
An attempt to explain what emerging industry is all about

Emerging Industries

Definition of 'Emerging Industry'

A group of companies in a line of business formed around a new product or idea that is in the early stages of development. An emerging industry typically consists of just a few companies and is often centered around a new technology. Barriers to entry in emerging industries can be low because of limited competition, but it may be difficult to secure financing to grow the company.

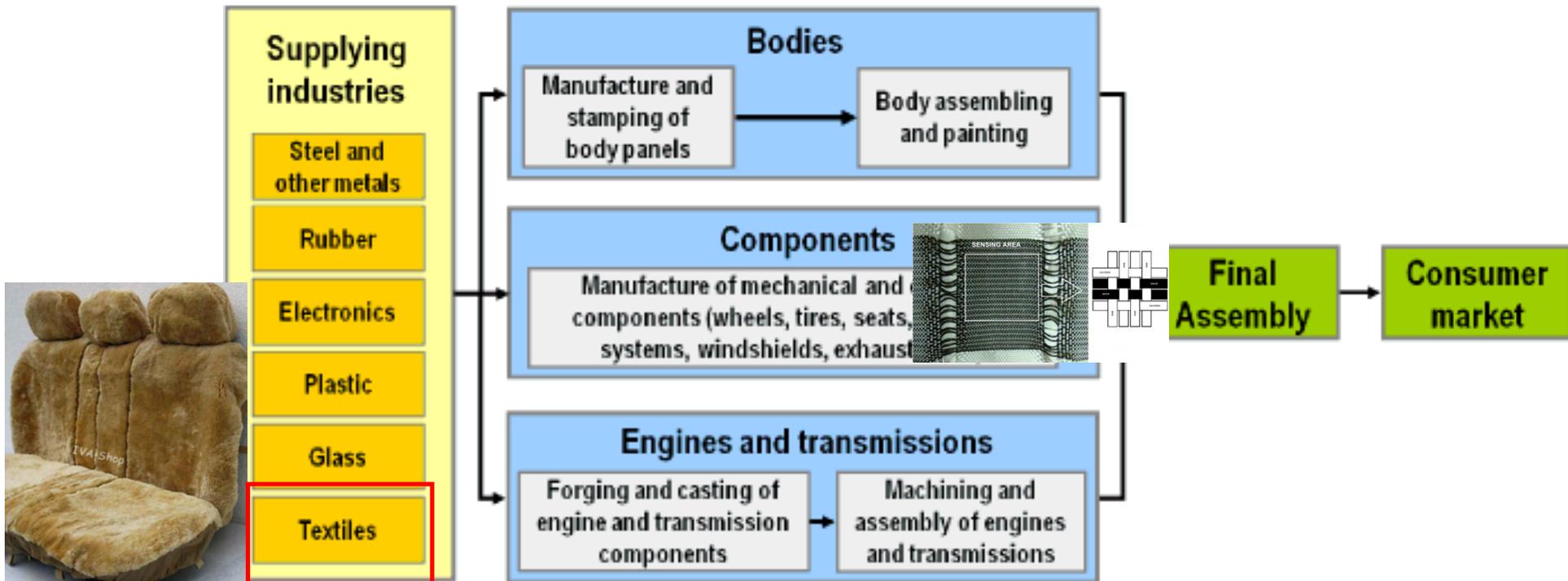
Also, marketing expenses are high, because the product or service for sale is often unproven and companies in an emerging industry must convince both investors and consumers that the product or service they are selling is valuable. Investing in an emerging industry is considered a high-risk strategy, but it can also bring high rewards.

Investopedia Says

Investopedia explains 'Emerging Industry'

An emerging industry can grow rapidly if it is successful. If it reaches this stage, it is then considered a growth industry. Growth industries that perform well become mature industries, which tend to grow slowly or not at all, but provide stable profits. A mature industry may eventually become a declining industry if the product or service it is based on falls out of favor or becomes obsolete.

