

# Lifestyle entrepreneurs in rural tourism: Motivations, management practices and sustainability issues.

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**Objectives** | The small tourism businesses may contribute to the entrepreneurial dynamics created in rural locations, and therefore, to the regeneration of many rural economies and to sustainable rural development through, among other factors, a combination of local and extra-local networks, increasing local trade and the creation of an important 'social capital', essential to these small rural communities (Bosworth & Farrell, 2011; Kastenholtz, 2010; Keen, 2004; Morrison, 2006). Discussion exists regarding the entrepreneurial nature of these businesses, their contributions and impacts in rural territories. Some arguments sustain that many entrepreneurs in the tourism are driven by lifestyle motives, having little formal qualifications, no prior management experience or tourism skills (Hollick & Braun, 2005; Peters, Frehse & Buhalis, 2009), characteristics commonly associated with low performance (Getz & Peterson, 2005; Morrison, 2006; Shaw & Williams, 2004). Regardless these arguments, some of the entrepreneurs with a strong lifestyle motivation show an approach to business that seems to be more entrepreneurial in nature, contributing to proactive management practices. These practices appear to be also more sustainable, generating positive business results, as well as entrepreneurial and personal fulfillment (Bolluk & Mottiar, 2014; Cunha, 2016)

Although the economic and social impacts of rural tourism businesses are increasingly studied, the role of the owners, particularly those considered as "lifestyle entrepreneurs", is not clear. This study intends to explore the motivations, management practices and sustainability concerns of lifestyle entrepreneurs, contributing to a better understanding of the consequences of their actions.

**Methodology** | The case study approach was part of a qualitative in-depth research conducted in the Alto Alentejo, a rural region in the southern inner part of Portugal. Long, semi-structured interviews

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were held with entrepreneurs, owners and managers of four small tourism accommodation units located in small villages. The interviews were complemented with data from other sources, namely interviews with guests, direct observation and diverse documentation. A content analysis was performed, structured around the themes identified in a previous literature review. The empirical data was collected between March and May 2015.

**Main Results and Contributions** | The entrepreneurs in this study demonstrated diverse motivations, and whilst common reasons to establish the business in a rural location can be found, the combination of them is complex and distinct. The management practices reflect the influence of that complexity of motives and the demanding exercise of balancing personal and professional goals. In fact, the desired lifestyle has to be adjusted to the need of offering an innovative and high quality service, the staff or operations management along with other business tasks. Entrepreneurs' behaviors show deep concern with business efficiency and success, and although informal, management practices prove to be accurate, and special attention is given to marketing, customer and service management and future projects' planning. Management is shared by family members, who actively participate in operational tasks and in strategic business decisions. A *bottom-up* communication style and a collaborative approach are adopted in the relationship with staff, whose performance is acknowledged and highly valued. Fostering local products, through strategies of cross-selling, product taste events in farms and other cooperation activities with local partners, show real incentives to local economy. Sustainability concerns can also be highlighted in the investment made in biological agriculture and are visible in the ecological consciousness of entrepreneurs. It must be considered as well that the variety of interests of these lifestyle entrepreneurs – lifestyle, entrepreneurial challenge, contribution to rural community, among others, seem to result in more successful businesses, both in management practice and outcomes. These successful projects are therefore more rewarding to their owners, and tend to be more sustainable as well.

**Limitations** | The case study approach, with only four cases included, does not represent the entrepreneurial reality of Alto Alentejo. Motivations and management practices of entrepreneurs are also influenced by contextual variables, which were not considered in this study.

**Conclusions** | Tourism lifestyle entrepreneurs are tourism business owners actively seeking a different lifestyle and they are, commonly, involved in a range of activities of relevance to themselves beyond those concerning the business (Marcketti, Niehm & Fuloria, 2006). Motivations to create the business are centered on quality of life and local environmental variables (Bosworth & Farrell, 2011; Cunha, 2016), and comprise a passion for the countryside and the rural way of life and the possibility to work autonomously, along with the desire to contribute to a more sustainable environment (Bolluk & Mottiar, 2014; Bosworth & Farrell, 2011; Cunha, 2016). The approach to management, although informal, shows significant concern with quality and uniqueness of services offered as well as with marketing strategies. This research, in line with other studies (Lewis, 2005; Keen, 2004), shows that lifestyle entrepreneurs contribute to a higher perceived quality of the tourist experience, because the products benefit from entrepreneurs' sense of "mission", identification with the product, unique and most dedicated way of doing business. In this sense, as suggested by Lane (2016), the arrival of lifestyle entrepreneurs should be welcomed because they bring new skills, additional capital, ideas and market knowledge. Additionally, lifestyle entrepreneurs can also be found among locals, especially those who experienced urban life, have

relevant academic and professional profiles and may contribute to a livelier atmosphere, a more dynamic community and sustainable future in their small, sometimes isolated, villages.

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