The Potential Dynamics of “Albergo Diffuso” as Relaunch of Sustainable Tourism in the Post COVID-19 Era

Antonietta Cosentino1 & Barbara Iannone2

1 Department of Law and Economics of Productive Activities, Sapienza University of Rome, Rome, Italy
2 Department of Philosophical, Pedagogical and Economic-Quantitative Sciences, University Gabriele d’Annunzio, Chieti-Pescara, Italy

Correspondence: Antonietta Cosentino, Department of Law and Economics of Productive Activities, Sapienza University of Rome, Rome, Italy. E-mail: antonietta.cosentino@uniroma1.it

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Abstract

The Covid-19 pandemic has had a disruptive effect on tourism due to mobility restrictions in all world regions. During Summer 2020, full exploitation of sustainable and safe local tourism is expected. The purpose of this paper is to emphasize the “albergo diffuso” (AD) (translation scattered hotel) contribute to the economic recovery, during the “post COVID-19 time”. To comply with the paper aim we use a qualitative research method based on a single case study. Primary data are collected by semi-structured interviews with apical figures of our case study. The findings show that the AD business model is suitable to meet the changing demands of the tourists at the post-pandemic era without having to substantially change strategies, activities and tourist offer. AD’s characteristics allow the full hospitality of tourists in compliance with the social distancing required by the safety regulations. Unique adjustments required are: i) the drawing up of agreements with local structures to decentralize the provision of any services; ii) the spread of activities that promote social distancing; iii) the introduction of greater flexibility in terms of booking and cancellations. This paper contributes to the existing literature because is the first study focus on the link between AD business model and comply with the measures to protect public health at the Covid-19 time. Thus the results offer suggestions both to tourist operators regarding the differentiation of their supply as well as policy makers to support the development of this kind of hospitality.

Keywords: Covid 19, albergo diffuso, sustainable business model, value chain, tourism, SWAP analysis

1. Introduction

The albergo diffuso (AD) (translation scattered hotel) model is currently one of the most interesting responses to tourism demand sensitive to the contents of sustainability and respect for the environment. AD was born as a solution to solve the degeneration and gradual depopulation problems, or loss of cultural heritage by process of enhancing of material and immaterial resources, tangible and intangibles assets to restore (Confalonieri, 2011; Dall’Ara, 2010). The AD aim is twofold: on one hand to enhance the economic and demographic grow of towns and villages where bigger structures are absent; on the other hand to develop a successful business without having a negative impact on the environment, through a process of restructuring and building recovery that replaces the new cementation. The Coronavirus (Covid-19) pandemic has had a disruptive effect on the planet almost in every sector. Tremendous effects have on tourism, hard hit by mobility restrictions in all world regions (Wen, Kozak, Yang, & Liu; Cheer, 2020; Prideaux, Thompson, & Pabel, 2020; Ioannides & Gyimóthy, 2020; Tremblay-Huet, 2020). The AD’s characteristics make it a business model, particularly suitable for the current tourist offer which has to be compliant with the measures to protect public health at the Covid-19 time. Thus, unexpectedly AD becomes a tool to boost the recovery of tourism-hotel activities in the post-pandemic era.

Tourism is a fundamental source of development for the economy of countries. It generates foreign exchange, leads regional development, promotes jobs and businesses grow. The sector contributes, on average, 4.4% of GDP, and 21.5% of service exports in OECD countries (OECD, 2020a) as is showed in the Figure 1.
The tourism economy has been heavily affected by the Covid-19 pandemic, because the measures introduced to curb its spread. Recently, revised scenarios by OECD indicate that the potential economic upset could range between a 60-80% turn down in the international tourism economy in 2020. Beyond measures adopted by the governments (e.g. lifting travel restrictions and restoring traveller confidence), it is necessary to rethink the tourism sector for the future (OECD, 2020b). The effects on tourism of global crises or pandemics (e.g. SARS, Ebola, and other influenza pandemics) are at the centre of scholars' interest and debate (Larsen, 2011; McKercher & Chon 2004; Cooper, 2005; Zeng, Carter & De Lacy, 2005; Rassy & Smith, 2013; Pine & McKercher, 2004; Aliperti et al., 2019). In the current time, some scholars have just focused on significant changes in post-pandemic planned travel behaviours at the Covid-19 era (Zenker & Kock, 2020; Li, Nguyen & Coca-Stefaniak, 2020), as well on other implications such as the need to manage discrimination and fear within and outside China (Jamal & Budke, 2020), while there are currently no studies analyzing the contribution that new business models, such as AD, can make to the economic recovery of tourism firms. This paper bridges the gap and emphasizes the opportunities offered by the Covid-19 not only for the relaunch of tourist activities but also to design and consolidate the transition towards a greener and more balanced tourism (Ioannides & Gymóthy, 2020; Fennel, 2020). Thus AD can be a realistic and effective solution. Its characteristics make it a business model suitable for promoting the full hospitality of tourists in compliance with the social distancing required by the safety regulations.

The purpose of this paper is focus on the SBM of AD as a tool to encourage the resumption of tourism activities after the lockdowns imposed by the government to contain the spread of the virus and protect public health, during the Covid-19 pandemic. Deal with this goal we can formulate our research question as follow:

What strengths and opportunities does the AD offer to the tourist economy at the Covid-19 time?

