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BEST PRACTICES

**PRINCIPLES AND BEST PRACTICES
IN SUCCESSFUL TOURISM BUSINESS INCUBATORS**

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Abstract

The business incubators are entities that provide support to start-up companies, managing the obstacles faced by entrepreneurs and facilitating the hazardous process of business creation. This article aims to identify the existing views on best practices that can contribute to the achieving of business incubators' objectives. Moreover, the present study investigates how the business incubators can ensure the success of tourism, with evidence grounded in both theory and case studies from around the world.

In this paper, the authors have identified several types of incubators that could be used successfully for the benefit of start-ups in the tourism sector, such as network incubators, incubators in ecotourism or nature-based incubators.

The authors also propose a new perspective on best practices in business incubation, emphasizing the role of the emotions that entrepreneurs have to cope with. Even though the studies in this area are still scarce, the authors strongly believe that this will be a topic highly discussed in the near future, given the fact that emotion and logical thought are intertwined, interacting in complex ways during problem solving, decision making, and other important forms of cognition that entrepreneurs use when pursuing their ventures.

Keywords: best practices, business incubators, tourism business incubators; emotions; entrepreneurship

JEL Classification: M10, M13, Q01, Q26

Introduction

Recently, a new organizational model based on territorial synergy, relational symbiosis, and economies of scope (Bollingtoft and Ulhoi, 2005) has emerged – the business incubator. The term “economies of scope” was coined by Panzar and Willig (1981) to describe the

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cost reductions obtained from the scope of the enterprise rather than its scale, that is the situations when the average cost is lowered for a firm by combining the production of two or more products. There are cases when the organization can benefit from shared services offered to more product lines and from collective use of know-how and intangible assets. In time, some authors argued that new and small businesses failure is usually attributable to the lack of managerial skills and/or access to high-risk capital (Allen and Rahman, 1985; Smilor and Gill, 1986 cited in Bollingtoft and Ulhoi, 2005) or that even though the entrepreneurs hold specialized knowledge in some field, they lack general business skills (Lyons, 2000 cited in Bollingtoft and Ulhoi, 2005). This is why the business incubator became appealing and generally acknowledged as a tool to increase the chances of survival for new business ventures (Bollingtoft and Ulhoi, 2005).

The entrepreneurial spirit is the focal point of sustainable growth both for most developed, and developing economies and incubators have often served as catalysts and even accelerators of entrepreneurial clusters formation and growth (Carayannis and von Zedtwitz, 2005). The small enterprises represent one important driver of job creation in an economy, even though only some of these entities make it through their first years. Business incubators are one of the most important and successful means for SME business development and support to get through the threats and obstacles encountered. In many sectors these organizations have become the up to date manner to nurture and grow start-up businesses, especially technology and manufacturing, but they can be successfully used in any industry, tourism included.

In this context, this paper aims to identify some operating rules in business incubators to improve their ability to achieve the goals for which they were created, highlighting the main principles and best practices that guide successful incubators. In addition, because research on business incubators in tourism is scarce, especially in Europe, this paper attempts to look at some types of incubators, arguing that networked incubators, nature-based and ecotourism incubators represent appropriate and enduring organizational models rightly suited to growing businesses in a sustainable way in the tourism and travel sector. These types share certain features with other incubators, but have also distinguishing features that enable them to support businesses in the aforementioned sector.

Therefore, this paper reviews the definition of the business incubator and describes the main types of business incubators along with their particularities, discusses the best practices of business incubation and the guiding principles of such entities, recognizes the characteristic features of business incubators in tourism and proposes a new perspective on best practices in business incubation.

1. Business incubators: definition and typology

A business incubator is defined as “an economic development tool designed to accelerate the growth and success of entrepreneurial companies through an array of business support resources and services” by the National Business Incubation Association (NBIA, 2002). A business incubator collaborates with the community in which it operates to provide business assistance programs. The entrepreneurs, who place their business in such an incubator, as “consumers” of these results, act in an interdependent relationship of co-production with the entity (Rice, 2002).

