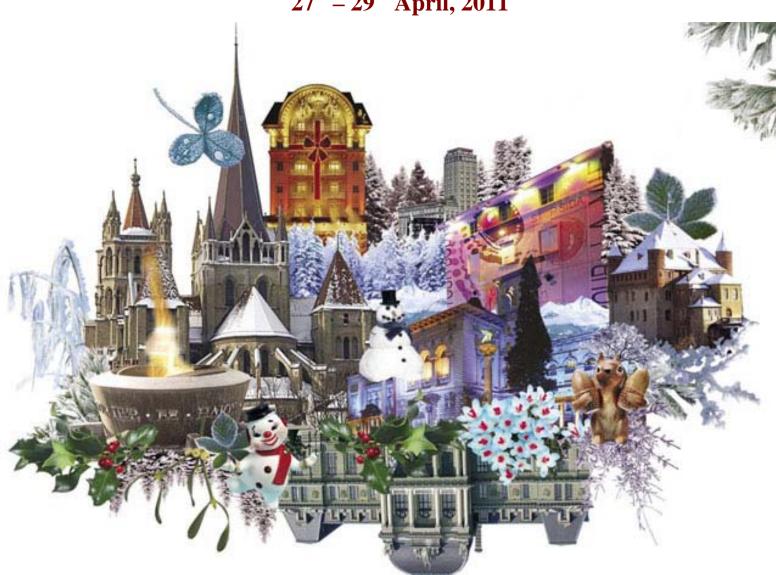
# The Second International Scientific Congress - Biennale

27<sup>th</sup> – 29<sup>th</sup> April, 2011



Skopje, Macedonia

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# Collection of works of the Congress on the theme THE INFLUENCE OF TOURISM ON ECONOMIC DEVELOPMENT

**English version** 

## Dear ladies and gentlemen,

It is great honor and pleasure to welcome you at the Second International Congress, Biennale with the theme: **The influence of tourism on economic development**. The Congress is organized by the University of Tourism and Management in Skopje which permanently monitors the educational, scientific and economic trends in developed economies in Europe and worldwide in order to create and implement innovations which will bring us closer to the standards of the European Union.

I am convinced that each and every one of us present will give an exceptionally high contribution to exchange information on the current scientific thought about tourism and sharing of ideas. At the congress the best practices about enhancing the business climate in the region and wider will be presented. At the same time you will have the opportunity to establish business contacts with prominent leaders in the field of tourism and management.

Thank you for your participation in the congress. I'll be especially pleased to see the next Congress.

Chancellor Prof. Ph.D. Ace Milenkovski



#### UNIVERSITY OF TOURISM AND MANAGEMENT IN SKOPJE

The University of Tourism and Management in Skopje is a private university accredited in 2006 by the Ministry of Education and Science in the Republic of Macedonia.

The University is managed by the Chancellor Prof. Ace Milenkovski PhD. The University has a competent teaching staff, the most sophisticated technical, material and spatial resources. The design of the mission and vision is compatible with the world trends to ensure total management quality.

University of Tourism and Management in Skopje organizes first cycle of Undergraduate studies, the second cycle of Master Studies while the third cycle of Doctoral studies is in process of accreditation. Within the University exist and function the Faculty of Tourism, the Faculty of International Marketing Management, Faculty of Human Resources Management, Faculty of Economics, Faculty of Public Relations, Faculty of Sports Tourism, and Faculty of Entrepreneurial Business. The lectures at the faculty are conducted according to the principles of Bologna declaration with the explicit application of the methodology of the European Credit Transfer System, supported by computer software that is aimed at efficient and effective communication of stakeholders, access to information and objectivity in measuring the quality of the teaching process and the final solutions. The priority in permanently monitoring, implementing and evaluating the process and results is the direction of the University to create an effective interaction of students and teachers in order to acquire competencies, i.e. applicable knowledge according to the standards of the universities in Europe and the world. The multidisciplinary approach is a sign of the teaching process for acquiring theoretical knowledge which are assessed through the mandatory realization of the internship in reputable institutions in the country and abroad. After completing the studies, the students are trained for the competitiveness in the labor market.

