the same municipality in the cluster. When the firm later also decided to invest in Vietnam, it built a unit in Vietnam together with the same non-competing firm with which it had joined forces in Latvia:

We strongly believe in this model of cooperation when internationalizing. (Firm E, TM, 3)

One interviewee expressed that the cooperative norm was something that his and other firms brought with them after having entered new markets:

Especially, we have experienced the great value of bringing with us our cooperative culture and values for knowledge sharing in global settings. We strategically use this to break down barriers for knowledge sharing due, for example, to cultural distance. This has made us much more efficient in global business. (Firm B, MM, 2)

These norms developed over time in an egalitarian environment, often without any specific norm creator, but, in some cases, they can be traced to some of the largest firms. One veteran praised the work that the CEOs of two of the largest firms had undertaken to encourage internationalization:

The work done by firm X and firm Y concerns transfer of authority. When an established firm with a good reputation works together with another less known firm, the collaboration gives the weaker firm increased awareness and legitimacy. This provides much higher trust than when operating alone. (Firm E, Chairman, 3)

Resilience as a cluster identity claim was, in our interviews, primarily related to decisions not to give up, or to make changes, when facing challenges. One interviewee explained how the presence of other cluster firms in China encouraged them not to give up when a joint venture collapsed:

The joint-venture lasted for three years. Management changed three times during this period. The second management team retarded all decisions. The third team sabotaged all decisions made by the first team. But we did not give up. (Firm E, Chairman, 3)

The experiences of other cluster firms and the stories told by them offered possibilities for help from others to find solutions and not abandon the attempt. As one said:

We are a small family, right. Often, you call someone and ask them now this yard is being difficult, what terms did you have to agree to? (Firm B, MM, 2)

In difficult periods, this quote demonstrates that, when other cluster firms are present, it is possible to enlist the assistance of others to endure. Resilience as an identity claim worked together with the claim of cooperation. A firm facing difficult circumstances may well give up without other firms on which to rely. A firm that was the pioneer from the cluster in investing in a new location in China told us:

Establishing a company in China was not as easy as people may think, that you just go over there, because there was no information in this area, and this is maybe the thing that the cluster has not given us. (Firm D, TM, 3)

This company decided to withdraw its foreign investment.

4.6 Cluster identity and internationalization over time

As firms gained more extensive international experience, our data show that cluster-related motives occurred less frequently in the narratives describing what motivated internationalization, whereas other motives, such as firm-specific strategic motivations or market opportunities, became more pronounced. Consequently, as firms gained their own internationalization experiences, cluster-related motives lost importance. To illustrate, seven out of eleven internationalization decisions for the three largest firms before 2008 refer to the cluster as the motivator for internationalization decisions. However, none of the seven decisions made after 2008 had such references. An interviewee confirmed that an early decision to enter Brazil was motivated by other cluster members, whereas a decision to enter Dubai some years later was based on market and risk analysis:

When entering Brazil, we almost jumped on the train (together with other cluster firms). When we established in Dubai, we carefully considered four destinations and performed thorough market and risk analyses. (Firm A, TM, 3)

One informant stated that, while the decision to enter China in the 1990s was an impulse reflecting other local firms' entry there, later expansions to the Baltics from 2010 on were based on thorough financial analysis combined with knowledge about other cluster firms that had already invested in the Baltic location (Firm E, CEO, 3). To an increasing degree, firms began to enter new markets outside the locations where other cluster firms had established themselves, and the motives could be found within the individual firms' strategies:

[...] it was a strategic choice to enter Poland. Poland offers excellent engineers. (Firm A, TM)

This was the statement of a company that ended up establishing a subsidiary in Gdansk.

Another manager described the decision to enter Sweden:

Yes, the cluster is important, but our latest investments have not relied heavily on the cluster, but more on market opportunities. (Firm D, TM, 3)

Even though fewer internationalization decisions were motivated by cluster identity claims, several interviewees from 2011–2013 highlighted the importance of the cluster in general terms and as reasons for not to abandon their venture. In addition, in meetings, general documents from the cluster, and workshops, the general sentiment of a strong cluster with distinct identity claims and its importance for the actions of cluster firms were deeply embedded. One interviewee expressed the importance of the cluster for internationalization in this way:

The cluster is the main reason why we have succeeded internationally. (Firm A, TM, 3)

Another expressed the firm's international reputation within ship design as follows:

It is the cluster that has made us good. (Firm B, TM, 3)

A third firm referred to the cluster in retrospect to explain what it had achieved in Brazil:

In summary, you can say that our presence in Brazil is a result of the cluster. Some places you see that all constructions belong to a cluster firm. So here you see the effect of what happens in the cluster. (Firm F, TM, 3)

Despite these statements expressing the importance of the cluster, our findings clearly show that, in the latest phase of the internationalization process, cluster identity claims had a lesser role in motivating internationalization.

