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'Engaging in Rural Spaces: A Conceptual Exploration of Customer Relationships in Rural and In-the-Rural Entrepreneurship'

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Abstract:

This paper evaluates the interplay between relational entrepreneurial ecosystems and customer relationships in rural and in-the-rural entrepreneurship. In doing so, it recognises the significance of rural entrepreneurship as an innovative solution to long-standing challenges in rural areas. It, therefore, addresses the intricate dynamics governing entrepreneurial activities in rural spaces. This study examines how consumer interaction, usually neglected in rural entrepreneurship inquiry, can be critical for grassroots innovation, product development, and sustainable growth in rural markets. By integrating Korsgaard et al.'s (2015b) model of rural entrepreneurship, ecosystem theory, and the service-dominant logic (S-D Logic) principle, this paper proposes an alternative perspective on growth trajectories, emphasising the depth and quality of relationships among entrepreneurs and stakeholders within relational entrepreneurial networks. Specifically, customer engagement, in particular, is posited to mitigate the effects of constrained rural entrepreneurship (Gittins et al., 2022), leading to sustainable growth, innovation, and positive social impacts. Customers' active engagement in the value co-creation process is essential for rural entrepreneurs. Policymakers should promote initiatives that strengthen customer engagement, which significantly fosters innovation and growth within rural entrepreneurial ecosystems. Entrepreneurship support providers and rural entrepreneurs should prioritise customer engagement strategies to improve the effectiveness of rural entrepreneurial ecosystems, especially in resource-constrained settings.

Key words: *Rural Entrepreneurship, Relational Entrepreneurship, Entrepreneurial Ecosystems, Customer Engagement & Value Co-creation*

1.0 Introduction

Rural entrepreneurship matters for tackling persistent challenges in rural areas by utilising local resources (Newbery et al., 2020). However, it faces socio-spatial dynamics that, when perceived as opportunities, can foster long-term growth (McElwee & Smith, 2014; Gaddefors & Anderson, 2019; Alsos et al., 2011; Jack & Anderson, 2002). In 2020/21, over half a million businesses (549000) registered in rural areas of England, accounting for 13% of the employment (Department for Environment, Food and Rural Affairs 2022).

The UK's rural economic activity plays a crucial role in the national economy, with rural SMEs producing £237 billion yearly (House of Commons 2021). Rural businesses encounter challenges, such as constrained broadband access (Ofcom 2022). This study investigates rural entrepreneurship in the UK, incorporating insights from European and global contexts to enhance understanding of rural ecosystems.

This study integrates the concepts of 'rural in periphery' and 'rural as rurality,' emphasising the need to embed customer engagement into evaluations of rural entrepreneurship (Astner & Roos 2024). This study argues that the interaction between rural entrepreneurship and its environment generates a unique type of entrepreneurial activity that existing frameworks do not adequately address (McElwee 2006).

In contrast to urban entrepreneurs, rural entrepreneurs confront distinct spatial, social, and economic factors (Stathopoulou et al. 2004). The spatial context significantly influences entrepreneurial ventures. Gittins et al. (2022) investigated the limiting socioeconomic factors within Constrained Institutional Contexts (CIC). In contrast, Korsgaard et al. (2015b) formulated a typology differentiating 'rural entrepreneurship'—which extends beyond local markets—from 'entrepreneurship in the rural,' highlighting the utilisation of local resources and networks. This typology conveys aspects of rural entrepreneurship but fails to reflect the intricacies of rural ecosystems, especially with consumer engagement. This study addresses the gap by analysing how rural enterprises get involved in relational interactions within the broader ecosystem.

This research examines consumer engagement and value co-creation in rural entrepreneurial ecosystems. It integrates rural entrepreneurship, relational marketing, and grassroots innovation to analyse the impact of customer relationships on outcomes. The study used Service-Dominant Logic (S-D Logic) to emphasise the transition from commodities to services in value creation, demonstrating that co-creation between entrepreneurs and customers improves resilience and success (Vargo & Lusch 2008).

Data indicates that over half of rural UK enterprises (59%) saw flat or declining revenue after the COVID-19 pandemic. Several enterprises, however, have adapted by utilising local markets and networks (National Innovation Centre for Rural Enterprise 2024). Nevertheless, enduring barriers persist, including remoteness, inadequate infrastructure, and digital poverty (Federation of Small Businesses, 2023). These impediments, referred to as 'constrained entrepreneurship' in scholarly debate (Gittins & McElwee, 2023; Gittins et al., 2022; Saleminik et al., 2017; Skerratt, 2018; Philip et al., 2017), affect rural enterprise outcomes, particularly market development, resulting in a significant dependence on local markets (87%) (Thomson et al. 2019).

An often-overlooked element of rural entrepreneurship is the capacity to adapt to evolving customer demands. This study analyses the role of developing customer relationships in managing constraints and promoting sustainable growth, thereby improving market share and resilience in challenging environments. Customer engagement is essential for grassroots innovation, product creation, and stable growth in rural markets (Carter et al. 2002). These interactions may uncover opportunities to meet consumer requirements more effectively. Webb et al. (2011) delineate three stages of entrepreneurship: opportunity identification, product development, and innovation, all influenced by unmet customer needs.

Despite its significance, customer interaction is frequently neglected in rural entrepreneurship inquiry, which presumes the existence of prior available markets (Turner et al. 2021; McElwee 2006; Jack & Anderson 2002). In rural settings, relational networks are essential for business success (Gittins et al. 2022). This study analyses customer interactions and their contribution

to sustainable growth, providing insights into how entrepreneurs may strengthen resilience and ensure long-term viability. In doing so, we challenge the idea that spatial context inevitably constrains rural entrepreneurial growth (Korsgaard et al., 2015a). We argue that relational networks propel growth by integrating Korsgaard et al.'s (2015b) model with ecosystem theory and Service-Dominant Logic (S-D Logic). Robust relationships between entrepreneurs and stakeholders can facilitate long-term growth, innovation, and beneficial societal outcomes.

It is imperative that rural entrepreneurs and stakeholders invest in strengthening relational dynamics within entrepreneurial ecosystems. This will enhance sustainable growth and foster innovation to address the unique challenges faced by rural businesses (Spigel, 2017; Scott et al., 2022), reflecting how entrepreneurial actors engage within these networks (Autio & Thomas, 2013) and the nature of customer interactions (Yli-Renko, Denoo & Janakiraman, 2020; Kranzbühler et al., 2018). Future policy frameworks need to prioritise strengthening engagement with local communities to bolster rural entrepreneurial ecosystems. Governments and stakeholders need to recognise the imperative of sustained investments in infrastructure to support rural entrepreneurs facing challenges due to spatial factors.

