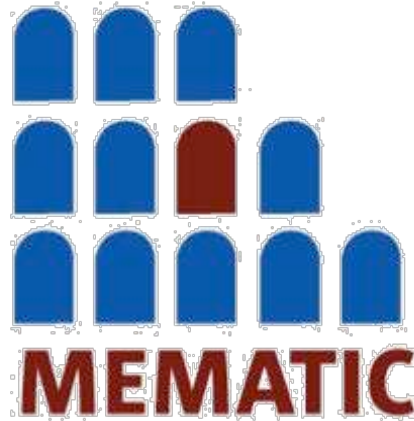




**TOR VERGATA**  
UNIVERSITÀ DEGLI STUDI DI ROMA



**MASTER  
IN ECONOMIA  
E MANAGEMENT  
DELLE ATTIVITÀ  
TURISTICHE  
E CULTURALI**

## **Managing the Tourism Firms-Destinations Relationship to progress towards Sustainability: a Co-evolutionary perspective**

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## Introduction

This lesson deals with the topic of tourism organizations' evolution in order to understand how tourism firms can create and develop sustainable and innovative business models within and across destinations, maintaining them sustainable over time. The topic is complex and of key importance for competitiveness and sustainable development of many destinations and tourism firms, especially to face the challenges related to the strong negative impact of COVID-19 on tourism worldwide. Although academic attention to these models has increased over the years, the processes that drive them are still poorly understood. A general justification of this research gap is the lack of appropriate theoretical perspectives for an holistic interpretation of the complex dynamics underlying sustainable tourism paths (Bramwell, Higham, Lane & Miller, 2017).

Accordingly, this lesson presents a **co-evolutionary framework** that allows us to explaining the intertwined evolutionary socio-ecological dynamics of tourism firms' and destination's change underlying the aforesaid business models, and their key determinants. This framework has been developed and applied by some management scholars (Paniccia et al., 2017a,b; Paniccia & Leoni, 2019) in the tourism filed showing its effectiveness in the interpretation of phenomena such as innovation and sustainability. In this regard, the lesson also presents evidence through *ad hoc* case studies.

Through this lesson, the reader can acquire specific knowledge about the **co-evolution concept and on the two main key benefits in using the aforesaid co-evolutionary framework** to understand how tourism firms and destinations can progress towards sustainability. First, it allows conceiving sustainable and innovative business models in the tourism sector as a result of effective multilevel co-evolutionary adaptations, according to a holistic and dynamic view of sustainability. Second, it allows to provide entrepreneur and policy makers with valuable tools to enhance the destinations' identities through the propagation of the aforesaid business models, thus positively affecting the competitiveness of the destinations where they are located.

# Agenda

- **Overview about organizational evolution in tourism**
- **The co-evolution concept**
  - Origins and applications
  - The contribution of evolutionary economic geography (EEG)
  - The contribution of ecological economics (EE)
  - The contribution of management and organization studies (MOS)
  - **A co-evolutionary interpretative framework of tourism organizations' change**
    - The relationship between tourism firms and their destination
    - The tourists' role
    - Main determinants of effective multilevel adaptation processes
    - Connections between social responsibility, development, and sustainable tourism
- **Evidences from case studies on co-evolution in tourism**
  - Agritourism
  - Albergo diffuso
  - Religious accommodations
- **Conclusions**

## Overview about organizational evolution in tourism (I)

The tourism industry is continuously evolving, and reflects well the changes in the social system, signalling opportunities and challenges related to progress towards sustainable tourism for both tourism firms and destinations (Bramwell & Lane, 2013).

Particularly, in the last two decades, the evolving research and practice about sustainable tourism has widely underlined the relevance of cultural and natural heritage as a source of relationships and interdependencies (local and multi-local) able to potentially promote sustainable tourism paths within and across destinations, assigning value both to entrepreneurship and local socio-economic and natural contexts (e.g., Brouder & Eriksson, 2013; Paniccia et al., 2010; Paniccia et al., 2015; Paniccia & Leoni, 2019).

