



An Exploration of the Role of Entrepreneurs in Developing the Tourism Industry in Cape Town.

By

Victoria Staub

Thesis presented in partial fulfilment of the requirements for the degree of Honours in Management at the Independent Institute of Education.

Supervisor: Dr. Marizanne Grundlingh

October 2017

Table of Contents

1. Abstract.....	4
2. Contextualisation.....	4
3. Rationale	6
4. Problem Statement.....	7
5. Research Goal, Research Questions and Objectives	8
5.1 Research Goal.....	8
5.2 Research Question, Sub Questions and Objectives.....	8
6. Theoretical Foundation.....	9
7. Literature Review	13
7.1 Details of the Issue Being Investigated	14
7.2 Conclusion.....	16
8. Conceptualisation.....	17
9. Research Paradigm and Conceptual Approach.....	17
10. Research Design.....	19
10.1 The Epistemological Position	19
10.2 The Ontological Position	20
10.3 Applied Research	20
10.4 Inductive Approach	20
10.5 The Exploratory Form	21
10.6 Empirical Approach.....	21
11. Population	22
11.1 Accessible Population.....	22
12. Sampling	23
12.1 Unit of Analysis.....	23
12.2 Non-probability Sampling.....	23
12.3 Sampling Method.....	24
12.4 Recruitment Method.....	24
13. Data collection method.....	25
13.1 Semi-Structured Interview.....	25
14. Data analysis method.....	27
14.1 Coding the Data.....	27
14.2 Establishing Categories	28
14.3 Making Sense of the Data.....	28

14.4	Trustworthiness	29
15.	Findings:	30
15.1	About the Participants.....	30
15.2	Themes Selected to Analyse the Data	31
15.2.1.	Unemployment	31
15.2.2.	Seasonality	31
15.2.3.	High Demand	32
15.3	Interpretation of findings and answering the research questions:	32
15.3.1	Unemployment	32
15.3.2	High Demand	35
15.3.3	Seasonality	38
16.	Conclusion and Heuristic Value of the Research	40
17.	Ethical considerations and limitations	42
17.1	Ethical Considerations	42
17.2	Limitations of the Study	43
18.	References.....	45

1. Abstract

This research is aimed at determining the role that entrepreneurs play in the development of the tourism industry in Cape Town. The study is situated within a South African economy where unemployment is a major problem. The study also considers the high demand in the tourism market of Cape Town and the seasonality of the industry. To summarise, this study takes into consideration three issues: unemployment, high demand and seasonality of demand. The role of entrepreneurs in supporting these issues will be analysed and will enable the researcher to gain insights on what role entrepreneurs play in developing the tourism sector of Cape Town.

2. Contextualisation

This section gives relevant information to contextualise the study and will serve as a bridge that links the reader the role of entrepreneurs in the development of the tourism industry in Cape Town. The contextualisation will inform the reader on the key issues that this study takes into consideration. The study revolves around the tourism industry, and, as such, this concept will be explained, in order to inform the reader of the reasons for this industry having been chosen for the study.

Despite wars, natural disasters, terrorist attacks and economic energy crises in various parts of the world, the tourism sector has not stopped growing since the 1970's. In 2015, international tourist arrival worldwide reached a record of 1.2 billion tourists. In comparison, there were just 166 million international tourist arrivals worldwide in 1970. In 2015, visitors spent \$1 trillion on travel (United Nations World Tourism Organisation, 2016). Directly and indirectly, their spending accounted for nine percent of the world's GDP and six percent of its exports (Bonham & Mak, 2016). This information gives an overview of the significant contribution that the tourism industry brings to the world economy, and thus shows how important this sector is. These are the primary reason this sector was chosen as a topic of research.

The tourism industry is a key sector in South Africa with significant potential for growth: the government is aware of that and has worked towards increasing the contribution of the industry to the economy, both directly and indirectly. In fact, The National Tourism Sector Strategy, launched in 2011 by the South African government, aims to ensure that the sector realises its full potential in terms of job creation, social inclusion, service exports and foreign exchange

earnings, fostering a better understanding between peoples and cultures, and green transformation (National Department of Tourism, 2015).

Moreover, considering South Africa's high unemployment rate, which was standing at 27.7% at the end of the second quarter of 2017, tourism is considered a vital industry to provide employment and ease this high unemployment rate (Trading Economics, 2017). Unemployment in South Africa is now higher than it was at the end of Apartheid, with almost one-third of the labour force out of work (Trading Economics, 2017). Insufficient job creation has left South Africa's unskilled or semi-skilled workers, as well as its youth, facing the prospect of long-term joblessness. More job-intensive growth would tackle unemployment and create jobs for many new labour-forces. As mentioned above, the tourism industry has shown a positive contribution to the creation of jobs. Therefore, one of the objectives of this study will be to gain insights on how, and to what extent, tourism entrepreneurs can contribute in reducing unemployment.

More than 94% of the tourists arriving in South Africa choose Cape Town Most of them are from the United Kingdom, Germany, the United States and China (Annual Tourism Report, 2016). A study conducted by Integrate Immigration in 2014 revealed that a significant majority of the tourists visit Cape Town for leisure activities and to learn about the country's culture and history. This high tourist influx creates a massive demand, which makes it relevant to study the role of tourism entrepreneurs in this specific region. It is also useful to consider how entrepreneurs cope with the high demand and how they conduct business in a way that satisfies the market. Since Cape Town attracts 94% of tourists to South Africa, it is useful to gain an understanding of how entrepreneurs create an attractive market that sustains the industry.

The seasonality of the demand is also considered in this study. In fact, in most countries, tourism has a seasonal trend, meaning that some months of the year attract more tourists than other months. Companies that operate in seasonal industries often earn most of their income during a small part of the year because of factors such as weather and school holidays for instance. Although Cape Town is becoming a year-round destination, the peak season is usually from January to April (Integrate Immigration, 2014). This seasonality warrants a research response. The study will contribute to knowledge on how tourism entrepreneurs adapt their offers to different seasons and how they cope with peak and low seasons.

South Africa's scenery, friendly people and world-class infrastructures make it one of the most popular destinations in the world (George, 2003). A massive boost was given to the sector by

hosting the World Cup 2010, when South Africa received a record breaking 8.1 million foreign visitors. Domestic tourism is also an important source of revenue and employment, contributing 52% of total tourism consumption (Annual Tourism Report, 2016). South Africa plans to grow its tourism sector by allowing travellers to move more freely and efficiently. Measures would include e-visas, regional visa schemes, and visa waiver programmes between key source markets (Mncube, 2013).

3. Rationale

The topic was selected with the main aim to investigate the importance and contribution of tourism entrepreneurs in developing and maintaining an attractive tourism industry in Cape Town. As stated earlier, the tourism industry of Cape Town plays a crucial role in contributing to the economic growth of South Africa. Entrepreneurs have the ability to create and bring to life modern technologies to satisfy the high demand for touristic products and services in Cape Town, and even create new markets (Cureteanu, Isac, Rusu, 2015). As such, there is a link, and possible interdependence between, entrepreneurs and the growth of this industry, making it a pertinent area of study.

According to the Annual Tourism Report of the Republic of South Africa (2016), this industry contributes extensively to the country's growth by reducing unemployment rate, alleviating poverty and creating business opportunities. Key figures were analysed to support the relevance of this study. Indeed, tourism's direct contribution to gross domestic product (GDP) was R111,6 billion in 2016, or approximately 2,9% of total GDP, while its direct contribution to employment was 680 817 job opportunities, or 4,5% of total employment. The number of tourist arrivals to South Africa continues to grow each year (Annual Tourism Report, 2016). This study aims to gain knowledge on how tourism entrepreneurs are going to meet the projected increase in demand so that the industry continues to grow.

In addition, the South African government is aware of the positive contribution that tourism entrepreneurs can make to the tourism industry. Tourism Deputy Minister Tokozile Xasa called on young people to consider taking tourism as a career. She stated that several training and skills development programmes have been initiated to enable young people to enter the tourism industry, either as employees or business-owners (Mncube, 2013). For instance, the government encouraged tourism entrepreneurs with a competition called "Emerging Tourism

Entrepreneur of the Year Awards” (ETEYA). ETEYA is a nationwide tourism industry competition which recognises and honours South Africa’s best, most promising and most innovative emerging tourism business owners (Mncube, 2013). The government of South Africa also believes that the tourism industry is one that should be maintained and seems to value the contribution that entrepreneurs bring to the industry. As such, gaining knowledge on the role that entrepreneurs play in developing the industry goes hand in hand with the government’s initiatives. In addition, the knowledge gathered from this research will provide useful information that the government could use to launch new programmes for young tourism entrepreneurs. The study will also explore the entrepreneurial processes used in the tourism industry, which can help the government implement better support for tourism entrepreneurs. By supplying key information to the government, this study will indirectly contribute to the well-being of society, as it will provide further guidelines on how the industry could grow. Indeed, the healthier the tourism industry is, the better it contributes positively to society through creation of jobs and alleviation of poverty.

4. Problem Statement

“What is the role of entrepreneurs in developing the tourism industry of Cape Town?”

This research was aimed at determining the role that entrepreneurs play in the development of the tourism industry in Cape Town. The study was situated within a South African economy where unemployment is a major problem. The study also considered the high demand in the tourism market of Cape Town and the seasonality of the industry. To summarise, this study took into consideration three issues: unemployment, high demand and seasonality of demand. The role of entrepreneurs in supporting these issues was analysed and enabled the researcher to gain insights on what role entrepreneurs play in developing the tourism sector of Cape Town.

5. Research Goal, Research Questions and Objectives

5.1 Research Goal

Growing up in Mauritius has made the researcher aware of how important tourism is for a country that has the potential to be an attractive tourist destination. The Mauritian government has always relied heavily on tourism, in order to strengthen its economy and decrease the unemployment rate (Ministry of Tourism Mauritius, 2016). Cape Town is also an attractive destination, in which the tourism activity of the city contributes significantly to the growth of the South African economy. Since the researcher's field of study was strategic management, and closely related to entrepreneurship, a link between the tourism sector and entrepreneurship was made when choosing this topic. It was deemed pertinent to study the role that entrepreneurs play in this sector as the knowledge gained may be useful for tourism entrepreneurs in Cape Town for instance. Moreover, the data could be used by the government to offer better initiatives in supporting tourism entrepreneurs in South Africa. The study will contribute in findings insights on how to deal with issues such as coping with the high demand and the seasonality aspect of the sector. The main goal of this research was to explore the role of entrepreneurs in developing the tourism industry in Cape Town.

5.2 Research Question, Sub Questions and Objectives

The main question of this study is:

What is the role of entrepreneurs in promoting and developing the tourism industry in Cape Town?

The objective of this question is to understand why and to what extent entrepreneurs are important for the development and growth of the tourism industry in Cape Town.

Sub questions that will support answering the main question:

- i. How do tourism entrepreneurs adapt to the seasonality of the demand?

The objective of this question is to find out how entrepreneurs conduct business in a way that attracts and convinces tourists from different countries to purchase their products or services during peak and low seasons. For example, finding out how entrepreneurs change their offers in low season will contribute to answering this research question.