An integral part of the University is the FTS travel, travel agency, managed by graduates who are leaders in creating the internship. The scientific and research activity is noted by the intensive production of the university textbooks and scientific papers, publications and a magazine which is published annually.

International collaboration is accomplished through participation in scientific congresses, symposiums and signing collaboration memorandums with renowned universities in Europe and beyond.

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#### ENTREPRENEURSHIP IN TOURISM INDUSTRY LEAD TO BUSINESS BENEFITS

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#### Abstract:

Tourism has the potential to empower communities and the sustainable tourism agenda needs to focus on how to bring this about. Understanding tourisms and tourism processes is the first stage to empowering the local community to make informed and appropriate decisions about their tourism development. Considerable investments are required in communication and trust building between the actors in tourism. In this context to make successful development of tourism is necessary to understand the importance of entrepreneurship and human resource management.

Tourism businesses have been identified as essential actors for creating jobs and generally growing the economy. Also here is attempt to identify the constructs that influence in building high-quality entrepreneurship in tourism industry. So, here is indicated the relationships between them - the level of involvement of owner-managers, the owner-manager having an entrepreneurial orientation, the knowledge of owner-managers, the involvement in decision making of owner-managers and a marketing orientation, market orientation, differentiation and tourism destination development.

**Key words:** entrepreneurship, tourism industry, business benefits

#### **INTRODUCTION**

Sustainable tourism is a sub-branch of sustainable development that was put on the world agenda. Community participation, although considered essential in sustainable tourism, is a concept subject to much interpretation. Research investigating the competitive advantage of small tourism business has consistently emphasized the importance of high-quality entrepreneurship as key factor in business survival and growth. The ability to identify and operate in a particular market niche enables the firm to exploit a range of specializations and being competitive. That's why for tourism business performance need to be explore the relationships between entrepreneurial leadership, market orientation and relationship marketing orientation.

Tourism businesses have been identified as essential actors for creating jobs and generally growing the economy. Also here is attempt to identify the constructs that influence in building high-quality entrepreneurship in tourism industry. So, here is indicated the relationships between them - the level of involvement of owner-managers, the owner-manager having an entrepreneurial orientation, the knowledge of owner-managers, the involvement in decision making of owner-managers and a marketing orientation, market orientation, differentiation and tourism destination development. An entrepreneurship quality measure is essential to develop because it could help focusing on high-growth

small and new businesses, according researchers. This will help to identify a wide range of economic, social, policy, and firm factors that may affect the development of high-quality entrepreneurship. Also it will enable entrepreneurs to uncover the critical role of high-quality entrepreneurship in economic growth and in rural development too.

One of the associations for entrepreneurs is the fact that they innovate. In this way they create and employ. Entrepreneurship is necessary for creation of new organization, construct new businesses. So, it plays crucial role for success of economic growth and lead to business benefits.

Entrepreneurial individuals also channel and transform their entrepreneurial ambitions and qualities into actions. So, an organizational extension of individual entrepreneurial actions and a behavioural manifestation of entrepreneurship could be identified in small firms (Wennekers and Thurik 1999). In this way, entrepreneurship quality is connected to job creation in small tourism business and economic growth generally. New small tourism businesses contribute to the flourishing of entrepreneurship as important catalysts or actors in technological innovations; as agents of change in market structure and competition environment and as critical forces in industrial restructuring and national competitive advantage upgrading (Hart 2003, Porter 1990).

In context for new ventures, according to the researchers, are far more important in bringing new ways into economic process than are established firms. High-growth and high-potential small tourism businesses have positive impacts on economic growth. Possibility to understand entrepreneurship quality is very important in a way to discuss about essential meaning of entrepreneurial leadership, market and marketing orientation, differentiation and tourism destination development. This will enhance accessing high-quality entrepreneurship in tourism industry. Growth in the tourism industry will bring benefits which will facilitate job creation. The government views this as an opportunity to create employment and to bring in equality in the country's job market. Business with low capital investments could become sustainable, depending on the skills and characteristics of the owner-managers of these businesses that represent human resourse management.

