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**Nature of relationships between stakeholders and family business**
Empirical evidence from small hospitality business in Italy

Alfredo Buonocore
Sumeera Bano Iqbal

School of Health and Society
Authors
Alfredo Buonocore
Sumeera Bano Iqbal

Title
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Supervisors
Timurs Umans
Enrico Bracci

Examiner
Jens Hultman
Timurs Umans

Abstract
Background: This paper focuses on nature and role of relationships in small hospitality firm in the Southern Italian context. Based on previous literature relationships in small firms are highly related to trust, common understanding and mutual benefits.

Purpose: Aim of the paper is to explore how the role and nature of external stakeholders’ relationships creates perceived value with small family business by the theoretical framework developed by the authors.

Methodology: To answer the research question an empirical research was conducted and data was collected through semi-structured interviews using guidelines inspired by previous studies. Through a content analysis of data collected and reports from the local government. Participants in the sample consisted of native Italians, living in the Metropolitan city of Naples. Participants were grouped in five categories along with the family firm itself, external stakeholder groups as business partners, competitors, residents and local government representative members. Total of 14 interviews were conducted. The Data was coded using the software Nvivo.

Results: The study suggest that relationships in the specific context of Hospitality in Southern Italy is based on personal level and have trust, respect and understanding as the fundamentals. The result also revealed that small family run B&B prefers family over non-family members.
Tension and conflicts are then solved through understanding and trust.

Conclusion: In brief this research contributes to the family businesses and stakeholder literature in the specific context of Italian hospitality industry. The theoretical framework has been updated by the emerging findings from the qualitative analysis.

**Keywords**
Family business, Stakeholder Theory, Nature of Relationships, Hospitality Industry, Small Firms, Socioemotional Wealth, Southern Italy.
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Alfredo Buonocore                                                              Sumeera Bano Iqbal

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1. Introduction

This section describes the importance of tourism and hospitality in Italy that forms the basis for our case study on exploring the value of business to stakeholder relationships. Section 1.1 begins by briefly describing the economic contribution of tourism and why Italy has become one of the most visited international destinations for tourists. It then goes on to describe the role of small family-owned businesses and their specific relationship to various stakeholders. Section 1.2 introduces the problematization of our thesis and elaborates on the concept of value creation and relationship marketing in the hospitality industry. This section ends with a presentation of the motivations behind this study (section 1.3) formulation of the purpose of the study (section 1.4) and finally the research question (section 1.5).

1.1. Background

Tourism brings major economic contribution globally, being one of the world’s largest economic segments; it generates 10% of jobs, drives exports, and derives prosperity across the world by generating 10% of the global Gross Domestic Product (GDP) (World travel and tourism council, 2018). Irrespective of increasing and unpredictable terrorist attacks as well as political uncertainty, health epidemics and natural disasters, travel & tourism continues to display its resilience in 2016 through GDP growth of 3.1%, supporting six million net supplementary jobs in the global market (World travel and tourism council, 2018). Europe, in comparison with other regional areas, had a significant year in 2017 with numbers of incoming tourists rising by 8.0%, maintained by strong growth in Southern Europe. Western Mediterranean destinations especially enjoyed a significant growth in 2017 (World travel and tourism council, 2018).

In 2017, approximately 50.7 million tourists visited Italy (Prisco, 2017). Italy has the “core resource and attractors” in tourism that promotes its economic development and helps it to overcome any economic crisis (Crouch & Ritchie, 1999). Italy is very rich in culture and is a world leader for a number of recognized World Heritage sites according to United Nations Educational, Scientific and Cultural Organization (2018), a specialized
agency of the United Nations. It boasts a number of natural and historical characteristics that makes it one of the leading destinations for tourists from around the world. Firstly, it is warmer compared to some European countries throughout the year. Secondly, the landscape and heritage, that the country has so proudly preserved, is very attractive to the visitors. This includes traces of the Roman Empire architecture, such as the Colosseum, (Shastri, Mattioli & Mullin 2017), as well as the beautiful Mediterranean coastline in the Southern part that offers unparalleled variety from ivory sands of Sardinia to black-volcanic beaches of Stromboli. Other popular cities in Italy include: Florence, one of Europe’s great art cities, was also a very important city during the Renaissance; Venice, the romantic city that is miraculously built on water; and Milan, Italy’s fashion capital (Telegraph UK 2018).

Italy is also famous for its warm generosity towards guests and its rich family-oriented culture that reflects in their hospitality. Hospitality in Italy has considerably more to offer than just luxury hotels chains. Small family run hotels and bed and breakfasts (hereafter B&B) are rapidly increasing, allowing tourists to book rooms at local farms, dine home cooked meals and receive recommendations from locals regarding site seeing and how to avoid crowds (Thurston, 2014). Support from local Italians gives a win-win situation for both the owners and tourists, as locals ensure that money stays and circulates in their community (Sawday, 2018). As an example, in Civita di Bagnoregio (Lazio), a family owned hotel called “Corte Della Maesta” is surrounded by small families run restaurants. The hotel has invested in building a positive reputation through the media and has also developed a website where they recommend local wineries and cooking classes. It is through those recommendations and press releases that they attract tourists to come and experience the Italian culture, and hence the hotel builds a network with the local community to benefit from each other and increase their sustainability (Gilbert, 2013). This example shows us that through these relationships small firms create value by providing resources such as goods, services, information and service activities (Grönroos, 2011).

In Italy, family firms have been the backbone of the Italian economy. From several generations, family owned firms have been a tradition that is deeply rooted in the culture
Famous names that have started with one firm and grown bigger include the Agnelli family that controls FIAT and Del, and the Vecchio family that owns the Luxottica group for making sunglasses. Both these families are examples of large businesses that are family owned (Gaia, 2016). Agnelli family holds a strong position in large parts of several industries and it expanded by extending to various other businesses namely banking, football, real estate and newspaper. Their business influence in the country, however, is largely due to their investment in relationship building (Tagliabue, 2003). Another example of a family owned business is Illy Caffe, the world's most recognizable coffee brand. This family owned business, that has been successful through generations, is adopting the strategy of sustainability to growth by investing in building relationships with the community they are operating within (Holder, 2018). Although large family owned and run businesses boost Italian economy, Italy is also brimming with small family firms. According to the Italian industrial confederation, 70% of the workers work for firms that have fewer than 100 employees and half of the Italian manufacturing companies have fewer than 20 workers and most of these are family run (Milan & Turin, 2000). Small businesses are becoming so profitable that investors like the Agnelli family are interested in a minority stake in smaller firms and startups because nurturing relationships with local small entrepreneurs has led to greater success for several investors (Sanderson, 2017).

In Italy, family is the essential social establishment reflected by strong ties and based on mutual support of all the family members. According to Luciano et al. (2012), relationships in Italy are very different. According to Hasterok (2017), from neighbors to friends, the culture of helping is spread throughout Italy. Family members of friends help in progressing the work. Whether it is the official work or cooking lent dishes, everything is built upon relationships. This indicates that possibly the reason why a large number of businesses are family run in Italy is because their structure is built upon the phenomena of supporting each other.

In the field of tourism and hospitality, researchers have long acknowledged the influence of relationships on businesses outcomes (Kylanen and Rusko, 2011). As the tourism sector is increasingly based around experiences and interactions at all stages with
customers, the relationship between suppliers and other stakeholders is therefore very interesting (Shaw, Bailey & Williams, 2011).

Relationship to various stakeholders is considered important for many small firms to create value. However, according to Milan & Turin (2000), family firms in Italy are also reluctant towards an outsider’s interventions and like to keep it in the family. Nevertheless, many firms are now struggling to adapt to changing needs and technologies and are therefore experiencing financial constraints. To overcome these constraints, relationships that add value or promote the business are considered vital. These include relationships to partners that have technological competencies, or to partners that will boost brand awareness of the firm, or to investors that will support the business (Westerlund & Senja, 2008). The following examples of two large hotel chains demonstrates this concept: Hilton uses its partnership with Formula 1 to drive brand awareness and tempt travelers to sign up for its Hilton loyalty scheme (Sylt, 2018), Banyan Tree holding have built relationships with the community through corporate social responsibility initiatives (Mah, 2011), where they embrace the environment and empower people through mentorship. Both hotel chains are utilizing relationships to sustain a competitive advantage and retain their market position. All these relationships, whether they are to other firms, suppliers or even to the community have some value to the firm, and keeping in the mind the Italian context, the nature of these relationship are rather personal.

Relationships may provide security and give a sense of trust (Grönroos, 2004). It may also enable value creation within networks by interacting and exchanging value across the entire network (Vargo & Lusch, 2008). However, sometimes relationships may also be developed and maintained for survival. For example, a family owned hotel called “The Washington Square Hotel”, that is run by a couple in New York, has divided their three hotels among family members to cooperate for survival, and avoid conflicts by having a common vision that helps them to compete in this competitive industry (Wroten, 2016).
1.2. Problematization
In the marketing research field, pioneers are paying more and more attention towards B2B (Business-to-Business) relationships and networks (Baxter, 2012; Velazquez, Blasco, Gil-Saura, 2014; Ulaga, 2003). According to Ulaga (2003), collaborative relationships in small manufacturing firms are important because they can provide numerous opportunities for firms to create a competitive advantage. However, firms need to decide when to invest in a specific relationship and when to divest. In location bound firms such as in tourism and hospitality, coopetition plays a critical role, where firms simultaneously cooperate and compete (Kylanen and Rusko, 2011). Since various stakeholders are involved such as public and private sectors, residents and service providers to a place that is experienced holistically. Relationships are therefore important for firms to survive and compete (Grönroos, 2004; Kevin, Hillenbrand, Day, & Magnan, 2010).

It is empirically investigated that relationships can have both a positive and a negative impact on the outcomes of the business’s offerings in a B2B context as described by Velazquez, Blasco, and Gil-Saura (2014), Denicolai, Cioccarelli, & Zucchella (2016), Loebbecke, & Powell (2003), Buonincontri, Morvillo, & Okumus (2017). A positive influence of relationship is shown in terms of loyalty, commitment and special treatment benefits. A negative influence of relationship occurs when firms do not open to others fully, for the necessity to preserve their competitive advantage and core capabilities, hence frictions by trust issues may emerge (Tidstrom, 2014). There are two definitions of stakeholders: the definition in the wide sense and the narrow sense. The former definition includes groups who are friendly and the groups that oppose. The latter definition includes groups that the firm is dependent upon, which includes both the internal and the external environment of the organization (Freeman & Reed, 1983).

Several studies emphasize that stakeholders may yield several benefits for a firm (Freeman & Reed, 1983; Baxter, 2012; Velazquez et al., 2014; Porter and Kramer, 2011; Buonincontri et al., 2017).
Firstly, relationships and networking with suppliers may provide access to the needed resources; therefore, firms should strategically choose those relations that provide efficient access to needed resources (Semrau and Werner, 2013).

Secondly, a small firm can have numerous relationship benefits with actors in the local governments. The Local government plays a vital role in facilitating small firms’ access to finance and creating clusters and networks so small firms can start businesses. A relationship to a financial institution can accelerate growth for a firm by overcoming financial constraints (Beck & Kunt, 2006). Thirdly, a relationship to a competitor may be beneficial for small entrepreneurs especially for a young firm’s development when developing strategic networks such as social networks for reputations or when developing networks for technology partnering (Lechner, Dowling & Welpe, 2006).

Furthermore, strong relationships to suppliers who possess successful product innovations may facilitate innovation for small firms as well as helping them reach new product development (Lasagni, 2012). Finally benefits of being in a relationship with residents are vital as well. An understanding of the residents’ attitudes and perceptions about effects of tourism in the community is imperative in terms of tourism development because it can assist small firms’ planning processes and future development. Consequently, if residents are involved and considered in both tourism and hospitality related issues, they might be more persuaded to have a positive attitude towards the owner firm’s development in general (Lundberg, 2017).

The driving force of a relationship is highlighted in (Ulaga, 2003) where dimensions of value creation in supplier and customer relationships are identified. According to (Ulaga, 2003), product quality, for example, is an essential driver for the customer to maintain relationship with the supplier. These drivers are described as key reason for a firm to maintain a relationship with its supplier. Once these drivers are identified, it is also crucial for a firm to manage relationships and put resources into the relationship, to gain privilege on investment of resources from their suppliers (Baxter, 2012).

Some relationships in firms are perceived differently. Relationships with other firms based on strong personal relationships, such as with friends and relatives. These relatives
and friends can fall into any stakeholder category, suppliers can be another family member and residents can play a role of close friends as well as a business partner (Ghazali, 2005; Yolal, Gursoy, Uysal, Kim, & Karacaoğlu, 2016). However, these relationships may have an indirect effect on overall development of the firm. In fact, it may also constitute a problem in growth and may make a firm incompetent in developing other important ties with business partners outside the social circles or community. Moreover, relationships can also create tensions because of the dependency of smaller firms on larger ones that are more powerful (Osarenkhoe, 2010 cited in Tidstrom, 2014). Dependencies may cause issues like delivery costs since the larger firm may happily work on a smaller margin than the smaller firm can allow (Tidstrom, 2014).

According to Semrau and Werner (2013), previous studies have primarily focused on the importance of the relationship between business that allow for access of valuable resources that in turn could form a base for competitive advantage. The fact that many firms see relations as an important aspect in achieving competitive advantage has a reciprocal relation to firm owners who strive to establish and manage these relationships (Ulaga, 2003; Baxter, 2012). When focusing on the relationships between firms, it has been primarily looked at from relationship marketing perspectives in the consumer market (Adjei & Clark, 2010), as well as from a business-to-business marketing perspective in general (Velazquez et al., 2014) and has primarily focused on the value creation as an outcome (Grönroos, 2011).

According to Wang & Sengupta (2016), ultimately it is the various stakeholders that drive brand equity and lead a firm’s performance. If a firm can create capabilities to manage stakeholder relations, it can contribute in developing further capabilities. In contrast, Mosgaard, Kendrup & Rissgaard (2016) argue that it is not enough to identify and map stakeholders because changing stakeholders’ relations and the individual power is dependent upon the “position of the stakeholder in terms of activities of other stakeholders”.

Family firm business’s relationship, especially in the southern context like Italy, are characterized by closeness, where relationships play an important role and strong family bond and family values are vital for a person’s identity (Crocetti & Meeus, 2014). Yet
research so far has been divided whether these types of relations are allowing the firm to survive and prosper, given the long-term orientation of these relations, or do they drag down the family firm and don’t allow them to grow (Crocetti & Meeus, 2014; Pradhan & Ranajee, 2012; Habbershon, Williams & MacMillan, 2003; Chrisman, Chua & Litz, 2003; Dyer, 2006; Gomez-Mejia, Haynes, Nuñez-Nickel, Jacobson, and Moyano-Fuentes, 2007; Gomez-Mejia, Makri, and Larraza Kintana, 2010; Berrone, Cruz, Gomez-Mejia and Larraza-Kintana, 2010).

Hospitality firms have several interconnected relations to individual stakeholder on numerous levels (Kylanen and Rusko, 2011). It is therefore important to understand how relationships in family firms in Italy, where relationships are built upon personal level, are perceived, as well as understand what the involvement of these stakeholders in a family firm is, and how does the quality and nature of relationships specificities contribute or limit the growth.

1.3. Motivation

Our area of focus of this paper is on the small family firms’ relationships in the context of hospitality. Our motivation for this study rests on the assumption that relationships are important for small family run businesses especially relationship quality and relationship specificity, to create value and sustain competitive advantage.

From our point of view, there is an extensive research on stakeholder theory what tends to be often connected to the Corporate Social Responsibility, paying attention on conflicts rather than possible collaborations, such as the degree of value creation by relationships.

We chose the Italian small family businesses such as bed and breakfast for exploring, because it offers some unique points of interest. Italy is an international tourism destination because of its competitive advantage in heritage, landscape and hospitality. These aspects allow Italy to attract tourist each year. Although the structure of business in Italy is dominated by family owned businesses family owned small businesses in the context of tourism have received little attention.
The personal connection between the development of this dissertation and the possible contribution to the family business will empower our paper for effectiveness when it comes to business practice and personal engagement. Thus, our research question is as follows.

1.4. Purpose of the study
The purpose of this research is to explore relationships to stakeholders by observing relationship process and relationship quality.

1.5. Research question
How does the role and nature of external stakeholders’ relationships create perceived value with small family business?

1.6. Limitations
This master thesis is not without limitations. This thesis emphasizes only on one case of a small hospitality family firm in Italy and explore their relationships with external stakeholders. Consequently, generalization is not possible. The outcomes of the current study are relevant only on a very analogous case of small firms within the Hospitality Industry in the Southern Italian context.
Small family firms include both external and internal stakeholders such as customers, suppliers, employees, community/society, local government, environment, competitors and business partners (Parker, Bellucci, Zutshi, Torlina, & Fraunholz, 2015; Freeman & Reed, 1983).
With several stakeholders involved in the tourism and hospitality phenomenon, it is challenging to include all (Bornhorst, Brent Ritchie, & Sheehan, 2010). While some stakeholders for a small hospitality family firm are clearly vital to the success and value creation due to their resources, there are several other relevant stakeholders whose opinions and resources must be crucial but there is a possibility that we are missing out or have overlooked those stakeholders in this thesis. Given the nature of the research question not all stakeholders are included in this thesis. The analysis has been conducted
through qualitative method by interviews mainly, with a limited number of stakeholders included in this research, which is an additional characteristic to affect the generalization of our study. The part of the year compromises the response and the availability of the requested participants, especially in the case of Hospitality managers who are in high season, which means less availability for extra tasks outside their everyday workload.

1.7. Outline

This master thesis has been designed into 5 chapters, which are briefly introduced below.

Chapter 1: This chapter lays down the background for this research and introduces problematization. The motivation, purpose of the study, research question and the limitations are also discussed in line with the background and the problematization. The chapter is concluding by summarizing the outline of the thesis.

Chapter 2: The second chapter is composed of the Literature review. In the theoretical framework, various theories and researches are presented and discussed. Theories discussed include the Stakeholder Theory, literature concerning Value Creation, theories relating to peculiarities of family business and Socioemotional Wealth. This chapter is concluded by presenting the relationships with external stakeholders that constitute the research model.

