

# ENTREPRENEURSHIP MODELS AND RURAL DEVELOPMENT IN ROMANIA BASED ON THE CULTURAL HERITAGE

Mihaela Andreea STROE\*

## Abstract

*Entrepreneurship lays at the basis of the development of society and based on the concept of innovation. The entrepreneurial models developed over time start from the classic concept which states that the owner of resources can play the role of the entrepreneur, the ownership right being very important, this models continue with the diversification of the market, of the industries of the market segments where the state contribution plays a very significant role for example, continuing with modern entrepreneurial theories where innovation plays the leading role by identifying business opportunities. Innovation can be revolutionary or incremental, can be based upon product and process development, systematic and sporadic innovations, entrepreneurial and social innovations. Cultural heritage entrepreneurship plays an important role as the pivot for the heritage tourism development in which concerns rural areas of Romania which represents the main focus of this study. It is important to outline that having into consideration the need of change in the consumption process of the tourist consumer and this implies the development of a new entrepreneurship models based on multiculturalism and innovation.*

**Keywords:** *Entrepreneurship, model, cultural heritage, rural, tourism*

## Introduction

The concept of entrepreneurship is very largely used these days, but a few focus on the basis of rural entrepreneurship. To start, the Global Entrepreneurship Monitor uses one of the more straightforward definitions: "Any attempt to create a new business enterprise or to expand an existing business by an individual, a team of individuals, or an established business" (Zacharis et al.) Entrepreneurship is recognized as a primary engine of economic growth. Without it other factors of development will be wasted or frittered away. Entrepreneurship stimulates economic growth through the knowledge spill over and increased competition of the entrepreneurs (Carree, Thurik, 2005).

The concept of rural development is a subject of constant debate, especially regarding the relative importance of its sectorial and territorial dimension. Rural development is seen as a primary territorial activity, in which the development of agriculture has an important role by the recognition of "the strong support that land provides in terms livelihood". The importance of this topic is based on the fact that it includes not only the economic, social and environmental development of those territories, but also the development of good governance in these areas. The program for rural development can contain, depending on the conditions and needs, the development of: infrastructure, agriculture, tourism, small and medium-sized enterprises and the creation of jobs, but also ideas regarding environmental protection, education, community development. Rural entrepreneurship is one of the newest areas of research in the entrepreneurship

field. In opinion of Wortman rural entrepreneurship generally can be defined as 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.

A specific part of the rural entrepreneurship can be considered the valorification of the cultural heritage which is defined by two main domains: **tangible patrimony** ((building, books, monuments, works of art, artefacts, landscape) and **untangible patrimony** (language and knowledge, folklore, oral history, traditions customs, aesthetic and spiritual beliefs etc). There is also another category **cultural natural heritage** (countryside, natural environment, flora and fauna, landscapes that are pruned for cultural tourism). (Zaman, Ghe., 2015)

Culture is a recognized territorial development factor at the international level, both politically and through dedicated investments. Politically, culture has been recognized as a pillar of sustainable development at local and regional level through the Agenda 21 for Culture (2004), a United Cities and Local Governments (UCLG) Committee approach. "Cultural diversity is necessary for humanity, such as biodiversity in the natural environment; the diversity of cultural expressions generates wealth and is essential for the development of a broad cultural ecosystem with a diversity of backgrounds, actors and content; dialogue, coexistence and interculturality are basic principles for the dynamics of the relationship with and between citizens; public spaces must be seen as cultural spaces. "The preservation of the cultural heritage takes place at various levels, from the concrete actions of study, documentation and inventory of assets, registration and surveying of conservation status, conservation and

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\* PhD, Lecturer, Faculty of Economics and Business Administration, "Nicolae Titulescu" University of Bucharest, email: stroeandreea@univnt.ro

restoration interventions, heritage management and museum tourism and access to the general public.

The tourism offer in which concerns the cultural heritage is very heterogeneous in which concerns the typology of goods, historical and cultural importance, patrimonial classification and resources, geographical location. On the other hand, a vast unclassified heritage, can be found isolated, protected by local and independent bodies, and sometimes without a well-defined dissemination strategy and with a much smaller historic-artistic and local expression. A different investment is represented by the dissemination of heritage and its valuation as a tourist resource, mainly in Romania the cultural heritage is owned by the state. If the cultural heritage is managed through several national or regional management bodies, with a public management, the tourism agents that use this resource are relatively unrelated to the decision-making process in which concerns investment, promotion and development strategy.

