# Digital Entrepreneurship and Creative Industries in Tourism

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Digital entrepreneurship and creative industries in tourism have been emerging strongly, possibly as a result of the global pandemic of the last two years. Their growth in the last decade has been due to the penetration of technology into the daily life of the tourist and the desire for tours that combine intangible value and a differentiated experience.

Keywords: digital entrepreneurship; creative industries; tourism; creative entrepreneurship

#### 1. Introduction

The creative industry and digital entrepreneurship are part of the tourism industry and have been growing in momentum over the last decade (Jelincic 2021). Climate change (Pang et al. 2013), the growing awareness of environmental issues (Kilipiris and Zardava 2012), the need for more sustainable tourism development (Torres-Delgado and Saarinen 2014), the growing demands for high-quality tourism services (Butnaru and Miller 2012; Garrigos-Simon et al. 2019; Varotsis 2019), and increased competition in the tourism market have contributed to the strengthening of new forms of digital entrepreneurship and creative industries in tourism.

The recent, rapid development of digital technologies—in part as a result of the COVID-19 pandemic—such as big data and analytics, the internet of things, mobile devices, social media, artificial intelligence, blockchain, and cloud computing (Rusch et al. 2022), have caused new entrepreneurs with a focus on new business opportunities to innovate in digital entrepreneurship. Moreover, the creative and cultural industries (Cooke and De Propris 2011) include activities related to architecture, cultural heritage, artistic crafts, audiovisual media, archives, libraries, visual arts, publishing festivals, music creation, and radio (Boix-Domenech and Rausell-Köster 2018), and are now considered a key driver of economic growth, recently attracting innovative entrepreneurs.

As a result, the rapid spread of digital technologies has accelerated the growth of cultural and creative industries (CCIs) in technology-dominated sectors, attracting entrepreneurs who are innovating by investing in digital entrepreneurship. The development of digital entrepreneurship in creative industries is an attractive sector of innovation, as it achieves high digital accessibility and required low investment costs and focuses on empowering value creation (Tomczak and Stachowiak 2015). After all, both managerial and business skills are now predictors of entrepreneurial innovation (Tsolakidis et al. 2020).

## 2. Digital Entrepreneurship

Entrepreneurship is the dynamic process of creating value (<u>Gartner 1990</u>; <u>Huarng and Yu 2011</u>) by taking risks aimed at financial and self-fulfilling gratification. Entrepreneurship is a broad term that includes elements of innovation, management, risk-taking, enterprise decision-making, perseverance, and perspicacity in the face of new economic prospects (<u>Weiermair et al. 2006</u>). In addition, the personality of the entrepreneur exhibits special characteristics, such as the need for achievement, autonomy, creation, vision, foresight, and positive thinking (<u>García-Tabuenca et al. 2011</u>).

In the network economy, entrepreneurship characterizes both the neo-active and established companies of the sector. The highly competitive environment of the online economy is forcing both start-ups and established organizations to innovate to succeed in efficiency. Digital entrepreneurship includes all the activities involved in developing a venture that generates revenue from digital and technological means through electronic networks. The digital entrepreneur is involved in any kind of business that uses digital technologies for either commercial or social and governmental purposes (Williamson et al. 2019).

Digital entrepreneurship is often identified by technological innovation flexibility (Kanovska and Bumberova 2021), which involves the transformation of new ideas, inventions, and business processes into market value. It involves transforming a good idea into an innovative idea that creates value in the digital market. Innovative digital entrepreneurs are forced to venture into a highly competitive digital business environment where their inventions—the products they offer to the market—are exposed via the internet to countless other ambitious digital entrepreneurs (Endres et al. 2022). The success of a digital entrepreneur is related to their ability to continuously and successfully update their digital product.

#### 3. Creative Industries

Creative industries combine high-value-added services with the supply of industrial products to the market. They incorporate all the activities that stand out in a creative process (<u>Cunningham 2002</u>). A common factor in the activities of the creative industries is creativity, in the sense of providing an innovative solution or an innovation based on a concept of its creator. In the creative industries, creativity brings forth new ideas while innovation transforms them and implements them into creative ideas (Amabile 1988).

According to the definition of the term, as developed for the British economy, the creative industries bring together a number of areas that may not be related to each other, including advertising and marketing, architecture, design, designer fashion, art and antiques, performing and visual arts, publishing, crafts, software, leisure software, museums, galleries, libraries, education, film, video, photography, music, television, and radio (Foord 2009). It is the economy of experience where the consumption of creative goods and services is combined with the intangible added value that accompanies it.

