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Understanding entrepreneurship in the local context

Delfmann, Heike

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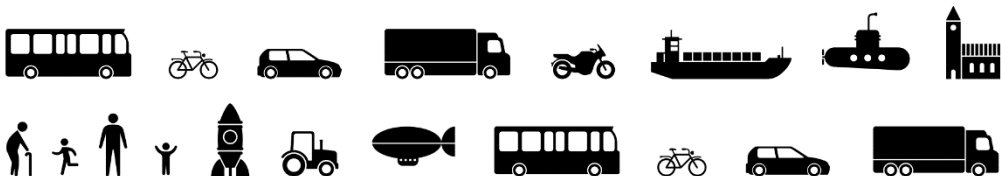
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The impact of local businesses on community quality of life: 'a village without a shop doesn't have a heart'



5. The impact of local businesses on community quality of life: ‘a village without a shop doesn’t have a heart’⁹

When a rural region is faced with stagnating population growth and population ageing, local businesses can contribute to building and maintaining community quality of life. Entrepreneurship can have a positive impact on this by generating (small) economic benefits, enhancing social capital and creating a distinct aesthetic within a community. The Chapter contributes to the existing literature by taking the perspective of the wider community. It shows the strong social impact of local businesses on community quality of life by applying a unique qualitative approach in two rural case studies in different countries that provide the same insights. The two case study regions included are rural Northumberland (UK) and rural Drenthe (NL), both of which are ageing and face a declining workforce. They help to identify how differences in rural accessibility influence the role of local businesses in community quality of life. The analysis of focus group discussions with inhabitants shows that local businesses contribute to the building of bridging social capital and that they are an integrated part of the community’s identity. The value attributed to local businesses depends heavily on the mobility of the individual.

KEY WORDS: ageing, rural, local businesses, focus group discussions, quality of life

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5.1 Introduction

Many rural regions are undergoing a social transformation as a result of demographic change, caused by population ageing and increased mobility (Steiner and Atterton, 2014; van Steen and Pellenburg, 2010). Remote and rural areas that face such developments have to deal with a number of social and economic challenges as they see their community quality of life impacted (van Steen and Pellenburg, 2010). There is a widespread debate on which exact factors influence the quality of life in small rural towns, as well as on how to predict when a community will experience a decrease in quality of life (SER, 2010), but it is clear that as more and more resources and amenities withdraw from rural communities, the standard of living will eventually decline.

The ability to cope with and accept changes, such as population ageing, in a constructive manner is fundamental to keeping the quality of life high (Sampson et al., 2002; Malecki, 1994). The negative vicious cycle of population ageing and decline causing a lack of critical mass for services, lower start-up rates and lower employment rates, which in its turn lead to more decline or ageing in rural regions, has been receiving more research attention recently (e.g. Baumgartner et al., 2013; Paniagua, 2013; Walsh et al., 2012). Rural entrepreneurship has emerged as a key factor for enhancing rural development (Pato and Teixeira, 2013).

The potential benefits of local businesses to the development of a rural community can be broadly grouped into three categories: economic, social and physical (Vitartas et al., 2013). For the purpose of the Chapter, the focus lies on the first two aspects. Even though the economic benefit of small local businesses is probably small, the economic perspective cannot be ignored. Small rural businesses contribute to a more diverse economy and diversity helps to create a stable community (Steiner and Atterton, 2014). Beyond a (narrow) economic impact, these smaller businesses often create a distinctive aesthetic and add to the personality that characterizes the local high street. This distinctive aesthetic attracts residents and tourists to shop there, leading to a more convivial place and improved community cohesion (Henderson, 2002; Steiner and Atterton, 2014). This not only gives a small economic impulse, it could also enhance the perceived quality of life (Shafer et al., 2000).

The impact of local businesses beyond the economic sphere has received far less attention compared to their economic benefits but in order to see their full impact it is necessary to consider wider aspects (Markantoni et al., 2013; Vitartas et al., 2013). This Chapter hopes to make a contribution to this discussion. The social aspect is approached through the concept of social capital (Bertotti et al., 2011; Rolfe, 2006; Gabriel and Bowing, 2004). Local businesses can create and enhance social capital by providing opportunities for inhabitants to interact and develop a sense of community identity.

The research question of how local businesses can contribute to the community quality of life in addition to economic benefits has yet to be explored. There are some contributions on related themes, such as community resilience, but the literature is limited (e.g. Besser, 2009, Steiner and Atterton, 2014; Tolbert, 1998; 2002). This study provides new insights from the wider community revealing entrepreneurship to be a mechanism for building social capital and enhancing quality of life, where others have focused on the perspective of the entrepreneur. Social capital has been the topic of a vast and growing stream of literature, in particularly since *Bowling alone* (Putnam, 2000), including regional and economic development. However, in combination with entrepreneurship, research has mainly focused on how social capital can contribute to and affect the level of entrepreneurship, not the other way around. Westlund and Bolton (2003) do write that entrepreneurship can be as much a creator of social capital as a result of it, but few empirical studies have addressed the reciprocal relationship. The exceptions are those papers focusing on the impact of specifically social enterprises to social capital (e.g. Bertotti et al., 2011; Eversole et al., 2014). This study takes a broader view and includes all local businesses, established and newly founded firms, and aims to determine if and how local businesses can contribute to maintaining the quality of life in a particularly challenging context of rural, ageing communities. For rural communities the trend of population ageing is particularly relevant, as it is mainly young people who are leaving for higher education or for employment opportunities in urban areas, whereas retired people are moving in (Besser, 2009). Social ties are disrupted by this process and the facilitating role of local businesses might become even more important.

