

TRANSNATIONAL ENTREPRENEURSHIP IN THE FIELD OF TOURISM AND SIMILAR INDUSTRIES

JOINT CURRICULA

Level: University

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on behalf of National Tourism Cluster “Bulgarian Guide”

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Subject overview

The subject introduces students to the challenges of starting a new business venture in a travel, tourism and hospitality and operating it in an international setting. The subject programme covers various theoretical and practical aspects of entrepreneurship and innovations management that will help students gain skills to develop a feasible business plan in travel, tourism and hospitality. Furthermore, it introduces students to the concept of international business and how they can successfully manage a tourist company in an international context.

Aims

The subject aims to:

- ✓ Equip students with theoretical knowledge about entrepreneurship, innovations and business planning in travel, tourism and hospitality
- ✓ Equip students with knowledge and skills in managing a new business venture in an international context
- ✓ Develop skills for applying the theoretical knowledge into tourism business practice
- ✓ Develop managerial, decision-making, creative thinking, planning and organisational skills
- ✓ Provide students with skills for effective and efficient business planning in tourism
- ✓ Raise awareness about the social and ethical issues of entrepreneurship in tourism

Learning outcomes

After completing the subject students should be able to:

- ✓ Understand the key aspects of entrepreneurship in tourism context
- ✓ Critically evaluate the role of innovations in the entrepreneurial process in tourism
- ✓ Identify the key elements and steps in developing a business plan
- ✓ Develop and justify a business plan
- ✓ Formulate a competitive international business strategy
- ✓ Be able to a suitable entry mode for internationalisation of a tourism business
- ✓ Create an innovative marketing mix to attract international customers
- ✓ Know how to finance the business venture
- ✓ Evaluate the feasibility of the international business idea
- ✓ Identify and manage international risks in the business process
- ✓ Evaluate the social and ethical issues in entrepreneurship in tourism

Teaching methods

Teaching methods include:

- ✓ Lectures
- ✓ In-class activities – business simulation game, case-based learning, developing a Business Model Canvas

- ✓ Guest lectures by entrepreneurs from travel, tourism and hospitality industries
- ✓ Field visit to innovative companies in travel, tourism and hospitality

Assessment methods

The recommended assessment mode includes:

| Assessment element | Weight in the final subject mark |
|---|----------------------------------|
| 1. <i>Group assignment</i> : Developing a business plan for entering a new international market in travel, tourism and hospitality. Number of students in a group – 3-4. Sub-elements: 1.1. Business plan – 6000 words 1.2. Group reflective report – 1000 words 1.3. Business plan presentation – around 50 slides, 20 minutes presentation, 10 minutes for questions | 50 |
| 2. <i>In-class activities</i> – marks awarded on lecturer’s discretion based on students’ participation in class. | 20 |
| 3. <i>Individual essay</i> – 2000 words | 30 |

Students receive a module book which includes all the briefs for all three assessment elements (groups assignment, in-class activities, individual essay), the marking criteria, and the marking and feedback forms to be completed by the lecturers for each assessment element.

Topics

The subject content is divided into 11 topics with 100 contact hours in total.

| Topic | Number of contact hours |
|--|-------------------------|
| 1. Fundamentals of international tourism | 10 |
| 2. Principles of transnational entrepreneurship in tourism | 10 |
| 3. Innovations and creativity in tourism | 5 |
| 4. Developing a business plan in an international context | 5 |
| 5. Analysis of the international business environment | 10 |
| 6. International marketing management in tourism | 15 |
| 7. International financial management in tourism | 15 |
| 8. International human resource management in tourism | 10 |
| 9. Managing international business risk in tourism | 5 |
| 10. Business stewardship in tourism | 5 |
| 11. Good practices of transnational entrepreneurship | 10 |
| Total | 100 |

Indicative content of Topic 1: Fundamentals of international tourism

- ✓ Key concepts: tourism demand and tourism supply
- ✓ Scope and key characteristics of tourism activities – accommodation establishments (hotels, motels, guest houses, apartment complexes), food and beverages (restaurants, bars), visitor attractions, museums and galleries, sport facilities, passenger transport (air, road, rail, water), special events.
- ✓ Consumer behaviour in tourism – characteristics, influencing factors, travel motives
- ✓ Legal issues in international tourism, including visa regulations
- ✓ Destinations and destination management
- ✓ Transborder destinations – Alps, Danube region, Dobrudzha, Macedonia, Rhodopi

Indicative content of Topic 2: Principles of transnational entrepreneurship in tourism

- ✓ Nature, scope and importance of entrepreneurship
- ✓ Cultural aspects of entrepreneurship in tourism
- ✓ New start-ups and intrapreneurship in tourism
- ✓ Business models in tourism, including e-business
- ✓ The decision to internationalise – factors, challenges, approaches, timing
- ✓ Entry modes used for internationalisation of tourist companies – full ownership, partial ownership (joint venture), management contract, franchise, marketing consortium (soft branding), lease

Indicative content of Topic 3: Innovations and creativity in tourism

- ✓ Types of innovations – breakthrough and incremental; frugal innovations; the Henderson-Clark model
- ✓ The creative process, generating and screening innovative ideas. Steps in new business idea development and evaluation
- ✓ Alternative innovations strategies – first to market, fast follower, me too, late entrant
- ✓ Being competitive in tourism through creating experiences, gamification and green innovations
- ✓ Protecting ideas through intellectual property rights