We have to take into account that the intangible heritage has an emotional component as well an emotional trigger, the emotional burden being the blend between history and legend, between facts and imagination. Creating emotional impact and regulating behaviour to embrace values of heritage including protection and conservation objectives, intercultural and interfaith dialogue and political awareness is the quintessence of a quality cultural heritage service. (Papathanasius-Zuhrt, Di Russo, Valentina Vasile, 2016)

The applications to UNESCO intangible heritage of various artistic and cultural manifestations converted items like the Romanian blouse or some folklor activities like de dance of calusari, represent objects of intangible cultural property. This valorisation of popular culture, which is the identity mark of some regions or places, has as its objective the preservation of techniques and materials through the maintenance of

these activities as a way of disseminating the territories, culture and endogenous resources. This factors can lay to the basis of a new entrepreneurship model based on multiculturalism like the Transylvania area, as we will see further.

### Methodology

Screening upon literature review and thematic synthesis of actual entrepreneurial models. This is to say that the study aims to make a comparison between the existing entrepreneurial models regarding rural environment through grouping as a method of analysing the characteristics of rural entrepreneurship. Grouping consists in separating the surveyed community into homogeneous categories units after the variation of one or more characteristics, in our case the endogenous or exogenous factors and *comparison* as a qualitative method of comparing the entrepreneurial characteristics based on criterion such as time or space ( as it can be seen below the three types of entrepreneurship: innovation entrepreneurship, opportunity and enlargement entrepreneurship are analysed based upon a geographical distribution, thus creating several countries' profile.

## 2. Models of entrepreneurship- stage of knowledge

The presented models should highlight the innovation potential of local entrepreneurs as a condition of success in developing the local tourism and the level of well-being. The approach is justified by the identification of the profile of geographical areas, to start with and going towards the local entrepreneur profile and the role of social and cultural factors upon developing new models of rural entrepreneurship. In other word, we can start from the "big frame", collapsing into the individualisation of cultural heritage as entrepreneurship goal.

Table 1. General entrepreneurial model based on geographical distribution

<p>East European profile ( Croatia, Romania, Bulgaria, Hungary) Low EA, very low NE, very low EE, low number of women in business compared to men, relatively low percentage of adults identify business opportunities, they know an entrepreneur and think they know how to start a business, the differences between incomes are small, the sector agricultural sector has a significant share and there is a low level of venture capital investment and informal investment</p>	<p>Aggressive Asian profile (China, Japonia, Singapore) low opportunistic entrepreneurship (OE), very low entrepreneurship of necessity (NE) , very low entrepreneurship of enlargement (EE), few business women compared to men and a low percentage of adults identify business opportunities, they know an entrepreneur and think they can start a business, the differences between Income is low</p>	<p>The profile of the enlarged European Union EO moderate, very low NE, moderate EE, percentage of business women is rising and a high percentage of adults identify business opportunities, I think they have entrepreneurial abilities and have a high fear of failure Differences between incomes are low and social costs are and there is a moderate level of venture capital investment and informal investment</p>
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<p>The profile of the former British colonies (Australia, Noua Zeelanda, Africa de Sud, SUA ) characterized by high OE, very low NE, low EE are few business women compared to men and a high percentage of adults identify business opportunities, I think they have entrepreneurial abilities and have a low fear of failure. Income differentials are moderate, high social costs and a moderate level of venture capital investment and informal investment</p>	<p>Latin America profile (Argentina, Brasil, Chile, Mexic ) EO profile increased, NE increased, EE increased. Women begin to get men involved in business and a high percentage of adults identify business opportunities, they think they have entrepreneurial abilities or know a business man. The agricultural sector is substantial, there is a high percentage of unemployed aged less than 25 years. Here we see the biggest differences between incomes, the biggest barriers to initiating and registering business. Social costs are high, the level of venture capital investment and informal investment is moderate.</p>	<p>Asian development profile ( India, China) characterized by increased EO Increased EE increased women start to grow in business engagement rates and a high percentage of adults identify business opportunities, they think they have entrepreneurial abilities and know an entrepreneur. The agricultural sector is substantial, there is a high percentage of unemployed younger than 25 years old. There are large income gaps, which coexist with the most ambitious business initiation and registration barriers, and the level of risk capital investment and informal investment is moderate</p>
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Source: own centralization

Predictive model design- innovation models in entrepreneurship has a large spectrum of interventions from good practice models presented to entrepreneurs to diverse programmes which have been tested and can anticipate problems, having the tendency of generalization.

The model above shows the connections between the entrepreneur characteristics and the entrepreneurial environment that has external features and internal features as input factors of the model, a very important data being the location of the entrepreneurial activity which will impose some particularities if we are speaking about a rural space.

The innovation which boosts the level of entrepreneurship has at its basis the motivation, as we can see also in the figure 1. The process of innovation implies the next stages: *process of innovation generation, novelty degree of the innovation strategy, level of entrepreneurial innovation, types of innovation*. As main motivation that lay at the basis of the process, there can be outlined: area development, development strategy, stakeholders, financing programs, the level of education, etc.

