

## Rural tourism entrepreneurship: challenges, opportunities and solutions

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### Abstract

Rural tourism entrepreneurship, as a new approach in the development of rural areas, provides many capacities to create employment, increase income and improve the quality of life of villagers. This research has been conducted with the aim of comprehensively investigating the challenges, opportunities and solutions for the development of entrepreneurship in the field of rural tourism. In this review study, the literature related to the topic has been collected and analyzed from different sources. The results show that rural tourism entrepreneurship, despite its great potential, faces challenges such as lack of infrastructure, lack of training and necessary skills, financial limitations, and lack of government support. On the other hand, this field provides unique opportunities for the exploitation of natural, cultural and historical resources of villages. In this regard, providing solutions such as supporting small and medium-sized rural businesses, developing skill training, facilitating access to financial resources, and creating appropriate infrastructure, can help the sustainable development of rural tourism entrepreneurship. Finally, this research emphasizes the importance of the role of the government, the private sector and the local community in creating a supportive ecosystem for rural entrepreneurs.

**Keywords:** Entrepreneurship, Rural Tourism, Rural Development, Challenges, Opportunities, Solutions

### Introduction

Rural tourism, as one of the most popular forms of tourism, includes a variety of activities in rural environments and around them. This type of tourism can have positive or negative

effects on the environment of the village. It includes accommodations, events, festivals and various recreational activities. Rural tourism as a tool for creating employment and economic development in rural areas is promising and can help reduce poverty (1, 2).

Nowadays, tourism has become one of the most prosperous industries in the world and is known as a tool for increasing the national income of countries. This industry, which is a combination of physical space and human society, has taken new forms under the influence of changes in values, technology and the growth of information. As one of the most attractive and oldest forms of tourism, rural tourism plays an important role in sustainable development of rural areas. (3, 4)

Rural areas often face economic challenges, especially in the agricultural sector. The development of rural tourism can act as a solution to diversify the economy of these areas and create new job opportunities. Entrepreneurship in this field plays a key role in the successful development of the rural economy and improving the quality of life of the villagers (5).

The weakening of traditional economic activities, especially agriculture, in rural areas during recent decades has revealed the necessity of searching for new solutions to strengthen the economy and diversify economic activities in these areas. Employment and income from agriculture alone has not been able to solve problems such as poverty, unemployment and economic, social and environmental sustainability and has not been able to maintain the rural population. Entrepreneurship in the field of rural tourism has been proposed as one of the suitable options to solve the problems of the villagers. This approach has opened a new path for villagers, entrepreneurs and officials by creating new opportunities for investment and entrepreneurship. Experts believe that rural tourism can be used as a new strategy for diversifying the rural economy and its sustainable development. In this approach, villagers identify opportunities and exploit them by bringing together production factors and economic productivity in the field of tourism. And finally, they create a new pattern of tourism-based economic activity in rural areas. This model leads to maximization of economic efficiency and minimization of environmental risk with a sustainable approach in rural areas.

During recent decades, rural areas have faced numerous challenges, including climate change, 2019; environmental degradation, rural migration to cities and the need to achieve sustainable development goals. These challenges have created a growing concern about maintaining the ecosystem services of these areas. Ecosystem services are the benefits of ecosystems to humans. These services are the result of complex interactions between humans, the environment and agricultural activities. (6-12).

According to the International Classification of Ecosystem Services (ICES), these services are divided into three categories: providing, regulating and cultural, and rural tourism is included in the category of cultural services (Heinz-Yang and Patshin-Yang, 11 C.E.)

Rural tourism is a multifaceted concept that is interpreted differently in different regions of the world. In general, rural tourism focuses on the natural beauty, architecture, culture, and other unique features of rural areas. In many areas, tourism is used as a tool for environmental protection and sustainable development (13).

In addition to being an ecosystem service for tourists, rural tourism also brings economic benefits to rural areas, such as investment in infrastructure, employment generation, and diversification of local income. However, rural tourism development is influenced by complex interactions between different stakeholder groups, including tourists.

### **Entrepreneurship**

The word entrepreneurship originates from the French word *Entreprendre*, which means to commit, and it is the process of creating value by forming a unique set of resources, in order to take advantage of opportunities.

