


# Co-creation and Cultural Immersion: Empowering Small Businesses Through Creative Tourism

## Abstract

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This study examines the potential of creative tourism for the growth of small entrepreneurs in Mozambique. It explores how these entrepreneurs can leverage creative tourism to overcome challenges and thrive in a competitive tourism market. Through a qualitative approach involving semi-structured interviews and comparative case studies of six small entrepreneurs in Maputo and Vilanculos, the research uncovers valuable insights into the dynamics and impact of creative tourism. The study reveals that small entrepreneurs who embrace co-creation and offer immersive, culturally rich experiences are more likely to succeed. These entrepreneurs differentiate themselves by providing unique, hands-on activities that allow tourists to actively participate in the local culture. However, the study also highlights the challenges faced by these entrepreneurs, including limited resources and external risks, emphasising the need for increased institutional support. The key contribution of this research is the Creative Tourism Empowerment (CTE) model, a framework that outlines the journey of small entrepreneurs in the context of creative tourism, guiding them from survival to empowerment.

**Keywords** Creative tourism; co-creation; small entrepreneurs; Mozambique.

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## Introduction

The research explores the potential of creative tourism as a strategic opportunity for small entrepreneurs in Mozambique, seeking to bridge the gap in the literature regarding the full potential of creative tourism in developing countries. While traditional tourism often focuses on passive consumption, creative tourism emphasises active participation and co-creation, allowing tourists to engage directly with local cultures and traditions (Akdemir et al., 2023). This approach fosters a deeper connection between tourists and destinations, leading to a higher quality of experience. Small entrepreneurs in Mozambique, especially those offering experiences tied to local traditions and crafts, have a significant opportunity to leverage creative tourism to stand out. However, they often struggle with limited resources, stiff competition, and political and environmental challenges (Dias et al., 2021; Guambe & Da Silva, 2022). This study investigates how these entrepreneurs can leverage creative tourism to expand local economies while maintaining their cultural and authentic identities. The research is guided by the overarching question: "How can creative tourism impact small entrepreneurs in Mozambique?" To address this question, the study has three specific objectives: (i) Explore the landscape of creative tourism in Mozambique; (ii) Characterise the involvement of small entrepreneurs in creative tourism by examining the challenges they face; (iii) Conduct comparative case studies of small entrepreneurs engaged in tourism to uncover patterns, differences, and successful approaches. Through a qualitative approach involving semi-structured interviews and comparative case studies of six small entrepreneurs in Maputo and Vilanculos, the research uncovers valuable insights into the dynamics and impact of creative tourism in Mozambique. This method is deemed adequate as it allows for an in-depth exploration of the experiences of small entrepreneurs within the creative tourism sector, capturing the complexity of their perceptions and strategies. The study reveals that small entrepreneurs who embrace co-creation and offer immersive, culturally rich experiences are more likely to succeed in the competitive tourism market. These entrepreneurs differentiate themselves by providing unique, hands-on activities that allow tourists to actively participate in the local culture. The study also highlights the challenges faced by these entrepreneurs, including limited resources and external risks, emphasising the need for increased institutional support. The key contribution of this research is the Creative Tourism Empowerment (CTE) model, a framework that outlines the journey of small entrepreneurs in the context of creative tourism. The CTE model provides a roadmap for these entrepreneurs to move from survival to empowerment by embracing innovation, engaging customers, and differentiating their offerings. This model is particularly relevant for Mozambique, a country with immense tourism potential but also many challenges. By adopting creative tourism strategies, small entrepreneurs in Mozambique can contribute to the preservation of cultural heritage, the growth of the local economy, and the achievement of sustainable development goals.

## Literature review

### *Creative tourism: An overview*

Creative tourism fosters active participation, enabling tourists to discover their creative potential through immersive experiences (Akdemir et al., 2023). Unlike passive consumption in mass tourism, creative tourism emphasizes co-creation, where tourists and local communities collaborate to offer customized, engaging experiences that promote cultural exchange and heritage preservation (Richards & Raymond, 2000). This interaction enhances cultural capital and fosters a deeper connection between tourists and the destination (Akdemir et al., 2023; Richards, 2013). Creative tourism is driven by the demand for authentic experiences rooted in local culture (Chathoth et al., 2013; Dias et al., 2020). Tourists actively participate



