

## Rural Tourism Entrepreneurship: A Systematic Literature Review on Resources and Challenges

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### Abstract

The definition of rural tourism entrepreneurship remains unclear and only several literatures have mapped the existing state of knowledge in this topic. Through a systematic quantitative literature review, this study identifies, synthesizes and analyzes previous literature through a review process by investigating rural entrepreneurship and tourism entrepreneurship definitions, resources and challenges faced. The analysis of definitions reveals key aspects that include area and sector. The result of this study has theoretical implications. The results suggest that tourism villages can explore and improve their rural tourism entrepreneurship resources such as cultural, financial, human, natural, organizational, physical, political, and social resources to develop their tourism villages. However, there are some challenges that tourism villages faced in implemented rural tourism entrepreneurship, such as economic; political, government, legal; social, cultural, demographic, nature; technological; competitive.

**Keywords:** Rural entrepreneurship; tourism entrepreneurship; rural tourism entrepreneurship; systematic quantitative literature review; rural tourism.

### Introduction

Rural entrepreneurship (RE) is not a new concept with case studies in the literature (Yachin & Ioannides, 2020). Often mention as an entrepreneurial activity to enhance economic development (Kline, 2014), or to create value for the location (Yuan et al., 2017), RE strongly related with productivity of rural communities (Yachin, 2021). Meanwhile, tourism entrepreneurship (TE) is a popular research topic since its incorporate with diverse issues (Marcouiller, 2019). Often mention as an entrepreneurial activity to explore opportunity to develop economic (Kallmuenzer & Peters, 2018), creativity on tangible and intangible product (Meera & Vinodan, 2019), and related with tourism sector (Bertella, 2017). However, Rural Tourism Entrepreneurship (RTE) is a new concept in the literature. It combines rural entrepreneurship and tourism entrepreneurship. It is a hotspot of the research due to the lack of practical and theoretical linkage of those concepts (Solvoll, 2015). RTE means entrepreneurial activity in tourism context emerging in rural area. This concept is important especially after pandemic situation as tourism industry in worldwide has shrunk dramatically in 2020 and 2021 because of the Covid-19 pandemic (Statista Research Department, 2023). Regarding condition after covid-19 pandemic, the tourism village has a



number of advantages from an environmental standpoint. Its environment is rich in natural resources, and its population density is lower than that of the city, making it simpler to maintain physical separation and allowing people to breathe fresh air (Utami et al., 2023). Although nowadays people are not restricted to travel, people still want to avoid crowds. Therefore, open nature sites like in rural tourism area with few tourists are the next trend in tourism activities.

Moreover, interest towards tourism in rural communities has risen due to the decrease in agriculture and population outward migration (Cunha et al., 2020). Tourism can help stimulate the raise of local business activities and create jobs (Meyer & Meyer, 2015). If it is well managed, may help to support the rural economy and society, as well as becoming one of the most powerful forces impacting regional development (Blancas et al., 2011). In other word, tourism village development is associated with entrepreneurship which can help to improve sustainable tourism village (Kline, 2014). Furthermore, RTE is integrated with sustainable development goals (SGDs) such as SGDs number 1 “no poverty” that is rural entrepreneurship contributes to poverty reduction through employment creation and income generation, skill development, availability and accessibility of goods and services as well as social responsibility (Fiseha et al., 2019); SGDs number 11 “sustainable communities” that is entrepreneurs can contribute to the economic and social well-being of the local communities (Yuan et al., 2017); SGDs number 8 “economic growth” that is rural entrepreneurship is recognized as a primary engine of economic growth (Chandra Paul et al., 2014). Therefore, this is necessary to address the lack of theoretical linkage between RE and TE by identifying the resources and challenges in RTE. This paper focuses on understanding the dimensions that will be used as the basis for developing tourism village. Incorporating all the literature related to RTE for tourism village development to capture meaningful data using a systematic quantitative literature review.

## Methodology

The method in this study used a systematic quantitative literature review (SQLR) to identify, synthesize and analyses previous studies through a review process, which presents results in a more logical and structured manner. The method is also be able to replicate and produces reliable results (Rosalina et al., 2021). The SQLR consist of three stages. The first stage is to identify the keyword based on the topic of the study. The keywords used to collect the relevant databases from the variety credible scholarly sources, as it can escalate the comprehensiveness and triangulation of the results (Pickering & Byrne, 2014; Rosalina et al., 2021). The second stage is to structure database by reads the database. Moreover, the category tested and revised to produce and review summary tables. The third stage is to evaluate key results and make conclusions.

This study used five databases to assure the comprehensiveness of the results: Scopus, Science Direct, Web of Science, PoP, and Taylor & Francis. The search used the term “rural entrepreneurship” and “tourism entrepreneurship” as keywords. This initial search resulted in the identification of 7,379 articles. The second step was filtering some criteria such as full reference details, year, journal title, journal discipline, full text, only peer-reviewed journal, scopus paper, and written in English (see Table 1). After filter applied, these articles were reduced to 532, which resulted 78 articles after duplication removed. Abstracts were screened for relevant articles and reduced to 51 articles. The third steps assessed full-text articles for eligibility and resulted 47 as eligible articles for summary tables. This process illustrated in PRISMA flowchart for systematic review and meta-analysis (see Figure 1).

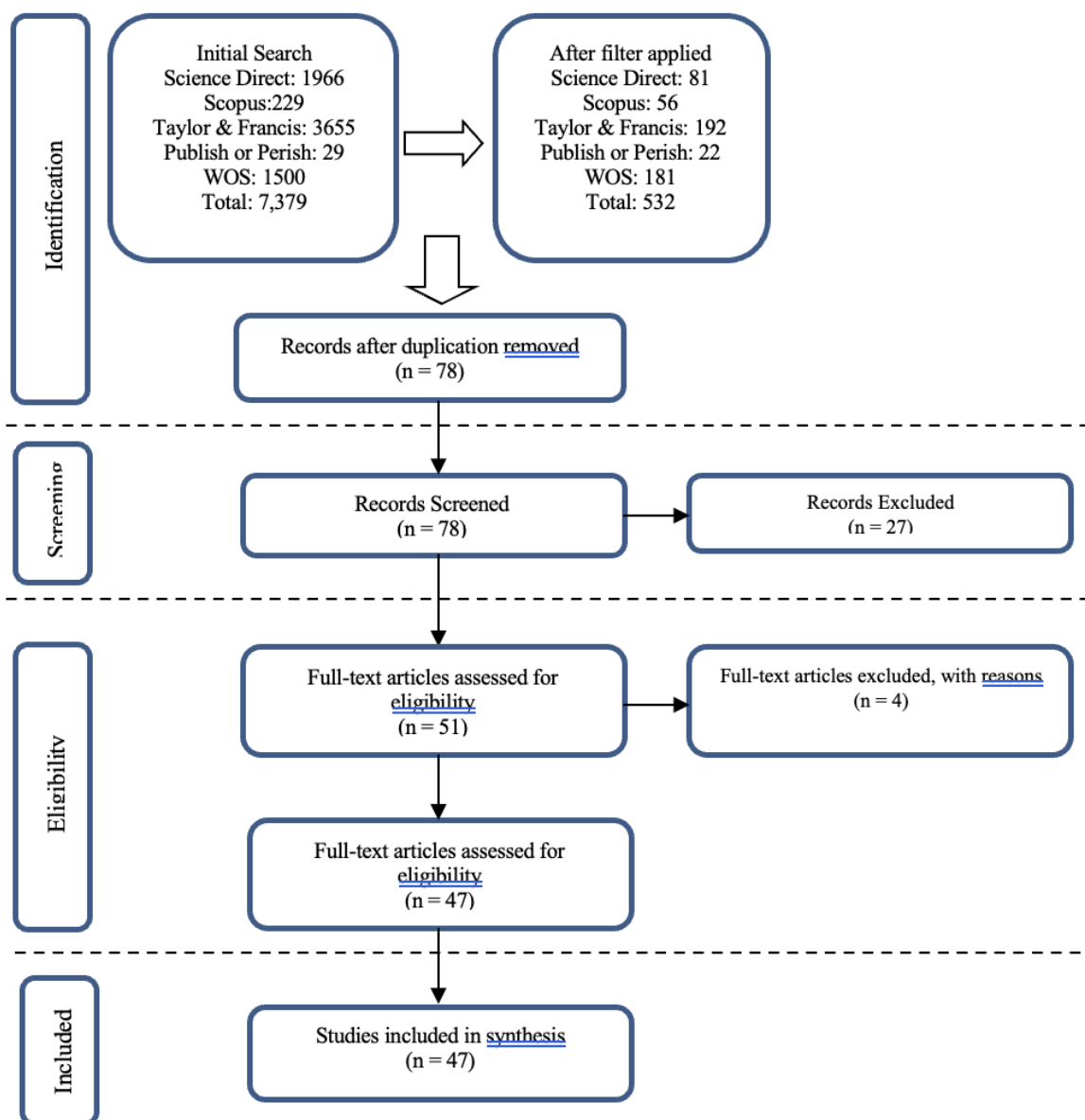


Figure 1. Prisma Flowchart

A content analysis was used by extracting descriptive information relating to resources and challenges in RTE. The content in this study utilized NVivo software and found the pattern through several nodes. The nodes were resources which consist of sub nodes physical, natural, financial, human, organization, political, social, culture; and challenges which consist of sub nodes political, government, legal; economic; social, cultural demographic, nature; technological; and competitive. An article may be included to several nodes if it addressed several categories. This study used crosstab feature on NVivo software as it can provide percentage of the reference to be identified and analyzed.