Entrepreneurship is a concept that has been studied from different perspectives and everyone believes that entrepreneurship is the engine of economic development in developed and developing countries. Entrepreneurship is a process that an entrepreneur initiates with new and creative ideas and identifying new opportunities and by mobilizing resources to create new businesses and companies, new and newly growing organizations, and it is accompanied by risk acceptance. And leads to the introduction of a new product or service to the society.

In its simple definition, entrepreneurship is defined as the number of new jobs that are formed in a certain period of time. Schumpeter considers entrepreneurship as a driver of economic growth in his article "Economic Growth Theory". Because he believes that this process is effective by facilitating the use of production tools in a society so that they are used in newer and more efficient combinations. Therefore, he believes that entrepreneurship is not mainly knowledge-based and is completely separate from the rational economic behavior of people (14, 15).

The relationship between entrepreneurship and sustainable rural development is by considering entrepreneurship as an ability with a positive effect on its economic, social, and environmental aspects.

So, the relationship between entrepreneurship and sustainable rural development depends on the relationship between business and its environment, which can act as a two-way relationship (16).

In this process, on the one hand, market opportunities and policies supporting sustainable development through the formation and development of new businesses can introduce new

ways to provide products and services that pay attention to the optimal use of resources. Which provides the basis for the creation of environment-friendly institutions and economic activities; and on the other hand, new business may lead to an increase in environmental risks. This issue can be investigated in the form of environmental pressures such as safety, ethical, social regulations, etc., which can influence the process of creating new businesses.

### **1- Rural entrepreneurship:**

Rural entrepreneurship is actually no different from the general concept of entrepreneurship. Only the special conditions of rural areas, including; the lack of facilities and weak management in these areas makes entrepreneurial fields different from other areas and activities. However, rural entrepreneurs seek to identify new and innovative opportunities in agricultural and non-agricultural activities, land use and optimal, diverse and innovative use in the direction of rural development. Petrin in 1994 defines rural entrepreneurship as the sum of the following three propositions: 1) the force that mobilizes other resources to respond to an unmet market demand, 2) the ability to create something out of nothing, 3) the process of creating value by combining a single set of resources to take advantage of an opportunity. In general, what can be used to define the category of rural entrepreneurship is: "innovative use of village resources and facilities in order to hunt for business opportunities" (17).

There are various examples of non-agricultural applications of rural tourism, such as hosting tourists, blacksmithing, weaving, spinning, and examples of diversifying activities not related to agriculture in the fields of water resources, forest lands, construction, existing skills, and local capabilities. All of which are suitable for rural entrepreneurship.

Therefore, according to the mentioned points and the opportunities that this type of entrepreneurship creates in the rural society, it can be said: entrepreneurship has the ability to solve economic and social challenges and, as a result, to develop rural areas. It should also not be forgotten that the development of rural entrepreneurship requires a conscious effort to provide a set of infrastructural and support factors and indicators by relevant government and non-government institutions in order to take advantage of the opportunities in rural communities (18).

Also, according to thinkers, the development of entrepreneurship in rural areas is one of the most important strategies of rural development. Which can lead to the support and maintenance of the rural cultural heritage, reducing the use of natural resources, minimizing the waste of resources, maintaining environmental quality and protecting biodiversity.

## **2- Rural tourism:**

The term rural tourism is used synonymously with other terms such as indigenous tourism, green tourism, nature tourism, rural tourism.

In fact, rural tourism is a complex and multifaceted activity because the tourist uses space and place with different motivations. Which includes different types of farm-based tourism to educational trips, ethnic tourism and activities based on rural tourism such as recreational-sports trekking. According to the conditions of different environments, these activities are carried out in many rural areas in the form of mass tourism and individual or family tourism with a small number.

In other words, it should be said: rural tourism consists of activities and different types of tourism in different rural environments and around them, which include effects (positive-negative) for the environment of the village (human-natural). It is obvious that such a perception of rural tourism can include various fields of tourism activities such as settlements, events, festivals, sports and various entertainments that take place in the village environment.