in shaping their experiences and co-creating value through immersive activities like workshops and courses (Moleiro, 2023; OECD, 2014; Richards & Raymond, 2000). While definitions vary, key aspects include active participation, co-creation, authenticity, and skill development (Al-Ababneh et al., 2021; Richards, 2014). However, balancing commercialisation and authenticity remains crucial to avoid standardised experiences that dilute cultural distinctiveness (Al-Ababneh et al., 2021; Dias et al., 2020). Creative tourism should prioritise sustainable practices and empower local communities while offering enriching experiences for tourists (Richards, 2013). The development of creative tourism can be categorised into four distinct phases, each denoting significant shifts in how tourism is conceptualised and practiced (Akdemir et al., 2023): Phase 1.0: Creative Tourism as Co-Creation and Co-Learning: This phase emphasised small-scale, locally embedded tourism experiences, where tourists engaged in workshops and co-learning environments (Richards & Raymond, 2000). Tourists evolved from being mere observers to artisans, participating in activities that encouraged cultural exchange and alternative income generation. Phase 2.0: Expanding Reach Through Digital Platforms: This phase focused on applying digital tools to further distribute creative tourism experiences online (Akdemir et al., 2023). It allowed smaller destinations to use digital platforms to create awareness and promote their authentic creative experiences on a larger scale. Phase 3.0: Urban and Cultural Policy Integration: The third phase involved adopting creative tourism by urban and cultural policymakers. Creative Tourism 3.0 integrated creative tourism into cultural branding and urban development strategies (Akdemir et al., 2023). Phase 4.0: Relational and Networking Tourism: This phase is characterised by relational tourism, where links and collaborations among tourists, locals, and artisans are emphasized (Duxbury & Richards, 2019). It focuses on sustainability and the long-term transformation of communities, ensuring that both locals and tourists benefit from unique tourism options.

The rise of creative tourism is shaped by recent developments promoting inclusivity, sustainability, and co-creation, influencing how tourists interact with local cultures (Akdemir et al., 2023). This shift emphasises human-centered experiences and co-created interactions with local communities. Creative tourism and other forms of immersive tourism experiences have emerged as a key trend, accelerated by digitalisation, particularly during the COVID-19 pandemic (Dube, 2021). Virtual immersive workshops and experiences have broadened the reach of creative tourism, promoting domestic engagement and providing livelihood opportunities for local artisans (Moleiro, 2023; Richards, 2020). Sustainability is also central to creative tourism, aligning with social and environmental goals (Moleiro, 2023). Co-creation and involvement with communities encourage responsible travel that sustains cultural heritage and the environment. However, the rise of creative tourism raises concerns about commercialization and authenticity. Over-commercialization may lead to standardised experiences, diluting the cultural distinctiveness of places (Al-Ababneh et al., 2021; Richards, 2020). The evolution of the creative tourism concept has been notable, although not without complex and unresolved challenges that require more in-depth analysis to define future strategies. Akdemir et al. (2023) have pointed out that creative tourism research has primarily emphasised economic and managerial impacts, while the potential social and cultural roles of this form of development remain poorly understood. They suggest that, although creative tourism is perceived as highly profitable, especially for local communities, its social impacts have yet to be fully investigated, particularly in relation to community well-being, social cohesion, and inclusion. Citing Richards (2020), they argue that current studies still largely overlook the voices of residents and traders, who are crucial actors in the co-production process but are only partially covered by existing scientific literature. Moleiro (2023) supports this view, stressing that more holistic studies are necessary to assess the impacts of creative tourism on community cohesion and the safeguarding of local cultures over time. Moleiro (2023) also argues that the rise of commercial creative tourism experiences does not necessarily enhance their authenticity, a concern that Richards and Wilson (2007) had previously identified. Additionally, Moleiro (2023) calls for future research to investigate the changing scope and nature of creative tourism as it continues to expand rapidly across digital platforms and globally. He questions whether it is possible for creative tourism to maintain its authenticity and avoid commercialisation.