#### **Entrepreneurial leadership in tourism industry**

The tourism industry has been identified as one of the key industries for driving economic development and economic transformation in developing countries. The marketing challenges facing tourism businesses are unique in that these businesses cannot be promoted in isolation from their competing and complementary products. Entrepreneurship quality, entrepreneurial leadership, market and marketing orientation, have been identified with positive influence on the business performance of an tourism enterprise. Also, it is important to identify the specific factors that influence success in small tourism businesses which were aforementioned. The relationships between entrepreneurial leadership, market orientation and marketing orientation could be explored with their common elements - the skills and characteristics of the owner-manager, ownermanager knowledge and alliances. These elements of entrepreneurship on one hand, and innovation orientation on other hand, are positively linked to various measures of organizational performance. In this context, many studies suggest that the performance of a small tourism enterprise could be determined by the personality of its entrepreneur. So, owner-managers are the people who recognise the potential of a particular project. When they do it, further take the necessary action to implement the innovation. The importance of the owner-manager is essential in small tourism businesses because of the inseparability of production and consumption (Hill, J. & McGowan, P. 1996).

Gupta (2004) define entrepreneurial leadership as "leadership that creates visionary scenarios used to assemble and mobilize a 'supporting cast' of participants who become committed by the vision to the discovery and exploitation of strategic value creation". So, owner manager has a vision for using all potential from tourism industry. That's why he is recognised as person who initiate, develop and manage entrepreneurial organizations which is an important component in achieving success.

Some researchers posit that technical skill is a competency that needs to be acquired by the ownermanager. In this context, the owner-manager should implement all the technical attributes. The ownermanager of a small tourism business has to have the technical competence. The knowledge that owner-managers of small tourism businesses have of how to gain and understand the entrepreneurship quality, entrepreneurial leadership, market and marketing orientation, differentiation and tourism destination development will be related to the successful use for purposes in tourism industry. Also, other mentioned important element is alliance. The importance of alliances is that can take a number of forms and include personal contact networks, social networks, business networks, industry and marketing networks. Alliances are used to describe these cooperative relationships. Alliances play a crucial role in small business marketing by reducing uncertainty, facilitating trust, reducing the risk for all the parties. Small tourism business uses these networks to access market information, as small businesses often do not have the time or resources to buy market information or solicit the services of business consultants. They also have an influence on its decision-making.

#### Market and marketing orientation

Many researchers showed interest for reasearcing the positive relationship between market orientation and a firm's performance. In this context, researchers (Narver and Slater, 1990) propose the behavioural components such as customer orientation, a competitor orientation and inter-functional coordination, as part of market orientation. In this way, Sin (2005) adds "relationship marketing focuses on the individual buyer and seller relationships and that both parties in each individual buyer and seller relationship benefit". The conclusion is that market orientation as strategy orientation play crucial role in obtaining the superior customer value taking in mind that this value will result in organizational performance. More exactly, market orientation is a term used to describe the implementation of the marketing concept, and describes an organisation-wide approach.

Other researchers argue that there are three behavioural components making up the market orientation construct, which they label as customer market orientation, competitor market orientation and interfunctional orientation, as well as two decision criteria, namely long term focus and profit objective. Much of the research in this area has been directed towards establishing a link between market orientation and improved financial returns. Research has found that market orientation is positively correlated with improved financial results. The link between market orientation and improved financial returns is based on the rationale of maintaining a sustainable competitive advantage and this principle applies equally in small businesses. Smaller tourism businesses that strive to engender a market orientation, through the dominant influence of the owner-manager, will have a better chance of successfully gain the purposes.