The business incubators sustain the successful development of entrepreneurial companies through a wide range of business support resources and services, elaborated or arranged by incubator management, and offered both on the premises and through its network of contacts (NBIA, 2007). Business incubator is a generic term for any organization that provides access to inexpensive office space and shared administrative services (Allen and McCluskey, 1990 and Fry, 1987, cited in Bollingtoft and Ulhoi, 2005).

According to the NBIA, the main goal of a business incubator is to produce successful firms that will leave the program financially viable and self-supporting, firm with potential to create jobs, invigorate neighborhoods, and commercialize new technologies or even advance original business models. Therefore, the general aim of business incubators is to encourage entrepreneurial talent, the main generator of new business ventures being neither the availability of finances nor the rate of technological progress, but entrepreneurial agency (Bollingtoft and Ulhoi, 2005), enabling the entrepreneurial actors to expand their potential. Business incubators promote an entrepreneurial spirit in the community as well as increase retention of more established businesses. Therefore, in the end, the local and national economies are benefiting greatly from the support that is offered to the individual entrepreneurs. In some communities, business incubators are perceived as an anchoring economic institution (Powell, 2014). Although the term 'anchor institution' emerged out in the context of de-industrialization, globalization and downfall of many industrial regions, originally referring to higher education and academic medical centers („eds and meds”), now it can also be used with reference to the business incubators. Nowadays the concept designates a new way of thinking about the role that institutions located (anchored) in some areas can play on answering to the problems of community in which they are inserted (Taylor and Luter, 2013). The most frequent archetypes of incubation are the regional business incubators, the university incubators, the independent commercial incubators, the company-internal incubators, and the virtual incubators (Carayannis and von Zedtwitzb, 2005). The first two types are generally not-for-profit oriented, while the latter three forms have strong for-profit goals. For-profit incubators have profitability as their main strategic objective while not-for-profit incubators usually accomplish a public mission first, such as regional employment and growth, or they serve goals only indirectly linked to operational profits, such as employee retention, innovation capacity building or stock market valuations (Carayannis and von Zedtwitzb, 2005).

Most incubators can be associated with one of the five archetypical forms aforementioned, and some incubators incorporate elements of two or even three incubation types. Accordingly, university incubators typically have no financial pressure to return a profit, focusing on serving the scientific community of the university, regional business incubators serve a local community, generating jobs and sustaining local business and prosperity, independent commercial incubators are profit-oriented, focusing on a special technology or industry, and virtual incubators are for-profit as well, focused on particular needs in the entrepreneurial community rather than a particular sector. The most difficult to categorize are the company-internal incubators because, on one hand, their parent companies have tough commercial objectives, and on the other hand the internal incubator serves (both internal and external) political interests, as well as corporate development objectives. Evidently, these different objectives and sources of competitive advantage must have specific consequences on the business models that the incubators set up (Carayannis and von Zedtwitzb, 2005).

As some authors argued (Albert et al., 2001, cited in Bollingtoft and Ulhoi, 2005), the growth of incubators went through two stages: the first during the 1980s and 1990s, which can be portrayed as the launch phase of a local economic development tool; and the second from 2000, entitled the growth and diversification phase, (Bollingtoft and Ulhoi, 2005).

Another classification of business incubators is made based on tenant type, sector focus and location, as seen in Table no. 1.

Table no. 1: Business Incubators Types

| Tenant Type | Sector Focus | Location |
|--|-----------------------------|-----------------|
| Start-up | Mixed-use | Urban |
| University of lab spin-off | Technology | Suburban |
| Tenant service provider | Service | Rural |
| (e.g. lawyers, accountants, consultants) | Manufacturing | |
| Local office or Out-of-Town business | Niche target | |
| Permanent small business | (e.g. software, multimedia) | |
| | Other | |

Source: Adapted from Lilloet Economic Development Commission, 1999, p.11

Offering office space, funding, and basic services to start-ups, these organizations have become the newest way to nurture and grow start-up businesses and incubators such as Hotbank, CMGL, and Idealab became a thriving industry (Hansen, Chesbrough, Nohria, and Sull, 2000). In addition to the flexible space, commonly used equipment and administrative services, a business incubator assists its clients in business and marketing plans development, management teams structuring, capital finding and offers access to an array of other dedicated professional services.