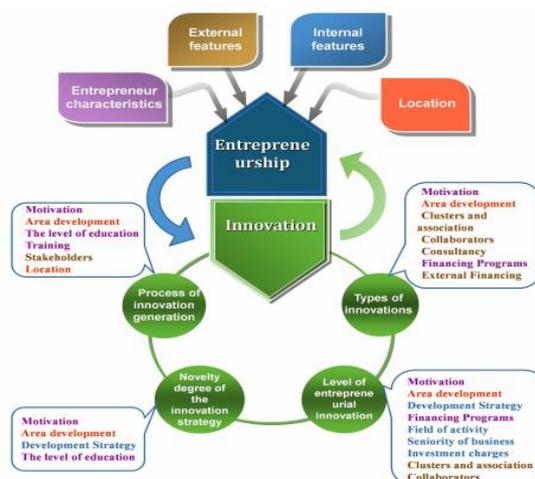


Fig.1 Predictive model of entrepreneurial innovation in rural environment, Source: Harpa Elena, Monica Sorina, Dana Rus, A predictive model of innovation in rural entrepreneurship, procedia Technology 2014

The strategies to encourage rural entrepreneurship initiative must respond to three major challenges (Steriu, Otiman et al., 2013):

- aspects of economic structure
- low employment opportunities in the primary sectors as a result of structural changes in the economy
- increased by legislative changes far too fast to could be assimilated by the rural population.

The characteristics of rural business environment play a major role having into consideration the difficulty of maintaining a critical mass of facilities in rural areas (infrastructure, market, tax incentives, etc.) and, also, the need to support economic development. (Andreea Feher,

Vasile Gosa,2014) accelerated aging of the population associated with extra-rural exodus of young people and (re)turning to rural areas, especially of persons at retirement age are social aspects that can effect in a negative way the chances of potential rural entrepreneurship.

So, as a way of stimulating the entrepreneurial spirit, the Small Business Act for Europe (EC, 2011), proposed a new model based on three pillars of action (Figure 2).

- development of entrepreneurship education and training to support economic growth and driving the emergence of new business;
- creating a favourable business environment for entrepreneurs (providing the access to financing, providing support with the development stages of business, reducing administrative restrictions;
- dynamization of entrepreneurial culture through the use of good practice patterns and stimulation of entrepreneurial initiative of target groups with the potential to become entrepreneurs. (Andreea Feher, Vasile Gosa,2014)

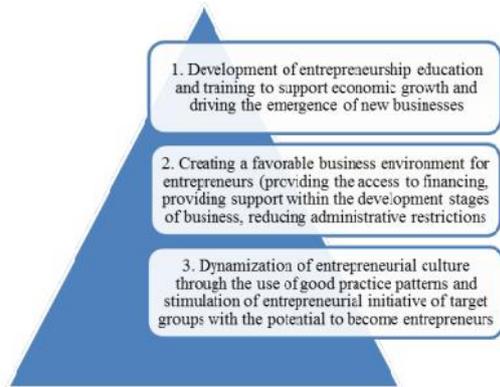


Fig.2 Pillars of Action of rural entrepreneurship development, Source: The development of rural entrepreneurship in Romania, Andrea Feher, Vasile Goşa,Tabita Hurmuyache, Miroslav Raicov, 2014

