



# INTEGRATED RURAL TOURISM A Border Case Study

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**Abstract:** Within the context of debates about integrated and territorial approaches to rural development in Europe's lagging regions, this paper introduces the notion of integrated rural tourism, theorized in relation to the concepts of embeddedness, dis-embeddedness, endogeneity, and empowerment. The paper reports on qualitative research which explored the existence of such characteristics in rural networks operating among small businesses and resource controllers in the English-Welsh borders. It is argued that the creation of embedded and endogenous networks does not necessarily result in empowerment for all concerned. Complex issues of participation and inclusion remain central to the creation of equitable, sustainable, and integrated rural tourism. **Keywords:** networks, businesses, resource controllers, England, Wales. Crown Copyright © 2007 Published by Elsevier Ltd. All rights reserved.

**Résumé:** Tourisme rural intégré: une étude de cas frontalière. Dans le contexte des débats sur les approches intégrées et territoriales au développement rural dans les régions de l'Europe qui sont à la traîne, cet article aborde la notion du tourisme rural intégré, élaboré en relation aux concepts de l'enclassement, du désenclassement, de l'endogénéité et de la responsabilisation. L'article rend compte des recherches qualitatives qui ont évalué l'existence de ces caractéristiques dans des réseaux ruraux qui fonctionnent parmi des petites entreprises et des contrôleurs de ressources dans les régions frontalières anglo-galloises. On soutient que la création des réseaux enclassés et endogènes ne conduit pas forcément à la responsabilisation pour tous les concernés. Les questions complexes de la participation et de l'inclusion restent essentielles à la création d'un tourisme rural intégré, durable et équitable. **Mots-clés:** réseaux, entreprises, contrôleurs de ressources, Angleterre, pays de Galles. Crown Copyright © 2007 Published by Elsevier Ltd. All rights reserved.

## INTRODUCTION

There has been considerable academic and policy debate about more integrated and territorial approaches to European rural development. The Agenda 2000 reforms, Rural Regulation 1257/99, and mid-term (2003) review of the Common Agriculture Policy are exposing rural areas to global markets and competition, particularly in the hitherto protected agricultural sector (Ward and Lowe 2004). Moreover,

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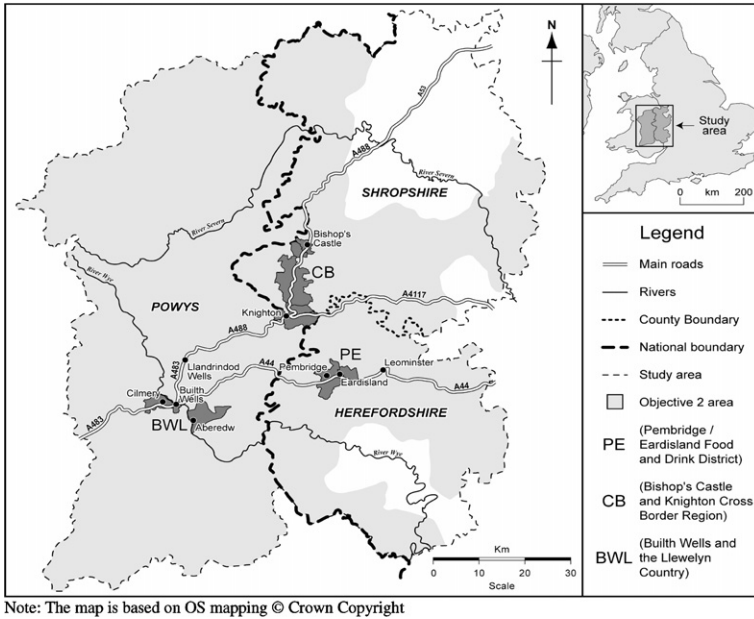
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support to “lagging” economies is no longer viewed in a principally agricultural context, but in broader terms encompassing other important sectors, namely food processing, light manufacturing, arts, crafts, and tourism (Goodman 2004; Marsden, Banks and Bristow 2002). The pivotal position of tourism arises because many rural resources have potentially strong linkages with it. This industry can permeate, and be integrated with, local and regional economies in a complex manner, leading to direct income benefits for the localities concerned and wider developmental bonuses based on association, synergy, and participation. Within this context, the aim of this paper is to introduce and explore the notion of integrated rural tourism (IRT) as a tool for development in a specific lagging region.

The concept of integration has gained currency in the literature, particularly with reference to planning (Butler 1999; Innskeep 1991). Research into sustainable tourism emphasizes integrating environmental concerns into the industry (Wahab and Pigram 1997). Studies have also addressed ways of integrating economy and culture with it (Priestly, Edwards and Coccossis 1996; Stabler 1997). More recently, the importance of local participation and control has been recognized, with integration defined according to the percentage of local people employed, the type and degree of participation, decisionmaking power, and ownership of resources in the local tourism sector (Briedenhann and Wickens 2004; Stem, Lassoie, Lee, Deshler and Schelhas 2003).

In this paper, the concept of IRT is proposed as a means of thinking critically and comprehensively about the actors, resources, and relationships involved in this notoriously fragmented industry. IRT is defined as tourism that is mainly sustained by social networks that explicitly link local actors for the purpose of jointly promoting and maintaining the economic, social, cultural, natural, and human resources of the localities in which they occur. Thus, for tourism to qualify as integrated—both as a theory and approach—the notion of network connections among social, cultural, economic and environmental resources, different tourism actors, and the end product that the amalgamation of their activities engender is central. Some actors may be more or less integrated into tourism than others. Accommodation providers, for example, may be well integrated into the local tourism product, whereas a specialty cheese producer may be less so. The notion of integration provides a means of thinking about ways of bringing diverse actors and resources together more successfully into networks of cooperation and collaboration. Moreover, the idea of IRT encourages a holistic conceptualization of tourism, which in turn suggests a research methodology that engages with the multiple actors involved in its constitution.