This work uses a qualitative research method and proposes a multilevel analysis (micro and macro) through a polar case study (Yin, 2014) that is Sextantio AD, located in two different Italian Regions: Abruzzo, in the Centre of Italy and Basilicata, in the South. Primary data are collected by semi-structured interviews with apical figures. The findings show that the AD business model is suitable to meet the changing demands of the tourists at the post-pandemic era without having to substantially change strategies, activities and tourist offer. AD’s characteristics allow the full hospitality of tourists in compliance with the social distancing required by the safety regulations during the gradual reopening of activities at the Covid-19 era. Unique adjustments required are: i) drawing up of agreements with local structures to decentralize the provision of any services; ii) spread of activities that promote social distancing; iii) introduction of greater flexibility in terms of booking and cancellations. This paper contributes to existing literature because, as far we know, is the first study focus on the link between AD business model and compliance with the measures to protect public health at the Covid-19 time. In this way, ADs contribute to increase the performance of the firm alongside the tourism chain, as well as the growth for the territory (community and town), and the local community, particularly during the economic crisis caused by Covid-19. Thus this paper offers suggestions both to tourist operators regarding the differentiation of their supply as well as policy makers to support the development of this kind of hospitality.

The remainder of the paper is organised as follows. Section 2 examines the main topics deal with the sustainable business model of AD. Section 3 outlines the research methodology. Section 4 presents the findings and discussion from multiple case studies. Lastly, section 5 expounds the conclusions of the paper and future research directions.
2. The Sustainable Business Model of Albergo Diffuso

2.1 Main Characteristics of AD

The AD model was launched in Italy in the 1980s, and in the second decade of the 21st century emerged in other countries of Europe e.g. Croatia, Switzerland, Slovenia and others (Korž, 2018). It represented by a single hotel which rooms are located in separated and close buildings (Tani & Papaluca, 2015). In the AD the guests receive all the traditional services of the traditional hotel structure (hospitality, assistance, catering, common spaces and services) but stay in houses and rooms that are no more than 200 meters from the "heart" of the AD, or the building where they are located the reception, the common areas and the refreshment area and where a manager is available to help with questions, recommendations or bookings (Dall’Ara, 2010).

In recent years there has been a growing interest in this managerial model. Various studies have analyzed the origins and types of solutions adopted (Dall’Ara, 2010; Paniccia, Pechlaner, & Valeri, 2010; Paniccia & Leoni, 2019) as well as characteristics, evolution (also of new aggregative forms), environmental, cultural, social and economic influences (Presenza, Petruzzelli, & Sheehan, 2019). Perhaps the most important aspect of AD is its link with sustainable tourism (Confalonieri, 2011). In order to develop, the AD requires to have uninhabited buildings of historical or artistic interest and requires a full involvement of both the inhabitants, who must be favourable to the development of tourism, and of the owners of the structures (Confalonieri 2011).

The AD allows to satisfy an emerging demand for tourists interested in staying in renowned and famous areas and cities, and at the same time to establish contact with residents and local people rather than only with other tourists, but they do not want to give up the comforts offered by hotels, such as room service or restaurant (Vallone, Orlandini, & Cecchetti, 2013). One of the latest studies on the subject proposes a classification of villages that could potentially become the headquarters of a company for the AD thanks to the presence of resources capable of producing a sustainable competitive advantage (Droli, 2018).

This model of sustainable development takes advantage from the local resources both tangible (as cultural heritage, agricultural techniques, and small businesses) and intangible (traditions, knowledge, social ties) (Dall’Ara, 2007; 2010; Paniccia et al., 2010; Droli & Dall’Ara, 2012; Romolini, Fissi, & Gori, 2017). In fact, recent studies show that some of the most important features of ADs are deep ties to the surrounding territory and the local culture and the hospitality service distinguishes them from other traditional types of private tourist accommodations (Korž, 2018; Gilli & Ferrari, 2016).

Regeneration of small historical towns and villages is a wide field of interest and in the last years is increasing of importance thanks to the opportunities tied with this "innovation" model, concerning recovered historical assets. Some scholars stress the importance of looking to the past as a source of innovation, that is, as a rediscovery of values, practices and skills linked to traditions that can contribute to the development and support unique and distinct products or services (Sørensen & Stuart, 2000; Katila, 2002; Majchrzak, Cooper, & Neece, 2004; Boxenbaum & Battilana, 2005; Savino, Messeni Petruzzelli, & Albino, 2017). Thus, combining traditions and new technologies can prove to be a winning formula for some successful innovations. This is a "recombiant perspective" which states that the creation of any type of novelty both in the field of art or science or in everyday life, refers to a "recombination" of conceptual elements and of material goods that were already in existence (Nelson & Winter, 1982).

AD includes a new concept of conservation and enhancement, producing added value, growth and renewal in contexts, showing degradation and/or affected by a state of abandon. Intervention strategies related to the widespread (and unique) architectural, artistic and environmental heritage, are increasingly connected to the social and productive dimension. In this way, the AD represents a business model that creates development for the territory without having any environmental impact so it has a formula for sustainable economic development in many tourist destinations because it has a very limited impact on the environment (de Sausmarez, 2007; Calgaro, Lloyd, & Dominey-Howes, 2014). This model doesn't require new construction, new structure, but it recover, restructure and network existing homes in accordance with local cultural and historical assets. In addition, an AD acts as a "social presidium" because it animates the historical centres by stimulating initiatives and involving local producers (Dall’Ara, 2010). This allows the real rebirth of economic development of "deathed" historic destinations while avoiding depopulation (Confalonieri, 2011). In this way, it is also really interesting to measure the brand value referred to one case study of AD (Iannone & Marcella, 2019).

2.2 Innovation and Intangible Assets of AD

In the hotel industry, the need to implement innovation is a priority (Gomezelj, 2016): continuity of success is achieved only if companies reinvent themselves in a targeted way (Eide, Fuglsang, & Sundbo, 2017). The
concept of innovation applicable to AD model is what interprets it as "a process of identifying-solving problems through more or less radical changes in routine (Nelson & Winter 1982). The AD model includes social innovations based on "new" social behaviours with "return to the past" (Capaldo & Petruzzelli, 2014; Sørensen & Stuart, 2000; Chen, Yeh, & Huan, 2014), which allows recovering tangible historical assets and create intangible assets (Paniccia et al., 2010; Presenza et al., 2019) starting from the brand (Chen et al., 2014).

