



Partnerships, cooperation and coopetition in the archipelago



Archipelago Business Development/Work Package 3/Deliverable 3.5.2.
Partnership programs for participating entrepreneurs around
cross border areas, branches or sharing of services

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“Alone you are not that strong, but together we can get people to discover the archipelago.” (Anna, Ostmakeriet, Rindö)

Archipelago Business Development (ABD) is a project financed by the Central Baltic Programme 2014-2020. The project, spanning over years 2016-2019, aims at supporting business development and creating new business models among small businesses and entrepreneurs in the archipelago regions of Southwest Finland, Åland Islands and Stockholm. Four key partner organizations, Novia University of Applied Sciences, Åbo Akademi University, Södertörn University and Drivhuset Sweden, have offered a wide array of activities for archipelago-based entrepreneurs to support business development throughout the project period. Focus has been primarily on supporting the development of new or altered business models, on identifying new business opportunities and on encouraging knowledge exchange and personal knowledge development and growth among the participating entrepreneurs.

At the beginning of the project, a so-called Challenge Inventory among 60 small businesses was conducted, aiming at identifying key challenges affecting further business development in the archipelago area.¹ The results from the challenge inventory strengthened the presumption stated already in the project application, that many businesses in the archipelago area are very small and have low profitability, and therefore find it challenging to develop and expand their operations. A closer collaboration between entrepreneurs, between islands or destinations and between different industries could offer new opportunities for business development. Therefore, encouraging and supporting increased cooperation and coopetition between different actors on different levels has been at the very core of all activities offered by the ABD project over the project period. The focal point of these *partnership program activities* has been encouraging cross-border partnerships between actors in different industries, destinations, regions

¹ The Challenge Inventory working paper on challenges in the Stockholm archipelago and the Challenge Inventory overview report on challenges in Southwest Finland and Åland archipelago are available at Skärgårdsföretagarportalen (<https://archipelagobusiness.nu/projekten/>), which was developed and launched as part of the ABD project.

and countries. This report offers an overview of the ABD partnership program activities as well as a few examples of new partnerships that this has resulted in.

Cooperation at the very core?

The Challenge Inventory reports, based on interviews with a total of 60 entrepreneurs that operate in the archipelago regions of Southwest Finland, Åland Islands and Stockholm, illustrate a clear need for increased collaboration:

“Even though there often is kind of a less organized cooperation between the companies, cooperation between islands is limited.”²

“More collaboration between entrepreneurs in the archipelago is needed. It seems many entrepreneurs feel quite lonely.”³

This general sense of loneliness and a need for more collaboration is something that is also highlighted in many other reports and publications related to the archipelago context. Increased cooperation is needed on many levels in the archipelago, for example, between entrepreneurs, between entrepreneurs and other stakeholders, between islands and municipalities, between companies operating in different industries, and between different regions and nations. The ABD project also emphasizes the role of collaboration between archipelago-based companies and higher education institutions, promoting especially the innovation capacity among the young students and the benefits gained for all partners in industry-university collaboration.

Cooperation between the project partners has been a core activity within the ABD project, but this has not traditionally been the case of small businesses or communities within the archipelago. The region is characterized by long traditions of “neighbor feuds” and deeply

² Rytkönen m.fl. (2019) Utmaningar och möjligheter för små och medelstora företag i Stockholms skärgård. Working paper available at <http://sh.diva-portal.org/smash/get/diva2:1317060/FULLTEXT02.pdf>

³ Lång, von Hellens & Brännback (2017) Challenge Inventory – Finland. Internal project report, not published.

rooted envy and competition between islands and communities; historically, you had to manage on your own in order to survive the rough circumstances. Today, in addition to challenging geographical circumstances and long distances, many entrepreneurs experience also mental distances as a major challenge for initiating collaboration. The knowledge that entrepreneurs have of other nearby businesses and entrepreneurs is often inadequate and based on stereotypes. In addition, many archipelago-based businesses are run by one or two persons and their limited time, knowledge, resources and energy might not always allow for embarking on new collaborative undertakings with other entrepreneurs who are in the same situation. Issues like practical arrangements related to timing, administration and sharing of responsibilities are also mentioned as factors contributing to limited collaborative initiatives.⁴ How can we encourage these entrepreneurs to embrace collaboration as a core activity in their business operations?

