AN INVESTIGATION OF ENTREPRENEURIAL MOTIVATION: BOUTIQUE HOTELS IN NORTHERN THAILAND

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Abstract
Purpose – entrepreneurship scholars have argued extensively that the phenomenon of entrepreneurship and entrepreneurial motivation cannot be studied in isolation from their broader socioeconomic environment. This study addresses this gap by examining the entrepreneurial motivation of hotel entrepreneurs in Northern Thailand. The study also investigates how various mediating factors and motivations to start a business shape tourism entrepreneurs’ behaviour in relation to growth strategies.

Design/Methodology/Approach – qualitative research was conducted in Northern Thailand 2012 and the follow-up study in 2019. Purposive and snowball sampling strategies were used. The primary data collection method was semi-structured interviews.

Findings – the study identifies the coexistence of both lifestyle and growth-oriented entrepreneurs. The results show that the entrepreneurial decision to enter the hotel industry was not solely determined by the entrepreneur’s own actions, but significantly by the family. The role of family in business creation is directive and not facilitative. Business growth was a desirable strategy for both lifestyle and growth-oriented entrepreneurs.

Originality of the research – study shows that entrepreneurial motivation cannot be properly understood if it is studied in isolation from the wider socio-economic context. Moreover, it challenges the prevailing classification of tourism entrepreneurs into lifestyle-oriented and growth-oriented.

Keywords entrepreneurial motivation, hotel entrepreneurs, lifestyle orientation, Thailand, qualitative methodology

INTRODUCTION

Over the last few decades, the number of studies conducted on entrepreneurship has greatly increased (Ferreira, Fernandes and Kraus 2019). These studies aimed to examine several problems regarding entrepreneurship e.g.: the domain of entrepreneurship research; entrepreneurial opportunities and nascent ventures; and focal areas of entrepreneurship, such as small business and networks (Ferreira, et al. 2019; Ireland, Hitt and Sirmon 2003). It is widely accepted that entrepreneurial motivation is one of the most important factors for establishing and invigorating the entrepreneurial process (Murnieks, Klotz and Shepherd 2020). Entrepreneurial motivation can be broadly defined as a set of objectives or goals that entrepreneurs aim to achieve through business ownership (Robichaud, McGraw and Roger 2001). Entrepreneurial motivation...
determines business behaviour and most importantly, the growth of a business. The business growth is extensively discussed in the literature and considered to be one of the main attributes of entrepreneurial behaviour. Growing businesses generate employment, increase the self-esteem of entrepreneurs, expand the resource base and improve competitive positioning on the market (Bosma, Sanders and Stam 2018; Meyer and de Jongh 2018). At present, entrepreneurial motivation is still one of the most discussed topics within the academic pursuit of entrepreneurship, for instance the issue of lifestyle entrepreneurs and migration motivation (Benson and O’Reilly 2016) or motivation factors for female entrepreneurs (Kirkwood 2009; Meyer 2019). According to a view held within the entrepreneurship literature, a better understanding of entrepreneurial motivation will not only lead to development within the entrepreneurship field, but will also help to explain the existence of entrepreneurs and the process of entrepreneurship (Moroz, and Hindle 2012; Murnieks et al. 2019; Shane, Locke and Collins 2003).

Entrepreneurial motivation has been significantly discussed within the growing body of tourism entrepreneurship literature (Fu, Okumus, Wu and Köseoglu 2019; Solvoll, Alsos and Bulanova 2015; Thomas, Shaw and Page 2011). However, an almost exclusive preoccupation with entrepreneurial agency has created two significant gaps in the literature which limit our understanding of tourism entrepreneurs. First, there exists a dichotomous view of tourism entrepreneurs, where they are described as either lifestyle or growth-oriented (eg Getz and Petersen 2005; Ioannides and Petersen 2003). Lifestyle entrepreneurs are considered to establish businesses to support their lifestyle and have multiple sets of goals, such as to live in a certain place, whilst profitability is only one of their goals. Growth-oriented entrepreneurs are entrepreneurs in the traditional sense, hence, willing to take risks, to innovate and to create a competitive and growing business (Fu et al. 2019). Secondly, despite scholars’ preoccupation with entrepreneurial motivation, Fu et al.’s (2019) review of the tourism entrepreneurship literature demonstrates that little is known about the interplay of the destination environment and entrepreneurial motivation. This gap is quite surprising given the fact that a growing number of studies suggest that social context (such as family, friends, and attraction of location) or economic condition (such as transitional environment, unemployment), can significantly influence entrepreneurial endeavours (Bosworth and Farrell 2011; Gaddefors and Anderson 2017; Skokic, Lynch and Morrison 2016; Welter 2011). This study aims to address this gap by investigating the motivation of hotel entrepreneurs in Northern Thailand.