Perceptions are crucial within this research, as community quality of life revolves around the understanding of community members of what makes life good or not good (Raphael et al., 2001), which is further explained in the theory section. The methods applied are thus of a qualitative nature: a unique approach of focus group discussions with inhabitants in two countries. This is needed because, as Woods (2006, p299) explains, *‘there are many different countrysides’*. Rural areas are distinguished by different landscapes and natural environments, but also by their proximity to urban centres and relative isolation (Woods, 2006). Rural regions can vary significantly in terms of accessibility. If the facilities in the next town are easy to reach, will the local shops matter less for the residents? Particularly from the perspective of the older and from the less mobile inhabitants, will it matter just how rural, the rural actually is? Does the relative accessibility of the community influence the importance of local businesses for rural residents or will their perception of being in the countryside dominate? This leads to the second research aim, which is to understand whether the role the local firms play is influenced by the relative distance to other services and amenities.

This Chapter explores the contribution of local businesses in rural development in times of population ageing. It begins by providing background information on the concept of quality of life and the potential role of local businesses in rural and ageing communities. Following this, the research methods used in this study are described. Then, based on the qualitative analysis of focus group discussions, the Chapter presents findings exploring and highlighting the role of local businesses in rural community quality of life. The final section presents the conclusions and recommendations.

5.2 From local business to Quality of life

The debate about what exactly quality of life is has been ongoing for years (Ranzijn, 2000). Quality of life is often approached in a quantitative way, researchers try to measure it. In this case, the experience and perception of the community member is centrally placed in the research question, therefore the working definition of community quality of life used here is *community factors that are perceived as affecting the understandings of community members of what makes life good or not good* (Raphael et al., 2001). It is built of the shared features that community members experience for example, job opportunities, recreational opportunities, housing affordability, crime rate, schools, taxes, health care and environmental aspects such as air and water quality or traffic. In particular the community quality of life is made up of the subjective interpretation of these features made by the inhabitants (Myers, 1987). In other words, community quality of life is the result of the interaction between three domains as shown in Figure 5.1: environment, community and economics (Shafer et al., 2000). The next three paragraphs will illustrate how local businesses can contribute to all three elements.

5.2.1 Economic benefits

Entrepreneurship is generally assumed to have a beneficial impact on society, often focusing on its economic impacts, such as the way it drives competition and innovation and consequently GDP and employment growth (e.g. Armington and Acs, 2004; Stam, 2009). Local businesses create job opportunities for local inhabitants and reduce unemployment. They may also influence income levels (Atterton and Affleck, 2010). Especially in rural areas, small businesses are perceived as important for the economic development of their communities, although in general they generate lower income levels compared to small businesses in urban regions (Henderson, 2002). Even though in a small rural context, with rather small economic benefits, local rural businesses do contribute to a more diverse economy. Diversity helps to achieve a stable community, more able to cope with changes as it does not depend on just one industry (Steiner and Atterton, 2014). Rural areas are traditionally dominated by agriculture, but are now becoming more economically diversified. Koster *et al.* (2011) found that diversity of rural Dutch regions has a positive effect and that it even counteracts depopulation.

Local businesses also ensure that essential products and services reach their communities (Steiner and Atterton, 2014).



Figure 5.1. Conceptual model of elements contributing to the community quality of life (adapted from Shafer et al., 2000).

5.2.2 Community benefits

Local businesses can also contribute to other aspects of quality of life, such as the level of social capital, in that they maintain social relations and provide meeting places (Morris and Lewis, 1991; Westlund and Bolton, 2003; Steiner and Atterton, 2014). Traditionally, social capital is divided into two types of capital which are relevant within a community: bonding and bridging (Putnam, 2000; Granovetter, 1973; Woolcock & Narayan, 2000; Magis, 2010). Bonding capital refers to the close ties among similar individuals or groups, such as family and close friends. It builds trust, reciprocity and is said to be good for 'getting by' (Agnitsch et al., 2006). There is, however, also a risk of too much social capital resulting in a lock-in effect. This negative side of social capital is most likely to surface in inward-looking and isolated networks. The group has strong bonding social capital, but stops new inputs from outside the group (Van Deth and Zmerli, 2010). This lock-in can create intolerance and can for instance make it very difficult for newcomers to integrate in a rural community. Bridging social capital reduces this risk by providing ties external to the group, allowing people better access to resources and reducing dependency (Woolcock, 1998; Putnam, 2000). Bridging capital refers to the looser ties between people, such as acquaintances or colleagues. Bridging capital can help to connect to new resources and enhances the distribution of

information within and between groups (Putnam, 2000). Woolcock (1998) argues that the presence of both bonding and bridging ties are crucial in the successful development of community quality of life.