Offering a related view, Al-Ababneh, et al. (2021) recognises the increasing difficulty of balancing the economic needs of tourism with the cultural authenticity that stakeholders seek to preserve through their tourism experiences. While such measures are meant to enhance the experience for both tourists and locals, he cautions against the “over-standardization” of creative tourism offerings, which would strip away their value in the context of place-based uniqueness. Al-Ababneh et al. (2021) explain that research should focus on sustainable models that balance cultural preservation and economic development. Richards (2020) also highlights that to prevent commodification, creative tourism must evolve. Drawing from earlier work by Richards and Raymond (2000), he claims that creative tourism risks “becoming banal by replicating existing cultural, natural, sporting, and entertainment resources across all settings,” and emphasises the need for efficient management. Richards (2020) suggests that researchers should explore how creative tourism can more closely connect with local creative economies and innovation to ensure sustainability and provide a deeper, more authentic transformational experience for tourists. This aligns with the viewpoint of Dias et al. (2020), who argue that marginalised communities involved in creative tourism require protection from exploitation and a fair distribution of benefits. One of the central topics in the future of creative tourism is the growing influence of digital platforms in shaping the field. As Duxbury & Richards (2019) observe, this has transformed creative tourism from a one-time, place-based event to a more integrated way of life. However, Akdemir et al. (2023) warn that, although digitalisation opens up new opportunities to make creative tourism more accessible to broader audiences, it may also accelerate the standardisation and commoditisation of creative experiences. They call for a cautious approach to studying this phenomenon, weighing the benefits of enabling more people to experience creative tourism via digital media against the need to ensure that each experience remains authentic.



### ***Co-creation: Enhancing customer experience and value***

Creative tourism distinguishes itself from traditional tourism by placing co-creation at its core. Tourists actively participate in shaping their experiences, co-producing cultural products alongside local communities (Al-Ababneh et al., 2021). This interaction fosters innovation within the tourism industry, leading to more dynamic and personalised offerings that cater to tourists' needs (Akdemir et al., 2023; Sharma & Bhat, 2020). Co-creation enables authentic experiences, immersing tourists in the local culture and fostering deeper connections with the destination (Akdemir et al., 2023). This approach aligns with the shift towards experiential tourism, where tourists seek unique and engaging activities rather than passive consumption (Pralhad & Ramaswamy, 2004). By engaging in co-created experiences, tourists contribute to sustainable tourism development while enhancing their own satisfaction (Richards & Wilson, 2007). This participatory model positions both tourists and locals as active contributors, fostering a sense of ownership and fulfillment (Moleiro, 2023). Furthermore, co-creation empowers local communities, particularly in rural areas, to leverage their cultural capital for economic growth and cultural preservation (Richards, 2020). By engaging tourists in local traditions and crafts, co-creation strengthens community bonds and promotes cultural pride (Dias et al., 2020). In conclusion, co-creation enhances the value of tourism experiences by fostering deeper engagement, promoting sustainability, and empowering local communities. It benefits both tourists and destinations, creating a more enriching and fulfilling tourism model (Akdemir et al., 2023; Al-Ababneh et al., 2021; Dias et al., 2020; Moleiro, 2023; Richards, 2020).

### ***Creative tourism experiences as a strategic resource for poor community development***

Based on Richards & Wilson's (2007) theories, Akdemir et al. (2023) argue that these creative forms of tourism are essential for empowering rural communities through social cohesion and economic resilience. In summary, they state that in much of rural creative tourism, local artisanry and cultural practices hold strong. Using this co-creation model, local communities become creators, not just providers of services in tourism. This collaborative process, according to Akdemir et al. (2023), more broadly distributes the economic benefits of tourism, promoting sustainable development in the long term. This is especially true in places where traditional industries have been in decline, and creative tourism may be one of the only strategies for economic diversification. On the other hand, Moleiro (2023) focuses on creative tourism as a tool for fostering social inclusion in contexts of poverty. Moleiro (2023) posits that the creative tourism experience can yield financial rewards while enabling marginalized communities to interact on a global level on some more prominent occasions. Based on Richards & Raymond (2000), Moleiro (2023) highlights that creative tourism fosters interaction between tourists and residents, with the former playing a crucial role in co-creating new experiences. This fosters dialogue, mutual understanding, and respect, helping to preserve cultural identity while enabling sustainable economics. However, Moleiro (2023) also cautions that if culture is too easily commodified, it may lose its essence in the pursuit of profit. He advocates for more research on how creative tourism can better balance economic success with the preservation of cultural integrity. Richards (2020) synthesizes these findings by relating them to the strategic position of creative tourism in rural and marginalized communities. He argues that creative tourism will attract more visitors and help retain young people in these regions by offering jobs centered around culture. Richards (2020) cites rural Thailand, where projects such as cooking classes and craft workshops support the local economy while instilling cultural pride. Referring to his work with Raymond (2000), Richards (2020) emphasises the need for co-production in sustaining such initiatives, claiming that meaningful community participation is essential if tourism offerings are to remain authentic and sustainable. Richards (2020) also highlights the challenges of implementing such models at scale, especially in areas without adequate infrastructure to handle increased tourist volumes. Dias et al. (2020) extend this analysis by examining how poor communities engage with creative tourism. They argue that creative tourism can act as a mechanism for economic redistribution, enabling local artisans and ventures within the informal sector to craft and sell their products to tourists. However, they also advocate for foreign aid (from governments, NGOs, or multilateral banks) to provide the working capital and technical support needed for such start-ups. According to Dias et al. (2020), many poor communities may not fully harness the benefits of creative tourism if they are overly reliant on external resources. This analysis echoes Richards' (2015) caution that community development has often occurred top-down, with organizations dictating solutions. There is a need for communities to be involved in the planning and delivery of shared solutions, with support from the voluntary sector. Overall, creative tourism highlights the potential poor communities have not only to develop culture and creativity into significant economic development assets but also to transform place-based artistic heritage experiences into sustainable economic models (Dias & Azambuja, 2022). Akdemir et al. (2023) assert that co-creation alters how such benefits can be distributed more evenly in tourism. While acknowledging that creative tourism promises certain social inclusion rewards, Moleiro (2023) warns against the normalization of commodification. Richards (2020) emphasises that external support and infrastructure are crucial for scaling up creative tourism in less wealthy regions. Although there are differing perspectives, all scholars agree that if properly implemented, creative tourism can become a significant strategy for community-building development, even in economically disadvantaged regions.