The following research questions are explored:
1.) What are the main motives of hotel entrepreneurs to engage in the hotel business and how does the socio-economic context within which entrepreneurs are embedded influence their motivation?
2.) How does entrepreneurial motivation determine entrepreneurs’ decisions to engage in growth strategies?

The study was conducted in Northern Thailand during the year of 2012 with 32 hotel entrepreneurs. After 7 years, follow-up interviews were carried out with 23 initial respondents and 5 interviews were carried out with the family members who participate in the business. The country experienced a significant increase in the number of small hotels started exclusively by individual entrepreneurs, thus providing a relevant context.
for the investigation of the role of the socio-economic environment on entrepreneurial activity (Skokic, Lynch and Morrison 2019). As a customary approach for such a research position, the primary data collection method was a qualitative study with hotel entrepreneurs.

First, a literature review is presented to provide a conceptual framework of the key issues explored. This is followed by an outline of the research methods and the analysis of the findings. Finally, the study results are discussed followed by the conclusions.

1. THEORETICAL BACKGROUND

1.1. Entrepreneurial motivation

Economics, psychology and sociology are three main disciplines which have focused extensively on entrepreneurial motivation. The study of economics proposes that entrepreneurs are rational individuals who engage in entrepreneurship only because of economic motives, such as profit (Gilad and Levine 1986; Kirzner 1997). However, such an explanation of entrepreneurial motivation is seen as rather limited; prompting other disciplines to attempt to explain the issue in more depth. Psychology understands entrepreneurial motivation as an internal process structured around personal characteristics and traits, which may have a positive influence on a decision to start a business (Shane et al. 2003). However, researchers have struggled to explicitly show the link between the traits and entrepreneurial actions (Shaver and Scott 1992) and argue that traits and characteristics alone are not enough to explain entrepreneurial motivation (Degeorge and Fayolle 2011). The next attempt to bring clarity fell to sociologists, who identified that many factors, such as family (Naffziger, Hornsby and Kuratko 1994), social status (Morrison 2001), and cultural context (Skokic et al. 2016) have a significant effect on entrepreneurial motivation. As all three disciplines separately studied entrepreneurship and entrepreneurial motivation, there is no unifying view of entrepreneurship and entrepreneurs and what motivates them to embark upon the entrepreneurial path. Although all three perspectives made significant improvements in the understanding of entrepreneurial motivation, recent contextualized studies paint a more complex picture (Welter 2011).

Over the last decade, there have been some controversies among entrepreneurship scholars regarding different motivational factors for entrepreneurship. One of the most recent research streams suggests that the context within which entrepreneurship exists has to be taken into consideration (Welter 2011). This research stream reveals that entrepreneurship is a reflection of contextualized factors and the sociological conditions in which entrepreneurs are embedded (Welter 2011). For example, different contexts, such as in developed and developing countries, will lead to different entrepreneurial motivation (e.g. Benzing, Chu and Kara 2009; Benzing and Chu 2009; Skokic and Morrison 2011). In this vein, studies reveal that in developed economies profit is seen as a pull factor into entrepreneurship (Gilad and Levine 1986). In contrast, among a large number of developing economies, studies found that entrepreneurs need profit to compensate for negative circumstances, such as job loss (Benzing et al. 2009; Zhuplev, Kon’kov and Kiesner 1998). In transition economies, networks and informal connections
are essential for the creation of entrepreneurship (Skokic et al. 2019). Without them, it is incredibly difficult for entrepreneurs to form their own private business (Smallbone and Weller 2001).

1.2. Entrepreneurial Motivation in the Tourism and Hospitality Field

Despite significant growth in the number of studies investigating tourism and hospitality (T&H) entrepreneurs, Skokic et al. (2016) argue that the studies conducted to date have three limitations: i) mediating factors, such as an entrepreneur’s socio-economic environment, are almost excluded from analyses; ii) knowledge is mainly drawn from the perspective of western developed economies; iii) reliance on surveys, which are useful in understanding the main characteristics of tourism entrepreneurs but limited in explaining the fine-grained socio-economic context, such as the institutional environment for entrepreneurship or the potentially influential life histories of the entrepreneurs.