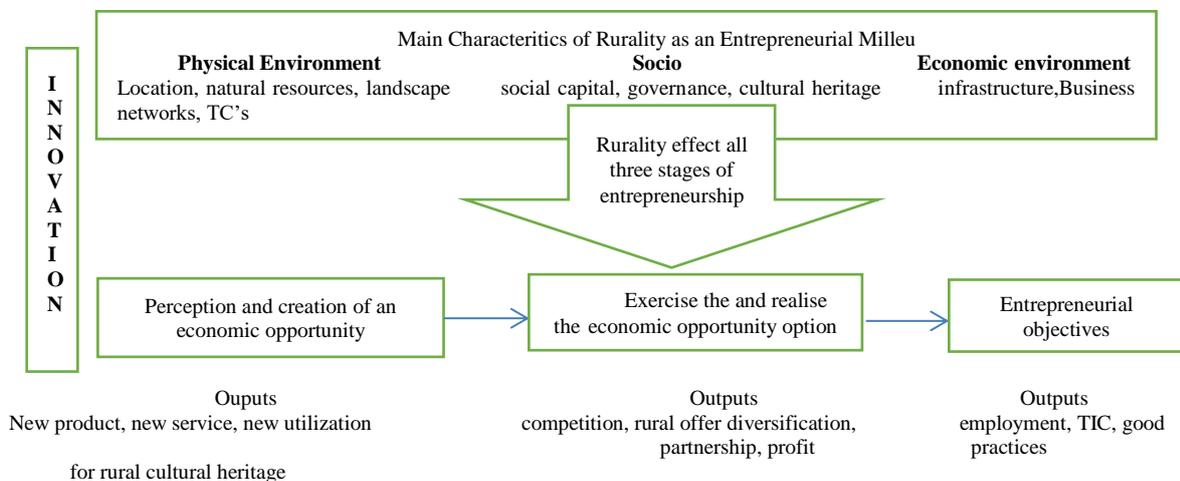
The first pillar of action covers measures such as (Steriu, Otiman et al., 2013): including among the programs of primary, secondary, professional, and higher education, as well among the adult education, of needed disciplines for skills training necessary for an entrepreneurial spirit development and using structural funds for the revival of entrepreneurship education for youth; The second pillar refers to creating a favourable business environment for entrepreneurs, comprising the following steps: providing support for entrepreneurs in the developmental stages of the business through: rural tax systems more favourable for businesses in the early stages; financing programs and making them known among entrepreneurs or implementing a new payment scheme of VAT at collecting for small businesses. This financial measurement, of course, need to be sustained by educational ones like special programs of training, reducing the number of immigrants each year and creating new employment opportunities for the young people from the rural areas. So, according to social exchange theory, an individual contributes to the institutionalization of entrepreneurship in her social environment by engaging in the activities of opportunity search and resource assembly. In this way, the norms expected from her role attains legitimacy as an entrepreneur.

### III. Innovation model in rural entrepreneurship

This innovation entrepreneurship model is based upon the idea of perceiving the information of the market, the need for cultural consumption, for example, and the ability to concretize it using modern technology.

The adapted model of a three-stage entrepreneurial process in the rural development focuses on the idea that the local community is in search for a new business model for their community as a whole, rather than searching for new firms, jobs, growth opportunities and entrepreneurs. (for examples the vacation village hotel or a campus where different households play different role in a holistic manner)

Figure 3 Innovation model of entrepreneurship



Source: own centralization adapted upon Stathopoulou, Psaltopoulos, and Skuras (2004)

It can be said that on the first stage Innovation is important to perceive the opportunity, the means to put the “vision” into practice using innovative methods. In creating an economic opportunity as a next stage, the entrepreneurs develop a new product, a new activity as an advantage of his own or as a peculiarity of the area. In realising the economic opportunity option (second stage) the main outputs refer to utilising and allocating outputs, contact with institution or creating different partnership. Finally, we can focus on the entrepreneurial objectives and its outputs like external gains (social gains, profit, employment) or internal gains (motivation, satisfaction).

Entrepreneurship is seen more than a way to develop business ideas, but it becomes part of the local structure. In order to sustain the process there is an interplay between *communication and history* – the where some local successful entrepreneurs share in exterior their vision and innovating idea for the near community, internalising also other stakeholders vision upon the local development their historical deeds and sins, their contemporary community visions and moreover their trustworthiness to outline the future strategic direction. Successful entrepreneurs are constantly engaged in social exchanges with a wide variety of networks to creating social capital through trust, mutual obligation, expectations and norm setting activities.

### 3. Rural entrepreneurship and cultural heritage in Romania (Transylvania study case)

Rural tourism could be both a chance for the rural areas’ revival and a possible solution to the problems affecting them. Moreover, for a sustainable development of rural tourism, beneficial for the local communities, it is also necessary that the businesses be local and capitalize also the favourable nature-based resources and the cultural heritage (i.e. traditions, history and local specificities). Consistent with other researches, we found that the supply of funding for rural businesses is somewhat weaker and less competitive compared to the urban-based businesses. In which concerns rural areas, the major form of entrepreneurship are SME’s, family firms, individual firms or authorized person. Rural tourism can be a large area to discuss in order to emphasize all the typology that can be deducted out of the multiple forms that are found spread in Romania. The subject of this study does not focus on the economic side of entrepreneurship and the organizational part, such as SME’s or financial strategy to enlarge the entrepreneurship area in the country side, the aim of the study being more a qualitative analysis of the rural environment with its potential of innovation and multiculturalism. In this study case, I have taken into consideration a pilot study that addresses to the Transylvania area as an example for the rural entrepreneurship and innovation models that can be developed based on the cultural heritage that can

be tangible (touristic objectives) or intangible (customs, tradition).

In the last half century, in many countries, rural tourism is considered a future strategy that can help reduce population mobility, create jobs, and finally promote socio-economic development of disadvantaged areas. Several elements explain this option:

- rural tourism allows meeting the need for space, opening by practicing recreational, sports and cultural entertainment activities;

- responds to the increasing interest in the natural heritage and rural culture on the part of the urban population, who feels that is lacking the knowledge and pleasure of these values.