The rest of the paper is organised as follows. The second section provides a theoretical overview of the two rural entrepreneurship types, examining their role in the rural business ecosystem. This is followed by a deep dive into the multi-domain perspective of the rural business ecosystem in the third section. The fourth section elaborates on the conceptualisation of customer engagement within rural entrepreneurship, discussing its impact on business outcomes and differences across the two entrepreneurial types. In the fifth section, the paper draws on the preceding discussions to develop theoretical insights and propositions about rural entrepreneurship's nature, customer engagement's role, and their interplay within the rural business ecosystem. The final section details the implications of the study's findings, offering directions for future research and concluding remarks.

2. Rural and In-the-Rural Entrepreneurship: A Theoretical Overview

This section explores the distinct attributes of rural and in-rural entrepreneurship, focussing on the role of spatial context and the interaction between space and place. It analyses spatial dimensions, examines the correlation between entrepreneurial activity and space, and considers the significance of the functionalist perspective for rural entrepreneurship.

Although rural entrepreneurship is part of the broader entrepreneurship discourse, its unique spatial aspects remain under-explored (Gaddefors & Anderson, 2019; Korsgaard et al., 2015a; Stathopoulou, Psaltopoulos & Skuras, 2004). The link between entrepreneurial activities and their rural environment is key to understanding this area. Rurality is a socio-spatial construct characterised by its peculiar physical environment, economic systems, and social interactions (Woods, 2011). This area transcends mere geographic boundaries, defined by its sparse population, dependence on natural resources, and robust community relationships that influence entrepreneurial endeavours (Bosworth & Atterton, 2012). Rural entrepreneurship is intricately linked to local contexts, utilising networks and resources for value creation (Bensemann et al. 2021; Wilson et al. 2022). Rural ventures encounter peculiar obstacles, such as isolation and constrained market access, in contrast to urban entrepreneurship (Korsgaard et al. 2015b). Consequently, rurality plays a significant role in shaping entrepreneurial practices and their resulting outcomes.

Rural entrepreneurship is characterised by economic interactions and social connections within the rural context (Bensemann et al. 2021; Wilson et al. 2022). Scholars like Korsgaard et al. (2015a) contend that rural entrepreneurship is distinctive due to its close ties with local resources. McElwee (2006) posits that rural entrepreneurship mirrors urban entrepreneurship, employing standard approaches. Astner and Roos (2024) contend that rural entrepreneurship's uniqueness might be exaggerated, suggesting that the differences are primarily a matter of degree. This paper considers the contrasting views on rural entrepreneurship, exploring how its spatial context may contribute to unique characteristics while addressing critiques that question its distinctiveness. While we recognise the limitations that could be placed on rural

entrepreneurship by the rural environment, as Gaddefos and Andreson (2019) identified, we emphasise the long-run opportunities and potential that could only be harnessed by aligning with the local social networks' needs. In this vein, customer engagement is vital.

According to research, rural entrepreneurship differs from urban entrepreneurship (Korsgaard et al., 2015b). Even though most entrepreneurship research focuses on urban innovation clusters, rural areas are increasingly recognised for entrepreneurial development (Guzman et al., 2020; Bosworth & Atterton, 2012). However, such settings have been mostly studied through a developmental lens, often neglecting the entrepreneurial peculiarities of these areas. Unlike the developmental lens, which emphasises socioeconomic and physical transformations, the entrepreneurship lens suggests innovative, value-creating activities of individuals and enterprises in rural areas. The entrepreneurship approach highlights agency, innovation, and localised strategies, with rural entrepreneurs actively utilising local resources and market gaps to solve business problems (Anderson, 2000; Korsgaard et al., 2015a). Entrepreneurship also promotes long-term resilience through socially and environmentally responsible firms (Alsos & Carter, 2006; Gittins et al., 2022), and development emphasises short-term gains.

To address these shortcomings, Korsgaard et al. (2015b) presented two refined perspectives - "rural entrepreneurship" and "entrepreneurship in the rural." The former refers to ventures deeply rooted in their rural context, leveraging the local resources for their growth. In contrast, the latter pertains to businesses that view the rural setting primarily as a location for their operations, using a space-centered approach driven by profit and mobility. This typology aligns with the argument that the functional perspective of entrepreneurship offers a more robust understanding of rural entrepreneurship. It moves away from equating entrepreneurship solely with high-growth ventures and acknowledges various value forms created in different contexts (Steyaert and Katz, 2004). The understanding of space and place is vital for grasping rural entrepreneurship, marked by its unique spatial aspects. Although these concepts have been somewhat overlooked in entrepreneurship studies, they are arguably well-established in human geography and useful in exploring spatial context's role in entrepreneurial activities.

2.2 The Role of Space and Place in Entrepreneurial Activity

Tuan (2007 & 1977) implies space as mobility and place as rest, asserting that interactions confer meaning to places. Space signifies the movement of resources and information, with technological advancements enhancing these movements. While these flows always involve exchanges between places, a place is more than a mere production site. Places possess unique qualities, and they engender a sense of attachment. The interplay between space and place is intricate. The escalating movement in space has fuelled growth in some places, predominantly in large urban areas, while leaving others under threat. The unique and diverse character of places also faces threats from the spreading global products and culture. According to Cresswell (2006), places are socially and materially constructed entities. They are continuously formed and reformed through human interactions and the meanings they impart. Like Cresswell (2006), functionalists believe people and their environment shape places. Locations are dynamic and meaningful when they meet social requirements (Tuan, 1977; Massey, 2005). People build locations through economic transaction, community building, and resource utilisation, giving them meaning in wider social systems. According to Massey (2005) and Cresswell (2006), places are defined by their utility and social interactions. Thus, places are more than just locations; they are formed by the activities occurring in a location and the relationships that engage with it.

2.3 A Functional View on Entrepreneurship

The functionalist perspective interprets entrepreneurship as the reallocation of resources to enhance efficiency and value, highlighting the significance of local communities and social networks in rural contexts (Steyaert & Katz 2004; Shane & Venkataraman 2000). Being spatially bound, rural entrepreneurship generates new value through effectively integrating and utilising local resources from the surrounding environment (Kalantaridis, 2010). The distinction between "rural entrepreneurship" and "entrepreneurship in the rural" offers valuable insights not only for academic purposes but also for policymaking and practice (Korsgaard, et al., 2015b). It can guide stakeholders in promoting rural entrepreneurial ventures and optimising

resource utilisation (Stathopoulou, et al., 2004). Rural entrepreneurship encompasses community-oriented initiatives rooted in the local environment, whereas rural-focused entrepreneurship emphasises profit-oriented enterprises that utilise rural resources. Policies for the latter may prioritise enhancements in transport and connectivity between the periphery and the centre. In contrast, those aimed at rural entrepreneurship could concentrate on optimising local resource utilisation and promoting community engagement. This method facilitates local sustainability while promoting overall economic development.