Chapter 3: This chapter outlines the methodology; all the steps taken to conduct this research are explained thoroughly in this section. This chapter starts with clarifying the research approach adopted in this thesis, followed by the choice of methodology to do the empirical research. Furthermore, the chapter also discusses theories we have used in this research, critique of sources that are used throughout the thesis, time horizon, data collection technique, and what the sample selection consists of, the analysis of the data and finally the quality of our research.
Chapter 4: This chapter comprises of the data collection and analysis. The analysis is based on the data collected, literature review and the theoretical model presented in chapter two. Previous researches in the literature review will be analyzed with the data collected to understand what the data of this research specifies.

Chapter 5: This chapter concludes the research and the result of this research, including critical reflection, implications and limitations of this research and finally suggestions for future research.
2. Theoretical framework

This section presents the theoretical framework that is built upon existing knowledge and previous research that is done in the field of our topic. In the context of this paper, the nature of relationships in small family run businesses that relates to external stakeholders to create value needs to be explored. Moreover, relationship to local/regional municipalities, relationship to competitors, relationship to business partners and relationship to residents will also be reviewed.

The section is structured as follows: Firstly, theories relevant for exploring the stakeholder relationship that will help us to build further analysis upon will be reviewed. Secondly, a discussion of how the nature of relationships in small family run businesses in the hospitality context relates to stakeholders to create value will be presented. Finally, a redefinition of our initial model based on the different segment explained upon the increased knowledge as an outcome of the literature review will be given.

2.1. Stakeholder theory

The stakeholder theory is used as the main theory of this paper. According to Lundberg (2017), this theory provides a broad framework for exploring small and medium sized enterprises’ (SMEs) relationship with its stakeholders. This theory has also been used previously for a qualitative study explaining (SMEs) relationships to stakeholders (Parker, Bellucci, Zutshi, Torlina, & Fraunholz, 2015).

2.1.1. Stakeholders’ Relation to Value Creation

According to Freeman & Strand (2015), the word “stakeholder” first appeared in the management literature at the Stanford Research Institute in 1963 and has since been through much development by various practitioners. There are two proposed definitions of stakeholders: the definition in the wide sense and the narrow sense. The former includes groups that are both friendly and those who are opposing. The latter definition includes groups that the firm is dependent upon, which includes internal and external environment of the organization (Freeman & Reed, 1983). The stakeholder theory is based upon ideas and expressions that are related to the primary purpose of a company to
create as much value as possible for its stakeholders. Companies should recognize the intersections of stakeholders’ interests to continuously build these connections to create more value for more stakeholders (Freeman & Strand, 2015). According to Freeman (2010), there are three interconnected ideas about stakeholders. Firstly, stakeholders do not stand alone in the process of value creation because the stake of each stakeholder is fundamentally connected to each other, creating cooperative advantage with the companies. Secondly, responsibility of the executives shall comprise to create as much value as possible for the stakeholders and find solutions if any stakeholders’ interest is in conflict. Finally, businesses are human institutions and matters of ethics shall be kept in mind when managing stakeholders.

The stakeholder theory has been explored in the literature since some decades now arising from the need to identify, categorize and assess roles of stakeholders in specific contexts (Freeman & Reed, 1983; Carroll, 1999). According to Freeman & Reed, (1983), the main argument is to understand the relationships between individuals and how those individuals affect or get affected by the organization. In the field of management, stakeholder theory is concerned with ensuring that satisfaction and ethical practices of businesses are delivered to several stakeholders within the setting of the business. Therefore, businesses should consider the full range of stakeholders in their roles to build ethical and impartial relationship between the owners’ firms and networks of stakeholders. Engaging in CSR, especially for small family hotels, may enhance local community’s perception of the business, because residents’ attitudes and perception about effects of tourism and hospitality to the community is imperative for the tourism development. It does not only assist the firm in planning their operations for development in line with local community’s perceptions but also provides the owner firm benefits of having support of the community to attract more tourists (Kang et al., 2015; Lundberg, 2017; Todd, Leask, & Ensor, 2017).

Buonincontri et al. (2017) who conducted a research with empirical evidence from Naples, where he explored two willing resource-integrating stakeholders, which are involved in a specific relationship. In the case analyzed by Buonincontri et al. (2017) the relationship consequences value co-creation, which in turn is. The co-creation of value
process that is demand-centric and interactive. In the tourism area, the notion of co-creation is predominantly related and proved in the context of Metropolitan city of Naples (Buonincontri et al., 2017; Della Corte & Aria, 2014). Foremost, offering inimitable and unforgettable customer experiences are of dominant importance for relationships between tourism service providers. In fact, value creation is always interactional and together, the supplier and customers can create value through customized, co-produced, offerings (Payne, Storbacka, & Frow, 2008, cited in Mathis, Kim, Uysal, Sirgy, & Prebensen, 2016).

The notion firstly stems from the service-dominant logic anticipated by Vargo and Lusch (2008). The service-dominant logic focuses on the exchange of service (ibid), in this case between tourism players like business partners, competitors, residents and local government. Below service-dominant logic, a service is exchanged for an additional service as parties subsidize to the creation process by sharing information and resources (ibid) vital for the tourism. By sharing knowledge and resources below service-dominant logic, a service is traded for another service as the parties subsidize to the creation process (Mathis, et al., 2016; Della Corte & Aria, 2014; Porter and Kramer, 2011). Through this interaction, a more beneficial service is co-produced, and value is added given that both parties share resources (Mathis, Kim, Uysal, Sirgy, & Prebensen, 2016; Della Corte & Aria, 2014). But it is not always a win-win situation in creating value. There are cases where there has been a destruction of value like in the case of the empirical research conducted by Della Corte & Aria (2014) where they observe that due to a lack of mutual trust between partners, the strategic networking is failing. It is necessary to pay attention to cooperative advantage as a stetted objective from networking. Cooperative advantage is also commonly reliable with the notion of creating shared value such as jointless of interests which also encourages a cooperative strategic attitude.

Structuring on the maxim that ‘No business is an island’ from the title of the article of (Håkansson and Snehota, 1989) cooperation research acclaims that no organization actually exists wholly independent of its relationships with others (Håkansson and Snehota, 1989; Parmigiani & Rivera-Santos, 2011; Mayer & Teece, 2008; Porter and
Kramer, 2011). Cooperation research has flourished when it comes to identifying the drive for interorganizational relationships, mining deeper into how companies succeed cooperation within a dyad, and recognizing how a company advances a network of cooperative activities (Hillman, Withers, & Collins, 2009; Provan et al., 2007; Mayer & Teece, 2008; Porter and Kramer, 2011). Conventionally, investigation has showed precious insights into joint ventures and alliances between business peers as resources for evaluating a firm’s cooperative behaviors (Ahuja, Lampert, & Tandon, 2008; Brouthers & Hennart, 2007; Levy Loebbecke & Powell, 2003). Nevertheless, companies also involve upstream and downstream partnerships with other businesses for cooperative relationships (Mayer & Teece, 2008).

Research has acknowledged and considered how companies achieve success in cooperative engagements in a holistic way, for example by creating portfolio alliances. Portfolio alliances integrate and assess a company’s whole arrangement of cooperative behaviors at the same time. Seen from the firm level, it can be concluded that firms build alliance portfolios to improve strategic competitiveness. Portfolios may be built over time, driven by many motivations such as to understand benefits or capabilities per alliance (Wassmer, 2010). Since cooperative portfolios can be very useful for larger firms according to Denicolai et al., (2016) and Loebbecke, & Powell (2003) tourism firms with a network-oriented body requires the development of trust for cooperation initiatives.

According to Powell et al. (1996), Gnyawali & Park (2009); Levy et al. (2003) the field of research that focuses around the topic of managing relationship among stakeholders in the case of small enterprises, face several trials when there are disruptions in technological innovation, high R&D costs and risks according to BarNir & Smith (2002). Based on Morris et al. (2007) scholars pay attention either on the chance of generating economies of scale, dropping down risks, and leveraging resources together or on the benefits that the company with a central position, like local firm, can get by being in the network (Gnyawali & He, 2006). These situations are also seen spreading over to the tourism industry according to Soubeyran & Weber (2002).
2.2. Feature of family businesses and socioemotional wealth

In this section we will explore briefly what characterizes a family-run business. According to literature (Bingham et al., 2011; Miller et al., 2009; Van Gils et al., 2014), the family firms’ social behavior towards their stakeholders differs from that of non-family firms. A family-run business is considered special by the fact that the individual or the family is tangled in the ownership, control and management. Usually, there is no separation of roles and as such, corporations are under close supervision and control by the family (Dyer, 2006). Families have large shareholding, which offers them the right to control the management. Furthermore, families have a larger stake in the business that stimulates them to control managers (Pradhan & Ranajee, 2012). Family ownership also assures stability of the business and long-term development. Pradhan & Ranajee (2012) argue that the current literature fails to provide any single agreed definition of a family-owned business. The authors highlight several issues that are fairly consistent in their explanations of family-owned businesses. For example, whether the senior executive regards their company as being a family business (Ram and Holliday, 1993 cited in Pradhan & Ranajee, 2012; Van Gils et al., 2014), and whether a popular of usual voting shares in the firm are owned by affiliates of the main family group that are connected by blood or marriage (Van Gils et al., 2014).

A family-owned business is also categorized by the fact that the management team of the firm mainly encompasses members drawn from a single dominant family group owning the business. In cases where the firm is knowledgeable an inter-generational ownership transition to a second or later generation, is also categorized by the presence of family members drawn from the single dominant family group owning the business (Churchill and Hatten, 1987 cited in Pradhan & Ranajee, 2012; Van Gils et al., 2014). According to Habbershon et al. (2003) and Chrisman et al. (2003) the so-called “familiness”, impacts the value creation in a family-run firm. The concept of "familiness" in business refers to the synopsis of the resources and competencies created by means of the collaboration of the family, business, and family members, the idiosyncratic nature of which delivers a potential factor of differentiation for firm performance. Likewise, conferring to Dyer (2006), the "family effect" on business performance stands not only in relation to the
ownership of family-specific resources but also to the costs and benefits associated to the drop or the enlargement of agency complications.

In the field of family business, Gomez-Mejia et al., (2007); Gomez-Mejia et al., (2010) and Berrone et al., (2010) proposed a “homegrown” theoretical formulation, where they baptized socioemotional wealth as a concept. Socioemotional wealth is the single most important feature of a family firm’s essence that separates it from other organizational forms. This model shape based on foundations of previous family firm literature. Nevertheless, it is determinedly attached in the behavioral tradition within the management field. The socioemotional wealth model advises that family firms are archetypally motivated by, and devoted to, the preservation of their socioemotional wealth, denoting to nonfinancial facets or “affective endowments” of family managers. In this design, gains or losses in socioemotional wealth denote the crucial frame of reference that family-controlled companies use to make strategic choices and tactic decisions. As stated, the study by Gomez-Mejia et al. (2007) found that family-controlled mills were three times less likely to join a cooperative (a somewhat profitable opportunity) than the non-family-controlled mills for the reason that doing so implicate the damage of the family’s socioemotional wealth.

According to Gomez-Mejia et al. (2007) and Berrone et al. (2012), non-financial aspects of the firm that meet the family’s affective needs, what is value as well for family-run businesses and the economic consequences, are conservative approaches that result in slow business growth, maintenance of stable and secure income or cash flows and preservation of family control. Succeeding a socioemotional wealth perceptive, Gomez-Mejia et al. (2007) and Berrone et al. (2012) argue that family engrossment is an indication to external stakeholders of family primacies on preserving socioemotional wealth and entails family firms to place more efforts on attaining legitimacy by screening strategic conformity to industry related standards. The communal theme, which was transversely cited by studies in this dissertation is that in family-controlled establishments, the preservation of socioemotional wealth embodies a key noneconomic reference point for decision making, which strength drive the firm to type strategic
choices that cannot be explained by applying an economic reference point or a risk-averse financial logic.

In conclusion, socioemotional wealth is an all-encompassing key-concept that captures the “affective endowment” of family owners. It holds value for family as well as the family wishes to exercise authority, enjoyment of family influence, preservation of clan membership within the steady, appointment of trusted family members to important stakes, retention of a strong family identity, continuation of the family dynasty and, overall, trust as key point to stakeholder both internal and external (Gomez-Mejia et al., 2007; Berrone et al., 2012).

2.3. Typologies of stakeholders in small hospitality firms

A firm can have various stakeholders internally, including employees, as well as externally including competitors, residents and local government and business partners such as suppliers (Freeman & Reed, 1983). In tourism and hospitality, stakeholders can comprise of the government, on a national, international, regional and local level and then the entrepreneurs and community including residents (Saito & Ruhanen, 2017). In an empirical study conducted on 22 SME’s regarding corporate social responsibility (CSR) communications, five types of stakeholders were identified to be significant. These included customers, suppliers, community/society, employees and the environment (Parker et al., 2015). Stakeholders of a company can also increase or decrease a company’s performance. According to Wang & Sengupta (2016) stakeholders can drive brand equity and increase a business’s performance. The development of new capabilities can be accelerated if firms possess capabilities that assist the owner firm in managing their relationships to their stakeholders.

Tourism and hospitality firms comprise of several diverse stakeholders who operate both individually and collectively in networks (Sheehan & Ritchie, 2005; Todd et al., 2017). Key stakeholders of small family hotels and their positions are categorized into three groups: customers, employees and managers. Small family run hotels mainly have family members working within the firm. Even though they hold different knowledge and
perceptions individually compared to customers who do not have sufficient knowledge regarding internal financial and growth issues, they still hold a strong position because they can generate revenue. A manager’s position as a stakeholder is crucial because he is the one who implements strategies. In the context of small family businesses, a manager plans the vision and mission too (Kang, Chiang, Huangthanapan & Downing, 2015). However, in small businesses where individual stakeholders can hold several positions, firms should in turn involve various stakeholders when setting business strategies and goals because stakeholders’ satisfaction can build financial value and lead firms to understanding the credibility of maintaining good relationships with the majority of stakeholders (Kang et al., 2015; Youn, Hua, & Lee, 2015). In the context of family firms, employees hold a strong position because their relationship is built upon commitment and feeling of obligation towards the family where support and trust is fundamental (Peters, Raich, Märk, & Pichler, 2012).

On the other hand, local residents are perceived differently. An understanding of the residents’ attitudes and perceptions about effects of tourism in the community is imperative in terms of tourism development because it can assist firms’ planning processes and future development. Consequently, if residents are involved and considered in both tourism and hospitality related issues, they might be more persuaded to have a positive attitude towards the owner firm’s development in general (Lundberg, 2017). Resident’s perceptions of a firm are especially important to a firm’s social and ethical activities. For example, physical changes of a place may have a negative impact on residents in terms of emotional associations (Lundberg, 2017). Consequently, engaging in CSR, especially in small family hotels, may enhance local communities’ perception of the business (Kang et al., 2015).

Stakeholders, such as competitors and partners, in small hospitality businesses can have a significant value for the firm according to Lechner, Dowling, Welpe (2006). Networking should be a positive task for entrepreneurs. Strategic network building is especially vital for small firms to develop where support of suppliers can have substantial effect on the result of the owner firms’ business in terms of both economic and perception element like trust, commitment, and attractions.
In location bound businesses, especially for small firms in rural areas, strategic alliances create bigger businesses stakes when looked at from a holistic perspective (Kylanen and Rusko, 2011). Cooperation among business partners in hospitality often offers a distinct bundle of products provided by various firms (Bramwell and Sharman, 1999). According to Gil-Saura, (2014), these resources are namely from information sharing to technological partnerships. In return, small hotels can receive positive benefits in terms of loyalty, commitment and special treatment. To create capabilities to sustain the competitive advantage of these valuable resources, Sardo, Serrasqueiro, & Alves, (2018) clarify that knowledge and skill are intangible resources that can allow small firms to outperform the larger hotel chains. Intellectual capital, such as human capital and structural capital, plays a major role for success in small hotels and may also consist of the base of service quality for the firm. Furthermore, it may enhance the establishment and maintenance with key stakeholders.

Previously, research has also mentioned the importance of local government’s role as stakeholder in rural destination because they not only encourage the development of such areas and small businesses in the destination, but also facilitate resources for small firms to survive and grow (Nogueira & Pinho, 2015).

After identifying the types of stakeholders that exist in a small firm, it is also important to understand the nature of relationships that is found between various stakeholders.

According to Parker et al., 2015 & Freeman and Reed, 1983 both Internal and external stakeholders are important including customers, suppliers, employees, community and society, local government and competitors. This clarification also provides the base of the stakeholder selection in this thesis, however given the nature of the research question customers and the environment is excluded. Business partners, competitors, residents and local government is discussed in separate sections as the external stakeholders. Family firm being the context is discussed in family business and socioemotional wealth section earlier.
2.3.1. Relationship with Business Partners

For the success of individuals, cooperation is very important for business partners involved in the tourism and hospitality businesses. It brings higher competitiveness and provides a win-win situation for the parties involved. Cooperation demands trustworthiness in relationships because trust serves as the main incentive to interact and share knowledge among stakeholders. In turn, it grants firms rewards of collaborations to compensate the perceived risk (Angella and Go, 2009). For small firms, the importance of personal relationships at all levels that is built upon trust within or outside the firm, shows that friendship, loyalty, commitment and trust are all dimensions of cooperative strategy (Velazquez et al, 2014). According to Ulaga (2003), value drivers of relationships are indeed built upon trust and commitment as well because it improves communication more effectively and more efficiently among partners and it also enhances interaction and understanding of one another’s goals in the relationship. In the context of small hospitality firms, the nature of relationships is much more dependent upon networking than in larger firms. In small family firms, it was observed that owners rely on the strong ties of family members and close friends as business partners, especially during the early years of their business. While the tie with the family is closely related to financial matters, especially for young firms, ties with friends were mainly for support and emotional reasons (Ghazali, 2005).

Within hospitality and tourism, because of the importance of contacts for the firm’s operations and aims, hotels consider networking among business partners relatively important because networks give greater collaboration between stakeholders in increasing competitiveness. However, while business networks and collaborations bring benefits, in some cases it may slow decision-making. Given the possibility that most hotels in rural areas are family structured, some networks bring disadvantages due to different visions, lack of dialogue and leadership skills (Jesus & Franco, 2016). On the other hand, according to Murthy & Paul (2017) although a buyer’s trust on its supplier largely depends on the performance of the supplier, small firms tend to recognize the existence of trust even on transactional based exchanges with their suppliers. Once they establish a sense of trust through increased performance, they transform transactional-based
relationship to relationship-based transaction. This can be linked to the service-dominant logic that in distinction to goods-dominant logic, service-dominant logic focuses on the exchange of service, a service is exchanged for an additional service as parties subsidize to the creation process by sharing information and resources (Vargo & Lusch, 2008).