## **3- Checking the background of the research:**

The analysis of the existing studies shows that although several studies have been conducted separately in the field of entrepreneurship and rural tourism, but the entrepreneurship of rural tourism has received less attention from researchers. However, in the current research, in order to achieve the goal of the research, it was tried to examine the studies that have the most affinity with the topic and goals of the research. In this regard, we will have a brief look at the results of some of the conducted researches:

In a large volume of studies, rural tourism has been considered as a part of the process of rural development and sustainable development. Rural tourism can be planned and organized by taking into account the characteristics, needs and social, cultural and economic issues of rural communities along with paying attention to the wishes of tourists and solve most of the economic problems in rural areas of the country such as unemployment and poverty. The proper and accurate combination of tourism and rural activities can simultaneously meet the needs of the villagers and also provide a safe and favorable tour for tourists. For this reason, in recent years, the topic of rural tourism has been the focus of researchers. In the following, some of them are mentioned (19, 20).

Hossam et al. in a study titled "Measuring the status of development of tourism activities in rural areas of Larijan district of Amol" showed that the index of access to physical infrastructure, social space and self-confidence are highly desirable in the studied villages. But the indicators of access to education, advice and experiences, skills

and knowledge, access to capital, innovation and creativity, foresight, production, sales and marketing of products are not in a good condition (21).

Ghanian et al. in 2011 showed in their study that factors such as interest in establishing economic enterprises related to tourism, the establishment and expansion of local production networks between business owners and the existence of appropriate security at the regional level for entrepreneurs and tourists from the point of view of local people, in comparison with other factors related to the entrepreneurial space, they have a higher position and importance (19).

Karimzadeh et al. also considers two factors, political and legal, to be effective in creating opportunities for the tourism sector in rural areas. This is while researchers such as Ruknuddin Eftekhari et al. put more emphasis on the economic factor in their study, so that in this study, from the point of view of both study groups (officials and investors), the economic factor has been more important in the development of tourism. (22, 23)

### **Theoretical foundations**

According to Sniska, rural tourism is important from two aspects: 1- Rural tourism creates economic and social benefits for areas outside the city. This type of tourism is an attractive activity for young people and is also a source of income for the people of the country. 2- Rural tourism is an important factor in preserving nature, culture and traditional values. Tourism gives special importance to protection, reconstruction of old palaces and social and historical researches and also makes society members interested in the nature and history of other lands. Radak believes that the economic benefits of rural tourism can be manifested in the form of creating employment, increasing living expenses, economic diversification, farmers' markets and infrastructure. On the other hand, Sutava believes that the activities that are carried out in the village need the participation of the local community. Nevertheless, community participation requires the empowerment of the local community, and this empowerment of the community is considered the main key to the well-being of the community and the sustainability of tourism.

### **Conclusion**

The development of rural tourism, considering its limited capacities in the field of agriculture and animal husbandry among the rural areas of the country, is one of the categories for which there seems to be no cure at the beginning. Although, by using technology in this field, the shortcoming of agricultural activities in rural areas can be compensated to some extent by diversifying cultivation methods and developing greenhouse crops. But this matter is while

the existence of tourism capacities in rural areas is a more efficient and sustainable solution for rural areas. The importance of this article is to know that the effects of tourism on the economic and social development of different societies have led to the fact that today tourism is mentioned as a super industry. This is while considering the problems and inadequacies caused by the modern lifestyle, rural areas have a higher priority for tourism purposes among tourists. What can be a connecting link and an irreplaceable role in order to transform ordinary rural areas into developed rural areas is entrepreneurship. The existence of major capacities in the tourism industry in various fields of nature tourism, health tourism, cultural, sports, social, life away from air and noise pollution, the virginity of the rural area, the experience of nomadic life, etc. are all among the capacities of entrepreneurship development. . In our country, the importance of the mentioned contents has been neglected to a great extent. Especially in Alborz province and Karaj city, despite the existence of capacities and basic infrastructures, the lack of balanced and appropriate planning is one of the serious damages in this field. Which causes the cycle of tourism economy in the region to not be fully implemented and tourists come to these areas either in transit or to visit acquaintances and less because of the cultural, social, natural and climatic potentials of the region?

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