- the local government is aware of the opportunity offered by rural tourism (agro-tourism) through its multiplicative effect, which means producing complementary incomes, maintenance a demand for infrastructure and services that interests both the local community and visitors. Studies in France and Norway have shown that the amounts spent for shopping made by tourists in the area, very important in weight, are essential for maintaining and developing commerce and local crafts;

The models shown in the literature review above refer mainly to the *mono-culturalism* entrepreneurship which operates with the idea of consuming culture in different places but mainly with the same traditions and same culture topic. At the extremes, we can find a mono-culturalism model of visiting the cultural heritage, that implies knowing tradition in one place and making the accommodation in a nearby city, for example you visit the surroundings of Sibiu but you choose to make the accommodation in a hotel in Sibiu, so you will “migrate” in order to make the heritage consumption in the near villages knowing the intangible patrimony as customs, tradition, food in a different place, so you will have a *radial consumption* model of rural tourism based on rural heritage.

At the other extreme, it can be found a more *centered model* of mono-culturalism rural entrepreneurship that has into consideration the village-hotel concept that emphasizes the collaboration between all inhabitant entrepreneurs of the location that provides separately accommodation, food, culture consumption.

In Romania, if we are talking about Transylvania area, certain villages can be considered representative. This area is characterized by multi-culturalism being a meeting point of some mixed population and tradition such as german, hungarian, romanian, oriental influences, this co-existence leading in time to mixed tradition, mixed culture and mixed activities that particularized the area very much. So, from a rural tourism point of view, we can speak about *ethnographic and folklore tourist villages, tourist villages of artistic and craftsmanship, landscape tourist villages*.

In the category of *ethnographic and folklore tourist villages* can be included the localities where the port traditionally, the architecture, furniture and interior decoration of the tourist village, folk music and folk choreography prevails and is required as the essential attributes of the village. (Talaga, Rural Turism, Course notes,2010)

The villages of this type can offer accommodation and dining services to tourists under authentic conditions (furniture, decor, equipment bed linen in traditional style, traditional dishes served in dishes and special cutlery - dishes and dishes pottery, wood spoons etc. Artisanal exhibitions can be organized, and for tourists who do not stay in the locality but only visit it, there can be arranged one or more households with an ethnographic outdoor museum. Also, in these villages popular vocal or instrumental bards can be identified, we can refer also to Sunday horns, and celebrations, other customs and local traditions. (exemplifying those from the localities: Bogdan Vodă, Vaideeni, Lerești, Sibiel,).

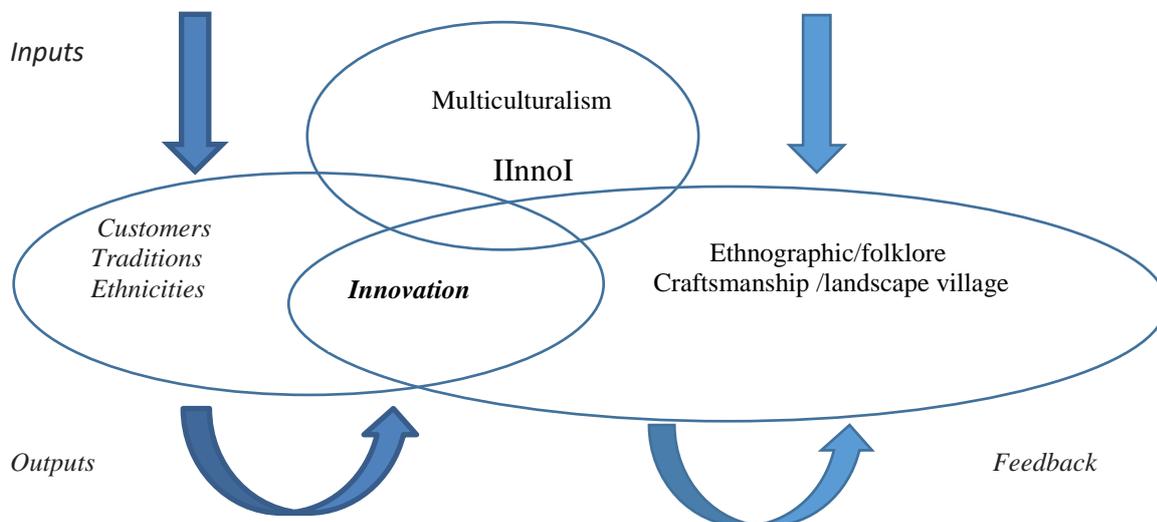
*Tourist villages of artistic and craftsmanship.* The interests of many tourists are known for artistic creation, and their desire to purchase such creations directly from source, by the manufacturer himself. Until now, only local tourism is practiced in these localities circulation. Such villages offer the possibility of practicing a holiday tourism, in which, in

specially designed workshops and with the guidance of famous artists and craftsmen, tourists would be able to initiate popular archeological techniques: glass icon, naive painting, wood sculpture and stone, folk weaving, folk clothing and stitches, ceramics, folk music and dances, etc.

