

WP 5.1

ACT. 5.1: Setting up of Tourism Supply Chain

D. 5.1.2.d: Cross Border Report on establishment of Tourism Supply Chain

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SUMMARY

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1) EXCOVER TOURISM SUPPLY CHAIN

The main objective of the EXCOVER is the enhancement of the project partner destinations in order to increase tourist flows, which at present are not only very high, and to diversify seasonality.

Having all Partners completed in previous phases, the analysis of the destinations (SWOT and Reputation), the mapping of local heritage and the design and conceptualization of tourism products, the indispensable step to make the product purchasable and usable lies in building the Tourism Supply Chain.

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The tourism supply chain comprises the **suppliers of all the goods and services that go into the delivery of tourism products to consumers**. It includes all suppliers of goods and services whether they are directly contracted by tour operators or by their agents (including ground handlers) or suppliers (including accommodation providers). Tourism supply chains involve many components - not just accommodation, transport, and excursions, but also bars and restaurants, handicrafts, food production, waste disposal, and the infrastructure that supports tourism in destinations.¹

Tourism supply chain is the **network of tourism organizations that provide various partial products and tourist services used to create and later to distribute tourism products in tourism destinations**. It covers a wide range of participants, both from private and public sectors².

The Tourism Supply Chain is the first step of the ladder for the creation of the Value Chain, creating value in the consumer's eyes. Creating a profitable value chain requires a connection between what customers value, or want, and what the company produces. Value creation processes are usually complex and are shaped by a variety of processes, actors and interests. Actors may include both companies and public or civil society organizations that play key roles within the system. The tourism value chain concentrates on meeting and (hopefully) exceeding visitor expectations of the quality of a destination. This involves everything from the original marketing of the destination right up to final departure from the destination. Though several of the elements of the value chain are provided by the private sector, there are also several elements that are the responsibility of government – including national, provincial and local government

Figure 1 Main elements of TSC

¹ R. Tapper and X. Font, "Tourism Supply Chains. Report of a Desk Research Project for the Travel Foundation.," *Tourism Supply Chains. Report of a Desk Research Project for the Travel Foundation.*, 2004, <https://www.cabdirect.org/cabdirect/abstract/20043111886>.

² Xinyan Zhang, Haiyan Song, and George Q. Huang, "Tourism Supply Chain Management: A New Research Agenda," *Tourism Management* 30, no. 3 (June 1, 2009): 345–58, <https://doi.org/10.1016/j.tourman.2008.12.010>.

2) CREATION OF THE TOURISM SUPPLY CHAIN OF EXCOVER DESTINATIONS

2.1 OVERVIEW

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Tourism Supply chain mapping is an exercise to collect information on suppliers and sub-suppliers. This process aims to increase traceability and transparency of the entire Tourism Supply Chain. A supply chain can be considered a network of people interacting through the movement of a product or specific services from supplier to customer. **Supply chain mapping is not only about collecting the names and addresses of all units and locations involved in the production of a certain product, but it is a first step for having a better understanding of all services existing in the destination and will help to define the Tourism Value Chain.**

2.2 TSC DATA ANALYSIS

The Mapping of Tourism Supply Chain for EXCOVER Destination has been organized through **Excel spreadsheet where each partner inserted quantitative information** of most relevant suppliers in order to have a global view on structures, services and facilities to be offered to tourists and visitors in your destination.

The spreadsheet shows data on primary services and support services and permits to have an overview of the real and effective capacity of each destination to host visitors and to offer them the basic requirements to enjoy the vacation. The spreadsheet is divided in 7 sections, one for each asset: Transportation, Accommodation, Food and Beverage, Creative and Traditional Assets, Tourism Assets, Leisure-Excursions-Tours and Support Services. Drop-down lists have been added in some columns to facilitate the data entry.

Hereafter the results of each section completed by each project partner

Transportation:

Transports include all the means of transportation that allow tourists to reach the destination and move around it. You will be asked to select the main means of transportation, to indicate name and location of the Company and to select the types of connections (within destination or from/to destination).

