

THE ROLE OF SOCIAL EMBEDDEDNESS IN TOURIST REGION COOPERATION

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ABSTRACT: According to the concept of the social embeddedness of economic actions, an individual's actions are determined not just by economic factors, but rather the economic decisions themselves are embedded within the structures of social relations — the social network. In tourism, where many small and medium enterprises act on a local level, the social embeddedness can play an important role, especially in the cooperation between actors creating the regional tourist product. Thus, the aim of the article is to show whether and how the embeddedness in the network of social relationships affects business cooperation in tourist destinations. To achieve this aim, a two staged qualitative research was conducted in five municipalities located in the Beskids Mountains, in Southern Poland. The study resulted in the identification of several unique sources of social embeddedness and the ways through which social embeddedness influenced cooperation in the tourist region. The study also showed that while social embeddedness generally stimulates cooperation, in some cases it may also make it more difficult. **Keywords:** social embeddedness, cooperation, tourist region, Poland

RESUMEN: Según el concepto de integración social de las acciones económicas, los actos de uno no son determinados sólo por factores económicos. Las propias decisiones económicas están integradas en las estructuras de las relaciones sociales: la red social. En turismo, área en que muchas empresas, pequeñas y medianas, actúan a nivel local, la integración social puede desempeñar un rol importante especialmente en la cooperación entre los agentes que crean el producto turístico regional. De este modo, el objetivo del artículo es demostrar sí y cómo la integración en la red de relaciones sociales afecta la cooperación empresarial en los destinos turísticos. Para lograr este objetivo, fue realizada una investigación cualitativa en cinco municipios ubicados en las Montañas Beskids, en el sur de Polonia. El estudio resultó en la identificación de varias fuentes únicas de integración social y de formas a través de las cuales la integración social influyó la cooperación en la región turística. El estudio también demostró que, mientras la integración social generalmente estimula la cooperación, en algunos casos puede volverla más difícil. **Palabras clave:** integración social, cooperación, región turística, Polonia.

RESUMO: De acordo com o conceito de integração social das ações económicas, os atos de um indivíduo não são determinados apenas por fatores económicos. As próprias decisões económicas estão integradas nas estruturas das relações sociais: a rede social. Em turismo, área em que muitas pequenas e médias empresas atuam ao nível local, a integração social pode desempenhar um papel importante, especialmente na cooperação entre os agentes que criam o produto turístico regional. Deste modo, o objetivo do artigo é demonstrar se e como a integração na rede de relações sociais afeta a cooperação empresarial nos destinos turísticos. Para atingir este objetivo, foi realizada uma investigação qualitativa em cinco municípios localizados nas Montanhas Beskids, no sul da Polónia. O estudo resultou na identificação de várias fontes únicas de integração social e das formas através das quais a integração social

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influenciou a cooperação na região turística. O estudo também revelou que, enquanto a integração social geralmente estimula a cooperação, em alguns casos pode torná-la mais difícil. **Palavras-chave:** integração social, cooperação, região turística, Polónia.

INTRODUCTION

The concept of social embeddedness of economic actions by Mark Granovetter combines the disciplines of sociology and economics and has been an important element of the so-called "New Economic Sociology" since the 1980s. Robert Eccles, Michael Schwartz, Susan Shapiro and several other influential researchers have played a vital role in developing and expanding upon the initial concept proposed by Mark Granovetter.

According to the researchers who apply the concept of social embeddedness of economic actions, business relationships may diverge from the pure model of activity oriented to maximize individual profit and functioning only on the grounds of market mechanism. Based on their research, all economic actions are embedded in the network of social (interpersonal) relationships of people undertaking these actions (Granovetter, 1985; 1993; 2005; Gibbons, 2005; Krippner and Alvares, 2007). Granovetter (1992) claims that economic aims are usually accompanied by non-economic aspirations connected with a social context. The fact that the entities know one another personally, have private relationships, and trust and like one another determines the economic decisions of these entities. Moreover, according to Granovetter (1993), not only social relationships can be translated into the economic ones – the opposite process is also possible – that is, business relationships may serve to form social relationships. It means that in the economic reality, business and social relationships are intermingled (Granovetter, 1993).

Therefore, the social embeddedness of economy as an innovative concept of business life perception focused the researchers' attention on the emerging area of research which refers to an individual as a unit whose actions are determined by the networks of social relations in which they function (Zukin and Dimaggio, 1990). According to Granovetter (1985), such a view on embeddedness has changed the theoretical and empirical approach to studying economic behaviors. The depicted phenomenon of social embeddedness of economy seems to have a particular role in tourism and in the relationships between actors at the local level (in tourist municipalities). The tourist economy is dominated by small and medium enterprises which, to a great extent, provide complementary goods and services. Due to the complexity and the comprehensiveness of the tourists' needs, the formation of cooperation is, in case of these enterprises, indispensable. As research has shown (Granovetter, 1985; 2005; Zukin and Dimaggio, 1990; Krippner,

Alvares, 2007), although these relationships are mainly of an economic nature, the manner of forming them, the selection of a partner and the course of these relationships depend, to a great extent, on the type of social structure in which the given entity functions.