The review found that the articles were most published in Entrepreneurship and Regional Development Journal 8.89%, African Journal of Hospitality, Tourism and Leisure 6.67%, Journal of Sustainable Tourism 4.44%, Journal of Rural Studies 4.44%, Tourism Management 4.44%, Tourism Recreation Research 4.44%, Social and Behavioral Sciences 4.44%. There was significant growth of published paper related to rural tourism



entrepreneurship. Only 13 paper was published between 2010 and 2015, and 34 recorded between 2016 and 2021.

Table 1. Research inclusion and exclusion criteria

Criteria	Principle	Reasoning
Inclusion and Exclusion	Full text and details	To fully grasp the issues
	Peer-reviewed studies	To focus on high quality paper
	Focusing on rural entrepreneurship and tourism entrepreneurship	To limit the issues
	Written in english	The dominant language used in the research area

## Result

### *Rural tourism entrepreneurship*

Rural entrepreneurship (RE) is not a new concept with case studies in the literature (Zamani-Farahani, 2011), but Marques (2013) argued there are lack of literature on the topic of rural entrepreneurship. Although a specific type or a clear definition of rural entrepreneur may not exist (Sá et al., 2018) or conceptually underdeveloped (Shrivastava, 2020), there are several definition on rural entrepreneurship found in literature (Table 2).

Table 2. Rural entrepreneurship definition

No	Rural Entrepreneurship	Author
1	Rural entrepreneurship can be defined as rural industrialization.	Ahamad & Pandey, 2015; Korsgaard & Müller, 2015; Lekhanya & Visser, 2016
2	Rural entrepreneurship is defined as ‘the creation of a new organization that introduces a new product, serves or creates a new market, or utilizes a new technology in a rural environment’	Wortman, 1990
3	Rural entrepreneurship is defined as the entrepreneurial activity committed to its spatial context that implies the use of new resource combinations to create value for both the entrepreneur and the location	Korsgaard et al., 2015
3	Rural entrepreneurship is that type of entrepreneurship which ensures value addition to rural resources in rural areas, engaging largely rural humans	Lekhanya & Visser, 2016
4	Rural entrepreneurship means entrepreneurship emerging in rural areas or establishing industries in rural areas	Muthu, 2020
5	Rural entrepreneurship implies entrepreneurship emerging in rural areas	Fischa et al., 2019
6	Rural entrepreneurship is a local economic development that involves government and community organizations	Dhewanto et al., 2020

Table 3. Tourism entrepreneurship definition

No	Definition	Author
1	Tourism entrepreneurs are individuals developing businesses to explore opportunities to create goods and services in the form of small and medium sized enterprises focusing on farm attraction, homestays, bed and breakfasts (B and B), restaurants, coffee shops and small cafes, gifts shops, travel agencies, transport, parks and recreation and tour operators	Matsiliza, 2017
2	Tourism entrepreneurship is different since it refers to a specific and different industrial sector in terms of identification of entrepreneurial opportunities and the process of their conversion into consumable tourism products	Matsiliza, 2017
3	The relationship of tourism entrepreneurship and sustainable regional development can be motivated by the consideration that entrepreneurship has a potential to have positive impacts upon a region ‘s economic, socio-cultural and environmental aspects	Kallmuenzer et al., 2019
4	The extant entrepreneurship studies in tourism highlight the significance of creativity, innovation, capital and entrepreneurial orientation in the tourism product and destination development.	Hampton & Christensen, 2007; Richards, 2011; Seilov, 2015; Strobl & Peters, 2013; Williams & /Shaw, 2011
5	Tourism entrepreneurship studies concentrated on profit-making entrepreneurial activities, neglecting the social dimension of tourism entrepreneurship.	Perrini et al., 2010

Moreover, there is a growing need to enhance tourism entrepreneurship (TE), nevertheless lack of study focus on TE (Matsiliza, 2017). Therefore, there is limited definition and characteristic regarding TE (Zhang, 2021), still there are some TE definition found in



literature (Table 3). Furthermore, in the context of rural area, TE resources rarely explored in Literature (Leu, 2019).

### ***Finding based on RTE themes for dimension***

Table 4. Emerging themes and the nodes within 47 RTE studies for resources.

<b>Themes and references*</b>	<b>n</b>	<b>%</b>
<b>RESOURCES 43/47 and 497 references</b>		
Cultural	77	15.49
Financial	41	8.25
Human	70	14.08
Natural	60	12.07
Organizational	32	6.44
Physical	65	13.08
Political	64	12.88
Social	88	17.71

\*One article may be included to several nodes therefore it counted as more than one references.