We are considering identifying the possibilities of practicing some of these activities, even within of host households. There are many villages where the basic concerns of households are woven peacock woven fabrics, popular stitching or embroidery, activities where tourists can be initiated as amateurs. Therefore, the essential feature of these villages, their brand image, would be artistic and craftsmanship (examples of localities such as Dealu Frumos, Marga, Bucurdea Vinoaasa etc.).

The predominant characteristics of *landscape tourist villages*. of these villages (for the quiet, solitary walks in a scenic natural setting) are the natural setting and geographic location isolated from crowded centers and large arteries of circulation. The hill and mountain villages, with homes spread over the valleys and hills at some distance with respect to each other, with meadows or orchards, satisfy the fundamental motivation of the numerous tourists of "returning to nature". Examples are localities such as Valea Viilor, Mărginimea Sibiului.

Figure 4 Multicultural model



Source: own source

Multiculturalism is an undeniable reality and value in both cultural spaces formed in countries with a large contribution of immigrants, as we can see in some cases in Western space and in cultural spaces with a long historical tradition and a structure that requires coexistence between a majority culture and several historical minorities, such as the Romanian case and in particular the Transylvanian area. Transylvania is a special place with historical, ethnic, cultural and ethnographic values distinguishes itself from the other provinces of Romania. A multiethnic history and

multicultural traditions have marked forever this region. Romanians, Hungarians, Saxons and Szeklers - very different ethnic groups - have managed to create a unique world, in which the archaic cultural character was preserved.

The Transylvanian villages with Saxon fortified churches offer a lively picture of the landscape cultural heritage in southern Transylvania. Sibiu, the cradle of the Saxon civilization in our lands, bordering on the west with a grouping of Romanian villages that form an ethnographic unit called Sibiu Surroundings . These

villages stand a testimony of the Romanians' cultural identity on these lands.

In the model of developing innovation in the rural entrepreneurship has into consideration the *inputs* and *outputs* of the rural system. In the category of inputs there are external factors and internal factors that can lead to innovation. External factors that can influence can be: location, natural resources, landscape. On the other hand, with external influence can be stakeholders (city hall, investments, public organizations or non-profit organization, social capital) that develop program for rural tourism and sustainability of patrimonial heritage. Features such as ethnicity, customs, traditions, consultancy, financing programs and field of activity ( for example the type of activity that is characteristic for a certain area (evening sittings, sewing, weaving, pottery, embroidery, art of wine making, different local preparations and how to prepare such as "gulas" in Transylvania, etc.). To all of this, to the physical environment and social one, it can be added as a feature of rurality as an entrepreneurial middle, the economic environment (infrastructure, business networks, ICT's)

Or if we are referring to tangible patrimony- the touristic objectives of the area, the cultural patrimony such as mansions (example Ambient mansion situated in Cristian village where the history and tradition of the Saxon crafts are still remarked or such as Apafi mansion, Malancrav build by prince Mihaly Apafi in 1920 and thanks to a Romanian-British NGO who has forced to help traditional rural communities in the Transylvanian region, Apafi Mansion is part of the Mihai Eminescu Trust Foundation's projects.

The internal factors regarding the outputs are the internal features of each ethnicity such as their values, way of thinking, religions that leads to a diversity in the inhabited space that becomes an eclectic rural community which offers a diversified tourism offer.

The motivation in innovating, the level of education are certain factors that influence the multi-culturalism level and that can create important outputs for the community. Regarding the level of education as input for the model, two forms of socializing of the individual can be seen in Romania: the first is based on traditional values, values which are transmitted in a structured way of understanding the world and interacting with it, and the second belongs to the formal education system that is different not only in rural area compared to urban area but also in Eastern Europe.

The two social systems complement each other to a point where the individual will build on those social forms that are closest to their own personality structure. The educational gap is favouring the traditionalist orientation of people living in the rural area at the expense of entrepreneurship of Western origin. This generates risk aversion and reluctance to bank financial instruments that can develop rural area and local economy, based on the principle of the minimum allowed.