### ***Entrepreneurship in tourism***

Small entrepreneurship in tourism has historically played a vital role in shaping the development of the sector. As highlighted by Walmsley (2019), the tourism industry is predominantly composed of small businesses, often described as the lifeblood of the sector. These small enterprises are typically owner-managed and operate in niche markets, providing personalised and locally tailored services that contribute to the overall tourism experience (Rogerson & Rogerson, 2021). Ateljevic & Page (2009) emphasise the significance of small businesses in the tourism sector, noting that these enterprises often provide



personalised, culturally rich experiences that larger companies cannot replicate. Thomas et al. (2011) note that while small tourism firms often face challenges such as seasonality and limited capital, they are uniquely positioned to offer personalised services that larger businesses cannot. Small tourism firms are characterised by their flexibility and capacity for innovation, which enables them to adapt to rapid changes in consumer preferences and market conditions. This is also noted by Hjalager (2010) and Walmsley (2019), who add that innovation in service delivery and product development allows small firms to adapt to market changes and maintain a competitive edge. In line with this, Hall & Williams (2019) argue that innovation extends beyond technology to include the development of new services, products, and experiences that resonate with modern tourists seeking unique and authentic engagements. Moreover, Walmsley (2019) emphasises that these businesses are not only driven by economic incentives but also by the desire of entrepreneurs to maintain a certain lifestyle or achieve personal goals. This is a defining feature of many small tourism enterprises, particularly in regions where tourism is one of the few viable economic activities. Walmsley (2019) also points out that while small firms dominate the tourism landscape, their role in the broader academic discussion of entrepreneurship has been somewhat marginalised. However, their importance cannot be understated, as they contribute significantly to local economies, particularly in rural or underdeveloped regions where large-scale tourism operations may not be feasible. These small businesses often operate as lifestyle ventures, meaning that their growth and success are not solely measured by financial profit, but also by the personal fulfillment of the entrepreneur and their contribution to local cultural and environmental sustainability. The entrepreneurial process within small tourism businesses typically involves identifying opportunities within the local context, leveraging limited resources, and engaging closely with the community (Dias et al., 2019; Walmsley, 2019).

### Methodology

This research aims to explore the potential of creative tourism for small entrepreneurs in Mozambique, employing an inductive approach to generate insights and knowledge. This approach is deemed appropriate as the study seeks to understand a complex phenomenon in a real-world context, moving from specific observations to broader generalisations. The study utilises a qualitative research design, collecting rich narrative data through semi-structured interviews with six small entrepreneurs in Maputo and Vilanculos. This method allows for an in-depth exploration of the experiences, perceptions, and strategies of these entrepreneurs, capturing the nuances and complexities of their engagement with creative tourism. The research is exploratory and descriptive in nature. It seeks to offer new perspectives on how small entrepreneurs can operationalise their businesses in the national market through creative tourism strategies. The study also aims to analyse the significance of creative tourism for these entrepreneurs by examining the strategies they implement, all without direct intervention. To achieve these objectives, the research design incorporates two main methods. First, a comprehensive review of existing literature on creative tourism, entrepreneurship, and related concepts is conducted to establish a theoretical framework and identify research gaps. Second, in-depth case studies of six small entrepreneurs engaged in tourism in Mozambique are carried out. This method, as Yin (2014) suggests, is appropriate for investigating contemporary phenomena within their real-life context, especially when the boundaries between phenomenon and context are not clear. The case study approach allows for a detailed examination of the selected cases, comparing their experiences and strategies to uncover patterns and best practices. In August and September 2023, interviews were conducted in two areas central to the research problem: Maputo, the capital, and Vilanculos, a coastal town frequented by tourists. These locations were deliberately selected to provide perspectives from entrepreneurs dealing with both locals in the city and tourists on the coast. Permission to conduct the interviews was verbally requested, and each interview lasted about 15 minutes, which was long enough to uncover the story but not too time-consuming for the small entrepreneurs. Permission was also requested to record the interviews, ensuring that no details were missed, while also taking some photos to document their work and products. This visual element added another layer to the understanding of their businesses.

To undertake this research, six case studies from small business owners in Mozambique were examined. The completion of six cases corresponds with the notion of “saturation,” a qualitative research concept. At the highest level, saturation is reached when you start to hear repeated statements from participants and when no new interviews provide additional perspective (Glaser & Strauss, 1967). By the sixth interview, it was clear that the data derived from each entrepreneur were telling consistent stories and revealing the same key insights, so the point of saturation was achieved, as more interviews would not likely offer new or noteworthy information. In this regard, according to Mason (2010), data saturation is critical in qualitative research to provide confidence in the depth and stability of themes identified without unnecessary redundancy. The interviews conducted with six small entrepreneurs in Mozambique provided valuable insights into the impact of creative tourism on their businesses. The entrepreneurs represented diverse sectors, including handcrafting, seafood, and hospitality.

- Entrepreneur A has been working in handcrafting for 21 years, focusing on unique, high-quality products using local materials. While satisfied with consumer demand, the entrepreneur's income only covers basic living expenses.
- Entrepreneur B operates in the fishing and seafood industry. Increased competition after the economic crisis has impacted profitability, although loyal customers continue to support the business.
- Entrepreneur C runs a seafood business near the sea, offering cooked seafood to tourists. The entrepreneur enjoys the work but acknowledges decreased profits due to heightened competition and lack of product differentiation.
- Entrepreneur D produces handcrafted products and offers masterclasses for tourists to create souvenirs. This creative addition has boosted income and customer satisfaction.
- Entrepreneur E engages in handcrafting to preserve local culture and conducts workshops for both tourists and local students. The entrepreneur and customers report high satisfaction with the products and experiences.





- Entrepreneur F runs a guesthouse with complementary cultural activities like diving and kiting. The business is successful, but the entrepreneur believes customer satisfaction could be further improved.
- Entrepreneur F (Annex F) runs a guest house and offers guests cultural activities such as diving and kiting services. The entrepreneur reports success but believes that customer satisfaction could be further improved.

## Results and discussion

This study examines how small entrepreneurs in Mozambique engage with creative tourism and the resulting impact on their businesses. Analysis of the six case studies reveals that entrepreneurs who embrace co-creation and offer immersive cultural experiences are more likely to succeed, aligning with the findings of Richards & Raymond (2000) and Chathoth et al. (2013). Entrepreneurs D and E, who incorporate participatory workshops and co-created experiences, demonstrate a deeper understanding of the evolving tourism landscape. Their approach resonates with tourists seeking authentic cultural engagement and justifies premium pricing, as highlighted by Chathoth et al. (2013). In contrast, Entrepreneurs A, B, and C, operating within traditional product-based models, struggle to differentiate themselves in a competitive market, echoing Richards' (2020) observations on the need for unique, experience-driven offerings. Resource availability also plays a crucial role. Entrepreneurs D and E leverage local cultural knowledge and craft to innovate, despite limited institutional support, aligning with Richards & Wilson's (2007) emphasis on translating cultural content into attractive tourism products. Conversely, Entrepreneurs A, B, and C face challenges due to limited financial resources and support networks, underscoring the need for vibrant policy frameworks to aid small entrepreneurs, particularly in developing contexts, as argued by the OECD (2014). Furthermore, Entrepreneurs D and E foster deeper customer relationships through personalised, co-created experiences, leading to increased loyalty and repeat visits. This finding supports Chathoth et al.'s (2013) argument that co-creation enhances the emotional bond between businesses and customers. In contrast, Entrepreneurs B and C maintain more transactional customer relationships, hindering their ability to create lasting connections. Entrepreneur A, despite offering customised products to a select few, experiences declining customer satisfaction, highlighting the importance of consistent engagement. The economic benefits of incorporating creative tourism are evident in the improved financial outcomes for Entrepreneurs D and E. Their unique, experiential offerings attract tourists seeking genuine cultural engagement, enabling them to thrive in competitive markets, as suggested by Walmsley (2019). Conversely, Entrepreneurs A, B, and C face limitations in achieving profitable growth due to their adherence to traditional models. This analysis demonstrates the transformative potential of creative tourism for small entrepreneurs in Mozambique. By embracing co-creation, offering immersive experiences, and leveraging local cultural resources, entrepreneurs can differentiate themselves, foster deeper customer relationships, and achieve sustainable growth. However, it also emphasizes the need for supportive policy frameworks and access to resources to empower these entrepreneurs in their journey towards success.

The success of small entrepreneurs in the competitive tourism industry often hinges on their ability to innovate. Entrepreneurs D and E demonstrate how adopting creative approaches can lead to greater customer satisfaction and increased revenue. By offering interactive experiences that invite tourists to engage directly with local culture, they put into practice the ideas of Richards & Raymond (2000), who highlight the value of involving visitors in meaningful, hands-on cultural activities. This kind of innovation not only enriches the tourist experience but also fosters a stronger connection between the visitor and the business. According to Richards (2013), this leads to a different form of customer engagement, where tourists move from passive consumers to engaged producers. The experience-based elements in which Entrepreneurs D and E have been successful lie in the way they get their customers intimately involved, such as through hands-on workshops where tourists are not only exposed to the cultural significance of these practices but also get to create their own. The direct interaction also breeds loyalty and repeat customers, an important component of Chathoth et al.'s (2013) co-creation models. In contrast, Entrepreneurs B and C, lacking interactivity or creativity built into their products and services, find it difficult to develop any emotional connection with customers, foster long-term relationships, or generate repeat business. Creative tourism also offers the opportunity for differentiation to small entrepreneurs in a crowded market. This supports Walmsley's (2019) argument that small businesses need to create authentic, individualized experiences in creative ways and should be culturally rich, so they are not easily replicated by other competitors. Entrepreneurs D and E have successfully created workshops and hands-on experiences using their positions to drive sales, allowing them to charge a premium for these services, which competitors cannot easily replicate. In sharp contrast, Entrepreneurs B and C compete with commodified products, lacking the added value of cultural engagement. As noted by Richards (2020), they face significant challenges in standing out in the competitive market and, therefore, identify their businesses as less profitable due to increased competition. While these successes are impressive, there are still major hurdles to overcome, many of which relate to the lack of institutional support. Entrepreneurs, whether in developed markets or in emerging economies, face restrictions on their ability to generate economies of scale and maximise creative tourism's potential due to financial constraints, infrastructure deficits, and platform limitations. For example, Guambe & Da Silva (2022) highlight the high exposure of the Mozambique tourism sector to external shocks, such as political instability and environmental risks, alongside emphasising some challenges faced by small entrepreneurs. As for Entrepreneurs D and E, who have seen some success with their creative tourism strategies, they have also experienced challenges in their ability to scale without wider institutional support. The OECD (2014) underscores the importance of policy frameworks to support small entrepreneurs, ensuring they have access to the resources needed for sustained growth and innovation.



### ***Creative tourism empowerment (CTE) model***

The results of this research led to the creation of the CTE Model, a systemized way of inspiring other small entrepreneurs in Mozambique and across the world to begin reimagining their businesses beyond products, toward more experiential ways of delivering value. This model describes a journey through several steps, each building towards long-term resilience and growth in a competitive market. The model revolves around five critical stages: Survival, Innovation, Engagement, Differentiation, and Empowerment. Each of these phases represents an important stage in the entrepreneurship journey, starting with surviving daily competition and progressing to achieving long-term growth and sustainability through the smart utilisation of creative tourism, as described below:

**Table 1: Creative tourism model description**

Stage	Description	Key Entrepreneurs	Key Authors	Actions/Strategies
Survival Phase	Businesses face external pressures like competition and lack of support	B and C	Richards & Raymond (2000)	Identify pressure points (e.g., competition); Begin planning for change
Innovation Phase	Entrepreneurs adopt creative tourism strategies and co-creation	D and E	Chathoth et al. (2013)	Introduce creative experiences; Implement co-creative workshops
Engagement Phase	Businesses develop deeper customer relationships through engagement	D and E	Richards & Wilson (2007)	Focus on co-creation; Build long-term customer relationships through cultural experiences
Differentiation Phase	Businesses differentiate through unique, immersive experiences	D and E	Walmsley (2019)	Differentiate offerings with unique experiences; Personalize cultural immersion
Empowerment Phase	Empowered businesses achieve resilience and long-term growth	-	Richards (2020)	Solidify resilience by scaling up creative tourism efforts; Continue co-creative engagements