In this vein, there are also the recommendations of the World Tourism Organization (UNWTO, 2011), which states: *Historic buildings and open spaces that are left abandoned are at risk of physical decay or redevelopment, and represent a loss of opportunity to revitalize structures that contribute to the identity of a community and its social traditions. [...] revitalization of heritage places as creative and attractive venues for tourists and local residents alike.* In this sense, see the indications of the European Commission, contained in the Agenda for a Sustainable and Competitive European Tourism of 2007, and the guidelines of the European Association of Historic Towns & Regions, which was urged by the Council of Europe in 2009

Thus, the way in which the aforementioned heritage is being used is important and largely influenced by the interplay between local socio-economic and natural systems (Norgaard, 1984; Boschma & Martin, 2010; Moreno-Peñaranda & Kallis, 2010). It is also relevant for competitiveness (Porter, 1998; Paniccia & Leoni, 2019).

## Overview about organizational evolution in tourism (II)

What clearly emerges from the literature about evolution in tourism is that **local identity, sustainability and innovation are linked together by a circular evolutionary relationship** on which the development and competitiveness of destinations depend.

(e.g. Ma & Hassink, 2013; Brouder and Eriksson, 2013; Brouder & Fullerton, 2015; Paniccia e Leoni, 2017, Paniccia et al. 2017).

Moreover, the **importance of the role of small tourism firms** and individual entrepreneurs in destination development and competitiveness, as well as the necessity for synergic action between firms and institutions, have been highlighted.

(Alonso-Almeida, Bagur-Femenias, Llach, & Perramon, 2018; Duarte Alonso & Nyanjom, 2015; Dwyer & Kim, 2003; Hall & Williams, 2008; Hjalager, 2010; Komppula, 2014; Marin & Jafari, 2002; Pechlaner & Volgger, 2012; Roberts & Tribe, 2008; Weidenfeld, Williams, & Butler, 2010; Weiermair, Keller, Pechlaner, & Go, 2010).

That said, it is necessary to **capture and holistically view the relationships** that can generate sustainable and innovative business models as well as their dynamics over time. This is important even to better understand the **role played by individual entrepreneurs** in development processes within a tourism area.

In order to do so, **the co-evolution concept seems to perfectly achieve this goal**. In fact, **co-evolution conceives the organisations-environments relationship as circular with mutual influence and dialectical**.

Therefore, co-evolution is a key concept to explain how to encourage change, both at an institutional and a firm level, in order to **develop synergies able to stimulate sustainability-oriented innovations**, preserving their benefits over time.

# The co-evolution concept

## Origins and applications (I)

- The co-evolution concept relies mostly on **Darwin's biological assumptions** and has been adopted originally in natural sciences shedding light on the strength of natural selection in determining reciprocal evolutionary change in interacting species (Thompson, 2005; Cafferata, 2016).
- Over the years, it has been considered as one of the key concept of **Generalized Darwinism** and has been **widely adopted in economic literature as well as in management and organization studies** in order **to explain the dynamics underlying organizational evolution** (see Cafferata, 2016 and Abatecola et al. 2020).
- The co-evolutionary scholars reinterprets the concept of **organisational adaptation** as “the **joint outcome** of managerial intentionality, environment, and institutional effects” (Lewin & Volberda, 1999, p. 526). In this new view of adaptation, environmental pressures/determinism and organisational strategies/voluntarism are conceived as variables whose power relationship changes dynamically, thus greatly reducing the long-standing dichotomy between two opposing schools of thought (i.e., environmental determinism and strategic voluntarism) on the adaptation of social organisations.
- The central aspect is that neither of these two forces (i.e., firms and environment) is sufficient by itself to define the adaptation, but both are necessary. This means that **social organisations (such as tourism firms and destinations) are concurrently both the subject and object of evolutionary change**, and **adapting means searching for, in a proactive way, solutions to common problems** (Lewontin, 1989).

## Origins and applications (II)

- The above new conceptualisation of organisational adaptation draws on the **dialectical features** of the organisations' relationships with their environments (Weick, 1969; Benson, 1977; Hrebiniak & Joyce, 1985). Such relationship is dialectical in that it can determine unforeseen, successful social constructions (e.g., sustainable and innovative business models), but also limit them, thus reducing the benefits connected to variety (Kallis & Norgaard, 2010; Cafferata, 2016). An important issue that requires more attention by management and organisation scholars is **how organisations deal with natural environment pressures, especially today** (Porter, 2006).
- It is worth noting that this latter issue has been highlighted in tourism studies, especially in connection with the **role of tourism firms in destination competitiveness and sustainable development** (e.g. Dwyer & Kim, 2003; Komppula, 2014).