Drop-down list explanation:

Category: Car Rental - Bike Rental - Motor Bike Rental - Boat Rental - Train Company - Bus Company - Ferries Company - Informal Transportation. **Single choice only**

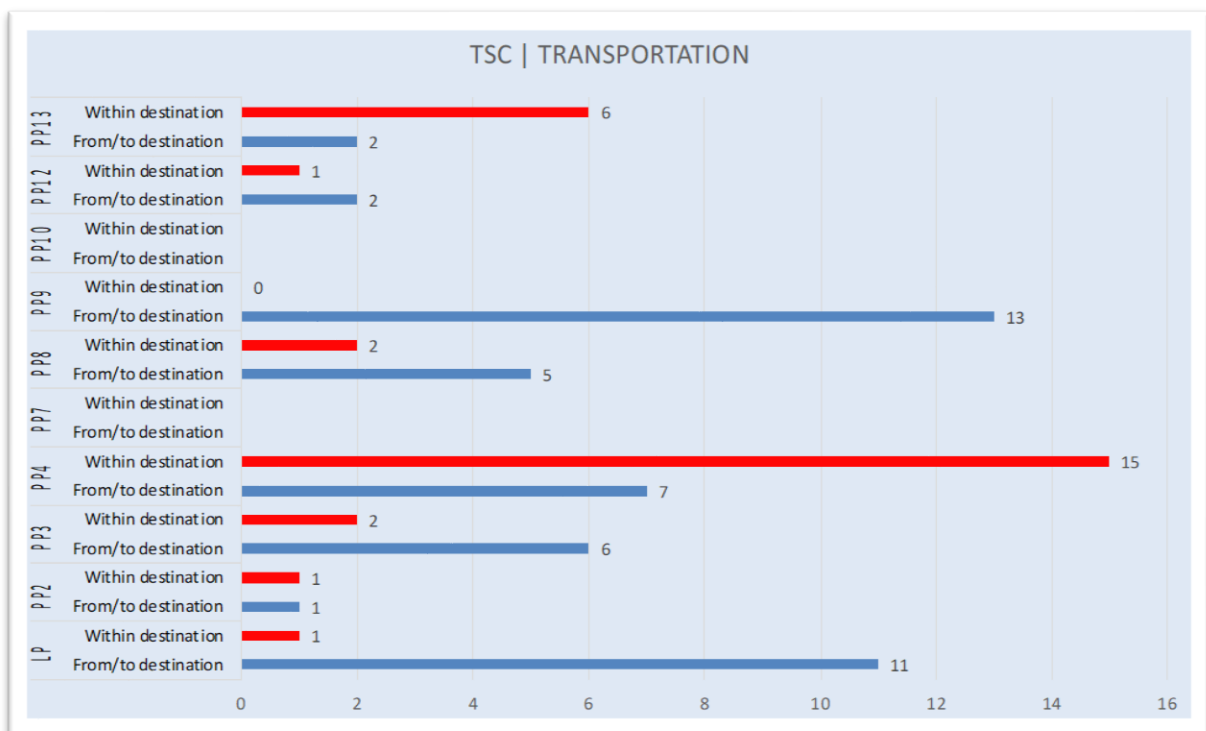
Type of service: Transport from/to destination - Transport within destination. **Single or multiple choice**

The data of the supply chain indicate that tourists can travel to all destinations of EXCOVER project in a sustainable way, as there are in all cases bus transportation to the destinations and in some cases also train connections. Over the past few years, the topic of climate change has become more and more popular, raising concerns about the future of our planet and eco system. And there's a valid reason for that. As our everyday lives become more automated and mobile, our carbon footprint continues to increase leading to serious consequences for the environment and the health of our planet. Therefore, it's more important now than ever before to understand what is causing our personal carbon footprint to grow and what we can do to reduce it.

Tourists determined to reduce carbon footprint are well aware of the direct effects that every mode of transportation has on the environment and also know that traveling by bus or train is a lot more efficient and environmentally friendly than either driving or flying. Both buses and trains not only use a significant amount of fuel less, but they also release much lower amounts of carbon dioxide into the atmosphere. In fact, traveling by bus rather than flying could decrease your carbon footprint by up to 13 times.

When travelling by bus or train, tourists will need a series of coordinated transports within the destination to get around, as local buses, rented bikes or local taxis.

The analysis of the data shows that the only destination with plenty of solutions in terms of internal transportation is UTI CARNIA, with 5 Bike Rental and 6 Car Rental, while other destinations have a maximum of 1 or 2 local rental solutions.



Stimulating local authorities to develop the transport-related sharing economy, with bicycles and other means of transport provided by locals, can prove to be a winning strategy to identify destinations as sustainable and environmentally friendly. Moreover, the visitor, having a comfortable means of getting around, to be used autonomously, or with the support of the citizen who provided the rental, will be more inclined to extend his stay in the location itself.

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Accommodation:

Accommodation is one of the basic needs for any tourism activity as travelers and tourists need lodging while they are on vacation. These are establishments that provide a place for the tourist to stay i.e., lodging facilities which are paid for the duration of the stay by the tourist. There are various types of accommodation which are used by tourists regularly. You will be asked to select the different accommodation on selected locations, to indicate name and location of the Company and to indicate the number of rooms and amenities and services at tourists' disposal.