The process of innovation can lead to various *outputs*. The innovation is a process that implies a complete circle and it depends of the degree of the innovation strategy (gadget, IT equipment, virtual presentation of the area) and level of entrepreneurial innovation that lead to types of innovation. So, the outputs are important for the development of the area, for their purpose of putting into like different traditions, different kind of particularities regarding a nation or a niche sector. One of the most important output is the effect on the social economy, the social cost, the improvement on the way of living. And if we are talking about a qualitative output, the emphasize is upon the perpetuating traditions, protecting and preserving the rural cultural heritage, improving the living environment of communities, framing the areas in the European coordinates regarding the promotion of cultural heritage and innovation technology.

Rudolf Rezsohazy (2008 ), makes a typology of values regarding rural development advancing a classification dividing them into: core values, structural values, peripheral values, final values, instrumental values overall, sectored values, explicit values, default values, hidden values. The persistence of these values related to the specific culture of a nation's culture and social model in culture. (Gabriel Pricina, 2012)

Entrepreneurship models, well applied create impact upon the social economy, reducing the cost of living and contribute to the economic development of the area. This can be seen as the social impact of rural touristic entrepreneurship model. The social economy is an important "employer" with a share of 3.3% of the total number of employees from Romania. (insse.ro)

Besides lower the total social cost, there are positive implication in which regards road construction, sewage and drinking water network. Thus, at the end of 2013, from 31639 km communal roads, only 7% were mostly upgraded being cobbled roads (48%) and earth roads (29%) (insse.ro)

Successful ventures have shown that counter-urbanization and well-managed rural tourism sites can have a positive effect on the area's economic stability and growth. In rural areas, a social enterprise participates in the development of the community as a whole in Sustainable way: Creates jobs for the community or people in difficulty, addresses the problems of each community (education, poverty, promotion crafts, support for local tourism).

Tourists are becoming increasingly interested in rural tourism opportunities, it is necessary to focus on diversifying the tourism offer through the ingenious combination of passive rest with an active involvement in learning crafts and traditions, as well as farm practices in the household, highlighting the educational component of tourism.

For example, in the rural tourism of Romania it can be seen an increase in the number of establishments, increase that lead to a development of agro-touristic tourism and increase in the cultural heritage of the connected areas because big cities like

Alba-Iulia, Sibiu, Brasov, etc. act like pole magnets for different type of tourists.

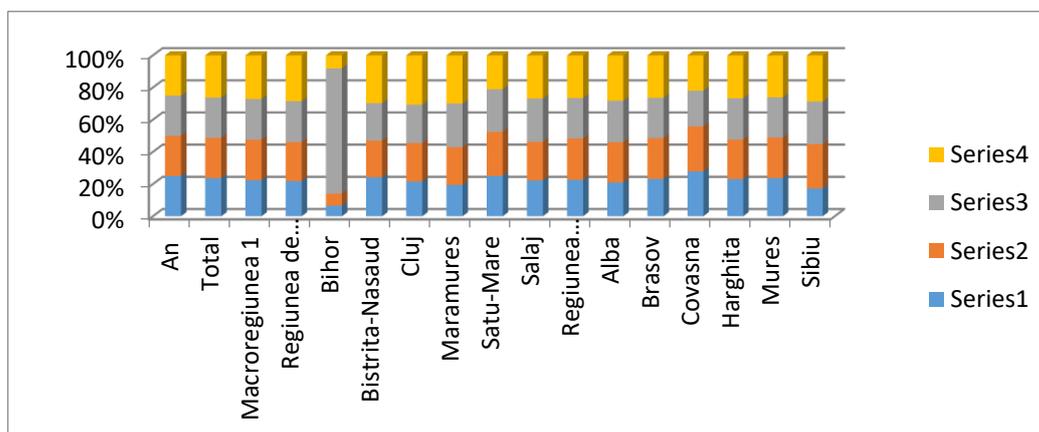
	2015	2016	2017
Number of establishments			
Total	6821	6946	7905
Hotels	1545	1551	1597
Motels	221	218	222
Tourist inns	3	3	3
Hostels	248	266	300
Tourist villas	643	636	659
Bungalows	280	288	434
Tourist chalets	196	288	434
Holiday villages	7	7	9
Camping sites	66	61	57
Schools and pre-school camps	63	58	57
Tourist halting places	33	38	40
Tourist boarding houses	1527	1530	1666
Agro-tourist boarding houses	1918	2028	2556
Houselet-types units	61	59	70
Ship accommodation places	10	10	10

Table 2. Number of rural establishments www.ins.ro, Statistical Brevity, 2018

This data can be related with the development of tourism divided by geographical area that lead, also, to the conclusion that social benefits to the area when rural tourism is managed well. For example, rural tourism in Europe in 2014 provides around 6 million bed spaces in 500,000 establishments, representing around 15% of

the total accommodation capacity of Europe. Together with related services, the sector generates more than €100 billion in direct spending. From the corroborated pictures, the one related to rural accommodation such as inn, camping, vacation villages and the one related to total.