Taking just one nexus of relationships within rural tourism, this paper concentrates on the network characteristics of businesses and resource controllers and their contribution to integrated development in the England-Wales border region (Figure 1). While research on tourism businesses exists (Page, Forter and Lawton 1999; Thomas 2000), little has been written about the role of resource controllers.



**Figure 1. The Three Subregions in the England/Wales Border Region**

For the purpose of this research, they are defined as actors who operate mainly in the non-profit sector and play an important buffering role in environmental, social, cultural, economic, and political issues at destinations. Resource controllers are “indirect stakeholders” (Rowley 1997) who exert ownership, management, or service provision control on many natural and cultural resources for tourism (such as large estates, cultural centers, museums, historic buildings). This is despite the fact that their principal goals and resources may not be concerned with, or designed principally for, its development. In terms of human resources, they may provide services that contribute directly to the quality of the industry in a region through, for example, the provision of locally-based training. Thus, organizations such as colleges and informal business groups/associations can be described as resource controllers. These are a diverse group of actors with an indirect yet significant remit in tourism provision. Unlike institutions, they are not directly responsible for policymaking, although they may be consulted and hence exert influence on strategic decisions. Based on their activities, four key characteristics common to all resource controllers can be summarized. One, they are “civic entrepreneurs” (Banuri and Najam 2002:10) who apply the same entrepreneurial spirit and persistence to resource use that entrepreneurs apply in building a business. Two, they are “integrators” (Martin 2003:2) who see the need for more connected regional approaches to addressing economic, environmental, and social objectives. Three, they are “boundary crossers” (Peirce and Johnson 1998:25) who work beyond traditional governance and

collaborate across organizational boundaries and political jurisdictions. Lastly, they are “coalition builders” (Banuri and Najam 2002:18) who build support from local leaders, businesses, interest groups, and policy professionals towards a shared vision. On the whole, they are intermediaries and occupy diverse positions within the tourism structure. The multiple identities (or chaotic nature of activities) of such actors are what underlines the significance of the role of these indirect players in the industry.

The nature of the networks operating between resource controllers and tourism businesses has not formed the focus of much research. However, the concept of integrated rural tourism suggests that the activities of both groups are important in providing a combination of services to residents and tourists alike, raising the profile of the region, and fostering processes of innovation and change. Therefore, within this context, the overall aim of this paper is to discuss the concept of IRT and then qualitatively assess the extent to which its theoretical characteristics are present in the England-Wales border region.

## CONCEPTUALIZING INTEGRATED RURAL TOURISM

IRT is forged through the construction of networks that enable actors to jointly develop resources such as local traditions, art forms, celebrations, experiences, entrepreneurship, and knowledges. In this discussion, the term “actor” refers to people involved in tourism-relevant networks; unlike the actor-network theories (Callon 1986; Law 1994), non-human actants are not included in this analysis. The term network is used in its broadest sense to describe the dynamic social relationships which actors form in order to achieve tourism-related goals. Such networks embrace a range of formal and informal structures, from loose groupings of like-minded individuals to highly formalized fora of organizations supported by paid staff and financial resources (Saxena 2005). However, networks are not pre-given social facts. Actors have to engage in “investment strategies” through processes of bonding to ensure long-term micro-interactions (Falk and Kilpatrick 2000; Jóhannesson, Skaptadóttir and Benediktsson 2003). These are facilitated through both highly formalized, short-term “weak” ties and much closer “strong” ties (Granovetter 1973). Emotional closeness is the best conceptualization of strong ties where bonding processes are facilitated through socially meaningful relationships based on trust, giving advice, or sharing information (Bell, Belli-McQueen and Haider 2007; Wellman and Gulia 1999). Weaker ties are likely to be less salient and less absorbing interactions.

Networks enable actors to search for, obtain, and share resources, engage in cooperative actions for mutual benefit, develop collective vision, diffuse ideas, and mobilize resources. This in turn can appeal to inward investors, increase local pride, and counter negative perceptions (Bramwell and Rawling 1996; Powell and Smith 1994). Following Flury (1999), Glosvik (2003) and Rosenfeld (2003), some of the attributes of rural networks can easily be identified. They are more likely

to be “soft” than “hard” networks. The latter are mainly economic and profits-related, are formed to achieve shared business objectives such as targeting new markets, joint product development, co-production, or co-marketing, and are likely to require formal agreements for sharing profits or resources. Soft networks have open membership, tackle generic issues, and can consist of several members, ranging from businesses and organizations to local nongovernmental bodies, community groups, and individuals. They are more likely to be driven by need or crisis than by quick opportunities for profit. They are less likely to become self-sufficient. Most cannot support themselves on membership or service fees and require some continuing agency support for their core activities. They are cooperative in nature, emphasize social norms and reciprocity, and serve a range of interests rather than focusing narrowly on specific actions.