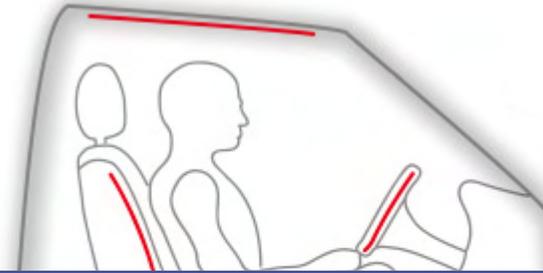
Importance of textiles in automotive application changed



Source: adapted from P. Dicken (2003) Global Production Networks In Europe And East Asia: The Automobile Components Industries, GPN Working Paper 7, University of Manchester, <http://www.sed.manchester.ac.uk/geography/research/gpn/gpnwp7.pdf>

Smart textile industry emerged to become key enabler for new automotive applications

Fatigue prevention approach needs smart textiles to measure drivers behaviour

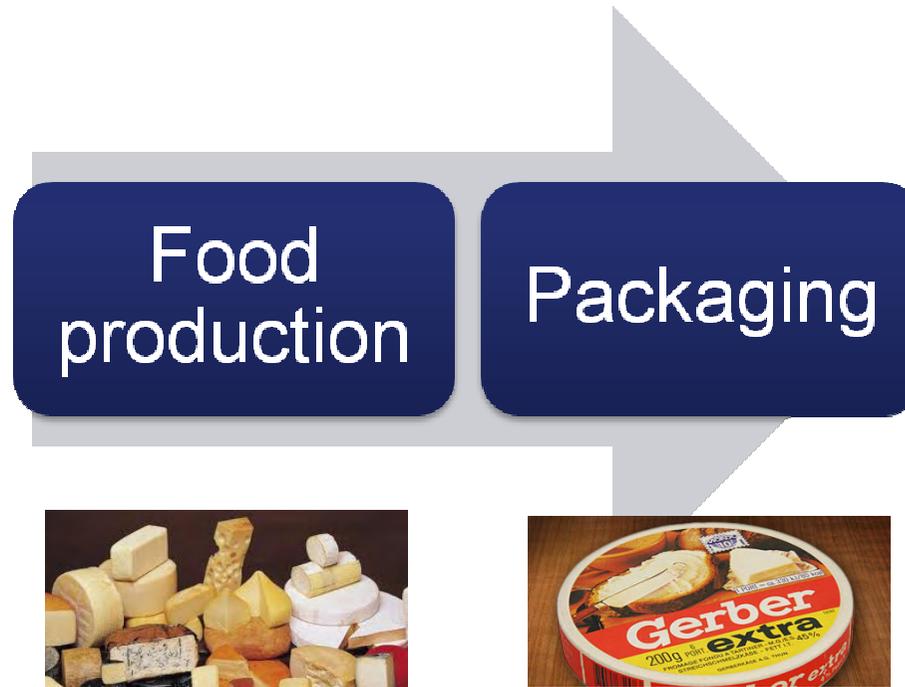


Smart textile industry moved from the end of the automotive value chain (textile industry) much forward

Smart textiles industry must

- Develop innovative garment that has special sensor features
- Develop textile surface structure to sensor elements
- Develop conductive coatings for textiles
- Develop a measuring system for the vital data and other parameter with the application of textile sensor elements
- Develop on the automobile safety applications by fitting textile sensor technology into these application

Food Packaging yesterday



Food production and packaging are two disconnected steps. Main purpose: safe storage and transportation of food

Food Packaging Industry as Emerging Industry

New industry emerged

- Integrated approach (food production, packaging and sensor industry)
- New functionalities prevailing (display that cooling chain never interrupted, online measuring of shelf-life)

Packaging



Sensors



Question 1.

What are the specific challenges of clusters in emerging industries?

Question 2.

What do cluster managers need to do differently in emerging industries?

Question 3.

How must policy makers specifically help clusters in emerging industries?

Question 4.

How can future emerging industries be identified?

Thanks a lot for your excellent contribution!