5. Discussion

Based on insights from a longitudinal study of a maritime cluster in Norway, we theorize that distinct cluster identity claims form moral imperatives that influence internationalization. These contributions extend the current insights on reference theory (Greve, 1998; Mol & Birkinshaw, 2009; Prashantham & Birkinshaw, 2015), pointing to the distinct role of cluster identity. Further, our findings enrich internationalization theory (Johanson & Vahlne, 2009), highlighting the role of cluster identity as a complement to existing networks in explaining who are the “insiders” influencing internationalization endeavors. Our findings also contribute by adding insights to the body of knowledge built through studies that demonstrate implications for firms located within clusters (Porter, 1998; Romanelli & Khessina, 2005; Storper, 1995; Zamparini & Lurati, 2012; Zucchella et al., 2007), as our study shows imperatives for insider cluster firms to internationalize. Prior research establishes the role of cluster “insidership” through access to knowledge and resources. Through a longitudinal study, we find that cluster identity, through identity claims, provides imperatives and shapes the motivation of firms to internationalize. These imperatives, we argue, stem from cluster identity seen as distinct features of regional collectives, which are particularly salient in the early stages of firms’ internationalization (Pedersen & Shaver, 2011). We elaborate our theoretical contributions below.

5.1. Cluster identity motivating internationalization decisions

Our findings show that, within a cluster, firms observe the actions of others, are inspired by these, and, through interactions with others, shape their aspirations based on these observations and actions. We propose that distinct identity claims evolve from historical and social conditions and provide guidelines for actions for the firms within the cluster. We refer to these guidelines as moral imperatives (Staber & Sautter, 2011), as they are expressed in identity claims pointing to desirable and expected actions. In our study, identity claims of entrepreneurship shaped the imperatives to seek foreign opportunities, whereas identity claims of collaboration, egalitarianism, and resilience encouraged firms to internationalize with others, in processes that escalated commitments to internationalization decisions. We term both of these mechanisms moral imperatives and find that they encouraged the internationalization of firms with limited international experiences.

The first mechanism delivers imperatives on the desirability of internationalization from pioneering firms. This finding can be viewed through the lens of reference theory (Greve, 1998; Mol & Birkinshaw, 2009; Prashantham & Birkinshaw, 2015) in that certain firms (in our study, other cluster firms) act as a reference group shaping aspirations, expectations, and the way in which managers make sense of the opportunities that are available to the firm. This imperative materializes through elevated aspirations, encouragement, and suggestions from actors inside or outside the firm, pointing to desirable internationalization options. Decision makers operate in a socialized environment in which past and current relations with other actors influence decisions and processes (Aharoni, 1966; Cyert & March, 1963). When firms are faced with uncertainty, they economize on search costs and act on cues from external firms (Cyert & March, 1963; Haverman, 1993). Greve (1998) finds these effects among a firm and its competitors. Prashantham and Birkinshaw (2015) see similar mechanisms in the relations between small technology firms and industry group membership. We extend these to include

clusters, when all cluster firms are affected by deeply seated identity claims, in which cluster identity claims drive the motivations of firms.

The second mechanism of the moral imperative concerns cluster firms' commitments to follow through with the internationalization initiative. This mechanism can be understood from a behavioral perspective (Aharoni, 1966), as internationalization initiatives are embedded in collaborations with other cluster firms that are socially demanding to exit once the firm has offered initial commitment. The decision to internationalize is not a single event but a process (Aharoni & Brock, 2010), and, as the initial idea or proposal is investigated and discussed with other firms, the commitment increases (Aharoni, 1966). Cluster firms are embedded in long-term interactions, prior collaborations, and shared culture and language, and, as "weaker" firms are supported by "stronger firms" and firms find opportunities to co-locate, collective, shared internationalization initiatives arise that create and escalate the commitment among cluster firms. In the maritime cluster, we observed how, through identity claims of collaboration and egalitarianism, bringing other firms from the cluster into foreign markets was considered "the right thing to do." This motivation is not, however, altogether altruistic, nor forced, as moving other cluster firms abroad secures well-known and trusted current and future collaborators as well as insider sources of host location information. Although, early on, cluster firms may be invited to join in meeting foreign customers, the commitments made in these processes are strong pushes to take part in internationalization, even for firms that lack core resources.