Networks can be both open and/or closed. The former are those where connections are spatially dispersed and are characterized by dynamic multi-actor interactions and complex power differentials (Crech and Willard 2001; Dredge 2006). Closed networks embody secure social relations, personal bonds (often between family and friends), and a sense of belonging to a locality. Those involved experience mutual benefits from transfer and exchange of tacit knowledge and collective values (Coleman 1990; Saxena 2006). In addition to these general attributes, ideas from rural development research are drawn on to suggest that for successful IRT to occur, rural networks must also function in an accommodating network setting.

### *Embedded, Endogenous and Empowering Networks*

Networks are always embedded in particular localities, although the extent of their geographical reach and complexity may vary. In using the term embeddedness, this paper seeks to emphasize the territorial context in which network formation takes place. Embeddedness suggests not only that resources or activities are directly linked to place but also that relationships are formed within particular sociocultural contexts in specific localities, and the unique sociocultural characteristics and identities that are embedded in place help to shape relationships and networks (Hinrichs 2000; Murdoch 2000). Embedded networks and the resources they generate tend to have high levels of significance and are often part of local social, cultural, and recreational life of people.

While the notion of embeddedness draws attention to the significance of place-specific practices and identities, it is important to note that tourism networks normally need a degree of disembeddedness. Too much entrenchedness can curtail the market reach of the local product, which will then remain marginal in relation to globalized tourism. Disembedded networks are able to reach out and “act at a distance”, helping local products and services to enter non-local markets, gain access to critical assets, markets, and technologies, and increase destination competitiveness through cooperative branding, image

building, and integrated tourism product portfolio (Wang and Fesenmaier 2007). However, despite their positive role in expanding the socioeconomic life of rural businesses and resource controllers, they can sometimes constrain IRT development by creating conditions that are at odds with the interests, prospects, and perspectives of communities in lagging regions. For instance, they can disembed market behavior from the local context of social relations, norms, and institutions. This can lead to the commoditization of people and artifacts by “non-local actors” effecting change and control from afar (Murdoch and Marsden 1995). Economic leakage can also occur. There is thus real tension between the rhetoric of locality (social capital and local economic development) and the economic need to “act global” (Marsden 1998).

It is argued that the networks contributing to IRT development should embed economic action within local social and political practices and yet at the same time enable local products and services to disembed in order to reach markets further afield. Embeddness and disembeddness are not seen as diametrically opposed but rather, as interlinked in a dynamic and co-evolving relationship. Having noted the potential negative impacts of disembeddness, it is proposed that networks for IRT also need to be endogenous. The concept of endogeneity is closely linked to that of embeddedness, in that such development is built around locally distinctive economic, environmental, and cultural resources. The crucial point, however, is that endogenous development is structured to retain maximum benefits in a locality by using and adding value to its resources and focusing on the requirements, capacities, and values of its people. Endogenous development is conducted at a scale appropriate to local environmental and social resources and often incorporates complementary resource use. It encourages strong local participation in decisionmaking and enables local actors to adapt external opportunities to their own needs.

But endogenous development rarely implies the absence of external, exogenous elements, however remote a region may be. It is a process of continuous (re)interpretation and (re)negotiation of both external and internal elements by local people that allows for a continuous evolution of new forms of survival and interaction with markets, technology, administration, and natural resources (Amin and Thrift 1994). As with the concepts of dis/embeddedness, endogeneity and exogeneity are not absolute. Classification of networks, actors, or resources as endogenous or exogenous must pay attention to how they are perceived locally, especially in terms of where ownership and decisionmaking powers are thought to lie. In line with the paper’s emphasis on the significance of place and embeddedness, it is crucial to examine local perceptions, rather than try to draw rigid and artificial boundaries around particular networks.

Bearing this in mind, networks that are overly exogenous can limit the integration of different stakeholders through initiating development processes that are transplanted into a region and externally determined, leading to the benefits of development being exported from the region and local values trampled. Exogenous elements can

limit local participation to mere tokenism, negatively impacting on symbolically-constructed “communities,” or “culture-territories”, the obscuring of which may indirectly exclude and disempower some local actors if they do not feel affinity with the constructed cultural identity (Shortall 2004). Having said this, endogeneity, as with embeddedness, must not be romanticized. Previous research shows that endogenous fraternities that seize opportunities to embark upon innovative ventures are frequently the catalyst of friction, culminating in disputes, jealousies, or perceived challenges to traditional power structures within a locality (Butler and Hinch 1996).

Following on from the inter-linked features of embeddedness and endogeneity, the final theoretical characteristic of networks in IRT is that they are empowering. They should enable a shared understanding and ownership of goals and objectives, helping members realize the “network advantage” by aggregating and creating new knowledge and building capacity. They should facilitate local actors to exercise their choices, enhance their capacity to innovate and draw on their own resources, and also take account of the collective aspects of empowerment whereby the whole community (however defined) benefits from being included in decisionmaking (Camagni 1995; Oughton, Wheelock and Baines 2003; Thompson 1991). Disempowering networks place too much emphasis on economic enhancement of the informal sector, often overlooking other factors that maintain the economic marginalization of communities in lagging rural regions. Institutional support of microcredit/microenterprise initiatives can, for example, promote a narrowly individualistic definition of empowerment, which places importance on self-reliance and home-based income generating activities without careful examination of the socioeconomic context within which local communities operate.

IRT can thus be conceptualized as a mesh of networks of local and external actors, in which endogenous and embedded resources are mobilized in order to expand the assets and capabilities of rural communities and empower them to participate in, negotiate with, influence, and hold accountable the actors and institutions that affect their lives. While this provides an analytical starting point, the realities of rural development are often more complex. The contradictory and multifaceted dynamics of rural networks can create both opportunities and threats to the development of IRT.

### *The Region and Study Methods*

The three large counties of Herefordshire, Shropshire, and Powys make an intriguing area for research, because of their unique England-Wales “border” identity and underdeveloped tourism resources, and because the different regional and national policy responses to this development present challenges to the design of integrated strategies. The border region has only a weak framework for cross-border “joined-up” plans or programs, despite the presence of “soft resources” (such as similar history of sociocultural traditions) that could benefit from a more integrated approach. A lack of funding and the

stringent administrative boundaries within which the regional tourism boards and the local authorities have to work are the main factors impeding the growth of cross-border coordination in developing tourism.

This “hostile brothers scenario” (Webb and Collis 2000:863) also stems partly from historical factors. The notable “Marches” area (from an old French word meaning border) that spans the English-Welsh boundary was the scene of medieval struggles, first between the Anglo-Saxons and the Welsh, and then between Norman lords and Welsh princes. These wars have left their mark on the landscape in the form of earthworks and ruined castles. Many of the more remote parts of the region have been designated as EU Objective Two Program Areas. These are heavily dependent upon agriculture and lowland livestock in particular. This sector generates the lowest agricultural incomes in the United Kingdom and has seen a heavy fall in net farm income over the last 10 years; many holdings have been loss-making (Labor Force Survey 1997). The West Midlands Regional Development Agency (2004) has also identified large parts of Herefordshire and Shropshire as a “rural regeneration zone” dependent on traditional land-based industries with a growing importance of two business clusters: food and drink, and tourism and leisure. More than 70% of the study region is primarily rural, with a population density of less than 200 persons per square kilometer and is assailed with declining farm (and allied trade) incomes, decreasing rural employment opportunities, limited public transport services, and poor access to information technology. The empirical research focused on three small subregions within the England-Wales border region (Figure 1).

The subregions were identified after a mapping exercise was undertaken to identify clusters of tourism activities and resources. Sources used included brochures, directories, and websites. The first subregion focuses around the villages of Pembridge and Eardisland in North Herefordshire, where there is a thriving food and drink sector. The black and white half-timbered houses dating back to 1200 provide an added cultural dimension to the tourism product. The second subregion was chosen in order to explore the impact of a national border on the formation of relationships and networks. It enabled a comparison between two market towns on either side of the border. Dating back to the 13th century, Bishop’s Castle is a small, old-fashioned town in southwest Shropshire and attracts a large number of walkers. There is significant employment in the food and timber industries but the town scores poorly on education, housing, and access (ONS 2001). Knighton, or Tref-y-clawdd in Welsh, meaning “the town on the dyke”, straddles King Offa’s 8th-century border between England and Wales as well as the modern divide and can trace its origins back to Saxon times. The ability of the two towns to attract tourists has been increasing with a widening of the range of specialist shopping opportunities and a rise in festivals and events supported and revived by newer businesses and residents.

The final subregion comprises the villages of Cilmeri, Aberdew, and the small market town of Builth Wells which are marketed as “The

Llewelyn Country”, after Prince Llewelyn. The area offers many attractions: unspoiled countryside ideal for walking, fishing, pony trekking and mountain biking, leisure and sporting pursuits. Notwithstanding the distinctive features of the subregions, three overall similarities can be identified. First, they share a dependence in some measure on agriculture. Second, their economies are at best sluggish. Third, there is a high incidence of grassroots-based special interest groups.

Semistructured interviews were conducted with 51 business owners/managers and 20 resource controllers in the three subregions. The sampling strategy rested on four key criteria. One, an even representation of businesses from different sectors was required. Two, the perceived degree of tourism integration was determined according to the nature of the business and whether it was part of a tourism directory, association, or trail. The sample also included those that were less integrated into the dominant tourism networks. This was achieved through “snow balling” and information from local authority and tourism agency personnel. Three, a roughly even spread of respondents was required from each of the subregions. Four, the sample included a range of older and newer businesses to investigate if the temporal dimension did have an impact on the integration of an individual business into the local community (such as the newer businesses feeling excluded from pre-established networks in the area).

The strategy for sampling resource controllers rested on two main criteria. First, getting a fair representation by type of resource controlled: human, natural, and cultural. Second, selecting respondents from three broad sectors: public, private, and voluntary (non-profit sector). The sampling strategy also aimed to highlight the existing integration of activities and resources among businesses and resource controllers. Thus those business owners/managers who actively sought training and marketing advice and support from resource controllers as well as those who relied on their instinct, experience, and insights were included in the sample.

### *Characteristics of Networks in the Subregions*

Given space constraints, the following analysis takes each group of actors in turn rather than focusing on the subregions. The main aim is to illustrate the nature of networks and relationships operating among the sample, with particular emphasis on presenting evidence relating to dis/embeddedness, endogeneity, and empowerment.

*Networks among Small Businesses.* The research focused principally on business characteristics, the types of networks involved in, and the resources used. The business types included were in the following sectors: accommodation, catering, arts and crafts retail, plus other retail and activity provision. They were mostly micro—businesses used with or without networks, with 45% employing two or fewer persons and none more than 50. Over half of the enterprises had been established since the 90s, and seven were less than a year old. All new ones

included in the sample were owned/managed by incomers to the subregions; 73% of the respondents were not originally from the area, and 14% of businesses were inherited, 27% new, and 59% purchased. If embeddedness is often associated with a long time frame, during which distinctive conventions, trust, and business cultures can evolve, then it might be assumed from these characteristics that there is a low degree of embeddedness. However, the subregions have held attraction for counter-urbanites and retirees due to their remoteness since the late 1960s, and some of the respondents had lived there for over 30 years. What did emerge from the research is that there was evidence of embeddedness in terms of first, relationships with other businesses and sections of the wider community, and second, in the use of resources.

Taking the nature of relationships first, the main type of network that businesses were involved in were informal, soft, and cooperative. Business-to-business relationships, for example, enabled local enterprises to pass customers on through referrals and recommendations. Embeddedness was indicated by the importance of strong ties of friendship and trust. Such relationships assumed greater importance during times of economic difficulty, as illustrated by the following quote from a business owner in Bishop's Castle:

We are very conscious of being part of a network of small businesses that are helping to lift the town. We have known it [the town] for some years and we have seen it in a very depressed state... We are very conscious of the fact that we all survive by supporting each other.

Many businesses were also involved in community activities such as festivals, charity and sporting events, and provision of "meals on wheels" for the elderly. Evidence of embedded networks can also be found in the manner in which knowledge stemming from coordinated relationships among members is used in promoting tangible and intangible resources such as organic, locally grown food, farm-based accommodation, the countryside, and "sense of welcome". Frequent use was made of local place names and images to market products and services, and businesses showed a strong preference for the use of area sources of business information, insurance, raw materials, and legal, financial, and marketing services. Nearly half of the businesses included in the sample used either local place names or images in marketing their product.

Although there is ample evidence of the use of embedded networks to promote goods, it is important not to simplify the situation too much. Some businesses have introduced new products to the subregions. Examples included Japanese healing art, art galleries, and Thai and Indian cuisine. Moreover, while embeddedness is important in terms of providing distinctive products and services, it is imperative not to idealize the notion. Interviews highlighted some potentially negative aspects of embeddedness. First, strongly based networks can be socially exclusive at the local level. While there are notable examples of incomers who have taken a proactive role in organizing events and bidding for funds, others reported feeling excluded from the local

networks. The farming community in particular was perceived by some respondents as “ill-educated, insular”, “narrow minded and very much locked into their world”. As one interviewee recounted:

If farmers commit suicide here do you know why? Loneliness. Not money. I spoke to a farmer just over the fields here and he said to me “you are the first person I have spoken to in a week”... They don’t know what is going on in the world. And they are very prejudiced (Restaurant owner).

Another business person, this time from Knighton, felt that “. . .with the farming community it will take a long time before they actually accept anything which is different.” On the other hand, several of the incomers deliberately chose to take a low profile in the hope that the local community would accept them more easily:

Because we are newcomers, we purposefully chose not to make a big song and dance. . . It is not a secret but we have just not put flags out and it has made us accepted by the local people I guess (B&B owner).

Second, and at a wider geographical scale, embeddedness can contribute to the sort of “defensive localism” identified by Winter (2003). This can create “inward looking” attitudes which may inhibit creativity, innovation, and participation. As one respondent noted, “. . .you do find in rural areas that people are set in their ways, particularly people who have been born in the area” (guest house owner). In this study respondents often evoked a defensive localism in terms of conflicts between the city (specifically London) and the countryside. For example:

There is no link between the city and the countryside at all. . . This is evident from their [the government’s] recent move to ban fox hunting. To us the fox is a pest. I feel we are the ducks and the government is the fox and he is biting our heads off. Before BSE [Bovine spongiform encephalopathy, commonly known as mad cow disease] and Foot and Mouth [Disease], we were a happy family farm that was slowly earning just enough. . . to pay our bills. But things have changed. . . . People from the city, they don’t understand. . . The way the government has dealt with Foot and Mouth and BSE, they are forcing traditional family farms like ours to close down.

This sort of attitude was not limited to farmers but incomers too, as evinced by this respondent who had lived in the study region for more than 20 years:

I find the attitude from London very, very narrow minded. I don’t know whether you can understand unless you have actually lived a country life. I have lived a city life and I have lived a country life. They are totally different. The countryside should never tell the city how to run its ways and the city in turn should not tell the countryside. The countryside is not represented very well because it is not a city. . . The city is full of people who are very aware and know how to represent their interests whereas the countryside is full of farmers and people who live a totally detached life. They are not very articulate and don’t like being in the limelight. . . Very often I have listened to some of them . . . and I think “if only you had said it a different way, people

might have listened''. . . It is getting harder and harder for people to make themselves heard (hotel owner).

What both quotes illustrate is the reproduction of powerful, stereotypical constructions of "country folk" and "city people" and the differences between them. The point here is not necessarily to deconstruct, judge, or contest these representations, but merely to demonstrate that they exist and exert a profound influence over peoples' perception of their own situation, responsibility, and the possibilities of change. Deeply embedded networks can perpetuate dichotomous understandings of the nature of these urban and rural worlds; they thus help to reinforce locally distinctive attitudes and behaviors, while at the same time possibly inhibiting the introduction of new thought processes and strategies.

Directly linked to this point, and as outlined earlier, research in rural development suggests that networks and resources in remote regions also need to disembed themselves in order to reach more distant markets and make connections with exogenous resources and investments. The two principal means of achieving this were first, through the use of the Internet as a marketing tool, as 57% of businesses used it for promotion and to access information; and second, through participation in formal networks which are able to represent the collective interests of businesses in arenas beyond the immediate locale. Active participation was limited to networks operating at local and regional levels. Twenty-six businesses had direct relationships with the county and town councils, tourism boards, and development agencies. Thirty business owners/managers were members of local chambers of commerce and local development groups, and the majority included members of tourism marketing groups and associations. Many business owners were members of festival committees. For accommodation providers, the most common form of network activity was participation in tourism board grading systems.

There were several indicators of endogenous development in the subregions. Most businesses in the sample were privately owned, family-run, and built on the investment of personal savings rather than any grant aid or external investment (12 businesses had received minor funds from local authorities or European Union sources to help make improvements to their premises). Several were semi-retirement businesses. A major motivating factor for the establishment of new businesses was the desire to either begin or sustain a particular lifestyle which would enable the business person and family to enjoy the benefits of rural living rather than grow profits. The small scale of business activity means that there is relatively little economic leakage outside the region. Conversely, the minimal infrastructure and relationships with exogenous actors means there is a lack of inward investment by bigger firms with the potential to generate significant employment. Complementarity of resource use occurred, particularly in the case of the catering establishments which rely on local consumers to keep them going throughout the year.

Other key features of endogenous networks, namely participatory decisionmaking, were not so apparent from the point of view of the interviewed businesses. As already noted, local social networks are not necessarily inclusive and empowering, particularly for incomers. Moreover, they often depend for their survival on a few proactive individuals who hold the network together as opposed to broader participation by all businesses. Reflecting the difficulty of designing common strategies and agendas, small networks also tend to compete with each other so that "instead of the town working together as one organization to do something for the town, each little organization wants their own little bit of glory so nothing gets done" (hotel owner).

Perhaps more significant, however, was frequent reference to the perceived failure of larger institutions to listen to the concerns of smaller businesses and respond to their needs. Dissatisfaction with institutional strategies resulted in a sense of frustration among businesses for three key reasons. First, there was a feeling that institutions were not embedded sufficiently into the localities and so could not appreciate the unique features that should be marketed to attract tourists. Several respondents felt that specific resources such as the story of Prince Llewellyn had been sadly neglected. For instance,

We don't make money from Prince Llewellyn because people don't know anything about it... it has been very sadly let down to be fair ... here is an important part of our national heritage which has been overlooked ... It is a shame that nobody cares about this place... It is very sad and this is how these things will die and people will not know because nobody is carrying the traditions or the stories on (pub and restaurant owner).

Second, the tendency to initiate short-term grant-driven ventures (that is, six months) did not contribute to longer-term employment. Third, there was a feeling that institutions were more concerned to attract large numbers of tourists rather than appropriate kinds of tourists, as illustrated by the following:

...the tourism board have tried to focus a lot on day trippers and they are of no use to my business or in fact most of the businesses in Bishop's Castle. Their disposable income amounts to \$3 which they spend on a cup of tea...They are mainly in the wrong age group too. They mostly don't enjoy it here. They would rather have gone to a livelier place...We have tried to steer the tourism board away from attracting those people...They inundate the town with people and feel they have done their bit (antiques dealer).

In a way, the institutional failures actually prompted individual businesses to get more involved in localized networks and in the long run may have an empowering effect as networks become more competent, proactive, and influential. A notable example of a successfully embedded network which also manages to disembed itself in order to promote the interests and empowerment of its members is the Association for the Promotion of Herefordshire. This business-led network enables members to share market information but also lobbies for exogenous agency-led intervention, especially in relation to

investment in skills. With support from Herefordshire County Council, it is promoting "Apple Tourism", linking attractions, events, activities, accommodation providers, tourism bodies, and transport, aiming to evenly spread tourist numbers around the county and across seasons. Similarly, in Bishop's Castle, local businesses and community members are virtually linking up their products and activities to raise the "cultural tourism" profile of the town on the web.

Exogenous support from agencies like Shropshire County Council and the resource controller Enterprise South West Shropshire means that the local telecenter and business owners/managers have easy access to specialized information technology training that can enable them to disembed their products and activities and easily link with the outside world. This mutual support is further cemented by the informal, personalized relationships and volunteer input that the popularity of cultural events has engendered. Creative businesses in and around Knighton have recently joined hands with Powys County Council in its initiative to disembed and sell the Mid-Wales tourism product to ramblers and overseas tourists from across the Atlantic and Australia who are seeking specialist genealogy-based holidays. In a comparable strategy, businesses in Llewelyn Country have forged informal self-help networks that are "focusing on the product rather than on the business individually" (business owner, Builth Wells). Their endeavor is to capitalize on the locally embedded historical association with Prince Llewelyn and the socially integrated nature of the community that is tradition-bound and still has "the old world feel" that is attractive to tourists seeking an authentic engagement with the place.

While the research uncovered a complex picture of networking ranging from soft and informal styles to hard and formal relationships, it should also be noted that a minority of businesses were not integrated into local tourism or business networks. As already mentioned, in some cases this was because the businesses were incomers and individuals felt that it was more appropriate to keep a low profile. In other cases it was because entrepreneurs felt a strong element of individualism and preferred to "just muddle along on our own" or "keep ourselves to ourselves". About 50% of the businesses had sought no professional business advice or information. They made decisions based on instinct and personal experience. A few turned to members of their family for advice, while about 12 sought it through informal and social links with other businesses. Just six businesses had sought advice from funding bodies, banks, suppliers, or tourism groups. A final reason for not participating in local networks was that some business people felt that they were "too small" and did not have time. Some were semi-retirement businesses and their owners did not want an active role in local organizations. Linked to this, there is also a distinction to be made between active and passive involvement in networks. On the whole, local networks are made up of a "little hard core of six-seven people" while "the rest just take a back seat." It was recognized that local groups would often "jump into life when something happens."

