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A Case Study in Collaborative Supplier Partnerships

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Introduction

Globally there are hundreds of convention centres, which host more than 24,000 different association meetings each year (International Congress and Convention Association, 2016). Unlike the hotel sector (Bohdanowicz-Godfrey, 2013) and tourism operations sector (Carlsen & Edwards, 2013a) which have documented “practices towards more sustainable modes of operation” (Carlsen & Edwards, 2013a: 33), little has been documented in the research literature about the collaborative potentials of a convention centre to deliver benefits beyond tourist visitation (Edwards et al., 2014; Mair & Jago, 2010).

This case study makes a contribution to this research gap by examining a convention centre, International Convention Centre Sydney (ICC Sydney), with significant purchasing power to work with and influence suppliers in a backward supply chain. ICC Sydney’s Feeding Your Performance (FYP) initiative encourages environmentally sustainable behaviour as part of its organisational practices and supports and collaborates with a range of suppliers who are working to improve the agricultural ecosystems in their farming areas. *Ecosystem* is defined as “the minimum aggregated set of processes (including biochemical, biophysical and biological ones) that ensure the biological productivity, organisational integrity and perpetuation of the ecosystem” (Swift et al., 2004:115).

ICC Sydney is the largest integrated convention, exhibition and entertainment venue in Australia. It is situated in Sydney, New South Wales, Australia in the active leisure precinct of Darling Harbour, and is flanked by the Sydney Central Business District and a university precinct. Opened for business in December 2016, it employs 1,300 staff (300 full time and 1,000 casuals) and replaces the previous structure of the Sydney Convention & Exhibition Centre.

The United Nations’ 70th General Assembly designated 2017 as the International Year of Sustainable Tourism for Development (UNWTO, 2015). The goals

include making tourism a catalyst for positive change by promoting socially inclusive and sustainable economic growth including employment as well as resource efficiency and environmental protection (UNWTO, 2017). Through collaborative partnerships with New South Wales (NSW) suppliers ICC Sydney is making a contribution to these goals in four key areas: environmental sustainability, knowledge sharing, economic development, and social contributions. The case study will show how these contributions provide benefits for multiple stakeholders (Figure 12.1) and highlights the role of collaborative partnerships in enhancing firms' sustainable practices.

Environmental practices are concerned with reducing negative human impact and supporting healthy ecosystems necessary for the survival of humans and other organisms (Liburd & Edwards, 2010). Key initiatives for environmental practices in the agricultural sector in Australia are reducing the use of agricultural chemicals, managing water scarcity, and maintaining biodiversity (Australian Government, 2009). Resource efficiency and waste reduction are important goals for the whole community (NSW Government, 2014).

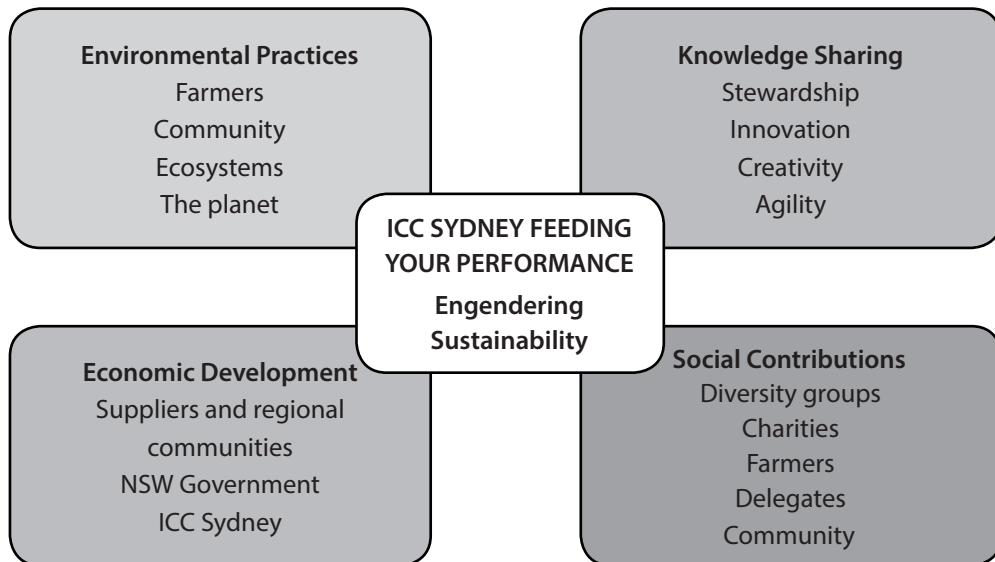


Figure 12.1: Key areas of contribution and beneficiaries

Economic development depends on inclusive economic growth, including employment in vulnerable communities (UNWTO, 2017). The agricultural industry is a significant employer in Australia, supporting employment for 1.68 million people, particularly small producers in rural and regional areas (Spencer & Kneebone, 2012). The industry contributed \$130.4 billion in food and beverage retail turnover in 2010-11 (Spencer & Kneebone, 2012). Australian food and beverage is highly regarded in terms of quality and food safety, and gastronomic

tourism is becoming increasingly important to the tourism industry (Tourism Australia, 2017). However, many NSW growers and suppliers in rural and regional areas struggle to compete with low cost imports, and unemployment is significantly higher than the state average in regional and rural NSW (Australian Bureau of Statistics, 2017). Research has shown that local food supply chains can regenerate rural development (King et al., 2015; Ilbery & Maye, 2005), but this requires tourism and associated hospitality sector to recognise the importance of sourcing locally, to support small business and community livelihoods.

Over the past 20 years, local food has received renewed attention in the western world for a number of reasons. A growing awareness of the origin of food, food safety and standards, animal welfare issues, and unfair trade could be noted among buyers (Ilbery & Maye, 2005; Renting et al., 2003). Moreover, the environmental impacts associated with industrial mass food production and global supply chains have been increasingly criticized (Dunne et al., 2011; Ilbery & Maye, 2005; Renting et al., 2003; Engelseth & Hogset, 2016) with many non-governmental organizations and researchers recommending to reduce “the fraction of animal-sourced foods in our diets” (Springmann, Godfray, Rayner & Scarborough, 2016: 4146).

To source fresh and healthy local produce, ICC Sydney identified and partnered with New South Wales (NSW) farmers, co-operatives and providers who shared a similar focus for sustainability. Objectives of the collaborative partnership were to ensure that ICC Sydney clients receive fresh produce, ‘paddock to plate’, and through direct purchasing contribute to the livelihoods of local and regional small food suppliers in NSW. In Chapter 11, Hjalager (2018) presented a model of suppliers’ roles and capacities in sustainable tourism. In many respects, the ICC case study demonstrates the benefits highlighted in Hjalager’s model, which arise when a firm takes a proactive, co-developing and/or co-branding role with their suppliers. According to Hjalager (2018) “proactive suppliers are most likely to be successful if there is a direct interface and, possibly, also a personal contact” (p. 196).

This case study provides an overview of the development of such partnerships, looks at the ways in which the FYP program is permeating the culture of the ICC Sydney operations, and documents some of the outcomes for external stakeholders. Data are drawn from fourteen interviews conducted with NSW suppliers (6), ICC Sydney staff (7) and a consultant nutritionist (1). A detailed methodology is set out below.