Table 5. Classification of the literature on RTE resources

<b>Themes</b>	<b>Author</b>	<b>n</b>
<b>RESOURCES 43/47</b>		
<b>Cultural</b>	(Zamani-Farahani, 2011), (Marques, 2013), (Marcouiller, 2019), (Yachin & Ioannides, 2020), (Muñoz, 2019), (Yachin, 2021), (Bertella, 2017), (Pato, 2018), (Zhao et al., 2011), (Hlanyane, 2017), (Kline, 2014), (Meera and Vinodan, 2019), (Sá et al., 2018), (Dimitrovski et al., 2012), (Pilving et al., 2019), (Beckmann et al., 2021), (Rinaldi et al., 2020), (Yuan et al., 2017), (Kallmuenzer & Peters, 2018), (Shrivastava, 2020), (Nastase & Chasovschi, 2019), (Müller, 2017), (Gaddefors, 2019), (Deller, 2019), (Matsiliza, 2017), (Ellis, 2015), (Fortunato, 2014), (Korsgaard et al., 2015), (Kraus et al., 2021), (Leu, 2019), (Gavrila-Paven, 2015), (Pato, 2016).	32
<b>Financial</b>	(Muñoz, 2019), (Ngoasong, 2016), (Hlanyane, 2017), (Shrivastava, 2020), (Nastase & Chasovschi, 2019), (Pato, 2018), (Altinay et al., 2016), (Ellis, 2015), (Fortunato, 2014), (Yachin & Ioannides, 2020), (Kline, 2014), (Yuan et al., 2017), (Kallmuenzer & Peters, 2018), (Meera & Vinodan, 2019), (Zamani-Farahani, 2011), (Powell et al., 2011), (van Rooij & Margaryan, 2019), (Sá et al., 2018), (Galvao et al., 2020), (Müller, 2017), (Gaddefors, 2019), (Dhewanto et al., 2020), (Dimitrovski et al., 2012), (Zhao et al., 2011), (Kraus et al., 2021), (Pilving et al., 2019), (Beckmann et al., 2021), (Gavrila-Paven, 2015)	28
<b>Human</b>	(Pato, 2018), (Yachin & Ioannides, 2020), (Zamani-Farahani, 2011), (Shrivastava, 2020), (Deller, 2019), (Dhewanto et al., 2020), (Zhao et al., 2011), (Altinay et al., 2016), (Leu, 2019), (Muñoz, 2019), (Ellis, 2015), (Hlanyane, 2017), (Pato, 2016), (Yuan et al., 2017), (Galvao et al., 2020), (Nastase & Chasovschi, 2019), (Matsiliza, 2017), (Dias et al., 2019), (Kline, 2014)(Marcouiller, 2019), (Kallmuenzer & Peters, 2018), (Ngoasong, 2016), (Müller, 2017), (Xue et al., 2020), (Fortunato, 2014), (Kraus et al., 2021), (Xiong, 2020), (Pilving et al., 2019), (Hallak, 2015).	29
<b>Natural</b>	(Yachin & Ioannides, 2020), (Marcouiller, 2019), (Sá et al., 2018), (Muñoz, 2019), (Yachin, 2021), (Pato, 2018), (Leu, 2019), (Kline, 2014), (Kallmuenzer & Peters, 2018), (Bertella, 2017), (van Rooij & Margaryan, 2019), (Dhewanto et al., 2020), (Dimitrovski et al., 2012), (Pilving et al., 2019), (Gavrila-Paven, 2015), (Yuan et al., 2017), (Gkoumas, 2019), (Meera & Vinodan, 2019), (Zamani-Farahani, 2011), (Ngoasong, 2016), (Shrivastava, 2020), (Nastase & Chasovschi, 2019), (Müller, 2017), (Gaddefors, 2019), (Deller, 2019), (Zhao et al., 2011), (Altinay et al., 2016), (Hlanyane, 2017), (Rinaldi et al., 2020).	29
<b>Organisational</b>	(Marcouiller, 2019), (Marques, 2013), (Dimitrovski et al., 2012), (Yachin & Ioannides, 2020), (Zamani-Farahani, 2011), (Dhewanto et al., 2020), (Pilving et al., 2019), (Leu, 2019), (Kline, 2014), (Yachin, 2021), (Kallmuenzer & Peters, 2018), (Ngoasong, 2016), (Shrivastava, 2020), (Muñoz, 2019), (Beckmann et al., 2021), (Hallak, 2015), (Hlanyane, 2017), (Pato, 2016), (Rinaldi et al., 2020).	19
<b>Physical</b>	(Marcouiller, 2019), (Zamani-Farahani, 2011), (Muñoz, 2019), (Yachin & Ioannides, 2020), (Kallmuenzer & Peters, 2018), (Bertella, 2017), (Marques, 2013), (Hlanyane, 2017), (Kline, 2014), (Ngoasong, 2016), (Sá et al., 2018), (Müller, 2017), (Pato, 2018), (Dhewanto et al., 2020), (Dimitrovski et al., 2012), (Matsiliza, 2017), (Pato, 2016), (Yuan et al., 2017), (Shrivastava, 2020), (Galvao et al., 2020), (Nastase & Chasovschi, 2019), (Gaddefors, 2019), (Ellis, 2015), (Fortunato, 2014), (Korsgaard et al., 2015), (Xiong, 2020), (Pilving et al., 2019), (Beckmann et al., 2021), (Leu, 2019), (Rinaldi et al., 2020)	30
<b>Political</b>	(Shrivastava, 2020), (Altinay et al., 2016), (Marcouiller, 2019), (Galvao et al., 2020), (Ellis, 2015), (Pato, 2016), (Yachin & Ioannides, 2020), (Zamani-Farahani, 2011), (Nastase & Chasovschi, 2019), (Muñoz, 2019), (Dhewanto et al., 2020), (Xue et al., 2020), (Matsiliza, 2017), (Pilving et al., 2019), (Beckmann et al., 2021), (Leu, 2019), (Kline, 2014), (Yuan et al., 2017), (Yachin, 2021), (Gkoumas, 2019), (Meera & Vinodan, 2019), (Bertella, 2017), (Ngoasong, 2016), (Powell et al., 2011), (Marques, 2013), (Sá et al., 2018), (Gaddefors, 2019), (Deller, 2019), (Pato, 2018), (Dimitrovski et al., 2012), (Zhao et al., 2011), (Fortunato, 2014), (Korsgaard et al., 2015), (Kraus et al., 2021), (Hallak, 2015), (Gavrila-Paven, 2015), (Dias et al., 2019).	37
<b>Social</b>	(Shrivastava, 2020), (Muñoz, 2019), (Pilving et al., 2019), (Zamani-Farahani, 2011), (Marques, 2013), (Zhao et al., 2011), (Leu, 2019), (Yachin & Ioannides, 2020), (Ngoasong, 2016), (Marcouiller, 2019), (Bertella, 2017), (Gaddefors, 2019), (Kallmuenzer & Peters, 2018), (Sá et al., 2018), (Galvao et al., 2020), (Deller, 2019), (Dhewanto et al., 2020), (Hlanyane, 2017), (Yuan et al., 2017), (Meera & Vinodan, 2019), (Nastase & Chasovschi, 2019), (Müller, 2017), (Dimitrovski et al., 2012), (Ellis, 2015), (Fortunato, 2014), (Kraus et al., 2021), (Beckmann et al., 2021), (Hallak, 2015), (Gavrila-Paven, 2015), (Pato, 2016)	30

Based on those definitions, it can be concluded that RE is entrepreneurial activities in rural area, but the sector is broad. On the other hand, TE is entrepreneurial activities that concentrated in tourism sector, but the area is broad. Therefore, rural tourism entrepreneurship (RTE) means entrepreneurship in tourism context emerging in rural areas. This proposed study will look at both TE and RE in order to develop a RTE resources and challenges. The finding on emerging theme and literature for resources are provided in Table 4 and 5 as well as the model of RTE resources (RTER) is presented in Figure 2.

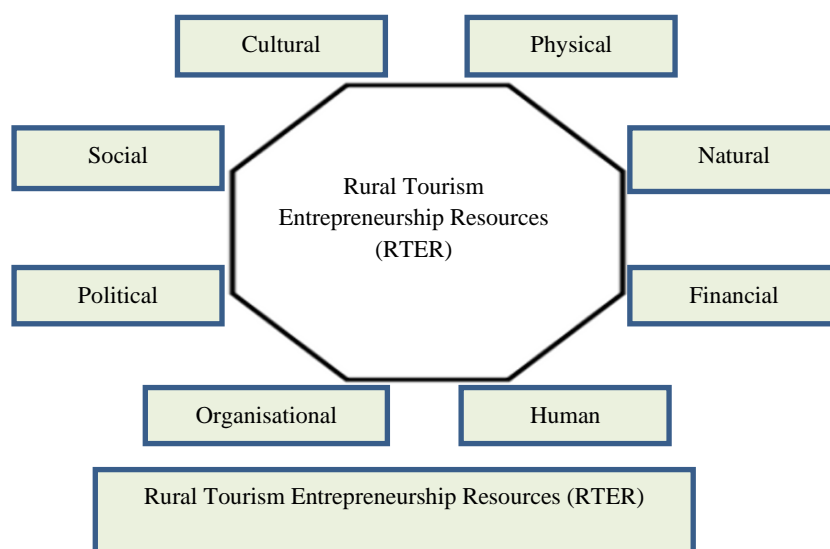


Figure 2 Rural tourism entrepreneurship resources (RTER)

Furthermore, challenges from external environment might slow down the development of tourism village. Nevertheless, the tourism village has no control over external forces, so it needs to examine their environment and how those elements affect it now or in the future. In doing so, external environment scanning can show opportunities and threats that can impact the tourism village. It can help tourism village to formulate competitive advantage strategies by exploiting the opportunities effectively and reducing the threats (David & David, 2017).

Based on Hill et al. (2017) external environment be divided into; economic, technological, demographic, social, and political context. On the other hand, Rothaermel (2017) mentioned that external environment consists of legal, ecological, technological, sociocultural, economic, and political. Moreover, Hitt et al. (2017) explained that external environment considered several factors, such as demographic, economic, political/ legal, sociocultural, technological. Furthermore, Kunc (2019) stated that external environment defined by political, economic, social, technological, and environmental. Gamble et al., (2019) mentioned external environment has six components, such as economic, sociocultural, technological, environmental, legal/regulatory, political.

However, all of external factors mentioned by Gamble et al. (2019), Hill et al. (2017), Hitt et al. (2017), Kunc (2019), Rothaermel (2017) can be categorised as economic forces; social, cultural, demographic and natural forces; political, governmental, and legal forces; technological forces; and competitive forces. The finding on emerging theme and literature for challenges are provided in Table 6 and 7, as well as the model of RTE external challenges is presented in Figure 3.



Table 6. Emerging themes and the nodes within 47 RTE studies for Challenge.

Themes and references*	n	%
<b>CHALLENGE 34/47 and 134 references</b>		
Economic	15	11.19
Political, Government, Legal	50	37.31
Social, Cultural, Demographic, Nature	27	20.15
Technological	32	23.88
Competitive	10	7.46

\*One article may be included to several nodes therefore it counted as more than one references.