- ii. How, and to what extent, are tourism entrepreneurs contributing to job creation?

The objective of this question is to find out how tourism entrepreneurs play a key role in decreasing unemployment and possibly contribute to the creation of a highly skilled labour force.

- iii. How do tourism entrepreneurs cope with, and take advantage of, the high demand in Cape Town? The objective of this question is to analyse what tourism entrepreneurs do to cope with the massive demand in Cape Town and, most importantly, how they take advantage of this situation.

6. Theoretical Foundation

The New Age of Tourism by Fayos-Sola (1996) and the Experience Economy by Pine and Gilmore (1998) are the two theories that the researcher selected to aid in solving the research questions. Brunner-Sperdin and Peters (2004) argued that entrepreneurial processes should be considered one of the major fields of tourism research. The so called New Age of Tourism theory influenced entrepreneurial actions considerably and tourism entrepreneurs had to adapt to the phenomenon (Fayos-Sola, 1996). Fayos-Sola (1996) described in his theory a new tourist and that entrepreneurs in the new tourism industry should consider, for example quality seeking of customers with multi-optional needs, new production factors, new business models and new management processes. To gain knowledge on the importance of the role of entrepreneurs for the development of the tourism industry, it is relevant to study the New Age of Tourism to analyse how entrepreneurs adapted to the changes caused by this phenomenon.

The New Age of Tourism described that fluctuation to tourism behaviour had caused the industry to change. Therefore, entrepreneurs had to find a new fit in the industry. Raj (2007) gave attention to this theory and concluded that times were changing and so were the demands and expectations of the “new” traveller. The search for new experiences, exciting adventures and different lifestyles has created evidence for the development of a concept called The New Tourism (Raj, 2007). These “new tourists” give more attention to the exploration of new frontiers or to unexpected locations. Furthermore, new tourists are more environmentally conscious, showing respect for the culture of the country and looking to experience and learn rather than just stand back and contemplate. For example, new tourists are interested in going on

adventures with locals or attending religious ceremonies, to be more involved and aware of diverse cultures. It was emphasised that the role of entrepreneurs was to adapt their offers to a new type of tourist that is more educated, experienced, independent, conservation-minded, respectful of cultures and insistent on value for money (Raj, 2007). Therefore, it was relevant to include this theory in this study as it contributed in finding insights on what role entrepreneurs fulfilled in adapting to this new type of tourist. As argued by Gleeson (2015), entrepreneurs are significant contributors to the growth and survival of an industry as they can adapt to an unstable and changing environment, in order to gain a competitive advantage and sustain a market. According to these facts, it may be concluded that entrepreneurs play a key role in contributing to the growth of this new industry. The New Age of Tourism was therefore, a theory of great significance for this study as it helped the researcher to analyse how entrepreneurs should take advantage of the new tourist, in order to create new markets and ensure the sustainability of the industry.

In addition to the above, author Auliana Poon (1993), analysed the theory and believes that the main factors to which entrepreneurs had to adapt were the changes in consumer behaviour as well as their new perception of what made a holiday. She also believes that the new tourist is experienced, more flexible, independent, quality conscious and harder to please (Poon, 1993). Moreover, literature from Bunghez, Molnar and Stanciulescu (2010), supported Poon's argument and contributed to the development of the theory. The authors argued that mass tourism (tourists before the New Age of Tourism, who do the same things and have similar wants), which was the norm for more than three decades, is no longer enough to achieve competitiveness in the industry. Indeed, a new paradigm (or new tourism), gathered attention. Bunghez, et al., (2010), cited that this paradigm shift was not easy to define, but is an indication that there is a new type of tourists who want a new or different product and experience.

The second theory that supported this study was The Experience Economy developed by Pine and Gilmore (1998), which can be linked to the New Age of Tourism. The theory describes an economic offering where consumers unquestionably desire experiences, and more and more businesses are responding by offering products and services that would be an experience for the consumers rather than just a purchase (Pine & Gilmore, 1998). Schmitt (1999) described The Experience Economy as a theory that shows how consumers are now looking for experiences that "dazzle their senses, engage them personally, touch their hearts and stimulate their minds" (Schmitt, 1999, p.80). This theory can be correlated to the New Age of Tourism,

because both theories describe tourists as being adventurous and sensible, looking to create lifetime memories. A large body of research on the applications of The Experience Economy's concept has been conducted since then.

According to Perdue (2002), the tourism sector has evolved as being increasingly competitive and now exposes marketers to the challenge of comprehending the complex characteristics of the new tourist experiences. Perdue (2002) argued that tourism is one of the most relevant examples of The Experience Economy as the tourism experience is "unique, emotionally charged and of high personal value" (McIntosh and Siggs, 2005, p.74). The theories are analysed further in the next section and by combining research on The New Age of Tourism and The Experience Economy, insights on how much tourists' wants have changed and how entrepreneurs have adapted to this was obtained. In fact, this had contributed in gaining knowledge on the role that entrepreneurs play in developing the industry. Also, as stated above, one of the objectives of this study was to find solutions on how to meet the high demand in the tourism industry in Cape Town, which attracts 94% of total tourists coming to South Africa. In fact, by studying the link between The Experience Economy and The New Age of Tourism, findings on how entrepreneurs can fit their offer with the new characteristics of the market has contributed in finding how the issue of high demand in Cape Town could be dealt with. As argued by Otto and Richie (1996), who studied The Experience Economy within the tourism sector, tourism entrepreneurs must create businesses that shape, package and sell such new experiences. It was therefore, valuable for this research to explore the link between The Experience Economy and "new tourism" as they participate in showing the role of entrepreneurs in developing the tourism industry.

Research conducted by Cynthia Deale from the University of the Massachusetts studied entrepreneurship and sustainability in both hospitality and tourism. Sustainable tourism presents a natural fit for entrepreneurs who want to pursue business activities in this dynamic, economic climate, especially in hospitality and tourism where sustainability is popular (Deale, 2015). In fact, this concept was linked to The New Age of Tourism as it showed that the industry is changing. Sustainable tourism can be defined as "tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities" (Deale, 2015, p.1). This study contributed to gaining knowledge about the role that entrepreneurs play in developing the tourism industry,

as it showed how entrepreneurs fit within the industry by considering the sustainability trend to create new markets that will grow the industry.

Kensback and Jennings (2011), also conducted research on the contribution of tourism entrepreneurs to the sustainability of the tourism industry, using the Grounded Theory method. According to Kensback and Jennings, Grounded Theory refers to “both an innovative approach to developing explanatory theoretical ideas, as well as a specific set of tools for inductive and deductive analysis of empirical material to construct conceptual understandings of the studied phenomena” (Kensback & Jennings, 2011, p.492). Kensback and Jennings (2011), went on to argue that tourism entrepreneurs are recognised as initiators of tourism development and consequently have a role to play in contributing to sustainable tourism. Ecological Tourism in Europe defines sustainable tourism as that which “meets the needs of present tourists and host regions while protecting and enhancing opportunity for the future” (UNESCO, 2009, p.9). It was thus relevant to study the concept of sustainable tourism as it could participate in maintaining the development and growth of the industry in Cape Town. Moreover, Jennings and Juneck (2007) argued that Grounded Theory offers to tourism studies the potential to generate holistic theories, and an understanding of human behaviour that is not easily quantifiable. In other words, this study had the main objective to give insights on how entrepreneurs behave and conduct business to sustain the tourism industry, therefore contribute to its development. The findings also linked to The New Age of Tourism as it explained how tourism entrepreneurs sustain the industry and adapt to the tourist’s divergent wants which gave the researcher more knowledge on the role of entrepreneurs in developing the industry.

To summarise the study, Kensback and Jennings (2011) used the Grounded Theory approach to determine sustainable tourism meanings and practices applied by seven tourism entrepreneurs operating on the Gold Coast of Queensland, Australia. The study used a theoretical model of pursuing that described pursuing as “a basic social process of action related to understanding the participant tourism entrepreneurs practice of sustainable tourism” (Kensback and Jennings, 2011, p.493). This model of pursuing was used to explain how the seven entrepreneurs understood and practiced sustainable tourism. It is relevant to say that these findings contributed to gaining knowledge on the role that tourism entrepreneurs play in the development of their industry as it showed how entrepreneurs invested in adapting their offer to the concept of sustainable tourism. This kind of initiative demonstrated that entrepreneurs are key contributors to the development of the industry as they are aware of

changes and put effort in turning these changes into business opportunities that consequently contributes in the growth of the sector.

7. Literature Review

The work of several recognised authors and academics constituted the theoretical framework for this research. In addition to consulting scholarly articles and research papers, the researcher also explored contemporary practitioner literature, quality newspapers and journals to produce a balanced research study grounded in literature and peer cited references.

The main objective of this research was to discover how important entrepreneurs are for the development of the tourism industry in Cape Town. It also elaborated upon how entrepreneurs implemented their business and ensured its survival in the industry. The first theory that the theoretical foundation described was The New Age of Tourism developed by Fayos-Sola in 1996. The author argued that The New Age of Tourism involved travel to destinations, situating it beyond the realms of everyday experience and planning by the tourists. The theory described a new traveller that seeks for different experiences. It also involved activities which take place in a leisure setting and during leisure time, necessitating a “voluntary i9self-indulgent choice on the part of the practitioner” (Graburn, 2000, p.4). Furthermore, this form of tourism consisted of a commercial transaction, the consumer not only purchasing a tangible product, but also seeking for memorable adventures (Fayos-Sola, 1996). The Experience Economy developed by Pine & Gilmore in 1998 set out the vision for a new economic era, which described consumers that are in search of extraordinary and memorable experiences. These theories were analysed in more depth and linked to other literature to provide an understanding of how the industry has changed and how entrepreneurs have reacted to this change. In summary, the existing literature on this topic was examined, in order to deduce the importance of entrepreneurs to this industry, their manner of conducting business, and the consequences to the industry if entrepreneurial input were to cease. Once knowledge is gained on this topic, further research could be conducted to understand how the growth of this industry could be sustained for instance.

7.1 Details of the Issue Being Investigated

This section uses relevant literature to gain insight on the focus of the research, which is to determine the role of tourism entrepreneurs in the tourism industry in Cape Town.

Literature from Bunghez, Gabriela, Elisabeta, Magdalena, Molnar and Stanciulescu (2010), contributed to gaining knowledge on the role entrepreneurs play in the tourism industry, as it explored the entrepreneurial process in the tourism sector. The authors argued that the small, medium and micro entrepreneurs within the tourism industry are dependent on major tourism developments and that they play a crucial role in dealing with the changing demands of the new tourists that support the growth of the industry. Bunghez et al., (2010) justified the importance of entrepreneurs for the development of tourism by showing the following evidence from their research: Firstly, entrepreneurs took advantage of this paradigm shift to offer products that would fit with the increasingly complex and diverse needs of demand, but also by being competitive with the old standardised products. Secondly, they argued that entrepreneurs had to adapt to new customers, modern technologies, new forms of production, new management styles, and new prevailing circumstances. This information showed that the entrepreneurial process had to be revised. Moreover, the article elaborated further on the new entrepreneurial process, describing the process as being driven towards in-depth knowledge of the market. This knowledge would enable tourism entrepreneurs to offer products that create competitive advantage, and to find the right fit in the market, using efficient methods of communication and distribution. These findings were of great significance in addressing the issue of high demand in tourism industry. Considering these facts, insight was gained into the main area of research, showing that entrepreneurs do play a significant role in the tourism industry as they agree with the need to change their way of doing business in order to adapt to new tourists which contribute to the growth of the industry.

