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Assessment of Service Management in Rural Tourism Contexts

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Abstract

Tourism is an increasingly segmented activity with distinct individual interests. In particular, rural tourism has received the attention of several academics in different areas of knowledge. In a pandemic scenario (i.e. COVID-19) and in a post-pandemic context, tourist consumers have shown a special desire for pleasant, calm spaces with few clusters of respondents. Thus, segment tourism (e.g. agritourism) has reinforced its importance throughout the year 2020. This study aims to understand some of the main trends in tourist segmentation in the context of rural tourism. Preliminary research was conducted to develop the research instrument. Details of the preliminary research are given below. After the collection of the preliminary data, empirical data would be collected through fieldwork. This study discusses the growing phenomenon of rural tourism and the perspective of relationship marketing associated with specific contexts of rural tourism. The research study brings together a proposed conceptual model to test empirically to understand some of the main determinants of tourist demand in rural tourism environments and their behavioural intentions.

Keywords: rural tourism, covid-19, service management, segmentation, trends

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1. INTRODUCTION

In Portugal, in 2020, Tourism in Rural Areas (TER) increased, becoming an important economic activity in several rural areas. TER in Portugal is the result of profound changes in society in general and, in particular, in the rural world, requiring new developments and diversification of activities in rural areas. In particular, agritourism can be understood as the service of lodging of a family nature provided in private houses integrated in agricultural holdings that allow guests to monitor and learn about the agricultural activity, or to participate in the work developed there, according to the rules established by its responsible, and should be inhabited by those who do their exploration during the period of the same (Karampela et al., 2019). On the other hand, in 2020, the global outbreak of COVID-19 has made an enormous impact on a wide variety of different industries. The slump in outbound expenditure has caused a severe damage to such services as transport, tourism, catering, retail and entertainment. It is estimated by the World Tourism and Travel Council (WTTC) that COVID-19 will cause the global tourism industry a huge loss that amounts to a minimum of 22 billion dollars (Zhu & Deng, 2020). Therefore, the need for organizations to adapt to the constant changes registered in the external environment and the development of agritourism led to the need for an analytical process of management and cost analysis within a strategic context, using cost information to make decisions that lead to the value generation (Sousa & Quesado, 2020). From an interdisciplinary perspective, this manuscript presents inputs in the field of tourism, regional development and cost and investment management.

2. LITERATURE REVIEW

2.1. RURAL TOURISM EXPERIENCES AND AGRITOURISM

Tourism, as an area of study, has expanded its scope, reflecting an increasing recognition in the academic community paralleled by the application of interdisciplinary concepts and methods (Jafari & Aaser, 1988). Indeed, research in tourism has been studying its various implications from a multitude of perspectives and with interdisciplinary insights (Kucukusta *et al.*, 2013). In this context, niche tourism can be considered to be an alternative, almost antithesis to modern mass tourism (e.g. agritourism) (Roseta et al., 2020). In this context, space rural tourism and agritourism as a niche has emerged from the rapid growth of what has become an industry (Sousa & Quesado, 2020), where respondents travel often long distances to overseas countries to obtain leisure care while simultaneously being holidaymakers, in a more conventional sense. Rural Tourism (TER) is a relatively recent phenomenon that has involved the use and adaptation of heritage built for the purpose of accommodation in rural areas, involving mainly rustic houses, farms with agricultural activities and rural hotels (Silva, 2007). TER contributes to the social and economic dynamism of the territories. To achieve this goal, the national tourism development strategy will have to focus on diversifying tourism products in order to guarantee the tourism development of a region. Defining rural space is not an easy task due to the various changes over time. It is a type of complex tourism, due to its unique characteristics of contact with nature and well-being, traditions, local cuisine and little urban influence. According to Pinto (2004), TER has the main objective of offering visitors the possibility of (re) experiencing the practices, traditions and values of rural communities, being able to benefit from a personalized hosting service. In general, tourism in rural areas is understood as all tourist activities that occur in rural areas (Kastenholz, 2002). The tourist, therefore, looks for other forms of rest, to escape the normal routine, to recover energy and escape to urban spaces, congested, polluted and distant from nature (Cavaco, 1999). TER is a recent activity in Portugal emerging in the late 1970s. Cavaco (1999), states that there were several factors that boosted the recognition of this product, among which the emergence of the Peneda - Gerês national park and other parks, the recognition of Portugal as a quality holiday destination, willingness to develop inland tourism as opposed to the large concentration of tourism on the coast and the role of tourism as a strategic sector. In 1986, through Decree-Law nº 256/1986, which established and classified TER in three modalities: Housing Tourism, Rural Tourism and Agritourism. However, TER was only recognized institutionally when joining the