Table 7. Classification of the literature on RTE challenges

Themes	Author	Number
<b>CHALLENGE 34/47</b>		
Economic	(Hlanyane, 2017), (Yuan et al., 2017), (Zamani-Farahani, 2011), (Gkoumas, 2019), (Shrivastava, 2020), (Kline, 2014), (Gaddefors, 2019), (Zhao et al., 2011), (Deller, 2019), (Pilving et al., 2019), (Beckmann et al., 2021), (Rinaldi et al., 2020), (Dias et al., 2019).	13
Political, Government, Legal	(Shrivastava, 2020), (Hlanyane, 2017), (Galvao et al., 2020), (Dhewanto et al., 2020), (Pato, 2016), (Gkoumas, 2019), (Lebambo, 2019), (Sá et al., 2018), (Zamani-Farahani, 2011), (Muñoz, 2019), (Matsiliza, 2017), (Fortunato, 2014), (Beckmann et al., 2021), (Pato, 2018), (Yuan et al., 2017), (Leu, 2019), (Xiong, 2020), (Ellis, 2015), (Kline, 2014), (Nastase & Chasovschi, 2019), (Zhao et al., 2011), (Ngoasong, 2016), (Deller, 2019), (Dimitrovski et al., 2012), (Rinaldi et al., 2020).	25
Social, Cultural, Demographic, Nature	(Zamani-Farahani, 2011), (Pato, 2018), (Galvao et al., 2020), (Pato, 2016), (Gaddefors, 2019), (Dias et al., 2019), (Yuan et al., 2017), (Ellis, 2015), (Hlanyane, 2017), (Gkoumas, 2019), (Marques, 2013), (Kline, 2014), (Zhao et al., 2011), (Yachin & Ioannides, 2020), (Yachin, 2021), (Fortunato, 2014), (Beckmann et al., 2021), (Rinaldi et al., 2020).	18
Technological	(Shrivastava, 2020), (Matsiliza, 2017), (Beckmann et al., 2021), (Zamani-Farahani, 2011), (Hlanyane, 2017), (Kraus et al., 2021), (Dias et al., 2019), (Dhewanto et al., 2020), (Yuan et al., 2017), (Leu, 2019), (Hallak, 2015), (Pato, 2016), (Xiong, 2020), (Ellis, 2015), (Zhao et al., 2011), (Ngoasong, 2016), (Dimitrovski et al., 2012), (Fortunato, 2014).	18
Competitive	(Pato, 2016), (Galvao et al., 2020), (Leu, 2019), (Xiong, 2020), (Ellis, 2015), (Hlanyane, 2017), (Gkoumas, 2019), (Zhao et al., 2011), (Gavrila-Paven, 2015).	9

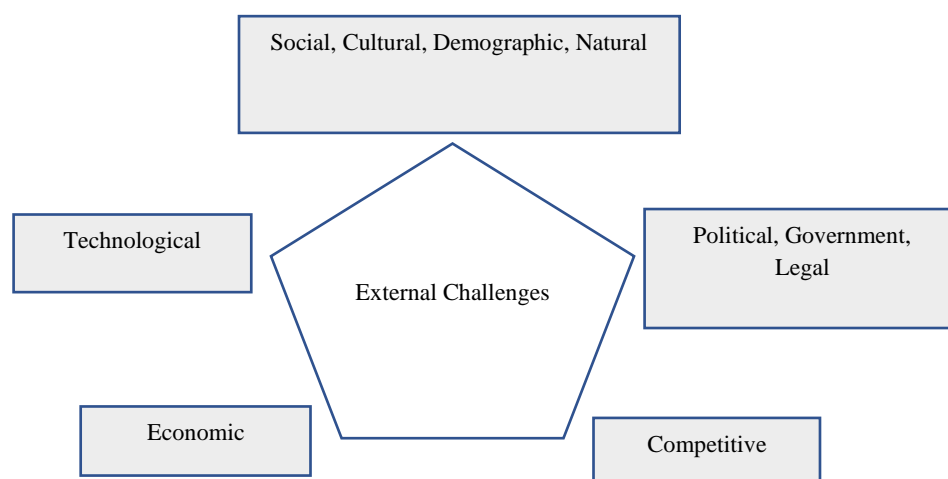


Figure 3 Rural Tourism Entrepreneurship External Challenges.

Based on findings above, two emerging themes found on the RTE (Figure 4).

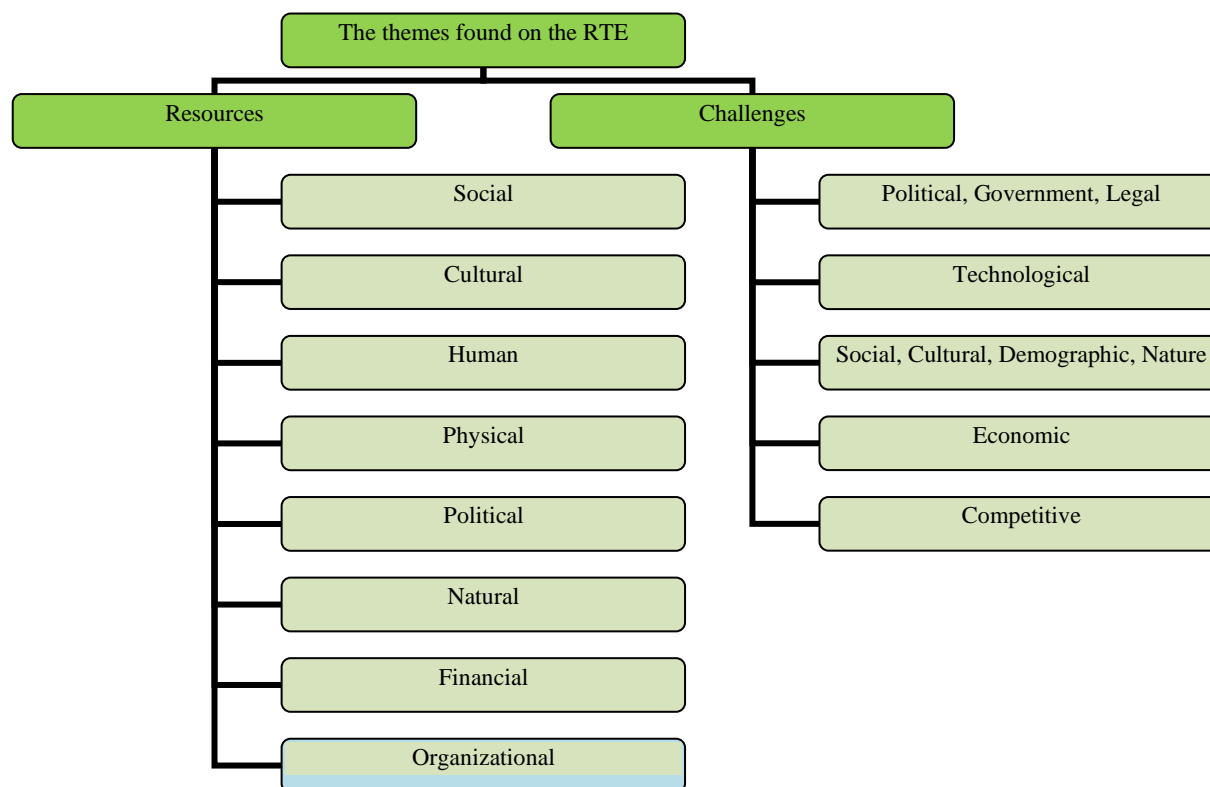


Figure 4. The themes found on the Rural Tourism Entrepreneurship (RTE)

## Discussion

### *Natural resource*

Rural areas have many natural resources that potential to resources development (Yuan et al., 2017). It can be favorable locations for the development of rural entrepreneurship, by exploring natural resources that might be increase the economy of the area and innovative enterprises (Nastase & Chasovschi, 2019). Subsequently, rural entrepreneurship is determined by regional characteristic such as natural resources that can support or hinder the development of products and knowledge in rural area (Sá et al., 2018).