To be able for taking benefit, small tourism enterprises should form sustainable relationships with relevant stakeholders. These sustainable relationships should permeate in improved business performance, as many researchers define as "an organization is engaged in proactively creating, developing and maintaining committed, interactive and profitable exchanges with selected customers and partners". In this way, Sin (2002), defines relationship marketing orientation as a multi-dimensional construct consisting of the following six components: trust; bonding; communication; shared values; empathy; and reciprocity. Existing positive relationship between entrepreneurship and organizational performance and positive relationship between marketing orientation and organizational performance, the conclusion in the most similar studies, is that there is, also, a positive relationship between ethical entrepreneurial leadership and organizational performance, strengthened by relationship marketing orientation.

In the global economy small businesses are playing a critical role in reducing unemployment, penetrating new markets and generally growing national economies. It follows that small businesses represent an important vehicle for addressing the challenges of job creation, economic development and social development. Tourism is an under-exploited sector with considerable potential for expansion, particularly given the high labour absorption capacity of small businesses (Bengtsson, M., Boter, H., Vanyushyn, V.,

2003). Most studies attempt to build on extant research which has attempted to identify the resources required to allow businesses to leverage generic information technologies (IT), such as the Internet, to enhance the businesses' returns. Also, the entrepreneur should have a vision of what the Internet can achieve, and a competency which implies that the ownermanager takes his vision further and actually acquires the technology and technical competencies to utilise this medium. The owner-manager manages the Internet within the context of the overall business and marketing activities on a continuous basis, which means a high level of involvement on the part of the owner-manager.

Today, more often are studies that attempt to identify the non technology resources driving the successful use of the Internet for marketing tourism services, taking a resource-based view of the business. If these complementary resources can be identified, they can be used to leverage the use of the Internet for marketing, which in turn will contribute to a sustainable competitive advantage for small tourism businesses and bring business benefits in tourism industry.

Conclusions of studies indicate that a network of effective alliances, the existence of a product champion in the business, and appreciation by the ownermanager of the broader business implications surrounding the implementation of the Internet for marketing, are important to the successful use of the Internet for the marketing of tourism services.

In spite of the Internet being uniquely equipped to provide dynamic and rich information to customers in an interactive setting, identifying the drivers of successful Internet marketing is proving to be challenging. Although it can be argued that the utilisation of the Internet for marketing is necessity for businesses, this information technology has a direct impact on achieving a sustainable competitive advantage (SCA) (Chaffey, D., Mayer, R., Johnston, K., Ellis-Chadwick, F., 2000). This approach to understanding the influence of information technologies on realising a sustainable competitive advantage implies that although businesses may have equal access to the Internet, they may differ in their access to complementary strategic resources necessary to optimally utilise this medium. One approach to appreciating the factors driving the successful deployment of the Internet for marketing is the resource-based view (RBV) of the business (Porter, M. E. 2001). Assessing the success of integrating information technologies into the marketing of a business is the extent to which it contributes to the satisfaction of customer needs. This view implies that a resource may be a source of competitive advantage if it is valuable to customers or enables the creation of value for customers.

The tourism industry has been identified as one of the key industries for driving economic development and economic transformation in developing countries. The marketing challenges facing tourism businesses are unique in that these businesses cannot be promoted in isolation from their competing and complementary products. So, the tourism industry is part of the service sector and the tourism product is predominately a service offering, whereas much of the research on the factors driving the successful adoption of the Internet as a marketing tool have largely concerned physical goods. Small businesses lack many of the resources typically available to larger businesses, and as a result find it difficult to compete with bigger enterprises in terms of reaching target markets using the conventional marketing techniques (Middleton, V. T. C., Clarke, J. R. 2001). The marketing practices of small businesses are influenced by factors as the traits of the owner-manager, the size of the small, medium and micro enterprise (SMME), and its stage of development, all of which impact on their marketing techniques. The Internet, as technological tool, with its ability to reach broad and diverse markets at a very low marginal cost, has the potential to contribute to the growth of this sector.