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European Union, becoming an instrument of development (Figueiredo, 2003). However, Decree-Law nº 39/2008 approved a legal regime for the installation, operation and operation of tourism enterprises, bringing together in a single Decree-Law the provisions common to all enterprises, which would be changed to Decree-Law nº 228/2009. TER enterprises, according to this legal regime, can be classified into the following groups: country houses, agritourism and rural hotels. Country houses are properties located in villages and rural spaces that, due to their design, building materials and other characteristics, in the typical local architecture. When country houses are located in villages and are operated in an integrated manner, by a single entity, they are considered as village tourism. Agritourism undertakings are properties located on agricultural holdings that allow guests to monitor and get to know the agricultural activity, or to participate in the work developed there, according to the rules established by their manager. Rural hotels are tourism enterprises that comply with the classification requirements applicable to hotel establishments, and can also be installed in new buildings, built from scratch, including non-contiguous ones. Agritourism allows direct contact with the population and especially with the host family, which allows agricultural activity to benefit from the practice of tourism. The tourist activity is an activity in addition to the main one, which is agriculture (Sousa & Quesado, 2020). Parra *et al.* (2007) defends the same opinion that tourist activities take place in a rural environment, but that it continues to exercise its main activity, which is agriculture. It can be concluded that in the case of agritourism, tourism is a profitable and complementary activity. Economically, some advantages in the practice of agritourism are associated with the possibility of adding value to the agricultural products of the establishment and the installation of artisanal industries, for example, for the production of typical regional foods. Tourism in more rural areas has advantages, but it can also have some disadvantages, if not properly controlled and planned. In view of the above, and in a post-pandemic scenario (i.e. COVID-19), the increase in tourism in these more remote areas, can bring an increase in the standard of living for local populations, can have a negative impact on nature, with the increase produced waste, or the abandonment of the main (agricultural) activities. If the tourist / local population does not have a more sustainable conscience (Zhu & Sarkis, 2016), it can lead to the destruction of the environment, deforestation, abandonment. It can result in the loss of culture / tradition on the part of the population, which causes the essence of this type of tourism to be lost. In this sense, in the next section, the main axes associated with organizational costs will be discussed, which they assume as the main determinants for agritourism companies and their influence in terms of competitiveness and differentiation of the main markets (consumers) of this tourist segment. Agritourism is considered a viable alternative, introducing itself in a more sustainable tourism by integrating the conservation of natural resources, the participation of local communities and their strengthening. Sousa and Quesado (2020), says that agritourism appears as a possibility to prevent the disappearance of rural areas. Agritourism is a modality that is inserted in several phases related to agricultural, livestock, agroindustrial, artisanal or gastronomic production.

