

CABI TOURISM TEXTS

# Rural Tourism and Enterprise

## Management, Marketing and Sustainability

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COMPLIMENTARY TEACHING MATERIALS



**CHAPTER 12**

**Developing and Growing Knowledge Within  
Rural Tourism Enterprises**



## LEARNING OBJECTIVES

Rural tourism enterprises rely on having deep knowledge of each other as well as their customers. This session looks more closely at what this means and why it is problematic. You'll learn:

- What the word “knowledge” means for rural tourism enterprises
- Methods and models for growing knowledge in rural tourism enterprises
- How the special features of rural tourism influence the ways in which the development and growth of knowledge can be helped or hindered

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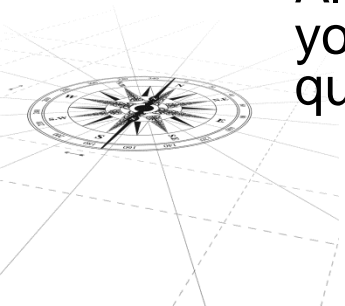
## A SMALL HOTEL GIVING ADVICE TO WALKERS

As the operator of a small hotel with ten staff, guests sometimes ask you about where they can go for a walk in the local countryside. The other members of staff realise that you have good ideas on this subject so whenever guests ask them about local walks, they pass the enquiry on to you.

What information do you need to keep in your head if you are to fulfil this role effectively?

Can you claim to have knowledge of local walks? What complexities may arise when recommending walks to guests? What “gut-feelings” may you have about guests that influence the advice you give? How can you quickly build relationships with guests that enable you to build your knowledge and understand their requirements?

All enquiries are currently referred to you. What steps could you take to encourage and enable all staff to answer the question directly?



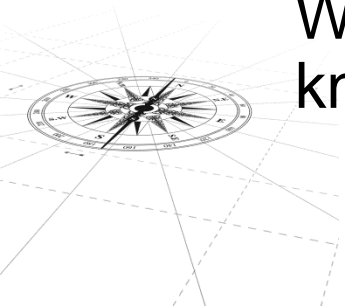
## 2 KNOWLEDGE

Knowledge is the collection of information and experience that people learn about in order to achieve their goals. It is studied by epistemologists.

You can

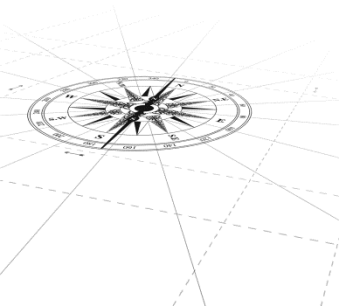
- Know your occupancy rate
- Know your friends
- Know your competition
- Know what your customers want
- Know how to get sponsorship for a Food Fayre

What does “Know” mean in each case? What knowledge do you need? How can you manage it?



### 3 **CONCEPTS IN THE LITERATURE**

- Knowledge management
- Organizational learning
- Learning destinations
- Communities of practice
- Social capital
- Consumption routes
- Externalities
- Sociograms



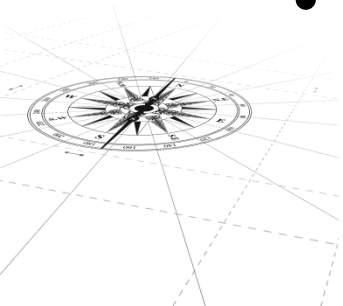
## 4 KNOWLEDGE MANAGEMENT

Paying attention to knowledge being

- identified, acquired, created, generated
- developed, combined, preserved
- shared, transferred, disseminated, exploited, leveraged

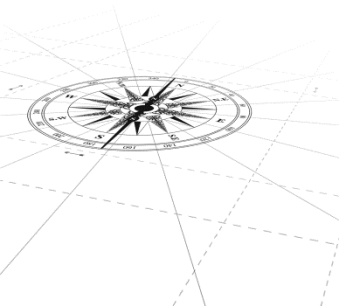
Nonaka's SECI model (socialization, externalization, combination, internalization)

- Individual, group and organizational knowledge
- Spiral model moving between tacit and explicit knowledge



## 5 A LEARNING DESTINATION

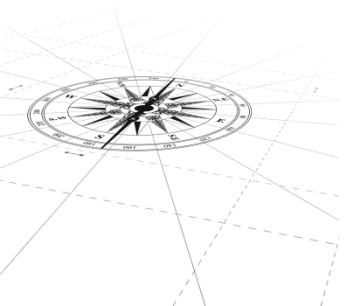
- Providers of rural tourism cannot work in complete isolation. Individual tourism organizations exist as members of a network that attracts tourists to an area and makes them want to spend money and come back.
- Learning involves knowledge transfer, the process through which one network member is affected by the experience of another. Transfer of knowledge involves **social capital**: trust in the other partners, and confidence on the part of the transferor that they can explain what they mean and the outcome will be desirable.





## 6 EXTERNALITIES

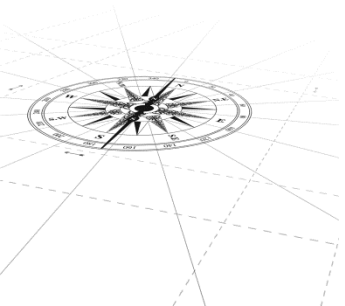
- Businesses make investments in order to obtain a future payback. Tourism investments potentially pay back value not only to the organization making the investment, but also to the local tourism industry and to society more broadly
- Investments made in developing organizational knowledge as a resource pay back within the organization but also, given the interdependent nature of the industry, pay back to the industry as a whole
- So an individual tourism manager making investments on the basis of their personal payback will, in the wider view, be underinvesting



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## **BARRIERS TO KNOWLEDGE DEVELOPMENT**

- Seasonal and casual employment
- Changes in the industry, particularly the rise of corporates and the impact of social media on expectations of standardized service
- Externalities make socially funded support rational, but dependence on funding creates risks
- Many are SMEs, especially microenterprises with low wages and low profit margins but their innovations are highly visible to competitors...
- ...so the perceived relative cost of investing in training is high but the long term benefits are risky



## 8

## IN CONCLUSION, IS THIS TOO IDEALISTIC?...

“By working together and sharing experiences, individual enterprises can gain a richer knowledge of what customers expect and achieve a level of consistency across a range of providers of goods, services and tourist information so that the destination, collectively, remains interesting and desirable in the face of bland but unsurprising corporate rivals.”

“Knowledge is developed and grown within individuals and their organizations but also across networks of organizations. Where networks work well, tourists can get the best out of the destination, spend money, return, and spread positive stories by word of mouth especially on social media. Effective knowledge management across a learning destination enables a robust response to the challenges that face rural tourism, ensuring a bright future.”