# Efforts of tourism business network connection for tourism entrepreneurs decision-making and destination development

Small business networks contribute for destination development. Networking has been the focus of much small tourism businesses. The exact manner in which networks are utilised within a locality, why, and how they may contribute towards the building of a tourism destination is currently unclear. An understanding

is critical to the success of making decision by entrepreneurs, also giving business support and make tourism destination policies. Deteremining the networks could be done from a sociocultural perspective, and in a way to underline the implications for business behaviour and destination development. The social network relates to family, friends and the wider cultural dimension in which the businesses are immersed. Using a networking and destination development framework, emphasis a cultural understanding.

Definitions of network in tourism industry are many. In this context, Lynch and Morrison (2007) define networks as "social structures that enable the operators of small firms to build the level of trust necessary for them to share in the development of the local tourism product". Networking is "the process used by members of the network to mobilise relationships and learn from each other". Network "density" is used to refer to a measure of the extent to which entrepreneurs are connected to their environment and may be described as "loose" or "tight" knit (Granovetter, 1982). Research into small tourism firms identifies limited marketing and management skills. The development of these firms is restricted by an inadequate understanding of other businesses in the sector and of how to work with them. The capacity to work with other actors is identified (Van Laere and Heene, 2003) as a core competence of organisations. Entrepreneurs recognise the fact that many of the skills and resources leading to a small firm's success exist outside of the firm. The desirability of small tourism firms working together in a form of "coopetition" could be seen in tourism economic policy initiatives.

It is necessary to consider the tourism business networks collectively, for a more complete picture in terms of destination development. Individual networks are still considered but from the tourism business epicentre. It is necessary to choose an epicentre to create perspective, angle and focus to the research. From a tourism perspective, the activities of small businesses within such tourism destinations are of research interest in terms of their contributions towards sustainable economic and community development of the destination (Tinsley and Lynch, 2001; Petrillo and Swarbrooke, 2005). Some researchers contribute a useful framework for understanding these activities through the concept of micro-clusters as a development model. They apply the concept to a concentration of firms in close geographic proximity: where, in sociological terms, they are bounded by a single community of social and economic interests. Although their number and size may be small, the cooperative and complementary nature of tourism firms is developed through the community's own needs and values. This interaction enhances their specialization, improves their market potential and generates opportunities for others. This micro cluster approach is intended to encourage new growth but at a level which the community can understand and control. A number of significant studies have been made on these propose opinions within a destination context. In this way, Morrison (2004) establish the core of a network as inter organizational learning and knowledge exchange, with a sense of community and purpose-giving cohesion. A core element of these communities is that they have been historically shaped by different socio-political and economic interactions amongst actors in a bid to sustain the competitive advantage of the destination. In Lynch's (2000) study of social networks within the host family operation, hosts with denser networks are seen as potential targets for influencing quality in the overall host family sector, due to their key role for contact and dissemination capabilities within geographical neighborhoods. Lynch suggests that there may be similar relevance to be found in other accommodation sectors. Lynch and Morrison (2007) emphasis social network analysis to understand the impact on destination development of interim interaction among community-embedded small tourism organizations.

Also, important thing in understanding the nature of networking and to determine how it contributes to the overall tourism destinations for building high-quality entrepreneurship in tourism industry. That's why measuring and building high-quality entrepreneurship are important to explain the role of tourism destinations. In order to drive economic growth and profit, tourism destinations should be promoted. That is the reason why today competition between destinations has become intense. The tourism destination is an important construct for the exploration of tourism networks. Tourism is one of many different perceptions of the destination. There are researchers which argue that it is up to them to decide what perspective to observe the networks from. Network strength will depend on what angle they are

examined from and what level. Networks may contribute for building of a tourism destination and this is important to the success of business support and tourism destination policies.

In this context, many researchers discuss about networks from a socio-cultural perspective, and the implications for business. Defining networks as social structures, they help to the operators of small firms to build the level of trust necessary for them to share in the development of the local tourism product. Also, they include the meaning and acting of family, friends and acquaintances of the owner and their employees, and the wider cultural dimension in which actors are immersed.