Local institutions are shown to embed people in communities and decrease the number of out-migrants. The church is a classic example of a place where people meet and gather (Allen Hays, 2001; Flint et al., 2002). Churches increase civic engagement, increasing community social capital, and enhancing local quality of life (Tolbert et al., 1998; 2002). The elementary school often plays a similar important role (Warner, 2009). It is a place where parents will gather together twice a day to drop off and pick-up their children exchanging stories about their personal and social lives. But the same reasoning can be applied to other local establishments, such as pubs, drugstores, coffee shops, hairdresser's or grocery stores (Tolbert et al., 2002). Local businesses, alongside local institutions, can serve as key gathering places strengthening both strong and weak community ties (Tolbert et al., 2002). Hester (1993) found that local businesses provide the settings for the community's daily routine. In his study, these places included the local drugstore, an old diner and a parking lot next to the post office where inhabitants would bump into each other.

The theory of social capital suggests that close interaction between rural people through tight-knit communities is a sign of well-developed social capital, while the ageing of rural communities and out-migration is seen as a sign of weaker social capital (Wilson, 2010). Strengthening key aspects of social capital such as relationships between individuals and organizations based on expectations, reciprocity, trust and social interaction (Coleman 1988; Lyons 2002; Bertotti et al., 2011) would increase not only the ability of a community to respond to uncertainty and change (SER, 2010) but also improve economic opportunities (Coleman 1988; Bertotti et al., 2011). Together this would result in an improvement in community quality of life (Bertotti et al., 2011; Shafer et al., 2000).

5.2.3 *Distinct Aesthetic*

The variety of businesses make communities more attractive places to visit (Markantoni, 2012). Formula businesses or national chains are required to maintain standardized services, décor, uniforms, architecture or other similar features, while independent businesses are not bound by these rules. These smaller businesses often create a distinct aesthetic and add to the personality that characterizes the local high street (Miller et al., 2007). This particular charm attracts people to shop there, leading to a more vibrant and convivial place (Henderson, 2002). It increases the attractiveness of a place for residents and as a tourism destination, improves community cohesion and could help develop a sense of community identity (Steiner and Atterton, 2014).

Independent small businesses in particular tend to draw customers from outside because they offer unique products or high quality service. Small businesses are more likely to be locally owned than larger businesses (Besser, 2009) and thus have strong local ties to the region and tend to be committed to the general well-being of the local community (Tolbert et al., 2002). Local businesses contribute to the community due to their capacity to reflect local character, their adaptability and their distinct aesthetic (Smirmiotopoulos, 2001). A local business therefore not only gives a (small) economic impulse, it can also enhance the perceived quality of life (Shafer et al., 2000). These three ways through which local businesses influence the community quality of life are visualised in the conceptual model in Figure 5.2.

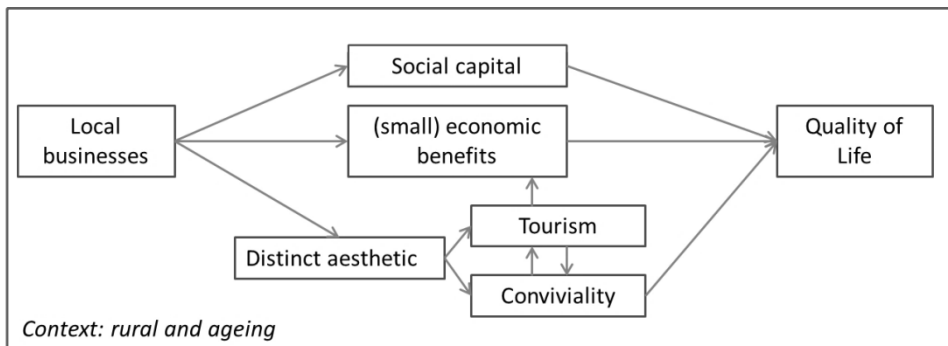


Figure 5.2. Conceptual model.

The regional context of this study is an ageing, rural community. Perception is influenced by environmental factors: quality of life is per definition contextually based (Ranzijn, 2002). As people age, they experience changes in their individual characteristics such as their physical health. As we get older, our radius of action becomes smaller. With declining mobility, it is expected that local shops will increase in significance for this group with regard to their daily needs (van Dam et al., 2013). The presence and accessibility of shops within the community will thus become a more important and prudent consideration with age.

The elderly consumer tends to shop more frequently in stores with which they are familiar, driven by their reputation rather than price (Miller et al., 1998). Local businesses provide older adults with places to walk to, to meet others and to stay independent without a car (Michael et al., 2006). The idea of social capital as conceptualized earlier is particularly relevant in small rural towns as chance encounters with acquaintances are more likely in the course of everyday rural life, in the typical places where everyone knows everyone else (Miller et al., 1998). Local businesses can therefore play a key role in strengthening social capital (Vitartas et al.,

2011), due to the local networks they create which increase social interaction among the local population (Johannisson 1990; Markantoni et al., 2013).