Challenge inventory and potential partnerships

At the beginning of the ABD project period a Challenge Inventory was executed, i.e. interviews were conducted with 60 entrepreneurs aiming at a deeper understanding of their challenges and opportunities in their daily business operations. Based on the identified challenges and opportunities, recommendations were made for what ABD project activities would best suit the participating entrepreneurs. Furthermore, the Challenge Inventory served as a foundation for identifying potential partnerships and collaboration partners among the entrepreneurs, who could benefit from working more closely together? The identification of potential new partners and partnerships has also continuously been a core activity throughout the entire project period.

However, quite early on in the project, we realized that increased collaboration or partnership formation cannot be “forced” upon the participating entrepreneurs; they will not cooperate only because we say they should, even though we could highlight clear potential benefits for all parties involved. Instead, what we did was to integrate the idea of increased collaboration and partnership formation at the core of every activity that was

⁴ Based on discussions with a group of entrepreneurs on collaboration around developing new service concepts during workshop session at Archipelago Business Forum in Stockholm 3rd April 2019.

offered to the entrepreneurs. Therefore, activities and functions allowing for and encouraging people to meet, share experiences, initiate dialogue around common interests and potential cross-border development projects has been part of everything we have done. Furthermore, the idea of coopetition (collaborating with competitors) has also continuously been introduced and actively promoted among the participating entrepreneurs.

Activities promoting cooperation, coopetition and partnerships

A wide array of activities promoting cooperation, coopetition and partnership formation were offered to the archipelago-based entrepreneurs in years 2017-2019. These activities have embraced different approaches and methods for encouraging people to work together, ranging from large matchmaking events with around 100 participants to one-on-one meetings and consultations with entrepreneurs. A few key activities are presented below.

Matchmaking seminars

One key project activity that in a very “hands on” manner promotes and encourages collaboration and partnership formation is the annually arranged matchmaking seminar, attracting a large and diverse group of participants. The first seminar, the so-called “Firmafest”, was arranged in Turku in April 2017. About 60 participants took part of this seminar, focused on exchanging experiences and developing business operations and improving customer experiences.

In October 2018, the second matchmaking seminar Archipelago Business Forum (ABF) was arranged in Mariehamn. The seminar attracted about 120 entrepreneurs, students and other stakeholders from the Finnish, Åland and Stockholm archipelago regions. The aim was to offer the participants an opportunity to meet and discuss common challenges and find potential solutions and new partners. Parallel to the seminar, a hackathon (an intensive innovation camp) was arranged, where cross-border and cross-disciplinary student teams worked together to find innovative solutions for contemporary challenges

in the archipelago related to sustainable business, digital opportunities, creating new seasons and promoting local produce in an innovative way. The students and the entrepreneurs had several opportunities to meet each other to discuss, inspire and become inspired.

The third matchmaking seminar, and the second ABF, was arranged in Stockholm in April 2019. The theme was “the archipelago of opportunities – sustainability, collaboration, innovation” and about 80 entrepreneurs and other stakeholders participated. Collaboration was really at the heart of this seminar, and every opportunity to meet, discuss and mingle was used to the max, resulting in many new contacts, networking opportunities and ideas. As the matchmaking seminars have been highly appreciated by all participants and receiving very positive feedback, the project partners have continuously explored possibilities for a continuation of this cross-border activity after the ABD-project ends.

Business Accelerator Program

Another main activity, stated already in the project plan as an essential part of the partnership program, has been the Business Accelerator programs offered in Finland in years 2017-2018 and in Sweden in the spring of 2019, attracting around 20 entrepreneurs. The accelerator program is designed based on the LOOPA business development methodology developed by Drivhuset. This program embraces a series of workshops where entrepreneurs get together to discuss and share experiences and learn more about new tools and methods for business development. The program was originally planned to support mainly new startups in developing their business models but proved very useful also for more experienced entrepreneurs. The program offered support for the participating entrepreneurs in developing and (re)designing their business models, channels for selling and marketing, targeting of new customer groups, and exploring new modes of cooperation and partnerships. The LOOPA method was also provided at a later stage of the project as a digital course to enable continued development after the program and the ABD project period.⁵

⁵ For more information on the digital course Loopa Archipelago Business Development, visit <https://archipelagobusiness.nu/wp-content/uploads/2019/06/Loopa-Digital.pdf>

What makes the Accelerator program truly unique is the long-term focus and the continuity in regularly meeting other entrepreneurs facing similar challenges and interests as oneself. The workshops and get-togethers encouraged all participating entrepreneurs to not only share experiences and knowledge, but also to find common interest and opportunities for joint development efforts and new partnerships. The common activities during workshops and get-togethers were often combined with one-on-one consultations and coaching as a mean of additional support for the entrepreneurs in their business development and partnership formation processes.