Drop-down list explanation:

Category: Hotels and Resorts - B&B and Guest Houses – Apartments - Home Stay – Residence – Camping - Informal and unconventional stays. **Single choice only**

Nr of rooms: 1-5 rooms - 6-10 rooms - 11-15 rooms - 16-20 rooms - more than 21 rooms. **Single choice only**

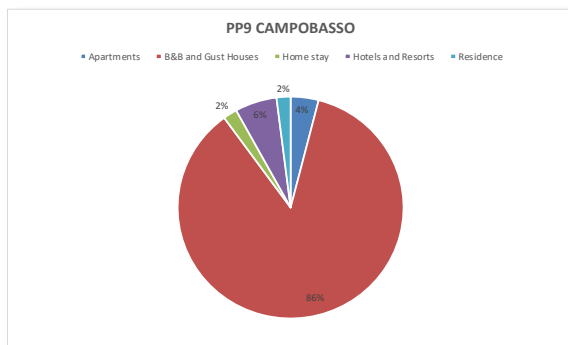
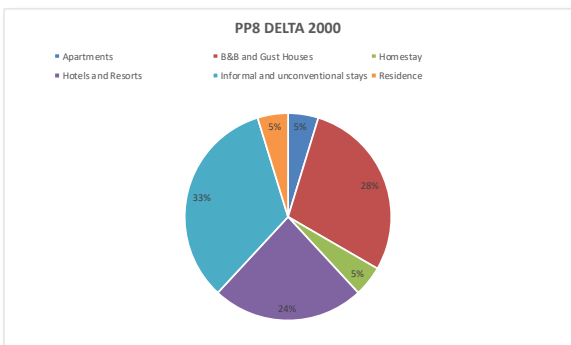
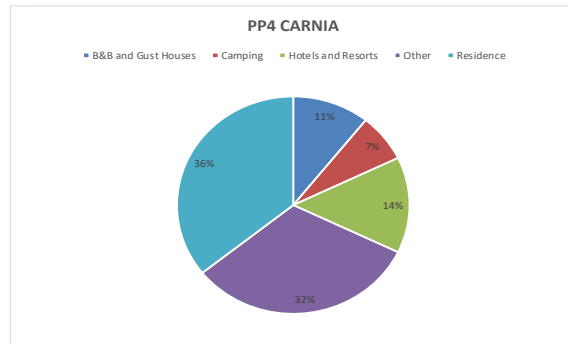
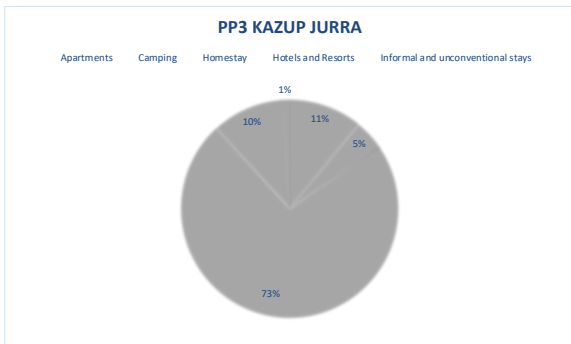
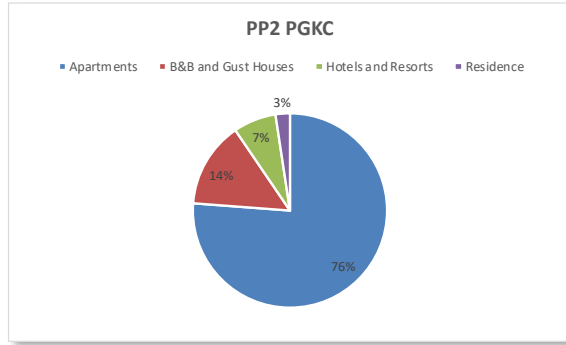
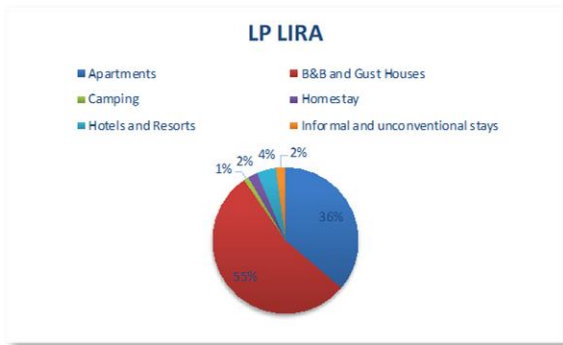
Services: Bar – Restaurant - Wellness & Spa – Parking - Rooms for disabled - Excursions and tours reservation. **Single or multiple choice**