Moreover, Sá et al. (2018) argue that rural area offers natural characteristics and opportunities in which rural entrepreneurship may evolve. The opportunities such as offer experience in tourism that is engage with local nature and culture, which is manifested by local actors in local enterprises (Yachin, 2021; Yachin & Ioannides, 2020). More than that, local tourism enterprises can utilise natural resources that are available in rural areas and entail only little investment (van Rooij & Margaryan, 2019). For example, In Sweden, natural resources like clean air, vast spaces, scenery, wildlife and nature are some attractive aspects searched for and manage by local enterprise (Yachin & Ioannides, 2020; van Rooij & Margaryan, 2019). In addition, visitors like to have access to the natural resources such as sail to the fishing waters or nature-related tours (Yachin & Ioannides, 2020). Those resources potentially available for little or no cost (Yachin & Ioannides, 2020). The local tourism entrepreneurs could explore natural resources to deliver educational experiences for visitors in the form of fruit picking, planting, cooking class (Bertella, 2017) fishing, tea picking, drinking tea, etc (Zhao et al., 2011). This is in line with Sá et al., (2018) that mentioned rural area offer natural condition that can be converted into resources for entrepreneurs to create





tourism activities and develop regional economy. This can be identified that nature is the core resource in rural tourism entrepreneurship (Yachin & Ioannides, 2020). This is in line with Pilving et al., (2019) that mentioned local resources such as nature is one of the form the core (pre-conditions) for tourism collaboration.

Moreover, the available resources such as nature can be combined (Gaddefors, 2019) that might build the foundation for rural growth (Deller, 2019). For example, natural resources (e.g park) and physical resources (e.g traditional house) can provide the place to support cultural performance and social activities and also preserve rural value and tradition (Muñoz, 2019). Therefore, natural resources are utilised by the entrepreneurs to operate in tourism sectors (Müller, 2017). For example, farm is the essential natural resources in Norway for starting up tourism enterprise (Leu, 2019). Tourism entrepreneurs explore the availability of potential resources such as natural resources to develop their local livelihood. However, tourism entrepreneurs should capable to integrate natural resources and tourism industries to seize entrepreneurship opportunities in the region (Bertella, 2017).

Furthermore, entrepreneur in tourism should engage with local characteristic thereby connect the tourism activities to the local resources (Dimitrovski et al., 2012). This is in line with Yachin (2021) that stated tourism activities need multiple stakeholders who have concern on tangible and intangible resources, like nature and local characteristic. Rural entrepreneurship encourage entrepreneurs to explore potential natural resources not only for individual benefit but also for region benefit (Sá et al., 2018). However, there is a challenge to integrate natural resources and the other resources in the absence of the capability to explore natural resources as their economic potencies in rural area to be sustainable (Dhewanto et al., 2020). Therefore, Yuan et al., (2017) suggest that rural area with abundant natural resources require to be integrates with human resources who has talent to manage it as it makes sustainability of rural entrepreneurship in tourism area.

### ***Human resource***

Pato (2016) defined human resources as one of the essential aspects to evolve entrepreneurial activities in rural area. In addition, human resources is the driver of entrepreneurship to enhance innovation and entrepreneurial skills (Yuan et al., 2017). This human resources and entrepreneurial activity makes innovative environment that support sustainable economic development in rural area (Dias et al., 2019).

Moreover, human resources is critical in tourism entrepreneurship to manage and secure other resources (Pato, 2018). This indicate that tangible and intangible aspect of human resources have to be sufficient for tourism entrepreneurship in rural area (Pilving et al., 2019; Xue et al., 2020). The sufficient tangible aspects means that the number of human resources in accordance with the required (Pato, 2018). This should be considered since human resources is typically scarcer in rural area (Nastase and Chasovschi, 2019). However, the rapid decline of employment and aging population are general problems faced in rural area (Yuan et al., 2017). Therefore, limited human resources is the most challenging situation and be a serious concern (Korsgaard and Müller, 2015; Müller, 2017; Zhao et al., 2011).

On the other hand, the intangible aspect such as people's motivation to participate in tourism activities and skill learned in childhood are the trigger to take part in tourism enterprise (Pato, 2016). In addition, entrepreneurial skills is necessary to be developed (Yachin and Ioannides, 2020) as it might boost the success of tourism entrepreneurship in rural area (Nastase & Chasovschi, 2019). Similarly, Yachin and Ioannides (2020) notes that tourism enterprise should engage with local people, and develop their skills since it might increase intrinsic motivation and dynamic behaviour to achieve success in tourism entrepreneurship (Yuan et al., 2017). Moreover, Marcouiller (2019) mentioned that local



people especially local young generations are crucial to the development of entrepreneurship in rural area. In this respect, local people have more knowledge regarding availability of the resources and they have spirit to develop their area (Kallmuenzer & Peters, 2018). Therefore, the quality of human resources in rural tourism needs to be improved to enhance entrepreneurship initiatives, cooperation, and collaboration (Zamani-Farahani, 2011). Besides that, the problem of lack education in rural area should be overcome (Nastase & Chasovschi, 2019) as it can raise local people capacities to identify opportunities and innovate that link to the future success of rural tourism area (Ngoasong, 2016).

Local people as human resources in tourism entrepreneurship need to develop their communication skills and services to the visitors (Shrivastava, 2020). This is important since interactions between visitors and local people as one of the aspects that can boost the success of tourism entrepreneurship in rural area. For example, in the case of homestay, local people are not only just rent their house to the visitor, but also do communication with visitor, feeding and show the hospitality to them (Shrivastava, 2020). Therefore, the local community or organisation should supervise and make sure that local people deliver hospitality, awareness, and good communication skill as limited supervise over human resources is a challenge in rural tourism development (Yachin & Ioannides, 2020). In doing so, this can be actualised by training and educating to boost the capabilities of local people (Galvao et al., 2020). In addition, escalate skill levels (Ellis, 2015) and education levels (Hallak, 2015) are significantly related to enterprise performance. Furthermore, local people's skill or abilities should be developed that match with the experiences and services that will be provided (Nastase & Chasovschi, 2019). Generally speaking, the characteristic of local people and environment should be considered (Müller, 2017). In this respect, Pato (2016) define rural enterprises as businesses that utilize and offer local services, employ local people, and generate income for local community.

### ***Political resources***

Political resources is essential for tourism entrepreneurship in rural area to secure other resources (Altinay et al., 2016) and destination planners or managers can optimally develop their area to be sustained (Meera & Vinodan, 2019). Subsequently, in rural tourism entrepreneurship context, political resources is necessary to enhance tourism entrepreneurial activity (Korsgaard et al., 2015). Therefore, tourism enterprises need to engage with local community and make sure that they get support from every stakeholder for the development of tourism in their area (Altinay et al., 2016). This is what Altinay et al., (2016) defined as political and institutional resource used by tourism organizations for tourism development in destinations. It show the important of involvement and collaboration of stakeholders to tourism entrepreneurial activities (Altinay et al., 2016). Tourism enterprises enable to share costs and offer tourism products under the same umbrella by collaborating and networking (Yachin & Ioannides, 2020). However, collaboration and networking are influenced by political environment (Pilving et al., 2019). The actors from public, private and non-government sectors need to collaborate, build network, and work collectively to create opportunities and better conditions in rural area (Dhewanto et al., 2020). Generally speaking, partnership is an essential element for the success of entrepreneurship development (Powell et al., 2011).

Moreover, the government as one of the actor, need to formulate policy to become more precise in supporting rural tourism entrepreneurship for sustainable rural area (Matsiliza, 2017). This is in line with (Marcouiller, 2019) that mentioned government have a role in bringing up tourism innovation, and secure tourism resources for sustainable tourism growth (Dimitrovski et al., 2012). On the other hand, Galvao et al., (2020) mentioned that



many entrepreneurs depend on their own resources due to lack of comprehensive entrepreneurship policies in rural areas. For example, they use their own devices to gain the important information for business success (Fortunato, 2014). In many cases, this is due to the lack of power and attention from local governments to design effective policy and regulatory frameworks (Beckmann et al., 2021).

In the enterprise perspective, government can implement policies to foster capability such as knowledge exchange, consultation, and skill development, also incentive support, or platform provision for local enterprise (Beckmann et al., 2021). In addition, from a tourism perspective, government policies are needed to support several institutions such as schools and universities that focus on tourism capacity building for sustainability (Matsiliza, 2017).

Nevertheless, policies and regulation that focus on tourism development rarely involve practitioners and are therefore less sustainable (Matsiliza, 2017). Therefore, policies and regulation should support school, universities, or training institution to insert sustainability on tourism curricula. In addition, policy makers should engage with rural tourism management to plan sustainable rural tourism entrepreneurship strategies (Matsiliza, 2017). Moreover, rural tourism managers should develop links between local communities and tourism entrepreneurs to enhance economic development in their areas through sustainable entrepreneurship (Hallak, 2015). One of the policy recommendations is to integrate the agricultural and tourism sectors to capture entrepreneurial opportunities in their area, as well as explore natural resources (Bertella, 2017). It is suggested that political resources should be considered in strategic planning and development strategies, and that local communities should improve their networks so that they are prepared to face internal and external challenges (Zhao et al., 2011). However, appropriate policies to support and foster rural entrepreneurship are often influenced by local governments (Dias et al., 2019).