Such research orientation has created a view that T&H entrepreneurs are exclusively driven by the lifestyle orientation, such as to live in a certain area, to interact with interesting people or to be one’s own boss (Ahmad 2015; Ateljevic and Doorne 2000; Banki and Ismail 2015; Williams, Shaw and Greenwood 1989). Thus, T&H entrepreneurs are not primarily motivated by profit and growth (Ioannides and Petersen 2003). In the early years of academic investigations, such entrepreneurs were portrayed as dangerous for tourism destination development (Ioannides and Petersen 2003), since the studies reported that those entrepreneurs are not willing to grow their businesses. Also, some were even found to reduce their number of rooms, just to enjoy the lifestyle (Mottiar 2007). However, entrepreneurial motivation is more complex than a lifestyle/growth dichotomous view. First, it is evident that in many other sectors, such as apparel retail, interior firms (Marcketti, Niehm and Fuloria 2006) and creative industries (Eikhof and Haunchild 2006), entrepreneurs are driven by lifestyle factors without sacrificing the growth element. Secondly, in recent years, studies have established that lifestyle orientation does not ignore economic-oriented factors (Fu et al. 2019). For instance, lifestyle entrepreneurs are better at introducing innovative products (Shaw and Williams 2004), they create niche markets (Ateljevic and Doorne 2000) and promote diversified destination development (Bosworth and Farrell 2011). In one of the most recent studies among lifestyle surf tourism entrepreneurs, Fadda (2020) reveals that those entrepreneurs exhibit an innovative outlook and proactive focus. Although traditional performance management was not observed among those entrepreneurs, they were revealed as aiming to increase market share, demonstrated by their promotion strategies and efforts to control customer flows. Tomassini, Font and Thomas (2020) investigate “value-based entrepreneurs” in tourism. Their results show that entrepreneurs “present themselves as ‘atypical’ entrepreneurs that are ethically committed without rejecting profit and business opportunities” (p. 13).

A small number of studies within the former socialist economies of Central and Eastern Europe (CEE) reveal that economic and non-economic motivational factors can act at the same time. Additionally, non-economic motives include autonomy and independence. This is in contrast to the studies originating from developed economies, as studies found that these factors are articulated as both lifestyle and economic. Also,
there exists some evidence that in turbulent market settings, T&H entrepreneurs may even engage in extensive growth strategies (Skokic et al. 2016).

The analysis presented here demonstrates that although T&H entrepreneurship research has moved from a focus on the personal traits of individual entrepreneurs within the context of western developed economies, there is still a gap in our understanding of the interplay between the individual attributes of entrepreneurs and their socio-economic environment. In addition, the most recent studies from the field demonstrate that the dominant lifestyle- vs growth-oriented dichotomy does not provide a comprehensive framework to explain the behaviour of tourism entrepreneurs (see for example Fadda 2020, Skokic et al. 2016; Tomassini et al. 2020; Zhang, Lu and Sun 2021). More research is thus needed into how the destination environment may influence T&H entrepreneurial motivation: our study addresses this gap.

2. SAMPLING AND RESEARCH METHODS

Northern Thailand is selected as an empirical setting for the investigation as Northern Thailand is unique in terms of destination and it contrasts greatly with busy Bangkok and the beach resorts of the south (Thailand for Visitors 2012). Since 2010, there has been a rapid increase in a new type of accommodation in northern Thailand: boutique hotels, developed exclusively by individual entrepreneurs. Such an entrepreneurial response to a spotted opportunity has not been witnessed before and there has been no attempt to investigate this phenomenon. The data were collected during the year 2012 and 2019.

There is no official record of the number of boutique hotels established in Northern Thailand. For this reason, the researchers acquired the first ever composed lists of boutique hotels in Thailand from two unofficial sources, which were Chiang Mai Boutique Hotels (Chiang Mai Boutique Hotels 2012) and the Thailand Boutique Awards (Thailand Boutique Awards 2012). According to these sources, boutique hotels are those hotels which offer Thai-style design and decoration and an atmosphere of home. The acquired lists provided the names of 39 boutique hotels in Northern Thailand. Nevertheless, both list did not offer the total number of boutique hotels, since there is no official categorisation of this type of business in Thailand.

With the list of 39 boutique hotels, the researchers began sending an email requesting an interview. However, out of 39 hotels, none replied. Hence, the researchers made several phone calls to follow up the emails, but this method was also unsuccessful. In Thailand personal contacts play an important role. The researcher had to turn to her family, friends and her work colleagues who were able to identify hotel owners whom they knew personally or could reach hotel owners through personal connections. First, the researcher’s work colleagues, friends, and family made phone calls to the hotel entrepreneurs to introduce the researchers and make an initial request for interview. Next, the telephone numbers of the entrepreneurs who accepted the request were given to the researchers. After that, further contact was made via a phone call to inform entrepreneurs of the research purposes and make an interview appointment. Therefore, purposive and

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1 This research is a part of a larger study conducted among study participants, see Chernbumroong (2015).
snowball sampling strategies were employed. The semi-structured interview is adopted as a data collection method. In total, 32 interviews were conducted (Table 1). The questions were structured around main themes: life histories and motivation to start the business, business operations and future plans, the role of the family and the views on boutique hotel.