The findings of Saxena & Ilbery (2008) reveal that informal cooperation among entrepreneurs may be the only form of networking. The role of informal cooperation among business partners in small rural areas is for example to enable accommodation providers to pass customers through recommendations. Business partner’s role is to provide resources that can be used in customers’ everyday processes, for small firms the supplier provides resources that can speed up customer’s operations and enhance business growth. In their study, Törmälä & Saraniemi (2018) highlight roles of business partners. They discuss business partner’s different roles in brand image co creation through actions. These roles are perceived as company assigned or as proactive adopted. Company assigned relationship roles define a partner as a co-innovator: an innovator who participates in the firm’s innovation and development processes to initiate new product and service qualities (Ahmad & Saber, 2015; Törmälä & Saraniemi, 2018). In small family hotels online booking platforms can also be co-innovators (ibid). The motivational factor for co innovators is often direct monetary benefit; however, there is another essential driver such as partners that is perceived to serve the firm’s performance quality too. Proactive roles are based on personal willingness to maintain a good partner relationship and business partners who adopt this role, proactively offer a firm new ideas and insights on how it can improve its processes and performance, this is especially true when partners share knowledge of their own skills, for example when suppliers advise the firm on issues concerning the quality of the offerings. (Ahmad & Saber, 2015).

In their study Ahmad & Saber (2015) found that small hotels often form alliances with tour operators, collaborate with tourism authority and form relationships with private agencies to promote their business and establish marketing strategies. The role of these relationships is to create vital synergy for small hotels’ development. The co-marketer is often involved in marketing activities with the firm, and their collaboration then enables firm owner and the partner to combine resources, as a result marketing expenses are
reduced and together both parties promote their accommodations nationally and internationally to increase growth (Ahmad & Saber, 2015; Törmälä & Saraniemi, 2018).

2.3.2. Relationship with Competitors

According to Porter (1985), good competitors can improve a firm's position in a variety of ways such as share the cost of market development, help fight against substitute products and lend credibility to an industry that raises its overall image. Rivals can also serve as the first line of defense against newcomers, who do enter, absorbing the cost of battling with them. A final contribution of competitors is the figure of motivators especially for family owned businesses. Competitive advantage comes from its relationship with its own supply chain network (Cheng-Wen et al., 2012).

In location bound firms, such as hospitality and tourism, a relationship to competitors is often defined as coopetition (Kylanen and Rusko, 2011). Which takes place when competitors induce themselves in interdependency to form a strategic relationship (Czernek & Czakon, 2016). Small hotels often cooperate with competitors to access resources they cannot obtain alone, by working together with competitors’ small hotels in rural areas to provide themselves with numerous benefits. These benefits include sharing of knowledge and competencies especially in rural areas and hospitality firms (Kylanen and Rusko, 2011). However, trust plays an important role when establishing and maintaining coopetition, the process of building trust in small location bound firms is complex because small firms enter coopetition only when additional benefits from joint actions are perceived. (Czernek & Czakon, 2016).

The nature of the relationship between the owner firm and competitor is threatened when mutual benefits are no longer perceived (Tidström & Hagberg-Andersson, 2012). The relationship may also end if the competitor misuse knowledge and information provided by the firm to the owner. Consequently, it is vital to find a balance between sharing and protecting knowledge relating to the core competencies of the company. While firms can involve legal contracts to protect themselves, contracts may cause a shift in the relationship (Tidström & Hagberg-Andersson, 2012). Coopetition eases competition
intensity and improves information exchange, as a result it increases profitability, speed up new development and reduce uncertainty (Jesus & Franco, 2016).

According to Beritelli (2011), cooperation among stakeholders in tourism business is interpersonal, it is not based on rules neither does it follow pure rational principles. Therefore, when choosing to cooperate, considering the people first, and then the organization they represent is an effective approach. Working with competitors to simultaneously cooperate and compete is also vital in hospitality businesses. Role of this kind of relationship between the competitor and owner firm is to enable communication and agreements between both parties informally to establish interactions and create effective cooperation through friendship and trust (Wu, 2014).

Trust between owner firm and their competitor is not built easily, but over a period. It may require impersonal interactions between both parties as well as gain of mutual benefits, not only in terms of monetary benefits but also development of businesses in terms of growth and innovation (Gnyawali & Park, 2011; Wu, 2014). However excessive trust and cooperation may leave a firm open to the risk of exploitation by its cooperative partners, because an over trusting partner can become an easy target for the exploitation. Moreover, firm who are over cooperative may also need to be more dedicated toward safeguarding their resources. The negative effect of cooperative relationships arises due the unintended knowledge leakage, management difficulties and loss of control.

Firms in cooperative relationships with a competitor, cooperate in pursuit of mutual interest and benefits at the expense of competitors (Jesus & Franco, 2016; Wu, 2014) Expected benefits are predicted on trust and reciprocity, however benefits from cooperation may be constrained by the conflicting interests of two parties. Therefore, coopetitive relationships are segregated among activities rather than actors (Wu, 2014). Information and knowledge between both parties can be utilized when both parties build trust in each other; trust is the driving force behind cooperation. Trust enhances the negotiation process; in turn communication and information flow between both parties is improved. As a result, the risk related to unintended leakage of information and loss of
control is also diminished because mission and objectives are similar for both parties (Jesus & Franco, 2016; Tidström & Hagberg-Andersson, 2012; Wu, 2014).

2.3.3. Relationship with Residents
Value co-creation in tourism and hospitality includes resident-tourist social interactions (Lin, Chen, & Filieri, 2017). The experiences of their encounter and interactions may affect their satisfaction, wellbeing and forthcoming behaviors (Sharpley, 2014 cited in Lin, Chen, & Filieri, 2017). Engaging in CSR especially for small family hotels may enhance local community’s perception of the business, because residents’ attitudes and perception about effects of tourism and hospitality to the community is imperative for the tourism development. It does not only assist the firm in planning but also assure that their operations for developments are in line with local community’s perceptions and provide the owner firm benefits of having support of the community to attract more tourists (Kang et al., 2015; Lundberg, 2017). CSR engagement can include activities such as compliance of health and safety, recycling and energy saving initiatives, supporting charities based on personal relationships and supporting local events where effect or impact is more visible (Baden, Harwood, & Woodward, 2009).

Tourism does not comprise only suppliers of products and services, but also the interactions between visitors and residents. Even if the overall service of hotel is strong, tourism could be challenged if the destination is difficult to access or if residents of the destination are unsupportive of the tourism initiatives. Consequently, residents play an important role as a stakeholder in tourism and hospitality (Bornhorst et al., 2010).

In turn tourism and hospitality businesses must enhance the social and economic wellbeing of the residents who live within its boundaries and it must provide this enhancement of residents by offering a number of activities and experiences (Komppula, 2014; Yolal et al., 2016) In Rural tourist areas, local residents contributes significantly to the local economy by either operating small family businesses (Komppula, 2014; Saxena & Ilbery, 2008), or by participating in activities that support local businesses as a result the destination operate in a sustainable manner in terms of economic, environmental,
Residents, as a stakeholder of a small firm, have a number of roles. In their study Saxena & Ilbery, (2008) recognize the importance of networks of businesses and resource controllers, they emphasize especially on actors who play an important role in social, cultural, political and environmental issues, being some type of indirect stakeholders who have control over tourism resources (Komppula, 2014; Saxena & Ilbery, 2008). Tourism business is mainly sustained by social networks that clearly link to residents for jointly promoting and maintaining the economic, social, cultural and human resources of the localities in which they appear. Relationships are therefore formed with the residents to benefit the business and the role of residents in different activities is considered essential in the tourism and hospitality context (Komppula, 2014; Saxena & Ilbery, 2008).

In their study Yolal et al., (2016) discuss for example, the importance of local cultural festival in tourist destinations, especially in rural areas, and how it attracts tourists and enhances the destination’s value. Festivals are put on and pre-arranged by several individuals who are interested stakeholders, including festival organizers, local parks, professionals, cultural bureaus and residents to participate in trade and shows. Though festivals can create benefits to most of stakeholders, differences among the stakeholder about the purpose and expected outcome of the event may result in tensions and conflict among the stakeholders (Yolal et al., 2016). Such differences may include disagreements in opinions of how operations are carried out. Hence, an efficient management and planning require organizers and stakeholders to have a clear understanding and common vision.

Furthermore, it is also vital for organizers to have in mind the community and residents’ perceptions of the impact of festival. This can be archived through involving residents in planning and implementation stages. As a result, this may increase positive social benefits and empower residents, since they would have the possibility to link perceived benefits from the participation to their quality of life (Jesus & Franco, 2016; Saxena & Ilbery, 2008; Yolal et al., 2016). It is crucial that there is resident’s support in tourism and
local businesses for the destination success, especially the community making the tourist feel welcomed and embracing the visitors is vital. In their study (Bornhorst et al., 2010) discuss less tangible elements such as service, experience and community attitude collectively make a destination successful, which, in turn, result in an enhanced visitor experience and growth in local businesses.

Destination development is important for economic growth, especially for small towns and rural areas. When small firms lack innovative skills that are needed for the development, overall it creates barriers to the destination development. As a result, residents change their perception towards the business seeing small firms as a negative impact to the development (Bornhorst et al., 2010; Lundberg, 2017). It is important for businesses to understand tourism impacts from residents’ perspective. Not only local involvement enhances social integration and promotes understanding of resident’s lives but also their attitude about how locals perceive the effect of the tourism in their community (Lundberg, 2017).

2.3.4. Relationship with Local Government

The general role of the local government is to create an attractive local business environment. The municipal organization’s main aim is to encourage increased networking by facilitating the initiation of exchange among local businesses and local institutions. This is done through publicly held activities and meetings with business owners to investigate potential needs.

The Republic of Italy, according to its constitution, recognizes the social function of cooperation of a mutualistic, non-speculative nature. The law promotes and encourages co-operation, through appropriate means, and ensures its character and purposes through adequate controls by publicly held holding events and conferences with business owners to investigate potential needs. Furthermore, this is further enhanced in the Italian context by the principals behind the article of Costituzione della Repubblica Italiana (1947)’s number: 2, 3, 4, 9, 35, 38, 45 (Italian Constitution).
According to Pittaway et al. (2004), the definition of third party involvement that is most representative of the role of the municipal organization is the neutral knowledge broker. The Italian municipalities and Metropolitan cities are empowered by constitution. In fact, according to the Italian constitution, the state shall allocate supplementary resources and adopt special measures to promote economic development along with social cohesion and solidarity, to reduce economic and social imbalances, foster the exercise of the rights of the person and to achieve goals other than those pursued in the ordinary implementation of their functions.

In the study of Pittaway et al. (2004) the local government should lay the basis to develop a formal networking structure with small enterprises. According to Kirkels and Duysters (2010), the non-profit sectors like public authorities are much more effective than any other stakeholder involvement, by their neutral nature and disinterest when it comes to financial gain, than any other stakeholder involvement.

In earlier studies regarding the role of local public government, it has been concluded that public involvement minimizes networking uncertainty, developing satisfactory outcomes of networking for all players (Kirkels & Duysters, 2010). It has additionally been noted that the presence of powerful third parties decreases the risk of companies restraining from actively collaborating in networking attributable to the risks associated with competitiveness that goes along with the in-depth data and information sharing that is needed for prosperous network participation (Reagans & McEvily, 2003; Burt & Knez, 1995). Burt and Knez (1995) recommend that the mere presence of a passive third party, alone, can increase disposition for cooperation.

According to Kirkels and Duysters (2010), high growth in small enterprises is identified to possess larger network intensity and network variance than low growth companies. Moreover, the presence of public authorities has been identified to facilitate networking by increasing levels of trust, data transfer and disposition for cooperation between network actors (Burt and Knez, 1995). Surely, there are countless cases of successful networks between public authorities and private tourism firms. One study of Erkus-Öztürk and Eraydin (2010), focusing on benefits of private businesses, observed the case
of Antalya, a Turkish seaside destination. In the early 60s tourism flows started majorly to this zone, until Antalya became the “2nd most attractive area for foreign corporations” and Turkey's most “dense tourism area” (Erkuş-Öztürk & Eraydın, 2010). Antalya is a case of an environmentally sustainable tourism network that chains the joint contribution of private firms, hybrid establishments like public authorities and the community to advance policies and planning based on sustainable development. This network is considered as success at the local level. When it comes to relationship between local government and a firm, there can be different attributes. Nguyen, Imamura & Luchi (2017) explores in their study that collaborative planning is defined as a collective process where stakeholders such as hotels, community and local government can resolve conflict and advance shared visions. Nguyen et al. (2017) states that hotels are key drivers of the local tourism economy, however they can also contribute to disaster risk reduction. The mixture of a room capacity, food capacity, and energy capacity can transform many hotels into evacuation sites as well as short-term refuge.

2.4. The Model
Reviewing the literature and combining elements from Stakeholder theory and Family Business researches as socioemotional theory, a model arises. The relationship between the family business and selected external stakeholders, as business partners, local government, residents and competitors are highlighted. In each dedicated box there are variables that have to be explored that might influence family businesses in the hospitality industry.
Figure 1: Model of the relationships between external stakeholders and small family hospitality business
3. Method
This section provides a presentation of the methodology, which is composed of choice of theory, critique of sources, time horizon, research strategy, data collection, data analysis, sample selection, research quality and ethical consideration.

3.1. Research approach
This study aims at explaining the role of small family-owned businesses in hospitality industry and their specific relationship to various stakeholders. Nevertheless, few researchers have explored the role and nature of relationships of external stakeholders in small family-owned hospitality businesses. There is extensive research on small firms and their stakeholders in hospitality industry, but they tend to be focused to Corporate Social Responsibility paying attention, often, on conflicts rather than possible collaborations, such as the degree of value creation by relationships (Lin, Chen, & Filieri, 2017; Kang et al., 2015; Lundberg, 2017). The current research is based on previous research and previous existing theories and adopts empirical material to either confirm or falsify the prior research developed (Bryman & Bell, 2015). In this thesis we are adopting a deductive approach, to obtain a deeper understanding of suggested relationships between stakeholders and explore how these relationships either create or destroy perceived value.

According to Bryman & Bell (2015); Saunders, Lewis, & Thornhill (2009) there are three different approaches of reasoning researches. The approaches are: Deduction, induction and abduction. All three notions are coming from Latin, where ducere mean, "to lead." The prefix de- is explainable in English by "from," and deduction descends from commonly acknowledged statements or facts. The prefix in- means "to" or else "toward," besides induction leads to a generalization. The prefix ab- is translatable like "away," and takes away the finest description in abduction. If the starting point is within already existing theories, the approach is called deductive. If the reality is investigating out of the empirical material, the approach is named inductive. Abductive is when the researcher starts with a reflection or set of observations then pursues to discovering the simplest and most likely explanation.
In this thesis, a deductive approach is adapted to create a deeper understanding of the suggested stakeholder relationships with the firm. The deductive approach been adapted to be able to produce a testable or explorable model out of the theoretical framework which will then permit us to build our discussion on a rigorous theoretical ground.

The model is based on assumptions derived from logic and after the assumptions are estimated as truthful the conclusion is drawn. This approach thus empowers the researchers to evaluate whether the assumptions are truthful or not without relying on the reality (Rennemo & Åsvoll, 2014). Studies in the field of relationship building is not new, researchers have acknowledged the building and maintenance of relationships in business as important (Baxter, 2012; Velazquez, Blasco, Gil-Saura, 2014; Ulaga, 2003). However, the nature and role of relationships in small family run hospitality firms in the context of southern Italy has not been paid much attention to.

3.2. Choice of methodology
This study adopts a deductive research approach and aims at understanding the nature and role of relationships from an empirical evidence using a qualitative method. Firstly, by interviewing external stakeholders then content analysis of collected data and finally content analysis of official documents from the public government’s official archives. Qualitative research is about studying social relationships and behaviors in a specific given context. Qualitative research method studies emphasize values and norms of all individuals in the specific given context, by conducting interviews, observing behavior and understanding words and emotions, by doing so the qualitative researcher gains understanding of behavior of individuals involved in the specific social environment. The primary aim of a qualitative study is to also understand how behavior of individuals develops over the time (Bryman & Bell, 2015).

The quantitative research emphasizes quantification in the collection and analysis of the data. It involves an approach to the relationship between theory and research that gives importance to the testing of theories and hypothesis. In contrast, qualitative research puts
emphasis on words rather than quantification in the collection and analysis of the data (Bryman & Bell, 2015).

Considering the aim of both research methods described above, this research chooses the qualitative method. Given the nature of the research aim, how does the role and nature of external stakeholders’ relationships create perceived value with small family business? It is more appropriate to use this methodology because it enables to obtain a deeper understanding of role and nature of external stakeholders’ relationships especially with a small family run business where relationships are based on personal and emotional level. This thesis uses this methodology because it enables us to explore deeper emotions, expressions and feelings of both the small family firm and its external stakeholder. As a result, conclusions do not have to be precise or consistent, but an understanding of the reality from different perspectives of participants involved in this research. To achieve the purpose of our research it is important to explore the nature of relations that a small firm has with its external stakeholders such as personal bonds and personal reasons, which would be hard to achieve with a quantitative method. Thus, this thesis uses the qualitative methodology together with semi-structured interviews to understand how the role and nature of external stakeholders’ relationships create perceived value with small family business.

3.3. Choice of theory

The theoretical framework of this study is based on the stakeholder theory as the main theory of this paper. According to Lundberg (2017), this theory provides a broad framework for exploring SMEs’s relationship with its stakeholders. This theory has also been used previously for a qualitative study explaining (SMEs) relationships to stakeholders (Parker et al., 2015).

To explore the identity of stakeholders we utilize the stakeholder theory because it is based upon ideas and expression that are related to the primary purpose of a company to create as much value as possible for its stakeholders. Companies should recognize the intersections of stakeholders’ interests to continuously build these connections to create more value for more stakeholders (Strand & Freeman, 2015). To understand the
relationship quality in terms of benefits and drawbacks that relationships may bring we explore the socioemotional wealth theory. To understand relationships among stakeholders and how cooperation among these stakeholders in hospitality often provide small hotels emotional benefits in terms of loyalty, commitment and special treatment. (Velazquez et al., 2014; Bramwell and Sharman, 1999). Furthermore, networking is also a key factor to compete when it comes to tourism business (Denicolai, et al., 2016). Upholding relationships within their own networks is essential creating value for tourists (Buonincontri et al., 2017). These theories serve as the foundation for understanding the relationship among various stakeholders.