Mobile Business Clinics

Regularly throughout the project period, ABD has offered Mobile Business Clinics (also called Theme Days among the Finnish project partners) to entrepreneurs in the Archipelago regions. Each clinic has focused on a specific topic, offering the participants opportunities to learn, test and embrace new and useful tools and methods related to the highlighted topic. The clinics have covered a wide array of topics, for example:

- Destination development
- Sensory business development for artisans and local food producers
- Marketing, branding and Search Engine Optimization (SEO)
- Balance sheets, taxation and pricing strategies
- Sales and customer service
- Recruitment
- Work wellbeing

Even though the topics might not all have been directly connected to the overall aim of developing cooperation and coopetition, the very notion of getting a group of entrepreneurs together to discuss and share experiences and knowledge was an important part of encouraging new collaborative efforts and partnership formation. Many entrepreneurs participated actively in several clinics, which gave them several

opportunities to meet new potential partners. Others participated only in one or two clinics but participated also in other activities providing opportunities to meet new people and network. The number of participants in the clinics has varied greatly from about five to up to 30 people.

ABD Service Design Program

During February-April 2019, Åbo Akademi, arranged a program around the concept of Service Design, which was offered to entrepreneurs in all three Archipelago regions. The program comprised a series of workshops on useful Service Design tools that can be used to gain a better understanding for customers and to design new service concepts, and thereby develop new business ideas and models. The workshops were arranged in Finland as well as in Sweden (in collaboration with Drivhuset and the Business Accelerator program) attracting a total of 25-30 people. At the very core of this program was the idea of developing new service concepts that would embrace several entrepreneurs and/or other actors, offering larger and more convenient packages to the customers while also allowing for new types of operations during the otherwise often problematic off-season. A follow up discussion on this program was held at the ABF seminar in Stockholm in April 2019. Again, the most important part of the program was the workshops, where entrepreneurs got together to discuss and brainstorm around potential partnerships and collaborative development opportunities.

Benchmarking trips

Another activity that has focused on getting people together to experience and see new places and find new inspiration has been the benchmarking trips that have been arranged and offered to all archipelago-based entrepreneurs and companies. In March 2019, 26 entrepreneurs from the Finnish and Swedish archipelago regions took the opportunity to participate in a benchmarking trip arranged by ABD to Saariselkä in Lapland (Finland). The aim of the trip was to offer the participants a unique opportunity to experience “the backstage” of several successful local businesses and collaborative partnerships in this region. The trip resulted in tangible solutions and inspiration for developing existing and new seasons as well as co-operations in the archipelago regions.

In April 2019, in connection to the ABF seminar in Stockholm, 20 entrepreneurs also participated in a benchmarking trip to Utö (Sweden). The aim was to get to know innovative and interesting businesses and experiences on the Utö island and at the same time provide further opportunities for the entrepreneurs to exchange experiences and develop new collaborative business ideas.

One-on-one consultations

Throughout the entire project period, experienced experts on entrepreneurship and the specific challenges and opportunities in the archipelago area have also been helping entrepreneurs through one-on-one consultations. In total, more than 100 consultations have been made. The idea has been to visit the entrepreneurs and businesses and to have the consultation sessions at their own locations to 1) be able to really experience and get to know the reality and preconditions of each entrepreneur and their business, and 2) not having the entrepreneur “closing down” any daily operations for the sake of having to travel to any other location. The consultation sessions have concerned everything from strategic business planning to more personal challenges related to being an entrepreneur in the archipelago. Most visits and consultation sessions have been followed up afterwards via phone, additional meetings, discussions during seminars, or often also chatting online (for example on Facebook).

The visits and the consultation sessions have provided the experts with a unique knowledge of each entrepreneur, what they can offer and what they need in terms of facilitating business development. A key part of the consultation activities has also been to map out potential partners and collaboration opportunities. Several recommendations for new collaborations and partnerships have been made to the entrepreneurs based on this, and while not all of them have been realized, many entrepreneurs have highly appreciated the contacts and networks initiated and accessed through the experts.