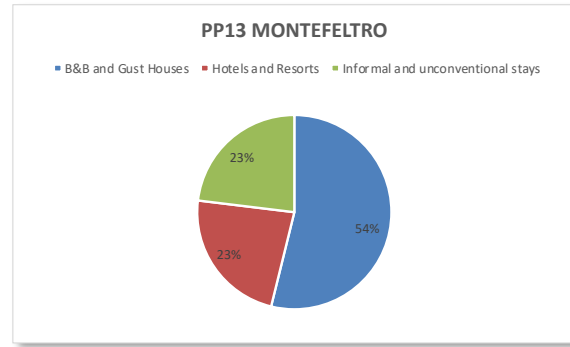
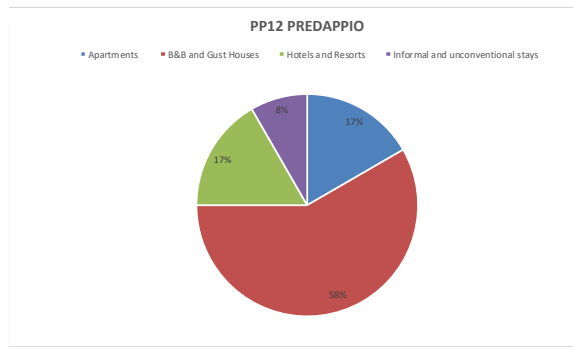
The analysis of the data referring to Accommodation in EXCOVER destinations revealed a varied and heterogeneous panorama among partners. The analysis of accommodation facilities in the context of tourism marketing is very important for several reasons, primarily the importance of the analysis of the maximum capacity, which must always be evaluated if the destination wants to attract groups with large numbers of participants, and secondly the type of communication of the tourist destination.

In the first case, the greater number of large accommodation facilities make it possible to address, in terms of planning and communication, tourist targets consisting of groups (which in turn vary according to hotel classification).

In the second case, it should be borne in mind that the communication strategy of a destination characterized predominantly by informal accommodation (flats, holiday homes, rural houses and bed and breakfasts) will have to be quite different from the strategy of the destination where hotels, resorts and residences prevail. This is particularly important for businesses located in regions distant from markets, such as the ones located in interior rural areas.

This is particularly the case in Carnia where out of 28 accommodation facilities surveyed, half are medium-sized hotels and residences. In general, the accommodation offer of all other Excover destinations is characterised by small facilities, with a maximum of 5 rooms, such as private flats, bed and breakfasts and holiday homes. The prevailing type of accommodation and the location of EXCOVER destinations, mainly situated in areas not affected by major tourist flows, suggest a communication strategy that enhances friendliness, rural economy, respect for the environment, sustainability and the uniqueness of authentic hospitality.





Food and Beverage:

The Food and beverage service industry engages itself in the provision of food and beverage, mainly to people who are away from their homes for various reasons. The basic needs of customers for food and beverages are met by the foodservice industry. This sector encompasses all types of establishments that supply food and beverages for consumption, from fine dining enterprises, ethnic restaurants and kiosks to bars, pubs and take away.

Partners were to select the main Food and Beverage Food companies in selected location, indicate name and location of the Company and to indicate one or more amenities and services of selected company.

Drop-down list explanation:

Category: Bar and Snack Bar – Restaurants - Fast Food – Kiosk - Informal dining. **Single choice only**

Services: Parking - Tourist Menu - Tasting Menu with local products - Accessible to disabled - Suitable for groups - Retail of local products - English Speaking – Allergy friendly. **Single or multiple choice**

The food experience has become, in the last years, one of the most researched and appraised by tourists,

The gastronomic experience is today one of the most desired and appreciated by tourists and visitors, regardless of the main reason for choosing and visiting a place. Local cuisine, in addition to offering unique flavors and colors that identify a destination, offers a journey within a journey and if well narrated can have a spatial (discovering the most remote and lesser-known places of the destination to visit a particular restaurant) and temporal (local cuisine is the result of culinary knowledge and traditions dating back to other times) value. The ability of restaurants and restaurant businesses to tell the stories of local food and wine is crucial to enriching the travel experience.

Data from the Tourism Supply Chain show a good number of venues dedicated to catering with restaurants, kiosks, fast food and snack bars. Few, however, are organized to offer tastings and typical local menus, probably because they are mainly aimed at a local clientele, already familiar with the uniqueness and typicality of local flavors. Furthermore, few catering businesses offer services for groups and, more importantly, many do not seem to be equipped to provide access for the disabled. This latter omission consequently does not guarantee that the destinations in question can be visited by travellers

with disabilities, who are now increasingly numerous and looking for facilities that can guarantee carefree stays and experiences.