### ***Cultural resource***

Tourism activities are not only based on tangible resources but also intangible resources such as culture, local identities, heritage, and traditions that connect with multiple stakeholders (Yachin, 2021; Yachin & Ioannides, 2020). Similarly, Müller (2017) found that tourism often deliver and offer experiences use immaterial resources like culture and local identity. Because of that, it is important to preserve the culture as value to support the other resources (Muñoz, 2019). Moreover, tourism in rural areas create conditions for building a “cultural economy”, for example local crafts, arts, food, folklore, historical sites that can be resource for entrepreneurs (Sá et al., 2018). Those conditions capture two drivers of tourism entrepreneurship in rural area that are local culture and social structure (Muñoz, 2019). Subsequently, local culture and social structure have to be strengthened to support entrepreneurship opportunities rather than exploit local culture as a product in rural tourism (Shrivastava, 2020). On the other hand, Matsiliza (2017) states that tourism entrepreneurship thrives in areas where local culture is developed as a consumable product such as cultural attires or local crafts, and is promoted as a way to boost local economy. In this respects, the concept of tourism, rural, and culture are interrelated and multidimensional, rooted in local traditions, arts, places, heritage, lifestyles, and community values that are preserved from generation to generation and can be experienced by tourists (Sá et al., 2018).

Furthermore, many rural areas in Europe have been converted into tourism and recreation areas which still prioritize the preservation of cultural heritage and natural values, this is due to a decrease in the number of jobs in agriculture (Pilving et al., 2019). In addition, tourism in rural areas can increase job opportunities and encourage entrepreneurship (Beckmann et al., 2021). This can be obtained by exploring local cultural values and connecting them with local characteristics and engaging with local people that can add value



to attractiveness as well as create job opportunities (Pato, 2016). Moreover, since rural tourism usually requires cultural attractions, festivals, guides, cultural attires, and other related service sectors in the area, it can also turn local culture into commodities when visitor expect to experience traditional festivals and ceremonies (Kline, 2014). Thus, rural area should explore its specific culinary, history, as well as geographic background to provoke their unique cultural identities (Beckmann et al., 2021). The strong or unique cultural identity can affect the business in the area (Beckmann et al., 2021) and the rich cultural activities in rural area will attract tourist to come (Gavrila-Paven, 2015). This capture cultural resources as one of important resource (Yachin & Ioannides, 2020) and one of the core for tourism collaboration (Pilving et al., 2019).

For example, the visitor can rent local people house as homestay and able to get cultural experience in rural area. The local people can get income and preserve their culture from this tourism entrepreneurship as well as the visitor can get new experience (Leu, 2019; Marques, 2013). The other example is authentic food and beverages in rural area as local gastronomic identities can increase the curiosity and experience for the visitor (Ellis, 2015; Rinaldi et al., 2020). The uniqueness is not only about the authentic food and beverages, but also how to serve and package in traditional way according to their culture. Also it can be combine accommodation, food and beverage, activities, and performance to give the visitor a richer experience (Marques, 2013). This is in line with (Marcouiller, 2019) that stated in order to give a richer cultural experience, it need combination of several tourism products for example restaurants, lodging, entertainment, music, artwork transportation, local craft, cultural-historic, guides and other related tourism products.

However, in order to explore its unique or strong cultural resources, rural area requires education of the local people to involve in tourism activities (Dimitrovski et al., 2012). It needs network and support from the universities or institutions to educate people in rural area (Muñoz, 2019). Furthermore, the local people in rural area should have ability to communicate and interpret as it can transfer the cultural value to the visitor. In this respect, this is important to integrate cultural resource and social resources.

### ***Social resource***

Social resource is an aspect that can influence community willingness and the level of participation in the development of local tourism (Zhao et al., 2011). In addition, social aspect is not only encourage local people to get involve in rural tourism entrepreneurship, but also an outcome as well (Leu, 2019). In this respect, this is because social resources can establish mutual benefits for local people, visitors, as well as local entrepreneur (Hallak, 2015). For example, visitors stay at local people house to get cultural experience, in doing so it needs social ability to develop strong bonds with the visitors. In Malaysia, visitors are very impressed and appreciate the warmth attitude of local people toward them, local people enthusiasm, friendly, caring attitude, and concern for visitors (Zamani-Farahani, 2011). Similarly in Serbia, it is necessary that rural households provide hospitality and implement appropriate behaviour to make convenience and create long-term friendships with the visitors (Dimitrovski et al., 2012).

The social activities between local people and visitor is not only create memorable experience, but also it can preserve tradition by communicate its value (Meera & Vinodan, 2019; Muñoz, 2019). It is in line with (Pilving et al., 2019) and (Shrivastava, 2020) that stated communication plays important role to build relationship, partnership, and deliver local value. Furthermore, it can build trust, emotional bond, preserve culture, memorable experience, and convenience as it can create job opportunity and additional income (Marques, 2013; Zhao et al., 2011). Therefore, it capture social resource give benefits for local people to



generate income as well as be the necessary resource to create entrepreneurial opportunities in rural tourism areas (Shrivastava, 2020). Also, (Sá et al., 2018) stated that social resource can develop a favourable entrepreneurial climate, knowledge exchange, and elaborate networking.

However, strengthening of social resource in rural areas often occur through informal approach and process which influence local people behaviour (Galvao et al., 2020; Muñoz, 2019). Thus, entrepreneurs in rural area have to consider social abilities to get involve in local network as well as get cooperate with local people (Kallmuenzer & Peters, 2018; Pato, 2016), such as friendliness (Bertella, 2017), innovation (Ellis, 2015), network (Zhao et al., 2011), collaboration (Pilving et al., 2019), motivation (Leu, 2019), cooperation (Gavrilă-Paven, 2015), and communication (Shrivastava, 2020).

Therefore, social resource is important aspect to elaborate entrepreneurial activities in rural area (Dhewanto et al., 2020). In other word, rural entrepreneurship growth is influenced by social resource (Dhewanto et al., 2020) as it can enhance entrepreneurial behaviour (Shrivastava, 2020). Moreover, social resources is one of the aspect that form the pre-condition for collaboration in local tourism (Pilving et al., 2019) and it can enhance the cooperation in rural area (Gavrilă-Paven, 2015). For example, (Zamani-Farahani, 2011) mentioned that local people show less acceptance of visitors who are different in culturally or physically from themselves. Nevertheless, those differences can be overcome by appropriate social contact between local people and visitor as it can change to tolerance, mutual appreciation, respect, and understanding (Zamani-Farahani, 2011).

### ***Physical resource***

Rural area has several challenges such as underemployment, economic decline, lack of quality level of human resource, and lack of financial resources (Beckmann et al., 2021). On the other hand, rural areas have not only unique cultural characteristic but also physical resources as the opportunity for rural tourism entrepreneurship (Beckmann et al., 2021). This is in line with Ellis, (2015) that stated physical resources can enhance benefit for existing and new enterprise in rural areas. For example the accommodation as available physical resource in rural area (local people house as homestay, campgrounds), food service (local restaurant, coffee shops, typical food stall), attraction (farms as agritourism, geo-tourism, ecotourism, historical tourism), transportation (trishaw, gig, horse), and retail operation (typical handicraft shop) (Marcouiller, 2019; Ngoasong, 2016; Xiong, 2020; Matsiliza, 2017; Kallmuenzer and Peters, 2018).

Nevertheless, there are some aspect that need to be concern in rural tourism area, such as lack of transport viability which can slow the development of tourism entrepreneurship in rural area (Matsiliza, 2017), marking walking path to organise walking tour, visitor sign to give information of direction and safety, visitor mapping especially with regard to foreign visitors (Dimitrovski et al., 2012). Therefore, it is necessary to make sure the physical resource can be accessible to support the development of rural tourism entrepreneurship (Dimitrovski et al., 2012).

Furthermore, tourism entrepreneur in rural area need to create memorable experience for visitor which integrate physical resource as tangible aspect with cultural and social aspect such as the ability to interpret, traditional event, and local people behaviour (Marcouiller, 2019). For instance, rural tourism entrepreneur can offer classical or traditional music and dance in the historical building or traditional house to create experience for visitor as they can try to play the musical instrument as well as join to dance (Bertella, 2017). It can be said that the physical resource can support social and cultural activities to preserve traditions and value (Korsgaard et al., 2015).