5.2.4 Regional context

Rural regions vary significantly in terms of accessibility and the way we perceive distance is related to the frequency of travelling a certain distance (Handy, 1996). The two selected case study regions are chosen for this reason. Rural Northumberland (UK) and rural Drenthe (NL) are both facing a declining workforce and are strongly ageing (NSP, 2011; CBS, 2013). But rural regions in the Netherlands are always relatively close to an urban centre in geographical terms. The infrastructure covers the peripheral regions well, providing rural regions with fairly easy links to the urban centres. In England, we find more 'traditional' rural regions, which are more isolated and have weaker links to urbanized areas. However, according to the general perception of both countries, these are both typical rural regions (Haartsen, 2002; Know Northumberland, 2012). Based on this, local businesses are expected to play a more important role for the elderly within the community, primarily because of their limited mobility. Despite the differences in the two case study regions and in particular the relative absence of accessible alternatives in the more remote regions, local businesses are expected to play an equally important role in both cases, due to similar perception and frequency of travel. The next section describes the two case study regions in more detail.

5.3 Method

5.3.1 Case study regions

Two case study regions were selected to study the role of local businesses on the community quality of life in the specific regional context of a rural and ageing community. The case study regions (see Figure 5.3) Glendale in Northumberland and Havelte in Drenthe, have many similarities. Both are considered to be rural, have a small market town, and are attractive green areas with national parks within their boundaries. Both regions have military influences, they are border regions and are known for the relatively high numbers of retirement in-migrants. The largest difference between these case study regions is to be found in their links to urban centres. This difference does not manifest itself in the number of kilometres between places, but more in their accessibility.

Northumberland is home to 316,000 people and covers an area of 5,013 km², of which 96.7% is classed as rural (Know Northumberland, 2012). The case study region of Glendale is situated in the North of Northumberland. Glendale has a population of 5,042, it measures 566 km², and has a population density of 9 people per km² (Know

Northumberland, 2012). Glendale's locality includes the town of Wooler and part of Northumberland National Park. Even though it is small, Wooler functions as a market town for the nearby villages and dwellings. Northumberland has an ageing population, a trend which is set to continue, with the number of older people in Northumberland predicted to rise dramatically in the next 25 years. By 2033, 31 percent of the total population in Northumberland is predicted to be aged over 65 (County council, 2012).

In the Netherlands we focus on an area in the province of Drenthe, one of the most rural regions in the country (Haartsen, 2002). Within the province of Drenthe the research focuses on the old municipal borders of Havelte. Havelte has approximately 3,200 inhabitants and merged into the municipality of Westerveld in 1998 (CBS, 2014). As it emerged that the residents still identify themselves as being part of Havelte, not Westerveld, and the Chapter is concerned with sense of community, the focus in this study is on Havelte. It is considered an attractive area to live (Bijker et al., 2013), and similarly to Glendale, the population of this region is ageing considerably – partly due to retired people moving to the area and partly because young people are migrating out.



Figure 5.3. Havelte in Westerveld Drenthe, NL (left) and Wooler in North East England (right).

England and the Netherlands are the most densely populated countries in Europe with England being slightly more densely populated than the Netherlands since 2008 (ONS - Office for National Statistics, 2012). There is, however, a large difference in terms of urban – rural linkages; the spatial distribution is very different. The relationship between urban and rural regions in the Netherlands is exceptional within Europe. Peripheral regions are connected through a dense infrastructural network, providing inhabitants with a fairly easy link to the urban centres. Rural regions in the Netherlands are therefore more connected to urban areas as reflected, for instance, by high levels of commuting between these regions (OECD, 2008). According to the OECD (2013)

classification there are no rural regions in the Netherlands, as these are classed as intermediate regions.

In contrast, in England the rural regions are more isolated and generally have weaker links to urbanized areas. Their relative geographical locality differs distinctively from the Netherlands. However, according to common perception among the Dutch, rural areas do exist. For example, Drenthe is considered a typically rural area (Haartsen, 2002; OECD, 2008; 2013). Common associations made with the Dutch countryside are dominated by those of 'space', 'quietness', 'agriculture', 'nature' and 'villages' (Haartsen et al., 2003) which is very similar to connotations found regarding the countryside in England. In addition terms like 'traditional' and 'closely knit' and 'friendly' are associated with the rural setting (Steiner and Atterton, 2014).

In terms of accessibility, the nearest towns to Wooler are Alnwick and Berwick-upon-Tweed, with populations of 8,000 and 11,000 respectively. Both are about half an hour's drive away or an hour by bus. Cycling is not a realistic option. Buses run during the day between 8am and 5pm. Berwick and Alnwick are the first places where services such as dental or hospital care are available. The nearest urban centres are Newcastle-upon-Tyne or Edinburgh, Scotland. In contrast, the nearest towns to Havelte where such services are available are Meppel with over 32,000 inhabitants and Steenwijk with over 17,000 inhabitants at distances of 12 and 10 kilometres respectively. These are considered reasonable cycling distances for most people given the flatness of the countryside, and are a less than 15 minute drive or an equal 15 minute bus ride away. Buses run between 6.30am and 9.30pm.

5.3.2 *Focus group discussions*

Focus group discussions with residents were organised in order to determine the impact of local businesses on the community. Perceptions are crucial within this research. A qualitative approach is most suitable to examining how the relationships between people, businesses and other local institutions influence the community quality of life. The focus groups provided an opportunity to stimulate community members to voice their opinions as a result of group discussion rather than expressing the individual's perception (Morgan, 1997). Case studies make a context-specific understanding of regional development possible by taking the effects of public policy, institutional structure, history and culture into account. The aim is to gain a broad range of views, in order to understand the impact of local businesses on social aspects in the community.