Our study contributes to the literature on how clusters affect internationalization by adding cluster identity. When internationalization opportunities open up through pioneering firms' efforts, other cluster firms are invited to join, and evolving collective efforts shape aspirations that provide motivations for cluster firms. Although firms are independent, cluster firms co-locate and collaborate, and as such they replicate the home cluster. These mechanisms resemble those described in the literature on business networks and internationalization (i.e., Johanson &

Vahlne, 2009), but, whereas the business network literature emphasizes firm-specific relations and characteristics, such as relation-specific trust, cluster identity evolves among industry-specific firms within a geographically defined area inducing social cues among cluster firms. Our study, thus, complements research emphasizing internationalization through networks and shows how clusters, in addition to network resources, provide signals that motivate firms to expand abroad.

The social aspects of internationalization discussed in this study are not the only implications of cluster membership. Belonging to a cluster also offers access to resources, such as tacit and contextual knowledge (Asheim & Gertler, 2005; Cantwell & Santangelo, 1999). The propensity to internationalize may be influenced by moral imperatives, but the resources offered by fellow cluster firms are, of course, also important. Some of these firms may be in direct network relations to a firm (Johanson & Vahlne, 2009), whereas other resources may benefit the firm through indirect links. As an example of the latter, our study has identified third party agents and insights on establishment experiences from particular locations such as Latvia and Vietnam. This shows that the cluster may offer resources such as knowledge and connections beyond direct network relations. The combined role of social cues and the resources offered through belonging to a regional industrial cluster, are important areas for further studies.

5.2. Cluster identity claims in internationalization over time

Our findings show that although cluster identity claims over time to a lesser degree influence internationalization decisions, although these identity claims remain strong among cluster firms. This opens up for other potential implications of cluster identity claims.

Our findings suggest that the impact of cluster identity claims deteriorates over time as firms gain their own international experience. This distinction between motivations to internationalize for experienced and inexperienced firms is in line with the results from prior studies (Pedersen & Shaver, 2011; Vedula & Matusik, 2017). These results propose that cluster identity claims' effects on internationalization are temporary and contingent on the internationalization experiences of individual cluster firms. Our findings are in agreement with research on how small firms especially benefit from networks when internationalizing (Coviello & Munro, 1997; Oviatt & McDougall, 1994) and with research suggesting that home country networks facilitate the internationalization of small firms in particular (Fernhaber & Li, 2013; Prashantham & Birkinshaw, 2015). Other studies also discuss whether network resources are equally important over time in the internationalization process (Johanson & Vahlne, 2009), and, concerning clusters, there are indications that firm-specific resources replace cluster resources over time (Pla-Barber & Puig, 2009). Our findings also support research on new international ventures that find that cluster membership can replace the lack of knowledge accumulated through their own international experiences (Bruneel, Yli-Renko, & Clarysse, 2010; Oviatt & McDougall, 2005; Yli-Renko, Autio, & Tontti, 2002).

An interesting finding in our informants' narratives concerns how they describe the value of the cluster. These descriptions overwhelmingly state the strength, importance, and vitality of the cluster throughout our observation period, and the identity claims of the cluster remains strong. Throughout this period, the cluster invested in shared service resources and held several cluster events. This finding is puzzling, as it is assumed that strong collective identity influences firm actions (Peteraf & Shanley, 1997). We suggest that this observation implies that cluster identity claims have impacts on other outcomes than internationalization, which lends itself to future studies. Further, we argue that this observation cautions methods of empirical measurement, since detecting real motives from firm narratives requires careful

attention to what firms “say” are important in their strategies, which may differ from that they “do.” In general, when we talked to firms about the later period, they were very concerned about the cluster and were involved in cluster activities, but, when we carefully examined motivations for internationalization, we observed that the cluster motive was less clearly pronounced. This finding argues the need for careful thinking about how to unravel the motives for internationalization empirically.