In the Survival Phase, small entrepreneurs struggle to keep their businesses alive. This phase is marked by external challenges like economic instability, increasing competition, and a lack of support from institutions such as government programs or tourism boards. For instance, Entrepreneurs B and C operate traditional, product-based business models. These models might include selling crafts, food, or other commodities that tourists enjoy but that do not offer a hands-on or deep experience. The dilemma is that these businesses risk becoming commodified (Richards & Raymond, 2000). As a result, their offerings become just another commodity in an already saturated market, lacking the “X-factor” that today’s tourists, especially those seeking creative tourism experiences, are looking for. When companies are commoditized, they have a hard time competing, as their products are undifferentiated and do not offer anything distinctive compared to their competitors. The Innovation Phase occurs in the subsequent stage of the model, where businesses evolve by implementing creative tourism strategies after realizing that their traditional models are no longer effective. This is a significant phase because, at this stage, small entrepreneurs start revisiting their approach and begin offering experiential products instead of merely selling goods. This process is exemplified by Entrepreneurs D and E, who introduced workshops and activities that enable tourists to engage more directly with Mozambican culture. These might include crafting workshops or cooking classes, activities that are immersive and teach tourists to experience something meaningful and hands-on. Chathoth et al. (2013) emphasize that co-creation and the desire to actively participate in shaping the tourism experience are crucial for business success, as they provide a better experience for tourists and, consequently, improve customer satisfaction and loyalty. Once businesses start innovating, they enter the Engagement Phase, where creating strong relationships with their customers is now at the forefront. This is when the real benefits of co-creation begin to emerge. By involving tourists in creating cultural products, whether they are making their own souvenirs or learning to cook traditional dishes, entrepreneurs forge a stronger bond with potential customers. These interactions often go far beyond simple transactions and become the kind of lasting experiences that out-of-town visitors associate with the business. Entrepreneurs like D and E find that by adopting co-productive methods, the customer base is expanded and solidified. Richards & Wilson (2007) suggest that co-creation can help strengthen the bond between the customer and the business, leading to repeat visits and positive word-of-mouth advertising. This is critical for long-term sustainability in an industry like tourism, where word of mouth plays a huge role, and repeat business is pivotal.

Once businesses have successfully engaged their customers, they move into the Differentiation Phase. By this time, businesses are offering more than just products and customer experiences; instead, they are providing something authentic and engaging in a way that is very difficult for competitors to replicate. Entrepreneurs D and E achieve this by designing unique experiences that combine authenticity with personalised services for their guests. Tourists are not just looking or eating, they are actively participating, transforming the visit into an unforgettable story. As Walmsley (2019) has argued, such businesses are able to differentiate themselves and charge premium prices precisely because they provide a level of personal connection and cultural depth that tourists are willing to pay for. This is even more significant in the creative tourism niche, where tourists seek experiences that go beyond the typical “city walking/bus” trips. They want richer interactions with local cultures, and businesses that cater to this demand will gain higher revenues and a more loyal customer base. Finally, businesses reach the Empowerment Phase, meaning they begin to see resilience and growth. This is where the CTE Model truly comes into play. At this stage, small entrepreneurs are no longer merely providing creative tourism experiences; they have emerged as key stakeholders in their local tourism ecosystem. They offer reliable experiences that are immersive and of high quality, which tourists want and are willing to return for. Moreover, these companies often evolve into important community institutions, partnering with regional artists, cultural institutions, and sometimes even local governments to broaden their service offerings. This reinforces the notion that businesses offering enriching, authentic, and sustainable experiences secure their position in the minds of both international guests and local communities, paying off in the long run (Richards, 2020). This is a fundamental component of the Empowerment Phase, where businesses not only empower themselves but also contribute to enriching the culture and economy of their community.