Moreover, these typologies can direct future research questions and help organise existing research on rural entrepreneurship (Marsden and Franklin, 2013). Rural entrepreneurship, for example, can be perceived not as solely bound by profit-maximising motives but also as contributing to social responsibility in the local economy and community, primarily by employment creation. Notably, all types of entrepreneurship and production occur within specific geographical confines, acknowledging the spatial dimension inherent in these activities (Massey, 2005; Storper, 1995). Traditional economic theory suggests that all things being equal, entrepreneurial and production activities gravitate towards locations offering the most robust economic benefits, such as favourable land prices, cost-effective labour, skilled workforce, or low infrastructure-related transaction costs (Krugman, 1991). In-the-rural-entrepreneurship aligns better with this dominant economic reasoning, where the in-the-rural space is primarily utilised for cost-saving and profit maximising and is less included towards social responsibility and local economic integration. Therefore, positive impacts on the local community and economy should, therefore, be viewed as positive externalities.

2.4 Spatial Considerations and the Interdependence of Rural Businesses

Geographic factors influence spatial considerations in rural entrepreneurship (Korsgaard et al., 2015a). Tuan's (1977, 2007) differentiation between space (movement) and place (stability) elucidates the interactions of rural businesses with markets and their environments. Space denotes the movement of resources, whereas place indicates stability and attachment through

human relationships (Harvey, 2006). This interaction influences the sustainability and efficacy of rural enterprises.

Geographic isolation and inadequate infrastructure present challenges while simultaneously fostering innovation and strengthening community connections (Korsgaard et al., 2015a). Government policies can either facilitate or obstruct entrepreneurial growth, contingent upon their alignment with local needs (North & Smallbone, 2006). Rural enterprises, therefore, encompass adjustment to shifts in markets, technology, and regulations, strategically leveraging available resources.

The in-the-rural entrepreneurship context refers to operations that leverage geographical locations for profit (Bosworth, 2012). These ventures tend to focus primarily on beyond local markets for supply and sales, minimally rooted in their local settings (Hindle, 2010). They mainly utilise local resources like inexpensive land or labour for financial reasons, targeting the most economically advantageous markets without focusing on local integration (Jack and Anderson, 2002). Despite their potential positive impact on rural areas, this isn't an intentional goal for such entrepreneurs (Peterson, 2013). Rural areas provide unique opportunities and incentives for potential entrepreneurs (Labrianidis, 2004). For instance, farming is widespread in rural settings for geographic and topographical reasons (Bryden and Munro, 2000). Similarly, other non-agricultural productions may be drawn to rural areas due to lower land costs, government subsidies, and employee attributes such as loyalty, adaptability, and strong work ethic (Alsos and Carter, 2006).

Furthermore, rural areas often offer a picturesque allure that presents an attractive lifestyle, potentially influencing entrepreneurs' choice of business location (McElwee and Bosworth, 2010), but Somerville et al. (2015) contradict this perspective in "The Dark Side of the Rural Idyll." They show a rural economy fuelled by wildlife crime, uncontrolled trade, and tax fraud, reflecting economic isolation, restricted prospects, and insufficient regulations. This shows that economic problems can affect rural entrepreneurship, sometimes leading to illegal businesses. Rural entrepreneurship is associated with its spatial location, viewed as a realm of meaning and

social responsibility rather than a profit zone (Alsos et al., 2011). Many entrepreneurs prioritise societal goals, occasionally trading off financial growth to achieve non-monetary objectives such as enhancing local employment (Bosworth & Atterton, 2012). Thus, rural entrepreneurship is defined as entrepreneurial activity closely intertwined with its spatial context through resource utilisation (Korsgaard et al., 2015a). It involves the reorganisation of localised rural resources to create value not only for the entrepreneur but also for the rural place (Marsden, 1999). The value proposition of rural entrepreneurship is tied heavily to its location, and moving such enterprises may result in value loss (Bosworth, 2012).

Rural locations offer distinct benefits in material, social, and cultural amenities (Stathopoulou et al., 2004). These amenities, such as landscapes, can be natural or socially, culturally, and historically acquired over time (Petrou & Daskalopoulou, 2009). These unique, place-specific resources provide special entrepreneurial opportunities that can be leveraged for rural community enhancement (Getz & Carlsen, 2000). Motives for rural entrepreneurship often align with a sustainable development perspective on rural areas, potentially contradicting traditional entrepreneurial farming concepts and practices (McElwee & Smith, 2014). This focus on sustainability results in a mutual dynamic between farmers and nature, concentrating on land preservation (Wilson, 2001). Research indicates that entrepreneurs often feel a strong responsibility toward their communities, which can encourage new business development (Kalantaridis, 2010). Trade-offs in environmental sustainability, such as the decision between allocating land for food production or reforestation, continue to pose challenges, even in the UK. Here, agricultural land management must navigate the complex interplay between productivity and environmental objectives (Winter & Lobley, 2009; Nguyen et al., 2024). The existing tensions underscore the intricate challenge of reconciling economic viability with environmental stewardship in the context of rural entrepreneurship.

Scholars in rural development suggest three strategies for sustainable venture development: deepening, broadening, and re-grounding (Van Der Ploeg et al., 2000). These strategies underscore the close relationship between entrepreneurs or farmers and their local environment, including land features. These strategies often involve using resources readily

available locally or within family households, especially those underutilised in current activities (Darnhofer et al., 2005). While rural entrepreneurship may not offer rapid, high growth like some in-the-rural entrepreneurial forms, it provides substantial benefits, including optimised use of inherent rural resources and increased local resilience (Danson & De Souza, 2012). Enterprises based on local resources are less likely to relocate, particularly if their competitive advantage is place-related (Bosworth & Farrell, 2011). They are also less likely to lose their competitive advantage, which ensures their longevity and, hence, their long-term sustainability and contribution to the local community, thus achieving a much-desired circular economy.

Rural businesses function within a broad and interconnected ecosystem, influencing and being influenced by various societal sectors. Their roles and impacts stretch beyond just economic considerations, permeating sectors such as household production, community activities, internal economics, urban economy, governmental institutions, and third-sector organisations. The dynamics between rural enterprises and these diverse sectors contribute to the overall outcomes of rural entrepreneurship (North & Smallbone, 2006). Thus, understanding these interdependencies becomes crucial for effectively nurturing a resilient, adaptive, and responsive rural business environment.

The study of entrepreneurial ecosystems, despite its nascent stage, persistently emphasises the importance of understanding their temporal dynamics for efficient functioning (Garnsey & Leong, 2008; Beliaeva et al., 2019). A disproportionate focus on the structure and content of entrepreneurial ecosystems has overlooked the importance of their relational aspects and governance (Aarikka-Stenroos & Ritala, 2017; Kang et al., 2019; Scott et al., 2019; Spigel, 2017). Such neglect has underplayed the significance of interactions and interdependencies among actors within the ecosystem (Harrison & Leitch, 2010; Motoyama & Watkins, 2014; Spigel, 2017) and overlooked the dynamics of how entrepreneurial ecosystems emerge, evolve and need specific governance mechanisms to maintain their vibrancy (Scott et al., 2022).