Recruitment. Based on the research questions, the target population consisted of both men and women of all ages from Glendale, Northumberland in the UK, with a focus on

the town of Wooler. In the case of the Netherlands, both men and women of all ages from the municipality of Westerveld in the province of Drenthe, with a focus on the town of Havelte, were asked to participate.

The residents of Glendale were primarily recruited via a local organization that is the focal point in the community, as articulated by its role as a library, community centre, work hub and tourist office. This organization distributed a call for participants in its network, leading to several participants in all group discussions. Also a newspaper article was published asking for residents to participate. The remaining participants in these five groups were recruited via key persons, social media, distributing flyers in local shops and pubs and a snowballing method. The residents of Westerveld were approached in a similar fashion to the people of Glendale. A call was distributed via the community centre in Havelte, an advertisement was placed in the local paper and flyers were distributed in local shops. In the case of Havelte, most participants were recruited via social media and a snowballing method. The participants took part in the study on a voluntary basis, none were paid. Ethical practices of confidentiality and anonymity were adhered to.

Participants. Nine focus group discussions were held with 49 participants in total. Four groups took place in Havelte, five in Glendale. This results in a total of 23 participants in the Netherlands and 26 participants in England. The age distribution ranged from 27-93 in the NL, with an average age of 59. The in-migrants into the study region – or incomers – are slightly over represented at 61 percent. The average number of years of residence in Havelte was 19 years for those who had moved there. The ages of the participants in England ranged from 22-81 with an average of 54 years old. The percentage of incomers was again slightly skewed with 55 percent incomers, but similar to the Dutch participants, with a high average of over 15 years living in the region. Appendix 5.A1 provides more details concerning participants in the study.

Analysis. Based on the format developed by Morgan (1997), a semi structured, funnel guide listing broad questions and predetermined probes was used to facilitate collecting comparable data from all of the focus groups. All group discussions were audio-taped and transcribed. Atlas.ti was used to organize the data, facilitate coding and identify themes. When new views emerged from a discussion, these were used as additional questions for subsequent groups in order to make sure that these did not represent an isolated opinion or were a result of group think. Initial codes were based on previous research and complemented by codes based on the participants' comments (Krueger, 1998).

5.4 Results

Talking to the participants in both regions revealed that they were quite aware of the generational effect taking place in their communities and the long term effects it can have. “[...] *You do need every generation to make a town viable. And the one we’re lacking is the 18 to 30 year olds*” (UK, female). While the ageing society played a small part in the participants' lives, the rurality of the two regions had a strong impact on the perspectives of inhabitants regarding their community feeling. During the group discussions there were regular remarks comparing the social bonds and social control present in their community to the lack of these aspects in urban areas: “*Yeah, I mean we have a better social thing than people who live in cities. They’re so close together yet no one speaks to their neighbours*” (UK, male). The people in Glendale describe their experiences with making acquaintances within the region as quite strong: “*I think this area is probably unique in the way that everybody knows everybody quite well, in the whole of the county*” (UK, male). This high level of social interaction is the point of departure for this Chapter, to identify if and how local businesses contribute to this. Several sub aspects are identified, contributing to the rural community feeling and development of social bonds. The network analysis indicated strong links between community, quality of life, local entrepreneurship and meeting places. The following subheadings deal with these features starting with meeting places, followed by social inclusion and conviviality.

5.4.1 Local businesses as meeting places

Local businesses play an important role in creating the opportunity to meet and maintain contacts with other inhabitants, facilitating social bonds within the community. The idea of high chance encounters and well developed weak links seems to hold up for these communities. The community centre, the local church, pubs and sports clubs were also mentioned as key meeting places in both case study regions. There is a clear generational divide however, regarding the relative importance of the specific place for the individual. Whereas the older generation in Wooler value the church highly, the younger generation showed general disagreement with this statement. For them the pub and the sports societies fulfil the same role and needs as the church and community centre do for the elderly. Local pubs fill this particular gap, they act as key places and play an important role in facilitating social interaction amongst young community members.

M: “*The older generation are all going to church and we don’t really –*”

M: “*Pub’s our church! I’m not even kidding.*”

M: “*But I think a lot of the community here is rugby-based so local rugby clubs, as well, you do meet a lot of people there that you can catch up with and meet, really. He plays; we kind of all know people that play.*”

Church played a less prominent role in Havelte, even among the elderly, but the community centre seems to be equally significant in Havelte to in Wooler. Both community centres are more appreciated by the elderly population. Local shops, however, also have an unmistakable function as meeting places in both communities. They facilitate chance encounters that are highly valued particularly by elderly and by young mothers, two groups that are relatively limited in their personal mobility. For some it is even the only form of social contact during the day, clearly indicating the significance of chance encounters in local shops.

F: *“So it’s a very important building block in the community, isn’t it, that you’re recognised. I love it here because, chances are when I go to whichever shop, that on the way there or on the way back, or in the shop there’ll be somebody that, at least, I’ll nod to or will nod to me and say, “Hello.” Which is a very, very different experience from, say, going to Newcastle or Berwick for me.”*

M: *“You always bump into somebody you know.”*

F: *“I used to take about two hours when I used to go along with the buggy and would [Laughter] go to one shop to get whatever and... but it was lovely and you’d come back feeling refreshed from the experience.”*

F: *“And it’s... for some people that might be the only kind of contact they’ve got with another person, and that’s it.”*

5.4.2 Local businesses and social inclusion

Local businesses are actively involved in different community aspects such as sponsoring local sport facilities or even sponsoring individual cases in need of the community’s help. Many participants came up with examples of local businesses organising or supporting activities within the community. The supermarket in Havelte makes for an interesting example. It is not an independent shop, it is part of a national chain, but it is locally owned. The proprietor is a well-known public figure in the region. He and his supermarket were often mentioned as sponsors of local sporting activities or supporting local schools. But the most striking example came from Wooler, listed below.