The analysis of this social structure is supported by numerous works on the social network theory within the field of tourism (Dredge, 2006; Pavlovich, 2003; Rachela and Hu 2010; Tinsley and Lynch, 2001; Scott et al., 2008). Some research fields indirectly connected to the concept of embeddedness were analyzed, including: social capital, trust, reputation in the local environment, the specificity of behavior of small and medium enterprises, interpersonal relationships and the planning of the development of tourism destinations with the local community participation (Beritelli, 2011, Jack and Anderson, 2002; Grangsjö, 2006; Strobl and Peters, 2013; Nunkoo and Ramkisson 2011a; Munar, Jacobsen, 2013, Ritchie, Ritchie, 2002; Reed, 1999). However, in most cases these fields did not directly refer to the concept of social embeddedness of economy. Moreover, the purpose of some of these works was to present some general patterns of analyzed activities (frequently with the use of quantitative research) without the more detailed, deep qualitative analysis of the social context, including the specific interpersonal relationships of the researched entities. Meanwhile, the need to conduct such research, both in general literature and in the literature on tourism, is strongly stressed (Granovetter, 2005; Jack and Anderson, 2002; Beritelli, 2011).

Similarly, despite a relatively comprehensive literature on tourism cooperation (e.g. Crotts et al., 2000; Beritelli, 2011; Strobl and Peters, 2013; Muhar and Jacobsen, 2013), there is a lack of works in which the concept of social embeddedness of economy is directly applied. In addition, research is needed on how the embeddedness in the network of relationships could be of importance – as both a factor affecting business relationships (in particular cooperation relationships) and inversely – as an effect of economic cooperation. There is a need to indicate the sources, forms and advantages and disadvantages of embeddedness in tourist destinations. Thus, the aim of this article is to fill the literature gap by showing whether and how the embeddedness in the network of social relationships affects business cooperation in tourist destinations. To achieve this aim, the tourist cooperation in five mountain municipalities situated in the south of Poland: Szczyrk, Wisła, Ustroń, Istebna and Brenna was studied.

LITERATURE REVIEW

Many economists, particularly the ones representing neoclassical economics, claim that social relationships minimally affect the economic transactions or even cause the ineffectiveness of these transac-

tions (Peterson and Rajan, 1994). However, other researchers (including Granovetter, 1993, 2005; Arrow, 2000; Dequech, 2003) claim that as long as economic models are analyzed without connections to social results, such economic analysis will be admittedly easier, but incomplete.

Since Granovetter's work, the concept of embeddedness has spread to other research areas, including such disciplines as: management (Dacin et al., 1999; Rowley et al., 2000), economics (Dequech, 2003; Piore, 1993) and political science (Locke and Jakoby, 1997). Several works are dedicated to the impact of embeddedness on entrepreneurship (Hite, 2005; Jack, 2010; Larson, 1992). The role of embeddedness on the enterprise functioning was specified by Granovetter himself (1985, p. 490). In his opinion, the social configuration plays a key role mainly in the information flow on the market. If information comes from a unit with which the actor is strongly bound, it is going to be much more reliable for the recipient than information coming from an unknown source. This phenomenon has four contributing factors. Firstly, such information is low-cost, which means that its acquisition does not require much effort and many costs on the side of the actor. Secondly, people have the greatest trust in themselves, acquired on the grounds of historical experiences and pieces of information, which are richer, more specific and, in their own opinion, the most appropriate. Whether one may expect honest actions on the side of the specific partner, it depends on to what extent he met his obligations in previous transactions. Thirdly, units with which the actor is continually bound are more reliable for him because they have economic motivation to behave properly and not to discourage partners for the future transactions. Fourthly, economic relationships are based on frequent contacts and, as a rule, result in forming ties on the grounds of social content, which carry the expectation of trust and lack of opportunism (Granovetter, 1985, p. 490).

The next significant indication of the impact of social structure on economic actions is the fact that the networks of interpersonal relations may constitute an important source of awards and punishments for the actions undertaken on the market (Granovetter, 1985). Networks of interpersonal relations increase the extent to which the information about both positive and negative actions undertaken by an individual's connections is conveyed.

Finally, in regard to the role of social embeddedness in entrepreneurship, networks of social ties are an important source of trust. When external entities act in an honest manner, it allows for lower transactional costs, it motivates both parties to be active, and elicits creativity and innovativeness (Granovetter, 1985, p. 490).