5.3. Managerial implications

Location within strong regional industrial clusters may be beneficial as they offer resources and knowledge benefits to participating firms (Porter, 1990). Realizing these benefits applies to the location choices of firms (Dunning, 1977). Managers in firms located outside strong regional clusters need to consider possible entry or relocation to access innovation benefits through access to tacit and contextual knowledge available to “insider firms”. Inexperienced firms, such as start-ups, in strong geographical clusters, should be aware of the influence of social cues from other cluster firms, as these cues may affect their behavior. Awareness of how the nature of a particular identity claim creates moral imperatives may be useful. These “pushes” to internationalize may offer opportunities for valuable early internationalization experiences and collaborations but could also induce premature internationalization for firms that might not be ready for it. Withholding social pressure from other firms may be difficult, and could create social exclusion from collective initiatives. On the other hand, the firm may develop a plan to join these initiatives when, and if, they suit the firm’s strategy. By joining other cluster firms in internationalization endeavors, firms may commit to collaborations that could be beneficial but that could also be difficult to exit. Developing possible exit options, could be a useful strategy for managers. Thus, managing expectations and understanding how aspirations are shaped by the cluster identity claims is vital. Managers may also benefit by generating

idiosyncratic learning from early internationalization experiences. Managers that build their own internationalization experiences over time, will better be able to take independent international expansion decisions.

5.4. Limitations and directions for future studies

We have shown that the role that cluster identity plays in a firm's decisions is shaped by cluster identity claims. These claims will vary from one cluster to another (Paasi, 2003; Staber & Sautter, 2011), and more research is needed to examine other clusters' claims and their implications for firm actions. Our study has focused on the relation between cluster claims and internationalization. There may be other claims that prevent internationalization. Comparisons between clusters with different identity claims, and identifying a full range of claims' effects on internationalization decisions of cluster firms, are topics for future studies.

Reference group theory is only applied to a limited extent in research on internationalization (Prashantham & Birkinshaw, 2015). Our study shows that firms look to relevant others when contemplating internationalization and that they are influenced by the firms that they observe closely for information and sense making. Through close observation and "pushes," firms are in some cases more likely to internationalize early due to changes in their aspirations. This observation was particularly clear in a cluster in which the egalitarian trait was pronounced, but, as firms may benefit from collaborating with firms that share similar identities, we think that clusters with other claims can display similar imperatives, although future studies will be necessary to confirm this.

The depth and breadth of cluster activities, as well as the completeness of the cluster, matter for firm actions (Romanelli & Khessina, 2005). How other characteristics than shared identity matter for internationalization warrant further examination. Furthermore, as identity claims are deeply embedded in social structures and developed over time, we could expect that

the presence and strength of these identity claims will differ between clusters. Consequently, identity claims will play out differently depending on the history of the cluster. The region investigated in this study has one of the highest export and productivity intensities in Norway (Menon, 2012). Other regions in Norway with comparable productivity focus on oil production, and are lacking a long common history. Young clusters, with a higher proportion of foreign firms, may therefore develop other identity claims that display weaker moral imperatives inducing firms to take certain decisions, such as internationalization. These issues remain, however, topics for further study. Clusters may evolve in directions that affect firm actions negatively (Porter, 1998), for example by becoming narrow or biased. Future work, including studies that compare multiple clusters, should examine the conditions under which home country cluster identity affects internationalization, extending this research to identify and categorize identity claims and how these claims are combined. The role of clusters compared to the role of networks, and the structures and relations of these, are also important topics for a future research agenda.

Collective identities include the organization (King, Felin, & Whetten, 2010; Kogut & Zander, 1996) and strategic groups (Peteraf & Shanley, 1997) in addition to clusters. King et al (2010, p. 298) argue that “the identities of communities are markedly different from the identities of organizations ... whereas communities derive their identity from collective identity of their members, organizations imprint their identities on members.” A central micro function of identity is to establish a moral order among members to meet growing internal and external coordination challenges (Kogut & Zander, 1996). Akerlof and Kranton (2011, p. 6) argue that “[i]n every social context, people have a notion of who they are, which is associated with beliefs about how they and others are supposed to behave” (2001, p. 4). Although these researchers see this moral order primarily as a function of organizations, in this paper, we view a cluster as a form of economic organization (Bell et al., 2009) in which the social context and the normative

terrain of tightly interdependent actors influence decisions on the firm level, reflecting moral imperative as one essential mechanism. Implications from different types of identities and overlaps/complements of these identities are also fruitful avenues for future studies.

6. Conclusion

This study aligns with previous research arguing that interactions within defined geographical spaces generate entities with different characteristics that have implications for firm actions (Bell et al., 2009; Beugelsdijk & Mudambi, 2013). One such firm action is internationalization, in which the home cluster has previously been found to be important (Zucchella et al., 2007). Our study contributes with insight into how social cues are shaped by a geographical context and the imperatives for action embedded in it. Social cues are particularly influential in situations in which they can easily be observed and understood and more important for firms with limited internationalization experiences. Research on the impact of both clusters and home regional networks on firms' internationalization is scarce (Cook, Pandit, Lööf, & Johansson, 2012; Prashantham & Birkinshaw, 2015), and our study contributes to this body of research with insights into the link between cluster characteristics and internationalization.