The cooperative and complementary nature of tourism firms is developed through the needs and values of community. This interaction enhances their specialization, improves their market potential and generates opportunities for others. Another researchers establish the core of a network as interorganizational learning and knowledge exchange, with a sense of community and purpose-giving cohesion. The control mechanism of market differentiation is used informally within the destination, regulated by business community pressure. Community embedded business networks demonstrated successful control over the destination's tourism development.

Others explore (Von Friedrischs Grängsjö, 2003) destination marketing by small tourism businesses focusing on the importance of the operators being tied in time and space to the tourism. It's logically that here exist the relationship which connect company interest and destination interest. The essential meaning of this relationship is that the destination should serve the company interest and the company serves the destination interest. The reason is that for tourisms and entrepreneurs is important their feeling that they have of a village community as they realize their joint importance which is part of the tourism destination package.

Tourism destinations are framed as products to be marketed. Some researchers point to tourism destinations as a place that can be viewed as a product. The point is on consumption of the complex of activities that comprises the tourism experience, and what is sold by place promotion agencies on the tourism market' (Ashworth & Voogd, 1990, p. 7).

The natural environment, culture and built environment of a place can be treated as the place's valuable assets. This resources or inputs create the right ambience for the realization of tourism consumption. Tourism destination also calls into action a range of marketing instruments. These instruments are similar to those used by entrepreneurs in fast moving consumer goods marketing, such as SWOT analyses, branding, market segmentation, the marketing mix, market penetration, extension, development and promotion strategies in order for destinations to be successfully marketed (Kotler, 1993).

Further, the main resources for the development of a competitive destination brand which could be mentioned are culture and history of the destination. With elements from these resources entrepreneurs could make a differentiation and enhance competitiveness in tourism as marketing efforts involve the creation and promotion of attractive destination images. The natural environment of a destination and its history and culture are parameters of its core attractiveness.

So, the process of selection in tourism business is determined by what is perceived to be attractive to the particular tourism segment targeted.

Ryan, C. (1991) defines that "tourism is not simply about places – it is about the experience of place, about meeting people, the interaction between host and visitor and with fellow tourisms. Of all the service industries it is perhaps the most intangible of all. People save their money and their weeks of escape from work to buy what becomes a memory".

When it's mentioned the word "perceiving", it is good to know that a lot of findings, also, emphasize the importance of entrepreneurial perception.

Researchers found that entrepreneurial perception of market opportunity was significantly related to entrepreneurs' efforts to create a venture and that these efforts, in turn, were significantly related to venture start-up. Entrepreneurs are cognitive agents operating in enacted environments in which the

entrepreneur's key tasks are interpretation, sense-making, and the reduction of subjective uncertainty. In line with this creation view of entrepreneurship, some empirical result supports a different conceptualization of opportunity than the traditional structuralism discovery view. It's find support for the view of opportunities as subjective perceptions. These perceptions are what spur entrepreneurs into action through cognitive processes, social interaction, and the mobilization of resources, entrepreneurs enact these images and thereby create opportunities.

Another interesting founding in the environmental context has long been considered an important factor in the organizational and entrepreneurship literatures. Environmental change has been considered to be the source of opportunities in the discovery view of entrepreneurship, and environmental dynamism has been empirically linked with increased entrepreneurial activity as well as success of entry and higher performance of new firms. The proposal from researchers is that entrepreneurial perceptions are the key mechanisms through which environmental characteristics influence outcomes such as firm creation. Entrepreneurs' perceptions of opportunity are influenced by the actual dynamism of the environment.

#### **CONCLUSION**

Small businesses have been identified as factor with crucial role for creating jobs and generally growing the economy. One industry that is characterized by the proliferation of small businesses is the tourism industry. Key to this industry reaching its full potential is access to markets.

The owner manager factor is important in an industry such as tourism. For its aim is necessary to maintain a competitive advantage, as it facilitates customer, market and technology intelligence (Hoffman & Novak, 1997; Jones, Hecker & Holland, 2003). In this context, many research suggests that from the extent and nature of market orientation depends successfully introduces innovations in tourism business. The owner-manager possessing an entrepreneurial orientation has the importance in sense that it allows small tourism businesses to visualize the benefits. This vision in turn drives the plan on how to achieve these goals and the allocation of appropriate resources. In large businesses, planning may be driven by objective and collective decision-making, which is not atypical for small businesses, given the significant influence of the owner manager.