The role of embeddedness in business activity has been substantiated by the works of authors who apply and expand upon Granovetter's concept. For instance, researchers have found that embedded ties

ensure access to key resources like capital (Mizruchi and Stearns, 1994), they provide informational benefits (Burt, 1992; Uzzi, 1997) they reduce costs of reaching an agreement at court (Useem, 1979), and they reduce costs and risks connected to searching new business partners, and the cost of partners' mutual adjustment (Webster and Wind, 1972). With regard to the above mentioned, there is no doubt that embeddedness may affect the form of economic results (Uzzi, 1997).

The role of social embeddedness may not only be positive but also negative. Research shows that embeddedness may limit the innovativeness or result in closing on the outside entities (Uzzi, 1997; Burt 1992). It may also limit the efficacy of economic actions if social aspects of embeddedness start to replace economic rationality (Uzzi, 1997; Mizruchi and Stearns, 2001). Literature has found that social ties, frequently based on the circle of family and acquaintances (which is also characteristic of the tourist sector) may hinder the development of enterprise (Donckels and Lambrecht, 1997; Johannisson and Mønsted, 1997). Strongly embedded relationships may result in the will to fulfill the expectations or certain hidden rules, which may consequently limit the business activity or the creativity in this activity. For instance, dismissing family members may result in tensions and conflicts in the family enterprise (Johannisson, 1987).

For that reason, it is indicated that it is optimal for a given enterprise to connect embedded ties and market (transactional) ties, which enables the entities to survive and function better on the market (Uzzi and Lancaster, 2004). The research by Jack, Dodd and Anderson (2008) showed that the formation of both of these types of ties is alternate and one does not exclude the other. However, the balance between them may differ depending on the region or sector.

Admittedly, in the literature, the importance of informal social systems for coordination and cooperation is stressed as well (Piore and Sabel 1984; Ring and Van de Ven, 1992), where contracts are perceived more as social than legally binding (Jones et al., 1997). However, taking into account the role of social aspects, it is surprising that the social context is not taken into consideration more often in the empirical research. A similar problem occurs in works on tourism. The problem of social embeddedness was raised in them mostly indirectly and without directly referring to Granovetter's concept (1985). Frequently, it was referred to through related aspects, such as: interpersonal relationships (Beritelli, 2011; Jack and Anderson, 2002), communication (Saxena, 2006), trust (Bramwell and Lane, 1999; Grangsjø, 2006; Strobl and Peters, 2013; Nunkoo, Ramkisson, 2011a, 2011b; Munar, Jacobsen, 2013), the specificity of small and medium enterprises (Ritchie, Ritchie, 2002), or the asymmetry of power and authority (Nunkoo and Ramkisson, 2011a; Reed, 1997).

The embeddedness is also indirectly connected to the concept of development planning of tourist destinations with the participation

of the local community and the local institutions – the so-called community planning which is also applied in the literature on tourism (especially at the end of the 1990s) (Getz and Jamal, 1994; Gill and Williams, 1994; Robson and Robson, 1996; Reed, 1999). As it is claimed by Beritelli (2011), the community planning approaches constitute the embodiment of all this, which happens in the daily life of tourist societies: people meet in their professional environment or privately, talk about various topics and other people; debate or form friendships, they make decisions at the personal or institutional level.

Literature on cooperation, also in tourism, applies to the so-called formal approach which is based on formally established rules and principles, written mostly in the form of contract agreements and the informal approach which is based on trust, reputation, interpersonal relationships or personal dedication. The first approach is characteristic of cooperation analysis between institutions of formal character (i.e. Lee and Cavusgil, 2006; Rodriguez et al., 2007), on the other hand, the cooperation which is based on the informal relationships is primarily characteristic of the cooperation between individual entities and also between them and local authorities (Timothy, 1998; Bardhan 1993).

In his research, Beritelli (2011) explores which types of relationships connect entities cooperating in tourist destinations. As a result of the conducted research, the author concludes that in tourist destinations, actors cooperate with one another independently from formal, professional and political ties. Their cooperation occurs on the grounds of mutual trust and understanding enforced by effective and frequent communication (Beritelli, 2011). Hence, to develop cooperation or to undertake joint actions, the entities have to pay attention to interpersonal ties formed previously. The personal linking between the partners is also important (Beritelli, 2011). All this leads Beritelli (2011) to the conclusion that when examining an individual entity, one should also take into consideration the context (that is structure) in which this entity functions.