The ecosystem concept, borrowing from biology, captures a complex interaction system that sustains life through fluctuating conditions (Autio & Thomas, 2013; Scott et al., Scarigella &

Radziwon, 2017). In entrepreneurial studies, there's consensus that the durability and performance of an ecosystem are shaped by resources, environmental conditions, and participating entities (Garnsey & Leong, 2010; Breitenacker et al., 2016; Sun et al., 2019; Pilinkienė & Mačiulis, 2014). Visualising entrepreneurial ecosystems as networks illustrate resource and finance access pathways (Powell, 2002), knowledge spillovers (Owen-Smith & Powell, 2004), and the easing of institutional barriers (Feldman & Francis, 2004). A network-based perspective shifts the focus to interactions and interdependencies among actors (Hughes et al., 2019; Scott et al., 2019), asserting that ecosystem performance is less about structure and more about the relationships within.

Understanding the spatial interdependencies of rural entrepreneurship shifts directly into the subsequent section on the multi-domain rural business ecosystem, which will consider how interdependencies within these ecosystems influence rural business success and resilience.

3. The Multi-Domain Perspective: Rural Business Ecosystem

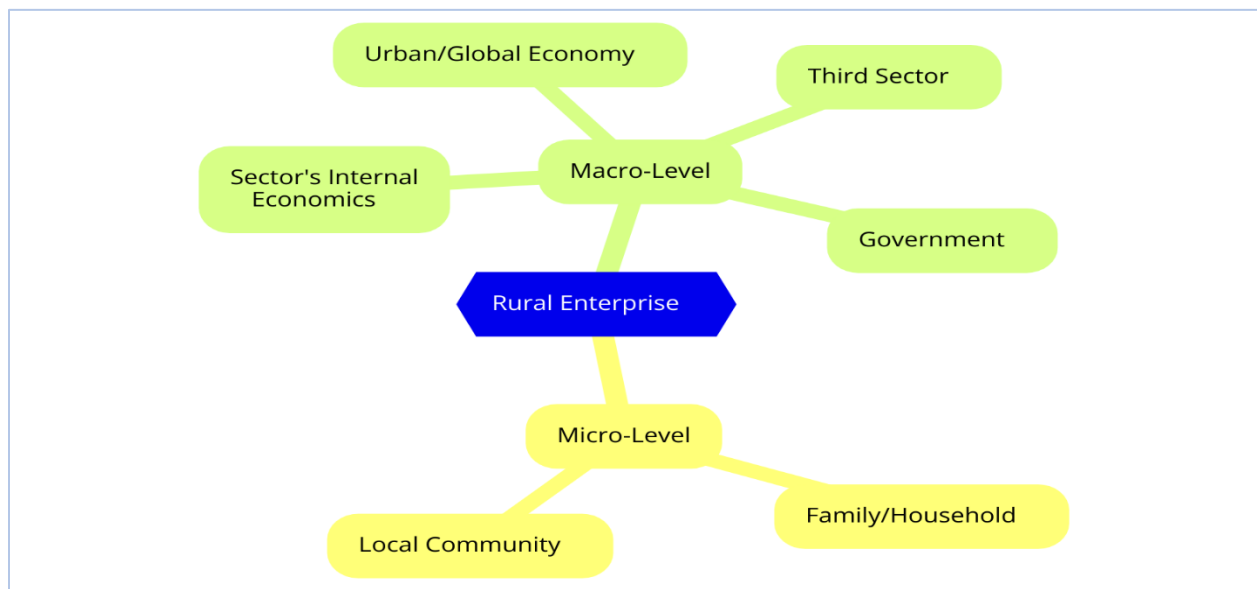
This section examines the rural business ecosystem, focusing on key actors and resources, including natural resources, infrastructure, social networks, and cultural heritage. It also discusses the roles of stakeholders, including entrepreneurs, communities, and governments, in facilitating rural entrepreneurial activities.

3.1 Conceptualisation of the Rural Business Ecosystem:

Low and MacMillan (1988) suggested broadening the scope of entrepreneurship inquiry to encompass individual, business, and societal aspects, which is especially pertinent to rural ecosystems. Rural entrepreneurs depend on social capital, local networks, and resourcefulness to stimulate business growth while strengthening social cohesion (Anderson & Jack, 2002; Korsgaard et al., 2015a). The rural business ecosystem comprises interconnected entities and relationships that shape the economic and social landscape (Bosworth & Wilson, 2014). Therefore, we consider that rural enterprises interact with micro and macro-level actors, impacting their environment.

As shown in Figure 1, rural enterprises are central to the rural entrepreneurship ecosystem, and they use local resources and networks to create value (Korsgaard et al., 2015a). At the micro-level, family, household, and local communities contribute labour, social capital, and markets needed for business growth (Alsos & Carter, 2006; Jack & Anderson, 2002). The macro-level encompasses broader forces, including Internal economics of the sector, i.e., dynamics and competition within the industry (Bosworth & Farrell, 2011); Urban and global economic dynamics, i.e., interactions with external markets and prevailing global trends (Bosworth & Wilson, 2014); Government policies, subsidies, and infrastructure which are critical components (North & Smallbone, 2006); and the Third Sector encompassing non-profit organisations that address community challenges (Skerratt, 2012). Our model reflects the active multi-level interactions in rural ecosystems, indicating businesses need to engage with local networks and broader institutional frameworks for success (Autio & Thomas, 2013).

Figure 1: Domain of Rural Entrepreneurship Ecosystem



Thus, we categorise the stakeholder landscape of rural entrepreneurship into two main ecosystems: the micro-ecosystem and the macro-ecosystem. The micro-ecosystem includes the family/household and the local community, while the macro-ecosystem encompasses the sector's internal economics, the global/urban economy, government, and the third sector.

Furthermore, the rural entrepreneurship ecosystem encompasses a wide range of sectors, including agriculture, tourism, crafts, and renewable energy (Pato & Teixeira, 2016). These sectors coexist within the rural space, creating interdependencies and opportunities for collaboration and innovation (Bosworth and Wilson, 2014). The rural business ecosystem extends beyond individual businesses and includes natural resources, physical infrastructure, social networks, and cultural heritage (Bosworth and Wilson, 2014). Natural resources, including land and water, underpin agriculture and renewable energy initiatives, whereas infrastructure, such as transport and broadband, enhances rural business operations (Pato & Teixeira, 2016; Bosworth & Wilson, 2014).

Social networks play a crucial role in the rural business ecosystem, enabling knowledge sharing, collaboration, and social support among entrepreneurs, businesses, and communities (Bosworth and Wilson, 2014). These networks contribute to the formation of social capital, which is essential for the development and success of rural businesses (Jack & Anderson, 2002). Cultural heritage, including traditions, customs, and local craftsmanship, adds value for rural enterprises by attracting tourists and creating unique selling propositions (Karampela et al., 2016; Bosworth and Wilson, 2014; Ray, 1988).