F: *“And there’s a little girl, four, five year old. She is deaf. And so the school rallied together and got the induction system so that she could move round the classroom and they actually brought somebody in and they taught the children sign language so that they could communicate.”*

M: *“But that was sponsored anonymously by local business.”*

F: *“Local business did it.”*

Clearly there is an interest for local businesses to be involved in the community. Sponsorship is a typical expression of community involvement, aiming for more social inclusion. As explained in the theory section, too much bonding social capital might

result in a lock-in effect, creating intolerance toward outsiders. Many of the participants can be classified as incomers and have been faced with the challenge of becoming part of the local community. Small businesses help to create bridging social capital, weak links between people or institutions which counters a possible lock-in. They help to keep the community accessible to outsiders and facilitate integration. The participants, however, indicated that it can take a really long time to become fully accepted and integrated in the community, but *“once they accept you, you’re fine”* (Female, UK). *“They used to say, “If you get invited to a reception of a wedding you’re nearly there; if you get invited to the wedding itself, you’re in.” And it took us 25 years to be invited to a wedding”* (Female, UK). The most important thing indicated by participants in both communities was making an effort, making sure you attend activities and that you shop at the local butcher's.

Shopping at the local butcher's, or buying locally in general, was highlighted by nearly all participants. This is in itself not so much an effect from local businesses on social capital as it is an indication of the high level of social capital in both communities. It shows how much the community members appreciate the local businesses, and even though they realise it will cost a bit more, they tend to act out of solidarity towards their fellow community members as business owners. People realize that if they want the shops to stay in business they need to maintain a solid consumer base. *“And we recognise that that’s more expensive than if we were to go to other shops, but it’s local. [...] It keeps their business alive. Yeah, I mean, it’s one of those things where it’s nice to have a High Street which does not have all the normal shops. It’s really nice to have the High Street with independent shops. So, it’s useful, it’s really good to support local businesses. And I just think it’s good for the local economy, if we can keep money local then it goes round and round. [...] Why am I giving money to Amazon for it to go into random shareholders and people that, you know... so it’s just supporting the local economy is a good thing, I suppose”* (UK, male).

Another perspective emphasizing the need to buy locally is from an accessibility point of view. Everything the community members need, they can find within the village. *“We enjoy the quietness and the space of this location, we live in such a nice and rural place. At the same time, we do have the supermarket, the cash machine, all facilities within cycling distance and that is just very pleasant”*(NL, female). Both villages even have a shop ‘that has everything’ and if they do not have it *‘they will order it’*. This is especially important for the older generation as they are slowly becoming less mobile, as it gives them the ability to keep their independence longer. The importance of the local shops is less essential for the younger generation. The younger generation will cope just fine without the local shops, as they are more capable of using the internet as a replacement:

F: *Exactly and they [the older generation] can't use the internet.*

M: *Will Tesco replace that for us?*

F: *That's exactly it; we'll have Tesco [Online supermarket].*

5.4.3 *Local businesses and conviviality*

People also buy locally as they recognise that the local shops contribute to the local economy and diversity, which is also a factor in making the place more convivial. *"They employ community plumbers, joiners, electricians all the rest. They employ people from within the community so the wages of those they are paying are coming into the community and helping the community to be sustainable financially, it's all of these things. If you lose them and everybody shops out of town, than all Wooler would have would be a dead cluster of houses here"* (UK, male).

The quality of life was perceived as very high in both communities. Conviviality is seen as part of the community quality of life, as depicted in Figure 5.1 in the theoretical section. The results indicate that the role local businesses play has indeed to do with a distinct aesthetic and with conviviality within the community, as *"a village without a shop doesn't have a heart"* (UK, female).

M: *"We will fight like crazy for as many nice shops in the High Street as possible. Because nice shops generate population, bring people in here and give that feel good factor which is very important"*.

F: *"And I think small businesses are absolutely wonderful. We try our best to keep the local amenities and the shops going, because it's just a lovely place to live and we're very lucky."*

F: *"That makes a place really dead if nothing is open. Doesn't it?"*

The experience of local conviviality differed considerably between the two case study regions, which can be traced back to the presence and specific type of local businesses. In Wooler, people expressed their contentment with the current state of the High Street, the number of nice shops and coffee places, their charm and the vibrancy as a result of tourists. Some remarks were made regarding the entrance to the town that still needed uplifting but in general, the inhabitants were very positive. The number of shops and other facilities is fairly similar in Havelte, with the exception of the number of pubs – or the surplus of pubs according to the English participants – as well as a fairly similar appeal both communities have to tourists. Even though most agree that it is a very friendly place, where everyone knows everyone else, they do not characterize Havelte as vibrant. The reason is often sought in the absence of nice restaurants and bars, and in particular the lack of a true village centre. The comparison with the nearby village of Diever is often made. Diever has a traditional village centre, 'a core' as the inhabitants explain, whereas they feel Havelte does not. Some even said that Havelte is