Table 1: The Background Information of the Hotel Entrepreneurs

<table>
<thead>
<tr>
<th>Entrepreneurs</th>
<th>Gender</th>
<th>Age</th>
<th>Birth Place</th>
<th>Years in operation (2012)</th>
<th>Rooms</th>
</tr>
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<tbody>
<tr>
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<td>F</td>
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<td>Non-Local</td>
<td>2</td>
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<td>Local</td>
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<td>Non-Local</td>
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<td>Local</td>
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<td>M</td>
<td>40-49</td>
<td>Local</td>
<td>9</td>
<td>12</td>
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</table>

*did not participate in follow-up study

Follow-up study was employed to investigate whether entrepreneurs realised their growth plans and whether the identified role of family in business creation was unique to the start-up stage. All interviewed entrepreneurs were contacted by phone and all were in business. Telephone interviews were conducted during September-November 2019 with 23 entrepreneurs who participated in the first study. At the time of the interviews
some entrepreneurs were absent (9), and they instructed their family members to participate in the telephone interviews. Out of these 9 cases, 5 interviews were successfully organised mostly with partners (4) and parents (1). In total, 28 interviews were conducted. Entrepreneurs were willing to help and appreciated the interest in their businesses. During these interviews, we asked entrepreneurs whether they have realised their growth plans (we also probe further if the outcomes deviated from the original plans and the rationale behind undertaken growth strategies) and investigated further the role of their family in the business.

A contact status sheet was developed to keep useful information about the interview appointments. A notebook was used to summarise the key points of each interview and certain information which the researcher could not record using digital recorders, such as details of the interview context. Then, the researcher fully transcribed the recorded data from the tape recordings.

Thematic analysis was employed for this study. To facilitate the analysis of the data, NVivo10 was used to assist in coding and retrieving the key themes. To ensure the trustworthiness of the study, all three researchers dealt separately with a selected number of interviews and constantly compared the data, assigned codes and overall understanding of the identified codes. Also, the researchers followed the code-recode principle. After coding a first batch of the interviews (7), the researchers waited a few days and recoded and compared the results (Lincoln and Guba 1985).

3. FINDINGS

3.1. Entrepreneurial Motivation

The findings reveal that four prominent factors motivate the creation and operation of a boutique hotel. The motivation factors include the influence of encouragement by the family and friends on the entrepreneurs, the local attractions of the destination and the type of business involved.

The results reveal significant influence of the family in motivating entrepreneurial decisions to enter into the hotel business. First, the family have a strong influence on idea generation. The entrepreneurs stated that before becoming boutique hotel owners, they were engaged in other businesses or employment. The family encouraged them to become boutique hotel owners although they were still occupied with other businesses or employment, as illustrated with the following example:

“At that time I worked crazy hours for a large company and was not exactly thinking what to do next although I knew I need a change. But my parents were thinking extensively (laugh). I was always good in designing and decorating things and working with people, so they started to talk how I could run a hotel. I can do all the decorations, interior, employ staff...At first I was confused about the idea as we were never in the hotel business but somehow it got stuck in my mind.”
Second, more than half of the entrepreneurs established the business because they owned some land or property (17 owners) and among these entrepreneurs, 15 of them inherited a piece of land or property from their family, illustrated by the following example:

“At that time, in 2004, it was the time we decided to do a business. It is because we have this land. It is ours for long time. We (family) talked about what should we do that would be the most suitable thing for this land. It should be a business which we can take care by ourselves.”

Third, the primary sources of funding were parents. Eight entrepreneurs had parents who owned another business. It was presumed that the parents gathered financial resources from their own business. Fourth, family initiated the idea of owning a business, as one entrepreneur stated: ‘it was my parents’ dream to own a hotel business.’ Fifth, the family members also had crucial role in everyday business operations. For instance, they were involved in the hotel establishment and operation. The entrepreneurs were assisted by various family members such as parents, brothers, sisters, aunts and cousins, who helped the entrepreneurs with the business operation. Finally, the business was deeply integrated into family life, as entrepreneurs reported that their business actually encouraged family interactions. The entrepreneurs found discussing, operating, and finding new business ideas with the family to be enjoyable. Also, their interests are shared among the family members through business discussion. Thus, business was included as a part of family discussion.