3.4. Critique of sources
The literature used in this research stems from academic journal published articles, except 18 popular newspaper press articles used in the background. 3 documents, 1 website of a Bed and Breakfast and 2 course literature books. For the literature review peer-reviewed publications related to the topic from the database of HKR Summon, Google Scholar and course literature provided throughout the Master Program in International Business were used to achieve the objective of this research. An inclusion criterion of the articles was that the articles should contain relevance to the topic.

A total of 83 academic journal published articles were used. Decision of including the articles in the study was based on their relevance to the research question and research purpose. The inclusion criteria were also based on ranking in Association of Business Schools (ABS), however 11 articles were used from journals that are not ranked in ABS but because they were found to be relevant to the research question they were included in the study. Empirical results of non-ABS ranked articles were also found significantly relevant to our topic.

We observed that by using the academic journal guide that ABS provided, the quality of the articles as well as journals status can be observed. ABS guide is designed to serve the needs of the business and management researcher regarding both in helping authors to identify sources for their work and where work of level is expected to be. ABS grade the
quality of the journal based on five grades. Journals ranked on number 1 are journals that have published, recognized research of modest standards. Journals ranked on number 2 are publishing research on acceptable standard, a well-regarded journal in its field. Journals ranked on number 3 are well-executed research and highly regarded. Journals ranked on number 4 are the most original and best-executed research. Lastly journals ranked on number 4* are journals of distinction within business and management field, the highest status of ranking (ABS Academic Journal Guide, 2015).

<table>
<thead>
<tr>
<th>Ranking</th>
<th>How is the quality regarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>4*</td>
<td>World elite journal</td>
</tr>
<tr>
<td>4</td>
<td>Top journal</td>
</tr>
<tr>
<td>3</td>
<td>Highly regarded journal</td>
</tr>
<tr>
<td>2</td>
<td>Well regarded journal</td>
</tr>
<tr>
<td>1</td>
<td>Recognized journal</td>
</tr>
</tbody>
</table>

*Table 1: Ranking system by ABS*

This study is based on 83 scientific articles, where 11 of them are from journals that are not ranked in ABS, perhaps it is because the articles are from journals that are from studies other than business field.
## 3.5. Time horizon

The time horizon of a research has two dimensions: longitudinal design and cross-sectional design. The longitudinal design studies change and progress, looking at a longer timeframe to analyze change and development. The cross-sectional design studies look at a certain singularity in a defined period and are assumed typically for academic researches, since there is a time to oblige and end the paper within academic deadlines (Bryman & Bell, 2015; Saunders et al., 2009).

The time horizon in this thesis is cross-sectional, since the study is done in a specific and limited time between 26/03/2018 - 31/05/2018. According to Bryman & Bell (2015) cross sectional design entails the collection of data on more than one case, which are then examined to identify patterns. Given the nature of our research question how does the role and nature of external stakeholders’ relationships create perceived value with small family business? we also aim to collect data on more than one type of stakeholders with a holistic perspective of various stakeholders. We are adopting a cross sectional design because it allows us to explore different relationships of the family firm with their external stakeholders through semi-structured interviews at a single point in time.
(Bryman & Bell, 2015). With the findings, we aim to understand broader trends, nature of relationships and personal experiences of individuals involved in the survey. Cross sectional design will also enable us to build a rich picture of various stakeholders’ views and interests to the small family firm.

3.6. Research strategy: Case study
The case study is a research strategy much used in business studies (Eisenhardt & Graebner 2007 cited in Bryman & Bell, 2015). According to Saunders et al. (2012), there are six kinds of research designs both for a deductive or inductive approach: experimental research, action research, survey research, observational research, comparative research and case study.

Definition of a case study Stake (1995) as well as Louis Smith’s (1978) interpreted the case study as “a bounded system” and query into it “as an object rather than a process” (Stake, 1995; Bryman & Bell, 2015) illustrate some of the attributes of case in his conceptualization: case is “a specific, a complex, functioning thing,” more specifically “an integrated system” which “has a boundary and working parts”. Therefore, assuming this definition, Stake (1995) transcripts that the methods he outlines in his book could be further helpful to study organizations and people and less beneficial to study events and processes, which is somewhat a point of juncture with Yin (2002) who bargains case study methods a best fit for exploration in organizations. Likewise, Stake references four crucial features of qualitative research, which are effectively aimed at qualitative case studies: “holistic”, “empirical”, “interpretive” and “emphatic”.

Holistic means investigators ought to reflect the interrelationship between the phenomenon and its circumstances, which is comparable, the inseparable relation Yin (2002) refers to through exploring the case. Empirical means that scholars base the research on their observations. Interpretive means that academics build upon their perception and perceive research fundamentally as a researcher topic interaction, which is well matched with the constructivist epistemology. To conclude, empathic means that scientists reproduce the vicarious experiences of the themes in an empiric view.
The methodology of the research in this thesis is a case study, given the research aim and the specific focus on one family firm and their external stakeholders. This case study can be classified as the representative case in line with Bryman & Bell (2015), because we aim to seek to explore one case of a Bed & Breakfast that exemplifies their everyday situation and nature of relations to their stakeholders. The legal form of Bed & Breakfast from the Italian regulations is mentioning the family context as key point where the hospitality business is surrounded, since to have this status the profit of the business activity must support the family income. This peculiar form of company has become a common practice in Italy for families who own big houses close to natural and historical attractions for tourists. This specific family business is, as well, in a strategic geographical position between the Ruins of Pompeii, Amalfi and Sorrento Coast and the Island of Capri. The family has different personal and professional relationships with the small town from the business partners to competitors, local government and residents, and that is what makes our case choice more compelling.

There are two versions of a study case design, one is single and another one is defined as multiple (Bryman & Bell, 2015). Our choice of the case study is based on one firm, a Bed & Breakfast run by a family located in the Metropolitan City of Naples. It is a common practice as well to associate the case study based upon a qualitative research by mainly interviewing, as we do.

According to Saunders et al. (2009), the so-called single case study design has a unit of analysis and holistic approach. The multiple case study design has an embedded approach and unit of analysis. This means that a comparative component is considered by having more than one unit of analysis. This research is focusing on the relationships to stakeholders of one selected family-run business, therefore on a single case related to different groups like Business partners, Residents, Competitors and Local Government. Accordingly, this research makes use of a multiple case study design with embedded approach. Furthermore, it is most suitable to gain a completed, in-depth view by using multiple case study strategy.
3.7. Data collection

Data was collected through semi-structured interviews face-to-face, calls and video calls, also content analysis of some official documents from the public administration, mainly the balance sheet and expenses list from the Municipality. The interview guide has been set up beforehand that included open questions regarding the aspect we have explored through literature review and identified as factors that has a positive or negative effect on the nature of relationships. Semi-structured interviews include questions that are somewhat general in their frame of reference than typically structured interviews, semi-structured interviews give the interviewer the opportunity to ask further questions in response to what significant replies are (Bryman & Bell, 2015) by follow up questions to start a more in-depth discussion like “What do you mean by that?” or “Can you tell me an example?”.

Our aim is to explore different perspectives and circumstances by talking to people who are involved and engaged in the specific B&B we are studying as well as their external stakeholders. The idea of content analysis of the official documents from the Municipality is to understand how much is invested in different fields related to the context of Tourism and hospitality, and in building relationships between companies for economic development. We will have a content analysis of official documents like expenses list or balance sheet from the municipality, to better explore the relationship with the local government and the tourism industry.

Questions in the semi-structured interview guide are written in a very simple and comprehensive language based on everyday situations. The idea of constructing a simple interview guide is because of the context and participants involved in the research. The interview guide is first written in English and then translated into Italian and Neapolitan. Given the nature of the research aim, the reason for conducting interviews in the native language is to have a conversation with participants in their own native language, for them to express situations and feelings in the language they speak in their everyday life. Interviews in English would have limited us with free expressions and openness. However, to reduce the risk of bias, the interviews were audio recorded with the
permission of the participants. Limitation of the interviews is that only one of the researchers was able to conduct the interviews, because the interviews took place in Italian, which is the native language of only one of the researchers. A total of 14 interviews were conducted, where 10 interviews were face-to-face, and 4 interviews were conducted over the phone.

### 3.7.1. Interview guide

The following tree diagram represents the conceptualization of role and nature of external stakeholders’ relationships that creates perceived value with small family business.

All aspects and concepts show the topics that are asked about in the semi-structured interviews to receive the underlying understanding from the respondents, which is valuable for this conducted study.

<table>
<thead>
<tr>
<th>Research Question</th>
<th>Concept</th>
<th>Aspect</th>
</tr>
</thead>
<tbody>
<tr>
<td>How does the role and nature of external stakeholders’ relationships create perceived value with small family business?</td>
<td>Benefits</td>
<td>Family relationship</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Friend relationship</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Industry relationship</td>
</tr>
<tr>
<td></td>
<td>Nature and Role of relationship</td>
<td>Basis for a relationship</td>
</tr>
<tr>
<td></td>
<td>Disagreements</td>
<td>Role of relationship</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Power distance in relationship</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Personal engagement in the relationship</td>
</tr>
</tbody>
</table>

*Table 3: Research Question, Concepts, and Aspects*

The interview guide along with the motivations in order for each question can be found below:

Tell us about yourself? Age, Profession (Bryman & Bell, 2015)

How long have you been in this business? (For local government: working years?)
How long have you lived here?
Motivation: This question is directed to the respondent to make the respondent comfortable to talk and for the researchers to gain insight about the demographic characteristics. (cf. Bryman & Bell, 2015)

How has tourism changed your town and your everyday life?
Motivation: This question is directed to the respondents in order the gain insight about how respondents perceive tourism effects what the main industry is where the company analyses do business. What respondents experience with different aspects of tourism and how it has changed their lifestyle. This question is important especially because tourism and family firms are the context of this research (cf. Lundberg, 2017; Bornhorts et al., 2010)

What is important for you in a relationship with friend or family relatives?
Motivation: This question is asked to gain understanding of respondent’s perception regarding relationships with family and friends in general (cf. Kylanen and Rusko, 2011). When asking this question, we aim be very generic to avoid bias from the respondents.

How does doing business with a family member bring benefit to you?
Motivation: This question addresses the perception of the respondent regarding benefits they gain when working with or for family members and indicates importance of those benefits (cf. Kylanen and Rusko, 2011; Gnyawali & Park, 2011; Wu, 2014).

Can you mention two positive experiences and two negative experiences you have had when doing business with a friend and/or family member?
Motivation: Through this question, the interviewer is able to retrieve information about personal and working experiences of respondents with family and friends (cf. Tidström & Hagberg-Andersson, 2012). The answer may also indicate reasons of either working with or not working with family and friends.
What do you think has improved more tourism in your areas? Why?
Motivation: Through this question, the interviewer aims to gain insight about respondents’ personal responsibility towards the improving or contribution regarding the tourism development (cf. Bornhorst et al., 2010).

Is this your first time working with a family run business?
Motivation: With this question the interviewer aims to gain insight about experience and role of individuals when working with family relations (cf. Dyer, 2006).

What is your relationship based on?
Motivation: This question is asked to gain understanding about business relationships. Previous question about the importance of relationships was asked to gain general understanding of respondents’ perception about relationships. (cf. Velazquez et al., 2014; Angella and Go, 2009; Ulaga, 2003). This question is more direct and is asked right after the working experience to gain understanding about nature of relationships.

How was that aspect developed?
Motivation: This is a follow up question asked to expand the discussion about how that aspect of relationship was developed. (cf. Velazquez et al., 2014; Bryman & Bell, 2015)

Has this feeling been like this from the beginning or has it changed over the time?
Motivation: Through this follow up question the interviewer aims to understand the reasons behind a specific nature of relationship. (cf. Angella and Go, 2009; Velazquez et al., 2014; Bryman & Bell, 2015)

Do you believe that trust is important in a relationship with a business partner/firm/friend/family?
Motivation: This question was developed because trust was found to be significant in relationships and was only asked if the participant does not mention trust as an aspect of relationship. (cf. Dyer, 2006; Gomez-Mejia et al., 2007; Gomez-Mejia et al., 2010; Berrone et al., 2010)
Disagreements aspect:
Can you reflect on a disagreement you have had with a business partner?
Motivation: This question addresses tension and conflict between different stakeholders. (cf. Gomez-Mejia et al., 2007; Gomez-Mejia et al., 2010; Berrone et al., 2010; Peters et al., 2012)

Why did these disagreements arise?
Motivation: This is a follow up question to the previous question to gain understanding about reasons behind conflict and tensions that may have caused a disagreement among external stakeholder with the family firm or with each other. (cf. Gomez-Mejia et al., 2007; Gomez-Mejia et al., 2010; Berrone et al., 2010; Bryman & Bell, 2015)

How did the disagreement end up?
Motivation: This question is asked to motivate respondents to expand on experiences and actions they have taken to solve conflicts with their stakeholders. (cf. Lundberg, 2017; Parker et al., 2015; Bryman & Bell, 2015)

Is there anything else that comes to your mind?
Motivation: This last question leaves free room for the respondent to elaborate on their own opinion or indicate information and reflections that has not been asked previously that the respondent feels is important. (cf. Bryman & Bell, 2015)

3.8. Sample selection

The sample has been a non-probability sampling. Since the time and resources to complete this research are limited, it could be a risk to opt for other kinds of sampling; we want to evaluate interpersonal connections and relationships with the context to explore most of the population of the context considered. The context focused is related to a small family run Bed & Breakfast located between Amalfi Coast and Pompeii ruins. Participants of this research are Italian citizen from the Metropolitan City on Naples. All participants live in the Metropolitan City of Naples, is also the location of the chosen
B&B. This region was selected on the basis of the growing popularity of the region in the international media and the growing amount of small family B&B in the region (Della Corte et al., 2014). Lastly the personal attachment to the area is the motivation of the chosen region.

Generally, according to Saunders et al., (2012) there are two different sampling techniques. Non-probability sampling: if the researcher picks the sample of population following certain criteria that are prior decided, and namely probability sampling, which means that the researcher selects the participants in random order. According to Saunders et al., (2012) the technique of selecting a sample of population following certain criteria that are prior decided is generally adopted when the researcher is collecting qualitative data. The researchers can use different criteria, which are generally based on subjective judgment (Saunders et al., 2012).

In the current research we have applied the sampling technique of non-probability sampling. The sample reflects the identified stakeholders in the theoretical model and is vital to the thesis research purpose. A sample of 20 participants were selected. The sample includes all four members of the family business of our case study, all the three residents living in suburbs of the Bed & Breakfast. Four representatives of the Local Government where have been adopted the quota sampling, the practice of surveying one individual (managers) per organization (Bryman & Bell, 2015), one represents the local municipality and the second one represents the Metropolitan City of Naples as well. The all five direct competitors who are making hospitality business in the same geographical context. Four business partners of the family business indicated from the members of the family business selected by snowball sampling, what is a form of convenience sample (Bryman & Bell, 2015). All participants are native Italians, speaking the native Neapolitan language. Participants were selected on their diversity such as the sample included 6 females and 8 males, aged between 14-56 years old. The sample was selected to keep the diversity of views and that all participants included in the research should belong to different professions, in terms of both working profession and education. All participants included in the study were either directly working with the B&B business or had some relation to family businesses.
The current research uses a heterogeneous purposive sampling of the selected participants. This allows us to focus on groups/stakeholders in which, the sample members are like the description dedicated in the literature review according to theoretical model. The requests for the interview to selected participants were mainly based upon professional and personal relationships. Selection of participants is based on their relevance to the current research, thus the criteria was established to ensure their reliability and validity of the research.

3.8.1. Drop out participants
For this research we recognized twenty participants to be relevant. All the twenty participants were requested for an interview. Firstly, four family members of the small B&B were contacted through phone calls and were given information concerning this research. The researchers were asked to contact again the next day for the date and timing confirmation, which was done over the phone as well. The same procedure was done with four business partners. However, for the all four local government representatives the phone call was received by the office assistants and the researchers were asked to send an email with details concerning the research and the list of interview questions. Two representatives did not respond to the interview request. The researchers contacted the representatives on several occasions through different ways like phone calls, email and social media messaging but due to the lack of interest, the representatives did not participate in the interview.

All three residents were contacted face to face by visiting them informally. They were then given brief information concerning the research and requested for an interview. All three residents accepted the interview request. Initially we contacted three competitors of the B&B by phone and information was given to them concerning the research. All three showed interest. However, upon the interview request they hesitated and denied the interview request. Then we contacted two more competitors who were new in the business of B&B. Both were contacted face to face, however only one participant agreed for the interview. The reason of denying the interview request has been always the same,
they are in high season, which means they are having most of the days sold out and those answered us that they had no time for this participation.

The answer rates to the interview request has been 70% positive on the first request where the family members of the hospitality business answered most positively and accepted to join the interview fourteen of twenty. When it comes to family members, business partners and residents have achieved 100% positive rates, 50% for the local government and 20% from the competitors. This result was accomplished in the end of April 2018. Since the positive answers came from different groups there was no need for second call to the different groups with exception of the competitors, and the total interviews requested by the supervisor was in the range between eight and fifteen.

In cases where the selected participant had no possibility to attend actively the interview and they suggested a third person, criteria had to be established to insure the principle of reliability and validity of the research. Results of participating and on participating respondents are shown below in table.

<table>
<thead>
<tr>
<th>Requested/Participants on first contact (second contact)</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family members</td>
<td>4/4</td>
</tr>
<tr>
<td>Business Partners</td>
<td>4/4</td>
</tr>
<tr>
<td>Competitors</td>
<td>0/3 (½)</td>
</tr>
<tr>
<td>Residents</td>
<td>3/3</td>
</tr>
<tr>
<td>Local Government</td>
<td>2/4</td>
</tr>
</tbody>
</table>

*Table 4: Drop out Interview's requests*

### 3.9. Data analysis

The analysis, inspired by Agevall, Broberg & Umans (2016), was divided into three stages. Through the first stage, all the transcribed interviews were read through several times to gain understanding of the text; however, at this stage interpretation was avoided. Stage two included a structural analysis. The data was read again, and the overall idea of the text was developed and noted down. This process was repeated two times to avoid
bias and ensure proper understanding. In the third stage, we started reviewing the data and resulted in recognition of themes from a more holistic perspective. This is also in line with Bryman & Bell (2015) regarding the thematic analysis, where the researchers construct themes and sub-themes.