Moreover, local people house as physical resource can attract visitor to stay longer in rural tourism area and create experience since visitor can live with the foster family and engage with host's daily life (Zamani-Farahani, 2011). Those combination activities which use physical, cultural, and social resources, can give visitor a richer experience (Marques, 2013). However, the cleanliness and hygiene of some facilities such as toilets as well as meals served have to be more concerned (Zamani-Farahani, 2011; Hlanyane, 2017). In doing so, the appropriate physical resources, cultural and social resources is fundamental (Galvao et al., 2020).

### ***Financial resource***

Rural are often have limited financial resource to support their business (Fortunato, 2014; Pato, 2020), whereas it can be a necessary resource to create, growth, and survival of new and existing business in rural area (Sá et al., 2018). This is in line with Nastase and Chasovschi (2019) and Müller (2017) who stated that lack of financial resources can be the main challenge for developing an existing business as well as starting a new business. In addition, remoteness and gaps in financial resources can be threats to entrepreneurial activity in rural area (Fortunato, 2014).

Moreover, the absence of financial resources in rural area can create difficulties to generate opportunities (Yachin & Ioannides, 2020; Zhao et al., 2011; Ngoasong, 2016; Nastase & Chasovschi, 2019), such as innovation, markets development, product development, create social value, production process, and organise business (Altinay et al., 2016; Kline, 2014). Therefore, rural area should explore financial resource that appropriate with their characteristics, for example linking between the business units and the charity which can enable its business units to share costs. In this respect, the business units can use the fund for tangible aspect such as keep the building sustain, internet connections, fuel, water, electricity as well as develop intangible aspect such as health, education, training and preserve culture that can attract funding from stakeholders. Furthermore, social value creation in rural tourism entrepreneurship can draw attention to generate funding, such scholarship for school children, improve healthy living, provide clean water, and provide tourism training (Altinay et al., 2016).

In doing so, it needs collective responsibility in order to gain access to financial resources. Therefore, the financial institutions, government representatives, local communities, academics, and entrepreneurs should participate and collaborate (Altinay et al., 2016; Muñoz, 2019). For example, local government should guide and encourage financial institutions to help and support entrepreneur for creating innovation and protecting entrepreneurship (Kraus et al., 2021). Moreover, financial institution should accompany rural tourism entrepreneur in achieving continuous collaboration where the funder and the entrepreneur move forward together (Hlanyane, 2017; Muñoz, 2019). Furthermore, rural tourism entrepreneur could get a better chance to gain more financial support from the funder to develop their business if they have skill in their field, talent, experience, innovation, networks, growth orientation, communication and management ability (Shrivastava, 2020; Yuan et al., 2017).

The finding from previous study suggesting financial as the most influential resources of the other resources (Beckmann et al., 2021; Kallmuenzer and Peters, 2018; Yuan et al., 2017). However, this study found that financial resources is important to secure and expand other type of resources regarding rural tourism entrepreneurship. For example, Dhewanto et al., (2020) stated that entrepreneur in rural area A, collaborates with financial institutions to support communities to evolve their business with funding. They have mutual program and commitment as the entrepreneur could generate profits as well as creating social impact. The



business is not only focus on the economic matter, but also overcome social problem in rural area. It can be said that financial resources could secure and expand the other aspect in rural tourism entrepreneurship. This is in line with Sá et al., (2018) that stated with the lack of financial resources, the impact of the business is more limited.

Furthermore, Pilving et al., (2019) stated that financial resources is a good accelerator to push forward entrepreneurship in rural tourism. However, the entrepreneur should prepare as the partnership or funding could end someday. In doing so, how to sustain and manage the funding in rural tourism entrepreneurship is important to be considered. In line with Pilving et al., (2019), Beckmann et al., (2021) stated rural area can't dependent on funding from other institution forever as it might be influenced by political environment, therefore they should concern on sustainable entrepreneurship for the future development.

### ***Organisational resources***

Organisational resource is essential to control and coordinate actors in rural tourism entrepreneurship as well as secure other resources (Dimitrovski et al., 2012). It is needed as it could manage long-term activities, resources, positive impact (Dhewanto et al., 2020; Dimitrovski et al., 2012), enhance entrepreneurial behaviour, and stimulate cooperation in rural tourism area (Kallmuenzer and Peters, 2018). For example, in Serbia, it is important to make proper use of all of resources, so organisation should make flow and procedure to keep resources sustain as well as plan to educate the actors that involve in rural tourism entrepreneurship (Dimitrovski et al., 2012).

However, Marques (2013) and Beckmann et al. (2021) acknowledged that organisational resource is scarcely strategically planned. It could bring risks in rural areas to become overdeveloped or underdeveloped which generate heavy consequences of their own success or failure (Marques, 2013). For example, in UK some of rural areas draw significant number of activities and visitors to come (Marques, 2013). These unorganised activities and visitors can create risks such as poor visitor experience, landscape damage, and disruption of community life (Marques, 2013; Pilving et al., 2019). It is in line with (Yachin & Ioannides, 2020), that mentioned as tourism grow unorganised might become threat to environmental well-being.

Therefore, the organisational resources such as hierarchical structure, commitment, social and environmental responsibility polices are very important to be considered as it could make local impact. For example, the unclear hierarchical structure could delay decision making, ineffective coordination and confusion (Marques, 2013; Pilving et al., 2019). Therefore, the organisational structure plays important part in rural tourism development (Leu, 2019; Marcouiller, 2019). This is very useful to plot the flow of contribution to maintain, protect and develop rural tourism entrepreneurship in rural area (Marcouiller, 2019).

Moreover, the absent of organisational resources could lead to negative effect such as the inadequately link between the number of job creations with the local community empowerment (Marques, 2013). It could be happened because of lack of commitment of the entrepreneur as well as unplanned social responsibility polices (Dhewanto et al., 2020). Furthermore, the absent of environmental responsibility policies could generate environmental damage in rural area.

In doing so, organisational resources require to bridge the imbalances between stakeholders, utilise the proportional use of resources, stimulate local cooperation, implement value and norm (Kallmuenzer & Peters, 2018; Yachin & Ioannides, 2020). For example, homestay as one of business unit in rural tourism area has the concept of accommodation that enable visitor stay with the foster family. The visitor can spend several amounts of money to



stay and experience the daily life as well as the culture or way of life local people do. Nevertheless, it needs organisational resource to make sure that the product and service meet the expectation as well as set the apply charge that appropriate for homestay (Zamani-Farahani, 2011). Based on those statements above, it needs planning, commitment, control, coordination, and responsibility policies as the example of organisational resources (Alves et al., 2017). On the other hand, the lack of organisational resources could lead to uncontrol uses of other resources (Yachin & Ioannides, 2020).

### ***Political, government, legal***

Rural areas have disadvantage in institutional support (Shrivastava, 2020). For example, the lack of support in accessing networks with external sources (Muñoz, 2019; Shrivastava, 2020; Utami et al., 2023) and engage into business partners (Galvao et al., 2020). Network define as a links among actors that contributes to the development (Pato, 2016). Nevertheless, the actors for networking are not easy to collaborate (Galvao et al., 2020). So how to bring the network together? In this context, government has role to bridge the gaps of networks and technologies as an effective tool for entrepreneurial growth in rural areas, such as create regulation regarding technology transfer from university to rural area that is important to be considered (Sá et al., 2018; Shrivastava, 2020). In other word, government as one of stakeholder could be the bridge to make sure that technology transfer is achieved. However, the advantages of networking could create some skills and mentoring that make good preparation in supporting entrepreneur in rural area (Galvao et al., 2020).

Furthermore, beside the importance of the network, it is necessary to stress collaboration in rural tourism entrepreneurship (Pato, 2016). Similarly, (Dhewanto et al., 2020) found rural tourism area face difficulty to expand their market due to their lack of collaboration. In doing so, government has to take control and evaluate the policy regarding stakeholder collaboration that can improve the performance of rural areas (Dhewanto et al., 2020) and create opportunities in business and job creation (Galvao et al., 2020). On the other hand, the lack of entrepreneurship policies that is comprehensive in rural areas makes entrepreneurs lost direction (Fortunato, 2014; Galvao et al., 2020). In addition, Pato (2016) mentioned that policy is often unable to boost the growth and development of rural tourism entrepreneurship. However, it is important to create strategy and coordinated with the clear mission to enlarge effective policies that support rural tourism entrepreneurship (Pato, 2016). In doing so, government and non-government organisation should work together to improve policy implementation as it need appropriate policy in accordance with the context and situation in each rural area (Pato, 2016; Shrivastava, 2020). On the other hand, it is challenging to be applied if policy domains to address conflict of interest still in low capacity (Gkoumas, 2019).