Analysing these stakeholders is essential for understanding the dynamics of rural entrepreneurship, wherein entrepreneurs foster innovation and establish businesses by recognising opportunities and mobilising resources (Shane & Venkataraman, 2000). This study explores the roles and impacts of diverse stakeholders, considering how spatial context and local resources influence the relational ecosystem of rural entrepreneurship and capturing the distinct interactions within this entrepreneurial landscape.

3.2 Role and Impact of Various Stakeholders:

- I. Rural Business and Family/Household Production: We identify family and household production as fundamental components of numerous rural UK enterprises, particularly agriculture and crafts. Family farms are the foundation of rural agricultural systems, providing needed food products while contributing to national food security. Also, we

observe that traditional crafts and cottage industries frequently utilise the skills of entire households, depending on the transfer of knowledge across generations. These enterprises provide livelihoods while sustaining traditions and maintaining the social fabric of rural communities.

- II. Rural Business and Communities: We recognise that rural businesses are integral to local communities, contributing to employment generation, enhancing social cohesion, and preserving cultural heritage. Establishments such as rural pubs, local shops, and community farms are central to community life, functioning as vital social hubs. Additionally, these businesses significantly contribute to rural tourism by attracting visitors to the countryside, heritage sites, local cuisine, festivals, and crafts, thereby enhancing the local economy and community spirit.
- III. Rural Business and Sector's Internal Economics: Rural businesses cater to consumers' and customers' specific needs and expectations, navigating a delicate balance between supply and demand. Businesses like organic farming, farm-to-table restaurants, and agritourism tap into the demand for sustainability and local produce. Effectively managing supply chains and local resources is crucial, with businesses often employing circular economy principles to ensure sustainability.
- IV. Rural Business and Global/Urban Economy: We underscore the significant interaction between rural economies and their global and urban counterparts. Rural areas provide necessary goods, food, and raw materials to urban areas. In contrast, global and urban economies respond by offering technological advancements, financial services, skilled labour, and sophisticated machinery. This analysis reveals that technology and digital connectivity are diminishing the rural-urban divide, enabling rural businesses to utilise e-commerce, remote work, and digital marketing, thereby expanding their reach and improving their competitiveness.

- V. Rural Business and Government Sector: We highlighted the government sector crucial role in shaping the development of rural businesses. The government influences these enterprises through policies related to agriculture, rural development, taxation, environmental conservation, and digital infrastructure. We observe that subsidies, grants, and low-interest loans offer essential support, whereas training and educational programs promote rural entrepreneurship. Regulatory frameworks are crucial for the sustainable utilisation of rural resources, ensuring a balance between economic development and environmental protection.

- VI. Rural Business and Third Sector: Finally, we acknowledge the third sector, which includes non-profit organisations, charities, and social enterprises, as an essential collaborator for rural businesses. These entities often work together to address significant community issues, such as rural isolation, an ageing population, and the necessity for skills development. Social enterprises are essential in addressing market gaps by delivering necessary services in areas where traditional businesses may lack viability.

3.3 Influence of Spatial Context and Local Resources:

The spatial context and local resources play a crucial role in shaping rural business ecosystems. The geographic location and natural resources, including fertile soil and cultural heritage, influence the economic activities that occur. In the UK, regions with agricultural heritage facilitate farm-based enterprises, whereas scenic areas attract tourism. These factors present opportunities and challenges that necessitate adaptation to local conditions.

Overall, we understood the rural business ecosystem as a complex network of interdependencies that influences the economic, social, and environmental dimensions of rural areas. The ongoing vibrancy of this ecosystem depends on cultivating interconnected relationships and promoting an adaptive environment that addresses emerging challenges and opportunities. The advancement of the rural economy towards a more prosperous and inclusive

future underscores the pivotal role of rural businesses, emphasising their diverse impacts and the necessity for continued support and acknowledgment.

3.4 Impact of Global Challenges on Rural Entrepreneurship: Shocks, Disruptions, and Adaptation:

Rural enterprises exhibit heightened susceptibility to global disruptions, including the COVID-19 pandemic, climate change, and geopolitical tensions such as the Ukraine conflict, primarily due to their dependence on agriculture and inadequate infrastructure (Animashaun et al., 2022). Challenges encompass limited market access, isolation, and insufficient technology, indicative of constrained institutional contexts (Gittins et al., 2022). Therefore, we argue that adaptive response in the form of robust customer relationships might enable entrepreneurs to adapt and enhance resilience in the face of disruptions.

This transforms customer engagement from merely transactional to a critical resource for overcoming institutional and infrastructural barriers. The COVID-19 pandemic has presented significant challenges and potential opportunities for rural entrepreneurship. Many rural entrepreneurs faced disruptions in their supply chains due to lockdowns and other COVID-19 restrictions (Emediegwu & Nnadozie, 2023). The pandemic-induced disruptions in transportation, labor availability, and logistics have hampered their access to local and non-local inputs and raw materials. For instance, farmers relying on local seeds or fertilizers experienced delays or shortages, affecting their agricultural production.

Another limiting factor for rural entrepreneurs, unlike their urban counterparts, is the limited access to technology and the internet, which became crucial during the pandemic. This digital divide hinders the growth and expansion of local entrepreneurs and further marginalizes them by restricting their participation in e-commerce, digital marketing, and online business activities. However, in-the-rural entrepreneurs may be less affected as they can leverage their external financial and technological resources to strengthen operations in rural areas where profit potential exists, as seen in oil exploration businesses in the Niger Delta area of Nigeria.

Similarly, the war in Ukraine has had implications for global food supply and prices, impacting rural areas heavily dependent on agriculture and food-related enterprises (Emediegwu, 2022). The direct and indirect effects of the war deepen food insecurity in many rural areas. Moreover, the economic downturn triggered by the COVID-19 pandemic and the ongoing climate change crisis have already strained access to food supplies in developing and tropical countries. Global and local markets are stressed due to high food demand and restricted supply, leading to increased prices. Additionally, sanctions on Russian oil companies and planned oil bans have raised fuel and fertilizer prices in the international market. This, in turn, affects local food prices, production costs, storage, and transportation expenses for rural entrepreneurs.

Rural entrepreneurs in developing regions, where a significant portion of disposable income is spent on food, are particularly impacted. For example, a rise in food prices would have a more severe effect on average households in Nigeria, where 56.4% of income is spent on food, compared to average households in the UK, where food expenditure accounts for only 8.2% of income (Emediegwu, 2022). As a result, many rural households may resort to subsidiary farming to produce their subsistence needs. We emphasise that this shift in consumption behaviour affects the profitability of both rural and in-the-rural entrepreneurs. However, the latter are more likely to innovate and adapt to changes in consumer consumption patterns while diversifying their relative losses.

4. Conceptualising Customer Engagement in Rural Entrepreneurship

This section explores customer engagement in rural entrepreneurship, emphasising its shift from transactional relationships to emotional connections and value co-creation. We consider the role of customer loyalty, feedback, and grassroots innovation in influencing business outcomes while also analysing the differences in customer engagement between rural and in-the-rural contexts.

Customer engagement denotes customers' emotional connection and active participation with a brand or service. It involves interactions that promote interest, loyalty, and enduring relationships grounded in mutual value and trust (Hollebeek et al. 2014; Brodie et al. 2011). It

is essential for rural entrepreneurship. We accentuate that engaging with customers goes beyond meeting their needs and expectations; it involves managing transactional, usage, and emotional relationships. Understanding customer engagement and its significance is essential for rural entrepreneurs to develop effective strategies, foster customer loyalty, and drive business growth.

Customer engagement has a significant impact on various business outcomes. Engaged customers are likelier to be loyal and make repeat purchases, leading to increased customer retention and reduced customer churn rates. They also become brand advocates, spreading positive word-of-mouth and attracting new customers (Hollebeek et al., 2014). Furthermore, customer engagement drives innovation and new product development. We highlight that engaged customers provide valuable feedback, ideas, and co-creation opportunities, enabling rural entrepreneurs to understand their target market better and tailor their offerings accordingly. This paper, informed by Service-Dominant Logic (Vargo & Lusch, 2008), addresses the significance of value co-creation between entrepreneurs and customers as a key driver of grassroots innovation and business success in rural ecosystems. Customer engagement in rural entrepreneurship extends beyond mere transactions, encompassing a relational connection that facilitates value co-creation and improves the adaptability of rural enterprises to changing market demands. By involving customers in the innovation process, rural entrepreneurs can develop products and services that resonate with their customers' unique needs and preferences (Brodie et al., 2011).

The resilience fostered through customer engagement is particularly crucial in overcoming the constraints typically associated with rural entrepreneurship, such as limited resources, geographic isolation, and restricted market access (Gittins et al., 2022). By engaging customers in co-creation processes, we contend that rural entrepreneurs can mitigate the effects of these existential constraints, leading to more sustainable growth and greater adaptability in the face of external pressures.

Customer engagement encompasses two key aspects: transactional relationships and usage relationships. In rural entrepreneurship, transactional relationships focus on managing the buying process, ensuring a smooth and fair exchange between the customer and the business. Customers seek efficiency, transparency, and a positive buying experience. On the other hand, usage relationships revolve around managing customers' usage of products or services. Customers look for utility, functionality, and satisfaction in their usage experiences (Brodie et al., 2011). In the case of in-the-rural entrepreneurship, we recognise that customer engagement goes beyond transactional and usage relationships. It involves managing customers' emotional relationships with the business or brand. Customers not only purchase and use products or services but also become advocates who share positive experiences and potentially influence others to become customers or consumers (Brodie et al., 2011).

4.1 Differences in Customer Engagement between Rural and In-the-Rural Entrepreneurship:

We reflect that rural entrepreneurship and in-the-rural entrepreneurship exhibit notable customer dynamics and engagement differences. This analysis seeks to empower rural entrepreneurs to tailor their strategies, ensuring alignment with the distinct requirements of their respective markets.

I. Contextual Differences

Rural entrepreneurship typically functions within tight-knit communities, where social ties enhance loyalty to local enterprises (Carson et al. 2016; Gilg et al. 2005). We consider that this enables entrepreneurs to connect with customers via community events, partnerships, and personalised interactions, thereby improving loyalty and facilitating word-of-mouth promotion. In-the-rural entrepreneurship extends its services to customers outside the local community, reaching urban markets as well. These businesses encounter challenges such as geographic distance and diminished community support (Gilg et al. 2005). Digital platforms and online marketing can facilitate the connection to remote customers, addressing existing gaps.

II. Customer Expectations and Needs

Rural customers often prioritise local products, personalised service, and community support, placing a high value on face-to-face interactions and local knowledge (Baker et al. 2002; Gilg et al. 2005). Entrepreneurs can capitalise on these preferences by providing personalised services and advocating for local sourcing. In-the-rural entrepreneurs serve a varied customer base, encompassing urban markets, and prioritise convenience, product diversity, and competitive pricing (Gilg et al. 2005). Therefore, we stress that entrepreneurs need to reconcile broader customer expectations with preserving their rural identity.

Rural entrepreneurship emphasises addressing customers' specific demands. From a marketing standpoint, this entails managing transactional relationships throughout the purchasing process and guaranteeing utility and satisfaction in product utilization.

In-the-rural entrepreneurship also cultivates customers' emotional connections with the business, eventually transforming them into advocates who share positive experiences and influence others. In this way, rural entrepreneurs not only satisfy their customers but also aim to shape their perception of the business, creating a network of loyal patrons – they connect with customers' emotions and act as motivators of those emotions (Magids, Zorfafas & Leemon, 2015).

Customer engagement is necessary for business success, loyalty, and innovation. By comprehending the facets of engagement—transactional, usage, and emotional—rural entrepreneurs can devise innovative approaches to customer engagement. Thus, we maintain that rural entrepreneurs can build solid and sustainable businesses within the rural business ecosystem by tailoring their engagement approaches to their customers' specific needs and preferences.

5. Theoretical Insights and Propositions

This section establishes theoretical insights and propositions concerning rural entrepreneurship, highlighting relational networks and customer interaction for long-lasting growth. This section utilises Service-Dominant Logic (S-D Logic) and ecosystem theory to

present important propositions involving customer relationships, value co-creation, and the entrepreneurial ecosystem's influence on rural business outcomes.

This study builds upon the work of Gittins et al. (2022) and Korsgaard et al. (2015b) by drawing attention to the role of customer engagement in addressing constraints faced by rural entrepreneurship. Drawing from Gittins et al.'s Constrained Institutional Contexts (CIC), we propose that cultivating effective customer relationships can empower rural entrepreneurs to maneuver challenges such as constrained market access and geographic isolation, thereby facilitating growing sustainably. This study also extends the distinction made by Korsgaard et al. between rural entrepreneurship and entrepreneurship in rural settings, emphasising the role of customer engagement and value co-creation within relational networks in fostering innovation and resilience. This presents an alternative viewpoint that highlights the significance of relational depth as a crucial element in entrepreneurial success, consequently strengthening and advancing both frameworks.

5.1 Reimagining Growth Trajectories in Rural and In-the-Rural Entrepreneurship:

Standard growth strategies centred on cost leadership, and expansion may be incompatible with rural entrepreneurship, which prioritises long-term sustainability, community involvement, and local value generation. Differentiation and focus strategies are particularly applicable in rural contexts, enabling businesses to utilise local resources and community relationships to generate value beyond simple economic benefits. Rural entrepreneurship entails profoundly integrating with the local environment and community, prioritising sustainability and resilience over profit maximisation or expansion into external markets. This study sees this rethinking of conventional growth strategies reflects the distinct characteristics of rural entrepreneurship, setting it apart from in-the-rural entrepreneurship, which is primarily motivated by the scale and profit maximisation.