In addition, to support the above argument, a study conducted by Rusu, Isac & Cureteanu (2015), explored how tourism entrepreneurship impacted the tourism industry of countries all over the world. In fact, all countries studied showed a positive relationship between the contribution of entrepreneurs and the growth of the industry. For example, a study was conducted in Mozambique and revealed how tourism entrepreneurs developed the industry and created jobs, which helped the country recover from the 1992 war. One of their initiatives was to build relationships with the region's national parks, such as Kruger National Park in South Africa and Gonarezhou in Zimbabwe, in order to provide touristic activities (Rusu, et al., 2015).

The results of the research concluded that the entrepreneurial business environment is one of the most vital components in ensuring the sustainability of tourism development. According to Ateljevic (2011, p.66), "tourism, interacting and connecting with the environment, with positive conditions for economic growth and the need for social cooperation, desperately needs entrepreneurs as key players. This statement contributed to gaining knowledge on one of the issues that this research took into consideration which was unemployment. In fact, it showed how entrepreneurs' activities in the tourism industry was associated with economic growth. The article also elaborated on how foreign entrepreneurs could contribute to the development of a country's tourism industry. By setting up their business in other areas, foreign entrepreneurs often bring their own economies and international market connections, which is positive for the growth of an industry. They also have the competence to develop innovative approaches to business, therefore satisfying new needs and attracting more tourists, which will also benefit local entrepreneurs. It was pertinent to say that their interaction with local businesses have a key role in the development of tourism and job creation (Rusu et al., 2015). To complement this statement, Ringbeck and Timm (2013), argued that support of local communities, small businesses and individual entrepreneurs will attract a significant number of foreign visitors into developing touristic areas, which will make the destination popular and lucrative for the country. This information from Rusu et al., (2015) and Ringbeck and Timm (2013), again contributed to understanding further what role entrepreneurs fulfil in developing the industry by attracting more entrepreneurs or bringing their own economy to the sector for instance.

The role of entrepreneurs was further investigated by considering a study from Samiei and Akhoondzadeh (2013). The research was relevant as it contributed to answering the research question concerned with the issue of unemployment. The authors argued that in today's world, tourism is considered one of the largest and most profitable industries of the economy. Findings revealed that travel and tourism are considered significant sources of job creation in rich and poor countries, as they are labour intensive sectors. Samiei and Akhoondzadeh (2013) also emphasised the importance of entrepreneurship in the tourism industry, in order to sustain the creation of employment. In fact, because this industry is constantly growing, entrepreneurs must expand their business and therefore create more jobs. In addition, the authors made a link between social responsibilities and the tourism industry, which go hand in hand with the concept of sustainable tourism discussed earlier. Tourists are now concerned about the environment and this changed their expectations. Tourism entrepreneurs must adapt their

offers to keep customers satisfied and, most importantly, convince them to come back. This kind of initiative showed how entrepreneurs have the responsibility to keep this industry growing.

Moreover, the article demonstrated that entrepreneurs can be socially responsible through innovative ideas that contribute to maintaining a tourism industry that is sustainable and meets the need of the “new tourist” discussed in the New Age of Tourism theory. Samiei and Akhoondzadeh (2013) concluded in their study that entrepreneurship and innovation were two key factors in contributing to the continued success of tourism and tourism development globally. This is an argument that confirmed the importance of having a tourism industry abundant with entrepreneurs.

7.2 Conclusion

Considering the findings gathered, there seemed to be limited literature that specifically deals with the role of entrepreneurs in developing the tourism industry in Cape Town specifically. Therefore, the data collected through the literature review could be applied to Cape Town and even compared to what entrepreneurs do in Cape Town. However, relevant theories presented knowledge on the evolution of the tourism industry, which provided significant insights into the role played by entrepreneurs in adapting to this modern industry, and therefore sustaining it. The New Age of Tourism showed how tourists nowadays seek adventures and new experiences. This theory was linked to The Experience Economy that described how the new consumers seek original activities that would leave them with great memories. The consulted literature showed that studies were conducted on new tourists by associating The Experience Economy and the new type of tourist to gain understanding of the modern tourism industry. It was thus possible to analyse how entrepreneurs found their fit in the new markets and adapted their business activities to develop the industry and, by doing so, contributed significantly to employment for instance. Moreover, it was found from Kensback and Jennings (2011) in their Grounded Theory that the role of entrepreneurs in developing the tourism industry and the sustainability of the sector was closely linked. A relevant amount of literature showed that entrepreneurs play a key role in maintaining the tourism industry’s growth as they have certain capabilities, for example to innovate and adapt to change.

8. Conceptualisation

Tourism: defined as “a collection of activities, services and industries which deliver a travel experience comprising transportation, accommodation, eating and drinking establishments, retail shops, entertainment businesses and the hospitality services provided for individuals or groups traveling away from home” (Feuler, 1905, p.2).

Entrepreneurship: defined by Onuhoa (2007, p.20) as, “the practice of starting new organisations or revitalising mature organisations, particularly new businesses generally in response to identified opportunities”.

Entrepreneurial Process: defined as a process of pursuing a new venture that involves more than just problem solving in a typical management position. An entrepreneur must find, evaluate, and develop an opportunity by overcoming the forces that resist the creation of something new (Sawal, 2016).

Tourism Entrepreneurship: simply defined as entrepreneurs identifying opportunities in the tourism industry, specifically to create business activities.

Sustainable Tourism: defined by The United Nations World Tourism Organisation as an industry that meets the needs of present tourists and host regions while protecting and enhancing opportunities for the future (UNWTO, 2016).

9. Research Paradigm and Conceptual Approach

The term “paradigm” originated from the Greek word *paradeigma*, which means “pattern” (Kothari, 2004). The concept of a “paradigm” was first used by Thomas Kuhn (1962) to describe a conceptual framework shared by a community of scientists which provided them with a convenient model for analysing problems and finding solutions. Positivism and Interpretivism are the most used paradigms. Positivists prefer scientific quantitative methods, while Interpretivists prefer humanistic qualitative methods (Kothari, 2004).

The paradigm chosen for this study was Interpretivism. Interpretivism calls on researchers to interpret elements of the study, thus integrating human interest into the research. Accordingly, “interpretive researchers assume that access to reality (given or socially constructed) is only through social constructions such as language, consciousness, shared meanings, and

instruments” (Myers, 2008, p.220). Interpretivism has been influenced by intellectual traditions. The ones which was most relevant to this study were Hermeneutics and Phenomenology. Hermeneutics is concerned with the “theory and method of the interpretation of human actions” (Bryman, 2012, p.28). Indeed, this study integrated human interest from entrepreneurs, for example, how they behave and conduct business. Phenomenology deals with the way in which individuals make sense of the world around them. The phenomenological aspect of this research involved, for example, how entrepreneurs reacted to the changes in tourism behaviour described by the theory of The New Age of Tourism, and how entrepreneurs dealt with high demands and took advantage of it.

Interpretivist approaches use naturalistic approaches for gathering data, such as interviews and observations. This research gathered primary data through semi-structured interviews, containing open-ended questions, with tourism entrepreneurs in Cape Town. This method was suitable for the study as it allowed the researcher to gather real life information from the entrepreneurs themselves. The researcher believed that the best way to understand the importance of entrepreneurs in the tourism industry was to include them in the study and ask them questions about their own experiences.

Primary data generated from Interpretivist studies brought a prominent level of validity to the research, because data in such studies tend to be trustworthy and honest. However, one of the disadvantages of this paradigm was that interpretivism has a subjective nature, therefore it can create room for bias on behalf of the researcher. Moreover, primary data generated in interpretivist studies cannot always be generalised since data is impacted by personal viewpoints and values (Dudovskiy, 2011). As such, the aim of this study was not to generalise the findings to all entrepreneurs in Cape Town.

The qualitative design was chosen because this study focused on opinions and experiences from entrepreneurs rather than numerical and objective data. The qualitative method allowed the researcher to answer the research questions. Concepts such as the role of entrepreneurs and the entrepreneurial process were explored through collection of primary data from semi-structured interviews. The Interpretivism paradigm directed this study in analysing social settings, as well as the individuals who influenced these settings, in order to gain relevant insights on the topic. How tourism entrepreneurs conduct business in this industry and what defines the tourism entrepreneurial process was best analysed qualitatively, as these involved

human experiences. The focus of this study was the role that entrepreneurs play in developing the tourism industry. Therefore, the qualitative design allowed the researcher to ask open-ended questions to entrepreneurs through semi-structured interviews to get information directly from their experience, which contributed to the validity and credibility of the research. When studying individuals and human settings, it is relevant to include them in the study to get real-life information (Dudovskiy, 2011).

10. Research Design

The research design is “a procedural plan that is adopted by the researchers to answer questions with validity, objectively and accurately” (Kumar, 2011, p.396). This section will elaborate on the paradigm selected for the research and will justify this choice.

10.1 The Epistemological Position

“Epistemology” is a compound word that has its roots in the Greek word *episteme* which means “knowledge”, and *logos* or *logia*, which mean “the study, science or theory of”. As such, epistemology simply means the study of knowledge. It deals with the nature of knowledge and the several ways of knowing (Bezuidenhout & du Plooy-Cilliers, 2014). This study was about knowledge and wanted to contribute findings on the role that entrepreneurs play in developing the tourism industry.

The epistemological assumption that guided the research was Interpretive in the sense that the subjective and participatory role of entrepreneurs are included in the research. The study did not look for objective facts from numerical data collection, but rather subjective information from the entrepreneurs’ experience that was collected through semi-structured interviews.

10.2 The Ontological Position

The ontological position of a study deals with reality. Key ontological questions state the following:

- Is there a social reality that exists independently of human conceptions and interpretations?
- Is there a common, shared, social reality or just multiple context-specific realities?
- Is there or not social behaviour that is governed by “laws” that can be seen as immutable or generalisable? (Nieuwenhuis, 2016).

As such, this study gathered knowledge from entrepreneurs that provided clarity on the entrepreneurial process, which was characterised by different entrepreneurial behaviours.

For qualitative studies, reality can be viewed as fluid, and knowledge as being constructed in that reality. The reality of this study was created from the inclusion of the entrepreneurs' experience; the primary data collection of this study was based on them, and this constructed subjective knowledge.

10.3 Applied Research

This study investigated the role that entrepreneurs play in the development of the tourism industry in Cape Town. Gaining insight into the entrepreneurial process and how tourism entrepreneurs conduct business in this sector contributed to finding ways in which to encourage entrepreneurs to take advantage of this sector, with the goal of addressing issues such as unemployment, high demand and seasonality of the industry. The main aim of the study was to demonstrate that entrepreneurs play a crucial role in sustaining the tourism industry. In fact, this could motivate the government to support young entrepreneurs to open their business in this sector.