In line with Gkoumas (2019), Lebambo (2019) stated that in the absence of policy, rural tourism will get difficulties in addressing the need for organisational structure and process. Some rural tourism policies should be implemented to protect, provide and support the activities and entrepreneurship environment in rural tourism area (Zamani-Farahani, 2011). For example, the policies that accommodate entrepreneurial environment that support new incubators, provide mentoring programme, provide funding from several stakeholders, skill development, intellectual property protection, access to market, business and legal counselling, licencing, increase innovation and rural tourism business survival (Lebambo, 2019; Matsiliza, 2017; Shrivastava, 2020; Galvao et al., 2020; Hlanyane, 2017; Muñoz, 2019).

The policy is not only for existing rural tourism business, but also for stimulate new entrepreneurs (Zamani-Farahani, 2011). However, because of limited understanding of rural





tourism entrepreneurship, policy is often not suitable to implement in rural areas. In doing so, strategies and policies should be tailor-made based on the characteristic and the uniqueness of rural tourism areas, so it can address the challenges (Gkoumas, 2019; Lebambo, 2019; Pato, 2016). For example, link the agricultural, agri-tourist enterprise and travel agent to create interesting collaboration in term of product, service and market (Pato, 2016). This collaboration could overcome the seasonality of the activity in rural area (Pato, 2016). Therefore, they should create good communication between government and other stakeholders to support and improve rural tourism entrepreneurship (Lebambo, 2019). However, the successful entrepreneurship policies can be transposed and implemented to other areas (Galvao et al., 2020).

### ***Technological***

Rural areas has limited business infrastructure such as lack of electricity, lack of internet accessibility, lack of telephones, and lack of internet marketing (Lebambo, 2019). This limited access regarding technology create barrier between rural tourism area and markets as they unable to get detail information about the product and services in rural tourism area (Zamani-Farahani, 2011; Galvao et al., 2020). Similarly, Pato (2016) mentioned that limited access to the relevant information and communication technology can be a boundary of the market. It makes several rural areas which low-tech practices face low growth rate (Shrivastava, 2020) and lost market (Dhewanto et al., 2020).

Therefore, entrepreneur should utilise new technology in order to adapt it in rural tourism entrepreneurship (Pato, 2016). It is because many people have already used internet to search, buy, and book somethings (Dhewanto et al., 2020). The use of technology information is important to be applied as people need to get accurate information (Dhewanto et al., 2020; Pato, 2016). However, technology transfer between universities and rural areas is one of key factor that can develop rural entrepreneurship (Shrivastava, 2020).

### ***Social, cultural, demographic and natural***

There are barriers between visitors and local people in term of cultural, social, demography, and natural differences such as different language, time patterns, expectation, habit, commodification, interaction and lifestyle (Zamani-Farahani, 2011). The greater differences between visitors and local people, the probability of misunderstanding will be greater. However, if it could be overcome, it can create mutual understanding, respect, appreciation, tolerance, create awareness, and give opportunity to learn each other language (Zamani-Farahani, 2011). If this success, the possibility of visitor to return will be greater, and will recommend to their friends (Zamani-Farahani, 2011).

The distance between rural tourism area and market is one of the barrier in the context of entrepreneurship (Muñoz, 2019). It is important to attract people to come to rural tourism area with its value and uniqueness (Muñoz, 2019). In addition, transportation difficulties to reach rural areas (Galvao et al., 2020), accessibility from rural area to market and service (Dhewanto et al., 2020), the condition of the road into rural area are some challenges for rural tourism entrepreneurship (Hlanyane, 2017). Moreover, bad road conditions make it difficult and dangerous for visitors or clients to visit the location (Hlanyane, 2017). However, it can use collaborative transportation to reach rural tourism area (Muñoz, 2019).

### ***Competitive***

Rural areas face greater difficulties than urban areas (Fortunato, 2014; Galvao et al., 2020). These difficulties can slow the development of rural areas, such as low purchasing power (Galvao et al., 2020), difficult to create a market (Pato, 2016), the lack of market that



interested in visiting rural areas (Galvao et al., 2020), doesn't have relationship or partnership with supplier or third party, and difficult to compete with other rural area (Dhewanto et al., 2020). To fill the gap between rural areas and its business, it needs support from stakeholders (Dhewanto et al., 2020). Entrepreneurs should engage with existing markets and identify or create new market (Pato, 2016). It is important to have ability to recognise opportunities in unexploited market in rural tourism entrepreneurship (Pato, 2016).

However, networks help to overcome the barrier of the absence of information and distant markets, especially rural area that has disadvantage in peripheral location (Pato, 2016). Similarly, Lebambo (2019) mentioned that fostering networks of service providers and potential customers can reduce uncertainty. In addition, emerging neighbours' networks play important part as initial suppliers and buyers as well as promoters of rural tourism products and services (Muñoz, 2019). Therefore, entrepreneur should emphasise better ways for competing in the industry (Pato, 2016).

Moreover, rural area is lack of marketing strategies due to limited training (Lebambo, 2019). In doing so, rural tourism areas can establish training to advance their skills and knowledge such as training related to market expand and linkage with third party e-commerce like TripAdvisor, Traveloka, booking.com, etc (Lebambo, 2019). The e-commerce bring tourist to visit rural tourism area as well as people can buy rural tourism product such as souvenirs, handicraft or local snack through that channel (Sá et al., 2018). The e-commerce can help to promote rural tourism entrepreneurship and take the name of the rural tourism area outside (Sá et al., 2018).

Furthermore, rural area is lack of availability external mentor for supervising the activity in one rural area than the neighbour rural area (Galvao et al., 2020; Lebambo, 2019). The mentor or expert that assigned in rural area is one of the success factor and boost competitiveness in rural areas (Dhewanto et al., 2020). For example, in Portugal, the mentor that assigned in rural area can work together with entrepreneur to identify the needs as well as the problems faces in rural area (Galvao et al., 2020). Moreover, higher education involvement as a mentor can give huge impact on the development of rural tourism entrepreneurship (Sá et al., 2018).

However, in order to enhance competitiveness, it needs government to create policy (Dhewanto et al., 2020). For example in France, in order to identify and exploit rural areas competitive advantages, the government launch innovative governance platforms that connect to public-private partnership (Galvao et al., 2020). In addition, sustainability certification is one of the tools for improving the competitiveness of tourism sector (Gkoumas, 2019).

### ***Economic***

International economy instability is one of the challenges that rural entrepreneur face (Gkoumas, 2019; Hlanyane, 2017). It makes rural entrepreneurs have difficulties to access external financial for funding (Hlanyane, 2017; Utami et al., 2023). The lack of funding might have limited the business impact (Sá et al., 2018). In doing so, the role of government is important to control and regulate the economic system that give impact on rural tourism entrepreneurship (Gkoumas, 2019). In addition, it's important to build clear communication in clarifying each partner role regarding funder and receiver (Sá et al., 2018). Government should monitor funder to accompany the rural enterprise in order to gain long term collaboration which makes rural tourism entrepreneur and funder move forward together (Muñoz, 2019).

Moreover, rural area that implements rural tourism entrepreneurship face a challenge because its seasonality of the industry (Hlanyane, 2017). During holiday season, rural area receives many visitors to get experience and the demand for accommodation is increase



(Hlanyane, 2017). On the other hand, outside holiday season, the demand is very low, and it affects their revenue (Hlanyane, 2017). Therefore, the fluctuation in demand affects them economically (Hlanyane, 2017).

Furthermore, the other barrier that rural tourism face is the tourist who come to rural tourism area have limited budget. Several visitor stay at Airbnb rather than local people house, spend less money on food and entertainment, and don't buy anything at rural tourism area (Gkoumas, 2019).

## Conclusion

Rural areas have many potential resources that might be increase the competitive advantage of the region. Subsequently, rural tourism entrepreneurship in tourism village is determined by regional characteristic that can support or hinder the development of the region. However, the result of this study has theoretical implications. This study gives the first attempt to explore rural tourism entrepreneurship resources that is important to be identified such as cultural, financial, human, natural, organizational, physical, political, and social resources. Furthermore, this study is not only offering rural tourism entrepreneurship resources, but also the challenges that tourism villages face in implementing rural tourism entrepreneurship, such as economic; political, government, legal; social, cultural, demographic, nature; technological; and competitive. There are only a few studies about rural entrepreneurship and tourism entrepreneurship. This has meant that research is required to determine to what degree such literature applies to rural tourism entrepreneurship context. Future studies in qualitative method with interview and observation might be needed to show a higher level of validity.

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