The data collected in this research was recorded in Italian and Neapolitan then transcribed into English to provide concrete base for the analysis. A coding technique is the process whereby data are broken into components parts, which are given names. By using coding techniques conclusions can be drawn and data can be analyzed (Bryman & Bell, 2015). For this research the coding technique was applied. During stage two the overall idea and keywords that described the text were noted down. During stage three using the software NVivo 12, the text was categorized into nodes and as a result themes and sub-themes were recognized.

NVivo is a software that supports the analysis of qualitative data in five simple ways: managing and organizing data, managing ideas, querying data, graphically modeling the ideas that are constructed from the data and reporting the data (Bergin, 2011). In this thesis we have utilized the software to first import the data to organize it systematically. Then we managed ideas by coding the data. In Nvivo 12, coding data involves the creation of nodes. A node is a collection of references about a specific theme, place or person (Bergin, 2011). Nvivo allows different kind of nodes to be created and we created nodes during a coding process by reading through the interviews in the stage three in data analysis process as mentioned earlier. Furthermore, we used the feature of querying the data. Queries enable to search the data, find patterns and pursue ideas (Bergin, 2011). We used word frequency queries to find lists of word and the number of times they occurred in the themes; this process helped us to identify themes and concepts.

For this thesis time spent in learning the software was of great value, since we had five different sample groups: business partners, competitors, residents, local government representatives and the family firm itself. We spent one day in getting familiarized with the features of the software and as we progressed through the software’s different stages...
when we were importing the interviews, creating nodes and querying the data. The idea of the software came from the research method course literature book by (Bryman & Bell, 2015). The simple demo, user friendliness and guidelines provided by Nvivo influenced our preference to utilize the software for this thesis. We also chose Nvivo for practical reasons: its license was available online, support was available online and it could be accessed distantly at any time by using Internet.

It is also important to note that due to the time constraints it was not possible to get familiar with the software fully; as a result, only very, basic features of the software were used. During the initial stages interpretations were avoided and data was looked at from a neutral perspective. Later stages involved analysis, where the researchers have tried to look at the experiences of the participants from a more holistic perspective to avoid judgments and bias.

### 3.10. Research Quality

According to Yin (2002), the four parts of reliability, objectivity, internal and external validity are used once quality assurance for case studies is mentioned. Considering however the core of this study is to be recognized as qualitative; the standard approach through validity and reliability is not applicable because it is specialized in the adequacy of measures (Bryman & Bell, 2011). Instead trustworthiness brought forward by Lincoln and Guba (1985) has been used as a criterion to investigate the quality.

#### 3.10.1. Credibility

Credibility can be associated to the traditional criterion internal validity and emphasizes on what manner valid “cause-and-effects” are pinched. Adopting an approach involving participative, explorative and literature study in the data measure collection the credibility gives high triangulation.

The extensive approach in the case study, by qualitative method, interviewing in semi structured way the 4 different kinds of relationships plus internal organizational positions like the family members, enhanced credibility and avoided assumptions grounded on subjectivity. Additionally, to enhance the credibility we asked support to a scholar with education in Business at University of Naples “Federico II”. The requested scholar
agreed to read and interpret the answers from the transcripts and codes from the software, deprived of revealing any anonymous evidences about the respondents from the interviews. We found that the portions brought up were crucial, about 85% the matching as the parts brought up by the requested researcher. Thus, we have confidence in and we have seized a rational and impartial method of analyzing the interview feedbacks.

3.10.2. Transferability
Transferability can be related to the traditional criterion of external validity and efforts on if the research steered can be generalized to be suitable in diverse circumstances. This study has place a fundamental focus on the case study, which is context specific and not transferable. The interviews directed at Italian based small family business in Hospitality Industry might be partially transferable to a different range. Consequently, the over-all transferability of this paper ought to be considered high for analogues cases and contexts.

Nevertheless, even the outcomes and conclusions from the case study is partly applicable to other organizations. In the appendix, there are all the questions of the interview guide, so replace this study could be easier for future researches. In the sample selection there is a table with all the specific people selected to be interviewed with a brief explanation of what kind of relationship there is between the people selected and the family and family business.

3.10.3. Dependability
Dependability can be related to the traditional criterion of reliability and attentions if the results can be formed over again. The research is well defined and clearly designed when repeatability should be easy to accomplish by further different parties. An extensive study was led both at the case firm and in the stakeholder relationships. The interview design was completed to enhance objectivity using literature as well as to formulate the single questions.
Concerning though the future state of dependability, it is central to debate the time frame as the firm is between the most pressuring season of the year that is Spring and Summer and that may affect the studies in terms of bias regarding the fact that the interviewer is
coming from the same town, and the use of the local language, when requested from participants, could also affect the empirical outcomes. It is evident as well from the response rate from the competitors and the motivation of busy time by sold outs of their activities. Accordingly, it should also be recognized that a choice of a different family, family business or different time in the year would lead to other findings.

3.10.4. Conformability
Conformability can be associated to the traditional criterion of objectivity and focuses on the probable subjectivity matters that might have prejudiced the outcomes. Throughout the study the researchers have methodically communicated the literature used and adopted the American Psychological Association Referencing system. The method choices have been made inspired by previous literature. Documenting the procedures for rechecking data has been in this study by the software Nvivo. Lastly, an incessant dialogue to enhance conformability has been whispered with the supervisors from within the research context, at the case study, and at the university.

3.11. Ethical consideration
A research proposal was given to the researchers’ supervisor. Ethical endorsement was arranged by the supervisor prior to inauguration of the investigation. In directing any type of research, the researcher must be conscious of the effect which their study will have on participants and on society as an entire and must therefore perform accordingly. According to Kumar (2005), it is unethical to collect data without the awareness of participants, and their expressed willingness and knowledgeable agreement. Therefore, the researcher made it clear in all interviews that the participation remained on a voluntary basis and that they were allowed to leave the interview at any time. While directing this study, the researcher informed consent from all participants. They were correspondingly advised that they were under no obligation to respond to any questions which they might not have felt comfortable with. This right was utilized by more than one participant during the interview. Participants were given notice prior to interview, a comprehensive outline of the subject to be debated, a warning of the type of information
that was required of the participant, the explanations why the research was being carried out and in what way the data which they provided would be castoff.

Prior to the start of every interview the participants were told of the length of time that was maximum 45 minutes with the interview and sufficient time was given before and after the interview for the participant to request any questions concerning to the research subject.

Wholly participants agreed to a consent form affirming that they were willing to contribute in the master’s thesis while also guaranteeing them confidentiality and anonymity during the development of the research and for this reason the name of the small town is avoided.
4. Analysis

This section presents and discusses the data collected. The data is analyzed using key concepts. Using the key concepts from the theoretical framework of the Literature Review. This section is composed of four relationships. Each relationship is analyzed and ended with a conclusion of each section. In the end, the entire chapter is summarized.

4.1. Business partners’ relationship

Four out of fourteen respondents are business partners of the small family run B&B. The nature and role of business partner’s relationship with the small B&B is understood with five themes. We are following the coding manual to analyze different aspect of business partner’s relationships to B&B owners.

Theme: Benefits of working with family and friends

This theme was developed to understand the perception of business partners and the B&B’s family of benefits both parties gain through collaboration. From the business partner’s perspective respondent four and eight agreed there are several benefits when working with family and friends. However, respondent seven did not mention benefits or loss, but believed that relationship is purely based on professionalism. Looking at benefits from the B&B family’s perspective, all four family members of the B&B expressed benefits when working with friends and family members, in terms of intangible benefits such as love/sentiments, exchange of knowledge and possibility to get to know one another, as well as tangible benefits such as help with daily task.

Sub-themes: Understanding, inspiration & common vision

It was observed that the utmost benefits of working with family and friends is the existing understanding within the family. It was expressed by family members 1 and 3 that working with family, gives the opportunity to get to know one another in a different way. Conversely, a business partner 1 of the firm explains that common understanding decreases exploitation of one another. Both stakeholder groups perceived understanding and common vision are both seen as imperative factors for collaboration.
Sub-themes: Support, security, financial benefits & favors
Both stakeholder groups expressed sense of security and support from one another. Internal and external conflicts that arise considered to be solved through communication. The B&B family members 1 and 3 and their business partners 1 and 3 believe that good communication can help in overcoming issues within the family. Issues concerning external factors are solved together with support from one another. It was perceived that the B&B and its business partners shield one another to avoid risk and conflicts. Both stakeholder groups, mentioned that good relationship protects them from completely breaking ties in times of conflicts. Though emotions and sentiments are the foremost intangible benefits, a business partner 1 mentions that practically he can ask for daily tasks and expect financial support from the family when needed.

“It benefits me because I feel more confident in case of troubles or conflicts to solve, practically I benefit for example getting money to finance my own business”
(Business partner 1)

Sub-themes: Reliability & professionalism
Reliability and professionalism is closely related to benefits of working with and within the family. Families ask help for basic task from one another in an informal manner. Family member 3 indicates that there is a big proportion of dependence on family member in an informal way, when it comes to helping. However, a business partner 3 expresses that reliability could transform into dependency when family and friends start to believe that they have to stay together only because they belong into a family. Both a business partner 2 and a B&B family member 1 indicates that for growth and development reliability is not enough there is also a need for professionalism. While it is acceptable to help family and friends informally, it is also important to be professional when they are working together.

“I want that we are going be one family, one business, one team where we help each other” (Business partner 3)
“I can feel how it is different than when it is time to work” (Family member 1)

Sub-themes: Knowledge sharing & collaboration
Sharing new ideas among partners and collaboration is seen as a beneficial matter, it improves ideas of business growth and development in the longer run. Family members 2 and 3 indicate that for a small B&B collaboration is not only about getting access to resources such as finances through relatives but help in daily operations that are small favors such as picking up guests and relying on family support when some conflicts arise.

There are plenty of benefits, the collaboration is a case, sharing new ideas and debate regarding it is beneficial. (Family member 2)

“I cannot leave my full-time job for a while and I cannot help my bed and breakfast guests, so I rely to other family components like my nephews. And they go to pick up the coming guests. (Family member 3)

Theme: Work experience with family and friends
This theme was derived from perceived benefits when working with family and friends. To analyze both parties’ perceptions we have divided this theme into two categories, positive and negative experiences.

Sub-themes: Positive and negative experiences
From the B&B viewpoint family members 1, 2 and 4 positive experiences were related to implicit roles of business partners when it comes to helping each other in terms of recommending customers, or simply helping one another’s customers to increase customer satisfaction and business profits. Family member 4 has expressed that working with family has improved personal skills such as English language was improved in the B&B.

B&B family members indicate that there is not much of a negative working experience, because the small family firm does not do much business outside the family and main resources used in their daily processes come from close family members and local supermarkets. A family member 2 recalls one incident where they experienced lack of
gratitude by the local restaurant they promoted. A business partner 3 perceives negative working experiences differently. For the business partner it creates negativity when there is lack of balance of workload and partners take one another for granted.

“I believe that is not fair when there is no balance between the workload between the engaged people of the family in the business, since in the end of the month the division of profits is always equal between all of us” (Business partner 3)

“Our cousin noticed that this guest was in difficulties and this is very a valuable benefit we get from our cousin” (Family member 1)

“It has been amazing to improve my English by working with my family. It is fun, but I also learn a lot” (Family member 4)

“Mostly we get resources from supermarket and something little from our nephew. Generally, we do not do business by our larger family, we provide to most of the needs by my close family” (Family member 2)

Theme: Essence of relationships
This theme can be classified as a general perception of relationships. Answers regarding this theme were diverse views. While majority of the respondents considered the principle of a relation based on trust, respect was also observed to be a strong belief of many respondents.

Sub-themes: Trust, stability, length of relationship, belongingness, respect and openness
It was perceived in the interviews that trust is the key driving force behind relationships in general. Stakeholders from both groups, B&B and its business partners, identify trust as the basis of a long-term relationship. Whilst a family member 1 has no logical explanation to the feeling of trust towards partners who are mainly other family members, a business partner 3 clearly expresses that trust cannot be a justification of everything. Similarly, the length of a relationship is also considered important, if it is a short-term relationship with a business partner, trust is not vital or even paid much attention to. In contrast, stability is imperative for a relationship, from the firm’s perspective; stability is a necessity that prevents risks in times of conflicts. Respondents from both groups cited
respect as an unconditional factor for trustworthy relationships. With respect to one another, business partners can avoid conflicts and build long-term relationships.

“Being truthful is necessary for me when it comes to relationships, no matter if family of friends or partners of business is” (Business partner 1)

“If this person I am sure will be with me in the short run I will not give much of my attention” (Family member 4)

“When people behave in disrespectful way I fast recognize it and I avoid those people because they create too many problems to me and my business” (Business partner 3)

“I feel it is a necessity to have a stable relationship between the component of family and between friends” (Family member 1)

Theme: Nature of relationships
This theme was derived from questions concerning various aspects in a relationship. It was observed in the interviews that trust, respect, honesty and friendship are perceived to be the nature of relationship by the B&B, however their business partners expressed discipline and professionalism to be the foremost principles of a relationship.

Sub-themes: Discipline & professionalism
Discipline is imperative from the business partner’s perspective. Two out of four business partners expressed that the relationships with partners is built on professional grounds where punctuality and reliability in terms of keeping promises is crucial. Though friendship is essential as well but without professionalism, as the core principle between partners any relationship is considered weak. Without professional and disciplined attitude, it is difficult to achieve economic benefits, for example through commission and promotion of one another’s business.

“A key aspect for me is that people will keep their promises they make with me; I want them respecting the timetables and agreements” (Business partner 1)
Sub-themes: Respect, sincerity & trust

Three dominant sub themes exited within the key theme of nature of relationship—“respect, sincerity and trust”. One lesser-cited subtheme was friendship, the level of openness among stakeholders. Majority of the B&B family members expressed that trust and sincerity is something related to sentiments and emotions embedded in their upbringing, which they also expect from their business partners. The family member 1 says that without trust and sincerity a relationship is fruitless and worthless, and this perspective has developed over the years through social conventions and media. Another family member 4 mentions that behavior of people can change the way they trust the person and this principle is due to some unpleasant experience from the past. The B&B family relates business relationships to emotions and sentiments; some of the respondents just answered the question by two words “respect and honesty/sincerity” when asked to expand on this answer respondents said two words to explains the nature of any relationship they value. A business partner 3 mentioned that; a relationship is discontinued if a person is disliked, and this principle was taught by his father and further developed by time.

“I believe that the base for any human relationship is the sincerity” (Family member 1)

“If I do not like a person I do not even provide him easily my service of my business”

(Business partner 1)

Theme: Tensions in relationships

The most cited variables for the tensions in relationship were “differences in view”, “respect” and “unprofessionalism” other less mentioned aspects were lack of appreciation and cultural difference.

Sub-themes: Cultural difference, unprofessionalism, respect, appreciation and difference in viewpoints

For the traditional B&B, respect and honesty is the core principle of any relationship. Cultural differences were mentioned as a crucial reason for disagreement. The family member 1 specifically mentions it to be disrespectful, that people from different places
and cultures start conflicts. Primarily, B&B deemed that these disagreements are then
mainly sorted out by comprise. However, respondents frequently expressed that it is
disappointing when partners show lack of appreciation, lack of respect and gratitude is
indeed unacceptable and is uncompromising.
The family member 2 mentions that sometimes friends exploit one another, which result
in conflicts, referring to their business partner whom they use to recommend to their
guest, caused some disappointment due to lack of gratitude. The conflict then resulted in
termination of the relationship and the B&B started their in-house dining services upon
guest request. Family member 4 of the B&B expressed that disagreement among family
generally arise when there is lack of management and coordination in daily processes,
disrespect of time and appointments. From the business partner 1 views, a reason for
disagreements is generally due to lack of innovative thinking among family partners.
While some are ready for a dialogue it often ends up in the most convincing voice to be
heard. Predominantly, it is expressed that small business partners who meet very often
have lesser or no disagreements; however larger partners exploit small firms and are
therefore not trustworthy. The larger partners are normally not native of the town and
hence unaware of value and norms. Often this type of conflicts ends up in breaking the
ties with the partner.

“Since we never asked directly we are fine with that if they (restaurant) respect us by
treating our guests in a very friendly, and without abusing of the fact that they are
foreigners, often and ready to pay much higher prices for example. Anyway, this is a
disagreement because we never asked directly for any commission or benefit even if we
felt in the beginning a little disappointed, but it is over now”
(Family member 2)

“It happened, for example: might look stupid, people that come from different places and
culture makes different and start conflicts, I believe that the compromise is a good
solution” (Family member 1)

“It happened that when we were supposed to work someone take appointment for
something else and this was not appreciated”
(Family member 4)
“Yes, a lot of disagreement, for example when it comes to decide some technical aspects in my business” (Business partner 4)

Summary

Overall the patterns found in analyzing the data were like those found regarding relationships in previous literature. The literature review shows the varying thoughts that different researchers have had about the drive or rationale for the existence of relationships in small firms. Ulaga (2003) and Ghazali (2005) argue that small firm owners rely on the strong ties of family members and close friends as business partners. These ties are both related to financial matters as well as for supportive and emotional reasons.

Authors such as Gomez-Mejia et al. (2007) and Berrone et al. (2012) view relationships as a socioemotional wealth for family’s wish to exercise authority, enjoyment of family influence, preservation of clan membership within the steady, appointment of trusted family members to important stakes and retention of a strong family identity. Based on the study, both the B&B and their external stakeholders (business partners, and family members) view the purpose of having relationships with family and friends as business partners is primarily for two reasons, the tangible and the intangible benefits they receive from them.

This study has revealed that the B&B, and most of their business partners belong to one family and they prefer to work within the family. They can informally ask for financial support from the members instead of the bank. Furthermore, they can ask family members for help with daily business tasks instead of involving external employees. Partners and other family members provide their assistance to the B&B in an informal way, even when they have not specifically been asked for it such as helping if some assistance is required. This is also in line with Saxena & Ilbery (2008), Ahmad & Saber (2015) and Törmälä & Saraniemi (2018) that in an informal cooperation, business partners role is to provide resources that can speed up customer’s operations and enhance business growth. Business partners often play a proactive role, based on personal willingness to offer a firm new ideas and insights on how it can improve its processes and performance. The B&B has the advantage of diverse knowledge and skills from various
external and internal stakeholders; majority of respondents have expressed that knowledge sharing and support has provided growth for their businesses. However, knowledge sharing has also improved personal skills in individuals, the study revealed that young family members who has also helped in the B&B have improved language skills that has also increased self-esteem. Alves et al. (2018) clarifies that knowledge and skill are intangible resources that can allow small firms to outperform the larger hotel chains. Furthermore, it may enhance the establishment and maintenance with key stakeholders. However, stakeholders in B&B are not only maintained because of the skills and knowledge they obtain.