2.2. INFLUENCES OF PANDEMIC SCENARIO

In order for rural tourism managers to work out appropriate solutions, it is necessary to understand the relationship between current risk knowledge and the behavioral intention towards rural tourism, as well as the focus of potential tourists on the risks of rural tourism. Under the context of the new coronavirus epidemic. As revealed by their research, pneumonia risk knowledge can influence behavioral willingness to accept rural tourism (e.g. agritourism). With an increasing rate of infected respondents, the total number of deaths will, of course, be much higher, if the population is not aware that social isolation is the only way out of the spread of contagion, reduction and recovery of infected respondents. Therefore, the orientation is for respondents to stay at home, regardless of age group and, in this period, try to think a little outside the box, looking for innovative ideas to offer to the post-COVID-19 market. In this sense, and specifically, tourism has been one of the main sectors of the economy that has suffered the most from the effects of the pandemic (Nepal, 2020), leading to the closure of establishments and the cancellation of travel by (potential) visitors (Gössling *et al.*, 2020). Turismo de Centro de Portugal launched, in March 2020, the “Haverá Tempo” campaign, called on the Portuguese to stay at home to contain the spread of COVID-19 and guaranteed that the region will be prepared to receive visitors after the pandemic. With this campaign, and according to the president of the Regional

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Tourism Entity of the Center of Portugal, he joined the enormous effort of the country in raising awareness and creating hope. The campaign had as main platforms a video and images on social networks, accompanied by the hashtag #haveratempo, among others. The reaction, on the part of the public and followers, was quite positive, namely with regard to comments, reactions and shares through the social network Facebook. Analyzing the campaign promoted by Turismo do Centro de Portugal, it appears that the text of the promotional video states that “These are times like the ones we live in that force us to stop and then start again. Times that take away our freedom, but that also make us believe. Believe that we can, that we will win. There will be time to give wings to our dreams again, to embrace those we love, to smile without shadows”. The video opens with the image of a person wearing a protective mask and follows some of the biggest tourist attractions in the region. “There will be time to start over, to travel, to run, to fly. Feel and vibrate again, with the wind, the sun, the rain. There will be time to sail and to be together again. Until then, we'll stay home. And as a whole, one, we will win”. It should also be noted that under its Contingency Plan to deal with the outbreak, Turismo do Centro created a “sample” of 1,030 tourist spots, hotels, restaurants and attractions that it closely monitors. The objective was to follow the evolution of the pandemic, assess its impact on the sector almost at a minute and help find solutions. Turismo de Portugal recognized companies in the Tourism sector that comply with the recommendations of the Directorate-General for Health to avoid contamination of spaces with SARS-CoV-2 (new coronavirus). Tourist Enterprises, Tourist Animation Companies and Travel and Tourism Agencies wishing to obtain the “Clean & Safe Establishment” seal must comply with the set of provisions contained in the «Declaration of Commitment» that will be available on the digital platforms of Turismo de Portugal concerning the registration of tourist companies: National Register of Tourist Enterprises (RNET), National Register of Tourist Entertainment (RNAT) or National Register of Travel and Tourism Agencies (RNAVT).

Figure 1: Seal Clean & Safe”



Source: Turismo de Portugal (2020)

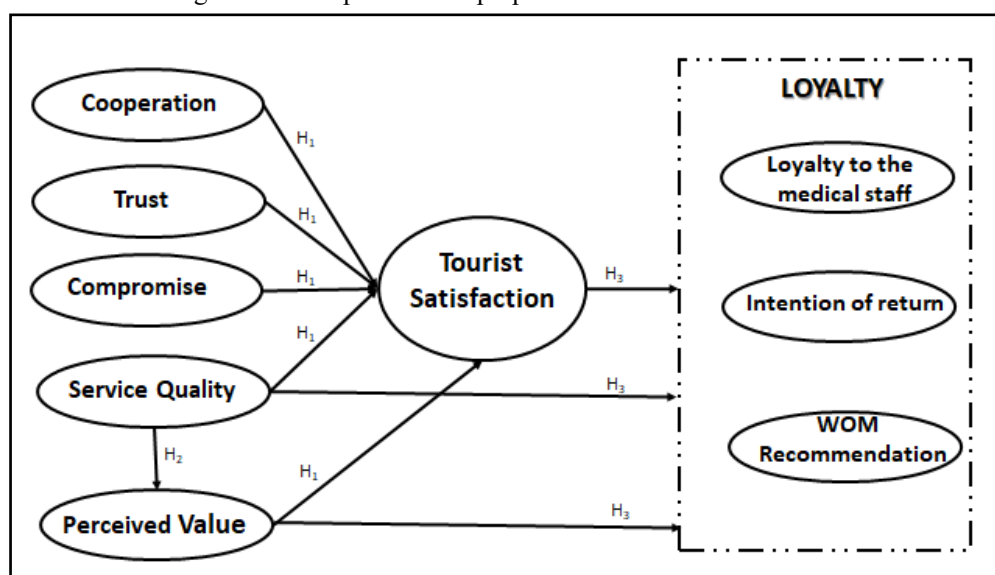
Only after companies have submitted the Declaration of Commitment on the aforementioned platforms, do they have the possibility to use the seal in question, either in their physical facilities, or in the channels and platforms for disclosure and sale. This measure, articulated with the Confederation of Tourism of Portugal (CTP) and with contributions from other associations in the sector, seeks to sensitize enterprises to the minimum procedures to be adopted and encourage the recovery of the tourism sector at national and international level, reinforcing confidence of everyone in the destination Portugal and its tourist resources. The search for sustainability is thus operationalized through this Portuguese measure.