The standard growth approach in business emphasizes scaling up and expanding into new markets. However, this approach may not always be feasible or fit for rural and in-the-rural entrepreneurs due to unique challenges they face. Rural areas often have geographic

remoteness, limited infrastructure, and lower population densities, which pose barriers to traditional scale-focused strategies (Bosworth & Wilson, 2014). Moreover, rural entrepreneurs operate within tight-knit communities where social connections and local relationships are significant (Carson et al., 2015). This community-centric approach prioritizes depth and quality of relationships over sheer expansion. In-the-rural entrepreneurs, serving customers beyond their immediate community, also face complexities in bridging the gap between rural and urban markets.

Rural entrepreneurship encompasses activities that extend beyond economic considerations and contribute to the development and socioeconomic sustainability of rural areas (Korsgaard et al., 2015a). It involves preserving local culture, heritage, and social cohesion, aiming to create sustainable livelihoods and nurture the well-being of rural communities. The goals and aspirations of rural entrepreneurship differ from those of their urban counterparts.

Considering these factors, alternative growth trajectories that emphasize depth rather than scale are more suitable for rural and in-the-rural entrepreneurship. Instead of rapid expansion, entrepreneurs in these contexts prioritize building strong and meaningful relationships with customers, suppliers, and stakeholders. By cultivating deep connections and partnerships, entrepreneurs can leverage the resources, knowledge, and support available within their relational networks. This relational approach allows them to leverage the unique strengths of the rural context, including local knowledge, community support, and cultural heritage (Bosworth & Wilson, 2014).

5.1.1 Relational Entrepreneurship: Network-Based Growth, Customer Relationships, and Value Co-Creation:

Relational entrepreneurship refers to the collaborative efforts of entrepreneurs who actively engage with and leverage their network of relationships to create value (Jack et al., 2008). In the rural context, we emphasise that relational entrepreneurship network-based growth emphasizes the importance of strong relationships among entrepreneurs, stakeholders, and communities. Rather than focusing solely on scaling up operations, growth is achieved through

the depth and quality of these relationships, leading to enhanced resource sharing, knowledge exchange, and collaboration (Jenkins et al., 2018). By nurturing relational networks, entrepreneurs can tap into their networks' collective strengths and resources, driving sustainable growth and positive social impacts. As relational networks strengthen, entrepreneurs and customers participate in value co-creation, a fundamental concept of Service-Dominant Logic (Vargo & Lusch, 2008). The co-creation process facilitates resource sharing and knowledge exchange, thereby promoting sustainable growth.

In rural and in-the-rural entrepreneurship, contextualising growth trajectories in rural and in-the-rural entrepreneurship involves recognizing the significance of customer relationships. Customer relationships go beyond transactional interactions and encompass the emotional connection, loyalty, and value co-creation with customers (Brodie et al., 2011). Therefore, we contend that in rural and in-the-rural settings, entrepreneurs can develop more profound and personalised relationships with their customers, leveraging their local knowledge, preferences, and shared community experiences. By prioritising customer relationships, entrepreneurs can build a loyal customer base, drive repeat business, and generate positive word-of-mouth recommendations.

Reimagining growth trajectories in rural and in-the-rural entrepreneurship require a focus on value co-creation and innovation. Value co-creation involves actively involving customers in the co-creation of products, services, and experiences (Vargo and Lusch, 2008). In rural and in-the-rural entrepreneurship contexts, entrepreneurs can leverage their close relationships with customers to gather insights, ideas, and feedback for innovation and continuous improvement. This is grounded in Service-Dominant Logic (S-D Logic), which asserts that value creation transpires through relational exchanges between entrepreneurs and customers. Engaging customers in co-creation of value enables rural entrepreneurs to innovate in alignment with local needs, resulting in enhanced customer satisfaction and market differentiation. By engaging customers as active participants in the innovation process, entrepreneurs can develop solutions that are better aligned with customer needs and preferences, leading to enhanced customer satisfaction, loyalty, and differentiation in the market (Payne et al., 2008).

Reimagining growth trajectories in rural and in-the-rural entrepreneurship, therefore, requires a shift from traditional notions of scale and expansion to a focus on depth, relational networks, and customer relationships. This study emphasises relational entrepreneurship and network-driven growth, illustrating how contextualising growth trajectories through customer relationships and fostering value co-creation and innovation enables entrepreneurs to achieve sustainable growth. This approach generates beneficial social outcomes while fostering robust and loyal customer bases critical for long-term growth. We expect the theoretical insights and propositions presented in this article to provide a foundation for further research and practical implications for entrepreneurs operating in rural and in-the-rural contexts.

5.2 Interplay between Customer Engagement and the Rural Business Ecosystem:

The interplay between customer engagement and the rural business ecosystem is a multifaceted subject that can be viewed through several theoretical lenses. We posit that two key perspectives that can provide meaningful insight into this dynamic are Service-Dominant Logic (S-D Logic) and the Ecosystem Theory.

5.2.1 Service-Dominant Logic (S-D Logic):

According to S-D Logic, all businesses fundamentally engage in an exchange of services, not goods (Vargo & Lusch, 2008). This framework emphasizes the value co-creation process that occurs between businesses and customers. In the context of a rural business ecosystem, businesses are not merely selling products or services to passive consumers. Instead, they are collaborating with active customers to co-create value, both for the individual consumer and for the broader community. For instance, a local farmer might sell produce to a local restaurant, but the restaurant, in turn, supports the farmer by promoting locally sourced foods. The farmer and the restaurant, as well as their customers, are all engaged in an ongoing relational interaction or exchange of services that co-creates value.

5.2.2 Ecosystem Theory:

On the other hand, the Ecosystem Theory presents an opportunity to understand the interdependence and symbiotic relationships within the rural business ecosystem. Businesses,

customers, and other stakeholders (e.g., family, local government, community organisations, urban economy, third sector) are seen as interconnected entities within the ecosystem, with the health and success of one influencing all others (Moore, 1993). For example, active customer engagement in supporting local businesses can lead to the overall prosperity of the rural business ecosystem. This could be in the form of word-of-mouth recommendations, loyalty to local businesses, or active participation in community initiatives supporting local entrepreneurs.

Therefore, successful rural and in-the-rural entrepreneurship often focuses on fostering customer engagement as a means of strengthening the entire business ecosystem. By encouraging customer participation, these businesses can create a positive feedback loop: Increased customer engagement supports business success, which in turn contributes to a healthier rural economy, which then supports higher levels of customer engagement. Theoretical insights from both S-D Logic and the Ecosystem Theory suggest that this kind of active, reciprocal relationship between businesses, customers, and other networks remains critical for sustaining a thriving rural business ecosystem.