## Conclusions and recommendations

This study examined how creative tourism could be a strategic opportunity for small entrepreneurs in Mozambique. By analyzing the initial years in which these entrepreneurs will, quite literally, have their ‘feet on the ground,’ this research offers a multi-leveled analysis geared not only toward creative tourism itself but also to provide deeper insight into what an entrepreneurial future might look like for Mozambique. Regarding the first specific objective of this study, exploring the landscape of Creative Tourism in Mozambique, a thorough investigation into how creative tourism projects have developed in this country achieved this goal. Through the analysis, it was confirmed that Mozambique has significant cultural resources to serve as a basis for creative tourism. Yet, as promising as this potential may sound, nearly every organization fails to fully capitalize on these resources. Additionally, creative tourism remains underdeveloped in this country due to infrastructural issues and low institutional support. However, the global trend favoring experiential and culturally significant travel is very promising for the growth of creative tourism in Mozambique. Regarding the second specific objective, characterizing the involvement of small entrepreneurs in Creative Tourism by examining the challenges they face, the interviews conducted for the case studies revealed how small entrepreneurs were both empowered and challenged by such processes. Entrepreneurs who incorporated tourism elements into their businesses, such as teaching workshops and cultural exchanges, fostered more profound relationships with visitors, becoming less financially vulnerable and benefiting from a growing circle of repeat customers. However, they also faced several challenges, such as the scarcity of support and limited opportunities for effective operational scaling. It is, therefore, evident that it is necessary to create more robust structures and collaborate with community councils and external organizations to enable small entrepreneurs to fully capitalize on the opportunities that creative tourism offers. For the third specific objective, analyzing specific cases of small entrepreneurs engaged in tourism revealed clear patterns: small entrepreneurs that adopted user-oriented and local-centric operations were the ones that most effectively retained and attracted customers. By comparison, those still tied to traditional product-based models struggled to gain their footing in the crowded market. This study suggests that entrepreneurs who focus on co-creation and experience differentiation have managed to successfully compete and grow, while others have been left behind due to a lack of strong product innovation. Finally, this research answered the main question: “How does creative tourism influence small entrepreneurs in Mozambique?” For these entrepreneurs, creative tourism provides a solution that enables them to differentiate their offerings, consolidate relationships with their customers, and develop sustainable models for the benefit of society. These companies can help preserve Mozambique’s cultural heritage and increase their profits by moving away from simple product commodification and providing tourists with a more interactive experience. Nevertheless, the study also highlights the need for increased institutional support to overcome challenges such as resource limitations and external risks.

Based on the case study findings, the following key recommendation emerges: Small entrepreneurs in Mozambique should adopt creative tourism as a strategy to boost their businesses with the help of the CTE Model. Small entrepreneurs should be inspired to embed creative tourism modules within their businesses i.e., interactive workshops, tangible cultural experiences and co-creation offerings. Using this strategy makes them stand out from the competition and provide one-of-a-kind, memorable experiences that appeal to visitors. Local artists could provide workshops and guesthouses organise cultural tours such as ones visiting places where tourists can have real encounters with local traditions, Entrepreneurs B and C can implement selling fresh seafood and give the tourists a full tutorial experience of catching their own fish, for example. As helpful as creative tourism is it is also possible to fall into the dark side of the moon. Issues like market saturation, outside political or environmental incidences, and chances of over-commercialization must be debated. They should also remain flexible, continuously evolve their product and ensure that their creative products are always original and reflective of the local culture. Entrepreneurs should bring local authorities, tourist boards and external stakeholders to the table as valuable resources and support structures are crucial for the development of creative tourism initiatives. In light of Mozambique’s susceptibility to political and environmental crises, long-term commercial viability is contingent upon access to financial, marketing and infrastructural support. To ensure the development of competitive Mozambican entrepreneurs in the tourism sector, embracing creative tourism appears to be a promising strategy that can benefit them while enhancing market competitiveness and deeper interaction with tourists as well as making valuable contribution for local culture preservation and economic growth. Also, this road they walk down is laden with hazards as creativity meets sustainability while maintaining the core values of authenticity and resilience in light of potential adversity.

This research, while offering valuable insights, has limitations. The qualitative approach, relying on interviews and case studies, limits the generalizability of findings. The interviewer's subjectivity and potential participant biases may have influenced the results. Additionally, the short data collection period may not fully capture the long-term impact of creative tourism strategies. The novelty of creative tourism research also presented a challenge in finding diverse viewpoints beyond co-creation and community engagement. Future research could address these limitations by incorporating quantitative methods, expanding the sample size, and exploring the longitudinal impact of creative tourism. Investigating the influence of government policies and international tourism trends on small entrepreneurs would provide valuable context. Additionally, examining the implications of digital technologies for creative tourism in Mozambique, particularly in preserving authenticity, is crucial. Broadening research contexts would further enhance understanding of creative tourism's diverse impacts.

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