“It is our (family) dream (the business) We want to have more customers, more facilities. We want to do it. We agree on the (hotel) concept. We share the same passion for it...”

“The person who designs this hotel is a professor. He is an expert in architecture. He... is my step-father. Everything I do, I do with him. We work together. He will do the exterior. I will do interior... He teaches me. Since we are together, I have learnt architecture and things like this from him. Actually, I did not graduate from the field. I help my step-father and he give me advice. He is an expert in this field.”

Follow-up interviews revealed that the family members still have important role in everyday business operations. Even though all businesses employ professional staff, family members are deeply integrated into the business and help with different operational tasks. In addition, entrepreneurs reported that family members feel attached to the business even more and now there is an attempt to include the youngest family members:

“My parents wonder around hotel every day. They are so obsessed whether there is something that needs to be done but they are also proud to see how much the business has achieved. They are even teaching my 10 year old son some minor tasks, for example how to greet the guests, to take suitcases, how the bedrooms are cleaned, so he also becomes a part of the business.”

The researcher also discovered that support from friends contributed to the establishment and operation of entrepreneurs’ businesses as they encouraged them to enter a hotel business and shared their knowledge and support. The findings revealed that the friends
of the entrepreneurs were also owners of boutique hotels, and their relationships with the entrepreneurs were formed prior to the establishment of the entrepreneurs’ businesses. Hence, on some occasions, they could discuss and exchange information regarding their businesses during a golf session or dinner party:

“The people in a boutique hotel group are my friends. We chitchat and play golf together”.

However, not all advice offered by friends was followed by the entrepreneurs. Instead, this advice was considered simply as a factor for decision making.

“I don’t have any hotel experience. But I have a friend who owns a guesthouse. When I have problems, I ask my friend. But I don’t follow all the advice”.

The findings also reveal that the area of Thailand covered by this study was desirable to the entrepreneurs. Ten out of thirteen non-local entrepreneurs moved to Northern Thailand after previous employment in other regions, while 17 local entrepreneurs desired to remain in the area. This was because they preferred to be with their families and friends in an environment and community that they liked. Good living conditions, with no problems of overcrowding, fewer traffic problems, nice climate and beautiful scenery of mountain views, were other local features that enticed the hotel entrepreneurs to move into or stay and build a boutique hotel in the area. Also, the northern people and their community made a positive impression on the entrepreneurs, considered to be extremely kind, friendly, polite and hospitable to non-locals and tourists alike. This region allowed entrepreneurs to live a slower-paced life than might be experienced elsewhere. The entrepreneurs believed that the northern area could benefit from their hotels because small and unique buildings can make the area more beautiful and attractive. Even though the entrepreneurs were aware that the center and south of Thailand would be potentially lucrative locations for their businesses due to high tourist footfall and correspondingly high hotel occupancy rates, participants still reported that their boutique hotels had a good occupancy rate:

“I think in term of the destination, it (Northern Thailand) has potential to grow (establish the business). But er... it is more difficult than in other destinations, such as the centre or south of Thailand... In terms of room rate, in the area, the room rate is cheaper than... in, for example, the southern or central part of Thailand”.

When asked about possible obstacles to starting a business, eleven entrepreneurs believed that it was not difficult to venture into the hotel business, requiring only some land and property for their small hotels. The entrepreneurs began the business start-up process by acquiring a piece of land to build a new hotel or renovate a pre-existing property. Nine entrepreneurs believed that owning and operating a boutique hotel did not require a large amount of investment money up front. They also reported being confident in their ability to run a hotel. The entrepreneurs chose to build their hotel properties in their favourite location, and found enjoyment in the building and decorating processes, as these projects appealed to their interests and skills. Once established, the entrepreneurs preferred to spend the majority of their time in their hotel property, usually referring to their hotel as ‘home’. Some of them specifically stated that their hotel was not a business,
but it was their home and a part of the local community. During the follow-up study, entrepreneurs were even more conscious about the impact they can make in their communities and embeddedness into the local community appeared even more emphasized:

“Yes, this it is a business, I have to think about it, how to compete with others, how to improve... But I think I am a local ... I live here. I earn things from here. I should give back to society, do thing for society, right? There is nothing to lose. I promote, I make things, and people will know this place. I share this to other people; it does not cause any damage, right? It brings result, good result, when we all return back to the society and local communities.”