The compelling of findings in this study is the rationale for a relationship, which is trust, respect and gratitude for the small B&B and their business partners. The findings revealed that both group of stakeholders relate these aspects to determine tensions and conflicts. This is in line with Angella & Go (2009) that cooperation demands trustworthiness in relationships. In turn, it grants firms rewards of collaborations to compensate the perceived risk. It is apparent in this study that many tensions and conflicts are overlooked and justified because it involves family members. We argue that this could be the drawback of the business because it may have an indirect effect on the growth of the firm and prevent the firm from making rational decisions. Furthermore, it may also prevent the firm in developing other important ties with business partners outside the community this is corresponding with previous literature (Osarenkhoe, 2010 cited in Tidstrom, 2014). It can be argued that while trust is assumed to be the utmost aspect in a relationship, it is also expressed to be one of reasons of exploitation of one another. Trust in one another creates over expectations and or excessive dependency. Family may rely on one another to help out with business tasks to some extent however, it can be argued to what extent is dependency considered positive. We argue that excessive dependency may result in conflicts if the one of the partner does not live up to the expectations.

The study indicated that small B&B has different kinds of relationship with their business partners. It is more personal, and they meet often in informal settings because most of them belong to the family. The B&B obtains their resources from those close family
members to operate. The closeness of relations and family aspect is the reason that disagreements are overlooked. Moreover, family ties are protected through communication within the family, however if any disagreement arise among friends or external business partners the relationship end up in termination. This could possibly have two reasons. Firstly, relationships to other business partners have no overall effect to the growth or profit of the business. Secondly trust on other business partners than family is weak from the initial stage, hence mistakes is not overlooked.

To conclude it was found in the literature that business networks might slow decision-making in family hotels due to difference in views, and lack of dialogue and leadership skills (Jesus & Franco 2016). This study revealed that the small B&B consider professionalism and discipline to be important and without it a relationship is perceived weak. It was expressed that trust and reliability is not enough, professionalism in doing business is vital too in order to reach business goals. However, for the small family run business in the specific context dialogue and leadership is perceived differently. The difference is that due to cultural context, values and norms, it is conventional to conduct business this way because family values and family support comes above the rationale of monetary or growth benefits.

4.2. Relationship with the Competitor

One out of fourteen respondents are competitors, the manager of a very similar family B&B in the same municipality context. The nature and role of competitor’s relationship with the small B&B in our case is explored with two themes. We are following the coding manual to analyze diverse sides of competitor’s relationships to B&B owners in our case.

**Theme: Benefits of working with family and friends**

This theme was developed to understand the perception of the competitor from the same industry and same cultural and geographical context who is as well a B&B family run and the B&B’s family of benefits both parties gain through relationships with outsiders and insiders their businesses. The theme is composed mainly by three sub themes that
describe intangible in working with family’s members and friends: knowledge sharing and growing together and cooperation.

Sub-themes: Knowledge sharing and growing together and cooperation

The main reason that pushes the competitor to keep going in his business is not mainly financial benefits, the priorities are moreover intangible benefits related to all his all family members, starting from his siblings.

My siblings have been so happy from that experience, they were surprised positively of this opportunity and we have had this idea to startup as well. Our goal is not really the profit but social benefits. To have something to do at home. (Competitor 1)

All the family members enjoy meeting new cultures and get to know about different people with completely heterogeneous backgrounds to improve the family knowledge. Looking at their town through the eyes of tourists it feels different they believed it was underestimated earlier.

“Is like we are travelling around the world without leave our house. [...] My siblings are talking about this at school and a lot of this school mates wanted to come at my place to see, meet this foreign and experience. [...] It is not monotonic, I do with them so much different things. I managed to discover more my family” (Competitor 1)“Tourists help me discover again places around myself, it could sound stupid but thanks I started to appreciate again what is around me, thanks the eyes of tourist I discover how beautiful are the mountains and the Vesuvius what are part of my everyday panorama, I am now fascinated by my hometown thanks the new perspectives by speaking of my guests” (Family Member 3)
Buonocore, A. & Iqbal, S. B.

Theme: Nature and essence of relationships
This theme is a description of the general perception of relationships of the competitor. Motivation behind this theme is to understand perception of competitor on what he bases his relationships.
From the competitor perspective there is agreement that there is fundamental principle on what to base relationship on, particularly in his family business context. The respondent considered the fundamentals of a relation based much on common trust and respect, in society as driver for personal relationships. Those concepts are better explored in the sub-themes.

Sub-themes: Trust & respect
The trust and respect highlighted by the competitor, is meaning something much bigger than simply respect between individuals, but moreover respect and trust in society as a driver for better relationship between the people and places. This perspective is common with the family business of our case. The respondent mentions the culture of Nordic countries when it comes to define the respect and trust in government or society in general.
A benefit the competitor sees is to develop this mentioned culture in his family as value, especially for his siblings who, seem young from his description. So, the B&B is a tool to achieve the development of this complex value (respect and trust) in his family when it comes to relationship code of conduct.

“I really like how they respect me when I am there, and they help me to feel good even on job place. stimulating, and that's way I wanted to develop at my home this culture” (Competitor 1)

“I never felt big disagreement with people we collaborate, maybe something little but it is always being over in short time since everybody has been always respectful with me and my business” (Family Member 3)
Summary

Generally, the outlines utilized in analyzing the data have been according to prior literature in the context of relationships. The literature review shows the views academics have had about the determination or basis for the presence of relationships with stakeholders like competitors.

The general role of the competitor according to Porter (1985) can improve a firm's position in a variety of ways such as share help fight against substitute location where customers could book by cooperation, lend credibility to the new idea of hospitality industry what is the B&B structure. A final contribution of competitors is the figure of motivators especially for family owned businesses like in the case of our family where an internal motivation is to prove to competitors that they succeed against residents who might become easily new competitors.

In location bound firms, such as hospitality and tourism, a relationship to competitors is often defined as coopetition (Kylanen and Rusko, 2011) what happened in our case since our family case cooperate with the competitor in case of overbooking for the long run. Small hotels often cooperate with competitors to access resources they cannot obtain alone, by working together with competitors’ small hotels in rural areas to provide themselves comparative advantage as numerous benefits as our case where there is sharing of knowledge between competitors in this rural context (Kylanen and Rusko, 2011). Trust plays a vital role when establishing and maintaining coopetition as in the case where all the family members and the competitor agreed upon trust (Czernek & Czakon, 2016). The nature of the relationship between the owner of the hospitality company and competitor is balanced between sharing and protecting knowledge relating to the core competencies of the company enhancing comparative advantage.

Coopetition eases competition intensity and improves information exchange, as a result it increases profitability, speed up new development and reduce uncertainty (Jesus & Franco, 2016). In our case, the collaboration between family firm and their competitor is sharing human resources to learn from each other. In the case of how to handle a check in with international customers. Role of this kind of relationship between the competitor and
owner firm is to enable communication and agreements between both parties informally to establish interactions and create effective cooperation through friendship and trust as shared value (Wu, 2014).

To conclude, the common understanding between the two-family business when it comes to philosophy of making business, respect and trust, supported the development of the relationship. Moreover, the competitor is new in the market and the support of the family in our case provide mutual benefit in both. From the competitor side it is knowledge from experienced B&B and from the family business side it is the partnership to handle overbookings from big groups of customers.

The family members and the competitor agreed as well as in Nguyen et al. (2017) states that hotels are crucial drivers of the local tourism economy and local culture of society. What is common is the awareness of cultural contamination to the local society by the presence of international tourist who interact with familiars co-creating value, more than economic, social value in the sense of cultural intelligence, open mindedness and personal growth.

We argue the data collected from the interviews of competitors was not sufficient enough. In terms of their excuse for not participate and or share knowledge related to personal questions. Mainly the reason was personal relationships one another especially when it came to questions regarding the disagreement aspects.

4.3. Relationship with residents

Three out of fourteen respondents are residents living in the same area as the small B&B location. The nature and role of residents’ relationship with the small B&B is understood with four themes. We are following the coding manual to analyze different aspect of residents’ relationships to B&B family.
Theme: Benefits of working with family and friends
Motivation behind this theme is to understand perception of benefits residents and the B&B gain from one another. Variables mentioned frequently are “Understanding”, “inspiration & common vision”, “support”, and “knowledge sharing”

Sub-themes: Understanding, inspiration & common vision, support, knowledge sharing
It was perceived from the B&B family members that the utmost benefits of working with family and friends are the existing understanding and the opportunity to learn more about one another. Equally resident 2 has expressed that working with friends and family especially if they are positive people, gives inspiration and the opportunity to enrich thoughts and change mindset. However, resident 1 has mentioned that family and friends have more confidence in one another, which increases over expectation and result in conflicts.

“I feel it is harder to work with a family mate of friend since they have with me more confidence, so it is easier to have conflicts” (Resident 1)

Theme: Essence of relationships
This theme is categorized as general perception of relationships, which resulted in different views. While most of the respondents reflected the principle of a relationships is based on trust, respect, friendship and belongingness, openness was also mentioned.

Sub-themes: Trust, belongingness, respect and openness, friendship
It was apparent in the interviews that trust is the foremost motivating force behind relationships in general. Trust is perceived similar from the B&B family members and the local resident’s perspectives. Stakeholders from both groups, the B&B and the residents recognize trust to be fundamental in a relationship; since family member 1 has no logical explanation to the feeling of trust, resident 2 link trust to kindness and respect and the basis of a relationship is to be regarded be able to have a dialogue about everything.
“I think one person has to be with me nice, gentle, open mind, this is important, someone you can talk about everything and I can trust in” (Resident 2)

Theme: Nature of relationships

Six dominant sub-themes existed within the key theme, nature of relationships. Trust and kindness are frequently mentioned while other themes are lesser mentioned. This theme was extracted from the answer of the questions concerning various characteristics of relationship. It was noted that trust, respect, kindness, empathy and friendship are perceived to be nature of relationships by the residents but for the B&B, discipline and professionalism were mentioned.

Sub-themes: Discipline, professionalism, friendship, respect, trust, kindness and empathy

Discipline is imperative for residents. Two out of four residents specified, relationships can start professional grounds and discipline, and slowly with time develop through exchange of knowledge, trust in one another and confidence in doing the right job. Although friendship is essential for a relationship without professionalism, as the core principle between the residents and small B&Bs, relationship is measured weak. Resident 1 indicates that a principle learned by time is that a relationship be built on gentle and polite behavior from the other party, while empathy of people in your surroundings is also vital. Majority of the B&B family members expressed that trust and sincerity is something related to sentiments and emotions embedded in their upbringing, which they also expect from others. Residents have a different perspective. For residents, they base relationship on friendship, where trust plays an important role as well, but recognition and sense of accomplishment is also important.

“Like in the case of my neighbor, I do not have any blood relationship, she just live nearby me, thanks to this translating helps, we have closer relationship, since I felt she trusted me and also we had a positive feedback from tourists” (Resident 2)
“Confidence, yes, I think like that, like in my case when someone choose you to translate and communicate between different people I really felt that the owner trusted me, and I felt appreciated for my capabilities” (Resident 2)

Theme: Progress
Residents identified variables falling into category of progress as essential variables defining growth and personal development. The most common variable mentioned was meeting new people; two respondents highlighted this variable important. Other notable variables were increase in employment and growth in local market. Residents may consider these variables as the outcome of B&B businesses.

Sub-themes: Meeting new people, increase in employment & growth in local market
The family members 1 and 2 of the B&B mention that the B&B business has given them an opportunity to explore international culture by meeting different kinds of people. Resident 2 specifies that the B&B business has provided the opportunity of an international exposure for the locals, to meet new people and develop further friendships with them as well as improve individual skills. The B&B businesses have also offered locals with improved social life and growth in local markets. Stakeholders in residents group and the B&B both mentioned that in their rural area tourism and hospitality has provided them more activities. It was mentioned by a local resident 2 that locals are engaged in activities with the B&Bs in their businesses, for example in helping guests booking at their neighbor’s B&B or communicating with them on daily basis in the market.
Lastly residents and family members of the B&B both indicate that the B&B has improved the employment in the area. Resident 2 expresses that because local people operate B&B, young generation in the area can benefit from them in getting jobs at neighbor’s B&B.

“I am going to start an internship in a hotel here and there are a lot of people who are starting new hotels and B&B like my neighbor has a B&B This increase the possibility of employability for us youngsters in this town” (Resident 2)
“There is more communication in English, obviously, because it is the universal language by what everybody can interact, even by a little exchange of information between our guests and the residents of the town” (Family member 3)

Summary

To summarize, overall residents have expressed positive thoughts about tourism and hospitality impact in the society. Generally, the patterns found in analyzing the data were like those found regarding local resident’s relationships in previous literature. The literature review shows the varying thoughts that different authors have had about the impact of tourism and hospitality in the society. Reflecting on the stakeholder theory, some researchers argue that firms should understand the relationships between individuals and how those individuals affect or get affected by the organization (Freeman & Reed 1983; Carroll 1999) while others emphasize relationships between firm and the local community (Kang et al., 2015; Lundberg, 2017; Todd et al., 2017).

The findings have revealed that tourism and hospitality have positively increased residents' perception of B&B businesses because residents have shown the desire to engage in the B&B business. This is in line with Komppula (2014), Saxena & Ilbery (2008) & Yolal et al. (2016) that in rural tourist areas, residents contribute significantly to the local economy by either operating small family businesses or by participating in activities that support local businesses.

Residents appreciate the international environment tourism and hospitality have brought, mainly for two reasons. Firstly, they consider that tourism has brought new opportunities in their small town, which opens doors for them as well to engage in local businesses. Secondly, it’s deemed by locals that tourist interaction has changed their mind-sets to become more globalized and improve their individual skills. According to Jesus & Franco (2016), Saxena & Ilbery (2008) and Bornhorst et al. (2010), social benefits and empowerment of residents can be increased if they participate in businesses. It is also important for the local businesses because resident’s support in making tourists feeling welcomed and embraced and that enhances the overall experience of the tourist and increases the possibility of visiting the place again. Local resident’s repeatedly expressing their interaction with tourist indicate how locals are contributing to B&Bs implicitly.
However, we argue that while local resident in this study have shown contentment by linking the increasing B&Bs trends in the area to their social life, little is discussed from the residents how B&B businesses relate to them. Hence it can be argued that the perception of engagement and participation in the B&B businesses could be one sided by the local community or does relationship between these two exist from both sides.

4.4. Relationship with Local Government
Two out of fourteen respondents are Local Government representative members, the vice Mayor of the municipality and as well member of the Metropolitan City’s Council and another experienced council member of the local municipality in the context of the family business. The nature and role of Local Government representative members’ relationship with the small B&B is explored with two themes. We are following the coding manual to analyze diverse characteristic of Local Government representative members’ relationships to B&B owners.

_theme: Essence of relationships_
This theme can be described as general perception of relationships, which resulted in different point of views. Motivation behind this theme is to understand perception of Local Government representative members on what they base their relationships. From the Local Government representative members prospective respondents agreed there are fundamental principle on what to base relationship, in public administration context specially. The respondents from the Local Government considered the principles of a relation based mainly on loyalty, trust and respect. Those concepts are better explored in the sub-themes.

_sub-themes: Trust, loyalty and respect_
Without these three sub themes the respondents do not see possibility of relationship and future collaboration. Majority of the family business members showed that trust is fundamental, what is missing when it comes to trust in, society and public administration. Loyalty and honesty are mentioned in the answers as key for a productive collaboration from the Local administrators as well as from the Family business members. In the case
of public administrators, there is the awareness of how the power they possess in relationships by their social position.

“...Obviously I have been for so many years been on the spotlight by power being mayor of this town, and might be that people around me could have a hided political or business or personal interest having a relationship with me, I prefer fair, sincere relationships where there I can say the things as are more than how they look like “

(Local Government representative member 2)

Theme: Nature of relationships
This theme is analyzing the nature of relationships between the B&B of our case the Local Government representative members. The forecast of the relationships is mainly on professional level empowered by trust and respect what is translated in different decisions what create consequences for the family hospitality business.

The Local Administrators see the respect of roles and rules as key aspect to develop their policies but in relation with the business of the Hospitality businesses of the town there is no fund spent or planned directly for the sector. They claim a lack of economical and human resources in the municipality even if there are proud of no debts in any form from any municipality balance sheet. From the content analysis of the official balance scorecard of the municipality of the town for 2015-2018 the records regarding: Tourism, Valorization of assets of historical interest, Sustainable development of mountain territory in small municipalities, Public Local Transports, Cooperation and associationism, Economic Development And Competitiveness of Industry and Small and Medium Enterprises, Research and Development for innovations, Employment support, Professional training, Development of the agricultural system and of the agri-food system, International relations and development cooperation is 0 (zero) euros from a total of expenses planned for 84 million of euros for the 2015-2018. Where 2,5 million of euros are reserved to be used for sport and leisure time activities, around 300 thousand euros in cultural activities and different interventions in the cultural sector, what is
mentioned by the family members and the local public administrators as perceived value creator for the coming tourists.

**Sub-theme: Awareness of responsibility**

There is awareness from the public administrator of the opportunities of growth in hospitality business but from the balance sheets there is no prove of support to the industry as well as from the speeches in the interviewees.

“My hometown is in the middle of historical and natural places like Pompeii ruins, Amalfi Coast, Capri Island, Vesuvius and so on and I believe there should be a primary business activity. I believe this strategic position is helping the companies. The problem what I feel is that probably those tourists are visiting our places for too less time, few hours only but I believe it is need at least 15 days only to test a little the beautifulness of this area. I know that a lot of privates are starting up new extra hospitality places like B&B or holidays houses that open their house to the world. This new idea of tourism is much cheaper for who host and who is being hosted”

(Local Government representative member 1)

The problem, from the perspective of Local Government representative member 1, have been the tourists, whose are claimed to stay/ too short time in this area, hours in some cases, just to visit a specific museum or an island. The understanding of reasoning of development of the industry and the economic factors that may push as possibility to charge cheaply for hospitality services. Instead there is a perception of benefits coming by the existence of this new flows of tourists from different perspective like cultural growth or open mindedness.