Figure 5 Existent tourist accommodation capacity, www.insse.ro, years 2014-2017



existing capacity, we can conclude that the touristic capacity has risen during 2014-2017, the Central region regarding Transylvania has had a capacity 60597 in 2014 and of 71038 in 2017, the most important areas being Sibiu (10902 in 2017), Brasov (29881) and Mures (11491). The big cities act like pole magnets, "selling" also the rural cultural heritage of surrounding villages with social implication of diminishing costs and creating local business, raising the life quality.

In order to support the role of rural tourism with its social benefits, the social networks and stakeholders

must be adapted to the rural profile. Social exchange behaviours can involve active positioning within a network. For example, creating strong ties provide support, validation, and market intelligence from stakeholders while fostering weak ties provide information about the macro-environment outside the tourism industry. Therefore, the query could be to identify and respond to opportunities by facilitating access to technology and social network links between potential entrepreneurs and demand markets.

## Conclusions

In this research, the purpose was to realize a literature review that can summarize the main rural entrepreneurial models starting with predictive models based on innovation, external features of entrepreneurial milieu and internal factors such as motivation, level of education, training and continuing with models regarding pillars of action of rural entrepreneurship development, outlining the importance of developing a proper entrepreneurship education, supporting the economic growth and creating a favourable business environment for entrepreneurs.

The main focus is upon the innovation models and, in this direction, I have proposed two models: one adapted after the main characteristics of rurality (Stathopoulos, Psaltopoulos, 2014) as an entrepreneurial milieu where the innovation is seen as a pre-stage phases and an own innovation model based on multiculturalism and cultural heritage that has the innovation as a central idea based upon the intersection of various customs, traditions, culture, ethnicities, intangible patrimony, touristic objectives that are to generate social, economic and educational outputs for the rural community with positive feedback for the future generation and, nonetheless, for the growth and sustainability of the present community. It is very important to outline the the cultural and educational positive impact that goes along with the economic and social impact (such as low migration rates, low unemployment ratio, school abandonment, etc) and, also, with the impact of lowering the social costs by creating a favourable rural entrepreneurship environment. The innovation lays at the basis of progress, the process of innovation can lead to various *outputs*, this implies a complete circle and it depends of the degree of the innovation strategy (gadget, IT equipment, virtual presentation of the area) and level of entrepreneurial innovation that lead to types of innovation. The main direction that where outlined regarding the cultural heritage were ethnographic and folklore tourist villages, tourist villages of artistic and craftsmanship, landscape tourist villages, that focus on the idea that multiculturalism is an undeniable reality and value in both cultural spaces formed in countries with a large contribution of immigrants that can lead to multiple inputs and outputs regarding innovation and the methods in which the touristic potential of a rural area can be valorized.

In spite of the fact that the traditional world was unbalanced by eliminating or reducing a component, however, other components of the traditional values have remained present and accounted for substitute work outside the home. The perpetuation of traditional

exists in the form of creating rural SME's, individual firm or family firms or authorized person that can lead an activity in a entrepreneurial framework but the innovation is the key element in boosting tradition and cultural objectives.. It can be observed that after 1990, the trend of returning to areas from regaining ownership, has led to a symbiosis between the two formulas and helped to a new form of minimum entrepreneurship to ensure. The new owners or the potential owners (the future rights of inheritance) compared the alternatives and chose the most convenient formulas by reporting the requirements to ensure their effort. In this context the traditional philosophy was kept, and the rural residents adapted to a modern economic context, so the survival was ensured the minimum by the outsourcing of the economic activities in order to ensure convenient report work-incomes.

Cultural tourism and innovation can be seen as a future model of *cultural consumption based on* the change in the consumption need of tourist consumer that focuses not only in the culture consumption of the visited place but, also, on the attractiveness of the place regarding the innovation techniques and communication equipment that has raised the problem of an adapted entrepreneurship model based on the need of innovation. When a certain area is visited, the consumer of culture or tourism is no longer satisfied only by cultural aspects or dynamics but, also, by the creativeness of the place. The role of creativity in the development of regions and the innovation of new products in order to create attractiveness is becoming important.

Having into consideration the migration problem and the effects of the economic crisis until de present, in the case of Romania, the rural population is the holder of a traditional cultural heritage and, this, in the economy is only one dimension of a complex system.

If the social identity of entrepreneurs is not institutionalized in rural regions, the pre-startup phase may be more properly viewed as a social exchange phenomenon. So, when the community development is set as an objective, there are required cognitive effort and notification in order to meet the need for change and innovation. So, in this context there are important three directions: will of change, perception of innovation, the human and financial resources.

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