

Chapter 6

Potential of Tourism Sector in Italy as a Means of Entrepreneurship and Growth for Italian Companies

Elisa Giacosa

University of Turin, Italy

Guido Giovando

University of Turin, Italy

ABSTRACT

The objectives of this chapter are twofold. First, to verify whether the tourism sector may be considered a means of entrepreneurship and growth for Italian companies, and second, to identify the key drivers within the tourism consumption trend, as a consequence of changes in the environment. Italy is universally renowned for its strong vocation for tourism. The Italian tourism sector is one of the most important to the Italian economy, thanks to the richness of the country's resources. The market seems to be particularly susceptible to external pushes linked to the socio-demographic, cultural, political and economic context, which impact on the tastes and desires of individuals. The chapter is structured as follows. The second section analyzes the theoretical background of the topic. The third section outlines the main focus of the chapter. The fourth section presents future research directions for this topic. Finally, the fifth section presents the conclusion of the study.

INTRODUCTION

The “tourism sector” belongs to the wider services macro-sector of the “tourism, leisure and communication sector”. It is made up of several companies operating in the following activities: hospitality and catering; travel agencies; entertainment; publishing; telecommunications and IT

services. Within the tourism sector, this chapter has focused only on the part related to hospitality and catering, travel agencies and entertainment.

The market for Italian tourism companies is split into domestic and foreign: domestic customers are represented by those who live or operate in Italy and by tourists; while the international market refers to those outside of the country.

DOI: 10.4018/978-1-4666-8216-0.ch006

The research goals of this chapter are twofold. First, to verify whether the tourism sector may be considered a means of entrepreneurship and growth for Italian companies. The second goal is to identify the key drivers within the tourism consumption trend, as a consequence of changes in the socio-demographic, cultural, political and economic behavior of the context under consideration.

The motivation of this research is related to the question of the sustainability of an investment in this sector, due to strong competition from big hotel chains, especially non-Italian ones. In these terms, profound changes in tourism consumption have taken place over the last 20 years in Italy, due to several internal and external socio-demographic, cultural, political and economic factors, which have had a strong impact on companies' activities. In addition, the entrance of big groups into the sector (such as big tour operators) has increased the turnover of the sector, thanks to a series of investments which smaller companies have not been able to make. In such a context, the evaluating the business opportunities for tourism companies become interesting, as well as the reasons underlying such market tendencies.

The chapter is structured as follows. The second section of the chapter analyzes the theoretical background of the topic. The third section outlines the main focus of the chapter, with particular reference to issues, controversies and problems. The fourth section presents future research directions for this topic. Finally, the fifth section presents the conclusion of the study.

BACKGROUND

Companies find their reason to exist in satisfying human needs, and indicating an awareness of a lack (Airoldi, Brunetti, & Coda, 2005). Human needs can be divided into two different categories (Giacosa, 2011) basic needs and secondary (or higher-level needs). The basic needs are charac-

terized by the need to meet basic requirements such as eating or drinking while the secondary are characterized by the necessity to satisfy desires that are not basic, such as travel and using all the services connected to it. The secondary needs can be generated by wanting to belong to a specific social class, social needs (Montanari, 2003) or by the need, using language consisting of tangible and intangible elements, to achieve a social condition, communication needs (Cappati & Montanari, 1999).

Tourism is one of the major economic sectors which many countries depend on. For these reasons a series of studies have analysed this sector in general (Aiello, 1996; Buhalis, 1998; Santarelli, 1997; Sciarelli and Rossi, 2007; Tribe, 2011) and its development (Murphy, 2013). Some research has analyzed the companies that move into this sector (Cantino, 1994; Cercola, 1984; Dammacco 1992) and their transformation (Moroni 2008; Montanari, 2004). Particular attention has been paid to aspects related to the marketing of this sector (Holloway, 1994; Pencarelli, 2001; Ryglová, 2011; Sciarelli & Della Corte, 2003). The concept of brand image has been widely studied by researchers in the area of marketing (Kim & Kim, 2005; Sahin & Baloglu, 2011). A careful analysis has been made, in this sector, of a growing demand for higher quality service and on the change in and the evolution of customers (Chen & Chen 2010; Lee & Burns, 2004; Vajčnerová & Ryglová, 2013).

Some scholars have studied the impact on the economic growth of a small tourism-driven economy by an increase in the growth rate of international tourism demand (Shubert, Brida, & Risso, 2011).

Several researchers have studied particular aspects that drive the tourism sector, such as:

- The effect of wine tourism on the economic growth of the region, on the wine industry and on increasing the profitability and sustainability of tourism in the area

16 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/potential-of-tourism-sector-in-italy-as-a-means-of-entrepreneurship-and-growth-for-italian-companies/127744

Related Content

Business Model Innovation Through Digital Entrepreneurship: A Case of Online Food Delivery Start-Up in India

Natasha Saqiband Gowsia Bashir Shah (2023). *International Journal of E-Entrepreneurship and Innovation* (pp. 1-20).

www.irma-international.org/article/business-model-innovation-through-digital-entrepreneurship/315294

Political Economy of Media Entrepreneurship: Commercialization and Commodification in a Digital News Media Enterprise

Sreekala Girija (2019). *Journal of Media Management and Entrepreneurship* (pp. 27-39).

www.irma-international.org/article/political-economy-of-media-entrepreneurship/220048

The Development of an Enterprise Realignment Framework for Firms Entering Emerging Markets

Rebecca De Coster (2020). *Journal of Media Management and Entrepreneurship* (pp. 42-54).

www.irma-international.org/article/the-development-of-an-enterprise-realignment-framework-for-firms-entering-emerging-markets/246065

The Challenges of Smart Specialization Strategies and the Role of Entrepreneurial Universities: A New Competitive Paradigm

Domingos Santos and Nuno Caseiro (2015). *Handbook of Research on Global Competitive Advantage through Innovation and Entrepreneurship* (pp. 537-551).

www.irma-international.org/chapter/the-challenges-of-smart-specialization-strategies-and-the-role-of-entrepreneurial-universities/130539

Relationships between Micro-Enterprises and Web Developers: Roles, Misconceptions and Communication

Robert J. McQueen and Nordiana Daud (2013). *International Journal of E-Entrepreneurship and Innovation* (pp. 28-42).

www.irma-international.org/article/relationships-between-micro-enterprises-and-web-developers/81262