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LP LIRA				
		Suitable for groups	Accessible to disabled	Tourist Menu
Bar and Snack Bar	10	3	3	
Restaurant	15			1
TTL	25			

PP2 PGCK				
		Suitable for groups	Accessible to disabled	Tourist Menu
Bar and Snack Bar	11	2		
Fast Food	7			
Kiosk	1			
Other	1			
Restaurant	8	3	1	
TTL	28			

PP3 KAZUP JURRA				
		Suitable for groups	Accessible to disabled	Tourist Menu
Bar and Snack Bar	58	1		40
Fast Food	4			4
Kiosk				
Other				
Restaurant	61			53
TTL	123			

PP4 CARNIA				
		Suitable for groups	Accessible to disabled	Tourist Menu
Food and Beverage				
Kiosk	1			
Other	1			
Restaurant	13	1	1	
TTL	26			

PP8 DELTA 2000				
		Suitable for groups	Accessible to disabled	Tourist Menu
Bar and Snack Bar	5	1		
Fast Food	3	1		
Kiosk	2		1	1
Other	2		1	1
R.andInformaldining	3	1	1	3
Restaurant	13	9	4	8
TTL	28			

PP9 CAMPOBASSO				
		Suitable for groups	Accessible to disabled	Tourist Menu
Bar and Snack Bar	93	2		
Fast Food	1			
Kiosk	7	2		1
Other	1			1
Restaurant	20	20	1	3
TTL	122			8

PP13 MONTEFELTRO				
		Suitable for groups	Accessible to disabled	Tourist Menu
Bar and Snack Bar	6	2		
Other	5			
Restaurant	13	1	1	1
Fast Food				1
Kiosk				3
TTL	24			8

Creative and Traditional Assets

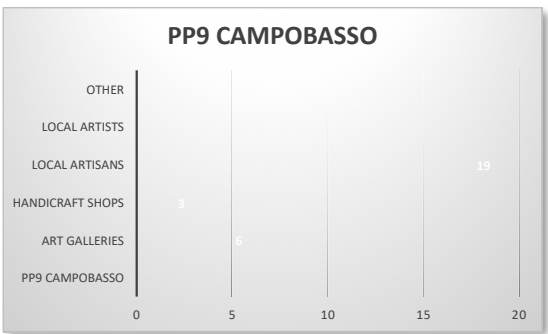
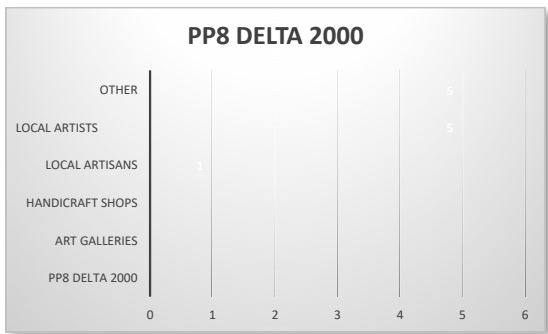
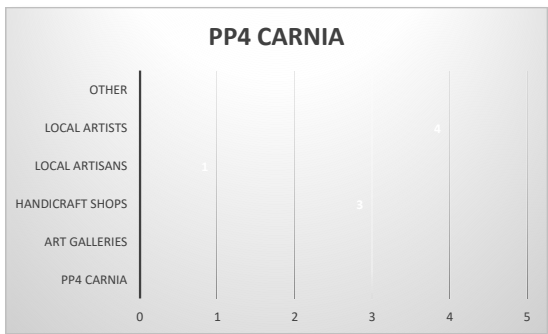
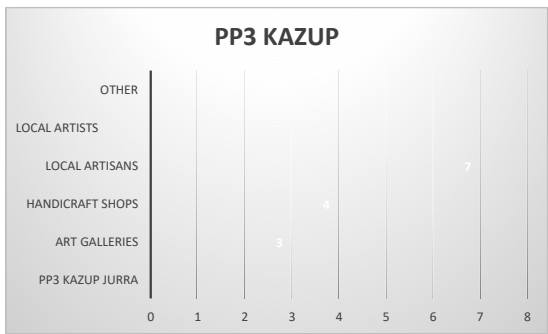
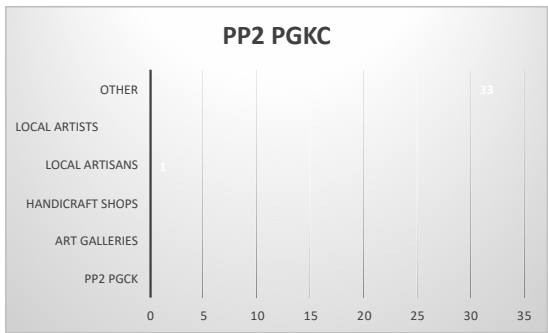
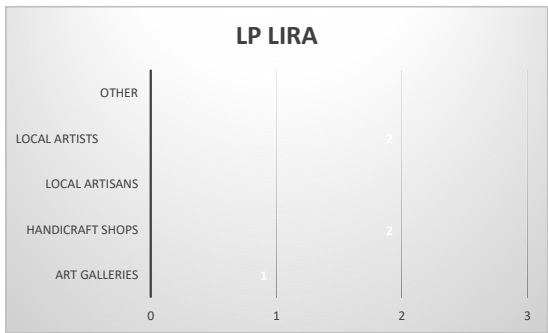
Tradition and creativity are among the main assets to create a touristic experience. Typically, handicraft is created from locally sourced materials, including wood, leather, stone, clay, metals and, together with art galleries are nowadays attracting an eager audience among tourists who desire handmade and authentic objects as souvenirs.