‘as dead as a doornail’, though this depiction could not count on much support and was often nuanced by other participants. “As an incomer I became a member of an association and this association quickly made me secretary and because of this I met a lot of people in a short time. I thought this was very pleasant as the people here are nice. That’s the way I have experienced it. All is well and people take it easy. But other than that, I have to say, this is not a very dynamic place” (NL, male). The community quality of life would thus be judged as somewhat lower in Havelte than in Wooler when it comes to this aspect. The difference in perceived conviviality between the two case study regions is probably influenced by the presence and accessibility of other villages. In the case of Havelte there seems to be some local competition with the nearby villages over tourists and facilities, which is not the case for Wooler. These regional differences are further researched in the next section.

5.4.4 Regional differences and relative importance of local businesses

As set out in the methodology section, the two case study regions differ in their remoteness and accessibility. This leads to some logical differences between the two, such as the size of the most frequently travelled radius, which is somewhat bigger in Glendale. It is less crowded in Glendale, with only Berwick (North East) and Alnwick (South East) nearby. The amount of commuting to the big cities, Newcastle-upon-Tyne and Edinburgh, is also higher compared to travels to bigger urban centres in the Netherlands. These differences in accessibility and typical travel distances could impact the value attributed to local businesses. If there are many accessible alternatives, the attributed value and need for local businesses might be lower. All participants were therefore asked to draw their mental map, indicating the most important places for them.

As expected there were very little differences between the case study regions regarding the daily or weekly distances travelled. Figure 5.4a and 5.5a seem very different at first glance, but they represent the same. The drawing on the left (Figure 5.4a) shows the mental map of a 50 year old female participant. She has a car, is in good physical condition and has a job. Her mental map starts at her home and shows different layers of places she visits based on frequency and mobility. The village centre and nearby facilities are valued and important, but distances are easily covered to more remote locations. The places mentioned outside of the circle are examples of holiday exceptions. Some can be considered to be close by whereas New York is far away by any measure. For her, however, everything outside her most outer circle is equally far: not in time, but in perception. A very similar story is told by the middle aged, highly mobile male participant in Northumberland. Wooler remains important as a market town for everyday items, but its services are easily complemented using nearby towns and cities (Figure 5.5a).

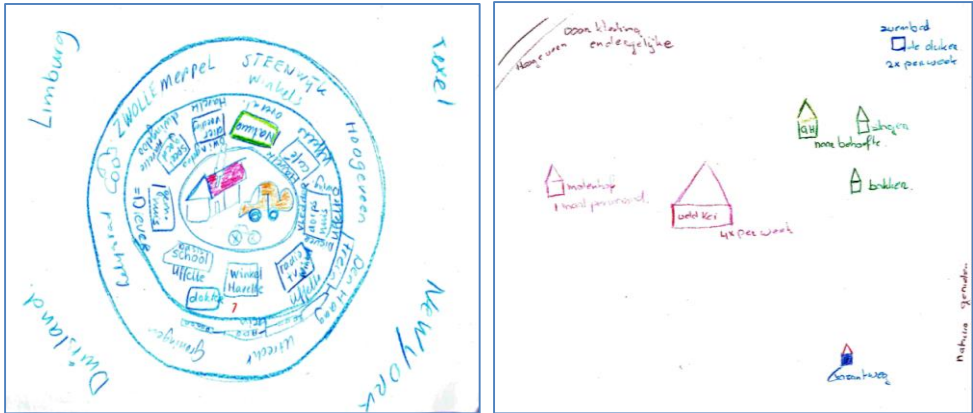


Figure 5.4a. Mental map by Dutch female, middle age, mobile; 5.4b. Mental maps by Dutch female, elderly, limited mobility

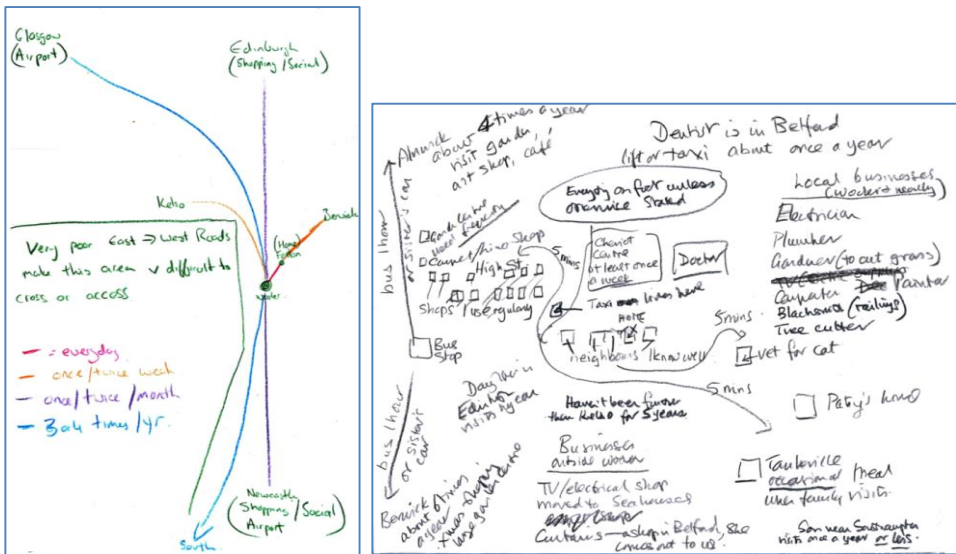


Figure 5.5a. Mental map by a middle aged, mobile man in Glendale; 5.5b. Mental map by an elderly female with limited mobility in Glendale.

