

1st version of Collection of Good practices

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Lessons for Promoting Innovation in Rural Tourism: Building on Good Practice from the RuralGrowth Case Studies

1. Introduction

Each of the six national partners in the EU Interreg Project *RuralGrowth* were asked to identify and report on examples of good practice in innovative rural tourism from their areas. These examples were to be shared across partners in an effort to promote innovation and shared learning that would inform the subsequent development of local action plans. As well as highlighting key innovations, this exercise was also designed to identify some of the key challenges facing those engaged in developing new tourism enterprises and to suggest ways in which local actors and policy makers could support the development process.

Table 1: Good practice case studies

Region	Case Study	Number
Drenthe	<i>Colonies of Benevolence</i>	1.1
	<i>Landhotel Diever</i>	2.1
	<i>De Drentse Koe</i>	3.1
Po Delta	<i>Developing a Birdwatching Tourism Product</i>	1.2
	<i>COGETUR</i>	1.3
	<i>ATLANTIDE</i>	2.6
Medina del Campo	<i>Rueda Red Wine Route</i>	1.4
	<i>Renaissance Week</i>	1.5
	<i>MEDINA 21</i>	2.3
	<i>ECO-ENOTOURISM</i>	2.4
	<i>Duero Douro</i>	2.5
Savonlinna	<i>Hotel & Spa Resort Järvisydän</i>	2.2
Nagykanizsa	<i>Bonne Chance Restaurant</i>	3.2
	<i>Héthatár Goat Farm</i>	3.3
	<i>Zobori Kalandó-Zoo</i>	3.4
Harghita County	<i>Zsigmond Malom Pension</i>	3.5
	<i>Pension Csángó and Restaurant Fátanyéros</i>	3.6
	<i>Skansen Pension from Borospatek</i>	3.7

A total of 18 case study examples (See Table 1) were submitted by partners reporting on an array of enterprises, largely based around the utilisation and development of local resources and led by the entrepreneurial vision of key actors from the local community and civic administration. Following discussions at the Second Interregional Exchange Meeting in Savonlinna, the case studies were clustered under three headings (see Appendix 1):

1. Building on Natural and Cultural Resources: The Importance of Place
2. Enterprise, Partnership and Diversification: Innovation and Incubation
3. Providing Recreation and Amenity: Providing Authentic Rural Experiences

Case studies in the first grouping (1.1-1.5) illustrate the importance of place when establishing a new attraction, demonstrating how the history and special qualities of a location can be used to provide a unique selling point that will attract visitors. The

second group (2.1-2.6) have a strong focus on enterprise and diversification and include examples of successful rural businesses across a range of sectors, with a focus on strategic innovation and diversification often based around strong partnerships. Cases in the final group (3.1-3.7) showcase more traditional tourism enterprises, such as restaurants or visitor attractions, that seek to differentiate themselves through a variety of approaches such as the development of a strong brand identity, the provision of multiple experiences at one site, or the creation of an authentic rural experience based around local produce or traditional practices.

Many of the cases across all three groups demonstrate the importance of building effective working relationships among tourism providers and civic authorities. Stronger collaboration can have a variety of benefits, for example helping a region to develop a more coherent and attractive tourist offer or facilitating the development of appropriate plans for the management of the cultural and natural assets that attract visitors. Such partnerships require strong leadership, the development of trust among partners and sufficient resources to support the innovations being undertaken. Appropriate policy measures can help to support this by providing sources of funding and expertise and by promoting the development of strong working relationships between local stakeholders.

2. Key Challenges Faced by Providers

Examination of the case study material provided by partners revealed key challenges facing both providers and those institutions committed to promoting rural tourism in Europe (see Table 2). Some challenges are more generic and similar to those facing many rural enterprises. These include identifying suitable funding, having access to specialist skills, problems with weather or saturated local markets, as well as the barriers that can be experienced as a result of unhelpful regulation and bureaucracy or from the lack of necessary infrastructure. Solutions, such as relaxing planning policies to allow for new development, can seem relatively straightforward but may be difficult to achieve without the strong support of an elected civic administration. The case of *De Drenste Koe* in Drenthe, where the development of a playground on a farm has led to the site attracting 100,000 visitors a year, is a good example of how entrepreneurs can be encouraged by local government support on planning and licensing issues.

The most common theme raised by partners was the challenge of working in partnership with other individuals and organisations in both the public and private sector. Many of the innovations reported by partners require close collaboration across groups or the building of effective working relationships with local authorities or other stakeholders. Such joint working can promote innovation by allowing ideas and resources to be shared and used more effectively. One novel example of such a partnership is the alliance formed by Dutch and Flemish Administrators to work on a World Heritage Site nomination for the *Colonies of Benevolence*. The nomination process has been a valuable marketing tool, raising awareness of the area and stimulating a number of new initiatives among local entrepreneurs. Similarly, the *MEDINA21* project acted as the catalyst for the formation of new partnerships across stakeholders in Medina del Campo. In many cases partnership working is just one of a number of challenges faced by providers seeking to make a success of their new enterprise.