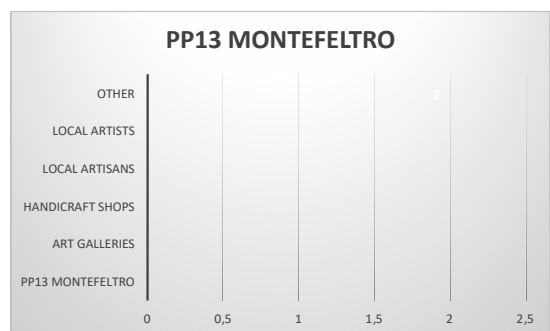
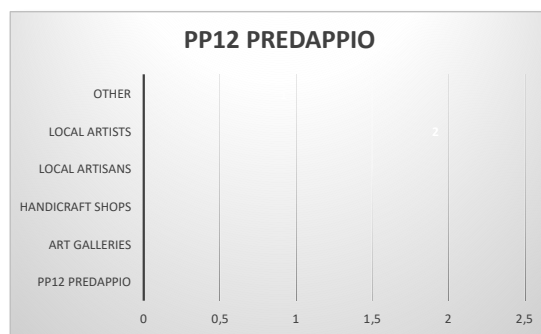
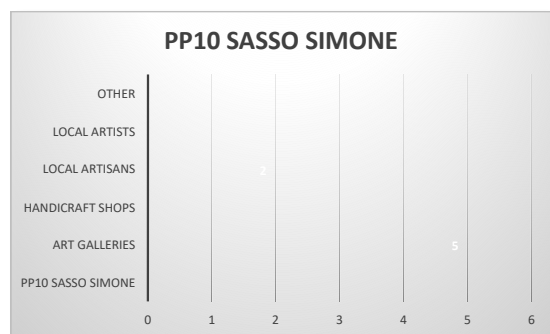
Partners were asked to select the main creative and traditional assets of selected location and to indicate name and location of the Company.

Drop-down list explanation:

Category: Local artisans - Local artists - Handicrafts shops - Art Galleries. **Single choice**

The mapping and survey of craft and creative activities in Excover destinations reported the presence, albeit in small numbers, of local artists, art galleries and craft workshops in all destinations involved in the project. The increasing pressure on destinations to differentiate themselves from each other, triggers an increasing number of initiatives and projects that try to specifically promote the potentials creative assets and, on the other hand, tourists show a growing desire to connect more intimately with the local communities they visit and to hands-on tourism experiences. As an example, **the Mountain Community of Carnia PP4**, in collaboration with Friuli Venezia Giulia Turismo and the Friulian Dolomites Alps - Natural Carnia, has developed a calendar of experiences that present the hidden gems related to music in Carnia. Throughout the summer, tourists will be able to take guided tours and experiences at a harpsichord workshop (Laboratorio Fratelli Leita), a luthier (Laboratorio Fratelli Rossitti) and an exhibition of ancient musical instruments (Permanent Exhibition La Mozartina), which the participants they will also be able to rehearse and play.





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Excursions and Tours:

Excursions and tours are intended as short journeys or trips, in this case the ones taken as a leisure activity while staying at the destination. Excursions and tours can be booked with local travel agencies and tour operators and undertaken with tourists guides who provide assistance and knowledge on cultural, historical, natural and contemporary heritage.

