

Motivations and purpose for establishing networks for business owners in tourism: exemplifying integration and embeddedness within rural communities

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Most networks are evaluated by economies of scale following Marshallian concepts of industrial districts. Networks typically involve social participation; segregated roles; frequent interaction between members and cohesiveness in order to satisfy member needs and exchange resources or information for the benefit of the business (Lein and Sussman 1983; Phillipson et al. 2001). Exchange theory is fundamental to networking (Marsden and Lin 1982; Aldous 1996). Rural networks are not new, Faber (1976:254) described 19th century networks originating in rural co-operatives, as efficient forms of networking collectively for greater benefit of group needs. There are multiple variables to measure network activities. Motivation and purpose are specifically examined in this paper.

This research applied in-depth interviewing methods. Sixty-four owners in tourism businesses were interviewed within rural regions in Ireland. The findings report the importance of networking in rural situations and motivations for establishing business-to-business networking, especially for purposes of creating product and financial benefits. Most networks are localised and vary in formality and directional flow of resources or information. The typical business-to-business network structure can be modelled. The potential for integrated linkages and structural embeddedness within the local community is associated with market dependency; local multiplier effects; and promotion and/ or appreciation of the rural region.