## Origins and applications (III)

- The co-evolution concept has been **applied to analyse different economic sectors**, producing relevant interpretations for different but related phenomena, such as firms' birth, survival, success/advantage, crisis and death.
- As a matter of fact, co-evolution concept has been gaining **increasing attention within the tourism literature**, from the last decade (e.g.. Pastras and Bramwell, 2013). In particular, it has been taken up in tourism studies by evolutionary economic geography (e.g., Brouder & Eriksson, 2013; Ma & Hassink, 2013) and management scholars (e.g., Paniccia & Leoni, 2019; Paniccia et al., 2017a,b), **providing useful elements for understanding the organisational evolution in the tourism field and interlinked key processes, such as sustainability and innovation**. Also some studies in the policy field have drawn on the co-evolution concept to provide a better understanding of tourism policies evolution (Pastras & Bramwell, 2013; Mellon & Bramwell, 2016).
- The aforesaid management scholars have mainly adopted **multilevel co-evolutionary investigations**, according to the fact that co-evolution occurs not only among different organisations (Baum & Singh, 1994) and within the social organisation itself at multiple interconnected **organisational levels** (e.g., Breslin, 2011; Volberda et al., 2014), but also at **multiple spatial levels** (Ma & Hassink, 2013).
- The following slides shed light on some important contributions from economic geographers, ecological economists and management scholars to research about coevolution in the tourism field.

## The contribution of evolutionary economic geography (EEG)

- Recently, co-evolution has been taken up by economic geographers (Boschma & Martin, 2010; Essletzbichler, 2012), introducing a new paradigm, namely the **evolutionary economic geography (EEG)**.
- The major theoretical foundations of EEG are: a) **Generalized Darwinism** that, in addition to co-evolution, involves the concepts of adaptation, variety, novelty, selection, and inheritance; b) **Complexity theory**, that studies the complex balance of adaptive systems; and, c) **Path dependence theory**, which highlights the contingency concept, the dynamics of self-strengthening, as well as the notions of lock-in, branching and path creation.
- The adoption of co-evolutionary ideas helps EEG to explain the irreversible and dynamic processes, at different spatial scales (micro, meso, macro), by which the economic landscape transforms itself over time. Why does a phenomenon generate different results in different local contexts? What mechanisms and processes have allowed these different results? These are key issues that in practical terms can be addressed through the EEG lens.
- In this vein, some **evolutionary economic geography** studies (e.g., Brouder and Eriksson, 2013) have provided a co-evolutionary understanding of the evolutionary dynamics of tourism destinations.
- Thus, EEG is useful to better understand and explain **the relationship between tourism destination evolution and regional development**, with its effects on innovation in the tourism sector.