In the last thirty years, in the more advanced countries, there has been a revolution in the hotel industry which has led to an increase in investments in intangible assets (e.g. design, branding, research and development, software and so on), rather than in traditional tangible goods (machinery, buildings, computers, etc.) (Haskel & Westlake, 2018). In fact, the value of the intangible cultural heritage has been rediscovered and it has flanked and sometimes replaced that for material resources such as historic buildings and attractions, objects of art, artefacts, relics, monuments, and historic villages and “encompass the iconic historic attractions that drive tourism to the ‘physical space’ of a community, region, or even a firm” (Presenza et al., 2019, p. 193).

Intangible factors are expressions of the identity of a geographical area or a firm and may be related to history, culture and folklore (Presenza et al., 2019, p. 193). UNESCO (2003, art. 2 comma 1) defines the “intangible cultural heritage” as “the practices, representations, expressions, knowledge, skills – as well as the instruments, objects, artefacts and cultural spaces associated therewith – that communities, groups and, in some cases, individuals recognize as part of their cultural heritage.” In fact, the traditions handed down over the centuries, a lifestyle more in tune with the rhythms of nature become drivers for the development of an integrated and sustainable tourism service (Vallone et al., 2013). The Intangible cultural heritage provides community with a sense of identity and continuity, thus promoting respect for cultural diversity and human creativity (UNESCO, 2003).

According to the resource-based-theory (Collis & Montgomery, 2005), a company's main skill is recognized in obtaining a competitive advantage resulting from its ability to know how to exploit the set of unique and rare resources and skills that diversify him from its competitors (Penrose, 1959; Wernerfelt, 1984). This perspective aims to analyze the ability of the company to generate value thanks to its internal resources. They generate value when they help the company sees an opportunity and avoid a threat (Barney, 1996). In this moment, the further threat is represented by cancellations (already occurred in full lockdown period) and by the failure of upturn of reservations. In this period the tourist will manifest the absolute prominence in safety, it must avoid the infection. Thanks to the characteristics of the AD, it is possible to offer major guarantee of safety, in terms of "distancing", without additional costs for the redesign and construction of safe environments in light of new needs.

The main determinant of a firm's competitive advantage based on resources is the results from the ability to use them with efficacy: this is different than to consider their sum (Hamel & Prahalad, 1994). In this vein, it can insert the Corporate Social Responsibility in an AD: in this sustainable business model the mission is to recover the history of an abandoned village, its monuments, its traditions, ancient knowledge that are part of the concept of heritage. “Heritage places cannot be protected in isolation or as museum pieces, isolated from natural and man-made disasters or from land-use planning considerations. Nor can they be separated from development activities, isolated from on-going social changes, or divorced from the concerns of the communities” (UNESCO, 2013, p. 12).

In literature, the debate was largely focused on the concepts of conservation on the one hand and enhancement on the other, achieving the concept of sustainable development affirmed by the World Commission on Environment and Development, according to which it is necessary to satisfy the needs of the present generations without compromising the ability of future generations to satisfy their own (WCED, 1987). In this statement there is a holistic and systemic approach to a renewed role of the company, without any contrast between culture and market, for a strengthening of the concept of perceived utility of the cultural asset.

The perception of the assets is referring to how science, especially the managerial branch, can offer efficient and efficacy management tools for value creation. The management of territorial assets, with reference to cultural, historical and environmental assets, implies the involvement of stakeholders and local communities, which are not always with the same interests, indeed sometimes even conflicting (Aas, Ladkin, & Fletcher, 2005). In fact, the public nature of the "recovered" assets requires a joint effort in the various management phases, from discovery, to recovery, to planning, as well as to the enhancement and subsequent implementation phase to future developments of the activities. In this sense, a line of studies that could offer a significant contribution to the analysis is that of cultural management, and of its ability to create value. The cultural management makes it possible to identify the structural and organizational conditions that facilitate the construction processes of the cultural product and the connections between creativity and innovation (Franch, 2010). The presence of multiple
subjects involved in the same territory, recalls the stakeholder approach (Freeman, 1984): summary, the value creation referring to the company is subordinated to the value creation for the stakeholders. With stakeholders, in this way, it is referring to all individuals involved in the cultural project, with specific skills, citizenship or private interests, everybody are called to find a mediation of the intrinsic and economic value of the cultural asset. If all the stakeholders (for example, local public bodies, residents, businesses operating in other sectors, artisans, farmers, breeders, etc.) could coordinate, the result could be the creation of a new image of the territory, a new Reputation of the place, strictly linked to unique and non-replicable distinctive features, in anyone else territory, according to the resource based theory.

2.3 AD Business Model at the Covid-19 Time

In this period "post-lockdown" it is necessary to contribute to the creation of a new approach for the tourism, probably a change of paradigm. AD is always considering the environment protection and the historic centres or abandoned villages recovering, but it is requested a further element now. A paradigm shift has occurred due to the transformation of people's values, consciences and the fact that every tourist doesn't want to take risks to be infected (Wen et al., 2020; Cheer, 2020). A deep transformation could be generated in the choice of the travel destinations, encouraged by this atypical moment that the whole world is experiencing and which aims at the rediscovery of local destinations, at proximity tourism by promoting closer tourist destinations, safeguarding the sustainability of the territory both environmental point of view and from the point of view of planetary safety (Prideaux et al., 2020; Ioannides & Gyimóthy, 2020). The most important lack in the post-lockdown phase is freedom (Tremblay-Huet, 2020). It has been emphasized that the era we are living in requires profound changes: “The freedom, the dropping away of the ego mind, the sense of connection with the universe, and the concern for the greater good are key shifts that affect life in dramatic ways” (Sheldon, 2020, p. 2). It occurs, as the quantum physicist Russell said a few decades ago: “The crisis facing humanity today is not so much an environmental crisis, a political crisis or an economic crisis; it is essentially a crisis of consciousness” (Russell, 2001, p.1). However, it should be clarified that this crisis of conscience is induced by uncertainty and fear. The result is the deep change of life needs, regardless of lifestyles.

The wish to travel has always been stimulated by a need of self-realization: travel is conceived as a moment of transformation and, never as in this historical moment, can it represent a "therapeutic break" away from the lockdown experience. It could represent "a therapeutic pause in life" (Brown, 2009, p. 518) and can also be seen as a "source of spiritual meaning or refreshment" (Sharpley & Jepsen, 2011, p. 52), a rebirth after the past terrible situation. Kirillova and other scholars had analyzed the experience of tourists who lived transformations during a trip, due to a completely random trigger moment (Kirillova et al, 2017a, 2017b). The opposite is happening in post-Covid-19 era: the triggering event (Covid-19) has pushed towards the discovery of a different and safe travel experience. A total mix of characteristic of self-realization, of rest, relaxation, satisfaction towards the chosen destination and satisfaction with the service received.

Safety is a very current topic (Zenker & Kock, 2020) and in the tourism field, the AD's solutions, beyond its "natural" values, they are able to offer an additional requirement: the safety in terms of "distancing". It could prove to be a BM that would realize a moment of relaunch, especially in Italy.

The effects on tourism of global crises or pandemics (e.g. SARS, Ebola, and other influenza pandemics) are at the centre of scholars' interest and debate (Larsen, 2011; McKercher & Chon 2004; Cooper, 2005; Zeng et al., 2005; Rassy & Smith, 2013; Pine & McKercher, 2004). In particular, the advent of the Covid-19 has created changes in economic systems and in the individual behaviour both during and post pandemic reflecting on significant changes in post-pandemic planned travel behaviours (Gallego & Font, 2020; Zenker & Kock, 2020; Li et al., 2020; Jamal & Budke, 2020). Some scholars have just focused on significant changes in post-pandemic planned travel behaviours (Zenker & Kock, 2020; Li et al., 2020; Jamal & Budke, 2020), as well on other implications such as the need to manage discrimination and fear within and outside China (Jamal & Budke, 2020). In this scenario, the Covid-19 offers a unique opportunity to design and consolidate a quickened transition towards a greener and more balanced tourism (Ioannides & Gyimóthy, 2020). Thus, sustainable business models, based on the relocation of accommodation facilities and on a targeted tourist reception, designed on specific requests from small groups, is directly connected to pressure for new tourist requests to stay safe and healthy during the accommodation and leads organisations to assume specific activities and behaviours (Zenker & Kock, 2020; Yang, Zhang, & Chen, 2020) to comply with these pressures.

Instead, there are currently no studies analyzing the contribution that AD business model makes to the economic recovery of tourism firms. This paper bridges the gap and emphasizes the opportunities offered by the Covid-19 not only for the relaunch of tourist activities, but also to design and consolidate the transition towards a greener
and more balanced tourism (Ioannides & Gyimóthy, 2020; Prideaux et al., 2020) can be a realistic and effective solution due to its characteristics which make it a business model suitable for promoting the full hospitality of tourists in compliance with the social distancing required by the safety regulations.

3. Research Methodology

The methodology used in this paper is the qualitative research (Patton, 2002; Bryman & Bell, 2011), already used in the literature to investigate AD hospitality (Papaluga & Tani, 2016; Paniccia et al., 2010; Romolini et al., 2017). We apply different qualitative methods in the data collection process (review of the existing literature on Scopus and Web Science, websites, newspapers, regulations and legislation) integrated by some in-depth semi-structured interviews and direct observations of some ADs. In this way we use the Resource Based View Theory (Penrose, 1959; Barney, 1991; Wernerfelt, 1984; 2011) and other tools such as the systemic and co-evolutionary standpoint that is different analysis perspectives really suitable for the study of complex interdependencies in relationships systems and related problems (Pilotti, 2011).

The initial step of the research was based on in-depth analysis of the relevant literature relating to the AD, included the most recent studies published in the main journals in the field of tourism, concerning Covid-19 and its impact on the tourism sector. Earliest results allowed us to highlight:

i. impact on tourist demand
ii. impact on tourist supply
iii. impact on tourist hospitality

The preliminary findings were supported by the empirical research focused on the Sextantio Group case study. The case study was chosen as it provides an opportunity to investigate the issue of AD in the Covid-19 era in a practical context in which the company’s experience is critical (Bhattacharjee, 2012). The case study allows us to make an in-depth exploration of practical aspects and help to understand detail characteristics and behaviour of tourist hospitality in the post-Covid-19 time (Yin, 2014).

Empirical research initially articulated through the collection of the largest possible number of secondary data (e.g. articles, press releases, documentaries, television and radio services, etc.). Sextantio is one of the first AD in Italy and has a group structure. Due to its territorial extension, size and characteristics it can be considered a relevant and polar case study (Eisenhardt & Graebner, 2007). Secondly, the primary data collection phase took place, as in-depth qualitative interviews with main informants. All the most relevant interviews and meetings were audio-recorded.

The case study was developed observing a qualitative approach. In particular, interviews were carried out, to the founder and owner of Sextantio, with other collaborators and various stakeholders, by using semi-structured schemes. In order to obtain major reliability for this research, we use the tools like Likert scale (Boone & Boone, 2012; Joshi, Kale, Chandel, & Pal, 2015) and its variants adopt in the questionnaires used (Krosnick, 2018). The interviews were conducted in May and in the first week of June 2020, when the forecast scenarios with respect to the reopening were consolidating. These were also linked with people's desires to recover spaces of freedom and entertainment, in wait of summer holidays.

The aspects investigated are summarized in the table 1, while the source of data and interviewed subjects are summarized in the table 2.

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<td>1.</td>
<td>How has your tourist offer changed?</td>
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<td>2.</td>
<td>Have you thought about reorienting your supply to include potential tourists who are not particularly attentive to sustainability but concerned about health security during Covid-19 time?</td>
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<td>3.</td>
<td>What new communication channels did you use during and after the pandemic?</td>
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<td>4.</td>
<td>What main changes have you noticed in the tourist demand?</td>
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<td>5.</td>
<td>What partnerships have you established or strengthened to encourage the resumption of tourism activities?</td>
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Table 2. Data source

<table>
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<tr>
<th>Data base</th>
<th>Typology</th>
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<th>Reference</th>
<th>Timing (minutes)</th>
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<tr>
<td>Secondary data</td>
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<td>Primary data</td>
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<td>Founder and owner</td>
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<td>Commercial Director</td>
<td>I2</td>
<td>90</td>
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<td>Interviews to external figures</td>
<td>Consultant</td>
<td>I3</td>
<td>45</td>
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By adapting the concept developed by Sheldon (Sheldon, 2020), we will propose an approach, into the scenario during Covid-19, about the impact generated on the demand and supply of tourist services to demonstrate how AD responds exactly to the changed context.

4. Discussion

4.1 The Tourism Transformation Due to COVID-19

After the fourth pandemic of the new century, but the most impacting in every place in the world, the scenarios of tourism offer new change even more deeply. Never as before: the inevitable economic crises of every infected Country more or less deeply, there are rules of social distancing, bans on gatherings, movement limits. These are all restrictions that intimidate the tourist who wants to think of a holiday.

The analysis of the most recent literature, newspapers, web site, and social network revealed some important effects produced by Covid-19 on tourist demand. The Economic Sentiment Indicator (ESI) for EU area is negative (-27.2 points) and the same regarding consumer confidence (-11.1) (Eurostat, April 2020). In this context, the effects of Covid-19 appear evident. In figure 2 we propose an elaboration referred to the tourism Scenario, to highlight the main effects generated by post-Covid-19 time on tourist demand.

Figure 2. Tourism scenarios after Covid-19 pandemic (Source: authors elaboration of Sheldon, 2020, p. 9)

Figure 2 shows that in this scenario, new needs and awareness arise. Transformations focused essentially on a few assumptions: i) having the comforts of an hotel, but ii) enjoying the safety of social distancing, iii) compliance with the rules for prohibiting crowds, and iv) enjoying of a travel experience that permits to rethink the normal way of travelling, through different custom and without far destinations (Brown, 2009). This can be the process of the revaluate of a travel experience, which could represent an unrepeatable opportunity for life. Thus post-Covid-19 era reveals tourist needs takes on new characteristics. Deep and sympathetic appreciation of
others’ cultures, traditions, lifestyles, values and beliefs (Soulard, McGehee & Stern, 2019) can lead the tourism experience as well the desire to environmental connectivity because it can generate positive emotions and a general sense of belonging and wellbeing (Sharpley & Jepsen, 2011). Some trips may meet individuals' need for both introspection (Sheldon, 2020; Moal-Ulvoas, 2017) and contribute to the greater good, for compassion and generosity (Ateljevic, 2011).

4.2 The Competitive Advantage of Sustainable Business Model of "Albergo Diffuso" at the Covid-19 Era

A tourist activity can be considered "sustainable" when it is conceived in a different way against the traditional hotel model: in this way, it isn't "dissipate" the heritage of the community, on the contrary, it is satisfied the common needs of the territory beyond the economic dimension, closer to other social and environmental dimensions, so as to get closer to the pillars of sustainability (Rusconi & Dorigatti, 2004; Vallone et al., 2013).

To these known needs of the territory, which represented the basic elements referred to the AD's sustainable model, it is necessary to add a series of changes required to the tourism system in general, which face the post-Covid-19 era. The new requests of tourists in general, in light of the effects of the pandemic, and which influence the demand for a type of holiday, different from the past (pre-Covid-19):

- absolute priority: safety and hygiene, as guarantee of health protection;
- uncrowded places and green prevalence or, uncontaminated spaces;
- privileged movements with own means of transportation;
- discovery towards places, cities, villages, never visited in previous trips;
- reservations as last minute or closer in vacation period.

Consequently, the adjustment of the offer should be that of:

- discrete and uncrowded accommodation facilities;
- enhancement of local supply chains through networking with other partners.

Unlike traditional hôtelleries, the AD easily meets new tourist needs without significant paradigm changes in the tourist offer. In this business model, the purpose is more easily achieved because of its identity but also of its widespread and scattered structure, where the common areas are limited to the reception and breakfast/dinner rooms (Dall’Ara, 2010; Confalonieri, 2011; Iannone & Marcella, 2019).

Figure 3 shows how is now, in the post-Covid-19, the meeting between the tourists’ demand and supply of a hotel structure, specifically for an AD structure.
competitive advantage is obtained when a company carries out strategically relevant activities in a more economical or more efficient way than the competition. The value chain therefore makes it possible to consider the company as a system of value-generating activities, understood as the price that the consumer is willing to pay for the product that fully satisfies his needs (Contò, 2005; Grant, 1998).

In the case of AD, the definition of competitive advantage is more complex, since, as already mentioned, it is the result of the will of multiple stakeholders. The focus of the activities of an AD is the result of different elements (Figure 4) (Morena, Truppi, & Del Gatto, 2017) to which today are added those related to safety (Niewiadomski, 2020).

The ability to understand the value chain "specific" takes a main role in acquiring and maintaining competitive advantage. Every Value Chain is completely different from company to company, because each of them reflects its history, organizational choices, strategies, people, mentalities, habits. In this vein, the tourist offer becomes a sustainable development process when it combines sustainable economic development with a rational use of environmental resources and of socio-cultural identity of the territory (Korže, 2018; Gilli & Ferrari, 2016; de Sausmarez, 2007; Calgaro et al., 2014), as to balance the two different anima of the territory: in this way, none of the three dimensions of economic, social and environmental development can take over the others (Sciarelli, 2007).

Figure 4 shows what are the values engaged and the other values after Covid-19 following the value chain model.

4.3 Testing the Theory into the Real Life: Sextantio AD Case Study

Sextantio Group is a culturally historical project in a AD structure which breathes life into the forgotten places and people of two different places in Italy: in the middle of Italy, in Abruzzo Region, precisely “Santo Stefano di Sessanio” and in the South of Italy in the most famous Matera, last year European Capital of Culture.

More than others ADs, Sextantio use the original identity stamp which runs through every aspect of the project it stays respectfully true to the culture and customs, recreating a true to life experience of hundreds of years ago. This AD structure recreates the traditions of a medieval village from how the villagers lived their lives to the food they ate and the crafts they practiced along with the skills they possessed (11).

The case study focused, in particular on Santo Stefano di Sessanio, but there are any references also for Matera. This analysis confirms all the aspects detected through the analysis of the literature and confirms that it is a sustainable business model and leading case to relaunch the tourism economy post-Covid19 pandemic.
The interviews substantiate the attention and centrality of the guest. To increase the privacy of the structures and reduce crowding in the common areas, limits are introduced on the number of reservations (I2). The choice is highly appreciated by Italian or foreigner tourists. In these months, foreigners’ reservations are struggling to relaunch due to the persistence of travel restrictions, but also for the media impact of the news disseminated during the lockdown period. Italian tourism is encouraged by a special offer: #bookonthehotelwebsite. It consists on a concrete help and tourist can enjoy a guaranteed savings through the lowest rate on the web. This is calibrated as a support the hospitality industry by booking and tourist can receives the most favourable of payment and cancellation conditions.

Breakfast is allowed in room service, on request and with better conditions than in the past. Further innovative solutions have been introduced for the main meals by providing packs for picnics, or in any case meals to be consumed outside the common areas. They are also available to create additional "dedicated services", realized ad hoc, if it is possible

Sextantio always has offered "tourists pack" designed for small groups or couples, in order to make the experiences in respect of privacy. For this reason, it was not necessary to modify the offers. The mission of Sextantio is to save all form of the territorial identity – the Landscape, the history, architecture and local materials cultures from the craft tradition to the cooking. Sextantio has preferred to differentiate its offer from its competitors and has strongly focused on the recovery, at any cost, of the tangible and intangible assets. This implies that urban planning and architecture, should not bend to the "hotel destination" but is the history and the respect for it which impose the final destination. For example, in Santo Stefano di Sessanio, the Reception is inside a cave used to grow the pig, or in Matera, Le Grotte della Civita, a Rock Church is the common room for the guest.

In this way, "we find in the people who populate the villages and that we "entrust" to our guests so that they enjoy the value of ancient traditions and objects and, at the same time, take care of them and respect them because they are unique and unrepeatable works" (I1).

However, the tourist offer was expanded through (I2):

- Agreements with the various restaurateurs of the village for dinners on site;
- Agreements with the most famous restaurants in the Abruzzo Region, and in Matera or Ionic Sea places, with multi-star chefs and with a long tradition of excellent cuisine and "historical" recipes, considered an inestimable heritage;
- Agreements with museums in the region and visits to ancient churches in the area;
- New offers for naturalistic activities dedicated to small groups (canoeing, horseback riding, trekking), and traditional, such as grape pressing, saffron harvesting (the gold of Abruzzo). Furthermore, activities already introduced in the past are re-proposed (weaving courses, baking in ancient ovens, activities dedicated to children);
- New exclusive naturalistic tours (e.g. visit to the most beautiful beaches on the coast, with umbrella in the front row) or cultural tours (e.g. visits at night in cave churches where exhibitions set up by established artists are exhibited);
- Local food and wine tours.

Generally, booking reservations have slightly decreased due to the drop in requests from foreign tourists, while domestic bookings are moving towards small villages preferring, in contrast to the past, greater confidentiality. Loyal foreigners’ customers have cancelled and moved the reservation to the following year.

The on-line and social communication has always been kept active and enhanced throughout the lockdown by sending newsletters to beyond 12,000 Sextantio users, who have been informed step by step of any news, including every imposition from the Government. “Recently, we conveyed the new opening per 2020 with the last offers of the new season” (I2).

The most preferred channels used have been those of tour operators, especially Italians operators who are increased due to the new scenario which for 2020 will be almost entirely national. To these are added social networks such as Facebook, Twitter, Instagram and the YouTube channel and the web-site sextantio.it.

Analyzing the AD activities according to the "value chain" (Porter, 1985), it was possible to highlight the primary and support activities as well as values created by the Sextantio Group as follow:

- In bound logistics: wise job of anthropologists and restorers, as well as the oral contribution given by
the ancestors of the place or of the close territory, according to the philosophy of Sextantio.

- Operations: towards an "increasing in knowledge of ancient traditions, history".
- Out bound logistics: suppliers must not diminish the project of Sextantio which is to bring about a unique and authentic experience, which would like to deep change tourists, towards an inner transformation.
- Marketing: Each message or event, created by Sextantio, contains the mission aimed at the new discovering local history, flora and fauna.
- Service: in this post-Covid19 era, the most attentions are to realize services aimed to promise safety and trust.

The support activities, which carry out the basic activities, for Sextantio Group are the following:

- Firm infrastructure/Sustainability: a new discovery, above all, for tourists with unfamiliarity of sustainable tourism
- Human Resource/Repopulating: more opportunities of new jobs could arise, as a consequence of special requests, or greater needs for continuous sanitation of the places.
- Technology development/Best quality of the life: rediscovery, in spread the quality of life that during recent months, in the lockdown period, had disappeared.
- Procurement/Heritage protection: "km 0, recovery and safeguarding of the territory" could become a new lifestyle.

The economic, environmental and social values offered usually by the AD are added those emerging at the time of Covid 19: confidence and trust in confidence and trust in compliance with the safety rules.

5. Conclusion

All natural catastrophic events related to wars and health emergencies have a significant impact on tourism choices and behaviour. The present study offers interesting stimuli to guide the economic recovery of tourism activities which have been most affected by the effects of the pandemic.

The AD model includes a social innovations based on "new" social behaviours (Normann, 1992), with "return to the past" which permits to recover tangibles historical assets and create intangible value such as safety and trust. AD proposes a “revisited” concept of innovation expressed by a return to the past, in a modern key. In the Hotellerie sector, the need to realize innovation is a priority: the continuity of the success is obtained only if they reinvent themselves in a targeted way. The concept of innovation applied in this study is that which interprets it as a process of identification-resolution of problems (problem finding-solving) through more or less radical changes of the routine (Nelson & Winter, 1982; Nonaka, 1994). This innovation can be transposed at the post Covid19 era through the AD business model which features make it an offer that can be used both from an economic and a security point of view.

In this research, the characteristics of the AD business model were analyzed to verify what changes the post-Covid19 has brought about the demand and offer of tourist services. With respect to the orientation of the demand, there is a reduction in “human connectivity” in favour of “environmental connectivity”. Therefore, the wish towards a self-reflection and the engagement to achieve common well-being (Sheldon, 2020) could represent a great incentive in the discovery of ADs whose characteristics allow them to meet both these tourist expectations and social distancing. The ADs potentially should realize the wishes to live lightness moments and deep experience with nature, history, culture and safety, above all. Focus on the greater good, the new meaning of freedom, the increasing level of safety needs and social relationship can be realized in the AD.

At the time of post-Covid19 new needs arise that the AD is able to satisfy (Zenker & Kock, 2020). In the post-Covid19 era, tourists ask for new "goods and benefits" that the AD may satisfy. Indeed, the comfort of the holiday and the offer "custom-made" for guests, complete the "traditional services" about tourists hospitality, in compliance with the health-safety measures in order to sure social distancing, by avoiding gatherings (Vallone et al., 2013). The ADs present their structures as a holiday alternative suitable for tourists who want to rethink the way they travel, made up of distant destinations and different habits (Paniccia et al. 2010; Droli & Dall’Ara, 2012; Romolini et al., 2017). During this “post-Covid19 era” tourists go towards a new appraisal of "local heritage", traditions, cultures and leisure activities available "close home" (Korže, 2018; Gilli & Ferrari, 2016) but, above all, they want to feel in safety for their health, they don't want to take risks related to a possible infection, where possible (Ioannides & Gýimóthy, 2020). Preferences will be directed towards discreet and uncrowned accommodation facilities and the tourist offer will have to develop new alliances with local partners to encourage the decentralization of services without compromising the variety and quality of the tourist offer (Gallego & Font, 2020).
The fears related to the resurgence of the virus push tourists towards a tourist offer capable of ensuring i) safety and hygiene, as guarantee of health protection, ii) uncrowned and uncontaminated space, with a green prevalence; iii) travels by personal means of transport and, consequently, short distances or national tourist destinations; iv) discovery towards places, cities, villages, never visited in previous trips, as a substitute for travelling abroad and to distant unknown places; v) reservations as last minute or closer in vacation period (Cheer, 2020; Fennell, 2020; Gallego & Font, 2020; Jamal & Budke, 2020; Li et al., 2020; Niewiadomski, 2020). These preferences will focus on structures that can offer a tourist services and accommodation compliant with these characteristics will be expected. These new needs can be met by the AD, which has a competitive advantage over traditional hotels and able to comply the new requests of the tourist demand without significant paradigm changes in the tourist offer. The specific identity and purpose of AD as well as its widespread and scattered structure, where the common areas are limited to the reception and breakfast/dinner rooms, make the AD particularly suitable for the tourist offer of the post-Covid19 era.

Analyzing the AD activities according to the "value chain" (Porter, 1985), it was possible to highlight the primary and support activities of the Sextantio Group and, subsequently, to generalize them for the AD business model.

L’AD is able to join its typical "economic, social and environmental values" with need of trust and safety toward the hospitality (structure and human resources). The basic activities outline the AD's strategy that is straightforward and clear: few simple features, in complete harmony with the environmental context and, at this moment, with health emergencies. The activities and values have drawn by the AD’ value chain is shown in table 3.

Table 3. AD value chain

<table>
<thead>
<tr>
<th>Support activities</th>
<th>Typical characteristics and activities of AD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm infrastructure/SUSTAINABILITY</td>
<td>Progressive recovery of abandoned places, homes, areas without the creation of new buildings</td>
</tr>
<tr>
<td>Human Resource/ RIPOPULATING</td>
<td>Local human resources and historical recovery experts. Customer care and training</td>
</tr>
<tr>
<td>Technology development /BEST QUALITY OF LIFE</td>
<td>Return to the origins. The choice is to adopt &quot;invisible&quot; technologies: e.g. Wi-Fi, under floor heating, in order to re-produce the &quot;similar&quot; real life in the past. Other functional technology is used just to spread knowledge</td>
</tr>
<tr>
<td>Procurement /HERITAGE PROTECTION</td>
<td>Selection of products &quot;Km 0&quot;. Reduced use of cars, just suppliers of the same area</td>
</tr>
<tr>
<td>Basic activities</td>
<td></td>
</tr>
<tr>
<td>Inbound logistics</td>
<td>In order to achieve the best quality, it is used especially “Km 0 products” aimed to the recovery of seeds, culinary traditions, recipes, crops, stories, arts and crafts</td>
</tr>
<tr>
<td>Operations</td>
<td>Increasing of knowledge of ancient traditions, of history through the management of various events in the field</td>
</tr>
<tr>
<td>Out bound logistics</td>
<td>Each offering tourist package is carefully supervised Maximum experience and knowledge of expert guides are required</td>
</tr>
<tr>
<td>Marketing</td>
<td>Educational itineraries, cooking schools, historical-artistic and natural excursions to discover the local flora and fauna</td>
</tr>
<tr>
<td>Service</td>
<td>&quot;Devoted services&quot; are provided, based on the special needs of every tourist. In the post Covid19 period, greater attention is given to services aimed to promise safety and trust</td>
</tr>
<tr>
<td>Era</td>
<td>Values</td>
</tr>
<tr>
<td>Pre-Covid</td>
<td>Economic, social and environmental values: what tourists are willing to pay in order to live a unique and not replicable experience</td>
</tr>
<tr>
<td>Post-Covid</td>
<td>Economic, social and environmental VALUE: as above Trust: at the time of post-Covid19 it is really important the trust towards a structure and every employee of the place, able to transmit SAFETY, also thanks to efficient communication about every activities adopted</td>
</tr>
</tbody>
</table>
The knowledge of the "personal" value chain, referring in this study to an AD structure, is really important to find new opportunities. It is available a "dashboard" with direction about any opportunity or weakness that are arising in the structure, both due to the internal and the external reasons. Thanks to a deep knowledge of personal potential, it is possible to decide on adopting new strategies. The strategies identified by a company are not only a set of decisions, but are the result of identity, history of a company. Above all, in complex and turbulent contexts, strategy must be easy and clear, in the case of AD: a few easy characteristics, completely in harmony with the environmental context and, at this moment, with health emergencies.