3. CONCEPTUAL MODEL PROPOSED

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Preliminary research was conducted to develop the research instrument. Details of the preliminary research are given below. After the collection of the preliminary data, empirical data would be collected through fieldwork. This study discusses the growing phenomenon of rural tourism and the perspective of relationship marketing associated with specific contexts of pandemic scenario. The literature highlights that satisfaction tends to favour the development of behavioral loyalty. These results are particularly evident in tourist contexts, such as the importance of satisfaction in revisiting or recommending family members or friends. This aspect was corroborated in our empirical study. Based on this discussion, the conceptual model presented in Figure 2 is proposed, which describes that, in a context of rural tourism, the increase in the quality of service, trust, cooperation, perceived value and commitment facilitate the development of behavioral satisfaction and loyalty. Thus, the following research hypotheses were formulated: H1: quality of service, trust, commitment, perceived value, and cooperation have a positive effect on the satisfaction of health care and rural tourism; H2: the quality of service has a positive effect on the value perceived by the rural tourist and H3: the quality of service, the perceived value and satisfaction have a positive effect on the loyalty of the rural tourist.

Figure 2: Conceptual model proposed for rural tourism contexts.



Source: authors' own study.

4. CONCLUSIONS AND NEXT LINES OF RESEARCH

Tourism is one of the activities that over the years has shown strong growth and development in different countries. Thus, like any other sector of the economy, Tourism companies face the increasing competitiveness of the markets, being concerned with developing strategic management in order to achieve the established objectives and goals and, even, ensuring their permanence in the market. As such, it is imperative to pay more attention to measures of a non-financial nature as drivers of financial indicators. In this context, evaluating the quality of service and the performance of the Tourism companies is presented as a necessity and a differentiating factor for success in this area (Quesado & Mesquita, 2013). Regarding our preliminary empirical study, agritourism is a type of tourism on the rise and increasingly sought after by respondents, in search of rest and tranquility, escaping the routine of everyday life and the urban environment, and privileging contact with nature. From an interdisciplinary perspective, future studies are expected to present contributions to niche tourism, segmentation, rural tourism, agritourism, costs and strategy in a (pos) pandemic scenario. In order for rural tourism managers to work out appropriate solutions, it is necessary to

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understand the relationship between current risk knowledge and the behavioral intention towards rural tourism, as well as the focus of potential tourists on the risks of rural tourism. Under the context of the COVID-19 epidemic, a structural model was constructed in this paper that involves tourism risk knowledge, pneumonia risk knowledge, risk perception, risk aversion attitude, travel intention and recommend intention. Future studies should allow corroborating the importance of agritourism in response to the global pandemic scenario and tourism renewal at European and world level (i.e. greater security, greater comfort, greater social distance, careful cost management and quality of service).

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