This paper shows that cluster identity can play a role in firms' internationalization decisions. A home country cluster provides relations through which information and resources travel easily. Our study claims that the perspective of cluster identity offers a broader view of clusters and internationalization, as it secures a context of shared values and norms through which a multitude of collective actions can take place. These actions shape the aspirations, offer cues to, and influence the decision processes of cluster firms.

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Table 1.

Overview of the maritime cluster in Møre and Romsdal, Norway, 2012

	Total	Producer of equipment and services	Design consultant	Yards	Shipping firms*
Firms (No.)	213	165	15	14	19
Turnover (EUR million)	6655	2550	130	1750	2225
Man-labor year	22546	8384	489	3995	9678

Hervik, Oterhals, Bergem, and Johannessen (2012); EUR 1 = NOK 7.50 (2012)

** In addition, there were 76 deep-sea fishing vessels, with 2,400 employees and a turnover of EUR 410 million. These firms were not formally members of the cluster organizations, but contributed to the regional maritime industry.*

Table 2.

64 interviews distribute on firms and their activities as well as periods when the interviews were conducted

Firms and activities	Informants*	2000-01	2007-08	2011-13	Total
A – Design-equipment-yards	CEO, TM, MM	1	3	16	20
B – Design-equipment-yards	TM, MM	1	3	4	8
C – Design-equipment-yards	TM, MM		2		2
D – Equipment	CEO, TM, MM			6	6
E – Equipment	Chairman, CEO, TM, MM			14	14
F – Equipment	CEO	1	2	1	4
G – Equipment	CEO	1	2		3
H – Yards	CEO		1		1
I – Yards	CEO		1		1
J – Shipping	CEO		2		2
K – Shipping	CEO		1		1
L – Shipping	TM		1		1
M – Sales agent abroad	CEO, TM			1	1

* *TM = members of the top management team other than the CEO; MM = middle managers*

Appendix 1.

Cluster identity characteristics: Historical background and sources for identification

<i>Identification claims</i>	<i>Historical background in a region of harsh living conditions</i>	<i>Representative quotations from local historical studies</i>
Egalitarian	Relatively equal distribution of land and wealth in pre-industrial society. Pre-industrial tradition that farms were divided among all sons	<p><i>“The egalitarian social structure had a lot to say for the industrial development in Sunnmøre.” (Løseth, 2011, p. 331)</i></p> <p><i>“In this part of the country we share the pride of our company across social positions.” (Bjarnar et al., 2004, p. 80).</i></p> <p><i>“The foremost honor one from Sunnmøre can achieve is to be referred to as an equal.” (Høidal, 2014, p. 367)</i></p>
Cooperation	Religious pietism and equal distribution of land and wealth	<p><i>“Collaboration between work and capital, employee and entrepreneur became the rule in the new industry.” (Løseth, 2011, p. 331)</i></p> <p><i>“The industrial development in Sunnmøre was based on collective actions.” (Høidal, 2014, p. 182)</i></p> <p><i>“[North Sunnmøre has] a tradition of collective ownership and a determination by ship owners to give practical skippers a lot of leeway.” (Døssland, 2014, p. 112.)</i></p>
Entrepreneurship	Entrepreneurs in deep sea fishing from the 18 th century; entrepreneurs in the furniture industry	<p><i>“People from Sunnmøre [...] are entrepreneurial” (Løseth, 2011, p. 323)</i></p> <p><i>“Starting a firm is positively received by the local people and establishment.” (Bjarnar et al., 2004, p. 80)</i></p> <p><i>“Leave one from Sunnmøre on a remote island, and he will immediately start building a factory.” (Bruaset, 1999, p. 14)</i></p>
Resilience	Fishing village culture	<p><i>“You can nail one from Sunnmøre on the barn wall, and he will live and get fat.” (Løseth, 2011, p. 330)</i></p> <p><i>“He wants and will catch the fish. He must. This gives him a terrible strength.” (Mykle, 1965, p. 141)</i></p> <p><i>“As fishermen we know that we have to try again if we don’t get any fish.” (Aam, 2015).</i></p>

Comments: Sunnmøre refers to the core geographical area of the cluster

Model 1: Emergent Model