“Here in south of Italy, where the offer of B&B, holiday house is building up something that will let us change the idea of relationship, when foreign are coming to our town even only for language reason, the interaction between residents and tourists is wealthy, I feel it has started a process of cultural growth, we are at beginning “(Local Government representative member 2)
Listening to local administrator 1 was feeling by the interviewer the complete unawareness of those interviewed of responsibility for future development of the sector, or even the problem is the tourists that stay too less time here and not even trying to develop on why this happen with a critique view, what has been done by the local administrator 2 that said:

“I think we could use the tourism as real resource, much more that what we do now, the problem I see is that there is no a systematic view, there is a missing design from the public institution delegated like the region what is the responsible for tourism development. Tourism is not viewed as organic but segmented, is missing a main coordinator, someone who fix the puzzle, what has been done in Spain 20 years ago in Costa Brava where now tourism is a real industry, here tourism is “artigianale” (handmade), but I mean positively “(Local Government representative member 2)

Summary
Generally, the outlines utilized in analyzing the data have been according to prior literature in the context of relationships. The literature review displays the views that scholars have had about the determination or basis for the presence of relationships with stakeholders like local public government and small companies like our case.

The general role of the local government should be to create an attractive local business environment. The municipal organization’s representation does not show this attitude concerning the hospitality industry and there is no public fund between the balance sheet of the municipality that show this interest, so the aim to encourage increased networking by facilitating the initiation of exchange among local businesses and local institutions is missing. The Republic of Italy, according to its constitution, recognizes the social function of cooperation of a mutualistic, non-speculative nature, shortly cooperative advantage facilitator what is in somehow represented by the sponsoring of those traditional parties what are well appreciated by the family business since is an opportunity to co-create value with their customer.
According to Pittaway et al. (2004), the definition of third party involvement that should be most representative of the role of the municipal organization, should be the neutral knowledge broker. The Local administrators show these difficulties as well between the huge complex bureaucracies what make their role vital as neutral knowledge broker, what in true is not neutral since the administrator 1 explains how he managed to open a profitable consulting business by his knowledge regarding complex government regulation. In fact, according to family member, this private consulting business was called to support the starting up of the B&B of our case since there is a friend relationship between the administrator 1 and the family of our case. In the study of Pittaway et al. (2004) the local government should lay the basis to develop a formal networking structure with small enterprises what in our context is completely absent, the network is based on private relationships sometime even with private business mindset instead of following public interest. According to Kirkels and Duysters (2010), the non-profit sectors like public authorities are much more effective than any other stakeholder involvement, by their neutral nature and disinterest when it comes to financial gain, than any other stakeholder involvement and that's how according to the local administrator 2 the networking between public authorities from different levels and public companies does not work as showed already by Della Corte & Aria (2014) in the context of Metropolitan city of Naples.

To conclude, according to Kirkels and Duysters (2010), high growth in small enterprises is identified to possess larger network intensity and network variance than low growth companies. Moreover, the presence of public authorities has been identified to facilitate networking by increasing levels of trust, data transfer and disposition for cooperation between network actors (Burt and Knez, 1995) what is recognized by the public administrators interviewed but there is no track of change in their speech or in their decisions regarding the policy to fund for last and next year. The family members and the public administrators agreed as well as in Nguyen et al., (2017) states that hotels are crucial drivers of the local tourism economy. What is new is the awareness of cultural contamination to the entire society by the presence of international tourist who interact
with locals co-creating value, more than economical, value in the sense of cultural intelligence, open mindedness and personal growth.
5. Conclusion
Last of all, this section presents the conclusions of the entire Case study. Additionally, the section confers critical reflections regarding the research and implications, as a result future research suggestion are specified, right after the limitations.

This thesis shows insights into the specificities of relationships of external stakeholders in the Southern Italian context with a small family run Bed and Breakfast (B&B). Through a literature review that combined stakeholder theory with family business literature and related theories as the socioemotional wealth theory, a theoretical framework was developed. This theoretical framework explains among other things nature and role of relationships of four key external stakeholders, business partners, competitors, residents and local government, all with the small family run B&B in Hospitality Industry.

According to our problematization and based on the theoretical framework, the research model was outlined. Family firm’s relationship, especially in the Southern context of Italy, are characterized by closeness, where relationships play an important role and strong family bond and family values are vital for a person’s identity. Yet research so far has been divided whether these types of relations are allowing the firm to survive and prosper, given the long-term orientation of these relations, or do they drag down the family firm and don’t allow them to grow (Crocetti & Meeus 2014; Pradhan & Ranajee, 2012; Habbershon et al., 2003; Dyer, 2006; Gomez-Mejia et al., 2007; Gomez-Mejia et al., 2010; Berrone, et al., 2010). Hospitality firms have several interconnected relations to individual stakeholder on numerous levels (Kylanen and Rusko, 2011). Most researches so far focus on relationship marketing in the consumer market (Adjei & Clark, 2010), as well as from a business to business marketing perspective in general (Velazquez et al., 2014) and has primarily focused on the value creation as an outcome (Grönroos, 2011). It was therefore deemed important to understand how relationships in small family firms in Southern Italian context, where relationships are built on personal level, are perceived, as well as understand the involvement of these stakeholders with a small family firm. The nature and role of these specific relationships can either contribute or limit value creation,
therefore it was also deemed important to explore processes of these specific relationships. To answer the research question “How does the role and nature of external stakeholders’ relationships create perceived value with small family business” the researchers collected data through interviews.

For the purpose of this research, 14 stakeholders were interviewed in Italian, Neapolitan (local language) and English. All participants were native Italian indicating similar cultural background and coming from the same geographical context, the Metropolitan City of Naples. Four of the respondents were member of the small B&B, all belonging to one family. Meanwhile four were business partners, belonging to the extended family as well but not immediate family. Three residents were also interviewed living in the same area, two local government officials and one competitor of similar small B&B business. All the participant has been living the area for almost all their life and majority had only being involved in one business with family and friends.

The researchers sensed during the data collection and analysis that family togetherness and long-term relationships to one another influenced when conducting business and families prefer other family members over non-family members in their network, corresponding with the previous literature (Gomez-Mejia et al., 2007; Berrone et al., 2012).

The researchers also discovered that mostly tensions were overlooked if they were between and within family members because the existing understanding in families influence business relationships and has an effect on decision-making. Families are bias in their decision making rather than being rational in for example when overlooking mistakes made by family members. This could mainly be because family members knows that they are preferred over external stakeholders. Furthermore, the existing understanding and forgiveness between family members defuse tensions when they arise. The unconditional trust and understanding seem as the utmost important aspects when creating value in small family run businesses according to the emerging findings.
The findings of the data indicated that tourism and hospitality has changed lives of the residents of the town, the increasing number of incoming tourists has provided locals with an opportunity to transform their homes into small B&Bs. The B&B’s relationship to their external stakeholders is indirectly related to perceived value creation. Firstly, resident’s daily pleasant interactions with tourists contributes to the B&B indirectly, the emerging findings from the data suggest that residents’ willingness to please tourist is related to their interest in globalization and international experience and it also benefits the hospitality industry because tourist who receives warm welcome are likely to return to the same destination this is in line with (Komppula, 2014; Saxena & Ilbery, 2008).

Business partner's contribution is through informal cooperation in terms of helping with daily operational tasks and providing resources that can speed up the operation processes for the B&B in line with Sardo et al. (2018) that intangible resources such as human capital allow small firms to outperform the larger hotel chains. The emerging data suggested that majority of business partners belong to one family and they prefer to work within the family instead of involving external support in line with Gomez-Mejia et al. (2007) and Berrone et al. (2012) that small family firm prefers to work within close member of a big family. Partners and other family members provide their assistance to the B&B in an informal way, even when they have not specifically been asked by the B&B for it. Findings also suggest that knowledge that is shared among the entire network enhances individual stakeholders’ quality of daily life, as a result aid to the business growth. Cooperation such as Informal assistance and exchange of resources especially within the family network is found to be the driving force of value creation. In the context of the family run B&B knowledge creates opportunities for growth of business as well as improves personal skills in individuals. Moreover, it is also a factor of cooperative advantage as it enhances the quality of both the individuals in the network and relationships itself. This is also in line with (Strand & Freeman, 2015).

The data collected reveal that competitor and the local government as the external stakeholder have an implicit contribution to the small B&B. Firstly the B&B engage in relationship with competitors to obtain resources they can use in their business operations
to create value for their customers reciprocally. Secondly, the collaborations are developed for the purpose of long term relationship based on informal meetings. Role of relationship between the competitor and owner firm is to enable communication and agreements. Both parties informally establish interactions and effective create cooperation through friendship and trust as shared value which, enables the small firm to provide customers accommodations in peak seasons. These findings are in line with the previous literature that small firms especially small hotels often cooperate with competitors to access resources they cannot obtain alone (Kylanen and Rusko, 2011; Jesus & Franco, 2016; Wu, 2014). The data also suggested in line with previous research that by working together with competitors’ small hotels in rural areas provide themselves with numerous intangible benefits. The benefits are mainly sharing of knowledge and competencies (Kylanen and Rusko, 2011; Kang et al., 2015; Lundberg, 2017).

Although for the local government the findings from the emerging data suggests that the local governments representative’s intangible benefits of working with small family firms are related loyalty and commitment while they do not have any tangible benefits from working with the B&Bs. There is a clear distinction between local government and the B&B’s perception of one another’s role in relation to perceived value creation. The data suggests that while the local government’s contribution to the value creation perceived by the B&B is essential in terms of financial funding and more engagement to create networking among competitors and business partners. The local government is only contributing in overall cultural festivals for residents that occasionally attract indirectly also tourists. This finding is not in line with previous literature that suggest the presence of public authorities has been identified to facilitate networking by increasing levels of trust, data transfer and disposition for cooperation between network actors (Burt and Knez, 1995). The findings suggests that small family firms are engaging solely in networks create by their own, since in this direction the local government is absent.

Primarily, the study shows that value is created through engagement in relationships, all groups of stakeholders perceive relationships important and base relationships on two main principles, the tangible and the intangible benefits. The former aspect is related to
financial support from family and friends and expecting one another’s help with daily operational tasks. The latter aspect is related to the existing understanding, common vision and collaborative support. Through these benefits, stakeholders involved in the business create value for one another and all these aspects tangible and intangible facilitate the process of value creation.

The emerging findings also reveal that relationships are driven by social value empowered by trust and respect rather than financial value in line with (Gnyawali & Park, 2011; Wu, 2014). Furthermore, the findings also suggest that individuals who are involved in the B&B business or are living in the area in the small-town trust one another and are directly and indirectly empowered by the exchange of knowledge that is shared among various stakeholders including tourist who is visit the place. Previous literature suggest that information and knowledge can improve processes of businesses and also enhance individuals personal interests (Ahmad & Saber, 2015; Wu, 2014).

Mainly, the outcomes of this research confirmed what explained by the framework of Triple Bottom Line: firms, that evaluate performance in a broader perspective considering social, environmental and also economic bottom lines, create greater business value, not limited to financial value (Tyrrell, Paris & Biaett, 2012). Generally, the tradition of tourism industry is to measure their value to the stakeholders by financial and economic factors even though every stakeholder of that context is affected on a daily basis through a broad variety of impacts (ibid). The data also revealed that stakeholders in the entire network are maintained, due to the close family tradition of togetherness where trust, respect and gratitude are the foremost determines of a relationship. Summarizing the conclusion, we have developed an updated theoretical framework as output of our exploration in this case study.
5.1. Critical reflections

Generally, the research had a satisfactory response rate, since all population for family business members, residents and business partners participated, plus 20% of competitors of the firm, one of five, and 50% of local government representative members requested participated.

The data that emerged from the empirical research suggests that the small family run B&B build their relationship on two fundamentals, the tangible and the intangible benefits. The former drive is related to informal assistance of daily tasks and emotional support to one another. The latter aspect is related to financial support and physical reliability on one another, this is consistent with Saxena & Ilbery (2008), Ahmad & Saber (2015) and Törmälä & Saraniemi (2018).
The data also suggests that among all stakeholders, trust and respect is the utmost aspect of a relationship this is also in line with previous findings Ulaga (2003) and Ghazali (2005), Gomez-Mejia et al. (2007) and Berrone et al. (2012). The previous literature identifies that excessive trust and cooperation may leave a firm open to the risk of exploitation by its cooperative partners, because an over trusting partner can become an easy target for the exploitation (Gnyawali & Park, 2011; Wu, 2014). However, the findings of this research are divergent, excessive trust in one another especially cooperative partners do not open to the risk of exploitations but assist in solving problems in times of conflicts. This could possibly be because cooperative partners are either close friends or family members, hence trust is not something that is built through a rational thinking but is the base of a relationship and deep rooted in both parties’ upbringing. Furthermore, among families, trust and respect is embedded in their relationships and is not built over the time with stakeholders through working with them. This also generates a divergent result compared to the previous findings by Murthy & Paul (2017), which observes that trust on suppliers depends on performance of the supplier.

Our findings also propose that small family businesses overlook mistakes if close family members make them. Because there is a fundamental understanding of forgiveness, hence compromises are made in order to protect one another. Hence trust is not only determined of business partner’s performance in this specific case of small family firm. This could be due to the context of the business in line with Ghazali (2005) who suggest that small family firm rely on strong family ties, especially during the early years of their businesses. Moreover, findings emerged from the data indicate that the context of our research the small family hospitality business in Southern Italian town is different than previous literature where firms-built network to survive or grow (Crocetti & Meeus, 2014; Pradhan & Ranajee, 2012; Habbershson et al., 2003; Dyer, 2006; Gomez-Mejia et al., 2007; Gomez-Mejia et al., 2010; Berrone et al., 2010). The context of our research suggests that familiness, togetherness and protection of the family identity are the utmost aim of involving family members in business relationships. The findings discovered that this small family run businesses in the Southern Italian context, is exceptional due to cultural where values and norms, outlined in the data analysis as “respect”, comes above
the rationale of monetary or growth benefits this, is also in line with socioemotional wealth theory (Gomez-Mejia et al., 2007; Berrone et al., 2012).

The emerging findings from the data indicate that tensions and conflicts are only overlooked and justified if it involves family members, corresponding previous literature (Gomez-Mejia et al., 2007; Berrone et al., 2012). Family involvement was found to be intense in this specific case, the small family run B&B conduct their main businesses with close members of the family and have no overall relationship with non-family members. Jesus and Franco (2016) identifies that excessive family involvement could be a drawback for small businesses because it may have an indirect effect on the growth of the firm and prevent the firm from making rational decisions. However, the findings suggest that the small family run B&Bs does not consider business relationships important with non-family members strong. Possibly since relationships to other business partners than close family members have no overall effect to the growth or profit of the business. Mainly, small B&Bs are run on very small scale and desire for growth is not their primary aim. Secondly trust on other partners than own family members is weak from the initial stage, hence mistakes made by non-family members are not overlooked.

Furthermore, it was observed in the emerging findings that all stakeholder groups perceive relationships to provide social benefits and empower by exchange of knowledge and skills this is corresponding with previous literature (Jesus & Franco, 2016; Saxena & Ilbery, 2008; Bornshorst et al., 2010), social benefits and empowerment of residents can be increased if they participate in businesses. However, we argue that while stakeholders may feel that they are committed to the B&B and are empowered by participating in the business it can be argued that the perception of engagement and participation in the B&B businesses could be one sided. Predominantly because intention of the B&B towards for example local residents is not to empower them or involve them in activities of their business, residents are involved naturally because culture in that specific area bring communities together. This also justifies why families help one another out of their ways and provide assistance when needed.
To conclude it is not feasible to compare nature and role of various group of stakeholders with all small family run B&Bs. Current research emphasizes on a specific context where relationships are built on certain aspects, it is possible that similar business in another part of Italy would differ in the nature of relationships. However, this research provide insight to how businesses can relate to external stakeholders in order to create value, whether it is through helping out one another with daily operational tasks or emotionally supporting one another in times of conflicts.

5.2. Theoretical contributions

In the previous research, as explored in the theoretical framework, there is a gap regarding stakeholders’ relationships in small family run hospitality businesses in the Southern Italian context. Furthermore, the changing trend of the hospitality industry from big hotel chains to small family owned and run B&Bs, it is deemed important to understand nature of the specific relationships that are related to perceived value.

In addition to the above results this research contributes to the family business and stakeholder literature in several ways. Firstly, to the family business literature as Gomez-Mejia et al. (2007), Gomez-Mejia et al. (2010) and Berrone et al. (2010) proposed a theoretical formulation, which they described socioemotional wealth. Socioemotional wealth emphasizes togetherness and preservation of clan and family identity. Using a small sample of a very specific context this research contributes to the empirical literature on family business especially the socioemotional wealth by answering the research question “How does the role and nature of external stakeholders’ relationships create perceived value with small family business”.

The results of this research show how a small family run B&B preserve clan and family identity and also perceives it important especially in the specific context of hospitality in Southern Italy. However, it is also critical to understand that this may also drawback the firm from growth especially in the context of small hospitality firms that are completely run by family members. An important contribution to the family firms’ literature is that not all family members in the business can enhance value creation, hence preservation
and protection of the family identity should be practiced along with a rational thinking of advantages and drawbacks of not involving non-family managers and employees in the business.

Secondly according to Jesus and Franco (2016), Lundberg (2017) and Wu (2014) relationships with stakeholders are built on the pursuit of mutual interest and benefits expected benefits are predicted on trust and reciprocity. Using a small sample of four groups of stakeholders this research provides insight into the specificities of stakeholders’ relationships and their roles towards a small family run business. This research contributes to the stakeholder literature by providing an empirical finding about influencing aspects about stakeholders’ relationships, and in addition, presents how diverse stakeholders in a small B&B firm, especially in the Southern Italian hospitality context where relationships are perceived differently relates to perceived value.

This research explores that individuals in a family firm can be empowered by working with one another and an increased empowerment can lead to growth in business through improved personal skills of individuals working within the firm.

Another important contribution is to the stakeholder literature regarding stakeholder relationship. This research shows that it is not always important to maintain relationships in the small family firms since relationships are embedded in the network as a part of cultural value and norms. Therefore, they do not need to be maintained from time to time.

However, it is important for small firms to understand that actions of B&B such as exchange of knowledge and empowerment of stakeholders is vital because it also increase self-esteem in individuals involved in the small business.