5.3 Development of Theoretical Propositions:

Relational entrepreneurship in rural areas entails distinct dynamics influenced by customer interactions and ecosystem intricacies. Scholars like Korsgaard, Müller and Tanvig (2015) have previously argued that rural entrepreneurs are less likely to demonstrate high-speed growth trajectories compared to their urban counterparts due to their unique methods of engaging with rural locations. This paper posits an alternate perspective, suggesting that these variations can be better explained by the nature of interactions or relationships individuals have with their product, service, or brand and how deeply entrepreneurs manage these relationships.

Proposition 1: We suggest that rather than geographical ties to rural communities, the quality of the relationship entrepreneurs build with their brands or goods is more important in determining the growth and success trajectory of rural businesses. This perspective enhances the Service-Dominant Logic (S-D Logic) framework and provides a clear counterpoint to the

focus on spatial embeddedness put forth by Korsgaard et al. (2015). Nonetheless, this study recognises that further empirical research is essential to rigorously assess the influence of relational depth on growth outcomes relative to spatial factors.

This pertains to the strategies of rural entrepreneurs, wherein spatial bricolage, defined as the innovative utilisation of local resources (Baker & Nelson, 2005; Di Domenico, Haugh & Tracey, 2010), plays a crucial role. Entrepreneurs in resource-constrained rural settings create value through environmental adaptation (Korsgaard et al. 2015; Baker & Nelson 2005). Spatial context significantly influences entrepreneurial processes by determining resource availability. The differentiation between place-based (rural) and traditional (in-the-rural) entrepreneurship underscores the necessity of understanding the distinct dynamics present in rural ecosystems. This gives rise to a second proposition.

Proposition 2: We assert that the involvement of entrepreneurs in rural ecosystems is fundamentally contingent upon whether their ventures incorporate the rural context, referred to as "rural entrepreneurship," or utilise traditional entrepreneurial approaches within rural environments, defined as "in-the-rural entrepreneurship." Expanding upon the work of Korsgaard et al. (2015), this distinction emphasises that rural entrepreneurs engage with ecosystems differently, influenced by their dependence on local resources and markets. However, we firmly believe that substantial empirical evidence is necessary to comprehensively understand how these distinct approaches affect resilience and growth outcomes.

Proposition 3: We strongly argue that collaborative value creation between rural entrepreneurs and their customers strengthens customer relationships and enhances the resilience and economic sustainability of the rural entrepreneurial ecosystem. This approach is consistent with the relational entrepreneurship framework informed by Service-Dominant Logic (S-D Logic) and the findings of Gittins et al. (2022) regarding Constrained Institutional Contexts. Rural entrepreneurs address resource constraints and institutional barriers through value co-creation. However, the study maintains that further empirical research is needed to rigorously evaluate the broader effects of value co-creation on ecosystem viability.

6. Implications and Future Research Directions

This section addresses theoretical contributions, practical ramifications, and recommendations for further research. The study expands understanding of rural entrepreneurship by presenting the role of entrepreneur-customer interactions over spatial considerations in shaping growth trajectories.

Theoretical Contributions:

The exploration of relational entrepreneurship ecosystems, relational transactions, and customer relationships within rural entrepreneurship provides a nuanced understanding of rural entrepreneurship dynamics. By proposing that the growth trajectory of rural businesses hinges more on the depth and quality of the entrepreneur-customer relationship than solely on spatial factors, we contribute to the expanding dialogue on the importance of relationships in entrepreneurship. This study elaborates on the difference between 'rural entrepreneurship' and 'entrepreneurship in the rural,' enhancing the comprehension of spatial factors in entrepreneurship. It further discusses the concept of value co-creation, emphasising the proactive role customers assume in cultivating resilience within rural ecosystems.

Practical Implications for Rural Entrepreneurs:

This research highlights the significance of establishing robust relationships with consumers and involving them in value co-creation. It underscores the necessity of an integrative approach that utilises local resources while addressing the distinct requirements of the rural ecosystem.

In terms of strategy, rural entrepreneurs should understand their position within the spectrum of rural entrepreneurship and entrepreneurship in the rural. This will allow them to tailor their resource usage and value-creation strategies better. They should also seek to facilitate co-

creation processes, leveraging their customers' insights and capacities to foster innovation and resilience.

Recommendations for Future Research:

Future research should focus on the empirical validation necessary to substantiate the three propositions established in this paper. To investigate the significance of customer interactions within rural business ecosystems and evaluate the development of these ecosystems over time. Examining the distinctions between rural entrepreneurship and entrepreneurship in rural contexts and their impact on outcomes and dynamics is needed.

Finally, further work should explore the role of digital technology within rural entrepreneurship. With digital platforms enabling new forms of interaction and value co-creation, it would be insightful to investigate how these developments shape rural entrepreneurial ecosystems and customer relationships. The study of rural entrepreneurship is complex and multi-faceted. This paper contributes to the growing body of knowledge on rural entrepreneurship, paving the way for future research to build upon these insights and advance our understanding of this critical domain.

6.1 Limitations of the Study

This study provides theoretical insights while primarily concentrating on rural areas in the UK, potentially restricting its global applicability. The arguments largely rely on theoretical foundations, necessitating additional empirical validation. The emphasis on relational ecosystems may neglect fundamental components, including infrastructure, policy, and technology. Addressing these limitations in the following studies could improve and broaden the study's conclusions.

7. Conclusion

This paper examined rural entrepreneurship, emphasising the interaction between entrepreneurial ecosystems and customer relationships. This study presents a framework for

understanding rural business ecosystems and customer engagement, elucidating the distinctive dynamics of rural entrepreneurship.

The study suggests that the growth of rural enterprises is predominantly shaped by the relationships between entrepreneurs and customers rather than by geographic factors. The findings indicate that entrepreneurial approaches vary depending on the integration of the rural context versus the application of traditional entrepreneurship within a rural environment. This study strengthens our understanding of value creation through the application of Service-Dominant Logic. It highlights customers' active participation in co-creating value and promotes resilience and long-term viability.

This research informs rural entrepreneurs about the significance of fostering robust customer relationships and the critical role of customers in the value co-creation process. From a strategic standpoint, understanding their position within the rural entrepreneurship spectrum can aid rural entrepreneurs in tailoring their resource usage and value creation strategies more effectively.

Prospective studies empirically validate these theoretical propositions and examine the challenges and opportunities associated with rural entrepreneurship. The influence of digital technology on rural entrepreneurial ecosystems also merits further exploration.

This study contributes to the discussion on rural entrepreneurship by highlighting the relational dynamics between entrepreneurs and customers. The application of the Ecosystem model and Service-Dominant Logic illustrates that value co-creation supports customer relationships and acts as a vital factor for resilience and long-term prosperity in rural business ecosystems. This relational approach highlights the potential for ongoing innovation and growth, facilitating further inquiry and practical application in rural settings.

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