Analysing the mental maps of all the participants revealed that whether people travelled far was related to the frequency of their travels. For most participants in Northumberland, the commute South was more frequent than North due to either family, friends or business and people indicated that Newcastle ‘felt’ closer: “We do occasionally, but it seems... bizarrely it seems further to go. I don’t know. Yeah. We haven’t travelled much into Scotland. We tend to go south. Then I suppose a lot of our

family are south. We're up and down the motorway" (UK, male). However, most of all, the relative importance of the local shops for daily necessities appeared to be related to their personal mobility. The drawing in Figure 5.4b shows the mental map of an elderly woman, who is limited in her freedom to get around. Her world is much smaller compared to her more vital fellow-villager. To her the supermarket and the bakery are important local businesses and the community building (Veldkei) provides for most of her social activities and is currently at the centre of her mental map. Figure 5b shows the mental map of an elderly lady living in Wooler. Most items on her map are within walking distance. The local High Street, the community centre and her neighbours are highly significant. Both mental maps of the elderly participants indicate the individual buildings that are important for them, their radius of action is small and the value they attribute to the local businesses is much higher compared to more mobile participants. Because both Havelte and Wooler have a supermarket and other daily amenities it is unnecessary to travel far on a regular basis, which is clearly visible in the mental maps of both less mobile participants (Figure 5.4b and 5.5b).

5.5 Conclusion

The main goal of this Chapter was to examine the contribution of local businesses in building and maintaining the community quality of life in rural, ageing communities. The challenge was to go beyond the economic impact of new and existing firms and investigate the social side of the business impact on community life by taking the perspective of the inhabitant, which is necessary in order to get the full picture of the potential impact of local businesses. The second aim was to understand whether the role the local firms play is influenced by the relative accessibility of the community. This research involved a sample of adults living in or near Wooler and in or near Havelte. Given the similar results in the two regions some general conclusions can be made, but the generalizability of the findings is limited.

In the theoretical framework, we outlined that the literature assigns a positive role to local businesses in terms of contributing to the community quality of life. Local businesses can contribute to different aspects of social capital. The analysis of the focus group discussions with inhabitants show that local businesses contribute mainly to bridging capital and are an integrated part of the community's identity. At the core of social capital are the relationships between individuals and organisations. Bridging capital is built by strengthening the weak ties amongst inhabitants by facilitating chance encounters. As Woolcock (1998) explained, bonding social ties are necessary but insufficient for long-term development and bridging capital is needed to complement and sometimes counteract lock-in tendencies of bonding capital: underlining the importance of the local small businesses' contribution to the creation of bridging capital.

Local businesses help to diversify the local economy. Despite the limited economic impact, the small businesses clearly contribute to this aspect. People buy local products and services in order to contribute to the firms' survival as they recognize their importance for the community quality of life. Buying locally, despite the higher costs involved, is a clear sign of community involvement and an indication of a high level of social capital. The local businesses are valued for a number of reasons. First of all, they facilitate social interaction and inclusion. They sponsor local (sports) activities, they add a distinct aesthetic and help to create a vibrant community that attracts tourists to the village. The results indicate that local businesses are also a public good. The social benefits of entrepreneurship are much greater than just the private good, which emphasizes the importance of local entrepreneurship regardless of the economic impact.

No distinct differences were found between people who moved into the region and those who were born and raised there, but differences were found between the two case study regions. The local amenities are very similar in both regions, but Wooler is experienced as being more vibrant, particularly thanks to the small businesses in the local High Street. Quality of life is highly subjective and depends on culture, habits, expectations and also personal mobility. This leads to the following conclusion to the second research question, that it does not seem to matter significantly just how rural the rural actually is for the importance of local businesses. Wooler is less accessible and typical travel time is longer but the perception is the same: *'it's not that far'*. Personal mobility seems to be the most important determinant in how significant local businesses are for individuals, not their age or the region's relative accessibility. Mobility is key.

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Appendix 5.A

Appendix 5.A1. Group descriptions

Group 1, NL: 2 male, 6 female. Age 44-83.

Group 2, NL: 2 male, 3 female. Age 27-69.

Group 3, NL: 4 male, 2 female. Age 41-65.

Group 4, NL: 4 female. Age 50-93.

Total NL: 23 participants, 34 percent male, 61 percent incomers, average age 59.

Group 1, UK: 4 male, 2 female. Age 43-67.

Group 2, UK: 2 male, 2 female. Age 56-76.

Group 3, UK: 1 male, 3 female. Age 48-78.

Group 4, UK: 2 male, 3 female. Age 48-81.

Group 5, UK: 6 male, 1 female. Age 22-33.

Total UK: 26 participants, 39 percent male, 55 percent incomers, average age 54.

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