Improving the marketing of tourism resources and creating a distinctive brand identity were both raised as important issues in case studies across the different groups. This is particularly important when a new initiative is being set up into a sector where it is

important to differentiate it from potential competitors often by establishing a reputation based around its particular strengths or qualities. For example, the *Zalasabar Adventure Park*, near Lake Balaton in Hungary, has sought to establish itself as a unique venue for adventure tourism by providing a wide range of exciting family activities but, at the same time, plays an active role in the local tourism cluster that offers a range of complementary but more relaxing tourist services that will appeal to less active family members.

Table 2: Challenges faced by tourism providers in the RuralGrowth case studies

Theme	The challenge	Case studies
Partnership	<i>Creating new partnerships that work or making existing partnerships more effective</i>	1.1, 1.3, 1.4, 1.5, 2.3, 2.4, 2.5, 2.6, 3.4
Community engagement	<i>Getting local people on board and demonstrating the benefits of new initiatives</i>	1.5, 2.3, 2.4
Integration	<i>Integrating tourism activities/attractions across different sectors to present a stronger tourist offer</i>	1.2, 2.4, 3.2, 3.4, 3.7
Resource use	<i>Making more effective use of, maintaining and building local resources</i>	1.2, 2.4, 3.4, 3.5
Regulation	<i>Ensuring that regulation is not an unnecessary barrier to innovation and development</i>	2.1, 3.1, 3.5
Capacity building	<i>Increasing the skills and knowledge of local actors in order to improve the capacity to support and implement innovation</i>	2.3, 2.5, 3.4
Marketing and brand awareness	<i>Raising awareness of the tourism resource where there is a lack of knowledge beyond region/country – growing a recognisable brand</i>	1.5, 2.5, 3.2, 3.3, 3.4
Funding	<i>Increasing the availability of investment capital (e.g. personal, public/private)</i>	1.2, 2.5, 3.1, 3.3
Infrastructure	<i>Improving tourism coordination and infrastructure e.g. roads, services, accommodation</i>	2.1, 2.5, 3.2, 3.4
Risk management	<i>Rising to the challenge of strong competition and unhelpful local conditions (e.g. weather, seasonality)</i>	2.1, 2.2, 2.3
Demand	<i>Need to diversify the customer base and increase demand</i>	1.3, 2.2, 2.6

Making the most of local natural, cultural and physical resources is another common theme identified in the case studies. Projects like *Eco-Enotourism* in Medina del Campo draw upon the rich cultural and natural heritage of their region and identify untapped tourist potential. In this case, as well as building partnerships to put together innovative packages of activities, the project seeks to build awareness of the cultural and natural heritage that surrounds the vineyards on the Rueda Wine Route. Similarly, Delta 2000's *Atlantide* project is also attempting to make the most out of local natural and cultural resources by providing quality educational, management and information services in the Po Delta. In another example, the *Bonne Chance Restaurant* in Nagkanizsa, takes its name from local mining heritage and attempts to combine local gastronomic traditions with the aspirations of providing a fine dining experience.

3. Lessons for Policy

Many of the challenges described above may be overcome through measures implemented using conventional policy instruments (e.g. training and knowledge exchange to build capacity, funding for investment and diversification), while others depend more on the actions and cooperation of local stakeholders in both the public and private sectors (though appropriate policy measures can help to develop the right environment for entrepreneurship and facilitate the building of relationships between stakeholders).

The best-practice case studies identified a number of ways in which policy could be designed or adapted to better assist in addressing some of the challenges outlined above. Table 3 reports on a number of areas where experience suggests that policy could be helpful in stimulating growth and innovation in rural tourism.

Innovation can, of course, happen without any assistance from policy or stakeholders, and it is notable that in several cases, particularly in the third group (e.g. 3.1, 3.5, 3.6, 3.7), examples of good practice were credited solely to the actions of a particular individual and no help was sought required from policy measures or external stakeholders. While there will always be examples of successful innovation driven by individuals, it can be argued that the capacity of other members of the community to take forward similar innovations may be improved through the existence of appropriate policy measures and their chances of success may be improved by engaging with other individuals and organisations.

Table 3: How policy could stimulate innovation in tourism

Suggested policy focus	Case studies
<i>Encouraging entrepreneurship among specific groups, e.g. young farmers, businesses in remote communities</i>	1.1, 3.5
<i>Development of local tourism strategies based around partnership and civic participation</i>	1.5, 2.2, 2.3
<i>Increasing local skills and knowledge to promote tourism enterprise development</i>	2.3, 2.5, 3.4
<i>Adaptation of existing policy instruments and funding measures to increase eligibility either of individuals or businesses or the scope of tourism activities that could be supported</i>	2.4, 3.1, 3.5
<i>Using funding/designation to encourage the formation of new partnerships among different organisations and individuals</i>	1.1, 1.3, 1.4, 1.5, 2.3, 2.4, 2.5, 2.6, 3.4
<i>Making funding available for capital investment in tourism infrastructure</i>	2.1, 2.5, 3.2, 3.4
<i>Stimulating social innovation and encouraging bottom-up approaches to tourism development</i>	2.5

Strategies based around greater local participation and collaboration between stakeholder groups in the public and private sector are being actively pursued in several of our partner regions and, in many cases, such collaborations can be encouraged if they increase the chances of participants receiving financial or other support. Such incentives can encourage the development of bottom-up approaches to tourism

innovation that may be better suited to exploit local resources and tap into potential new markets. The *Rueda Wine Route* in Medina del Campo, for example, having received only limited financial support from local government (€50,000), has succeeded in bringing together a large number of stakeholders across both public and private sectors to implement a tourism initiative based around local wines.

Another important contribution towards the common good among tourism providers, is continued investment in tourism infrastructure, including improvements to roads and local services. Also potentially important are the development of common marketing strategies that promote a wider range of things to do in a region as a means of attracting new visitors (e.g. to attract visitors away from the Adriatic Coast to attractions on the Po Delta). Lack of expertise in marketing is a common issue for rural SMEs and a collective approach to marketing tourism goods can represent their best chance of being able to improve in this area.

Several case studies (e.g. *Hotel and Spa Resort Järvisydän*, Finland) have been supported by existing funding streams that encourage innovation in tourism and the leisure economy (e.g. ERDF or LEADER). In other cases, it is reported that the innovations described by partners were not eligible for funding, raising the question of how to open up some of these sources of finance to currently ineligible projects. Another important consideration is the argument that public funding may need to extend beyond sectoral boundaries and support more integrated visions across a particular geographic area. The *Duero/Douro Heritage Initiative* in Medina del Campo which is an example of a strong public-private sector partnership initiative supported by the local authority and extending across sites along the Duoro river and across the national boundary with Portugal.

4. Conclusions

While not all of the cases reported by partners provide examples of how policy can help to promote innovation in rural tourism, they offer useful insights into how appropriately-designed policy measures can promote the right conditions for innovation or support those individuals and organisations hoping to establish a new enterprise. In some cases these measures already exist and have been used to support tourism development, while in others there is an opportunity to shape existing and new policies to ensure that they can help entrepreneurs realise their visions.

The lessons for policy discussed above should be used by Local Stakeholder Groups (LSGs) to help inform the development of their Action Plans for improving policies to develop innovation support for SMEs in their regions. The partnerships and collaborations already formed through the development of LSGs are an important first step towards creating conditions favourable for innovation and growth but participants must think about how policy can be developed and framed to help to create and strengthen other partnerships and provide the supportive environment necessary to encourage both individual entrepreneurs and groups to develop and take forward new ideas for rural tourism in their region.

APPENDIX 1

CASE STUDY CLUSTERS

Group 1: Building on Natural and Cultural Resources: The Importance of Place

		1.1: Colonies of Benevolence (Drenthe)	1.2: Developing a Birdwatching Tourism Product (Po Delta)	1.3: COGETUR (Po Delta)	1.4: Rueda Red Wine Route (Medina del Campo)	1.5: Renaissance Week (Medina del Campo)
Key Local Assets	History and Culture	X		X	X	X
	Landscape and Wildlife		X	X		
	Multiple Attractions		X	X	X	X
	Local Produce		X		X	
	Local Enterprise	X	X	X	X	
Key Approaches	Entrepreneurship		X	X		
	Delivering Quality Products and Services		X	X		
	Partnership		X	X	X	X
	Broadening the Tourist Offer	X	X	X	X	X
	Being Part of a Package of Activities		X	X		
Constant Innovation and Renewal						
Key Innovations	Slow Growth/Tourism		X			
	New Product/Service Development			X		
	Integrating Visitor Experiences		X	X		X
	Participation of Multiple Stakeholders	X	X	X	X	X
	Strengthening Existing Partnerships	X	X	X	X	X
Community Involvement	X				X	
	Examples of Good Practice	<i>Stimulating partnerships by participating in an external evaluation or assessment process (UNESCO WHS nomination).</i>	<i>Making better use of existing resources. Integration of activities across different sectors – birdwatching with art & crafts and food & wine.</i>	<i>Building strong partnerships to improve the influence of small players.</i>	<i>Civic participation underpinning public-private partnership. Participation in national and international networks to increase reach.</i>	<i>Civic participation underpinning a bottom up participatory approach. Making better use of existing resources.</i>

Group 2: Enterprise, Partnership and Diversification: Innovation and Incubation

		2.1: Landhotel Diever (Drenthe)	2.2: Hotel & Spa Resort Järvisydän (Savonlinna)	2.3: MEDINA 21 (Medina del Campo)	2.4: ECO-ENOTOURISM (Medina del Campo)	2.5: Duero Douro (Medina del Campo)	2.6: ATLANTIDE (Po Delta)
Key Local Assets	History and Culture		X		X	X	X
	Landscape and Wildlife	X	X		X		X
	Multiple Attractions					X	
	Local Produce				X	X	
	Local Enterprise	X	X	X	X	X	X
Key Approaches	Entrepreneurship	X	X		X	X	
	Delivering Quality Products and Services	X	X		X		X
	Partnership	X	X	X	X	X	X
	Broadening the Tourist Offer		X			X	X
	Being Part of a Package of Activities				X	X	
	Constant Innovation and Renewal						
Key Innovations	Slow Growth/Tourism						
	New Product/Service Development	X	X				
	Integrating Visitor Experiences				X	X	
	Participation of Multiple Stakeholders		X	X	X	X	X
	Strengthening Existing Partnerships			X	X	X	X
	Community Involvement			X	X	X	
Examples of Good Practice	<i>Making space available for development</i>	<i>Developing a holistic regional tourism context</i>	<i>Implementing a participatory approach to engage citizens and other stakeholders</i>	<i>Making better use of existing resources</i> <i>Collaboration and networking across different sectors (heritage and countryside)</i>	<i>Bottom-up approach with a strong component of social innovation</i> <i>Private-public collaboration to mitigate for reduced public investment in heritage</i>	<i>Collaboration and networking across different sectors</i>	

Group 3: Providing Recreation and Amenity: Providing Authentic Rural Experiences

		3.1: De Drentse Koe (Drenthe)	3.2: Bonne Chance Restaurant (Nagykanizsa)	3.3: Héthatár Goat Farm (Nagykanizsa)	3.4: Zobori Kalando-Zoo (Nagykanizsa)	3.5: Zsigmond Malom Pension (Harghita County)
Key Local Assets	History and Culture		X			X
	Landscape and Wildlife				X	
	Multiple Attractions					
	Local Produce	X		X		X
	Local Enterprise		X			
Key Approaches	Entrepreneurship	X		X		X
	Delivering Quality Products and Services	X	X	X	X	X
	Partnership					
	Broadening the Tourist Offer		X		X	
	Being Part of a Package of Activities				X	
	Constant Innovation and Renewal		X		X	
Key Innovations	Slow Growth/Tourism	X				X
	New Product/Service Development	X	X	X	X	
	Integrating Visitor Experiences				X	
	Participation of Multiple Stakeholders	X	X			
	Strengthening Existing Partnerships				X	
	Community Involvement	X				
	Examples of Good Practice.	<i>Support from local authority on planning and licensing issues.</i>	<i>Building a brand-identity.</i>	<i>Building a national reputation for quality along with associated brand-identity.</i>	<i>Establishing mutually beneficial collaborations with other local providers</i> <i>Use of social media to market the attraction.</i>	<i>Creating an authentic rural experience for visitors.</i>

Group 3: Providing Recreation and Amenity: Providing Authentic Rural Experiences

		3.6: Pension Csángó and Restaurant Fátanyéros (Harghita County)	3.7: Skansen Pension from Borospatek (Harghita County)			
Key Local Assets	History and Culture	X	X			
	Landscape and Wildlife					
	Multiple Attractions					
	Local Produce					
	Local Enterprise					
Key Approaches	Entrepreneurship	X	X			
	Delivering Quality Products and Services					
	Partnership					
	Broadening the Tourist Offer					
	Being Part of a Package of Activities					
Key Innovations	Constant Innovation and Renewal					
	Slow Growth/Tourism	X				
	New Product/Service Development		X			
	Integrating Visitor Experiences					
	Participation of Multiple Stakeholders					
	Strengthening Existing Partnerships					
Community Involvement						
	Examples of Good Practice	<i>Preservation and exploitation of local gastronomic tradition.</i>	<i>Linking accommodation services to a living museum which in turn helps to preserve local architectural heritage.</i>			