The notion of nature of relationships has not been researched thoroughly to the researcher knowledge since relationships have been seen through the lens of benefits and gains. The current research aim to deliver fresh perspectives on relationships, which sees beyond the benefit and drawback and seek to understand relationships from a cultural context considering value and norms of a specific stakeholder’s culture.
5.3. Practical Implications

Hospitality in Italy has considerably more to offer than just luxury hotels chains. Small family run hotels and B&Bs are rapidly increasing, allowing tourists to book rooms at local farms, dine home cooked meals and receive recommendations from locals regarding site seeing and how to avoid crowds (Thurston, 2014).

The practical implications of this research are several; Firstly, for the hospitality industry in Italy this research can contribute to a deeper understanding and importance of small family run B&Bs in rural areas. This research provides insight of one small family run B&B that has transformed their home and their lives as service providers. Policy makers in the hospitality industry can use this research to understand the importance of engaging families in small B&B business and facilitating resources for families who wish to engage in B&B business.

Secondly this research provides B&Bs owners and or small family run hospitality industry with knowledge about various groups of stakeholders. Along with the family firm itself this research base its stakeholder selection on Parker et al, 2015 and Freeman & Reed, 1983. This research identifies four external groups of stakeholders (business partners, competitors, residents and local government). Small family run B&B industry can have an insight on benefits and drawbacks of cooperation with various external stakeholders such as the tangible and the intangible benefit, and the cooperative advantage. An important implication of this research is that owners in the family firms run B&Bs can also start to appoint non-family members to business such as local residents living in the area who are not family members but belong to the community. This research has discovered that local residents have the willingness to engage and learn from the B&B, so the owners can use this opportunity as this could also bring diverse perspectives into the business.

Furthermore, an implication of this research is that this study provides small family run hospitality industry with insight about local residents living in the area. This research has discovered that local residents are the most affected by the B&Bs in their small town. The hospitality industry in small rural areas can implement policies regarding more
engagement of local residents in tourism and hospitality in local areas to create cooperative advantage of the area, tourism business is mainly sustained by social networks that clearly link to residents for jointly promoting and maintaining the economic, social, cultural and human resources of the localities in which they appear. Relationships are therefore formed with the residents to benefit the business and the role of residents in different activities is considered essential in the tourism and hospitality context this is corresponding with (Komppula, 2014; Saxena & Ilbery, 2008; Yolal et al., 2016; Bornhorst et al., 2010; Lundberg, 2017).

Finally, this research provide insight into nature and role of relationships in a specific context of Southern Italian small hospitality industry. Researcher in this field can use this study to further develop theories and researches about different stakeholders’ role in small family run hospitality firms.

5.4. Limitations
This thesis, as all researches, has some limitations. In our opinion, there a is limitations to some extent to the context of the research what generate logically limitation in terms of sampling, this focus made the job more complex since the limited geographical context. Overall, since there are selected four stakeholders, the research result could have reflected a bigger picture by considering rest of the stakeholders like customers, local NGOs, environment and others. The opinion of the excluded stakeholders is also of high importance, however, in order to follow up on the answers from the interviews, following literature as well who highlight some stakeholders more than others in our specific context of family business in hospitality industry (Saito & Ruhanen, 2017; Parker et al., 2015; Lundberg, 2017; Kang et al., 2015) and the limited time horizon (Bryman & Bell, 2015) let us select not all the possible stakeholders according to Freeman & Reed (1983).

The sample was interviewed mainly in Italian and Neapolitan (local language) and only one interviewed was conducted in English. The content analysis of the official documents from the government were also only available in Italian. Therefore, it limited one of the researchers to be part of the interviews.
The hospitality firm in our case study was not explored earlier in a way that was relevant for this study, therefore the base of this research is on data collected through interviews. Furthermore, given the nature of family firm structure there were no reports related to our study such as code of conduct or organizational structure, hence it was difficult to evaluate the firm on the basis of reports.

Moreover, the selected family firm belong to a very specific context and therefore generalization outside of this specific context of Italian family run firms is not possible. Another limitation of this study is the selection of business partners. Since the focus is on human relationship, the relationship based on human-machine as the relationship between the hospitality business and the online booking platforms were excluded.

Another limitation concerning the qualitative data coming from interviews is that the respondents might have misunderstood the questions since the interview guide has been formulated in English but then translated in Italian and Neapolitan. This might affect their answers to the questions about their perceptions.

Finally, the content analysis of different official papers from municipality regarding balance sheets and expenses along with interviews were conducted face-to-face and by phone. To be sure to research the underlying information as well as consider the non-verbal communication, the reliability could have been increased by conducting all interviews face-to-face or via video call.

The timeframe, for the entire thesis, was fixed to ten weeks, therefore the data collection in this time frame was rather organized into two weeks of work in the Metropolitan City of Naples. There could have been a larger willingness to participate in the research from the competitors, if the time frame was in a low season part of the working year like winter. To gain a deeper in depth into the stakeholders’ relationships with the family business in the hospitality industry, 16 questions were asked for the interview. To have a broader result, more follow up questions could have been used however, that might also decrease the willingness to take part in the research due to timing constraints of the participants.
5.5. Future research suggestions

The research focus on stakeholders’ relationships with the family business as residents, business partners, competitors and local government. Future research recommendations are provided. Primarily, for a more reliable research it is suggested that a future research would consider more competitors. Develop the future research in a low season of the year for the hospitality industry in this context might help to reach more competitors. Additionally, to gain even more broad understanding of the result it could be efficient to select participants for the interview who are fully able to answer in English, what in this research was not possible. Surely, it is also deemed important to investigate also the high-tech stakeholders. Such as the business partner with whom the relationship is based on a human-machine interaction, as in the case of hospitality industry between the hotels manager and the website of the booking platforms.

Furthermore, another area of research could be a comparative study between family run businesses and non-family run businesses. How their relationships to various stakeholder differ in terms of creating value.

A proposition is to conduct a mixed method, where the hotels managers participate in a survey using quantitative method to measure the value by the paradigms of the Triple Bottom Line related literature. By building an effective survey that could be useful to make a qualitative study in advance where interviewing hotel managers from family run and not family run businesses are protagonist.

A future research suggestion is to conduct a comparison study between different firm cases in diverse contexts like North European and South European countries or Developed and Developing Countries.

Finally, this research observed nature of relationships in small family run hospitality business. Looking into the specificities of relationships. However, relationships are also important in large family businesses it could therefore be considerably important to explore nature of relationships in larger family firms. To explore and understand whether larger family firms in similar context also emphasizes family value and norms over monetary benefits.
6. Reference List

This section shows the quoted references listed in alphabetical order:


Gnyawali D.R. & He J. (2006). Impact of co-opetition on firm competitive behavior: an...


Buonocore, A. & Iqbal, S. B.


7. Appendix
This section contains the appendixes of the master’s thesis.

7.1. Interview guide
Legend: (1) question related to the relationships to local/regional municipality, (2) question related to the relationship to competitors, (3) question related to the relationship to business partners, (4) question related to the relationships to residents, (5) question related to the Family members of the family firm.

Introduction of the research:
Hello, we are two graduate students from Kristianstad University, studying MSc in Business Administration specializing in International Business and Marketing. We are conducting a research for our master thesis about the role and nature of relationships in small family run businesses in southern Italy. For this purpose, we would like to ask you few questions regarding this topic. For the data analysis we will be recording this interview. The recording will be just for transcription and analysis and these interviews will remain anonymous to protect the identity of the participants. We will keep anonymous your identity and we will avoid your Name in our transcriptions.

Background:
Tell us about yourself? Age, Profession (1)(2)(3)(4)(5)
How long have you been in this business? (for local government working years engaged with public sector)?(1)(2)(3)(4)(5)
How long have you lived here? (1)(2)(3)(4)(5)
How has tourism changed your town and your everyday life? (1)(2)(3)(4)(5)
Main question: What is important for you in a relationship with a friend or family relativities? (1)(2)(3)(4)(5)
Benefits aspect:
General question: How does doing business with a family member bring benefit to you? (1)(2)(3)(4)(5)
Main question: Can you mention two positive experiences and two negative experiences you have had when doing business with a friend and/or family member? (1)(2)(3)(4)(5)
What do you think has improved more tourism in your areas? Why? (1)(2)(3)(4)(5)
Is this your first time working with a family run business? (3)(5)

Nature of relationship aspect:
Main question: How was that aspect developed? (1)(2)(3)(4)(5)
Follow up question: Has this feeling being like this from the beginning or has it changed over the time? (1)(2)(3)(4)(5)
Do you believe that trust is important in a relationship with a business partner/firm/friend/family? (1)(2)(3)(4)(5) (if the participant does not mention trust as an aspect)

Disagreements aspect:
General question: Can you reflect on a disagreement you have had with a business partner? (2)(3)(5)
Main question: Why did these disagreements arise? (1)(2)(3)(4)(5)
Follow up question: How did the disagreement end up? (1)(2)(3)(4)(5)

Final question
Is there anything else that comes to your mind? (1)(2)(3)(4)(5)
Thanks for your time
## 7.2. Sample Selection Table

<table>
<thead>
<tr>
<th>#</th>
<th>Length (minutes)</th>
<th>Gender</th>
<th>Age</th>
<th>Nationality/ Metropolitan city</th>
<th>Profession</th>
<th>How this person is related to the family/family business?</th>
<th>Language</th>
<th>Any other specificities of importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>25</td>
<td>Female</td>
<td>19</td>
<td>Italian/Naples</td>
<td>Student + B&amp;B manager</td>
<td>Member of the family and family business</td>
<td>Italian</td>
<td></td>
</tr>
<tr>
<td>2</td>
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<td>Female</td>
<td>45</td>
<td>Italian/Naples</td>
<td>Housewife + B&amp;B manager</td>
<td>Member of the family and family business</td>
<td>Italian</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>22</td>
<td>Female</td>
<td>56</td>
<td>Italian/Naples</td>
<td>Driving Teacher + Handicraft Artist</td>
<td>Neighbor/ Resident</td>
<td>Italian</td>
<td>He hosts guests in his restaurant from the B&amp;B</td>
</tr>
<tr>
<td>4</td>
<td>30</td>
<td>Male</td>
<td>32</td>
<td>Italian/Naples</td>
<td>Entrepreneur in Food Industry</td>
<td>Cousin/ Business Partner</td>
<td>Italian</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>30</td>
<td>Male</td>
<td>55</td>
<td>Italian/Naples</td>
<td>Administrative assistant + B&amp;B manager</td>
<td>Member of the family and family business</td>
<td>Italian</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>30</td>
<td>Female</td>
<td>22</td>
<td>Italian/Naples</td>
<td>Student</td>
<td>Neighbor/Resident</td>
<td>English</td>
<td>Student of English and German language</td>
</tr>
<tr>
<td>7</td>
<td>5</td>
<td>Female</td>
<td>30</td>
<td>Italian/Naples</td>
<td>Touristic Tours agent B2B and B2C</td>
<td>No/Business Partner</td>
<td>Italian</td>
<td>She takes care of the partnership with the B&amp;B regarding the sales of tours</td>
</tr>
<tr>
<td>8</td>
<td>30</td>
<td>Male</td>
<td>32</td>
<td>Italian/Naples</td>
<td>Renting and Bar Manager</td>
<td>Cousin/Business Partner</td>
<td>Neapolitan</td>
<td>He supports the B&amp;B with supply chain of Drinks and Logistic</td>
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<tr>
<td>9</td>
<td>20</td>
<td>Male</td>
<td>36</td>
<td>Italian/Naples</td>
<td>Military</td>
<td>Neighbor/Resident</td>
<td>Italian</td>
<td>He lives in the same building where is the B&amp;B</td>
</tr>
<tr>
<td>10</td>
<td>45</td>
<td>Male</td>
<td>51</td>
<td>Italian/Naples</td>
<td>Law Consultant + Politician</td>
<td>Friend/Local Government</td>
<td>Italian</td>
<td>He helped the initial bureaucracy of the company</td>
</tr>
<tr>
<td>11</td>
<td>30</td>
<td>Female</td>
<td>55</td>
<td>Italian/Naples</td>
<td>Housewife + Handicraft Artist</td>
<td>Friend/Business Partner</td>
<td>Italian</td>
<td>She sells those handmade products to tourist by B&amp;Bs</td>
</tr>
<tr>
<td>12</td>
<td>45</td>
<td>Male</td>
<td>14</td>
<td>Italian/Naples</td>
<td>Student</td>
<td>Member of the family and family business</td>
<td>Italian</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Italian/Naples</td>
<td>Finance Consultant + Politician</td>
<td>Friend/Local Government</td>
<td>Italian</td>
<td>Elected in the top management council of the Metropolitan city of Naples and of the local Municipality as vice mayor</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>45</td>
<td>Male</td>
<td>47</td>
<td>Italian/Naples</td>
<td>Finance Consultant + Politician</td>
<td>Friend/Local Government</td>
<td>Italian</td>
<td>Elected in the top management council of the Metropolitan city of Naples and of the local Municipality as vice mayor</td>
</tr>
<tr>
<td>14</td>
<td>45</td>
<td>Male</td>
<td>45</td>
<td>Italian/Naples</td>
<td>Entrepreneur in Flower Industry + B&amp;B Manager</td>
<td>Competitor</td>
<td>Neapolitan</td>
<td>There is a collaboration between those B&amp;Bs</td>
</tr>
</tbody>
</table>

*Table 5: Sample Selection Table*
### 7.3. Qualitative analysis Codebook Table: Nodes by Nvivo

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
<th>Files</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Benefits of working with family &amp; friends</strong></td>
<td>Professionalism, learning balance, growing together, inspiration, collaboration, financial benefits, favors, support, knowledge sharing, common vision,</td>
<td>9</td>
<td>33</td>
</tr>
<tr>
<td>Collaboration</td>
<td>There are plenty of benefits, the collaboration is a case, sharing new ideas.</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Common vision</td>
<td>It is amazing if there is common understanding and cooperation. I have had the possibility to really know and appreciate my family mates.</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Favors</td>
<td>Family is welcome to help in basic tasks</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Financial benefits</td>
<td>Practically I benefit for example getting money to finance my own business asking family instead of banks</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Growing together</td>
<td>I feel I am having better and more topics to talk with my wife, for examples, I feel busier with my family,</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Knowledge sharing</td>
<td>Sharing new ideas and developing skills</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Learning balance</td>
<td>I can feel how it is different than when It is time to work.</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Professionalism</td>
<td>Working with family help discover new aspects.</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Reliability</td>
<td>Collaboration is much better and inside the family is much easier to cooperate.</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Security</td>
<td>Confident in case of troubles or conflicts to solve.</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Support</td>
<td>Feeling of confidence when conflicts</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Understanding and inspiration</td>
<td>I think when you are surrounded by positive family members who are ready to make new things because you can change your mind thoughts.</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td><strong>Essences of relationships</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance</td>
<td>It is fundamental to have a great communication and exchange all the business information between each other.</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Belongingness</td>
<td>It is important to be in relationship between friends and or family components.</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Friendship</td>
<td>The most important thing is Trust, the sincerity is a key point for me in relationship, being always truthful if helps for long-term relationships</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>----------------------------------------------------------------</td>
<td>----</td>
<td>----</td>
</tr>
<tr>
<td><strong>Length of the relation</strong></td>
<td>Depends, if a person that I am sure will be in the long term with me I will take care and think if I can trust this person. Otherwise, if this person I am sure will be with me in the short run I will not give much of my attention.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Loyalty and commitment</strong></td>
<td>Loyalty and honesty, I believe that a relationship must be true</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Respect and openness</strong></td>
<td>I feel it is a necessity to have a stable relationship between the component of family and between friends,</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td><strong>Stability</strong></td>
<td>Relationship between the component of family and between friends, even if maybe more in the family because it is where I live on in my case also where I work</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Togetherness</strong></td>
<td>It is fundamental for me the trust.</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td><strong>Nature of relationships</strong></td>
<td>Sincerity, trust, compassion, ethics, discipline, honesty, confidence</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Confidence</strong></td>
<td>I feel trusted and appreciated</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Discipline</strong></td>
<td>Necessary for me when it comes to relationships, no matter if family of friends or partners of business is.</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Fairness</strong></td>
<td>I base everything on fairness, trustful and education.</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Friendship</strong></td>
<td>Friendship, I believe it is necessary a constant confrontation between different ideas.</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Kindness and empathy</strong></td>
<td>Gentle and polite, or at least friendly since it is easier to be in relationship than. It is important to be empathic is fundamental.</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Professionalism</strong></td>
<td>It is based on professional relationship but also between friends and even some family relations between the workers of the company or between different hotels managers who are from same family.</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td><strong>Respect</strong></td>
<td>Respect and honesty, If I do not like a person I do not even provide him easily my service of my business,</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td><strong>Sincerity</strong></td>
<td>The base for any human relationship is the sincerity.</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Trust</strong></td>
<td>As the basis of having a relationship</td>
<td>10</td>
<td>11</td>
</tr>
<tr>
<td><strong>Progress</strong></td>
<td>Feeling of improvement</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td><strong>Business opportunity</strong></td>
<td>Our goal is not really the profit but social benefits. To have something to do at home.</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Cultural growth</strong></td>
<td>I feel it has started a process of cultural growth, we are at beginning.</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Feeling of</strong></td>
<td>Have been so happy from that experience, they were</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>change</td>
<td>surprised positively of this opportunity and we have had this idea to startup as well.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------------------------------------------------------------------------------------</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>growth in local market</td>
<td>Also, from an economic perspective, I see a growth of sales of different local products since</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Increase in employment</td>
<td>This increase the possibility of employability for us youngsters in this town.</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Meeting new people</td>
<td>Exchange of knowledge, exchange of skills,</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td><strong>Tensions in relationships</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultural difference</td>
<td>Different working style, lack of understanding of values</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Difference in views</td>
<td>Lack of understanding, causing growth and innovation, corruption</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Lack of appreciation</td>
<td>No-mutual benefits, feeling of being used</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Lack of respect</td>
<td></td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Unethical behavior</td>
<td>Indirect way to do something wrong</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Unprofessionalism</td>
<td></td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Work experience with family and friends</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative experience</td>
<td>Over expectations, exploitations</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Positive experience</td>
<td>Helping, understanding, informal procedures, certainty, exchange of knowledge, trust</td>
<td>7</td>
<td>7</td>
</tr>
</tbody>
</table>

*Table 6: Qualitative analysis Codebook Table: Nodes by Nvivo*