By contrast, Jack and Anderson (2002), examining the results of embeddedness of entrepreneurs in rural areas in the Highlands of Scotland, indicated that due to strong embeddedness and the cooperation with the local environment resulting from it, the entrepreneurs obtained the following benefits:

- they knew local market conditions (i.e. job market or possibilities for development of their own business) or it was easier for them to recognize these chances;
- they were familiar with limitations, available resources and the local potential;
- this knowledge encouraged them and gave them certainty that their business would function well;

- together with the given entrepreneur's knowledge about the local context, the knowledge about himself and trust in the local environment were increasing;
- strongly embedded entrepreneurs were able to more quickly convince others about their activity and at a lower cost gain, or to transfer the information connected with their own business.

The research also showed that the embeddedness was reached in different ways (through being introduced by the other local entities or through one's own long-standing effort) and had various implications for the conducted economic activity. It also showed that the interpersonal relationships – private ones – entwined with the business ones. For many interviewees, the embeddedness was the process of becoming accepted and of learning local rules.

Another example of the benefits resulting from the social embeddedness was presented by Ingram and Roberts (2000). By analyzing the functioning of hotels in Sydney, the authors stated that the friendship among the managers of hotels helped them defend themselves against price wars – the more coherent the given group of friends among the hotel managers was, the better the cooperation results.

METHODOLOGY

In this study, a qualitative methodology for data collection and analysis was utilized, as it represented the most appropriate method to achieve the aim of the research. A qualitative methodology has many advantages: it enables researching little known phenomena, it provides a comprehensive outlook on the complexity of analyzed issues, it enables conducting research in natural environment of the researched entities, and it makes possible the purposive sampling and inductive data analysis. Moreover, the qualitative research allows a researcher to deeply analyze the context of the researched issues (Miles & Huberman, 2000; Suddaby, 2006; Gephard, 2004; Siggelkow, 2007; Eisenhardt & Graebner, 2007).

In this study a multiple case study methodology was used. It prescribes the use of several cases to explore a problem (five small municipalities forming one region). Koestler (1964) claims that small areas are better to analyze some trends which in other places would be diluted by the size. Thus, the region comprising five municipalities – Brenna, Istebna, Szczyrk, Ustroń and Wisła – was selected. The region is located in the Beskids Range in the south of Poland, about 100 km from larger cities (e.g. Cracow). It is a well-known mountain destination for winter and summer activities. With the exception of a unique mountain landscape, it has many anthropological tourist attractions.

The research in the five mentioned municipalities was conducted from July 2008 to October 2010. Its aim was to identify different types of determinants of intra- and intersectoral (in public, private and non-profit sector) cooperation (see: Czernek, 2013). Afterwards (in August to September 2013), the research was deepened mainly with reference to cooperation in the private sector in Wisła. The aim of this second phase of the research was the evaluation of tourist cooperation by using social network analysis, including the concept of social embeddedness.

During the first and the second phase of the research, the researcher analyzed different forms of tourist cooperation in the chosen region. Some of them were of utmost importance. One was the "Beskidzka 5" – a cooperation agreement established in 2004 between the five municipal authorities. Its aim was to promote the region as attractive for tourists. Another one was "Beskids Tourist Organization" (BTO), comprising private entrepreneurs from Brenna and Ustroń, aimed at the promotion of the area and businesses in those municipalities. And the third one, fundamental during the research conducted in 2013, was "Wisła Tourist Organization". Also some other forms of cooperation – partnership structures and oral, informal agreements between individual partners – were analyzed.

During the first stage of the research (2008-2010), the researcher used an unconstrained in-depth interview with an open list of information needs. The aim of the research required that interlocutors should be allowed to express their opinions freely. The interviewees were generally asked with whom and why they cooperate and what the factors stimulating and hindering this cooperation are.

The interviewee selection was purposeful but connected to the snowball technique (purposefully identified interviewees were asked to indicate other potential interlocutors). To increase the level of validity, a triangulation technique was used to cross-examine results obtained with several methods (Mason, 1996). Therefore, observation and document analysis (legal acts, documents of the local governments, partnership documents – strategies, reports, etc.) were also performed. Observation was based on the researcher's open participation in two partnership meetings. It enabled the researcher to learn more about the interviewees' behavior with reference to their statements declared during the interviews.

During this stage of the research, interviews with 63 interviewees were conducted. Ten interviewees came from the public sector, representing local government units responsible for the tourism development in each of the "Beskidzka 5" municipalities and the mayors of the five municipalities. Thirty-six interviewees represented the private sector from the five municipalities. The research covered accommodation with complementary services, tourist attractions, souvenirs, in-

bound tourism intermediaries, and different types of catering firms. The remaining interviewees were representatives of non-governmental organizations, for example, chairpersons of significant organizations involved in the tourism development in the region. The interviews were recorded. During this stage of research, social embeddedness proved to be important determinant for cooperation.