3.2. Business Growth

The findings of this study reveal that only six entrepreneurs were neither growing their business nor had any plan to grow it. Fourteen entrepreneurs were pursuing business growth (expanding an existing hotel) and 18 planned to grow the business in future at the time of the first study. In other words, the majority of entrepreneurs were growing and/or desired to grow their business. Besides room expansions, entrepreneurs reported a range of growth strategies such as building new hotels, improving existing offerings by building seminar and conference rooms, swimming pools or parking lots. Entrepreneurial growth orientation is portrayed through this example:

“First we started with 6 rooms. After that I expanded to more than 10 rooms. With more rooms I feel I can run more professional business, I mean better marketing for example. Now I want to offer more to the guests so we are planning to build a pool and expand our restaurant.”

“I will do it, we are already planning for the expansion. I don’t think of my hotel just as a place to stay. I want to transform it to become one of tourist’s attraction points of this area. I dream that I want to make my hotel to be one of the tourist’s attractions of this area.. when people come here, they have to stop at this place. This is why we are planning to add on additional features, services, facilities and a top restaurant.”

Entrepreneurs reported two main reasons to engage in business growth. Profit opportunity was the most common rationale to undertake growth strategy. For instance, by expanding rooms or adding additional facilities hotel owners could attract groups or new (more lucrative) market segments. Second, the entrepreneurs wanted or planned to grow their businesses based on lifestyle reasons. Reasons within this category are various, but can be divided into four main categories. The first reason for owners to grow their business was to satisfy their own interests because the growth process provided them with personal enjoyment. For example, business growth allowed the entrepreneurs to enjoy new facilities and leisure activities that they had desired previously. Another reason was that they found the hotel context pleasurable. In other words, they loved being in a hotel and running the business, which also allowed them to enjoy their relationship with employees. In order to stay relevant in the hotel business, the entrepreneurs decided to expand the number of rooms, build a new hotel, or created a plan to grow in the near future. This growth did not have any impact on hotel operations as it was taken care of
by professional employees hired by the entrepreneurs. This way, the entrepreneurs could focus on the growth of the overall business. Third, they also grew the business because of their family’s influence. Their family’s encouragement and assistance influenced them to grow their business. Finally, by building new facilities, guests were satisfied and the entrepreneurs were pleased. Entrepreneurs reported that their happiness was influenced by the guests’ satisfaction and hence were motivated to grow their hotel businesses for their guests’ satisfaction.

Follow-up study revealed that all entrepreneurs realized their growth plans. In addition, two out of 6 entrepreneurs who did not plan to grow their businesses during the first study, expanded hotel capacities and one entrepreneur invested into another business (retail). A vast majority of the entrepreneurs (19) did not stop on planned growth activities but undertook a series of growth operations. Also, entrepreneurs started to grow their business portfolios by investing into other sectors, such as organic food, organic body cosmetics, exercise park, advertising, restaurants and food delivery.

"Apart from expanding rooms, we built a new restaurant. We saw that the guests like to stay and dine in the hotel and besides offering new services to the guests, we felt that this new restaurant can gain profit for hotel. Our steak house and wine bar is now quite famous, we are generating impressive results and our guests are happy."

"We realised that the organic segment is gaining in popularity. So we decided to be leaders and first started to offer organic food. The guest were blown away, we could not accommodate all the demand. The cosmetic part was not planned (laugh) but it came as a natural extension of the whole business concept and it kind of follows our vision and plans for the future, how we want to develop."

4. DISCUSSION

The discussion is organized under two theoretical themes. The first theme is Entrepreneurial Motivation, in which there are three key issues: the dominant role of family, the attractiveness of the destination and influences of business type. The second theme is Business Growth, where the key discussions concern profit-driven versus lifestyle driven growth.

4.1. Entrepreneurial Motivation

It appears that both the generic and the T&H literature do not consider in any significant scope family factors in the process of business creation. Nevertheless, the existing studies suggest that decisions of individuals should be the primary focus of the research on entrepreneurial motivation. As a result, the literature proposes that the research should focus on how entrepreneurial characteristics, according to a certain belief, have influenced an individual to engage in entrepreneurship. Ulhøi (2005) confirms that previous research has largely focused on the characteristics of the individual. Although Naffziger et al. (1994) and Benzing and Chu (2009) believe that the family’s influence has a role in business creation, the researchers do not support the notion with solid evidence that might explain why family characteristics have an influence on an
individual’s decision to become an entrepreneur. Benzing and Chu (2009) identify family as an influential factor in a decision to engage in entrepreneurship. This current study goes further by demonstrating that in the context of boutique hotels in Northern Thailand, family is absolutely crucial in establishing a business.