10.4 Inductive Approach

This study adopted an inductive approach as it could contribute to the development of a theory about the role of entrepreneurs in developing the tourism industry. No set theory about the role of entrepreneurs in the tourism industry has yet been developed and, as such, this research had the aim to contribute in advancing the formulation of a theory. As cited in the theoretical

foundation, the New Age of Tourism and The Experience Economy are the two theories used to guide the investigation. This study took an inductive approach because it started the research with an open mind and no preconceived ideas of what will be found.

10.5 The Exploratory Form

The exploratory approach of this research attempted to connect ideas to understand why the responsibility that entrepreneurs had in developing the tourism industry of Cape Town was present.

The study gained understanding of the tourism entrepreneurs' characteristics in order to advance the analysis of the relationship between entrepreneurs and the development of the tourism industry. This allowed the main question to be answered: "What is the role of tourism entrepreneurs in the development of the tourism industry?"

This study also described the situation of the tourism entrepreneurs conducting business in the tourism sector to gain insights into how they contribute to the growth of the industry, as well as to find out how to manage the seasonality of demand and how to contribute to the creation of jobs. It provided information about the entrepreneurial process and the sustainability of the industry by immersing the researcher into the entrepreneurs' lives and activities.

10.6 Empirical Approach

This study also took an empirical approach. Empirical research is research using empirical evidence. Qualitative data investigate the human behaviour and try to explain, for instance, investor or consumer psychology. It is a way of gaining knowledge by means of direct and indirect observation or experience. Empirical evidence (the record of one's direct observations or experiences) can be analysed quantitatively or qualitatively (Nieuwenhuis, 2016). Since this study gathered data on the entrepreneurs' experience through interviews, it collected information from tourism entrepreneurs and thus manifested an empirical approach. The empirical data of this study involved the development of assumptions that pertained to the topic. The researcher collected relevant data from entrepreneurs, and through empirical research, it was observed how these data could give insights on the role of entrepreneurs in developing the tourism industry.

11. Population

A research population is generally a diverse collection of individuals or objects that is the focus of a study. It is for the benefit of the population that research is done. However, most of the time, the populations have large sizes. Therefore, researchers rely on sampling techniques (Pascoe, 2014).

The population of this study was tourism entrepreneurs meeting the following characteristics:

- Entrepreneurs conducting business in the tourism industry therefore considered as a tourism entrepreneur.
- Tourism entrepreneurs conducting business in Cape Town.
- Have a small or medium size enterprise.
- The entrepreneurs' business must be mainly targeting tourists.

11.1 Accessible Population

For the purpose of this study, the researcher thought that it would be easier to engage with entrepreneurs who have small or medium size businesses, as they generally have more time to participate in the study. In fact, if entrepreneurs from big companies were targeted, it might have been harder to reach them and schedule an interview as they are usually extremely busy. Thus, the accessible population was defined as tourism entrepreneurs who met the above characteristics and, most importantly, who were willing to participate in the study. The accessible population had to be entrepreneurs conducting business in the tourism sector in Cape Town so that the researcher could meet the participant in person. Considering these criteria, the researcher endeavoured to find tourism entrepreneurs who have a small to medium companies in Cape Town and sent fifty emails to potential participants. It was noticed that many potential participants did not share their email address online. As such, to be in the accessible population, an email address needed to be available.

Entrepreneurs offering different services were contacted in order to allow the researcher to collect heterogeneous data. For instance, diverse types of accommodation were contacted like hotels, guest houses and backpacker's accommodations. It was relevant to gain information on the entrepreneur's experience in diverse types of businesses, targeting distinct types of

customers. The entrepreneurs contacted were located close to the researcher (45 minutes' drive time, maximum) so that the study did not become too time consuming and costly.

12. Sampling

12.1 Unit of Analysis

The unit of analysis is the major entity that is being analysed in a study. It is the “what” or “who” that is being studied. In social science research, typical units of analysis include individuals (most common), groups, social organisations and social artefacts (Kumar, 2011).

For this study, individuals were the unit of analysis, namely “tourism entrepreneurs conducting business in the tourism industry in Cape Town”. This research studied the role that entrepreneurs play in developing the tourism industry. Therefore, it was of great importance to include them in the study and collect data from their own experiences and opinions. Doing added credibility and gave real-time information to the study, which contributing in answering the research questions.

A sample is simply a subset of the population. The concept of a sample arises from the inability of researchers to test all the individuals in each population (Kumar, 2011). The sample of this study comprised of four tourism entrepreneurs who met the above-mentioned characteristics and were willing to participate in the study.

12.2 Non-probability Sampling

Non-probability sampling is used when it is almost impossible to determine the entire population or when it is hard to gain access to the entire population. This study could not target or identify every tourism entrepreneur in Cape Town as it is a significantly large population. The characteristics of the population were set to facilitate the process of finding participants. Inclusion in the sample was based on the ability of the researcher to contact the tourism entrepreneur, and on their willingness to participate. As such, the sample was not based on random¹ or systematic² selection (Pascoe, 2014). This type of sampling differs from probability

¹ “A method of selecting a sample (random sample) from a statistical population in such a way that every possible sample that could be selected has a predetermined probability of being selected” (Dictionary.com).

² “Systematic sampling is a type of probability sampling method in which sample members from a larger population are selected according to a random starting point and a fixed periodic interval. This interval, called the sampling interval, is calculated by dividing the population size by the desired sample size” (Investopedia).

sampling because every tourism entrepreneur does not have the same probability of accepting to participate. Considering that only four tourism entrepreneurs were selected, the representativeness of this sample was not considered important. These four entrepreneurs were selected because, out of fifty entrepreneurs contacted, only five were willing to participate. The fifth participant could only schedule an interview in three weeks' time, so to avoid any delay in the research process, the researcher decided to focus on the four participants who were available sooner.

The sample of this study was small because if the research was based on a representative sample, the study would take months to complete. The focus was more on asking relevant questions to fewer entrepreneurs who were directed to the research questions, in order to gain enough knowledge and conclude the study with interesting findings.

Non-probability sampling was chosen for the following reasons: Firstly, to draw a sample that corresponded to the characteristics; secondly, because not all tourism entrepreneurs in the population were accessible or known; lastly, because the objectives of this study did not include generalising results to a broader population.

12.3 Sampling Method

The sampling method chosen was Purposive Homogeneous Sampling because the individuals who belong to the same subculture were chosen to give a detailed picture of the phenomenon. This sampling method was relevant because the study only focused on tourism entrepreneurs particularly, so the participants shared similar characteristics.

The purposive sampling method is used in special situations where the sampling is done with a specific purpose in mind (du Plooy-Cilliers, Davis & Bezuidenhout, 2014). This method suited this study, as it was about the role of tourism entrepreneurs in the development of the tourism industry, specifically small to medium size businesses.

12.4 Recruitment Method

The researcher conducted research through Google to find tourism entrepreneurs meeting the characteristics of the research population. The study considered potential tourism entrepreneurs who met the characteristics of the population, and visited their website to get

their contact details. Every potential participant was contacted via email. A total of fifty emails were sent. The researcher gave a brief description of the study and its purpose in the emails, in order to provide background to the research and convince the potential participant that the study would have positive contributions after completion. A consent form that the participant had to fill and sign was attached to the email. Four entrepreneurs were willing to participate and scheduled an interview as soon as they were free. The interview was scheduled at a time that was convenient for the participant, and took place at their place of business.

13. Data collection method

The study used a cross sectional design, which collected data from a population in a specific point in time and helped to remove assumptions. Data was collected in this way because this study did not aim to analyse behaviour and experiences of entrepreneurs over a period of time. Due to time constraints, there was no time to collect data again.

The study used an inductive approach because data was collected using semi-structured interviews. Collecting data from the entrepreneurs added credibility to the study and allowed the researcher to create a link between the literature review and the data collected from interviews.

13.1 Semi-Structured Interview

The semi-structured interview was a pertinent method of collecting data as it allowed the researcher to prepare open-ended questions in advance. These could be followed by further probing and clarification questions to collect more data (Bezuidenhout and Strydom, 2014). Open-ended questions allowed the participants to give their personal views. This type of question suited this study because, in order to gain knowledge about the role of entrepreneurs, their personal experiences and opinions had to be included. Moreover, open-ended questions allowed the respondents to include more information, considering attitudes and understanding of the subject. This enabled the study to better access the participants' feelings on the research questions which was of significant help for the researcher when writing the findings. It was useful to hear the opinions of entrepreneurs regarding the issues included in this study, such as unemployment and the seasonality of the industry. In fact, they were able to give their point

of view on how they contribute to these issues, which helped and added credibility to the investigation on the role that they play in the development of the sector. Collecting data through semi-structured interviews was efficient as participants, as well as the researcher, could ask further questions. Participants could also be re-directed to the topic if the questions were not being answered as expected. Finally, additional questions could be asked by the researcher after the completion of each question, to give more clarification to each answer.

The success of using a semi-structured interview for this study depended on the extent to which credibility and trustworthiness could be ensured. The interviews had to be:

- Reproducible: this means that someone else could use the same topic guide to generate similar information.
- Systematic: the researcher must ensure that she is not just picking interviewees that support her pre-existing ideas about the answers.
- Credible: the questions asked and the ways in which it is asked should be reasonable ones for generating truthful accounts of phenomena.
- Transparent: the methods used should be written up so that readers can see exactly how the data will be collected and analysed (Kumar, 2011).

The semi-structured interviews have a few advantages. Firstly, participants can answer questions in as much detail as they want, which adds credibility to the data. Secondly, more valid information about respondents' attitude, values and opinions can be captured, specifically how people explain and contextualise the issues. Thirdly, an informal atmosphere can encourage the participants to disclose information and be honest. Lastly, the flexibility of semi-structured interviews allows the researcher to adjust questions and change direction as the interview is taking place (Bezuidenhout & Strydom, 2014).

However, semi-structured interviews also have weaknesses. Firstly, the researcher cannot guarantee the honesty of participants. Secondly, open-ended questions are known to be difficult to analyse and the process might be lengthy. Thirdly, it might be difficult to compare answers as each interview might be unique because of the additional questions that might come up. Lastly, only a relatively small amount of these interviews can take place because each one can last for a long time (Bezuidenhout & Strydom, 2014). Accordingly, four interviews were conducted for this study yet significant amount of data was collected.

It was important that the researcher acquired ethical clearance before starting to collect primary data. It was also imperative that the supervisor approved the questions as being ethical, as well as driven towards the researcher's topic and research questions.

The interviews were all recorded on the researcher's phone with the consent of the participants. The researcher used a laptop to take notes. Most of the interviews were 30 to 40 minutes, not longer. Taking notes was necessary so that the researcher could review the data collected and ask additional questions at the end of the interview. After the interview, the notes were reviewed to identify gaps in the data that could be bridged by asking relevant questions in the next interview.

The participants interviewed were:

1. Natasha³, the owner of 33 South Backpackers situated in Observatory.
2. The CEO of Springbok Atlas Tours and Safaris whose head office is situated in Chiappini Square.
3. Adam, the owner of Enchanted Guest House situated in Bantry Bay.
4. Peter, the owner of Hartfield Guest Villas situated in Claremont.

14. Data analysis method

14.1 Coding the Data

The data were analysed using a priori coding, also called open coding. Using a priori coding, the meaning units were established before the data analysis (Stuckey, 2015). The research conducted and the theories used in the study helped to focus the research questions and the meaning units. Data that could not be coded according to the meaning units was identified and analysed later, in order to determine if they could represent a new category or a subcategory of an existing code. For example, one of the codes was "role of entrepreneurs in creating employment in the tourism sector". Any information collected that informed on this code was included in a specific category. The codes were used when the researcher had to make sense of the data and facilitated the process, because a large amount of data was collected.

³ The names of the participants are fictional. However, all participants authorised the researcher to use their company's name.

When summarising the results, the data was organised by refining and revising the codes. Processes like enumeration and searching for relationships and patterns in the data were relevant (Stuckey, 2015).

Before compiling the questions asked in the interviews, meaning units were developed so that data could be well organised during the data analysis, and to make sure that the questions asked were driven towards answering the research questions.

14.2 Establishing Categories

Once all the codes had been saturated, the researcher categorised these codes to help make sense of the data. This study considered three issues (unemployment, seasonality of the industry and high demand in Cape Town). Each of these issues was divided into a category so that the data collected could be organised efficiently. All information that could provide insights on the contribution of entrepreneurs in decreasing unemployment, for instance, was added to the same category of data. This technique allowed the researcher to visualise the data collected in a way that made it easier to write the findings and always keep the focus on answering the main research question: “What is the role of entrepreneurs in developing the tourism industry of Cape Town?”

14.3 Making Sense of the Data

The researcher had the objective here to find the simplest way to fully describe the data using essential sufficiency, which only focused on the information that would answer the research question. The researcher kept the focus on what needed to be discovered and eliminated any information that did not contribute to the study. This way of processing data is efficient because, when interviews are conducted, a large amount of information is collected, not all of which is relevant or useful. As such, the researcher must identify that which is relevant to answering the research question.

The main findings contained in the categories were identified so that they could be communicated clearly to the reader. To summarise, the data were categorised into smaller bits of meaning units that were coded. A synthesis followed, where the findings were organised into

a logical and well-ordered structure to reveal the essence of the role of entrepreneurs in developing the tourism industry in Cape Town.

14.4 Trustworthiness

Koon (2014) states that the terms “reliability” and “validity”, commonly associated with quantitative studies, are covered by the term “trustworthiness” in qualitative research. Trustworthiness focuses on four principles: credibility, transferability, dependability and confirmability (Koon, 2014).

In order to gain trust of the participants of this study, the researcher made sure to send an appropriate email to each of them, who then responded that they were interested in the research. The aim of the study was carefully explained, with useful background information on the topic, as well as what contributions the findings could produce, in order to gain the support and cooperation of these parties. Relevant information about the researcher was disclosed in the email, as well as the questions that would be asked during the interview, so that the participant felt informed enough to be involved in the research. This building of trust led to the participants agreeing to meet up with the researcher for an interview because they could feel that they were involved in responsible and ethical research, the findings of which could produce useful insights.

The credibility of this study was due to the accuracy with which the researcher interpreted the data collected from the participants. To achieve this, the researcher made sure to spend a minimum of thirty minutes with each participant, in order to gain enough information and understand fully the participant’s experiences and opinions. Open-ended questions were asked to maximise the amount of information collected and encourage further probing questions. The questions were closely linked to the research questions in order to collect relevant data that would produce interesting findings.

The dependability of this research was enhanced because the researcher made sure that a logical flow was developed between the data collection method, the data analysis and the findings generated from the data. The way that the data was collected influenced the way it was analysed, and this had to be developed as a process of integration.

The researcher ensured that the data collected was reflected in the findings, and that it contributed to answering the research questions. It should be noticeable in the findings which data was collected from the entrepreneurs, and also the purpose behind its collection.

The transferability of this study was assured by the fact that the findings are applicable to other contexts. In this matter, other contexts may refer to similar situations, similar populations and similar phenomena. Qualitative researchers use thick description to show that the research findings are applicable to other contexts, circumstances, and situations (Shenton, 2004).

Loh (2013), believes that trustworthiness becomes a matter of persuasion, whereby the researcher is seen as having made the practices visible and therefore auditable. The author also argued that validity in qualitative studies should not be linked to truth or value, as these are for the positivists. Indeed, a study is trustworthy if, and only if, the reader of the research believes it is so (Loh, 2013).

15. Findings:

This section discusses and analyses the empirical data collected. It begins with information about the entrepreneurs who were interviewed, then gives a presentation of data along selected themes, which proved to be most relevant in answering the research questions.

15.1 About the Participants

The following section provides the reader with relevant information on each participant. As mentioned earlier, the researcher was allowed to use the company's names, however, the participants' names are fictional.

Springbok Atlas Tours and Safaris is a South African company, passionate about making dream holidays in Africa come true. They have a wide selection of guided holidays for Cape Town tours. The company describes their service as an authentic, hassle-free guided holiday experience that takes in top destination highlights. They offer their guests safe luxury transport, excellent accommodation and fine dining, fully supported by caring professionals. The researcher interviewed the Chief Executive Officer (CEO) of the company at the head office, situated in Chiappini Square, Cape Town.

33 South Backpackers, situated in Observatory, is owned by Natasha. It offers cheap accommodation to tourists from all over the world who are willing to spend most of their money on exploring the city. Natasha emphasised the concept of being a “big family” as she always encourages her guests to meet one another and create connections. In fact, this concept enabled Natasha to gain loyal customers who come back every year.

Hartfield Guest Villas, owned by Peter, is a cottage situated in Claremont and was first intended to be a coffee shop. Peter explained that while he was waiting for the license to open the shop, he decided to rent one of the cottage’s rooms, in order to help reimburse the investment. The demand for the room was surprisingly high and Peter decided to convert the future coffee shop into a tourism business, as he became aware of the opportunities that the tourism sector could offer.

Enchanted Guest House, owned by Adam, is in Bantry Bay and has nine rooms. The guest house offers breakfast, as well as a range of adventures such as hikes. It also has a transport facility. The owner described it as affordable accommodation located in an exclusive area.

15.2 Themes Selected to Analyse the Data

The data was analysed along the following themes.

15.2.1. Unemployment

The tourism industry is a labour intensive industry (Annual Tourism Report, 2016) and entrepreneurs could play a crucial role in providing job opportunities, as well as training, which would contribute to a more skilled workforce. This theme was chosen by the researcher because it would contribute in gaining insights into the role that entrepreneurs play in developing the industry. The data collected was studied in order to determine the extent to which tourism entrepreneurs contribute to job creation, as well as what their contribution is in providing highly-skilled labour.

15.2.2. Seasonality

The tourism industry is known for having fluctuations in demand which can be caused by factors such as weather or school holidays (Bob & Swart, 2009). It can be challenging to deal with this seasonality and stay competitive, for instance, in low season. The researcher analysed how the

participants dealt with this aspect of the industry. This theme was therefore relevant in gaining insight into the role entrepreneurs play in keeping their business alive in low season, and how they take full advantage of peak seasons. In fact, this would provide knowledge on the role that entrepreneurs play in developing the industry.

15.2.3. High Demand

The tourism industry in Cape Town is characterised by high demand, with 94% of tourists arriving in South Africa choosing the city. To gain insights into the role that entrepreneurs play in developing the industry, the researcher found it relevant to observe how the participants cope with this high demand.

The study selected these three themes to answer the main research question: What is the role that entrepreneurs play in developing the tourism industry in Cape Town?

15.3 Interpretation of findings and answering the research questions:

15.3.1 Unemployment

Research question studied: “How, and to what extent, are tourism entrepreneurs contributing to job creation?”

The objective of this question was to find out how tourism entrepreneurs play a key role in decreasing unemployment and possibly contribute to the creation of a highly skilled labour force.

The issue of unemployment in South Africa, mentioned earlier, is one of the issues that this study used to answer the research question. Every participant was questioned about their contribution to the creation of employment and to the promotion of a highly skilled labour force, which the country desperately needs. The role of tourism entrepreneurs in developing the industry was clear when addressing this problem: considering that this industry is a labour intensive sector, entrepreneurs play a crucial role in employing the right people and, more importantly, in training their staff to offer services of high quality to satisfy customers. This ultimately benefits the sustainability of the tourism industry. Entrepreneurs are influencers and have the ability to inspire employees to learn and grow. In fact, without sufficient workforce, an industry cannot grow.

Throughout the economic downturn, which began in 2008, the tourism industry has continued to be an economic driving force for South Africa. Despite the challenges experienced in the mining and manufacturing sector in 2015 and 2016, the tourism industry continued to prove its economic potential in a tough global environment. Massive growth in the tourism industry has propelled the government to declare tourism as a key job driver. As cited earlier, its direct contribution to employment was 680,817 job opportunities, or 4,5% of total employment in 2016 (Tourism Report, 2016).

The tourism sector, described as labour intensive, brings in foreign revenue and stimulates job creation in a broad range of other industries (Ngcobo, 2015). In fact, the data collected also showed that tourism businesses were a great source of employment. All participants of the study agreed on the fact that their activity strongly relies on their staff, and that new employees had to be employed regularly as the industry is in constant expansion.

“Springbok Atlas Tours and Safaris employs 120 people in Cape Town and we have been employing one or two additional employees each month for the past 18 months to cope with the industry’s growth” – Richard.

Considering the above statement, companies like Springbok Atlas Tours and Safaris are a regular contributor to job creation. The CEO mentioned that the company is constantly expanding and that Cape Town is saturated with tour companies like themselves, which are also growing and contributing to job creation, just like Springbok Atlas Tours and Safaris. The information collected from Richard informed the researcher how much this industry, and especially the tour guide sector, is in boom and contributes massively to employment by employing new staff regularly, as well as partnering with other companies in the industry:

“This industry is in constant growth and the number of tour guides operating in Cape Town is ridiculous”. We, as tour guides, give opportunities to smaller businesses that do not have a big budget for marketing and advertising to grow and enlarge their customer base” – Richard.

“We partner with more than 125 companies in the tourism sector that range from five-star hotels to the local shark cage diving operator. The company also hires more than 20 bus drivers in Cape Town itself to run our luxury coach service” – Richard.

Furthermore, Adam, the owner of Enchanted Guest House, believes that the tourism industry is one that relies on other industries, thus promoting employment in other sectors. He said that

many tourism businesses such as hotels and restaurants are dependent on suppliers and, as such, ensure them regular business. In fact, all participants dealing with suppliers said that they only choose local suppliers, which is great for the economy and the creation of jobs.

“So far, we have managed to buy our products only from local suppliers which I think every business should try do” – Adam.

“Yes, I strongly believe that the tourism industry contributes to job creation. Springbok Atlas Tours and Safaris itself partners with over 250 companies in the industry. We refer our partners to customers and promote them in our tours” – Richard.

As seen in the above findings, relevant insights were gained into the research question. It seems that entrepreneurs in the tourism industry are important players in the creation of jobs. The tourism entrepreneurs, apart from opening numerous job opportunities, also participate in reducing unemployment in the country by driving other business's activity.

Moreover, the researcher observed in the data collected that entrepreneurs were not only contributing to employment, but also to a highly skilled labour force. In fact, according to Manpower South Africa's Tenth Annual Talent Shortage Survey, 30% of South African employers cited the lack of industry-specific qualifications or certifications in terms of skilled trades as a challenge, while 26% mentioned a lack of candidate experience (Steyn, 2015). According to the survey, the country is struggling to reduce unemployment because of a lack of skills and experience in the workforce.

This argument contributed to answering the research question because all participants confirmed that they invest significantly in training their staff and encourage them to grow and learn. In fact, for an industry to grow, a skilled and experienced labour force is indispensable (Steyn, 2015). A link was then made between the role of entrepreneurs in developing the industry and the role they play in contributing to a highly skilled workforce.

“To be an accredited tour guide, our employees have to pass a range of tests. We make sure that their qualifications are up to date and encourage them to go through additional courses when needed” – Richard.

“When I started 33 South Backpackers, I did not expect to learn that much. This industry is constantly changing and you must constantly adapt your way of conducting business. I had to learn how to supervise renovations, how to manage my team so that they are motivated, how

to advertise my business and so on. I make sure that my staff are in constant growth and that they do not only learn a job but a way of living” – Natasha.

15.3.2 High Demand

Research question studied: How do tourism entrepreneurs cope with, and take advantage of, the high demand in Cape Town? The objective of this question is to analyse what tourism entrepreneurs do to cope with the massive demand in the tourism industry of Cape Town and, most importantly, how they take advantage of this situation.

As mentioned in the background of the study, Cape Town is South Africa’s top tourist destination and attracts 94% of total tourists arriving in the country (Bonham & Mak, 2016). Companies operating in this industry are often challenged by high demand and should know how to react efficiently. As cited earlier by Bunghez et al. (2010), tourism entrepreneurs play a crucial role in dealing with high and changing demand in the industry. Indeed, this argument was supported by Perdue (2002), as described in the Literature Review, who elaborated on key aspects that entrepreneurs dealing with high demand should consider, for example, quality seeking of customers with multi-optional needs, new production factors, new business models and new management processes.

The owner of Hartfield Villa, Peter, explained to the researcher that he manages high demand and customer satisfaction by using a customer demand tracking system. He has a programme that tracks the availability of each room so that he can be aware of when and how often each room is booked to manage fluctuation in demand. For instance, this enables him to track the popularity of each room, so that he is able to make changes if a room is less used. The following quote demonstrates how he manages high demand:

“We reached a point where demand was higher than supply so we had to take full advantage of this. The customer demand tracking system allows us to see what rooms are booked and when. This enables us to set prices strategically and better deal with period of high demand. The system is also very efficient in managing our bookings. It gives us a visual representation of which room is booked and for how long so we avoid problems like double-bookings for example” – Peter.

The owner of Hartfield Villa clearly showed his role in dealing with an industry that exposes entrepreneurs to high demand. He became aware of the opportunities that this could bring to the business and implemented some of the latest tools of management in order to cope and keep the customers satisfied.

In fact, this is an indication that entrepreneurs have a key role in developing the industry, as it shows how he adapted his entrepreneurial process to stay competitive. These were interesting findings, directly related to Brunner-Sperdin and Peters (2004), who argued that entrepreneurial processes should be considered as one of the major fields of tourism research as this is an industry subject to growth and demand fluctuation.

Natasha, owner at 33 South Backpackers, also uses a tracking system to keep record of demand fluctuations. She also mentioned that high demand was sometimes problematic as she always wants to satisfy her customers.

“Only after one year of having the backpacker’s, I had to invest in new rooms as demand for backpacker’s accommodation has constantly been going up. It is a way for tourists to save money for other activities as we offer cheap accommodation. To cope with the increase in demand, I bought the house next to our property and converted it into four bedrooms that could accommodate up to sixteen people” – Natasha.

Natasha had to invest in a new property to meet the high demand and keep customers satisfied. This move shows how entrepreneurs contribute to the development of the industry. Entrepreneurs are aware of the opportunities that the sector brings and are ready to invest in order to expand their business and meet customers’ expectations.

Moreover, concepts such as backpackers’ lodges are a drive for the industry’s growth, as they offer cheap accommodation, which encourages customers to spend more on other touristic activities. In fact, this contributes indirectly to the activity of other businesses in the industry.

“We like to encourage our customers to visit the city and try new things. We help them when it comes to organise and book any type of activities and we also refer them to our partners so that they can benefit from special prices” – Natasha.

These findings could be related to the literature discussed earlier from Bunghez, et al. (2010). The authors argued that the small, medium and micro entrepreneurs within the tourism industry are dependent on major tourism developments, and that they played a crucial role in developing

each other's' business activity. Just like Natasha's business supports other businesses by encouraging her customers to explore the city. Bunghez, et al. (2010) also cited that entrepreneurs had to deal with the changing demands of new tourists and in so doing they support the growth of the industry. Natasha mentioned a change in customer's wants just like Bunghez, et al. (2010):

"Customers nowadays want to explore and try new things but often do not have the budget to do everything they would like to. They choose an accommodation like us to save money and spend it in museum, shark cage diving, whale watching etc." – Natasha.

Looking at Natasha's quote above, it was interesting to notice that she described the tourists' behaviour similarly to the way in which Fayos-Sola (1996) did in his theory, The New Age of Tourism. Natasha also believes that the tourist has changed and that their purchasing behaviour differs from what it was a few years ago. She further believes that tourists have different wants and always seek for new adventures. In addition, Natasha's views can be linked to The Experience Economy by Pine and Gilmore (1998) discussed earlier. The theory states that customers are looking for memorable experiences that touch them personally.

"I have loyal customers who come back each year and they always want to try something new when they are back. At 33 South Backpackers, we make sure that customers bring amazing memories back home". – Natasha.

Furthermore, the CEO of Springbok Atlas Tours and Safaris mentioned that the hotel industry is saturated in Cape Town and explained that the company, as a tour operator, struggles in peak season to find accommodation as well as transport facilities for their customers.

"Yes, there are a lot of tour operators because there is a need for it. However, there are not enough luxury coach companies for example. It always amazes me when people ask if there are not enough hotels in Cape Town. No, not is season. But many hotels are expanding. Stay Easy is opening two hundred rooms, the Radisson Red as well as Marriott are also in big expansion. This city has still not got enough hotels to satisfy the demand in pick season. It then becomes a major challenge to find accommodation for our clients at the price that they are willing to pay. We already struggle for 2019's bookings" – Richard.

"We are expanding, our growth year on year so far is at 41%, and we talk turnover. The growth has been scary and challenging because tourism is booming and hotels are in the same boat."

People from all around the world are using our services. We also have our own luxury coach services which employ twenty drivers. We are looking to acquire five additional buses to meet 2019's demand" – Richard.

In the above statement, Richard shows that the high demand in the tourism industry is a challenge, but also a drive to grow the industry. The business is always investing in meeting the demand, no matter how high it is. By satisfying clients from all over the world with customised guided tours, Springbok Atlas Tours and Safaris advertises Cape Town and attracts people from all over the world. This contributes significantly to the development of the industry. Their initiative to expand their luxury coach services is the type of initiative that aids the growth of the industry and also provides jobs.

Relevant information was gained to answer the research question. The question of how entrepreneurs cope with high demand was demonstrated by Natasha and Peter when explaining how they manage high demand using customer tracking system for instance. It was observed in the findings that the participants had to revise their entrepreneurial process is time of high demand. All participants seemed to take this as an opportunity by expanding for example, like Natasha did.

"Not long after starting the business, I had to invest in another property to offer more rooms". - Natasha

15.3.3 Seasonality

Research question studied: "How do tourism entrepreneurs adapt to the seasonality of the demand?"

The objective of this question was to find out how entrepreneurs conduct business in a way that attracts and convinces tourists from different countries to purchase their products or services during peak and low seasons, for example, finding out how entrepreneurs change their offers in low season.

Seasonality is a key aspect for the performance of most tourism enterprises and a central theme for policy makers. The usual practice of strategy formulation in this area, whilst often involving a sound analysis of objective performance data, largely ignores the perceptions which the businesses concerned have of the seasonality issue (Koenig-Lewis & Bischoff, 2010). To

further study the role that entrepreneurs play in the development of the tourism industry, the researcher gained understanding into how the participants not only cope with the seasonality of the demand, but also take advantage of it. In fact, if entrepreneurs fail to manage the seasonality aspect of the industry, growth might be compromised.

According to the data collected, the participants seemed involved in dealing with seasonality. It was a concern for them to keep the business running in periods of low season, and they all had strategies to do so.

Galloway (2008) conducted research on how businesses could manage the seasonality of the tourism industry. The author found that companies were subject to using pricing, diversifying the attraction and market diversification to cope with the change in demand. The researcher evaluated if the participants used these strategies. This allowed the researcher to answer the research question, as the analysis showed how entrepreneurs managed seasonality.

“Our management tracking system was very useful in determining our pick and low season. This allowed us to take full advantage of pick season by charging a higher price. In low season, we advertise more and offer discounts. For example, we have specials in winter as this season is quieter” – Peter.

“We target customers from various countries which allows us to manage seasonality quite well. For instance, when Europe is in winter time, Cape Town is in summer. Therefore, we encourage our European customers to book a tour in that period by offering “European winter specials. We design specific promotion packages for different customers so that we always have the business running even in low season” – Richard.

“A good understanding of seasonality in tourism is essential for the efficient operation of the business. We offer discounts to customers that book in advance for low season for instance. We also offer rewards to clients who book in low season. For example, if a customer book in July (which is one of our worse month), we offer a free guided tour to Table Mountain” – Adam.

“Our room prices change constantly. We use our customer tracking system to forecast the demand of each room and adapt the prices accordingly” – Adam.

Considering the above statements, the researcher observed that participants used the strategies mentioned by Galloway (2008). Pricing strategies were used by every participant;

they all offer promotions in low season and specials when the business is not running at its full capacity. For example, Natasha mentioned:

“Every customer that book between the 1st of April and the 15th of June get a 20% discount” – Natasha.

Initiatives like this showed how entrepreneurs use fluctuation in pricing to deal with changing demand. Participants showed that they were taking into consideration the importance of seasonal price variation.

The researcher also observed in the above findings that market diversification was used as a strategy by Richard, for instance, who targets different markets for different season. He targets customers in Europe when it is winter there, and provides them with incentives to book a tour in Cape Town, as it is summer at this time. Furthermore, diversifying the attraction was also used. Participants used the introduction of special events and the development of incentives for a particular target market in order to cope with seasonality.

16. Conclusion and Heuristic Value of the Research

The study provided deeper understanding of the role that entrepreneurs play in contributing to the development of the tourism industry in Cape Town. The findings of this project can be of benefit to tourism entrepreneurs, as well as the government of South Africa.

Firstly, the research elaborated on how entrepreneurs are key to the growth of the industry and the economy. For example, to demonstrate this, one of the research questions was: “How efficient are tourism entrepreneurs in contributing to the fight against unemployment?” Moreover, the results outlined the fact that tourism entrepreneurs must be invested in meeting, and coping with, the high demand in Cape Town through various business techniques. These are some of the issues that this study presented in order to encourage the government to provide more support to tourism entrepreneurs and make the process of opening a business in this industry more accessible.

Secondly, the study might be interesting for tourism entrepreneurs themselves, because it described the ways in which the participants of the research conduct business, as well as the ways in which they cope with, for example, the seasonality of the demand. The participants

already had some experience (all of them had been in the industry for at least five years) and had useful knowledge to share. Indeed, the results of this study might be of use to entrepreneurs who are entering the industry and have little experience.

Moreover, the literature review explored the ways in which entrepreneurs from various countries conduct business in the industry. This literature may be of interest to entrepreneurs in Cape Town, as they may be inspired by these entrepreneurial processes, as well as learning about new markets that are popular in other countries, but not yet in Cape Town.

The study collected primary data by interviewing tourism entrepreneurs in Cape Town, which added credibility to the research. The main aim of collecting primary data was to explore the role that entrepreneurs play in the development of the tourism industry in Cape Town. The researcher included three issues to the main research question: unemployment, seasonality of the demand and high demand. In fact, including these issues in the research allowed the researcher to explore the role of entrepreneurs in dealing with these issues, which led to a detailed analysis of the role entrepreneurs play in developing the industry. For example, the role of entrepreneurs in meeting high demand was analysed and it was found that diverse business techniques were used to meet, and even create, demand, which consequently contributes to the growth of the industry.

This project's main aim was to demonstrate that tourism entrepreneurs are key in growing and sustaining the tourism industry. The researcher hoped to provide interesting findings that could be used by the government and entrepreneurs that would like to enter the industry. Further research could be carried out into developing new ways of conducting business in this sector or into finding new markets that could be exploited in the tourism industry of Cape Town.

17. Ethical considerations and limitations

17.1 Ethical Considerations

Ethics are moral principles that govern a person's behaviour or the conducting of an activity (du Plooy-Cilliers, Davis & Bezuidenhout, 2014). The topic chosen for this study is not especially sensitive in nature, so the researcher was not faced with important ethical considerations. Whilst there may be several ethical issues that affect the participants, the researcher has ensured that no harm was caused. Participation in the research was voluntary, confidential and non-prejudicial. The respondents were treated with respect and the researcher put no pressure on participants to answer questions.

Consent was obtained from the participants before any interview was scheduled. The researcher informed the participants of the reasons for this study, the topic of the study and how the information collected from the interviews was going to be used. A consent form was sent to every potential participant giving background information and providing motivations for the research being conducted, as well as how it could deliver positive contributions. The researcher ensured that all participants would remain anonymous and that information collected from them would be used only by the researcher. However, all participants who agreed to participate allowed the researcher to use their company's name. This facilitated the process of writing about the data collected. The names and surnames of the participants were kept private. The consent form required a signature from each participant, as well as a signature from a witness.

Collecting data from participants is a process that should be done ethically. The researcher designed a set of questions for the semi-structured interviews that were easy to understand and closely related to the research topic, so that the participants realised the relevance of each question. The questions were sent to the participants prior to the interview so that they knew what to expect during the interview. The researcher was prepared before each interview and knew how many questions could be asked so that the interview did not last more than thirty minutes, so as not to waste the participants' time.

Dealing with sensitive information is something that the researcher must consider. As mentioned above, this study did not involve disclosure of sensitive information, however, the researcher told each participant that if they did not feel comfortable answering any question,

they should skip it. The researcher did not insist if the participant did not answer a specific question in as much detail as she would have desired.

Ethical issues can also arise from the researcher's approach to data analysis and data reporting. Information collected from the participants was not modified and the results obtained from the study were not distorted.

17.2 Limitations of the Study

The respondents who were willing to participate in this study had no problem with the content of the interview and showed interest in helping the researcher with this project. However, it was a challenge to find entrepreneurs who were willing to give up their time to meet for an interview.

It was advised before conducting this study to use a sample of only five entrepreneurs because of time constraints, and to avoid overload of data after conducting the interviews. However, the researcher only ended up conducting four interviews due to a lack of responses from those entrepreneurs who were invited to participate in the study. This was a limitation because the sample was so small that the researcher had to make sure that each interview was a success. Moreover, every question asked by the researcher had to provide answers that would garner valuable insights into the research, because not many interviews could be conducted. In addition, when a sample is smaller, the researcher must ensure that enough information is collected during each interview so that interesting findings may be produced. When a sample is bigger, the researcher has more interviews, therefore more opportunities to collect relevant data, and he/she can modify or ask additional questions if a previous interview was not useful.

Furthermore, it might be challenging to include an interview in the data collection process because of time constraints, as the data must be collected and analysed in order to draw conclusions, which can be a lengthy process. In fact, the researcher had to determine when to stop collecting data in order to have enough time to analyse, transcribe and code the data. Moreover, writing about the data collected was a lengthy and complicated process, as the large amount of data was sometimes overwhelming and difficult to summarise into meaningful findings related to the research questions. The researcher dealt with this difficulty by categorising the data collected into themes, with each theme focused on one of the research

questions. By doing this, an overview of the information collected could be obtained, which facilitated the process of writing the findings in an organised manner.

The scope of this study lay in exploring the role of entrepreneurs in developing the tourism industry in Cape Town. The researcher found it challenging at some point (such as during the interviews) to define what should and should not be included in the study. Some of the questions asked to the participants did not necessarily result in useful information. Two of the questions that did not turn out to be useful were: "For how long have you been in the industry and why did you start a business in this industry?" Moreover, when conducting the literature review, the researcher was faced with a lack of information on tourism entrepreneurs in Cape Town, specifically. This led the researcher to focus the literature review on information that was relevant to the topic, but from anywhere in the world, rather than locally from Cape Town. Consequently, the researcher had to fill this gap of information by collecting primary data from the tourism entrepreneurs through the interviews.

18. References

- Ateljevic, J. (2011). 'Towards a Politics of Sustainable Tourism' in *Cultural policy brief* Vol. 4, p. 1.
- Bezuidenhout, R.-M. & Strydom, A., 2014. Qualitative data collection. In: S. C. v. d. Merwe, ed. *Research Matters*. Cape Town: Juta and Company Ltd, pp. 188-190.
- Bonham, C. & Mak, J. (2016). 'The Growing Importance of Tourism in the Global Economy and International Affairs' in *GeorgeTown Journal* Vol. 7(1), pp. 1-2.
- Brunner-Sperdin, A. & Peters, M., 2004. Importance and Measurement of Entrepreneurial Quality and Processes in Tourism. *Journal of Quality Assurance in Hospitality & Tourism* V(1), pp. 5-6.
- Bryman, A. (2012). 'Social Science Research Techniques' in Chiara, S. (ed.) *Research Matters*. Oxford: Oxford University Press.
- Deale, C. S., 2015. Entrepreneurship and Sustainability in Hospitality and Tourism: Implications for Education and Practice. *University of Massachusetts - Amherst*, I(1), pp. 2-4.
- Department of Tourism of South Africa. (2015). *Tourism figures*. [Online]. Available at: <https://www.tourism.gov.za/Pages/Home.aspx>. [Accessed 1 June 2017].
- Dictionary.com. (2017). *Random Sampling*. [Online]. Available at: <http://www.dictionary.com/browse/random-sampling>. [Accessed on 17 October 2017].
- du Plooy-Cilliers, F. & Bezuidenhout, R.-M., 2014. *Rsearch Matters*. 2nd ed. Cape Town: Juta and Company Ltd.
- Dudovskiy, J. (2011). *The Ultimate Guide to Writing a Dissertation in Business Studies: A Step-by-Step Assistance* (2016 ed.) USA: E Book.
- Ecological Tourism in Europe. (2009). Sustainable Tourism Development in UNESCO Designated Sites in South-Eastern Europe. [Online]. Available at: http://portal.unesco.org/en/files/45338/12417872579Introduction_Sustainable_Tourism.pdf/Introduction_Sustainable_Tourism.pdf. [Accessed on 13 August 2017].
- Fayos-Solá, E. (1996). 'Tourism Policy: A Midsummer Night's Dream?' in *Tourism Management* Vol. 17:6, pp 405-412.
- Feuler, G. (1905). 'Definition of Tourism' in *UNWTO* Vol. 3(1), pp. 1-2.
- Galloway, G., 2008. Seasonality in the Tourism Industry: Impacts and Strategies.. *Research Gate*, I(12), p. 10.

- George, R. (2003). 'Tourist's Perceptions of Safety and Security while Visiting Cape Town' in *Tourism Management* Vol. 24(5), pp. 10-12.
- Gleeson, B. (2015). 'The Principles of Entrepreneurial Adaptation' in *Forbes Magazine* Issue 2015, pp. 36-37.
- Graburn N. (2000). 'Tourism: The Sacred Journey, Smith' in V. L. (ed.) *Hosts and Guests: The Anthropology of Tourism* (2nd Ed.). Philadelphia: University of Pennsylvania Press.
- Intergate Immigration. (2014). *Which Tourists are Visiting South Africa?* [Online] Available at: <http://www.intergate-immigration.com/blog/tourists-visiting-south-africa/>. [Accessed 25 06 2017].
- Investopedia. (2017). *Systematic Sampling*. [Online]. Available at: http://www.investopedia.com/terms/s/systematic-sampling.asp?optly_redirect=integrated&lgl=term-video-baseline. [Accessed on 17 October 2017].
- Kensback, S. & Jennings, G. (2011). 'Pursuing: A Grounded Theory of Tourism Entrepreneurs' Understanding and Praxis of Sustainable Tourism' in *Asia Pacific Journal of Tourism Research*, XVI(5), pp. 490-498.
- Koenig-Lewis, N. & Bischoff, E., 2010. Developing Effective Strategies for Tackling Seasonality in the Tourism Industry. *Tourism and Hospitality Planning*, II(22), pp. 5-6.
- Koon, M. (2014). 'Validity and Reliability' in du Plooy-Cillers, F., Davis, C. Bezuidenhout, R-M. (eds). *Research Matters*. Cape Town: Juta & Company Ltd, Chapter 17 pp. 252 - 261.
- Kothari, R. C. (2004). *Research Methodology: Methods and Techniques*. (2nd ed.) Jaipur: New Age International (P) Ltd., Publishers.
- Kuhn, T. (1962). 'Logic of Discovery or Psychology of Research' in *Criticism and the Growth of Knowledge* Vol. 4(1), pp. 2-6.
- Kumar, R. (2011). *Research methodology: A Step-by-Step Guide for Beginners*. London: Sage.
- Loh, J. (2013). 'Inquiry into Issues of Trustworthiness and Quality in Narrative Studies: A Perspective' in *The qualitative Report* Vol. 18 (65), 1-15. [Online]. Available at: <http://www.nova.edu/ssss/QR/QR18/loh65.pdf>. [Accessed 28 October 2015].
- McIntosh, A.J. & Siggs, A. (2005). 'An Exploration of the Experiential Nature of Boutique Accommodation in *Journal of Travel Research* Vol. 44(1):74–81.
- Ministry of Tourism Mauritius. (2016). *Mauritius Tourism Promotion Authority*. [Online]. Available at: <http://tourism.govmu.org/English/Authorities%20and%20Board/Pages/Mauritius-Tourism-Promotion-Authority.aspx>. [Accessed 15 May 2017].