2. Best practices of business incubation

The problem of identifying the best practices in business incubators continues to generate extensive debate. A much cited aspect is related to the performance evaluation of business incubators (Aernoudt, 2004), existing opinions that it still lacks a concrete framework for performance evaluation through the activities and results (Bhabra-Remedios and Cornelius, 2003).

Bergek and Norrman (2008) suggest that we generally lack a theoretical basis for performance evaluation and in particular for identifying best practices.

Mosselman et al. (2004) define a good practice as the process leading to a particular outcome better than any other process. The word „better“ is understood in two different ways, namely: (i) efficiency, meaning that what is done must be done, and (ii) performance, meaning that what is done is done properly. From this perspective, the performance of an incubator is defined to the extent in which the results correspond to incubator's aims (Bergek and Norrman, 2008).

Aerts, Matthyssens and Vandenbempt (2007) show that there is a link between the identification of an incubator's practices and its performance, measured in terms of the failure of tenants.

Other authors make reference to the components of good practice in the management of incubators. Providing management services that add value to clients is considered a

performance criterion (Duff, n.d.). In this context, Duff believes that clearly have emerges two good practices to intensify the impact of economic development of incubators: (i) business incubators should be designed to go faster through their life cycle, and (ii) business incubators should adopt a more pronounced business-oriented development approach when they settle their action program.

Previous research has shown, however, some common points of view. An accepted fact is that, in general, business incubators have two main purposes: to provide the required physical resources to entrepreneurs who are at the beginning and, more importantly, to provide access to intangible resources such as knowledge management (Fukugawa, 2013).

A very important feature of business incubators is their potential for creating and exploiting synergy for incubatees by combining different resources, services, and skills (Bollingtoft and Ulhoi, 2005). The incubator becomes more than just a physical arrangement with a specific geographical position where a new firm can minimize start-up costs by accessing affordable office space, shared equipment and services, and assistance (Allen and Rahman, 1985 cited by Bollingtoft and Ulhoi, 2005), by seeking to provide a nurturing business environment.

Box No. 1: Key resources and opportunities offered by incubators

- ⇒ Help firms *indirectly* by placing the entrepreneur in an environment of peers providing *resources (network)*, and *psychological support* across and between clients.
- ⇒ Help firms *directly* through affordable rents, services, and equipment that elsewhere would be unavailable or too expensive, e.g.:
 - Office and communications services, such as copying and answering the phone
 - Business and financial planning services
 - Facilities and equipment services, including reception area, conference rooms, and computers
- ⇒ Can help the entrepreneur to gain legitimacy, as a recognized incubator boosts the tenant's visibility and credibility
- ⇒ Some incubators assist tenants with financing, by directly investing in the ventures or by facilitating contact to investors (Bollinger and Hope, 1983)

Source: Adapted from Bollingtoft and Ulhoi, 2005, p.270.

The business incubators can be an effective and appropriate approach to helping entrepreneurs in their start-up phase by offering reduced costs, expert assistance and financial consultancy. Taking into account the recent days' environment, the concept becomes even more appealing as an important mechanism for developing entrepreneurial talent and especially for contributing to economic development. A relatively recent research has shown that incubated clients feel more satisfaction when receiving services related to facilities than counseling and business support (Abduh, D'Souza, Quadi, and Burley, 2007).

A wide range of more or less synonymous labels has been used to refer to such entities, including research parks, science parks, industrial parks, business accelerators, innovation centers and such.

Regardless of the name or label used, the focus or mission of the incubation entities, some guiding principles must be followed in order to be successful, as follows.

Box No. 2: Guiding principles of business incubation

Commitment to the two core principles of business incubation:

- to positively impact the community's economic health by increasing the success of emerging companies and
- to act as a dynamic model of a sustainable, efficient business operation.

Clear mission that defines the incubator's role in the community and develop a strategic plan including measurable objectives to achieve the program mission; moreover, a realistic business plan to structure for financial sustainability.

Emphasis on client assistance, advising and guidance to support company success and wealth creation.

Delivery of effective business assistance based on the proper facility, resources, methods and tools that can address the developmental needs of each company.

Integration of the program and activities into the community and its broader economic development goals and strategies.

Development of a resource network to support the clients (incubatees).

Ongoing program evaluation and improvement to support the needs of the clients.

Source: National Business Incubation Association (NBIA), 2014.

In spite of the relative variety and lack of conceptual clarity in the literature, business incubators usually share some particularities: (i) they foster a spirit of entrepreneurship; (ii) they propose favored rates and conditions from top-ranked service providers, qualifying incubated companies to obtain certain economies of scale; and (iii) they establish access to a network of companies/organized network (Hansen et al., 2000, cited in Bollingtoft and Ulhoi, 2005).

Subsequently, we have seen the appearance of a new incubator model: the networked incubator, which is a hybrid form of the conventional business incubators (Bollingtoft and Ulhoi, 2005), an entity explicitly based on a common recognition of the value of collaboration as one of the critical features of the incubator. The emergence of this networked business incubator model has some important implications, such as the fact that many networked incubators are determined by a bottom-up approach, where the new ventures themselves have created and administered the incubator, differing from the traditional top-down approach.

3. Tourism business incubators

The tourism sector may be supported through some institutional mechanism such as the governmental agencies or financial bodies or other organizations like incubators designed to promote new venture creation and better performance. Even though, according to Elliot (1997, cited in Krakover and Gradus, 2002), it is rather difficult to quantify the impact of the governmental and institutional support in a particular region, their role is crucial and should not be overlooked.

Incubators may serve as a tool for developing tourism businesses both in peripheral areas and in cities (Gatewood, Ogden, and Hoy, 1985, 1986 cited in Krakover and Gradus, 2002), offering a hospitable environment for entrepreneurs by providing access to low-cost facilities and services, such as consultants, experts, government officials, bankers, or venture capitalists. Although the most incubators have been established for manufacturing firms, especially technological ones, since the beginning of the '90s the incubator model

has been widely accepted and adopted in the tourism industry (Krakover and Gradus, 2002).

In tourism, the term incubator should have a wider sense, including not only the traditional “brick-and-mortar”, physical facility, but also the “incubator without walls” type, which is actually more important in this industry, taking into account its characteristics. The tourism incubator enables entrepreneurs who base and locate their businesses on unique environmental components, such as scenery, to develop the product and sell it within their natural environment (Krakover and Gradus, 2002), often times the entrepreneurs receiving the guidance and training on their location or through a virtual connection.

The business incubator can be used for various objectives within the tourism sector, shaping it in a different way to support the specific needs of a region, branch, or even entrepreneurship category. It can play an important role in enabling entrepreneurship in the communities they serve (Chengappa și Geibel, 2014). For example, the business incubator can be used as a unique approach to sustain the rural development or support to regional underdeveloped areas. The incubator can be designed to encourage people in rural regions to start a venture, to engage in particular types of businesses, to develop networks, and to step up training programs to improve the skills of incubator members (Hall, Roberts and Mitchell, 2004). In order to satisfy the specific needs of rural tourism and leisure entrepreneurs and families, personal guidance and advice can prove most valuable (Hall et al., 2003).

One of the appropriate forms of business incubators for the tourism industry is the ***nature-based tourism incubator***. Nature-based tourism can be defined by its dependance on natural resources in relatively underdeveloped or undisturbed natural areas, or on visiting those resources (Lee, 2013). This form of incubator is a specialized hybrid instrument for economic development supporting small and medium sized tourism firms in the establishment or growth of nature tourism in a region where the private sector is underdeveloped and a high potential exists for nature based tourism (FERMATA, 2004).

There are two main models for business incubation in tourism, the facility based incubator and the incubator without walls, models that are not mutually exclusive as many of the services required to support tenants in an incubator facility would also be required for a non-facility-based model. The facility based organization could include a reception area, business space, storage space, training facility/classroom, demonstration/exhibit space, while the incubator without walls would focus on the training, marketing assistance, and networking opportunities for businesses operating within the community without providing an on-site facility. One model or the other can be used to fit perfectly the needs of a specific region or community, the support of an incubator network and services contributing to strong synergies.

FERMATA (2004), for example, conducted a study to determine the feasibility of a nature-based business incubator facility at Sinnemahoning State Park, USA, and concluded that in the aforementioned area the following nature-based businesses and services were most likely to succeed as incubator businesses: guiding services, outfitter/livery, educational facility and/or artisan guild, retail sales (stand-alone or in conjunction with any of the above).

The ecotourism incubator, directly connected with the nature-based one, promotes the formation and strengthening of strategic new businesses in ecotourism and related

industries, as a tool for biodiversity conservation and job creation (Conservation International and George Washington University, 2007), based on the principles of sustainable development. The combination of environmental protection and economic efficiency creates more added-value for both companies and local communities (Sitnikov and Bocean, 2013).

The incubator contains a network of businesses with complementary products and services; possible participants consist of private nature reserves, local operators, accommodation in local communities, hotels/inns ("ecolodges"), scuba diving operations, rental agencies for bicycles, horses, special vehicles, souvenir shops and artisan products, associations of specialized guides, artisans. It is a response to the tourists' desire of knowing nature, living exceptional experiences, or relaxing in a natural environment, based on the compliance with the principles of sustainable tourism behaviour (Hornoiu, Padurean, Nica and Maha, 2014).

Another appropriate form of incubation entity that matches perfectly the features of the tourism industry is the **networked incubator**, which is uniquely suited to growing businesses in the Internet economy. An overall understanding of the social dynamics of the networked incubator needs to take into account both personal and business networks, as well as the organizational and social environment in which the entrepreneurial process takes place, incubated clients being enabled to utilize two kinds of networks: internal and external (Bollingtoft and Ulhoi, 2005). Internal networks are particularly useful as they facilitate sharing all kinds of resources among multiple companies and collaborating much more easily, while external networks are also vital to businesses since they connect the incubated businesses with potential partners, customers, local associations, etc. This does not mean incubated businesses get preferential treatment; it means only that they may benefit from access to partnerships that might not have existed without the incubator. Even with this advantage, however, networked incubators can easily fail if they don't have a portfolio of companies and consultants that their clients can leverage on. That can be done by strategically investing in portfolio firms and by recruiting a wide range of business allies (Hansen et al., 2000).

The list of examples of business incubators will follow to illustrate the aforementioned concepts, influences and characteristics.

- *Nature-based incubator: USA, Sinnemahoning State Park, Pennsylvania.* A business incubator facility for nature tourism-related entrepreneurial development consistent with the mission of the park, that offers small business skills training in nature tourism related activities including hospitality, backcountry safety, and others and created a start-up revolving loan fund for nature tourism development (FERMATA, 2004).
- *Networked incubator, New Zealand, Rotorua Tourism Incubator.* The Rotorua Tourism Incubator (RTI) is a new undertaking and is based on Rotorua being a great visitor destination, with by now recognized thriving tourism operators. There is also outstanding support from the community through Vision Rotorua, Rotorua District Council Economic Development Unit, Chamber of Commerce, Business Swap, Rotorua Energy Charitable Trust, Tourism Rotorua and the business unit of John Paul College, the aim being to take those with novel and original tourism related business ideas and guide them through the critical phases, counseled by Waiariki lecturers and members of the business community (Rotorua Chamber of Commerce, 2005).

- *Combined incubator: Georgia, Signaghi.* The International Executive Service Corps (IESC) implemented a SME Support Project with the main goal to award a nine-month grant to set up a small tourism-oriented business incubator in Signaghi to accelerate the successful development of start-up and fledgling companies by providing entrepreneurs with an array of targeted resources and services. These services were developed and managed by incubator management and offered both in *the business incubator and through its network of contacts*. The Signaghi tourism business incubator incubated and provided hands-on assistance to a few businesses - tour operator, crafts shop and café - with the aim to produce successful small firms that will leave the program financially viable and freestanding. They actually get implemented. The IESC assistance has led to more tourists, more revenues, and more jobs (IESC, 2014).
- *Experiential tourism incubators without walls, SUA, Maine.* The project offers a wide range of services, including training, technical assistance, business counseling, financing, and business-to-business networking opportunities to sustain tourism-related business owners to work together in order to develop their businesses and generate new jobs. Experiential tourism enables rural communities to take advantage of their regional heritage, culture, and natural resources by maximizing the financial gain from tourism while minimizing the environmental impact. This project serves the St. Croix region of eastern Washington County and the Blue Hill peninsula, Deer Isle, Stonington region of Hancock County; the Experiential Tourism Incubator Without Walls program was funded by a \$195,000 grant from the U.S. Department of Health and Human Services' Office of Community Services, representing 53% of the overall program budget, and a \$30,000 grant from the Birch Cove Fund of the Maine Community Foundation (DBA - Down East Business Alliance, n.d.).
- *Business incubators in Romania.* The Agency of Implementation of Projects and Programs for SMS's (A.I.P.P.SMS's) and The United Nations Development Program Romania (U.N.D.P.) started a project aiming to the establishment and development of business incubators in Romania. The project started in 2006 and it was managed by the two entities in partnership with local authorities. The first business incubators were located in Alba Iulia, Brasov and Covasna, and each of them was managed by an administrator who had to select several companies to be incubated for three years. The companies included in the incubators belonged to diverse industries, including tourism. They received trainings, consultancy services provided directly by the administrator, or by specialized persons, grants for the equipment acquisition for starting their activity, partial reimbursement of cost with utilities during the incubation period, assistance in the process of developing new products/services and in developing national and international partnerships, assistance in the recruitment process. At the same time, the entrepreneurs included in incubators had some obligations, for example concerning creating and maintaining jobs. The results of the project were encouraging in terms of turnover growth and job creation, despite the unfavorable conditions generated by the 2009 economic and financial crisis (Epure and Cușu, 2010).

Although the evidence concerning the impact of incubators on venture performance and growth is conflicting from one study to another, from one country to another, Krakover and Gradus (2002) cite the study done by Sader, Ghosh, and Rosa (1997) in Bangladesh because it found that firms assisted by governmental as well as nongovernmental support organizations performed considerably better than did non-assisted firms. Moreover,

Krakovar and Gradus (2002) mention the research works of Solomon and Weaver (1983) which found that in the United States small ventures using the advisory assistance of the Small Business Administration had a higher number of employees, revenues, and net profit and lower labor costs and of Gatewood et al. (1985) who found that businesses assisted from the incubator showed higher performance than the non-assisted firms.

Therefore, we may conclude that the incubators have a positive impact on the incubated businesses, the advisory assistance being the most important asset along with its network of relationships, and their contribution should not be minimized, especially in the tourism industry. Their relevance and value becomes even more evident when taking into account the new conditions of the economy, with financial difficulties, very high rates of technology change and diverse environmental concerns, the businesses having to be compatible with the cultural, social and economic environment within which they operate. The business incubator can be a very powerful tool to improve the firm response to the present socioeconomic and demographic changes, the revolution in the IT technology, the increased competition and community pressure for sustainable forms of tourism, enabling the firm to offer a better response to the more knowledgeable and demanding tourists.

4. Fresh perspective on best practices in business incubation: a proper management of emotions is vital for success

The literature notes that providing emotional support for the clients is one of the most important objectives of business incubators. But within the context of the emotions involved in launching and sustaining a new venture, this support is not sufficient.

Even though until recently many researchers and experts in organizational behavior assumed that a person's thoughts and actions are governed primarily by cognition or conscious reasoning, groundbreaking neuroscience discoveries have shown that human perceptions, attitudes, decisions and behaviors are determined by both cognition and emotion (McShane and Steen, 2009), the latter often having a greater influence.

There is growing evidence to support that emotion and logical thought are intertwined, interacting in complex ways during problem solving, decision making, and other important forms of cognition (Baron, 2008). Researchers have indicated that feelings and emotions individuals experience influence many facets of cognition and behavior. Baron (2008) extended these findings to entrepreneurship, suggesting that affect (i.e. feelings and emotions) influences many aspects of entrepreneurs' cognition. Emotions may alter creativity, memory, persuasion, decision making and judgment.

Entrepreneurship is thus depending both on emotion and cognition. In the entrepreneurs' case, the focal venture is the specific object of emotion (Cardon, Wincent, Singh and Drnovsek, 2005). The entrepreneurs invest a lot of resources in their venture such as time, money, effort and even a part of themselves. Therefore, the founders hold special feelings for their businesses and they may be more emotionally involved than in any other position. The entrepreneurial venture brings about a wide range of feelings that involve a mix of positive and negative emotions with different levels of intensity (Russell and Feldman Barrett, 1999 cited by Cardon, Wincent, Singh and Drnovsek, 2005). The entrepreneurs may experience not only excitement, enthusiasm, pride, satisfaction, happiness, but also anxiety, anger, guilt, shame, self-blame, distress if a failure is involved.

While emotions may be episodic or enduring, they are not necessarily congruent with one another, as Cardon, Wincent, Singh and Drnovsek (2005, p. G.2) note:

“For example, even if a venture provokes feelings of frustration for an entrepreneur in its early or difficult stages, the entrepreneur may imagine that in the future the venture will be doing well enough to provoke feelings of satisfaction and pride. Both the episodic frustration and the enduring satisfaction may be experienced concurrently, and both may influence subsequent behaviors and cognitions.”

Because a discrepancy may exist between episodic and enduring emotions, there will be a demand for regulatory effort on the part of the entrepreneur (Cardon, Wincent, Singh and Drnovsek, 2005). This emotional regulatory process is portrayed as a moderator of the influence of attributed effect on behavioral outcomes (Cardon, Wincent, Singh and Drnovsek, 2005).

Given the importance of providing access to intangible resources (Fukugawa, 2013) to incubator clients, there should be interest in offering coaching regarding the proper management of emotions and the suitable regulatory strategies that might help entrepreneurs deal with the wealth of emotional states involved in launching and sustaining a new business. Even though this approach is still in an initial stage, it could greatly improve the success rate of clients by streamlining processes. A good management of emotions may increase task effectiveness by making interactions more predictable and by avoiding interpersonal problems that might disrupt interactions with customers (Ashforth and Humphrey, 1993), employees or business partners.

Conclusions

Although it is relatively young aged, the business incubators sector has generated a strong interest of both theoreticians and practitioners, emerging as a promising tool to support effectively the entrepreneurial approach.

One of the most important aspects targeted by researchers is represented by the best practices that should be supported in such entities. In general, business incubators should provide both physical and intangible resources to entrepreneurs in their start-up phase in order to improve their chances of success. There are two core principles in business incubation: to increase the community’s economic health by improving the survival rate of emerging companies and to support the sustainable, efficient business operation. The clients not only share resources, strategies and technologies, but also they benefit from the emotional support offered by the incubator in challenging times. Within this context, there is a greater emphasis placed on client assistance, advising and guidance that results in better company success and wealth creation.

Due to these valences, it is already largely proven that the business incubators can contribute to the success of tourism activity, with evidence grounded in both theory and case studies from around the world. In the present study it was observed that incubators may serve as a tool for developing tourism businesses both in peripheral areas and in cities, offering a hospitable environment for entrepreneurs by providing access to low-cost facilities and services, such as consultants, experts, government officials, bankers, or venture capitalists. We have pointed out that, in tourism, the term incubator should have a wider sense, including the traditional “brick-and-mortar”, physical facility, and the “incubator without walls” type, the networked incubators, and the nature-based incubators

that represent appropriate and enduring organizational models rightly suited to growing businesses in the tourism and travel sector.

Preserving this note, an important contribution to the smooth running of new-launched businesses could be providing to entrepreneurs consultancy services on the appropriate management of emotions. This can improve the management of various emotional states involved in launching and sustaining a new business and increase the success rate of incubators' clients by avoiding some personal or interpersonal problems caused mostly by the negative emotions stirred up by the intricate process of entrepreneurship.

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