It can be seen from this study that the role of family in business creation is directive and not facilitative. For example, the study participants report engaging in entrepreneurship to comply with their family’s direction, noting discussion of the business idea with their family. Participants also report it was their family who made the decision to start up the business. These findings are in contrast to those reported in previous literature which found that family had a facilitative, rather than a directive role in encouraging engagement in entrepreneurship (Discua Cruz and Basco 2018; Edelman, Manolova, Shirokova and Tsukanova 2016). Morrison (2001), for example, reveals that family contributed to entrepreneurship by providing support in terms of social and economic infrastructure. Morrison (2000) also states that family provided support with access to funds and marketing in Kenya, South Africa, Australia and North America. Family also plays a crucial role in assisting with the creation of entrepreneurship in the UK (Anderson, Jack and Dodd 2005). In this study, it was found that financial aid from the family supported the establishment of the business. The Global Entrepreneurship Monitor (2018) found that Thailand was among the countries with the highest rates of familial financial support as well as half of Thai entrepreneurs being from families with an existing business background.

Thai culture is a key reason why family has a major influence in the establishment of a business. Thais prioritize family over work and will aim for a career path that their parents want them to follow. The younger generation are close to parents, usually seeking advice and approval from them. Thai families usually have a discussion during meals and they dine together as often as possible so that information can be shared during this key time (Youth for Understanding 2013). Aldrich and Cliff (2003) argue that interaction between parents and their offspring encourages the establishment of a family business. Characteristically, Thais are not willing to accept change or to take any risks or high-risk jobs that are avoidable (Hofstede 2014). This can obstruct aspects of the entrepreneurial process (Praag and Cramer 2001). Our study reveals that business formation seems to be encouraged by the family. This allows a person to become an entrepreneur without having some of the commonly accepted entrepreneurial traits, such as risk taking. That is to say, an individual’s entrepreneurial characteristics may be overridden by the family factor, which has a major impact on the action of the individual in such a family-oriented society. This discussion provides a significant rationale to suggest researchers should not perceive entrepreneurs as completely autonomous individuals: investigation of entrepreneurial motivation must include wider social factors such as family. This was clearly apparent among Thai entrepreneurs for this study since they did not engage in any significant networks outside the close family, which contradicts the generic and the T&H literature (Jack 2010; Skokic et al. 2019). Consequently, it can be argued that outsiders may have difficulty in getting acquainted with these entrepreneurs. This was a challenge when the researcher was recruiting for the study: it was difficult to gain access to this community as an outsider. However, when the entrepreneurs gained trust in the researcher, they were willing to participate in the second study and even instructed their family members to step in when entrepreneurs were not available. In the same way, these
entrepreneurs hesitate to join external groups, which results in low network diversity. Thai culture may be a reason why the entrepreneurs do not rely heavily on a variety of support networks (Hofstede 2014) as might be expected in other geographical locations.

Destinations can attract entrepreneurs via profit opportunities. In addition, lifestyle reasons, such as good local weather may attract entrepreneurs to a specific destination (Getz and Carlsen 2000). This study found that positive living conditions including desirable weather, diversity of restaurants, cost of living, neighbourhood safety, architecture and art in the local area, and the attitudes of the local people and community are all factors which entrepreneurs take into consideration when selecting a location. For the entrepreneurs in this study, profit opportunity appeared to be less important than the attractiveness of the destination. Indeed, entrepreneurs reported being aware that there are other areas in the country with higher profitability rates. This suggests that the entrepreneurs did not select the location just to increase their competitiveness as suggested by the literature (Chou, Hsu and Chen 2008). The findings reveal that the destination attracts the non-growth entrepreneurs also, as it makes them feel at home and inspires them to do well for their home. Ateljevic and Doorne (2000) also found that the community can get benefits from non-growth entrepreneurs.

The finding of this research affirm that ease of entry and being affordable are examples of low entry barriers which influence decisions to enter entrepreneurship. This finding is congruent with that of Szivas (2001). Nevertheless, the appeal of a hotel’s operational context inspires the entrepreneurs to remain in the business. However, in terms of the business operation, the entrepreneurs perceived that T&H businesses are similar to other businesses. The results demonstrate that the ideal of creating and owning a boutique hotel is an essential part of the decision to enter entrepreneurship for the participants in this study. This contradicts the previous literature which suggests that negative life conditions in developed economies motivate individuals to enter entrepreneurship (Benzing and Chu 2009) and the T&H sector in particular (Williams et al. 1989; Morrison 2001).