- Mncube, B. (2013). *SA's Top Emerging Tourism Entrepreneurs Named*. Durban: South African Government Agency.
- Myers, D. M. (2008). *Qualitative Research in Business & Management* (3rd ed.) London: SAGE publications.
- Ngcobo, B., 2015. *Tourism development and job creation support: Federated Hospitality Association of South Africa (Fedhasa) on its activities*. [Online] Available at: <https://pmg.org.za/committee-meeting/20123/> [Accessed 5 October 2017].
- Nieuwenhuis, J. (2016). 'Introducing Qualitative Research' in Blignaut, C. (ed.). *First Step In Research*. Pretoria: Van Schaik Publishers.
- Onuhua, G. (2007). 'Entrepreneurship' in *AIST International Journal* Vol. 10(1), pp. 20-32.
- Otto, J. E. and Ritchie, B. R. (1996) 'The Service Experience in Tourism' in *Tourism Management* Vol. 17(3): 165-174.
- Pascoe, G., 2014. Sampling. In: S. C. v. d. Merwe, ed. *Research Matters*. Cape Town: Juta and Company Ltd, pp. 133-135.
- Perdue, R. (2002) "Perishability, Yield Management, and Cross-Product Elasticity: A Case Study of Deep Discount Season Passes in the Colorado Ski Industry", *Journal of Travel Research*, 41(1): 15-22
- Pine, B. & Gilmore, J. (1998) 'Welcome to the Experience Economy' in *Harvard Business Review*, July 1, 1998.
- Poon, A. (1993). 'Tourism, Technology and Competitive Strategies' in *Wallingford*, Issue 1993, pp. 1-2.
- Raj, A. (2007). 'The New Age of Tourism and the New Tourist' in *Institute of Tourism & Hotel Management*. May 2007, pp. 1-5.
- Ringbeck, J. & Timm P. (2013). 'How to Succeed as a Tourism Destination in a Volatile World' in Blanke, J. & Chiesa, T. (Eds). *The Travel & Tourism Competitiveness Report 2013: Reducing Barriers to Economic Growth and Job Creation*. 2013 World Economic Forum.
- Steyn, L., 2015. *SA's skills deficit has a negative effect on employment*. [Online] Available at: <https://mq.co.za/article/2015-05-18-sas-skills-deficit-has-a-negative-effect-on-employment> [Accessed 5 October 2017].
- Rusu, S., Isac, F. & Cureteanu, R. (2015). 'Worldwide Tourism Entrepreneurship: A Global Perspective' in *Facultatea de Management Agricol* Vol. 17(4), pp. 64-66.

- Samiei, S. & Akhoondzadeh, M. (2013). 'The Role of Entrepreneurship in Tourism Industry Development' in *European Online Journal of Natural and Social Sciences* 2013 Vol. 2(3), pp. 1423-430
- Sawal, I. (2016). 'Defining the Entrepreneurial Process' in *The Scribd* Vol. II(12), pp. 1-2.
- Schmitt, B. (1999). *Experiential Marketing*. New York: The Free Press.
- Shenton, A. K. (2004). 'Strategies for Ensuring Trustworthiness in Qualitative Research Projects' in *Education for Information* Vol. 22 (1), 63-75
- South African Government. (2016). *Annual Tourism Report of South Africa*. [Online]. Available at: <https://live.southafrica.net/media/en/page/annual-reports>. [Accessed 20 August 2017].
- Stanculescu, C. G., Molnar, E. & Bunghez, M. (2010). 'Tourism's Changing Face: New Age Tourism Versus Old Tourism' in *Academy of Economic: Romania*, 1(5), pp. 245-248.
- Stuckey, H. (2015). 'The Second Step in Data Analysis: Coding Qualitative Research Data' in *Journal of Social Health and Diabetes*. [Online]. Available at: http://www.joshd.net/temp/JSocHealthDiabetes317-1869482_051134.pdf. [Accessed on 16 August 2017].
- Trading Economics. (2017). *South Africa Unemployment Rate*. [Online]. Available at: <https://tradingeconomics.com/south-africa/unemployment-rate>. [Accessed 29 August 2017].
- United Nations World Tourism Organisation. (2016). *International Tourist Arrivals Up 4% Reach a Record 1.2 Billion in 2015*. [Online]. Available at: <http://media.unwto.org/press-release/2016-01-18/international-tourist-arrivals-4-reach-record-12-billion-2015>. [Accessed 02 June 2017].
- United Nations World Tourism Organisation. (2016). *Sustainable Tourism*. [Online] Available at: www.unwto.org [Accessed 3 June 2017].

APPENDIX 1:

PARTICIPANT CONSENT FORM:



PARTICIPANT CONSENT FORM

RESEARCH TITLE: “The role of entrepreneurs in the development and growth of the tourism industry in Cape Town”.

1. INTRODUCTION

You are invited to participate in a research study about **“The role of entrepreneurs in the development and growth of the tourism industry in Cape Town”**. The main purpose of this study is to explore the contribution that entrepreneurs make to support and promote the development of tourism in Cape Town. Tourism is a valuable industry for South Africa as it contributes to the economic growth and country development. In fact, Cape Town is known as the most attractive tourist destination in South Africa and its economy relies importantly on this industry. Entrepreneurs play a significant role in the promotion of tourism as they build a market to attract tourists from all over the world. Hence, it is of valuable evidence to study how and to which extent entrepreneurs contribute to the expansion of this industry.

The information in this consent form is provided to assist you in deciding whether you would like to participate in this study. If you decide to participate, you will be asked questions about your experience as a tourism entrepreneur. An interview will be scheduled whenever and wherever is most convenient for you and should not be longer than 30 minutes. This interview will be recorded with your authorisation and your personal details do not have to be recorded. This interview will ensure that you stay anonymous and will be confidential.

It is important that you fully understand what is involved if you agree to participate in this study. If you have any questions that you feel are not addressed or explained fully in this consent form, please do not hesitate to ask

the researcher for more information. You should not agree to participate unless you are completely comfortable with the procedures followed. The contact details of the researcher are as follows:

Email address: **staubvictoria@gmail.com**

Contact number: **064 06 06 012**

2. RISK(S) OR DISCOMFORT INVOLVED

No possible risks or discomfort. The participant does not have to answer every question if she/he does not wish to.

3. POSSIBLE BENEFITS OF THE STUDY

This study will investigate on how the industry could be boosted and what the government could do to support and encourage the tourism entrepreneurs to grow. After interviewing a few entrepreneurs, the data will be coded in distinct categories and will give clarification on how some problems could be solved. This might be useful as it will for instance give suggestions on how to deal with the seasonality of the demand.

4. WITHDRAWAL CLAUSE

- Your inclusion in this study is purely voluntary;
- If you do not wish to participate in this study, you have every right not to do so;
- Even if you agree to participate in this study, you may withdraw at any time without having to provide an explanation for your decision.

5. CONFIDENTIALITY

ALL information gathered in this study will be held in strict confidence and only the researcher will have access to the original data. Results will only be retained for as long as required for the research purpose and will thereafter be depersonalised and presented in such a way that you will not be identifiable.

6. CONSENT TO PARTICIPATE IN THIS STUDY

I have read the information presented to me in a language that I understand and I understand the implications of participating in this study. The content and meaning of this information have been explained to me. I have been given the opportunity to ask questions and am satisfied that they have been adequately addressed. I understand that I am under no obligation to participate in this study and that I can withdraw from this study at any stage without having to provide an explanation for my withdrawal. I hereby volunteer to take part in this study.

I have received a signed copy of this informed consent agreement.

PARTICIPANT

Full Name and Surname: _____

Signature: _____

Date: _____

WITNESS

Full Name and Surname: _____

Signature: _____

Date: _____

References

CHE HEQF. 2004. *Postgraduate Research Supervision*. ITL Resource No 7. Available at: http://www.che.ac.za/documents/d000087/ITL_Resource_no7.pdf (20 October 2011).

South African Qualifications Authority. 30 August 2013. *Government Gazette 36797: Publication of the General and Further Education and Training Qualifications Sub-Framework and Higher Education Sub-Framework of the National Qualifications Framework*

APPENDIX 2:

EMAIL SENT TO POTENTIAL PARTICIPANTS FOR THE INTERVIEWS:

Victoria Staub <staubvictoria@gmail.com>

À info

Hi,

I am a student from The Independent Institute of Education in Cape Town and currently writing my thesis at Honour's level.

My name is Victoria Staub, I am 22 and from Mauritius.

I am looking for a few people to interview for my thesis and would really appreciate your help. The interview should not be longer than 20-30 minutes.

My research involves the investigation of the role of entrepreneurs in the development of the tourism industry in Cape Town. The outcome of the study includes new propositions on how the sector could be boosted and made more attractive. I would like to interview someone that is involved in the management of the business or even the owner if possible.

After the submission of the thesis, the results will be sent to all participants.

Please find attached the consent form including all relevant information about my project.

I prepared a set of questions that are easy to answer and does not require any confidential information from you. I am available anytime and willing to meet anywhere in Cape Town. Looking forward to hearing from you.

Best Regards.
Victoria Staub.
0640606012

APPENDIX 3:

QUESTIONS ASKED DURING INTERVIEWS:

For how long have you been in the tourism industry?

What services and products do you offer

Do you have other branches or businesses?

Do you plan to expand?

What is your vision?

If you had to describe your service in a few words? How do you want customers to perceive your brand?

Why the tourism industry? Did you see an opportunity in this industry?

Do you think that other tourism businesses are important for the growth of your demand?

How many employees do you have?

What does your staff turnover usually look like?

Do you train your staff?

How do you train them and for how long?

Is it hard to find people when the business needs more employees?

Is it easy to find skilled labour?

Would you employ more people if the demand increase or do you think employing people in SA is a complicated process?

Do you have partners?

Are you aware of government initiatives to support tourism entrepreneurs?

Has your offer been the same since you opened or do you have different or better services now?

In your opinion do you think that this market is saturated?

Are you worried about competition?

How do you encounter this threat?

What makes your company unique?

How do you attract you customers?

Do you have a strategy to make them come back?

How do you build loyalty?

Do you adapt your offer to the seasonality of the demand?

Do you offer promotions in low seasons?

Higher prices in peak season?

Do you think that the aspect of the demand has changed over time?

Have you seen other tourism business adapt to this?

Has the demand been predictable over time? How do you advertise?

Do you measure customer satisfaction through surveys for example?

In your opinion what is Cape Town missing to be an even better destination for tourists

What discourage tourists from coming to Cape Town?

If you had to launch a new business in the tourism sector what would it be?