Student projects

As mentioned earlier, ABD has also aimed at exploring and expanding collaboration between higher education institutions and archipelago-based entrepreneurs and business through student projects. The projects have been designed around challenges and problems that businesses face, allowing students from different backgrounds and different disciplines to come up with creative and innovative solutions. For example, Archipelago Hack was arranged in October 2018 in Mariehamn (in connection with the ABF seminar). Archipelago Hack saw 35 students from Finland, Åland and Sweden working together in cross-border and cross-disciplinary teams solving four major challenges that many archipelago entrepreneurs have in common, aiming for innovative solutions as the result of an intensive hackathon innovation process. All challenges revolved around collaboration as a central part of finding new innovative solutions and ideas. All teams pitched their ideas in front of the seminar participants and a jury with experienced business-minded people from the region that chose a winner. The winning idea, creating a social media photo competition for engaging multiple entrepreneurs to share and highlight our exclusive archipelago during off-season, was realized in relation to the ABF seminar held in Stockholm in April 2019.

In addition to extracurricular activities like the hackathon, a large number of student projects and theses related to the project have been completed at Novia UAS, Södertörns Högskola and Åbo Akademi University. Projects have been integrated as part of regular courses (course projects) and entire courses have been designed around specific businesses or challenges (project courses). For example, at Åbo Akademi, a new project course, Archipelago Business Lab, was introduced and offered to all of Åbo Akademi's students. Ten students attended the course, working in two cross-disciplinary teams with two specific challenges, 1) developing and defining the concept of Archipelago Food Trail, and 2) developing and defining new seasons in the archipelago through sharing economy. Behind the challenges stood three entrepreneurs interested in developing their businesses through new collaborations and partnerships. Especially the Food Trail initiative gained interest among the challenge setters and other actors. In the spring of 2019, two students were hired as project assistants to further develop the concept and conduct a pivot together with the entrepreneurs.

Results

The ABD partnership initiative and the variety of activities offered have led to several new collaborations and partnerships. Here, we have listed a few concrete examples, which have also been announced publically.

Visit three farms



“We used to collaborate only with other apple farmers on Åland, but now we feel we can collaborate with other entrepreneurs from different industries and regions.” (Anna, Öfvergårds, Tjudö)

As a result of a series of mobile business clinics with food producers and artisans at Åland, the concept of visit three farms at Åland was developed. Three farms with different produce and focal areas are collaborating and offering visitors a package deal that includes a visit to each farm, during which you can experience the surroundings, get to know the owners and take part of their story. You also have the opportunity to taste and buy the produce they offer. The three farms working together are Öfvergårds (apples, <https://ofvergards.ax/>), Marskogens Lamm (lambs and sheep, <https://marskogens.wordpress.com/>) and Mattas Gårdsmejeri (cows, milk and dairy, <http://www.mattas.ax/>). The tours to these three farms will be executed for smaller groups in July 2019, every week on Tuesday. They are also collaborating with Rundbergs Bil&Service (<https://www.rundbergs.com/>) for transportations.⁶

⁶ Read more about the visits on <https://www2.visitaland.com/sv/se-gora/1725665/mathantverk-g%C3%A5rdsbes%C3%B6k-i-liten-grupp/detaljer?page=2&filter=d%3D20190628&fbclid=IwAR3S0OCEQEvZGEdwWY5AsPYR3GfiN6pnVKL.PWz-sYZjY3st049-RtTuqRK8>

Virtual photos and apple trees



In 2017-2018, Annika, owner of Wattkast Äppel (<https://www.facebook.com/wattkastapple/>) and Tommy, owner of Internet marketing company Bengali, both took part of the Finnish Business Accelerator Program. During one of the Accelerator workshops, the idea was born to start collaborating regarding virtual recording of Annika's apple tree garden during different seasons. The plan is to use the recordings for online marketing purposes.⁷

Visit Dalarö



After some initial meetings and consultations with Dalarö Företagarförening in 2017-2018, a series of business clinics and consultation meetings took place at Dalarö in the