4.2. Business Growth

This study suggests the entrepreneurs who were driven by both profit and lifestyle motivations had already expanded their business or had shown an interest to expand it in the future. Here, the evidence points out that lifestyle motives do not place a barrier to growth e.g. family factor does not obstruct growth, which contradicts research by Komppula (2004). In our study, the entrepreneurs were willing to hire people outside their family. Indeed, they utilized many different methods to grow their business and welcomed people with experience in the hotel field. Non-growth entrepreneurs in this study show no sign of hesitation when looking for new markets. In fact, they desire to make an investment in new markets, which is incongruent with Ioannides and Petersen (2003) who found that it is rare for non-growth entrepreneurs to seek new markets.

Growth strategies employed by some of the non-growth entrepreneurs are very similar to those employed by profit-driven entrepreneurs. However, the motivations for using these strategies are not the same for these two groups. The profit-driven entrepreneurs attempt to earn more profit by increasing the number of rooms while the non-growth entrepreneurs might have more rooms constructed to fulfill their interests, like engaging
with interior design (Table 2). The findings also indicate that it is not necessary for lifestyle-motivated entrepreneurs to overlook all aspects of profit. Therefore, the issue of business growth is quite complex and categorising entrepreneurs only as growth- vs lifestyle-oriented will not lead to a better understanding of this issue. This was also confirmed during the follow-up study which revealed that even those entrepreneurs who initially rejected the idea of growth did engage in growth strategies. Also, a number of entrepreneurs engaged in several business growth operations, even expanding their business portfolios outside the hotel sector.

Table 2: Growth Strategies and Reasons to Grow Business (Lifestyle Entrepreneurs)

<table>
<thead>
<tr>
<th>Growth Strategies</th>
<th>Reasons to grow</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rooms</td>
<td>Adding rooms that the entrepreneurs enjoy designing and decorating</td>
</tr>
<tr>
<td>Facilities</td>
<td>Adding facilities because the entrepreneurs enjoy guests’ satisfaction</td>
</tr>
<tr>
<td>New market</td>
<td>Switch to a new market that suits the entrepreneurs’ lifestyle, so they can enjoy new hotel theme with new guests</td>
</tr>
<tr>
<td>Services</td>
<td>Adding services so the entrepreneurs can enjoy activities which they like, such as Pilates, with guests</td>
</tr>
<tr>
<td>New hotel</td>
<td>Building a new hotel so that the entrepreneurs can fulfil the dreams of the family, such as all living together and being an entrepreneur</td>
</tr>
</tbody>
</table>

CONCLUSION

This study examined the motivations of boutique hotel owners to engage in entrepreneurship and business expansion in Northern Thailand. The results reveal that the entrepreneurs were motivated by both profit and lifestyle factors and that the study context, i.e. boutique hotels in North Thailand is important in facilitating this. The findings demonstrate that business growth can be initiated for reasons relating to lifestyle and that lifestyle entrepreneurs were enthusiastic about expanding their businesses.

This research focuses on various socio-economic conditions which help explain the nature of entrepreneurship in the boutique hotel sector in North Thailand. It is stressed that future research needs to consider entrepreneurship as a dynamic phenomenon and employ different approaches which enable researchers to consider the wider socio-economic context of entrepreneurial activity.

Also, there are some limitations which have to be discussed. The findings reveal some similarities between lifestyle motivation during the business start-up stage and during business operations and the lifestyle reasons that foster business growth. Previous research suggests that these two issues are connected, but this has been without formal clarification. If our study had investigated the link directly, it would have potentially provided an opportunity to understand the complex issue of business growth, which remains poorly understood and diversified (Hamilton and Lawrence 2001).
In terms of future research, it would be useful to investigate the relationship between the stages of tourism destination development and entrepreneurial motivation including the main goals of entrepreneurs engaged in this endeavour. Additionally, there appears to be different behaviour in terms of entrepreneurial engagement with both formal and informal networks, as well as the strong role of the family across all business stages, which calls for further investigation. Methodologically, it is possible to isolate the important aspects of the researcher-respondent relationship in this study which require further research. These aspects are: management of negative perceptions assigned to the research prior to interview and how these were modified to be positive once both parties had met; securing the trust of interviewees, putting them at their ease, allowing them to feel safe in sharing personal insights; communicating the sincerity of the researcher that she was genuinely interested in what the interviewees had to say. Finally, it would be of significant value to conduct similar studies across the developing and transition economies, to investigate how different socio-economic and cultural factors shape entrepreneurial motivation and consequent behaviour.

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Please cite this article as: