Local and regional development in the EU macro-regions:
Cultural Routes and SMEs

Routes4U Project

Local and regional development in the EU macro-regions:
Cultural Routes and SMEs

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Council of Europe

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Introduction

Routes4U manual series

The Routes4U series is an undertaking by the joint Routes4U programme of the Council of Europe (Directorate General Democracy, Enlarged Partial Agreement on Cultural Routes) and the European Union (European Commission, Directorate-General for Regional and Urban Policy). Routes4U aims at strengthening the Cultural Routes of the Council of Europe in the Adriatic and Ionian Region, the Alpine Region, the Baltic Sea Region and the Danube Region in line with the objectives of the respective macro-regional strategies.

To date, four macro-regional strategies have been adopted by the European Union: the EU strategies for the Baltic Sea Region (EUSBSR, 2009), the Danube Region (EUSDR, 2010), the Adriatic and Ionian Region (EUSAIR, 2014) and the Alpine Region (EUSALP, 2015). These four EU macro-regions encompass 27 countries with more than 340 million people. The strategies provide a policy framework for addressing the common challenges experienced by countries within a geographical area. They also strengthen co-operation and thus contribute to economic, social and territorial cohesion.

In the macro-regional context, the Cultural Routes of the Council of Europe can play a role in promoting and protecting heritage, strengthening sustainable cultural tourism and increasing transnational co-operation. The Council of Europe developed the Cultural Routes in 1987. The Cultural Routes invite the traveller to discover the rich and diverse heritage of Europe. They promote cultural diversity, intercultural dialogue and mutual exchanges across borders. They combine tangible and intangible resources, natural and cultural heritage, the past and the present.

In the framework of Routes4U, a critical need was identified for guidance on the Cultural Routes for professionals working within the Cultural Routes, as well as for professionals working on macro-regional strategies. Various Routes4U expert meetings have revealed the need for more focused training and capacity development in the implementation and management of the Cultural Routes as well as on the objectives and structures of the macro-regional strategies EUSAIR, EUSALP, EUSBSR and EUSDR. The development of e-learning training and this series of manuals is a response to this need.

The manuals are intended to provide focused guidance to Cultural Routes managers, professionals working on the macro-regional strategies, and cultural and tourism professionals, as well as local and regional governments in the macro-regions. They aim to provide knowledge and assistance relating to effective management of the Cultural Routes, which contribute to the objectives of the macro-regional strategies.

The manuals are being developed as user-friendly tools for capacity-building on themes related to the Cultural Routes of the Council of Europe as well as the macro-regional strategies of the European Commission. They can be used independently for self-guided learning as well as material at training workshops, and should complement the basic materials for understanding the fundamentals of cultural tourism for regional development.

The manuals are produced as PDF online documents, which can be freely downloaded. They accompany freely available e-learning training. The training modules are the following.

1. Cultural Routes in the EU macro-regions. Step-by-step guidance on certification and implementation.

2. Cultural tourism in the EU macro-regions. Cultural Routes to increase attractiveness of remote destinations.

3. Social participation and social cohesion in the EU macro-regions. Cultural Routes and community engagement.

4. Local and regional development in the EU macro-regions. Cultural Routes and SMEs.

5. Marketing strategies in the EU macro-regions. Cultural Routes and marketing of the macro-regional strategies.

Manual 4: Local and regional development in the EU macro-regions

In the fourth module "Local and regional development in the EU macro-regions: Cultural Routes and SMEs", you will learn the following.

I. What **SMEs** are and how important they are for the EU macro-regions and the Cultural Routes of the Council of Europe:

> ► the difference between micro, small and medium-sized SMEs;

> ► the importance of SMEs for the EU economy and how they tie into the macro-regional strategies;

> ► what the Small Business Act for Europe is;

> ► what is required from SMEs along the Cultural Routes.

II. About **tourism** in the macro-regions:

- ▶ the definion of tourism;
- ▶ the link between tourism and regional development;
- ▶ the positive and negative impacts of tourism.

III. What **cultural and tourism activities** are offered within the Cultural Routes in four EU macro-regions:

- ▶ the definition of cultural tourism;
- ▶ EU tourism in numbers.

IV. What **sustainable tourism** is and how it relates to the Cultural Routes (with examples of sustainable tourism offerings in the EU macro-regions):

- ▶ what sustainable development in tourism is;
- ▶ what CCIs are and how they can be linked to the Cultural Routes;
- ▶ market visibility of European transnational tourism offerings.

V. **SME involvement** in sustainable and cultural tourism within the Cultural Routes of the Council of Europe:

- ▶ Cultural Routes-related products;
- ▶ local development and SMEs;
- ▶ institutional support for tourism SMEs;
- ▶ tourism SMEs and the Sustainable Development Goals;
- ▶ collaboration between the Cultural Routes and SMEs in the EU macro-regions.

VI. How **innovation** can be boosted in the macro-regions via Cultural Routes offerings:

- ▶ innovative cultural tourism product developments;
- ▶ combining innovation and environmental awareness into an innovative Cultural Routes tourism offering.

VII. ICT-driven innovation in tourism SMEs:

- ▶ SME activities related to ICT;
- ▶ how to become a successful digital enterprise in the tourism sector.

Routes4U

Cultural Routes of the   Adriatic-Ionian, Alpine, Baltic Sea
Council of Europe in the   and Danube macro-regions

I. Role of SMEs in the EU

1. Defining SMEs

SMEs abbreviation stands for **small and medium-sized enterprises**, but the category also encompasses micro-enterprises (see the classification below). The EU provides a definition of SMEs in European Commission recommendation 2003/361. Two criteria are taken into consideration when considering whether a company is an SME or not.

Criteria for SMEs:

▶ number of employees;
▶ turnover or balance sheet total.

The requirements for all three types of SME are presented in the following table.

	Number of employees	Turnover sheet total or	Balance
Medium-sized	< 250	≤ € 50m	≤ € 43m
Small	< 50	≤ € 10m	≤ € 10m
Micro	< 10	≤ € 2m	≤ €2m

Source: European Commission (2003), Commission Recommendation of 6 May 2003 concerning the definition of micro, small, and medium-sized enterprises, 2003/361/EC, *Official Journal of the European Union*, L 124/36, 20 May.

So how many SMEs are there in the EU (for the EU-28[1])? In general, for every 1 000 inhabitants of at least 15 years of age, there are 57 SMEs. To be more precise there are:

▶ 53 micro SMEs;
▶ 3 small SMEs;
▶ 1 medium-sized SME.

As you see, micro-enterprises are the most common type of SME. Why is that? The majority of services you use on an everyday basis are provided by local micro-enterprises (such as hairdressers, private medical practitioners or car washing facilities).

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1. Note: Data on SMEs are relevant for the period before Brexit. Therefore, references are to the "EU-28".

To know more

▶ European Commission (2018b), *Annual report on European SMEs 2017/2018. SMEs growing beyond borders*, Publications Office of the European Union, Luxembourg, https://blogs.ec.europa.eu/promotingenterprise/files/2018/11/SME-Annual-report-2017-2018.pdf

2. Importance of SMEs

The data in the table which follows helps to explain why SMEs are important. Keep in mind, though, that the data covers the **non-financial business sector**.

As you see, SMEs account for 99.8% of all enterprises in the EU. **Micro SMEs** are the most popular category and constitute 93.3% of all SMEs and 93.1% of all enterprises. However, they account for only 29.4% of employment (again, in the non-financial sector), whereas large enterprises that account for only 0.2% of all enterprises provide as much as 33.6% of employment. Are micro-enterprises significant then? Yes, they are, because they reflect the extent of entrepreneurship in the EU macro-regions and some of them expand with time into larger entities, that is, small or medium-sized enterprises.

Number of SMEs and large enterprises in the EU-28 non-financial business sector in 2017 and their value added and employment

	Micro SMEs	Small SMEs	Medium-sized SMEs	All SMEs	Large enter-prises	All enter-prises
Number of enterprises	22 830 944	1 420 693	231 857	24 483 496	46 547	24 530 050
Enterprises by % share	93.1%	5.8%	0.9%	99.8%	0.2%	100%
Value added in EUR trillion	1 525.6	1 292.1	1 343.0	4 160.7	3 167.9	7 328.1
Value added in % share	20.8%	17.6%	18.3%	56.8%	43.2%	100%
Employment in thousands	41 980 528	28 582 254	24 201 840	94 764 624	47 933 208	142 697 824
Employment in % share	29.4%	20%	17%	66.4%	33.6%	100%

Source: European Commission (2018b), Annual report on European SMEs 2017/2018. SMEs growing beyond borders, Publications Office of the European Union, Luxembourg, p. 14.

Remember:

- ► SMEs account for **66.4%** of **EU employment** in the **non-financial business sector**; and

- ► SMEs generate **56.8%** of the **value added** generated by the **non-financial business sector**.

Without a doubt, SMEs are crucial for the EU economy. The importance of SMEs is reflected in the amount of attention they get from the European Union in the form of strategies, programmes and frameworks. What about the role of SMEs in the EU macro-regions? We need to take a closer look at the EU Strategies prepared for each EU macro-region. The EU has to date adopted four strategies for the macro-regions.

- ► **Adriatic-Ionian (EUSAIR)**
- ► **Baltic Sea (EUSBSR)**
- ► **Danube (EUSDR)**
- ► **Alpine Region (EUSALP)**
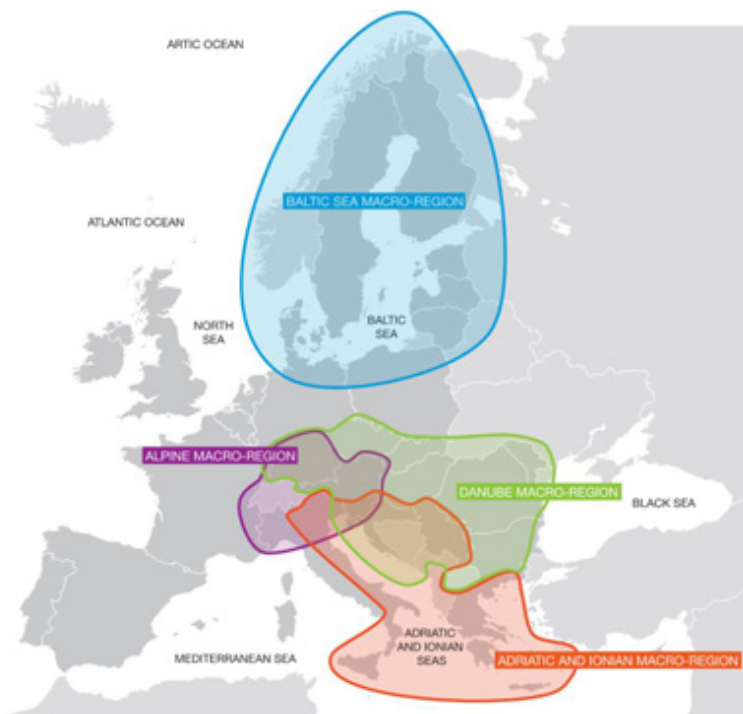
The EU macro-regions. European Commission

As the European Commission states, each strategy is an integrated framework that "addresses common challenges faced by a defined geographical area relating to the member states and third countries located in the same geographical area which thereby benefits from strengthened co-operation contributing to the achievement of economic, social and territorial cohesion". The strategies are presented in two documents: (1) a communication from the European Commission to the other EU institutions, and (2) an accompanying action plan which complements the communication. Let us focus on the action plans. SMEs are referred to in all four action plans. The perspectives are different, but so are the EU macro-regions.

➡ More information on the EU macro-region strategies: http://youtu.be/n2s9OM0C850

The Action Plan for the Adriatic and Ionian Region concentrates strongly on innovation and research. It refers to SMEs in the "Blue technologies" area. It aims at supporting the creation of trans-boundary, macro-regional clusters in sectors that are considered to be promising. In this way, it encourages the internationalisation of SMEs.

The Action Plan for the Alpine Region consists of nine actions, with the second "[focusing] on the economic potential of strategic sectors of the Alpine Region and their economic and social environment, and in particular support[ing] SMEs and e-services". It is even said that "networks and clusters of SMEs are the backbones of a prosperous alpine economy".

The Action Plan for the Baltic Sea Region states that "new jobs are generated mostly from new or young companies, start-ups and SMEs", which makes SMEs crucial for macro-regional development. This importance is reflected in the seventh policy area (PA) listed in the document (there are 13 PAs in total), namely "Innovation", which refers to SMEs directly: "Exploiting the full potential of the region in research, innovation and SME, utilising the Digital Single Market as a source for attracting talents and investments."

The Action Plan for the Danube Region, revised in 2020, devotes much attention to SMEs, which are directly referred to in three actions:

1. "To foster co-operation and exchange of knowledge between SMEs, academia and the public sector in areas of competence in the Danube Region." It is also stated that "emphasis should be laid specifically on actions supporting the internationalisation of SMEs and facilitating interdisciplinary co-operation".

2. "To improve business support to strengthen the capacities of SMEs for co-operation and trade." This is intended to help SMEs that plan to expand to the Western Balkans.

3. "To improve framework conditions for SMEs in areas where competitive infrastructure is missing." It is stated that the focus should be put on "rural and border regions, where competitive infrastructure for SME is often weakly developed or missing".

Action plans cover the macro-regions, but there are also initiatives for the EU as a whole. One of these is the Small Business Act for Europe.

To know more

▶ European Commission (n.d.-a), Macro-regional strategies, https://ec.europa.eu/regional_policy/en/policy/cooperation/macro-regional-strategies

3. The Small Business Act for Europe

The Small Business Act for Europe (SBA) is a critical framework aimed at supporting the development of SMEs. The European Council lists the main priorities of the SBA as follows:

▶ promoting entrepreneurship;
▶ decreasing the regulatory burden;
▶ facilitating access to finance;
▶ facilitating access to markets and internationalisation.

The SBA defines 10 principles defining the areas on which support for SMEs should be focused:

1. The EU and the member states should create *an environment within which entrepreneurs and family businesses can thrive, and entrepreneurship is rewarded*. They need to care for future entrepreneurs better, in particular by fostering

entrepreneurial interest and talent, particularly among young people and women, and by simplifying the conditions for business transfers.

2. The member states should ensure that *an honest entrepreneur* who has been bankrupt quickly *gets a second chance*.

3. The EU and the member states should design *rules according to the "Think Small First" principle* by taking SMEs' characteristics into account when designing legislation and by simplifying the existing regulatory environment.

4. The EU and the member states should *make public administration responsive to SME needs*, making life as simple as possible for SMEs, notably by promoting e-government and one-stop-shop solutions.

5. The EU and the member states should *adapt public policy tools to SME needs*. They should make use of the Code of Best Practice providing guidance to contracting authorities on how they may apply the EU public procurement framework in a way that facilitates the participation of SMEs in public procurement procedures. To address the possibility of market failure that SMEs face throughout their lifecycle, the EU and the member states should make better use of the opportunities offered by Community State Aid rules to support start-ups and provide incentives for SMEs.

6. The EU and the member states should *facilitate SME access to finance*, in particular to risk capital, micro-credit and mezzanine finance, and develop a legal and business environment that supports timely payment in commercial transactions.

7. The EU and the member states should *encourage SMEs to take advantage of the opportunities offered by the Single Market* to a greater extent; they can do this by 1) improving the governance of and information on Single Market policy, 2) enabling SMEs' interests to be better represented in the development of standards and 3) facilitating SME access to patents and trademarks.

8. The EU and the member states should *promote the upgrading of skills in SMEs and all forms of innovation*. They should encourage investment in research by SMEs and their participation in R&D support programmes, transnational research, clustering and active intellectual property management.

9. The EU and member states should enable SMEs to turn environmental challenges into opportunities. They should provide information, expertise and financial incentives for full exploitation of the opportunities for new "green" markets and increased energy efficiency, partly through the implementation of environmental management systems in SMEs.

10. The EU and the member states should support and *encourage SMEs to benefit from the growth of markets outside the EU*, in particular through market-specific support and business training activities.

These 10 areas are crucial for the further development and strengthening of European SMEs. The stronger that support for SMEs is in these areas the more beneficial for the EU macro-regions.

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Further reading

► European Commission (n.d.-b), SME Performance Review2, https://ec.europa.eu/growth/smes/business-friendly-environment/performance-review_en

► European Commission (n.d.-d), The Small Business Act for Europe, https://ec.europa.eu/growth/smes/business-friendly-environment/small-business-act_en

4. Essential services for tourism along the Cultural Routes

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What services are essential for tourism activities along the Cultural Routes of the Council of Europe? To provide an answer to this question, it is vital to investigate what the needs and interests of potential tourists are, keeping in mind that tourists' requirements and expectations vary depending on the route.

The Santiago de Compostela Pilgrim Routes (certified Cultural

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2. You can access the database of SBA policy measures by scrolling down the page, under "Additional documents".

Route of the Council of Europe since 1987) and the Via Francigena (certified Cultural Route since 1994) are famous for hiking whereas the Hansa (certified Cultural Route since 1991) and the European Mozart Ways (certified Cultural Route since 2004) provide city offers. SMEs must offer services to small, medium or large groups of tourists. Therefore, the scope of services will differ depending on the target group and on the characteristics of the Cultural Route. Similarly, different types of SMEs (in terms of offering) will be involved in providing those services.

The main groups of services that are required along the Cultural Routes are as follows:

▶ accommodation services (rural accommodation, apartments, bnb, hostels, hotels, etc.);
▶ catering services (bars, restaurants, wineries, breweries, local shops, etc.);
▶ guiding services (guides, maps, organised excursions, etc.);
▶ sports services (swimming pools, tennis courts, spa and wellness centres);
▶ health services (medical help);
▶ shopping services (souvenirs, maps, etc.).

Keep in mind that each group of services listed above requires not only further services but also products, which broaden the network of SMEs significantly. Hotels need towels and food as well as IT support. Shops need products to be put on the shelves, while doctors need medical supplies.

The importance of information

Reliable tourist information is probably the most crucial element for the majority of potential Cultural Route tourists. Information should be available about:

▶ local attractions (museums, monuments, nature);
▶ local products linked to the topic of the Cultural Route;
▶ food and catering available on the route;
▶ services available on the route (both free of charge and subject to a fee);
▶ means of communication available at different sites;
▶ accommodation available;
▶ route markings;
▶ sanitary facilities;
▶ medical services.

In summary, information should be available about the Cultural Route itself and about services along the route.

First summary

1. According to the criteria for SMEs, a micro enterprise employs fewer than 10 people, a small enterprise employs up to a maximum of 49 people, while a medium-sized enterprise can have up to 249 employees.

2. Taking account of the entire EU-28, there are around 60 SMEs per 1 000 inhabitants (aged 15+).

3. SMEs account for 66.4% of EU employment in the non-financial business sector, and generate 56.8% of the value added generated by the non-financial business sector.

4. The Small Business Act for Europe is devoted to supporting the development of SMEs. The European Council indicates the main priorities of the SBA as follows:

- ► promoting entrepreneurship;
- ► decreasing the regulatory burden;
- ► facilitating access to finance;
- ► facilitating access to markets and internationalisation.

5. The most common type of SME is the micro SME, constituting 93.1% of all SMEs. SMEs account for 99.8% of all enterprises present in the EU. Remember, SMEs are referred to in all four of the Action Plans for the EU Strategies for the Macro-Regions. However, since each Cultural Route is different, they require distinct services: while some routes mainly go through cities, others are closer to nature. Therefore, the scope of services will differ depending on the target market and on the route characteristics.

II. Tourism in the EU macro-regions

You now know how important SMEs are for the economy of the macro-regions. There are some sectors in which SMEs are dominant, and tourism is one of them. The EU Strategies for the Macro-Regions value the unique role that SMEs play in the tourism industry. The tourism industry is crucial for the Cultural Routes of the Council of Europe.

Let us start with the definition of tourism.

1. Defining tourism

You learned the definition of tourism in the Routes4U e-learning Module 2 ("Cultural tourism in the EU macro-regions: Cultural Routes to increase attractiveness of remote destinations"), more specifically cultural tourism. Let us recapitulate: the World Tourism Organization definition of tourism states that tourism "comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes" (UN and WTO 1994: 5).

There are various leading themes in tourism, for example:

Source: Pixabay

- ► eco-friendly tourism;
- ► sports tourism;
- ► culinary tourism;
- ► health and well-being tourism;
- ► slow tourism.

Of course, the tourism business comprises many other themes. What is essential is that each thematic area requires somewhat different support and a slightly different set of products and services from tourism-related SMEs.

2. Tourism and regional development

The EU macro-regions that host the Cultural Routes have a competitive advantage in the well-developed tourism along the routes. This is why the macro-regional strategies of the European Union (EUSAIR, EUSALP, EUSBSR and EUSDR) refer to SMEs in the action plans (see Chapter I.2). It is important to encourage SMEs to operate in the EU macro-regions that host the routes to strengthen not only economic development but also social links with the local community.

It is crucial to realise that macro-regional development is a very broad category, encompassing various areas such as:

- ► economy;
- ► culture;
- ► society;
- ► environment.

Overall economic growth results from increasing sustainable tourism flows. However, tourism has much greater impacts on the communities and territories than economic progress. The real impact of tourism on macro-regional development can be thoroughly analysed when this complexity is taken into consideration. **Both positive and negative effects of tourism for macro-regional development can be established**.

The positive impact of tourism

As for the positive effects, the following can be listed.

- ► *Improvement of local budgets* through increased tax revenues: the more tourists in the macro-region the higher the tourist expenditure and therefore the higher the income of the local tax-paying business owners.
- ► *Improvement of transport infrastructure* by developing routes between existing transportation hubs and tourist destinations, e.g. connections between airports and local attractions, roads to manage increasing traffic, etc.
- ► *Increase in the standard of living*: this results from the general improvement in the macro-region through efforts to attract more tourists and the presence of more tourism-related enterprises.
- ► *Increase in macro-regional competitiveness*, which can be perceived as the sum of the above-mentioned positive effects.

Moreover, in the European Union, tourism industries sustain a substantial number of jobs and offer plenty of opportunities for entrepreneurs. According to the Eurostat in 2016, 2.4 million enterprises in the European Union supplied goods and services mainly or partially to tourists. This is equivalent to 1 in 10 enterprises in the EU non-financial business economy, which includes the industry, construction and distributive trades and services sectors. These enterprises employed 13.6 million people, meaning 10% of people employed in the non-financial business economy and 22% of people employed in the services sector.

The importance of tourism is acknowledged in EU strategy documents. The EU Strategy for the Alpine Region states: "The tourism sector is an important economic factor in large parts of the Alpine Region, while SMEs in the Region dominate in the tourism sector both as regards economic development and employment opportunities."

The negative impact of tourism

Many positive effects can be observed in EU tourist destinations due to increased tourism. However, it must be underlined that there are negative effects too. The disadvantages that must be considered include the following.

► *Increasing land and housing prices* as an effect of growing interest in local real estate: the more attractive area, the greater the interest, the higher the prices for investors.

► *Excessive construction* of tourism-related establishments, resulting from high investment in tourism and hospitality business, leading to an economic structure that is highly biased; while the tourism-related industry will grow, other areas will be neglected. In effect, areas will struggle to profit outside the tourist season.

► *Profit from tourism may go to non-local entrepreneurs*; it is common that international companies that are more competitive (e.g. in terms of costs) invest in tourism-attractive areas and gain the profit from this investment, excluding local enterprises.

► *Excessive impact on the environment* in terms of water, energy and air, resulting

Cumil: Bratislava, Slovakia. Source: Pixabay

from increasing flows of tourists requiring more resources as well as increased activity of enterprises in the macro-region.

► *Intensive use of local infrastructure* resulting from an increased number of tourists.

► *The risk of seasonal unemployment*: it is common that people employed in hotels, restaurants and other tourism-related enterprises work only seasonally and that not all find work for the remaining part of the year.

► *Increasing price of goods and services* resulting from increasing demand due to more people visiting the macro-region.

Further reading

► European Union (n.d.-b), Regional policy, https://europa.eu/european-union/topics/regional-policy_en

► Eurostat (2018), Tourism industries – employment, https://ec.europa.eu/eurostat/statistics-explained/index.php/Tourism_industries_-_employment

► Eurostat (2019), EU tourism industries: economic growth 2012-2016, 16 May, https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20190516-1

► Gúčik M., Marciš M. (2017), "Tourism as a factor of regional development: the case of eastern Slovakia / Turystyka jako czynnik rozwoju regionalnego: studium przypadku Słowacji wschodniej", *Economic and Regional Studies* Vol. 10, No. 4, pp. 86-95, https://doi.org/10.29316/ers-seir.2017.37

► United Nations and World Tourism Organization (1994), *Recommendations on tourism statistics*, Statistical Papers, Series M No. 83, United Nations, New York, https://unstats.un.org/unsd/publication/Seriesm/SeriesM_83e.pdf

Second summary

1. Macro-regional development is a broad category that encompasses various areas such as:

► culture;

► economy;

► environment;

► society.

Increasing sustainable tourism flows can lead to overall economic growth. In 2016, tourism enterprises employed 13.6 million people, that is, 10% of

people employed in the non-financial business economy and 22% of people employed in the services sector.

2. Tourism can have both positive and negative effects: on the one hand, it helps to improve local budgets, transport infrastructure, the standard of living and the competitiveness of the macro-regions. On the other, tourism can lead to increased prices for housing, goods and services; excessive construction of tourism-related establishments; increased profit going to non-local entrepreneurs; excessive impact on the environment in terms of water, energy and air; and the risk of seasonal unemployment.

Matera, Italy Source: Pixabay

III. Tourism and cultural activities

1. Defining culture and cultural tourism

The word "culture" derives from Latin "cultura", which is translated as "to build", "to care for", "to plant" or "to cultivate". H. Spencer-Oatey (2008) defines **culture** as follows:

> Culture is a fuzzy set of attitudes, beliefs, behavioural norms, and basic assumptions and values that are shared by a group of people, and that influence each member's behaviour and his/her interpretations of the "meaning" of other people's behaviour.

The Association for Tourism and Leisure Education (ATLAS n.d. in Richards 2003) defined **cultural tourism** as: "movement of persons to cultural attractions away from their regular place of residence, intending to gather new information and experiences to satisfy their cultural needs".

So, we can say that tourism directly linked to the Cultural Routes and the cultural heritage associated with them is cultural tourism. It mainly involves visits by people for whom culture is important to cultural sights and attractions, as well as their participation in events.

2. EU tourism in numbers

The 2018 UNWTO report "European Union tourism trends" provides a very detailed analysis of the European tourism market. According to the report:

- ▶ the EU accounts for 40% of international tourist arrivals worldwide;
- ▶ the EU accounts for 31% of international tourism receipts;
- ▶ 500 million tourists welcomed in the EU;
- ▶ 61% of arrivals to the EU were for leisure, recreation and holiday purposes;
- ▶ 55% of tourists travelled to the EU by air.

UNWTO states that in the EU, there are 31 million bed-places in over 600 000 accommodation establishments. Hotels account for 44% of this sum. The total of nights spent in the EU in 2016 is estimated at 3.1 billion.

It is worth acknowledging the economic impact of tourism. According to Eurostat, in 2016, tourism industry provided employment for over 13 million people, or 9% of total EU employment. UNWTO (2018: 9) states that tourism generates 10% of the EU's GDP.

Europe is a key cultural tourism destination, with a large number of major cultural sites and a strong flow of

Source: Pixabay

culturally motivated international and domestic visitors. Building on the uniqueness and authenticity of usually well-preserved, but often unknown destinations, the Cultural Routes of the Council of Europe – which range from ancient city trails to art, food and landscape routes – facilitate innovation and creativity. This inspires small and medium businesses to set up and operate along the Cultural Routes.

Since their launch in 1987, the Cultural Routes of the Council of Europe programme has promoted Europe as a definitive cultural and tourist destination, offering history, magnificent landscapes and culture. By including parts of Europe which are often unexplored – 90% of the routes are in rural regions – the Cultural Routes represent the diversity and complexity of Europe.

The study "Impact of European Cultural Routes on SMEs' innovation and competitiveness" provided evidence of the Cultural Routes' ability to promote sustainable and quality tourism in Europe. It analysed how the Cultural Routes can benefit SMEs, especially in lesser-known destinations, by creating markets for SMEs' products – markets that may not otherwise exist. In many locations throughout Europe, the local

Routes4U meeting, Bucharest, Romania

culture and heritage are the main resources for development, and the study suggests that Cultural Routes help utilise these resources.

One of the study's main conclusions was to develop a **strategy to build a higher profile at European level** for the Cultural Routes. The recommendations on what the strategy document should include are listed here:

► better articulation of the value of the cultural tourism sector in general, the related SMEs, and their networks and clusters for the economic and social development of the Cultural Routes destinations;

- ▶ strengthening of the capacity of the Cultural Routes to engage effectively in local and regional development and encouraging of greater professionalism in the area of Cultural Route network governance;
- ▶ development of relevant Cultural Route improvement strategies;
- ▶ building on partnerships at local, regional and transnational levels between public authorities, cultural organisations, corporate business, SMEs, and civil society representatives;
- ▶ improving of communication between and within Cultural Route networks especially at regional and transnational levels; exploiting and disseminating successful experiences;
- ▶ identifying and exchanging examples of best practice and innovation between and within Cultural Route networks;
- ▶ development of better evaluation techniques and methodologies and more extensive application of these to the Cultural Routes and their co-ordinating bodies;
- ▶ addressing the development of criteria for quality sustainable tourism for the Cultural Routes.

Learn more

- ▶ Council of Europe and European Commission (2011), *Impact of European Cultural Routes on SMEs' innovation and competitiveness*.
- ▶ Eurostat (2018), Tourism industries – employment, https://ec.europa.eu/eurostat/statistics-explained/index.php/Tourism_industries_-_employment
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Third summary

1. The Association for Tourism and Leisure Education (ATLAS) defined cultural tourism as: "movement of persons to cultural attractions away from their regular place of residence, intending to gather new information and experiences to satisfy their cultural needs". Tourism that is directly linked to the Cultural Routes and the cultural heritage associated with them is cultural tourism. It mainly

involves visits by people for whom culture is important to cultural sights and attractions, as well as their participation in events.

2. According to the UNWTO, the EU accounts for 40% of international tourist arrivals worldwide. Over 50% of tourists travelled to the EU by plane. Some 500 million tourists were welcomed in the EU in 2016.

3. Europe is a key cultural tourism destination, with a large number of major cultural sites and a strong flow of culturally motivated international and domestic visitors. By including parts of Europe which are often unexplored – 90% of the routes are in rural regions – the Cultural Routes represent the diversity and complexity of Europe.

4. Tourism represents around 10% of EU's GDP and employs over 13 million people.

IV. Sustainable development and the CCI sector

1. Defining sustainable development

We have already explained what is understood by the term "development". But what is **sustainable development**?

The European Union refers to the definition of sustainable development contained in the report of the World Commission on Environment and Development "Our Common Future World" (1987), the so-called Brundtland Report:

> Sustainable development is a development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

A strategy in favour of sustainable development was adopted by the EU in 2001 and revised five years later. The emphasis was put on "a long-term vision for sustainability in which economic growth, social cohesion and environmental protection go hand in hand and are mutually supporting".

What is even more critical is that sustainable development became a long-term goal of the European Union and is therefore included in Article 3(3) of the Treaty on European Union. This article provides a broader definition of sustainable development:

> The Union shall establish an internal market. It shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress and a high level of protection and improvement of the quality of the environment. It shall promote scientific and technological advance.

Worms, Germany Source: Wikimedia Commons © Karsten Würth

When considering sustainability in terms of the Cultural Routes, the following dimensions are relevant:

- ► economy;
- ► culture;

- ▶ society;
- ▶ environment;
- ▶ politics.

Sustainability cannot be achieved if any of the listed aspects is ignored.

2. Sustainable development in tourism

Numerous tourists are travelling around the world every day, and these numbers will continue to increase in the coming years. Although this brings excellent economic and social benefits, it has a significant impact on the environment, which is explained in the report "Tourism and the environment. Towards a reporting mechanism in Europe". Particularly, the tourism industry is a source of pollution in Europe, mainly because of transport and CO_2 emissions related to accommodation (such as the use of water and electricity).

Developing the tourism sector means increasing the number of tourist arrivals and tourism receipts on the one hand, and on the other developing the necessary infrastructure and providing the required products and services. But doing so requires attention to certain issues:

1. Natural environment is, of course, of high importance for humanity, but it is also one of the main attraction factors in tourism and competitiveness factors for particular tourist destinations. It must be therefore protected from the negative impact of tourism whenever possible. The main problems that need to be taken care of are: CO_2 emissions, excessive usage of water, excessive construction and waste.

2. Local society can and should benefit from hosting tourists travelling along the Cultural Routes of the Council of Europe. They are the holders of the cultural traditions associated with the places to be visited. Therefore, they need to be included in the decision-making process. The local population offers various services, such as catering, accommodation, souvenirs, guidance, etc. Allowing the local inhabitants to take part in planning and respecting their opinions is a solid base for long-term and fruitful co-operation.

3. Culture is heritage to be kept for future generations. While tourism can contribute to promoting this heritage, it can also threaten it. Sharing culture and making it available cannot mean excessive usage of cultural sites or devastation of natural monuments. Therefore, management plans have to be drawn up to ensure that destinations can sustainably deal with the flow of tourists.

Sustainable tourism can be defined as "tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities" (UNEP and UNWTO, 2005: 12). Additionally, the World Tourism Organization emphasises that "sustainable tourism provides more meaningful connections with local people, and a greater understanding of local cultural, social and environmental issues".

Further reading

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Learn from best practice: EUSAIR and sustainable tourism

In the EUSAIR, sustainable tourism is listed as one of the four pillars of the action plan. It focuses on how to develop tourism that is both sustainable and responsible in the Adriatic-Ionian Region "through innovative and quality tourism products and services".

Two topics are the focus of the action plan; these refer to diversifying the tourism offering of products and services, and to sustainable and responsible tourism management. It is stated that "removing bureaucratic obstacles, creating business opportunities and enhancing the competitiveness of SMEs are essential for the development of tourism". Much attention is also devoted to transport connection, which is crucial in terms of tourism. The region aims to develop efficient and sustainable transport connections that would cope well with the increased traffic. It is important that good transportation systems are in place to increase the attractiveness of the region for tourism as well as for foreign direct investment (FDI).

3. The CCI sector

You already know what sustainable tourism is. At this point, it would be good to introduce the concept of the **CCI** sector. CCI is an abbreviation that stands for **cultural and creative industries**. It encompasses all types of activities that are based on cultural values or creative expression.

EY's study "Measuring cultural and creative markets in the EU" (2014: 11) lists **11 market segments** that constitute the cultural and creative economy:

- ► books;
- ► newspapers and magazines;
- ► music;
- ► performing arts;
- ► TV;
- ► film;
- ► radio;
- ► video games;
- ► visual arts;
- ► architecture;
- ► advertising.

© The Cluniac Sites in Europe; Cluny, France

Europe is the world second-largest cultural and creative industries market after Asia. A study by EY, "Cultural times", estimates that the European Union accounts for **32% of global CCI revenues** and **26% of worldwide CCI**. According to the study "Boosting the competitiveness of cultural and creative industries" (2016: 28) for growth and jobs, the CCI sector represents around 5.3% of total European GVA and provides jobs to 12 million full-time employees, or around 7.5% of EU employment.

The CCI sector is especially important for the Cultural Routes of the Council of Europe. The sector is knowledge-intensive and based on creativity and talent. The European Commission points out that **CCI is crucial not only for generating economic wealth, but most of all for European identity, culture and values**. CCI plays a significant role in inducing progress and innovation across Europe, as well as in job creation. Therefore, much attention is devoted to CCI in the European Union.

In the EUSBSR, it is also noted that investment in the cultural and creative industries increases employment, especially in the SME sector. It is stated that CCI has a positive impact on sustainable economic growth.

The cultural and creative industries promote European culture both within and outside of the EU. CCI is considered to:

Berlin Cathedral: Germany. Source: Pixabay

- ▶ strengthen European identities;
- ▶ create a sense of belonging;
- ▶ bring EU citizens closer;
- ▶ promote common values;
- ▶ promote diversity and thus contribute to tolerant and diverse societies;
- ▶ be a connecting link between culture, art, business and technology;
- ▶ increase the attractiveness of cities and regions for other industries.

The CCI phenomenon in the EU can be well summarised by a quote from the New European Agenda for Culture (2018a):

Culture and creative industries also have the power to improve lives, transform communities, generate jobs and growth, and create spill over effects in other economic sectors.

This all seems fine. So, are there any problems? As usual, there are, and the biggest but not the only problem is **insufficient access to finance**. Therefore, the European Union offers **support measures** for the CCI, such as:

- ▶ the EU cultural policy (such as the Work Plan for Culture);
- ▶ the regulatory environment for CCS (digitalisation strategy, intellectual property rights, EU funds);
- ▶ various programmes such as those listed below.

Creative Europe

Creative Europe is a framework programme of the European Commission supporting the cultural and creative sector. "It aims to promote cultural diversity and intercultural dialogue, culture as a catalyst for creativity in the framework for growth and jobs and culture as a vital element in the Union's international relations."

Creative Europe enables the cultural and creative sector to encompass the digital age and globalisation and helps the CCS to increase its potential and therefore contribute to sustainable growth. The budget devoted to the programme amounts to €1.46 billion and the programme is planned for 2014–2020.

⬛ More information on Creative Europe: https://ec.europa.eu/programmes/creative-europe/about_en

Horizon 2020

Horizon 2020 is the EU Research and Innovation programme. The budget devoted to the programme amounts to €80 billion available over 7 years (2014–2020), and for the next EU long-term budget a sum of €100 billion was proposed (Horizon Europe is the name of the succeeding programme). This programme is a financial instrument that supports actions aimed at increasing Europe's competitiveness. "It promises more breakthroughs, discoveries and world-firsts by taking great ideas from the lab to the market."

⬛ More information on Horizon 2020: https://ec.europa.eu/programmes/horizon2020/en

COSME

COSME is the EU programme for the Competitiveness of Enterprises and SMEs. Its budget, planned for 2014-2020, amounts to €2.3billion. COSME aims to support SMEs:

- ► access to finance;
- ► access to markets;
- ► creating better framework conditions for competitiveness;
- ► encouraging entrepreneurship.

⬛ More information on COSME: https://ec.europa.eu/growth/smes/cosme_en

Further reading

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4. Market visibility of European transnational tourism offerings

A promotional strategy plays an important role in tourism destination management. A promotional strategy is a long-term plan that identifies key tourism development objectives. When elaborating a strategy for a destination promotion, existing and emerging challenges and trends in the tourism industry, both at the regional and local scale, should be taken into account, since a sustainable promotional strategy aims not only to increase visitors awareness of a destination and its offer but also to respond to the needs of other stakeholders involved in destination management at different levels.

EUROPEAN TRAVEL COMMISSION

In the context of the EU, for example, the European Commission co-operates with a non-profit organisation, the European Travel Commission (ETC).

ETC gathers European national tourism organisations and offers a forum for an open discussion, collaboration and sharing experiences.

One of the jointly implemented programmes was the strategy Destination Europe 2020. This initiative aimed to address changing patterns in tourism flows and to reposition Europe's brand as a tourist destination. It was focused on promoting Europe as an international tourism destination and was aimed at countries outside the member states as promotion targets. In addition to such joint promotions, each member state promotes itself as a tourist destination.

Local and regional tourism-related SMEs can benefit from promotion of the Cultural Routes. The more interest tourists have in the Cultural Routes, the higher the demand for various services and products. Greater need means higher SME revenues, and higher revenues usually mean higher income tax; in addition an increase in employment is often seen.

SMEs are not passive participants in the process of promotion. They can promote themselves, but joint actions are more effective, within a region, sector or cluster.

Chania, Greece. Source: Shutterstock© leoks

The Cultural Routes of the Council of Europe offer a chance to regions that are somewhat marginalised within the tourism sector. Inclusion within a Cultural Route allows such regions to develop and profit from tourism.

Learn from best practice: BRANDTour project

A great example is the Via Francigena (certified Cultural Route of the Council of Europe since 1994) in Italy, particularly the Interreg Europe BRANDTour project led by the Tuscany Region since 2010.

Within the project, collaboration with Toscana Promozione Turistica started in 2014 for promotion of the route. Promotion included conducting a survey with selected players; spreading news and information on the Via Francigena as a product, targeted to different people; advertising through newspapers, magazines and events; and the development of networking projects with stakehold-

© Via Francigena

ers. The main stakeholders and beneficiaries of this excellent practice were the operators involved in the organisation, production, promotion and marketing of the Via Francigena.

In 2014 only 45% of tour operators exploited the Via Francigena on their websites, whereas since 2018 all of them have communicated and promoted activities along the route. This has led to a growth of 29% in arrivals to the municipalities depending on the Via Francigena between 2010 and 2016.

➧ More information on the BRANDTour project: www.interregeurope.eu/policylearning/good-practices/item/1818/the-tuscan-via-francigena/

Fourth summary

According to the report of the World Commission on Environment and Development "Our common future world" (1987), **sustainable development is defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."**

1. Although the constant increase in tourism flows in Europe brings excellent economic and social benefits, tourism has a significant impact on the environment. The tourism industry is one of the sources of pollution in Europe, mainly because of transport and CO_2 emissions related to accommodation. Developing the tourism sector means increasing the number of tourist arrivals on the one hand, and on the other developing the necessary infrastructure and providing the required products and services. However, in making such provision, the following aspects need to be considered.

> ► *Natural environment*: The natural environment is one of the main attractions in tourism and a potential competitive factor for particular tourist destinations. It must therefore be protected from the negative impact of tourism whenever possible.

- ► *Local communities*: Local communities can and should benefit from hosting tourists travelling along the Cultural Routes of the Council of Europe. They are the holders of the cultural traditions associated with the places to be visited. Therefore, they need to be included in the decision-making process.
- ► *Culture*: While tourism can contribute to promoting culture and cultural heritage, it can also threaten it. Therefore, management plans need to be drawn up in order to protect and promote the culture and heritage and to enable sustainable tourist flows.

2. CCI stands for cultural and creative industries, which encompasses all types of activity based on cultural and artistic or creative expression (such as TV, books, music, visual arts, etc.). The European Union accounts for around 30% of global CCI revenues. The European Commission points out that CCI is crucial not only for generating economic wealth, but more importantly for promoting European identity, culture and values. CCI plays a significant role in inducing progress and innovation across Europe, as well as in job creation. Therefore, much attention is devoted to CCI in the European Union, with programmes such as H2020/Horizon Europe, Creative Europe and COSME.

3. At EU level, the European Commission co-operates with non-profit organisations, such as the European Travel Commission (ETC), to increase the market visibility of transnational European tourist offerings.

V. SME involvement in sustainable cultural tourism

Today, culture is recognised as a vital and crosscutting element of European and national policies. Common EU agendas like the "Europe 2020 strategy" and the four EU Strategies for the Macro-Regions adopted in 2009 are needed for the further social and economic growth of all the EU member states. Through the development of Cultural Routes-related SMEs – both on a local and regional level – it is possible to strengthen local communities and enable them to grow, develop and innovate.

The last two decades have brought rapid change in the trends and dynamics of the tourism sector. One result is the increased interest in cultural tourism. These new demands differ from those of tourists back in the 20th century, when the availability of sun and sea was the main feature when deciding on a holiday destination. Nowadays, holiday makers seek the possibility to learn, to experience culture and art, to visit natural landscapes and at the same time to support local communities via their sustainable tourism experience.

1. Cultural Routes-related products

New tourism products generated and offered by SMEs established in the framework of co-operation within the Cultural Routes often benefit from the use of a Cultural Routes brand. Due to continuous assessment and the need for improvement required by the Enlarged Partial Agreement on Cultural Routes, Cultural Route-related products and services have to keep up with the dynamics generated with the latest tourism trends. This often results in them being more competitive than other tourism products offered in the area. What is more, their commitment to the Cultural Routes offers them several additional benefits and supports, including possibilities for targeted funding within the framework of the Routes4U project.

Learn from best practice: examples of products on Cultural Routes

The Viking Route (certified Cultural Route of the Council of Europe since 1993) (good practice in Finland)

Via the official website of the Viking Route you can find an offering with many tourist attractions and products, among them a Wedding ceremony in the Viking Chapel, under the Destination Viking brand.
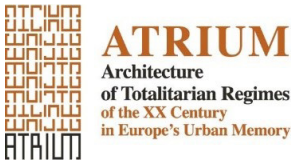
ATRIUM (certified Cultural Route of the Council of Europe since 2014) (good practice in Albania, Bulgaria, Croatia, Italy and Romania)

Via the ATRIUM Project website you can access the fantastic digital catalogue of the ATRIUM Project. This is a tool that supports the objective of promoting better understanding of objects of heritage related to the totalitarian ideologies of the 20th century. It is designed to enable a community of users and stakeholders to record such heritage in a systematic way, critically supporting relationships that draw semantic links between monuments or heritage objects and ideologies, persons, past and current use, historical events and facts, supported and documented by a range of resources in the forms of digital assets, such as photos and images, videos, audio files and oral testimonies, printed historical or current content, etc.

The Via Habsburg (certified Cultural Route of the Council of Europe since 2014) (good practice in Austria)

Via the website of the Via Habsburg you can find information on one of the most popular silver coins in the world – the Maria Theresa thaler. The Maria Theresa thaler is highly valued across the globe and is minted today exclusively by MünzeÖsterreich AG.

The Iter Vitis Route (certified Cultural Route of the Council of Europe since 2009) (good practice in Italy)

The Iter Vitis Route website provides information on the network members, among them the Donnafugata winery. The winery takes full advantage of the Sicilian culture of the vine, winemaking and vinicultural landscapes. The winery offers, for example, a wide selection of local wines, vineyard tours and art exhibitions.

By way of return for the support that SMEs receive, the development of tourism offerings by SMEs based on a specific Cultural Route can increase the financial efficiency of regions or communities. This is possible because products that broaden and diversify the tourism offering provide financial support not only to the SME (product-owner) but to every stakeholder related to the Cultural Routes (for example, hotel owners, restaurant owners, local tourist guides, etc.). In the end, it could be said that the overall tourism experience becomes more satisfactory for the clients, who are willing to spend more money, to come back or to refer the place, the product or the whole Cultural Route to their friends.

It is in the best interests of the route network – usually including local and regional authorities – to invite SMEs to create Cultural Route-related offerings.

Learn from best practice: Support for SMEs on Cultural Routes in the macro-regions

The Via Francigena offers several business supports to SMEs that run businesses on the route. The Via Francigena website allows users to choose a role, for example, B&B owner or restaurateur, and has specific support offerings for those entities (such as opportunities for advertising, for presentation on the official route website, etc.). Those organising journeys or excursions on Via Francigena can seek help in promoting trips or ask to be added to the event calendar.

➥ To know more: www.viefrancigene.org/en/entrare-nella-nostra-rete/

It is important to be aware of the connection between the macro-regional strategies and action plans and the cultural tourism offerings. For example, in the case of the Strategy for the Adriatic and Ionian Region, the report "Analysis of the EUSAIR national tourism strategies for identifying common priorities and actions in relation to the EUSAIR action plan – pillar IV: 'sustainable tourism'" (2017) contains a set of proposed actions related to the Cultural Routes with a macro-regional dimension including:

- ▶ the mapping of the existing routes certified by the Council of Europe, as well as the exploration of new thematic Cultural Routes relevant for EUSAIR. The project focuses on the creation/development of four Cultural Routes potentially combining world heritage sites, underwater sites and/or intangible heritage;
- ▶ the establishment of networks based on thematic tourism already existing in the various countries.
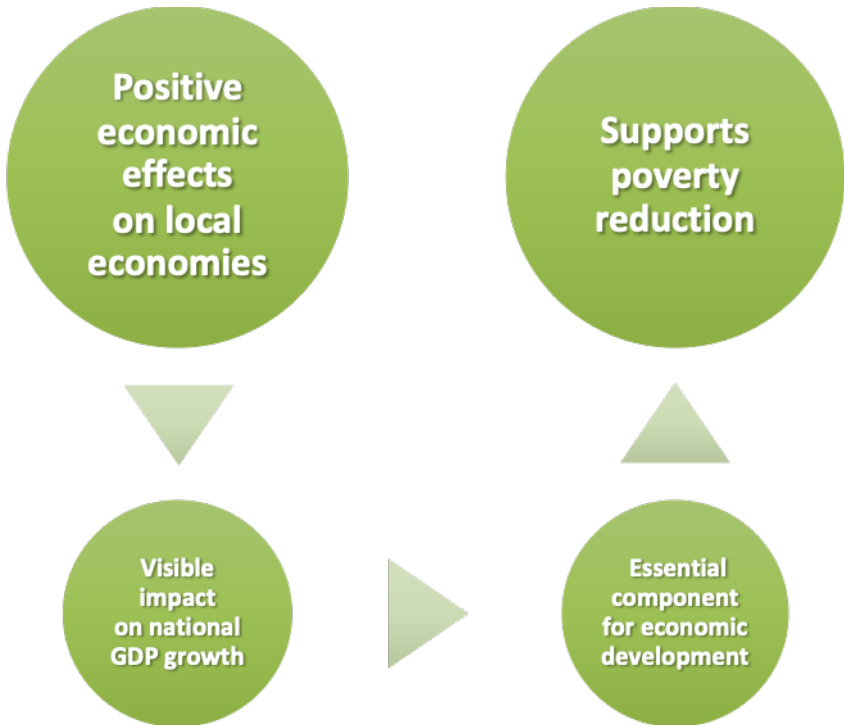
It is essential to add that the EU Strategy for the Adriatic and Ionian Region is the only one out of the four strategies that has "sustainable tourism" as

one of its main objectives. The other strategies (EUSBSR, EUSDR and EUSALP) also tackle tourism and cultural issues, but mostly deal with them in the action plan.

2. Local development and SMEs

Tourism has proved to have a positive impact on economy by providing local people with employment opportunities and an access to finance and thus contributing to poverty reduction at a larger scale. National development strategies should, therefore, be developed taking due care that tourism plays an essential role in improving the conditions of weaker segments of society (Ashe 2005).

Tourism development impacts

Positive economic effects on local economies

Supports poverty reduction

Visible impact on national GDP growth

Essential component for economic development

Regarding cultural tourism, it is one of the largest and fastest-growing global tourism markets. This has created opportunities that **match the new market demands from tourists with communities' need for economic growth**.

By 2010 the Council of the European Union had agreed that "there is an evident link between culture, creativity and innovation contributing to social and economic progress." Therefore, integrating creative industries with tourism and culture and creating a tourism offer by the use of innovations can attract new visitors and investment to a destination and stimulate thus community empowerment and territorial development. And SMEs play an important role in this.

As it was explained before, SMEs account for a large share of employment in Europe and they are an essential source of income generation. In the context of tourism, SMEs provide numerous tourism-related services and products in destinations, including along the Cultural Routes.

There are several requirements for SMEs related to the tourism market to be competitive.

1. They must offer products and services **resistant to seasonality** and adapt their offerings to the quickly changing market requirements.

2. SME owners and employees must possess the **skills** essential to providing a 21st-century sustainable tourism offering, e.g. digital, destination management, event tourism, accessible tourism, green and ecotourism skills.

3. SMEs should enrol in **transnational networks**, for example, via the Cultural Routes of the Council of Europe, which give them much greater outreach in terms of market size but also enable knowledge and best practice sharing within the Cultural Route network and networks.

© Liberation Route Europe

With the New Skills Agenda for Europe, the Commission has launched the Blueprint for Sectoral Cooperation on Skills. This initiative is meant to support strategic co-operation in skills development, by stimulating investment and better use of existing funding opportunities. The Blueprint will have a sectoral approach and, in the pilot phase, will involve experimentation in six economic sectors. Tourism was selected to be one of these sectors.

The actions under the Blueprint initiative will address some crucial challenges, such as:

1. improving the image of **careers in tourism**;

2. supporting **transnational mobility**, especially for apprenticeships and traineeships;

3. promoting a **better knowledge of skills gaps** at the local level;

4. **raising awareness about EU funding** and tools available for the sector;

5. stimulating **strategic thinking** at the national and local level and strategic use of EU funding.

These actions will be financially supported through 1) a new dedicated lot (Lot 3) in Erasmus+ Sector Skills Alliances, 2) a new dedicated call for tender under COSME.

➥ To know more: https://ec.europa.eu/growth/sectors/tourism/support-business/skills_en

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Learn from best practice: SMEs on the Cultural Routes in the macro-regions

TRANSROMANICA – Sales manual

The main objective of the sales manual is to provide useful information and contact addresses about tour proposals, themed trips and service providers available in the proximity of The Romanesque Routes of European Heritage (certified Cultural Route of the Council of Europe since 2007).

➥ To know more: www.transromanica.com/downloads/sales-manual/
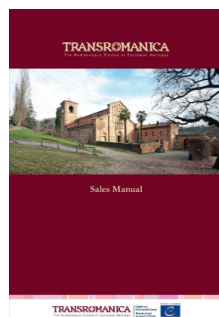
The Cluniac Sites in Europe – Clunypedia

Clunypedia is an initiative of the Fédération Européenne des Sites Clunisiens (The Cluniac Sites in Europe are a certified

Cultural Route of the Council of Europe since 2005), it is designed as an online encyclopaedia, collecting documents, drawings, photos and videos, 3D animations of architectural details, and other information about Cluniac heritage sites throughout Europe. These are shown on an interactive map. The project targets the general public: tourists and young people, as well as researchers.

➡ To know more: www.sitesclunisiens.org/category-33-0-clunypedia-using-technology-to-interpret-heritage

The Routes of the Olive Tree – Olive Tree Shop

The foundation has been involved in the field of responsible trade through the Routes of the Olive Tree Store, located in the heart of Athens, which sells agricultural and traditional craft products selected based on authenticity and quality. The shop is an initiative created and now managed by the Foundation "Routes of the Olive Tree" (certified Cultural Route of the Council of Europe since 2005).

➡ To know more: www.facebook.com/Olivetreeathens/

Via Francigena – Pilgrim Passport

Another exciting example is based on the partnership between the route managers of Via Francigena (certified Cultural Route of the Council of Europe since 1994) in EUSALP countries and local SMEs. As a result, the EAVF Pilgrim Passport (user card) – has been developed: it is a tool aimed at increasing the number of establishments and services in the region where pilgrims can use discounts and special offers. The project has been implemented through a Routes4U grant for exemplary actions.

➡ To know more: www.viefrancigene.org/en/credenziali/

The Hansa – The Business Hanse e.V.

The Business Hanse e.V. is a related association of companies, institutions, cities and trade and industry promoters of The Hansa (certified Cultural Route of the Council of Europe since 1991), who

have set themselves the goal of elevating economic co-operation in globalised markets to a new ethical level based on shared values such as trust, responsibility and partnership.

➡ To know more: www.businesshanse.com/en/goals.html

The Hansa – **The European Hansemuseum in Lübeck, Germany**

The European Hansemuseum is the largest museum in the world dedicated to the history of the Hansa. Its comprehensive business offering includes: hotel package deals, museum shop, restaurant, café.

➡ To know more: www.hansemuseum.eu/language/en/

European Hansemuseum, Lübeck, Germany; Source: Wikimedia Common, BS Hochschulstadtteil CC Attribution 4.0 International

3. Institutional support for tourism SMEs

The idea of sustainable development and sustainable tourism has already been examined. Sustainability is of great importance for the EU and the European cultural heritage. Therefore a set of support measures was designed to encourage and support sustainable tourism.

EU-level support for SMEs

The European Commission provides a series of webinars that aim to provide support, insight and guidance on digital issues to small and medium-sized enterprises in the tourism industry, as well as practical advice on the day-to-day running of a business.

These six webinars have been specifically designed to meet the needs of tourism SMEs; they examine recent trends in tourists' use of technology to discover, plan and share their travel experiences. Each webinar is led by an industry expert, exploring the following topics:

▶ "Your business. Today's visitor";
▶ marketing your business online;
▶ managing your online reputation;

- ► importance of content;
- ► succeeding in social;
- ► thinking mobile.

More information on webinars: https://ec.europa.eu/growth/sectors/tourism/conferences-events/digital-tourism-webinars_en

EU-level support for tourism businesses

To maintain Europe's position as a leading tourist destination, the quality of its tourist services needs to be continuously improved. The European Commission is involved in initiatives that will enhance the skills and mobility of workers, particularly by engaging in global digital networks and helping tourism entrepreneurs manage their businesses.

The Commission manages a range of initiatives that help small businesses in the tourism sector. Given the considerable impact that digital technologies have on the sector, supporting access to and use of ICT tools is a priority area for the Commission.

The Commission is also involved in actions that aim to increase the responsiveness of education and training to labour market needs and help entrepreneurs gain the necessary skills to manage their businesses.

Guide on EU funding for the tourism sector 2014–2020

The "Guide on EU funding for the tourism sector (2014–2020)" gathers information on sources of EU funding of interest to labour market needs and help entrepreneurs in the European tourism industry from both the private and public sectors.

This latest version (version 3, April 2016) comes with updated hyperlinks, new information on financial instruments (including the European Fund for Strategic Investments (EFSI)) and additional examples of recently selected projects.

It focuses on practical questions.

- ► Which actions are supported?
- ► What kind of funding is available?
- ► Who can apply, and how?

It also points to projects already funded as a source of inspiration.

More information on the guide: http://publications.europa.eu/en/publication-detail/-/publication/e0707433-aa5f-11e6-aab7-01aa75ed71a1

Tourism Business Portal

The Tourism Business Portal was launched by the Commission to help European tourism companies better manage their enterprises.

It provides practical, up-to-date information on digital technologies and innovative business practices which can be easily applied when setting up, managing, promoting and expanding a tourism business.

◗ More information on the Portal: https://ec.europa.eu/growth/sectors/tourism/business-portal_en

Digital tourism

The Commission has implemented several actions to boost the competitiveness of small businesses in the European tourism sector, integrate them into global digital value chains, and improve their ability to create more jobs.

◗ To know more: https://ec.europa.eu/growth/sectors/tourism/support-business/digital_en

Routes4U tripplanner https://routes4u.culture-routes.net/
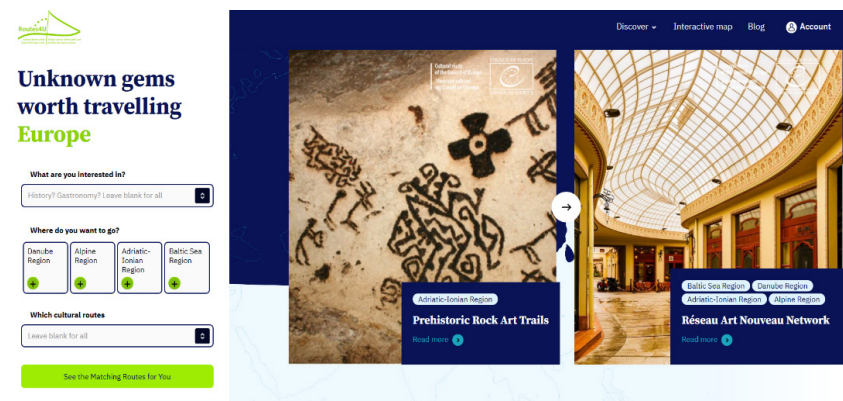
Professional skills

To maintain Europe's leading position among the world's tourism destinations, the industry needs to continuously improve the quality and mobility of its staff, so as to provide top quality, personalised services to tourists.

◗ To know more: https://ec.europa.eu/growth/sectors/tourism/support-business/skills_en

Enterprise Europe Network: tourism and cultural heritage

The Commission also supports the Tourism and Cultural Heritage Group of the Enterprise Europe Network. This organisation helps small businesses in the EU.

➡ To know more: https://ec.europa.eu/growth/sectors/tourism/support-business/een_en

Check also the European Cultural Tourism Network (ECTN) – the only pan-European network for sustainable cultural tourism development and promotion.

Taxation in tourism

For information on taxation in tourism see the study on the impact of taxes on the competitiveness of European tourism ➡ https://ec.europa.eu/growth/content/study-impact-taxes-competitiveness-european-tourism-eu-tourism-tax-tool_en

Learn from best practice: support offered by the Cultural Routes

The AEPJ (European Association for the Preservation and Promotion of Jewish Culture and Heritage) Incubator Project serves as a means of development of the European Route of Jewish Heritage in the Danube Region (certified Cultural Route of the Council of Europe since 2004). This project is one of the eight Cultural Routes that have been awarded the Routes4U grant to implement projects contributing to the EU Strategies for the Macro-Regions.

The Incubator Project is directed by the staff and scientific committee of the AEPJ, which will be responsible for evaluating and assisting those who wish to become members of the European Route of Jewish Heritage.

Each year, a training programme will be organised within the framework of the AEPJ Incubator Project. Likewise, a call for new routes (dedicated to Jewish heritage) will be opened annually for those who want to be part of the European Route of Jewish Heritage.

➡ More information on the Incubator Project: www.jewisheritage.org/incubator/

The Cultural Foundation "Routes of the Olive Tree" has long experience in organising cultural and entre-preneurial itineraries and events across Europe and the Mediterranean. Its international scientific team is specialised in cultural heritage management and thematic/cultural tourism.

The foundation, equipped with competence and know-how in creating synergies and formulating realistic proposals for sustainable development, has designed an integrated educational programme targeting the above issues. Objectives of the cultural programme include:

▶ developing an innovative training system on cultural heritage management and cultural tourism, based on the Cultural Routes of the Council of Europe methodology and approach;

▶ enhancing sustainable development through the transfer of best practices and innovative approaches.

The programme addresses the members of the Routes of the Olive Tree network, cultural executives, researchers, scientists and tourism practitioners as well as students in relevant fields.

➧ More information on the educational programme: https://olivetreeroute.gr/page-other_activities-en/edu-en/

4. Tourism SMEs and Sustainable Development Goals

In 2015, world governments agreed on a joint 2030 agenda. This comprised 17 Sustainable Development Goals (SDGs) geared towards ending poverty, saving our planet and creating a prosperous world for all by 2030. Tourism can play a massive part in achieving the SDGs and UNWTO is committed to providing the global tourism community with a space to come together to realise the 2030 agenda.

10% GDP (Direct, indirect and induced)

1/11 JOBS (Direct, indirect and induced)

US$ 1.5 TRILLION IN EXPORTS

7% OF WORLD'S EXPORTS

30% OF SERVICES EXPORTS

WHY TOURISM MATTERS

© World Tourism Organization (UNWTO) 2016

SMEs related to the Cultural Routes in the macro-regions can take advantage of the 2030 agenda by embracing sustainable business models and practices. With its global and overarching political approach, UN Agenda 2030 for Sustainable Development has been highly relevant for the Council of Europe, which has, from the outset, contributed to the process which led to the adoption of

Agenda 2030. Thus in March 2018, the Council of Europe released data on how its pillars, sectors and programmes contribute to the SDGs.

Tourism as an integral part of the SDGs

By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.

Target 12.b of Goal 12, it is imperative to "develop and implement tools to monitor sustainable development impacts for sustainable tourism which creates jobs, promotes local culture and products."

By 2030, increase the economic benefits to small island developing states and least developed countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism.

The tourism sector can use the tips and advice on sustainability given to all SMEs by implementing the following:

> For SDG No. 13 – Climate Action, advice for tourism SMEs includes: Retrofit the lighting systems of facilities to energy-efficient LED lighting (upgrade light fixtures or lamps to increase energy efficiency, i.e. by using LED lighting).

You can also examine the general UNWTO recommendations for SMEs.

- ▶ Develop tourism products and services tailored for customers with lower income, to ensure that everyone can become a tourist.
- ▶ Invest some tourism receipts in sustainable agricultural technology, intensifying collaboration with academic as well as scientific institutions.
- ▶ Ensure sufficient participation of women – 30% or higher – in decision-making and governance at all levels and across all business areas in tourism-related corporations.
- ▶ Recruit, train and employ local community members, including those living in poverty, and integrate them into your value chain (as producers, suppliers, distributors, vendors).
- ▶ Significantly reduce waste and ensure that any unavoidable waste is utilised to the fullest degree (e.g. organic waste as fuel or fertiliser).
- ▶ Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilise and share

knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries.

Further reading

▶ Council of Europe (n.d.), Council of Europe Contribution to the United Nations 2030 agenda for sustainable development goals, www.coe.int/en/web/un-agenda-2030

▶ Styles D., Schönberger H. and Galvez Martos J. L. (2013), *Best environmental management practice in the tourism sector*, Joint Research Centre Scientific and Policy Reports, Publications Office of the European Union, Luxembourg, https://ec.europa.eu/environment/emas/takeagreenstep/pdf/TourismBEMP.pdf

▶ Tourism for SDGs (n.d.-a), Companies, http://tourism4sdgs.org/act/companies/

▶ Tourism for SDGs (n.d.-b), *Tourism for SDGs: how to engage*, http://tourism4sdgs.org/wp-content/uploads/2018/07/T4SDGsRecommendations_Companies.pdf

▶ United Nations (n.d.), Sustainable Development Goals, https://sustainabledevelopment.un.org/?menu=1300

Learn from best practice: contribution to SDGs

Santiago Route sustainable SMEs

We recommend this case study about the people from the small village at the edge of Finisterre, Santiago de Olveiroa, showing how a medieval pilgrimage from ancient times can be sustainably recovered at the dawn of the 21st century.

➡ To know more: http://tourism4sdgs.org/stories/in-the-footsteps-of-santiagos-pilgrims/

Wine Route

Get to know the sustainable possibilities offered during thematic seminars in Crete, Greece: Celebration of Crete's Biodiversity and Historic Food and Wine Routes. Check out examples of how to explore the magnificent countryside and historical sites with resident

© The Roman Emperors and Danube Wine Route

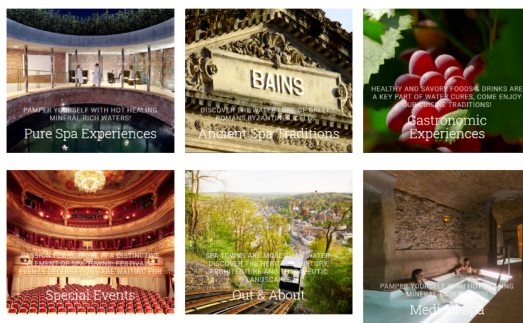specialists. Other products include botanical hikes and visits to organic farms, olive groves and wineries.

➥ To know more: http://tourism4sdgs.org/events/celebration-of-cretes-biodiversity-historic-food-and-wine-routes/

5. Cultural Routes collaboration with SMEs

The following are examples of collaboration between the Cultural Routes of the Council of Europe and SMEs in the EU macro-regions.

▶ **development of interactive guides:** e.g. Romanesque app for Saxony-Anhalt (Transromanica, certified Cultural Route of the Council of Europe since 2007);

▶ **new celebrations:** e.g. The Traditional Hanseatic Days (The Hansa Route, certified Cultural Route of the Council of Europe since 1991), or Foteviken Viking Week and Market (The Viking Route, certified Cultural Route of the Council of Europe since 1993);

▶ **new heritage merchandise:** e.g. merchandise of the shop of the Cluniac Sites in Europe (certified Cultural Route of the Council of Europe since 2005). The Cluniac Sites Federation's shop stocks items relating to the sites and the network to facilitate knowledge and research; in this way it supports and promotes the network;

© The European Route of Historic Thermal Towns

▶ **joint marketing with hotels and restaurants:** e.g. joint packages offered by the website of the European Mozart Ways (certified Cultural Route of the Council of Europe since 2004); a large number of tour packages is also available at the website of the European Route of Historic Thermal Towns (certified Cultural Route of the Council of Europe since 2010);

▶ **joint promotion with transport providers:** e.g. along the Santiago de Compostela Pilgrim Routes (certified Cultural Route of the Council of Europe since 1987) there is an exclusive agreement with Correos to take

the Via Francigena (certified Cultural Route of the Council of Europe since 1994) has an individual agreement with Trenitalia and Trenord that allows pilgrims who travel with the EAVF Credential to benefit from favourable rates (10% reduction) on the price of regional train tickets in the authorised segments;

▶ **gastronomic tourism or agritourism** (along for instance The Routes of the Olive Tree – certified Cultural Route of the Council of Europe since 2005, or The Via Francigena)

▶ **trademark for products and services** related to the Cultural Routes, for example, the Cluniac rosette.

Fifth summary

1. Tourism products related to the Cultural Routes of the Council of Europe have to keep up with the dynamics generated by the latest tourism trends. This often results in them being more competitive than other tourism products offered in the area. The development of tourism products by SMEs based on a specific Cultural Route can increase the financial efficiency of regions or communities.

2. Cultural tourism is one of the fastest-growing global tourism markets. This growth is leading to new market demands from tourists that answer communities' needs for economic growth. Tourism development impacts are felt at all levels, including the local level.

3. SMEs related to the tourism market need to be competitive by:

▶ offering products and services that are resistant to seasonality;

▶ possessing the skills essential to a 21st-century sustainable tourism offering;

▶ enrolling in transnational networks that give them a much greater reach.

4. There are numerous initiatives that support tourism SMEs. The "Guide on EU funding for the tourism sector 2014–2020" gathers information on sources of EU funding that are of interest to the tourism industry. The Enterprise Europe Network is used by the European Commission to provide support for tourism SMEs. Another network is the European Cultural Tourism Network (ECTN).

5. The UNWTO gives general recommendations to SMEs to help them advance SDGs. These recommendations include initiatives such as developing tourism products and services tailored to customers with lower income, investing tourism receipts in sustainable agricultural technology, ensuring

sufficient participation of women in decision-making and governance, recruiting local community members, reducing waste, and enhancing the global partnership for sustainable development.


© The Huguenot and Waldesian Trail: lac du Bourget, France

VI. Boosting innovation in the macro-regions via the Cultural Routes offerings

1. Tourism value system

Traditional vertical distribution chains are giving way to a more complex value chain involving an extensive list of suppliers from both outside and inside of the travel sector. Airline seats, hotel beds and travel agents' offices used to determine the means of travel for tourists back in the 1990s, at the end of the 20th century. Nowadays, we observe a new, flexible, networked economy in which ICT, but also local culture and community, various forms of education, etc., become part of the tourism value chain. The inter-relationships between travel, other economic sectors and society as a whole have become so integrated that we might conceive of a "**value network**" rather than the old value chain.

Traditional tourism value chain
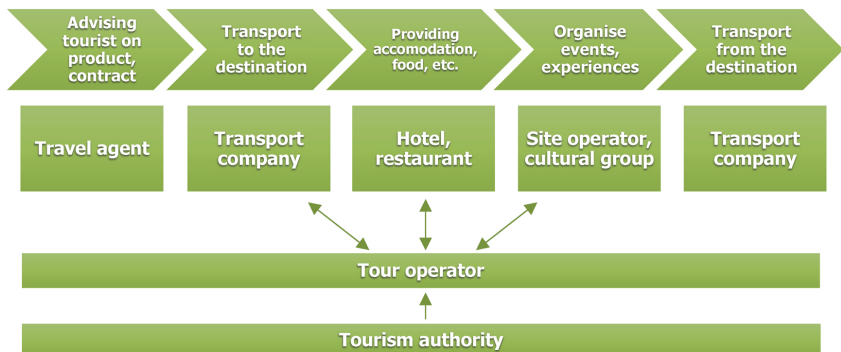
Source: adapted from World Tourism Organization and WYSE Travel Confederation (2011), The power of youth travel, Vol. 2, p. 5.

According to H. Song (2012: 6), "a **tourism supply chain** can be defined as the network of tourism organisations supplying different components of tourism products/services such as flights and accommodation for the distribution and marketing of the final tourism products at a specific tourism destination, and involves a wide range of participants in both private and public sectors."

Currently we are witnessing the emergence of the new and improved tourism value system. Here the destination is no longer only the input supplier to the tourism value chain. In the 21st century the destination was converted into an essential part of the value formulation process in tourism. The narratives and images associated with the particular travel destination become a significant determinant for the customer. When choosing their holiday/travel destinations, tourists look for a more comprehensive offering – a package tour, and thanks to the possibilities of ICT, they can navigate and select the best solution at the price they are willing to pay.

From its definition, "innovation" is visible in new ways of thinking, in reaching for solutions that meet new requirements or unarticulated needs. **Thus, when engaging SMEs in tourism activities related to the Cultural Routes, we should also encourage the route networks to be creative when designing new tourism-related products, offers and services**.

Further reading

- ► Council of Europe and European Commission (2011), *Impact of European Cultural Routes on SMEs' innovation and competitiveness*.
- ► Song H. (2012), *Tourism supply chain management*, Advances in Tourism Series, Routledge, London and New York.
- ► World Tourism Organization and WYSE Travel Confederation (2011), The power of youth travel, Vol. 2, www.e-unwto.org/doi/pdf/10.18111/9789284414574

Learn from best practice: Cultural Routes contribution to SDGs

- ► **The Olive Tree Route Foundation** has a special relationship with the Federation of Motorcycling (FOM). Through the FOM, each annual itinerary is publicised, and it is usually members of this motorcycling club who are enlisted as participants ("messengers").

➡ To know more: https://olivetreeroute.gr/wp-content/uploads/Studies_Publications_001.pdf

- **The European Historic Thermal Towns Association** offers full tourism packages including spa experiences, accommodation, food tasting, bike experiences and many more – all of which can be purchased directly on their website.

➡ To know more: https://ehtta.eu/portal/tourism/#packages

Changing tourism value systems and tourist behaviour patterns

One of the motives when choosing a tourism destination is related to a low degree of pollution, especially air pollution (smog) and environmental degradation. People prefer destinations where they can support the conservation of the cultural heritage of the region. Today's tourists are in general mindful and aware of the globalisation effect, and therefore are willing to take on activities for the protection of the natural environment and the social conditions not only in their own locality but also during tourist ventures.

Lake Bled, Slovenia. Source: Pixabay

As noted in "Tourism and the environment. Towards a reporting mechanism in Europe" (2018: 73),

> Recent surveys by the EC show that the natural features of the destination continue to be the main reason for wanting to return to the same place for a holiday. That shows once more the persistent importance, on the one hand, of natural capital for tourism, and, on the other, of the sector sustainability for the environmental integrity of destinations, especially in areas with high proportions of sensitive ecosystems, mainly coastal or mountain regions.

There is also a significant social change. Today, value orientation has increased – tourists are now interested in offers addressing the values they care for, such as an eco-friendly lifestyle, but also sustainability and appreciation for the ethical and social benefits. **Thus, SMEs based in the traditional tourism value chain must now adapt, and emerging SMEs must fit into the new model.**

▶ Check out the infographic illustrating the drivers of travel decisions across Europe: https://etc-corporate.org/uploads/2019/07/ETC_Infographic_Tourism-Passion-Communities.pdf

2. Innovative cultural tourism product developments

The certified Cultural Routes of the Council of Europe provide opportunities for SMEs to develop products and services within the framework of tourism activities that the routes generate. These can be either standard tourism products, new ways of marketing or adoption of the route logos, brands, symbols, etc. It is also possible that SMEs will develop completely new products and services "based on the unique values and heritage of the Cultural Route they are involved with" (Council of Europe and European Commission 2011: 120).

Types of innovations within the Cultural Routes and SMEs

Sales location	Adoption of product innovation	New product development
On-site sales/fixed-place consumption	Vin de Saint Martin, Phoenician Route meals, Ruta de Juderias stays	Virtual reality shows (Pyrenean Iron Route); ecotourism formulas; and archaeological, trekking and cycling tours and other mini-itineraries (short-distance trajectories as in the Transromanica and Phoenician Routes, Via Francigena, Pyrenean Iron Route and the European Route of Historical Thermal Towns) Assembling diversified tourism packages as per the Route of Historical Thermal Towns and the Pyrenean Iron Route offer or to blend industrial patrimony with sculptures, museum visits[15] and other forms of art and education)
Sales/consumption along the geographical areas of the Routes	Biker tours and tour operator formulas as per Transromanica for China and the United States; assembling existing highlights and hot spots into packages across long-range Cultural Routes, tour operator formulas in relation to the Hansa League and Legacy of al-Andalus	GPS clocks and flash codes for ramblers and monuments, exhibition/cycle-carrying bus , Hansa Business Days, dedicated IT/Web/GIS applications for use along the Cultural Routes as per Via Regia and St Martin Tours (long-distance trajectories or linkages involving carriers, brokerage services and knowledge-intensive mobility services)

Source: Council of Europe and European Commission (2011), Impact of European Cultural Routes on SMEs' innovation and competitiveness, p. 54.

3. Combining innovation and environmental awareness into an innovative Cultural Routes tourism offering

What are the **environmental and ecological tendencies** shaping the modern SME's offer related to cultural tourism?

Based on the findings of the "Impact of European Cultural Routes on SMEs' innovation and competitiveness" study, jointly launched by the European Commission and the Council of Europe in September 2010, the following trends can be distinguished.

▶ Unspoiled nature will become rarer and hence more precious.

▶ Climate change – Due to rapid changes, new tourist regions are emerging to substitute for those that are no longer attractive and accessible.

▶ The depletion of oil reserves has led to increased tourist awareness when choosing their transport mode (CO_2 footprint, etc.): people are looking for opportunities for unique and sustainable travel forms and "slow tourism" – cycling, hiking, etc.

▶ Traffic jams will become permanent – for those who want to travel fast and experience as much as possible in as short a time as possible, this type of travel will become a waste of time. And again, people have become more aware of the negative effect of traffic fumes on the environment.

▶ The health and environmental effects of ozone layer depletion.

The International Ecotourism Society (TIES) defines **ecotourism** as "responsible travel to natural areas that conserves the environment and improves the wellbeing of local people".

This means that those who implement and participate in **ecotourism activities should abide by the following principles**.

▶ Minimise impact (ecotourism business should have a low effect on a protected area's natural resources and recreation techniques).

▶ Build environmental and cultural awareness and respect.

▶ Provide positive experiences for both visitors and hosts (there is a tendency for ecotourists to have a greater interest in the culture and nature of the areas they visit as compared to mass tourists).

▶ Provide direct financial benefits for conservation (financial means aimed at directly benefiting the conservation of the site and the economic wellbeing of the residents).

▶ Provide economic benefits and empowerment for local people.

- ► Raise sensitivity to host countries' political, environmental and social climate.
- ► Support international human rights and labour agreements (according to TIES it recognises the rights and spiritual beliefs of the indigenous people in communities and works in partnership with them to create empowerment).

H. Ceballos-Lascuráin (1993) defined **ecotourism** as: "environmentally responsible travel and visitation to relatively undisturbed natural areas, in order to enjoy and appreciate nature (and any accompanying cultural features (both past and present)) that promotes conservation, has low visitor impact, and provides for beneficially active socio-economic involvement of local populations".

According to James R. Butler (1992), the **principles and characteristics of ecotourism** are as follows.

1. It must be consistent with a positive environmental ethic, fostering preferred behaviour.

2. It does not denigrate the resource. There is no erosion of resource integrity.

3. It concentrates on intrinsic rather than extrinsic values.

4. It is biocentric rather than homocentric in philosophy, in that an ecotourist accepts nature mainly on its terms, rather than significantly transforming the environment for personal convenience.

5. Ecotourism must benefit the resource. The environment must experience a net benefit from the activity, although there are often spin-offs of social, economic, political or scientific interests.

© The European Route of Megalithic Culture: Große_ Sloopsteene, Germany _Ulrike Steinkrüger_

6. It is first-hand experience with the natural environment.

7. There is, in ecotourism, an expectation of gratification measured in appreciation and education, not in thrill-seeking or physical achievement. These latter elements are consistent with adventure tourism, the other division of natural environment (wildland) tourism.

8. There are high cognitive (informational) and practical (emotional) dimensions to the experience, requiring a high level of preparation from both leaders and participants.

Further reading

▶ Butler J. R. (1992), *Ecotourism: its changing face and evolving philosophy*, Paper presented to the 4th World Congress on National Parks and Protected Areas, Caracus, 10-20 February.

▶ Ceballos-Lascuráin H. (1993), "Ecotourism as a worldwide phenomenon", in Lindberg K. and Hawkins D. E. (eds.), *Ecotourism: a guide for planners and managers*, The Ecotourism Society, North Bennington, pp. 12-14.

▶ Kiper T. (2013), "Role of ecotourism in sustainable development", in Ozyavuz M. (ed.), *Advances in landscape architecture*, IntechOpen, http://dx.doi.org/10.5772/55749

4. Fast tourism v. slow tourism

Source: Pixabay

Fast tourism principally involves cheap holidays and a headlong rush to "tick off" as many tourist places and things as possible (and to photograph all of them rather than observe or understand any of them), with little regard for either the environment or local people (Francis 2005).

Slow tourism is a new trend in tourism development. It combines sustainable tourism (which means that economic, environmental and social aspects are essential) and responsible tourism. The idea of "slow" is linked with culture, cuisine, nature and society. The main aim is living in harmony with nature. The communities should think about their influence on the environment. One of the key terms associated with the popularity of slow tourism is ecotourism.

Further reading

▶ Francis J. (2005), "Go slow", *The Guardian*, 5 February, www.theguardian.com/travel/2005/feb/05/ecotourism.guardiansaturdaytravelsection1

▶ Burmecha-Olszowy M. (2014), *Slow tourism – cechy i funkcje nowego nurtu w turystyce* [Slow tourism – features and functions of the new trend in tourism]. Rozprawy Naukowe Akademii Wychowania Fizycznego we Wrocławiu, 45, Wyd. AWF, Wrocław, pp. 177-184.

Learn from best practice: slow tourism on Cultural Routes in the macro-regions

A great example of a slow tourism opportunity related directly to one of the Cultural Routes is "Slow Travel Day" and "Slow Fest" in Via Francigena, associated with the macro-regional heritage of the EUSAIR. Tourists are encouraged to walk along the Via Francigena and to rethink the space and the territory at a slow pace. In the National Year of Walks, the festival is dedicated to the slow travel culture by way of meetings, excursions, art, music and nature.

➧ To know more: www.viefrancigene.org/en/resource/event/monteriggioni-e-di-scena-lo-slow-travel-fest/

Sixth summary

1. Ecotourism, as defined by The International Ecotourism Society (TIES), is: "responsible travel to natural areas that conserves the environment". It includes visits to rural and undisturbed natural sites, where nature should be observed without being disrespected or polluted. The features of ecotourism are:

- ▶ development of environmental and cultural awareness and respect;
- ▶ provision of financial benefits for conservation;
- ▶ provision of economic benefits and empowerment for local people;
- ▶ support of international human rights and labour agreements.

2. Slow tourism combines both responsible and sustainable tourism. The idea of "slow" links to things such as culture, cuisine, nature and society. It privileges the quality of a destination rather than the quantity of destinations visited. It involves sustainable modes of transport, such as bikes, trains or boats.

3. The inter-relationships between travel, other economic sectors and society as a whole have become so integrated that nowadays they are considered a "value network" rather than the traditional "value chain". In the value network, the destination becomes an integral part of the value-creation process in tourism. The narratives and images associated with the particular travel destination become a significant determinant to the customer: these factors influence their decision making when it comes to destinations and their willingness to pay for those destinations.

4. There are many examples of innovative, new product developments on the Cultural Routes. Nowadays, there are a great number of possibilities for using GPS-technology (Global Positioning System) in the tourism industry. GPS clocks, flash codes for ramblers and monuments, virtual reality shows

and web-based applications are some of those innovative products that have been or are being developed within the framework of the Cultural Routes.

5. Over the years, tourists have become more environmentally and culturally aware and respectful, and this should be reflected in the type of products and services that SMEs offer to them. In the last few years, a frequent motive when choosing a tourist destination relates to the degree of pollution, especially air pollution and environmental degradation.

VII. ICT-driven innovation in tourism SMEs

1. ICT in the tourism industry

For SMEs to prepare a competitive tourism offering based on the Cultural Routes they are associated with, they must learn how the rapid ICT revolution has changed the tourism market in recent years. We already know about the shift from the traditional to the new, improved value chain, but what is the role of ICT in the modern tourism value chain? It is necessary to understand the **technological drivers** in today's tourism sector.
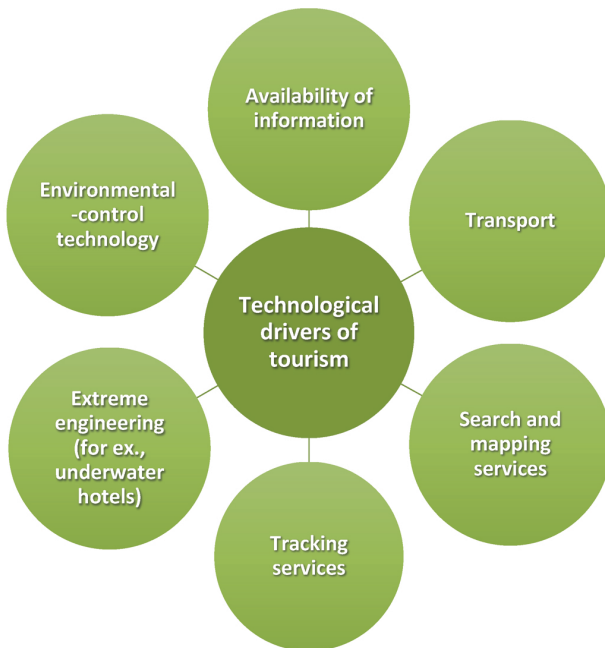
Source: adapted from Council of Europe and European Commission (2011), Impact of European Cultural Routes on SMEs' innovation and competitiveness. p. 22.

ICT can be used to increase competitiveness and support tourism-related SMEs, specifically through:

- ▶ reservation and booking systems;
- ▶ commercial sales platforms;
- ▶ access to the market.

An example of a successful digital tool is the **Routes4U trip planner**; this allows users to see what connects the 27 countries of the EU macro-regions, through the Cultural Routes of the Council of Europe. This digital platform has tourist information regarding the Cultural Routes of the Council of Europe and other points of interest in the four EU macro-regions (Adriatic-Ionian, Alpine, Baltic Sea and Danube).

⬗ Explore the Routes4U trip planner: https://pjp-eu.coe.int/en/web/cultural-routes-and-regional-development/trip-planner

The trip planner was launched in 2019 and has the following features:

- ▶ an interactive map with points of interests in the four EU macro-regions;
- ▶ a trip planner for users to plan a journey through a city, a country or through Europe.

Another example of ICT and digital tools and products contributing to the macro-regional cultural identity is the **Virtual Viking Route**. The Viking Route (Cultural Route of the Council of Europe since 1993) is a far-ranging and significant cross-border collection of sites, stories and heritage that represent the shared Viking legacy of Europe and beyond. It is one of the earliest registered Cultural Routes. It recognises how, for centuries, the Vikings transmitted culture and traditions throughout the European continent, and this heritage, therefore, unites the peoples of present-day Europe.

© The Viking Route

The Virtual Viking Route is a virtual tour guide for the Viking world allowing tourists to "meet the Vikings", learn about their history and crafts, hear their stories, explore and follow in their footsteps. All this is presented in the form of an innovative website with interactive maps, gallery, podcasts, movie clips, blog and much more.
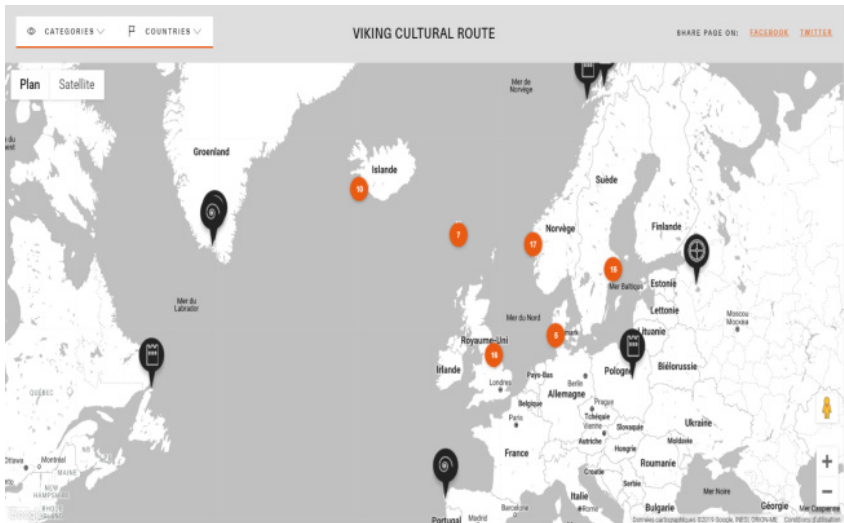
www.followthevikings.com/map

Another best practice online offering via the Routes4U is the **branding strategy for the Cultural Routes** of the Council of Europe and the four EU macro-regions. The branding strategies include recommendations concerning the creation and promotion of the brand, suggestions on "brand-personality" guidelines for marketing material, distribution channels, communication channels and promotional slogans.

Benefits of ICT-supported communication

Source: CERTESS (2014), Tool kit for designing, planning and implementing a Cultural Route.

Learn from best practice: ICT implementation in the Cultural Routes offer
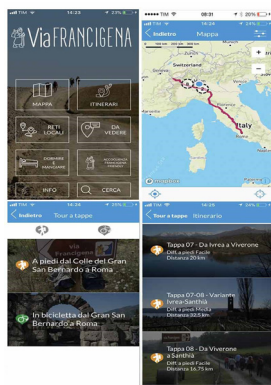
The app of the Via Francigena

The free app for iPhone and Android allows GPS navigation along the whole Via Francigena (certified Cultural Route of the Council of Europe since 1994), from Pontarlier in Switzerland to Rome, more than 1 000 km divided into 56 stages. The maps and detailed descriptions can be pre-downloaded to a smartphone, so that it will work without an internet connection.

➭ More information on the Via Francigena app: www.viefrancigene.org/en/app/

SloWays

The Italian company SloWays offers various ideas for walking and cycling and even tours allowing you to walk with your pets when discovering the Via Francigena. Their website describes their offering like this: "SloWays is our way of travelling, slowly. Holidays for all, to discover beautiful and hidden places. On foot or cycling, self-guided and small groups, along the Via Francigena Way to Rome and the great trails of Europe." It is worth noting that there is precise information on the SloWays website about its relation to the Via Francigena, including a link to the official route shop, etc. On the site, users can book the trip and also purchase the pilgrim's passport, official guides, T-shirts, gadgets like water bottles, maps, etc.

➭ More information on SloWays: www.sloways.eu/

2. SME activities related to ICT-driven innovation

SME activities related to ICT-driven innovation include:

- ► creating services offerings, preparing and maintaining a website for the Cultural Routes-related tourism offering (accommodation, food/drink, transport, etc.) and associated services and applications;
- ► graphic design and assistance in the preparation of route brochure and SME logo;

- ► development of professional catalogues, travel guides, etc., both printed and online;
- ► creation and operation of information points (virtual or physical);
- ► design and manufacture of various gadgets;
- ► help with preparing creative and attractive stands, presentations, etc. at festivals, seminars, conferences, trade shows and other events.

3. Innovative best practices

Transnational projects

The TRAMES project is currently working on the development of a video game based on the trade routes of the ancient Mediterranean as a tool to promote the territories involved and their resources.

TRAMES is based on the Phoenicians' Route (certified Cultural Route of the Council of Europe since 2003 and recognised by the World Tourism Organization since 2016), which promotes cultural dialogue through the cultural and archaeological heritage of Mediterranean civilisations following the ancient nautical and maritime routes. The project provides for the creation of eight Smart Ways (i.e. routes based on innovative and current topics including sustainability, creative tourism, active involvement of local populations and entrepreneurs).

 More information on TRAMES: http://fenici.net/en/trames-smart-tourism-across-the-mediterranean-sea/5856/

In the **CHRISTA Interreg Europe project** (Culture and Heritage for Responsible, Innovative and Sustainable Tourism Actions) one of the key findings is that "innovation can contribute greatly towards improving cultural and natural heritage policies for sustainable and responsible tourism development". The overall project objective is to protect and preserve natural and cultural heritage assets and deploy them for the development and promotion of innovative, sustainable and responsible tourism strategies.

 More information on CHRISTA: www.interregeurope.eu/christa/

The Cult-RInG project is supported by Interreg Europe and the overall objective of this project is to highlight the value of investment in the European Cultural Routes, in terms of their contribution to growth and jobs, and capitalisation on good practices, policy learning, policy implementation, development of new Cultural Routes, monitoring and capacity-building. One of the project outputs is innovative communication and dissemination tools for policy learning and capacity-building. These are designed to boost the capacities of the SMEs associated with the Cultural Routes of the Council of Europe, and the actors associated with the routes network. The Cult-RInG project has a broad base of project clips explaining its activities.

➥ More information on Cult-RInG: www.interregeurope.eu/cult-ring/

Cultural Routes initiatives

The Route of Saint Olav Ways (certified Cultural Route of the Council of Europe since 2010) website contains information on recommended walks, pilgrim packages and packing lists. One of the most exciting features is the trip planner. It allows you to personalise and save your trips along the Saint Olav Ways, choose points of interest and find recommended accommodation.

➥ To know more: https://pilegrimsleden.no/en/

ATRIUM (certified Cultural Route of the Council of Europe since 2014) website has a section "Digital Platforms & Creative Projects" that provides users with examples of digitalised activities including the ATRIUM Blog Tour – a tour about rationalist architecture in Emilia Romagna. There is also a Pinterest page with beautiful pictures from the region and the route.

➥ To know more: www.atriumroute.eu/

4. Digital transformation and entrepreneurship

The growth of the internet and other technology has produced a massive shift in the way in which people gather information about potential destinations

and book their travel. G. Richards (2011) claims that "data from the European Travel Commission indicates that almost **half of all trips made by Europeans are now booked online**, and the **vast majority of people now look for information about their holidays online** even if they subsequently book via more traditional channels".

The figure below presents a complex network of tourism-related enterprises and actors.
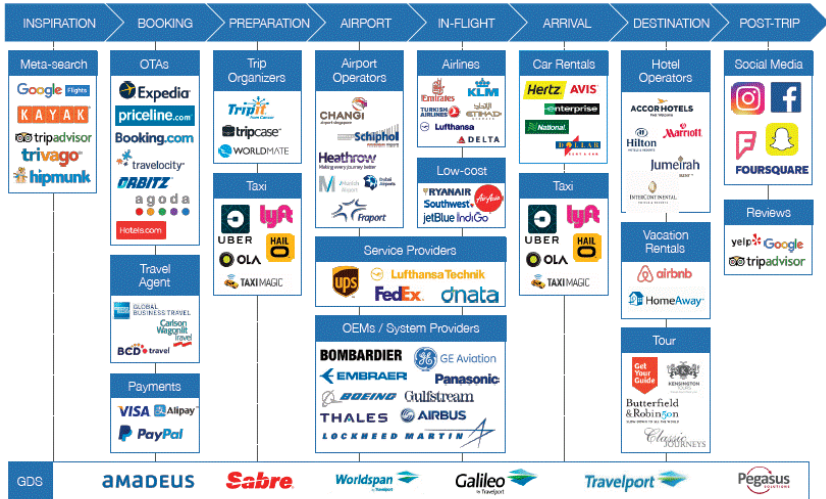
Source: World Economic Forum/Accenture analysis

Rising demand for travel, especially in emerging markets, represents an excellent chance for new tourism SMEs, as they challenge relevant companies to adapt their strategies to achieve growth quickly. Travel providers are exploring effective interactions with customers, while drastically changing operations and searching for better insights around customer preferences and operational performance. Tourism-related start-ups and small companies can adapt quicker and use the fast-changing trends and market to their benefit, as large companies need more time to adjust.

Becoming a successful digital enterprise in the tourism sector

We learned this from the consumer Internet world: by the time it's obvious it's too late. What that means is, now is the time to act. That you've got to realise we're in the first two minutes of a soccer match; by halftime, it's too late.

William Ruh, Chief Executive Officer, GE Digital

If you want your company to become an innovative, digital tourism business, you must offer something more than your competitors. As it is stated in "Digital transformation of industries: Digital enterprise" (2016), "a digital enterprise relentlessly searches out, identifies and develops new digital business models, always ensuring that customers and employees are at the centre of whatever it does."

The Digital Transformation Initiative is a project launched by the World Economic Forum in 2015 as part of the System Initiative on Shaping the Future of Digital Economy and Society. It is an ongoing initiative that serves as the focal point at the forum for new opportunities and themes arising from the latest developments in the digitalisation of business and society. It supports the forum's broader activity around the subject of the Fourth Industrial Revolution.

In the World Economic Forum study "Aviation, travel and tourism industry" (2017), **four themes are expected to be central to the industry's digital transformation over the next decade**.

Living travel experience

Travellers will experience seamless journeys tailored to their habits and preferences. Companies along the journey will optimise customer experience by collecting and exchanging data and continuously generating insights. In time, travel will become frictionless, blending with other everyday activities.

Enabling the travel ecosystem

Ecosystem roles are blurring as stakeholders throughout the customer journey vie to own the customer relationship. Digital platforms that enable ecosystem alliances will continue to emerge, as asset sharing and information sharing become increasingly important from a B2B perspective.

Digital enterprise

Digital technologies that are revolutionising manufacturing will optimise the real-time use of assets and eventually augment the industry workforce by creating new "digital" jobs, for example, digital designers or data scientists. Innovations such as 3D printing, artificial intelligence (AI), IoT (internet of things), virtual
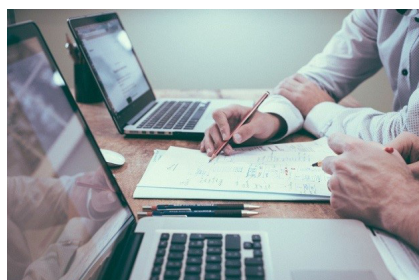
Source: Pixabay

reality (VR) and digital platforms will enable flexible working and changes to core operational processes.

Safety and security

As identity management becomes increasingly digital, a collaborative effort towards boosting cybersecurity and protecting the privacy of traveller data will be crucial to maintaining customer trust and public safety. Digital technologies will be used to create a ubiquitously secure environment.

Further reading

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Seventh summary

1. The rapid ICT revolution has changed the tourism market in recent years. The role of ICT in the modern tourism value chain is significant. The availability of information is constantly increasing and improving; transport is getting faster and cheaper; mapping services are becoming more and more accurate; tracking services and geo-tagging make it possible to locate travellers and destinations; extreme engineering opens up new spaces that were initially closed to tourists; and environmental control technology will become more important.

2. ICT can be used to increase competitiveness and to support tourism SMEs in the following areas:

- ► reservations and booking systems;
- ► commercial sales platforms;
- ► access to the market.

3. SME activities facilitated by ICT-driven innovation include the following:

- ▶ preparing and maintaining websites presenting Cultural Routes-related tourism offerings;
- ▶ graphic design and preparation of brochures, handouts, etc;
- ▶ creation of tourism catalogues, travel guides and information points;
- ▶ design and manufacture of various gadgets;
- ▶ assistance in the preparation of stands and presentations.

4. The shift in the way in which people gather information about potential destinations and book their travel leads to opportunities for new tourism SMEs, which can adapt and use the fast-changing tourism trends to their advantage. In order to become an innovative tourism business "a digital enterprise relentlessly searches out, identifies and develops new digital business models, always ensuring that customers and employees are at the centre of whatever it does".

© The European Route of Industrial Heritage: Salhus, Norwegian Knitting Industry Museum (R. Klenner)

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Glossary

Council of Europe – is an international governmental organisation founded in 1949. It is the oldest European organisation, as well as the "most European" one. The Organisation comprises 47 member states and covers the whole European continent. From its origin, the Council of Europe's purpose has been to promote greater unity between its member states and their citizens. Human rights, democracy and the rule of law are its three core values, providing the foundations of the organisation and orienting its work.

Cultural and creative sector (industries) – is one of the fastest-growing economic sectors in the world. CCI/CCS comprises different market segments such as cinema, art, music, architecture and many others. Activities within CCS rely on creativity, artistic performance and innovations as well as commercialisation of developed creative and cultural products and services. CCI plays a significant role in the world economy by ensuring millions of jobs and income generation.

Cultural heritage – is an expression of the ways of living developed by a community and passed on from generation to generation, including customs, practices, places, objects, artistic expressions and values. Cultural heritage is often expressed as either intangible or tangible.

Cultural Routes – are transnational networks with legal status that have been certified by the Council of Europe, in which at least three countries from different European regions participate. The network partners carry out a broad range of activities in the academic, educational and artistic fields.

Cultural tourism – is essentially a form of tourism that focuses on culture and cultural environments, including the landscapes of the destination, and the values, lifestyles, heritage, visual and performing arts, industries, traditions and leisure pursuits of the local population and host community. It can include attendance at culture events, visits to museums and heritage places, and mingling with local people. It should be regarded not as a definable niche within the broad range of tourism activities, but as encompassing all the experiences absorbed by the visitor in a place that is beyond their own living environment.

Culture – can be defined as the whole complex of distinctive spiritual, material, intellectual and emotional features that characterise a community, society or social group. It includes not only arts and literature, but also modes of life, the fundamental rights of human beings, value systems, traditions and beliefs.

Culture encompasses the living or contemporary characteristics and values of a community as well as those that have survived from the past.

European Commission – is the European Union's politically independent executive body. It is responsible for drawing up proposals for new European legislation, and it implements the decisions of the European Parliament and the Council of the European Union. The EU Strategies for the Macro-regions were adopted by the European Commission and endorsed by the European Council.

European Institute of Cultural Routes (EICR) – is the technical agency of the Cultural Routes of the Council of Europe programme. It was created in 1998 and is located in Neumünster Abbey, in Luxembourg City.

Heritage – is a broad concept that encompasses natural, indigenous and historical or cultural inheritance.

Innovation – is a new way of problem solving and acting in the organisational structure. The concept of innovation is broad and can be related to different dimensions such as technologies, production, entrepreneurship and communication models, etc.

Intangible heritage – refers to traditions and customs, artistic expressions and values.

Macro-regional strategy – is a policy framework that allows countries in the same region to tackle and find solutions to problems jointly or to better use the potential they have in common.

Routes4U – is a 30-month joint programme between the Council of Europe (Directorate General Democracy) and the European Union (European Commission – DG REGIO). The project aims at specific action to foster regional development through cultural heritage policies.

Routes4U trip planner – is a digital platform launched in 2019 that contains information on the Cultural Routes of the Council of Europe and allows users to plan their journey along Cultural Routes in four EU macro-regions.

Slow tourism – is a new form of tourism that implies slow movement of people through low-emission, "slow" modes of transport. There is no one generally accepted definition of slow tourism, however it is associated first of all with travellers' concerns regarding transportation and its environmental effects and their conscious decision to avoid some types of transportation while travelling. Moreover, a choice in favour of slow tourism can be also motivated by tourists' desire to improve the quality of their travel experience through moving at a slow rate, which allows visitors to explore a destination in detail

and satisfy thus their needs for authentic experience. In this sense, slow tourism refers not only to sustainable transportation and responsible tourism but also to changing tourist behavioural patterns that are related to the demand for authentic experiences.

Sustainable development – is a development that meets the needs of the present without compromising the ability of future generations to meet their own needs. One of the main features of sustainable development is the long-term vision that allows taking into account all potential impacts and effects of development strategies.

Tangible heritage – is material heritage and includes sites, buildings and objects.

List of abbreviations

AEPJ	European Association for the Preservation and Promotion of Jewish Culture and Heritage
AI	Artificial intelligence
ATLAS	Association for Tourism and Leisure Education and Research
B2B	Business-to-business
CCI	Cultural and creative industries
CCS	Cultural and creative sectors
CHRISTA	Culture and Heritage for Responsible, Innovative and Sustainable Tourism Actions, Interreg Europe
EAVF	European Association of Vie Francigene
EFSI	European Fund for Strategic Investments
ECTN	European Cultural Tourism Network
ETC	European Travel Commission
ETC/ULS	European Topic Centre on Urban, Land and Soil Systems
EU	European Union
EUSAIR	European Union Strategy for the Adriatic-Ionian Region
EUSALP	European Union Strategy for the Alpine Region
EUSBSR	European Union Strategy for the Baltic Sea Region
EUSDR	European Union Strategy for the Danube Region
FDI	Foreign direct investment
GDP	Gross domestic product
GVA	Gross value added
ICT	Information and communications technology
IoT	Internet of things
IT	Information technology
SBA	The Small Business Act for Europe
SDGs	Sustainable Development Goals
SMEs	Small and medium-sized enterprises
TIES	The International Ecotourism Society
UN	United Nations
UNEP	United Nations Environment Programme
UNWTO	United Nations World Tourism Organization
VR	Virtual reality

As of today, more than 30 transnational networks certified "Cultural Route of the Council of Europe" cross the four EU macro-regions: the Baltic Sea Region, the Danube Region, the Adriatic and Ionian Region and the Alpine Region, encompassing 27 countries and more than 340 million people.

The European Union developed four macro-regional strategies (EUSAIR, EUSALP, EUSBSR and EUSDR) with a view to strengthening transnational co-operation and addressing common challenges and opportunities within these geographical areas. The Cultural Routes of the Council of Europe contribute to the objectives of the macro-regional strategies: they strengthen transnational cultural co-operation as well as sustainable cultural tourism in the macro-regions.

This Routes4U manual provides relevant information on small and medium-sized enterprises (SMEs) and their involvement in Cultural Routes.

• Why are SMEs important for the EU macro-regions and the Cultural Routes of the Council of Europe?

• In which way are SMEs involved in sustainable and cultural tourism within the Cultural Routes of the Council of Europe?

• How can innovation be boosted in the macro-regions via Cultural Routes offerings?

• What is the innovation potential of tourism SMEs?

This manual illustrates the wide range of activities of Cultural Routes, compiling best practices of certified Cultural Routes. It puts the Cultural Routes of the Council of Europe into the context of the EU macro-regional strategies by explaining their common objectives. Video links, checklists, infographics and various reference materials provide the opportunity for further study.

GBR

The Council of Europe is the continent's leading human rights organisation. It comprises 47 member states, including all members of the European Union. All Council of Europe member states have signed up to the European Convention on Human Rights, a treaty designed to protect human rights, democracy and the rule of law. The European Court of Human Rights oversees the implementation of the Convention in the member states.

www.coe.int

The Member States of the European Union have decided to link together their know-how, resources and destinies. Together, they have built a zone of stability, democracy and sustainable development whilst maintaining cultural diversity, tolerance and individual freedoms. The European Union is committed to sharing its achievements and its values with countries and peoples beyond its borders.

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