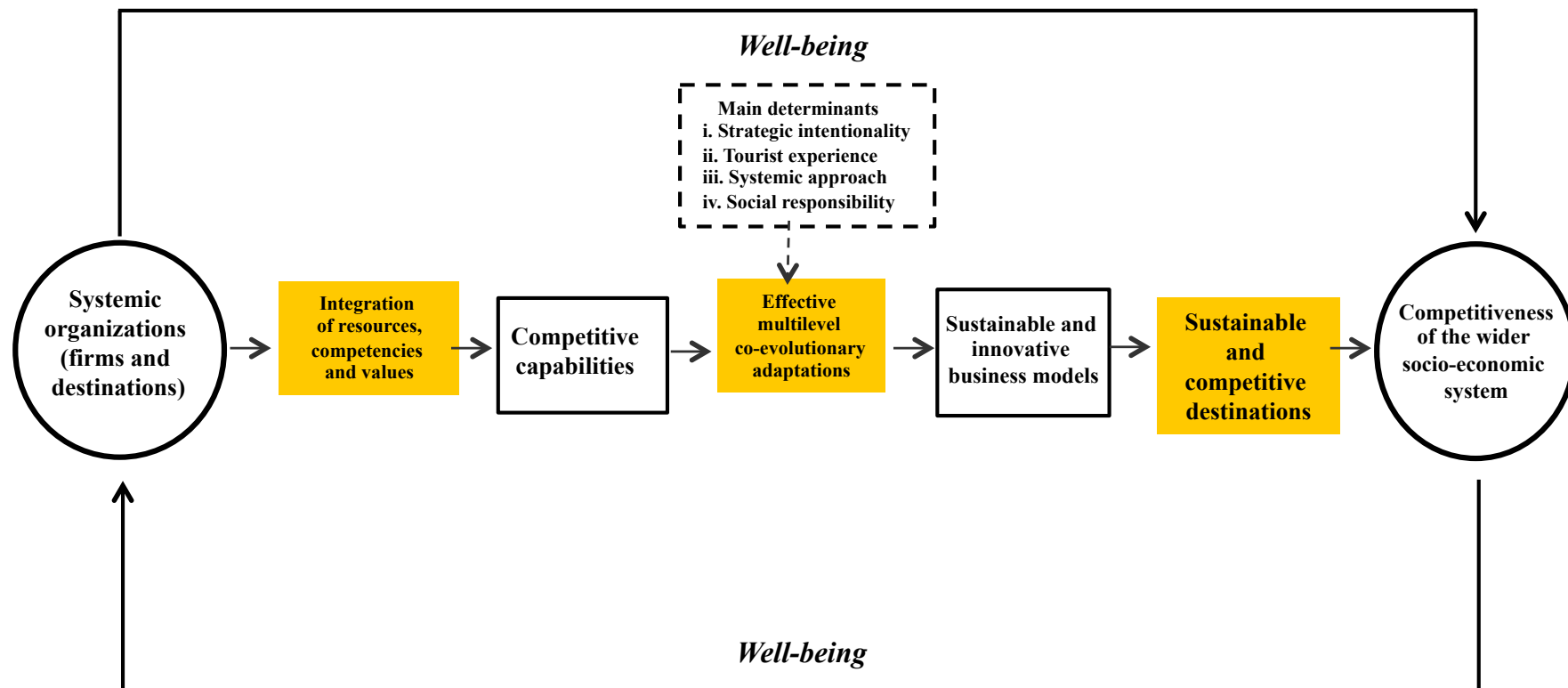
## The contribution of ecological economics (EE)

- An important contribution to progress the research in the sustainable tourism field comes from ecological economics (EE) co-evolutionary scholars in that they offer a conceptualisation of sustainability of social systems (such as firms and/or destinations) at different interconnected scales (local, regional, global), emphasising the role of nature as a reactive system. In particular, already in 1984, Richard Norgaard has analysed change in the agricultural sector from a co-evolutionary viewpoint by linking developments of biological evolutionary theory—rooted in the Darwinian processes of variation, natural selection, retention—with the evolutionary thought in social sciences. A decade later, in his fundamental and still highly influential work “Development Betrayed” (1994), Norgaard has provided a co-evolutionary explanation of sustainable development in complex social-ecological systems.
- From the EE point of view, **co-evolution is conceived as a process of evolutionary change between interdependent and interacting social and natural systems driven by mutual selective processes with reciprocal feed-backs and adaptations.** This process is explained in the Pentagon model (Norgaard, 1994, p. 25) emphasizing the systemic influence in co-evolution: a **social system**, that includes the **economic system**, is constantly subjected to the pressures of the **natural system** within which it exists. In turn, it responds and adapts exerting cognitive and material pressures through its components, i.e., knowledge, values, organisation, and technology. On the one hand, these changed environmental conditions are path-dependant, thus largely influenced by lock-ins that make **difficult to change consolidated unsustainable practices.** On the other hand, the aforesaid changed environmental conditions include **the generation of new variations affecting how selection forces operate** and, thus, long-term opportunities to break through path-dependencies. All the above-mentioned interactions take place within different interconnected scales (local, regional, global) shaping paths of (un)sustainable development over a long time.
- Thus, **sustainability emerges as a co-evolutionary development process between society and nature that implies simultaneous systemic changes in all its three dimensions (social, economic, environmental).** This concept is innovative and very useful for understanding the dynamics of change in the world of tourism organizations (Paniccia et al., 2017b). In fact, it stresses the integration, both systemic and dynamic, of social and ecological evolutionary changes, opening the possibilities for new social construction and reconstruction in the long-term (such as sustainable and innovative business models, and it favours the converge halfway of the various schools of thought on environmental determinism and social determinism in the analysis of sustainable development.