Thus, this issue was deepened in the second stage of the research which covered 47 from the 54 members of the "Wisła Tourist Organization" (7 members did not agree to take part in the research). Except Wisła authorities, all members of the organization represented private enterprises – directly or indirectly serving tourists (accommodation, catering firms, tourist attractions, etc.). During this stage of the research, the questions on "how" social embeddedness influences tourist cooperation were asked in the interview. The interviews conducted during both research stages were recorded.

The analytical process of interview data in both stages of the research followed the approach consisting of three concurrent flows of activity: data reduction, data display and verification (Miles and Huberman, 2000). Data reduction consisted in its transcribing and in creating case cards for each of the interlocutors. Subsequently, appropriate units of analysis were defined. The units were then sorted into categories describing the role of social embeddedness in cooperation (forms, sources, advantages and disadvantages of embeddedness). To justify the inclusion of each unit into a category, its properties were defined. In the coding process, the Atlas.ti v. 5.0 software application was used. The mentioned activities allowed the data to be displayed. The last step was the interpretation of the results supported with the social embeddedness concept.

RESULTS

The research showed that entering into various forms of cooperation was facilitated through the social embeddedness. One of its sources was existing acquaintances. The entrepreneurs stressed that they knew one another from various places – sometimes due to the fact that they cooperated, sometimes they were associated in the same non-profit organization or they attended the same schools or worked in the same organizations. It built more trust to the other side and facilitated entering into cooperation.

It referred to both cooperation between the individual actors as part of their everyday activity, and in the form of bigger partnership structures. For example, as was stressed by one of the initiators of the event "Wisła half-price" (an event promoting Wisła in the off peak season

through offering goods and services for half the price), the first entrepreneurs which were encouraged to participate in the first edition of the event were the entities who were personally known by the initiator of the action because previously both sides had had an opportunity to cooperate. Similarly, the same entity initiating the action consisting in distributing discount cards for the various goods and services to the tourists in Wisła, stressed the role of social embeddedness in the process of inviting potential partners to cooperation:

"I feel close-knit with the entrepreneurs who joined the discount card action. We did many things together, however not with everybody but with the majority. Common advertisements, etc., this is an action continuation. Wisła is a small town – 11 thousand residents, people know one another here, especially the people who do something, who act. Our previous contacts were important (we knew that we could rely on those companies or we knew each other privately and liked each other with the owners). It always had to be something interesting, cool, worth seeing".

Similarly, the entities which were in the first instance encouraged to join other partnership structures, e.g. BTO, were the known entities with good reputation, with which the initiators of organizations maintained personal contact.

Researcher: "How did you inform the members about the initiative?"

Interviewee: "As far as Brenna is concerned, I know these people and I meet them every day so this information flows in a quite natural way, at least with the majority of them. My and Mr. [name mentioned]'s expectations were so that everyone from the board act in this way".

It allowed fostering the process of informing and gathering partners and it lowered the costs connected with it (also by inviting entrepreneurs with good reputation to cooperation).

One of the most interesting sources of social embeddedness were religious ties, since for some interviewees from Wisła it was significant that potential partners shared the same faith as they did:

Researcher: "Do you cooperate with [the name of the entity]?"

Interviewee: "Yes, we even belong to the same church. That is the evangelical one.

Researcher: "Is it of any significance?"

Interviewee: "Yes, we know each other better, we trust each other more. We meet every week in church."

Moreover, the interviewees stressed that the informal and personal contacts with entities from the municipality or the region were, for them, frequently more important than formal relationships. In such small municipalities as the researched ones, the majority of problems were solved on the basis of oral contracts and thanks to informal contracts, which also contributed to the lowering of costs of entering into cooperation. What is important, it referred to both the contacts between the entrepreneurs and the contacts between them and the representatives of the municipal authorities. It is confirmed by the words of one of the entrepreneurs:

"Informal contacts between the entrepreneur and the municipal office are definitely more important than formal contacts. When someone has great arrangements with the municipal office, they can achieve much more and faster (...). We, while organizing "The Great Orchestra Of Christmas Charity", met many organizations with which we cooperate these days on a different basis depending on whether these are media or other people (...) Then you are on different terms. In the future you don't send an e-mail to the locality "x" asking for sponsorship but you call a particular person. You write: "Hi, we are doing a new session. Listen, I'll call you tomorrow". And this is a totally different relation. And this is how everything really looks nowadays. As a rule, these private interests start to prevail because if you meet influential people, who can work things out, you can't abuse their trust".

Therefore, as was stressed by interviewees, the will to maintain good contacts and the trust with which one was endowed by cooperation partners also constituted the protection from the possible opportunistic behavior consisting in acting to one's own benefit, at the expense of the partner.

Moreover, the entrepreneurs stressed that their decisions, also the ones connected to cooperation and oriented to gain individual economic profit always have to include the wider social interest. According to them, these decisions – from the point of view of their individual and short-term interest – could be different and because of that could seem more rational. However, taking into account the embeddedness in the local environment and the perspective of long-term functioning in this environment, one could not regard these decisions as appropriate. It was stressed, for instance, by the representative of the zoo situated in one of the researched municipalities:

"My basic responsibility as a park director is to generate profit but to achieve it I have to think long-term, I have to devise the cooperation strategy, which will not collide with my individual strategy for promotion and distribution (...). Of course, the aim is to achieve financial profit, but, firstly, you can't do it in a selfish way, without considering local interests. Secondly – it is a time-consuming process. And then it is a permanent and continual success. If I do a scam in a municipality which has 20 thousand people, there is no place for me in this structure because I am an outcast. But my actions, which aim not directly, but indirectly to achieve my success, have to take into account the wider social interest. Mostly, the interest of the municipality in which the given enterprise functions and acts".

Interviewees frequently stressed that they were characterized by the so-called local patriotism, which influenced their decisions, also the ones connected with cooperation. The fears of loss of good reputation and of deterioration of relationships with neighbors often affected the entrepreneurs' decisions, setting different criteria for rationality than solely the profit maximization. It is confirmed by the statement of one of the owners of pensions and ski lifts in Istebna:

"I see my future in Istebna. I would enter into cooperation more for the municipality's sake than for the profit (...). By all means, for the improvement of the con-

ditions of the local society's life. I have 1 hectare of grounds here under the ski lift and a developer wanted to buy it. He wanted to build a housing development there and he didn't need the ski lift. Everything else would be destroyed. He offered me PLN 1.5 million. I didn't agree even though it would secure me for the rest of my life. But I thought: Kazik – my neighbor – the owner of a small ski lift – "would kill me", neighbors who have rooms to let here would take offence, the municipality – the next ski lift doesn't work. Such a ski lift, which actually served the municipality better, would be a washout. After the talk to the developer I started looking for a different solution – better for the municipality and for all of us. I was looking for someone who would enter into partnership".

The interviewees also stressed that they had experience in conducting activity abroad and could leave the region. However, they started or were going to start families here and they wanted their family to continue their economic activity, hence they cared about the socio-economic development of the municipality and region. Therefore they engaged in various forms of activities, also charitably, which aimed at supporting this development.

On the other hand, the representative of one of the ropes courses in the region stressed that the functioning of the course in the municipality stimulates engaging into various forms of events, even the charitable ones, in the interest of maintaining proper relationships with the municipal authorities:

"My contacts with the municipality mainly consist in organizing some documents, permissions for various things, the organization of some events to which we pitch in when the municipality asks us to sponsor some events. Then we join in or not. But mainly we do. Because, after all, we are in the same town and whatever the municipality does, we need to help. This is, for example, "Children's Day", in which we distribute free admission tickets to our park or we sponsor the food for the volunteers at the event".

The interviewee stressed that maintaining good contacts with local authorities translated indirectly into one's own business activity and some entrepreneurs explicitly stated that they do charity work in other organizations but they use contacts formed that way in their own activity:

"Nowadays people have a very consumptive attitude to life. And I think there are less and less people working charitably and not everybody appreciates the fact that when you do charity work, it affects your business. I can see it because I do charity work in several organizations".

With regard to it, the interviewees stated that the participation in different forms of cooperation, also in the form of Local/Regional Tourism Organizations, favored forming relationships, e.g. with local authorities, and might lead to their decisions being propitious and important for the given entrepreneur:

"The advantage of the local tourist organization is that it connects both the municipality and the private entities. You can then drive the mayor into

the corner and tell him what you think. That is, if you can't get to him in a normal way".

With regard to the discerned benefits resulting from the embeddedness in the network of social relationships, the interlocutors simultaneously stressed that one of the methods of stimulating cooperation development in municipalities was forming social relationships between the entrepreneurs:

"To improve the relationship with the municipality, the information coordination is important – people should meet one another more often, even on such events organized by the municipality (...). There are such things organized like common Christmas Eve and it allows the exchange of experiences as well as people getting to know one another because when there are 100 entities, nobody knows anybody but they see one another in the street every day".

Simultaneously, however, the strong embeddedness was also connected to certain problems which hindered the cooperation. For example, people who professed faith other than evangelical (which refers to a great part of the local society in Wisła) indicated that for that reason, particularly at the beginning when they moved to Wisła, they felt isolated from the rest of the society and, to a certain extent, it hindered entering into business cooperation.

"The religious foundation is very important here. Wisła is evangelical and someone who is evangelical is perceived differently by the local society (...). It means, for some time, I have been the first president in the history of the club who is catholic, not evangelical. Some people couldn't understand that. It is changing but sometimes you can still sense it from older people".

Similarly, the interviewees from Szczyrk complained that a too strong embeddedness caused that the actions undertaken by entrepreneurs were not always optimal. For example, for partners, one selected known entities, which were not necessarily an optimal choice regarding the purpose of cooperation. Too thick relationship networks also hindered, according to numerous interviewees, the access of people from the outside to entrepreneurs who have been functioning in the municipality or the region ever since or for a long time. It is confirmed by the words of the owner of one of the pensions in Szczyrk:

"Here is the mentality which I didn't understand before. If you don't have connections here, you will not work things out. You have to have acquaintances, everyone knows everyone here and that's why I feel discriminated. This is "backwater" (...). This is a hermetically closed environment, the stereotype, people who should long be retired and are so integrated with one another that the law and truth can't get through".

Similar problems with closing to the outside people and not entering into cooperation with them were identified in Wisła as well:

"The fact whether somebody is from Wisła or from the outside is significant: if you are not from here, you are not ours. That's how they define it. You have to

pay court to these people to get them to like you. I have been here for 12 years and I feel that some of them only took to me about 4-5 years ago".

Too strong embeddedness also caused the solidification of conflicts, frequently the domestic ones, from the past, which were then transferred to the business activity or hindered the making of optimal decisions, also – according to interviewees – in municipal offices. For the people who had comparison in conducting economic activity in big cities it was specific, in particular for small municipalities, such as the researched ones:

"You know, this is a small town: there lives one family on the hill and they have been the enemy of the second family on the second hill and for generations, so... In the office municipality these and these families work (...). The whole office, the respective departments, they consist of some families, sects, clans. Unfortunately this is how it is. One can't fire another because he was the best man on his wedding and this one was the godfather. Such an atmosphere is created that suddenly these who try and these who don't try are in the same bag called the town hall and they work together. It is so in both big cities and small ones but in the big ones it is less noticeable by a potential claimant".

A different problem connected to the too strong embeddedness concerned the membership of the five municipalities creating "Beskidzka 5" in BTO (Beskids Tourist Organization). The municipalities heads, thinking about the strong ties which connected them, recognized that either all municipalities would join BTO or none of them. They did not take into consideration the different local conditions of each of these municipalities, including the strong need of private enterprises, in particular in Brenna and Ustroń, for the authorities to formally join BTO. As a result, the rejection of joining BTO resulting mainly from the unwillingness of one of the mayors, caused, for some time, tensions between local authorities and entrepreneurs in the two of the mentioned municipalities.

DISCUSSION AND CONCLUSION

The research allowed to achievement of the aim of this article, which was to present whether and how the social embeddedness determines the local cooperation undertaken for economic purposes by tourist enterprises. Firstly, it results from the research that there are numerous sources of embeddedness, including personal contacts (e.g. school, work and even church acquaintances) and business contacts (cooperation in the past). Secondly, the embeddedness in the network of social relationships influences business cooperation in tourism and this influence can be either positive or negative. It is confirmed by the existing research results on embeddedness in other economy sectors, according to which: embed-

dedness affects various social processes, including cooperation (Snow et al., 1992; Powell, 1990), has many sources (Granovetter, 1985; Jack, 2005; Uzzi, 1997) and may result in positive (Helper, 1990; McDade, Spirng 2005), as well as negative effects (Grabher, 1993; Portes and Sensenbrenner, 1993). However, the results of the conducted research allows presenting the role of embeddedness in relation to the cooperation in tourist municipalities, and thus fill in the literature gap in this scope.

In general, one should state that social embeddedness facilitated entering into the process of cooperation in tourism (the selection of partners is connected to the lower cost of searching for them, the lower risk of selecting a partner, the lower cost of entering into an agreement – due to the lack of necessity to sign written contracts) (Useem, 1979; Webster and Wind, 1972). Embeddedness in the network of social relationships also made that the entrepreneurs making economic decisions were taking social interest into account, as one of the criterion for these decisions. It resulted from the so-called "local patriotism" and the willingness to act for the municipality where the given interlocutor and/or his family saw their future. It resulted also from the awareness that such actions may bring long-term effects in the form of relationships with the municipality authorities and other enterprises, and this will allow, for example, to form new contacts needed in the individual economic activity. Moreover, the entrepreneurs were also aware that by acting inappropriately they will hinder and even make it impossible for themselves to conduct an economic activity in a given municipality. It is in line with the results of the research by Jack and Anderson (2002) conducted in tourist rural localities in Scotland. All entrepreneurs who participated in this research saw benefits from the work and life in the given place and showed willingness to contribute to the local society (they were not oriented exclusively to generate economic profit).

However, the research showed that similarly to other areas of economy, the embeddedness may have a negative impact on cooperation in the scope of tourism (Uzzi, 1997; Jack and Anderson, 2002). Research results allowed to exemplify the negative effects of embeddedness on cooperation in tourist municipalities. As an example, the embeddedness caused the marginalization of entities, which did not belong to strong groups inside the municipalities, but formed according to the origin and/or the time when they started residing in the municipality or the religion they professed. Moreover, the research confirmed the results of other analyses, that the too strong embeddedness may strengthen past conflicts, which are then transferred to the business activity (Johannisson, 1987; Jack, 2005). Interviewees frequently stressed that it is particularly characteristic of small municipalities such as the ones included in the research. Positive and negative roles of social embeddedness in tourist cooperation were synthetically presented in Table 1.

Table 1: The role of embeddedness in tourist region cooperation

The positive role of embeddedness
<p>Entering into cooperation (in the form of partnership structures or between individual partners) was facilitated by previous contacts – business or personal. It allowed to accelerate the process of informing and collecting partners and lowered the costs connected with it (also by inviting entrepreneurs with good reputation to cooperation).</p> <p>Costs of entering into cooperation were lower because the cooperation was frequently based on the oral, not written contracts. It refers mainly to the cooperation between entrepreneurs and, to a certain extent, the cooperation between them and municipal authorities.</p> <p>The willingness to maintain good contacts and to remain trustworthy constituted the protection from the presumptive opportunistic behavior consisting in acting in one's own interest, at the expense of the partner.</p> <p>The entrepreneurs' cooperation decisions oriented to achieve individual economic profit had to include the bigger social interest. The fact that the entities lived and planned to still live in the municipality/region was of significance.</p> <p>Engaging in charity work improved relationships with municipal authorities and at the same time indirectly contributed to the improvement of the business activity of the entrepreneur. The charity work in other organizations allowed to form new contacts, which were consequently used in the private business activity.</p>
The negative role of embeddedness
<p>Too thick relationship networks hindered the access of the outside people to the entrepreneurs embedded in the municipal or regional relationship network. As an example, in Wisła, people of a different religion than evangelical faith often indicated that they felt isolated from the rest of society, which to some extent hindered them from entering into business cooperation.</p> <p>Too strong embeddedness caused that actions were not always optimal, e.g. entities which were known in the environment but not necessarily optimal regarding cooperation efficacy were selected as cooperation partners.</p> <p>Too strong embeddedness caused the solidification of conflicts, frequently past family conflicts, which were later transferred to the business activity or hindered making the optimal decisions in municipal offices.</p>

Source: own work

Based on the research, it is possible to formulate some conclusions of a practical nature. From the point of view of cooperation, which brings positive effects to partners as well as (in further perspective) to the whole region, it is important to maintain personal relationships between the entities, which work directly and indirectly for the tourism development. Personal and business contacts entwine with each other, they make feedbacks, which may cause both positive and negative effects (depending on how positive and strong the both relationship groups are). Personal ties should therefore be treated as giving measurable and future benefits. That is why the municipal authorities should care about proper personal relationships between them and entrepreneurs. They can achieve it, e.g. by organizing various events (for

example, informal festival meetings), which will enable the entities to get acquainted, interact, form trust and mutual affection. However, simultaneously, one has to be aware of the disadvantages of too strong embeddedness and, in relation to that, one should show openness in contacts with outside entities which offer a new, innovative knowledge and different – frequently more objective and more interesting – perception of specific problems in a given municipality.

The conducted research allows as well to indicate the directions of future analyses in the scope of cooperation in tourism. One ought to refer here to Granovetter's opinion (1985), according to which the empirical research available in literature pays little attention to the patterns of relationships. Firstly, due to the fact that proper data is, in this case, difficult to find in comparison to, for instance, data about the market configuration, and secondly because in economics there is a dominating stream, which assumes the atomization of actors. Thus, their personal relationships are perceived as unimportant or even obstructive. However, Granovetter (1985) stated that what seemingly looks as irrational behavior because it does not directly serve the fast profit maximization, could be quite reasonable when one takes into account a specific context, especially the one connected to embeddedness in the network of social relationships. Therefore, this context ought to be researched and it was also confirmed by this empirical research. It clearly shows that the role of qualitative research, which enables the detailed analysis of the entities and the social context in which they function, cannot be overestimated.

However, the conducted research has some limitations. Among the most important ones, one should indicate: the sample, which is not a representative one (only five municipalities), the specific context in which the analysis was conducted (it can be characteristic only of the given region and of the current situation in this region) and the fact that the research was conducted during the peak season, which means that the time the interviewees had at their disposal was limited. However, the research was of exploratory character and should be continued in the scope of future qualitative, as well as quantitative, analyses.

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