According to this new identification and awareness of the tourists’ "new needs", of both "loyal" customers and new customers, it is evident two new requirements and values, in addition to those already offered in this type of hospitality (economic, social and environmental): value, confidence and safety.

Respectively, the meaning of value is what tourists are willing to pay to live a unique and unrepeatable experience. Trust with reference to the post-Covid19 era, the general need is towards the welcome structure and every employee. Therefore, it is necessary to be able to transmit safety thanks to an efficient communication about the content of all adopted activities by the structure, however, always guaranteeing customer safety.

AD looks like a business model suitable to meet the changing demands of the tourists at the post-Covid-19 era. The analysis of the case study shows that the only changes request to AD are aimed at enhancing the centrality of the guest, taking into account the new preferences and requests in the post-Covid-19 time. Thus, to comply these preferences and requests the AD’s supply may i) conclude agreements with local structures to decentralize the provision of services (e.g. catering, restaurant, etc.) without compromising the offers quality; ii) expand the offer of activities that promote social distancing; iii) introduce flexible offers in terms of booking and cancellation.

5.1 Value of the Research

This paper contributes to the novel Covid-19 academic literature thanks to the identification of the AD’s potential to offer a tourist supply suited to the renewed tourist needs at the Covid-19 time without having to substantially change strategies, activities and tourist offer. The case study allowed to test theoretical insights in the real life and declined a general framework suitable to the tourist offer at the Covid-19 era. We used the SWOT analysis matrix (Porter, 1985; Beeho & Prentice, 1997; Hill & Westbrook, 1997) to resume the role of Strengths, Weakness, Opportunities and Threats (Figure 5). Each point is referred to the post-Covid19 era.

![Figure 5. Swat Analysis of AD business model – authors’ elaboration](image-url)

The AD business model has significant and valuable points of strengths and opportunities.

**AD’s Strengths**

Uniqueness and unrepeatability of the experience offered are the main strength of the AD. At the Covid19 time other strengths can be detected. To comply with the rules of social distancing, it is not necessary to greatly decrease the reservations to be accepted. A possible reduction in the number of accepted bookings could be expected to strengthen the tourist’s confidence in the safety of the structure.

AD combines the comfortableness of the accommodation and the targeted offer, tailor-made for the guest, with the possibility of enjoying all the hotel services, in compliance with the safety measures for maintaining social distancing, avoiding gatherings.

The AD presents himself as a holiday alternative suitable for tourists who want to rethink the way of travelling, made of distant destinations and different customs, because they want to stop and rediscover the values of their
land, their traditions.

The AD offers to the tourists a rediscovery of the sense of freedom after the lockdown in respect of social distancing.

**AD’s Opportunities**

AD offers to the tourist system the possibility to lead the change of tourism idea and "exploiting" a moment of freedom restriction, in an opportunity of discovery of a new type of tourism, still unknown to many, more on a human scale, to rediscovery of values, flavours and ancient traditions, in contact with nature, to discover themselves and human relationships in this post-Covid19 era.

**AD’s Threats**

We have detected a risk linked to the loss of identity. The AD must not be transformed into "refuge" tourism hospitality, due to the fear of contagion.

**AD’s Weaknesses**

A signify weakness of AD is the poor knowledge of this type of hospitality, inadequacy with respect to mass tourism, poor usability by young people (essentially due to the costs and offers designed for a more mature audience). Other weaknesses we have detected are common to every tourist offer and are the loss of tourism quotas due to the Covid-19, out of fear, and the risk of cancelling reservations from international tourism. This risk is compensated by national bookings as shown by the data collected in the case study.

This research, carried out during Covid-19 time, contributes to the existing literature by analyzing the characteristics of the AD in an original way on respect past and current issues. The results show that AD can be an easily accessible solution for tourists who want to plan their next leisure trips. Thus, it offers suggestions to tour operators and policy makers to develop this kind of hospitality.

Particularly, the conclusions showed through the SWAP analysis can be used by tour operators, hoteliers and tourism companies differentiate their offer also by entering into agreements and alliances with other existing structures (e.g. B & B, holiday home, small hotels and guesthouses). On the other hand, this paper offers insights to the policy makers to support investments in this business model through contributions and facilitations, even in large art cities or seaside resorts, to encourage the use of AD formula also for mass tourism.

The limits of the paper are represented by the analysis restricted to a single case study which, although structured over different territories and with multiple structures, is reserved for selected tourism, both from an economic and cultural point of view.

This paper offers stimuli for future research by deepening the analysis to other ADs, in Italy and abroad, addressed to the different tourist target.

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