*Networks among Resource Controllers and Businesses.* As noted earlier, resource controllers play a significant role in shaping the local tourism product. The very nature of their activities tends to involve them in networks linking them to businesses, other resource controllers, and institutions. The types of activities engaged in by these actors include preservation and/or renovation of local built heritage, excavation of archaeological sites, local historical research, provision of training and business advice, community regeneration initiatives (including organizing events to promote local arts and crafts), development of educational resources for children, and product marketing and promotion. As such, their activities impact directly and indirectly on tourism development and they are integrated to varying degrees in networks. The resource controllers are funded from a mixture of public and private sources. Six of them rely totally on volunteers and the largest proportion employ less than two employees. A couple of the public sector bodies (Welsh Development Agency and The Marches Consortium) employ more than 50 people. The resource controllers are embedded in the study regions in terms of the locally distinctive resources that they use and the networks they are involved with.

Resource controllers have also managed to re-embed products and activities which had been forgotten about or neglected. For example, The Michaelmas Fair Committee in Bishop's Castle was established to increase tourism business through the revival of a traditional street fair celebrating country life. It is both "open and closed"; being open, it has brought together several smaller networks and different interest groups in the town, but it retains its closed structure to consciously exclude public-sector intervention and sustain local ownership of decisions. It re-introduced the Michaelmas Fair in 1998, and the event has since grown in scale, attracting valuable tourist trade to the town.

A key distinction between the businesses and resource controllers is that the latter were more likely to engage formally in networks operating at all scales from the local through to the national. The more tourism-oriented resource controllers (such as cultural centers) worked formally with county councils and were often represented on the boards of various partnerships that worked towards initiating specific projects aimed at training and skills-building. Resource controllers, through their access to institutional networks and their knowledge of communications and marketing, thus play an important role in enabling local businesses and communities to disembed their products and services by, in effect, bringing the market to their own doorstep. As the following respondent explained:

I think tourism has got to be a major actor in helping to advance businesses that can't sell their products out of the area. They have got to get people into the area. They haven't got any choice because there aren't enough people here to sustain all the businesses all the time. So if you can't go out to where the people are, you've got to get the people in to where you are.

Resource controllers often form a bridge between endogenous and exogenous actors and resources. For example, the House On Crutches, a community museum in Bishop's Castle, has forged ties with local businesses, community groups, and the Michaelmas Fair Committee in order to raise support for the collection of local records, archives, and artifacts. It has also sought exogenous agency assistance from the West Midlands Regional Museum Council in order to seek training, advice, and monetary aid. In some instances, the resource controllers themselves have originated from exogenous agency-led interventions, such as individual projects funded by the European Union, which try to encourage communities to take ownership of problems and solutions. For instance, Menter Powys (1992–2001) launched several community-led brands like the “Borderlands” and “Prince Llewelyn Country”. Importantly, as with many resource controllers, the activities of Menter Powys are not concerned principally with the direct selling of products to tourists but are aimed at linking different resources together in order to create a coherent attraction.

The growth of inter-related embedded/disembedded and endogenous/exogenous networks is empowering businesses, resource controllers, and their wider communities in three main ways. One, these networks are making up for shortfalls in the delivery of new training provision. Two, they are focusing on skills gaps in the community among often economically excluded groups, particularly women, youth, and the elderly. Three, they are assisting with the growth of innovative business clusters through creating synergy and added value to local products and services. Resource controllers overall have succeeded in aggregating a number of smaller networks locally, bringing together local artists, craft makers, accommodation providers, tour guides, restaurants, and pubs, with the aim of sharing best practice, and successfully creating marketplaces for local goods of use to residents and tourists.

Although resource controllers often formed a bridge between businesses and institutions, relationships with institutions were not always satisfactory. The resource controllers were critical of several aspects of institutional activity, namely, the lack of adequate support for small businesses through targeted interventions like micro-finance and training, the absence of incentives for wider enterprise development, and the lack of communication. Financial assistance was not necessarily the prime need among resource controllers. More important was the desire to be consulted and involved with tourism and development plans for the locality. Interestingly, virtually no interviewees from either the businesses or resource controllers had actually seen a tourism plan for their area or knew whether such a thing even existed.

## CONCLUSION

Before going on to consider the wider implications of the research, some conclusions specific to the study area are drawn. First, despite the variety of soft networking activities at the very local level, the integration of businesses with tourism planning remains limited. Their

expressed levels of interest in, knowledge of, and involvement with planning at a strategic level are low. The most significant concern expressed by those interviewed was a feeling that it was ultimately “down to the individuals” to promote themselves and market the area rather than an integrated strategic vision guiding development and planning. Even among resource controllers, who had a greater involvement in formal networks and organizations, there was little knowledge of tourism plans and strategies.

Second, the strategies that businesses and resource controllers were aware of (usually marketing and branding campaigns carried out by local authorities and tourism boards) did not always coincide with localized versions of place identity. Locally embedded signifiers such as historical figures and spatial referents were, in the view of many respondents, neglected. There was a sense of a need to “recapture” historical and mythical figures such as the wizard Merlin and Prince Llewellyn and embed their stories into local peoples’ knowledge and into the tourist experience. Interestingly, the Marches was frequently invoked as a spatiality that local residents could relate to and which had a special identity as an ancient borderland, neither truly English nor truly Welsh. The potential for cross-border developments, however, is severely curtailed by the existence of different institutional structures and funding arrangements. Indeed, these could be a source of resentment, with respondents on the English side of the border feeling that their counterparts a few miles away on the Welsh side had access to more EU grants. As one owner said, “I think many businesses would like to move to Wales because they get a lot more favorable rates there,” and another said, “[T]here are plenty of grants available if you are on the other side of the border but nothing available here locally”.

Third, despite the apparent simplicity of rural areas, the research emphasized the complexity of networks which together constitute rural tourism and highlighted the difficulty of achieving co-coordinated actions and strategies even within small geographical areas with low population densities. As one resource controller summarized, “. . . The big demand in the rural areas is for organization(s) to bring people together. People perhaps who on first sight you think have not got much to offer”.

Overall, the research identified a failure to link different actors—local authorities, tourism boards, regeneration partnerships, community groups, and others—in order to create a more rational approach based on the real needs of members. One resource controller summed up the general sense that there was a lack of a “grand plan” and suggested that what was needed was

. . . a wider marketing policy for the Marches area—Herefordshire, Shropshire and Powys—we could all put a few bob in . . . and we could market the area. That does not happen. It is very piecemeal. . .

Finally, the narrow focus of most of the networks at the local level has meant that cross-cutting issues like competitiveness, sustainability and integration, and the inclusion of less vocal members of the community,

have not been adequately addressed. Additionally, there is no coordinated approach to including existing local networks in policymaking. Some of the negative attributes of narrowly embedded parochial networks suggest that, unless more effort is put into organizing them around common interests, they are unlikely to benefit from regional development policies. Specific issues here relate to the nature, effectiveness, and transparency of partnership-building, processes of public participation, and the stimulation of cooperation between institutions and private and voluntary actors at the local level. Linked to these are issues of learning from past and existing programs and networking activities rather than repeating mistakes.

Turning to some more general conclusions, first, while embeddedness, endogeneity, and empowerment are obviously inter-linked concepts, in practice it cannot be assumed that one characteristic will necessarily result from the others. For instance, embedded networks are not *necessarily* empowering, as the evidence collected from the data shows that they can be socially exclusive, defensive, and reactionary rather than inclusive and progressive. Second, the research reinforces the importance of recognizing that the local sociocultural context has a profound influence on the nature of networks and relationships. Deeply embedded behaviors and attitudes can result in drastically different approaches to networks and relationships within communities that are only a few miles apart in geographical terms.

Most striking in this study was the contrast between the two border towns of Knighton and Bishop's Castle. One town was described as "desperately poor" and "50 years out of step with the rest of the world", where "people do not have motivation" and "no expectation of it ever being in any way better." The other "has been the Hippy's Heaven right from the 1930s...it has got a long established history of alternative life and artistic endeavor" and a more dynamic collection of networks. In each town, contrasting attitudes and behaviors were found, stemming in large part from historically layered events, processes, and relationships. Given the importance of such embedded relationships, the third point is that it is vital to take a long-term view of development both generally and in relation to tourism. Networks development is a long-term process resulting from a complex interaction of internal and external forces and conditions within specific contexts, raising several questions. Whose social capital is being built? Who benefits, directly and indirectly? Who exactly should/could take responsibility for driving and sustaining networks? How can different "models of intervention" be best defined and assessed at local and regional levels for the networks to be effective?

Having drawn out these conclusions and questions, it is important to consider some of the limitations of the research and various challenges which this exploration has raised. The sample is not representative of all businesses and resource controllers in the study region. The focus on small subregions was adopted in order to examine in detail the types of networks and relationships operating among the multiple actors involved in tourism in specific places. The project also involved surveys with gatekeepers, institutions, host communities, and tourists,

but within the confines of a journal paper it has been necessary to concentrate on one particular aspect of these relationships (the businesses-resource controllers nexus) to introduce the notion of IRT and its theoretical foundations.

In doing so, some of the rich contextual details regarding the subregions have been sacrificed, which undoubtedly has limited the study's ability to fully explore the nature of embeddedness and the ways in which this shapes the decisions, relationships, and behaviors of the actors concerned. Indeed, the concept of embeddedness in relationship to tourism development is worthy of more focused investigation than has occurred to date. Networks can be embedded in different ways. Farmers' networks, for instance, are not necessarily the same as tourism business ones and yet both need to link more effectively if better integrated tourism is to be achieved.

In exploring the concepts of embeddedness, endogeneity, and empowerment in tourism networks, it has become apparent that there is a need to develop similar qualitative studies in case contexts of comparable scale with which to assess the presence, or not, of these characteristics. Relating more specifically to the notion of integration, further research is needed to obtain a deeper understanding of the mechanisms that help to sustain dis/embedded, endogenous, and empowering attributes of networks, distinguishing generic factors arising from unique case histories and thereby improving the role of local businesses, resource controllers, and other actors in shaping IRT development. **A**

*Acknowledgement*—This article is based on a collaborative program of research funded under the EU's Quality of Life and Management of Living Resources programme (QLK5-CT-2000-01211 – SPRITE (Supporting and Promoting Integrated Tourism in Europe's Lagging Rural Regions) Project), 2001–2004.

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*Submitted 14 February 2006. Resubmitted 17 February 2007. Resubmitted 27 April 2007. Final version 2 July 2007. Accepted 25 July 2007. Refereed anonymously. Coordinating Editor: Michael J. Keane*

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