



## (New, rural) business models, their mechanisms and impacts

BM name	Green tourism (or ecotourism)
Type	Exploiting ecosystem services
Sector	Services
Organisational scale	Individual/private/family business
Short description	Green tourism (or ecotourism) is a form of tourism that takes place in areas of high nature value. The areas involved typically include farmed countrysides, and sometimes also pristine and relatively undisturbed natural areas. Green tourism is typically low-impact and often small scale, and in both respects an alternative to standard commercial mass tourism. It means responsible travel to natural areas, maintaining environmental quality, and improving the well-being of local people.
Mechanism	By valorising high nature value and higher levels of ecosystem services (ESS) provisioning, green tourism creates income and employment opportunities for rural areas and businesses while at the same time providing a strong incentive for a careful management of natural resources. High nature value and higher levels of ESS provisioning become an asset in the development of individual businesses as well as of the local economy. Visitors to a region, typically urban dwellers, are willing to pay for the ESS that are provided. A common (or public) good is in this way acquiring some of the characteristics of a private good. Territorial cooperation and a minimum amount of coordination of individual business developments increases the potential of green tourism (or ecotourism).
Innovativeness	Rural tourism exists already for a long time in regions with favourable conditions. The explicit focus on high nature value and higher levels of ESS provisioning as an asset in the development of individual businesses as well as of the local economy is a more recent phenomenon. That a common good is acquiring some of the characteristics of a private good, is still a rather new idea.
Value creation	Mixed, comprising environmental and social gains.
Customers, product/service, revenue streams and main cost items	<p>Customers are all visitors to a region for recreational, leisure purposes and holidays. A high share of visitors are typically urban dwellers.</p> <p>The products and services offered comprise a high nature value environment and higher levels of ESS provisioning. Both is often combined with the offer of regional high-quality products.</p> <p>Revenue streams include the charges for overnight stays, sometimes regional taxes or entrance fees to natural parks, and payment for services like guided tours, horse riding and similar services.</p> <p>The main cost items are related to landscape management (partly compensated through agri-environmental payments), the maintenance of basic infrastructures (like visitor centres, hiking trails etc.), and generally the basic costs of products and services offered.</p>



<b>Societal impact</b>	<p>Beneficial:</p> <ul style="list-style-type: none"> <li>• Providing a strong incentive for a careful management of natural resources</li> <li>• Improving the well-being of local people</li> <li>• Creating income and job opportunities for rural areas and businesses</li> <li>• Fostering territorial cooperation</li> <li>• A common good is acquiring some of the characteristics of a private good</li> </ul> <p>Negative:</p> <ul style="list-style-type: none"> <li>• Risk of over-exploiting natural resources, especially of pristine and relatively undisturbed natural areas, if not managed carefully</li> </ul>
<b>Rural-urban synergies</b>	<p>Visitors to a region, typically urban dwellers, are willing to pay for the ESS that are provided. That a common good is acquiring some of the characteristics of a private good is fosters fairer exchange relations between urban and rural areas (and people). Green tourism reconnects urban and rural areas and fosters mutual understanding.</p>
<b>Connections with labour market and employment effects</b>	<p>Green tourism typically creates significant income and job opportunities for rural areas and businesses.</p>
<b>Enabling factors</b>	<ul style="list-style-type: none"> <li>• Willingness to pay for a quasi-public good</li> <li>• Territorial level coordination and cooperation</li> <li>• Agri-environmental payments and public funding of basic tourism infrastructure</li> </ul>
<b>Limiting factors</b>	<ul style="list-style-type: none"> <li>• Competition between regions and regional green tourism offers</li> <li>• Competition with low cost mass tourism</li> <li>• Lack of coordination and cooperation and regional level</li> </ul>
<b>Key partners and actors directly involved</b>	<p>Individual businesses Visitors, especially rural dwellers, but not only Nature conservation organisations (NGOs, CSOs) Local administrations, such as the tourism office</p>
<b>Role of (local) government</b>	<p>Local government plays a role as facilitator and regulator (e.g. protected nature conservation areas) as well as a provider of financial support.</p>
<b>Connections with the institutional / policy environment</b>	<p>Agri-environmental payments and public funding of basic tourism infrastructure can effectively support private sector developments.</p>
<b>Internal/network governance arrangements</b>	<p>Green tourism businesses have better chances to be successful in regions where many businesses and regional administrations pursue similar goals. Agreement on a 'green' vision for a region and regional level coordination therefore play a significant role. Joint action is key in landscape level management and in the maintenance of natural resources, for example of clean lakes and rivers. Regional tourism boards typically play an important role in this coordination.</p>
<b>A typical example</b>	<p>The UNESCO Biosphere Reserve Rhön with its many green tourism businesses in the border triangle of Bavaria, Hesse and Thuringia provides a great example.</p> <p><a href="https://www.biosphaerenreservat-rhoen.de/">https://www.biosphaerenreservat-rhoen.de/</a> <a href="https://rhoenerlebnis.de/">https://rhoenerlebnis.de/</a></p>
<b>BM references</b>	<p><a href="http://www.greentourism.eu/">http://www.greentourism.eu/</a></p>



	<a href="https://www.nordicinnovation.org/2012/green-business-model-innovation-tourism-and-experience-economy">https://www.nordicinnovation.org/2012/green-business-model-innovation-tourism-and-experience-economy</a>
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