Indicative content of Topic 4: Developing a business plan in an international context

- ✓ The structure and content of a business plan in an international context
- ✓ The process of preparing a business plan in an international context

Indicative content of Topic 5: Analysis of the international business environment

- ✓ Scope of the business environment in tourism

- ✓ Analysis of the international macroenvironment – PESTEL framework (political, economic, social, technological, environmental and legislative factors)
- ✓ Analysis of the microenvironment – customers (current and potential; domestic and international), competitors (direct, indirect, substitutes; domestic and international), suppliers, distributors, Porter’s Five Competitive Forces framework
- ✓ Analysis of the internal environment of the company – Porter’s Value Chain Analysis framework
- ✓ SWOT / TOWS analysis

Indicative content of Topic 6: International marketing management in tourism

- ✓ International marketing mix in tourism – 8Ps framework (product, price, placement, promotion, physical evidence, people, processes, participation). Creating a transborder tourist product.
- ✓ Marketing processes – segmentation, targeting, positioning, planning, budgeting, control
- ✓ Developing a competitive international marketing strategy
- ✓ Digital marketing in tourism – online distribution channels, SoLoMo (social, local, mobile), SEO, online user experience
- ✓ Specific characteristics of international marketing management in various tourism activities
- ✓ The role of cultural factors in international marketing management

Indicative content of Topic 7: International financial management in tourism

- ✓ Key financial documents of a tourist company – balance sheet, profit and loss statement, cash flow statement
- ✓ International aspects of financial management – currencies, legislation, reporting systems
- ✓ Developing international financial forecasts and plans
- ✓ Methods for evaluating the financial feasibility of an international entrepreneurial project – NPV (net present value), IRR (internal rate of return), payback period
- ✓ Evaluating and selecting sources of financing – internal financial sources, equity financing (shares, partnership, angel investors), debt financing (bonds, bank loans), EU, national and international financial schemes and funds, crowdfunding

Indicative content of Topic 8: International human resource management in tourism

- ✓ Identifying and forecasting the needs of human resources in a tourist company. Developing a human resources plan
- ✓ Organising human resources, developing organisational chart and job descriptions
- ✓ Recruitment and selection
- ✓ Motivation, appraisal and remuneration
- ✓ The role of cultural factors in managing human resources in an international context

Indicative content of Topic 9: Managing international risk in tourism

- ✓ Nature, scope and types of risks in the entrepreneurial process in tourism
- ✓ International business environment risks – foreign exchange fluctuations, politics, terrorism, visa regulations, health, safety and security
- ✓ Strategies to mitigate risks in tourist companies

Indicative content of Topic 10: Business stewardship in international tourism

- ✓ Ethical aspects of transnational entrepreneurship in tourism
- ✓ Fair trade in international tourism
- ✓ Corporate social responsibility in international tourism
- ✓ Environmental protection in international tourism
- ✓ Environmentally friendly forms of international tourism

Indicative content of Topic 11: Good practices of transnational entrepreneurship

- ✓ Good practices in trans-border cooperation between destinations – examples from Albania, Bulgaria, Greece, North Macedonia.
- ✓ Good practices in transnational entrepreneurship of tourist companies – practical examples by tourist sector – accommodation establishments, travel agencies, restaurants, etc. Successful transborder tourist products.

Award

After the successful completion of the subject, participants will be awarded a certificate.

Recommended literature

- Barringer, B. R., & Duane Ireland, R. (2019). *Entrepreneurship: Successfully Launching New Ventures*. Pearson.
- Bowie, D., Buttle, F., Brookes, M., & Mariussen, A. (2017). *Hospitality marketing*. 3rd ed. Routledge
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- Burns, P. (2016). *Entrepreneurship & Small Business: Start-up, Growth and Maturity*. 4th Edition. Palgrave Macmillan.
- Chilibi, M. N. (Ed.) (2016). *Modern hotel operations management*. Groningen: Noordhoff Uitgevers.
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- Ivanov, S. (2014). *Hotel revenue management: from theory to practice*. Varna: Zangador Ltd.
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- McLaney, E., & Atrill, P. (2018). *Accounting and Finance: An Introduction*. 9th ed. Pearson.
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- Peters, M., & Pikkemaat, B. (Eds.) (2012). *Innovation in Hospitality and Tourism*. Routledge.
- Piekarz, M., Jenkins, I., & Mills, P. (2015). *Risk and Safety Management in the Leisure, Events, Tourism and Sports Industries*. CABI.
- Scarborough, N. M., & Cornwall, J. R. (2016). *Essentials of entrepreneurship and small business management*. 8th Global edition. Pearson.
- Schaffer, R., Agusti, F., & Dhooge, L. J. (2018). *International Business Law and Its Environment*. 10th ed. Cengage Learning.
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- Sotiriadis, M. (Ed.). (2018). *The Emerald Handbook of Entrepreneurship in Tourism, Travel and Hospitality: Skills for Successful Ventures*. Emerald Publishing
- Tidd, J., & Bessant, J. (2018). *Managing innovation: Integrating technological, market and organizational change*. 6th ed. John Wiley and Sons Ltd.
- Walker, J. R., & Walker, J. T. (2014). *Introduction to hospitality management*. Harlow: Pearson Education Ltd.
- Walmsley, A. (2019). *Entrepreneurship in tourism*. London & New York: Routledge.