The creative activities related to the creative industries focus on human individual creativity that aims to create knowledge and innovation. The institutional framework of the creative industries includes all the managerial skills and individual creations that achieve value and job creation through the exploitation of intellectual property and individual creativity (Bilton and Leary 2002). In addition, the creative industries integrate individual creativity into the cultural industry, the creative industry, and the orange economy. The orange economy includes all the necessary activities for an idea to be transformed into a product for the market.

The creative industries are often identified with the cultural industries, which are one of the creative subsectors. The cultural industries focus on cultural tourism, cultural heritage, and the activity sectors of museums and libraries, cultural and sporting activities, and activities that emit a way of life, promoting mainly cultural and social value. Human creativity is the common source of the creation of goods and services in the so-called cultural and creative industry (CCI) (Chuluunbaatar et al. 2014).

#### 4. Creative Tourism

The modern, highly competitive tourism market requires the provision of services characterized by creativity and innovation to meet the growing demands of tourists. The COVID-19 pandemic has highlighted the need for innovations that maintain or increase tourist satisfaction with tourism services (Bavik and Kuo 2022). Tourism is based on the interactivity of the provider (producer of tourism services) and receiver (tourist); therefore, the satisfaction of the latter depends on the human relationships that develop during the provision of the tourism services. A creative provider of unique and innovative tourism services has a competitive advantage in the intensely competitive tourism industry (Prima Lita et al. 2020).

Tourism is related to the tourist experience that is reflected in the knowledge and stimuli gained during a tour. A unique, unforgettable experience by the tourist is related to the series of goods and services that a tourist receives at a specific place and time, and under their personal conditions of perception. In cultural tourism, the experience is gained from the sense of interaction with another culture (Smith 2015). The uniqueness of an experience requires more than the sum of standardized tourist goods and services. It can be achieved both by the uniqueness of the human relationships that govern the tourism service and by a co-creation of the tourist experience that leads to a cognitive transformation (Jiang et al. 2021). The latter excels when compared to a declining, simple remembrance.

Creative tourism, as opposed to mass tourism provided through a standard tourist product, is a result of co-creation by the host and the tourist that aims to customize authentic unique experiences. In tourism, creativity appears in all four key areas (4Ps) of a creative person, creative process, creative product, and creative press (environment) (Horng et al. 2015). Tourism creativity is achieved with the participation of the creative person and the utilization of the creative process in the design of creative activities (masterclasses) through the use of creative environments (creative clusters) that form a

creative tourist product (tourist attraction) for the creative class (<u>Florida 2012</u>). The tourist attraction can take the form of a visit to an archeological site, a gallery, a concert, a ceremonial event, a theatrical performance, etc.

### 5. Creative Entrepreneurship

In recent decades, a trend has developed towards the creative knowledge economy, which is based on the information society and goes beyond the traditional model of standard product reproduction. If the creative industries combine the creation, production, and supply of creative products for the market, creative entrepreneurship is the process of commercializing creative products through their launch by an enterprise operating in the creative industry (<u>Muller et al. 2009</u>). The creative entrepreneur combines entrepreneurial ability and creative talent to exploit business opportunities in the creative industry.

Moreover, entrepreneurs in the creative economy have emerged who, using individual creativity and personal instinct, have transformed creative ideas into profitable products in the market (<u>Gouvea et al. 2021</u>). They are entrepreneurs with special skills in understanding intellectual capital, in effective management of human resources and financial capital, and in the development of the creative process.

Compared to traditional entrepreneurs who focus on industry and construction to take initiatives, take risks, and manage resources, the creative entrepreneur, in addition to all this, uses their creative and intellectual skills to turn an idea into a profitable product for the creative industry (<u>Duening 2010</u>). Thus creativity can be transformed into an industrial product. From the perspective of traditional entrepreneurship, an industrial product is not necessarily a product of creativity. Human creativity is an essential component of a product developed in the creative industry by a creative entrepreneur (<u>Maryunani</u> and Mirzanti 2015).

Creation and co-creation are at the heart of the creative entrepreneur, who transforms from an inventor of profitable ideas into a co-creator of entrepreneurial opportunities (Karami and Read 2021). In tourism services, the interaction and exchange of resources, with the ultimate goal of co-creating value beyond the financial results and positive externalities, results in social and wider benefits in the creative tourism industry. Creative tourism entrepreneurs (CTEs) are the source of tourism innovation from the perspective of the supply of tourism services (Lindroth et al. 2007), while the co-creation of a tourist product contributes, from the perspective of demand, to the creation of a unique touring experience. Creative tourism is a unique experience based on co-creation by the tourist and CTEs, which aims to expand the tourist's knowledge of the special character and cultural heritage of the tourist destination (Long 2017).

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