## The contribution of management and organizations studies (MOS)

- As said before, the co-evolution concept has been taken up by some management and organization scholars, developing a **co-evolutionary interpretative framework of tourism organizations' change**
- This framework combines elements from evolutionary ideas in economic geography and ecological economics (above presented) with elements from management and sustainable tourism studies about organizational evolution.
- Within the general aim of this lesson, the framework is here presented for interpreting the complex socio-ecological dynamics underling the creation and development of sustainable and innovative business models in the tourism sector. In particular, it focuses on the dynamics of the relationship between tourism firms and their destination, considering the influences of the external/environmental and internal/tourism firm-specific factors at different organisational-spatial levels of a destination. Thus, two main key benefits in using this framework are in that: i) it conceives hospitality business models oriented towards sustainability as result of effective multilevel co-evolutionary adaptations, according to a holistic and dynamic view of sustainability; ii) it provides firms and policy makers with valuable tools for contributing – in practice – to competitiveness of tourism organizations through new sustainable business models.
- The following slide graphically shows the proposed co-evolutionary interpretative framework, focusing on the **relationship between tourism firms and their destination**.

## A co-evolutionary interpretative framework of tourism organizations' change



## The relationship between tourism firms and their destination (I)

- The figure shows a reinterpretation of the **relationship** between tourism firms and their destination from a co-evolutionary perspective.
- Tourism firms and their destination are **interdependent co-evolving systems** with **mutual influence** and **feedbacks** co-adapting according to an **evolutionary tight circular relationship** of **dialectical nature** and **systemic influence**.
- In turn, tourism firms and their destination co-evolve with the wider socio-economic and natural systems, adapting constantly.
- The external/environmental factors (such as policies, technological progress, climate changes) create **dependence**, and tourism firms (i.e., internal factors) tend towards relative **autonomy** by strengthening their resources and competences over time.
- The tourism **firm** is constantly subjected to the **pressures** of the local context within which it exists. In turn, it **responds and adapts** exerting cognitive and material pressures through, for example, knowledge, values, and organization.

## The relationship between tourism firms and their destination (II)

- **Micro** (firms), **meso** (regions) and **macro** (destination as a whole) **levels of a destination** interact with each other over time, **sharing routines** —such as values, knowledge, learning, skills and competencies, sustainable tourism culture and behaviors—and **co-determining organizational practices**, but also **institutional changes**.
- Accordingly, a **new tourism firm's practice**, that takes place within a certain region, is largely influenced by the firm and region's **history**, and thus **lock-ins**, that affect its future trajectories.
- In the **long-term**, the associated consequences (positive or negative) of this variation can increase **sustainable tourism culture**.
- Moreover, **macro environmental factors** exert **selective pressures** on the co-evolutionary adaptations between firms and their destination, weakening (or reinforcing) historical lock-ins.

## The relationship between tourism firms and their destination (III)

- Regions and local contexts of a destination are not external to the firms and tourists are not external neither to these areas nor to the firms, thus all becoming co-protagonists of tourism firm-destination co-evolutionary change (virtuous or not).
- In this dynamic, **regions**, along with their **identities**, emerge as **pivotal**, together with tourism firms for attracting responsible and sustainable tourism.
- Clearly, the **creative** and **dynamic integration** of all its specific (and unique) **resources** extends interdependencies and positive externalities, taking into account the environmental fragility and social needs and values, by creating sustainable tourism niches.
- Therefore, only tourism firms and regions or local contexts that have a **systemic set-up** and **behavior** – to be monitored over time – will be able to share values, create and transfer ecological knowledge **renewing skills** and **competencies**, and then to adapt with local environmental changes **towards sustainability**.



## The relationship between tourism firms and their destination (IV)

- The central aspect of the framework is the **connection** of **systemic organization** and **adaptation concepts**, as a prerequisite to dynamically combine regional identities, local organizational and institutional skills, and thus progress towards sustainability and competitiveness.
- This suggests a conceptualization of **sustainable innovative business models** in the tourism sector as a result of **effective co-evolutionary adaptations at multiple levels**, determined by **strategic intentionality**, **tourist experience**, social responsibility.
- In the slide n.19 the four main determinants of multilevel co-evolutionary adaptations between tourism firms and their destination are explained.

## The tourists' role

- **Tourists** are an **active component** of this co-evolutionary dynamics because of the relationship that links their demand for variety and regional tourism offering.
- Tourists **live temporarily** in the destinations they have chosen to visit, **interacting** with the local communities and the tourism firms that host them. These interactions allow a **sharing of routines** (e.g., beliefs, values, knowledge, patterns of consumption, culture) and their incremental changing between **tourists (as temporary residents)**, **local communities (as permanent residents)**, local firms, and local institutions.
- In this regard, the concept of **cognitive proximity** between individuals and related variety (i.e., sharing complementary cultures and competences) is important and can be an explanation of the evolution of tourism models that have emerged over the decades, more and more sustainability-oriented.

## Main determinants

The four main determinants of effective multilevel co-evolutionary adaptations between tourism firms and their destination are explained below.

**1. Strategic intentionality** of tourism firms conceived as the linking pin between the external/environmental and internal/tourism firms-specific factors. This implies that it influences and is influenced by them. In fact, the strategic intentionality stimulates choices and behaviors at micro, meso and macro levels of a destination, involving particularly the reciprocal interactions between policy makers and decision makers. Therefore, strategic intentionality can be considered as the **enabling condition for new sustainable business models**, and the relevant unit of selection that over time modifies the local set of constraints (e.g., social structures, ecological conditions, history, competitive processes).

**2. Tourist experience** understood as the ability to interpret **environmental trends** in a **critical vision** and in a **holistic way**, and then to promote a virtuous circular relationship between new sustainable business models and tourist demand being aware that tourists—with their needs and cultural back-ground—live temporarily in the territories that they choose to visit, and interact with local communities.

**3. Systemic approach** referred to as the ability to **organize** and **manage** tourism firms, regions and the system of complex interactions within a destination. In fact, higher quality expectations from tourists require appropriate responses on the part of decision makers and policy makers. This implies above all the systemic approach of both tourism firms and local contexts within a destination resulting in **synergic diffuse interactions** and **organizational practices** able to enhance the identity of territories.

**4. Social responsibility:** understood as a shared awareness of benefits related to a vision of both tourism firms and destinations coherent with the concepts of “community” and lifestyle entrepreneur. Thus, both tourism firms and destinations have to be managed in an efficient and effective way assigning value to the **natural, social and cultural value** of the area in the tourist experience. This can represent a source of creativity for adopting new sustainable business models that indeed are rewarding the possibilities of competitive advantage associated with it.

## Connections between systemic approach, sustainable development and sustainable tourism

Sustainable development seeks to meet the needs and aspirations of the present without compromising the ability to meet those of the future (Gro Harlem Brundtland, 1987).



*... Apart from tools such as public-private partnership agreements, we should consider new ways that ensure innovation, for example through **systemic governance**, which encourages cooperation between all stakeholders, in order to transform collective intelligence into decisions and actions (UNWTO-Universidade do Algarve Forum, 29-5-2011).*

## Evidences from case studies on co-evolution in tourism

It is possible to identify at least three types of tourism firms which are the cause and the effect of virtuous co-evolutionary adaptations between firms, destinations, and tourists:

- 1. Agritourism** (*presented in the following slides and addressed in an article provided together with this slides in order to offer an exhaustive overview of this type of tourism firms*).
- 2. Albergo diffuso** (*an exhaustive overview of this type of tourism firms is provided in Dr. Leoni's lesson entitled "The "Albergo Diffuso" business model: from evolution to co-evolution"*).
- 3. Religious accommodations** (*an exhaustive overview of this type of tourism firms is provided in Dr. Baiocco's lesson entitled "Religious tourism and pilgrimages: dynamics and characteristics"*).

## The case of Agritourism (I)

### *LITERATURE ON THE PHENOMENON*

Over the last two decades, the evolution of the agritourism phenomenon has increasingly attracted tourism scholars; however, the literature on the topic is fragmented, challenging the development of a uniform field study and data collection.

The following aspects deserve particular attention:

1. The **absence of a unique definition** of agritourism is widely recognised by agritourism scholars. In fact, there are various terms associated with the concept (e.g., vacation farm, organic farm, agritourism, agritourism business model).
2. Some **external/environmental and internal/farm-specific factors** are shown to be capable of influencing farmers' strategy to diversify their core business through agritourism. However, how the interactions between external and internal factors can modify the local natural resource setting has not been considered and much less has been debated about how farms' capabilities and behaviours can change because of agricultural-tourism evolutionary dynamics that involve certain regions.
3. The positive consequences of agritourism on farms and rural destinations are highlighted. Recent studies have increasingly examined all **three sustainability dimensions of agritourism** (i.e., economic, social and environmental), but without considering the effects of the interactions among them, thus revealing the lack of a holistic and dynamic view of sustainability.

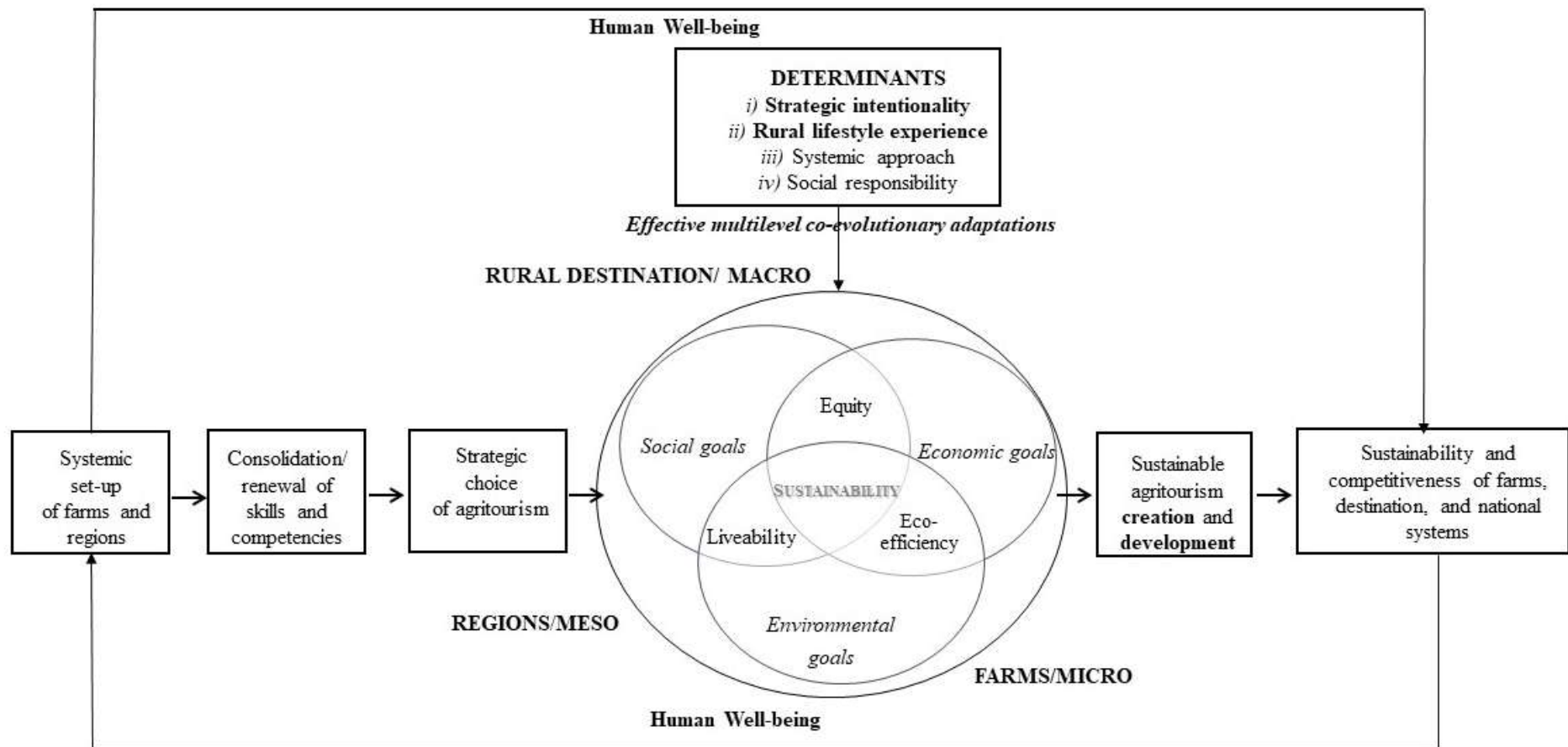
## The case of Agritourism (II)

### *APPLYING THE ABOVE PRESENTED CO-EVOLUTIONARY FRAMEWORK TO UNDERSTAND HOW TO CREATE AND DEVELOP SUSTAINABLE AGRITOURISM*

