THE PILOT JOURNEY - WHAT TO EXPECT

The Digital Cluster Initiative (DCI) is a new economic development model designed to transform business groups and networks in Aotearoa with ecommerce and digital tools, created in partnership by Bank of New Zealand and Zeald.

We will work closely with three Pilot groups to help transform them into digitally-enabled clusters. We will support each group with a tailored programme focused on their specific growth and development. A collaborative and innovative partnership, success will depend on good trust and information sharing between the Pilot groups and the DCI Team.

What do pilot groups get?

- Support and expertise from the DCI Team; access to a digital marketing specialist; a tailored, two-year, digital marketing programme; help to establish their new brand and position in the market, training on how to run a digital marketplace
- A digital marketplace and ecommerce set-up for B2C and B2B sales, tailored to the cluster's needs, products, and market
- The benefits of collaboration between businesses, increased scale, access to new markets and supply chains, digital training and support, and exploring export opportunities











What are the goals and outcomes of the initiative?

- 🗸 To create a digital clustering model that supports economic growth in New Zealand via digital transformation
- one To build three digitally-enabled clusters of Kiwi business groups as three strong case studies that show how it's done
- This is an ecommerce-driven initiative and the goal is economic development the focus is growth through ecommerce sales
- Export may be explored earlier or later, depending on the development, capability, and maturity of the cluster businesses
- Success will be measured by establishing baseline metrics and benchmarks for each cluster, and monitoring progress throughout
- The DCI Team will work collaboratively with each cluster to refine the digital clustering model, for roll out beyond the Pilot

What commitment is required from participants?

- 🔮 Up to 30 months: six months to onboard each cluster and build the marketplace, then two years from marketplace launch
- Each cluster will need to appoint: a Cluster Manager (to lead and be point person for the group); a Steering Group (comprising representatives from cluster businesses)
- Admin support: additional admin resource will be needed to coordinate businesses within the cluster, and to support the Cluster Manager and Steering Group (either internally resourced by the group, or outsourced)
- Each business will need to commit to: the onboarding process (across six months), including participating in the first Workshop, engaging with the Steering Group as the cluster is set up, deciding whether to replatform onto new ecommerce sites or integrate into the marketplace using existing websites (in consultation), loading products onto the Marketplace (with support); and quarterly check-ins with the Steering Group ongoing

Digital clusters - pilot group components











Useful links and information

- 5 elements of a successful digital cluster
- Three types of digital clusters
- Frequently Asked Questions

- How to apply
- Applications close Thursday 17 February, and Pilot groups will be announced by 4 March, 2022.

THE PROCESS - TIMELINE AND MILESTONES

This is the beginning of an exciting partnership and 30-month journey for the successful Pilot groups. Each of the three Pilots will be different, as we take a tailored approach to build, develop, and help each digital cluster to succeed.

While there will be some variables, here are some key milestones you can expect along the way:



ONBOARDING (provisional acceptance period)

- Workshop: a 1-2 day virtual workshop will be required as part of the brand development exercise
- Discovery: identify and develop the cluster's brand story, key markets, existing channels
- Meet: DCI Team, including the Digital Marketing Specialist provided by DCI to support each cluster
- Appoint: Cluster Manager (rep from one of the businesses, to lead the group); Steering Group (key reps from cluster businesses); agree best structure for the cluster to operate
- Educate: the benefits and markers of successful clusters, and how to run an ecommerce business
- Build: commence build of digital marketplace and replatforming businesses onto new ecommerce sites or integrating existing websites
- Measure: establish baseline metrics and benchmarks for each cluster, for ongoing monitoring
- Track: a three-month review to check cluster is on track to launch by the six-month mark; should the cluster be unable to meet their requirements or commitments, their spot on the Pilot will be reviewed
- KPIs: cluster brand signed off; specific number of cluster members/vendors ready to go (variable per cluster); initial design interface signed off



LAUNCH

- Digital marketplace goes live, all cluster websites are live
- Commence two-year digital marketing programme for cluster, led by Digital Marketing Specialist
- Vendors: manage own sales and order processing via own sites synced with digital marketplace
- Cluster Manager: regular contact with Digital Marketing Specialist to track/refine campaigns and strategies; quarterly check-ins with the DCI Team
- Steering Group: regular contact with Cluster Manager; monthly strategy meetings



PROGRESS

- One-year check-in: any improvements, investments, or material changes to the programme
- Measure: performance of group against baseline metrics and benchmarks
- Training: cluster members will be trained on how to run email marketing and social channels
- Capability: improved capability within group to manage cluster collaborative and monitored by DCI
- Goals: identify growth opportunities for cluster, further develop digital marketing programme
- Refine: DCI model and digital cluster blueprint, in collaboration with the DCI Team



TRANSITION



- Measure: performance of group against baseline metrics and benchmarks
- Refine: digital marketing campaign/s; and any further refinements to the DCI model
- Ongoing strategy: the cluster will be provided a strategy to follow to continue its growth after the Pilot's two-year support is complete



COMPLETION

- Measure: performance of group against baseline metrics and benchmarks
- Appoint: admin / marketing / management roles as needed (internal or outsourced)
- Continue: with digital marketplace and cluster brand, independent of the Initiative
- DCI model: DCI Team to explore roll out of model to other business groups in Aotearoa



AT SIX MONTHS