Only for Travel Agencies and Tour Operators, partners were asked to indicate whether they are inbound (they take tourists to destination) or outbound (they take residents outside the destination) companies.

Drop-down list explanation:

Category: Local travel agencies and tour operators - Local DMC* - Local DMO** - Tourist guide associations - Independent tourist guides. **Single or multiple choice**

Services: Inbound – Outbound. **Single or multiple choice**

* A destination management company (DMC) is a for profit, professional services company with local knowledge, expertise and resources, working in the design and implementation of events, activities, tours, transportation and program logistics. It provides a ground service based on local knowledge of given destinations. These services can be transportation, hotel accommodation, restaurants, activities, excursions, conference venues, themed events, gala dinners and logistics, meetings, incentive schemes as well as helping with overcoming language barriers.

** A destination management organization (DMO) is a no profit “leading organizational entity which may encompass the various authorities, stakeholders and professionals and facilitates partnerships towards a collective destination vision”³

The presence of operators selling destinations and excursions is different among the various partners. The positive note, however, is the presence of at least one incoming travel agency per destination. In many locations, the presence of one or more DMC was also noted, while the only DMO was in Lika County. Incoming travel agencies and DMCs were actively involved in the training and information process for the promotional marketing of EXCOVER products.

DMCs are for profit organizations that provide local tourism services to travel agents, tour operators and individual travelers.

Thanks to their extensive knowledge and experience of the touristic resources of the destination, DMCs are able to offer unique ideas for events and excursions to their clients. Ideas that would otherwise be impossible to find through standard agencies on the internet.

DMC providers are the key to unlocking quality local experiences and can bring knowledge only locals can provide. They can tell you the best times to visit, the essential experiences to have there, and how to keep the trip safe and comfortable. What’s more, a DMC partner can give you insight into what services you’ll need, helping you to plug gaps or bringing new considerations to your attention. Essentially acting as a third party, connecting local businesses with potential travelers, the presence of a DMC means that their clients only have to deal with one point of contact rather than multiple different suppliers.

DMC travel exists for a very simple reason: to facilitate the organizing of unique and tailor-made travels and events for any size group with the least amount of hassle for DMC tourists. Destination management companies take care of the entire travel supply channel, coordinating between hand-picked agencies and trusted suppliers to create unique experiences.

DMCs and inbound agencies are important links in the tourism supply chain, as they have the task of selecting local facilities (accommodation facilities, restaurants, rentals,) experiences (tastings, canoe trips, music tours,) to combine them with attractions and tourist attractions in order to create tourist packages and proposals and communicate and sell them to the target audience. The work of collaboration, exchange of information, and constant comparison between all the operators in the service chain will therefore be indispensable to create, in addition to the tourist package, its value, given by the ability to combine all the elements described above in a unique and distinctive manner.

In order to initiate this collaborative process, which is not taken for granted, the project partners, in various ways, organized information and training meetings that were attended by all the stakeholders.

³ “UNWTO Guidelines for Institutional Strengthening of Destination Management Organizations (DMOs) – Preparing DMOs for New Challenges | World Tourism Organization,” Default Book Series, accessed September 26, 2021, <https://www.e-unwto.org/doi/abs/10.18111/9789284420841>.

LP LIRA	
Local DMO	3
Local travel agencies and tour operators	3
Tourist guide associations	1
TTL	7
PP2 PGKC	
Local DMC	1
Local travel agencies and tour operators	1
TTL	2
PP3 KAZUP JURRA	
Independent tourist guides	23
Local travel agencies and tour operators	13
TTL	36
PP4 CARNIA	
Local travel agencies and tour operators	1
TTL	1
PP4 RIVE D'ARCANO	
Independent tourist guides	
Local DMC	
Local DMO	
Local travel agencies and tour operators	
Other	
Tourist guide associations	
TTL	
PP8 DELTA 2000	
Local DMC	1
Local travel agencies and tour operators	7
Other	1
TTL	9
PP9 CAMPOBASSO	
Independent tourist guides	2
Local travel agencies and tour operators	10
Tourist guide associations	5
TTL	17
PP10 SASSO SIMONE	
Independent tourist guides	
Local DMC	
Local DMO	

Local travel agencies and tour operators	
Other	
Tourist guide associations	
TTL	
PP12 PREDAPPIO	
Independent tourist guides	2
Local DMC	1
Local travel agencies and tour operators	1
Tourist guide associations	2
TTL	5
PP13 MONTEFELTRO	
Local DMC	2
Local DMO	1
Local travel agencies and tour operators	1
TTL	4

Entertainment and Recreation:

Entertainment and Recreation refers to activities chosen by tourists for pleasure, relaxation, or other emotional satisfaction, while on vacation.