So it could be summarize that tourism is a competitive industry. Tourism through the creation of attractions and provision of supporting infrastructure, can effectively create its own demand. For this aim, tourism has own strategy. This strategy should provide a tourism management and marketing structure, supporting research and product development and giving attention to risk management. Another important thing is the protection of environment, heritage issues and limitations of carrying capacity.

Also, for successful tourism business other important factors are entrepreneurial and leadership characteristics. In this way, it's the human capital approach in small business ventures. Many researchers have identified certain qualities and skills essential for effective performance of a tourism entrepreneur, which also contribute towards small venture performance. These are managerial and personal characteristics, such as internal locus of control, achievement orientation and autonomy. In small and micro enterprises these characteristics for the owner-manager seem to be of vital importance for the venture to perform effectively.

The influence of entrepreneurial leaders on the choice of the appropriate blend of market orientation and marketing orientation in an enterprise will result in different levels of performance. A lot of studies suggest that the combined effect of entrepreneurial leadership, market orientation and relationship marketing orientation on small enterprise performance, the personality of entrepreneur determines the performance of a small tourism enterprise.

In this way, market differentiation is also important. Differentiation is important as a key element of the tourism business networks, and their contribution to destination development.

That's why many studies of small tourism businesses within a locality are needed, focusing on their interconnectedness through networks and the wider benefits this brings to the industry as a whole. On other side here are entrepreneurial and marketing orientation. An entrepreneurial orientation will provide a focus for the constructs of owner-manager involvement, owner-manager knowledge and owner-manager decision making. A marketing orientation will assist in obtaining the information on which the owner manager can base decisions. This is because a market orientation will facilitate the acquisition of information on competitors, the appreciation of customer preferences and understanding the drivers of customer satisfaction. In this way it's recognize the importance and influence of human resource management.

So, the creation and development of the entrepreneurship quality measure will enable entrepreneurs to identify a wide range of economic, social, policy and firm factors that may affect the development of high-quality entrepreneurship in small tourism business. Further, the creation and development of the entrepreneurship quality measure will also enable to uncover the critical role of high quality entrepreneurship in economic growth in general and in rural development in particular. In this way, a lot of studies represent the comparisons of the overall performance of the firms- which measure the adoption of technological and administrative innovations, sales and profit growth; and a subjective assessment of the firm's ability to respond to future changes in small business tourism.

The conclusion is that an entrepreneurial orientation is needed for the firm to keep pace with environmental developments is developed. Also, a strong marketing orientation is needed for the firm because this orientation increase the loyalty of its customers and therefore its customer retention performance.

In addition, entrepreneurial perception of market opportunity is significantly related to entrepreneurs' efforts to create a venture. Perceptions are what spur entrepreneurs into action through cognitive processes, social interaction, and the mobilization of resources, entrepreneurs enact these images and thereby create opportunities. So, entrepreneurs are cognitive agents operating in enacted environments in which the entrepreneur's key tasks are interpretation, sense-making, and the reduction of subjective uncertainty.

In order to underline the importance of discussion for the essential meaning of entrepreneurial leadership, market and marketing orientation, differentiation and tourism destination development, its necessary to understand their stronger influence upon the development of new products/services and the use of advanced technologies, as their stronger influence upon the market image of the firm, the achievement of sales targets, the use of effective pricing methods because tourisms seek to experience and locals are thought to have the potential to assist in the maintenance of an atmosphere conductive to tourism. The consideration of the needs of the tourisms and the preservation of the natural environment are essential factors which will brings high performance and benefits in small tourism business.

Key stakeholders in entrepreneurship development and economic growth will be better equipped to determine the types of incentives, organizations and institutions that will be needed to encourage, develop and sustain the aim of nurturing a vibrant environment for entrepreneurship development.

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