

# Regional Industry Cluster Analysis – What it all means?

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## What is an Industry Cluster?

- An Industry Cluster is a group of inter-related industries or businesses that drive wealth creation in a region, primarily through the export of goods and services. It provides a richer and clearer representation of regional economic relationships than looking at economic development business by business.

## What is an Industry Cluster Analysis?

- The study of these inter-related industries or businesses (a.k.a clusters) to determine how they are geographically concentrated as compared to national and industry trends.

## Why is an Industry Cluster Analysis Useful?

- A View of the Economy
  - Allows practitioners to see local and regional networks of industries or businesses that are creating wealth in the economy.
- Business Retention / Attraction
  - Creates the opportunity for collaborative discussions with industries or businesses to locate “gaps” or “missing links” in the production process of a good or service.
- Resource Allocation
  - Helps direct practitioners to invest resources, human capital or financial capital, into further developing and growing emerging industry clusters as well as continuing to aid high performing industry clusters at optimum production.
- Strategic Planning
  - Assists practitioners with developing plans and strategies for expanding the local and regional economy to its full and maximum potential.