Partners were asked to select the main assets and companies related to entertainment and recreation of selected location and to indicate name and location of the Company or asset.

Drop-down list explanation:

Category: Amusement Parks – Theaters – Cinemas – Discos - Swimming Pools and Water Parks

SPA - Shopping Centers - Souvenir Shops. **Single choice**

Services: English speaking. **Single choice**

Entertainment activities and opportunities are among the component elements of a tourism destination offering and contribute to determine the attractiveness and appeal of destinations and the satisfaction of visitors. The entertainment activities indicated in the table are not indispensable for the creation of the tourism product, but they contribute to a good extent to increasing the attractiveness of the destination, the quality of the tourist experience as well as increasing the length of stay in the holiday destination.

These are mainly facilities and services built for and used by local communities, such as cinemas, theatres, discotheques. The data show that all EXCOVER destinations offer a wide range of services, for example in Kazup area (PP3) there are 2 Amusement Parks, 5 Theaters, 3 Cinemas, 4 Discos, 6 Swimming Pools and

Water Parks and 2 Shopping Centers: all the facilities, if placed in the context of tourism promotion, can contribute to lengthening the average stay of tourists in the destination.

ENTERTAINMENT IN EXCOVER DESTINATIONS	
Amusement Parks	6
Cinemas	7
Discos	8
Theaters	14
Swimming Pools and Water Parks	14
SPA	10
Shopping Centers	4
Souvenir Shops	4
Other	62

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Support Services

Finally, there are also a number of companies that are either directly or indirectly connected to the tourism industry. These include companies based on actually connecting customers with travel services, as well as companies based on providing customers with important information that can assist them in their travels. Partners were asked to select the main assets and companies that provide direct and indirect services to tourists in selected location and to indicate name and location of the Company or assets
Drop-down list explanation: **Category:** Tourism Info Point - Main Banks - Internet Point and Mobile and internet shops – Laundries - Markets/Supermarkets. **Single choice**

Services: English speaking. **Single choice**

In addition to typical tourist attractions, entertainment and leisure facilities, accommodation and catering services, also very important are those additional services that enable the tourist to experience a safer, more pleasantly organised holiday and stay in a place.

These are services that are normally used by the local community, such as banks, supermarkets, pharmacies, mobile phone centres, whose presence becomes indispensable even for the visitor who

spends several days in the holiday resort. Examples are banks, where currency can be exchanged, laundries where tourists spending several days in the destination can find support for the hygiene of their clothes, and first aid centres in the immediate vicinity.

It is therefore clear that the economic and social benefits of tourism do not only concern typical tourist facilities and services, but involve a much wider range of activities, with consequent benefits in terms of profitability and, in the event of an increase in tourist flows, an increase in available jobs.

All Excover's destination have a range of additional services that contribute to making destinations attractive and usable for tourists and visitors.

2.3 WORKSHOPS AND INFORMAL MEETINGS FOR EXCOVER TSC

Workshops and informal meeting for traditional suppliers & sharing economy suppliers

A whole range of information can be effectively identified at a workshop or during an informal meeting with local suppliers, especially on issues of product quantity, quality and cooperation within the network. During a workshop, the existing knowledge about the value chain can be pooled and at the same time an opportunity can be provided to exchange information or reach a consensus if participants are of different opinions. A workshop or an informal meeting is therefore more than just a tool for collecting data; it also serves to involve actors and enhance the acceptance of findings. None of the supply chain of tourism product could effectively fulfil its role without cooperation between the links that create this chain.

Some pictures of local meetings and workshops organized by EXCOVER Project Partners:



7) CONCLUSION

The highly competitive environment of the tourism industry, resulting from changes in communication technologies, in the approach to competition and cooperation, the development of global economy, virtualization and flexibility of socio-economic activities, faster knowledge diffusion and innovation, has forced tourism firms to search for ways to enhance their competitive advantage. One of its construction methods is the **integrated supply chain** and its effective management. The contemporary approach to the tourism supply chain concept remains the consequence of the new economic order characterized by **mutually dependent economic entities creating an extensive, complex and highly dynamic network structure**. Fragmentation in the tourism sector is generally noted as posing a challenge and thereby serving as a stumbling block towards the growth of the sector. **An effective tourism supply chain management helps the destination to establish a better visibility in the market and it increases a system's effectiveness to respond to customer demands. Moreover, it involves fostering profitable relationships among suppliers and strengthen cooperation, which enhance the quality of a destination's products and services.**