⁷ Read more (in Swedish) on e.g. <https://svenska.yle.fi/artikel/2018/09/13/prissattning-intresserar-foretagarna-i-skargarden-temadag-drog-fullt-hus-pa>

spring of 2019. These clinics attracted a large portion of entrepreneurs that are active on Dalarö, as well as some entrepreneurs from other islands nearby, for example Gålö, Ornö and Djurö. This initiative has increased the entrepreneurs' understanding of the importance of working together between islands and across industries. In addition, Visit Dalarö, an organization promoting Dalarö as a tourism destination was founded. Linked to Visit Dalarö, a few concrete development projects were also established in relation to, for example, housing and living solutions on the island as well as shared marketing channels.⁸

Skärgårdens Gastronomiska Akademi (the Archipelago Gastronomic Academy)



To further promote and work for continued collaboration around food and local produce in the archipelago, Skärgårdens Gastronomiska Akademi was founded in June 2019. This gastronomic academy builds upon a similar concept established in different regions of Sweden⁹ and is a cross-border, independent nonprofit organization with a mission to identify, spread knowledge on, and promote the culinary tradition in the Swedish and Finnish archipelago regions. The aim is also to facilitate and promote entrepreneurship related to local food production and gastronomy. This organization will continue working with several activities that have been linked to the ABD project, for example, sensory business development clinics. Collaborating partners represent a variety of backgrounds

⁸ Read more on, for example, the Visit Dalarö Facebook page: <https://www.facebook.com/visitdalaro/>

⁹ See for example <http://sogak.se/> and <https://skga.se/>.

and affiliations and many of them have met during different ABD activities.¹⁰ The operations of this academy will be planned and developed further in the fall of 2019.

SPIRA



Spira is a regional collaboration network created by the municipalities of Pargas and Kimito, the associations for entrepreneurs and businesses in Pargas and Kimito, Turku Business Region and NÅA Business Center.¹¹ The aim is to promote business and entrepreneurship in the region, and the network will continue to provide similar activities for regional entrepreneurs as the ABD project, supporting them in current challenges and business development processes. A key part of the Spira network will also be to arrange opportunities for several entrepreneurs and actors to regularly meet and maintain a dialogue around shared interests and collaboration prospects.¹²

¹⁰ For more information on collaborating partners, see for example <https://www.facebook.com/pg/archipelagobusiness/posts/>

¹¹ NÅA Business Center is a collaboration between Åbo Akademi and Yrkeshögskolan Novia, promoting student-industry collaboration within Turku and the entire archipelago region. Read more on for example <https://www.teamnaa.fi/>

¹² Read more about SPIRA and upcoming activities on, for example <https://www.facebook.com/SPIRA-294558274770370/> or <https://www.novia.fi/om-oss/pressrum/nyheter/tvasprakiga-samarbetet-spira-har-malet-att-starka-foretag-i-aboland-och-abo>

Conclusions

The ABD partnership initiative has certainly led to several new collaborations and partnerships on different levels, across borders, across industries and branches and across several different product and service areas. While we acknowledge that ABD is not the sole reason for the development of the above-mentioned examples, we would still like to claim an important role in at least bringing these people closer to each other and sparking inspiration for exploring new collaboration opportunities through our activities. As we have noticed many times, we cannot “force” cooperation on anybody, but we can offer opportunities to meet, to share experiences and knowledge and to generate ideas for new collaboration initiatives and business models.

The lessons learned from the partnership initiative are many, and the notion of collaboration as well as cooptation has been the focal point of many a discussion among the project partners, the entrepreneurs and other stakeholders throughout the entire project period. During a workshop session on service design at the ABF seminar in Stockholm in April 2019, a group of entrepreneurs and other actors discussed challenges in collaborating around new service concepts and business ideas in the archipelago regions. They also discussed and listed a few concrete suggestions on what can be done to overcome the challenges and thereby increase opportunities for cooperation and partnership formation:

- Attend seminars, workshops and forums. Networking and getting to know new potential partners take time. Take this time and focus on meeting new people!
- Be active and find out what you don't yet know but need to know to start a new collaboration. Prioritize real information over preconceptions and stereotypes!
- Be open, generous and flexible and dare to be the first one to offer your services or expertise to others. Pick up the phone and call! It's as simple as that to initiate a discussion!
- Start with taking small steps (short-term perspective) towards a larger and more long-term development vision. You can't do everything at once!
- To develop your business, you need to also go through a personal development process. Be prepared to challenge and develop yourself!