- **Farms and their rural destination are interdependent co-evolving systems with mutual influence and feedbacks, co-adapting according to an evolutionary tight circular relationship of dialectical nature and systemic influence.**
- This dynamic involves farms, regions, and tourists within a rural destination, affecting its evolution. In turn, farms and their rural destination co-evolve with the wider socio-economic system. The external/environment factors create dependence, and farms (i.e., internal factors) tend towards relative autonomy by strengthening their resources and competences over time. In this dynamic, local natural resources exert selective pressures of vital importance for the existence of farms, regional quality and attractiveness through the emergence of sustainable agritourism.
- Tourists are an active component of this co-evolutionary dynamics because of the relationship that links their demand for variety and regional tourism offering. All this has unavoidable implications for the **farms' strategic choice to create and develop (un)sustainable agritourism**, and then for farms' and rural destinations' development.
- Clearly, the creative and dynamic integration of all its specific (and unique) resources (especially natural) extends interdependencies and positive externalities, taking into account the environmental fragility and social needs and values, by creating sustainable tourism niches.
- Therefore, **only farms and regions or local contexts that have a systemic set-up and behavior – to be monitored over time – will be able to share values, create and transfer ecological knowledge, renewing skills and competencies, and then to adapt with local environmental changes towards sustainability.**

## The case of Agritourism (III)

### MULTILEVEL CO-EVOLUTION FOR SUSTAINABLE AGRITOURISM AND COMPETITIVENESS





# Sustainable Agritourism

## as result of effective multilevel co-evolutionary adaptations

### *DETERMINANTS*

According to the previous figure, it is possible to identify four main determinants that play an important role in spreading values, knowledge, behaviours, culture among farms, local institutions, communities and tourists as the driving forces of this favourable social construction, increasing the potential linked to the evolutionary circular relationship between variety demanded by tourists and offered by rural destinations.

These determinants are:

- **Strategic intentionality:** To make shared decisions that enable effective and responsible policies and strategies resulting in practices and behaviours more aware of the value of the agricultural heritage of rural destinations and the needs of communities that live there, for sustainable tourism and competitiveness;
- **Rural lifestyle experience:** To promote a virtuous evolutionary circular relationship between the sustainability-oriented rural hospitality models, the variety of tourism demand and corresponding offering, being aware that tourists – with their needs, behaviours and cultural background – live temporarily in the regions that they choose to visit, and interact with local communities, contributing themselves to variety through inter-culturality selection;
- **Systemic approach:** To organise and manage in an integrated and dynamic way multiple relationships of mutual functionality and reciprocal feedback within farms, regions, and the whole rural destination system, through appropriate knowledge and competencies and a common vision of development; and
- **Social responsibility:** To develop a new vision of farms and rural areas as evolving communities that consider the ecological fragility within which they live, promoting together human well-being through the valorisation in a systemic view of the unique resource setting of their heritage.

All this can facilitate the propagation of sustainable agritourism throughout the Italian regions (and not only), with benefits in terms of destination competitiveness and the amelioration of community living conditions.

## What to do to improve? (findings from research)

- To conceive **local contexts** within a destination as as a **source** of **relationships** and **interdependencies** (local and multi-local) able to promote new business models oriented towards sustainability and generate **value** for all the involved actors.
- To recognize that **innovation** has a **local dimension** that strengthens the link between tourism firms, institutions and communities at local and multi-local level.
- To consider **cooperation** at multiple levels as a fundamental lever to **integrate** all local **resources** (economic, social and environmental).
- To focus on “**multi-stakeholder governance**” models and “**territorial knowledge management**” practices, based on shared ethical and moral values and on a common sense of belonging.

## Implications and conclusion

- The co-evolutionary interpretative framework presented in this lesson allows to understand the complex processes through which tourism firms and their destination change together towards sustainability, and its key determinants.
- There is a relationship of **mutual functionality** between tourism firms, destinations, and tourists, involving many subjects at different organisational and spatial levels, variable over time, necessarily co-evolutionary and sometimes contradictory (i.e., dialectic).
- Thus, to ensure the long-lasting benefit of sustainable and innovative business models, **effective, on-going and co-evolutionary multiple levels adaptations are needed**, inside and outside the destination.
- **Systemic thinking** and **strong orientation towards the future** are fundamental in the management of firms and destinations, including tourists.
- In doing this, **the role of the tourism firms (and entrepreneurs) is crucial** in fostering a virtuous co-evolution, improving the sustainability and, thus, competitiveness of the destinations where tourism firms are located.
- Agritourism, Albergo diffuso, and Religious accommodations are perfect examples!

# To deepen the topic

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# Thanks for your attention!

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